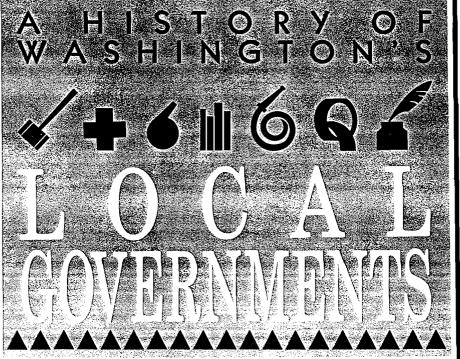
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Final Report of the Washington State Local Governance Study Commission



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# A HISTORY OF WASHINGTON'S LOCAL GOVERNMENTS

Final Report of the Local Governance Study Commission

Volume I

January 1988

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### **FOREWORD**

The Washington State Legislature created the Local Governance Study Commission in 1985, and as part of its mandate, the Commission has conducted a two-part study of local governance in Washington. Volume I is a history of local governments. Volume II contains an analysis of current problems of local governments with recommendations for potential solutions. Both volumes were submitted to the Governor and Legislature on January 1, 1988 in completion of the Commission's work.

As the state embarks upon its centennial celebration, Volume I's history of Washington's local governments is particularly significant. It serves as a reminder of the many challenges our people and governments have experienced over the last century. It also reflects their spirit, courage, and determination to meet those challenges.

Chuck Clarke, Chair

Local Governance Study Commission

Church Clarke

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#### STATE OF WASHINGTON

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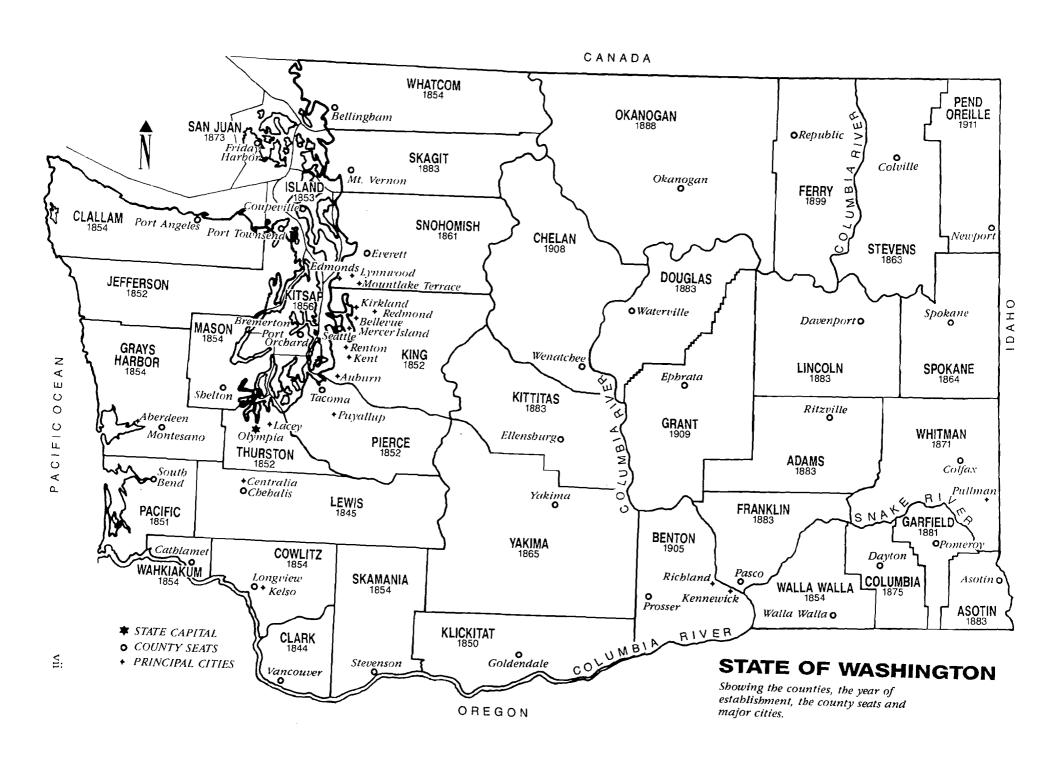
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### Washington's Evolving Local Governance Tradition

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How and why did Washington local governments come to have their present character? How was their development affected by public policy?

These apparently simple and direct questions, posed by the Legislature in 1985, are in fact profound and challenging. They call for reconstructing a complex and fascinating process of change with deep roots in the past and continuing dynamism today. Particularly in its early years, the politics of the state were dominated by several great issues and movements — the coming of the railroads, populism, prohibition, municipal reform, public power, the Great Depression, property tax limitations, federal government assistance — that gave rise to lively conflicts and many changes.

But these were only the most visible forces at work. Under the surface, a basic structure of local government was built. Even more important, a distinctive Washington local governance tradition developed and began to evolve. How it evolved, and what the effects of this evolution have been up to the present, is the central theme of this volume.

Washington's local governance tradition has two major components. The first component is insistence on local option and control, including control over the way that state policy is implemented. It developed out of the remarkable geographic, social, and attitudinal diversity that initially characterized Washington.

The physical isolation of the early settlements has been greatly reduced, the people are more alike, and many needs and problems are now widely shared. But local area differences still exist, and are often important. The image of local diversity probably exceeds the reality, however, and certainly remains a powerful force in peoples' minds. Insistence upon local option and control, while it never evolved into complete "home rule" in the legal sense, is a dominant principle of Washington's political life.

The second component of the local governance tradition is the evolving relationship between the two general-purpose local governments, counties and cities, and the many kinds of special purpose districts that were created later. Originally the counties and cities were the only units of government (except for school districts.) They had quite distinctive roles and responsibilities, and acted independently of each other.

Soon after statehood, however, new units of government, the special purpose districts, began to be authorized in order to provide a specific service to a defined population. Later, special purpose districts were created to provide city-type services (fire, water, sewer) to people living in unincorporated areas within counties. Part of the reason for this was the insistence on local option and control just described.

Cities and counties also took on new functions as the years went by, some of them similar to what the other was already authorized to perform. Thus, all three types of governments began to acquire overlapping powers and responsibilities, and their roles became much more similar. Today, the relationship that once consisted of distinctive roles and independence has become one of conflict and competition over similar roles, together with mutual dependence.

Many factors have contributed to the evolution of this local governance tradition, but three stand out and will be highlighted as our story develops. Each one began to be visible in the Depression Era of the 1930s, and gained impact during and after World War II:

- (a) Fiscal pressures on local governments and the need to find jobs for workers became so acute that the federal and state governments began to provide much more assistance to local governments. Standards for local performance soon followed, and then direct federal and state controls, so that in some respects local governments became dependent junior partners in a largescale enterprise.
- (b) Population grew rapidly and spread outside of cities, often as a result of new highways and bridges built as part of the economic recovery and war efforts. Many new special purpose districts were created to provide these residents with the municipal-type services that they needed
- (c) New problems arose, first out of the new population densities and distribution, and then from additional services needed to provide for the new distributions of people. Efforts to cope with such problems as transportation, water quality, solid waste disposal, and social services generally tend to raise new issues about revenue availability and means of assuring cross-jurisdictional coordination.

In the last half-century or so, these three forces (and others of lesser significance) have substantially reconstructed the world of local governments in Washington. Our local governance tradition has evolved, but it has not kept pace with the rapidity and complexity of change. To be sure, some local governments' practical solutions to new problems have pointed the way toward redefinition of this tradition. But there has been little explicit recognition of the implications of these changes for the structures and powers of local governments, and no conscious effort to adapt our traditions, laws, and practices to the new challenges that local governments face.

The Local Governance Study Commission's goal is to help in the search for redefinition of Washington's local governance tradition. In this volume, we shall trace the ways in which that tradition developed and evolved from the early settlements to the 1980s. In the next volume, we shall analyze the context and problems of local governments in the 1980s and suggest ways in which the state can help local governments to address them effectively. With appropriate state assistance, local governments will be enabled and encouraged to redefine our local governance tradition to fit the needs of the future.

# The History of Local Governments in Washington

A history of governments. Most histories are about important people, great events, or such huge social units as countries. This history is about the evolution of more than 1400 local governments (excluding school districts) over nearly 140 years in one state. The local governments on which we focus here are the counties, cities, and special purpose districts of Washington. Each group has changed greatly over the years, and now includes highly diverse sorts of units.

Counties are the oldest local government; the first counties were created by the "Provisional Government" set up by Oregon Trail immigrants before Congress organized the Territory. By statehood there were 34 counties. Today there are 39 counties; the last formed was Pend Oreille in 1911. The initial role of counties was to serve as the administrative arm of the state — maintaining all the vital records that people needed, providing courts and law enforcement, building roads, assessing property and collecting taxes, and conducting elections. Counties are run by full time elected officials including commissioners (or councilmembers and an executive), a sheriff, judges, assessor, treasurer, prosecutor, auditor, clerk, and coroner. The commissioners function as both the legislative and executive body.

Cities and towns began as settlements, usually on waterways or the intersection of established trails, and later received their status as municipal corporations from the Legislature. The cities' initial role was to create a safe community and economic identity for citizens living close together, protecting them from physical hazards by providing fire services, building sidewalks, and maintaining law and order. By statehood there were 29 cities. Today there are 266 Washington cities and towns. The most recently incorporated was Mill Creek (Snohomish County) in 1983. Cities are generally run by a legislative council of part time elected officials with appointed executive department heads and managers.

Special purpose districts are units of government created for one or two specific purposes rather than the many ("general") purposes that belong to counties and cities alone. Road districts and school districts were formed during Territorial days. (School districts are such distinctive and independent entities that they have not been included in this study.) The first special purpose districts authorized after statehood were irrigation districts in 1890. Currently, there are over fifty different kinds of special purpose districts with about 1400 distinct entities. The most prominent include 420 fire districts, 125 water districts, 99 cemetery districts, 73 port districts, 52 hospital districts, 44 sewer districts, 44 parks and recreation districts, 32 public utility districts, and 19 library districts. Special purpose districts are run by part time elected officials. often with appointed managers.

In the 1980s, Washington's local governments raise and spend about \$4 billion per year for operating expenses, about half of what the state spends annually from its general fund. Cities and counties each raise about one billion dollars, through a combination of taxes, federal and state shared revenues, and fees from services provided. Some special purpose districts such as fire and library districts rely on property taxes, while others such as water and sewer districts use monthly charges for operating expenses. Still others such as irrigation districts use special assessments. Most local governments rely on the issuance of bonds to provide for their capital construction needs.

Not all counties or cities are alike, of course, and some contrasts may suggest the range of local governments' size and functions in 1986. Counties range from King County, with 1,400,000 people and a budget of \$262 million per year, to Garfield County, with 2,500 people and a budget of \$1.8 million per year.

Cities and towns (technically the term for cities of the fourth class) have the same kind of diversity. Three towns (Hatton, Krupp, and Lamont) have less than 100 residents; 100 cities have fewer than 1,000 residents. But there are three cities with more than 150,000 people, including Seattle with almost 500,000 citizens.

King, Snohomish, and Pierce counties have the largest number of cities and special purpose districts. In King County alone there are 29 cities and 134 special purpose districts. Some special purpose districts serve only a handful of people, while the Alderwood Manor sewer district serves 25,000 customers. The jurisdiction of the state's largest special purpose district, the Metropolitan Municipal Corporation of Seattle ("Metro") covers all of King County.

These characteristics of Washington local governments help to distinguish this state from many other states. In particular, Washington is a "special purpose district state. "We rank eighth in the country in the total number of special purpose districts within the state. But Washington has only one example (Metro again) of the regional units of government (consolidations, federations, other new forms) that have been tried in other states since the 1960s. Instead, we employ a variety of forms of cooperation between existing governments to accomplish the same ends.

As we review the history of Washington's local governments and the evolution of their local governance tradition, we shall also be recounting a good bit of the state's history. That history is crucial as context, and will always be in the background. The foreground, however, is dominated by the counties and cities and special purpose districts of Washington, and the people and problems that made and changed them.

In each chapter, we shall take up first the way in which changing conditions and problems affected local governments, and then the specific adaptations of powers and structures that local governments needed to make to cope with them. To provide a more readable story, only a few tables appear in the text. A large body of data is provided in the Appendices, however, as part of our effort to make this volume a definitive and comprehensive history of local governments in Washington.

Stages in the state's history. A major change in the evolution of Washington occurred during the Depression and World War II, which may have helped bring about the emergence of the three primary factors shaping the evolution of our local governance tradition that were just noted. The state economy began to shift away from its nearly exclusive dependence upon natural resources-based industries toward a higher-wage manufacturing and services economy; many new residents immigrated into the state; and the roles (and size) of the state and federal governments became much larger in all

respects. This important shift has led to a break between the first three chapters that follow and the last two in the volume.

The next three chapters tell the story of the creation and development of the forms and powers of local governments up to World War II. The politics of these years were dominated by a set of factors—opposition to the railroads, populism, prohibition, public power, hard times—that gave rise to lively conflicts and a strong tradition of local elections and local control. In brief preview, these chapters will cover the following stages of the state's history.

(2) Settlement to Statehood, 1845-1889. While the pioneers gave the state its first units and forms of government and their initial boundaries, it was the railroads and the waves of migrants they brought that really shaped the future of those early settlements. In the two years after the Northern Pacific first established a direct link to St. Paul and Chicago, for example, about 200,000 people entered the state — nearly tripling its population. Seattle eclipsed Tacoma, and Spokane rose from a tiny crossroads to a major city. Many aspiring towns that were bypassed by major railroad lines, however, had to settle for a much lesser stature than they had anticipated.

This period was thus dominated by the effort to attract settlers to the state, and to establish the basic governing structure to accommodate them. The distinguishing features of Washington's local governance tradition took shape in these years, as a result of the experiences of isolated groups of settlers in a resources-rich Territory far distant from the rest of the country. They continue to influence us today.

(3) Development and Reform, 1890-1930. The first in Washington's series of economic booms (always, it seems, followed by comparable depressions) began with the discovery of gold in Alaska in 1897. Washington (and particularly Seattle) had the opportunity to finance and supply the miners and other developers who flocked to Alaska. Prospectors, businessmen, and new residents were attracted to the state in great numbers, spurred in part by the high national visibility of the Alaska-Yukon-Pacific Exhibition of 1909. The prospect of the opening of the Panama Canal led to a surge of development in Seattle, and the war years continued the economic prosperity right up to 1919.

These were volatile years in Washington's political history, with many movements seeking to implement new ways of conducting the public's business. Charter reform, municipal ownership, port districts, and public utility districts all had their origins in the conflicts and reform efforts of this period. The state's local governance tradition was confirmed as it had first developed, but the utility of special purpose districts was also established.

(4) The Depression Era and Fiscal Change, **1931-1940.** The defining question of this period was how to finance both state and local governments in a time of declining property values, unemployment, and rising welfare and service needs. The pressure on Washington's property tax system had been rising since the mid-1920s. Through two initiatives in the early 1930s, efforts were made to limit property taxes and authorize an income tax. After the income tax was ruled unconstitutional and efforts to amend the constitution failed, a new package of state taxes including sales and business and occupation taxes was enacted in 1935. Local governments were left to struggle on their own under the property tax limits; federal and state funds were needed to keep many of them functioning.

This period was the critical one for the state's local governance tradition. Fiscal pressures, population growth and redistribution, and the new role of the state and federal governments — combined with changing problems — began to make for substantial change in that evolving tradition.

In the two chapters that take up the post-World War II era, we focus in greater depth on the changed circumstances and new problems that local governments encountered after World War II. The influx of new residents, the shift in the state's economy, and the general post-war prosperity — combined with state and federal government policies — led to a vast movement of people to the suburbs around major cities. Soon this led in turn to new problems, some of them "regional" in character, and to new efforts on the part of the state and federal governments to guide and direct local governments in solving them. In brief preview, we shall cover the following areas.

(5) Suburbanization, 1941-1960. World War II revived the natural resources industries, created vast new manufacturing and service industries, brought tens of thousands of new people to the region, and generally restored prosperity. Washington was a much more modern state after the War. Not surprisingly, it had many of the characteristics and problems associated with urbanization in the older states. In particular, it had a rush of young families to the suburbs around its major cities.

The suburbanization era was produced by the automobile and a massive new highway system, as well as general prosperity, low-interest federally-guaranteed home mortgages, and the aspiration of individuals and families to realize their dream of a detached home surrounded by green lawns. New cities were formed and smaller ones expanded, but the major thrust of suburbanization was toward unincorporated areas outside of cities. One consequence was rapid expansion of service-providing special purpose districts, and another was the challenge of

new roles and potential structural reform in county governments. Some problems, however, were not within reach of any local government, and the pressure began to find new forms to fit new circumstances.

(6) Growth and the Struggle to Adapt, 1961-1980. The primary responses to this new range of problems were new regional units of government and various forms of regional planning and cooperation between existing governments. The state authorized some new structures and powers for local governments, based on the recommendations of several studies of metropolitan problems.

The federal and state governments also assumed new roles in this period, fundamentally altering intergovernmental relationships. First, the federal government offered substantial grants to regional planning bodies to induce local governments to cooperate in looking ahead and planning for coming problems. It also required the approval of such bodies before a local government could obtain any of the many large grants that the federal government was then making available for local improvement projects.

This resulted in the formation of many Councils of Government and other planning bodies, and in establishing a direct link of dependency between some local governments and the federal government. Additionally, the first separate state agency for local governments, the predecessor of the current Department of Community Development, was formed to funnel federal funds and provide technical assistance to locals.

Second, as problems mounted and a newly active popular movement sought to preserve environmental quality in a variety of forms, the state and the federal government began to impose drastic new standards of performance on local governments. In some cases, financial aid accompanied these mandated changes. But in many instances, there was either no or too little financial assistance offered, and local governments were obliged to absorb much of these costs.

At the same time, sustained high levels of inflation in the country led to a general tax resistance movement. Through both legislative and initiative efforts, the state's tax base was reduced just as it was faced with significant new expenses. The result was a serious crisis of state and local government finance, in which the patchwork system of 1935 seemed to reach its final limits.

This overview of the history of Washington's local governments brings us up almost to the present, and will form the background for the analysis of current problems that we shall provide in our second volume. Without this history, we doubt that full understanding of today's problems is possible. But we do not view the chapters that follow as history for its own sake: instead, our history is focused and purposeful. It is an effort to draw the lessons that will help us all — state and local government officials, and citizens generally — to help solve the problems of Washington's local governments.

### Settlement to Statehood (1845-1889)

In this formative period, the two principal components or building blocks of the Washington local governance tradition were shaped and laid firmly in place. The local diversity plus local option and control principle is rooted in the geography of the region, the different kinds of settlers who arrived at different places and times, and their particular political experiences in the first decades of white settlement. The distinctive roles and independence of the two major local governments, the counties and the cities, were well established as features of the political landscape throughout this same period.

Washington was settled for centuries by Native Americans, whose established trails and landings eventually were appropriated for the settlers' network of roads and water travel. The first white explorers helped to create an image of great natural resources, particularly water, fish, and timber, in a green if rainy version of the eternally-sought "promised land."

In its early form, Washington was very much a colony — a far-distant enclave of natural resources available for the taking. Investors and entrepreneurs from San Francisco and the midwest sent teams of men to find and develop profitable timber and fish resources. For decades, Washington's basic resources and industries were owned from afar, and the way in which their owners used their power would become a defining issue in the new Territory and later state.

Washington's politics were shaped in many ways for its entire first century by the fact that such outside owners controlled a natural-resources based economy. Working conditions in the woods, mills, and mines were often harsh, and workers often held grievances against their employers. Similarly, the settlers who had been encouraged to journey to Washington because of the availability of productive land were often outraged by the railroads' exorbitant rates for shipping their harvests to market. In such circumstances, resentment against outside owners and big corporations easily translates into a volatile politics of local choice and control.

Everybody sought development, however, for that would bring a rise in land values and greater profit for the first arrivals. The crucial necessity was additional population, and every effort was devoted to this end. For this reason, boosterism became another defining characteristic of life in the new Territory.

The most visible factors shaping the state in this period, however, were the development of the railroads and the two continuing controversies that they helped to bring into focus. The railroads, the long-sought key to economic development and prosperity, began construction in the early 1870s and continued until well after statehood.

At first, they attracted thousands of laborers of ethnic and social class origins that were radically different from the first settlers. After the transcontinental link was completed in 1883, they brought tens of thousands of new settlers of still different ethnic and class backgrounds, many from foreign countries. The two statewide issues that the railroads helped bring to prominence were prohibition and populism, both of which had profound impact on the development of local governments.

### Background

Settlement patterns. The great Oregon Trail migration began in 1843. In the same year settlers in Oregon organized their own "provisional government," which in 1848 evolved into the Oregon Territorial Government. In an effort to attract more settlers, the Provisional Government had granted 640 acres to each homesteader. The Congress approved and continued this practice in the Donation Land Law of 1850, which served as a continuing incentive to migration. The U.S. Census of that year found 1,049 non-Indian people living north of the Columbia River, in the two counties then existing, Lewis and Clarke (as it was then spelled).

Washington Territory was created by Congress in 1853. At the first census held for apportioning the territorial legislature, there were less than 4,000 non-Indian people in the entire Territory. Most of them had come from Iowa, Missouri, and Illinois, where their families had resided for a generation after migrating from New England or the South. Some had found life in Oregon too settled, others simply sought greater opportunities. Eight counties were in existence, all west of the Cascades. Several settlements marked the settlers' overland progress from Vancouver to Puget Sound.

Eastern Washington was not really settled until after the Indian Wars of the mid-1850s; indeed, it was formally closed to settlement by the military from 1856 through 1858. With the discovery of gold in

what is now northern Idaho in 1860, however, the population balance of the Territory was completely reversed. Tens of thousands of gold-seekers poured into the area, many directly from the nearly-exhausted California mines.

Idaho Territory was split off from Washington in 1863, and the first official census of Washington with its current boundaries was therefore that of 1870. A total of 23,955 non-Indian people lived in the Territory at this time, more than 20% of them foreign born.

The prosperity to be realized from supplying the miners, in some cases by those who gave up mining and became merchants or farmers, led to substantial permanent settlement. Soon there were more potential voters east of the Cascades than on the more established west side. Moreover, many of them were Southern Democrats — a matter of some urgency as the Civil War took shape.

The miners and their camps were itinerant, but the supply centers and surrounding agricultural regions were permanent settlements. Of these, Walla Walla was the largest and longest established. Begun as a fort in the first days of the Hudson Bay Company penetration of the Northwest, Walla Walla had always been on the map. In 1864, farmers discovered that the hills around Walla Walla were superbly suited for growing wheat, and the economic future of the region was established. Soon produce was being shipped down the Columbia River to Portland as well as to the miners in the mountains.

In the meantime, some shrewd political judgments were made in Olympia, and subsequently in the Congress. Concerned that the whole of Washington Territory might be dominated by Democrats, the Congress was induced in 1863 to create a new Idaho Territory including all of the area east of what is now Washington's eastern boundary. That left the prosperous Walla Walla country in Washington, but not strong enough in numbers to out-vote the west-side residents. Still, it remained the center of eastern Washington.

