

DATE: January 6, 2020  
TO: Snohomish County Tomorrow Planning Advisory Committee Subcommittee  
CC: Steve Toy, Snohomish County Buildable Lands Team  
FROM: Morgan Shook and Margaret Raimann, ECONorthwest  
SUBJECT: SNOHOMISH COUNTY BUILDABLE LANDS STAKEHOLDER WORKSHOP

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To address changes to the Review and Evaluation Program for Buildable Lands as described in E2SSB-5254, ECONorthwest is working with Snohomish County to assist in identifying and addressing recommended updates to the County's Buildable Lands Methodology. The County contracted with ECONorthwest to develop and recommend updates to the methodology in collaboration with the Snohomish County Buildable Lands Team, a subcommittee of the Snohomish County Tomorrow (SCT) Planning Advisory Committee (PAC), and other key stakeholders. Following this process, the Snohomish County Buildable Lands Team will implement these updates to the methodology in the 2021 Buildable Lands Report (BLR).

The Buildable Lands Team and ECONorthwest led a stakeholder workshop on November 25, 2019 at 1:30 p.m. The first part of the workshop included a presentation on the history of Snohomish County's efforts to develop and publish previous BLRs, an overview of the updated Guidelines, and a summary of the preliminary results that have been prepared to date. The second part of the workshop provided an opportunity for stakeholders to share concerns and questions about the project in small groups. Each group then reported out the key issues discussed. This memorandum provides a summary of the presentation and the stakeholder input provided in the small group discussions.

## Summary of Presentation

### Introduction

Steve Toy began the workshop with an introduction of the Buildable Lands Report process and the recent changes to the Review and Evaluation Program. He reviewed the process that the Snohomish County Buildable Lands Team uses to estimate capacity on buildable lands within UGAs in the County. The process relies on Geographic Information System (GIS) technology to produce the buildable lands report, as well as input from local jurisdictions, aerial imagery, and site visits to improve accuracy of the results.

The County will update the BLR in 2021 and is in the process of reviewing the methodology with the assistance of ECONorthwest. ECONorthwest is providing analysis and recommendations based on the updated Guidance from the Department of Commerce. The Guidance focuses on improving accuracy of predicted capacity, as well as documentation and rationale of methodological decisions.

### Preliminary Findings

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**Validation study.** Steve Toy provided the draft results of the County’s validation study, which compared a sample of recent (2013-2018) development projects to the capacity estimates in the 2012 Buildable Land Report. The Buildable Lands Team found that overall for most of the projects studied, the actual yield of housing units was higher than the predicted capacity.

**Redevelopable land analysis.** ECONorthwest presented initial findings of the redevelopable land analysis. Key findings of this analysis were:

- Validation of housing densities showed higher achieved densities than planned densities.
- Validation work showed that the largest ratios of achieved vs planned densities occurred on vacant parcels.

**Land Classifications and Market factor considerations.** ECONorthwest presented initial findings of considerations for market factor. Key findings of this analysis were:

- Variations of development by land classification and land development type.
- Land classifications could have some improvement to methodology for prediction of development.
- Strong correlations of development with specific parcel attribute characteristics; specifically, FAR and Improvement to Land Value Ratios.
- More units built on properties than were estimated in 2012.

**Infrastructure gap analysis.** ECONorthwest presented initial findings of the infrastructure gap analysis. Key findings of this analysis were:

- The updated legislation includes updated requirements related to review of areas with infrastructure gaps. The Guidelines describe an approach for counties to identify areas within UGAs with infrastructure gaps in the updated Buildable Lands Report.
- Based on the documentation provided, these areas may be subject to reductions in capacity or specific reasonable measures.

**Reasonable measures.** ECONorthwest presented their review of the county’s reasonable measures. Key findings of this analysis were:

- The updated legislation includes updated requirements related to adoption of reasonable measures when necessary.
- The Guidelines describe the general approach that jurisdictions should take when the BLR results show a potential need for reasonable measures.
- The County is required to define how jurisdictions provide rationale, and the Guidelines provide some potential options.

