

CITY OF LYNDEN

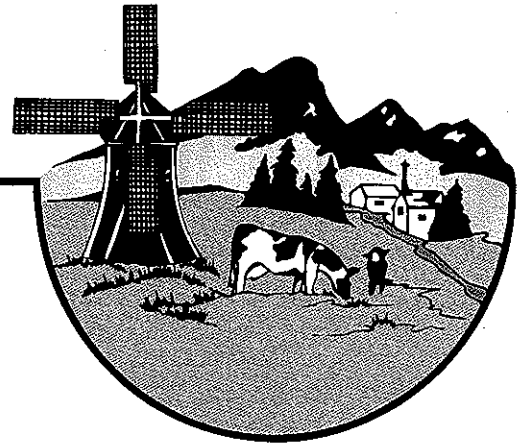
PLANNING DEPARTMENT

Amy Harksell
Planning Director
300 4th Street
Lynden, WA 98264
(360) 354-5532
Fax (360) 354-8951

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SEP 17 2009

LONG RANGE
PLANNING DIVISION



September 17, 2009

Whatcom County Council & Whatcom County Planning Commission
311 Grand Avenue
Bellingham, WA 98225

RE: City of Lynden Population and Land Capacity Analysis assumptions

After the discussion regarding Lynden's future population and the process for arriving at that number at the prior hearing, we felt it was appropriate to provide more information regarding the City's process and request a reallocation of that proposed population. The City of Lynden considers population projections as a planning tool. We are proud of our community and the reputation it has within Whatcom County and beyond, but we do not recruit new residents to move to the City in order to meet a target. We thoughtfully consider the reasons people live here and do our best to plan for those who may move here in the future. Without this careful, thoughtful planning in the past, the City would not be able to provide the services and the amenities that we do today.

Projecting a future population is part sociology and part pure mathematics with a good measure of reasonable expectations thrown in. Lynden employed all three of those aspects in the population it proposed to Whatcom County. First, consider the sociology. People feel safe in Lynden; school age children will tell you that it is a "kid-safe town." When considering the anecdotal information we gain through the Welkom Basket program, people move here because of the way it makes them feel. They are part of a community here. They are in a town that builds a multi-million dollar playground together in two weeks; a town that fights for hot meals for house bound seniors. This isn't part of any model that the City or Berk and Associates can calibrate to determine a number. But it demonstrates that unless the fundamental tenants of the community are altered, a certain portion of people will make the choice to live in and around Lynden.

The second aspect of the City's projections is mathematics and statistics. The City looked at years past – beyond the past twenty years – to consider how it has grown through different cycles. Lynden grew by more than 21% in the years of the Great Depression, and again about 20% during the recessions in the 1970's. In more recent times, when we have data to break growth rates down by five year and annual increments, we saw that between 1990 and 2000,

the average *annual* growth rate was more than 5% per year. This rate slowed to 3% annually between 2000 and 2009.

Single family building permit numbers have dropped significantly in the past two years, but that is not unusual. Over the past twenty years, there have been periods of up to three years of permit decline with strong recovery in construction in the years that follow. Using this historical backdrop, the City considered the ECONorthwest and Berk and Associates models for future population growth as well as Whatcom County's current Comprehensive Plan. Based on all these numerical inputs, we ran the numbers through a spreadsheet that developed different numerical scenarios.

Next in the process was the contemplation of what we deemed reasonable expectations. We reviewed the County's current goals and policies regarding directing more rural growth into urban areas, we listened to public input and comment received through Whatcom County's work shops in fall of 2008 and our own community. Intensifying urban development, preserving agricultural and rural lands was important to Whatcom County. The Lynden community expressed a need and desire to maintain their quality of life as well as the character of the community.

In the end, after public work shops and City Council hearings, the City projected a population for 2031 of 19,027 people. This is based on a *lower* growth rate than was projected by ECONorthwest. It extends the planning horizon for utility construction from three to five years. The first five years of this planning period are projected at the lowest five year rate the City has seen since 1980 to 1985. The following projections are reasonable and accepted by the City of Lynden and adopted under City Council Resolution 804.

