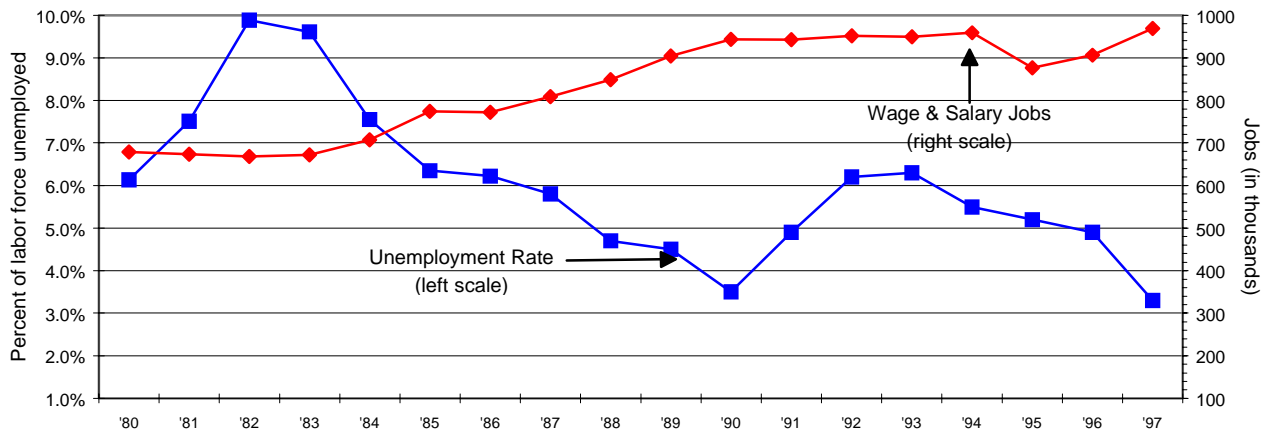


I. Highlights - - - -1998

1. Economy continues in high gear in 1997 - '98

The King County economy turned around in 1996 after five slow years, and continues to grow. Nearly one million King County residents are now in the labor force, and more than 100,000 additional employees commute from other counties to work in King County. In the last year, the economy has created close to 60,000 new jobs. Unemployment has fallen to an average of 3.3 percent in 1997, matching lows in 1966 and 1990. Boeing, near its peak, had more than 100,000 employees in Washington State by the end of 1997, including almost 60,000 in King County. Boeing employment had declined sharply in King County from 1990 to 1995, including both layoffs and a shift of 6,000 employees from Renton to the Everett plant. Within the last two years all King County Boeing facilities have rebounded; although the Renton plant has not regained all the jobs it had in 1990. Overall, aerospace employment is down 24,000 or 28 percent from its 1990 high of 86,400 jobs, but it is up 12,500 from the low in 1995.

Employment and Unemployment in King County, 1980-1997



The job growth is much broader based than the aerospace sector alone. Manufacturing other than aircraft has increased by 10 percent since 1990 and now constitutes 60 percent of King County manufacturing jobs. Electronic equipment, food products and apparel have all increased steadily. Microsoft and other computer services firms have led the rapid expansion of sectors other than manufacturing. Employment in computer programming and data processing increased by 15.5 percent between 1996 and 1997, about three times the rate of total King County job growth. The services sector as a whole has gained 35 percent since 1990, most of this growth coming in the last two years. Retail trade has increased 12 percent on the strength of new construction at Redmond Town Center, downtown Seattle and elsewhere.

In concert with the job growth, real wage levels (wages adjusted for inflation) have increased in the last two years. More information about wage levels is available on page 6 of the Benchmark Report*

*Throughout the Annual Growth Report (AGR) there are references to the 1998 King County Benchmark Report, published simultaneously. The Benchmark Report compares trends of selected indicators with policies adopted in the 1994 Metropolitan King County Countywide Planning Policies (CPPs).

However, growth of the median household income has stalled after two years of real increases. The gap appears to be widening between large numbers of low-income households and incomes of some families which are growing dramatically. The majority of the growth since 1990 has been in services and retail jobs, many of which pay lower wages than manufacturing. The decrease of high-paying manufacturing jobs since 1990 helps explain the slowness of income growth.

Prospects: Unlike the 1990 boom, today's King County growth is in a context of strong national economic growth. However, the future holds some uncertainty. The economies of several Asian countries are struggling -- and they are among the largest customers of King County businesses. Japan, which is Washington State's largest trade partner, continues to endure a sluggish economy, its worst recession since World War II. The effects of the problems in South Korea, Thailand, and Indonesia are beginning to be felt here. For instance, Intel announced the closure of its new computer chip plant in Pierce County, in part because of the reduced market in Asia. It is unclear how long or deeply this will affect Puget Sound. The speed of recovery is dependent on each nation's ability to reform its financial systems and open their economies to more competition. There remains concern and uncertainty about whether the crisis will spread to China, Russia and Taiwan. Economists expect up to two more years of struggle for southeast Asia before markets there return to full strength.