One of the major issues of this period had to do with the ability of settlers and investors to gain clear title to land, so that they could confidently develop it or sell it. Until titles were cleared, further immigration and development and profit for the first arrivals would be impeded. This issue is one reason why Portland, Oregon overtook Vancouver (the original site of Hudson Bay's Fort Vancouver) in Clark County as the center of booming trade and commerce on the Columbia River. A history of Vancouver describes its difficulty growing in this way:

Trouble over the property held by St. James Mission and other properties held by the Catholic Church, coupled with the problems arising over

validity of deed on general city land kept investors and businessmen from locating in Vancouver, and it was not until 1877 that a single land title was granted and not until 1894 that the last of land was cleared of defective title.<sup>1</sup>

Political foundations and early statehood efforts. From 1853 to statehood in 1889, a period longer than that of all but three other states, Washington was governed as a territory. The Governor, other executive officers, and the judges of the Supreme Court were all appointed from the distant federal capital of Washington, D.C., and the territorial Legislature was subject to Congressional veto of its acts. This dependent status rankled Washington residents, but there was little they could do about it. Population in 1880 was still only 75,116 — too small for statehood — and the chief result was the growth of a vigorous sense of local self-reliance.

This feeling of second-class status was made worse by the fact that the Territorial Legislature was not always the last word on all matters in this period. The Governor was newly granted the power to veto the acts of the elected Territorial legislators in 1864, and the Congress began to assert its veto powers as well. One example involving counties occurred in 1866. The Congress, for the first time in Washington's history, disallowed a Territorial enactment. In this case, the Legislature had divided Skamania County between Klickitat and Clark Counties. At the time, there were only two tiny towns in the county, but it included the Cascades portage, which was crucial to transportation on the north bank of the river.

The Legislature took this drastic act to prevent the manipulation of county elections and monopoly control of all river traffic by the Oregon Steam Navigation Company. But the latter was strong enough to get the act disallowed in Congress, and the next Washington Territorial Legislature was obliged to repeal all its statutes and knuckle under to an Oregon corporation. This lack of Territorial control over important decisions may well have contributed to making Washington citizens particularly sensitive to their electoral powers.

During the late 1860s and early 1870s, the voters of the Territory regularly had on the ballot the question of calling a constitutional convention as a prelude to demanding statehood — and just as regularly ignored or voted against the proposal.<sup>2</sup> In 1875, however, the Legislature created Columbia County, necessarily reducing the size of Walla Walla County in the process. The Walla Wallans reacted sharply. Oregon's Congressional delegation introduced bills to enable a plebiscite in those two counties on the question of being incorporated into Oregon. A petition in support contained the signatures of more than half the Walla Wallans who had voted in the

last election. Although the bill was reported out by a unanimous House Committee on Territories, Congress adjourned before passing it.

The result was that the west side of the state began to take the question of statehood much more seriously. The next Legislature quickly restored to the ballot the question of calling for a constitutional convention, this time to be held in the "City of Walla Walla," and the voters endorsed the idea. Fifteen delegates were elected at a special election and convened in June, 1878. The northern Idaho counties had been invited to send a non-voting delegate, and did so.

The local government provisions of this constitution will be examined later, and were overshadowed in any event by several other features. Perhaps the most salient of all of these gave proof at this early stage — when the railroads were still mostly under construction and only a few sections were operating — of the part that the railroads were to play in the politics of the Territory and state. This provision was a grant of power to the Legislature to regulate the railroads as to their rates, discriminatory practices, and consolidation of competing lines.

The constitution was approved by a two-to-one ratio in November, 1878, with 6500 in favor and 3200 against. Most of the west side counties voted strongly for the constitution. Pierce, Cowlitz, and Skamania, however, were powerfully affected by the railroads and voted against it. Walla Walla, unbending, voted against it by a ten to one margin; Columbia was also opposed. Separate votes were taken on the questions of woman suffrage and local option powers to control the sale of intoxicating beverages; both failed by substantial margins. But Congress was unimpressed by the Territory's efforts, and did nothing in response.

The railroads. No event or factor in the history of Washington can compare in impact or importance with the building of the railroads. The railroads dominated the imagination, the hopes and fears, and the economic and political life, of both Territory and state almost all the way to World War II.

Washington's romance with the railroads began in 1853 with the arrival of the first Territorial Governor, Isaac Stevens, because the survey work that he accomplished en route proved the feasibility of the northern route. In particular, his work gave rise to hopes of greatness on the part of a tiny settlement on Elliott Bay which had just built its first sawmill and was now known as Seattle. The first Legislature of 1854 almost immediately sent Stevens back to Washington D.C. to argue the case for Congressional authorization of funding and construction of a transcontinental railroad with a terminus in Washington. No action was taken by Congress, however, for another ten years.

In 1864, the Congress incorporated the Northern Pacific Railroad Company and gave it a huge grant of federal lands, stretching from Lake Superior to Puget Sound and totalling nearly 40 million acres, to finance construction. In territories such as Washington, the Northern Pacific received the odd-numbered sections of land for forty miles on both sides of their right-of-way — land which was sure to increase in value as the railroad was built. In 1870, construction was begun at Kalama, and Tacoma was selected as the terminus in 1873 — to the great disappointment of several other settlements on the Sound.

But the financial empire of the Northern Pacific's chief backer, Jay Cooke, collapsed in the panic of 1873, and construction was suspended. Seattle and Olympia citizens promptly began to construct their own linkages to what they still expected to be the main transcontinental line, as a means of preserving the economic futures of their towns.

Construction was finally resumed on the Northern Pacific in 1879, and the western end, running north and east from the Columbia River at the Oregon border, reached Spokane in 1881. The transcontinental linkage was completed in Montana in September, 1883, and construction was begun on a link from Pasco to Tacoma via Stampede Pass. Celebrations of the long-awaited link occurred throughout Washington as the first train made its way, prophetically almost a day late, across the state from east to west. In the tiny settlement of Spokane Falls, for example, three triumphal arches were erected, with these inscriptions:

"Spokane Falls, the Gem City of the Inland Empire, Gives First Greeting from Washington Territory to our Eastern Visitors"

"The Northern Pacific Railway, the Bond which Unites us with the Rest of the World"

"Spokane Falls, the Minneapolis of the West"

By 1885, the Oregon Railway and Navigation Company operated 259 miles of railroad within Washington Territory, mostly along the Columbia and with several branches into the wheat country; the Northern Pacific operated 455 miles, from Vancouver north to Tacoma, and from Wallula (at the junction of the Walla Walla and Columbia Rivers) east to Spokane and the Idaho border and northwest to Yakima and Ellensburg. Construction continued furiously, on logging railroads as well as the main lines, and by 1892 there were 2,618 miles of railroad in the state. In 1893, of course, the Great Northern completed its transcontinental link directly to Everett and then Seattle.

But the impact of the railroads is barely measured by the number of miles of trackage completed. Perhaps the most immediately visible impact was the huge increase in population that resulted. More than 200,000 people entered the Territory in the first two years after the transcontinental link was completed, nearly tripling the total population. By 1890, there were 357,232 people in the state, an increase of nearly 400% since 1880.

The early settlements had always done their best to attract people to the Territory, but now it was far easier for new emigrants to make the trip. Moreover, the railroads themselves joined in the promotional effort, fundamentally altering the social makeup of the Territory. According to one history,

Tens of thousands of pamphlets promoting the Pacific Northwest as a promised land flooded the East Coast and Europe. By 1883 the Northern Pacific alone had 831 promotional agents in Britain, with another 124 scattered over Norway, Sweden, Denmark, Holland, Germany, and Switzerland. In 1888 the Northern Pacific advertised in 3,385 newspapers and distributed 650,000 brochures.<sup>3</sup>

The railroads also provided a direct link to markets outside the region for previously landlocked areas, and thus spurred agricultural development. Certain established shipping and transportation centers also had access to vast new sources of products from farms, mines, and forests. The combination of more people and new economic opportunities meant realization of the long-awaited boom for some of the early residents of the Territory.

The growth that had occurred in the 1880s changed the nature of many settlements, making some of them cities such as Othello and Yakima (then North Yakima.) Others were left isolated until highways were built two decades later. Table 2-1 presents a comparison of the population growth of the state's leading cities of the early decades. It highlights the dramatic growth of the three major cities, and the much more modest increases of the three smaller cities. Ironically, of course, Vancouver, Olympia, and Walla Walla were the state's original centers of population.

Table 2-1
Leading Cities Population Growth

	1870	1880	1890
Seattle	$\overline{1107}$	$\overline{3533}$	$4\overline{2,837}$
Spokane		<b>35</b> 0	19,922
Tacoma	73	1098	36,006
Olympia	1203	1232	4,698
Walla Walla	1514	3588	4,709
Vancouver	2612	1722	3,545

The impact of statewide issues. For many, there was good reason to resent the railroads. In some cases, they had bypassed settlements built upon hopes of railroad connections; in others, the

railroads seemed to charge excessive rates for shipping goods, or to demand heavy concessions for service. The railroads had vast landholdings, and charged high prices for plots near their rights-of-way. They brought with them as laborers some races and classes of people (mostly Chinese, with some Irish and eastern Europeans) who were starkly different from the older stock of settlers. And they seemed to be in control of the Territorial Legislature, if not of the U. S. Congress itself.

A major consequence of the coming of the railroads was a focusing of agrarian discontent into the sometimes radical movement known as populism. In sharp contrast to the prosperity enjoyed by the logging and transportation industries, farmers saw themselves victimized by price-fixing and monopolies. Railroad, timber, and many urban workers were likewise unhappy with absentee corporations and harsh working conditions. Starting in Whitman County in 1888, farmers and workers eventually coalesced in a broad movement seeking a number of reforms, and particularly the opportunity to vote for many state and local offices.

The other major issue in this period was prohibition, which took the form of efforts to eliminate the saloons that often operated 24 hours per day and were packed with drunken workers whose behavior offended middle class people. Woman suffrage was linked to prohibition, because it was assumed that if women could vote, they would help to eliminate the saloons. Both of these questions were, of course, highly controversial and sometimes dominant factors in the politics of the times.

Local option provisions were particularly attractive. because they seemed to avoid the conflicts involved in setting a single statewide standard, and simultaneously to validate the independence of local communities and other units. The vote for women and local option laws were achieved in the late 1880s, but invalidated by the Territorial Supreme Court. The woman suffrage provision was ruled unauthorized by the Organic Act (the Territory's "constitution"), and local option laws also were held to be unauthorized because they gave too much power to local units. In 1888, however, the antisaloon advocates got a license law passed which permitted counties and cities to charge substantial fees to regulate the sale of liquor, and local elections sometimes became referenda on the presence of saloons.

There were at least two important consequences of the prohibition movement for local governments. One was the principle of local option, which encouraged the formation and self-identity of distinct local units — whether for the purpose of voting themselves "dry," or keeping themselves "wet." The other was the recognition that licensing of saloons and liquor generally was both a means of control and a

potentially lucrative source of revenue for local governments. In both of these cases, the existence, powers, and control of local governments became very important.

Statehood. With the influx of great numbers of immigrants in the 1880s, Washington soon had the population necessary to qualify for statehood. When Congressional politics became permissive in early 1889, an "Enabling Act" was passed providing for a constitutional convention and then admission as a state. A total of 75 delegates met in Olympia on July 4, 1889, and drafted the Constitution under which (with many amendments) Washington is governed today.

The Constitution that emerged was ratified in October, 1889, by a large majority — with only the city of Walla Walla and Whitman County opposed. As in 1878, separate questions regarding prohibition and woman suffrage were presented to the voters but rejected. Three cities competed with Olympia for the honor of being the state capital (Vancouver, Ellensburg, and North Yakima), but again (as in 1878) Olympia won.

The primary division at the constitutional convention involved matters that did not appear in the final draft of the constitution. Foremost among these was the desire by eastern Washington farmers that regulation of corporations (particularly railroads) should be continued in the new constitution. Specifically, the farmers sought a railroad commission to set rates and otherwise regulate railroad charges and practices. But the political strength of the railroads was such that they could not achieve it. The best that the farmers and others opposed to the railroads could obtain was the power to elect a large number of state officials. This signal failure was part of the reason for opposition to the new Constitution in eastern Washington, particularly in Whitman County.

### Governance

Boundaries. Counties were the first form of government in the new Territory. Governor Stevens convened the first Territorial Legislature in 1854, and it promptly added seven new counties and redrew the boundaries of the old counties for a total of fifteen in western Washington. Until 1859, when Klickitat County was created, Walla Walla was the only county in eastern Washington. Spokane County was twice created by the Legislature, in 1858 and 1860, but never organized; in early 1864 it was annexed to Stevens County, created in 1863. By statehood, however, there were thirty-four counties with most of the new ones created in eastern Washington.

Counties were needed because they were the local unit through which nearly all of the official business of the Territory was accomplished. They were integral to owning and selling land, building roads, keeping track of births and deaths and property transfers, and all forms of law enforcement. They were so essential, in fact, that the framework of county government was often created by distant Legislatures before settlers actually entered the area in any numbers.

Many such units were required so that citizens would not have to travel too long to reach them (in theory, the county "seat" was to be no more than a half-day's journey by horseback, so that citizens could transact their business and return home in one day.) Of course, it was not always possible for the Legislature to follow such rules; the county of Walla Walla for several years encompassed practically all of the land area between the Cascades and the Rockies, the Columbia River and the Canadian border.

Where counties were of more manageable size, however, there was spirited competition among settlements to serve as the county seat and enjoy the traffic and trading opportunities that went with it. This led in one case to a celebrated incident in which Lincoln County voters were unable to settle the issue between Davenport and Sprague in 1884:

Votes in both towns were in excess of population, with Sprague receiving the majority. Charges of fraud were made by both communities, but nothing could be proved. The commissioners gave orders for the offices to be moved, but the residents of Davenport protested. They immediately set up armed guards inside and outside the town to prevent removal of the records. Roads leading into Davenport were lined with armed men for three weeks, day and night, guarding the records. The men finally grew tired of standing watch and returned to their homes. Sprague was waiting for this opportunity and immediately sent an armed force upon Davenport. They surrendered the records, which were taken to their respective offices in Sprague.4 (Ultimately, Davenport did become the county seat.)

Not only were county seats contested, but also the boundaries of counties themselves. When then-King County voted to go dry in 1856, Seattle's Doc Maynard convinced the Territorial Legislature to divide King County into two counties, creating Kitsap County. The voters in the new King County immediately voted to go wet while Kitsap remained dry.<sup>5</sup>

The Legislature had selected the name Slaughter for Kitsap County, to honor a lieutenant who died in a skirmish with the Indians. Residents made such a fuss about the name that the Legislature added an amendment to the act permitting voters in the area to select a new name. This became the first local referendum measure passed by the Legislature. The new county's voters, apparently with different ideas about which side should be honored, overturned the Legislature's choice and named their county Kitsap, after an Indian chief of the region.<sup>6</sup>

The first Territorial Legislature also created the first municipal corporation in the Territory, the Town of Steilacoom. Although there were several earlier settlements such as Vancouver, founded in 1824 by the Hudson Bay Company, this was the first formal creation of a municipal corporation with power to enact laws for the benefit of its residents. Twenty-nine cities and towns were incorporated at the time of statehood. Many of these were along waterways, including Steilacoom, Vancouver, Olympia, Port Townsend, Seattle, Tumwater, Tacoma, Kalama, Goldendale, and La Conner.

Counties, cities, and towns were created by a special act of the Legislature, usually on petition by local residents. The statute defined the boundaries, and (in the case of municipalities) made specific grants of powers to be performed. From 1871 until state-hood, counties were authorized to declare a city incorporated when 150 or more people petitioned for that status.

Powers. The form for county government chosen by the early Provisional Government Legislature, and later adopted by succeeding Legislatures in Oregon and Washington, was that of Iowa counties. This model had many separately elected officials independently performing specific functions like property assessment, law enforcement, and tax collection. It provided both broad opportunities for participation and influence, and much electoral activity — as if to make up for the lack of electoral control over Territorial officials.

As early as 1863 the Legislature sought through statutes to maintain control over county powers by adding a sentence at the end of the powers delegated to the boards of county commissioners which said "... and they shall have no other powers, except such as are, or may be given to them by law." Although counties were apparently given broad police powers through the 1889 constitution (see discussion below), they were not interpreted that way by the courts — and, at times, by the Legislature itself. Not until 1948 would counties obtain a clear opportunity to govern their own affairs through home rule.

In 1854 the three county commissioners in each county were responsible for erecting and maintaining public buildings (e.g., the courthouse), building and repairing roads, granting licenses, levying taxes and supervising collection, approving bills charged to counties, and supporting indigents. Over the years as the Territory moved closer to statehood,

several additional functions were added to the counties including public health. County commissioners from the early days had control over the approval of school and road district boundaries, and eventually over other special purpose districts as well.

Powers granted to towns were not much different from those Steilacoom received when it was incorporated in 1854. The Legislature gave it an elected seven member Council, plus an elected Mayor and four other officials. The Mayor held the veto power, unless overridden by a two-thirds vote of the Council. The city government was granted power to tax, issue licenses, make public improvements (including hospitals, cemeteries, and water supply facilities), and to enact ordinances for the health, safety, and welfare of its residents.

Many of the early cities and towns used their new powers to enforce moral standards or reduce physical hazards. For example, Seattle's first ordinances addressed such problems as prevention of drinking and disorderly conduct, building sidewalks, removing Indians to outside the city limits, and preventing swine from running at large. Seattle's only paid official, the Town Marshal, received \$300 per year to enforce these laws.

Over the years cities and towns obtained powers that had once been held only by counties. In 1881 cities were permitted to enact laws for paupers. By 1888, cities had obtained legislative authority to prevent counties from exacting liquor license fees within incorporated boundaries. Home rule powers, however, would have to wait for the state constitution of 1889 and even then they would be limited.

Structure: the constitutional framework of local governments. Though never implemented, the constitution that emerged from the Walla Walla convention included several provisions of lasting relevance to local government in Washington. The Legislature was enjoined from passing "local or special" legislation on a long list of subjects, and required to make taxes "uniform upon the same class" of subjects." County government was to include many elected officials, all serving two-year terms. The capacity of the state and cities and towns to incur debts was strictly limited; the state's capacity to undertake internal improvements was also narrowly conditioned. In another effort to limit the railroads, all units of government were prohibited from granting or loaning money or credit to individuals or corporations for any purpose.

The substance of the Constitution of 1889 was much more detailed, consistent with the elaborate prohibitions on state government characteristic of the times, but otherwise not unlike that of 1878. Taxes were required to be uniform on all classes of property, and debt was limited. Local governments were

allowed to incur debt within strict limits, with certain additions if they obtained voter approval. Prohibitions against any government lending money or credit to individuals or corporations were continued.

A new local government article (XI) protected the integrity of existing counties by limiting the conditions under which new counties could be formed. It also required that counties have a uniform system of government. The lively competition between cities for the status of county seat was limited by making the choice subject to a three-fifths vote of the people of the county.

The local government article also followed the Territorial Legislature's recently-established practice by providing for the incorporation of cities and towns through general, rather than special, acts of the Legislature. Cities over 20,000 persons (then Seattle and Tacoma) were entitled to frame their own charters. In one of its most significant provisions, the local government article provided (sec. 11) as follows:

Any county, city, town, or township may make and enforce within its limits all such local police, sanitary and other regulations as are not in conflict with general laws.

This grant (the so-called "police power") has given rise to much controversy. First, note that counties, at this point understood only as administrative arms of the state, are nevertheless here given the distinguishing powers of a municipal corporation. This grant of power has, over time, helped to justify the rise of the counties' role as providers of urban services and the resulting blurring of the distinctiveness of county and city roles.

Second, these words appear to grant broad "home rule" authority to local governments, particularly when read together with the provisions regarding cities' powers to frame their own charters contained in the section just preceding. Finally, the language would seem to grant all necessary powers whose exercise is not prevented by state statutes.

Subsequent interpretation by the state courts, however, has not been consistently favorable to broad home rule authority on the part of local governments. At times, the courts have held that local governments have only those powers expressly conferred upon them by the Legislature. But more recent decisions appear to indicate a trend toward accepting the "home rule" powers of local governments, particularly charter counties and cities, in the broad terms that the original language would suggest.

Revenues: In the early days of the Territory, county commissioners levied property taxes for county use as well as for schools and the Territory.

They could also exact 3 days labor (or the equivalent payment) from every able bodied man to work on roads each year, plus an extra day for each \$1000 of assessed value of property owned. Special assessments could be levied for local improvements such as ditches and drains. Cities and towns could levy a property tax as well. Another source of revenue for local governments was the license fees of grocers, saloons, ferries, and other businesses.

The Constitution of 1889 authorized the Legislature to vest in the corporate authorities of counties, cities, towns, or other municipal corporations the power to assess and collect taxes for their own use. However, local governments (even those with home rule) cannot override statutory limits on taxes nor devise their own taxes.

### Current Significance

In retrospect, the two principal components or building blocks of the Washington local governance tradition seem to have arisen quite naturally in this formative period. Highly diverse settings and people led to insistence upon local option and control, and counties and cities — the two major local governments — had quite distinctive origins, characteristics, and roles.

The diversity that is still evident today among the local areas, regions, and cultures of the state (and their governments), is firmly grounded in the events and characteristics of life in these early years. Settlers lived in geographically distinctive locations, and in isolation (often recruiting others like themselves to come and join their new communities.) They came to different parts of the Territory from sharply contrasting states and countries, experienced great difficulties in transportation and communication between settlements, and had conflicting loyalties in the Civil War. The waves of new immigrants who came after the railroads were completed in 1883 added further dimensions to this established diversity.

The principle that each local area should have as much local option and control as possible in all aspects of public affairs flows directly from these origins. Another source of this aspect of the tradition is the long experience of dependence and second-class citizenship that came with the 36 years of Territorial status. Washington citizens simply had to do things for themselves, and political initiative and responsibility in the state thus lay at the local level. As we have already noted, however, a variety of powerful forces over time greatly reduced the capacity of local governments to "go it alone."

The distinctive origins and character of counties and cities are also clearly evident in this period.

Counties meant the local presence of the Territory or state government, and their chief functions were those of the state. Even road-building originated as a matter of Territorial obligation. Cities were created to provide a safe community and economic identity for people living and conducting business in a concentrated area.

Thus counties and cities had totally distinctive governmental roles. In later periods, as their functions multiplied and special purpose districts were created in increasing numbers, the distinctiveness of each unit would be blurred and their roles come to overlap considerably. But in the beginning, there was very little conflict or competition between them.

### Development and Reform (1890-1930)

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Development and reform were twin engines powering the new state into the early decades of the 20th century. Development, always on the agenda, was further necessitated at this time by two serious setbacks. One was the pair of devastating fires that occurred in two major cities, Seattle and Spokane, during the summer of 1889. The other was the impact of the panic and depression of 1893, which hit farmers particularly hard.

The discovery of gold in Alaska in 1897 thus could not have been better timed. And it is hard to imagine how any event in this era could have had greater developmental impact: commerce, especially shipping and wholesale trade, literally exploded — and population tripled once again between 1900 and 1910.