2009	2014	2019	2024	2029	2031
11,613	12,782	14,316	16,105	18,118	19,027

The Executive's Recommendation on Urban Growth relies upon the land capacity analysis to assign a future population to the City's proposed urban growth area. While the City of Lynden agreed to the basic methodology, some of the underlying *assumptions* or inputs into the formula for Lynden's urban growth area lead to the misconception that the City can not accommodate the projected population into the land area proposed for inclusion.

It has been recognized and understood that in depth land use planning for the areas proposed for addition to Lynden's urban growth area will take place in the 2011 update. Given the time frame and scope of work, it was not possible to develop a zoning plan for that area prior to recommending its inclusion. The City proposed an average density for the area of 7 units per acre, based on the average planned density calculations that were completed for the current urban growth area. Although we recognize that Section 5.1 of the Land Capacity Methodology calls zoning designations of over seven dwelling units per acre multi-family, it is important to note that the City has not applied a zoning designation to the area. Instead, we committed to that average planned density in our proposal.

Policy 4d of Lynden's Comprehensive Plan calls for the City to maintain an approximate ratio of 75% single family housing to 25% multi-family housing. The land use planning that will be taking place in the next 18 months will determine how that ratio of housing types relates to

lot sizes and housing types and land use designations with the goal of 7 dwelling units per acre. Given that we are not proposing all 326 acres to be multi-family, it is recommended that for the UGA capacity analysis, we use the 2008 OFM average persons per household for Lynden of 2.5 rather than 1.73 that is designated for multi-family units. This results in a significantly reduced housing unit demand. Using Lynden's average persons per household would be appropriate as the land will develop consistently with the City's history, rather than a more rural pattern of Whatcom County.

The second area where the City recommends the use of a different assumption is in the classification of the land area in the proposed UGA between Benson Road and Double Ditch Road as "under-utilized" or partially developed. The 314 acres we have proposed for inclusion in the City's urban growth area in this area doesn't fit neatly into either the vacant or underdeveloped/partially utilized categories. It is an area where there are small intense areas of improvements that exceed the value threshold shown in Exhibit 1 (Section 3.6 of the Land Capacity Methodology) to label them vacant, with large open areas for grazing or crops. Using the underdeveloped or partially utilized label assumes there is an existing development pattern that will negatively impact the likelihood of development and assigns a higher market factor. Currently there are 6 homes together with agricultural buildings on the land proposed for inclusion in the urban growth area, the remaining area is unencumbered by development and is actively farmed at this time. While the ratio of land to improvement value may put the parcels into the under developed category, it would be much more realistic to use a vacant designation and the associated market factor of 15% rather than 25% for the underdeveloped or partially developed designation.

Using assumptions as recommended above, Lynden can accommodate the population we have projected in the urban growth area proposed by the City in the documents presented to Whatcom County on June 16. At this time, the City is asking that the Executive's recommendation be modified and the population be reallocated to the City of Lynden as originally proposed.

In conclusion, the City is requesting the population allocation of 19,027 people in 2031 in Whatcom County's Comprehensive Plan Update. The public, the City's Planning Commission and the City Council all participated in the development of this projection. The City has a history of planning well for its future and recognizes the responsibility each staff member, appointed official and elected official bears in sustaining the City for future generations. We thank you for your consideration.

