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**BRIEFLY**

In less than a year, local governments planning under the GMA will be expected to update and revise their comprehensive plans and development regulations.

At the same time, citizens should be asking if the GMA is meeting the goals envisioned a decade ago. If not, what should be changed?

# Washington's Growth Management Act: Goals and Promises

## Introduction

In our eleven-part series, *Growth in Perspective*, we examined the state's Growth Management Act (GMA) from several perspectives, considering among other things, the issues of rural economic development, the relationship between population growth and prosperity, infrastructure, the balance between jobs and housing, and the availability of buildable land. As we approach 2002 with the state and nation caught in a recession of unknown dimensions, the goals set out in the GMA may seem to mirror a different time. Yet, particularly in the metropolitan Puget Sound region, many of the concerns remain vivid.

Thirteen goals were specified in the GMA (see box on next page). The goals reflect their genesis in the politics of compromise, embracing property rights and economic development while mandating efforts to curb sprawl and protect the environment. Although the legislation avoids internal contradiction (barely), lawmakers provided no direct guidance on priorities and tradeoffs, and essentially enshrined the aspirations of opposing interest groups without taking sides.

Over the next few months, the Washington Research Council will publish a new series of *Policy Briefs* examining these goals. We will examine closely four categories of goals: Infrastructure, Housing, Economic Development, and Environmental Protection.

## The Broken Promise of GMA

In considering the progress the state has made toward realizing the goals of GMA, we must recognize the assumptions underpinning the act, and the degree to which these assumptions have not held. Judith Runstad, an attorney with Foster Pepper Shefelman and one of the co-chairs of the Washington Competitiveness Council appointed by Gov. Gary Locke, stated the issue clearly to the WCC in October.

"The central issue ... is really the broken promise of the Growth Management Act. That was that we were to have very centralized urban dense cores that could take the businesses that produce the revenues that the state needs and ... house the workers for those businesses.

"That core of the urban Growth Management Act assumed three things," she continued. "First of all, it assumed transportation funding for the



**Goals and Promises**

**Reviewed**

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## The Goals of the Growth Management Act

RCW 36.70A.020

Planning goals.

The following goals are adopted to guide the development and adoption of comprehensive plans and development regulations of those counties and cities that are required or choose to plan under RCW 36.70A.040. The following goals are not listed in order of priority and shall be used exclusively for the purpose of guiding the development of comprehensive plans and development regulations:

(1) Urban growth. Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.

(2) Reduce sprawl. Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.

(3) Transportation. Encourage efficient multimodal transportation systems that are based on regional priorities and coordinated with county and city comprehensive plans.

(4) Housing. Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.

(5) Economic development. Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.

(6) Property rights. Private property shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.

(7) Permits. Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.

(8) Natural resource industries. Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forest lands and productive agricultural lands, and discourage incompatible uses.

(9) Open space and recreation. Encourage the retention of open space and development of recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks.

(10) Environment. Protect the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.

(11) Citizen participation and coordination. Encourage the involvement of citizens in the planning process and ensure coordination between communities and jurisdictions to reconcile conflicts.

(12) Public facilities and services. Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.

(13) Historic preservation. Identify and encourage the preservation of lands, sites, and structures, that have historical or archaeological significance.

[1990 1st ex.s. c 17 § 2.]

infrastructure in those areas that would support the housing and the jobs. Secondly, it assumed that there would be rewards to the cities that planned and met their goals under the Growth Management Act. And thirdly, it assumed that there would be permit streamlining, which would allow development to occur in those denser urban cores.”

Runstad concludes: “The fact of the matter is that not one of those three premises upon which growth management is based have been met, and this is a serious and ongoing issue.”

Growth management, as demonstrated by Runstad’s comments to the WCC, has emerged as a business climate concern. The GMA figures centrally in discussions of a range of competitiveness issues, including land use regulation, transportation and housing affordability. And it is likely that to address successfully the challenges the state faces in these areas, the GMA will have to adapt.

