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**Introduction to  
Capital Facilities Plan Guidebook**

Scott Kuhta, AICP  
IACC Conference - October 2014

**Washington State Department of Commerce  
Growth Management Services**

The Department of Commerce GMS assists local governments in Washington State with technical assistance, procedural criteria, grants, and mediation services - to implement the Growth Management Act (GMA)

RCW 36.70A.190.

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**Tools to Develop a CFP**

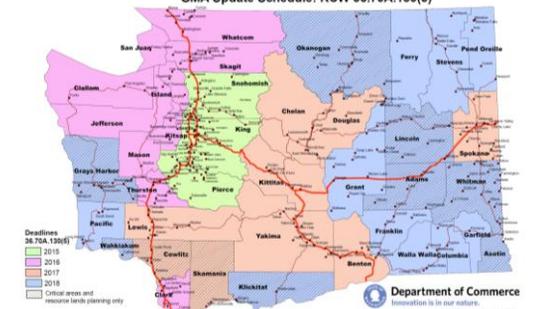
As part of our technical assistance program, GMS has updated the Capital Facilities Plan Guidebook. How are investment decisions made where you work?




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**GMA Comprehensive Plan Updates**

GMA Update Schedule: RCW 36.70A.130(5)



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**Capital Facilities Plan**

- Truth in Planning – Reality Check
- Integral element of comprehensive plans
- Infrastructure investments support economic development
- Infrastructure decisions have long term impacts on communities
- Land Use Plans → COMMITMENT!!

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**Smart Growth v Conventional Growth**

Does all development pay for itself?




Smart growth development      Conventional suburban development

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**Smart Growth Development**

“Smart growth development is characterized by more efficient use of land; a mixture of homes, businesses, and services located closer together; and better connections between streets and neighborhoods – all to maximize per acre property and sales tax revenue.”



**Conventional Growth Development**

“Conventional suburban development is characterized by less efficient use of land with homes, schools and businesses separated and areas designed primarily for driving.”



**Recent data on the cost of growth**

Smart Growth America collected 17 studies from across the country. These studies analyze the fiscal realities of smart growth compared with conventional suburban development for local governments.



**Overall Smart Growth Findings**

**1. In general, smart growth development costs one-third less for upfront infrastructure.**

“Our survey concluded that smart growth development saves an average of 38 percent on upfront costs for new construction of roads, sewers, water lines and other infrastructure.”



**Overall Smart Growth Findings**

**2. Smart growth development saves an average of 10 percent on ongoing delivery of services.**

“Our survey concluded that smart growth development saves municipalities an average of 10 percent on police, ambulance and fire service costs.”



**Overall Smart Growth Findings**

**3. Smart growth development generates 10 times more tax revenue per acre than conventional suburban development.**

“Our survey concluded that, on an average per-acre basis, smart growth development produces 10 times more tax revenue than conventional suburban development.”



## Where do you want growth to occur?

**That's where you put your Infrastructure!!!**



*"One of the best ways to make a future land use plan come true is to use investments in public facilities to reinforce the plan. The community should invest in new roads, sewer and water lines and other facilities where it wants growth to occur. It should refuse to make investments in areas where it does not want growth to occur."*

Eric Damian Kelly and Barbara Becker, Community Planning: An Introduction to the Comprehensive Plan



## The Rules: WAC 365-196-415

- The WAC provides current guidance for updating the CFP and what should be included. Updated in 2010.
- New CFP guidebook
- Look at a variety of recently updated plans, plans from similar jurisdictions, or plans from jurisdictions with similar issues.



## CFP Guidebook Introduction

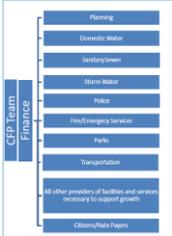
Urban land use decisions create a commitment to provide urban services sometime during your 20-year Comprehensive Plan.

