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			ame Ordinance 23-062	,	
0 " 0 (-st. F			Date: Wednesday, Jul		
Council Staff: F			S Staff: Stephen Toy	DPA: Alethea Hart	
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_					
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1.0019	SCT Documents	9/16/2022	Staff	7/21/2022 CAB Minutes	2
1.0020	SCT Documents	4/25/2023	Staff	8/4/2022 Agenda HO-5 Working Group	1
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**EXHIBIT** # 3.1.002 FILE ORD 23-062 APPROVED: EFFECTIVE: SNOHOMISH COUNTY COUNCIL SNOHOMISH COUNTY, WASHINGTON ORDINANCE NO. 23-062 RELATING TO THE GROWTH MANAGEMENT ACT, AMENDING APPENDIX B OF THE COUNTYWIDE PLANNING POLICIES FOR SNOHOMISH COUNTY TO ESTABLISH 2044 INITIAL HOUSING GROWTH TARGETS WHEREAS, the Growth Management Act (GMA), RCW 36.70A.210(2), requires the legislative authority of each county which is subject to the GMA's comprehensive planning requirements to adopt a countywide planning policy (CPP) framework in cooperation with the cities and towns within that county, and from which the county, city and town comprehensive plans are developed and adopted; and WHEREAS, RCW 36.70A.210 also requires that the CPPs govern interjurisdictional consistency of county and city planning efforts and implementation of GMA requirements for designating urban growth areas (UGAs), including the establishment of 20-year growth allocations used as the basis for designating UGAs pursuant to RCW 36.70A.130(3); and WHEREAS, the County most recently revised CPPs through Ordinance 22-003, effective March 6, 2022; and 

WHEREAS, CPP GF-5 requires that the cities and county engage in the cooperative planning process of Snohomish County Tomorrow (SCT) to establish a subcounty allocation of projected growth for coordination of city and county growth management plans, using the State Office of Financial Management's (OFM) population projections for Snohomish County and the numeric guidance provided by the Puget Sound Regional Council's (PSRC) VISION 2050 Regional Growth Strategy (RGS) as a starting point for this effort; and

WHEREAS, following an extensive SCT effort through the Planning Advisory Committee (PAC), culminating in a recommendation by the SCT Steering Committee, the County Council adopted Ordinance No. 22-003 on February 23, 2022, amending Appendix B of the CPPs by establishing initial population and employment growth targets for the year 2044; and

WHEREAS, CPP GF-5 also calls for use of the SCT process to develop initial housing growth targets for cities, unincorporated UGAs, and unincorporated municipal urban growth areas (MUGAs), and the rural/resource area; and

ORDINANCE NO. 23-062

RELATING TO THE GROWTH MANAGEMENT ACT, AMENDING APPENDIX B OF THE COUNTYWIDE PLANNING POLICIES FOR SNOHOMISH COUNTY TO ESTABLISH 2044 INITIAL HOUSING GROWTH TARGETS

WHEREAS, in 2021 the State Legislature passed, and the Governor signed, E2SHB 1220 which gave authority to the State Department of Commerce ("Commerce") to identify existing and projected housing needs for use in the updating of local GMA housing elements; and

WHEREAS, in 2022 the PAC of SCT, through its housing working group, began preparing a new housing characteristics and needs report, as required by CPP HO-5, including the development of the 2044 initial housing growth targets based on the adopted initial population targets; and

WHEREAS, during 2022 Commerce began issuing draft guidance and numeric housing needs information at the county-level, along with a methodology for distributing total housing needs from the county to individual jurisdictions using their Housing for All Planning Tool (HAPT); and

WHEREAS, in August of 2022 the PAC housing working group began using the draft Commerce guidance and HAPT numeric output to prepare draft 2044 initial housing growth targets for inclusion in the HO-5 report; and

WHEREAS, on December 8, 2022, the PAC reviewed the draft HO-5 housing characteristics and needs report, including the draft 2044 initial housing growth targets, as provided by the PAC housing working group; and

WHEREAS, on March 1, 2023, Commerce finalized the HAPT housing needs for the year 2044 for Snohomish County; and

WHEREAS, on April 13, 2023, the PAC reviewed and approved the updated draft HO-5 report, including revised draft 2044 initial housing growth targets consistent with Commerce's final HAPT housing needs projections for Snohomish County, and recommended to the SCT Steering Committee that it accept the new report, entitled *Housing Characteristics and Needs in Snohomish County*, and recommend adoption of the 2044 initial housing growth targets for inclusion into Appendix B of the CPPs; and

WHEREAS, following briefings on the HO-5 report and E2SHB 1220 requirements on October 26, 2022, and March 22, 2023, the SCT Steering Committee reviewed the HO-5 report and 2044 initial housing growth targets recommended by PAC on April 26, 2023; and

WHEREAS, on May 24, 2023, the SCT Steering Committee accepted the HO-5 report prepared by the PAC, and recommended that the 2044 initial housing targets contained in the report be forwarded to the County Council for adoption into Appendix B of the CPPs; and

WHEREAS, CPP GF-5 requires that the Snohomish County Council consider the recommendation of the SCT Steering Committee on the subcounty allocation of growth for cities, unincorporated UGAs, unincorporated municipal urban growth areas (MUGAs), and the

ORDINANCE NO. 23-062

RELATING TO THE GROWTH MANAGEMENT ACT, AMENDING APPENDIX B OF THE COUNTYWIDE PLANNING POLICIES FOR SNOHOMISH COUNTY TO ESTABLISH 2044 INITIAL HOUSING GROWTH TARGETS

