BERK

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MEMORANDUM

DATE: April 28, 2015

TO: Dave Kuhl, Development Services Director

FROM: Lisa Grueter, Manager, BERK Consulting

RE: City Council Questions Regarding Growth Targets

Introduction

This memo provides responses to City Council April 14, 2015 questions regarding growth targets.

How many dwellings does the City contain currently?

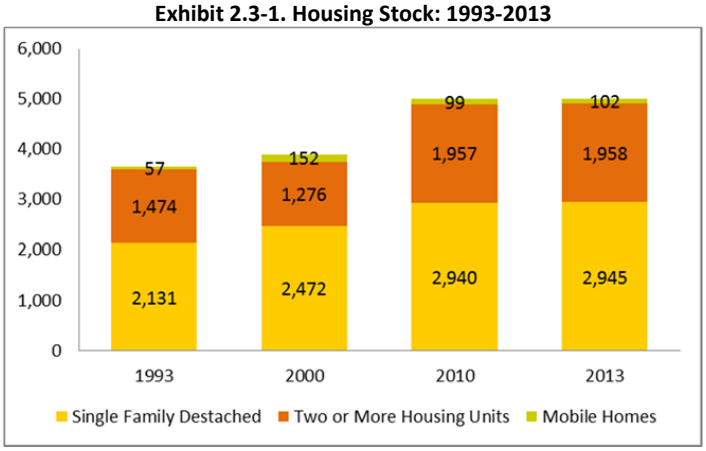
The City contains about 5,000 dwelling units:

2010: 4,996 *2013: 5,005* *2014: 5,006*

The Existing Conditions Report dated November 2014 describes the City's existing number and type of dwellings:

> *Most of the City's land is zoned and used for single family residential uses, and the City's housing stock is predominantly single family. However, the share of multifamily dwellings is increasing. See Exhibit 2.3-1. Most of the City's housing stock was developed between 1980 and 1999 (60%). About 22% was developed in 1979 or earlier, and about 18% has been developed since the year 2000. (ARCH 2013)*

Exhibit 2.3-1. Housing Stock: 1993-2013



Source: State of Washington Office of Financial Management; BERK 2013

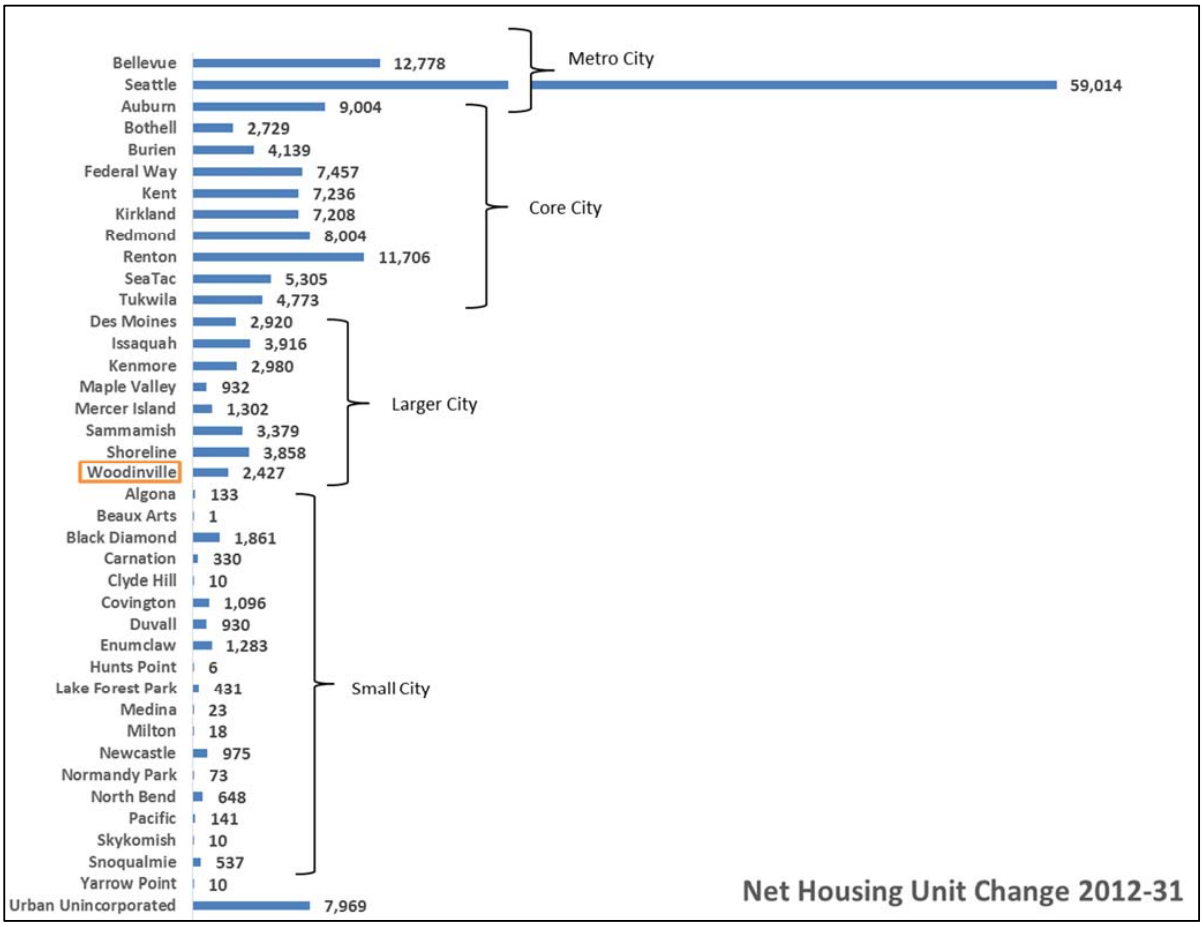
How does the City's growth target relate to other community growth targets?

The City's original growth target for the year 2006-2031 was 3,000 dwelling units. See Attachment A. Out of a group of eight communities, four had greater targets, one had the same target as Woodinville, and two had lower targets. All "larger city" targets are less than the targets for core cities and metro cities except for Bothell which only shows the King County portion of their target.

After removing building permits completed between 2006 and 2012 (but not development agreements like in the Tourist Business District) King County reports a remaining target of 2,427 dwellings for the period 2012-2031. The remaining housing targets for all King County jurisdictions is shown below. Within the larger city category, the cities of Des Moines, Issaquah, Kenmore, Sammamish, and Shoreline have greater targets remaining than Woodinville.

As a share of base housing, however, the City's growth target is a significant addition. Kenmore likewise has a significant addition among other larger cities. Core cities also have taken on higher shares as well as a few small cities. See Attachment B.

