

Snohomish County 2021 Buildable Lands Report Methodology

SCT PAC Meeting

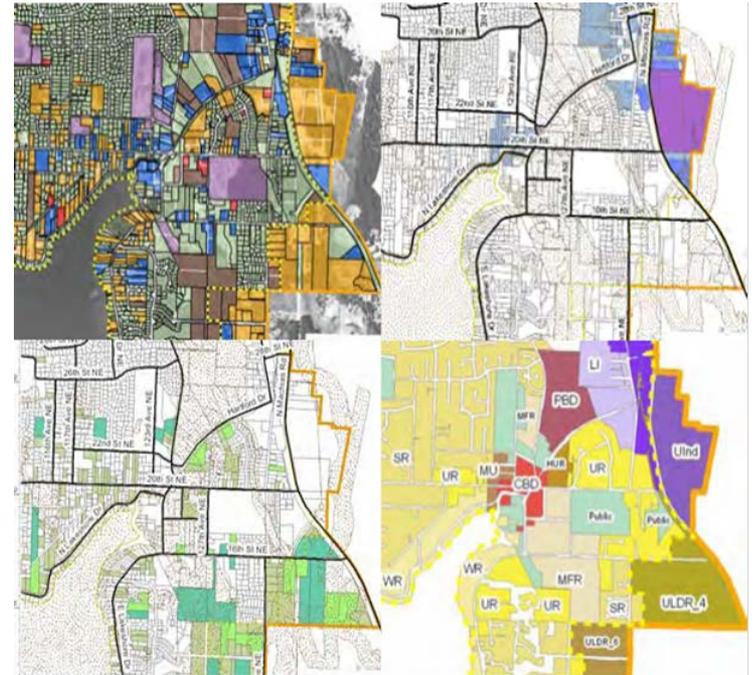
April 9, 2020

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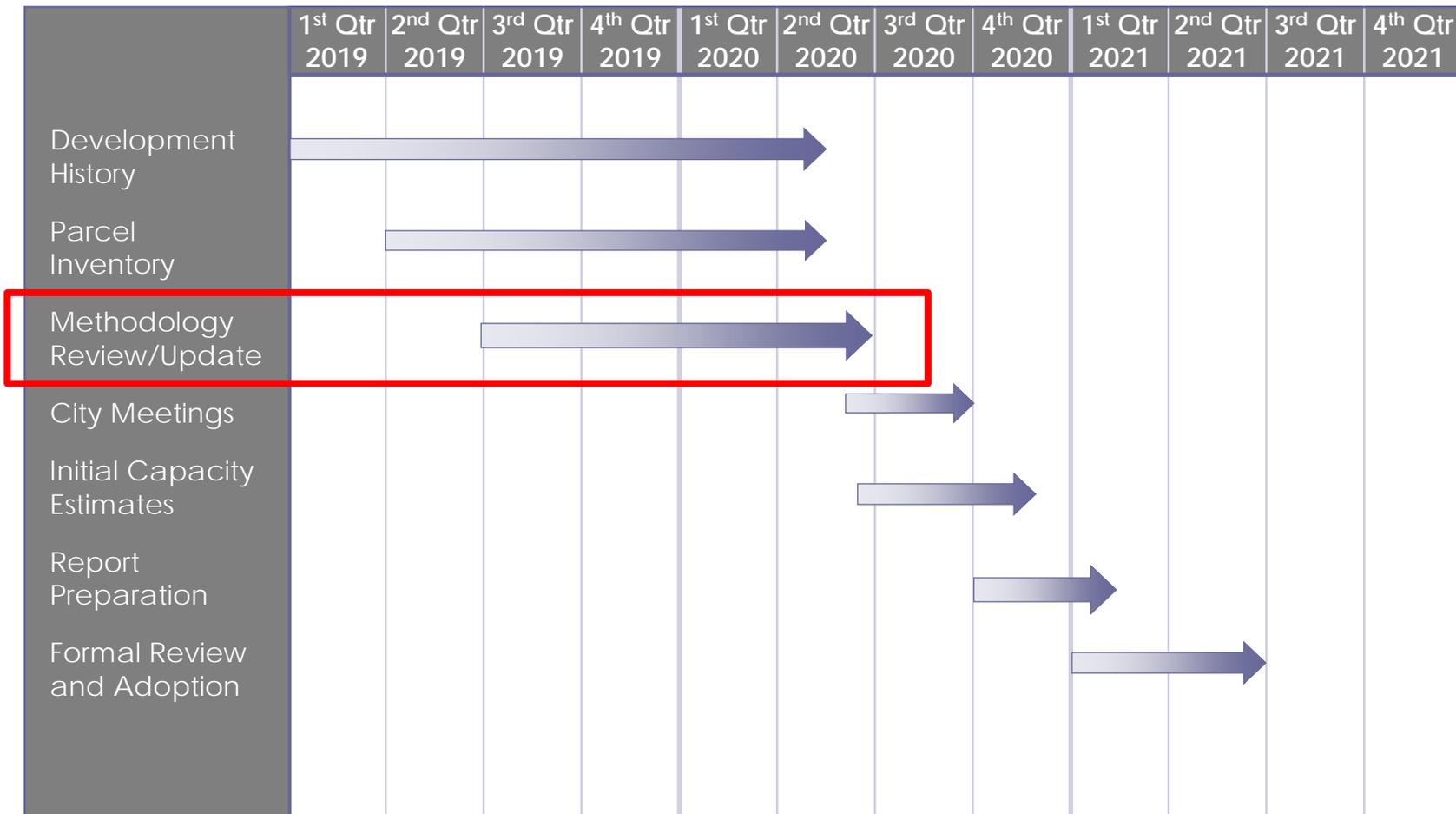
Buildable Lands - Methodology Review and Update

Purpose of Today's Discussion

- 2021 BLR is due 6/30/2021
- Requirement to review and update BLR methodology
- Procured consultant assistance
- PAC Subcommittee on 2/11/2020 recommended revisions to BLR methodology



Where Does Current Effort Fit Into 2021 Buildable Lands Report Schedule?



What is the Buildable Lands Report?