1	rural/resource area of the county, and adopt 20-year GMA growth targets into Appendix B of the
2	CPPs; and
3	
4	WHEREAS, the County Council held a public hearing on, 2023, to consider
5	the entire record, including the SCT Steering Committee recommendation on the 2044 initial
6	housing growth targets for adoption into Appendix B of the CPPs, and to hear public testimony.
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8	NOW, THEREFORE, BE IT ORDAINED:
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10	Section 1. The County Council makes the following findings of fact:
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- 12 A. The County Council adopts and incorporates the foregoing recitals as findings as if set forth 13 fully herein.
- 14 B. The revisions would expand the initial growth target tables contained in Appendix B of the CPPs to include initial 2044 housing growth targets to complement the adopted 2044 initial 15 16 population and employment growth targets.
- 17 C. The County Council adopts and incorporates the following findings of fact related to the SCT 18 process for developing the CPP amendments:
  - 1. In 2021, the GMA was amended by E2SHB 1220 to instruct local governments to "plan for and accommodate housing affordable to all economic segments of the population of the state." To help accomplish this, the bill assigned a central role to Commerce to provide countywide projections of housing needs, and to provide guidance for how counties, working in collaboration with their cities, can allocate these projected countywide housing needs to local jurisdictions.
  - 2. In order to develop the housing need allocations in time for jurisdictions to use in their 2024 comprehensive plan updates, work at the PAC HO-5 working group of SCT commenced in mid-2022 using draft guidance materials provided by Commerce on their projected housing needs methodology.
  - 3. The countywide housing needs forecast for 2044 is based on Snohomish County's adopted initial population target 1,136,309 for 2044, as contained in Appendix B of the Countywide Planning Policies.
  - 4. Using Commerce's guidance and final countywide 2044 housing needs results generated by the HAPT model, released on March 1, 2023, Snohomish County's countywide population target was translated into a countywide total housing target for 2044 by:
    - a) Projecting total future household population by removing future assumed group quarters population from the adopted 2044 total population target for the county,
    - b) Dividing the future household population by an assumed 2044 average household size to arrive at total projected households, and
    - c) Adding vacant units needed for ample choice for a healthy housing market to operate.

- 5. Following these steps arrived at a total countywide 2044 housing unit need of 484,791. Net new housing units needed countywide from 2020-2044 was then calculated by subtracting the 2020 countywide housing base of 317,348 from the total 2044 housing unit projection, resulting in a countywide need of 167,443 housing units for the period 2020-2044.
  - 6. Commerce's population to housing translation assumptions are intended to account for the historic under-production of housing in Washington State over the past decade or more, during which housing supply has not kept pace with demand. This has led to rising housing costs, households "doubling-up," overcrowding living spaces, and delayed household formation (e.g., young adults living with parents instead of finding their own housing). Commerce's methodology for projected housing needs explicitly includes enough housing to remedy the current housing undersupply, as well as address new population growth.
  - 7. Specific aspects of Commerce's methodology for translating Snohomish County's total future population to housing units which are intended to address the current housing undersupply include:
    - a) An assumption that housing units for the homeless population will be provided over time such that the share of group quarters population that was homeless, either unsheltered or living in shelters as revealed in the 2020 Census, will be reduced to zero by 2044.
    - b) A resumption of significant average household size declines over time in Snohomish County, from 2.67 in 2020 to 2.48 in 2044.
    - c) An increase in the countywide vacancy rate to 6% by 2044, up from 4.6% countywide in 2020.
    - d) The removal of seasonal units/vacation homes from the 2020 housing base since these units do not accommodate year-round residents.
  - 8. In order to allocate the countywide housing target to jurisdictions within Snohomish County, the same methodology described above was used at the individual jurisdiction level. The step which involved extra consideration at the jurisdictional level was the projection of average household size in 2044. For this purpose, the PAC HO-5 working group started with each jurisdiction's estimated additional housing capacity as documented in the 2021 Buildable Lands Report (BLR) and developed projections of additional housing capacity by housing type that would be needed to accommodate the jurisdiction's adopted 2044 population target. The resulting housing unit mix associated with the jurisdiction's additional housing capacity was the determinant of the jurisdiction's future average household size.
  - 9. As with the adopted population and employment growth targets, housing growth to 2044 on tribal lands is not included in the SCT-recommended initial growth targets. This is consistent with the PSRC VISION 2050 Regional Growth Strategy which does not allocate projected growth to tribal lands since these jurisdictions plan outside of the Growth Management Act.

- 1 D. The Appendix B initial housing growth targets are consistent with CPP GF-5 and the
- 2 Appendix C requirements regarding the establishment of new 20-year GMA initial growth
- 3 targets, which are required to be used for at least one of the plan alternatives evaluated by
- 4 cities and the county during development of the local GMA comprehensive plan updates
- 5 required under the GMA by December 31, 2024.
- 6 E. Appendix C of the CPPs anticipates that following the plan updates conducted by each
- 7 jurisdiction within the County, the final growth allocations may need to be reconciled. To do
- 8 this, Appendix C calls for a target reconciliation process conducted through SCT should the
- 9 preferred target outcome of the city and county GMA plan updates differ. In these situations,
- 10 SCT shall recommend to the County Council for consideration and adoption a reconciled 20-
- 11 year housing target allocation that resolves these differences.
- 12 F. The proposed amendments comply with the substantive requirements of the GMA, including
- RCW 36.70A.110(2) which states that the county shall coordinate with the cities on the
- location and amount of projected 20-year growth for purposes of ensuring adequate capacity
- within the UGA to accommodate the projected urban growth.
- G. The amendment to Appendix B of the CPPs is consistent with PSRC's MPP-RC-1 regarding coordination of planning efforts among jurisdictions.
- 18 H. This amendment to Appendix B of the CPPs is consistent with PSRC's Multicounty Planning
- Policy MPP-RGS-1 policy regarding implementation of the VISION 2050 regional growth
- strategy through the countywide planning policies.
- 21 I. This amendment to Appendix B of the CPPs is consistent with PSRC's MPP-RGS-2 policy
- regarding the development of local housing targets based on allocated population targets.
- J. The proposed amendments comply with the procedural requirements of the GMA, including
- the public participation provisions in RCW 36.70A.035 and .140.
- 25 K. No inconsistencies between the proposed amendments and the GMA have been identified.
- 26 L. No inconsistencies between the amendments and the CPPs have been identified.
- M. Appropriate public participation has been provided through the SCT process and through a public hearing on this ordinance held after public notice.
- N. SEPA requirements for this non-project action have been met through the issuance of
- 30 Addendum No. of the PSRC VISION 2050 Supplemental Final Environmental Impact
- 31 Statement on \_\_\_\_\_.