- CFP Provides full implementation of land use plan
- GMA does not define Capital Facilities
- GMA Hearings Board:
  - Public Facilities = Capital Facilities
  - Which facilities are "necessary for development"?



## Key Players in CFP Development

Capital Facilities Planning requires participation from a host of people.


## Chapter 1: Overview of GMA Requirements

### RCW 36.70A.070(3)

A capital facilities plan element consisting of:

- An inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities;
- A forecast of the future needs for such capital facilities;
- The proposed locations and capacities of expanded or new capital facilities;
- At least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and
- A requirement to reassess the land use element if probable funding falls short of meeting existing needs and to ensure that the land use element, capital facilities plan element, and financing plan within the capital facilities plan element are coordinated and consistent. Park and recreation facilities shall be included in the capital facilities plan element.




Representation of the major components of capital facilities and public services planning.

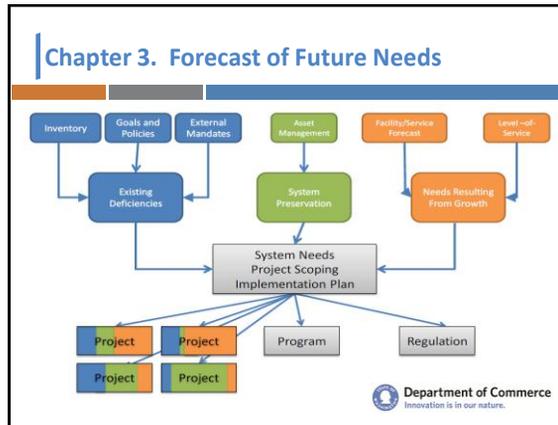


### Chapter 2: Developing and Updating Your Inventory

Guidance provided in WAC 365-196-415.

- Develop good relationships with facilities and service providers
- Start early in process....give them plenty of time
- Be clear on why you need information
- If info not available, provide assistance in gathering data
  - Format that is useful
  - Data swap
- Must use consistent population projections and planning horizon

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### Chapter 4: Meeting Current and Future Needs

Three drivers of determining current and future need:

1. Operating and maintaining existing facilities
2. Addressing existing deficiencies.
3. Facility and service demands for new growth.

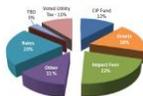
*Capital facilities needs analysis is an important tool for showing the financial consequences of different growth strategies.*

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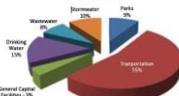
### Chapter 5: Financing Plan

GMA requires that 6-year financing plan be realistic, but local government should develop financing plan that covers full life of plan (7-20 years).

**2014-2019 CAPITAL FACILITIES PLAN  
COST BY FINANCING SOURCE  
\$122,101,887**



**2014-2019 CAPITAL FACILITIES PLAN COST  
BY PROJECT CATEGORY  
\$122,101,887**



	2014	2015-2019	Total
<b>CP Fund</b>	\$ 5,754,688	\$ 13,148,140	\$ 18,902,828
Grants	\$ 480,000	\$ 25,429,747	\$ 25,909,747
Special Fees	\$ 488,228	\$ 28,719,400	\$ 29,207,628
Other	\$ 1,806,510	\$ 38,832,270	\$ 40,638,780
Bonds	\$ 4,380,000	\$ 20,671,363	\$ 25,051,363
CPFA Mitigation	\$ 1,000	\$ 441,000	\$ 442,000
TRD	\$ 600,000	\$ 1,000,000	\$ 1,600,000
Unfunded 10%	\$ 1,221,102	\$ 11,679,717	\$ 12,900,819
<b>Total</b>	\$ 12,221,828	\$ 109,880,059	\$ 122,101,887

