

**WHATCOM COUNTY  
PLANNING & DEVELOPMENT SERVICES**

**POPULATION GROWTH MONITORING REPORT**

**INTRODUCTION**

The purpose of this report is to compile population growth estimates for urban growth areas (UGAs) and non-urban areas (rural and resource lands), and to compare them to the population growth projections in the Whatcom County Comprehensive Plan. The Comprehensive Plan contains population projections for years 2013 - 2036 (Chapter 1, Table 4). Comprehensive Plan policies 2S-5 and 2DD-1 require monitoring of growth patterns within the county's UGAs and areas outside UGAs. This report uses population growth estimates derived from two different methods.

Method # 1: OFM-Based Estimates - First, growth estimates are derived from the Washington State Office of Financial Management's (OFM) Small Area Estimate Program (SAEP). OFM estimates population growth within UGAs on an annual basis. However, OFM does not provide an estimate of growth outside the UGAs. Therefore, growth outside UGAs was estimated by subtracting OFM's UGA growth figures from OFM's estimates for overall countywide growth.

Method # 2: Building Permit-Based Estimates - The second method is to estimate population growth based on building permit data. This produces an estimate of population growth based upon the net gain in dwelling units.

Because the two methods of estimating growth differ, they can be expected to yield different results.

**I. OFM-BASED ESTIMATES**

OFM estimates total Whatcom County population, as of April 1, in a "top down" fashion involving the following basic steps:

1. Determine state total population change using various methods and models;
2. Assign total population change to each of the 39 counties using various methods and models;
3. Develop a population figure for each county (which needs to be assigned to the unincorporated area and the various cities);

4. Determine incorporated/unincorporated split within each county (this is largely based on the housing unit method);
5. The incorporated split gives us a 'pool' of population to assign to the various cities; and
6. Allocate incorporated population to the individual cities (this is largely based on the housing unit method).<sup>1</sup>

The OFM Small Areas Estimates Program then distributes these estimates to special geographic areas, such as UGAs.<sup>2</sup> Figure 1 shows OFM's annual estimated growth for each UGA over the most recent five year period between April 1, 2015 and April 1, 2020. The chart also provides an estimate of growth outside UGAs, subtracting the total UGA estimates from the total County population estimates.

<b>Figure 1. Population Growth (OFM-Based Estimates)</b>						
	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2015-20 Total Growth</b>
<b>Bellingham UGA</b>	1,075	1,937	1,862	1,749	1,022	7,645
<b>Birch Bay UGA</b>	115	136	89	294	61	694
<b>Blaine UGA</b>	1	150	248	117	96	612
<b>Everson UGA</b>	21	31	100	72	60	283
<b>Ferndale UGA</b>	346	230	176	671	303	1,726
<b>Lynden UGA</b>	291	244	541	290	330	1,696
<b>Nooksack UGA</b>	15	15	10	105	14	160
<b>Sumas UGA</b>	50	54	19	14	61	198
<b>Columbia Valley UGA</b>	33	75	62	96	96	363
<b>Outside of UGAs</b>	804	888	943	1,542	656	4,832
<b>Total</b>	2,750	3,760	4,050	4,950	2,700	18,209

Comprehensive Plan Policies 2S-5 and 2DD-1 require studying population growth trends over five years. Figure 2 compares the OFM growth estimates (2015-20) with the five-year pro-rated allocation from the County Comprehensive Plan. As shown below, using the OFM-based estimates method, growth was below the County Comprehensive Plan's growth projections for the Birch Bay, Blaine, and Nooksack UGAs. The far right hand column shows the percentage of the allocated growth estimated to have occurred in each area using the OFM-based estimates.

