

CITY OF BLACK DIAMOND

February 9, 2016 Special Joint Meeting Agenda City Council and Planning Commission 25510 Lawson St., Black Diamond, Washington

7:30 P.M. – CALL TO ORDER, FLAG SALUTE, ROLL CALL

WORK SESSION -

- 1. City's Comprehensive Plan Update
 - a. Receive new comments
 - b. Review Changes to Introduction Chapter based on January 12, 2016 Work Session
 - c. Review Community Characteristics and Demographics Chapter
 - d. Review Housing Appendix

SET NEXT JOINT MEETING

ADJOURNMENT:

Structure of the Comprehensive Plan

The Black Diamond Comprehensive Plan is composed of three basic parts:

- Introduction
- Comprehensive Plan Elements
- Plan Element Appendices

Introduction

1

<u>Purpose of the Comprehensive Plan</u> –describes the purpose for Comprehensive Planning.

<u>Planning framework</u> – provides state, regional, and countylevel context for the Black Diamond Comprehensive Plan as required under the Growth Management Act (GMA).

<u>Implementation and amendments</u>- describes regulatory actions, activities, and programs used to implement the Comprehensive Plan and the amendment process.

<u>Vision for Black Diamond</u> – states the vision for Black Diamond, which forms the foundation of the comprehensive plan.

<u>Plan summary – summarizes major findings for which the Comprehensive Plan is based.</u>

Comprehensive Plan Elements

Includes topical goals, a general introduction of the issues identified as GMA requirements, from background information, and through public involvements followed by policies that address the issues

Plan Element Appendices

3

Includes current and forecast data, needs assessments or analysis, and conclusions and as appropriate, references to other source materials or policy documents.

2

3

Section 1.0 Introduction

Organization of this Element

1.1 Purpose of Comprehensive Planning

1.2 Planning Framework

1.3 Implementation of the Comprehensive Plan

1.4 Amending the Comprehensive Plan

1.5 Our Future Vision for Black Diamond for 2035

1.6 Vision Goals

1.7 Plan Summary

1.8 Plan Outline

Introduction

Black Diamond is a vibrant city in the Puget Sound Region. The City lies in the heart of the Green River Region, in King County Washington, about 30 miles southeast of Seattle in a picturesque natural setting surrounded by forested hills, mountain views, and beautiful water features. Black Diamond has evolved from one of the earliest and largest towns and employment centers outside of Seattle for resource activities (primarily extraction) to its present-day small town with a rich history and strong community identity.

Founded in the 1880s, Black Diamond was developed and operated as a company coal town for almost fifty years. In the 1930s, its owner, the Pacific Coast Coal Company sold off the land and residences and gave the water system and roads to the town residents. By the early 1950s, the Pacific Coast Coal Company's remaining land holdings were acquired by the Palmer Coking Coal Company. Much of this land has since been retained for mining and investment purposes. The City of Black Diamond incorporated on January 20, 1959.

Over the years, the City has increased its size and population through several annexations while simultaneously working to preserve its natural amenities. With the passage of the Growth Management Act in Washington in 1990, the Legislature found that uncoordinated and unplanned growth posed a threat to the environment, sustainable economic development, and quality of life. This piece of legislation paved the way for the City to begin shaping itself. An important agreement between the City, King County, Palmer Coking Coal, and the Plum Creek Timber Company in 1996 established the Black Diamond Urban Growth Area (BDUGA) and Potential Annexation Areas (PAAs) which enabled the City to plan for environmentally sustainable growth. This agreement along with the 2005 Black Diamond Open Space Protection Agreement between the City, King County, Plum Creek, and the Cascade Land Conservancy identified open space around the city for permanent preservation and established minimum urban densities within the BDUGA. The most notable (largest) annexation was in 1999 when the City annexed the Lake Sawyer community and effectively took in approximately 786 acres with a population increase of 1,480.

Due to its origin as a resource based settlement and with its rolling topography, lakes, streams, forested lands, and open meadows, the City has a unique development pattern. This pattern consists of pockets of single-family residential areas and small commercial uses in three general areas. The overall development pattern is similar to a small European

Comment [BK1]: Lovely?

or rural east-coast village rather than traditional west-coast small towns which are developed around a central commercial core with a grid street pattern.

Regional projections suggest that significant growth will occur over the next twenty years. The neighboring cities of Covington and Maple Valley have been steadily adding new residents and jobs. The City's 2011 approval of two Master Planned Development (MPD) permits and implementing Development Agreements is evidence that the City is poised for significant growth in the near future. In the face of this anticipated growth, the citizens of Black Diamond want to ensure that the quality of life is maintained and enhanced, the future Vision and goals are upheld, and City government will continue to be financially sound.

Overall, the Black Diamond Comprehensive Plan is founded on several key planning concepts to achieve the City's Vision. The Plan embodies a holistic approach to support sustainable growth and development by preserving open space, protecting quality habitat including riparian corridors and wetlands when determining lands that are appropriate for development at different intensities.

Development within the City is to be compact so as to preserve 35% to 40% of the entire City as open space. Open space will be a connected network of environmentally sensitive areas, trails, parks, and treasured places. This desired development pattern emphasizes the communities' strong commitment to preserve the natural beauty and intricate ecosystems through land use planning.

The Vision for a sustainable and financially sound future also includes a balance between housing and employment. This Plan provides a range of housing choices for all income levels with opportunities for people to live in proximity to work. This is supported by the concept of ensuring accessibility to transportation options, expanding employment opportunities in the City's commercial areas.

Another approach identified by the City leaders to achieve the Vision and goals while attaining efficiencies for infrastructure investments, open space preservation, and achieving a balance of jobs and housing. In 2005, the City adopted regulations for Master Planned Developments or MPDs (Black Diamond Municipal Code [BDMC] 18.98). The City Council subsequently approved two MPD permits in 2010, the Villages and Lawson Hills.

The following summarizes the extent of these approvals:

The Villages MPD (1,196 total acres) – Maximum of 4,800 low, medium and high density residential units, with 750,000 square feet of retail, commercial and light industrial uses, as well as schools, parks, and open space. Of the total project site, 42 percent will be open space.

Lawson Hills MPD (371 total acres) – Maximum of 1,250 low, medium and high density residential units, with 190,000 square feet of destination and neighborhood retail, 200,000 square feet of office space, as well as schools, parks, and open space. Of the total project site, 37 percent will be open space.

This approval was preceded by appeals of the final environmental impact statements for both MPDs that were later affirmed by the City's Hearing Examiner on April 15, 2010. Subsequent development agreements for both MPDs, in accordance with the municipal

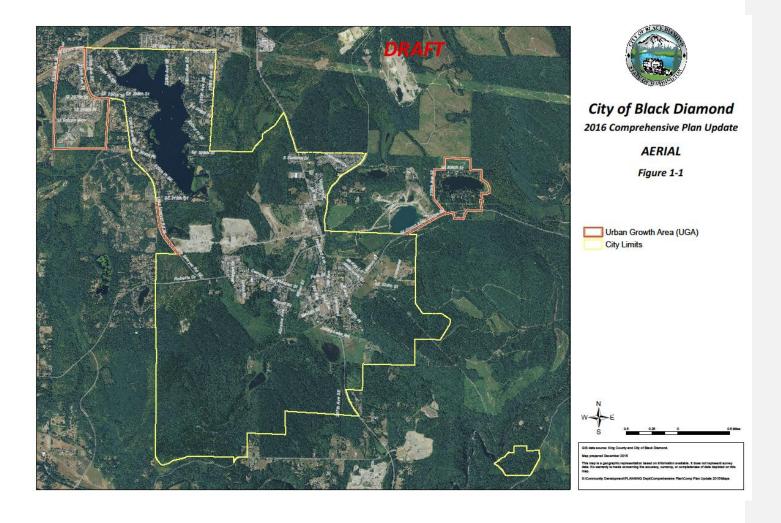
code, were approved in December 2011. These projects are vested for 15 years from the time of their approval, and, with City Council approval, the vesting can be stretched out for an additional 5 years.

1.1 Purpose of the Comprehensive Plan

Many of the day-to-day decisions made by City officials can have a significant impact on how the community develops and functions. A comprehensive plan coordinates and guides individual decisions in a manner that moves the community towards its overall goals.

This comprehensive plan (the plan) describes a vision and establishes goals and policies to guide future growth in the topic areas of urban growth, land use, housing, the natural environment, transportation, capital facilities, utilities, and the economy. As required by GMA, the plan sets priorities for the next 20 years until 2035, a period in which Black Diamond is expected to grow rapidly and will need robust guidance to maintain its quality of life. The plan applies to the City of Black Diamond proper and its planned annexation areas (PAAs) within the urban growth area (UGA) as shown in Figure 1-1. Annexations of unincorporated areas within the City's UGA are subject to the provisions of the Black Diamond Urban Growth Area Agreement (BDUGA) between the City and King County. The BDUGA is discussed in the Urban Growth Element, Chapter 2.

Comprehensive Plans are meant to be internally consistent, coordinated, and built on public input that gives it a solid basis for implementation. No plan element is more important than another and each element is meant to complement the others.