- Section 2. The County Council makes the following conclusions:
- A. The amendments would amend Appendix B of the CPPs by adding two 2044 initial housing growth target tables (Table H1 and Table H2) as set forth in Exhibit A of this ordinance
- between Tables P2 and E1 of Appendix B.

- B. The amendments to the CPPs satisfy the procedural and substantive requirements of the GMA.
- 3 C. The amendments are consistent with the policies of the MPPs.
- 4 D. The amendments are consistent with the policies of the CPPs.
- 5 E. The amendments as set forth in Exhibit A increase consistency between the CPPs and PSRC's VISION 2050 Regional Growth Strategy.
- 7 F. The County has complied with the procedural requirements of SEPA.
- 8 G. The County has complied with state and local public participation requirements under the GMA and chapter 30.73 SCC by broadly disseminating the amendments and providing opportunities for written comments and public hearing after public notice.
- 11 Section 3. The County Council bases its findings and conclusions on the entire record before
- 12 SCT and the County Council, including all testimony and exhibits. Any finding, which should
- be deemed a conclusion, and any conclusion which should be deemed a finding, is hereby
- 14 adopted as such.

- 16 Section 4. Based on the foregoing findings and conclusions, Appendix B of the Countywide
- 17 Planning Policies for Snohomish County, last amended by Ordinance No. 22-003 on February
- 18 23, 2022, is amended to insert immediately before Table E1 the contents of Exhibit A of this
- ordinance, which is attached hereto and incorporated by reference into this ordinance as if set
- 20 forth in full.

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Section 5. The County Council directs the Code Reviser to update SCC 30.10.050 pursuant to SCC 1.02.020(3).

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- 25 Section 6. Severability. If any section, sentence, clause or phrase of this ordinance shall be held
- to be invalid by the Growth Management Hearings Board, or unconstitutional by a court of
- competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or
- 28 constitutionality of any other section, sentence, clause or phrase of this ordinance. Provided,
- 29 however, that if any section, sentence, clause or phrase of this ordinance is held to be invalid by
- 30 the Board or unconstitutional by a court of competent jurisdiction, then the section, sentence,
- clause or phrase in effect prior to the effective date of this ordinance shall be in full force and effect for that individual section, sentence, clause or phrase as if this ordinance had never been
  - effect for that individual section, sentence, clause or phrase as if this ordinance had never been adopted.

33 adopted

J	•
3	5
J	J

PASSED this \_\_\_\_\_ day of \_\_\_\_\_\_\_, 2023.

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1 2 3		SNOHOMISH COUNTY COUNCII Snohomish County, Washington	
4 5 6		Council Chair	
7 8 9	ATTEST:	Council Chair	
10 11 12 13	Clerk of the Council  ( ) APPROVED	_	
14 15	<ul><li>( ) APPROVED</li><li>( ) EMERGENCY</li><li>( ) VETOED</li></ul>		
16 17 18	( ) VETOED	DATE:, 202	3
19 20 21 22 23	ATTEST:	Snohomish County Executive	_
<ul><li>24</li><li>25</li><li>26</li></ul>	Approved as to form only:	_	
27 28 29 30	/s/ Alethea Hart 6/7/2023 Deputy Prosecuting Attorney	_	

1	Exhibit A
2	
3	Ordinance No. 23-062
4	
5	Amendment to the Countywide Planning Policies Appendix B -
6	, , , , , , , , , , , , , , , , , , , ,
7	Growth Targets
8	

APPENDIX B, Table H1 - 2044 Initial Housing Growth Targets for Cities, UGAs and the Rural/Resource Area (Recommended by the Snohomish County Tomorrow Steering Committee on May 24, 2023)