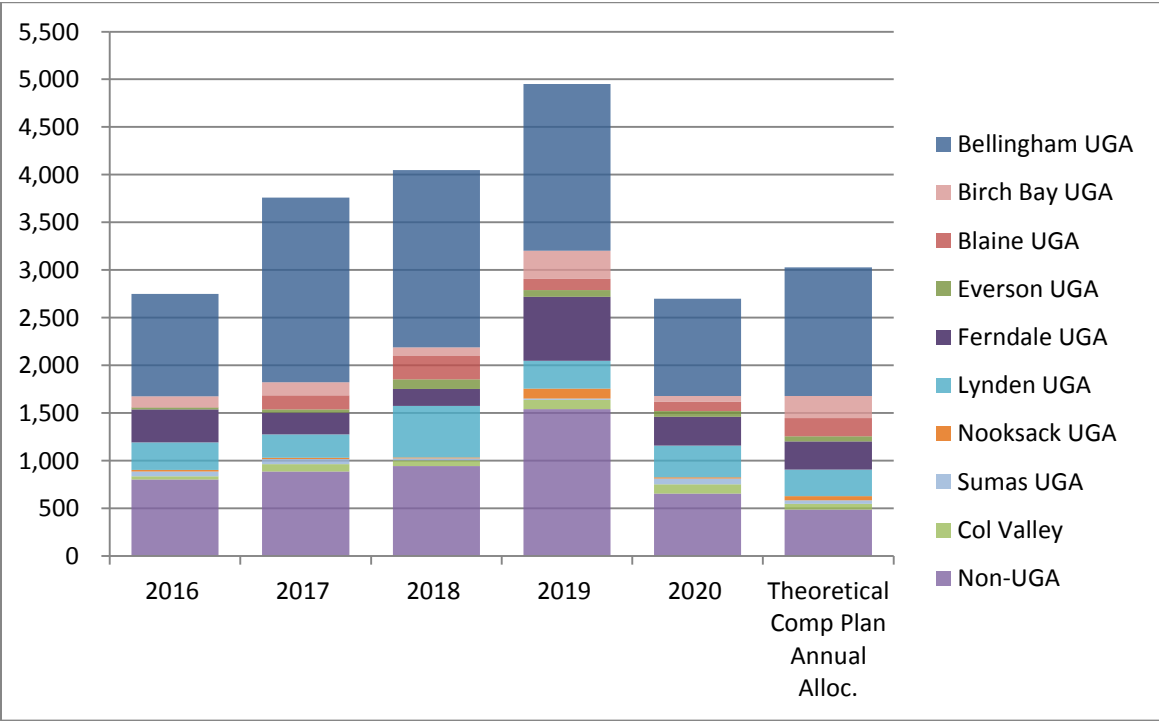
1 E-mail from Thomas Kimpel of OFM dated October 29, 2020.

2 The Small Area Estimate Program [User Guide](#) (October 2012) states that “. . . The SAEP postcensal series takes OFM April 1 city and county population and housing estimates and distributes these to census tabulation blocks based on information from one or more sources including: residential building permits, assessor records, postal delivery statistics, and federal census data. The SAEP uses whichever data are judged to be the most representative of local housing change for a given jurisdiction each year. . .” (p. 1).

<b>Figure 2. Population Growth (OFM-Based Estimates) Compared to Comp Plan Allocations</b>				
	<b>2015-20 Total Growth</b>	<b>Comprehensive Plan 5-Year Allocation</b>	<b>Surplus (Deficit)</b>	<b>Estimated Growth as Percent of 5-Year Allocation</b>
<b>Bellingham UGA</b>	7,645	6,750	895	113.3%
<b>Birch Bay UGA</b>	694	1,148	(454)	60.5%
<b>Blaine UGA</b>	612	960	(347)	63.8%
<b>Everson UGA</b>	283	270	13	104.9%
<b>Ferndale UGA</b>	1,726	1,485	240	116.2%
<b>Lynden UGA</b>	1,696	1,392	304	121.9%
<b>Nooksack UGA</b>	160	215	(55)	74.3%
<b>Sumas UGA</b>	198	190	8	104.2%
<b>Columbia Valley UGA</b>	363	292	71	124.2%
<b>Outside of UGAs</b>	4,832	2,438	2,393	198.1%
<b>Total</b>	<b>18,209</b>	<b>15,141</b>	<b>3,068</b>	<b>120.3%</b>