- GMA-required periodic evaluation of:
 - Urban densities achieved
 - Adequacy of remaining urban capacity for accommodating urban growth, based on observed densities
 - If needed, reasonable measures, other than expanding UGAs, to remedy inconsistencies
- Countywide Planning Policies address city/county coordination on BLR through Snohomish County Tomorrow (SCT) process
 - SCT Procedures Report (2000)
 - SCT Reasonable Measures Program (2003)

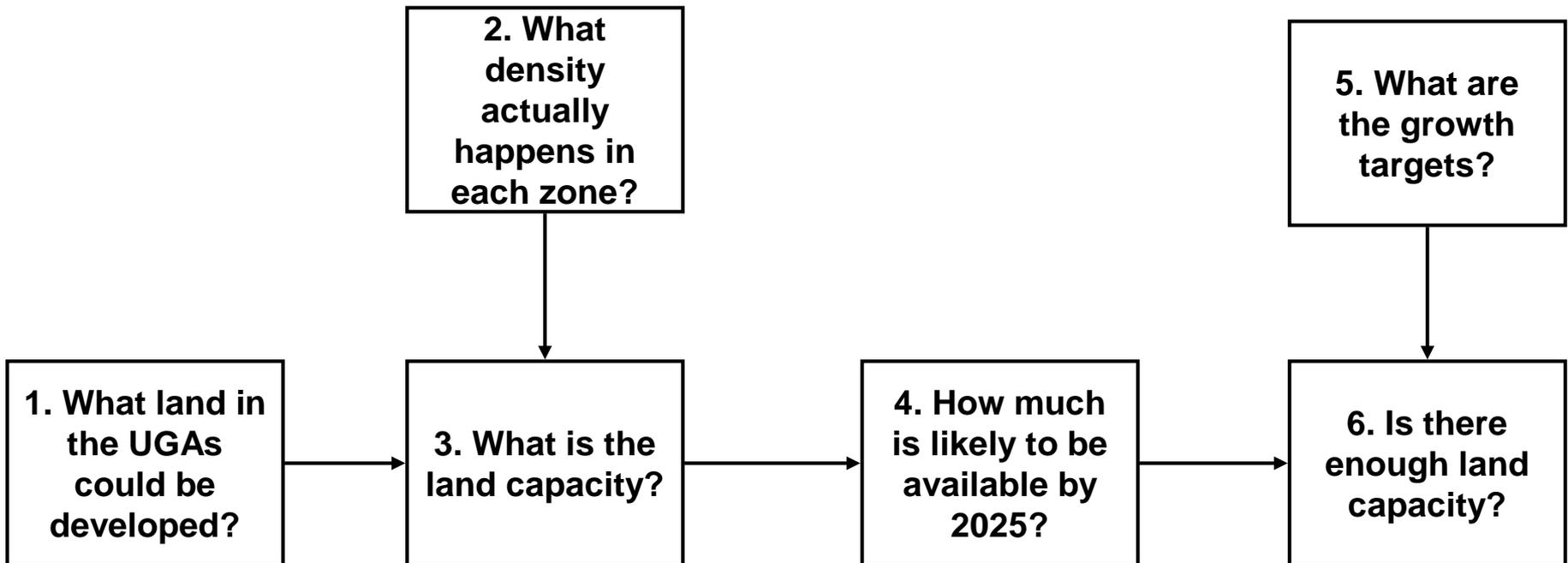


Snohomish
County

2012 BUILDABLE LANDS REPORT



Methodology from 2012 BLR



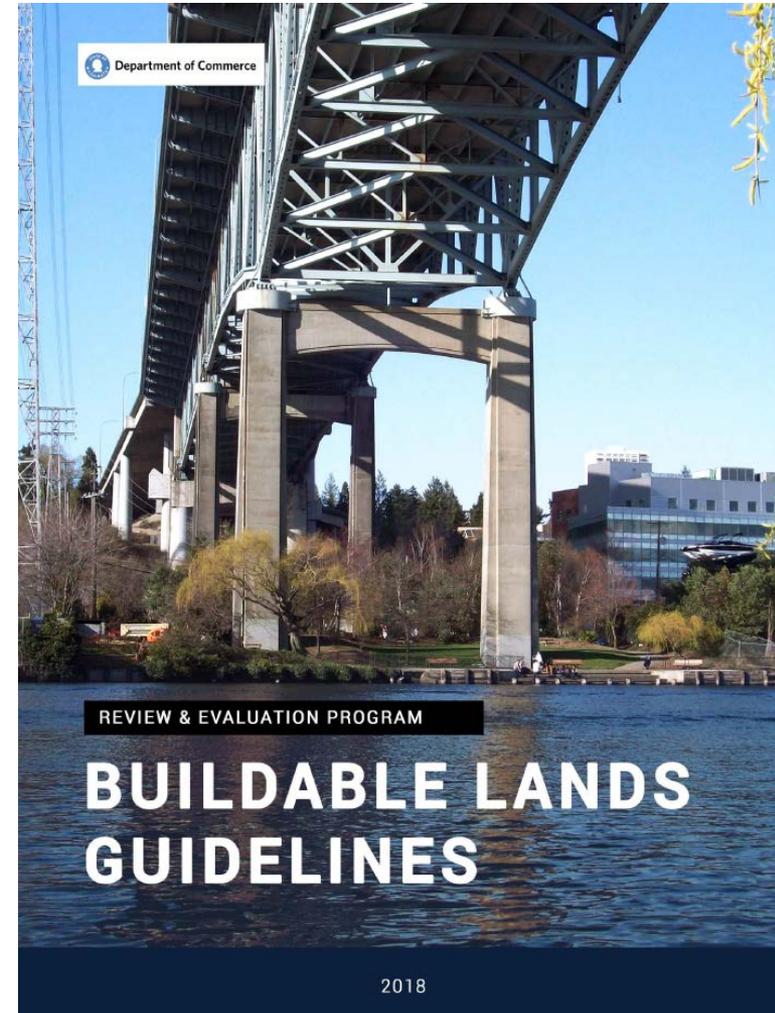
Reasonable Measures:

What if there is not enough land capacity for growth?

