

**EXHIBIT G**



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COMMUNITY & ECONOMIC DEVELOPMENT

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**DEPARTMENT OF COMMERCE**

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June 15, 2020

Rick White  
Community & Economic Development Director  
City of Pasco  
Second Floor  
525 N. Third Ave.  
Pasco, WA 99301

RE: Periodic Update to the Pasco Comprehensive Plan - Draft Environmental Impact Statement (EIS)  
Urban Growth Area (UGA) analysis

Dear Mr. White,

Thank you for the opportunity to review and comment on the City of Pasco's Draft EIS and UGA analysis. The City of Pasco is growing rapidly and the decisions on how to accommodate new growth will have long-lasting impacts on local budgets, infrastructure, transportation facilities, the natural environment, and quality-of-life.<sup>1</sup> Long-range planning for growth of this magnitude is incredibly challenging and we commend the City for its substantive evaluation of the full impacts resulting from projected growth in Pasco. Planning for and mitigating impacts in a larger, interrelated metropolitan area adds additional variables and complexities. We appreciate that the City considered the detailed recommendations that our agency provided on November 8, 2018 in regards to the scope of the EIS.

We are confident the work completed over the last two years will yield positive, long-lasting results for the community. The City and County now have much better information regarding the cost of public facilities and services that are required to support new growth and development. Assessing the relationship between land use patterns, density, infrastructure, and public services is critical because the community is not only committing to the upfront capital costs, but to the operation, maintenance and eventual replacement of those facilities. Of the alternatives presented, Alternative 3 - The Preferred Alternative, most closely aligns with the goals and requirements of the GMA. In our assessment, the preferred, compact growth alternative supports GMA goals regarding urban growth, reducing sprawl, housing, transportation, natural resources and public facilities and services.<sup>2</sup>

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<sup>1</sup>Office of Financial Management 2017 GMA population projections for Counties and Population Change:  
<https://www.ofm.wa.gov/washington-data-research/population-demographics/population-forecasts-and-projections/growth-management-act-county-projections>

<sup>2</sup> RCW 36.70A.020

## Development Phasing and Growth Monitoring

We are pleased to hear that the Community and Economic Development Department recognizes that additional work is critical in upcoming years to implement the Comprehensive Plan and to ensure development occurs as envisioned. This work requires close collaboration and partnership with Franklin County. It also requires a divergence from past practices, but one that is critical for the long-term fiscal sustainability of Franklin County and the Pasco community. There is a trend in the unincorporated Pasco UGA of allowing large-lot development on septic systems. These development patterns create long-term financial liabilities for the City and County, and undermine GMA requirements.<sup>3</sup>

As the City and County move forward with the UGA review and adoption, our core recommendation is to commit to adopting policies, agreements, and regulations on how development occurs in the unincorporated UGA. Development phasing is a critical tool to prevent a pattern of sprawling low-density development from occurring or vesting in areas prior to the ability to support urban densities. Development phasing can also lower or delay the need for new infrastructure, allowing the community to accommodate growth and development at a much lower cost. Once a low-density pattern occurs, it is more difficult to serve with urban services and less likely to ultimately achieve urban densities.<sup>4</sup> Our administrative rule, WAC 365-196-330, provides guidance on phasing development in the unincorporated UGA. We understand that the County needs to take a lead role in addressing this problem, and we are committed to partnering with you as you continue working to ensure that development actually occurs as envisioned in the Draft EIS and Comprehensive Plan.

The Community and Economic Development Department recently presented a fiscal impact analysis regarding UGA alternatives.<sup>5</sup> We appreciate your focus on the financial implications of different land use patterns, and want to emphasize that the estimated costs of \$114,146,000 for essential facilities only considers the first 6 years. When considering the cost of other capital facilities such as schools, police stations, fire stations, and parks over the full twenty-year planning horizon the actual costs are significantly larger. In addition to development phasing, we also recommend a growth monitoring program so that the City and County have a clear picture of where growth is occurring and whether you are achieving your assumed densities. Changes to Pasco's development regulations through our HB 1923 housing grant should allow more density and housing options over the next twenty years. With development phasing and new development regulations, the City may be able to provide necessary housing for its projected growth that limits the need to commit to the capital facilities and services at the periphery of the proposed UGA. We recommend that you include development phasing, growth monitoring, and code amendments (associated with the HB 1923 grant) as implementation strategies in the Final EIS and your Comprehensive Plan.