What is a Comprehensive Plan?

A Comprehensive Plan is a broad statement of the community's vision for the future. It contains policies primarily to guide the physical development of the city, as well as certain aspects of its social and economic character. Comprehensive Plans not only indicate how the community envisions the city's future, it also sets forth strategies for achieving the desired vision. It does so by directing regulations and implementing actions and services that support the vision.

A plan has three characteristics. First, it is comprehensive: the plan encompasses all the geographic and functional elements that have a bearing on the community's physical development. Second, it is general: The plan summarizes the major policies and proposals of the City, but does not usually indicate specific locations or establish detailed regulations. Third, it is long range: the plan looks beyond the current pressing issues confronting the community, to the community's future. Although the planning horizon for this plan is twenty years, many of its policies and actions will affect the City of Black Diamond well beyond that horizon.

While a Comprehensive Plan is meant to provide a strong and constant vision for the future, it is also meant to be a living document that must accommodate change. Therefore, the plan is meant to be regularly updated to account for changing issues or opportunities that the City faces. The amendment process is described in the implementation and amendment section of this Introduction Chapter.

Functions of a Comprehensive Plan

A Comprehensive Plan serves many purposes, including policy determination, policy implementation, and communication/education.

- Policy Determination First, it encourages City officials to look at the big picture, to step away from current pressing needs to develop overriding policy goals for their community. Second, it creates an environment for the City Council to guide its decision-making openly and democratically. The plan serves to focus, direct, and coordinate the efforts of the departments within City government by providing a general comprehensive statement of the City's goals and policies.
- Policy Implementation A community can move more effectively toward its goals and implement its policies after they have been agreed to and formalized through the adoption of a Comprehensive Plan. The Comprehensive Plan is a basic source of reference for officials as they consider the enactment of ordinances or regulations affecting the community's physical development (such as a zoning ordinance or a particular rezone), and when they make decisions pertaining to public facility investments (such as capital improvement programming or construction of a specific public facility). This ensures that the community's overall goals and policies are accomplished, by those decisions.
- Guidance The Plan also provides a practical guide to City officials as they administer City ordinances and programs. This ensures that the day-to-day decisions of City staff are consistent with the overall policy direction established by the Council.
- Communication/Education The Comprehensive Plan communicates to the public and to City staff the policy of the City Council. This allows the staff, the public, private developers,

business people, financial institutions, and other interested parties to anticipate what the decisions of the City are likely to be on any particular issue. As such, the plan provides predictability. Everyone is better able to plan activities knowing the probable response to their proposals and to protect investments made on the basis of policy. In addition, the Comprehensive Plan can educate the public, the business community, the staff, and the City Council itself on the workings, conditions, and issues within their City. This can stimulate interest about the community affairs and increase the citizen participation in government.

1.2 Planning Framework

In 1990, the Washington State Legislature adopted the Growth Management Act (GMA) to provide a basis for local, regional and state solutions to growth pressures. Since 1990, the GMA has been amended several times, including the 2003 amendment requiring jurisdictions to review and update their plans every 7 years. More frequent (annual) reviews are allowed.

In 1990 Washington's Legislature passed the Growth Management Act (GMA) which established planning goals and a system of planning for cities and counties to accommodate growth. Cities and Counties planning under GMA are required to prepare comprehensive plans to guide growth and development for a 20-year period.

GMA establishes mandatory elements for local comprehensive plans. Required elements of comprehensive plans include land use, housing, capital facilities, utilities and transportation. The state legislature added economic development and parks and recreation as additional required elements once funding has been put in place for cities to develop these elements. Such funding has not been authorized as of this update.

A key requirement of GMA is that a city demonstrates the capacity to accommodate 20 years of forecasted growth within its UGA. The City of Black Diamond comprehensive plan accommodates 20 years of growth as required by GMA. Cities and counties are also required to periodically update their plans to comply with updates in regional and state requirements, as well as changes in local conditions.

Summary of GMA goals

RCW 36.70A outlines the goals with which this plan must comply. They are as follows:

- Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.
- Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.
- 3. Encourage efficient multi-modal transportation systems that are based on regional priorities and coordinated with county and city comprehensive plans
- 4. 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. 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. 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. Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.
- 8. 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. Retain open space, enhance recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.
- 10. Protect the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.
- 11. Encourage the involvement of citizens in the planning process and ensure coordination between communities and jurisdictions to reconcile conflicts.
- 12. Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time of occupancy and use without decreasing current service levels below locally established minimum standards.
- 13. Identify and encourage the preservation of lands, sites, and structures that have historical or archaeological significance.
- 14. Prevent inherent harm to the state's shorelines from uncoordinated and piecemeal development.

As part of the GMA, King County adopted and the cities endorsed Countywide Planning Policies (CPPs) which provide a consistent planning framework to guide each city's plan. The CPPs also address the need to plan outside of city boundaries by establishing urban growth areas (UGAs) and the City's case, potential annexation areas (PAAs). CPPs focus on planning issues that are regional in nature such as housing, employment, essential public facilities and critical infrastructure demands for issues around things like transportation and energy.

Also part of the GMA is the Puget Sound Regional Council (PSRC) and the adopted Multicounty Planning Policies (MPPs) which are part of Vision 2040. Vision 2040 is an integrated long-range vision for maintaining a healthy region. The MPPs focus on the promotion of regional growth strategies to address land use, economic development, transportation, public facilities, and environmental issues. This regional growth strategy forecasts the geographic distribution of people, residential units, and jobs resulting from

population growth. The MPPs serve as the regional guidelines and principles used for the Regional Council's certification of policies and plans. PSRC is the federally designated metropolitan planning organization (MPO) for the four-county central Puget Sound Region. As such, PSRC controls the distribution of federal transportation funds to the City. Chapter 2 includes more information about consistency with the King County CPPs and PSRC MPPs.

Vision 2040 Regional Planning Statement

The City's comprehensive plan sets out a vision and policies for how Black Diamond will accommodate growth until 2035 while meeting the regional objectives expressed in Vision 2040.

At its core, Vision 2040 embraces sustainability principles. Sustainability is the balance of economic, environmental, and social equity. Simply defined, a sustainability lens is about meeting the needs of the present without compromising the ability of future generations to meet their own needs. The sustainability lens allows us to preserve and enhance what we have in order to plan for and achieve a livable community now and in the future.

This Comprehensive Plan incorporates a sustainable approach to planning and includes policies which preserve wetland, flood, habitat, geologic, shoreline, and aquifer critical areas as key features around which the City will develop. It requires large developments to employ master planning principles such as open space preservation, local economic development, mixed uses, compact form, and accessible civic spaces.

Specifically, the Black Diamond Comprehensive Plan addresses each of the major policy areas in Vision 2040 summarized as follows:

Environment

- Chapter 4 "Natural Environment" contains protections for water quality, critical areas, and air quality.
- Chapter 5 "Land Use" promotes compact development and preserves open space.
- Chapter 7 "Transportation" promotes a multi-modal transportation system consistent with the compact development pattern promoted in the land use chapter.

Development patterns

- Chapter 5 "Land Use" encourages infill and orderly annexation of unincorporated areas.
- Chapter 2 "Community Character and Demographics" supports the regional growth projections.
- Chapter 5 "Land Use" promotes compact development, establishes community commercial/mixed-use centers and community design concepts that promote multi-modal transportation options, and it sets up a transfer of development rights (TDR) program.

Housing

o Chapter 6 "Housing" promotes housing affordability and diversity.

Transportation

 Chapter 7 "Transportation" promotes a safe, well-maintained, multimodal, and sustainable transportation system.

Public Services

 Chapter 8 "Capital Facilities" and Chapter 9 "Utilities" Elements ensure that public services, including stormwater, sewer, water, parks, administrative, fire and emergency services, and franchise utilities are adequate to serve growth and development.

Economy

 Chapter 10 "Economic Development" promotes job retention and attraction.

1.3 Implementation of the Comprehensive Plan

- Purpose and Relationship to GMA A comprehensive plan is implemented through the goals and policies it identifies to guide and coordinate local decision making. The plan's policies shape the course of action taken by the community as it begins to implement the plan. The GMA encourages innovative implementation methods that are both regulatory and non-regulatory. Regulatory actions may include the adoption of a zoning ordinance or other land use regulations, while non-regulatory actions include implementation of the capital facilities plan, economic development strategies, and promotion of affordable housing development.
- * Regulatory Measures The GMA requires that local governments enact land development regulations that are consistent with, and implement the Comprehensive Plan. In order to accomplish this, the development regulations should be regularly reviewed to ensure consistency with the Comprehensive Plan in order to identify the need for amendments. In particular, the zoning code and zoning map must be consistent with the future land use map and policies established in the plan. The future land use map and land use policies in the Comprehensive Plan establish the use, density, and intensity of future development within the City.
- Concurrency Management Comprehensive plan policies also meet the GMA requirements for concurrency by establishing level of service (LOS) standards for capital facilities. The concurrency management system sets forth the procedures to be used to determine whether public facilities have adequate capacity to accommodate a proposed development. And, the concurrency management system also identifies the responses to be made by the City when it is determined that the proposal will exceed the level of service established, and therefore exceed the defined capacity, failing to maintain concurrency. This includes the criteria the City uses to determine whether development proposals are served by adequate public facilities, and establishes monitoring procedures to enable periodic updates of public facilities and services capacities.

