From: Snodgrass, Bryan

To: Sonja Wiser; Rebecca Messinger
Cc: Oliver Orjiako; Jose Alvarez

Subject: City of Vancouver comment letter for 2/29 County PC and 3/5 County Council hearings on countywide growth

allocations to individual jurisdictions

Date: Tuesday, February 27, 2024 3:03:49 PM

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Sonja and Rebecca

Attached please find a City of Vancouver comment letter for the upcoming County Planning Commission and County Council hearings on growth allocations to jurisdictions, and to post on the respective hearings and project websites. Thank you very much.



February 27, 2024

RE: City of Vancouver recommendations for February 29 County Planning Commission and March 5 County Council public hearings on Comprehensive Plan update growth allocations to individual jurisdictions:

- 1. For purposes of developing the land use alternatives, use housing unit allocations to individual jurisdictions as proposed in the County staff materials.
- 2. Use employment allocations that adjust the staff proposal to better correspond with jurisdiction's capacities and goals, similar to the housing allocation.
- 3. Although the hearing is not advertised for it, please consider the following for context:
 - a. The housing and employment capacity estimates used to accommodate the allocations have been updated and improved, but appear to still undercount actual growth capacities and are still based in part on some assumptions that appear inconsistent with state guidance and/or local data.
 - b. The hearing materials indicate that regardless of allocation, existing countywide land capacities are largely sufficient to accommodate countywide growth targets for total housing units and for jobs. Significant UGA expansions are not needed or legally defensible in this update cycle in our view, particularly since the latest capacity estimates likely underestimate actual growth capacity, and in the case of housing most jurisdictions will need to expand existing capacities for middle and higher density housing in their upcoming Comprehensive Plans to comply with new GMA laws.

TO: Chair Medvigy and Clark County Councilors; Chair Johnson and Clark County Planning Commissioners

Thank you very much for the opportunity to comment as the update process moves from regional growth numbers to individual jurisdictions. We appreciate the Planning Commission entering into the Comprehensive Plan update mid-stream, and the engagement of the County Council throughout.

Decisions about how much to grow countywide and what mix of housing will be needed have largely been made. The Council selected relatively aggressive long term countywide growth targets last year to anchor the process, adopting a 2045 countywide population forecast higher than what the state officially projects as most likely to occur in Clark County, and choosing a countywide jobs forecast based on an aspirational goal of reaching one job per household. New GMA requirements under HB 1220 amplify these choices by requiring local jurisdictions to collectively plan for and accommodate aggressive set numbers of housing units in various income categories, based on the chosen countywide population forecast. As noted in the County hearing materials, approximately 103,000 new housing units must be accommodated countywide. More than half of these (55,000 new units) must be affordable at less than 80% of Area Median Income (AMI), and more than a third (37,000 new units) must be affordable below 50% AMI.

Under any allocation scenario, most local jurisdictions will likely need to make changes of varying degrees to accommodate a wider range of housing types than current conditions allow for, where single family homes constitute the majority or at least half of all existing units in all of our communities including Vancouver. Exhibit 1, page 5, in the current hearing materials explicitly acknowledges the need for significantly more multifamily land, and aligns with previous recommendations from key advisory boards. In 2022, the County Housing Options Study and Action Plan (HOSAP) advisory committee recommended that the County prioritize rezoning in the unincorporated VUGA to higher densities where appropriate. The Clark County Development and Engineering Advisory Board (DEAB) has testified on the need for more R-18 and R-12 land. ¹

The new housing required by GMA will involve a mix of owner occupied and rental housing, with more rentals at the higher densities and more ownership opportunities in middle housing at the medium densities. The City of Vancouver is committed to expanding ownership opportunities where possible, including advocating for continued condominium law updates to extend these opportunities to higher density housing, and changing zoning and building codes to allow for more attached homeownership development. Rental housing will have a role as well, as it is the preference or only affordable option for many citizens countywide, and providing adequate rental housing supplies can also further long-term homeownership, by easing the pressure on single family homes to be used for rent, and by better allowing renters to accumulate savings for a down payment so they can become owners in the future.

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¹ The HOSAP advisory committee recommended without any objections at its final <u>1/25/22 meeting</u> to include residential upzoning under HO-16 as a near term strategy. <u>May 13, 2022 DEAB written testimony at page 2</u> states there is a need for more R-12 and R-18 zoned land.