2. King County's job growth outpaces population growth

Population growth typically lags a year or two behind job growth in King County. The Washington State Office of Financial Management estimates the Countywide population at about 1,666,000 in April 1998. This number has increased 11 percent since 1990, or about 1.3 percent per year. Countywide population growth is not as rapid as might be expected from the job growth, for two reasons: (1) the economy of the rest of the U. S. is doing well in contrast to earlier Puget Sound booms. Most of the new jobs are being filled locally instead of bringing workers in from California and elsewhere as was the case in 1990; and (2) many of the migrants from other states are coming to the adjoining counties of Snohomish, Pierce and Kitsap, and commuting to King County jobs. King County had 55 percent of the region's population and two-thirds of its jobs in 1990, but has only gained 40 percent of the region's population growth during the 1990s. In the same period, King County garnered almost two-thirds of the region's job growth, so more and more commuting from other counties is required.

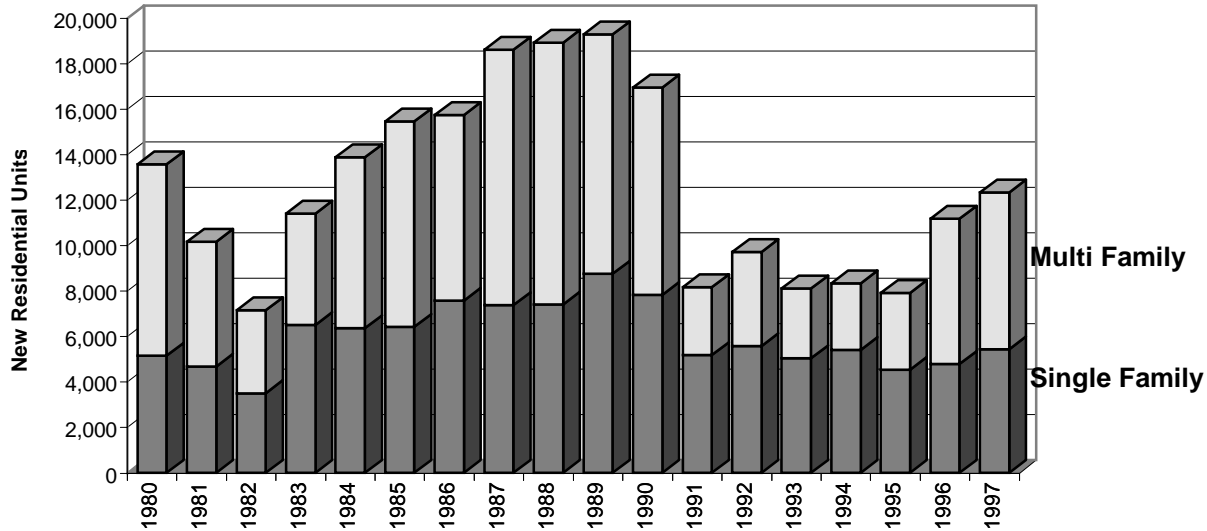
Since 1990, Seattle has gained more than 23,000 people or about four percent. Unincorporated areas, the County's second largest jurisdiction, have lost 108,000 people to new incorporations. The Suburban Cities together have more than 700,000 people, double their collective population in 1989 before Federal Way and SeaTac incorporated.

3. Rate of residential construction increases

Residential construction edged upward in 1997 to 12,331 new residential units, up ten percent from 1996 and up 50 percent from the slow years 1992 through 1995. Construction of single family homes was up slightly to 5,400 new houses and mobile homes. Permits for single family construction have stayed remarkably consistent each year since 1991, at about 5,000 new houses in King County. Half of the new houses are in unincorporated areas.

Multifamily construction is much more volatile, and responsive to changes in the regional economy. Multifamily construction increased substantially in 1997 to 6,900 new apartments and condo units (double the 1992-95 average). Condominium sales have increased significantly, and are now a large share of total home sales and construction (around 20 percent), in contrast to a few years ago when condos were a tiny share of the market. New construction focused on Kirkland, Bellevue, Seattle and Renton; and to a lesser extent Redmond, Federal Way and Kent. Data from selected jurisdictions shows this healthy trend continuing at the same rate in the first quarter of 1998, with large numbers of new permits for multifamily buildings in Seattle and Bellevue. However, total new residential construction has still not returned to levels of the late 1980s, which approached 20,000 new units per year.