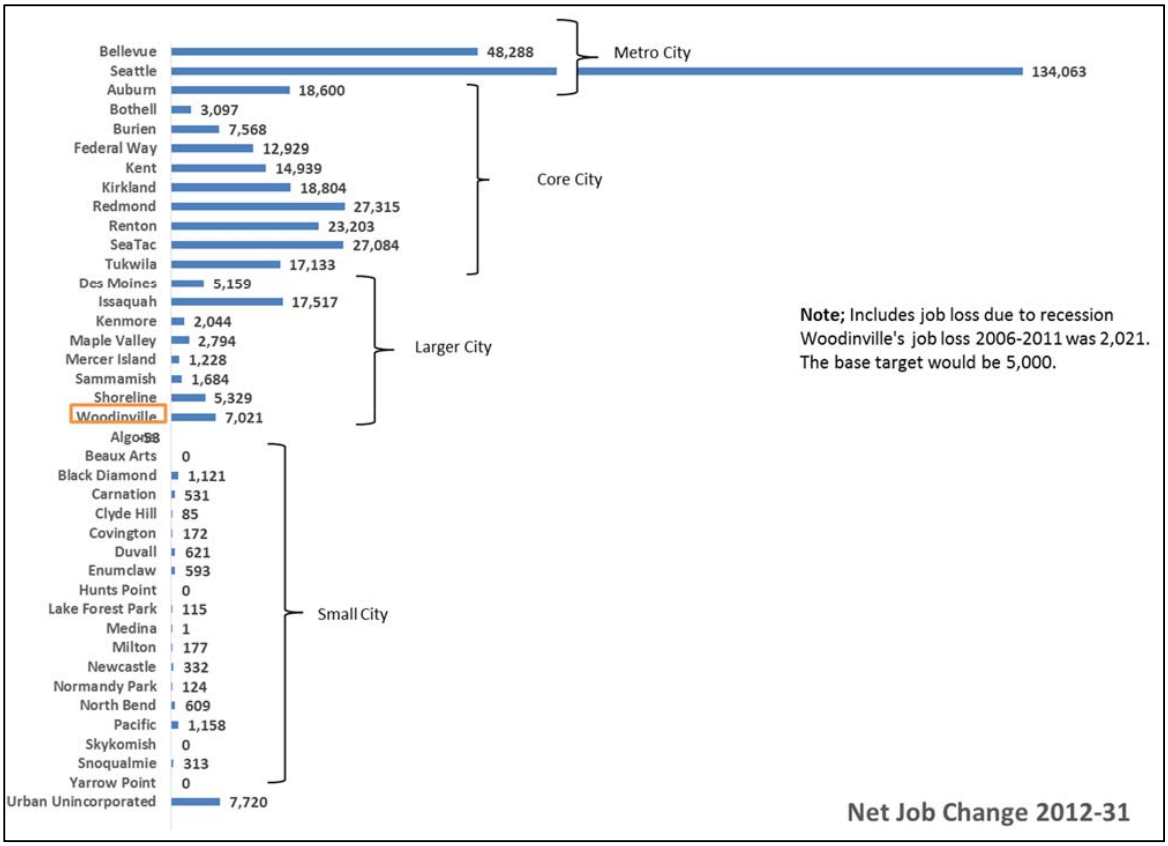
Exhibit 1. 2012-2031 Remaining Housing Growth Targets by Countywide Planning Policy Categories



Source: King County Buildable Lands Report July 2014

The City's employment allocations are among the higher of the larger cities but reflect the City's role as a retail center for northeast King County and as a manufacturing center including wineries and distilleries. (See the November 2014 Existing Conditions Report for market study findings.) The City's job target of 5,000 between 2006 and 2031 was the same as for Shoreline and Des Moines. Since the City of Woodinville lost more jobs during the recession than those communities, it has a greater remaining target than Shoreline and Des Moines. However, lost jobs would presumably occupy existing space where they once resided rather than require new capacity. Therefore the City's target for which it needs to demonstrate capacity is 5,000 (plus we may subtract jobs fitting into new construction based on permits between 2006 and 2012). Woodinville and most other communities have a significant allocation of jobs compared to their base jobs as seen in Attachment B.

Exhibit 2. 2012-2031 Remaining Job Growth Targets by Countywide Planning Policy Categories



Is the City required to meet a 20-year growth allocation?

The Growth Management Act requires that the City plan for 20 years of growth – 2015-2035 – by the deadline of June 30, 2015:

> *RCW 36.70A.110(2) Based upon the growth management population projection made for the county by the office of financial management, the county and each city within the county shall include areas and densities sufficient to permit the urban growth that is projected to occur in the county or city for the succeeding twenty-year period…*

> *RCW 36.70A.130 (1)(a) Each comprehensive land use plan and development regulations shall be subject to continuing review and evaluation by the county or city that adopted them. Except as otherwise provided, a county or city shall take legislative action to review and, if needed, revise its comprehensive land use plan and development regulations to ensure the plan and regulations comply with the requirements of this chapter according to the deadlines in subsections (4) and (5) of this section.*
>
> *RCW 36.70A.130 (1) (c) The review and evaluation required by this subsection shall include, but is not limited to, consideration of critical area ordinances and, if planning under RCW 36.70A.040, an analysis of the population allocated to a city or county from the most recent ten-year population forecast by the office of financial management.*
>
> *RCW 36.70A.130 (5) … counties and cities shall take action to review and, if needed, revise their comprehensive plans and development regulations to ensure the plan and regulations comply with the requirements of this chapter as follows: (a) On or before June 30, 2015, and every eight years thereafter, for King, Pierce, and Snohomish counties and the cities within those counties;*

While King County declined to formally extend the 2031 growth targets an Interjurisdictional Team (IJT) that makes recommendations to the King County Growth Management Planning Council developed a recommended method to extend targets by four years from 2031 to 2035 – a straight-line method. See Attachment C.

BERK Consulting prepared an analysis of the straight-line method plus other methods to extend the housing and employment targets in an appendix to the November 2014 Existing Conditions Report (Appendix A) and the Draft EIS (Appendix B). Se Attachment D for the memo included in these other reports. We recommend use of the straight-line method of growth target extension as it is the primary method used by other King County jurisdictions.

