

Application No. 891681: URBAN GROWTH AREA AMENDMENT – Reduce the Urban Growth Area within the City of Gig Harbor’s Potential Annexation Area in the East Bay area

Applicant: Pierce County Planning and Public Works

GENERAL DESCRIPTION

The proposal would reduce the Urban Growth Area (UGA) and the City of Gig Harbor’s (City’s) Potential Annexation Area (PAA) in the East Bay area by a total of 230 total acres on 287 parcels. The area is currently designated as Moderate Density Single-Family (MSF) implemented through the Single Family (SF) zone. The proposal will designate and zone 211.4 acres as Rural 10 (R10). The remaining 18.6 acres is currently zoned SF with an Urban Sensitive Resource overlay and is proposed to be designated and zoned Rural Sensitive Resource (RSR). The area would be changed from an Urban to a Rural designation.

STAFF RECOMMENDATION

Staff supports the proposal. Staff support is based on the following:

- UGAs and PAAs are designated to identify areas that will be served with urban services, develop at urban densities, and potentially be annexed into the associated city.
- The City of Gig Harbor has indicated that serving the East Bay area with urban services and infrastructure would be cost-prohibitive (City of Gig Harbor Resolution No 1124).
- The City does not intend to pursue annexing the area.
- The area is predominantly rural in character and land use pattern.

IMPLEMENTATION REQUIREMENTS

Amend the Zoning Atlas and Land Use Designation Map. Revise the land use area and zoning tables in the Comprehensive Plan. If the housing capacity associated with this amendment is not utilized to offset an expansion of the UGA in another area, it will be deposited into the UGA Bank as identified in the updated Countywide Planning Policies (CPPs) effective in November 2018 (see Attachment B for the housing capacity calculations related to this proposal).

IMPACT ANALYSIS

Procedures for Amendments to the Comprehensive Plan, PCC 19C.10, requires that the merits of all amendments to the Plan be evaluated based on the following (PCC 19C.10.060 A.):

1. The effect upon the rate of growth, development, and conversion of land as envisioned in the Plan

The proposal would reduce the amount of growth and development allowed in the area. The County Comprehensive Plan currently identifies this area for moderate-density single-family development. Changing from urban to rural would decrease the rate of growth, particularly for parcels that are currently able to subdivide or add density but would not be able to under the proposed zoning.

2. The effect upon the County's capacity to provide adequate public facilities

The proposal would not affect the County's capacity to provide adequate public facilities. Expansion of urban services would no longer be necessary since the area would become rural. Cities are expected to provide urban services for land within their PAAs. The City has planned for providing services and when analyzing the area has determined that it is cost-prohibitive to provide urban services.

3. The effect upon the rate of population and employment growth

The proposal would reduce the rate of population to this area since it would only allow for rural densities and uses. The 20-year housing capacity is 96 dwelling units. The 20-year capacity considers critical areas, plat deductions for roads, non-residential uses in residential zones, and land unavailable for development due to owner intent and other circumstances. The total build-out capacity without these considerations, but still subtracting critical areas, is 164 dwelling units.

4. Whether Plan objectives are being met as specified or remain valid and desirable

The CPPs and the County Comprehensive Plan require that lands to be removed from the UGA must be rural in character, not require any urban level infrastructure or service needs, and not have vested permits that will result in urban type development.

Rural character is generally defined as natural landscapes with native vegetation, habitat areas, and large areas of open space; natural resource and cottage industries with limited services; scenic resources and territorial views; land uses that do not require urban services; and low-density residential development.

The proposal is consistent with the County's Comprehensive Plan objectives that encourage rural development in areas that are not served by urban infrastructure and services. PAAs should only be designated for areas the associated City is planning to annex and serve with urban services. This area does not have the level of services to develop as urban, and the City is not planning to and cannot afford to make those investments. There are currently no vested permits in the area that would result in urban characteristics.

Average lot size is 0.78 acres with an average density of 1 unit per acre. While lot sizes are

smaller than typical rural properties, they are still not served by urban services and the smaller lots are primarily along the shoreline, which is typical even in rural areas. The average density is less than the typical urban density of 4 units or more per acre. The area is characterized by limited services, forestry uses, shorelines, scenic resources and territorial views, and other natural landscapes, consistent with the criteria for rural character.

5. The effect upon general land values or housing costs

The proposal could decrease the general land value if properties that could be subdivided under current regulations will no longer be allowed due to the reduction in allowed density. There are 73 properties that may be able to currently subdivide that will no longer be able to under the proposed changes. Some of those properties may not be able to subdivide due to net density calculations. Of the 73 properties, only 33 (88.6 gross acres, 66.7 net acres) would be able to divide into more than 2 lots, and only 3 of those 33 properties are vacant. The proposal should not have an impact on land value or housing costs for parcels that have already built out.

