

# Planning Commission Public Hearing



Community Development • 125 NW Chehalis Avenue, Chehalis, WA 98532 • Phone: (360) 740-1146

## STAFF REPORT

## POPULATION AND HOUSING ALLOCATION RECONCILIATION

**Date:** August 28, 2024  
**Staff:** Mindy Brooks, Community Development Director  
**Attachments:** A – City of Chehalis Request Letter  
B – Lewis County Letter  
C – Ordinance 1346

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## SUMMARY

In spring 2023, the Planned Growth Committee approved population and housing allocations for recommendation to the Board of County Commissioners (BOCC). At that time, City of Chehalis had requested a 2045 population allocation of 23,000 people. In June 2023, the BOCC approved the recommended population and housing allocations, including Chehalis's requested population via Ordinance 1346.

In May 2024, the City of Chehalis provide the Land Capacity Analysis (LCA) as required by the Growth Management Act to the County. The LCA revealed that the existing city limits and UGA could only accommodate an additional 3,754 residents. Therefore, the 20-year population allocation based on the existing city limits and UGA should have been 9,845 existing residents plus 3,754 new residents for a total of 13,599. City of Chehalis has requested that the BOCC reconcile the population and housing allocations to allocated 13,500 people to Chehalis.

## BACKGROUND

The county is responsible for allocating future urban growth to each city and the unincorporated areas of Lewis County. The Office of Financial Management (OFM) provides a high, medium and low population projection for the next 20-years. The medium population forecast is considered to be the mostly likely, the high and low are statistical deviations. Lewis County, in consultation with the cities, must pick the population forecast from within the OFM estimated range or petition for a revisions to the projections.

House Bill 1220 (HB1220) amended the Growth Management Act (GMA) to instruct local governments to "plan for and accommodate housing affordable to all economic segments of the population of the state." HB1220 also directed the Department of Commerce (Commerce) to provide guidance to local jurisdictions regarding how to meet the new requirements of GMA. Commerce developed a model to help counties allocate housing need to each jurisdiction.

## ANALYSIS

Lewis County Community Development staff updated the population and housing allocations based on a reduction to the City of Chehalis 2045 allocation from 23,000 people to 13,500 people. No other city or county allocations were adjusted. Table 1 is the updated 2045 Population Allocations.

**Table 1: Lewis County 2045 Population Allocation RECONCILIATION**

| City                        | 2022 Total Population | 2045 Population Allocation | 20-Year Population Increase | 20-Year Growth Rate |
|-----------------------------|-----------------------|----------------------------|-----------------------------|---------------------|
| Centralia                   | 22,376                | 24,000                     | 1,624                       | 7.26%               |
| Chehalis                    | 9,845                 | 13,500                     | 3,655                       | 37.13%              |
| Morton                      | 1,302                 | 1,351                      | 49                          | 3.75%               |
| Mossyrock                   | 906                   | 1,058                      | 152                         | 16.78%              |
| Napavine                    | 1,969                 | 2,978                      | 1,009                       | 51.24%              |
| Pe Ell                      | 658                   | 680                        | 22                          | 3.30%               |
| Toledo                      | 747                   | 2,537                      | 1,790                       | 239.63%             |
| Vader                       | 899                   | 1,110                      | 211                         | 23.47%              |
| Winlock                     | 2,115                 | 4,756                      | 2,641                       | 124.87%             |
| <b>Total City</b>           | <b>40,817</b>         | <b>51,969</b>              | <b>11,152</b>               | <b>27.32%</b>       |
| Onalaska UGA                | 562                   | 700                        | 138                         | 24.56%              |
| Packwood LAMIRDs            | 910                   | 1,200                      | 290                         | 31.87%              |
| Other Rural                 | 41,157                | 40,479                     | 794                         | 2.00%               |
| <b>Total Unincorporated</b> | <b>42,629</b>         | <b>42,379</b>              | <b>1,222</b>                | <b>2.97%</b>        |
| <b>Total Lewis County</b>   | <b>83,446</b>         | <b>94,348</b>              | <b>12,374</b>               | <b>13.06%</b>       |

The housing allocations are based entirely on population allocation. Using the results from Table 1, staff entered the reconciled populations into the Department of Commerce HAPT Model, Method C. The HAPT model uses the percent share of county population growth to calculate housing need; therefore, because the total countywide population allocation and growth rate changed, the percent share of growth for each city also changed. This results in a shift to all of the city's housing allocations. In addition, because the Onalaska UGA and Packwood LAMIRD are allocated a 2045 population, both unincorporated small towns are now included in the housing allocations. Table 2 are the updated Housing Allocations.

Table 3 is a comparison between the housing allocations adopted in June 2023 and the proposed reconciled housing allocations. Nearly all allocations remained the same with two exceptions. Chehalis saw a decrease in all housing allocations, as expected. Centralia, Mossyrock, Napavine, Toledo, Vader and Winlock saw a decrease in housing allocated to the >120% income bracket. And unincorporated Lewis County saw an increase in housing allocated to the >30-50% and >50-80% income brackets.