> *The City must plan for 20 years of growth to the year 2035. The City has several methods to consider. The method that is most likely to be used by other local governments for its simplicity and progress towards local plans is the "straight-line" method. That method produces a small deficit of housing (-67 dwelling units) and ~~deficit~~ small surplus of job capacity ~~(-~~(+237) at the year 2035 with the FAR capacity method. Other methods relating to Woodinville specific trends or countywide trends "bracket" the straight line approach with some results higher or lower. [Includes edits to original text to correct spelling and text errors.]*

Attachment A

Table DP-1: King County Jurisdiction Growth Targets 2006-2031

		Net New Units 2006-2031		Net New Jobs 2006-2031	
		Housing Target	Potential Annexation Area Housing Target	Employment Target	Potential Annexation Area Emp Target
Metropolitan Cities					
	Bellevue	17,000	290	53,000	
	Seattle	86,000		146,700	
Metropolitan Cities Subtotal		**103,000**		**199,700**	
Core Cities	Auburn	9,620		19,350	
	Bothell	3,000	810	4,800	200
	Burien	4,440		4,960	
	Federal Way	8,100	2,390	12,300	290
	Kent	9,270	90	13,280	210
	Kirkland	8,570		20,850	
	Redmond	10,200	640	23,000	
	Renton	14,835	3,895	29,000	470
	SeaTac	5,800		25,300	
	Tukwila	4,800	50	15,500	2,050
Core Cities Subtotal		**78,638**		**168,340**	
Larger Cities	Des Moines	3,000		5,000	
	Issaquah	5,750	290	20,000	
	Kenmore	3,500		3,000	
	Maple Valley	1,800	1,060	2,000	
	Mercer Island	2,000		1,000	
	Sammamish	4,000	350	1,800	
	Shoreline	5,000		5,000	
	Woodinville	3,000		5,000	
Larger Cities Subtotal		**28,050**		**42,800**	
Small Cities	Algona	190		210	
	Beaux Arts	3		3	
	Black Diamond	1,900		1,050	
	Carnation	330		370	
	Clyde Hill	10		0	
	Covington	1,470		1,320	
	Duvall	1,140		840	
	Enumclaw	1,425		735	
	Hunts Point	1		0	
	Lake Forest Park	475		210	
	Medina	19		0	
	Milton	50	90	160	
	Newcastle	1,200		735	
	Normandy Park	120		65	
	North Bend	665		1,050	
	Pacific	285	135	370	
	Skykomish	10		0	
	Snoqualmie	1,615		1,050	
	Yarrow Point	14		0	
Small Cities Subtotal		**10,922**		**8,168**	
Urban Unincorp	Potential Annexation Areas	10,090		3,220	
	North Highline	820		2,170	
	Bear Creek UPD	910		3,580	
	Unclaimed Urban Uninc.	650		90	
Urban Incorporated Subtotal		**12,470**		**9,060**	
Urban Growth Area Total		**233,077**		**428,068**	

Attachment B

Housing Targets and Percentage of Base Units

Reg. Geog.	Juris	2011 Housing Units	Net Housing Target 2012-31	Added Growth 2031-2035	Target and Added Growth as Percentage of 2011 Units
Metro	Bellevue	56,095	12,778	2,720	28%
Metro	Seattle	310,735	59,014	13,760	23%
Core	Auburn (in King County)	24,801	9,004	1,539	43%
Core	Bothell (in King County)	7,595	2,729	480	42%
Core	Burien	19,862	4,139	624	24%
Core	Federal Way	35,468	7,457	1,296	25%
Core	Kent	45,644	7,236	1,248	19%
Core	Kirkland	24,474	7,208	1,152	34%
Core	Redmond	24,671	8,004	1,632	39%
Core	Renton	40,006	11,706	2,374	35%
Core	SeaTac	10,404	5,305	928	60%
Core	Tukwila	7,726	4,773	768	72%
Larger	Des Moines	12,590	2,920	480	27%
Larger	Issaquah	14,018	3,916	920	34%
Larger	Kenmore	8,689	2,980	560	41%
Larger	Maple Valley	8,105	932	288	15%
Larger	Mercer Island	9,933	1,302	320	16%
Larger	Sammamish	16,148	3,379	640	25%
Larger	Shoreline	22,920	3,858	800	20%
Larger	**Woodinville**	**4,997**	**2,427**	**480**	**58%**
Small	Algona	1,037	133	30	16%
Small	Beaux Arts	118	1	-	1%
Small	Black Diamond	1,689	1,861	304	128%
Small	Carnation	662	330	53	58%
Small	Clyde Hill	1,099	10	2	1%
Small	Covington	6,107	1,096	235	22%
Small	Duvall	2,324	930	182	48%
Small	Enumclaw	4,788	1,283	228	32%
Small	Hunts Point	178	6	-	3%
Small	Lake Forest Park	5,272	431	76	10%
Small	Medina	1,163	23	3	2%
Small	Milton (in King County)	359	18	8	7%
Small	Newcastle	4,246	975	192	27%
Small	Normandy Park	2,842	73	19	3%
Small	North Bend	2,390	648	106	32%
Small	Pacific (in King County)	2,377	141	46	8%
Small	Skykomish	166	10	2	7%
Small	Snoqualmie	3,876	537	258	21%
Small	Yarrow Point	410	10	2	3%
UU	Urban Unincorporated	Unavailable	7,969	2,536	Unavailable

Shaded Communities with Targets at 35% or more of Base

Job Targets and Percentage of Base Units

Reg. Geog.	Jurisdiction	2011 Jobs (Covered Emp by ESD)	Net Job Target 2012-31	Added Growth 2031-2035	Target and Added Growth as Percentage of 2011 Jobs
Metro	Bellevue	122,635	48,288	8,480	46%
Metro	Seattle	473,921	134,063	23,472	33%
Core	Auburn (in King County)	37,400	18,600	3,096	58%
Core	Bothell (in King County)	12,590	3,097	768	31%
Core	Burien	11,572	7,568	736	72%
Core	Federal Way	28,811	12,929	1,968	52%
Core	Kent	61,858	14,939	2,112	28%
Core	Kirkland	31,745	18,804	3,232	69%
Core	Redmond	78,893	27,315	3,680	39%
Core	Renton	54,997	23,203	4,640	51%
Core	SeaTac	24,828	27,084	4,048	125%
Core	Tukwila	42,759	17,133	2,480	46%
Larger	Des Moines	5,703	5,159	800	104%
Larger	Issaquah	19,912	17,517	3,200	104%
Larger	Kenmore	3,637	3,897	480	120%
Larger	Maple Valley	3,192	2,044	320	74%
Larger	Mercer Island	6,344	1,228	160	22%
Larger	Sammamish	4,589	1,684	288	43%
Larger	Shoreline	16,039	5,329	800	38%
Larger	**Woodinville**	11,387	**7,021**	**800**	**69%**
Small	Algona	1,972	-53	34	-1%
Small	Beaux Arts	15	0	1	7%
Small	Black Diamond	436	1,121	168	296%
Small	Carnation	487	531	59	121%
Small	Clyde Hill	644	85	0	13%
Small	Covington	4,677	172	211	8%
Small	Duvall	1,195	621	134	63%
Small	Enumclaw	4,485	593	118	16%
Small	Hunts Point	31	0	0	0%
Small	Lake Forest Park	1,626	115	34	9%
Small	Medina	303	1	0	0%
Small	Milton (in King County)	8	177	26	2538%
Small	Newcastle	1,992	332	118	23%
Small	Normandy Park	634	124	10	21%
Small	North Bend	2,939	609	168	26%
Small	Pacific (in King County)	772	1,158	59	158%
Small	Skykomish	67	0	0	0%
Small	Snoqualmie	3,017	313	168	16%
Small	Yarrow Point	74	0	0	0%
UU	Urban Unincorporated	Unavailable	7,720	1,624	Unavailable

