February 1, 2021

TO:  Mindy Brooks, Senior Planner
    Lewis County Department of Community Development

FROM:  Tammy Barraconi, Building & Planning Manager
        City of Chehalis

RE:  Urban Growth Area Expansion

Parcel #s:  018076003000
           017880001003
           017880001001
           017880001002
           017846003006
           017846001006
           017846003002
           017846001005

Acres:  247

Proposal Area

The City of Chehalis is presenting an application for expansion of its Urban Growth Area (UGA) in support of a request by Trevor Westland and Joe Enbody. The proposed expansion area is comprised of 8 parcels totaling 247 acres. 5 of the 8 parcels are owned by the Newaukum Valley Golf Course, and the other 3
parcels are privately-owned and listed by the Lewis County Assessor as single family. The entire area is currently zoned Rural Development District, RDD-5. Currently, primary access is gained from Newaukum Golf Drive, which intersects Jackson Highway. However, if this proposal is approved, the private applicants who initiated this request intend to develop new roadway connections between Kirkland Road and Jackson Highway and Maurin Roads. The Newaukum Valley Golf Course encompasses the majority of the proposal area. If this proposal is approved, the course would be reduced from 27 holes to 18 holes to provide for some form of mixed-use commercial and residential development. The proposal area is bordered by the City of Chehalis UGA to the North, RDD-5 to the west, agricultural zoning to the south, and the City of Napavine to the east.

**Zoning**

Lewis County has established an application process for UGA expansion requests. The County has developed a worksheet to guide the preparation of the application, and for an expansion request, the following items must be addressed:

1. **Map of the existing and proposed change to your city’s UGA Boundary**

   Maps are included in the body of this letter of application and also as attachments.

2. **Needs assessment that explains why the change is necessary based on your city’s population allocation.**

   The City of Chehalis is unusual in that the need to expand its UGA is not based upon growth within the City limits, but rather because of growth in the UGAs. Therefore, the population allocation for the City is not the best metric for understanding the need for additional UGA. The City proper is severely constrained with respect to population growth, as documented in the City’s Comprehensive Plan:
“The city of Chehalis is virtually built out. Most of the undeveloped land within the city contains significant constraints to development due to the presence of wetlands, steep slopes, or floodways. Lesser constraints, such as location within a flood plain, require more costly design than properties without such constraints. In addition, properties located in proximity to the airport may face additional restrictions to ensure that future development does not conflict with current airport uses or activities. Simply put, almost all of the most easily developable land has already been developed. While the higher densities and intensities of land uses promoted by GMA will result in more compact development patterns, the need to expand beyond the existing corporate boundaries of the city, especially to accommodate needed economic expansion, will become clear. In other words, Chehalis will need to continue to annex additional areas in order to meet projected growth.” (Ch 3, pg. 26)

The Comprehensive Plan Land Use Element states that the City of Chehalis has a total of 3,751 acres. The 2016 Comprehensive Plan notes that 2,884 acres – or 77% - within the City are encumbered with critical areas [Ch.3, p.23]. Of the remaining 867 acres, the Comprehensive Plan indicates that only 179 acres remain available for development [Ch.3, p.26] The current revised draft of the Comprehensive Plan draws upon this information to demonstrate that the City will need at least 200 more acres of developable residential land if it is to meet is 2040 population allocation of 11,230.

2021 population data show the City’s current population to be 7,350 [OFM]. To achieve the 2040 population allocation of 11,230 will require adding 3,880 new residents. At the current average household size of 2.46 per household, the number of dwellings to accommodate future growth is 1,577. Finally, based on previous trends of residential development occurring at a rate of 69%, versus 31% for multi-family, the City will need 1,088 single-family lots and 489 multi-family dwelling units. This analysis also assumes that single-family development will occur at 4 du/acre and multi-family will occur at 12 du/acre:

1. Average density = 4 du/ac
2. Additional lots for dwelling units needed by 2040 = 1,088
3. Gross amount of land needed (1088/4) = 272 acres
4. Add market factor (283.5 x 1.25) = 340 gross acres of residential land needed
5. Land available (69% of 179 acres) = 124 acres
6. Residential land deficit (124 - 340) = -216 net acres

The same methodology, when applied to the need for land for multi-family development, yields this result:

1. Average density = 12 du/ac
2. Additional dwelling units needed by 2040 = 489
3. Gross amount of land needed (489/12) = 41 acres
4. Add market factor (42.5 x 1.25) = 51 gross acres needed
5. Land available (31% of 179 acres) = 56 acres
6. Multi-family residential land surplus (56 – 51) = +5 net acres of land

The most recent population data from the State Office of Financial Management show that the majority of population growth is occurring in the City’s UGA. The City’s population in 2010 was 7,259. As of
2021, OFM estimates the City’s population to be 7,350. This represents a growth rate of 1.25%. Also according to OFM, the City’s UGA population in 2010 was 1,918. As of 2020 it was estimated to be 2,044, which represents a growth rate of 6.57%.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>7,259</td>
<td>7,350</td>
<td>1,928</td>
<td>2,044</td>
</tr>
</tbody>
</table>