**Table 2: Lewis County 2045 Housing Allocation RECONCILIATION**

|                                       |   | Total          | Permanent Housing Needs by % of Area Median Income |               |               |               |              |              |               |              |     |          | Emergency Housing |     |           |         |     |     |  |
|---------------------------------------|---|----------------|--|---------------|---------------|---------------|--------------|--------------|---------------|--------------|-----|----------|-------------------|-----|-----------|---------|-----|-----|--|
|                                       |   |                | 0-30%  |               |               | >30-50%       |              |              | >50-80%       |              |     | >80-100% |                   |     | >100-120% |         |     |     |  |
|                                       |   |                | Non-PSH  | PSH           | PSH           | Non-PSH       | PSH          | PSH          | Non-PSH       | PSH          | PSH | Non-PSH  |                   | PSH | PSH       | Non-PSH | PSH | PSH |  |
| <b>Total 2045 Population = 94,348</b> |   |                |  |               |               |               |              |              |               |              |     |          |                   |     |           |         |     |     |  |
| Unincorporated Lewis County           | Estimated Housing Supply (2020)                       | 19,519         | 667  | 25            | 3,146         | 4,704         | 2,798        | 2,016        | 6,163         | 0            |     |          |                   |     |           |         |     |     |  |
|                                       | Allocation Method C (2020-2045)                       | 570            | 88   | 38            | 272           | 68            | 28           | 23           | 53            | 21           |     |          |                   |     |           |         |     |     |  |
| Onalaska UGA                          | Portion of Unincorporated Allocation                  | 64             | 27   | 11            | 88            | 29            | 3            | 3            | 6             | 4            |     |          |                   |     |           |         |     |     |  |
| Packwood LAMIRD                       | Portion of Unincorporated Allocation                  | 135            | 61   | 27            | 184           | 39            | 7            | 5            | 13            | 17           |     |          |                   |     |           |         |     |     |  |
| City of Centralia                     | Estimated Housing Supply (2020)                       | 7,593          | 578  | 14            | 1,614         | 3,154         | 1,153        | 302          | 778           | 38           |     |          |                   |     |           |         |     |     |  |
|                                       | Allocation Method C (2020-2045)                       | 758            | 227  | 184           | 0             | 0             | 0            | 134          | 213           | 78           |     |          |                   |     |           |         |     |     |  |
| City of Chehalis                      | Estimated Housing Supply (2020)                       | 3,139          | 140  | 0             | 442           | 1,537         | 509          | 140          | 371           | 22           |     |          |                   |     |           |         |     |     |  |
|                                       | Allocation Method C (2020-2045)                       | 1,707          | 537  | 263           | 341           | 192           | 71           | 55           | 248           | 142          |     |          |                   |     |           |         |     |     |  |
| City of Morton                        | Estimated Housing Supply (2020)                       | 506            | 16   | 0             | 167           | 221           | 69           | 8            | 25            | 0            |     |          |                   |     |           |         |     |     |  |
|                                       | Allocation Method C (2020-2045)                       | 23             | 5  | 1             | 4             | 3             | 2            | 1            | 7             | 1            |     |          |                   |     |           |         |     |     |  |
| City of Mossyrock                     | Estimated Housing Supply (2020)                       | 322            | 10   | 0             | 160           | 108           | 14           | 7            | 23            | 0            |     |          |                   |     |           |         |     |     |  |
|                                       | Allocation Method C (2020-2045)                       | 71             | 16   | 5             | 12            | 7             | 5            | 4            | 23            | 4            |     |          |                   |     |           |         |     |     |  |
| City of Napavine                      | Estimated Housing Supply (2020)                       | 718            | 11   | 0             | 135           | 286           | 120          | 42           | 124           | 0            |     |          |                   |     |           |         |     |     |  |
|                                       | Allocation Method C (2020-2045)                       | 471            | 89   | 28            | 90            | 75            | 28           | 32           | 129           | 16           |     |          |                   |     |           |         |     |     |  |
| City of Pe Ell                        | Estimated Housing Supply (2020)                       | 284            | 6  | 0             | 90            | 157           | 9            | 6            | 16            | 0            |     |          |                   |     |           |         |     |     |  |
|                                       | Allocation Method C (2020-2045)                       | 10             | 2  | 1             | 2             | 1             | 1            | 1            | 3             | 1            |     |          |                   |     |           |         |     |     |  |
| City of Toledo                        | Estimated Housing Supply (2020)                       | 303            | 5  | 0             | 64            | 152           | 30           | 13           | 39            | 0            |     |          |                   |     |           |         |     |     |  |
|                                       | Allocation Method C (2020-2045)                       | 836            | 92   | 27            | 139           | 210           | 125          | 40           | 202           | 16           |     |          |                   |     |           |         |     |     |  |
| City of Vader                         | Estimated Housing Supply (2020)                       | 257            | 0  | 0             | 100           | 90            | 43           | 6            | 18            | 0            |     |          |                   |     |           |         |     |     |  |
|                                       | Allocation Method C (2020-2045)                       | 99             | 30   | 7             | 0             | 6             | 2            | 10           | 44            | 5            |     |          |                   |     |           |         |     |     |  |
| City of Winlock                       | Estimated Housing Supply (2020)                       | 564            | 30   | 0             | 121           | 323           | 32           | 16           | 42            | 0            |     |          |                   |     |           |         |     |     |  |
|                                       | Allocation Method C (2020-2045)                       | 1,233          | 271  | 115           | 282           | 210           | 83           | 50           | 222           | 67           |     |          |                   |     |           |         |     |     |  |
| <b>Total</b>                          | <b>Sum of Allocations to Jurisdictions</b>            | <b>5,778</b>   | <b>1,357</b>                                       | <b>670</b>    | <b>1,141</b>  | <b>773</b>    | <b>344</b>   | <b>350</b>   | <b>1,144</b>  | <b>352</b>   |     |          |                   |     |           |         |     |     |  |
|                                       | <b>Percent of Sum of Allocations to Jurisdictions</b> | <b>100.02%</b> | <b>23.49%</b>                                      | <b>11.59%</b> | <b>19.75%</b> | <b>13.38%</b> | <b>5.95%</b> | <b>6.05%</b> | <b>19.80%</b> | <b>6.09%</b> |     |          |                   |     |           |         |     |     |  |

