



May 17, 2021

Snohomish County Tomorrow CAB
3000 Rockefeller Ave
Everett WA, 98201

RE: BUILDABLE LANDS REPORT

Dear CAB Members:

Our firm is concerned by the information that is being used to make assumptions that do not allow for the County's growth planning to accurately reflect the reality of what is happening in the market. Although the Legislature prescribed updates to the methodology for buildable lands reporting years ago, there remains a disconnect between the "snapshot in time", as the buildable lands report has been referred to, and the realities of capacity, supply and demand. It is telling to observe what occurs in the 12-24 months between when the "snapshot" is taken and a report is produced proclaiming sufficient capacity to accommodate projected growth. Although we understand the necessity of a cutoff date so there is time to analyze the numbers, the current approach leads to inaccurate assumptions at the very core of our planning, making it difficult, if not impossible, to make sound planning decisions.

"Pending" Units Are Not Truly Available in the Future

We contest the notion that "pending" land use projects, especially those which have been approved for construction or are under construction in the "snapshot year" should be counted as available housing capacity. Why? Because the builder or developer who is completing the process is doing so only as a result of a preexisting market demand for the housing. Were they not confident that the investment they are making in delivering new housing units would result in absorption over a 12-18 month period (and these days typically less), they would not be doing the project. By the time a project is proposed, the market is already demanding that new unit of housing (home, apartment, condo) and many are contracted for sale or lease prior to their completion. As such, those units that are "pending" are spoken for. They aren't available for some future demand.

Maybe it is helpful to think of this in terms of food. (Aren't most things better that way?) A fast food restaurant might have a certain number of burger patties already cooked waiting to be assembled into your meal. They began to prepare them in advance of you arriving at the drive-thru because they know (from years and years of market and store specific data) that you and others will be hungry (demand) and you'll be there at that moment in time (plus or minus a few minutes) to buy a burger. These burger patties are like pending housing lots or units. They've been created to satisfy a market demand. Once they leave the freezer, they can no longer be considered inventory and they also have an expiration – a specific time for which they are good – much like a plat or a building permit. Similar housing that is in the approval or construction phase is like the burger that is cooking or cooked. That housing unit is no longer in inventory for a future demand, it is committed to the existing demand of the marketplace. And with very few exceptions, you will show up at the drive-thru and order the burger much like a homebuyer or renter will show up to purchase or lease a new unit once the sign goes up. And a short time later, you and the homebuyer will be enjoying your purchase once the burger (or housing unit) is assembled.

Thus, to truly begin to grasp where the housing market is and why demand and pricing continue to outpace expectations, the County must stop counting "pending" housing units as "available" for some future demand, because the reality is the developer and the consumer know it is there and it is filling that current market demand, not a future market need.

If these "pending" housing units are counted as available housing capacity in the Buildable Lands Report or elsewhere, then the entire methodology for planning is flawed from the outset. As a result, the County will continue to perpetuate planning that has yielded fewer lots than needed to meet the real demand of the market, resulting in rising prices and greater housing demand particularly in smaller communities that necessitate a more affordable price point. In short, we are pricing struggling families out of our market by design.

We ask you to take action to stop this practice.

About the “Available Housing Units” That Don’t Exist

Our firm works extensively in Snohomish County. We know the land use projects that are out there, how fast they are pre-selling, and how fast units under construction are disappearing from inventory.

Based on our experience and knowledge, we have thoroughly reviewed the draft buildable lands report mapping for the communities with we have the greatest familiarity. The following comments reflect three observations:

- Pending status parcels as of 2019 that fulfilled 2019 & 2020 market demand and are no longer “Available Housing Units” in inventory.
- Parcels where the County has missed an obvious wetland or critical area that we don’t believe has been accurately represented in determining the assumed density assigned that parcel.
- Parcels where we believe the assumptions for developability and yield are questionable based on a need for a parcel to get a “reasonable use” permit to achieve a single unit, etc.

Each of these comments is numbered and corresponds with the appropriate attached map.