6. Whether capital improvements or expenditures, including transportation, are being made or completed as expected

The proposal would decrease the need to plan for and complete urban capital improvements and expenditures in this area. There are no road improvements proposed in the County Capital Facilities Plan or the Gig Harbor Community Plan.

7. Whether the initiated amendment conforms to the requirements of the GMA, is internally consistent with the Plan and is consistent with the Countywide Planning Policies for Pierce County

The proposal is consistent with the Growth Management Act (GMA), CPPs, and County Comprehensive Plan. The proposal meets the UGA reduction criteria, and the area is consistent with the definition of rural character.

8. The effect upon critical areas and natural resource lands

The proposal would not affect critical areas or natural resource lands. Rural land is consistent with natural resource lands, and there are no resource lands adjacent to this area. None of the parcels in the proposal meet the criteria for Agricultural Resource Lands. Critical areas are protected through the County's critical area regulations.

9. Consistency with locational criteria in the Comprehensive Plan and application requirements established by this Chapter

There are no specific locational criteria in the Comprehensive Plan to evaluate this proposal. Rural lands must meet the rural character criteria and this proposal meets the criteria as previously noted.

10. The effect upon other considerations as deemed necessary by the Department

The proposal would not prohibit sewer service in this area in the case that a septic fails, particularly when adjacent to shoreline. The County Comprehensive Plan provides provisions on failing septic tanks in rural areas, and sewer may be extended for

groundwater contamination and health-related purposes.

Procedures for Amendments to the Comprehensive Plan, PCC 19C.10, requires UGA amendments to the Plan to be further evaluated on the following:

1. Demonstration put forth by the jurisdiction affiliated with the proposed UGA that it has the capability and capacity to provide urban level services to the area while maintaining a healthy natural ecosystem. This can be demonstrated by, but not limited to, the submittal of financial plans for infrastructure and services, such as a sewerage general plan for the area, storm drainage plan(s); evidence of compliance with NPDES; and evidence of an available adequate potable water supply.

This criterion is not applicable because the proposal removes lands from the UGA.

2. Demonstration put forth by the jurisdiction affiliated with the proposed UGA that the adopted land use and design standards for the area shall plan for design characteristics and infrastructure necessary to make transit a viable transportation alternative.

This criterion is not applicable because the proposal removes lands from the UGA.

Applicable RCWs/Policies

GROWTH MANAGEMENT ACT (GMA)

RCW 36.70A.110: Comprehensive plans—Urban growth areas.

(1) Each county that is required or chooses to plan under RCW 36.70A.040 shall designate an urban growth area or areas within which urban growth shall be encouraged and outside of which growth can occur only if it is not urban in nature. Each city that is located in such a county shall be included within an urban growth area. An urban growth area may include more than a single city. An urban growth area may include territory that is located outside of a city only if such territory already is characterized by urban growth whether or not the urban growth area includes a city, or is adjacent to territory already characterized by urban growth, or is a designated new fully contained community as defined by RCW 36.70A.350.

(2) Based upon the growth management population projection made for the county by the office of financial management, the county and each city within the county shall include areas and densities sufficient to permit the urban growth that is projected to occur in the county or city for the succeeding twenty-year period, except for those urban growth areas contained totally within a national historical reserve. As part of this planning process, each city within the county must include areas sufficient to accommodate the broad range of needs and uses that will accompany the projected urban growth including, as appropriate, medical, governmental, institutional, commercial, service, retail, and other nonresidential uses.

(3) Urban growth should be located first in areas already characterized by urban growth that have adequate existing public facility and service capacities to serve such development, second in areas already characterized by urban growth that will be served adequately by a combination of both existing public facilities and services and any additional needed public facilities and services that are provided by either public or private sources, and third in the remaining portions of the urban growth areas. Urban growth may also be located in designated new fully contained communities as defined by RCW 36.70A.350.

(4) In general, cities are the units of local government most appropriate to provide urban governmental services. In general, it is not appropriate that urban governmental services be extended to or expanded in rural areas except in those limited circumstances shown to be necessary to protect basic public health and safety and the environment, and when such services are financially supportable at rural densities and do not permit urban development.

(6) Each county shall include designations of urban growth areas in its comprehensive plan.

(7) An urban growth area designated in accordance with this section may include within its boundaries urban service areas or potential annexation areas designated for specific cities or towns within the county.

(9) If a county, city, or utility has adopted a capital facility plan or utilities element to provide sewer service within the urban growth areas during the twenty-year planning period, nothing in this chapter obligates counties, cities, or utilities to install sanitary sewer systems to properties within urban growth areas designated under subsection (2) of this section by the end of the twenty-year planning period when those properties:

(a)(i) Have existing, functioning, nonpolluting on-site sewage systems;

(ii) Have a periodic inspection program by a public agency to verify the on-site sewage systems function properly and do not pollute surface or groundwater; and

(iii) Have no redevelopment capacity; or

(b) Do not require sewer service because development densities are limited due to wetlands, flood plains, fish and wildlife habitats, or geological hazards.