Shaded Communities with Targets at 35% or more of Base

Attachment C

RE Growth Target Horizon Year

From: Felt, Chandler <Chandler.Felt@kingcounty.gov>
Sent: Wednesday, March 20, 2013 6:16 PM
To: Lisa Grueter
Cc: Wolf, Karen
Subject: RE: Growth Target Horizon Year

Lisa – thanks for following up with a phone call on this. The gap between 2031 and 2035 is one of my current big issues, and it's not resolved yet. Here's a quick summary so far:

The new Growth Targets were recently adopted and ratified. They cover the 25-year period between 2006 and 2031.

We're beginning to work on the 2014 Buildable Lands Report, which will cover the same period, to 2031.

Many cities expect to adopt a new Comp Plan in 2015, with a 20-year horizon to 2035.

Cities are responsible for dealing with the gap within their own jurisdiction.

The county's GMA staff group will come up with guidance for jurisdictions planning to 2035, probably including two options:

Extrapolate at 2031-targeted growth rate to add a little growth by 2035, or

Adjust the growth rate to bend the trend toward Vision2040 shares of population and jobs.

I hope that helps. I'll try to keep you posted as we work on the issue. Thanks!

- Chandler Felt, Demographer
- King County Performance, Strategy and Budget
- (206) 263 - 9693

From: Lisa Grueter [mailto:Lisa@berkconsulting.com]
Sent: Thursday, March 14, 2013 8:36 AM
To: Felt, Chandler
Subject: Growth Target Horizon Year

Hi Chandler,

We're doing some work for Covington and Woodinville. With the 2015 Comp Plan Update deadline do

RE Growth Target Horizon Year
you anticipate the 2031 Growth Targets will in fact be considered 2035 Growth Targets? We need to select a horizon year for modeling and wanted to get your input.

If you'd like to discuss, I'm available by cell phone at 206-445-2452. Thank you,

Lisa Grueter
206.493.2367 | DIRECT
www.berkconsulting.com

STRATEGY | ANALYSIS | COMMUNICATIONS
Helping Communities and Organizations Create Their Best Futures

DRAFT Technical Memo on Growth Targets June 13, 2013

This technical memo by the Interjurisdictional Team (IJT) provides guidance to King County jurisdictions working toward the 2015 comprehensive plan update required by the Growth Management Act. The memo addresses a key question that has been raised about including the adopted growth targets in comprehensive plan updates:

- Extending the time horizon beyond the 2031 adopted targets horizon year

Updating the base year from 2006 to 2012 was addressed in a separate memo released in April 2013.

BACKGROUND

The Growth Management Act requires cities to plan for sufficient areas and densities for growth anticipated to occur in a twenty year period. To meet this state requirement, as cities update their comprehensive plans by the required 2015 deadline it is anticipated that many cities will extend their planning horizon to 2035. The Growth Management Planning Council sets household and employment growth targets for cities in King County in the Countywide Planning Policies. The current targets established by the GMPC are for the period 2006-2031. This memo considers how cities may incorporate the 2031 targets into their comprehensive plans and extend the target values to a 2035 planning horizon.

Straight Line Extension

Cities may choose to extend their 2031 targets by adding the annual increment of the 2006-2031 target period to extend the target to 2035. In other words, a "straight line" extension of the targets.

Steps for Adjusting Targets by Extrapolating Incremental Annual Growth

1. Divide adopted 2006-2031 target by 25 to show annual increment of growth
2. Multiply increment by four to calculate additional growth between 2031 and 2035
3. Add additional growth to original target to show new 2006-2035 target
4. Calculate housing unit and job growth from 2006 to 2012
5. Subtract 4 from 3 to calculate new 2012 to 2035 target
6. Add new growth targets to 2012 housing units and jobs to show total housing units and jobs in 2035

A draft table of extended targets for individual cities is attached. *The values in this table follow the above steps, but should be verified by individual cities. Target extensions may need to be adjusted to account for local changes, such as annexations.*

Adjustment for Regional Vision

A key aspect of the regional plan, VISION 2040, is to gradually guide new development increasingly toward centers as the region continues to grow and change. VISION 2040 recognizes that this change in development patterns is more oriented toward centers and larger cities than current targets and that the change toward the regional plan will occur over time.

VISION 2040 seeks a higher proportion of growth occurring in Metropolitan, Core, and Large cities than planned for with the 2031 targets and a lower proportion of growth in rural areas. With a nine year span between the 2031 targets and VISION 2040, cities have a time period available to adjust planning to become more consistent with the regional plan. As cities extend their planning horizon to 2035 they may seek to acknowledge the need to align toward VISION 2040 so as to avoid a larger adjustment that might be needed otherwise as cities approach the year 2040.

For example, 2031 targets assign 28.3% of growth to Core cities while VISION 2040 assigns about 32.2%. To adjust growth planning toward VISION, Core cities may choose to recognize a planning horizon based on a mid-point between the target and the VISION, about 30.0%

Regional Geography	2006-2031 Target Shares	RGS Shares	New 2035 Shares
Metropolitan cities	39.8%	40.6%	40.2%
Core cities	28.3%	32.2%	30.0%
Large cities	13.9%	14.9%	14.4%
Small cities	8.4%	4.8%	6.8%
Uninc. Urban Areas	6.2%	4.8%	5.6%
Rural	3.3%	2.8%	3.1%

For additional information about VISION 2040 allocations or the King County 2031 growth targets, please contact Chandler Felt, King County _____ or Carol Naito, PSRC_____

