

**WHATCOM COUNTY
PLANNING & DEVELOPMENT
SERVICES**

5280 Northwest Drive
Bellingham, WA 98226

Hal H. Hart, A.I.C.P.
Director

MEMORANDUM

TO: Whatcom County Planning Commission

FROM: Troy Holbrook, Planning Supervisor

DATE: October 27, 2005

RE: Draft Comments on Land Supply Methodology To Bellingham Planning Commission

The Whatcom County Planning Commission held a Work Session on September 22, 2005 and a Public Hearing on October 20, 2005, regarding the Land Supply Methodology. The attached letter summarizes the comments and concerns from the Planning Commission. The letter will be submitted to the Bellingham Planning Commission in order to communicate the Whatcom County Planning Commission's position. Both City and County staff will formulate a response to the letter.

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Hal Hart, A.I.C.P.
Director

TO: City of Bellingham Planning Commission
FROM: Whatcom County Planning Commission
RE: Land Supply Analysis Methodology
DATE: October 21, 2005

In accordance with the Interlocal Agreement between the City of Bellingham and Whatcom County concerning the City and Urban Growth Area land supply analysis and the sharing of GIS information, the Whatcom County Planning Staff and Planning Commission have compiled a list of questions and comments regarding the analysis. We assert no dissatisfaction with the methodology, but would like to formally submit specific areas where clarification is desired.

Step 1. Identify lands which are potential candidates to accommodate future growth—vacant, partially-used and under utilized land

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- **Re-developable land:** (July 2005 methodology, p.1): Uses a threshold of 10% structural value to total value to determine re-developability (likely to support further or more intense levels of development). What factors go into deciding the threshold for structural value? How was the 10% determined? What is the trend of the structural value for properties that have been redeveloped in the last five years?
- **Partially vacant land:** (July 2005 methodology, p.1 paragraph 2): *“properties are viewed in the context of surrounding platted lots such that an entire subdivision of 12,500 square foot lots in a 5,000 square foot zone would not be considered for further development. Rather lots that are exceptionally large relative to the surrounding properties are identified as those with the most potential”. “A final criteria filters out properties where the existing home’s structural value is more than \$250,000. This serves to eliminate mansion-class homes where the size, value, and position of the home on the lot make further development unlikely.”* If the zoning allows for replatting, there is a greater likelihood for this to occur. This criterion should be re-evaluated.
- We would like to see a map of lands deducted for public and quasi-public uses.

Step 2. Subtract all parcels that your community defines as not developable because of physical limitation

- We would like to see a map of lands deducted for critical areas.

- Why are “lands not likely to be serviced during the planning period” not accounted for in Step 2 as directed by the State? (*From Jack Petree’s testimony during the Whatcom County Planning Commission hearing on land supply methodology, 10/20/05.*)

Step 3. Subtract lands which will be needed for other public purposes.

- Right of way infrastructure: (July 2005 methodology, p.3, last bullet): What is the source of the figures for reduction for right of way: 15% for residential and 25% for industrial and commercial? Attachment 3-1 of the July 1, 2004 Final Environmental Impact Statement indicates an average of 17% for single family and 7% for multi family. Explain why the residential percentage is averaged with the commercial and industrial percentages to equal 20% that is applied to residential development.

Step 5. Subtract all parcels which you assume will not be available for development within your plan’s 20-year framework. Assume that a certain percent of vacant, under utilized, and partially used lands will always be held out from development.