Total New Residential Units Permitted Single Family and Multifamily 1980 - 1997



4. Residential growth focuses in cities and three unincorporated communities

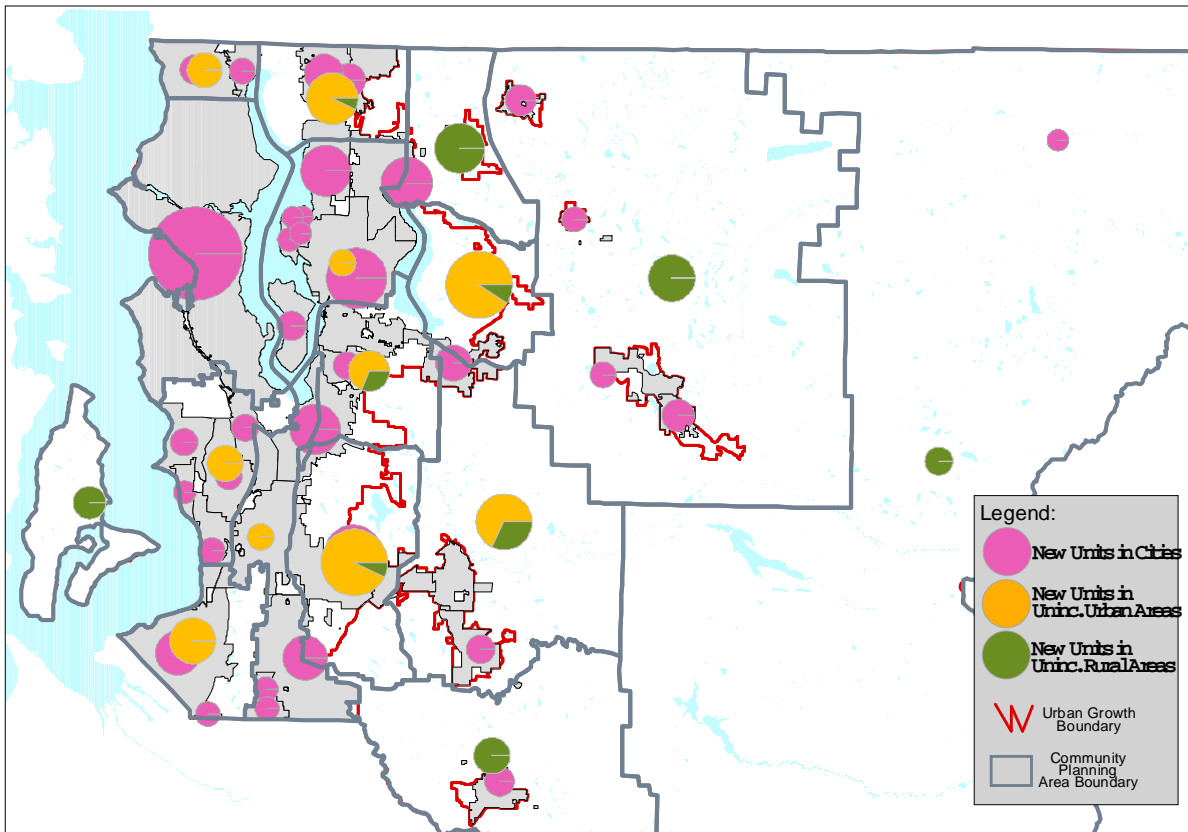
Nearly three-fourths of the new construction in 1997 occurred within city limits, in marked contrast to trends of the 1970s and 1980s. Seattle received a healthy 21 percent of the County’s new residential units, almost 2,600. The Suburban Cities together permitted 6,309 new units, more than half the Countywide total. Bellevue authorized 1,406 new units, Renton 912, and Kirkland 630. There were also substantial numbers in Kent, Federal Way, Redmond and Auburn. Two-thirds of the new housing units in the cities were apartments and condominiums. Building permits by city are reported on pages 62-64.

With 3,435 new units, unincorporated King County received 28 percent of Countywide new residential growth, a lower share than in earlier years. Three communities received the largest share of unincorporated growth: East Sammamish with 939 new housing units, Soos Creek with 812, and Northshore with 583. Urban portions of unincorporated King County accounted for 2,354 new units, about 19 percent of the Countywide growth. In Rural and Resource areas, nearly 1,100 new units were built. That was up somewhat from 1996, but still less than 9 percent of Countywide new construction in 1997. Only 30 percent of the unincorporated permits were multifamily; many areas designated for multifamily development have annexed to cities in recent years. Building permits by unincorporated area are reported on pages 118 - 120.

Formal plat recordings doubled to 3,400 new lots created in 1997, with East Sammamish and Auburn leading the way. Formal plat applications, indicating single family growth to come in a few years, increased 23 percent to 3,672 lots Countywide in 1997. Almost 40% of the new plat applications were on the East Sammamish Plateau. The recordings included large plats of Snoqualmie Ridge in the City of Snoqualmie and the Trossachs development in East Sammamish. Houses are now under constructions in these subdivisions.

Short plat activity continued to decrease in unincorporated King County. The number of lots recorded fell 46 percent to only 127 new lots in 1997. Applications decreased slightly to 158 new lots. The Northshore area led in numbers of both applications and recordings.