King County Jurisdiction Growth Target Extensions to 2035

	2006-2031 Targets		Extended 2006-2035 Targets		2031-2035 Extensions	
	New Units	Net New Jobs	New Units	Net New Jobs		
	Housing Target (2008 Boundary)	Employment Target (2008 Boundary)	Housing Target (2008 Boundary)	Employment Target (2008 Boundary)	New Units	Net New Jobs
Metropolitan Cities	**103,000**	**199,700**	**119,480**	**231,652**	**16,480**	**31,952**
Bellevue	17,000	53,000	19,720	61,480	2,720	8,480
Seattle	86,000	146,700	99,760	170,172	13,760	23,472
Core Cities	**75,255**	**167,250**	**87,296**	**194,010**	**12,041**	**26,760**
Auburn	9,620	19,350	11,159	22,446	1,539	3,096
Bothell	3,000	4,800	3,480	5,568	480	768
Burien	3,900	4,600	4,524	5,336	624	736
Federal Way	8,100	12,300	9,396	14,268	1,296	1,968
Kent	7,800	13,200	9,048	15,312	1,248	2,112
Kirkland	7,200	20,200	8,352	23,432	1,152	3,232
Redmond	10,200	23,000	11,832	26,680	1,632	3,680
Renton	14,835	29,000	17,209	33,640	2,374	4,640
SeaTac	5,800	25,300	6,728	29,348	928	4,048
Tukwila	4,800	15,500	5,568	17,980	768	2,480
Larger Cities	**28,050**	**42,800**	**32,538**	**49,648**	**4,488**	**6,848**
Des Moines	3,000	5,000	3,480	5,800	480	800
Issaquah	5,750	20,000	6,670	23,200	920	3,200
Kenmore	3,500	3,000	4,060	3,480	560	480
Maple Valley**	1,800	2,000	2,088	2,320	288	320
Mercer Island	2,000	1,000	2,320	1,160	320	160
Sammamish	4,000	1,800	4,640	2,088	640	288
Shoreline	5,000	5,000	5,800	5,800	800	800
Woodinville	3,000	5,000	3,480	5,800	480	800
Small Cities	**10,922**	**8,168**	**12,670**	**9,475**	**1,748**	**1,307**
Algona	190	210	220	244	30	34
Beaux Arts	3	3	3	4	0	1
Black Diamond	1,900	1,050	2,204	1,218	304	168
Carnation	330	370	383	429	53	59
Clyde Hill	10	0	12	0	2	0
Covington	1,470	1,320	1,705	1,531	235	211
Duvall	1,140	840	1,322	974	182	134
Enumclaw	1,425	735	1,653	853	228	118
Hunts Point	1	0	1	0	0	0
Lake Forest Park	475	210	551	244	76	34
Medina	19	0	22	0	3	0

	2006-2031 Targets		Extended 2006-2035 Targets		2031-2035 Extensions	
	New Units	Net New Jobs	New Units	Net New Jobs	New Units	Net New Jobs
Milton	50	160	58	186	8	26
Newcastle	1,200	735	1,392	853	192	118
Normandy Park	120	65	139	75	19	10
North Bend	665	1,050	771	1,218	106	168
Pacific	285	370	331	429	46	59
Skykomish	10	0	12	0	2	0
Snoqualmie	1,615	1,050	1,873	1,218	258	168
Yarrow Point	14	0	16	0	2	0
Urban Unincorporated	**15,850**	**10,150**	**18,386**	**11,774**	**2,536**	**1,624**
Potential Annex Areas	12,930	3,950	14,999	4,582	2,069	632
Bellevue PAA	290	0	336	0	46	0
Bothell PAA	810	200	940	232	130	32
Federal Way PAA	2,390	290	2,772	336	382	46
Kent PAA	1,560	290	1,810	336	250	46
Kirkland PAA	1,370	650	1,589	754	219	104
Redmond PAA	640	0	742	0	102	0
Renton PAA	3,895	470	4,518	545	623	75
Tukwila PAA	50	2,050	58	2,378	8	328
Issaquah PAA	290	0	336	0	46	0
Maple Valley PAA**	1,060	0	1,230	0	170	0
Sammamish PAA	350	0	406	0	56	0
Milton PAA	90	0	104	0	14	0
Pacific PAA	135	0	157	0	22	0
North Highline	1,360	2,530	1,578	2,935	218	405
Bear Creek Urban Planned Dev	910	3,580	1,056	4,153	146	573
Unclaimed Urban Unincorp	650	90	754	104	104	14
Rural	**5,374**	**0**	**6,234**	**0**	**860**	**0**
Rural	5,374	0	6,234	0	860	0
King County Total	**238,451**	**428,068**	**276,603**	**496,559**	**38,152**	**68,491**

Attachment D

BERK

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MEMORANDUM

DATE: September 30, 2014

TO: Dave Kuhl, Development Services Director, City of Woodinville

FROM: Erik Rundell, Kapena Pflum, and Lisa Grueter, BERK

RE: Woodinville Comprehensive Plan Update, 2031 Growth Targets, 2035 Planning Estimates, and Land Capacity

OVERVIEW

The City of Woodinville has been allocated housing and employment growth targets in the King County Countywide Planning Policies. The City's Comprehensive Plan needs to reflect the growth targets and provide land use capacity sufficient to meet the targets. Currently, the growth targets extend to the year 2031. See Exhibit 1.

Exhibit 1 Current Growth Targets 2006-2031

	Housing Target	Employment Target
	Net New Units	Net New Jobs
Growth Target 2006-2013	3,000	5,000

Source: King County Countywide Planning Policies 2012

While the growth targets extend to the year 2031, the new 20-year planning horizon for local governments with a Comprehensive Plan Update deadline of June 30, 2015, such as Woodinville, is actually 2035. However, King County has no plans to formally update growth targets to the year 2035. Given the Growth Management Act (GMA) requirement to plan for 20 years (RCW 36.70A.115), King County and in inter-jurisdictional team of planning directors recommends that local governments start with the 2031 growth target and use either a straight-line projection or consider "bending the trend" towards Vision 2040 in order to derive a 20 year growth number.[1][2]

The following sections of the memorandum describe the process for determining the City's updated residential and employment capacity and how these figures relate to the City's 2031 growth targets. Next the memo describes the process to develop 2035 planning estimates for housing and employment. The

[1] VISION 2040 is the regional land use plan that has been adopted by its 80+ member agencies in King, Kitsap, Pierce, and Snohomish counties and cities. It also serves as the adopted multi-county planning policies required under GMA for Snohomish, King, and Pierce counties.

[2] Technical Memo on Growth Targets Extension, revised October 31, 2013, Michael Kattermann, AICP, Senior Planner, Bellevue. Email to Doreen Booth, Policy Analyst, Sound Cities Association.

memo then compares the updated land capacity figures with the 2035 planning estimates to assess the City's future land use needs. Last, a section on conclusions and next steps is provided.