, , , , , , , , , , , , , , , , , , , ,	2020	<u> </u>	1	• •
	2020 Census		2020-2044 Hous	ing Unit Growth
	Housing Units	2044		
	(excluding	Housing Unit		Pct of Tota
Area	seasonal units)	Targets	Amount	County Growth
Non-S.W. County UGA	67,917	104,318	36,401	21.7%
Arlington UGA	7,868	15,780	7,913	4.7%
Arlington City Unincorporated	7,689 179	15,483 298	7,794 119	4.7% 0.1%
Darrington UGA	686	884	198	0.1%
Darrington Town Unincorporated	648 38	802 82	154 44	0.1% 0.0%
Gold Bar UGA	1,235	1,440	205	0.1%
Gold Bar City Unincorporated	892 343	1,059 381	167 38	0.1% 0.0%
Granite Falls UGA	1,635	2,709	1,074	0.6%
Granite Falls City	1,579	2,566	987	0.6%
Unincorporated	56	143	87	0.1%
Index UGA (incorporated)	80	90	10	0.0%
Lake Stevens UGA	14,124	19,254	5,131	3.1%
Lake Stevens City Unincorporated	13,473 651	18,388 866	4,915 216	2.9% 0.1%
Maltby UGA (unincorporated)	60	234	175	0.1%
Marysville UGA	25,783	40,038	14,256	8.5%
Marysville City Unincorporated	25,723 60	39,976 62	14,253	8.5% 0.0%
Monroe UGA	6,714	9,138	2,423	1.4%
Monroe City Unincorporated	6,163 551	8,379 758	2,216 207	1.3% 0.1%
Snohomish UGA	4,846	6,596	1,750	1.0%
Snohomish City Unincorporated	4,327 519	5,873 722	1,546 203	0.9% 0.1%
Stanwood UGA	2,983	4,750	1,768	1.1%
Stanwood City	2,929	4,559	1,630	1.0%
Unincorporated	54	191	138	0.1%
Sultan UGA	1,906	3,404	1,498	0.9%
Sultan City Unincorporated	1,883 23	3,308 96	1,425 73	0.9% 0.0%
S.W. County UGA	199,902	325,748	125,847	75.2%
Incorporated S.W.	118,993	200,733	81,740	48.8%
Bothell City (part) Brier City	7,343 2,355	14,325 2,894	6,982 539	4.2% 0.3%
Edmonds City	19,005	28,073	9,068	5.4%
Everett City	47,023	85,580	38,557	23.0%
Lynnwood City Mill Creek City	16,132 8,961	30,183 11,578	14,051 2,617	8.4% 1.6%
Mountlake Terrace City	9,133	16,816	7,683	4.6%
Mukilteo City	8,565	10,711	2,146	1.3%
Woodway Town	476	574	98	0.1%
Unincorporated S.W.	80,909	125,015	44,107	26.3%
UGA Total	267,819	430,067	162,248	96.9%
City Total Unincorporated UGA Total	184,379 83,440	301,218 128,849	116,839 45,409	69.8% 27.1%
Non-UGA Total	49,529	54,724	5,195	3.1%
(Uninc Rural/Resource Area)  County Total	317,348	484,791	167,443	100.0%
NOTES: All estimates and targets above			107,443	100.076

NOTES: All estimates and targets above are based on August 26, 2021 city boundaries.

#### ORDINANCE NO. 23-062

RELATING TO THE GROWTH MANAGEMENT ACT, AMENDING APPENDIX B OF THE COUNTYWIDE PLANNING POLICIES FOR SNOHOMISH COUNTY TO ESTABLISH 2044 INITIAL HOUSING GROWTH TARGETS

APPENDIX B, Table H2 - 2044 Initial Housing Growth Targets for Cities and Unincorporated MUGAs within the SW County UGA (Recommended by the Snohomish County Tomorrow Steering Committee on May 24, 2023)

	2020			
	Census		2020-2044 Housi	ng Unit Growth
	Housing Units	2044		
	(excluding	Housing Unit		Pct of Total
Area	seasonal units)	Targets	Amount	County Growth
SW County UGA Total	199,902	325,748	125,847	75.2%
Incorporated SW County UGA Total	118,993	200,733	81,740	48.8%
Unincorporated SW County UGA Total	80,909	125,015	44,107	26.3%
Bothell Area Bothell City (part)	19,495 7,343	31,870 14,325	12,375 6,982	7.4% 4.2%
Unincorporated MUGA	12,152	17,545	5,393	3.2%
Brier Area	2,991	3,669	678	0.4%
Brier City	2,355	2,894	539	0.3%
Unincorporated MUGA	636	775	139	0.1%
Edmonds Area	20,612	30,214	9,602	5.7%
Edmonds City	19,005	28,073	9,068	5.4%
Unincorporated MUGA	1,607	2,141	534	0.3%
Everett Area	64,822	112,234	47,412	28.3%
Everett City	47,023	85,580	38,557	23.0%
Unincorporated MUGA	17,799	26,655	8,856	5.3%
Lynnwood Area	30,488	55,099	24,611	14.7%
Lynnwood City	16,132	30,183	14,051	8.4%
Unincorporated MUGA	14,356	24,916	10,560	6.3%
Mill Creek Area	26,810	36,904	10,094	6.0%
Mill Creek City	8,961	11,578	2,617	1.6%
Unincorporated MUGA	17,849	25,326	7,477	4.5%
Mountlake Terrace Area	9,142	16,829	7,687	4.6%
Mountlake Terrace City	9,133	16,816	7,683	4.6%
Unincorporated MUGA	9	13	4	0.0%
Mukilteo Area	14,029	20,418	6,389	3.8%
Mukilteo City	8,565	10,711	2,146	1.3%
Unincorporated MUGA	5,464	9,707	4,243	2.5%
Woodway Area	476	714	238	0.1%
Woodway Town	476	574	98	0.1%
Unincorporated MUGA	=	140	140	0.1%
Paine Field Area (Unincorporated)	2	1	(1)	0.0%
Larch Way Overlap (Unincorporated)	1,765	4,562	2,797	1.7%
Lake Stickney Gap (Unincorporated) Silver Firs Gap (Unincorporated)	4,036 5,234	5,823 7,412	1,787 2,178	1.1% 1.3%
County Total	317,348	484,791	167,443	100.0%

NOTE: All estimates and targets above are based on August 26, 2021 city boundaries; MUGA = Municipal Urban Growth Area.

**EXHIBIT** # 3.2.001



FILE ORD 23-062

Committee: Planning & Community Development Analyst: Ryan Countryman

**ECAF**: 2023-0675

Proposal: Ordinance 23-062 Date: June 20, 2023

#### **Consideration**

Proposed Ordinance 23-062 would amend Appendix B of the Countywide Planning Policies (CPPs) to establish 2044 initial housing growth targets.

#### **Background and Analysis**

The Growth Management Act (GMA) requires counties to adopt CPPs to ensure consistency between city and county comprehensive plans (RCW 36.70A.210). In 2022, the County Council adopted initial population targets into the CPPs (Ord. 22-003). Jurisdictions must use these for at least one of the alternatives studied for their comprehensive plan updates due in 2024. Initial population targets do not include targets for number of housing units. The requirement for housing unit targets is new (enacted by E2SHB 1220 in 2021) and the Washington State Department of Commerce had not yet provided guidance on how to prepare initial housing unit growth targets at the time of Ord. 22-003. Commerce has since provided its guidance. Snohomish County Tomorrow (SCT), the body that recommends CPPs to the County Council, developed a methodology using Commerce's guidance to convert the population targets into housing unit targets. The results are the initial housing targets recommended by SCT to the County Council in Ordinance 23-062.