The War of 1898 led to quickened interest on the part of the federal government in shipyards and naval bases that could take advantage of Puget Sound's relatively good access to Far East nations. A Washington regiment served in the Phillipines during the War, establishing an enduring connection to the new American outpost in the Far East. Expanded Pacific trade was being planned, and the Panama Canal, once actually open, seemed likely to spur local development. The Alaska-Yukon-Pacific Exposition of 1909 gave expression to all of these hopes.

At the same time, reformers of various kinds pressed their causes, often in alliance with each other. Farmers and workers joined in the populist movement of the 1890s, and urban middle classes joined with trade unions to support charter reform and municipal ownership of utilities. Prohibitionists achieved first a statewide local option law in 1909, and subsequently (with other reformers) the initiative and referendum in 1912, which they immediately used to legislate statewide prohibition in 1914. Simultaneously, many of the same groups sought public ownership of key developmental resources.

Much of this reform activity was highly controversial, and Washington was nationally recognized in this period for its political drama and violence. In both Seattle and Tacoma, mayors were recalled. The International Workers of the World (IWW) were very active throughout the Northwest, and the "Everett Massacre" of 1916 and the subsequent trial of IWW members was widely reported throughout the country. Seattle's General Strike of 1919 was the first such strike to paralyze a major

city, and (because it came soon after the Bolshevik Revolution) sent a wave of shock and concern across the nation.

World War I had powerful developmental impact on Washington and the entire Northwest. Shipbuilding was massively expanded, the ailing timber industry was provided with steady high demand for its products, and farmers enjoyed some of the highest prices in agricultural history. No group seemed left out of the general surge toward prosperity.

In the midst of all this turbulent development, conflict, and reform, the state's local governance tradition was essentially confirmed in the form it had developed in the Territorial years. Counties and cities each continued to have basically clear and distinct roles. But the seeds of change were sown by the Legislature's authorization of several new types of special purpose districts. Some were public entities devoted to economic development functions, such as the ports and public utility districts. Others such as water districts were intended to supply citytype services in the unincorporated areas. All were created through local option and control because private companies and established governments alike seemed unable or unwilling to provide these services at acceptable costs.

Local diversity was furthered by massive new waves of immigrants from all over the U.S. and foreign countries. Local option and control were the explicit rallying calls of charter reformers, "local option" prohibitionists, and the many different municipal ownership advocates. The latter gave rise to a farmer-trade union alliance that sought participatory local economic development in the form of port districts, marketing and transportation districts (never achieved), and subsequently public utility districts.

### Background

<u>Development</u>. The primary goal, as before, was to draw people to the state. The gold rush was a great help, but permanent settlers with productive skills were still badly needed. In addition to the colonizing efforts of the railroads noted in the last chapter, almost every settlement and city maintained an active program for recruiting new citizens. They sought by letters and formal brochures to draw peo-

ple like themselves to their new communities; many towns were populated from relatively small regions of the older states or foreign countries.

Immigration Aid Societies, Chambers of Commerce, and other organizations were joined by real estate agents in a vast promotional effort aimed at the rest of the country. The state maintained a Bureau of Statistics, Agriculture, and Immigration, and a state immigration officer, to aid in this work. In a little over five years at the turn of the century, the state sent out more than 5 million pages of literature describing Washington and its attractions to prospective emigrants. Many small towns built elaborate public buildings and other facilities, often going into debt, in order to attract future residents (and thereby drive up land values and enrich the earlier arrivals.)

The high point of Washington boosterism occurred with the Alaska-Yukon-Pacific Exhibition in 1909. Held on a 250-acre tract now occupied by the University of Washington, it was the focus of vigorous promotional activities. The transcontinental railroads offered discount rates, cities and counties had exhibits and special "days," and millions of advertising brochures were distributed. The energy and optimism of the region struck all visitors; their reactions were summarized by the American Review of Reviews as follows:

This summer's show is essentially a bid to settlers, an invitation to home-seekers, and an advertisement for Eastern capital to come West and help develop the natural resources which offer wealth on every hand. Dozens of new cities and new regions of farming and irrigation are "boosting" themselves at Seattle. Beginning with "The Seattle Spirit" one hears slogans at every hand. "You'll like Tacoma" is flashed at you in massive electric letters. "Investigate Vancouver" is the word which stares at youofrom scores of billboards. "Yakima is Better" declares a prosperous young city in the irrigation belt. "Wenatchee, the Land of the Big Red Apple," is making itself known. "Where Dollars Grow on Trees" is a popular description for a leading fruit section, and so it goes, with "Boost, Boost, Boost" on every side.

Development in the state received a major boost from what is arguably the single most important business transaction in the history of Washington: the purchase by Weyerhaeuser Timber Company of 900,000 acres of land from the Northern Pacific Railroad in January 1900. With this purchase (at \$6 per acre in the currency of the time), Weyerhaeuser became the second largest private timber holder in the nation and the dominant force in the timber industry of Washington.

It would be difficult to exaggerate the impact of the second major population surge that occurred in

Washington from 1900 to 1910. By that year, the Census Bureau classified the state as more than half urban. This sudden urbanization was due in part to the almost unimaginable growth of existing cities, and in part to the rapidity with which new cities were incorporating. Seattle and Spokane tripled in size, while smaller port cities like Aberdeen, Bellingham, and Everett equalled or exceeded this growth. Table 3-1 shows the growth pattern of the three now-established major cities of the state. By contrast with the two other cities, Tacoma grew relatively little; Seattle in particular expanded much more rapidly.

Table 3-1
Major Cities Population by Year

	<u>1890</u>	<u>1900</u>	<u> 1910</u>
Seattle	42,837	80,671	237,194
Spokane	19,922	36,848	104,402
Tacoma	36,006	37,714	83,743

Big city life was lively as Spokane banker Ned Barnes describes, "In the early 1900s Spokane was a town full of saloons and gambling houses. All did a thriving business. Everybody seemed to have money. Lumbering and mining were the big industries in the area. They brought a lot of money and a lot of men to town. There was no unemployment."<sup>2</sup>

Another major source of economic and population development in this period was the federal government. The Panama Canal was a subject of discussion and speculation long before construction started. As the actual opening (1914) approached, there was avid attention in Washington to such probable consequences as increased trade, lower transportation rates for both railroad and ocean shipments, increased need for terminals and storage facilities, and higher land values in waterfront areas.

The federal government also became the sponsor of irrigation and reclamation projects after the Newlands Act of 1902. Parched land in Yakima, Kittitas and Benton counties profited from federal irrigation projects such as Sunnyside, Tieton and White Bluffs.

But World War I gave the federal government's developmental role a whole new form and importance. There was a sharp and general boost to prosperity in the region, with new demand for timber products (eventually including spruce wood for airplanes, which led lumberman William E. Boeing into a new enterprise.) Military bases increased in number and in employment, and the shipbuilding industry was vastly expanded. Farmers received good prices for all they could produce. Wages were high in all areas, and tensions between workers and owners temporarily eased.

The infrastructure of development. The physical tasks of providing the base on which development can proceed are easily forgotten, once development is an accomplished fact. But major obstacles had to be overcome. In Seattle, for example, a massive regrading project was required to make the hills surrounding the waterfront accessible for industrial, commercial, and residential use. The dirt was used to fill the Duwamish estuary and make Harbor Island, now a major industrial area. The desire to make use of Lake Washington's economic potential by linking it with the Elliott Bay and the Sound led to several costly canal projects throughout this period.

Perhaps the most vitally needed physical support for development, once the basic railroad network had been completed, was the planning, construction, and maintenance of a road system. This was of necessity a county function. One of the very first acts of the Territorial Legislature had been to pass a bill requiring county commissioners to develop good wagon roads to connect the far flung settlements of the state. This meant that counties might have to go into debt, but the need was considered so great that legislators were willing to force the obligation onto counties if necessary. Most of the county roads, however, were conceived by settlers who petitioned the county commissioners to carry out their requests.

Because the technology of road construction was so rudimentary, building roads was a never-ending task. Dirt roads would be washed away, hopelessly rutted and muddy, or so dry that they literally blew away as dust. When the railroads finally came, they were far more reliable. But they were also few and far between, and their rates were felt to be very high. Adequate roads, particularly for farmers and settlements bypassed by the railroads, were an absolute economic necessity.

In 1893, the state began to provide some financial assistance to counties' road-building efforts. By and large, the counties viewed such aid as a very mixed blessing. The money was welcome, but state participation in planning where roads should go or in setting standards for construction definitely was not. Of course, roads for long-range travel had to connect with each other across county boundaries; however, ready agreement between counties about junctions and routes could not be assumed.

With the coming of automobiles (the first car made its appearance in Seattle in 1900), the development of an efficient road system became more compelling. A state highway fund, and a state highway commissioner to administer it, were created by the Legislature in 1903, but vetoed by Governor McBride as an expensive intrusion upon the counties. The same bill was enacted in 1905, and this time passed over

Governor Mead's veto. Twelve state roads were planned (two major north-south routes and the rest east-west over the Cascades), with the counties to pay one-third of the cost and provide the engineering.

Even this shared-cost arrangement was too expensive for several counties, and cooperation was slow or nonexistent. The Washington Good Roads Association, a group made up of citizens, automobile manufacturers and suppliers, and road-building interests, soon formed to advocate extensive highway building on a state-aided basis. They advocated the use of convict labor as a cost-saving measure for the counties, and, despite objections, this became routine practice in some counties for several years.

In 1907, the Legislature responded to the pressure by providing full funding and engineering for state roads and establishing a new category of state-aided roads in which the state would pay half of all costs but leave the choice of how roads were to be laid out to the counties. By 1911, the highway commissioner reported that one-third of all taxes collected in the unincorporated areas of the counties were going into road construction. New techniques now allowed for paving roads, so that a "permanent" hard surface could replace the familiar dirt and mud. The Legislature of that year duly enacted a "permanent" highway law, with a one mill levy (producing about \$1 million per year) to be shared among the counties.

By 1923, the Department of Efficiency could proudly report that there were more than 230,000 motor vehicles registered in the state, ten times the number in 1913, and more than 2,200 miles of state highways to accommodate them. Only 314 such miles consisted of paved surfaces, but rural car owners were used to hardships involved in what was essentially cross-country travel.

Reform. Prohibitionism and populism, both holdover issues from the past, enjoyed active support in urban as well as rural areas. There were also some who favored reform for "good government" reasons. This set of goals included elimination of the poll tax, establishing woman suffrage, institution of the direct primary instead of having nominations made exclusively by party "bosses" or conventions, and provision for direct legislation by the people in the form of the initiative and referendum. These efforts often drew active support from the various other reform groups, which both believed in such principles and hoped to achieve their ends more readily because of them.

Agitation for some of the good government reforms that would provide a larger role for the people began in the 1890s. The direct primary was achieved in 1907, and woman suffrage in 1910. Organized labor and the Grange entered a formal cooperative

arrangement by forming a Joint Legislative Committee to conduct educational campaigns and lobby the Legislature. They succeeded in obtaining a workmens' compensation law, the 8-hour day, and the port district law (see below under structures) in 1911. The Initiative and Referendum amendment to the state constitution also was pushed through the Legislature in 1911, and approved by the voters in 1912. Finally, after several failures, the Grange achieved public power opportunities for the rural areas through the Public Utility District Law by initiative in 1930.

The prohibitionists' impact on local governments came about through the long-sought statewide local option law, which became effective in 1909. The issue of local option with respect to saloons had been part of Washington politics ever since such a law had been in effect briefly in the late 1880s.

As enacted, the law permitted an option by cities and by the unincorporated area of counties, not by the entire county as a single unit (as had been sought by the more "radical" prohibitionists.) Cities were more likely to include recent immigrants, including some whose ethnic, religious, or class backgrounds accepted drinking as part of social life. There was often some tension between them and the largely Protestant farmers and small business people who lived in the rural areas and small market towns of the rest of the county.

Elections were held in rapid succession, despite the requirement that the petition calling for an election be signed by a number of voters equal to 30% of those voting in that jurisdiction in the last state general election. As early as January, 1910, for example, 8 counties were already completely dry and another 7 were dry outside their cities. In 1910 alone, there were 70 municipal local option elections, with 35 cities going dry; Everett and Bellingham were the largest cities to go dry. By 1912, the "drys" had won 140 out of 220 local option elections, and dry areas included 42% of the state population.

An example of the implications of voting dry may be seen from the case of Everett, as reported by its leading historian Norman Clark.<sup>3</sup> After voting dry in 1910, the city no longer received annual saloon license fees (then ranging from \$300 to \$1,000 per saloon per year) and was faced with a revenue crisis. Mayor (later Governor) Hartley, a well-known "wet" as well as a leading lumberman, allowed garbage to pile up uncollected as a way of reminding voters of what they had done to the city. In 1912, despite the fact that women had obtained the vote in the interim, Everett voted to return to the ranks of the "wets."

### Governance

For counties, this was a period of growth within the framework of government and responsibilities that had been established since Territorial days. For cities, growth often meant incorporation or annexation, and thus the creation of many new units of government, but the forms and powers were for the most part those that had become familiar. In the case of special purpose districts, however, this was the formative period. Although there were about a thousand school districts in operation, they somehow stood off independently. The only other special purpose districts were a few irrigation, diking, and drainage districts, which imposed special assessments. In this period, several new kinds of districts with new powers and purposes were sought — and some created — as integral parts of the reform movements of the era.

Boundaries. The organization of the state into counties was completed by the creation of six new counties after statehood; the last of these was Pend Oreille in 1911. Chehalis County did change its name to Grays Harbor County in 1915, but — despite recurring proposals for the formation of new counties — no further changes have been made. Part of the reason for the slowing of county creation and boundary change after statehood was the new constitutional provision requiring that both new and old counties have certain minimum populations.

By 1910, of course, nearly all counties had ample populations; Chelan, Franklin, and Yakima counties all roughly tripled in size during the preceding decade. Counties increased in size in this era partly as a result of the population boom, but also partly because of a legislative change in the procedures by which territory adjoining a city could be annexed into that city. In the 1890s, it was necessary for 20% of the voters inside the city to initiate a proposal for annexation, and a majority of voters in both the city and the area to be annexed were required to approve the proposal.

In 1903, however, the Legislature authorized consolidation between first class cities and third class cities, if the voters in each approved. Ravenna and the City of South Seattle incorporated just so they could be included in Seattle. But others still found the procedure too cumbersome, and in 1907 the Legislature authorized annexation into first class cities by any unincorporated area, dependent only on the approval of the voters in that area.

The annexations that occurred were on the part of residents who were eager to obtain municipal services such as water, sewer, and cheaper electric power. The 1907 case of Ballard is a famous one.

Two-thirds of Ballard residents were without water in the middle of winter, because inhabitants left their water on to prevent their pipes from freezing. When there was water, its quality was dubious; a water superintendent found that a pail of water from a house faucet was half full of angle worms. But mill owners, saloon operators, and Ballard city officials vigorously opposed annexation. The proposal narrowly won approval amidst lively controversy.<sup>4</sup>

Seattle, Spokane and Tacoma had their largest annexations from 1890-1910 with a peak year in 1907 as the annexation laws became less restrictive. During this time, Seattle annexed 34 square miles, Spokane 59 square miles, and Tacoma 29 square miles.

The number of cities also took a sharp jump in this period. At the turn of the century, as a result of a half century of settlement, there were about 80 cities and towns of all classifications in the state. But in the next twenty years, 90 more cities were incorporated. There were two primary reasons for this remarkable wave of incorporations: the sheer population growth of the period, and the effects of the local option law by which cities could form to either vote themselves "dry" or keep themselves "wet." The incorporation laws passed in 1890 required a minimum of 300 inhabitants for a city or town to incorporate. Some legislators proposed that limits be enacted to prevent a potential new city from incorporating next to a larger city. These amendments were defeated and such limitations would not occur until the late 1960s.

Powers. Counties functioned almost exclusively as agents of the state in this period. That is, they performed their recording, tax collection, and law enforcement services as the local manifestation of the authority and responsibility of the state government. Municipal services and the kinds of ordinances that are needed when people live in close proximity to each other were, for practical reasons, the exclusive province of cities. County commissioners played an enabling role in the creation of new cities and special purpose districts, but that was the extent of their responsibility for urban life.

Nevertheless, there were significant areas of discretionary responsibility and a growing importance to what county governments did in this period. Licensing, particularly of liquor sales, and public health functions such as quarantines and hospital construction and maintenance were prominent among these. The counties' traditional responsibility for care of the poor was made explicit by the Legislature in 1895, and soon became a serious drain on available revenues as indigent immigrants and destitute unemployed citizens drifted through the state.

The powers of cities were defined through the Legislature's enactment in 1890 when they divided cities into four classes eachwith a different set of powers. The City of Seattle was one of two first class cities, and accordingly became a kind of model for the development of Washington cities generally. Seattle was the first to work out a home rule charter, the first version of which was approved by the voters in 1895. Among other things, it provided that the City would operate its own water supply system and present to the voters a plan for undertaking to supply electric power as well. Tacoma had pioneered in generating its own electricity from hydroelectric dams, and Seattle soon committed itself to developing Seattle City Light.

The question of a city going into the business of owning water, sewer, transportation, and electric supply systems, selling services to residents as well as providing them for city facilities, was highly controversial. (Voter approval is required for cities to initiate a new utility system.) Some citizens felt that the city was incompetent to do such things, and others that it should leave them to private enterprise. The poor service and high rates charged by private suppliers, however, soon led to the formation of a "municipal ownership" movement advocating widespread public ownership and distribution of many services. Trade union members joined with middle class reformers to sponsor several candidates supporting municipal ownership and public control over essential services.

Vancouver was the first city in Washington with an electric light plant. In 1888 the city council took bids from private companies and after much debate decided that it would be cheaper to build and operate their own. On February 5, 1889, the boiler was fired up for the first time and 26 carbon arc street lamps flickered on. "So happy were the local people that the number of lights increased to 45, including a light in the jail, town hall, fire station and hotel...(but) hard times came to Vancouver in the 1890s and the council decided to provide lighting only during the dark of the moon in the darkest 6 months of the year." 5

Disasters and crises also played a large part in guiding the formation of city policies and ordinances at this time. The great fires of 1889 compelled Seattle and Spokane to create paid, full time fire departments. Plague outbreaks in Seattle led the city to employ 25 professional rat trappers, require all new buildings constructed to be "rat proof" (by using concrete floors), and enact laws to improve garbage collection.

Structure. As mentioned above, the Legislature created four classes of cities and towns in 1890. For the first ten years of statehood most cities had a strong mayor/council government, but by 1910 the

form of government for cities and towns was most commonly Commissioner with each Commissioner in charge of a specific function. The change occurred probably because of a mistrust of concentrating the power in the hands of a single person. Consideration of spoils versus merit systems were actively debated. Tacoma was the first city on the west coast to enact a civil service commission in 1896.6

The Legislature also in 1890 divided counties into twenty-nine classes (reduced in 1919 to nine classes). These divisions were made to enable the Legislature to set county official salaries, and to combine offices. The large number of classes showed the difficulty that the Legislature had in developing a uniform system over the diverse group of counties. The Commissioner form of county government, which had been in place since the early Territorial days, would remain the same for another 60 years.

Revenue. Revenue bonds (bonds repaid by the rates charged for services, rather than through taxes) became the primary method to finance utility systems during the 1890s. Spokane initiated the first revenue bonds in the United States to finance a break in their new water system, and the State Supreme Court held that such bonds were not subject to constitutional limits on indebtedness. In 1897 the Legislature amended the statute to permit a utility to operate under a revenue bond system. With the Alaska gold rush on in the late 1890s, the bonds for Seattle's development of the Cedar River water supply system were eagerly bought up by people with new money to spend.

Although the property tax remained a major source of revenues, licensing fees for saloons also represented an important source for local government budgets. Even in smaller cities such as Olympia, liquor license fees represented about 25% of the revenues received.

New Governments. While counties and cities grew rapidly, it was essentially within existing structures. But this was the period in which special purpose districts began to take hold, and to be the focus of popular aspirations for economic and political development. As the name suggests, special purpose districts are entities created to provide one or more services for which a general purpose government like a county or city seems inappropriate or unavailable. Several types of special purpose districts were authorized before 1910, but most of these were merely means of taxing those who were to benefit from some local improvement.

Irrigation districts, while authorized, were not numerous; diking and drainage districts helped property owners in lowlands to share the cost of controlling the flow of water. The first irrigation of

any consequence was in Yakima. One historian sums up this early experience as follows:

Construction in most cases was poor and collections inadequate to maintain the irrigation plant. The result was poor service and frequent lack of water because of their failure to provide storage resevoirs. Considerable difficulty was also experienced in the collection of tolls and water charges.<sup>8</sup>

Eventually the federal government assumed responsibility for a number of these irrigation projects.

Diking and drainage districts were most numerous in Skagit, Snohomish, Island, and Whatcom counties. Different standards and operations of these districts would lead to heated arguments amongst the various groups who maintained them.

Spokane and Whatcom county citizens created townships in the early 1900s. These were a cross breed between general purpose governments and special purpose districts. The main reason for their creation in Spokane was that the farmers did not feel that the county commissioners were providing adequate road service. There were about 50 townships in Spokane and 30 in Whatcom. Their primary functions were road building and maintenance, tax assessment, garbage dump operations and animal control enforcement.

The only district applicable to urban areas was the metropolitan park district, which was authorized by the Legislature in 1907. Only one such unit was ever created, the Metropolitan Park District of Tacoma, which was instituted in order to permit Tacoma to develop a zoo (and eventually other park sites outside of the city.)

The reform movement that sought to establish public port districts in Seattle and elsewhere was therefore breaking new ground, and in effect seeking to develop democratically controlled public enterprises with far-reaching powers and potential. The groups that rallied to this cause included former Populists, the municipal ownership movement, the Grange, and urban trade unionists. Each saw great benefit from having publicly-owned terminal and storage facilities that would be efficient, open to all, and fairly priced. At the time, the waterfronts were monopolized by the railroads.

The port district law was passed by the Legislature of 1911, the same Legislature that enacted several other major reform statutes. It authorized ports to be formed by vote of the people of the county or smaller area covered by the port. Three commissioners, once elected, would then have powers to tax and incur debts, acquire land by eminent domain or purchase, plan, build, and operate terminals and similar facilities. Initially, their plans and major financial transactions also had to be approved by the voters.

The Port of Seattle was created in the same year, and set about a controversial program of acquiring and building new docks and loading facilities. Among the strongest supporters of the Port of Seattle were eastern Washington farmers who benefitted from lower rates and easier access for shipping their products. With the precedent of Seattle before them, other cities also began to develop public ports.

Such public enterprises appealed to reformers because they seemed to be ways of enhancing the economic opportunities of farmers and workers. They were thought to be able to do the job better and at lower cost to producers. From this point on to World War II, reformers called for this kind of participatory public enterprise to be instituted in order to remedy a number of problems in the state. Public utility districts were sought for some of the same reasons, and finally authorized by initiative after years of bitter campaigning in 1930. Several of these were formed in the late 1930s and 1940s, after the federal government granted preference to public entities for the power generated by the hydroelectric dams on the Columbia.

Other much less controversial districts were created in these years as well. Prominent among these were water districts (to supply drinking water to areas outside of cities where private sources were unavailable or uneconomical), and reclamation districts (to develop irrigation and other soil improvement programs for farmers in conjunction with the federal government.)