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## Small Group Discussion

The second part of the workshop included small group discussions at tables of 5 to 6 stakeholders. To guide the discussion, questions included:

1. What are you most concerned about related to potential updates to the buildable lands methodology?
2. What other types of information should be considered as part of the market factors research?
3. When, how, and where should infrastructure gaps be considered for reasonable measures and/or reduced capacity?
4. What additional reasonable measures might we consider?
5. What concerns do you have about land capacity planning relative to targets (i.e. capacity in places not meeting growth targets)?

The facilitator for each group noted the responses to these questions on a flip chart, and summarized the input below.

### Discussion Summary

Stakeholders' key concerns and discussion points are summarized below, according to generalized topics related to the Buildable Lands Report methodology.

#### Infrastructure Gaps

- Many existing infrastructure gaps will resolve over the 20-year planning period, including areas with unsewerable urban enclaves, transportation concurrency restrictions, etc. However, some expressed uncertainty on this issue until the buildable lands report is complete, showing the final capacity estimates for these areas.
- Areas in UGAs with a lack of development over a long period (i.e, 20 years) may be due to limited public or public infrastructure investment, as well as a lack of regional coordination among jurisdictions.
- Stakeholders also expressed concerns related to reserving land for water/sewer treatment, as well as accounting for all types of infrastructure—schools, roads, transit, parks.
- Infrastructure gaps may also exist in areas under consideration for redevelopment, as retrofits may not meet current standards without expensive retrofit.

#### Market Factor

- Market factors should differ in different parts of county. For example, the SWUGA should have lower market reductions factors than outside SWUGA. In addition,

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different market factor for single-family redevelopment should be considered, given the current demand for townhouse and midrise housing. SWUGA areas are more likely locations for single-family to redevelop into townhouses.

- The BLR should include written findings of fact regarding development of geographic-specific market factors used over 20-year planning period.
- Market factors used for the previous reports were too high, especially the 15% market reduction factor for vacant parcels.
- While the market factor is a numerical assumption, it is based on data that has a subjective interpretation. Difficult to truly estimate a market factor.
- The market factor should be adjusted based on other characteristics such as proximity to jobs, housing type, or development exactions in a particular area.

### Reasonable Measures

- Rezoning single family to townhouses.
- Articulate a “rationale” i.e., Everett’s Metro City plan and City Rethink Zoning project 2035 vs. 2043 20-year plan horizons:
  - Avoid double-counting findings related to reasonable measures implementation.
  - Which reasonable measures support implementation of 2043 targets during the next comp plan update vs those which are designed to respond to 2035 target implementation coming out of 2021 BLR?
- Much of the capacity in some urban areas (Everett) is not “real” capacity. Understand that much of that is contingent on light rail but the jurisdiction should have more “near-term” capacity to meet its growth targets.
- GMA and policy increasingly places demand in higher density areas and development types but much of Snohomish County’s market is for lower density, detached housing units.
- Many jurisdictions in Snohomish County are not implementing the existing list of reasonable measures; need to implement more within cities.
- Allow additional development on existing home sites, for example Accessory Dwellings.
- Make the Transfer of Development Rights program work.
- Implement Transit Oriented Development around transit stations, for example, assume zoning changes to allow high-capacity mixed use development.
- Assumptions for parking should be lower.
- Implement reduced parking requirements around transit stations.
- Ensure consideration of redevelopment capacity in commercial areas for housing where allowed under zoning.

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## Other Methodology Concerns

- Lack of coordination with other local GMA planning requirements and potentially conflicting timelines with the BLR.
- Accounting for different growth scenarios, including those focused on the “green economy”, considerations for tree canopy, or other environmental factors.
- Assumptions for household size should account for a variety of housing types and affordability characteristics, including co-housing for seniors, which could increase household size in single family houses in the future.
- Changes in observed densities halfway through evaluation period due to development regulation changes can skew results. For example, lot size averaging compensates for greater critical areas protection/stormwater detention.
- Capacity methodology does not address whether a location is a good location to build, for example, high pollution areas not healthy for living.
- Accounting for zoning/regulation/market changes that do not show up in the last five years, for example light rail opening.
- Avoiding aspirational growth targets in urban areas.
- Many urban areas not are not adding sufficient housing capacity, specifically, Brier, Woodway, and Edmonds.
- Address political reluctance to add development capacity by expanding UGAs.