1995 Through 1997 New Units by Cities and Rural Areas



5. Intense demand raises the price of housing

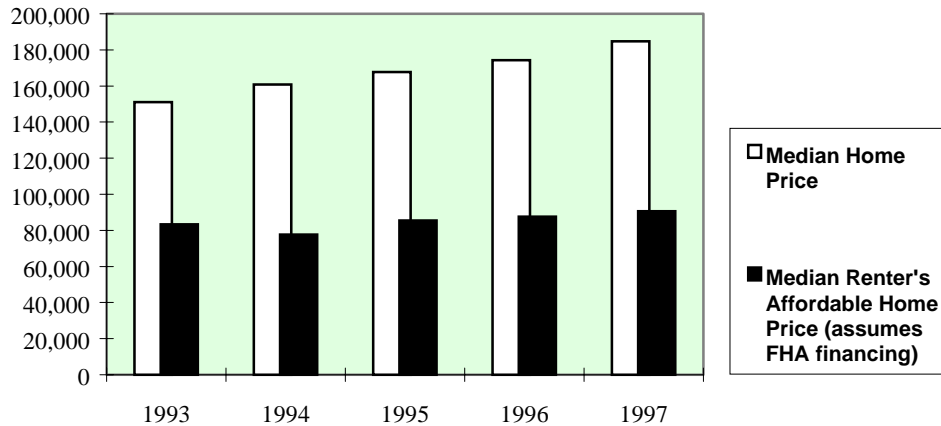
Average house sales price (including condominiums) increased 8 percent to \$214,000 in 1997, an increase of 16 percent or \$30,000 since 1995. The median household income has risen about 5 percent since 1995, and interest rates have fluctuated during the period. As a result, the affordability gap has widened considerably since 1995 (see page 40). This year's AGR contains restored data on house prices, now based on the Northwest Multiple Listing Service. On page 48, average house prices are displayed for four subareas of King County. The Eastside average house sales price was highest at almost \$270,000, and south King County was most affordable at \$156,000. Seattle's average house price rose rapidly like that of the Eastside, and is now more than \$210,000. House prices are increasing most rapidly in the areas (Seattle and Eastside) with the greatest job growth, tending to squeeze out low-wage workers from housing opportunities near their jobs. Evidence from the first part of 1998 indicates this pattern of house price increases is continuing.

Median house price, a more accurate measure of affordability, was about \$185,000 in 1997, or 14 percent less than the average reported above. (The median divides all house sales in two equal halves, one half more expensive and the other less expensive. The median is better because the average is raised by a few very expensive house sales.) Median house prices are only available on a Countywide basis since 1994, and are reported as Indicator # 24 in the Benchmark Report. Although the median income of King County residents is rising, house prices are rising faster. In 1997, there was a gap of \$17,800 between the affordable price and the median house price. The situation is more difficult for renters attempting to buy their first house. The home purchase affordability gap for buyers with a median renter's household income has broadened since 1994, and was more than \$90,000 in 1997. The median renter household with an income of \$30,373 cannot afford to buy a house at the median price of \$184,800. Even with low down payment financing, this household can only afford a house priced at \$90,600. King County and its cities are taking steps to address this need. In 1997, local public funds dedicated to subsidized housing increased 18% to \$25 million.

Rent data: Apartment rents increased 8 percent in 1996 and 5 percent in 1997, after a period of slow increase. With vacancy rates extraordinarily low -- less than two percent in Seattle -- it is likely that rents will continue to rise rapidly. A two-bedroom apartment is barely affordable on a median renter's income, and a unit for a larger family is beyond the means of a household with a median renter's income. See Indicator # 27 in the Benchmark Report.

Prospects: Two factors may begin to moderate the hot economy that is pulling real estate prices up: the aerospace sector in King County is expected to stop growing in 1998, and the Asian financial crisis may dampen the Puget Sound region's boom.

Median Renter's Affordable Home Price Compared to Median Home Price



6. King County receives a declining share of Puget Sound housing

Although King County housing construction increased in 1996 and 1997, home construction was more intensive in the balance of the Puget Sound region. Builders in King County are producing new housing at only half the rate of Snohomish and Pierce County builders. Less than 50 percent of the region's net new housing units between 1990 and 1997 was added in King County (see page 29). Pierce County in particular has gained new housing at a rapid rate. Since 1990 King County's housing stock has grown by 66,000 while jobs have grown by 132,000 -- exactly twice as many. This trend of concentrated job growth but dispersed housing growth implies longer and more congested commutes in the Puget Sound region. The trend may become more pronounced in the near future as houses are built on the new subdivision lots recorded and applied for in Pierce County, which recorded more than 6,200 new lots in 1997, and received applications for an additional 8,300.

7. Traffic congestion is worsening while transit ridership grows slowly

According to the Federal Highway Administration, traffic in the Seattle area ranks between fourth and eighth most congested in the nation. The broadest measure of travel and traffic congestion is "vehicle miles traveled" (VMT), reported as Indicator # 12 in the Benchmark Report. Congestion is worsening as more vehicles are being driven more miles. In the 1980s, VMT grew almost four times as fast as the population due to rapid job growth, more two-worker households, and increases in non-work related trips. Since 1990 VMT has grown more slowly, in line with population growth. Benchmark Indicator # 12 shows that per-capita VMT has risen about 5 percent since 1990. Rapid increases in volume of truck traffic have spearheaded the recent increase, as shown by Indicator # 44.

Other transportation indicators show that transit use has increased in the last two years, but it comprises at best a stable share of VMT. About 55 percent of 1997 travel in King County was by single-occupant vehicle, while transit share increased from 3.8% to 5.7% of all trips. According to the 1990 Census, almost 70 percent of commute trips were by single-occupant vehicle, while transit captured about 9 percent of commute trips.

