

Residential Development Trends

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Recorded formal plat activity began to rise again in 2013 after four years of record low single family lot creation.

The annual volume of single family residential lots in recorded formal plat subdivisions and segregated-lot condominiums countywide reached a record high of 4,659 lots in 2007, and then dropped off sharply in 2008 to just 20% of peak 2007 levels in 2009. After four years of record low lot creation from 2009-2012, the number of recorded lots rose in 2013 to 1,634 (but still at only 35% of 2007 levels). Most recently, in 2014 the number of recorded lots fell slightly from 2013 levels to 1,486.

As can be seen in Figures RD-1 and RD-2, the number of recorded lots in unincorporated urban areas has exceeded the number recorded in cities each year during the past seventeen years. Lots recorded in unincorporated urban areas have also accounted for the majority of new lots countywide for each of the last seventeen years, pushing the percentage of total lots created by formal plat since 1995 in unincorporated UGAs up to 59%.

New lots in formal plat subdivisions recorded outside the UGAs average 8% of the countywide total since 1995. After rising sharply as a percentage of total lots in 2009 (19%), the number of lots recorded outside the UGAs has dropped to 4% of the countywide total in both 2013 and 2014.

Recorded short plat activity nearly doubled in 2014 after four years of record low single family lot creation.

New lots in recorded short plats dropped dramatically in 2009 to 185 lots countywide (41% of 2008 levels). The number dropped further in 2010 and 2011, down to a record low of 94 lots in 2011 (21% of 2008 levels). This pronounced drop in short plat activity since 2008 was observed in all County subareas – cities, unincorporated UGAs and the rural/resource area. Most recently, the number of recorded lots in short plats rose in 2014 to 236 (but still at 53% of 2008 levels) (see Figure RD-3).

Since 2000, the majority of lots created through the short plat process have been within cities (55%) (see Figure RD-4). In recent years, however, the trends seem to be showing signs of change. The city percentage of lots in short plats recorded countywide dropped below 50% in four of the seven years between 2008-2014. Most recently, in 2014 the share of lots in recorded short plats within cities fell to a low of 43%. That same year marked the first year that short plats recorded in the unincorporated Southwest UGA and Non-SW UGAs (37% and 13%) both exceeded the number of short plats recorded in SW and non-SW city limits (33% and 11%).

Rural/resource areas have accounted for a higher percentage of the total new lots recorded countywide in short plats (15%) compared with recorded formal plat activity (8%) during the period 2000 through 2014.

Recorded rural cluster subdivision activity increased slightly in the last three years, after dropping off significantly in 2010-2011.

Rural cluster subdivision applications peaked in 2006 at 1,805 lots, then plummeted in 2008 (78) and 2009 (157) (see Figure RD-7). This downward trend has persisted into 2015, with only one rural cluster subdivision application filed since April 2009.

The number of lots in recorded rural cluster subdivisions reached a high of 315 in 2007, then dropped precipitously in 2010 to only 23 (down 93% from the 2007 peak) (see Figure RD-8). In recent years, the number of lots recorded in rural cluster subdivisions has picked up slightly, but has remained low compared to pre-recession levels.

There remain a large number of rural clusters that have preliminary approval. Many of those were approved in 2006 and 2007, and have expiration dates, extended during the recession, coming up in 2016 and 2017. The maps which follow Table RD-8 show the location, pattern, and status of RCS projects (formal plats only) in Snohomish County as of December 31, 2014.

The recent recovery in new countywide housing unit production can be largely attributed to multi-family permitting activity in the Southwest UGA.

Figure RD-9 shows the volume of housing units authorized by building permit within Snohomish County for each year since 1990. Housing units permitted countywide reached a 25-year peak in 1998 at over 9,000 units, then peaked once again at nearly 7,000 units in 2005 after a brief decline from 1999-2002. The number of units permitted countywide dropped each year from 2006-2010, reaching only 2,279 in 2010 – down 67% from the 2005 unit count, and representing the lowest annual number of housing units permitted in the 25 years depicted in Figure RD-9. In the years since 2010, the number of housing units permitted has rebounded, reaching 4,143 units in 2013, representing a growth of 81% from the 2010 low, but still just 59% of the 2005 peak. The number of housing units permitted fell again slightly in 2014 to 3,494 new units.

Figure RD-10 shows countywide housing units permitted by area since 1990. Cities have permitted 42% of the total countywide housing units since 1990, while the County has permitted 41% of the countywide total in unincorporated UGAs. Rural/resource areas were the locations for 17% of the total housing units permitted since 1990. Following the adoption of the County's first GMA comprehensive plan in 1995, the share of total countywide housing units permitted in rural areas has declined, with a post-GMA average of below 14%. A significant drop in the percentage of countywide housing units permitted outside the UGA has been evident in the last 6 years, with the smallest share during the past 25 years shown in 2012 (7%).

Figure RD-11 shows countywide housing units permitted by SW UGA, non-SW UGA and the rural area since 1990. Housing production in the Southwest UGA has dominated new housing production since 2011, capturing 68-73% of the annual countywide share in the past four years. Prior to 2011, housing permit activity in the SWUGA normally captured between 50-60% of the countywide levels. This increase in the share of new housing units in the SWUGA corresponds to a proportional decrease in the share of housing units permitted in the non-SW UGA.

Figure RD-13 shows countywide housing units permitted by housing type since 1990. It is evident that for most years, the major upswings and downturns in the County's housing market were driven primarily by shifts in multi-family housing permits. Large surges in multi-family construction in 1990 (4,221 units) and 1998 (3,866 units) caused those two years to become the

peak housing construction years of the past 25 years. Between 2005-2008, however, the decrease in housing units permitted can be almost entirely attributed to a large drop in single-family units.

Prior to 2005, the volume of single family units permitted countywide was relatively stable, averaging about 3,700 annually. From 2005-2008, changes in the annual volume of countywide permitted units were driven almost exclusively by the annual changes in single family permits. Heightened single family permitting activity accounted for the overall housing production peak in 2005, while a dramatic drop-off in single family permit activity in 2008 (50% of 2007 levels) drove the commensurate drop-off in countywide housing permit activity during that same time period. Since falling in 2008 to record-low levels, single-family permit activity has stayed remarkably stable, averaging around 2,000 units per year for the 2008-2014 period.

Since 2010, the overall increase in housing production can be almost entirely attributed to multi-family permitting activity. The volume of multi-family units permitted countywide reached a 13-year high in 2013 with 2,112 units permitted. Most recently, the number of multi-family units permitted fell slightly in 2014, with 1,331 new units.

Single family housing units have accounted for 63% of the total housing units permitted over the entire 25 year period. During the 2002–2010 period, the single family share greatly exceeded this 25 year average. However, during the most recent 4-year period (2011–2014), the share of single-family units has fallen with the increase in multi-family unit production. Further, 2013 marked the second year in the 25-year record that the majority (51%) of the residential units permitted countywide were multi-family units (slightly over 50% of units permitted countywide in 1990 were multi-family units). It should also be noted that the importance of mobile homes as a housing option in Snohomish County steadily diminished over the course of the last two decades, both in absolute and relative terms (see figure RD-13).