- Reasonable measures evaluation required if BLR reveals an urban growth area capacity shortfall
- “Identify reasonable measures, other than adjusting urban growth areas, that will be taken to comply with the requirements of this chapter” (RCW 36.70A.215)
- Countywide Planning Policies, Appendix D provides local guidance
- Applies to cities and county

E2SSB 5254 (2017): *Added new requirements for* *Buildable Lands*

- Expanded reasonable measures definition
- Evaluation of regulations and infrastructure gaps that could limit achievement of targets/densities
- Review/Refine market availability factor
- Emphasis on increasing overall accuracy
- New Commerce Guidelines released in 2018
- Snohomish County work plan called for consultant assistance to address new Guidelines (ESA/ECONorthwest)



Buildable Lands Program Support

Work plan with ECONorthwest

- Address issues and recommend proposed updates to methodology to align with Guidelines
- Discuss analysis and recommendations with PAC subcommittee
 - 4 meetings held between Sept. 2019 and Feb. 2020
- Engage with stakeholders from various organizations
 - 1 stakeholder workshop held in November 2019
 - 1 stakeholder follow-up meeting scheduled in March 2020 (canceled due to COVID-19)

Key Issues Addressed by ECONorthwest

- Review of methods and updated guidance related to:
 - Definitions of land status classifications
 - Market factor assumptions
 - Infrastructure gaps
 - Reasonable measures

Snohomish County's 2012 BLR Accuracy Assessment: Testing Past Predictions with Actual Developments

Validation Study - Sample Project Page

Plat No. 11639 - Woodland Trails



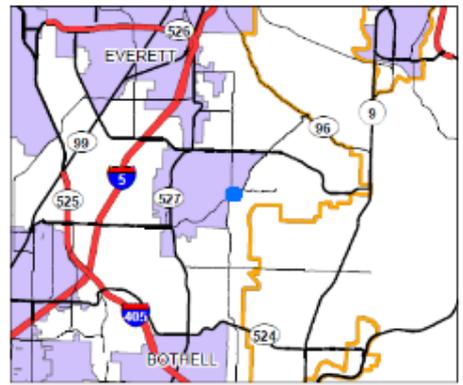
Land Use

- Residential
- Encumbered Lot
- Utility
- Transportation
- Utility over Transportation
- Open Space (non-CAPA)
- Utility in Open Space
- CAPA
- Utility in CAPA

UGA: Southwest County UGA
Jurisdiction: City of Mill Creek
Future Land Use Classification: ULDR
Zoning Designation: LDR
Actual Development Type: Redeveloped
Improvement-to-Land Ratio (2012 BLR): 0.154

	<u>Actual</u>	<u>Predicted</u>	<u>Difference</u>
Unit Count:	28	18	10
Unbuildable Acres:	1.41	1.79	-0.38
Buildable Density:	5.07	3.37	1.7

Vicinity Map



2012 BLR Reference Map



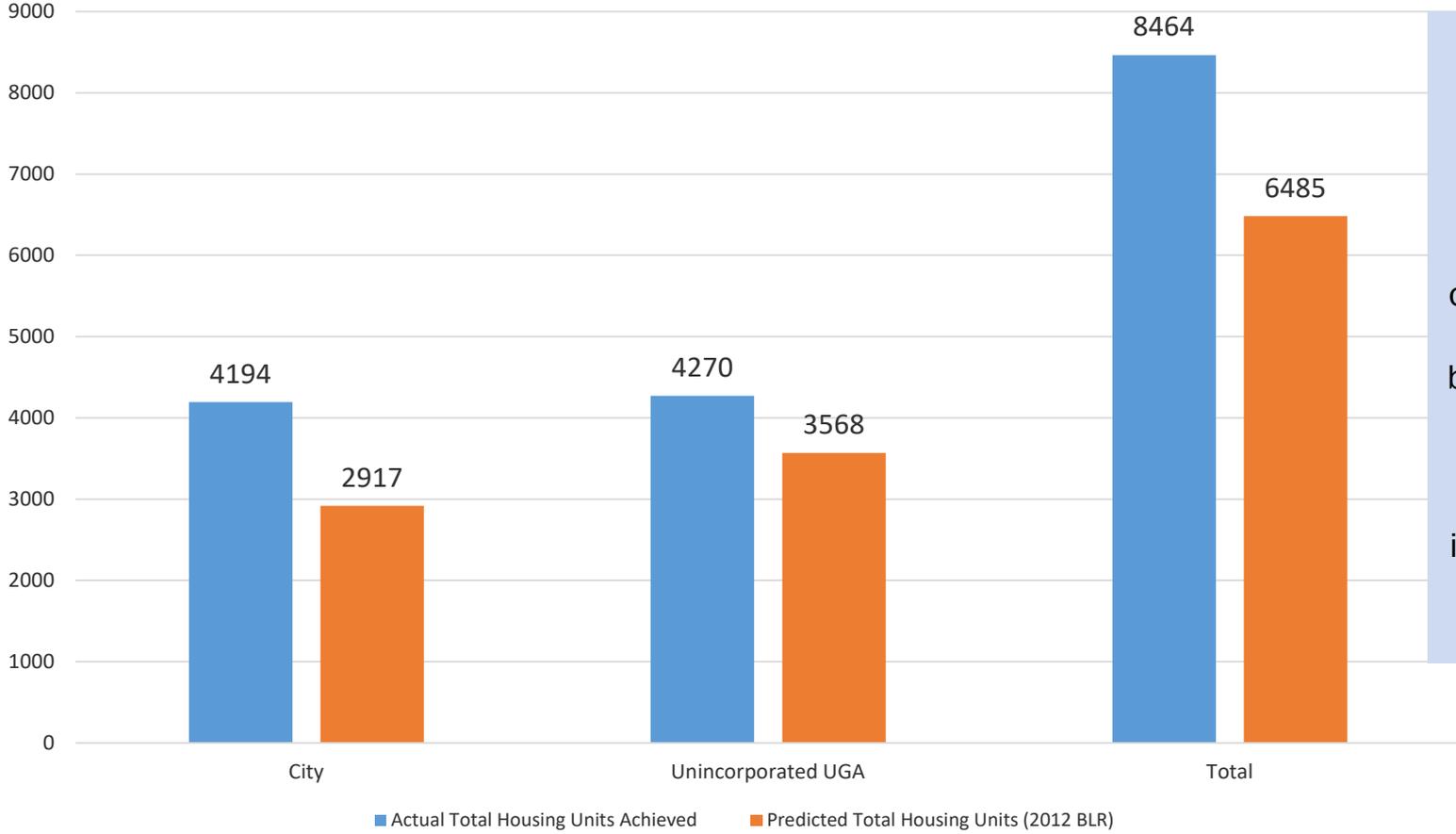
Land Status

- Constant
- Partially-Used
- Pending
- Redevelopable
- Special
- Vacant
- Unbuildable Area