LAKE STEVENS UGA - HOUSING

MAP ID	DESCRIPTION, STATUS, CHALLENGE
1	Woodlands Crossing Subdivision – all 36 homes built and sold. No additional capacity.
2	Hillside Vista – final plat complete and 25% to 30% of homes built. No additional capacity.
3	Sherwood Unit Lot Subdivision – in process. No additional capacity.
4	Lakeview Highlands – all homes built and sold. No additional capacity.
5	Plat of Mountain View – under construction near final plat. No additional capacity.
6	Daysala – all homes built or started; nearly sold out. No additional capacity.
7	Cavalera (Toll Brothers) – final platted, homes about to start. No additional capacity.
8A	Sunset Ridge (Harbour Homes) – at least 50% sold out. No additional capacity.
8B	Fairview Terrace (Richmond) – sold out. No additional capacity.
9	Larkspur (Harbour Homes) – platted and all homes sold out. No additional capacity.
10	Hillcrest Homes - under construction. No additional capacity.
11	Talon Ridge – sold out. No additional capacity.
12	St. John – in process. Shouldn’t count as additional capacity.
13	+/- 145 Senior Living Facility – site under construction. Shouldn’t count as additional capacity.
14	Homes built out. No additional capacity.
15	DR Horton – fully built out and all homes sold. No additional capacity.
16	Lakeview Crossing – fully built out and all homes sold. No additional capacity.
17A	The Timbers (DR Horton) – nearly built out and partially sold out. Shouldn’t count as additional capacity.
17B	The Timbers (Pacific Ridge) – sold out. No additional capacity.
18	Approved for construction (Robert Turner Duplex). Shouldn’t count as additional capacity.
19	Cascade View (MainVue) – only 2 homes pending for sale. Shouldn’t count as additional capacity.
20	DR Horton Project – fully built out and all homes sold. No additional capacity.
21	Stevens Ridge – fully built out with 1 home left for sale. Shouldn’t count as additional capacity.
22	Cornerstone Homes project – fully built out and all homes sold. No additional capacity.
23	Farmhouses at Roxburghe (Wescott) –nearly sold out. Shouldn’t count as additional capacity.
24	Park on 20 th – partially built out and leasing/renting. Shouldn’t count as additional capacity.
25	Built out and all homes sold. No additional capacity.
A	Constrained by powerlines. Revise assumptions.
B	Crestline Estates No. II – recorded plat contains requirement to resubmit the plat in order to further subdivide lots. This will delay development as developer would have to battle getting sewer to the area and fight neighborhood concerns. Recording #9002285002 Revise assumptions and timing.
C	Constrained by stream through middle of property. This will be one of the harder pieces in Lake Stevens to develop with any substantive density. Revise assumptions.

BOTHELL UGA – HOUSING

MAP ID	DESCRIPTION, STATUS, CHALLENGE
1	Owned by Canyon Park Business Owners Association. Impacted by approximately 0.5 acres of easement for powerline distribution, as well as critical areas and steep slopes. Unlikely Owner's Association would sell. This should be eliminated from the map as counting towards additional housing capacity.
2	Toll Brothers Under Construction. Shouldn't count as additional capacity.
3	We have previously contacted the Wildlife Association of Washington, Inc. about purchasing their land on behalf of a client. They have explained that their land holdings and organization are set up under some specific tax laws and they cannot sell the land. This should be eliminated from the map as counting towards additional housing capacity and changed to special on the map.
4	Urbane Village (Pulte Homes) – nearly sold out. Shouldn't count as additional capacity.
5	Talvera Ridge/Talvera Highlands – built out and sold out. No additional capacity.
6	Pacific Ridge Homes Project – built out and sold out. No additional capacity.
7	Park Lane Apartments – built out and occupied. No additional capacity.
8	Pacific Ridge Homes Project – built out and sold out. No additional capacity.
9	County owned property encumbered by substantial pond/lake. Shouldn't count as additional capacity.
10	Under construction. Shouldn't count as additional capacity.
11	Pacific Ridge Homes – built out and sold out. No additional capacity.
12	Quadrant Project – built out and sold out. No additional capacity.
13	Constructed and half of the homes are sold. Shouldn't count as additional capacity.
14	DR Horton – built out and sold out. No additional capacity.
15	Tolls Brothers – built out and sold out. No additional capacity.
16	Built out, sold out. No additional capacity.
17	Built out, sold out. No additional capacity.
18	Poet's Cove HOA – wetland/NGPA/open space. Shouldn't count as additional capacity.

GRANITE FALLS UGA - HOUSING

MAP ID	DESCRIPTION, STATUS, CHALLENGE
1	DR Horton Project – fully built out and all homes sold. No additional capacity.
2	Sunridge Estates Project – fully built out and all homes sold. No additional capacity.
3	Trinity – fully built out and all homes sold. No additional capacity.
4	Property is severely constrained by wetlands and we do not believe that it can be developed to the densities assumed in the Buildable Lands Report. Contribution to capacity should be re-evaluated.