MULTICOUNTY PLANNING POLICIES (VISION 2040)

Development Patterns, Urban Lands, Page 47

Goal: The region will promote the efficient use of land, prevent urbanization of rural and resource lands, and provide for the efficient delivery of services within the designated urban growth area.

MPP-DP-1: Provide a regional framework for the designation and adjustment of the urban growth area to ensure long-term stability and sustainability of the urban growth area consistent with the regional vision.

MPP-DP-2: Encourage efficient use of urban land by maximizing the development potential of existing urban lands, such as advancing development that achieves zoned density.

Development Patterns, Unincorporated Urban Growth Area, Page 53

Goal: All unincorporated lands within the urban growth area will either annex into existing cities or incorporate as new cities.

MPP-DP-18: Affiliate all urban unincorporated lands appropriate for annexation with an adjacent city or identify those that may be feasible for incorporation. To fulfill the regional growth strategy, annexation is preferred over incorporation.

MPP-DP-19: Support joint planning between cities and counties to work cooperatively in planning for urban unincorporated areas to ensure an orderly transition to city governance, including efforts such as: (a) establishing urban development standards, (b) addressing service and infrastructure financing, and (c) transferring permitting authority.

MPP-DP-20: Support the provision and coordination of urban services to unincorporated urban areas by the adjacent city or, where appropriate, by the county as an interim approach.

Development Patterns, Rural Lands, Page 55

Goal: The region will permanently sustain the ecological functions, resource value, lifestyle, and character of rural lands for future generations by limiting the types and intensities of development in rural areas.

MPP-DP-21: Contribute to improved ecological functions and more appropriate use of rural lands by minimizing impacts through innovative and environmentally sensitive land use management and development practices.

MPP-DP-22: Do not allow urban net densities in rural and resource areas.

MPP-DP-25: Use existing and new tools and strategies to address vested development to ensure that future growth meets existing permitting and development standards and prevents further fragmentation of rural lands.

MPP-DP-26: Ensure that development occurring in rural areas is rural in character and is focused into communities and activity areas.

MPP-DP-27: Maintain the long-term viability of permanent rural land by avoiding the

construction of new highways and major roads in rural areas.

MPP-DP-28: Support long-term solutions for the environmental and economic sustainability of agriculture and forestry within rural areas.

PIERCE COUNTY COUNTYWIDE PLANNING POLICIES (CPPs)

Amendments and Transition, Page 22-23

AT-2. Urban Growth Area boundaries designated by the County pursuant to the Growth Management Act may be amended by Pierce County and accepted by the municipalities in the County pursuant to the same process by which the Urban Growth Areas were originally adopted and pursuant to subpolicies UGA-1. and UGA-2. of the “Countywide Planning Policy on Urban Growth Areas, Promotion of Contiguous and Orderly Development and Provision of Urban Services to Such Development.”

2.1 An amendment to Urban Growth Area boundaries may be initiated by the County or any municipality in the County.

2.2 A proposed amendment to Urban Growth Area boundaries shall include:

2.2.1 a map indicating the existing urban growth area boundary and the proposed boundary modification;

2.2.2 a statement indicating how, and the extent to which, the proposed boundary modification complies with each of the factors listed in subpolicies 2.2, 2.4, 2.5 and 2.6 of the Countywide Planning Policy on Urban Growth Areas, Promotion of Contiguous and Orderly Development and Provision of Urban Services to Such Development.

2.2.3 a statement indicating the factors, data or analyses that have changed since the designation of the initial Urban Growth Area boundaries and/or the experience with the existing Urban Growth Area boundaries that have prompted the proposed amendment.

2.3 The urban growth area of a jurisdiction may be expanded only if:

2.3.1 the jurisdiction’s observed development densities are consistent with the planned density assumptions as documented in the most recently published Buildable Lands Report as required by RCW 36.70A.215, and

2.3.2 there is a demonstrated need for additional residential or employment capacity within the urban growth area affiliated with an individual jurisdiction and a demonstrated need county-wide; or the expansion results in a no net gain to the countywide UGA.

2.3.3 the consistency evaluation, as required through the Countywide Planning Policies on Buildable Lands, policies BL-3. and BL-4., identifies an inconsistency between the observed and planned densities, the jurisdiction shall either:

- 1) demonstrate reasonable measures were adopted to rectify the inconsistencies. Documentation shall also be submitted that summarizes the monitoring results of the effectiveness of the measures in rectifying density inconsistencies, or
- 2) document updated development data that indicates consistency.