Snohomish County's 2012 BLR Accuracy Assessment

Validation Study Result: Housing Unit Yields by City/Unincorporated UGA

Actual vs Predicted Housing Unit Yields by City/Unincorporated UGA
Snohomish County UGA



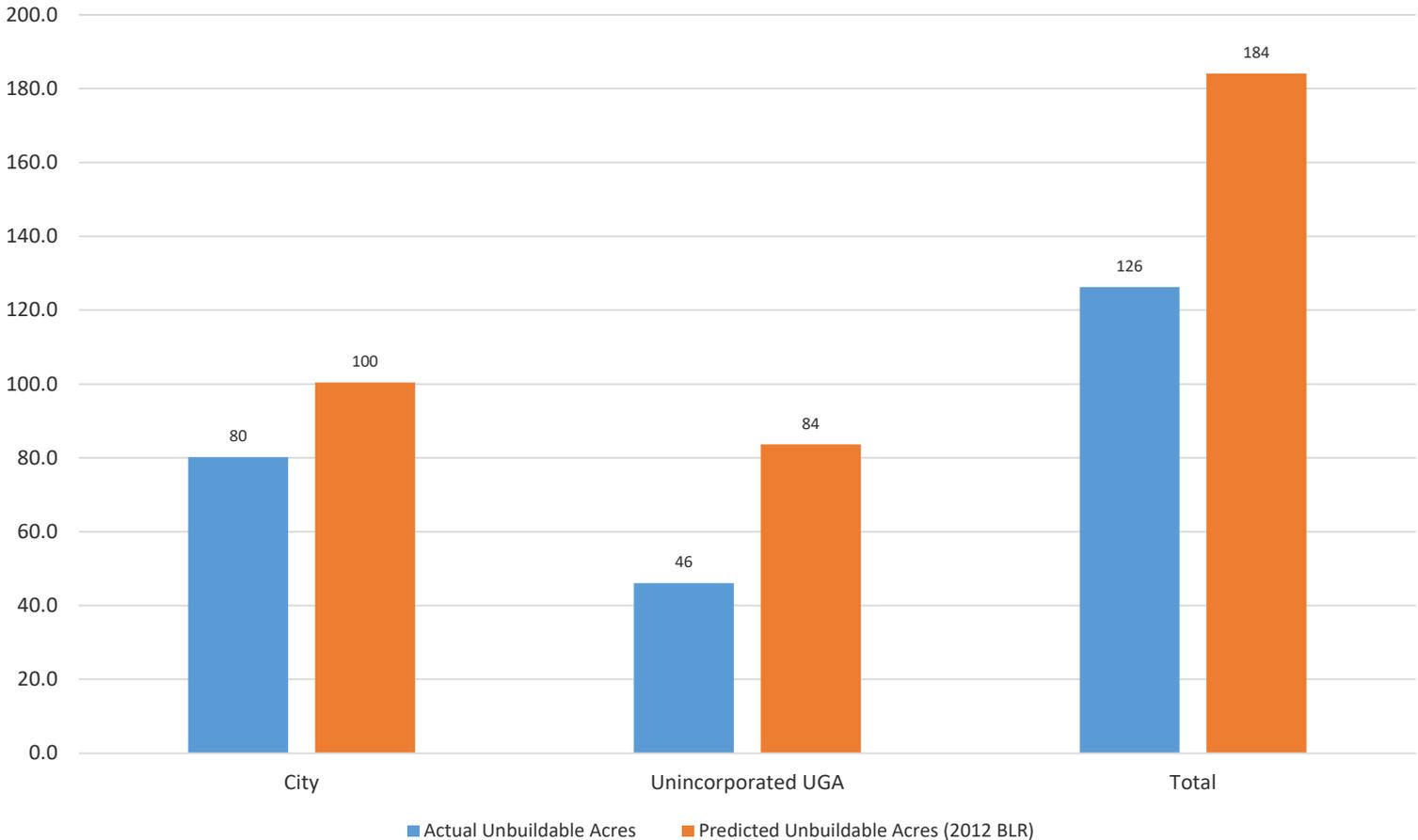
2012 BLR underestimated actual housing units built:

Within the UGA overall, the number of housing units built between 2013 and 2018 exceeded the number predicted in the 2012 BLR by 31%.

Snohomish County's 2012 BLR Accuracy Assessment

Validation Study Result: Unbuildable Acres by City/Unincorporated UGA

Actual vs Predicted Unbuildable Acres by City/Unincorporated UGA
Snohomish County UGA



2012 BLR overestimated actual unbuildable acres:

Within the UGA overall, the total unbuildable area in residential projects was 31% lower than was estimated in the 2012 BLR for the same locations.

Land Status Classifications

What does it mean and why does it matter?