ARLINGTON UGA - EMPLOYMENT

MAP ID	DESCRIPTION, STATUS, CHALLENGE
1	Panattoni is developing this site for a specific end user that will create 1,500 jobs. This should be eliminated from the map as counting towards additional employment capacity, as a business is already committed to this location.
2	Part of NorthPoint's Cascade Business Park. This project is close to having all its approvals. Work is already underway on Building 1 of 9. Our firm is working on this project and we have conservatively projected between 3,980 and 4,857 resulting jobs depending on the final building out and tenant mix.

MARYSVILLE NORTH UGA - EMPLOYMENT

MAP ID	DESCRIPTION, STATUS, CHALLENGE
1	Part of NorthPoint's Cascade Business Park. This project is close to having all its approvals. Work is already underway on Building 1 of 9. Our firm is working on this project and we have conservatively projected between 3,980 and 4,857 resulting jobs depending on the final building out and tenant mix.
2	Panattoni Development has submitted an application to develop this property. This capacity will go away soon.

MARYSVILLE NORTH UGA - HOUSING

MAP ID	DESCRIPTION, STATUS, CHALLENGE
1	Salacia, LLC owns this entire area and is already built out as a fish processing facility for National Marine Fishing. Further, this is zoned in the City of Marysville as Industrial. Shouldn't count as additional capacity.
2	We question the developability of these parcels as the West Fork of Quil Ceda Creek runs through this area and crossings would be needed to access some of the buildable areas. This should be analyzed further to determine if the capacities assumed are realistic or if there are more likely scenarios, such as the land being purchased for protection.
3	This property has been developed and all homes are occupied. No additional capacity.
4	According to the Critical Areas and Easements Mapping, this land is entirely impacted by Quil Ceda Creek and it's buffers. This should be analyzed further to determine if the capacities assumed are realistic or if there are more likely scenarios, such as the land being purchased for protection.

MARYSVILLE SOUTH UGA - HOUSING

MAP ID	DESCRIPTION, STATUS, CHALLENGE
1	This site is also impacted heavily by the West Fork of the Quil Ceda Creek. The Neighborhood Business zoning allows for multiple family above first floor commercial, but development is going to be very limited as a result of site access. Access can only be a right-in, right-out off 88 th due to the creek, the railroad and the configuration of 88 th . This should be analyzed further to determine if the capacities assumed are realistic.
2	We question the developability of these parcels which are used for horse pasture. The elevation, types of grasses, etc. would appear to suggest this may be a heavily constrained site. Further evidence of this is shown on the Critical Areas and Easements Map. This should be analyzed further to determine if the capacities assumed are realistic.
3	There is a 50ft differential in elevation between the west, north, and south boundary lines as from the eastern boundary line. A close examination of aerials and a drive-by along Highway 9 make it clear that a substantial portion of this site is impacted by a large wetland (water is visible via aerial). Although a stream is flagged on the Critical Areas and Easements map, the wetland is not. This wetland should be added to the mapping and the parcel should be analyzed further to determine if the capacities assumed are realistic.
4	Crestview (DR Horton) – built and sold out. No additional capacity.
5	Completed DR Horton project – sold out. No additional capacity
6	Lennar project – under construction. Shouldn't count as additional capacity
7	Completed Pacific Ridge Project – sold out. No additional capacity
8	Projects by Richmond, LGI, etc. – nearly sold out. Shouldn't count as additional capacity.
9	Sagewood – under construction – homes being sold. Shouldn't count as additional capacity.
10	Due to the site configuration and other conditions, we question the additional capacity assigned to this site. This should be analyzed further to determine if the capacities assumed are realistic.
11	Plat under construction. Homes will be available soon. Likely all homes will sell within 12-18 months. Shouldn't count as additional capacity.
12	Large wetland visible from aerial, but not shown on Critical Areas and Easements Mapping. We question the additional capacity assumed for this location. This should be analyzed further to determine if the capacities assumed are realistic.
13	Cornerstone Homes project. Built out and sold out. No additional capacity.
14	Harbor Vista (Tolls Brothers) – plat developed, homes being constructed and sold. Shouldn't count as additional capacity.
15	This site is only partially greenfield and the existing units on the other portion of this site are not likely to redevelop. This should be analyzed further to determine if the capacities assumed are realistic.
16	This site is built out and all homes are sold. No additional capacity.
17	This area is under the powerlines with a walking trail running through it. Shouldn't count as additional capacity.
18	Homes are built out and all sold. No additional capacity.