2.4 To ensure the orderly development of urban lands, predictability in the provision of urban services, and the eventual annexation of urban growth areas, Pierce County may incorporate criteria into its comprehensive plan policies for evaluating amendments proposing to remove properties from the urban growth area. The criteria should, at a minimum, include the existing development pattern and density, vested development applications, and infrastructure and service needs to accommodate the existing and future residents. In general, any lands proposed to be removed from the urban growth area shall be rural in character and not require any urban level infrastructure or service needs.

Urban Growth Areas, Page 83-86

UGA-1. The County shall designate the countywide urban growth area and Potential Annexation Areas within it, in consultations between the County and each municipality.

1.2 Once adopted by the County, the urban growth area and Potential Annexation Area designations shall not be changed except in accordance with the Countywide Policy on "Amendments and Transition."

UGA-2. The following specific factors and criteria shall dictate the size and boundaries of urban growth areas:

2.1 Size.

2.1.1 Urban growth areas must be of sufficient size to accommodate the urban growth projected to occur over the succeeding 20-year planning period taking into account the following:

- a. land with natural constraints, such as critical areas (environmentally sensitive land);
- b. agricultural land to be preserved;
- c. greenbelts and open space;

- d. New Fully Contained Communities pursuant to RCW § 36.70A.350;
- e. maintaining a supply of developable land sufficient to allow market forces to operate and precluding the possibility of a land monopoly but no more than is absolutely essential to achieve the above purpose;
- f. existing projects with development potential at various stages of the approval or permitting process (i.e., the "pipeline");
- g. land use patterns created by subdivisions, short plats or large lot divisions;
- h. build-out of existing development and areas which are currently only partially built out;
- i. follow existing parcel boundary lines.

2.2 Boundaries

2.2.1 Any of the following shall be considered in determining the location of urban growth area boundaries:

- a. geographic, topographic, and manmade features;
- b. public facility and service availability, limits and extensions;
- c. jurisdictional boundaries including special improvement districts;
- d. location of designated natural resource lands and critical areas;
- e. avoidance of unserviceable islands of County land surrounded by other jurisdictional entities;
- f. Destination 2030 urban/rural line and PSCAA burn ban line.

2.4 The urban growth area in unincorporated portions of the County shall be limited to the following:

- 2.4.1 build-out of existing partially developed areas with urban services;
- 2.4.2 new fully contained communities;
- 2.4.3 redevelopment corridors.

Ordinance 2017-24s (Effective November 2018), Exhibit A, UGA Banking CPPs, Page 3

2.5 Pierce County, in conjunction with its cities and towns, may establish and utilize an

Urban Growth Area Capacity Bank for unincorporated lands that are removed from the Urban Growth Area.

2.5.1 Portions of the existing Urban Growth Area, which are rural in character or where it has been determined that urban services will not be available, may be removed from the Urban Growth Area.

2.5.2 The land capacity associated with undeveloped or underutilized properties removed from the Urban Growth Area may be placed in the Urban Growth Area Capacity Bank in the form of housing and/or employment capacity credits.

2.5.2.1 The land capacity for underdeveloped and underutilized properties shall be calculated using the methodology and assumptions incorporated in the most recent Pierce County Buildable Lands Report.

PIERCE COUNTY COMPREHENSIVE PLAN

Land Use Element, Annexation and Urban Growth Area Expansion, Page 2-24

LU-9.12 Area(s) proposed to be removed from the UGA shall be rural in character and not have vested permits that will result in urban type development.

Land Use Element, Rural, Page 2-46

GOAL LU-61 Rural character is defined as:

LU-61.1 An environment highlighted by the natural landscape, native vegetation, wildlife habitat, and large areas of open space.

LU-61.2 An economy and lifestyle supported by agricultural and forestry activities, small scale natural resource industries, cottage industries, and services that serve needs of local residents and tourists

LU-61.3 A visual character enhanced by scenic resources and territorial views

LU-61.4 A landscape attuned with the use of the land and water by wildlife and fish.

LU-61.5 A land use pattern protected from conversion into uses that require urban level services.

LU-61.6 An area served by limited public services and facilities.

LU-61.7 A built environment developed in a manner that preserves watercourses, aquifer recharge areas, and the natural hydrologic cycle.

LU-61.8 A land use pattern that is depicted through limited commercial services and low

density residential development.

Utilities Element, Sanitary Sewer Service and Wastewater Treatment, Page 13-9 through 13-10

U-15.7 Sewer service cannot be provided outside the Urban Growth Areas unless:

U-15.7.1 Sewer service will remedy groundwater contamination and health problems, as determined by the local health department; and

U-15.7.2 Extension/expansion is necessary to protect basic public health and safety, the environment, is financially supportable at rural densities, and cannot be used to permit urban development; or

U-15.7.3 A formal binding agreement to service an approved planned development was made prior to the 1995 establishment of the Urban Growth Areas.