**Table 3: Comparison Housing Allocation Ordinance 1346 to RECONCILIATION**

| Total 2045 Population = 94,348 |                                      | Permanent Housing Needs by % of Area Median Income |         |      |         |         |          |           |        |      |   | Emergency Housing |     |   |
|--------------------------------|--------------------------------------|--|---------|------|---------|---------|----------|-----------|--------|------|---|-------------------|-----|---|
|                                |                                      | 0-30%  |         |      |         |         | >30-80%  |           |        |      |   |                   |     |   |
|                                |                                      | Total  | Non-PSH | PSH  | >30-50% | >50-80% | >80-100% | >100-120% | >120%  |      |   |                   |     |   |
| Unincorporated Lewis County    | Estimated Housing Supply (2020)      | 0  | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | 0   | 0 |
|                                | Allocation Method C (2020-2045)      | 167  | 0       | 0    | 157     | 10      | 0        | 0         | 0      | 0    | 0 | 0                 | 0   | 0 |
| Onalaska UGA                   | Portion of Unincorporated Allocation | 0  | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | 0   | 0 |
| Packwood LAMIRD                | Portion of Unincorporated Allocation | 0  | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | 0   | 0 |
| City of Centralia              | Estimated Housing Supply (2020)      | 0  | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | 0   | 0 |
|                                | Allocation Method C (2020-2045)      | -9   | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | -9  | 0 |
| City of Chehalis               | Estimated Housing Supply (2020)      | 0  | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | 0   | 0 |
|                                | Allocation Method C (2020-2045)      | -4,508   | -853    | -300 | -659    | -708    | -354     | -225      | -1,409 | -190 |   |                   |     |   |
| City of Morton                 | Estimated Housing Supply (2020)      | 0  | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | 0   | 0 |
|                                | Allocation Method C (2020-2045)      | 0  | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | 0   | 0 |
| City of Mossyrock              | Estimated Housing Supply (2020)      | 0  | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | 0   | 0 |
|                                | Allocation Method C (2020-2045)      | -1   | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | -1  | 0 |
| City of Napavine               | Estimated Housing Supply (2020)      | 0  | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | 0   | 0 |
|                                | Allocation Method C (2020-2045)      | -6   | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | -6  | 0 |
| City of Pe Ell                 | Estimated Housing Supply (2020)      | 0  | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | 0   | 0 |
|                                | Allocation Method C (2020-2045)      | 0  | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | 0   | 0 |
| City of Toledo                 | Estimated Housing Supply (2020)      | 0  | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | 0   | 0 |
|                                | Allocation Method C (2020-2045)      | -9   | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | -9  | 0 |
| City of Vader                  | Estimated Housing Supply (2020)      | 0  | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | 0   | 0 |
|                                | Allocation Method C (2020-2045)      | -1   | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | -1  | 0 |
| City of Winlock                | Estimated Housing Supply (2020)      | 0  | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | 0   | 0 |
|                                | Allocation Method C (2020-2045)      | -15  | 0       | 0    | 0       | 0       | 0        | 0         | 0      | 0    | 0 | 0                 | -15 | 0 |

## **RECOMMENDATION**

It is recommended that Ordinance 1346 be repealed and replaced with a new ordinance that adopts the Table 1, 2045 Population Allocations, and Table 2, 2045 Housing Allocations, as presented in this memo.

## **NEXT STEPS**

Planning Commission will hold a duly noticed public hearing on September 27, 2024 at 6:00pm. Following close of testimony, the Planning Commission will deliberate and vote to recommend, or not, that the Board of County Commissioners adopted the reconciled population and housing allocations. It is anticipated that the Board of County Commissioners will hold a public hearing in late October or early November.