RESIDENTIAL CAPACITY AND 2031 GROWTH TARGETS

This memo updates the residential land capacity figures prepared by BERK calculated on behalf of the City in summer and fall 2012. The 2012 analysis used a parcel based method that applied proposed zoning rules to each parcel; the method incorporated and expanded the number of properties in the CBD zone considered redevelopable based on City staff knowledge of potential developments through preapplications or informal discussions with property owners. In addition, the 2012 analysis factored in building permit activity and residential development in the development pipeline as part of the City's residential capacity. The results of the 2012 analysis found that using the proposed zoning rule changes, the City would have slightly excess capacity to meet its 2031 housing growth target. Exhibit 2 summarizes the results of the 2012 analysis.

Exhibit 2
2012 Residential Capacity with Adopted Zoning Rules (Now Superseded)

Housing Capacity	
2006-2031 Target	3,000
Permits	573
Pending Development	225
Growth Target Remaining	2,202
Buildable Land Capacity	2,675
Net Surplus/Deficit	**473**

Source: BERK, 2012

A 2014 analysis the same methodology as was used in 2012, but incorporates additions and changes. First, this analysis incorporates the most recent pending development figures, notably the addition of the 800-unit Canterbury Square development (a net addition of 672 units above the existing 128 units), which increased the overall capacity within the City. The 2012 analysis assumed a net addition of 532 units on the Canterbury Square site. The second noteworthy change is the correction of an error in the 2012 analysis that counted properties in the Tourist Business zone with a development agreement as part of the buildable lands supply as well as in "pending development" – essentially a double count, which reduces overall residential capacity within the CBD. However, buildable land properties were reviewed in the process of developing transportation model land use inputs. As a result, some R-1 land purchased for public use was removed. Some R-6 land in the western portion of the City was added as likely to be redeveloped with additional lots and less R-6 land in central Woodinville was thought to redevelop. The buildable land capacity estimated in 2014 is similar to the original 2012 results ,but 60 units less. However, the City can still meet its 2031 targets.

Exhibit 3 shows the updated 2013 land capacity figures. The overall conclusion is that the City has sufficient capacity to meet its 2031 Housing Target with a surplus of 413 dwellings approximately.

Exhibit 3
2013 Residential Capacity

2006-2031 Target	3,000
2031-2035 Growth Est.	-
2006-2035 Planning Est.	-
Permits	573
Pending Development	225
Growth Target Remaining	2,202
Buildable Land Capacity	2,615
Net Surplus/Deficit	**413**

Note: For the purposes of this exhibit the Canterbury site is included in "buildable land capacity" but is now considered a pending development. We have included it in the capacity figure for ease of comparison with Exhibit 2.

Source: BERK, 2014; City of Woodinville, 2006

EMPLOYMENT CAPACITY AND 2031 GROWTH TARGETS

In 2012, the focus was on residential capacity. For the Woodinville Comprehensive Plan Update a review of employment capacity is also required.

Land Supply by Zone

Of the City's commercial or industrial zoned land that totals about 889.8 acre, 64.9 7.0%) gross acres are vacant and 213.4 (23.9%) gross acres are considered redevelopable. Exhibit 4 shows that most of the vacant parcels are in the Industrial zone followed by the General Business zone. Other commercial and industrial zones have limited amount of vacant parcels. The Central Business District zone has by far the most redevelopable parcel area with over 120 acres. Industrial and General Business zones also have sizable amounts of redevelopable parcel area.

Exhibit 4
Commercial Buildable Land by Zone, 2014 Analysis

	Gross Acres		Net Acres	
Zone	Vacant	Redevelopable	Vacant	Redevelopable
CBD	6.9	120.2	2.8	68.8
GB	16.3	38.9	7.9	23.9
NB	0.2	1.0	0.1	0.8
O	0.5	0.0	0.5	0.0
R-48/O	0.0	0.0	0.0	0.0
TBD	2.0	1.6	0.4	0.6
I	39.0	51.7	25.2	37.7
Total	**64.9**	**213.4**	**36.8**	**131.8**

Source: City of Woodinville, 2013; BERK, 2014

Net buildable acres represent the amount of land available for actually development after critical areas, market factors, right-of-way needs, and other factors are considered. Applying these factors nets the City

36.8 acres of vacant buildable land and 131.8 acres of buildable land in its commercial and industrial zones.Net buildable acres are used to determine the amount of additional building square feet and employment capacity a parcel can support given the current zoning.

Land Capacity Analysis

The commercial land capacity analysis uses two different methods for assessing employment capacity. Both methods used the same 2006 parcel base as the residential analysis and account for development since 2006 through commercial building permit activity. The first method uses the original buildable lands methodology and vacant and redevelopable designations from the 2007 King County Buildable Lands Report. In addition, it also used the same parcels assumed redevelopable in the CBD as in the residential analysis.

The second method uses a method suggested by King County for assessing redevelopable parcels. This alternative method used the ratio of the existing floor area to land area ratio (FAR) of commercial parcels to the maximum potential FAR[3]. This analysis applied this method to parcels in Woodinville's CBD zone to identify additional redevelopable parcels not already included based on the first method.

Consistent with 2007 Buildable Lands Report methodology, we excluded existing building square footage when calculating net building capacity on redevelopable property under either method.

For other assumptions, the analysis used the same residential/commercial split assumption for zones that allow multiple uses as used in the residential analysis. For assumptions such as right-of-way deductions and floor area per employee, the commercial land capacity analysis uses the same assumptions used in the 2007 Buildable Lands Report. Our analysis reviewed assumed floor area ratio (FAR) used in 2007 based on an analysis of achieved FAR from commercial and industrial permit activity since 2007. For the 2013 analysis, the assumed FAR for the Office (O) zone was increased to 0.56 from 0.30 based on commercial permit activity. In 2007, an 0.48 FAR assumption was assumed based on permit history in the CBD. To recognize the City's 2008 adoption of the "Downtown Little Bear Creek Corridor Master Plan" and code this 2014 analysis applies a FAR of 0.75. The CBD zone allows building heights up to 57 feet with structured parking, onsite open space, and other incentives. An additional floor of usable space is allowed for each floor of structured parking. The 0.75 FAR is considered to be within a typical range of a "small town downtown" FAR.[4]

All other zones used the same assumed FAR as the 2007 Buildable Lands Report given the lack of permit activity and inconsistencies with existing built space.

Lastly, this analysis removed parcels with building permit activity since 2006 from the buildable category, and estimated the employment associated with these permits separately. These employment estimates, which include Woodinville Village development in the Tourist Business zone, are added to the total capacity as pipeline development. The tables below shows the City's current employment land capacity and land capacity figures in relation to the City's 2031 employment target, as well as permits and pending development. Exhibit 6 shows that the City has a small surplus of 247 jobs with the original redevelopable method and deficit greater surplus of 1,037 jobs with the addition of the FAR based method in relation to the City's 2031 employment target.

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[3] Pers com, Chandler Felt, King County, email to Dave Kuhl, City of Woodinville, and Lisa Grueter, BERK, et al, email June 27, 2013, "Buildable Lands: instructions for measuring updated capacity."