The state was thus developing a method of responding to particular groups or needs by designing a public vehicle for providing a service that was otherwise not available or not economical. General purpose governments were sometimes reluctant to take on such new responsibilities. At other times, the function seemed so important that voters wanted to be able to control its performance in a direct manner. In any event, the special purpose district method took hold in this period, and ultimately became one of the distinguishing features of Washington's local government system.

### Current Significance

The overall effect of these developments was to confirm and continue the state's local governance tradition in essentially the form in which it had developed during Territorial days. But the beginning of change also became evident.

The diversity of local areas was increased further as new waves of immigrants came to the state. Often people from particular parts of foreign countries came to join their former neighbors and build up distinctive enclaves in cities and towns. Geographical isolation was only slightly broken down by the growing highway system, and development proceeded at an uneven rate.

Consistently, local option and control was the major driving force behind the creation of special purpose districts as the means of achieving whatever goals people had. Reform goals of participation and democratic control over new public enterprises merged with basic service needs on the part of people outside of cities, and in some cases the needs of people in unique rural situations, to make for a powerful surge of district formation.

In Washington, the identification of a problem or need sent voters and their legislators to the drawing boards to create a new kind of special purpose district.

The roles of counties and cities remained basically distinctive. But here too there were actions that would ultimately result in change. Both cities and counties were providing courts, jails, and public health functions. As special purpose districts began to be authorized, the prospect of blurring the distinctiveness of governmental roles grew stronger.

## The Depression Era (1931-1940)

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The Depression bankrupted loggers, farmers, and manufacturers alike, leaving thousands of workers unemployed. Manufacturing employment was barely half that of the World War I era, and agricultural prices and employment continued their 10 year slide. Many people could not pay their property taxes or mortgages. As a result, a number of properties were foreclosed, but neither banks nor governments were able to convert them into taxpaying resources.

The combined effect of the Depression and reduced property taxes soon crippled local governments. Obligations mounted, but local governments were unable to provide relief to the unemployed, much less meet their payrolls on their own.

For the first time, the state and federal governments began to play significant financial and administrative roles in bolstering local economies through public works and other unemployment relief projects. These efforts would expand over time, changing local governments from relatively autonomous entities to ongoing partners with state and federal governments.

Widespread revenue pressures, the cities' reluctance to expand their boundaries, and the counties' inability to adapt to new needs all contributed to opening the field for the new form pioneered earlier—the special purpose district. These new governments were all that was available to residents in the unincorporated areas outside of cities, and so they began slowly to increase in numbers.

Together with massive public works projects building roads, bridges, and dams, these new urban service providers began to build the infrastructure for a new kind of growth and development in the state. This new growth, almost entirely in the unincorporated areas, would ultimately compel change in the earlier local governance tradition.

There would be no less local diversity, and the demand for local option and control would be acted out vigorously through the public power movement of the early 1930s. At the same time, all units were affected by the same financial problems, which demanded outside help. Local autonomy began to be diluted by the infusion of state and federal financial transfers. Similarly, the distinctiveness of counties and cities began to be blurred by insistence of the new unincorporated area residents on municipal-type services. These forces set in motion a process

of evolution in the principal components of the state's local governance tradition that has yet to run its course.

### Background

The population surge of the early 1900s ceased shortly after 1910, and the statewide average increase for the two decades from 1920-40 was only 28%. Some counties such as Cowlitz and Mason still had relatively large population increases (241% and 136% respectively), but other counties especially in the wheat fields of Adams and Lincoln lost populations (36% and 25% respectively).

The Depression. The Depression began in eastern Washington in 1921, when agricultural prices dropped sharply. Farm income in the Northwest fell more than 50% in 1921 alone. Although there were brief periods of recovery, thousands of laborers and farmers were forced off the land and had to seek employment elsewhere during the decade of the 1920s.

With the stock market crash of 1929, urban areas began to feel the impact of the Depression as well. By 1933 incomes in the Northwest had dropped to 55% of the level they were at in 1929. The number of unemployed in Seattle was variously estimated at from 23% to 60%, and, as one historian notes, "Washington's desperate apple growers encouraged the unemployed to peddle their crop on the nation's streetcorners, thereby creating one of the enduring symbols of the Great Depression."

The unemployed set up shanty towns of tar paper and cardboard and instituted bartering systems in place of money. Seattle's Hooverville was perhaps the biggest with 500 shacks along the southern Port of Seattle area with no running water. Two hunger marches rallied on the state Capitol steps in Olympia during the cold winter session of 1933. Placards read: "We Demand Food and Winter Clothes." Demands were made for unemployment insurance, special relief for rural families, and a moratorium on mortgages and rent.<sup>2</sup>

In Seattle 57,000 people registered for unemployment by 1932, up from 4,000 the previous year. The city street, water, and lighting department provided work for 200 of these people and rotated them every two weeks.<sup>3</sup> By the mid 1930s the City of Seattle ranked third in municipal debt across the nation

(New York and Philadelphia ranked first and second.) The City paid its employees with registered warrants stamped "not paid for want of funds". Often the local banks would only cash these registered warrants for a steep discount.

The Depression affected timber and urban county budgets the most severely. These counties lacked the financial resources to meet their citizens' needs, even though the state Supreme Court held that county public assistance obligations were so vital that they could justify deficit spending and debt. County welfare budgets increased overall by 700% from 1925 to 1932; some counties such as Chelan collected less than 50% of the taxes they were owed. In part, some people were simply unable to pay the property taxes, but in other cases timber companies had logged the forests, refused to pay the taxes and left the stripped land for the county to assume.<sup>5</sup>

Tax Reform. The Depression had several immediate impacts on state politics, and particularly on the state's tax system. In the 1932 election, Democrats were installed as the majority party in the Legislature for the first time in the state's history. This dramatic election not only gave the Democrats overwhelming majorities in both houses, but also enacted two initiatives that made sweeping change in tax policy.

The financial impact of the Depression had already become so severe on both the citizens and state and local governments that the State Grange, Seattle realtor groups, and other concerned people proposed an initiative to limit the property tax (the primary source of revenue to state and local governments). A second initiative was proposed recommending a new source of revenue, an income tax, to make up the loss from property tax revenues.

Sixty-one percent of the voters approved a 40 mill property tax limit in 1932. This meant that total regular annual levies could be no more than 40 mills at an assessment level of 50% of true and fair value (unless the people voted to increase this limit). This initiative was the first limit on the property tax in the state's history. An earlier attempt in 1924 was soundly defeated, but by the late 1920s, property taxes had doubled in 15 years to 3% of the value of property. The doubling of taxes plus the inability or unwillingness to pay the taxes helped pass the measure. The effect of the 40 mill limit dropped the percent of property value taxed from 3 to 2 percent. Combined state and local government taxes decreased 50% from 1931 to 1941 at the same time that service needs for the unemployed rose dramatically.6

The 40 mill limit was approved by the voters every two years after 1932 until 1944 when voters approved its permanence in the state's constitution. Ports and public utility districts were later excluded from the 40 mill limit, and eventually from the currently applicable limits placed on tax rates in 1971. The latter began as limitation of property taxes to 2% of the assessed value of property, then assessed at 50% of true and fair value. In 1971, when assessments were at 100% of true and fair value, the limitation was set at 1%.

Seventy percent of the voters also approved a graduated net income tax proposal in 1932. (The Legislature had proposed an income tax in 1931 which the Governor vetoed.) Most of the voters at the time did not have enough income to pay a federal or state income tax. The State Supreme Court overturned the tax on the grounds that net income is property and as such must be taxed uniformly. This ruled out a graduated tax which would tax people based on their income level and thus vary depending upon which bracket they were in.7 There was some speculation that the real reason the Court turned it down was that people did not like the way the State Tax Commission was implementing the tax. The forms were long and complicated. Very few states had implemented a state income tax at that point so the Commission did not have many models to draw from.8 Subsequent constitutional amendments to amend the uniform property provision and provide for a graduated net income tax were defeated by voters in 1934, 1936, 1938, 1942, 1970, and 1973 by an increasingly larger proportion of "no" votes.

With the income tax ruled unconstitutional in 1933, the state turned to other tax sources through the 1933 Business and Occupation Tax and the 1935 Revenue Act which created, among other taxes, the state sales and liquor taxes. These state taxes along with the property tax form the basis of the state tax structure today. Local governments, however, were left for the most part to struggle with the property tax and user and license fees for another four decades as their operating budget revenue sources.

Counties and cities did receive some state shared revenue assistance from the Legislature. One example was the gas tax passed in 1933 which provided funds to counties and first class cities to support their road building efforts. Cities and counties also received a portion of the state liquor revenues based on their respective populations. Liquor taxes had originally belonged to local governments until Prohibition was instituted in 1916, causing a loss of an important revenue source.

State Assistance. One of the state Legislature's first actions in 1933, after the two revenue initiatives were passed, was to create a State Emergency Relief Administration to obtain federal relief funds and to assume many of the counties' welfare responsibilities. The Legislature also provided some of its own money for emergency relief projects, by overriding the state's constitutional debt limit (at that

time) of \$400,000 to permit the sale of \$10 million in state bonds.

The constitution provided for such an override if the state needed to contract debt to repel invasion, suppress insurrection, or defend the state in war. The Legislature cited the need for such an action to address the hunger marches and other acts of "insurrection" occurring through out the state. The State Supreme Court upheld the issuance agreeing with the Legislature that if they didn't support the measure there could well be an insurrection on the part of the unemployed.

<u>Functional Shifts</u>. In addition to the state assumption of welfare administration, three other local to state shifts occurred during this time: 1) the state takeover of game wildlife functions from counties (approved by voter initiative), 2) the passage of the state highway act, and 3) state regulation of liquor sales.

While people in western Washington favored the game responsibility shift to the state, people in eastern Washington objected to the removal of local discretion in managing hunters and game poaching. One game warden in Stevens County who was informed about some people poaching was alleged to have said "I never saw people living with as little as they did. They didn't have but one piece of clothes a piece, and to try to arrest them for killing a deer! I would have went out and helped them get one." 10

With the growth in population that had occurred across the state and a new reliance on motor vehicles, there was an increasing need to develop intercounty roads with modern uniform standards. The state highway act was passed in 1937 to address these needs and increase the state role through a comprehensive code which defined spheres of influence and administrative control over city, county and state roads.<sup>11</sup>

When Prohibition was repealed by the voters in 1933, the state removed the local control over liquor sales and set up a state liquor commission which shared its revenues with city and county governments who no longer had the power to tax the liquor directly. Prohibition had been flouted by many people in the state throughout its 17 year existence. Local governments tried to turn necessity into virtue by collecting fines from those who violated the law. "In Clark County, (the) sheriff had gained a wide recognition for his war on moonshiners. His raids knocked over stills through the county and brought in thousands of dollars in fines. His first six months in office accounted for more than \$10,000 collected from violators." 12

<u>Public Works</u>. The Federal government through the Works Progress Administration provided the funding for building the Grand Coulee and Bonneville dams. Initially, the purpose of Grand Coulee was irrigation of the vast Big Bend or Columbia Basin area. Hydroelectric power was an afterthought, but then became a major priority as World War II approached.

In 1933 Congress had appropriated \$377,000 to begin work on the Grand Coulee. By 1937 there were almost 8,000 people building the dam. But it was not until 1941, on the eve of World War II, that power was first available. Aluminum industries set up business in Spokane, Longview, and Vancouver to take advantage of this newly created power.

While the Grand Coulee project was the biggest, there were many other smaller scale federal projects which provided, along with the state bonds, opportunities for state and local governments to build bridges, roads, schools, sewers, and parks. Of these public works, some of the most significant engineering feats were accomplished in building the bridges across Lake Washington and the Tacoma Narrows. Each of these bridges would ultimately open vast tracts for suburban home growth outside of the big cities of Seattle and Tacoma after World War II.

#### Governance

Boundaries. City incorporations dropped to 8 from 1930-39. Most of these incorporations were in central Washington, including Grand Coulee in Grant County in 1935. With the impact of the Depression during the 1930s the cities of Seattle, Tacoma and Spokane stopped annexing territory.

Originally, in Washington, as in other states, cities were expected to be the providers of urban services. People living outside a city's limits sought eagerly to be annexed so that they could receive water, sewer and fire services. During the 1930s cities were unwilling for the most part to provide services to the growing unincorporated populations outside their boundaries. Extending city boundaries to assume additional residential properties and provide services did not appear cost effective to cities trying to balance their budgets in the Depression. The first major suburban development of the state was platted in the Lakewood area of Pierce County in 1937 which would create a new kind of population in the unincorporated area, demanding urban services but rejecting city control.

Powers. The Federal government served as a catalyst to creating the first state/local planning effort by requiring states to form planning councils in order to qualify for federal public works projects. In 1933 the Washington State Planning Council was created to survey and plan for orderly development of natural agricultural resources. The intent was to transfer business principles of planning to government. The Council went beyond its initial scope and

delved into the local government arena recommending the creation of city and county planning commissions and prevention of unwise subdivision development. They created model municipal zoning and planning commission ordinances.

In 1935 in response to the Washington State Planning Council, the Legislature passed the first local government planning statute which permitted cities and counties to set up planning commissions to recommend plans and zoning ordinances to their respective legislative bodies. This was the beginning of regulation of private development. While most of the planning commissions' work would be purely advisory, the commissions were required to review and approve proposed plats in the metropolitan area. Few cities or counties actually implemented planning commissions until the pressures of growth and availability of federal funds during the 1950s and 1960s allowed them to develop planning programs. One of the major obstacles to the planning commissions' work were the local citizens who feared that once a zoning ordinance was passed the law would be fixed forever.13

Those who did implement planning commissions had to struggle to obtain resources and recognition as in the case of the city of Yakima's planning commission created in 1937. "One running battle developed immediately after getting the start of a staff in that we had to fend off other city departments, including (city) commissioners themselves from making an errand boy of our planner. The other departments were convinced the planner had nothing to do and that his stenographer should be available for their use." 14

Structural. The potential for change in local governance structures for the county was available as a result of the dramatic set of economic conditions across the state during the 1930s. Constitutional changes were proposed by the Seattle/King County Municipal League to the Legislature to permit: optional forms of county government, the consolidation of counties, repeal of townships, county home rule, and county-city consolidation. Although some bills were introduced, the Legislature did not take any action. If these changes had taken place, it is possible that some counties might have assumed new powers to become urban service providers.

The major reform in cities during this time was a state law passed requiring the cities to create fire (1935) and police (1937) civil service systems if the city had full time departments. Current employees were blanketed into the system to dampen their opposition. Over the years these employees and their unions would become some of the strongest supporters of increasing city budgets to fund their salary hikes and pension benefits.

Revenue. With the property tax limits effective in 1933, some cities west of the Cascades began to make extensive use of their ability to license businesses and exact heavier fees for the privilege of doing business. These fees have subsequently become known as business & occupation taxes. Cities east of the Cascades have never implemented the B&O tax (with the exception of Spokane on two occasions) in part because they felt they did not have the same mix of large and diverse businesses. Counties, on the other hand, did not have these alternative methods of revenue available to them. Both cities and counties would begin to depend on the state and federal government to supplement their losses.

New Governments. In 1932 Mason, Benton, and Franklin Counties formed the first public utility districts under the newly enacted PUD Law. Skamania County developed the first countywide PUD in 1939, issued the first revenue bonds and received the first power from the newly created Bonneville Power Authority. Washington would obtain most of BPA's transmission and substation facilities (compared to Oregon and Idaho whose Legislatures were dominated by private power interests) because the appropriate public agencies were already in place or authorized when BPA was created. The federal statute's "preference clause" favoring public power agencies was instrumental in spurring PUD development in Washington.

With cities reluctant to grow and counties incapable of changing their governing structure and revenues, the necessity arose for special districts to fill the gaps by providing a single service on a geographic basis. Gradually, special purpose districts assumed the role of urban service providers to people outside of cities. Community clubs, ad hoc citizen groups, or developers coalesced to form special purpose districts to provide services in the unincorporated areas so that the need to annex or incorporate became unnecessary. As economic conditions improved and cities began to reexamine their passive or nonexistent annexation policies, they found it difficult to win the unincorporated population over to the city. The people could obtain the exact level of services they desired through special purpose districts, thus eliminating their need to be annexed by cities.

In 1933 fire protection districts were permitted to be formed in class A counties if county commissioners deemed it appropriate for an election to be held for that purpose. At that time these districts were financed by special assessments. They were set up initially because the cities would not provide such services outside of their boundaries for fear of liability problems.

One example of this problem during the 1930s involved the burning of a druggist's house in White

Center, King County. The house was 6 lots outside Seattle's border. When the city fire department was summoned they came, but only to their border, leaving the house to burn to the ground. In 1939 fire protection districts were permitted in any county and financed through the property tax. In 1941 cities obtained permission to operate fire equipment outside their boundaries without incurring liability — two years too late.

in the once-rural unincorporated areas. With cities reluctant to expand, and counties limited in their ability to respond, special purpose districts were created in increasing numbers to fill the role of service providers. The three types of local government began to have more and more functions and responsibilities in common with each other.

### Current Significance

The Depression era was the period in which the various factors causing change in Washington's local governance tradition began to converge and start the evolutionary process into motion. The infrastructure — both physical and intergovernmental — was laid for a new pattern of growth that would soon speed the process of changing the earlier tradition

The diversity of local areas, both geographic and cultural, had always been one of the realities of Washington's local government scene. In this period, the impact of the Depression was varied in different parts of the state. Some local areas had serious problems with which they were quite unable to cope. The problems of many such local governments began to require state and federal assistance.

The insistence upon local option and control thus began to be transformed in this period. Some problems crossed the existing boundaries of local governments, requiring new and unfamiliar cooperative efforts. Many local governments were simply unable to finance the services that their populations expected, and powerless to deal with the crisis of unemployment. Assistance from the state and federal government was essential, for everyday functions and for the public works programs that were integral to recovery. But with every needed bit of help from other levels of government, the independence of locals was threatened. A new and less autonomous role was in the making, one in which local governments would be partners in an integrated system of intergovernmental relationships.

Further, population growth and federal and state efforts combined toward recovery in this period and helped to blur the formerly distinctive roles of cities and counties. The new public works programs were particularly evident in the field of transportation, with highways and bridges beginning to make travel between formerly isolated areas much more practical. The technology of automobile construction and of road building went hand-in-hand, so that travel was also comfortable and inexpensive.

One major impact was that people could readily live at greater distances from their places of work, often

## Prosperity & Suburbanization (1941-1960)

# 4+6116Q44+6116Q44+6116Q4

World War II brought massive growth of war manufacturing industries (ship and plane building, aluminum and plutonium), migrant populations to work in these industries, and vast new demand for housing and related services to support the new arrivals. Washington was a different, more modern, state after the war. Essentially, the natural resources base of the state economy was modified by the addition of higher-wage manufacturing and services jobs. Prosperity was relatively widely shared, and the middle class expanded.

After the war, many service personnel and wartime civilian migrants settled permanently in the state, and other people moved in. The war industries converted into peacetime pursuits and new opportunities for farming in eastern Washington became available under the extensive irrigation system of almost 700 square miles created by the Grand Coulee Dam. The pressures for inexpensive family housing, aided by federal mortgage and highway programs, created thousands of new subdivisions outside of cities.

The context of local governments in this period was defined by growth — a growth that occurred chiefly but not exclusively in the unincorporated areas around cities — and the difficulty that all governments had in adapting to this growth. Both of the major components of the local governance tradition began to undergo substantial pressure. But alternatives were not easy to imagine and even harder to implement. The changes that occurred followed the paths already charted, with some ad hoc solutions to specific problems added to them.

Local diversity became a diversity of problems. Local option and control gave way in the face of the need for financial and other assistance, and local autonomy took the form of an explosion of special districts. Belatedly, cities and counties sought to cope with the new growth, but in so doing began to compete with each other for the same tax base and to provide similar services.

### Background

The state's population increased by 64% in the two decades from 1940-60. Counties experiencing growth rates of roughly 70% or more included: Benton (415%), Clark (88%), Franklin (270%), Grant (217%), Island (222%), King (85%), Kitsap (90%), Pierce (77%), Snohomish (94%), and Spokane

(69%). Most of these high growth rates were the result of the buildup in defense installations and related services.

Wartime Growth. Two of the most dramatic areas of growth occurred during the World War II in Hanford and Vancouver. The Federal government selected Hanford in the Tri-Cities area of Benton and Franklin counties as its site to begin the secret production of plutonium for the atomic bombs used in the War. The site had what the federal government was looking for: sparse population, plus large quantities of cold pure water and a plentiful supply of electrical power from the Columbia River." Until 1943 Hanford was a quiet village of 125 people who tended fruit trees and farms for a living. One short year later (it) was America's largest civilian construction camp. A city of 45,000 bursting at the seams with shopping centers, a city bus system, churches, schools and taverns."1

During the war, the Vancouver area population increased over 200%. To cope with the increase in military population and shipyard workers, the Federal government through the Vancouver Housing Authority created 12,000 family units and 10,000 dormitory units of temporary housing along with separate sewer and water systems and ninety miles of streets. The Clark County PUD, created in 1938, was selected over the two private power companies in the area to provide electricity to the new war housing projects through a government contract.

After the war, in a true intergovernmental cooperative effort, Vancouver, Clark County, the city and county planning commissions, the port and school districts developed a plan for the disposal of land occupied by war housing. They wanted the land cleared to avoid the creation of slum housing from the temporary dwellings. They also wanted to prevent the cleared land from being dumped on the market, perhaps depressing property values and setting off a spurt of uncontrolled growth. They insisted that the Federal government let the local governments be in charge of disposing the land, arguing that they understood the community best and could release the land for private use as growth needs arose. Ultimately, the city took over the operation of the utilities in 1947 and annexed the area in 1950.

Federal Program Incentives. During the late 1940s and 1950s the Federal government initiated a number of programs: Federal Housing Administration and Veteran's Administration loans, the Inter-

state Highway Act, Clean Water Act and the Library Services and Construction Act of 1956. These programs facilitated growth into unincorporated areas by providing financial incentives and services that were previously unavailable.

The Federal Housing Administration (FHA) and Veterans Adminstration (VA) insured long term mortgage loans made by private lenders for home construction and sale. The FHA established minimum standards for home construction which favored construction of new single family projects rather than modernizing old housing stock. Whole areas of a city were declared ineligible for loan guarantees creating the impetus to build new residential developments on the edge of cities, neglecting the cities' housing stock available for renovation. The deduction of mortgage interest from gross income for federal tax purposes provided an additional incentive for people to take advantage of the low interest loans.<sup>3</sup>

The Federal Highway program built freeways and highways with earmarked federal gas tax revenues. The funds could not be diverted for other purposes. Only 1% of these funds were set aside for mass transit, while the rest supported car and truck travel. The system of federal and state highways facilitated the large-scale movement of people and businesses to new areas where land was cheaper and accessible by car. Construction of the federal interstate system began in the mid-1950s, and has continued since, with nearly 800 miles completed within the state.