	2014	2015-2019	Total
<b>Parks</b>	\$ 1,308,250	\$ 8,651,350	\$ 9,959,600
Transportation	\$ 1,500,000	\$ 19,719,400	\$ 21,219,400
General Capital/Facilities	\$ 68,125	\$ 2,895,075	\$ 2,963,200
Drinking Water	\$ 1,828,800	\$ 18,485,200	\$ 20,314,000
Wastewater	\$ 1,189,700	\$ 7,819,300	\$ 9,009,000
Stormwater	\$ 2,720,000	\$ 18,450,000	\$ 21,170,000
<b>Total</b>	\$ 12,221,828	\$ 109,880,059	\$ 122,101,887

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### Chapter 5: Financing Plan (cont'd)

The Growth Management Hearings Board (GMHB) has consistently read [RCW 36.70A.070\(3\)\(e\)](#) to require that the estimates for revenues meet the estimated expenses for the 20-year planning period, or a reassessment of the land use plan would be required. As the UGA guidebook points out, this analysis and reassessment, if needed, should be done *before* a UGA is adopted or re-affirmed during the GMA periodic update, in order to support that UGA decision.

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### Chapter 6: Smaller Jurisdictions

Small jurisdictions must meet same requirements as all other jurisdictions. Commerce has tools to help:

- CFP Templates for:
  - Inventory
  - Project costs
  - Comp Plan policy matrix and decision matrix
  - Project proposal form

CFP Guidebook provides examples.

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## Chapter 7: County Considerations

Counties responsible for adopting Urban Growth Areas (UGAs)

- Review and revise Countywide Planning Policies as necessary
- Ensure land capacity analysis and CFPs support proposed UGAs (see [Urban Growth Area Guidebook](#))
- UGA expansions must be accompanied by CFP analysis showing that the area can be adequately served at adopted LOS
- Counties should have policies to address emergencies
- Unincorporated UGAs treated same as all UGAs...must show full range of facilities and services.
- Special purpose districts



## Chapter 8: Consistency and Coordination



## Chapter 9: Implementation

Implementation takes place through numerous decision and actions over the life of the plan.

- Takes deliberate effort and “buy-in”
- Use specific criteria when prioritizing various needs
- Consider adopting policies that spread out funds across a variety of facilities and services, rather than a majority of funds being spent on one or two major projects.
- Review WAC 365-196-320(1)(f) for guidance regarding on-site sewage systems in UGAs.



## Chapter 10: Review, Update, Evaluate your CFP Element

- Periodic update provides an opportunity to bring Comp Plan and implementing regulations up to current standards.
- Provides an opportunity to reassess the community vision
- The basic requirements of the update process include:
  - Update inventory
  - Assess progress on implementation
  - Update the forecast and identify any new needs
  - Assess your findings
  - Update implementation plan



## Chapter 11: Conclusions

- Strategic planning for facilities and services is critical.
- Invest where you want new growth to occur
- Understand how growth drives need for infrastructure
- New residences increase tax base but will increase need for services.
- Consider alternative land use scenarios before expanding UGAs
- Work collaboratively with service providers



## CFP – The Basic Requirements

### RCW 36.70A.070(3)

A capital facilities plan element consisting of:

- (a) **An inventory** of existing capital facilities *owned by public entities*, showing the *locations and capacities* of the capital facilities;
- (b) **A forecast** of the future needs for such capital facilities;
- (c) **The proposed locations and capacities** of expanded or new capital facilities;
- (d) **At least a six-year plan** that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and
- (e) **A requirement to reassess the land use element if probable funding falls short** of meeting existing needs and to ensure that the land use element, capital facilities plan element, and financing plan within the capital facilities plan element are coordinated and consistent. Park and recreation facilities shall be included in the capital facilities plan element.



**CFP Guidebook**

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Guidebook is Currently Available – [www.commerce.wa.gov](http://www.commerce.wa.gov)



The image shows the cover of the 'Capital Facilities Planning Guidebook'. It features a green vertical bar on the left side. The text on the cover includes the Department of Commerce logo and tagline 'Innovation is in our nature.', the title 'Capital Facilities Planning Guidebook', and the subtitle 'Comprehensive Planning under the Growth Management Act'.

**Thank you**

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