- A 15% reduction for under-building in the City (no minimum densities). The decision by owners to build at less than the maximum density (July 2005 methodology, p.6, paragraph 4). This is a reduction for market choice or a “market factor”. It is entirely within the City’s control to institute minimum densities as proposed in the City’s draft Comprehensive Plan. For this reason, the 15% reduction is not needed.
- A 15% reduction in the UGA for owners deciding not to build or sell within the 20-year planning period. This is another “market” decision or “market factor”. The survey done in 2001 could not have foreseen recent dramatic increases in housing prices (and commensurately property taxes) and recent increases in fuel prices, both of which influence people’s desires to sell or develop their property. Another influence is that of development around these owners. As they become surrounded by higher density urban development, there is more of an impetus to sell and develop as the “rural” character of areas planned for urban development transitions to an “urban” character. A survey of land that is likely not to ever redevelop should be conducted, including properties such as Joe’s Garden, SPIE, Lairmont Manor, etc.

Step 6. Build in a safety factor. If you are unable to monitor land supply on a regular basis, consider building in a safety factor of land in addition to your projected 20-year land area needs to assure adequate availability and choice at all times.

- Bellingham does have the GIS data, equipment and staff expertise to monitor land supply on a regular basis and according to the current draft of the proposed Bellingham Comprehensive Plan, it is the intention of the City to do so.
- In the Central Puget Sound Growth Management Hearings Board, Consolidated Case No. 95-3-0039, Final Decision and Order, Bremerton, et al. v. Kitsap County, Respondent the Board stated:

“However, the market factor is not the only device available to achieve a supply that is neither too large nor too small. The Act also requires review of UGAS at least

every ten years (RCW 36.70A.130(3)); no more than annual reviews of comprehensive plans (RCW 36.70A.130(2)); and even more frequent amendments to the CPPs. Although the size of the UGA should not be increased in a frequent or cavalier manner, counties should consider the option of including a more modest land supply market factor at the beginning of the twenty-year period, and considering adjustments on a three-or five-year cycle.”

- In light of the preceding two bullet points and the fact that the deductions made in step 1 (page 1 of this memo) from “redevelopable land” and from “partially vacant land” constitute additional “market” factors, the “safety factor” should be reduced to 15%.
- *(Page 10) “The land supply analysis includes a safety factor reduction of 25% to ensure affordability in the city neighborhoods and urban centers, and to account for uncertainty as to if and when areas of the UGA may annex to the City.”* As land availability becomes scarce and demand increases, it is likely that areas undeveloped and underdeveloped properties in the UGA that do not have utilities will request utilities in order to subdivide the land. The City should require annexation with the extension of utilities. Areas that currently have utilities and/or are within a utility extension service zone are under a “no protest agreement” to future annexation. This greatly reduces the uncertainty of when and if an area will annex to the City, further justifying reducing the safety factor to 15%. The City and the UGA must accommodate the 20-year population projection, annexation does not reduce the land supply.

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GENERAL COMMENTS:

- What average household sizes are assumed in calculating the number of people accommodated by the number of units? Staff calculations indicate 2.23 was used for city neighborhoods, 1.84 for urban centers, 2.36 for UGA planning areas and 2.06 overall. This is contrary to the statement in Chapter 4 of the Final EIS which states on page 4-27 that “for planning purposes, 2.24 persons per household is assumed.” Although household size has declined slightly between the 1990 and 2000 censuses, more recent trends of an increasing gap between household incomes and housing prices (see DEIS, page 4-64, “Housing Affordability”) indicate that more people have to live together to afford housing.
- If the UGA boundaries are established prior to the City establishing minimum densities, planned unit development regulations allowing cottage housing and modifications in setbacks, allowing zero lot lines, rezoning appropriate areas and establishing criteria for “urban villages, will the UGA be oversized? It may be appropriate to establish the infill capacity of the City after efforts have been made to accommodate population and density, before establishing new UGA boundaries, OR create a tiered UGA.
- How many units can be accounted for from the GP property?
- With regards to city parks, is the Fairhaven Highlands green space being included into that calculation?
- How does the City account for City and County parkland within the UGAs?

- In regards to the attached letter by Jack Petree, we would like to request that the City's response include clarification on the bullet points of that document.

We look forward to working through the various subarea issues with you, and thank you for your time.

Sincerely,

David Hunter
Chair, Whatcom County Planning Commission

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