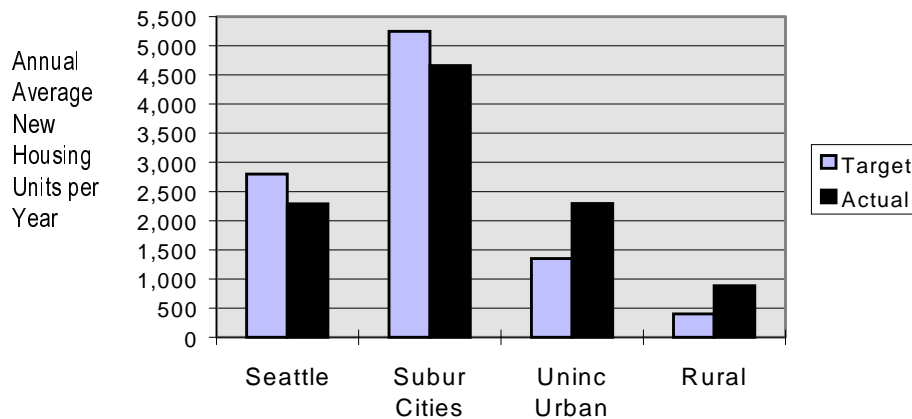
8. Leading indicators reveal likely continuation of rapid growth

“Transportation Concurrency” certificates are a window into the near-future growth we can expect in unincorporated areas of King County. Before subdivisions or building permits can be filed, developers must secure a concurrency certificate from the King County Department of Transportation, under a program that began in January 1995. In three years, concurrency applications for more than 13,000 single family lots and 10,000 multifamily units have been approved in unincorporated King County. (Some of these have already been absorbed into cities including the new City of Kenmore.)

Single family concurrency applications consist mostly of formal subdivisions. After concurrency approval, many of these have subsequently been filed at the Department of Development and Environmental Services as plat applications, but few have reached construction stage yet. Therefore they show anticipated development (construction in the next five years) in places like East Sammamish, Bear Creek, and Soos Creek. These 13,000 lots indicate a desire for continued development of single family residential homes, mostly near the edge of the Urban Growth boundary. They include three Urban Planned Developments (UPDs), large residential communities early in planning stages, on the Bear Creek Plateau and at Grand Ridge (now Issaquah Highlands in the City of Issaquah). Another UPD, Snoqualmie Ridge, is now in beginning stages of construction in the City of Snoqualmie.

In contrast to the long lead time for subdivisions, many of the multifamily buildings with concurrency certificates are already under construction. The 10,000 multifamily units in the concurrency pipeline represent significant interest in higher-density development in a suburban setting, in communities including East Sammamish, Soos Creek and Northshore. Unlike the single family dominance of the housing market a few years ago, these concurrency applications indicate market recognition of the need for affordable housing opportunities as King County jobs continue to grow. We do not have a comparable “leading indicator” for multifamily development in the cities of King County, but 1997 and early 1998 building permits indicate a strong market there, too. Concurrency approvals from 1995 through 1997 are reported on page 118.

Adjusted Target vs. 1995 - 1997 Construction



9. Growth in some locations is outpacing Growth Targets

The Countywide Planning Policies (CPPs), adopted to implement the State Growth Management Act in 1994, set “growth targets” for households and jobs. Each target is the amount of growth to be accommodated by a jurisdiction during the 20-year Growth Management planning period. The residential targets were expressed as a range of households for each jurisdiction to accommodate between 1992 and 2012. Cities with designated Urban Centers, including Seattle, Bellevue, Redmond, Renton, Tukwila, SeaTac, Kent and Federal Way, established high target numbers to encourage growth. Growth target ranges are displayed on page 60. In the unincorporated King County jurisdiction, both Rural and Urban targets were set lower than past trends would indicate, in order to encourage growth within cities generally, and designated Urban Centers in particular. The unincorporated Urban target was set at 38,000 new households over the 20 years, only 19% of Countywide growth as opposed to nearly half under old trends. The Rural target was set at less than four percent of Countywide growth, far below the 15% typical in the 1980s. This year’s AGR and Benchmark Report describe our progress after three years of development following adoption of the CPPs.

The graph above compares three years of building permits to targeted shares of development in four subareas: Seattle; the Suburban Cities; unincorporated Urban; and Rural areas. Permits in Seattle constitute 21 percent of Countywide development, a sizeable share and remarkably close to the ambitious 28% share set by the CPPs. The 36 Suburban Cities collectively have permitted 49 percent, almost exactly the targeted share. Some of the success cities have had is within designated Urban Centers, as described in section 3 above. However, individual cities differ markedly. The Eastside cities and Renton and Kent have been more successful than southwest King County cities in attracting recent growth.

The unincorporated Urban target was set at 19 percent, a share actually achieved in 1997 but exceeded in 1995 and 1996. Rapid growth has taken place, especially in Sammamish and Soos Creek. The largest targets were established in Soos Creek, Sammamish, and Federal Way, together more than half the unincorporated Urban target. See unincorporated targets on page 130. Several cities have incorporated since the CPPs were adopted in 1994. As new cities form and older cities annex territory, the targets will need to be shifted from unincorporated Urban to cities. When this adjustment is accounted for, the number of issued permits will significantly exceed the adjusted targets. During the first three full years the CPPs have been in effect, more than one-fourth of the Urban unincorporated land area has become city, and so about 10,000 of the original 38,000 target will shift into city jurisdictions. Calculated this way, some unincorporated Urban areas are already approaching their 20-year targets. Further more, concurrency data from the Department of Transportation indicate that several unincorporated Urban areas will exceed their targets within the next five years.