Sincerely,



Amy Harksell, AICP
Planning Director

Historic Population and Growth Rates

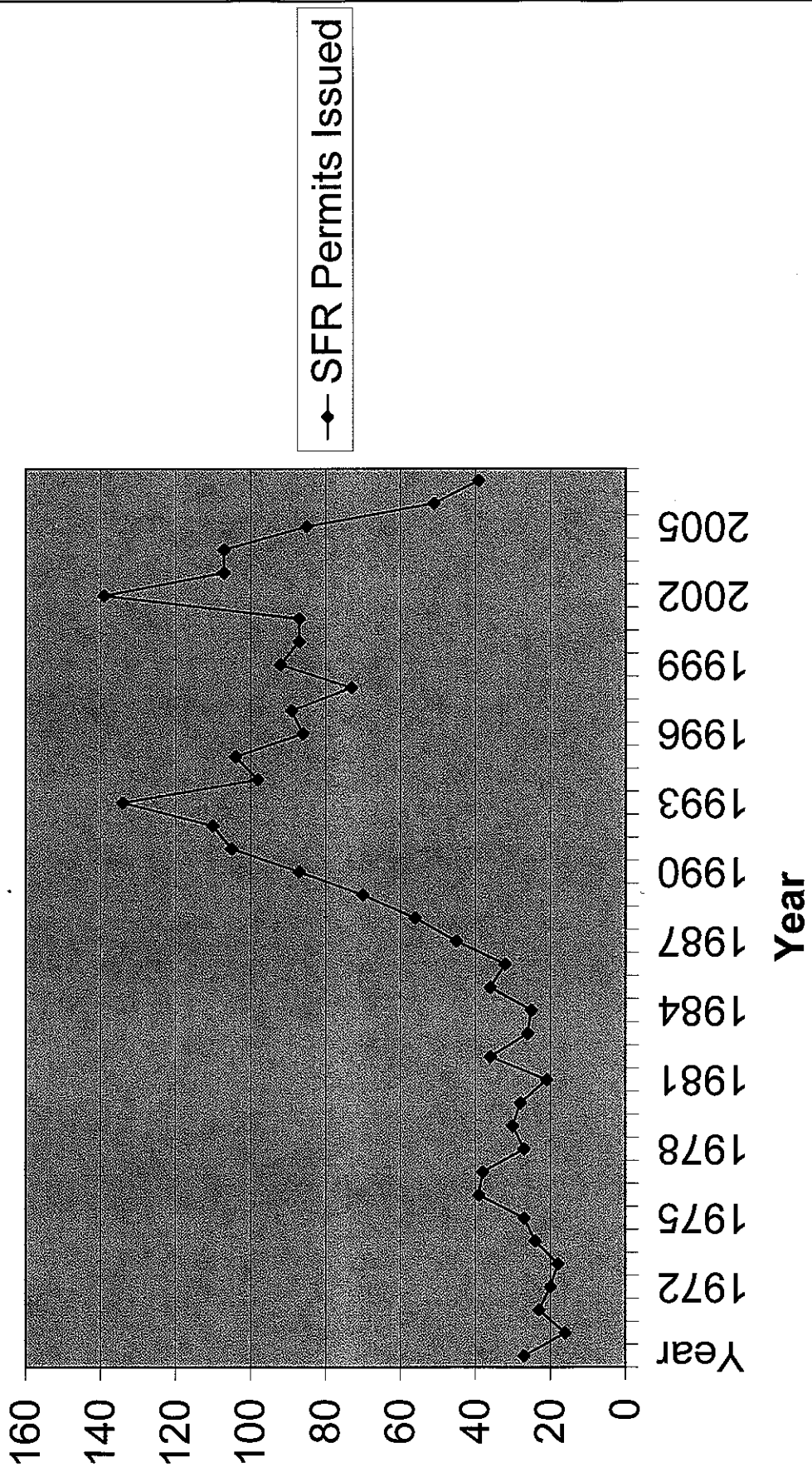
Year	Lynden's Population	Lynden's growth rate
1910 - Census	1,148	
1920 - Census	1,244	7.72%
1930 - Census	1,564	20.46%
1940 - Census	1,696	7.78%
1950 - Census	2,161	21.52%
1960 - Census	2,542	14.99%
1970 - Census	2,808	9.47%
1975 - OFM	3,525	20.34%
1980 - Census	4,028	12.49%
1981 - OFM	4,080	1.27%
1982 - OFM	4,250	4.00%
1983 - OFM	4,220	-0.71%
1984 - OFM	4,430	4.74%
1985 - OFM	4,500	1.56%
1986 - OFM	4,550	1.10%
1987 - OFM	4,690	2.99%
1988 - OFM	4,780	1.88%
1989 - OFM	4,880	2.05%
1990 - Census	5,709	14.52%
1991 - OFM	5,770	1.06%
1992 - OFM	6,170	6.48%
1993 - OFM	6,480	4.78%
1994 - OFM	6,835	5.19%
1995 - OFM	7,315	6.56%
1996 - OFM	7,670	4.63%
1997 - OFM	8,085	5.13%
1998 - OFM	8,510	4.99%
1999 - OFM	8,910	4.49%
2000 - Census	9,020	1.22%
2001 - OFM	9,285	2.85%
2002 - OFM	9,380	1.01%
2003 - OFM	9,740	3.70%
2004 - OFM	10,010	2.70%
2005 - OFM	10,480	4.48%
2006 - OFM	10,785	2.83%
2007 - OFM	11,150	3.27%
2008 - OFM	11,350	1.76%
2009 - OFM	11,690	2.91%