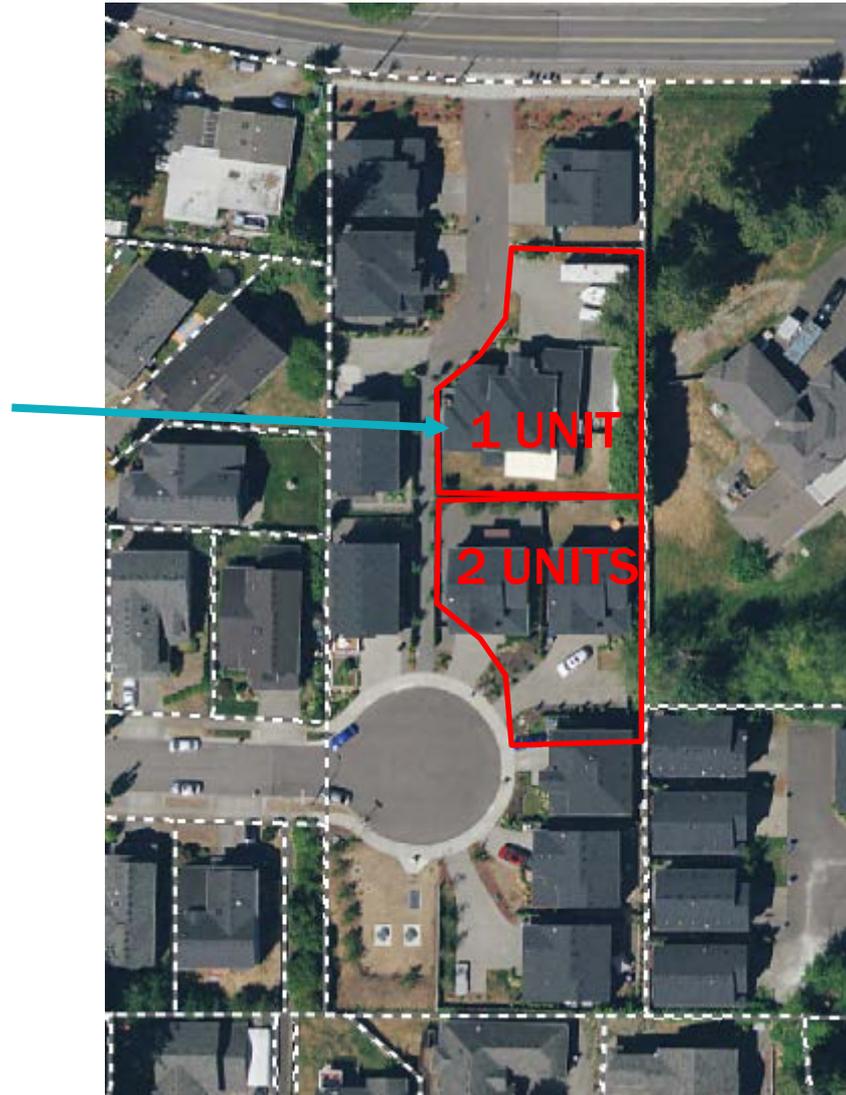
Land Status Categories

- Constant - No change anticipated
- Vacant - No established use
- Redevelopable - Demolish existing use and build new
- Partially-Used - Keep existing use and build around
- Special - Government buildings
- School - All types of schools
- Religious Use - Places of worship
- Pending - Projects proposed or under review

Partially-Used or Redevelopable?

Does it matter?

The model assumes more units can fit onto a redevelopable property compared to a partially-used property on which existing unit is retained



Validating our Land Status Classification

Are we using the best threshold values?

- Findings from County's 2012 Buildable Lands Validation Study showed that for sites that developed:
 - 89% of 'Redevelopable' sites were redeveloped
 - 17% of 'Partially-Used' sites experienced infill
 - 83% of 'Partially-Used' sites were redeveloped
- Overall, parcels tended to redevelop instead of being infilled

Redevelopable or Partially-Used?



Improvement Value: \$120,700

Land Value: \$280,600

Improvement to Land Value Ratio: 0.3

Since the improvement value is over \$100,000 and there is surplus land, this is 'Partially-Used'.

Should it be?

Looks like it redeveloped:

This occurred 83% of the time on sites that developed and were classified as Partially-Used.



Can we be more accurate?

- Could we adjust thresholds to capture properties more accurately?
- Are there other clues we can get from other variables?

Validation Result:

Median Improvement values for projects that developed as anticipated

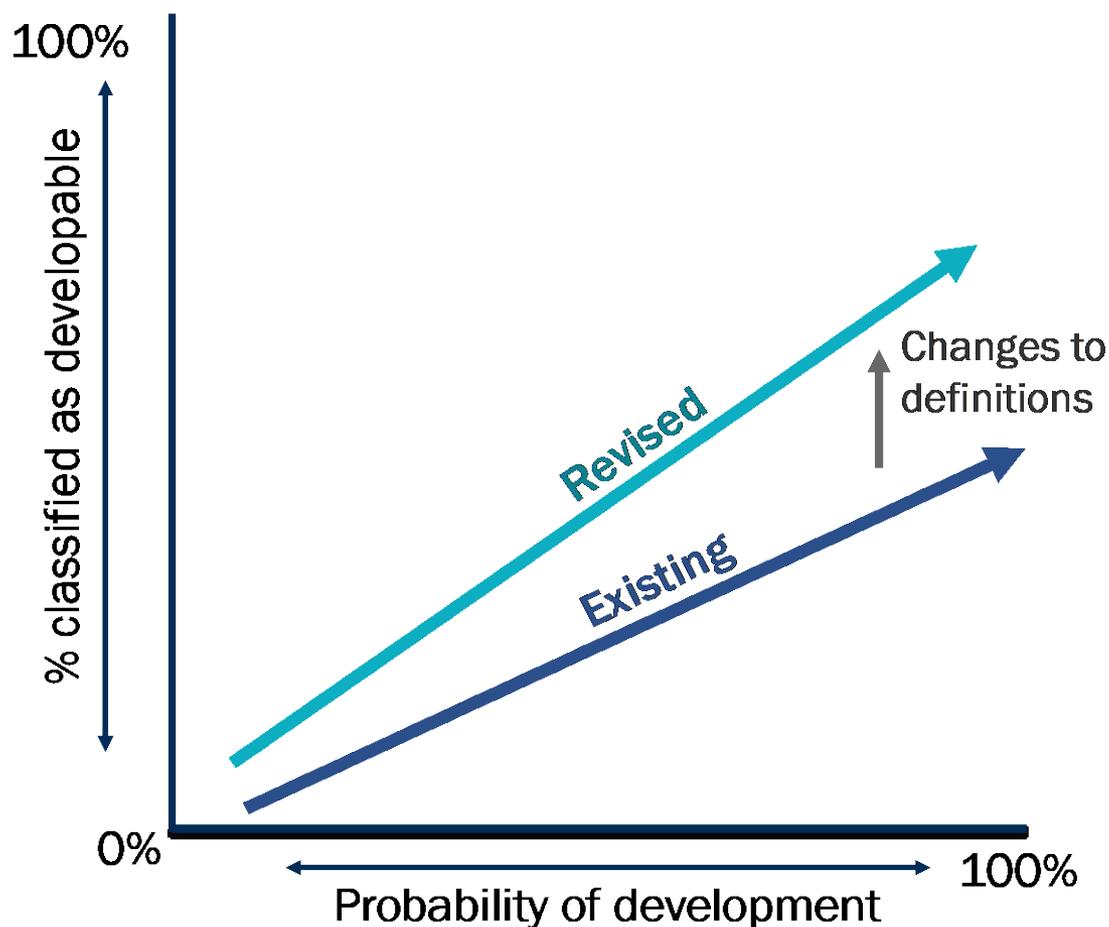
Median Improvement Value	Single Family	Multi-Family
Redevelopable	\$96,500.00	\$49,800.00
Partially-Used	\$135,750.00	\$156,500.00