The Rural area target was set at less than 4 percent of Countywide growth, an average of under 400 units per year. In the years since the target was set, actual building construction in Rural and Resource designated areas has been two to three times this annualized average. As a percentage of Countywide construction, Rural activity remains small: less than nine percent of new housing units. This percentage is well below the 13 to 15 % of earlier decades, and far less than Rural growth in other Puget Sound counties. Nevertheless, in the three years 1995 - 1997, new housing construction is nearly halfway (40%) to the 20-year target of 7,000 units in Rural areas. Much of this growth is unavoidable due to the large number of pre-existing lots in rural areas.

10. Incorporation and annexation add new city areas

Although King County as a whole is growing slowly, many of its cities are growing rapidly. The suburban cities are acquiring the majority of King County's growth, both through annexation and through new construction within their boundaries. In 1989, unincorporated King County had 590,000 people, and the 28 suburban cities together had about 350,000. In the succeeding nine years, nine new cities have formed with more than 220,000 people. Other cities have annexed about 63,000 of the existing population. The 37 Suburban Cities now have more than 700,000 residents. By 2012, the entire Urban area, with 90 percent of the King County population, is planned to be within city limits.

Three of the new cities have formed within the last year. In 1997, Covington and Maple Valley incorporated next to each other in southeast King County. Both are rapidly-growing, chiefly residential communities, together estimated at nearly 25,000 persons. Nearly 400 businesses in the two new cities employ about 3,800 workers. See profiles on pages 79 and 90.

Voters of Kenmore have elected to incorporate the City of Kenmore on August 31, 1998. With about 17,000 people and a large business community, Kenmore occupies the last urban unincorporated area along the Snohomish County boundary. The Kenmore profile is on page 86.

A proposed City of Briarwood east of Renton was turned down at the polls in 1997. A possible City of Sammamish is to be voted on in 1998. Sammamish would have about 30,000 persons and cover much of the fast-growing area between Redmond and Issaquah east of Lake Sammamish.

Annexations accounted for a further shift of 9,600 persons into cities within the last year. Kent added 8,000 people in two annexations, one to the east at Meridian Valley, and one to the southwest at Delmar. With 71,600 people, Kent is now King County's fourth largest city. Black Diamond annexed the area surrounding Lake Sawyer next to Maple Valley, containing about 1,500 people. Almost no unincorporated Urban territory remains in the Tahoma-Raven Heights community. A map of annexations and incorporations since 1990 is included in the set of maps at the back of this report.

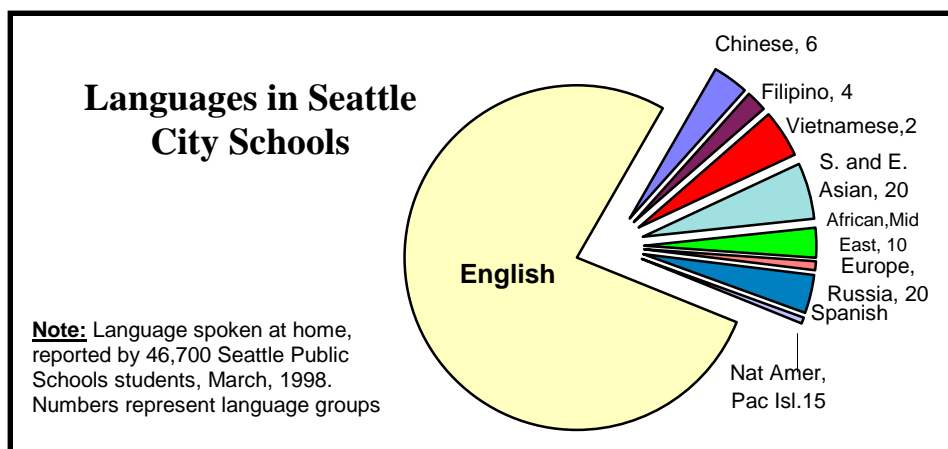
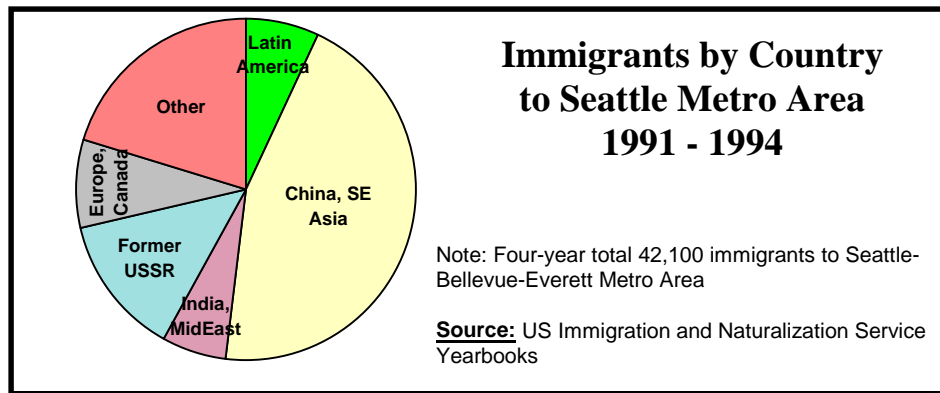
11. King County population is becoming more diverse