While Runstad’s remarks regarding the “broken promise” accurately reflect today’s reality, at least part of the reason the promise has not been fulfilled has to do with consumer and taxpayer preferences. Efforts to increase urban densities come into conflict with neighborhood resistance to compact development and multi-unit housing. Voter repeal of the Motor Vehicle Excise Tax set back investment in necessary transportation infrastructure.

Enacted at a time of rapid expansion, the GMA attempted to control sprawl by imposing strict limitations on development. While controversial at its inception – in



1990 the voters by a margin of nearly 3-1 rejected Initiative 547, upon which much of the GMA is based — it has become part of the state’s policy landscape. Few today call for its total repeal, although many question its effectiveness in achieving desired results.

## Why now?

Consideration of the act is timely.

In less than a year, cities and counties planning under the act will be required to review and update (if necessary) their comprehensive plans and development regulations to assure GMA compliance. As the state Office of Community Development notes, there are several key deadlines. By September 1, 2002 local governments have to review and revise the plans and regulations. Snohomish, King, Pierce, Kitsap, Thurston, and Clark counties, and the cities within them, must complete their evaluation of buildable lands by the same date. Further, county comprehensive plans designating urban growth areas must be revised at least every ten years to accommodate the urban growth projected for the next twenty years. The 2002 deadlines will most likely spur those revisions.

While it may be desirable to have simultaneous review of the various components of the GMA, such a review is unlikely. As OCD states: “While the GMA Update deadline ... clearly applies to all jurisdictions, the Urban Growth Area Review deadline appears to be *triggered by the initial adoption of a comprehensive plan under the GMA and to take effect ten years after the comprehensive plan adoption.* (Emphasis in the original) Thus, if a county adopted a comprehensive plan in 1995, its deadline to make any necessary adjustments to urban growth areas and densities to reflect projected urban growth is 2005.”<sup>1</sup>

As the plans are being modified, citizens should consider whether the goals of the GMA will be met simply by revising existing processes. If not, then what aspects of the Act should be reconsidered?

A clear evaluation will not be easy. As 1000 Friends of Washington reported in its 1999 review of a decade of GMA, *Get Smart Washington: Managing Growth in the New Millennium*, “It is difficult to conduct an accurate assessment of the State’s achievements under growth management because the State has not established and monitored key benchmarks. The state does not collect pertinent data related to urban growth boundaries, farm and forest land loss, wetland loss, and other key indicators...”<sup>2</sup> 1000 Friends has long championed the GMA and supports efforts to strengthen its regulatory provisions. The development community, while often critical of the Act, shares the environmentalists’ concern with the lack of benchmarking, noting that in the absence of clear performance measurement, it is difficult to hold local officials accountable.

The performance standards attracting the greatest attention tend to focus on environmental protection and restrictions on development outside the urban growth area. While King County has distinguished itself by six annual “benchmark reports” tracking progress toward growth management goals (and has published an annual growth report since 1982), there is no uniformity in local reporting. A more thorough assessment of the effects of GMA throughout



the state would address housing, economic development and timelines for permit approvals.

At best, the GMA report card will be mixed. During the decade of prosperity, housing prices rose dramatically in the state's major urban centers, keeping many prospective homebuyers out of the market, and forcing others to live far from their places of employment. Transportation problems worsened in the Puget Sound region.

Economic activity remained centered in the Seattle metropolitan area. While regulation can be an effective instrument for preventing certain things from occurring (e.g., rural development), it is less effective in redirecting resources to the desired alternative (e.g., economic investment in distressed counties). For that to occur, substantial incentives may be required. And, even then, the results may be unimpressive.

Further complicating an assessment of the GMA is its uneven local implementation. Some counties adopted their comprehensive plans relatively recently, making evaluation premature. In addition, a variety of factors have influenced the pattern of urban development, only some of which can be attributed to the Growth Management Act. As mentioned earlier, for example, citizen initiatives have affected transportation investment. Rapid economic growth in the Seattle area in the nineties increased housing demand, which clearly had an effect on housing prices independent of impact fees and restricted land supply under the GMA.