ECONorthwest: Buildable Lands Methodology Review Findings

Buildable Lands Methodology Review

Review: 2 Objectives of Adjusting Thresholds

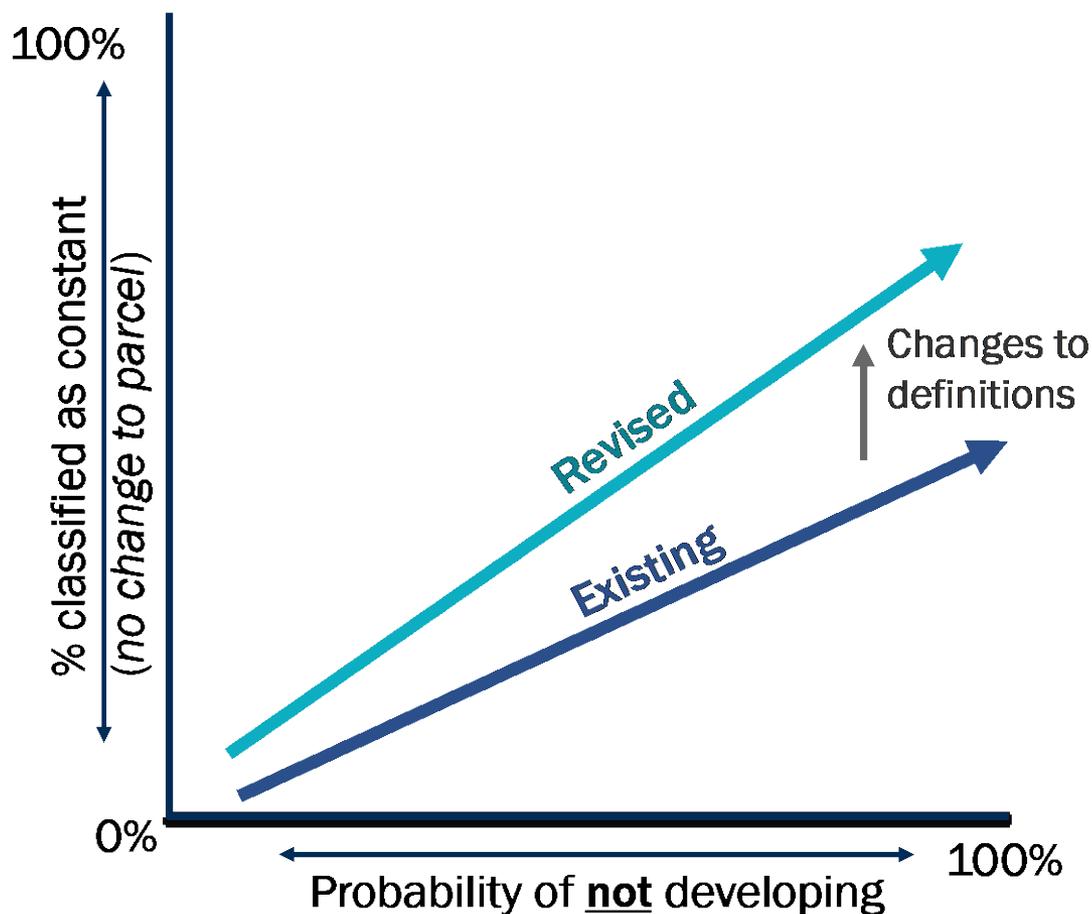
1. Maximize designation of parcels that ultimately develop



Buildable Lands Methodology Review

Review: 2 Objectives of Adjusting Thresholds

2. Maximize designation of parcels that do not develop



Recommended Alternatives for Land Status Classifications

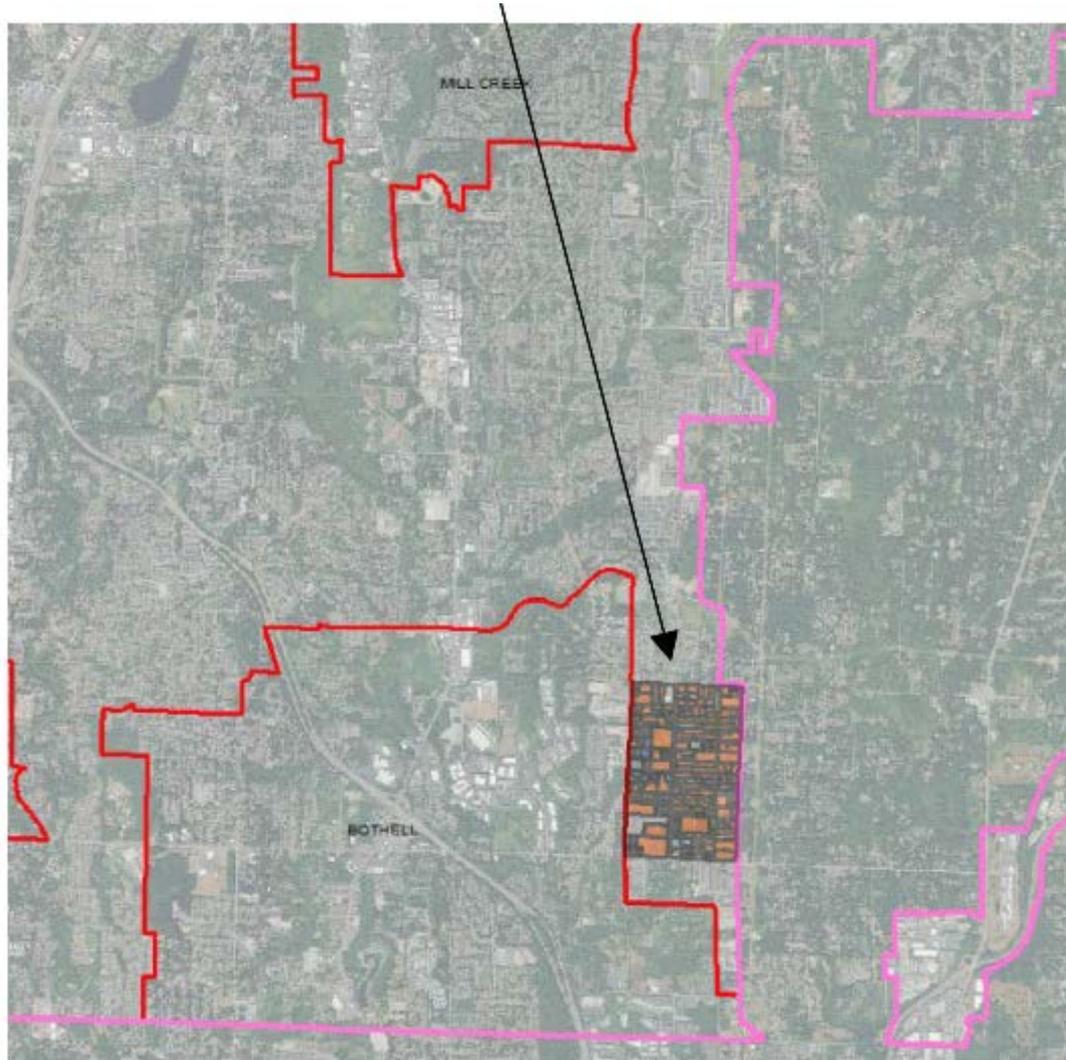
- Where necessary, update thresholds for each development type
- Adjust for inflation
- Collect data on redevelopment
 - Longer-term recommendation; would not be able to be implemented with 2021 BLR