Average Annual Growth Rate 1980 - 2009 3.57%

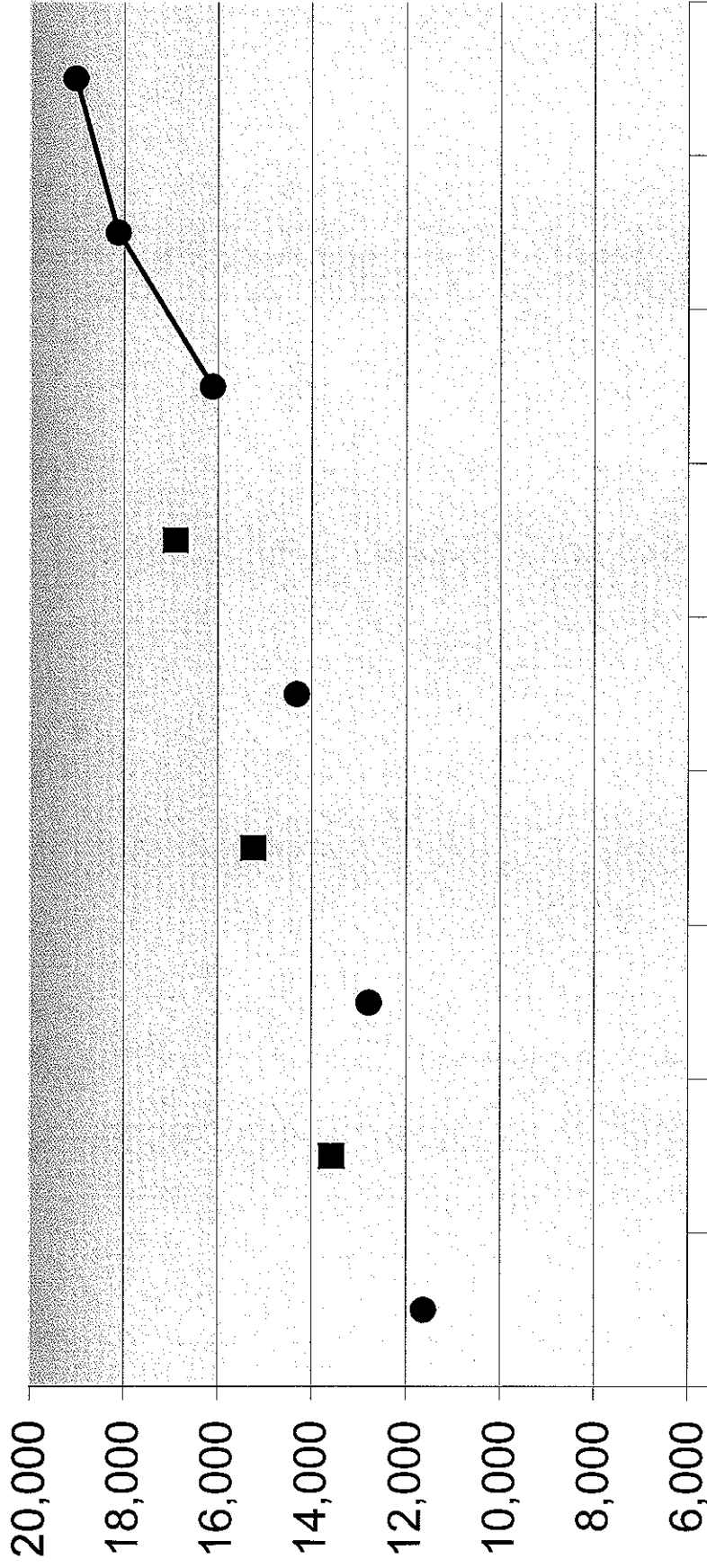
Average Five Year Growth Rate 1970 - 2005 17.29%