The number of registered motor vehicles increased dramatically in the first two post-war decades, as Table 5-1 indicates. Despite the lack of cars and trucks for sale to civilians during the war, there was still about a two-thirds increase in the total registered between 1940 and 1950, and another two-thirds increase in the next decade. The period of the greatest state highway-building was the 1930s, but by 1950 there were about 6500 miles of state highways in Washington.

Table 5-1

Number of Registered Motor
Vehicles, By Decades

1910	9,311
1920	186,827
1930	462,568
1940	603,067
1950	996,530
1960	1,516,845

Source: 1971 Annual Report, Department of Motor Vehicles

The Federal Clean Water Act established a permanent federal pollution control program and provided grants to municipalities to construct sewerage treatment facilities. This act marked the beginning of extensive federal regulations and standards, and federal funds would become available over the next 20 years to plan and build sewerage facilities.

The Library Services and Construction Act provided federal grants to states to establish demonstration projects to provide outreach to areas that did not receive library services. North Central, Timberland and Sno-Isle are multi-county library districts that all began from these demonstration projects.

State Property Tax Actions. In 1944 voters approved a constitutional amendment to place the 40 mill limit on property tax in the Constitution, ending the two year statutory renewal since 1932. As part of the agreement to put the 40 mill limit in the constitution, the Legislature insisted that it keep the mill rates for different entities in statute so that they could be changed if necessary.

In 1947 the Legislature passed an amendment to the property tax laws which guaranteed levies for the state, county, city, and road districts. Special purpose districts were subject to the floating mills left that would equal 40 mills when added to the guaranteed levies. If the districts' levies forced the amount to go above 40 mills they would be subject to a pro-rationing process in which all units would be reduced proportionately until they were within the required limits.

By the end of the 1940s, property tax revenues had risen to the level of what they were before the Depression. Most of this increase in valuations of property was the result of the stimulus of war related industries. In 1951 the state took over the 2 mills from the counties for public assistance, finalizing their gradual assumption of control for those services statewide.

### Governance

Boundaries. During this period the number of incorporations increased dramatically over the Depression era. There were 18 city incorporations all around the state from 1940-49. These incorporations were mostly small cities and towns that remain small to this day including: Forks in Clallam County, McCleary in Grays Harbor County, and Metaline in Pend Oreille County. From 1950-59 there were 22 incorporations, mostly on the east side of King County in places such as Bellevue, Clyde Hill, and Medina. The major reasons for these incorporations were to protect large lots and property values, improve police protection, and obtain control from the county over local streets. The

only major annexation for the three major cities was to Seattle which annexed almost 20 square miles on its northern boundary with a population of almost 85,000.

Structure. In 1943 all cities obtained the ability to form council-manager governments. First class cities could already create one under their charter although no such city had yet successfully done so. A national city manager movement had swept the country in the 1920s and 1930s. Seattle had tried to obtain a council-manager form of government several times through the charter review process, but they were unsuccessful due to strong opposition from local businesses.

The first city to form such a government was Sunnyside (Yakima County) in 1948. The new Sunnyside city manager, George Hubbert, faced a city population that had almost doubled in the 1940s, four paved streets (the rest were gravel), and the desire by citizens to build a new swimming pool except that the bids the city received were too high. There was a growing sentiment that part-time city elected officials needed some additional help to run cities that had responsibility for some highly technical functions. Hubbert found a way to get the pool installed for the 1949 swimming season and stayed on as city manager for 21 years. "The one thing I am most proud of," Hubbert said, "was the mayor, council, and myself were able to work together to make a city manager type of government a success for larger cities in the state to follow." Gradually those cities grew to include Tacoma, Spokane, Vancouver, Pasco, Richland, Walla Walla, and Yakima. Today there are council-manager governments in 34 cities.

In 1948 two major constitutional amendments were passed to permit the most wide reaching change in county government since statehood. The first amendment permitted counties to have the option to form home rule charters. The amendment permitted counties to draft home rule charters by elected freeholders who could create just about any kind of government with only a few requirements: maintenance of an elected prosecutor and the current court system and an obligation to continue to fulfill state duties.

A second amendment was passed permitting the consolidation of Seattle and King County, but the Legislature failed to pass enabling legislation, thus rendering the provision unusable. Both of these amendments had been proposed to earlier Legislatures with no success. The end of the war and tremendous population growth may have convinced the Legislature that county government needed to be modernized, particularly in the more densely urban populated areas in the state.

Larger counties such as Spokane had shown dissatisfaction with their inability to change their structure prior to 1948. "Although the statutes allow the Board to make and enforce 'all such police and sanitary regulations as are not in conflict with state law' this provision has not been broadly construed. Most of the (County Commissioner) Board's legislative power lies in its ability to determine how a function already imposed should be carried out." 6

After the constitutional amendment passed in 1948, King County became the first county to examine the potential of home rule. The strongest push for the creation of a home rule county came from a King County citizens' group and the Municipal League. They believed that the commission form of government in King County was incapable of managing the rapid population increases, particularly the growth on the east side which, with the lack of adequate sewers, had begun to pollute the waters of Lake Washington.

In 1951 voters in King County elected a charter review committee to draft a charter. The draft charter was voted down in 1952 primarily because of its recommendations to change from partisan to nonpartisan offices, change from elected to appointive offices (except the council) and create a merit system. All these proposals threatened the current county officials and employees, who campaigned successfully against it. The draft also was based in great part on the National County Model Charter, which was not sensitive to local conditions.<sup>7</sup>

Powers. Initially, the counties had been reluctant to enter into the role of urban service providers. When the majority of counties were created in the Territorial days it was assumed that the unincorporated areas would remain rural. There was no anticipation of an exodus from cities which would create massive urban sprawl over prime acres of former farm land. Throughout the 1950s and 1960s the unincorporated population soared, and as time passed some counties began to see a need to have the ability to provide utility services.

The State Tax Advisory Council in 1958 remarked in its report that the problems of providing urbantype services in unincorporated areas, and of the existence of many overlapping special purpose districts, had grown out of the basic weakness in the county organization. It recommended reorganizing county government and then consolidating special districts into the county government.<sup>8</sup>

Beginning in the late 1950s the counties requested legislation to permit them to provide urban services. Areas such as Spokane and Pierce felt that the county should be in the business of providing water and sewer services. The Spokane Valley was beginning to experience tremendous growth, and builders

found it cheaper to put in septic tanks — which in turn directly threatened the aquifer. Pierce County's unincorporated area of Lakewood would gain the reputation as the largest densely populated unsewered area in the United States.

The Washington State Association of Counties claimed its proposed County Services Act would "provide the people who live outside cities and towns with the same governmental services which persons living inside these cities have, and in almost the same manner - namely, with a single administration overhead, instead of the 719 junior taxing districts."9 The Association of Counties went to special lengths to assure fire and library districts that their operations would not be affected, but the water districts, particularly in the Spokane area, and sewer districts vigorously opposed the county attempt to become an urban service provider. Legislation proposed in 1960 was not passed due to this opposition. (A year later statewide sewer and water district associations were formed to provide effective ongoing lobbying efforts in Olympia.)

In addition to urban services, the county began to look for other ways to manage urban growth. The county planning enabling act was passed in 1959 (although counties could plan under the 1935 planning act). The main differences between this act and the earlier one were that there were more procedural steps that the planning commissions had to address in addition to a number of optional substantive elements in the comprehensive plan. The cities did not want to be included in the county planning act because they felt it would be too costly for the small cities. County planning, unlike city planning, would require the delicate balance of urban versus rural interests. In the early 1960s Okanogan County farmers threatened to end all hunting on their property (a major tourist attraction to the area) if county commissioners adopted any kind of a land use plan.

Along with planning, the counties also became more involved in acquiring and maintaining parks through several legislative grants of authority passed in the 1930s and 1940s. This function had traditionally been a city, state, and federal responsibility.

Revenues. Governor Langlie proposed a general revenue sharing bill for cities and counties in the early 1940s. The Legislature disagreed with his measure, but decided that cities and counties both needed additional revenues. It rescinded the state admissions tax in 1943 and gave the authority to local governments. As mentioned above, the 40 mill limit was placed in the Constitution in 1944 and three years later the Legislature guaranteed cities, counties, school and road districts their full levies under the 40 mill limit, forcing special purpose dis-

tricts to compete for the remaining floating mills available after other entities had obtained some or all of their guaranteed amount.

The question of sufficient local revenues came up again in the late 1950s. The State Tax Advisory Council stated that

"...the greatest need of local government is adequate fiscal capacity. It appears that neither the cities nor counties are now able to obtain the revenue required for current operations... Fundamental to the concept of strong, effective local government is the proposition that the service responsibilities of local government should be balanced by fiscal capacity to maintain them at the level desired by the taxpayers. Failure to insure this principle in Washington by a history of assessments below the level required by the state constitution and statutes has resulted in the need for increased state grants and shared revenues. and has contributed heavily to the shift of responsibilities from the local government to the state."10

The Tax Advisory Council opposed giving local governments the authority to levy a sales tax, recommending that the assessments of property value which were at about 20% be raised.

New Governments. A new form of special purpose district, the sewer district, was created in the early 1940s. Navy Yard in Kitsap County and Val Vue in King County were the first to be created. These districts were created outside cities in direct response to the dramatic increase in housing developments where people lived as they moved into the area to work for war-related businesses. For many years, there were no standards or regulations for the sewer districts to follow. Many people had no idea they even lived in a sewer district until they received a bill. Collection for services and decisions about how much to bill were handled in a casual way.

In 1938 the Federal Work Progress Administration provided a grant to Washington state to provide for a bookmobile project. Librarians in the state were interested in convincing county commissioners that rural residents should have access to libraries and hoped to establish a permanent tax supported program.11 In 1941 the Legislature passed a law permitting creation of single county library districts supported by property taxes. The law limited the tax to unincorporated areas, but allowed cities to contract with such a library district. By 1947 an inter-county library law was enacted, and led to regional libraries across the state serving rural areas as well as cities. The first multi-county libraries included the Fort Vancouver Regional Library, Thurston-Mason, and Benton-Franklin.

In the early 1950s, as pollution threatened Lake Washington, the Seattle area had to look for regional solutions to what was becoming the first major metropolitan environmental issue. The county was unable or unwilling to assume a strong regional government role, and any potential for taking on such a role was defeated in the 1952 Home Rule Charter attempt.

In 1951, at the same time the county charter review was under way, the Seattle/King County Municipal League formed a committee to study the King County sewer situation. They recommended that a metropolitan sanitary district be formed. In 1953 the state Pollution Control Commission issued a report identifying the pollution of Lake Washington as a very serious problem. Throughout these reviews the Bureau of Governmental Research at the University of Washington highlighted these issues in a series of annual meetings devoted to problems occurring in urban unincorporated areas.

James Ellis was a bond attorney in Seattle who had done considerable work with the major sewer and water districts that were absorbed by Seattle through several major annexations in the late 1940s. He had worked on the King County Charter proposal in the early 1950s and now felt that other alternatives needed to be generated to cope with tremendous urban growth in King County. In 1955 Ellis gave a now-famous speech ("A Plan for Seattle's Future") to the Municipal League, advocating a more unified local government.

The Municipal League reviewed seven different options ranging from annexation of the newly-metropolitanized unincorporated area to Seattle to expansion of the county government to perform metropolitan functions. The documents involved carried titles such as "The Shape We're In" and "The Shape of Things to Come". After reviewing the seven options, the Municipal League proposed a Metro Corporation to handle area-wide functions.

In 1957 the Legislature passed enabling legislation authorizing the creation of a Metropolitan Municipal Corporation (Metro). A majority vote both inside the central city and outside the city in the proposed Metro area was required to create a Metro. The Metro could then take on one or more of six area-wide functions subject to voter approval. (The Metro Council may take on another function without voter approval if the county and cities agree.) The six functional areas include: water pollution abatement, garbage disposal, water supply, transportation, comprehensive planning and parks. A Metro Council was formed with representatives from the King County Council, Seattle City Council, and elected official representatives selected from cities within the Metro area, as well as some appointed citizens from County Council districts. Eventually sewer and water district commissioner representatives were also included, and the Council now consists of 40 members.

Metro legislation passed because of the combination of study by citizens and other groups, bipartisan legislative support, wide support among many different citizens groups and newspapers, the Save Lake Washington campaign, and a fear that Seattle would seek funds from next legislative session to clean up Lake Washington.<sup>12</sup>

In the spring of 1958 when the proposal to form Seattle Metro was first on the ballot, three functions were proposed; comprehensive planning, water pollution control, and transportation. The measure passed in Seattle, but failed in the unincorporated area, which was suspicious of another layer of government. The proposal was restored to the ballot in the fall of 1958 with the sole function of water pollution control and smaller boundaries. It was approved by both constituencies in that form, at least in part because Lake Washington had been closed for swimming. Metro was conceived with the idea that it should serve as the genesis for a unified Toronto-style government, but the public was apparently less interested in the "good government" arguments than in cleaning up Lake Washington.

### Current Significance

Three factors contributed to the acceleration of change in the state's local governance tradition in this period. First, starting in the Depression and continuing during and after World War II, a new transportation system was created across the state, particularly around the large cities. Federal and state funds were instrumental in building this network. Almost equally important, a service-providing infrastructure was also created in the form of new types and increasing numbers of special purpose districts.

Second, the Legislature was slow to permit local governments to try to improve their management capacity through structural alternatives, although it ultimately did authorize the council-manager option for cities, city/county consolidation, and county home rule charters. However, most of these changes were still too unfamiliar and radical for citizens (and county elected officials and other local government employees) to accept.

Third, local governments find it very difficult to change unless there is a severe crisis. Change is often not initiated by local governments themselves, but from outside groups of citizens such as the League of Women Voters, the Seattle Municipal League, and various chambers of commerce. Lack of adequate sewers seemed to be the one crisis that mobilized citizens. The Metro example used here is

but one example. Later crises in Vancouver and Spokane, due to septic tank problems, stirred citizens to study the changes needed in their local government structures.

The result was slow evolution of the state's local governance tradition, without much express recognition of the extent to which the earlier principles were no longer controlling. Local diversity was coming to mean a wide variety of problems, most of which seemed to demand particular state action to solve. Local option and control was severely diluted by the necessary reliance of local governments on their state and federal government partners. Cities and counties were more and more frequently in competition with each other and with special purpose districts, particularly for tax revenues and to serve the needs of urban areas outside of cities. The proliferating special purpose districts of the densely populated unincorporated areas seemed to be the most viable expression of the local control principle, but their multiplication brought with it problems of fragmentation, lack of economies of scale, and lack of accountability.

# Growth and the Struggle to Adapt (1961-1980)

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The 1960s and 1970s were a period of expansion in both business and government. With the exception of a three-year decline in the aerospace industry in the early 1970s, the state economy enjoyed continued prosperity. State government grew substantially as it began to take on many new functions in response to rapid population growth. Special purpose districts grew very rapidly as people continued to move to the suburbs and demand urban services.

Population growth was accompanied by new problems, especially in the areas of environmental health, transportation, and land use. Many of these problems crossed the traditional political boundaries of local governments. The federal and state governments found new ways to encourage planning and some controls over growth. They each set standards — only sometimes providing the money to meet them — and slowly increased the capacity of local governments to handle problems.

In this context of population growth combined with significant growth in the capacity and roles of both state and federal governments, local governments found themselves with a real dilemma. They needed help, particularly in the area of finances, to meet their needs and fulfill the multiplying state and federal requirements laid upon them.

But the price of such help amounted to significant erosion of the local option and control principle. Pride in diversity had to give way to compliance with standardized state and federal requirements, and local control had to yield to mandates from those higher governments. Only then would the vital financial assistance be available. Of course, some local governments eagerly accepted these financial inducements, either without regard to the implications or in full recognition that the local control principle was outmoded.

The once-distinct roles of cities, counties, and special purpose districts were similarly left behind by the changes occurring in this period. Many functions were newly authorized, and overlapping responsibilities became common. Competition to provide the same services often arose, particularly in the rapidly-expanding urban unincorporated areas. Examples of cooperation between units of government occurred in several parts of the state, but it was increasingly difficult and time-consuming.

Several of the new problems, particularly in the areas of law and justice, environmental health, and

social services, crossed jurisdictional boundaries and called for new levels of coordination. Despite sincere efforts, effective coordination was hard to accomplish. Lack of clear definition of the roles of various local governments was leading to competition, conflict, and lack of action on some problems when revenue was unavailable.

#### Background

Urban Government Review. In 1961 the Legislature established a Joint Committee on Urban Area Government to address the rapid population growth and increasing problems of urban areas of the state. The Joint Committee formed a citizens' advisory committee composed of citizens from Spokane, Tacoma, and Seattle. Their report "City and Suburb - Community or Chaos" was presented in 1962. This was the first time that the state had attempted to take a comprehensive look at local government capacity to manage the impact of urban growth. The report described the growth of suburbs in this way. "Every day the bulldozers gnaw away at farms and woodlands of Washington for a never ending succession of suburban residential and shopping developments...so rapid is the growth that they are merging into a strip city from Everett to Tacoma. If this haphazard growth continues, our children may live in a shapeless confusion of neighborhoods and cities without identity."1

One of the report's findings was that there were too many governments with no oversight of the entire urban area by one government. It recommended some structural options to obtain a metropolitan government to handle regional issues while local services would continue to be provided by cities, special purpose districts or counties. They felt that the changes in governmental structure should be initiated by local governments or citizens at their own pace. To date, none of these recommended structural changes has taken place.

There were, however, some significant recommendations which the Legislature implemented. One of the most significant was the creation of the Department of Planning and Local Affairs (now called the Department of Community Development) as a separate department in 1967. It had existed as a relatively inactive division under the Department of Conservation and Development (now Trade and Economic Development) to continue any state plan-

ning functions after the Washington State Planning Council was terminated in 1945.

The counties and cities hoped that the creation of the Department would give them a more effective voice at the state level. The Federal government also needed a focal point for local governments in the state as it transmitted funds for various community development programs ranging from planning to public works. A new state role, providing technical assistance to locals and lobbying their interests with the Governor and Legislature, would develop over the next 20 years. Other recommendations of the 1962 study are discussed in the governance section of this chapter.

Regional Planning. Regional planning agencies developed as forums to discuss and analyze problems that spanned the political boundaries of the numerous governments serving a given geographic area. A local initiative from King, Snohomish, Pierce and Kitsap county commissioners created the first regional planning agency, the Puget Sound Council of Governments (PSCOG) in 1956. At that time only the counties were members although a year later they extended membership to cities. (Special purpose districts have recently participated in some council of governments as associated members.)

The elected officials sought a forum for regional issues and membership was voluntary. Their first project was an "inquiry into the composition, workload, and procedures of planning commissions with a particular emphasis on re-zoning requests". A smaller regional planning agency was also formed in Clark County the same year which is now called the Intergovernmental Resource Center.

Regional Planning Agencies got a big boost in the 1960s from federal laws and grants for programs such as the Federal Highway Act of 1962, Housing and Urban Development Act of 1965, Model Cities Act of 1966, and the Intergovernmental Coordination Act of 1968 which required regional coordination of local projects to obtain federal money. This incentive forced locals to remain involved in the regional agencies or lose their funding. A certain amount of planning money was available for regional planning agencies to carry out these functions. The Intergovernmental Coordination Act was probably the most far-reaching because regional planning agencies became the clearing house for reviewing federal grant applications. The agencies were expected to comment on the consistency of the proposals with needs of the region.

During the 1960s, the regional planning agencies under the auspices of this federal funding began to undertake a variety of regional projects addressing transportation, land use and growth, environmental and other issues. At times they took on functions that no other governmental entity was willing to assume, such as PSCOG's role in managing solid waste planning which was mandated by the Legislature in 1969. In some counties such as Clark and Cowlitz they provided the planning staff for both the cities and county.

The regional planning agencies were the only ongoing formal forum in which local governments communicated with each other. While entities from time to time threatened to pull out or actually did in several cases, the loss of money to their communities provided a strong incentive to remain involved.

Environmental Laws. The state role in local government land use programs took on a new meaning in the late 1960s and early 1970s with a growing national and state awareness in environmental health and protection issues. In the past the state had permitted local governments to determine how they would handle growth within their territory, but now the state would begin to set standards and procedural requirements to review growth and its potential impact on communities.

In 1968 the "Greenbelt Initiative" was approved by the voters amending the state Constitution to permit the Legislature to allow agricultural, timber, forest land and open space to be taxed at current rather than highest value. A number of farms, particularly in King County, had their property assessments dramatically increased as their neighbors sold farms for urban development. The Washington Forest Protection Association claimed that the property tax had replaced fire as the timbermen's most costly risk. They estimated that 200,000 timber acres in King County were being assessed on a higher than forestry use.3 A number of diverse groups had joined to secure the passage of the initiative, including the Washington Environmental Council, the State Labor Council, and the American Institute of Planners.

The Legislature passed a new subdivision law in 1969 which marked the state's first attempt to devise some statewide standards on land use planning. The subdivision law required that every time land was subdivided into 5 acres or less there had to be a public hearing and review by the city or county planning commission. The commission was expected to issue a formal document stating whether the proposed subdivision was in conformance with the land use and zoning ordinances. The public's interest in private development was considered for the first time to be of paramount importance.

In the early 1970s the Legislature and voters in Washington passed some of the most far-reaching environmental legislation to affect local governments — through the creation of the Department of Ecology and the passage of the State Environmental

Policy and the Shorelines Management Acts. But the Legislature rejected state-wide land use planning mandates in 1973, despite a lengthy study and recommendations from an appointed commission. The reasons were in part the tradition of local control over land use planning, and perhaps in part the state's temporary economic downturn and consequent support for economic development needs.

The State Environmental Policy Act (SEPA) of 1971 was patterned after the National Environmental Policy Act of 1969. The act required that major development actions, including state and local government projects (such as building a city street), that significantly affected the environment be accompanied by a detailed statement on environmental impact of the proposed action. Local governments or concerned citizens could challenge a proposed project. SEPA had the potential to slow growth of new development regardless of whether or not a city or county had adopted a comprehensive land use plan or zoning ordinances. The Shorelines Management Act (SMA) of 1971 (approved by voters) required that the development of shorelines be regulated by a planning system which would increase public access to publicly owned areas of the shorelines and increase recreational opportunities for the public in the shoreline. The Shorelines Management Act was spurred on by several events. One of the most important was a court case (Wilbour v Gallagher) where a developer's attempt to put a mobile home park on a filled land near Lake Chelan was denied. The court held that the mobile homes would block public access to the water and that such decisions needed to be placed in a planned framework.

When the initiative was placed on the ballot, voters had two options before them — one which would put the Department of Ecology in charge of the program, and the other which would give local governments responsibility. It is significant that the voters chose the latter option, preferring local control over state control.

Issues of water quality and sewage treatment were addressed throughout the late 1960s and 1970s by both the federal and state governments. They urged local governments to address such problems on a regional rather than an individual basis. The 1972 Amendments to the Federal Water Pollution Control Act established water quality standards and goals for local governments and prescribed when such standards should be met.

The federal legislation provided planning and construction grants for area-wide waste water treatment plants. Some of the successful efforts which established regional area waste water treatment plants included Yakima, Spokane, and Clark Counties. Usually, the largest city in the jurisdiction took

the lead. However, few communities were able to develop area-wide treatment plants with more than one major city involved aside from King County's Metro and the Bonney Lake, Sumner, and Pierce County plant.