#### **Current Proposal**

Scope: Ordinance 23-062 would amend Appendix B of the CPPs to add housing unit targets.

Fiscal Implications: None

Handling: Normal1

**Snohomish County Tomorrow:** Approve

Risk Management: Approve

Finance: Approve

**Executive Recommendation:** Approve

Approved-as-to-form: Yes

**Request:** Move to General Legislative Session on June 28 to set time and date for a public hearing.

<sup>&</sup>lt;sup>1</sup> The ECAF transmitted to Council was marked as expedite with a June 15 deadline, but Council staff confirmed with PDS that this was meant as an internal Executive branch deadline. There is no deadline for council action.

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#### **Executive/Council Action Form (ECAF)**

#### ITEM TITLE:

..Title

Ordinance 23-062, relating to the Growth Management Act, amending Appendix B of the Countywide Planning Policies for Snohomish County to Establish 2044 Initial Housing Growth Targets

..body

**DEPARTMENT:** Planning and Development Services

**ORIGINATOR:** Stephen Toy

**EXECUTIVE RECOMMENDATION:** Approved by Ken Klein 6/12/23

**PURPOSE:** To adopt amendments to Appendix B (Growth Targets) of the Countywide Planning Policies based on the 2044 initial housing growth target recommendation of Snohomish County Tomorrow.

**BACKGROUND:** The proposal would amend the Countywide Planning Policies (CPPs) by adding the 2044 initial housing growth targets to Appendix B, joining the 2044 initial population and employment growth target tables previously adopted by the County Council on February 23, 2022 (Ord. 22-003). The 2044 initial housing growth targets were recommended by the Snohomish County Tomorrow (SCT) Steering Committee on May 24, 2023 and were developed using the SCT process called for in CPP GF-5. As required by the E2SHB 1220 amendments to the Growth Management Act in 2021, the initial housing targets were based on the existing and projected housing needs for Snohomish County, as provided by the State Department of Commerce, and distributed to jurisdictions based on Commerce guidance and the adopted 2044 initial population targets. Once adopted, jurisdictions in Snohomish County will be required to use the 2044 initial housing growth targets for at least one of the plan alternatives evaluated for their 2024 GMA plan updates.

#### **FISCAL IMPLICATIONS:**

<b>EXPEND</b> : FUND, AGY, ORG, ACTY, OBJ, AU	CURRENT YR	2ND YR	1ST 6 YRS
NA			
TOTAL			

<b>REVENUE:</b> FUND, AGY, ORG, REV, SOURCE	CURRENT YR	2ND YR	1ST 6 YRS
NA			
TOTAL			

**DEPARTMENT FISCAL IMPACT NOTES:** No fiscal impacts anticipated.

ORIGINAL AMENDMENT	RMATION: CONTRACT# CONTRACT#	AMOUNT	
Contract Period ORIGINAL AMENDMENT	START	END END	
OTHER DEPARTMI Attorney on 6/7/2023		S: Approved as to form by Prosecuting	

Reviewed/approved Risk – Shelia Barker 6/11/23 and Finance – Nathan Kennedy 6/12/23

ECAF: RECEIVED:

# ORDINANCE INTRODUCTION SLIP

**SNOHOMISH COUNTY COUNCIL** 

**EXHIBIT** # 3.1.003

FILE \_\_ORD 23-062

TITLE OF PROPOSED ORDINANCE:

TO: Clerk of the Council

Introduced By:	N Nel Councilmember Date		
~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	Proposed Ordinance No		
Assigned to:	Date:		
	IMITTEE RECOMMENDATION FORM		
	, the Committee considered the Ordinance by Consensus / Nays and made the following recommendation:		
	dule public hearing on:		
Regular Agenda A			
Public Hearing Date	at		



2044 Initial Housing Growth Targets Recommended by Snohomish County Tomorrow (Approved by Steering Committee on May 24, 2023)

Snohomish County Council Planning and Community Development Committee June 20, 2023



# Initial Housing Targets and HO-5 Report

- The 2044 initial housing growth targets are part of the Housing Characteristics and Needs Report (a requirement of Countywide Planning Policy HO-5)
- The HO-5 Report is prepared through SCT and provides data on housing characteristics and needs for jurisdictions to conduct major comprehensive plan updates
- Council Planning Committee briefed on the HO-5 Report on May 16, 2023
- The report, approved by the SCT Steering Committee on May 24, 2023, is available at: <a href="https://snohomishcountywa.gov/6039/Housing-Characteristics-and-Needs-Report">https://snohomishcountywa.gov/6039/Housing-Characteristics-and-Needs-Report</a>



# HO-5 Report

## Chapters

- 1. Introduction and Report Objectives
- 2. Population and Housing Demand
- 3. Existing Housing Stock
- 4. Forecasting Future Housing Needs
- 5. Displacement
- 6. Residential Land Supply and Housing Capacity
- 7. Measures Taken to Address Housing Needs
- 8. Tools and Resources
- 9. Monitoring Outcomes

## **Appendices**

- A. PSRC VISION 2050 Summary
- B. Housing Countywide Planning Policies
- C. Adopted 2044 Population Targets
- D. Proposed 2044 Initial Housing Targets
- E. Housing Strategies Survey
- F. Housing Data Summaries by Jurisdiction
- G. Housing Needs Allocation Methods A,B,C