Market Availability Factor

- An adjustment to the estimated capacity to account for parcels that will be held out from development throughout the 20-year GMA plan horizon.
- ECONorthwest worked with County staff to identify sample areas that represent different types of markets or geographies and where development activity had been focused during the past 20 years.
- Using 2002 BLR data, County staff studied properties that remained unchanged since 2001, as indicated by the lack of development or the lack of development proposals as of 2019.

Buildable Lands Methodology Review

Market Study Area #1 (SWUGA)

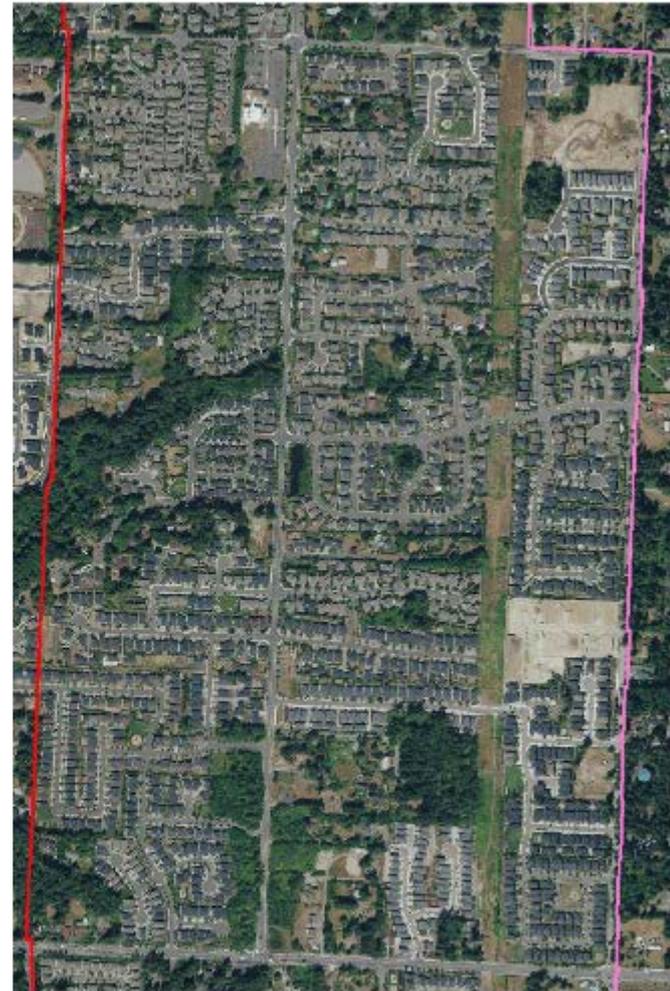


Buildable Lands Methodology Review

Market Study Area #1 (SWUGA)