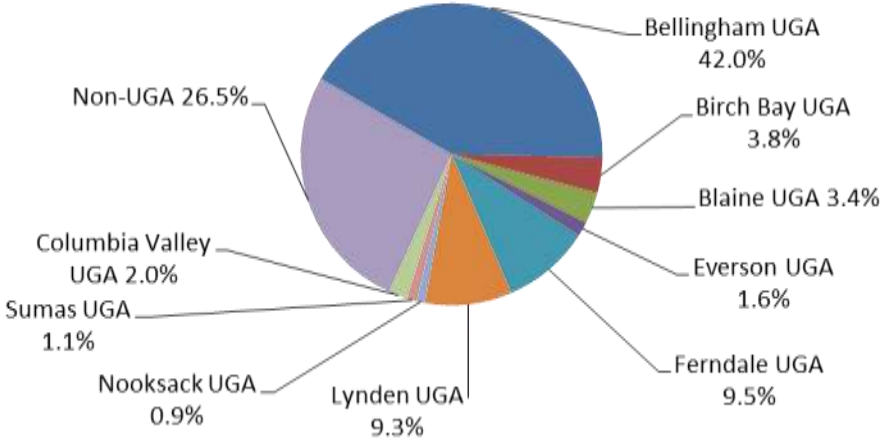
Figure 3 compares State OFM growth estimates to the County Comprehensive Plan’s pro-rated population growth projections (far right column). This figure illustrates the variable nature of population growth over time.

**Figure 3. 2015-2020 Population Growth (OFM-Based Estimates) and County Comp Plan Allocation**

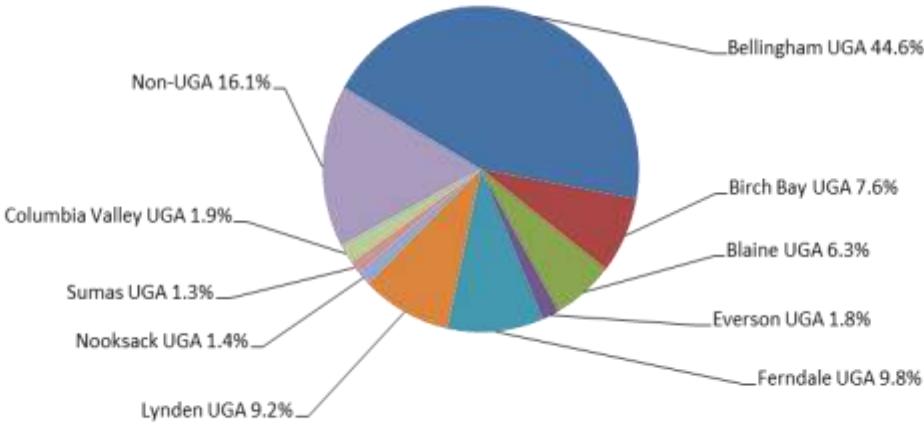


The charts below show the growth share each area captured over the last five years (OFM-based estimates) and the planned growth share from the County Comprehensive Plan. For example, State OFM estimates that Bellingham experienced 42.0% of the total County growth over the last five years, while the County Comprehensive Plan assumed that Bellingham would capture 44.6% of the County-wide growth over the planning period.

### Growth Share 2015-2020 (OFM-Based Estimates)



### County Comprehensive Plan Allocated 2013-36 Growth Share



Overall, the State OFM estimates indicate that recent growth in UGAs has been above that projected in the Whatcom County Comprehensive Plan. In the last five years, the Bellingham, Everson, Ferndale, Lynden, Sumas, and Columbia Valley UGAs have seen population growth higher than the growth projected in the Comprehensive Plan.

The five-year population growth for the area outside UGAs is the difference between OFM's estimated total Whatcom County growth and OFM estimates for all UGAs. Using this method, the estimated population growth for the areas outside UGAs over the last five years (4,832) is above the Comprehensive Plan's pro-rated projection for five years (2,438).