The following are provided in support of our recommendations for the upcoming hearings:

1. Use housing unit allocations as proposed in County staff materials. The proposed housing allocation at the end of Exhibit 1 (also listed separately as "Allocation Housing Data") matches the units allocated all but one jurisdiction with their estimated capacities to accommodate this growth (see rightmost columns). The City of Vancouver, which has previously testified to plans for adding 38,000 more total housing units in the City, would be assigned the remaining 4,796 units under the County staff recommendation. The City's intent in planning for the 38,000 additional units, including associated below market units, is to more fully address affordability issues in Vancouver. In doing so it will partially lessen the burden on other jurisdictions in meeting the HB 1220 requirements.

The allocation methodology before the Commission and Council does not change the total countywide housing units to be accommodated, or the total units in each of the income bands. It only changes how these are distributed among the jurisdictions. Method A allocates the countywide obligations by income range to jurisdictions regardless of their existing housing stock in those ranges. Method B, recommended by County staff, accounts for how much existing housing in the income ranges each jurisdiction has and allocates with this in mind. Recognizing that proposed Method B produces some unusual results, such as a *surplus* of 3,110 units for the City of Vancouver in the 30-50% range because of our existing housing stock in this range, we would be comfortable with a suballocation by income range that splits the difference in half between Methods A and B. We would not be comfortable with anything further tilted towards Method A, which provides no recognition of a jurisdiction's existing stock.

2. Use employment allocations that better correspond with the jurisdiction's employment capacities and goals, similar to the housing allocation. Although the approximately 65,000 jobs to be allocated to urban areas countywide in Table 6 of Exhibit 1 almost exactly matches the estimated countywide capacity to accommodate them, they are proposed to be distributed in a way which varies greatly for individual jurisdictions. Some, such Battle Ground and the City of Vancouver, would be allocated thousand fewer jobs than their estimated capacities, while other like Washougal and the Vancouver UGA, would be allocated thousands more than they currently have capacity for. This allocation has not been previously shared with the jurisdictions and its rationale is unclear. We would suggest the below is a more appropriate and equitable employment distribution, that also is more consistent with the way housing units are proposed to be distributed:

	Employment	
Jurisdiction	Allocation	Capacity
Battle Ground	7,677	7,677
Camas	11,363	11,363
La Center	2,096	2,096
Ridgefield	7,998	7,998
Vancouver (City)	18,015	18,025
Vancouver (UGA)	15,168	15,168
Washougal	2,404	2,404
Woodland	-	-
Yacolt	360	360
UGA Total	65,081	65,091

The 65,081 jobs to be allocated above is the same as in Table 6 of the County Issue Paper, and is in addition to government, construction, and work from home jobs. The City of Vancouver has not yet finalized internal jobs projections for our process, but we envision planning for more jobs than proposed in the Table 6 of Exhibit 1, or the above suggested revision, which we suggest just as a way to move forward towards the land use alternatives process. As we describe in more detail below, the VBLM employment capacity estimates appear to significantly underestimate actual growth capacity for jobs.

3.a. The latest housing and especially employment capacity estimates appear to still underestimate actual growth capacities, and are still based in part on assumptions inconsistent with state guidance and/or local data. We very much appreciate the extensive work of County Planning and GIS staff in recent months to update the VBLM in accordance with the GMA requirements to evaluate capacity by zoning rather than Comprehensive Plan designations, to estimate capacity for Comprehensive Plans on a forward looking rather than backward looking basis as is done for Buildable Lands Reports, and to have the capacity analysis consider the many new GMA housing requirements adopted recently by the legislature.² The capacity estimates, at least for housing, have improved and are better documented.