Average Decade Growth Rate 1920 - 2000 19.82%

SFR Permits Issued



Comparison 2001 & 2009 Population Projections



	2009	2012	2014	2017	2019	2022	2024	2029	2031
■ 2001		13,573		15,234		16,900			
● 2009	11,618		12,782		14,316		16,105	18,118	19,027

Comparison of Land Capacity Assumptions

Executive's Recommendation	City of Lynden Proposal
The City has projected 7414 new people	The City has projected 7414 new people
Whatcom County used MF pph = 1.73	City will use 2.5 pph -2008 average of SF & MF
Only 94.2% of those houses are occupied, this adds housing units	Only 94.2% of those houses are occupied, this adds housing units
There are currently 296 DU on land in UGA	There are currently 296 DU on land in UGA
Total new DU needed	Total new DU needed
Assuming the density of 6.6 DU/Acre	Assuming the average density of 7 DU/Acre
March 8 LCA - Net Developable Acres in City Limits	March 8 LCA - Net Developable Acres in City Limits
March 8 LCA - Net Developable Acres in 1993 UGA	March 8 LCA - Net Developable Acres in 1993 UGA
Net New Acres Needed	Net New Acres Needed
Gross to Net Calculation	Gross to Net Calculation
Estimated Critical Areas	Estimated Critical Areas
Future Public Uses + 5%	Future Public Uses + 5%
Future Infrastructure + 22%	Future Infrastructure + 22%
Market Factor + 25%	Market Factor + 15%
Total Gross Acres Needed	Total Gross Acres Needed
7414	7414
4286	2966
4549	3148
296	296
4845	3444
734	492
177	177
106	106
451	209
451	209
18	18
23	10
99	46
113	31
704	315

The proposed approach to deal with these parcels is to make an assumption about what share of development will be in residential and commercial uses respectively. These assumptions will be provided by local jurisdictions based on recent patterns in mixed-use development within each planning area, local jurisdiction plans, and local knowledge of trends and pending development.

5.0 CONVERT NET DEVELOPABLE AREA INTO NET POPULATION AND EMPLOYMENT CAPACITY

The final step in the land supply analysis is to convert the net developable land inventory (in acres) into population and employment capacity. A series of conversion factors are used to make these calculations including: net assumed densities of future development in each planned land use designation (see **Section 4.2**), average household size, and non-resident vacancy rates. The final product is an estimate of the number of people and employees that can be accommodated in each UGA on developable land. These estimates will be directly comparable to the forecasted population and employment totals allocated to each UGA over the 20-year planning period.

5.1 Determine Population Capacity

This section describes how capacity to accommodate future population growth is derived from the net developable area in residential zones and the residential portion of mixed-used zones.

Data Needed

- The Net Developable Land Inventory of residential and mixed-use zones (see **Section 3.0**)
- Assumed densities for residential and mixed-use zones (see **Section 4.2**)
- Whatcom County Assessors Office data for partially-used and under-utilized parcels.
- Pending permit and plat data – permits and plats for developments that have received preliminary approval but have not been constructed as of July 1, 2008. Pending data includes those areas that have been “master planned” by the city, such as the Waterfront area in Bellingham and Semiahmoo Resort in Blaine.
- OFM, US Census, and American Community Survey (ACS) data on occupancy rates and average household sizes at the Block Group, Census Designated Place, and County level.

Steps

Determine Total Dwelling Units Capacity by Zone

1. Multiply net acres of residential developable land in each zone by the assumed density (DUs/acre) for each zone. The output will be the total dwelling units of capacity available in each zone before accounting for existing development on partially-used and under-utilized parcels.

2. Summarize total existing dwelling units on partially-used and under-utilized parcels by zone. Subtract these units from the totals from the previous step so that existing units are not counted as part of partially-used or under-utilized parcel capacity.
3. Earlier in the process, parcels with pending developments were set aside. These parcels included preliminary or final plats, permits, and binding site plans for developments that have received preliminary approval but have not been constructed by July 1, 2008. Master planned projects that have not been completely built out but have received approval for a certain number of dwelling units are also included. (see **Section 3.1**).