## **II. BUILDING PERMIT-BASED ESTIMATES**

This method estimates population by calculating the net gain in permitted dwelling units (new units completed minus units demolished) and multiplying the net gain by occupancy rate and persons-per-household figures.

**Non-Urban Growth Estimate.** Multiplying the net gain of dwelling units by the rural occupancy rate of 81.91% and the persons-per-household figure of 2.78, derived from OFM information for 2019-20, the non-UGA population growth is estimated at 542 persons between April 1, 2019 and March 31, 2020. Figure 4 below provides estimates for growth outside UGAs between 2015 and 2020.

<b>Figure 4. Population Growth Outside UGAs (Building Permit-Based Estimates)</b>									
<b>Year</b>	<b>Single Family Final</b>	<b>Mobile Home Final</b>	<b>Duplex Final</b>	<b>Single Family Demolition</b>	<b>Net Unit Gain</b>	<b>Persons/ Household</b>	<b>Occupancy Rate</b>	<b>Estimated Population Growth</b>	<b>Allocated Population Growth</b>
2015-16	158	19	4	17	164	2.78	81.91%	373	488
2016-17	168	18	2	11	177	2.78	81.91%	403	488
2017-18	174	22	2	19	179	2.78	81.91%	408	488
2018-19	203	30	6	28	211	2.78	81.91%	480	488
2019-20	221	27	2	12	238	2.78	81.91%	542	488
<b>Totals</b>	<b>924</b>	<b>116</b>	<b>16</b>	<b>87</b>	<b>969</b>	<b>2.78</b>	<b>81.91%</b>	<b>2,207</b>	<b>2,438</b>

The planned non-UGA population growth in the Whatcom County Comprehensive Plan is 11,217 over the 23 years between 2013 and 2036. This equates to about 488 persons annually or 2,438 over a five-year period.

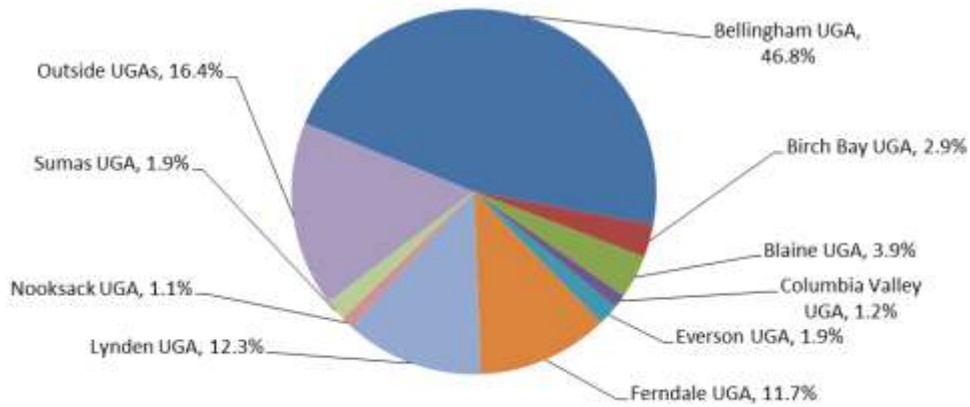
Using the building permit-based estimates, the average annual growth outside UGAs has been 441 people/year over the past five years, which is below the 488-person annual allocation. The cumulative estimated growth of 2,207 persons from 2015-2020 is below the allocated growth of 2,438 persons for those five years.

**Urban Growth Area Estimates.** Growth in the urban areas was estimated by adding OFM's data for net gains in dwelling units in the cities (single-family, multi-family, and mobile homes) to the County's figures for net dwelling unit gains in unincorporated UGAs, and multiplying by occupancy rate and persons-per-household stats for each area (see Figure 5).