# Countywide Planning Policies – Growth Targets

#### COUNTYWIDE PLANNING POLICIES

#### FOR

#### **SNOHOMISH COUNTY**

ADOPTED JUNE 1, 2011
AMENDED ORDINANCE NO. 11-011; EFFECTIVE DATE: JUNE 24, 2011

#### AMENDMENTS:

JUNE 1, 2011 (AMENDED ORD. NO. 11-021) EFF. DATE JUNE 24, 2011

JUNE 8, 2011 (AMENDED ORD. NO. 11-015) EFF. DATE JUNE 24, 2011

OCTOBER 17, 2012 (ORD. NO. 12-070) EFF. DATE NOVEMBER 10, 2012
(APPENDIX A MAP CHANGE ONLY)

JUNE 12, 2013 (AMENDED ORD. NO. 13-032) EFF. DATE JUNE 30, 2013 (APPENDIX A AND APPENDIX B CHANGES ONLY)

APRIL 16, 2014 (ORD. No. 14-006) EFF. DATE APRIL 27, 2014
(APPENDIX B CHANGES ONLY)

JUNE 4, 2014 (ORD. NO. 14-031) EFF. DATE JUNE 16, 2014

OCTOBER 12, 2016 (AMENDED ORD. NO. 16-078) EFF. DATE NOVEMBER 10, 2016

SEPTEMBER 29, 2021 (AMENDED ORD. No. 21-059) EFF. DATE OCTOBER 22, 2021

FEBRUARY 23, 2022 (ORD. 22-003) EFF. DATE MARCH 6, 2022

- The 2044 initial housing targets contained in the HO-5 report have been transmitted by SCT to Council for adoption into the Countywide Planning Policies, Appendix B
- They will join the 2044 initial population and employment growth targets adopted into Appendix B by the County Council on February 23, 2022
- The 2044 housing targets are consistent with the adopted 2044 population targets



# Direction for Forecasting Future Housing Needs

#### PSRC - VISION 2050 MPP-RGS-2

Use consistent countywide targeting processes for allocating population and employment growth consistent with the regional vision, including establishing: (a) local employment targets, (b) local housing targets based on population projections, and (c) local growth targets for each designated regional growth center and manufacturing/industrial center

#### Countywide Planning Policies for Snohomish County GF-5 and Appendix C

- Subcounty allocation of projected growth shall be established for purposes of conducting the periodic UGA review and plan update required by the Growth Management Act at RCW 36.70A.130(3)
- Includes population, housing and employment target allocations
- The initial targets shall be used for at least one of the plan alternatives evaluated by jurisdictions for their GMA plan updates



# Direction for Forecasting Future Housing Needs

- In 2021, HB 1220 amended the GMA housing goal to instruct local governments to "plan for and accommodate housing affordable to all economic segments of the population of the state."
- The bill calls for Commerce to provide countywide projections of housing needs for all economic segments and guidance for how those needs are to be allocated to local jurisdictions.



#### **Commerce Guidance (July 2022):**

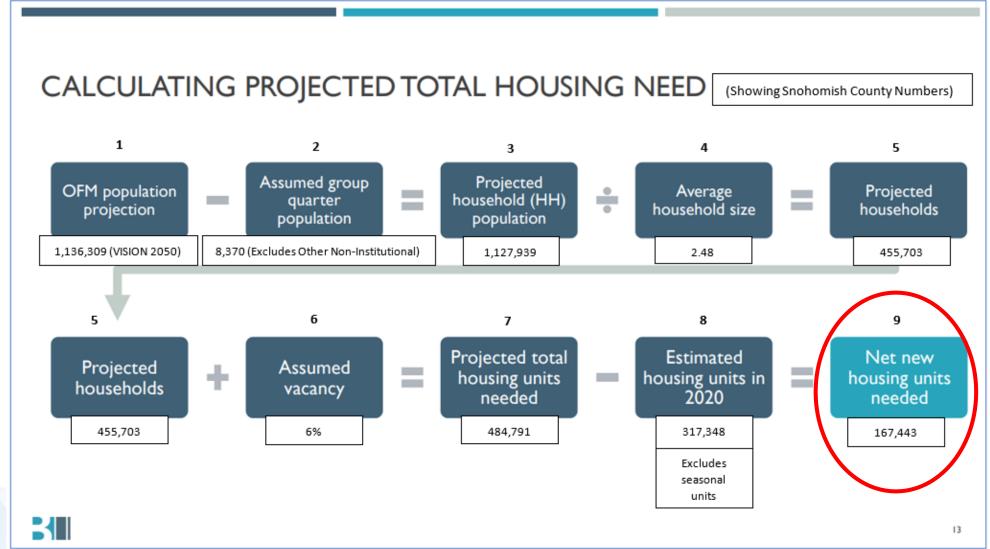
- "Commerce will be publishing housing needs projections for each county. Commerce will establish a methodology to project housing needs based on each county's projected population from OFM. The methodology accounts for both current and projected housing needs by income level."
- "To allocate projected housing needs to localities, Commerce recommends that counties, in consultation with cities and towns, use the same locally established framework, such as a council of governments or regional council, used to coordinate the allocation of population targets."

# Direction for Forecasting Future Housing Needs

- Once adopted into the CPPs, the County and cities will use these housing need allocation numbers in their analyses for comprehensive plan updates
- COVID delayed the data products needed for preparation of Commerce's housing needs (e.g., Census 2020 and updated OFM projections)
- Delayed release of housing need numbers from Commerce has compressed the timeline for the County's 2024 Update
- Final housing projected need numbers for Snohomish County released on March 1, 2023







Commerce's methodology includes housing needs associated with both projected population growth **and** historic housing underproduction by including:

- An assumption that housing units for the homeless population will be provided over time such that
  the share of group quarters population that was homeless as revealed in the 2020 Census will be
  reduced to zero by 2044.
- A resumption of significant average household size declines over time in Snohomish County, from 2.67 in 2020 to 2.48 in 2044.
- An increase in the countywide vacancy rate to 6% by 2044, up from 4.6% countywide in 2020. A 6% vacancy rate helps to ensure there is enough supply available to reduce intense competition for available units that can otherwise push up rents and housing prices.
- The removal of seasonal units/vacation homes from the 2020 housing base since these units do not accommodate year-round residents.