Under the GMA, concurrency management must be established for transportation; however, jurisdictions may establish concurrency for any public services or facilities for which they have

established level of service standards in their comprehensive plan. Level of service standards may be established for fire and emergency facilities, police, schools, sewer and water, transportation, and parks and recreational facilities and services.

- Six-Year Capital Improvement Plan Another major implementation tool of the Plan is the six-year schedule of capital improvements. The Capital Improvements Plan, or CIP, sets out the capital projects that the City must undertake within the next six years in order to implement the Plan. The six-year schedule is updated annually, with the first year of the schedule acting as the capital budget for the fiscal year. During the annual updating of the six-year schedule, the cost estimates and funding sources listed are updated and revised to reflect any additional information that the City has received. The CIP schedule is also be revised to include any additional capital projects that are needed to maintain the City's adopted level of service standards.
- Coordination with King County Through the CPPs, the City is a partner with King County and the other cities in shaping regional policies and actions. This includes updating the CPPs and evaluating UGA issues.
- Consistency with PSRC The City recognizes the need for regional planning and is therefore committed to keeping its policies and actions consistent with Vision 2040.
- Administrative Actions The Plan includes a number of policies that should be carried out through administrative actions, such as inter-local agreements, revised development and review procedures, and public involvement programs. Development and review procedures must be revised to implement concurrency and to ensure that new development complies with the performance standards established.

Public Involvement

In order for the Plan to remain alive, the citizens of the community must remain in touch with its implementation. As the plan is tested by development, there will be the need for ongoing amendments to respond to changing conditions. As the community matures, the vision of the future will change and new needs and priorities will emerge.

Continued public involvement and communication is crucial to keeping the process fresh and engaging so that the planning "wheel" does not have to be reinvented every few years. The City has adopted a public participation program which is incorporated in to this Comprehensive Plan.

1.4 Amending the Comprehensive Plan

The Comprehensive Plan is intended to reflect the community's vision and to plan to accommodate expected change. Through its Comprehensive Plan, the City intends to manage its future effectively. In order to do so, the comprehensive planning process should be approached as continuous, with ongoing review and updating as necessary to reflect changes that occur over time. This plan should be reviewed annually and amended as appropriate.

For the Plan to function as an effective decision making document, it must be flexible enough to accommodate changes in public attitudes, developmental technologies, economic forces and

legislative policy, yet focused enough to insure consistent application of development principles. The GMA requires that the City establish a public participation program that identifies the procedures and schedules to be used to update or amendment the Comprehensive Plan.

Other than the 7-year review and update process, the GMA limits comprehensive plan amendments to occur no more frequently than once per year, with exceptions. Exceptions to the GMA annual amendment cycle include the following: the initial adoption of a subarea plan, the adoption or amendment of a shoreline master program, the amendment of the capital facilities element of the plan that occurs concurrently with the adoption or amendment of the city budget, and the resolution of an appeal of a comprehensive plan filed with a Growth Management Hearings Board or with the court.

In addition, proposed amendments must be reviewed relative to the plans of adjacent jurisdictions, and all proposed amendments proposed in any one year must be considered concurrently so that the cumulative effect of the various proposals can be determined.

Annual Plan Review and Amendment Process

The annual review and plan amendment process provides an opportunity to refine and update the Comprehensive Plan and to monitor and evaluate the progress of the implementation strategies and policies incorporated therein. During the review and amendment process, the Planning Commission and City Council shall consider current development trends to determine the City's progress in achieving the economic, land use, and housing goals established in the Plan.

This process allows for any individual, organization, corporation or partnership, general or special purpose government, or entity of any kind to propose an amendment to the Comprehensive Plan. In some cases, amendments to the Plan may be necessitated by amendments to the GMA or Countywide Planning Policies or changes in federal or state legislation. These types of plan amendments may be recommended by the City Council, Planning Commission, City Staff, or any citizen.

A proposed amendment to the Comprehensive Plan may be site-specific or area-wide in scope. If the proposed amendment involves specific real property, then the property owner must provide written consent for the proposal. A proposal that is not initiated by City Council or the Planning Commission shall be submitted to the Planning Commission in writing on a form as required by the Community Development Department, together with required filing fees.

The City requests that Comprehensive Plan amendment proponents provide the following information in their application for amendment:

- An environmental checklist for SEPA determination.
- Name, address, and phone numbers of the applicant and contact person, if any.
- A general and legal description of the property and owners consent if the amendment concerns specific real property.
- A description of what is proposed to be changed and statements addressing why the amendment is being requested.

- A statement of the anticipated impacts of the change, including geographic area affected and issues presented.
- A description of any changes to development regulations, modification to capital improvement programs, or functional plans required for implementation so that regulations will be consistent with the Plan.

Information to be considered for justifying a proposed amendment rests with the applicant who must demonstrate that the request fully complies with the following as applicable:

- The proposed change is consistent with the goals, objectives, and policies of the Comprehensive Plan; and
- The existing land use designation was made due to an error or oversight; or
- There has been a change in conditions since the plan was last adopted/amended that needs to be addressed; or
- There is an inconsistency between the comprehensive plan and the GMA, King County CPPs, or Vision 2040

Information to assess necessary Comprehensive Plan amendments relates to such issues as whether:

- Growth and development are occurring at a faster or slower rate than envisioned in the Plan;
- Capacity to provide adequate services is diminished or increased;
- Land availability to absorb amounts and types of development envisioned in the Plan is not adequate.
- Assumptions on which the Plan is based are found to be invalid;
- The effect of the Plan on land values and housing is contrary to the Plan goals;
- ❖ The overall population growth and relative comparison with the forecasted growth projections contained in the Plan (and the inclusion of updated projections where appropriate).

The annual review and amendment process requires public participation, both through community meetings to familiarize the public with the amendment proposals, as well as formal public hearings before the Planning Commission and City Council. Proposed plan amendments must be submitted to the State Department of Commerce (DOC) for review at least 60 days prior to final City Council adoption.

The following policies guide the annual plan review and amendment process:

Policy A-1: Amendment procedures shall be fully outlined in the City's land development regulations.

Policy A-2: The City shall schedule an annual review of the Comprehensive Plan to consider the need for amendments.

Policy A-3: The Director of Community Development shall maintain a list of all amendment submittals; this shall be known as the "docket" and shall be the official method of tracking all known requested changes or additions to the comprehensive plan.

Policy A-4: The Director of Community Development shall conduct an annual review of the docket with the Planning Commission to initiate formal consideration for inclusion as part of the amendment process.

Policy A-5: All Comprehensive Plan amendments, both City-initiated and all others shall be processed together with any necessary zoning, subdivision, or other ordinance amendment, to ensure consistency.

Policy A-6: All amendment proposals shall be considered concurrently by the Planning Commission and the City Council so that their cumulative impacts can be determined.

Annual Plan Review and Amendment Schedule

The plan amendment process is designed to be flexible to accommodate unique conditions such as the nature, complexity, or amount of plan amendment requests in a single year. The annual "window" of plan amendment submittals from the public will be open throughout the year, (that is, the public can submit requests for amendments at any time) however, they will only be "processed" in accordance with the adopted regulations. The timing of the annual update process is represented by the following generalized schedule:

- First Quarter City accepts initial public requests for comprehensive plan amendments (docket).
- Second Quarter Planning Commission reviews the docket and forwards its recommendations to the City Council for consideration. City Council decides which proposed amendments should be considered and establishes a plan amendment schedule.
- Third Quarter Planning Commission evaluates the proposed amendments, holds a public hearing, and forwards its final recommendation to the City Council. Environmental and state agency review is conducted.
- Fourth Quarter City Council reviews the recommendation, holds a public hearing, and decides on adoption of the proposed amendments.

Emergency Plan Amendment Consideration

The Comprehensive Plan may be amended outside the normal schedule if findings are adopted (by City Council resolution) to show that the amendment was necessary, due to an emergency situation in which property or human safety is in jeopardy, or to resolve an appeal of the Comprehensive Plan filed with the Central Puget Sound Growth Management Hearings Board.

Public Process and Visioning

Black Diamond adopted its first Comprehensive Plan in 1980. With the passage of the GMA in 1990, the City was required to begin planning under this new legislation. In 1991, statement of the City's collective vision was prepared through a public process. An updated "GMA" Comprehensive Plan was adopted in 1996, and again in 2009. Throughout the years, the Plan has been annually amended. However, the City's Vision has remained substantially unchanged.

1.5 The Black Diamond Vision

In the year 2035, Black Diamond will be a beautiful, friendly community based on a rich historic heritage and exceptional natural setting, with a small-town atmosphere. Forested areas and open space remain, while development maintains a healthy balance of moderate growth and economic viability.

The economic base will be a mix of retail, industrial/Business Park, office, tourist and local cottage industries. Residential development will be a mix of types, sizes, and densities, clustered to preserve maximum open space and to access a system of trails/bikeways/greenbelts which connect housing, shopping, employment, with nearby regional parks and recreational facilities.