The estimated capacity in these developments is more accurate than calculated theoretical capacity. Summarize total dwelling units in these pending developments by zone. Add these units to total dwelling units from Step 2. The output will be total dwelling units of capacity available in each zone.

Determine Total Occupied Dwelling Units by Zone

4. Determine occupancy rate assumptions for each UGA city by using 2008 OFM estimates. OFM does not provide reliable occupancy rates for unincorporated areas so 2000 Census data are used to calculate occupancy rates in unincorporated UGAs (e.g. Birch Bay and Columbia Valley). The 2000 Census occupancy rate assumptions are adjusted based on more current ACS estimates on how these rates have changed countywide since 2000. In particular, the occupancy rates in UGAs with large concentrations of seasonal housing³ will be assessed carefully. If more accurate occupancy rate assumptions are available from a reliable local source, these may be used instead of the OFM and Census values.
5. Multiply the total dwelling units of capacity in each zone by occupancy rate assumptions for each UGA. The output will be total occupied dwelling units in each zone.

Determine Total Population Capacity by UGA

6. Determine average household size assumptions for each UGA city by using 2008 OFM estimates. OFM does not provide reliable household size estimates for unincorporated areas so 2000 Census data are used to calculate average household sizes in unincorporated UGAs (e.g. Birch Bay and Columbia Valley). Average household sizes for single family and multifamily households are calculated separately. The 2000 Census average household size assumptions are adjusted based on more current ACS estimates on how these values have changed since 2000. If more accurate household size assumptions are available from a reliable local source, these may be used instead of the OFM and Census values.
7. Aggregate the total dwelling units in each zone into two categories, single family and multifamily. The distinction between single family and multifamily zones is challenging because each jurisdiction may interpret “single family” and “multifamily” differently and have zoning codes that allow different levels of density in each of these categories. To improve consistency and common

³ Seasonal housing is considered vacant according to Census definitions. These housing units are not included in the occupied housing unit category and are not folded into Census calculations of average household size.

understanding regarding land use categories, the following single family/multifamily threshold will be used: all zones allowing more than 7 DUs/acre will be considered multifamily and all those allowing up to 7 DUs/acre will be considered single family.

8. Multiply total occupied dwelling units in the single family and multifamily categories in each zone by average household size assumptions for these categories. The final output will be total population capacity within each UGA.
9. The population capacity in each UGA can be compared to the population allocated to each UGA to determine where excess or insufficient developable land capacity is an issue.

Reverse Conversion Steps

If desired, the reverse conversion from population allocation to net acres of residential land needed can be carried out using the following calculations, which are essentially the reverse of the steps listed above.

1. Calculate weighted average occupancy rates, assumed densities, and average household sizes for each UGA using the net developable land inventory.
2. Divide the population allocation for each UGA by the weighted average household size value for each UGA. The output will be total future occupied households demanded.
3. Divide the total occupied households demanded by the weighted average occupancy rate for each UGA. The output will be total future dwelling units demanded.
4. Divide total dwelling units demanded by the weighted average assumed density (DUs/acre) for each UGA. The output will be total acres of net residential land demanded over the planning period.

5.2 Determine Employment Capacity

This section describes how capacity to accommodate future employment growth is derived from the net developable area in commercial and industrial zones and the commercial portion of mixed-used zones.

Data Needed

- The Net Developable Land Inventory of commercial, industrial, and mixed-use zones (see **Section 3.0**)
- Assumed FAR values for commercial, industrial, and mixed-use zones (see **Section 4.2**)
- Whatcom County Assessors Office data for partially-used and under-utilized parcels.
- Pending commercial and industrial building permit data – permits and binding site plans that have received preliminary approval but have not been constructed as of July 1, 2008. Pending data includes those areas that have been “master planned” by the city, such as the Waterfront and Airport areas in Bellingham and Semiahmoo Resort in Blaine.

3C. The City of Lynden has adopted a Transportation Plan and will actively pursue the implementation of that plan to provide residents with a safe and efficient transportation system.

4. **Housing:** Encourage the availability of affordable housing to all economic segments of the population, promote a variety of residential densities and housing types, and encourage the preservation of existing housing.