Snohomish

#### ACCOUNTING FOR HISTORIC UNDER-PRODUCTION OF HOUSING

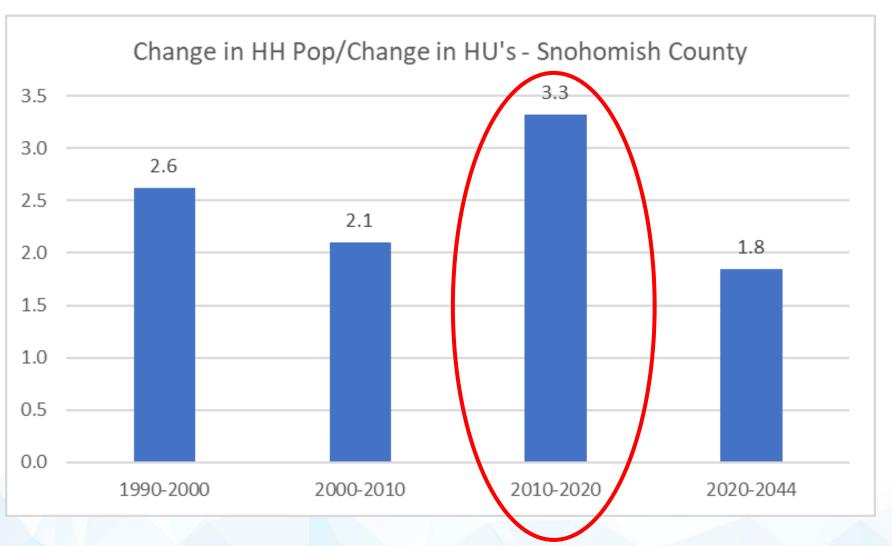
#### The issue

- Supply has not kept pace with demand, leading to:
  - Rising housing costs
  - Households "doubling up"
  - Crowding
  - Delayed household formation (e.g., young adults living with parents instead of getting own place)
- The projection model should provide enough housing to account for this current undersupply + new population growth

#### How we account for this

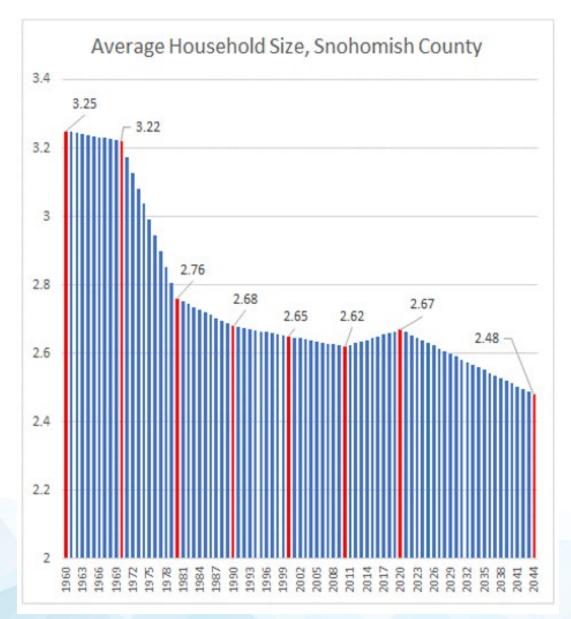
- Model what average household size should be if new household formation is not constrained by housing supply
  - Account for demographic trends on OFM population projections (aging)
  - Typically results in smaller household sizes
- Calculate future households by applying this average household size to the entire future population (not just increment of growth)
- This provides more units for both the current population as well as the projected growth in population





- rewer units were constructed to accommodate the population growth experienced in Snohomish County during the last decade compared with previous decades
- Commerce projections assume much greater housing construction relative to population growth for 2020-2044



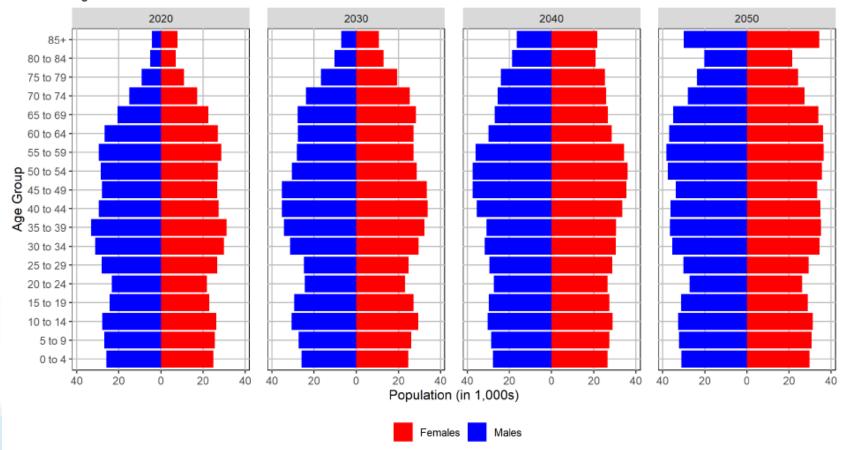


- An average household size of 2.48
  by 2044 assumes a steeper decline
  in average household size
  throughout the 2020-2044 period,
  one which matches the pace of
  average household size decline
  experienced in the county during
  the 1980's
- Commerce has projected an average household size decline even though the Census 2020 showed an increase in household size to 2.67, likely due to housing shortages during that decade



### Population by Age and Sex

Snohomish County Population Pyramids Age distributions from GMA 2022 Draft Forecast