Citizens actively participate in an effective and open government decision making process that reflects community values. There will be good cooperation among nearby jurisdictions, and adequate public services and environmental protection to provide a safe and healthy quality of life for all citizens, from children to seniors.

1.6 Vision Goals

The vision statement is amplified with the following over-arching goals that direct the more specific goals and policies of the plan elements.

Natural Environment Goal 1: Retain the City's natural environment and scenic beauty.

Natural Environment Goal 2: Encourage Development in areas where natural systems present the fewest environmental constraints while exercising responsible stewardship over natural resources and amenities.

Land Use Goal 1: Establish a pattern of development that maintains and enhances a safe and healthy quality of life within the community, from children to seniors.

Housing Goal 1: Make housing available to all economic and social segments of the community.

Transportation Goal 1: Establish and maintain a transportation system that provides safe and cost efficient movement of people and goods.

Transportation Goal 2: Minimize the environmental and social impacts of transportation to critical areas.

Transportation Goal 3: Provide a transportation system that has adequate financing for necessary transportation improvements.

Transportation Goal 4: Maintain a transportation system that is consistent with Puget Sound Regional Council's forecasts and vision.

Capital Facilities Goal 1: Ensure that public services are available to support future development.

Parks, Recreation, and Open Space Goal 1: Support the stewardship of natural resources and amenities throughout the community in the form of parks, trails, open space, and recreation.

Utilities Goal 1: Utility facility planning will be consistent to meet public service obligations for future growth.

Economic Development Goal 1: Encourage job creation by making the community a better place to live, work, and do business.

Community Development Goal 1: Preserve and encourage the "small town" atmosphere.

1.7 Plan Summary

The Comprehensive Plan is based on these major findings;

- It is important to retain Black Diamond's small-town, historic character and preserve historic treasures as the City grows.
- The City's sensitive area ordinance and shoreline management plan should be consistently applied. If a conflict should arise, the most restrictive provisions shall prevail
- Transportation needs are one of the City's biggest challenges and therefore, the transportation element must address transportation issues and link them to strategies and options to minimize traffic congestion.
- Recommended level of service standards for parks, transportation, administrative services, police and fire protection must be upheld and new development must be served by adequate public facilities and cannot cause the level of service to be degraded below these adopted standards.

- ❖ A diversity of housing options within the community must be available to support the City's affordable housing needs.
- ❖ A coordinated system of recreational opportunities including local parks and trails must be connected to the regional systems that are considered differently than the City's Open Space areas which are set aside for purpose of preservation and conservation.
- ❖ A development pattern containing a mix of land uses is necessary to support a healthy balance of jobs to housing.



1.8 Plan Outline - At a Glance

Element or Section	Policy Abbreviation	Primary Function		
Introduction		Provides overview of the purpose the document, planning context and framework.		
		Sets the overarching goals for the City of Black Diamond and describes the future vision of what the City will look like and how it will function. These goals along with the Vision guide all polices within the Plan.		
Community Character; Population and Employment	СС	Defines the demographic profile for the City to better understand the people and character of the place for policy guidance.		
Natural Environment	NE	Addresses stewardship of the natural setting and resources.		
Land Use	LU	Guides the physical placement of land uses.		
Housing	НО	Addresses needs and strategies for providing a variety of typof housing.		
Transportation	TR	Addresses the movement of people and goods.		
Utilities	UT	Addresses utility infrastructure needs and design.		
Capital Facilities	CF	Describes how the City provides, plans for, and finances capital infrastructures and public services.		
Economic Development	ED	Directs the City's role and responsibilities in enhancing economic vitality.		
Shoreline Master Program	SMP	Addresses program affecting certain shorelines designated by the State		
Public Participation	PP	Informs the public about the public planning process.		

City of Black Diamond Comprehensive Plan $\underline{\text{Update}}$ – DRAFT



SECTION 2.0 Community Character and Demographics

Introduction

This Community Profile Element is a collection of demographic characteristics that define our community, including information about population, age, employment, education and income. It is useful to compare current characteristics, or existing conditions, with future conditions because a better understanding of who we are and what we might become helps to steer the City's policies and regulations toward achieving its vision. Such knowledge is needed to enable the City to plan for housing, employment, services and facilities, and infrastructure needs.

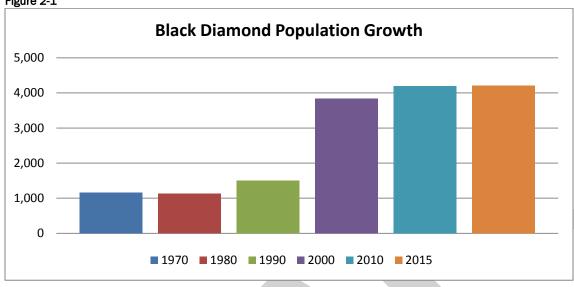
Planning Framework

The Growth Management Act (GMA, Revised Code of Washington [RCW] 36.70A.110) requires counties and cities to accommodate 20 years of growth based on the Office of Financial (OFM) growth forecasts. The GMA also requires countywide and regional coordination. The King County Growth Management Planning Council (GMPC) is the formal organization that develops and implements countywide policies. The GMPC includes King County and the cities within. Countywide coordination involves the GMPC's establishment of urban growth area (UGA) boundaries, population projections, and growth targets for planning purposes. These along with countywide planning policies (CPPs) create a coordinated countywide land use system. Black Diamond is required to have sufficient land to accommodate its growth targets for the twenty year period.

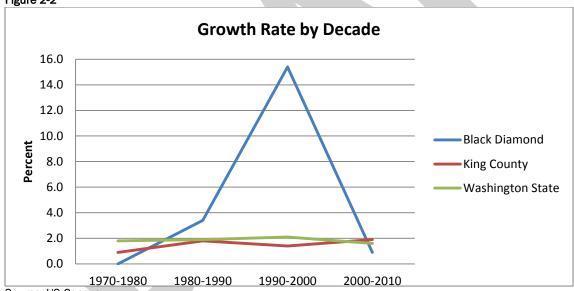
Additionally, Black Diamond is located within a regional UGA, the Puget Sound Regional Metro. This area encompasses King, Snohomish, Pierce, and Kitsap counties. The Puget Sound Regional Council is the organization responsible for planning in the Puget Sound metro. The PSRC's mission is to plan for regional transportation, growth management and economic development. The GMPC countywide policies (CPPs), growth projections and targets implement the PSRC's larger regional growth strategies. This Comprehensive Plan must be consistent with the PSRC regional plans.

Population Total and Growth Trends

Figure 2-1







Source: US Census

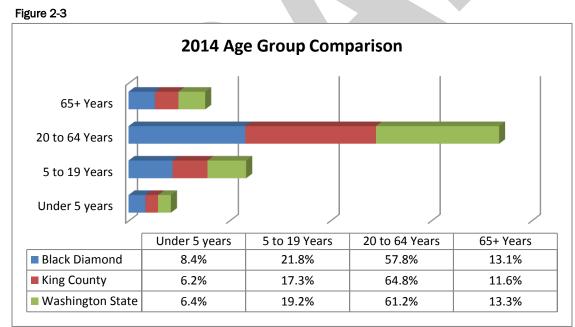
The Office of Financial Management (OFM) estimates that Black Diamond had 4,200 residents as of April 2015. The City experienced moderate growth in the 1980s and rapid growth in the 1990s due to new home construction. The rate of growth during this time far exceeded King County and state. The City population spiked between 1990 and 2000 due to the annexation of Lake Sawyer in 1998. Growth since 2000 has been slow, most likely the result of a 10-year moratorium combined with the 2008-2011 recession. A growth

spike is anticipated with the build-out of two approved master planned developments, Lawson Hills and The Villages. Future growth projections are included later in this chapter.

Gender and Age

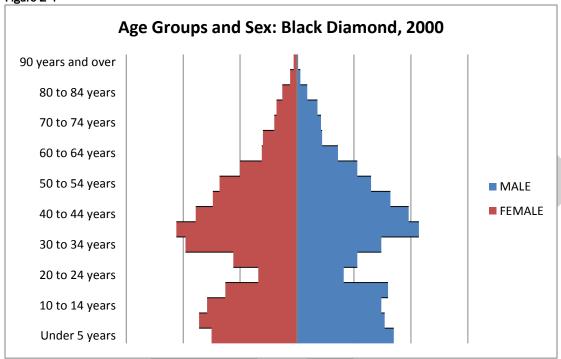
The population is mostly evenly divided between males and females with 49.8% males and 50.2% females. This is consistent with the county and state. According to the 2010 Census, the City's median age was 41 years compared with the County and state at 37 years. The 2000 Census reports the median age in Black Diamond was 36 years. The City's aging trend is consistent with the national trend. The National Institute on Aging states that for the first time in history, people age 65 will outnumber children under the age of 5. Societal aging may affect economic growth and many other issues, including the sustainability of families and the ability of communities to provide resources for older citizens.