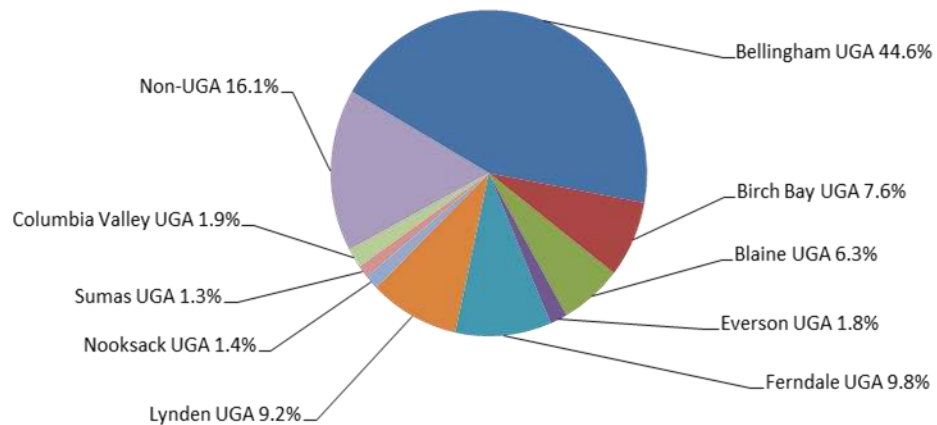
<b>Figure 5. Population Growth in UGAs (Building Permit-Based Estimates)</b>							
	2015-16	2016-17	2017-18	2018-19	2019-20	Totals	
Bellingham UGA	1,078	1,378	1,425	1,205	1,196	6,282	
Birch Bay UGA	64	59	86	80	101	391	
Blaine UGA	42	70	164	112	130	518	
Columbia Valley UGA	11	18	32	41	57	160	
Everson UGA	17	26	73	58	75	250	
Ferndale UGA	279	225	181	571	313	1,568	
Lynden UGA	313	216	485	259	376	1,648	
Nooksack UGA	21	27	18	57	27	148	
Sumas UGA	84	37	41	23	69	254	
Outside UGAs	373	403	408	480	542	2,207	
<b>Total</b>	<b>2,283</b>	<b>2,459</b>	<b>2,912</b>	<b>2,887</b>	<b>2,885</b>	<b>13,425</b>	

Source: State OFM housing Data (incorporated areas) and Whatcom County permit records (unincorporated areas)  
Data are from April 1 to March 31

### Growth Share 2015-2020 (Building Permit-Based Estimates)



### County Comprehensive Plan Allocated 2013-36 Growth Share



The building permit-based method yields lower growth estimates than the OFM-based method. The OFM-based method uses a variety of factors of which building permit data is only one. The building permit-based estimates are the most useful in gauging development activity.

### **III. CONCLUSION**

Over the last five years, estimated UGA growth is relatively close to the Comprehensive Plan's 5-year allocation under both growth estimate methods.

Estimated growth outside the UGAs is either below or above the allocation for non-urban growth depending on which estimation method is used. Using the OFM-based estimates method, non-urban growth exceeds the Comprehensive Plan's 5-year growth allocation. However, using the building permit-based estimates method, non-urban growth is less than the 5-year growth allocation. Of the two methods used in this report, the building permit-based method more directly addresses the overarching purpose of non-urban growth monitoring, which is to track how much new development is occurring outside UGAs. This method indicates that residential development outside the UGAs is not taking place at a pace that exceeds the growth allocations of the Comprehensive Plan.

<b>Figure 6. Growth Estimate Summaries</b>			
	<b>Comprehensive Plan 5-Year Allocation</b>	<b>OFM-Based Growth Estimates (2015-2020)</b>	<b>Building Permit-Based Growth Estimates (2015-2020)</b>
UGAs	12,703	13,377	11,219
Outside UGAs	2,438	4,832	2,207
<b>Total</b>	<b>15,141</b>	<b>18,209</b>	<b>13,425</b>

NOTE: OFM does not provide an estimate of growth outside the UGAs. The "OFM-Based Growth Estimates (2015-2020)" for areas outside UGAs was derived by subtracting OFM's UGA growth figures from OFM's estimates for overall countywide growth.