Community Value Statements

The community of Lynden will provide creative opportunities for affordable housing, for all income levels, with the emphasis toward ownership, for at least 80% of those households who: 1) are at or below 80% of median income for Whatcom County; and 2) whose shelter costs exceed 30% of their gross income.

4A. The City of Lynden has developed ordinances for **Planned Residential Developments and the Residential Mixed Density Zone**, which allows for the diversification of housing types and the preservation of open space. The City has also developed zones that increase density in areas of the City.

4B. The City of Lynden will consider other creative methods, such as cluster housing, cottage housing, accessory housing, and transfer of development rights to increase density and promote the opportunity for ownership of single family homes.

4C. The City of Lynden will continue to pursue housing options within the city that are consistent with the community's aesthetic values and provide opportunities for home ownership.

4D. The City of Lynden will seek to maintain a ratio of seventy-five percent single family homes and twenty five percent of multi-family units.

5. **Economic Development:** Encourage economic development throughout the State that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this State, especially for unemployed and for disadvantaged persons, and encourage growth, all within the capacities of the State's natural resources, public facilities and public services.

Community Value Statements

The City of Lynden will promote the diversification of its economy through the encouragement of sustainable industrial and commercial growth. Those industries and commercial activities which do not preclude the economic choices of future generations and that emphasize and support agriculture will be especially encouraged.

The City of Lynden will work to provide opportunities for "livable-wage" jobs for residents of the City and surrounding community.

5A. The City of Lynden will work to achieve the maximum level of economic well being for all citizens within the City through the establishment of a stable and diverse economy.

2008 Population Local Review Worksheet: City: Lynden County: Whatcom

Direct any questions to 360/902-0599 Response deadline is June 26, 2008 Office of Financial Management/Forecasting 6/20/2008

SECTION 1: UPDATE OF HOUSING and POPULATION. Frame housing in Cols. B through E are updated by construction and demolition as reported by cities and towns (Form A). *Mobile Homes and Special Housing are from Section 3 below.*

	A. Total Units	B. 1-Unit	C. 2-Unit	D. 3.& 4- Unit	E. 5 or More Unit	F. Mobile Homes/ Trailers	G. Special Housing
1. 2000 Base Census Housing *	3,592	2,588	58	271	605	70	0
2. Net Housing Unit Change: Base Census to Estimate Year. <i>Excludes Annexations 4/2/2007 through 4/1/2008</i>	1,065	742	123	49	106	45	0
3. Housing Estimate =	4,657	3,330	181	320	711	115	0
4. Occupancy Rate	0.929998	0.949508	0.863529	0.855459	0.918110	0.747910	0.000000
5. Occupied Units = (3) *(4)	4,331	3,162	156	274	653	86	0
6. Household Size	2.587624	2.905115	1.555556	1.911392	1.634921	2.164557	0.000000
7. Household Population = (5)* (6)	11,207	9,186	243	524	1,068	186	0
8. Other Military Housing	0	0	0	0	0	0	0
9. Occupied Units	0	0	0	0	0	0	0
10. Population	0	0	0	0	0	0	0
11. Annexed Housing 4/2/2007 thru 4/1/2008	0	0	0	0	0	0	0
12. Occupied Units	0	0	0	0	0	0	0
13. Population	0	0	0	0	0	0	0

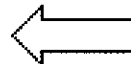
SECTION 2. SUMMARY ALL HOUSING AND POPULATION

14. All Housing Units	4,657	3,330	181	320	711	115	0
15. Occupied	4,331	3,162	156	274	653	86	0
16. Occupancy Rate	0.929998	0.949508	0.863529	0.855459	0.918110	0.747910	0.000000
17. Persons Per Household	2.587624	2.905115	1.555556	1.911392	1.634921	2.164557	0.000000
18. Household Population	11,207	9,186	243	524	1,068	186	0

19. Group Quarters Population	138
20. All Population = (18) + (19)	11,345

*Less Other Military Housing or population in Other Housing if applicable.

2008 Population for Review and Comment: 11,350



SECTION 3. DEVELOPMENT OF MOBILE HOMES, SPECIAL UNITS AND GROUP QUARTERS These are the housing and population categories that require a count by the cities each year on the data collection form (Form A).