² See <u>State Buildable Lands Guidance</u>, page 13

Despite improvement, on the housing side the new VBLM results still appear low in light of applications currently under review. The VBLM projects that Vancouver's 20-year capacity is about 2.5 times as many housing units as developers already have under review with the City right now, which appears low given that most applications result in development in 2-4 years time, not 20 years. The VBLM model also still includes various assumptions that likely undercount actual residential growth capacity, and are inconsistent with state guidance or local data, as documented on page 4 of our <u>January 16, 2024 submittal</u>.³

The employment side is the most problematic. The latest VBLM results in the hearing materials estimate that the City of Vancouver only has capacity for 18,025 jobs through 2045, or about 820 per year. This is only about half as many jobs as were added per year in current city limits during the previous two decades according to the <u>US Census On The Map</u> tool, even though there was a recession and a pandemic during that time. Even if the potential City share of the countywide government, construction and work at home jobs from Exhibit 1 Table 6 is included in Vancouver's capacity as it should, the VBLM results still project a future slowdown which is at odds with past trends.

Various individual assumptions used to derive the VBLM employment capacity totals are also inconsistent with state law and /or local data in our view. Assumed long term job growth occurring through redevelopment or expansion of existing buildings, or of adding employees within existing vacant or partially used buildings, accounts for only 583 total jobs countywide according to the latest yield data, down from the assumption used in the 2016 update cycle that redevelopment and refill would account for 15% of total job growth, or over 13,000 jobs. Home based work is assumed to account for only 4% of total countywide jobs, despite recent correspondence from WESD Economist Scott Bailey stating that American Community Survey data indicates 20% of Clark County jobs in 2022 were fully remote. The 4% figure from Bailey's original memo represents *changes* in local home based work in recent years, not current local levels.

3.b. Existing countywide land capacities can accommodate countywide growth targets, and significant UGA expansions are not needed or legally defensible in this update cycle in our view. The City of Vancouver supports providing ample opportunity for housing and employment growth for the long term future of all our communities, but the data indicates exiting supplies, perhaps with minor adjustments, are fully adequate. Tables at the end of Exhibit 1 of the materials shows the overall general balance between growth to be accommodated and recently estimated capacities. As noted, despite recent improvements, the existing capacity estimates likely underestimate actual long term growth capacity.

³ The most recent VBLM data shows that concerns about infrastructure deductions for multi-family residential development have been addressed. Other concerns about residential assumptions for critical lands deductions, redevelopment, and annexation listed on page 4 of the 1/16 submittal remain.

⁴ Projected new job growth through 2045 of 88,100 jobs x 0.15 would equal 13,215 jobs through redevelopment. The previous 15% employment redevelopment assumption is in Table 2 of Issue Paper 4 attached to resolution 2014-06-17

Furthermore, those existing capacities will also be likely further increased in the updated Comprehensive Plans as jurisdictions expand housing allowances in existing urban areas to varying degrees in order to comply with HB 1220. Attempting to locate all or most of the denser and lower income housing required by HB 1220 in UGA expansion areas far from existing public, commercial, and social services does not make sense from a cost, equity or access perspective in our view. Large scale UGA expansions may also be difficult to justify under new climate laws, as they would likely result in more extensive transportation-related GHG emissions compared with other options. Previous large scale UGA expansions in Clark County have not demonstrated benefits to local housing affordability, as the largest UGA expansions in state history were adopted in the local 2004 and 2007 Comprehensive Plan updates, only to see Clark County housing prices increase twice as fast as statewide in the period leading up to the next update in 2016. Significant UGA expansions are not being considered by any of the jurisdictions to our knowledge. The City of Vancouver does not object to what we understand are limited scale expansions being considered by some of the small cities.

In our view conservatism should be built into UGA expansions, since boundaries can always be expanded in the near future, but once they are designated UGAs can almost never be shrunk in practice. GMA mandates that 20-year land supplies be updated at least every 10 years well before they run out, and allows them to be updated more frequently than that, an option Clark Count has used in the past. We would urge this be kept in mind, given Clark County's finite and decreasing overall land area to accommodate growth not just in this Comprehensive Plan update cycle, but in future updates as well.

Thank you again for the opportunity to comment. With these growth allocations, and further improvements to the VBLM capacity modelling to make it reasonably accurate, we look forward to the challenging work of developing land use alternatives to begin to chart the future of our communities.

Sincerely,

Erik Paulsen, Vancouver City Councilmember

⁵ Housing prices increased 16% in Clark County vs 8% statewide from 2008 Q1 to 2016 Q2 per Washington Center for Real Estate Research Housing Market Reports <u>Reports and Resources</u> | (uw.edu). 2007 reports were not available.