The federal legislation also provided grants to establish river basin coordinating committees to plan water resource and land use development on a watershed basis. A variety of local governments worked together on specific regional projects such as the Green River/Cedar River watersheds.

At the state level a number of fiscal and service delivery changes were made through the impetus of the federal funding. In 1972, Washington voters approved two bond measures (Referendum 26 and 27) to fund \$400 million worth of improvements to build sewage treatment facilities and improve water supplies. These bonds enabled locals to take advantage of the federal money which contributed 75% of the cost, the state which then contributed 15%, leaving the locals only 10% of the costs.

The Public Water System Coordination Act of 1977 was enacted to address the provision of water services for areas of new growth. Many small water purveyors sought to provide services, which resulted in a duplication of facilities, incompatible design standards, poorly financed operations, and in some cases water that did not meet state health standards. The competition between service providers was so great in areas in Pierce and King County that the purveyors hesitated to invest in facilities to provide high levels of service for fear that another system would establish service in its area.<sup>4</sup>

The Act established a systematic planning process to address service boundaries, source development plans, and design standards in areas where there might be inadequate or unsafe water service. Counties were put in charge of creating regional water service plans and determining who would serve which areas, although the state could declare a critical water supply service area and allocate service provision if necessary. The State Department of Social and Health Services gave grants of almost \$100 million (from the referenda mentioned above) to counties to plan for the critical water supply areas. All service providers within the critical water supply service area were to be involved.

Fiscal Constraints. During the 1950s and 1960s the baby boom and increasing in-migration created a significant need for expanded government services such as roads, schools, social and health programs, and law enforcement. The state and local governments needed additional revenues. The property tax was an obvious choice. In the early 1950s the Bureau of Governmental Research at University of Washington did a comprehensive study on property

tax assessment levels and found that the average assessment level had dropped below 20%.

An act was passed in 1955 to increase the assessment levels by requiring county assessors to reevaluate property every four years. Political pressure and lack of staff and funds prevented county assessors from raising the levels to 50%. Concern grew in the 1960s that a court case would easily determine that the assessment rates were not being enforced. Proposals were considered and then discarded to drop the assessments from 50% to 25%. Finally, in 1969 the Legislature decided to provide counties with money to conduct a statewide reevaluation program.

The program was effective in increasing the assessed valuation of property, raising taxes — and raising the ire of citizens who found their property taxes doubling or tripling. Between 1962 and 1972 the state's property valuations increased 306% from \$3.6 billion to \$15.5 billion. Citizen groups formed to draft petitions to limit property taxes. The Legislature responded in 1971 with two proposals: a constitutional amendment to limit property tax levies to 1% of true and fair value, and a statutory limitation on increases in the tax rate (the 106% limit, whose effects will be explained shortly.)

Eighty-three percent of the voters approved the constitutional amendment to limit property taxes to 1% in 1972. Although this amendment replaced the 40 mills (50% of actual value) or 2% (100% of actual value) limit that had been in effect since 1932, most assessments had never reached this higher limit. In 1973 the Legislature replaced the mills measurement with dollars per \$1000 of true and fair value and raised the assessment level from 50% (which had been in effect since 1913 in principle, but not practice) to 100%. This change in assessment levels in effect negated the potential drop in taxes that would have occurred with the 1% limit at a 50% level.

The Legislature also set a statutory limit of \$9.15 on all governments levying the property tax rather than the constitutional limit of \$10.00, in effect decreasing property tax rates of most districts by 10%. The levies of senior taxing districts (counties, cities and towns, and road districts) crowd out the levy authority of the junior taxing districts (fire, library, hospital.) Whenever the total levy rate in an area exceeds \$9.15, the junior taxing districts must therefore "pro-rate" (proportionately reduce) their levies to roll back the aggregate rate to \$9.15.

A second limit in the statutes prevented local governments from levying a property tax higher than 106% of the highest amount levied in the past 3 years (excluding new construction, improvements to property, and excess levies.) There had been an earlier lid limit law in the mid 1960s which was so com-

plicated that most local governments had found a way to ignore it. The 106% lid may be lifted for one year by a majority of the voters in a taxing district. The most recent change (1986) permitted it to be lifted for a specified time and purpose.

During the period of high inflation in the 1970s, the levies of local governments were restricted by the 106% lid. With inflation running higher than 6%, the levy rates were forced downward. In the 1980s, as property values remained stagnant or declined, the same rates were allowed to rise again by as much as 6% until many of them reached their maximum. The result was that in many jurisdictions of the state, the levy rate would have exceeded the \$9.15 maximum. Prorationing of the junior districts was necessary to drop the aggregate total to \$9.15.

#### Governance

Boundaries. City incorporations ground to a halt from 8 in 1960-69 to only one in the 1970s. The incorporations in the 1960s were primarily in Snohomish and King counties. Ocean Shores in Grays Harbor County incorporated in 1970. Most of these incorporations were similar to many of the defensive incorporations of the 1950s, i.e. to assume control from the county or to prevent another city from annexing their property. In the late 1960s the Legislature put a stop to defensive incorporations by prohibiting any incorporation of a city of less than 3,000 people which was within 5 air miles of an existing city that had a population of 15,000 or more. This law was directly aimed at smaller communities around Bellevue which incorporated to prevent Bellevue from annexing them.

The growth of Bellevue is worth noting. In the 1940s and early 1950s, Bellevue was a small community of blueberry and strawberry farms and summer homes. The Mercer Island Floating Bridge was opened in 1940 enabling people to live on the east side and commute into Seattle for work. In 1953 Bellevue incorporated because the community objected to King County's zoning and lot size regulations. As one person described it: "we didn't want a lot of garages and service stations around our houses."7 The population in the early 1950s was about 2,500. Bellevue obtained a city manager, Joe Miller, in the early 1960s who began an active annexation campaign to allow Bellevue to grow. Within 10 years the city had annexed 17 square miles with a population of 38,500.8 The city slowly turned from a bedroom community into a city of its own right with thriving retail and service oriented businesses and a population that reached 70,000 by the mid-1970s.

During the 1960s and 1970s most special purpose districts had been formed, and they were now active

in annexing unincorporated areas to provide services. In King County alone, which has the highest number of special purpose districts in the state, there were 287 annexations by water districts and 374 annexations by sewer districts.<sup>9</sup>

In an effort to add some state control to the proliferation of special purpose districts and city annexations, the 1962 study recommended and the 1967 Legislature then created, Boundary Review Boards. These Boards replaced local annexation review boards in King, Spokane and Pierce counties. Nineteen counties had established such boards by 1986. They have the power to approve, deny, or modify the boundaries of special purpose districts and cities. Part of the Boundary Review Boards' charge is to encourage urban areas to annex to existing cities and to discourage multiple small city incorporations.

During the 1970s a number of incorporation attempts failed in large urban unincorporated areas such as Federal Way and Woodinville in King County, Silverdale in Kitsap County and Lakewood in Pierce County. Unlike some of the incorporations in the 1960s, these areas contained large urban populations that desired: local control of the development process, greater representation, or improved urban services. The 1979 Federal Way proposal would have made it the fifth largest city in the state with a population of almost 70,000. Many of these failures have been close votes that lost due to extensive negative publicity. In Lakewood opponents put up an impressive array of yard signs that said "don't raise taxes, vote no" two weeks before the election.

**Powers.** After years of denying counties urban service provider authority, the Legislature passed the 1967 County General Services Act which gave counties the authority to provide water and sewer utilities, services traditionally provided by cities or a special purpose district. As mentioned earlier, the counties began to request these powers in the late 1950s. The final considerations that may have convinced the Legislature were: 1) the availability of up to 50% matching federal grants and low interest loans to counties (as well as cities) for sewer and water service planning and facility construction, and 2) the fact that many new suburbs with dense urban populations were being created outside of cities with no expectation that they would annex to cities.

In 1965, along a separate track of statewide local government reform, the Legislature formed a temporary committee to write an optional municipal code for cities. The committee was composed of legislators and representatives from different categories of cities, with an advisory group of citizens. The optional municipal code was intended to enable cities to shift from their constricting status as one of

four classes of cities (with distinct powers) and obtain code status which would permit them to function under a home rule status except in matters of statewide concern. There had been conflicting court decisions over the years about just how much home rule cities other than first class cities possessed.

The Legislature passed the Optional Municipal Code (OMC) in 1967. Under the OMC the Legislature attempted to provide cities with the broadest powers of local self-government, except for the ability to design their revenue sources. The city council was expected to be the policy-making body, thus avoiding the necessity for cities' proposing a series of housekeeping bills to the Legislature each year for permission to engage in certain activities. The Legislature's role would become one of action only in matters of statewide concern. The advantage of the OMC is that it can be implemented easily, whether by petition or council resolution, subject to referendum. Today almost half of the cities operate under the OMC.

Structure. With many counties experiencing high rates of growth from 1960-80 in their unincorporated areas, some people argued that a new form of government was needed to replace the three county commissioner system. The home rule charter opportunity had been available since 1948, but the uncertainties involved in any prospective changes had led to little usage. A variety of enabling circumstances occurred from the late 1960s on, usually including some degree of crisis. Five counties were successful in obtaining home rule charters: King (1968), Clallam (1976), Whatcom (1978), Snohomish (1979), and Pierce (1980). A number were unsuccessful as well: Kitsap, Cowlitz, San Juan, Island, and Thurston.

While growth was an important factor in encouraging people to seek alternatives, it could not alone convince people that a change was needed. In each case the successful counties also had some scandal or major controversy. In Whatcom County the charter review came about because of a problem in the sheriff's office and because the county commissioners were unable to agree on budget proposals and other important county matters. Both the Republican and Democratic central committees in Whatcom County supported the review, along with a number of diverse groups including the League of Women Voters and some Christian organizations. The charter review committee came up with a nonpartisan part-time council and an elected executive. The other offices (such as sheriff, assessor, etc) remained partisan and elected. The charter review committee had wanted to recommend that several offices be made appointive, but knew the charter would not pass with such changes. Whatcom County obtained their charter in 1978 by a 55% voter approval.

Several other counties looked at the potential of city/county consolidation instead of county home rule charters. In 1972 a constitutional amendment was passed to provide enabling language for the 1948 city/county consolidation amendment. The enabling language provided for a board of freeholders to be elected to draft a charter for voter approval. Clark, Spokane and Thurston, each experiencing sewerage crises due to growth in their unincorporated areas, examined the possibilities of some form of city/county consolidation to obtain a regional governmental structure to work with growth and service issues. Clark (1981) and Thurston (1986) proposed an election of freeholders but were turned down by the voters.

In both the case of county home rule charters and city/county consolidations, voters have been reluctant to approve a board of freeholders to devise a charter. Opponents thrive on the horrors that might come to pass. Turf battles on the part of cities, opposition from county elected officials and the local development community, and concern about pension and collective bargaining rights on the part of current public employees may also have prevented success.

Perhaps ironically, one of the only successful efforts at restructuring governments in this period was the dissolution of townships in Spokane and Whatcom Counties. Townships had once served several important functions in these areas, such as property tax assessment and building and maintaining rural roads. These functions were absorbed by the county and state in an effort to provide uniformity. By the 1950s, the townships' primary function was to provide garbage dumps. A leading motivating factor in their actual demise was that fire protection districts could obtain additional taxing authority for their own use if townships were not levying them. Firefighters carried petitions door to door to obtain resident approval for dissolving the townships.

A number of cities looked at consolidation, but only two pairs actually accomplished it: Kirkland and Houghton, and Mercer Island Town and Mercer Island City. Consolidations proved too difficult for many cities such as Camas and Washougal whose citizens had strong community identities with their cities.

A number of governments realized that it would be more efficient to contract with each other to perform a particular service than to duplicate efforts. The Interlocal Cooperation Act passed in 1967 was an effort to permit such contracting to take place between entities without restructuring governments or powers. If a local government was not satisfied with the service and costs of the contract, they could renegotiate or terminate the contract. Over the years locals have developed a number of useful interlocal agreements in areas such as data process-

ing, law enforcement, and mutual assistance. On the other hand, locals have also spent alot of time arguing over the cost and service provision of health, jail and solid waste contracts.

Revenues. While limits were contemplated and placed on the property tax, local governments looked for other ways to raise revenue. In the mid 1960s the Association of Washington Cities developed an initiative which would permit cities to obtain a flat 10% of the state's sales tax. The initiative did not pass, but in response to the cities' plight, the Legislature did give the cities and counties \$25 million of general revenue sharing funds. This was the only time the Legislature provided such funds and was in part because the state was experiencing a budget surplus at the time.11 The Department of Planning and Community Affairs was directed to give the money out based on population size and counties where property assessment was over 23% of true and fair value.

The counties had also been looking for additional revenues during this time, including a utility tax and reassuming the 2 mills the state had taken for public assistance in 1951. The Legislature held off granting piecemeal authorities, and urged the cities and counties to come in with a integrated package. The cities and counties associations joined forces in 1970 to request a local option sales tax, and the Legislature responded by granting them the authority to impose a 1/2 cent sales tax (with a two-year sunset provision.) The tax was retained after the two-year period, however, and in 1982 this level was increased to a full cent.

Cities and counties were not without new revenue sources during these years. In addition to the federal and state money for regional planning and water quality mentioned above, there were also federal grants for general revenue sharing, employment training, housing, law enforcement, health and social services, and public works. Federal grants to cities alone grew by 700% during the 1970s. In Washington, Federal revenue transfers would by 1979 make up between 15% and 20% of operating revenues for cities and counties.

Throughout the 1970s a number of service and financing shifts between the state and local entities occurred. In 1971 the state assumed the financing of the city police and firefighters' pension systems (LEOFF — law enforcement and firefighters.) This pension system had a liability which in 1986 dollars was about \$600 to \$700 million. The unions had successfully built up the benefits in this system over the years through lobbying the state Legislature. The State Supreme Court had ruled that such benefits once given could not be taken away. Peedless to say this system would easily have bankrupted the smaller cities if they had been forced to fund their respective share of the benefits to employees.

### The Future of Local Governance

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At the outset of Chapter 1, we stated the two questions posed to us by the Legislature: How and why did Washington local governments come to have their present character? How was their development affected by public policy? For the most part, these questions have been answered. In the last five chapters, we showed how the state's local governance tradition has evolved in response to changing conditions, and how that evolution came to lag behind the pace and complexity of change.

Our task now is to summarize our understanding, and the implications that flow from it, so that the lessons of history can be made available to help in addressing the future. We shall first restate analytically what we developed chronologically in those five chapters. Then we comment briefly on the distinctiveness of the Washington local governance experience, and finally speculate a bit about the process of redefining our evolving tradition.

# Washington's Evolving Local Governance Tradition

For at least the first half-century of white settlement, the geographic and social diversity of local areas, combined with the political experiences of those years, led naturally to the principle of local option and control. Counties and cities, themajor units of government, had a relationship in which each had a clearly defined and distinct role to play. With little challenge, these two components became the major building blocks of Washington's local governance tradition.

For the first four decades after statehood, amidst considerable turmoil and development, this tradition was essentially confirmed. But a small seed of future change was planted — one that crossed from the first component to the second. As a direct manifestation of the local option and control principle, the special purpose district was adapted for use in Washington. From the time it was first employed in the 1890s, this form of government was a major means of accomplishing new goals and providing services to new beneficiaries. In time, the multiplication of special purpose districts would contribute significantly to undermining the distinctiveness of local government roles in the state.

The forces that would set in motion the evolution of the Washington local governance tradition actually began to develop and converge in the Depression era. But it was not until the surge of development produced by World War II and the sharp rise in population immediately afterwards that these forces generated the momentum to get this evolutionary motion seriously underway.

What the three leading forces were, and how they interacted to reshape the world of local governments, need to be spelled out carefully.

The first was the new (since the Depression) role of the state and federal governments. Both higher levels of government first entered the local arena in a major way in the 1930s, in order to provide the financial help and the public works programs that would lead to recovery. After World War II, the state and the federal government both actively sought to promote growth in various ways, to encourage planning, and to protect the environment. The federal government in particular made substantial grants of funds directly to local governments, and state-administered federal funds added to the resources available to locals.

Soon, however, both governments were also setting other kinds of standards for local performance, for example with respect to courts and jails or environmental health. Many of these new mandates were unaccompanied by the financial means to fulfill them. Local governments, the junior partners in a complex intergovernmental enterprise, eventually lost a good share of whatever local option and control they had enjoyed.

The second set of forces was the rapid growth and spread of population, particularly in unincorporated areas near the larger cities. This movement was made possible by new levels of affluence and by the extensive road and highway system built during the Depression. As their means for obtaining urbantype services, the new residents turned to the now-standard Washington remedy, the special purpose district. Cities and counties also began to acquire new functions, often duplicative ones, as did special purpose districts. Thus, the distinctiveness of governmental roles began to be lost.

The third force consisted of the new problems — transportation, environmental health, social services — that arose in part because of the growth and spread of population, and (consistently) in part because broad areas were being sewn together as social and economic units. In addition to the problems of

service provision in densely populated unincorporated areas, there were now new problems of crossjurisdictional coordination. Soon local governments began to be caught in a squeeze between the new problems on the one hand and declining revenues on the other.

By 1980, the Washington local governance tradition had begun to evolve substantially. Local option and control was still a powerful principle, but more fully honored in rhetoric than in reality. Many requirements and levels of performance were mandated from above, and many standardized procedures and criteria for receiving financial assistance completed the web of interdependence. Apparently because available structural change opportunities were difficult and uncertain, relatively few adaptive changes were made by local governments. The once-exclusive counties and cities had first made room for special purpose districts, and then all three units began to share similar functions. Their respective roles. once truly distinctive, became blurred to the point that they were often competing for the right to serve particular urban unincorporated area constituencies — and for the tax bases to do so.

Despite these obstacles, local governments were providing nearly all requested services to those citizens who sought them. Not all services were being provided in the most effective way, however, and in some cases only after prolonged disputes and delicate negotiations (sewage treatment, drinking water protection.) Some new problems were not being addressed at all, particularly when they involved the need for cross-jurisdictional coordination (transportation, air and water pollution.) Some such problems were handled by more than one unit of government, but in duplicative and unnecessarily expensive ways (solid waste, public safety.)

In this context, the fiscal squeeze of the late 1970s and 1980s came as a major new pressure. It meant that some local governments had to cut back on services and personnel, and/or seek new ways to take advantage of available economies — including economies of scale. It also meant that there was greater need to set goals and priorities on an areawide basis, and then to find ways of funding and implementing the leading choices. These developments may indicate further change in Washington's local governance tradition, and new pressure for redefinition of that tradition to fit the future.

#### Washington's Distinctiveness Among the States

Washington's practice with respect to local governments is distinctive among the states in at least two ways. One certainly is in the use of special purpose districts. Washington is not only eighth in the coun-

try in total number of special purpose districts in the state, but competes for first place in the number of such districts per capita.

Clearly, the local option and control principle has played a major role in developing the tendency toward special districts in this state. But so has the fact that counties are obliged to tax uniformly throughout their entire jurisdiction, and were unable to tax only a specific area whose citizens were seeking a particular service. This fact left residents little choice but to form a special purpose district that could tax and provide the service. In addition, the reform movements of the early 20th century helped to create a "district orientation" in Washington's social memory. Together, all of these factors have established Washington as a distinctively special purpose district state.

The second area of Washington distinctiveness lies in the ambiguity of its approach to regionalism. Washington pioneered in the early days of regionalism in the country. The Puget Sound Council of Governments was the second such organization in the nation when it was formed in 1956. Seattle Metro was nationally noted, and there were hopes of eventually developing it into a Toronto-style two-tier federation, when it was first created in 1957. At the high point of regionalism and councils of governments in the late 1960s and early 1970s (when federal funding was at its height), Washington had more such units per capita than all but two other states.

But Washington is also one of the relatively few states to fail to grant any implementing powers to regional councils or councils of governments. The only powers beyond that of persuasion that such units ever held came from their function as the required clearinghouse to certify applications for federal funds. And Washington is one of the very few states to fail to provide any kind of operating funds for regional units. All forms of regional government have had to struggle for existence everywhere in the country, but rarely have they had such mixed treatment.

Another kind of distinctiveness is evident with respect to the nature of Washington's local governance tradition, both as it was originally shaped and in its currently evolved form. This is the fact that adjoining states like Washington and Oregon, with apparently similar geographic and economic circumstances, have emerged with very different governing traditions and styles. These contrasts may be most acute with respect to the role of local governments, and add to our developing sense of Washington's distinctiveness.

The basic difference is that Oregon is a state with a history of initiative and control from the state level, while Washington is just the opposite. Oregon characteristically sets standards and requires local governments to meet them, even in such sensitive areas as land use control. The idea of a principle of local option and control being a decisive component of a local governance tradition would be completely foreign to the Oregon experience.

What explains such a contrast among neighboring states? One factor is that Oregon was settled by a more middle class population, and those who controlled its state government had a sense of responsibility for the well-being of the entire population. Oregon never had the class tensions that characterized the conflicts between the farmers and workers and the absentee owners of the mines, railroads, and lumber mills who controlled the Washington Legislature. Local control therefore never became the same kind of reform rallying cry in Oregon state politics. Finally, Oregon became a state thirty years before Washington, and never had the outside control that defined Washington's early years.

In any event, comparing Washington to other states helps to highlight the special nature of our local governance tradition. It may help us to see the limits to which we can expect to borrow models from other states, and to emphasize that the redefinition of the Washington tradition will have to be accomplished within the range of its evolutionary past and potential.

# The Future of Local Governance in Washington

At the end of the period covered by this history, Washington's local governance tradition seems destined for further change. The forces that set its evolution underway have changed the world of local governments substantially from what it was when the tradition was established and confirmed. The evolution that has occurred is substantial, but far from all that is necessary to enable local governments to meet the emerging problems they face. The problems that local governments face in the 1980s may be organized in three categories. One is surely service provision in the densely populated unincorporated areas. Some major clarification of local government roles will be required before these issues can be resolved. Another set of problems is that of coordinating areawide problem-solving and services. Some accommodation between the desire for local autonomy and the need for general problem-solving capability will be required to solve these issues. Third is the revenue squeeze which haunts many local governments. Some redefinition of roles, and rearrangement of revenues to fit, will be needed; but so will some help from the state in the form of new revenues.

Together, these problems will shape the context in which the state's local governance tradition will be redefined, so that it can continue to channel effective local government practice. This redefinition will be brought about in part by conscious choices, and in part by the actual problem-solving practices of local governments. The state's economic situation is changing, and with it the character of state and local government responsibilities. We have in the 1980s an excellent opportunity to make use of the past in order to shape the future kinds of local governments that we want. With the lessons of this history in mind, we are ready to move to the analysis of current problems and recommendations to solve them that are the substance of our next volume.