2002 Aerial Photo

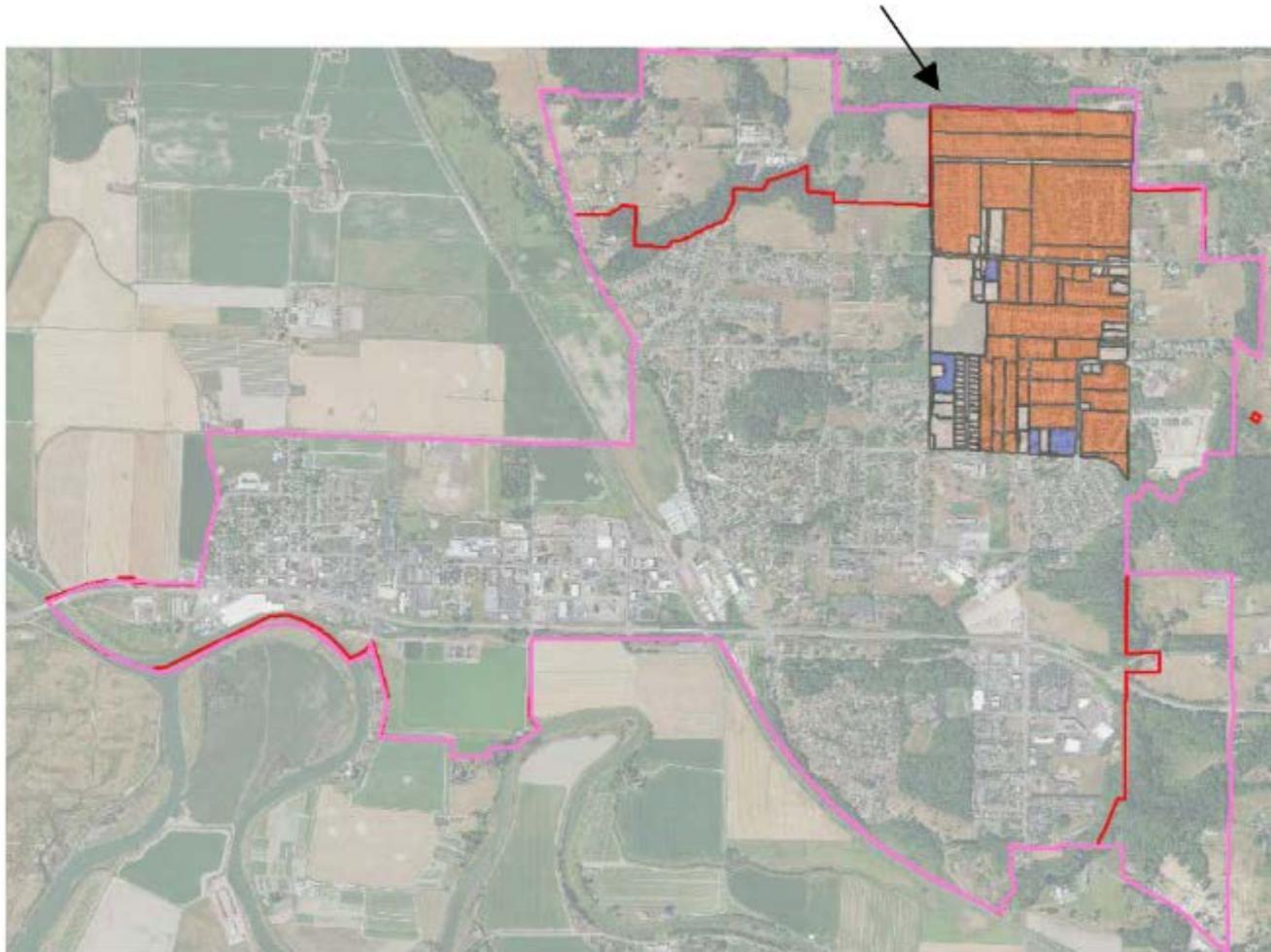


2018 Aerial Photo

Buildable Lands Methodology Review

Market Study Area #2

(Stanwood UGA, Cedarhome Area)

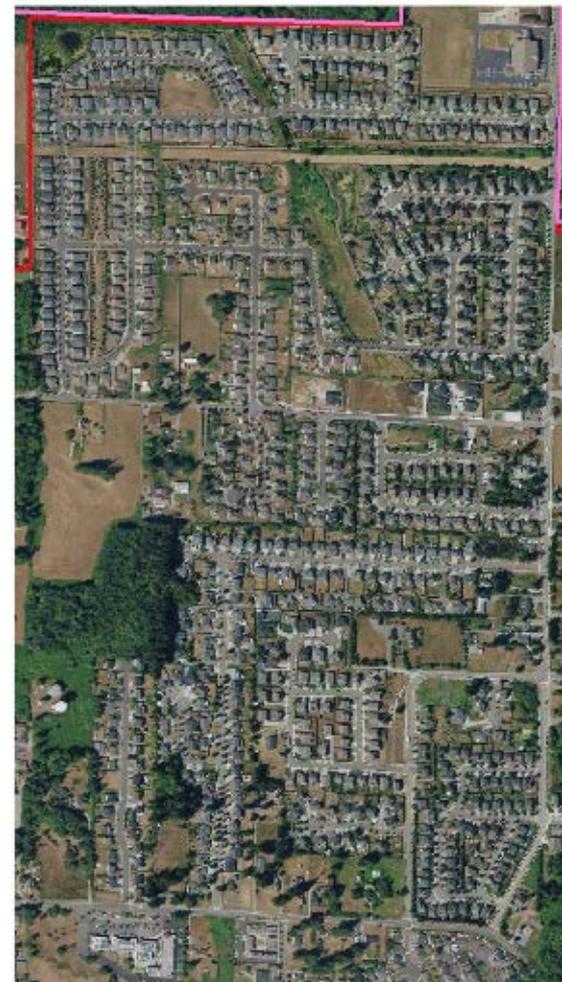


Buildable Lands Methodology Review

Market Study Area #2 (Stanwood UGA, Cedarhome Area)



2003 Aerial Photo



2018 Aerial Photo

Recommended Alternatives for Market Factor

- Assign different market factors for SWUGA and non-SWUGA single family development

Existing Market Factor Assumption	Observed Market Factor 2002- 2018		
		Bothell MUGA (SWUGA)	Stanwood/ Cedarhome (non-SWUGA)
Vacant	15%	6%	12%
Under-utilized	30%	10%	16%

- Monitor different market factor for other development types (Multi-Family, etc.)
- Currently not enough information over long-term to evaluate capacity utilization rates for other development types

Infrastructure Gaps Recommendation

- Update methodology to reflect procedural steps to address infrastructure gaps:

1. Identify potential infrastructure gap

- Draft map review with local jurisdictions
- Results of BLR show unmet capacity or growth target

2. Assess factors

- Length of lack of urban development
- Information in recent comprehensive plan or facilities plans
- Likelihood of development within the planning period

3. Provide rationale

- Infrastructure gap will (*or will not*) be addressed in planning period
- Infrastructure gap is not the factor affecting capacity or growth patterns (e.g., market or other factor)
- Sufficient evidence for reduced capacity or application of reasonable measure to address the infrastructure gap

Reasonable Measures Recommendation

- Update reasonable measures matrix with additional measures and metrics
 - Modify existing matrix to identify scale of impact of each measure and categorize measures by issue.
 - Suggest additional measures

Buildable Lands Methodology Review

Summary of Methodology Review and Recommendation

2012 BLR accuracy assessment results showed:

- Underestimation of actual housing units built
 - Overestimation of unbuildable acres
 - Classification of redevelopable sites was reasonably accurate
 - More partially-used sites, however, actually redeveloped instead of infilled
 - Actual SF market availability reduction factor was less than current methodology
-
- Overall, BLR methodology generally works well at predicting land status classification, with refinements recommended for partially-used definition
 - Focused revisions to the methodology are recommended to address above capacity underestimation results

Discussion of Recommendations

- Do you agree with the recommended alternatives?
- What are your concerns (if any) with implementing these alternatives?
- Other remaining questions or concerns?

Next Steps

Schedule for remainder of project

SCT Review and Approval Tentative Schedule – 2021 BLR Methodology Updates (as of March 31, 2020)

Month	PAC Subcommittee	PAC	Executive Committee	Steering Committee
Feb 2020	Feb 11 - recommendation	Feb 13 - status report		
March 2020	Meetings canceled due to COVID-19			
April 2020		April 9 - discussion		
May 2020		May 14 - action	May 6 - briefing	May 27 - discussion
June 2020				June 17 - action



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