Black Diamond has a higher percentage young people, 19 years and under, than the county and state. The City should take this into account when planning for recreational facilities and school impacts. It is also notable that the City has a smaller portion of people aged 20 to 64 years than the county and state. The population data displayed below (Figures 2-4 and 2-5) shows the largest gap is with people aged 20 to 30 years.



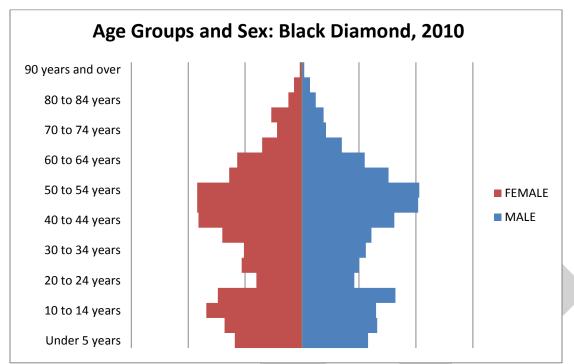
Source: US Census, ACS, 5-Year Estimates





Source: Age groups and sex: Decennial census 2000 & 2010 SF:1

Figure 2-5



Source: Age groups and sex: Decennial census 2000 & 2010 SF:1

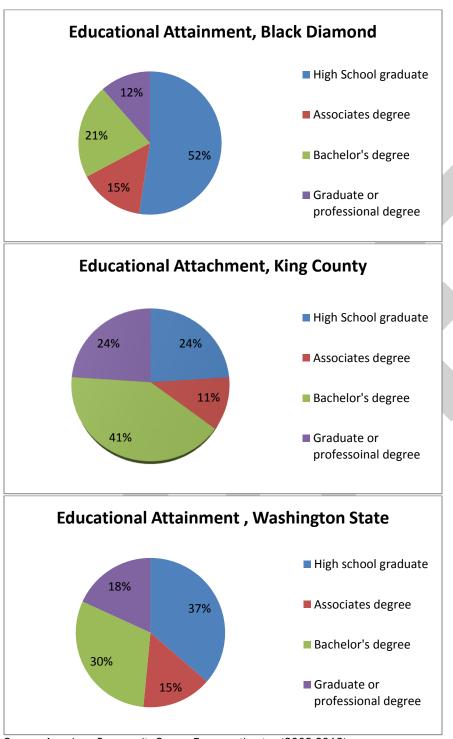
Race and Ethnicity

The predominant race in Black Diamond is white (92%) followed by Asian and Black or African Americans at 1.2% of the population. Those of Hispanic or Latino ethnicity make up about 4.6% of people living in Black Diamond. Given the City's history, there is a wide ethnic population mix that came to work the mines, including Italian, Welsh, Austrian, Yugoslavian, Finnish, Belgian, French, and Polish.

Educational Attainment

Figure 2-6 compares Black Diamond's educational attainment with the county and state. Education is often associated with socio-economic status and it is useful to consider as a component of economic development. The percent of high school graduates is substantially higher than the county and state. Fewer Black Diamond residents have four-year or advanced college degrees than the county and state.

Figure 2-6



Source: American Community Survey 5-year estimates (2009-2013)

Household Composition

Approximately two-thirds of Black Diamond's 1,546 households are headed by married couples as compared with half in the state and slightly less than half in the county. This is

consistent with the City's character as a traditional, family-oriented place. Non-family households, the second largest category, include people who live alone or nonrelatives living together, such as unmarried partners or roommates. According to the US Census these non-family households are increasing nationally. Table 2-1 shows this trend is occurring in Black Diamond. It also shows from 2000 to 2010 fewer households with children under the age of 18.

Table 2-1 Black Diamond Household Composition

	2000	2010
Married Couple Households Married Couple Households w/children	65.2% 33.4%	62.9% 27.3%
Non-Family Households	22.3%	25.2%
Non-Family Households Non-Family Households w/children	22.3% 43.3%	25.2% 37.5%
,	7	-

Source: 2000 & 2010 Decennial Census DP-1

Household Size

Household size in Black Diamond is larger compared to the county and state. According to the 2000 Census, the average household size in the City was 2.73 people per household (PPH) compared to 2010 with 2.68 PPH. King County's average was 2.4 and the state's 2.51.

Income

Black Diamond's median household and median per capita incomes are higher than for the county and state. At the same time, its average per capita income is lower than that of the county, but higher than that of the state. Higher income levels are a positive sign for the local economy and the support of local businesses.

Table 2-2 Income Comparisons

	Washington State	King County	Black Diamond
Median Household Income (2013)	59,478	71,811	72,653
Average Per Capita Income (2013)	30,742	39,911	34,232
Median Per Capita Income (2013)	32,900	40,540	43,675

Source: American Community survey, 5-year Estimates (2009-2013)

Employment

According to the Puget Sound Regional Council (PSRC), 1,970 City residents were employed as of 2014. These jobs are categorized by industry as follows:

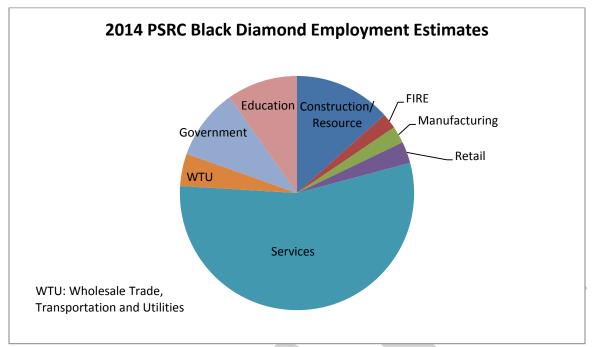
Table 2-3 Black Diamond Residents Jobs by Industry Sector

Agriculture, forestry, fishing and hunting, and mining	2%
Construction	12%
Manufacturing	18%
Wholesale trade	4%
Retail trade	10%
Transportation and warehousing, and utilities	10%
Information	2%
FIRE*	4%
Educational services and health care and social assistance	15%
Professional, scientific, and management, and administrative and waste management services	7%
Arts, entertainment, and recreation, and accommodation and food services	7%
Other services, except public administration	5%
Public administration	4%
*FIRE includes finance, insurance and real estate	l

Source: 2010-2014 American Community Survey 5-year Estimates

The PSRC estimates employment by jurisdiction and in 2014 there were 470 jobs in Black Diamond. Figure 2-7 shows breakdown for employment in the City by major category.

Figure 2-7



Source: PSRC Covered Employment Estimates

The majority of jobs in Black Diamond fall into the major category of services which includes information, professional, scientific and technical services, educational services (private), health care and social assistance, arts, entertainment, and recreation. The construction and resource job category is the second largest with Government and Education tracking closely behind.

Commute Time

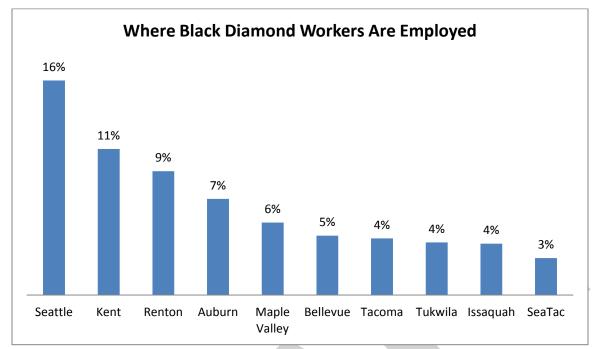
The vast majority of Black Diamond residents commute out of town for work as a result of the number of jobs in relation to the working age population. On average, Black Diamond workers commute 36 minutes to work which is approximately 10 minutes longer than residents of the state or King County. According to 2013 data from the US Census bureau, Center for Economic Studies, the breakdown for commute times to work is as follows:

- 22.6% commute less than 10 miles
- 4 61.7% commute between 10 and 24 miles
- ❖ 14.% commute between 25 and 50 miles

By and large, Black Diamond workers commute to the north and west as shown by the top ten employment areas in the figure below.

Figure 2-8

¹ Source: American Consumer Survey, US Census



Source: US Census, On the Map

These longer drives to work translate into higher commute costs meaning Black Diamond residents have a smaller proportion of their total income available for housing and other necessities and is likely impacting the quality of life for some residents. The City should aggressively develop economic development strategies to increase the number of job opportunities closer to home.

Unemployment

The unemployment rate for Black Diamond residents was 3.3 percent in 2013, approximately half that of the state and county. While Black Diamond has a lower unemployment rate than the county or state, the city itself has few local jobs. This low ratio of jobs to households is discussed in the Jobs/Housing Balance below.

Jobs/Housing Balance

The jobs/housing balance, as expressed by the ratio of jobs to households, is another indicator of commute patterns, economic conditions, and overall quality of life in a community. Table 2-4 shows job-to-household ratios for Black Diamond and other rural small towns in King County and in jurisdictions that neighbor Black Diamond.