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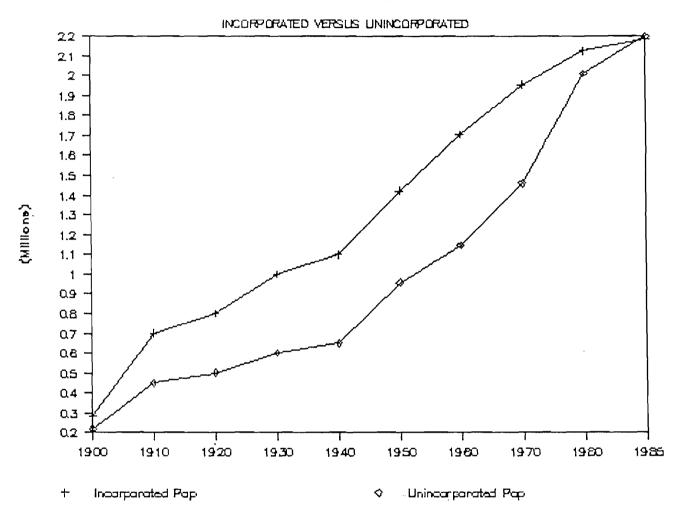
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#### APPENDIX A

#### WASHINGTON STATE POPULATION GROWTH



#### APPENDIX B

# COUNTIES BY YEAR OF ESTABLISHMENT

COUNTY*	YEAR OF ESTABLISHMENT
Clark	1844
Lewis	1845
Klickitat	1850
Pacific	1851
Thurston	1852
Pierce	1852
King	1852
Jefferson	1852
Island	1853
Skamania	1854
Wahkiakum	1854
Grays Harbor (Name changed from Chehalis, 1915)	1854
Mason	1854
Clallam	1854
Whatcom	1854
Cowlitz	1854
Walla Walla	1854
Kitsap	1856
Snohomish	1861
Stevens	1863
Spokane	1864
Yakima	1865
Whitman	1871
San Juan	1873
Columbia	1875
Garfield	1881
Douglas	1883
Kittitas	1883
Franklin	1883
Adams	1883
Lincoln	1883
Skagit	1883
Asotin	1883
Okanagon	1888
Ferry	1899
Benton	1905
Chelan	1908
Grant	1909
Pend Oreille	1911

<sup>\*</sup>Boundaries of original counties changed as new counties were added.

#### APPENDIX C

City	County	Yr of Incorp
01 17		
Steilacoom	Pierce	1854
Vancouver	Clark	1857
Olympia	Thurston	1859
Port Townsend	Jefferson	1860
Walla Walla	Walla Walla	1862
Seattle	King	1865
Tumwater	Thurston	1869
Kalama	Cowlitz	1871
Colfax	Whitman	1873
Tacoma	Pierce	1875
Goldendale	Klickitat	1879
Dayton	Columbia	1881
Waitsburg	Walla Walla	
Spokane		1881
Snohomish	Spokane Spokane	1881
	Snohomish	1883
Montesano	Grays Harbor	1883
Chehalis	Lewis	1883
Ellensburg .	Kittitas	1883
Sprague	Lincoln	1883
Cheney	Spokane	1883
La Conner	Skagit	1883
Union Gap	Yakima	1883
Yakima	Yakima	1886
Pomeroy	Garfield	1886
Centralia	Lewis	1886
Farmington	Whitman	1888
Palouse	Whitman	1888
Pullman	Whitman	1888
Spangle	Spokane	1888
Orting	Pierce	1889
Waterville	Douglas	1889
Tekoa	Whitman	1889
Wilbur	Lincoln	1890
South Bend	Pacific	1890
Blaine	Whatcom	1890
Buckley	Pierce	
Elma		1890
Rockford	Grays Harbor	1890
Ritzville	Spokane	1890
	Adams	1890
Port Angeles	Clallam	1890
Kelso	Cowlitz	1890
Winlock	Lewis	1890
Colton	Whitman	1890
Davenport	Lincoln	1890
Mount Vernon	Skagit	1890
Asotin	Asotin	1890
Puyallup	Pierce	1890
Roslyn	Kittitas	1890
Oakesdale	Whitman	1890
Colville	Stevens	1890
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City	County	Yr of Incorp
Kent	King	1890
Aberdeen	Grays Harbor	1890
Uniontown	Whitman	1890
Port Orchard	Kitsap	1890
Medical Lake	Spokane	1890
Hoquiam	Grays Harbor	1890
Castle Rock	Cowlitz	1890
Ilwaco	Pacific	1890
Garfield	Whitman	1890
Shelton	Mason	1890
Cosmopolis	Grays Harbor	1890
Edmonds	Snohomish	1890
Auburn	King	1891
Lynden	Whatcom	1891
Hamilton	Skagit	1891
Pasco	Franklin	1891
Sumner	Pierce	1891
Sumas	Whatcom	1891
Anacortes	Skagit	1891
Marysville	Snohomish	1891
Latah	Spokane	1892
Kettle Falls	Stevens	1892
Toledo	Lewis	1892
Issaquah	King	1892
Everett	Snohomish	1893
Wenatchee	Chelan	1893
Rosalia	Whitman	1894
Northport	Stevens	1898
Sedro-Wooley	Skagit	1898
Prosser	Benton	1899
Republic	Ferry	1900
Renton	King	1901
Bremerton	Kitsap	1901
Clarkston	Asotin	1902
Chelan	Chelan	1902
Sunnyside	Yakima	1902
Lind	Adams	1902
Odessa	Lincoln	1902
Cle_Elum	Kittitas	1902
Burlington	Skagit	1902
Harrington	Lincoln	1902
Granite Falls	Snohomish	1903
Bellingham	Whatcom	1903
Washtucna	Adams	1903
Monroe	Snohomish	1903
Creston Wilson Creek	Lincoln	1903
Stanwood	Grant	1903
Chewelah	Snohomish Stovens	1903
Arlington	Stevens Spokomisk	1903
Snoqualmie	Snohomish Kina	1903
Reardan	King Lincoln	1903
Newport	Pend Oreille	1903
nempor c	rena oreirie	1903

City	County	Yr of Incorp
Springdale	Stevens	1903
Prescott	Walla Walla	1903
Cashmere	Chelan	1904
St. John	Whitman	1904
Kennewick	Benton	1904
Almira	Lincoln	1904
Starbuck	Columbia	1905
Oakville	Grays Harbor	1905
Mabton Fairfield	Yakima	1905
Endicott	Spokane	1905
Kirkland	Whitman King	1905 1905
Sultan	Snohomish	1905
Tenino	Thurston	1906
PeE11	Lewis	1906
Vader	Lewis	1906
Leavenworth	Chelan	1906
Camas	Clark	1906
Woodland	Cowlitz	1906
Ruston	Pierce	1906
Toppenish	Yakima	1907
Quincy White Salmon	Grant	1907
Milton	Klickitat Pierce	1907
Hatton	Adams	1907 1907
Index	Snohomish	1907
Ferndale	Whatcom	1907
Waverly	Spokane	1907
Stevenson	Skamania	1907
Raymond	Pacific	1907
Cathlamet	Wahkiakum	1907
Hartline	Grant	1907
Coulee City Poulsbo	Grant	1907
Kahlotus	Kitsap	1907
Okanogan	Franklin Okanogan	1907 1907
Deer Park	Spokane	1908
Washougal	Clark	1908
Conconully	Okanogan	1908
Tukwila	King	1908
Wapato	Yakima	1908
Oroville	Okanogan	1908
Yacolt	Clark	1908
Roy	Pierce	1908
Lyman Friday Harbor	Skagit	1909
Grandview	San Juan Yakima	1909
Ephrata	Grant	1909 1909
Eatonville	Pierce	1909
La Center	Clark	1909
South Prairie	Pierce	1909
Bothell	King	1909
Ridgefield	Clark	1909
Granger	Yakima	1909
Malden Twice	Whitman	1909
Twisp	Okanogan	1909

City	County	Yr of Incorp
Skykomish	King	1909
Wilkeson	Pierce	1909
Concrete	Skagit	1909
North Bend	King	1909
Pacific	King	1909
Ione	Pend Oreille	1910
Richland	Benton	1910
Coupeville	Island	1910
Warden	Grant	1910
Albion	Whitman	1910
Lamont	Whitman	1910
Connell	Franklin	1910
Bridgeport	Douglas	1910
Marcus	Stevens	1910
Gold Bar	Snohomish	1910
Brewster	Okanogan	1910
Bucoda	Thurston	1910
Othello	Adams	1910
Zillah	Yakima	1911
Krupp	Grant	1911
Omak	Okanogan	1911
Mansfield	Douglas	1911
South Cle Elum	Kittitas	1911
Metaline Falls	Pend Oreille	1911
Redmond	King	1912
Carnation	King	1912
Nooksack	Whatcom	1912
Du Pont	Pierce	1912
Sequim	Clallam	1913
Napavine	Lewis	1913
Morton	Lewis	1913
Riverside	Okanogan	1913
Enumclaw	King	1913
Langley	Island	1913
Duvall	King	1913
Pateros	Okanogan	1913
Westport	Grays Harbor	1914
Oak Harbor	Island	1915
La Crosse	Whitman	1917
Soap Lake	Grant	1919
Selah	Yakima	1919
Moxee City	Yakima	1921
Naches	Yakima	1921
Long Beach	Pacific	1922
Bingen	Klickitat	1924
Longview	Cowlitz	1924
Yelm	Thurston	1924
Winthrop	Okanogan	1924
Fircrest	Pierce	1925
Millwood	Spokane	1927
Tonasket	Okanogan	1927
Cusick	Pend Oreille	1927
Everson	Whatcom	1929
Rock Island	Douglas	1930
Kittitas	Kittitas	1931
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City	Carretin	V <b>- F</b> T
	County	Yr of Incorp
Grand Coulee	Grant	1935
East Wenatchee	Douglas	1935
Nespelem	Okanogan	1935
North Bonneville	Skamania	1935
Moses Lake	Grant	1938
Tieton	Yakima	1942
McCleary	Grays Harbor	1943
Entiat	Chelan	1944
Darrington	Snohomish	1945
Forks	Clallam	1945
Benton City	Benton	1945
Gig Harbor	Pierce	1946
College Place Harrah	Walla Walla	1946
Rainier	Yakima	1946
Winslow	Thurston	1947
Elmer City	Kitsap	1947
Houghton	Okanogan	1947
Mukilteo	King Snohomish	1947
Mossyrock	Lewis	1947
Metaline	Pend Oreille	1948 1948
Carbonado	Pierce ·	1948
Bonney Lake	Pierce	1949
Electric City	Grant	1950
Battleground	Clark	1951
Bellevue	King	1953
Clyde Hill	King	1953
Normandy Park	King	1953
Beaux Arts	King	1954
Mountlake Terrace	Snoĥomish	1954
Medina	King	1955
Hunts Point	King	1955
Airway Heights	Spokane	195.5
Mesa	Franklin	1955
Algona	King	1955
West Richland	Benton	1955
Fife	Pierce	1957
Westlake	Grant	1957
Mattawa	Grant	1958
Woodway Des Moines	Snohomish	1958
Yarrow Point	King	1959
Coulee Dam	King	1959
Black Diamond	Okanogan	1959
Lynnwood	King Snohomish	1959
Mercer Island Town	King	1959
Lake Stevens	Snohomish	1960 1960
Mercer Island City	King	1960
Lake Forest Park	King	1961
George	Grant	1961
Royal City	Grant	1962
Brier	Snohomish	1965
Lacey	Thurston	1966
Ocean Shores	Grays Harbor	1971
Mill Creek	Snohomish	1983

#### APPENDIX D

#### NUMBER OF LOCAL GOVERNMENTS BY COUNTY, 1985

COUNTY	$\begin{array}{c} \textbf{NUMBER OF} \\ \underline{\textbf{CITIES}}^{(a)} \end{array}$	NUMBER OF SPECIAL DISTRICTS
ADAMS	5	31
ASOTIN	2	9
BENTON	5	26
CHELAN	5	32
CLALLAM	3	18
CLARK	7	36
COLUMBIA	$\overset{\cdot}{2}$	14
COWLITZ	5	27
DOUGLAS	6	29
FERRY	1	20
FRANKLIN	$ar{4}$	18
GARFIELD	1	7
GRANT	14	56
GRAYS HARBOR	9	40
ISLAND	3	35
JEFFERSON	1	28
KING	28	134
KITSAP	4	62
KITTITAS	5	26
KLICKITAT	3	34
LEWIS	9	51
LINCOLN	8	28
MASON	1	40
OKANOGAN	13	37
PACIFIC	4	28
PEND OREILLE	5	24
PIERCE	17	65
SAN JUAN	1	22
SKAGIT	8	41
SKAMANIA	2	19
SNOHOMISH	19	65
SPOKANE	11	42
STEVENS	6	34
THURSTON	7	31
WAHKIAKUM	1	13
WALLA WALLA	4	24
WHATCOM	7	63
WHITMAN	16	50
YAKIMA	14	37
TOTAL: 39	266	1396

<sup>(</sup>a) Cities that overlap 2 counties are included under the county in which most of their population is located.

SOURCE: Washington State Department of Revenue "March 1985 Taxing Districts"

APPENDIX E

#### HISTORY OF NUMBER OF LOCAL GOVERNMENT ENTITIES

YEAR	<u>CITIES</u>	COUNTIES	SPECIAL DISTRICTS (a)
1889	32	34	NA
1900	82	36	NA
1910	177	38	NA
1920	200	39	NA
1930	213	39	NA
1940	218	39	NA
1950	237	39	644
1960	261	39	867
1970	265	39	1021
1980	265 <sup>(b)</sup>	39	1130

<sup>(</sup>a) Excludes schools

SOURCE: Office of Financial Management, Washington State Data Book, p. 277.

<sup>(</sup>b) Mill Creek was incorporated in 1983 bringing the total number of cities to 266.

#### APPENDIX F

# HIGHLIGHTS OF STATE CONSTITUTIONAL PROVISIONS REGARDING LOCAL GOVERNMENTS

Art., Sec.	Digest of Provisions, Changes, and Implications
II, 28	Prohibits special laws to an individual local government. No special laws to permit a city incorporation or change existing county boundaries.
VII, 1-4	Originally provided for property to be taxed by uniform assessments and rates, including corporate property. Amended in 1929, 1944, and 1972 to require uniformity within classes of property and to limit annual taxes by taxing districts (except public ports and PUDs). Limited first to 40 mills (1944) at 50% assessed value and then to 1 percent of 100% assessed value (1972). An additional levy may be authorized by 60 percent vote of 40 percent of voting total at last general elections.
VII, 9	Permits cities and towns to make local improvements by special assessment.
VIII, 6	Limits counties, cities, towns, school districts, and other municipal corporations from incurring debt exceeding 1-1/2 percent of their taxable property without approval by three fifths of their voters.
VIII, 7	Prohibits any county, city, town, or other municipal corporation from giving or lending money or credit to any private person or corporation, except for necessary support of poor and infirm.
XI, 1-3	Recognizes existing counties; limits change of county seats and conditions under which new counties may be formed.
XI, 4	Directs Legislature to establish uniform system of county government and allow establishment of townships. Amended in 1948 to authorize counties to frame "home rule" charters; King, Snohomish, Clallam, Whatcom, and Pierce have done so successfully.

Art., Sec.	Digest of Provisions, Changes, and Implications
XI, 5	Directs Legislature to provide for elections of various county officials and to classify counties by population in order to define officers' responsibilities and salary levels. Amended in 1924 to permit combining of offices, and in 1972 to allow county boards to set salaries.
XI, 10	Directs Legislature to provide for incorporation of cities only by general laws, which are to control previously incorporated cities. The Legislature is authorized to classify towns and cities by population for purposes of defining officers' responsibilities and salary levels according to size and probable work loads; the term "town" is applied to municipalities of the fourth class. Cities with 20,000 or more population (Seattle and Tacoma in 1889) are authorized to frame charters for their own "home rule" government. Amended in 1964 to reduce the minimum population to 10,000.
XI, 11	Authorizes "any county, city, town, or township to make and enforce within its limits all such local police, sanitary and other regulations as are not in conflict with general laws." It is sometimes argued that this section seeks to grant full "police power" (the power to legislate broadly for the protection of health, safety, and welfare) to such local governments.
XI, 12	The Legislature is authorized to vest in the corporate authorities of counties, cities, towns, or other municipal corporations the power to assess and collect taxes for their own use. This has been taken to mean that such units do not otherwise hold the power to tax. The state cannot impose taxes on local governments for local government purposes.
XI, 16	Permits the formation of combined city-county, and expands taxing and debt powers of such entities. This section was added in 1948 for King County but did not provide enabling language, and amended in 1972 to enable any county to elect freeholders to create a charter for a combined city-county.

#### A HISTORY OF MAJOR CONSTITUTIONAL AMENDMENTS AND STATE LEGISLATION FOR TOWNS, CITIES, AND COUNTIES FROM STATEHOOD TO 1980

YEAR	STRUCTURE	FUNCTION	REVENUE
1890	RCW 35.01 sets up general laws for organization, classification, incorporation and government structure of municipal corpo-	RCW 35.22, 35.23, 35.24 and 35.27 enumerates functions for each of the 4 classes of cities and towns.	RCW 84.52 permits use of property tax for state and local government entities and sets total millage rate at 24.
	rations.  RCW 36.13 classified counties into twenty-nine classes based upon population. (In 1919 counties reclassified into 9 classes).	(RCW 36.32 enumerates functions for county commissioners - these are based upon 1854 statutes and were not changed in 1890 although changes were made in other years prior to statehood.)	Cities could levy their own property tax up to 1% of property value for general purposes (and another 1% for bond indebtedness). Cities also had the power to levy taxes on businesses and utilities through their licensing powers and to levy special assessments on property specially benefitted.
1901		RCW 27.12.030 permits cities and counties to run public libraries.	
1921			RCW 46.68 provides counties and cities a portion of the state motor fuel tax to maintain primary roads.
1923			RCW 36.40 required counties to adopt a formal budget procedure.
1924	Constitutional Amd.12 permits county consolidation of offices.		,
1932			RCW 84.52.050 (Voter Initiative 64) limits property tax levies to 40 mills. Reenacted every 2 years until 1944 when placed in constitution.
1933		RCW 77.04 (Voter Initiative 62) creates state Department of Game and removes county role in managing game.	RCW 46.68 diverts part of the state gas tax to counties and first class cities for road construction.
		RCW 66.08 creates state liquor board to control sale of liquor (formerly a local government function until Prohibition.)	

YEAR	STRUCTURE	FUNCTION	REVENUE
1935	RCW 41.08 created a civil service system for fire fighters in cities with fully paid fire departments. (First civil service system mandated by state)	RCW 35.63 authorizes the formation of city, county, or regional planning commissions for the purposes of municipal planning and regulation of private development (marks the beginning of legislative recognition of zoning).	
1937	RCW 41.12 created a civil service system for police officers in cities with fully paid police offices.	Title 47 Legislature adopts a comprehensive highway code and formalizes the interrelationships of the road program between state, county and city.	
		RCW 36.68 authorizes counties to run park facilities.	
1939		RCW 74.04.040 authorizes state to assume major responsibility from county for administering public assistance (this trend began in 1933 at the height of the Depression and is completed in 1951 when the state assumes the earmarked millage for public assistanc).	RCW 70.12.015 authorized an earmarked 0.4 of a mill for public health for counties.
1943	RCW 35.18.010 authorizes first class cities to adopt a council manager plan of government.	RCW 36.58.020 authorizes counties to operate solid waste disposal sites.	RCW 35.21.280 and 36.38.010 permits cities and counties to charge an admissions tax.
1944			Constitutional Amd. 17 limits property tax levies to 40 mills. Assessed valuation shall be 50% of true and fair value.
1947			RCW 84.52.010 guarantees full levy rates of property tax to state, county, city, school districts and county road districts.

YEAR	STRUCTURE	STRUCTURE FUNCTION			
1948	Constitutional Amd.21 permits counties to adopt home rule charters through voter approval.	Constitutional Amd.23 permits Seattle and King County to consolidate through voter approval. (No enabling legislation provided.)			
	Constitutional Amd.22 permits county officers to hold more than 2 terms of office.	provided.)			
1949	RCW 70.08 authorizes combined city-county health department for cities over 100,000.				
1951			RCW 84.52 state assumes 2 mills of property tax for public assistance from the county.		
1957		RCW 35.81 authorizes cities to undertake urban renewal projects.			
1958	RCW 41.14 (voter initiative 23) establishes a civil service system for county sheriff employees.				
1959			RCW 36.70 authorizes planning function for county and regional bodies. Recognized the need for counties to become more involved in land use planning and regulation.		
1963			RCW 36.36.400 authorizes counties to create park and recreation service areas to finance services.		
1964	Constitutional Amd.40 permits citics of 10,000-20,000 population to form their own charters. (Originally only cities of 20,000 or more could form their own charters)				

YEAR	STRUCTURE	FUNCTION	REVENUE
1965			RCW 36.67.510 authorizes counties to issue revenue bonds for general purposes.
1967	RCW 35A extends broad powers of self- government to non-charter cities, previ- ously offered to only first class cities. Eliminates the need for a city to function based on a particular class designation.	RCW 36.94 authorizes counties to operate water and sewer systems. Marks the beginning of statutory authority for counties to provide urban services. (County General Services Act)	Chapter 143 p. 2278 authorized \$25 million for state general revenue sharing to cities and counties. (This appropriation was the only time the state has provided general revenue sharing funds.)
	(Optional Municipal Code)  RCW 70.94 authorizes counties to set up regional air pollution control bodies. (Clean Air Act)  RCW 35.14 permits creation of community municipal corporations when a service area which is a city or could be a city is annexed to a larger city. This community municipal corporation has the power to re-	RCW 39.34 Interlocal Cooperation. Authorizes cities, towns, counties, and some special districts to contract with each other to provide services cooperatively or individually on a regional basis. (Amended in 1975 and again in 1979 to include all entities of local government).  RCW 36.93 establishes a boundary review board to guide and control the creation	RCW 47.26 creates an urban arterial trust account in motor vehicle fund to allocate money to cities and counties for urban arterials.
	view, approve or deny land use controls or zoning ordinances proposed by the city they have joined.  RCW 70.05 requires cities and towns to set up local health board if they have no other formal arrangement with the county or health department.	and growth of municipalities in metropolitan areas.  RCW 70.10 encourages the provision of community and mental health services at the local level.	
1968	<u> </u>		Constitutional Amd.53 permits farms, timber and open space to be taxed on current rather than highest use.

YEAR	STRUCTURE	FUNCTION	REVENUE
1969		RCW 70.95 establishes a comprehensive statewide program for solid waste management, assigns the responsibility for solid waste handling to local governments, and provides basic minimum standards for such handling.	
		RCW 58.17 establishes uniform statewide procedures for cities and counties to follow when land is subdivided. Public hearings must be held to review proposals to subdivide land in lots of acres or less.	
1970			RCW 84.34 permits open space, farm, agricultural, and timber land to be taxed on the current use rather than the highest use. Effort to preserve these classes of land rather than turn them into developments. (Open Space Act)
			RCW 82.14.030 permits cities and counties to levy a sales tax up to 0.5% (additional 0.5% granted in 1982). The original law contained a 3 year sunset provision.
			RCW 90.50 authorized \$25 million in bonds for water pollution control facilities.
1971		RCW 43.21 Requires local governments to determine which development projects will require environmental impact statements. (State Environmental Policy Act)	RCW 84.55.010 limits annual increase in property tax levy to 106% of regular property tax levied in highest of 3 most recent years not including new construction. This measure significantly reduced the revenue raising capability of local governments.
			RCW 82.14.045 permits cities, counties (and special districts in transit business) to levy up to 0.3% of the sales tax for transit purposes. Increased to 0.6% in 1980.