	Count of Mobile Homes/TR	Count of Special Housing Units	Count of Population in Special Housing Units	Count of Group Quarter Population
1. Base Census Count	70	0	0	115
2. City Count at Base Census.....	27	0	0	109
3. City Count at Estimate date 2008.....	72	0	0	132
4. Difference = (3) - (2)	45	0	0	23
5. Annexations 4/2/2007 through 4/1/2008	0	0	0	0
6. Estimate 2008 =(1) + (4) + (5)	115	0	0	138

*Less Other Military Housing or population in Other Housing if applicable.

COMMENTS:

The city received an adjustment to occupancy rates based on the change in postal occupancy rates and the number of new housing units.

**Exhibit 1
Developable Land Definitional Thresholds**

Category	Parcel Type	Definition
Vacant	All Residential, Commercial, Industrial	Improvement value < \$10,000; exclude all parcels < 2,400 sq ft in size
Partially-Used	Single Family	Parcel size > 3 times minimum allowed under zoning; Don't count parcels with improvement value > 93 rd percentile ¹ of jurisdiction improvement values unless the parcel size is > 3 times the minimum allowed under zoning
	Multifamily, Commercial, Industrial	n/a
Under-Utilized	Single Family	N/A
	Multifamily, Commercial, Industrial	<ol style="list-style-type: none"> 1. Multifamily, commercial, and industrial zoned parcels occupied by single-family residential uses 2. Ratio between improvement value and land value < 1.0 3. Cities can identify development, such as gas stations, as fully developed when the ratio of improvement value to land value is less than 1. Subtract existing floor area from data base.

5. Make adjustments for mobile homes. The primary concern is that some mobile home parks may show up as vacant if the mobile home value is not captured in the Assessors' improvement value data. County staff will use aerial imagery to truth check developable parcel designations against known areas with mobile home developments. Local jurisdictions will also be given an opportunity to review developable land and mobile home park issues in the local jurisdiction review phase described later. If mischaracterized mobile home parks are identified, manually adjust the developable category designation in the land inventory database.

¹ The exclusion of parcels with high improvement values is meant to account for the fact that large single family parcels with high-end homes are unlikely to be subdivided. The 93rd percentile threshold was determined by analyzing the distribution of housing values in the County and selecting a reasonable value that could be applied across all jurisdictions.

2. The maps, along with tabular parcel data underlying the maps will be sent to each local jurisdiction for review. If appropriate, County staff will meet with city staff to discuss any adjustments to developable designations or critical areas that are necessary. These meetings can also be used to discuss infrastructure deductions, public use deductions, assumed density assumptions, market factor assumptions, and other jurisdiction-specific assumptions described elsewhere in this methodology.

The range of additional issues that can be considered during the local jurisdiction review process includes but is not limited to the following:

- Critical areas not identified through GIS analysis
- Known market interest in development or redevelopment of particular parcels/areas
- Parking and outdoor storage associated with adjacent uses
- Other associated/related uses spanning multiple parcels
- Irregular parcel shapes making development unlikely

3.6 Market Factor Deduction

The market factor is a final deduction from the net developable area to account for lands assumed not to be available for development during the planning period. It is expected that over the 20-year planning period some lands will be kept off the market due to speculative holding, land banking, and personal use, among other reasons.

Steps

1. Summarize acreage in the Developable Land Inventory by zone, by land use (residential and commercial/industrial) and developable land designation (vacant, partially-used, and under-utilized). This acreage should represent developable land after critical areas, infrastructure, and public uses have been deducted.
2. Apply the following deduction factors to the developable acreage by zone:
 - For vacant residential and commercial/industrial zones: 15% market factor
 - For partially-used and under-utilized residential and commercial/industrial zones: 25% market factor
3. As a reference point, the overall average market factor for all developable land should be calculated for each UGA and Countywide (total acres deducted based on market factor percentage / total acres in the Developable Land Inventory after critical areas, infrastructure, and public uses have been deducted).
4. During the local jurisdiction review process, the base market factors may be adjusted to account for local conditions and future plans. If market factors are adjusted, the final overall average market factor for a UGA should not exceed 25%. For certain areas (e.g. commercial/industrial areas in