Table 2-4 Jobs-to-Household Ratios

Black Diamond	0.3	
Rural Small Towns		

Carnation	1.1	
Duvall	0.6	
Enumclaw	1.0	
North Bend	1.6	
Snoqualmie	1.2	
Neighboring Jurisdictions		
Covington	0.7	
Maple Valley	0.5	

In 2009, Black Diamond had 0.3 jobs per household or approximately one job for every three housing units, reconfirming that the city is a net exporter of workers who travel to other locales for work. Of the five rural small towns in King County and the two neighboring jurisdictions, Black Diamond had a far lower jobs to housing ratio, meaning that fewer jobs are available within Black Diamond than in comparable towns and cities. Black Diamond has a jobs/housing imbalance. The planning implications of this imbalance include a greater strain on transportation infrastructure, lower disposable incomes since more is spent on commute costs, and impacts to quality of life such as less time for non-work activities (leisure, community, family, etc.). However, the positive quality of life attributes of Black Diamond (e.g., access to the outdoors, scenic views, and a family-oriented community) help offset commute impacts and make Black Diamond a highly desirable place to live.

Ideally the jobs available in a community should match the labor force skills, and housing should be available at prices, sizes and locations suited to workers who wish to live in the area. The City should address the jobs/housing imbalance by investigating the types of mismatches that exist between the types of jobs in the area with labor force skills and housing options.

Future Conditions

King County Growth Targets

King County first adopted the countywide planning policies (CPPs) in 1992. The CPPs provide a framework for the county and the cities within it to plan for growth. The CPPs contain policies addressing topic areas such as environment, development patterns, housing, economy, transportation, and public facilities and services; the CPPs also contain population, housing and employment growth targets.

King County and the cities within coordinate to set these growth targets based on the 20-year OFM forecast. Part of this process includes the establishment of urban growth area (UGA) boundaries to sufficiently accommodate anticipated growth. The County and cities collectively amend and update the CPPs and growth targets. CPP DP-13 requires that each jurisdiction plan to accommodate the minimum growth targets specified in the CPPs. Consistency with the CPPs ensures Black Diamond's compliance with the GMA.

The King County CPPs set growth targets for the period 2006-2031. The planning horizon for this comprehensive plan update is 2035. Therefore, King County provided updated growth targets extending to the year 2035 for consistency. These growth targets include the minimum number of new housing units and jobs that Black Diamond must plan for. The 2035 targeted growth forecast for Black Diamond is 2,204 housing units and 1,218 jobs. The City's capacity to accommodate these growth targets is discussed later in this chapter.

Puget Sound Regional Council Land Use Target Forecast

The GMA requires that local and countywide plans be regionally consistent. While the CPPs provide the countywide context for planning in Black Diamond, the Puget Sound Regional Council (PSRC) Vision 2040 Plan provides the regional planning framework under which the City must also plan. The PSRC forecasts geographic distributions of people, residential units, and jobs resulting from projected growth assumptions in support of support regional growth strategies.

The PSRC maintains several datasets to model patterns of future growth. The Land Use Vision (LUV) dataset uses land use and growth assumptions to support long-range planning and modeling work. The Land Use Target (LUT) dataset is designed to represent and align local growth targets developed by municipalities with the Vision 2040 regional growth strategy.

The most recent release of these datasets in April 2014 did not account for the 2011 approvals of the Lawson Hills and Villages master planned developments which permit the construction of 6,050 new housing units and approximately one million square feet of commercial/retail development in the City.

During this comprehensive plan update, the City and its consultants worked with PSRC to resolve the matter by requesting that PSRC update its forecast for Black Diamond to account for these two approved master planned developments. In May 2015, PSRC completed the City's request so that the newly updated forecasts would accurately reflect the City's future. The PSRC updated 2035 forecast resulted in a total population of 19,262 with 7,674 households and 3,709 jobs.

Table 2-5 King County Growth Targets and PSRC Land Use Targets Forecast for Black Diamond

	2014	2031	PSRC 2035 Old Forecast	PSRC 2035 Updated Forecast
King County Growth Targets for Black Diamond				
Housing Units	N/A	1,900	N/A	2,204
Employment	N/A	1,050	N/A	1,218
Puget Sound Regional Council Land Use Targets Forecast				

Population	4,361	8,359	9,159	19,262
Households	1,627	3,491	3,643	7,674
Employment	561	1,837	2,073	3,709

Source: King County and PSRC

The King County growth targets for Black Diamond are 2,204 housing units and 1,218 jobs in 2035. The added new housing units permitted for the master planned developments total 6,050 far exceeding the City's minimum growth target for the City. The 2035 employment target is 1,218. The updated PSRC data forecasts 3,709 jobs in Black Diamond by 2035 which meets and exceeds the City's employment growth target. Therefore, this comprehensive plan is GMA compliant with respect to consistency with King County CPPs and PSRC's Vision 2040.

There are many uncertainties inherent in population forecasting. The City must plan for the additional growth permitted with the approval of the master planned developments. If, over time, construction does not occur as planned, then it will be necessary to adjust this plan.

Land Capacity

In 2014, King County released the "The King County Buildable Lands Report 2014," This report was prepared by King County and its cities as required by the GMA. The purpose of the Buildable Lands Report (BLR) is to assess the capacity of cities and unincorporated areas in King County to accommodate projected growth to the year 2031. The report shows that there is sufficient capacity within the boundaries of the City to accommodate the housing and job growth targets to 2035.

Table 2-6 2035 Estimated Black Diamond Housing and Employment Capacity and Growth Targets

Housing Capacity	Housing Units
Housing Capacity from 2012 BLR Report	4,231
King County 2035 Housing Target	2,204
Less Units Permitted (2013-2015)	-20
Remaining Housing Capacity (units, 2015)	4,211
Remaining Housing Target	2,184
Surplus Capacity (units)	2,027
Employment Capacity	Jobs
Employment Capacity from 2012 BLR Report	4,771
King County 2035 Employment Target	1,218
Less Employment Gain (2013)	-5
Remaining Job Capacity	4,766

Remaining Job Target	1,213
Surplus Capacity	3,533

Source: King County Buildable Lands Report, 2014 and City of Black Diamond.

King County growth targets represent the minimum numbers of households and jobs each jurisdiction is required to accommodate under the GMA, but do not represent numbers of units or jobs that may actually result in Black Diamond as a result of market forces. In addition, King County's estimates include only the area within the boundaries of the City of Black Diamond, but do not include capacity within the designated Potential Annexation Areas (PAAs).² For these reasons, King County underestimates the land use capacity of Black Diamond.

PSRC's updated forecast for Black Diamond predicts much higher numbers of households and jobs than have been allocated for it by the King County growth targets. As shown in Table 2-5, Black Diamond is projected by PSRC to have 5,470 more households and 2,491 more jobs than have been targeted for it by King County. The inclusion of the Lawson Hills and The Villages master planned developments in the PSRC forecast, but not in the King County growth targets, is the primary difference between the two. In updating its forecast, PSRC assumed that these developments would be built as permitted in the 2011 development agreements.

Black Diamond is projected, and has the capacity to have, at least 19,262 people, 7,674 households, and 3,709 jobs in the year 2035, not including undeveloped portions of the Lake 12 and West Sawyer Lake PAAs. Because it assumes higher population, housing, and employment levels, the PSRC forecast is the projection used in this comprehensive plan update and is the basis for evaluating land use, transportation, and capital facilities needs.

Based on this analysis, land in Black Diamond can accommodate both the GMA targeted population and employment as well as the PSRC forecasted population, households, and employment. The following Chapters provide the basis for the comprehensive plan to direct and accommodate future household and employment growth within the City and its PAA.

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² Based on personal communication with Chandler Felt, King County Demographer, June 10, 2015.

Introduction

This technical appendix was prepared to support the goals and policies in Chapter 6 "Housing" of the Comprehensive Plan. It summarizes the existing conditions, analyzes and describes the City's projected housing needs for the 20-year planning period.

1.1 Existing Conditions of Households

Documenting existing housing conditions such as type and structure, age of the housing unit, vacancy rates, home values, occupancy, tenure, persons per household, and land capacity provides a baseline picture of housing supply conditions in Black Diamond

Types of Housing and Structure

Black Diamond's housing supply is predominantly composed of single-family residential structures. Based on the data from the US Census American Consumer Survey (ACS) 5-year estimate from 2010-2014, approximately 89.6% of the of the City's housing supply is from single family structures compared to King County's 73.3% and the State's 67%. The Census data also shows a slight increase in the median number of rooms in the City's housing units from 5.8 rooms in 2000, 6.4 in 2010 and 6.6 in 2012.

Table 6-1 compares the number of housing types between 2010 and 2015.

	Total Housing Units	Single-Family	Multi-Family	Manufactured
2010	1,686	1,439	46	201
2015	1,698	1,456	47	195

Source: OFM

Age of Homes

Structure age is one indicator of the quality and condition of a community's housing stock. Although older housing units can contribute to the character of a community, they tend to be of lower quality because of wear and outmoded building materials and construction practices. The ages of existing structures also demonstrate the pattern of development in a community. Higher numbers of homes built in shorter periods demonstrate rapid rates of development. Structure age also allows a comparison of housing conditions in Black Diamond with those of the county and state.