## Industrial Land

Growth Management Services has worked with a number of local governments and ports in the Tri-Cities region over the last decade on the issue of industrial land. The Growth Management Hearings

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<sup>3</sup> RCW 36.70A.110

<sup>4</sup> WAC 365-196-330(3)

<sup>5</sup> City of Pasco Agenda Report - CPA2020-001 Urban Growth Area Expansion

Board recently addressed this issue in the Tri-Cities<sup>6</sup> and we have reviewed analysis that indicates there is approximately 100 year supply of industrial land based on absorption rates and projected population growth.<sup>7</sup> After discussions with City staff, we do not have specific concerns about the proposed UGA expansion to the existing industrial LAMIRD. The LAMIRD was considered as part of the existing land base available for development in Kennewick's Industrial Zoned Land Assessment. As the City moves forward with the adoption process, we strongly encourage you to work with the Port of Pasco to develop an overlay zone or regulatory protections to preserve large, contiguous parcels in the proposed expansion area. The City should also use the periodic update process to review the development regulations in your industrial zones to ensure that you are not allowing uses that undermine industrial development. The City must also continue to work with WSDOT to improve transportation access and local connections to the subject area.

## Tri-Cities Regional Airport

One fundamental concern we have with the proposed alternatives are the likely impacts on the Tri-Cities Regional Airport. According to the Washington State Department of Transportation, (WSDOT), the number of enplanements has increased by nearly 100,000 over the last five years. The limited airspace in Eastern Washington is under increasing demand. It is critical that Franklin County and Pasco support land use decisions that allow the airport to operate as an essential public facility. We expressed concerns about this issue in 2015 and 2017 in regards to smaller UGA expansions proposed directly adjacent to the Airport. In 2015, the Board of County Commissioners denied the proposal and said, *"there is not merit and value in the proposal for the community as a whole"* which is an appropriate response considering the importance this airport has for the region's economic future.<sup>8</sup>

We provided specific recommendations regarding this issue in our comments on the EIS scope. The City's EIS states, *"Under all alternatives, rail and airport use could also increase. In general, as employment and population increase, the use of these facilities also increases...Airport activity would also increase as recreational activities and employment increases."* There appears to be a significant gap in the analysis in the draft EIS regarding impacts to the Airport, and we encourage you to remedy that gap in the Final EIS. The mandatory formal consultation with airport owners, managers, private airport operators, general aviation pilots, ports, and the Aviation Division of WSDOT should provide supplemental information regarding potential impacts on the Airport.<sup>9</sup> Currently, the City and County have a variety of choices in how you will accommodate future growth. We strongly encourage you to choose an option that will not undermine the long-term economic growth for the region, while simultaneously creating public health concerns for future community members. The City could meet its growth allocation without expanding the UGA in a manner that precludes a future runway expansion by increasing densities elsewhere in the proposed expansion area, or changing some of the commercial land use designations to mixed-use designations.

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<sup>6</sup> Futurewise v. Benton County and the City of Kennewick (No. 14-1-0003)

<sup>7</sup> City of Kennewick Industrial Zoned Land Assessment, Exhibit 1, Exhibit 2, Exhibit 18, and Exhibit 20

<sup>8</sup> Franklin County Resolution 2015 395

<sup>9</sup> RCW 36.70.547 and RCW 36.70A.510

## UGA Decisions Should be based on the Overriding Public Interest

After reviewing some of the public comments and testimony at the Planning Commission hearing on May 20, 2020, we understand that elected and appointed officials are grappling with challenging decisions about whose property should be included in the Pasco UGA. The City of Pasco has clearly met GMA public participation requirements<sup>10</sup> by adopting a Public Participation Plan in accordance with our agency's recommendations, holding numerous public meetings and workshops on the periodic update, and disseminating notice through the paper of record and online communications. As appointed and elected officials consider the proposed alternatives, we encourage Franklin County and the City of Pasco to recognize that decisions about where and how growth occur should be based on the overriding public interest. The compact growth alternative appears to best meet that standard.

We were pleased to hear the excellent discussion at the City Council meeting on June 8, 2020. Elected officials and staff are asking important questions about the long-term impacts on agricultural resource lands and the local economy, water rights, transportation needs and impacts, a diversity of housing options, and a jobs-housing balance. We extend our continued support to the City of Pasco and Franklin County in achieving the goals of the Growth Management Act and the vision of your community. Thank you again for the opportunity to comment and all of the important work you and your staff have completed. If you have any questions or would like technical assistance as you engage in the periodic update please feel free to contact me at [william.simpson@commerce.wa.gov](mailto:william.simpson@commerce.wa.gov) or 509-280-3602.

Sincerely,



William Simpson, AICP  
Senior Planner  
Growth Management Services  
Washington State Department of Commerce

cc: Derrick Braaten, Planning & Building Director, Franklin County  
Jacob Gonzalez, Senior Planner, Pasco Community and Economic Development Department  
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John Gruber, Transportation Planning Specialist, WSDOT  
Debra Freudenthal, Transportation Planning Specialist, WSDOT  
Rob Hodgman, Senior Aviation Planner, WSDOT

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<sup>10</sup> 36.70A.140