MILL CREEK UGA - HOUSING

MAP ID	DESCRIPTION, STATUS, CHALLENGE
1	Under construction/near construction completion. Shouldn't count as additional capacity.
2	Final plat recorded and homes being built. Will sell out within 12 months. Shouldn't count as additional capacity.
3	Critical Areas and Easements Mapping provided with Draft BLR shows site is nearly 100% covered by wetlands, etc. This should be analyzed further to determine if the capacities assumed are realistic.
4	See our attached map, printed from the PDS Portal showing County inventoried wetlands and Critical Areas Site Plans (CASP) affecting nearly 100% of the site. This should be analyzed further to determine if the capacities assumed are realistic.
5	Property has recorded CASP. Is it actually redevelopable? This should be analyzed further to determine if the capacities assumed are realistic.
6	Lennar Project platted and home construction underway. Shouldn't count as additional capacity.
7	Lennar Project platted and home construction underway. Shouldn't count as additional capacity.
8	Land owned by North Lane HOA as green space, storm facilities, or critical areas. Lennar Project underway. Shouldn't count as additional capacity.
9	Small flag lot with existing home. Not likely to develop. Shouldn't count as additional capacity.
10	Harbour Homes – platted and homes under construction. Shouldn't count as additional capacity.
11	Inventoried wetland – see attached challenge. Shouldn't count as additional capacity.
12	North Creek Landing Apartments built in 2019. No additional capacity.
13	Mietzner Silver Creek Apartments built in 2019-20. No additional capacity.
14	Site has access issues, is impacted by powerlines, and impacted by fish bearing stream. This should be analyzed further to determine if the capacities assumed are realistic.
15	Owned by Tambark HOA. Condos on site are built out as of 2019. Remaining land is open space, green space, critical areas or storm facilities. No additional capacity.
16	Plat has been built out and all homes sold as of 2020. No additional capacity.
17	Plat (Harbour Homes) has been built and all homes sold as of 2019. No additional capacity.
18	Hamptons at Mill Creek Apartments. Built out in 2019. No additional capacity.
19	Built out and all homes sold in 2019. No additional capacity.
20	Built out (Pacific Ridge), all lots sold in 2019. No additional capacity.
21	Property is impacted by Snohomish County Inventoried Wetlands and has a recorded CASP. This should be analyzed further to determine if the capacities assumed are realistic.

EVERETT SOUTH UGA - HOUSING

MAP ID	DESCRIPTION, STATUS, CHALLENGE
1	Existing senior housing facility on part of this. This should be analyzed further to determine if the capacities assumed are realistic.
2	Platted and built out in 2020. Homes are occupied. No additional capacity.
3	Plat under construction. Shouldn't count as additional capacity.
4	Castlewood built out and homes sold. Additional divisions under construction. Shouldn't count as additional capacity.
5	Woodland Park. Built out, all homes sold in 2019. No additional capacity.
6	Built out and all homes sold in 2020. No additional capacity.
7	Question capacity assumption. Site has CASP recorded. This should be analyzed further to determine if the capacities assumed are realistic.
8	Woodridge HOA open space/wetland/detention. Shouldn't count as additional capacity.
9	Built out 2020-21 with apartments. No additional capacity.

Conclusion

Again, we understand that the buildable lands report is intended to be a “snapshot” in time from 2019 that is backward looking at how we’ve developed. However, we raise our concerns because the buildable lands report is historically and frequently used by the County to make forward looking statements about future capacity. For example, in several presentations to SCT committees, the County has already proclaimed that there is sufficient capacity to accommodate future growth in the existing UGAs. Given a large portion (in some areas most) of that capacity was already permitted or under construction and has been filled in the past two years and/or should not be included for other reasons, future predictions should not be made based on this snapshot historical document.

Due to the apparent restraints on the ability for it to accurately depict the true nature of the market, the buildable lands report should not be used to make forward-looking statements and it should not be presumed to predict the County’s ability to meet future population targets that have yet to be planned.

Lastly, there is a great responsibility to ensure the buildable lands report accurately depicts the true inventory and demand. This does not occur when pending housing units are counted as future capacity. As can be seen throughout map analysis, the removal of these pending housing units from the available housing units map dramatically reduces what is left to last not only to 2035 but years beyond. This offers a very different perspective of what has happened and should rightfully be a reason for Snohomish County Tomorrow, the County, the Cities, and the public to more broadly discuss the acceptance of future growth.

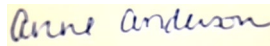
Please request that PDS update the buildable lands report to acknowledge what has happened and reflect more accurately what inventory is truly “available” for the future.

Should you have any questions, please do not hesitate to contact us.

Very Sincerely,



David Toyer
President



Anne Anderson
Public Affairs Manager