Table 6.2 Ages of Homes in Black Diamond

Year Built	# Housing Units	Percent
Since 2000	142	8%
1970 - 1999	1142	67%
1940 - 1969	159	9%
1939 and earlier	256	15%
Total	1699	100%

Source: ACS DP04: Selected Housing Characteristics 2009-2013 and OFM Postcensal Estimates of Housing Units, April 1, 2010 to April 1, 2015

Reviewing data on the ages of Black Diamond's houses in Table 6.2, it is apparent that the community experienced rapid growth in 1939 and earlier and in the period from 1970 to 1999. Houses constructed prior to 1939 in downtown and Morganville help define the historic character that Black Diamond seeks to preserve. The 1970 to 1999 construction boom was throughout the State. Approximately half of the State's housing stock was built during that time.

However, since the year 2000, home construction in the State and throughout King County has occurred at a faster rate than in the City. While approximately 8 percent of Black Diamond's housing stock was constructed between 2000 and 2015, 18 percent of the housing stock in the County and nearly 16 percent statewide was constructed during that period. The slower trend of recent housing construction was due to a large development moratoria in Black Diamond from 1999 to 2009.

1.2 Housing Characteristics

The 2010 Census reports 4,151 households in Black Diamond compared to 3,970 in 2000 for an annual average increase of 18 new households. Consistent with the State's trend, the number of people living in these households is declining. Even so, at 2.68 people per household, the average household size in the City is greater than County and State averages as shown in Table 6.3

Table 6.3 Average Household Size Comparison

People Per Household
2.68
2.4
2.51

Source: ACS Census

Housing Tenure and Vacancy Rates

Vacancy rates are driven by the supply and demand of housing in a given market. Supply and demand are most affected by the cost of the housing and the income of prospective owners and tenants. Tenure (own vs. rent) is another indicator of supply and demand. For example, if the area has a greater level of vacancies in owner- and/or renter-occupied units

and the vacancy rates remain elevated for a prolonged period, the area may contain an oversupply of housing units as compared with local demand.

Black Diamond, the County, and Washington State have a higher proportion of owners than renters. In 2014, 88.8% of the City's population lived in owner occupied homes compared to 57.5% in the County and 62.7% in the state. In comparing the proportion of renters, Black Diamond has a significantly lower percentage than the County and State. However there is are overall decreases in the percentage of homeowners and an increase in persons renting homes. Table 6-3 shows the breakdown of housing tenure between 2010 and 2014.

Table 6-3 Housing Tenure

	2	010	2014	
	Owner - Occupied	Renter- Occupied	Owner - Occupied	Renter- Occupied
Black Diamond	92.8%	7.2%	88.8%	11.2%
King County	59.9%	42.5%	57.5%	40.1%
Washington State	64.8%	37.3%	62.7%	35.2%

Source: ACS 2010-2014 5-year est. DP04

Homeowner-occupied vacancy rates increased in the City between 2010 and 2014 and they are higher than those in the County and state by almost 2 percent. During this time, County and state homeowner-occupied vacancy rates decreased slightly, whereas the City's increased. Black Diamond recorded no renter-occupied vacancies during that time period suggesting that demand is strong and/or there is a shortage of rental units which makes sense given there are few multi-family structures in the City. The majority of rental units consist of two manufactured home parks. See Table 6-4 for an overall view of housing occupancy in Black Diamond.

Table 6-4 Housing Occupancy

	2010		2	2014
	Total #	Percentage	Total #	Percentage
Total Housing Units	1641		1754	
Occupied Housing Units	1475	90%	1658	94%
Vacant Housing Units	166	10%	96	6%
Homeowner vacancy rate		3%		4%
Rental vacancy rate		0%		0%

Source: ACS DP04: Selected Housing Characteristics 2009-2013, ACS Occupancy Status 5-year Estimate

Homeownership rates in Black Diamond appear to generally follow trends at the County and state levels toward a greater percentage of renters. However, the reason for increasing homeowner vacancy rates in Black Diamond is unclear.

Housing Values

According to the US Census ACS, median home values have decreased in Black Diamond since the year 2010. Home values reached their peak in 2010 during the 2008–2011 recession. This may be due to the 5-year estimates of the U.S. Census collecting some data prior to the economic collapse while home values were still at their peak or to a slower recovery of home values in Black Diamond as compared with the state and County. Median home values in King County and the state also declined from 2010 to 2013.

Table 6-5 Home Values

		2010	2	2013
	Total #	Percentage	Total #	Percentage
Owner-occupied units	1,369		1,448	
Less than \$199,999	102	7%	298	21%
\$200,000 to \$299,999	520	38%	445	31%
\$300,000 to \$499,999	415	30%	395	27%
\$500,000 to \$999,999	287	21%	269	19%
\$1,000,000 or more	45	3%	41	3%

Source: ACS DP04: Selected Housing Characteristics 2009-2013

The median home value in Black Diamond in 2013 was \$295,900 which represents a drop of 7% from 2010 to 2013. For comparison, King County's median home value in 2013 was \$262,000 and the largest portion of homes fell in the \$300,000 to \$499,999 value category.

The 2008–2011 recession resulted in decreased median home values nationally and throughout the state, the counties and cities. Median home values followed the national trends downward. Despite the recent decreases in housing prices, Black Diamond, the County, and the state are all expected to see increasing housing values over the 20-year planning period until 2035.

1.3 Housing Needs Assessment

Comprehensive plans are required to assess housing needs for different economic sectors and for different housing types (affordable housing, group homes, foster care facilities, multi-family housing, etc.). Policy H-3 of the County's countywide planning policies (CPPs) requires that jurisdictions conduct an analysis "of existing and projected housing needs of all economic and demographic segments of the population." CPP H-1 sets the targets in Table 6-6 for affordable housing that each jurisdiction in the County must meet.

¹King County, 2012 King County Countywide Planning Policies, November 2012, Amended December 3, 2012, policy H-3.

Table 6-6 Affordable Housing Targets

<u> </u>						
Income Level	come Level Percent of Area Median Income					
Moderate income	50 to 80%	16%				
Low income target	30 to 50%	12%				
Very low income	30 % and below	12%				

Source: 2012 King County Countywide Planning Policy H-1

Housing Targets, Forecasts, and Capacity

The King County Growth Management Planning Council (GMPC) is comprised of elected officials from King County and the jurisdictions within it. The GMPC sets a 20-year target for the number of households that must be accommodated within each jurisdiction based on growth management population projections. In addition, the Puget Sound Regional Council (PSRC) uses growth management population projections to forecast the region's housing and employment needs.

PSRS uses modeling tools to analyze the region's capacity to support future population growth and development. PSRC projects significant housing growth for Black Diamond and forecasts that there will be 7,674 households in the City by 2035. PSRC's forecast is also a housing capacity analysis. This forecast uses the approved MPD plans for Lawson Hills and The Villages to project the numbers of units that will be built to estimate build-out capacity.

The City is required to to assess whether it has capacity to accommodate growth consistent with the GMPC targets using the PSRC forecasts. Since the County has targeted Black Diamond to accommodate 2,204 housing units by 2035, the forecasted capacity of 7,674 units exceeds the King County targeted number of units. Black Diamond has sufficient land to accommodate the targeted and projected number of housing units for the year 2035. Of the homes anticipated to be constructed over the next 20 years, approximately 6,050 will be a direct result of the two approved MPDs.

Table 6-7 King County Housing Unit Growth Target and PSRC Household Projection and Capacity for 2035

	Projected Housing Units/Households
GMPC Targets	2,204
PSRC Forecasted Households and Capacity	7,674
Excess Capacity (Units or households)	5,470

Source: King County Technical Memo on Growth Targets Extension 2013 and PSRC Forecast, 2014

Housing Affordability

Although the total housing supply is expected to meet the demand of future employment and residents, as mentioned above, housing affordability is an essential part of the planning policies of both King County and PSRC and of GMA. These policies require that housing of all types be available to residents of all income levels. According to an action plan developed in 2015 by the King County Urban Consortium, the County is anticipated to receive \$29.9 million in funding from the Community Development Block Grant, HOME, and Emergency

Shelter Grant programs to meet affordable housing needs. The Consortium will provide 68.3 percent of the remaining funds to the south sub-region where Black Diamond is located. This funding is intended to provide affordable housing, combat homelessness, and assist community development in South King County. The following sections discuss affordable housing needs.

Income and Housing Costs

GMA requires that cities make adequate provisions for existing and projected housing needs for all economic segments of the community. The following looks at the housing needs for very low, low, and moderate income earners in Black Diamond. Policy H-1 of the 2012 King County countywide planning policies requires cities to "[a]ddress the countywide need for housing affordable to households with moderate, low, and very low incomes, including those with special needs." The County distinguishes these levels of household income according to the following percentages of area median income (AMI):

High Income Earners: Earn 121 percent or higher of AMI annually Middle Income Earners: Earn 81-120 percent of AMI annually Moderate Income Earners: Earn 51 to 80 percent of AMI annually Low Income Earners: Earn 31 to 50 percent of AMI annually Very Low Income Earners: Earn 30 percent and below of AMI annually

The U.S. Census defines a household as "all the people who occupy a housing unit and a housing unit as a house, apartment, mobile home, group of homes, or single room that is occupied. Black Diamond contains a greater percentages of low (31 to 50 percent AMI), moderate (51 to 80 percent AMI), and high income (120+ percent AMI) earning households than the Seattle-Tacoma-Bellevue metropolitan area and a lower proportion of very low income earners (0 to 30 percent AMI).