As King County's population has grown during the 1990s, it has become more diverse. Tables of population characteristics on page 33 and 34 show an older population containing more persons of color. The largest population increase since 1990 has been among persons age 40 to 54 as the baby-boom generation ages. The child population age 5 to 14 has also increased with the echo baby boom children of the original baby-boom generation. However, the number of persons in their twenties has decreased nearly 20 percent. The senior population -- persons over 65 -- has grown more slowly than the total population.

Less than half of King County's population growth since 1990 is white-non-Hispanic. As a result, fully 20 percent of the County's 1.6 million people in 1997 consists of persons of color. Some of this increasing diversity is due to international migration. Immigration data show large numbers of new King County residents from Asia and Latin America. According to the Immigration and Naturalization Service, more than 10,000 persons per year immigrated to the Seattle metro area in the early 1990s. Most of this population has probably stayed within King County, which has 80 percent of the metro area population. Countries sending the largest numbers of emigrants to our area include Vietnam, China, the Philippines, Mexico, and nations of the former Soviet Union.

Language data and enrollments from school districts show big increases in the numbers of Hispanic and Asian students. In the Seattle School district alone, more than 70 languages are spoken, among the 23 percent of the student population for whom English is a second language. The most common languages other than English include Spanish, Vietnamese, various Chinese languages, and Tagalog. Other school districts such as Bellevue, Renton and Highline also have growing numbers of students speaking English as a second language.

Graduation rates have fallen about 4% in 1996 from the 1995 average of approximately 84 percent to 79.7 percent in 1996. This rate reflects students who began but did not complete 12th grade in a given academic year. New data are being developed to track students who drop out of high school earlier or finish later. It is difficult to know yet if the sharp drop in 1996 is disturbing trend or a reflection of better documenting the dropout rate.



Crime data on page 67 reveal little change in crime rates in 1996. Rates of violent crimes were down slightly in Seattle, unincorporated King County, and several suburban cities. Property crimes decreased sharply in Mercer Island and Lake Forest Park. In most cities and in King County as a whole, crime rates changed only slightly.

12. Decreasing runs of Chinook salmon call for attention to environmental quality

Data from Benchmark indicator # 18, in the Benchmark Report, show significant declines in Chinook and Coho salmon runs. The outlook for the Cedar River/Lake Washington basin is particularly bleak; but the Green River fares better. The impact of winter floods in 1994 - 1996 could result in reduced Chinook runs in three to four years from that time.

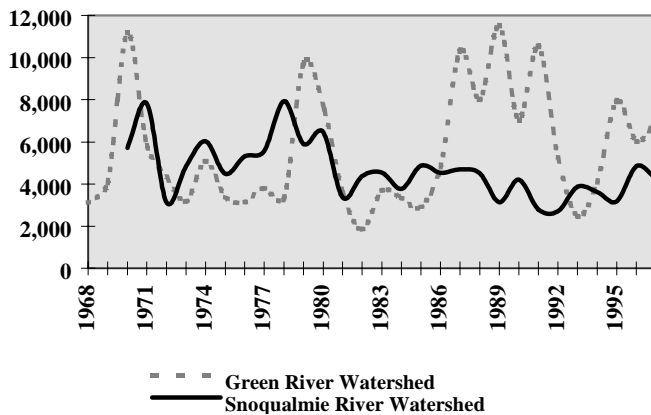
With the proposed Endangered Species Act (ESA) listing of Puget Sound Chinook salmon as a threatened species, monitoring the condition of salmon runs in King County has become more important than ever. The Puget Sound Basin provides habitat for a total of 209 salmon and steelhead stocks. In a 1992 assessment only about 44% of these stocks were considered healthy. The others were rated as depressed, critical, unknown, or extinct. (See the 1992 Washington State Salmon and Steelhead Stock Inventory [SASSI], Washington Department of Fish and Wildlife)

Even in undeveloped river systems, there are large natural fluctuations in salmon spawning and survival from year to year. These biological fluctuations are driven by fluctuations in the conditions of freshwater and marine environments. However, an analysis of long term trends in the major watersheds of King County (and other watersheds throughout the Pacific Northwest) indicate that the decline in wild Chinook, Coho, and Sockeye stocks is considerably more long-lived than would be expected from natural fluctuations. For instance, in the Lake Washington basin, through the 1970s and 1980s the number of returning Chinook adults fluctuated between a low of about 450 and a high of over 2,000. However, 1993, 1996, and 1997 have shown exceptionally low returns in the range of 250-350. The average size of runs in the 1990s are about one-half the average size of runs during the 1980s. The number of Chinook in the Snoqualmie-Snohomish watershed has also shown a declining trend since the late 1970s, and wild Chinook is classified as depressed in that basin.