[4] GrowSmart Maine. February 2014. Implementing the Vision: Practical Steps to Transform Commercial Strips into Mixed Use Centers. New Partners for Smart Growth Conference, Denver, Colorado.

Exhibit 5
Employment Capacity Breakdown

Employment Capacity	Original Redevelopable Method	FAR Based Redevelopable Method and CBD Enhanced Implementation
Land Capacity	4,476	5,266
Permits, 2006-2013	359	359
Development Agreement	413	413
Employment Capacity	**5,247**	**6,037**

Source: BERK, 2013; King County, 2007, City of Woodinville, 2013

Exhibit 6
Employment Capacity and 2031 Growth Target Comparison

Employment Capacity	Original Redevelopable Method	FAR Based Redevelopable Method and CBD Enhanced Implementation
2006-2031 Target	5,000	5,000
Job Change, 2006-2011	-2,124	-2,124
2011-2031 Increment	7,124	7,124
Buildable Land Capacity	4,476	5,266
Capacity from Job Loss	2,124	2,124
Permits 2006-2013	359	359
Pending Development	413	413
Net Surplus/Deficit	**247**	**1,037**

Source: BERK, 2013; City of Woodinville, 2013; Puget Sound Regional Council, 2013; King County, 2007 Buildable Lands Report

Exhibit 6 shows a job loss during the recession (excluding construction jobs), which is not unexpected. This should be acknowledged in planning efforts. Because the jobs were once "housed" in current buildings or sites, we assume the lost jobs would not require new land capacity to accommodate them.

PLANNING PROJECTIONS TO 2035

Woodinville will plan for 20 years of growth in its Comprehensive Plan Update with a planning horizon of 2015-2035. As described in the introduction, an inter-jurisdictional team of planning directors suggests that local governments start with the 2031 growth targets and use a straight-line projection to derive a 2035 planning estimate. Alternatively jurisdictions could align with the regional vision to focus growth in centers, effectively "bending the trend" towards Vision 2040. Jurisdictions are not required to use a particular approach, but should document their methodology and assumptions to extend the growth targets beyond 2031. The straight line method is in use by most jurisdictions in King County.

A range of approaches is discussed below including:

- Straight line absolute annual average, 2006-2031: described below
- Woodinville bend curve to Vision 2040: described below
- King County annual average % growth rate, 2010-2035: This approach considers the annual average growth rate in King County as a whole between 2010 and 2035 using growth target information through 2031 and a straight line method from 2031 to 2035.
- Woodinville absolute annual average, 2003-2013: This approach annualizes City growth between 2003 and 2013 and applies that annual increase to the years 2031 to 2035.

The two approaches described in the inter-jurisdictional memo are described below. The results for all four methods are presented following the discussion.

Straight Line Method

To determine the 2035 planning estimates, the analysis used PSRC's Land Use Targets Representation (LUT). This dataset provides forecasts of housing units, households, and population and employment by major sector for all jurisdictions in the four-county region for 2035. BERK grouped current employment totals and LUT employment targets into two categories: industrial (including manufacturing, warehouse, transportation, and utility sectors) and commercial (including all other industry sectors). Construction jobs are not included in the current job totals or future estimates.

The 2035 planning estimates represent an increase over 2031 growth targets established in the current Countywide Planning Policies. The 2035 estimates are based on an extension of the 2031 targets using the same annual growth rate projected for the 2006-2031 planning period. The table below shows the City's 2031 growth targets for housing and employment from the Countywide Planning Policies and the new 2035 estimates.

Exhibit 7
Woodinville Growth Target Comparison: Straight Line Method

	2031 Target	Growth Increment	2035 Estimate
Housing Units	3,000	480	3,480
Employment	5,000	800	5,800

Source: BERK, 2013; City of Woodinville, 2006; Puget Sound Regional Council, 2013

Woodinville Bend Curve to VISION 2040

PSRC does not generate growth estimates for individual cities to the year 2040, but rather considers groups of cities that meet certain characteristics (e.g. large cities have a combined population + employment >22,500, and Woodinville is in this category). However, the inter-jurisdictional team of planning directors describes a potential process to account for the VISION 2040 growth share. Because later Comprehensive Plan review cycles after 2015 would likely need to account for the regional VISION 2040 plan and the curve of growth between 2035 and 2040 could steepen, we are providing an analysis of the "bend curve" approach for informational purposes. A description of the general rationale and method described by the inter-jurisdictional team follows:

> *VISION 2040 seeks a higher proportion of growth occurring in Metropolitan, Core, and Large cities than planned for with the 2031 targets and a lower proportion of growth in rural areas. With a nine year span between the 2031 targets and VISION 2040, cities have a time period available to adjust planning to become more consistent with the regional plan. As*

cities extend their planning horizon to 2035 they may want to align further toward VISION 2040 so as to avoid a larger adjustment that would be needed otherwise as cities approach the year 2040.

For example, 2031 targets assign 28.3% of population growth to Core cities while VISION 2040 assigns about 32.2%. To adjust growth planning toward VISION, Core cities may choose to recognize a planning horizon based on a mid-point between the target and the VISION, or about 30.0%.

Regional Geography	***Shares of population growth from 2000 to 2031 based on adopted Targets***	***Shares of population growth from 2000 to 2040 based on Regional Growth Strategy***	***New shares of population growth from 2000 to 2035 based on bending the trend***
Metropolitan cities	*39.8%*	*40.6%*	*40.2%*
Core cities	*28.3%*	*32.2%*	*30.0%*
Large cities	*13.9 %*	*14.9%*	*14.4%*
Small cities	*8.4%*	*4.8%*	*6.8%*
Uninc. Urban Areas	*6.2%*	*4.8%*	*5.6%*
Rural	*3.3%*	*2.8%*	*3.1%*

Cities could then assume a city share of the regional geography growth consistent with their share of the 2031 targets. For example, if a city's 2031 target is 10% of the total of targets for Core cities, 10% could be applied to the adjusted 2035 growth for Core cities as discussed above to determine the approximate adjusted target for the individual city.

Applying this method for Woodinville, results in an additional 706 dwellings to accommodate for the years 2031-2035.[5] See Exhibit 8

A similar approach of applying shares of growth to jobs results in a reduction of jobs to plan for through the year 2035 of 468 jobs. See Exhibit.