Table shows the number of households and housing units by income category in the Seattle metropolitan statistical area (MSA) and in Black Diamond. The Seattle MSA has a shortage of housing units in the very low (13 percent gap between units and households) and low AMI categories (8 percent gap between units and households). In contrast, Black Diamond has an ample supply of units in the very low AMI category, but a gap of 8 percent between households and units in the low income AMI category. Black Diamond housing units available in the very low income category may also be available to those in the 31 to 50 percent AMI category. In the future, Black Diamond should target strategies to increase the supply of homes in the very low and low income housing supply categories to both meet demand and comply with County affordable housing targets; these strategies could include planning for attached units, townhomes, apartments, and condominiums that would be available to this income category.

Table 6-8. Seattle MSA and Black Diamond Households and Housing Units by Area Median Income Category

AMI Category	Seattle MSA	Black Diamond	Seattle MSA	Black Diamond
	Households	Households	Housing Units	Housing Units
120% +	28%	31%	33%	30%
81-120%	19%	19%	29%	28%
51-80%	20%	23%	25%	24%
31-50%	15%	19%	8%	7%
0-30%	18%	8%	5%	11%

Source: BergerABAM using U.S. Census Financial Characteristics (ID # S2503): ACS 5-year Estimates 2009 – 2013 and HUD AMI of \$89,500 for the Seattle-Bellevue MSA

Cost Burden

The percentage of income paid by moderate, low, and very low income earners toward their monthly housing expenses is a measure of housing affordability. According to HUD, "families who pay more than 30 percent of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation, and medical care." The housing chapter of the King County countywide planning policies states that housing affordability for "very-low income households, those earning less than 30% of AMI [cost burdened], is the most challenging problem and one faced by all communities in the County."

HUD categorizes cost-burdened households into "moderate" (those paying 30 to 50 percent of income for housing) and "severe" (those paying more than 50 percent of income for housing). HUD data divides cost burden by owner and renter households. Table 6-9 shows the number of households paying more than 30 percent of their income (cost burdened) for housing in AMI categories. Although Black Diamond has higher percentages per capita of moderate to high income earners than the Seattle MSA, 47 percent of households pay more than 30 percent toward rent or mortgages and 97 percent of these residents own their homes (see Table 6-4). In both locations (City and County), 37 percent of households are moderately cost burdened. The city contains six percent less severely cost burdened residents than the county. Fifty-three percent of households in Black Diamond have no cost burden versus 47 percent in the County.

²See: http://portal.hud.gov/hudportal/HUD?src=/program offices/comm planning/affordablehousing

Table 6-9. Cost-Burdened Households in Black Diamond and King County

	No Cost Burden (30% or less)		Moderate Cost Burden (31% to 50%)		Severe Cost Burden (more than 50%)		Total
		E	Black Diamo	ond			
Tenure (Owner/Renter Occupied)	Owner	Renter	Owner	Renter	Owner	Renter	
Number of Households	750	80	560	25	165	0	1580
Percent	47%	5%	35%	2%	10%	0%	100%
	King County						
Tenure (Owner/Renter Occupied)"	Owner	Renter	Owner	Renter	Owner	Renter	
Number of Households	256,310	115,625	154,035	142,615	58,685	69,285	796,555
Percent	32%	15%	19%	18%	7%	9%	100%

Source: 2013HUD Data Query Tool 2008-2012

As Black Diamond grows, it will need to continue to monitor its supply of affordable housing. Robust housing and employment growth are likely to put upward pressure on housing prices, making affordable more unaffordable.

According to PSRC, out of 56 subsidized housing units in Black Diamond, 25 are affordable to those with incomes of 31 to 50 percent of AMI.³ Moderate income earners make up the largest group of residents below AMI in the City.

Special Needs Housing

Special needs housing is defined by the PSRC in Vision 2040 as "housing arrangements for populations with special physical or other needs. These populations include: the elderly, disabled persons, people with medical conditions, homeless individuals and families, and displaced persons.

As the population of the City increases, the demand for special needs housing will increase as well. The U.S. Census reports "[a]bout 56.7 million people — 19 percent of the population had a disability in 2010." Currently, about 10 percent of Black Diamond's population has a disability. As the City grows, the number and percentage of disabled persons are likely to increase, and many of these individuals will require some form of special housing accommodation.

³ PSRC, Subsidized Housing Database, 2013.

Housing for Homeless Persons

According to the Seattle/King County Coalition on Homelessness, 3,772 people were counted as without shelter in King County in January 2015, a 21 percent increase from 2014. A greater number of residents, 6,275, were in transitional housing and shelters. The cities of Auburn and Kent, the closest cities that were included in the count, reported a combined total of 267 residents without shelter. A total of 10,047 people, or about 0.5 percent of the County population, were counted as homeless in King County. Since no counts of homeless people are available for Black Diamond, if the countywide homeless average of 0.5 percent is applied to the City, there are approximately 21 homeless individuals in Black Diamond, a number expected to rise to 96 individuals if the population reaches 19,262 people in 2035 as expected. Currently, there are no homeless shelters in Black Diamond and none are planned.

1.4 Affordability Methodology

Housing statistics for the City were downloaded directly from the US Census American Fact Finder website (http://factfinder.census.gov) on 19 May 2015. The datasets downloaded from the American Fact Finder database consisted of the City of Black Diamond Financial Characteristics (Table ID Number S2503) and Selected Housing Characteristics (Table ID Number DP04) of the 2009 to 2013 American Community Survey (ACS) 5-year Estimates. According to the distinguishing features of the 1, 3, and 5-year estimates outlined on the US Census website (http://www.census.gov/acs/www/guidance_for_data_users/estimates/), 5-year estimates are best used when "Analyzing very small populations". Because the City of Black Diamond inhabitants total 4,201 people, and 3-year ACS estimates are best used for populations of 20,000 or more people, the City is considered to be a very small population appropriate for 5-year ACS estimates.

The King County 2012 Countywide Planning Policies (CWPPs) require extensive analysis of the City's area median income (AMI). This analysis should include households in the following AMI categories: 30% AMI and below, 30% to 50% AMI, 50% to 80% AMI. In addition "cost burdened", which are those paying more than 30 percent of their income in housing costs need to be examined.

In order to determine the number of households with income falling in each category and housing units affordable to each AMI category, the US Housing and Urban Development (HUD) ACS data was download and compiled. Tables 18A (owners with a mortgate) 18B (owners without a mortgage) and 18C (renters) where used. This data covers the years 2008-2012 and is the most accurate data pertaining to affordability. Cost burden data was also downloaded from HUDs CHAS data.

Housing in the City was most affordable during the year 2000 when the median home value was \$194,200 and the median income of residents was \$66,500. In that year, median household incomes were 34 percent of housing costs. By 2013, incomes were 25 percent of housing costs. In addition, the average annual growth rates for housing prices and incomes in Black Diamond shows that housing prices are increasing at more than four times the

annual rate of incomes (3.3 percent versus 0.7 percent). Thus, housing is becoming less affordable in Black Diamond.

Table 6-10 City of Black Diamond Housing Prices and Incomes

Year	2000	2010	2013	Growth Rate 2000-2013
Median Housing Value	\$194,200	\$319,700	\$295,900	3.3%
(Owner Occupied)				
Median Household	\$66,500	\$82,802	\$72,653	0.7%
Income				
Percentage of Income	34%	26%	25%	
to Housing Costs				

Sources: US Census Financial Characteristics (ID # S2503): ACS 5-year Estimates 2009-2013; Selected Housing Characteristics (ID # DP04) ACS 5-year Estimates 2006-2010; Housing Characteristics (ID # DP04) SF3 Sample Data 2000 (ID# HCT012).

Housing Development Concept

The City will participate with other cities and King County in developing countywide housing resources and programs to assist the large number of low and moderate income households who currently do not have affordable housing. These countywide efforts are intended to reverse current trends which concentrate low income housing opportunities in certain communities to achieve a more equitable participation by local jurisdictions in low-income housing development and services. Countywide efforts should give priority to assisting households below 50% of median income that are in greatest need and communities with high proportions of low and moderate income residents.

Black Diamond is committed to preserving, improving, and developing housing for all income levels and to creating a more balanced housing supply. The City is also committed to working with appropriate agencies to provide assistance programs to needy households. While the City has limited funds to contribute to housing or housing assistance programs, it will review its land use regulations to ensure that:

- A variety of housing types are permitted, including single-family detached, single-family attached, townhouse and multifamily, mixed uses, accessory dwelling units, and manufactured homes.
- A variety of lot sizes and densities, including clustering, are permitted.
- Sufficient land zoned for residential development is provided.
- Housing for special needs groups (i.e., group homes, foster care) is accommodated.
- The character of existing neighborhoods is preserved, along with the right of people to live in neighborhoods of their choice.