YEAR	STRUCTURE	FUNCTION	REVENUE
1972	Constitutional Amd.58 permits any county to consolidate with a city (or cities). Previously it was limited to King County. Free-	Constitutional Amd.57 permits counties (instead of legislature) to set salaries of county officers.	Constitutional Amd.55 limits all property tax levies to 1% (or \$10.00 per \$1000) of their true and fair value.
	holder procedure included to design city/county charters. No need for enabling legislation.	RCW 36.01.100 permits county to run ambulance service.	RCW 43.83A authorizes \$225 million in bonds for waste disposal facilities.
	registation.	RCW 90.58 requires local governments to develop inventories and master plans to regulate the use of their shorelines. (Shorelines Management Act)	
1973			RCW 36.33.220 authorizes the county to spend county road revenues for any service, not just roads in the unincorporated area.
			RCW 84.52.043 limits total property tax to \$9.15 per \$1000. This limit reduced governments tax rate by 10%.
1974		RCW 36.57.020 authorizes counties to perform public transportation functions.	RCW 84.40.400 reduced over a 10 year period the amount of property assessed by excluding business inventories.
1975		RCW 35.21.766 authorizes cities to set up ambulance services.	
		RCW 36.01.095 authorizes county to establish an emergency medical service system.	
		RCW 36.58 authorizes county to establish a solid waste disposal system in unincorporated area.	

YEAR	STRUCTURE	FUNCTION	REVENUE
1977		RCW 70.48 state mandated standards for custodial care required for all city and county jails. Created heavy financial burden on local governments.	RCW 27.12.360 permits cities of 8,500 or less to be annexed by library districts. (Amended in 1982 to permit cities of 100,000 or less). Enables libraries to levy taxes directly for services and
		RCW 13.40 requires youth offenders to have some rights as adults in criminal	to free up money in cities' general fund for other purposes.
		cases; counties must establish separate juvenile incarceration facilities.	RCW 43.132 requires the preparation of fiscal notes on fiscal impact of proposed legislation on
		RCW 70.116.040 permits county to establish critical water supply area.	local government.  RCW 70.12.015 dropped public health property
		RCW 36.01.125 and RCW 35.21.800 permits counties and cities to establish foreign trade zones. (Tourist promotion activities granted in 1971).	tax levy earmark for counties.
1979			RCW 52.04.170 permits cities of 10,000 or less to be annexed by fire districts. Enables fire districts to levy taxes directly for services provided and to free up general fund money for cities to spend on other purposes (amended in 1985 to 100,000 population).
			RCW 43.135 (Init.62) prohibits state from mandating new program responsibilities to local governments without sufficient funding to provide said services.
			RCW 36.32.480 permits counties to collect a tax levy for EMS not subject to the \$9.15 limit.

#### CONTRASTS IN POWERS OF CITIES AND COUNTIES

#### CITIES COUNTIES **STRUCTURE** Formation: 1) Initiated by residents 1) Initiated by government representatives 2) Initiated by citizen petition Governing Body: 1) Mayor-Council 1) Commission 2) Council-Manager 2) Charter counties may adopt their own governmental structure 3) Commission 4) Charter cities may adopt their own governmental structure 1) Become a "code" city: adopt 1) Adopt a Home Rule Charter (5 Capacity to change form of RCW 35A (122 code cities) charter counties) government: 2) Adopt a charter (10 first class, 2) Consolidate with a city (none to "non-code" cities have charters, date) no chartered "code" cities) Consolidate with cities or a county (none to date) Capacity to change 1) Annexation (Simple majority of 1) Creation (need a population of boundaries: at least 2,000 and may not voters must approve or owners of 75% of assessed property reduce a current county to a must agree) population of less than 4,000; petition of majority of voters in area to create county) 2) Consolidation (need 10% or 20% of people in a city to petition or one of the legislative bodies to initiate and simple majority approval by voters in each city) Incorporation (need 300 or more inhabitants to form; petition of 10% of people living in area to initiate and 51% approval by voters in area)

#### CITIES

#### COUNTIES

#### **FUNCTIONS**

Functions performed that are not explicitly within the powers of the other unit:

- 1) Fire fighting
- 2) Generate & distribute electricity
- 1) Superior & district court systems
- 2) Coroner services
- 3) Public Assistance
- 4) Broader public health services
- 5) Assess & collect property taxes

<sup>&</sup>lt;sup>1</sup> The contrasts here are primarily between the cities as municipal service providers and the counties as subdivisions of state government. Counties possess many municipal-type powers, although they do not exercise them as often as cities.

#### COUNTIES BY CLASSIFICATION/AND FORMS OF GOVERNMENT

CLASSES, PER RCW 36.13 <sup>(c)</sup>	$\begin{array}{c} \textbf{HOME} \\ \textbf{RULE} \\ \textbf{CHARTER}^{(a)} \end{array}$	COMMISSION	TOTAL
Class AA (500,000 pop or over)	1		1
Class A (210,000-499,999 pop)	2	1	3
First Class Counties (125,000-209,999 pop)		3	3
Second Class Counties (70,000-124,999 pop)	134		
Third Class Counties (40,000-69,999 pop)	1 <sup>(b)</sup>	8	9
Fourth Class Counties (18,000-39,999 pop)		6	6
Fifth Class Counties (12,000-17,999 pop)		5	5
Sixth Class Counties (8,000-11,999 pop)		2	2
Seventh Class Counties (5,000-7,999 pop)		4	4
Eighth Class Counties (3,300-4,999 pop)		2	2
Ninth Class Counties (Less than 3,300 pop)		0	0
TOTALS	5 (12.8%)	34 (87.2%)	39 (100%)

<sup>(</sup>a) Home rule charters permit counties, through the election of freeholders, to restructure their form of government, subject to voter approval. With some exceptions described below, home rule counties may adopt any laws as long as they do not conflict with those of the state. Home rule charter counties are still classified because a few statutes refer to the classification regardless of home rule status (e.g. Boundary Review Board, Director of City/County Health District). The home rule counties are: King, Snohomish, Whatcom, Pierce and Clallam.

<sup>(</sup>b) Clallam County retained its 3 Commissioner form of government.

<sup>(</sup>c) Population based on the 1980 Federal census.

# HISTORY OF SPECIAL PURPOSE DISTRICTS BY DATE OF ENABLING LEGISLATION

DATE	DISTRICT	STATUTE (RCW)
1890	Irrigation Districts	Title 87
1895	Diking Districts1	Ch. 85.05
1895	Drainage Districts1	Ch. 85.06
1895	Townships	Ch. 46.08
1903	River & Harbor Improvement Districts	Ch. 88.32
1907	Metropolitan Park Districts	Ch. 35.61
1909	Inter-County Diking & Drainage Districts	Ch. 85.24
1911	Port Districts	Title 53
1911	Public Waterway Districts	Ch. 91.08
1913	Water Districts (domestic)	Title 57
1915	Diking, Drainage, Sewerage Improvement Dists.	Ch. 85.08
1917	Ferry Districts	Ch. 36.54
1919	Agricultural Pest Districts	Ch. 17.12
1921	Weed Districts	Ch. 17.04
1927	Reclamation Districts	Ch. 89.30
1931	Public Utility Districts2	Title 54
<b>19</b> 33	Sanitary Districts	Ch. 55.04
<b>19</b> 33	Cemetery Districts	Ch. 68.16
1937	Flood Control Districts	Ch. 86.09
1939	Fire Protection Districts	Title 52
1939	Industrial Development Districts (Ports)	Ch. 53.25
1939	Housing Authorities	Ch. 35.82
1939	Soil Conservation Districts	Ch. 89.08
1941	Sewer Districts1	Title 56
1941	County Rural Library Districts	Ch. 27.12
1945	Health Districts	Ch. 70.46
1945	Public Hospital Districts	Ch. 70.44
1945	County Airport Districts	Ch. 14.08
1947	Intercounty Rural Library Districts	Ch. 27.12.090
1947	Cemetery Districts	Ch. 68.16
1957	Park & Recreation Districts	Ch. 36.69
1957	Air Pollution Control Districts	Ch. 70.94.070
1957	Mosquito Control Districts	Ch. 17.28
1957	Metropolitan Municipal Corporations	Ch. 35.58
1959	Inter-county Regular Weed Districts	Ch. 17.06
1961	Flood Control Zone Districts	Ch. 86.15
1961	Irrigation & Rehabilitation Districts	Ch. 87.84
1963	County Park & Recreation Service Areas	Ch. 36.68.400

**NOTE:** Several districts have been formed by merging two or more special districts such as "diking and drainage improvement districts." These have been deleted from this list.

DATE	DISTRICT	STATUTE (RCW)
1969	Education Service Districts	Ch. 28A.21.020
1971	Solid Waste Collection Districts	Ch. 36.58A
1971	TV Reception Improvement Districts	Ch. 36.95
1974	County Transportation Authority Districts	Ch. 36.57
1975	Public Transit Benefit Area Districts	Ch. 36.57A
<b>19</b> 75	Unincorp. Transportation Benefit Area Districts	Ch. 36.57.100
1979	Emergency Medical Districts	Ch. 36.32.480
1982	Solid Waste Disposal Districts	Ch. 36.58.100
1982	Cultural Arts Districts	Ch. 67.38
1983	Legal Authority Districts (Hydro)	Ch. 87.03.825
1983	County Rail Districts	Ch. 36.60
1983	Roads & Bridges Service Districts	Ch. 36.83
1985	Aquifer Protection Districts	Ch. 35.21.403 & 36.61
1986	Lake Management Districts	Ch. 36.36

#### CHARACTERISTICS AND POWERS OF MAJOR SPECIAL DISTRICTS

PORT DISTRICTS

Title 53 RCW (1911)

Functions:

Provide a system of harbor improvements, belt line railways, water and land transfer and terminal facilities, airports, and construct toll bridges

and tunnels and economic development

Revenue:

P, plus special levy outside 106% limitation, B, C, L

Governing Body:

3 or 5 elected commissioners

Formation:

1 or 3

Annexation:

1, port commissioner petition, consolidation of port districts within one

county, or joint resolution

Dissolution:

3 or via petition by port commission

WATER DISTRICTS

Title 57 RCW (1913)

Functions:

Provide domestic water, fire hydrants and fire fighting systems, street

lighting, and construct sewer systems

Revenue:

P. B. E. L. C

Governing Body:

Three member elected board

Formation:

Annexation:

1 or 2 or 3 or 4. Also, water districts may merge with sewer districts or

consolidate with water districts in other counties

Dissolution:

1 or via court proceedings similar to ports

**PUBLIC UTILITY** 

**DISTRICTS** 

Title 54 RCW (1931)

Functions:

Supply public utility services: hydroelectric power, domestic water,

irrigation, and sewerage systems

Revenue:

L, B, P plus special levy outside 106% limitation, C

Governing Body:

Three or five elected commissioners

Formation:

1 or 3 1

Annexation:

Dissolution:

1 or 3

#### REGIONAL LIBRARY DISTRICTS

Ch. 37.12 RCW (1935)

Functions:

Provide free public libraries

Revenue:

Appointment between contracting parties

Governing Body:

By contract provisions

Formation:

Units of local government may join under terms of a contract, or 6

Annexation:

No provisions

Dissolution:

Per contract provisions

#### FIRE PROTECTION DISTRICTS

Title 52 RCW (1939)

Functions:

Eliminate fires and fire hazards, maintain fire equipment, and issue fire

permits

Revenue:

P, B, C, L

Governing Body:

Three elected commissioners

Formation:

1 (3/5 majority)

Annexation:

Same as formation, plus ability to jointly operate with fire districts in

other counties

Dissolution:

Via special election

SEWER DISTRICTS

Title 56 RCW (1941)

Functions: Construct and maintain sewer systems and treatment plants, provide

domestic water and irrigation

Revenue:

B, C, E, L

Governing Body: Formation:

Three elected commissioners 1 or 3 (3/5 majority) or 4

Annexation:

1 or 4. Also, sewer districts may merge with irrigation districts, water

districts, or other sewer districts

Dissolution:

1 (same as 3rd and 4th class cities)

COUNTY RURAL LIBRARY DISTRICTS Ch. 27.12 RCW (1941)

Functions:

Provide free public libraries

Revenue:

P, E, B

Governing Body:

Appointed board of trustees (5 or 7 members)

Formation:

1 or 6

Annexation:

Cities under 8,500 population may be incorporated into other library

districts via a majority vote

Dissolution:

1 or by majority vote

INTERCOUNTY RURAL

LIBRARY DISTRICTS

Ch. 27.12 RCW (1947)

Functions:

Provide free public libraries

Revenue:

P, E, B

Governing Body:

Five to seven appointed trustees

Formation:

1 or 3 or 5 or 6

Annexation:

Same as creation or by majority vote

Dissolution:

By majority vote

METROPOLITAN MUNICIPAL

**CORPORATIONS** 

Ch. 35.58 RCW (1957)

Functions:

Revenue:

Provide urban services (e.g., water supply, public transportation, garbage

disposal), parks and parkways, water pollution abatement, and

comprehensive planning

E, B, C, sales tax, motor vehicle excise tax, household and B & O, excise

tax, L

Governing body:

Metropolitan Council: made up of appointed people

Formation:

1 or 3

Annexation:

1 or 3 or by ordinance

Dissolution:

No provisions, but may merge into county

PUBLIC TRANSIT BENEFIT AREAS

Ch.36.57A RCW (1975)

Functions:

To design, construct and operate public transportation systems, including comprehensive transit planning, other types of people-moving systems,

and parking structures

Revenue:

B, C, and amounts agreed upon by contracting parties

Governing Body:

Made up of elected officials from the contracting parties, as appointed by

each governing body of component city or county within the area

Formation:

3, a conference, then a hearing; cities must be wholly included or excluded from the district; only one district allowed in each county

Annexation: Dissolution:

1 or resolution by district governing board

1, 3, or via resolution by district governing board

CODES:

#### Revenues

B) Bonds

C) Charge for Services

E) Special Levy (voted-upon property tax apart from regular property tax)

L) Local Improvement District (LID) or Benefit Assessment Tax

P) Property Tax

#### Formation, Annexation, Dissolution

1) Petition of voters + election (majority vote)

2) Petition of landowners + election (majority vote)

3) Resolution of County Commissioners + election (majority vote)

4) Direct petition (no election)

5) Direct vote of County Commissioners

6) May contract under provisions of the Interlocal Cooperation Act

#### APPENDIX M

# FUNCTIONS PERFORMED BY MORE THAN ONE UNIT OF GOVERNMENT BY DATE AUTHORITY ACQUIRED

UNIT OF GOV'T County	FIRE	<u>WATER</u> 1967	<u>SEWER</u> 1967	SOLID WASTE 1943	LIBRARY 1901 1935°	PARKS & REC 1937	PUBLIC <sup>i</sup> TRANSIT 1974	ROADS 1889°	LAND USE <u>PLANNINO</u> 1935	PUBLIC HEALTH 1889°.#	EMER MED SERVICE <sup>h</sup> 1979	ECON <u>DEV</u> 1977	LAW ENFORCE 1889°	SOCIAL SERVICES 1889e
City/ Town	1889°	1889°	1889°	1889°	1901 1935 <sup>n</sup>	1907	1890	1889°	1935	1889°-¤	1979	1977	1889°	1889°
Port		1972	1972				• • •		• • •		• • •	1911	1974	•••
PUD		1931	1975				• • •					• • •	•••	
Fire District	1939									•••	1979			•••
Water District		1913	1963	• • •							•••			
Sewer District	• • •	1977	1941				•••				•••			
Library District	•••		• • •		1935 <sup>6</sup> 1941° 1947 <sup>d</sup>	•••	•••	• • •		•••	•••	• • •	• • •	•••
Hospital District		• • • •								1945	1979		• • •	• • •
METRO	• • •	1957	1957	1957		1957	1957		1957		•••			• • •

A Joint libraries authorized.

<sup>&</sup>lt;sup>b</sup> Regional library district.

Rural library district.

d Intercounty rural library district.

<sup>&</sup>lt;sup>e</sup> These functions granted prior to statehood.

Parks & recreation may also perform these services.

<sup>&</sup>lt;sup>R</sup> Cities & counties may join together to form a health district or combined city-county health department.

<sup>&</sup>lt;sup>h</sup> Emergency medical service districts may also perform these services.

<sup>&</sup>lt;sup>i</sup> Public transportation benefit areas may also perform these services.

Counties obtained their own planning act in 1959.

# LOCAL GOVERNMENT MAJOR TAX AND BOND SOURCES BY DATE AUTHORITY ACQUIRED

	TAX	SOURCES	<u>3</u>		<b>BONDS</b>	
UNIT OF GOV'T	PROPERTY	SALES	<u>B &amp; O</u>	<u>UTILITY</u>	GENERAL OBLIG.	REVENUE
County	1889ª	1970			1889ª	1965
City	1889ª	1970	1889 <sup>b</sup>	1889 <sup>b</sup>	1889ª	1895
Port	1911		• • •		1911	$1949^{d}$
PUD	1930				1931	1941
Fire District	1939	• • •			1951	
Water District <sup>c</sup>		• • •			1913	1939
Sewer District <sup>c</sup>					1941	1941
Library District	1941			• • •	1955	
Metro						
Muni.Corp.	1957	1969			1957	1957
Hospital Districts	1945		• • •	•••	1945	1945
PTBA	• • •	1975				

<sup>&</sup>lt;sup>a</sup>Permitted prior to statehood.

<sup>&</sup>lt;sup>b</sup>Derived through authority to license businesses.

<sup>&</sup>lt;sup>c</sup>These districts rely primarily on issuing revenue and general obligation bonds and charging rates for the services they provide.

<sup>&</sup>lt;sup>d</sup>Revenue bonds for national defense were authorized in 1941.

#### LEADING DECISIONS ON LOCAL GOVERNMENTS' POWERS

PRO HOME RULE	DATE	CONTRA HOME RULE
	1896	State Ex. Rel. Fawcett v. Supreme Court - Municipal corporations, even charter cities, only have power to act in an area if granted express authority to act by the State Legislature. (14 Wash. 604)
Smith v. Spokane - In all matters relating to the public health, nearly all if not the entire police power of the state is vested in charter cities. (55 Wash. 219)	1910	
State Ex. Rel. Webster v. Superior Court - Cities can act concurrently with the state where the state has asserted its jurisdiction over a subject matter, unless there is no room for concurrence. (67 Wash. 37)	1912	
Malette v. Spokane - Charter cities have the largest measure of self government compatible with the general authority of the state. (77 Wash. 205)	1913	
Detamore v. Hindley - Article 11 Sec. 11 is self executing and needs no legislative sanction. (83 Wash. 322)	1915	
	1939	Yakima v. Gorham - Where the Legislature enacts legislation in a given subject matter, cities (even charter cities) are precluded from adopting ordinances acting concurrently with the state. (200 Wash. 564.)
State Ex. Re. Carroll v. King County With regard to purely local affairs that are not of broad concern, a charter county may act contrary to express state statutes. (78 Wash.2d 452)	1970	
	1974	Massie v. Brown - At least when the interest of the state is paramount to, or joint with, that of a municipal corporation (including a charter city), the municipal corporation has no power to act absent a delegation from the state. (84 Wash.2d 490)
State Ex. Re. Schillberg v. Everett District Justice Court - (1) The broad grant of home rule in Article 11, Sec. 11 applies to all counties, cities and towns, not just charter cities. (2) When the state enacts legislation in a subject area, counties, cities and towns are not pre-empted from acting concurrently unless a statute clearly and expressly states its intent to pre-empt; i.e., they may act concurrently with the state unless clearly and expressly prohibited. (92 Wash.2d 106)	1979	
	1983	Chemical Bank v. WPPSS - Whenever the state legislates on a subject matter, the state has at least a joint interest with cities on the subject, and cities (even charter cities) cannot enact concurrent ordinances on the general subject area, unless the authority to act concurrently is expressly or implicitly authorized by statute. (99 Wash.2d 772)
Elect. Contractors v. Pierce County Charter counties have as broad power as the state, except where expressly limited. (100 Wash.2d 109)	1983	

SOURCE: Steve Lundin, House Counsel for Local Government Committee

#### FISCAL CASES

- 1891 Baker v. Seattle Special assessment bonds are not subject to constitutional indebtedness limitations. (2 Wash. 576)
- 1882 Middle Kittitas Irrigation District v. Peterson Irrigation district bonds are not subject to constitutional provisions limiting indebtedness of municipal corporations. (4 Wash. 147)
- Winston v. Spokane Revenue bonds are not subject to constitutional indebtedness limitations. (12 Wash. 523)
- 1897 Rauch v. Chapman Constitutional debt limitations on counties do not apply to necessary expenditures made mandatory in the Constitution, provided for in statute, and imposed upon a county (i.e., those current expenses necessary for the maintenance and life of the county). (16 Wash. 568)
- 1897 Duryee v. Friars Constitutional debt limitations do not apply to counties borrowing to finance expenses necessary to maintain their existence (18 Wash. 55)
- 1919 Great Northern Railroad Co. V. Stevens County Local governments have no inherent powers of taxation, and must receive taxing authority from statutory authorization. (108 Wash. 238)
- Rummens v. Evans During an emergency (e.g., severe unemployment) a county may exceed its statutory debt ceiling and borrow money to finance essential government functions (e.g., care of the poor), notwithstanding the fact that the county engaged in nonessential functions and proprietary functions. (168 Wash. 527)
- 1984 King County v. Algona One unit of local government may not tax another unit of government (at least the second government's governmental functions, and possibly the second government's proprietary functions) unless expressly authorized by statute. (101 Wn.2d 789)

SOURCE: Steve Lundin, House Counsel for Local Government Committee

#### MAJOR SPECIAL DISTRICT CASES

- 1912 Paine v. Port of Seattle
  - a) Legislature can allow local governments to be created regardless of whether or not they are specified in the constitution.
  - b) Although ports have some of the same powers as cities and counties, they may exist and perform those powers within a city or a county. (70 Wash 294)
- 1936 Royer v. PUD #1

A county-wide PUD may exist in any county. (186 Wash 142)

1960 Metro v. Seattle

The Metropolitan Municipal Corporation statute does not deprive cities of their home rule status, nor delegate unlawfully legislative powers, nor equal taxation without representation.

<sup>1</sup> Common law doctrine that no two municipal bodies can occupy the same territory does not apply.

SOURCE: Steve Lundin, House Counsel for Local Government Committeee

#### APPENDIX P

### COUNTIES AND CITIES BY 1986 POPULATIONS

COUNTIES				
Over 1,000,000	1			
350,000 - 1,000,000	3			
50,000 - 350,000	6			
20,000 - 50,000	9			
Less than 20,000	13			

CITIES		
Over 100,000	3	
50,000 - 100,000	2	
20,000 - 50,000	17	
5,000 - 20,000	33	
1,000 - 5,000	108	
Less than 1,000	103	