Based on the City’s current population and the growth rates discussed above, the City and UGA projected populations in 2040 will be 9,307 and 7,298, respectively:

**City and UGA Population Projections – 2040**

<table>
<thead>
<tr>
<th></th>
<th>Current Population</th>
<th>Rate of Growth</th>
<th>2040 Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Chehalis</td>
<td>7,350</td>
<td>1.25%</td>
<td>9,307</td>
</tr>
<tr>
<td>Chehalis UGA</td>
<td>2044</td>
<td>6.57%</td>
<td>7,298</td>
</tr>
</tbody>
</table>

Based on recent growth rates, the City and UGA combined will grow by 7,711 new residents by 2040. Looking at the City’s UGA as a whole, and not just the southern UGA which would be contiguous to the proposed UGA expansion areas, the City’s Comprehensive Plan estimates that of the entire 3,750 acres in the UGA, approximately 497 acres are available for residential development (Land Use Element, p.22). However, GIS analysis has shown that nearly 85% of the residential zoning in the UGA is encumbered by critical areas, so that would leave just 75 acres available in the UGA as a whole for residential development. Assuming there are 75 acres available in the entire UGA for future residential development, and using the development ratios of single-family and multifamily referenced above, combined with average household population, yields the following estimates of future capacity in the UGA:

<table>
<thead>
<tr>
<th>Residence type</th>
<th>Percent of Development</th>
<th>Acres</th>
<th>Units per Acre</th>
<th>Household Size</th>
<th>Growth Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-family</td>
<td>.69</td>
<td>51.75</td>
<td>4</td>
<td>2.46</td>
<td>509</td>
</tr>
<tr>
<td>Multi-family</td>
<td>.31</td>
<td>23.25</td>
<td>12</td>
<td>2.46</td>
<td>686</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100</td>
<td>75</td>
<td>N/A</td>
<td>2.46</td>
<td>1,195</td>
</tr>
</tbody>
</table>

The above table shows that the estimated residential land available in the UGA, combined with development patterns and average household size, can accommodate 1,195 new residents, which is 6,516 short of the projected growth of 7,711 for the City and UGA.

This proposed UGA expansion would add approximately 259 acres to the existing UGA. After subtracting out critical areas, approximately 102 acres of the proposal area can be developed. Assuming a development density of 12 units per acre, an additional 1,224 residential units could be added to the housing stock.
Annexation and UGA Expansion Needs

The first obvious mechanism to accommodate future growth and to meet the population allocation, especially when it is occurring in the UGA, is to annex some or all of the UGA into the City. This would change the population ratios between the City and the UGA. Currently, the City is in the analysis phase of completing a large portion of the UGA to the south. This area is comprised of 875 acres, which represents 29% of the UGA. Although this area represents a significant portion of the City’s UGA, at 150 acres, only a small percentage is zoned for residential use. This is due in large part to the presence of the Port of Chehalis in this part of the UGA:

![Proposed Annexation Area - Use By Acres](image)

Potential Annexation Area

![Potential Annexation Area](image)
A review of the Lewis County Assessor’s database shows that 89 acres of available residential acreage in the UGA has already been developed, leaving at most 60 acres available, and it is not known how much of the remaining acres may be encumbered by critical areas.

Based on the above analysis, while annexation will be a necessary component to accommodate the City’s future growth, given the current land use designations – particularly the large area devoted to the Port of Chehalis – annexation will not be sufficient to accommodate that growth. For this reason, UGA expansion is also warranted and necessary to provide both commercial and residential growth beyond the current southern boundary of the City’s UGA. More residential development opportunities are necessary to accommodate the 6.57% growth rate in the UGA. Increased commercial and/or industrial development opportunities are warranted to keep pace with the consumer demands that will accompany residential growth in the area.

3. If an expansion, indicate the future land uses you intend to incorporate into your city’s Comprehensive Plan’s Future Land Use map.

The City envisions designating the expanded UGA area with a type of Mixed Use zoning that will encourage a variety of commercial uses, combined with affordable housing, preferably multi-family.

4. If an expansion, describe your public facilities and services plan to serve the area within the 20-year planning cycle.

Fortunately, both sewer and water infrastructure are immediately adjacent to the site and available for connection, as depicted on the map, below:

Sewer and Water
Water
The City has identified areas within the infrastructure that will be an impediment to providing water to the Expansion area. There are two areas that need upgrading. The pump station at 18th street as well as upgrading water lines from the pump station to handle more capacity. We also need to complete a water main extension along Bishop Road for approximately 1,000 feet.

These necessary improvements are identified in the 2012 Water System Plan and the 2022 Capital Improvement Plan. The City has also captured these items in the proposed Chehalis Water System Plan that is currently being reviewed by the Washington Department of Health. The source of funding for water system upgrades will be covered through the General Fund, grants and loans, and the developers.