Exhibit 8
Woodinville Growth Target Comparison: Bend Curve Method

	2031 Target	Growth Increment	2035 Estimate
Housing Units	3,000	706	3,706
Employment	5,000	468	5,468

Source: BERK, 2013; City of Woodinville, 2006; Puget Sound Regional Council, 2013

[5] Detailed assumptions and steps included: 1) assuming the year State Office of Financial Management 2040 medium population forecast for the 4-county region that is a little lower than the VISION 2040 plan due to the Great Recession, 2) continuing the King County share of the region's growth (42%), 3) continuing the Large City share of growth (14.9%), 4) carrying forward Woodinville's current share of 2006-2031 growth targets (10.7% of Large Cities in King County), 4) determining net population increases between 2031 and 2040 and converting that to households using declining household sizes (derived from LUT data described under the straight line method) and a vacancy rate of 2.2% (based on Year 2000 Census rather than 2010 Census that reflected the Great Recession), and 5) determining four-ninths (4/9) of the housing units for the period 2031-2040, to address the period 2031-2035.

COMPARISON 2035 PLANNING PROJECTIONS TO CAPACITY

Exhibit 9 compares the City's 2031 housing targets, the 2035 planning estimates, current land capacity figures, and 2031 and 2035 land capacity deficits or surplus. Exhibit compares employment targets and capacity for the years 2031 and 2035, with and without the FAR based capacity method.

Exhibit 9
Woodinville 2035 Residential Targets and Residential Buildable Land Capacity

Housing		2035			
	2031	*Straight*	*Curve*	*KCAGR*	*WAA*
2006-2031 Target	3,000	3,000	3,000	3,000	3,000
2031-2035 Growth Est.	-	480	706	288	502
2006-2035 Planning Est.	-	3,480	3,706	3,288	3,502
Permits	573	573	573	573	573
Pending Development	225	225	225	225	225
Growth Target Remaining	2,202	2,682	2,908	2,490	2,704
Buildable Land Capacity	2,615	2,615	2,615	2,615	2,615
Net Surplus/Deficit	**413**	**-67**	**-293**	**125**	**-89**

Source: BERK 2014

Exhibit 10
Woodinville 2035 Employment Targets and Employment Buildable Land Capacity

A. Employment Capacity Original Method

		Employment (Original Redev. Method)			
		2035			
	2031	*Straight*	*Curve*	*KCAGR*	*WAA*
2006-2031 Target	5,000	5,000	5,000	5,000	5,000
2031-2035 Growth Est.	-	800	468	1,103	-480
2006-2035 Planning Est.	-	5,800	5,468	6,103	4,520
Permits	359	359	359	359	359
Pending Development	413	413	413	413	413
Growth Target Remaining	4,229	5,028	4,697	5,331	3,748
Buildable Land Capacity	4,476	4,476	4,476	4,476	4,476
Net Surplus/Deficit	**247**	**-553**	**-221**	**-855**	**728**

B. Employment Capacity: FAR Method

		Employment (FAR Based Redev. Method and Enhanced CBD)			
		2035			
	2031	*Straight*	*Curve*	*KCAGR*	*WAA*
2006-2031 Target	5,000	5,000	5,000	5,000	5,000
2031-2035 Growth Est.	-	800	468	1,103	-480
2006-2035 Planning Est.	-	5,800	5,468	6,103	4,520
Permits	359	359	359	359	359
Pending Development	413	413	413	413	413
Growth Target Remaining	4,229	5,028	4,697	5,331	3,748
Buildable Land Capacity	5,266	5,266	5,266	5,266	5,266
Net Surplus/Deficit	**1,037**	**237**	**569**	**-65**	**1,518**

Legend: Straight = Straight Line Method, Curve = Bend Curve Method, KAGR = King County Average Annual Growth Rate, WAA = Woodinville absolute annual average

Source: BERK, 2013; City of Woodinville, 2012; Office of Financial Management, 2013; Puget Sound Regional Council, 2013

The results show:

- The City can meet its 2031 housing target. There is an estimated capacity surplus of 413 dwellings.
- Considering the "bend curve" approach to align with the VISION 2040 regional growth strategy, the City would have a capacity deficit of 293 dwellings, the greatest deficit of the approaches evaluated. The use of the King County annual average growth rate results in sufficient capacity of +125 dwellings; however the growth rate is less than Woodinville has experienced. The Woodinville "absolute annual average" method results in a capacity deficit of 89 units, not much different than the straight line method.

- Based on current assumptions, the City can meet the 2031 employment growth targets with its current land capacity under either the original redevelopable method or the FAR-based method with a surplus of either 247 or 1,037 jobs.
- At 2035, with the Original Buildable Lands Approach method there would be deficits under most scenarios (shown in Exhibit 10). However, with the FAR based methods, there would be a job surplus under most scenarios. Broken down by estimated commercial and industrial employment needs, the need is tilted toward more commercial jobs. With the "straightline" scenario, the Original capacity method shows a 533 job deficit; under the FAR method, the City would have a 237 job surplus. The "bend curve" method would result in a 221 job deficit using the original method, but a 569 job surplus applying the FAR method. With a greater growth rate than Woodinville itself, the King County annual average growth rate method produces the largest deficit of 855 jobs using the Original approach, growing to a 1,518 job surplus applying the FAR method.

  With Woodinville's annual average approach carried forward (reflecting the job losses in the last decade), there would be a surplus of 728-1,518 jobs. It should be noted that the 10-year historical period considered for the annual average approach is not likely representative of long-term 20-year trends. Also, if this method were carried forward it would effectively reduce the City's 2031 employment growth target. It would be more advisable to consider zero adjustment to the 2031-2035 period rather than a reduction.

CONCLUSIONS AND NEXT STEPS

The City has sufficient housing and employment capacity under the 2031 growth targets.

The City must plan for 20 years of growth to the year 2035. The City has several methods to consider. The method that is most likely to be used by other local governments for its simplicity and progress towards local plans is the "straigt line" method. That method produces a small deficit of housing (-67 dwelling units) and deficit small surplus of job capacity (-237) at the year 2035 with the FAR capacity method. Other methods relating to Woodinville specific trends or countywide trends "bracket" the straight line approach with some results higher or lower. As the City moves forward with an environmental review process under the State Environmental Policy Act, these ranges of results will be documented in the analysis.

The Comprehensive Plan Update also provides a process to help identify the City's land use plan and zoning options to meet its vision and the estimated growth. For example, land use plan alternatives do explore a new mix of uses in industrial areas. The Comprehensive Plan Update will also review potential locations to expand designations allowing mixed uses with housing (e.g. adding ~5 acres of land at a higher density such as 36 units per acre or higher floor area ratio could address housing and job needs if considering the "straight line" results).

Regarding the zoning code, some items identified in the 2012 policy analysis could be helpful to address housing or jobs, such as: should some incentives in the CBD zone be adjusted? Are there ways to improve the permit process for Accessory Dwelling Units? In the CBD, are incentives and parking standards practical towards achieving the zoning potential?