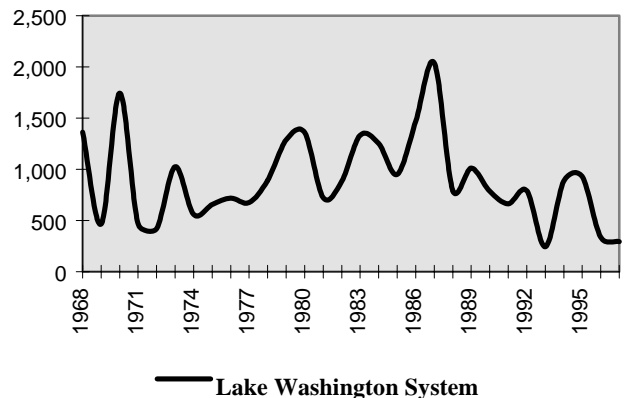
A long-term downward trend is also evident among wild Coho adults which return to spawn in the Lake Washington system. The graph on page 52 of the Benchmarks Report shows a dramatic decline. In 1970, a high of 30,000 fish was recorded while a low of only 200 was recorded in 1994. The status of the stock was classified as depressed in the Lake Washington and Sammamish tributaries in a 1992 assessment.

Wild Sockeye in the Cedar River basin have shown a downward trend since 1989, and are considered a depressed stock in that watershed. They are also considered a depressed stock in the Sammamish tributaries of Big Bear Creek and Issaquah Creek.

Natural Chinook Adult Escapement in the Green River and Snohomish/Snoqualmie Watersheds



Natural Chinook Adult Escapement in the Lake Washington Watershed: 1968 - 1997



It is difficult to determine the relative importance of each of the factors that influence the status of a particular salmon stock; the importance of different factors varies from year to year. Despite the expected natural variability from year to year, many of the variations and declines in salmon populations that have been observed in the last several decades appear to be due mainly to human impacts. Very little is known about factors affecting salmon in marine environments. In addition to the harvesting of wild salmon, habitat deterioration caused by urban and industrial growth, forest management practices, agricultural practices, municipal, industrial, and agricultural water diversions, and hydropower have all contributed to diminishing the abundance and diversity of salmon. (See the National Maine Fisheries report *Factors Contributing to the Decline of Chinook Salmon*)

13. Implications of the rapid growth

The economic and residential growth we are now experiencing will have a range of impacts in coming years. The Annual Growth and Benchmark Reports will continue to track data to allow wise decisions in the following areas:

- More people with jobs, more money in the economy. Unemployment is the lowest since the 1960s. Poverty rates are probably down again below 1990 Census levels after rising to 10 percent of the County population in 1993. However, some families are not sharing the economic growth.
- Measurable labor shortages. In software, aerospace, construction and retail, rapid growth of jobs is outstripping the availability of skilled workers, requiring training in specialized skills. As part of welfare reform, the Seattle/King County Jobs Initiative will provide trained workers for high-demand jobs.
- Housing affordability. The average price of single family houses has risen 16 percent in two years, making it extremely difficult for renting households to purchase a house. Apartment vacancies are at their lowest level in nine years, leading to rent increases of 5 percent to 10 percent. House and apartment construction numbers are up, but not enough to hold prices stable or meet the growing demand for housing.
- Transportation congestion. Travel data and the public perception agree that traffic congestion is worsening, in both peak and off-peak hours. Data from the Concurrency Management System show that certain roads in unincorporated King County are reaching capacity sooner than expected. The County is proposing action in north Soos Creek along Petrovitsky Road, and on several roads in East Sammamish. The addition of 421,000 hours of bus service to be in place by 1999 will provide better options for travel. Regionwide, the Sound Transit program approved by the voters in 1996 will improve transportation options in the long term.
- Increasing infrastructure needs The rapid residential and job growth requires investment in capital facilities to serve the growth. In addition to transportation, water supply and sewage treatment need investment. The rapid growth may require a new source of water supply for King County residents after the year 2000. A new sewage treatment facility in north King County or south Snohomish County would serve the growing Eastside population and protect water quality. Designation of new open space and recreational lands may become important before opportunities are foreclosed.
- Endangered Species Act (ESA) listing of salmon. One of the biggest issues facing King County residents and businesses in 1998 is the proposed ESA listing of Chinook salmon. The graphs on pages 50 - 52 of the Benchmark Report demonstrate a real decline in salmon runs. King County and other governments in the Puget Sound region are committed to do everything required to save salmon.
- Emerging issue of further managing growth. The State legislature amended the Growth Management Act in 1997 with a requirement to track "buildable lands" in fast-growing Puget Sound counties. In coming years, the Annual Growth Report and Benchmarks Report will both be geared more and more to measuring our success in growing in line with targeted growth, and retaining a supply of buildable land. This measurement will be complicated by a shift of growth into cities as they annex unincorporated areas.
- Jobs housing balance. King County is garnering a majority of job growth in Washington State, while adjoining counties are taking the largest share of residential growth. This difference in job and housing location requires more commuting and more transportation facilities to handle the commutes.