Under extreme ideal conditions, the City’s current water treatment plant is designed to produce 4.8 million gallons per day (MGD) during extremely favorable conditions, which are determined by water flow and water quality. Typically, we draw 1.37 MGD. This leaves 3.4 MGD for growth.

While water capacity is not an issue for this Expansion area, to accommodate growth within the next twenty years, the City is currently working with the City of Centralia and TransAlta to procure three (3) MGD water rights to serve the community. The City is also in the process of purchasing water rights from the Marwood Estate for .91 MGD. Both of these new water rights will require improvements to our current infrastructure which is currently being examined by staff. Funding for this upgrade in capacity and infrastructure has yet to be determined.

Sewer
Lewis County Sewer District 4 currently serves this area with sewer service. They purchase capacity from the City of Chehalis to accommodate new customers. The City also performs maintenance on District 4 lines and equipment under an interlocal agreement. LCSD 4 will need to upgrade a grinder pump located on Jackson Highway just north of Yates Road. The district has had plans to perform this upgrade for several years. They have the funding to pay for the work within their current budget. At this time, the City and Lewis County Sewer District 4 are in conversations to discuss the possibility of the City absorbing the Sewer District.

Chehalis Regional Water Reclamation Facility (CRWRF) has a maximum average monthly effluent water reuse discharge of 3.5 million gallons per day (MGD) during “dry weather“ when the Chehalis River is below 1000 cubic feet per second on a 7-day average. The average annual flow in dry weather during 2020 was 1.36 MGD, serving 2950 households. This leaves 2.13 MGD dry weather discharge which is “1.612 MGD” before a design upgrade is required. Plans to upgrade the current system will be triggered if any of the design criteria exceed 85% for 3 consecutive months or is predicted within the next 5 years to exceed 85%, as per DOE standards.

The City of Chehalis serves sewer needs throughout the City and UGA under the Chehalis, Napavine, Lewis County Sewer District #1 General Sewer Plan, 2001. This plan is slated to be updated in 2025. The City has sufficient capacity within the treatment plant to serve the Expansion area. If development triggers the need for infrastructure improvements, the developer will be responsible for paying and installing it.
5. **If an expansion, describe your transportation improvement plan to serve the area within the 20-year planning cycle.**

Since the proposed UGA expansion area is currently in the County, the City of Chehalis has not been the responsible entity for transportation planning. However, if the UGA request is granted, and when the City annexes these areas, the transportation network will be folded into the City’s current transportation planning and maintenance framework. This would include prioritizing any needed improvements through the City’s annually adopted 6-year Transportation Improvement Plan, and through the goals and objectives laid out in the City’s Comprehensive Plan Transportation Element.

The following response was provided by the City’s Public Works Department:

- The city’s list of arterials/collectors, roads that require frontage improvements inside city limits, will need to be updated to include those roadways, if any, that will be annexed into city limits.
- If the road is inside the UGA, but not inside city limits, this is still legally a county road. The county has jurisdiction over ROW permits and improvement requirements.
- The needs of any given roadway will be assessed by each project individually, where the proposed project takes into account all development vested prior to their date of complete application.
- Initially, a trip generation study is needed, if the average daily trips in the peak hour & the peak direction are greater than 10, then a Traffic Impact Analysis is required. If the level of service is negatively affected beyond an already established limit, then mitigation measures are required for development.
- Mitigation measures can come in the form of stop lines, left turn lanes, right turn lanes, a 3rd middle turn lane, road widening, speed limit lowering, stop sign installation, traffic signal installation, crosswalk delineation, the installation of curb/gutter/sidewalk.
- Because each and every project submitted presents their own unique set of challenges, these mitigation measures must be considered individually for every project as it specifically applies to the proposal brought forth.

The landowners who initiated this request have indicated that the transportation network will be improved as development occurs. Specifically, new connections will be established between Kirkland Road, Jackson Highway and Maurin Road.

6. **If an expansion, what environmental constraints exist within the area and how does the City intend to address those within the 20-year planning cycle?**

As depicted on the following map, the proposed UGA expansion area is partially encumbered by wetlands and the floodplain of the Chehalis River.
If the UGA expansion proposal is granted, the UGA will comply with WAC 365-196-310, which provides limited allowances for the expansion of a UGA into a floodplain, including when:

“(C) The land is owned by a jurisdiction planning under this chapter or the rights to the development of the land have been permanently extinguished, and the following criteria are met:

(I) The permissible use of the land is limited to one of the following: Outdoor recreation; environmentally beneficial projects including, but not limited to, habitat enhancement or environmental restoration; stormwater facilities; flood control facilities; and

(II) The development and use of such facilities or projects will not decrease flood storage, increase stormwater runoff, discharge pollutants to fresh or salt waters during normal operations or floods, or increase hazards to people and property.” [WAC 365-196-310 (C)(I)(II)]

As a condition of UGA expansion, the City of Chehalis will be requiring all areas within the floodplain to comply with the restrictions on development by requiring a conservation easement. The conservation easement will distinguish development rights and only allow activities that are provided for under the WAC, as listed above.