Nonetheless, an appreciation of the effectiveness of the GMA may be gauged by examining its performance against the adopted goals.

## **A Regulatory Mandate**

In adopting the GMA, the state legislature embraced an approach to "smart growth" that relied very heavily on regulation. Consequently, any assessment of the degree to which the goals have been achieved may imply changes in regulatory policy.

A recent article by Anthony Downs<sup>3</sup>, an economist with The Brookings Institution, provides a useful framework for a general evaluation of the Act. Downs notes the degree to which the term "smart growth" has been appropriated by disparate groups, including no-growth environmentalists, pro-growth developers, big city mayors, and "better-growth" advocates. One reason for this, he contends, is that the concept is flexible, containing different elements, some of which appeal to all groups and some to just a few.

Downs identifies fourteen elements embraced by one or more of the groups advocating smart growth, such as promotion of compact, mixed-use development, preserving open space, redeveloping the urban inner-core, and "creating a greater sense of community ... and a greater recognition of regional interdependence and solidarity." Downs says three smart growth elements are particularly controversial, provoking "wide disagreement." They are: 1) "placing limits on the outward extension of further growth," 2) financing the additional infrastructure needed to deal with growth and maintain existing systems properly," and 3) "reducing dependency on private automotive vehicles, especially one-person cars."



Tellingly, with respect to each of these three provisions, Washington has opted for the most restrictive, regulatory approach.

Washington policy makers chose to have county governments establish urban growth boundaries to limit development in rural areas. As Downs writes, “to work well, outward growth limits must involve the entire region, not just individual localities acting separately. Separate limits adopted by individual localities will just spread sprawl farther. And state laws must prohibit most new development outside the growth boundary . . . .” The state currently has no governance structure capable of implementing such a restrictive regional planning structure, nor is there any apparent public desire for further restrictions. The growth boundaries currently in place remain controversial, and the leap-frog development predicted by Downs can be seen in the increased share of the King County labor pool commuting from other counties.

The concurrency requirement of the GMA comes down on the side Downs associates with anti- or slow-growth and inner-city advocates, that is, “loading the infrastructure costs of growth almost entirely onto new developments via user fees and exactions.” He concludes, that “if the guiding principle should be ‘those who benefit should also pay,’ then at least some cost-sharing with existing residents seems fairest because those residents use new infrastructure, too.” In addition, by imposing high impact fees, etc., on new development, local governments exacerbate the region’s existing housing affordability problem.

Third, while the GMA seeks to “encourage efficient multimodal transportation systems” reflecting local priorities, there has been little accomplished to achieve greater road capacity in the years since the Act has been adopted. Transit alternatives, particularly in the Seattle metropolitan region where congestion is worst, have received extensive attention.

Most of the controversy surrounding smart growth in Washington arises from these controversial provisions of the GMA. Most residents of the state seem to embrace the thirteen goals, although more than a few bridle at the urban growth boundaries and concurrency requirements.

The decision to legislate a regulatory regimen for growth management, combined with the lack of adequate infrastructure investment, may have had the effect of reducing the state’s ability to succeed in promoting less controversial, more universally accepted “smart growth” tactics that rely more on financial incentives, including inner-city residential development, mixed-use development, and more flexible zoning and regulation.

(Footnotes)

- <sup>1</sup> Washington State Office of Community Development, “Technical Bulletin 1.3, Updates in 2002: Using Population Data,” Olympia, Washington, November 2, 2001.
- <sup>2</sup> 1000 Friends of Washington, “Get Smart Washington: Managing Growth in the New Millennium,” Seattle, Washington, n.d., page 3.
- <sup>3</sup> Anthony Downs, “What Does ‘Smart Growth’ Really Mean?” *Planning*, April, 2001.



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