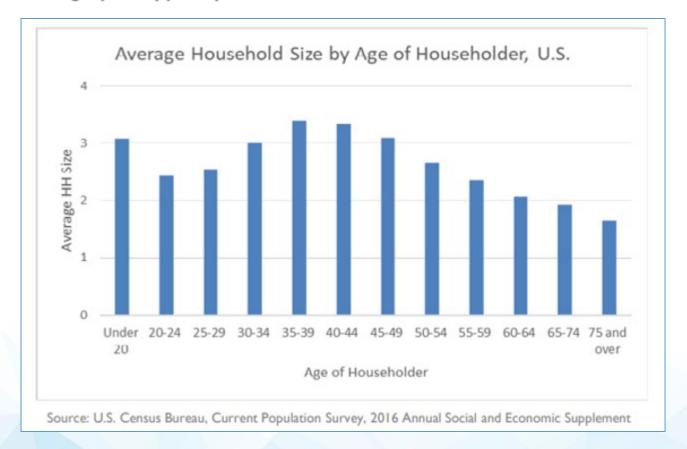


- Why does average household size decline significantly in Commerce's housing need projection?
- Updated OFM population by age projections released in Dec 2022 showing aging of population



# AVERAGE HOUSEHOLD SIZE AND DEMOGRAPHIC PROJECTIONS

- OFM population projections show increasing share of population will be older adults.
- This demographic typically lives in smaller households.



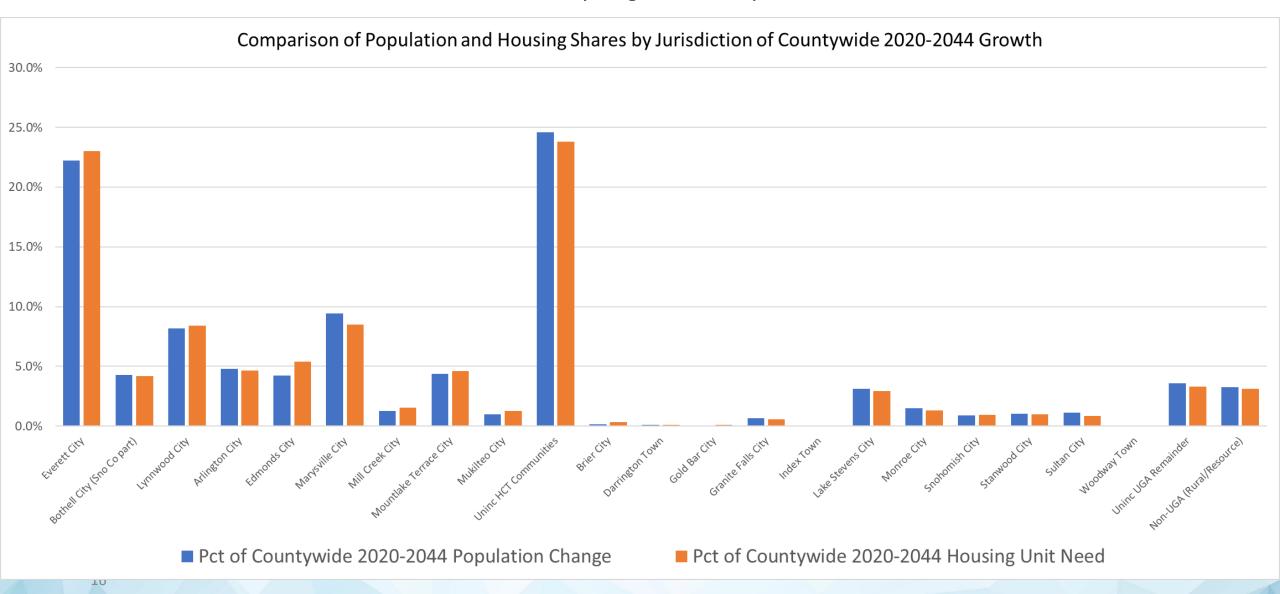


# Countywide Housing Target – Mar-1-2023 Final Commerce Projection Allocation to Jurisdictions

- Countywide housing target was allocated to jurisdictions in Snohomish County following same methodology used by Commerce to determine countywide housing need
- The step which involved extra consideration at the jurisdictional level was step 4 determining average household size in 2044
- An approach in which the housing unit mix associated with the jurisdiction's additional capacity was used to determine future average household assumptions by jurisdiction



Allocation to Jurisdictions – Generally Aligns with Population Growth Distribution



# Countywide Housing Target – Mar-1-2023 Final Commerce Projection Allocation to Jurisdictions

- The 2044 initial housing targets recommended by SCT are consistent with the adopted 2044 initial population targets developed by SCT in 2021
- Significant residential projects that are now known or are already underway since development of the population targets are being included as part of the Alternative 3 (Higher Growth) scenario for Snohomish County's 2024 plan update
- Cities are also able to evaluate potential adjustments to the 2044 initial targets as part of their plan alternatives analysis for the 2024 plan updates
- The SCT target reconciliation process will be used to resolve any differences between city and county adopted target outcomes in individual plans following plan updates in 2024.



# **Next Steps**

- County Council public hearing and adoption of initial housing growth targets into Appendix B of the CPPs
- As a significant part of the GMA plan updates required by December 2024, initial housing targets are needed for jurisdictions to evaluate the adequacy of land capacity for accommodating Commerce's projected housing needs
- Additional delays in the establishment of the initial housing growth targets in the CPPs will impact the overall 2024 Plan Update schedule



# Questions?

Stephen Toy
Principal Demographer
Planning & Development Services
Steve.Toy@snoco.org
425-262-2361



**SNOHOMISH COUNTY COUNCIL** 

**EXHIBIT #** 3.2.003

FILE ORD 23-062

**EXHIBIT 3.2.003** 

Planning & Community Development Committee Meeting – 06/20/23

Minutes and Video