From: Oliver Orjiako
To: Sonja Wiser

**Subject:** FW: City of Vancouver comment letter for 5/7 Council hearing on growth allocations

Date: Tuesday, May 7, 2024 8:07:32 AM Attachments: 24 05 07 COV to CCC fnl.docx

FYI. Thanks.

From: Snodgrass, Bryan < Bryan. Snodgrass@cityofvancouver.us>

**Sent:** Monday, May 6, 2024 4:50 PM

**To:** Gary Medvigy <Gary.Medvigy@clark.wa.gov>; Michelle Belkot <Michelle.Belkot@clark.wa.gov>; Karen Bowerman <Karen.Bowerman@clark.wa.gov>; Sue Marshall <Sue.Marshall@clark.wa.gov>; Glen Yung <Glen.Yung@clark.wa.gov>

**Cc:** Oliver Orjiako <oliver.Orjiako@clark.wa.gov>; Jose Alvarez <Jose.Alvarez@clark.wa.gov>; Christine Cook <Christine.Cook@clark.wa.gov>; Kennedy, Rebecca <Rebecca.Kennedy@cityofvancouver.us>

Subject: City of Vancouver comment letter for 5/7 Council hearing on growth allocations

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## Councilors

Please find a comment letter for your consideration from the City of Vancouver for the May 7 public hearing on growth allocations. Thank you.



May 6, 2024

RE: City of Vancouver recommendations for May 7 County Council hearing on growth allocations for the 2025 Comprehensive Plan update:

- 1. Allocate housing halfway between Methods A and B for all jurisdictions, with adjustments for jurisdiction's actual 2020-2023 housing units by income band.
- 2. Allocate jobs as indicated in Issue Paper 5.
- 3. Keep land capacity estimates and Vacant and Buildable Land Model (VBLM) assumptions as is for upcoming EIS review, rather than continue and readvertise the May 7 hearing to reopen these issues. If capacity and VBLM issues are reopened, address Vancouver VBLM recommendations in 4/22/24 letter.

Dear Chair Medvigy and Clark County Councilors Belkot, Bowerman, Marshall and Yung:

On behalf of the City of Vancouver, our thanks as always for the opportunity to comment, and for your diligence in navigating this complex process, which is now at a crucial juncture with the hardest work yet to come. In the next 19 months jurisdictions will need to move beyond regional numbers to beginning to flesh out site specific zoning designations, zone for jobs accordingly, evaluate impacts including capital facilities, update written Comprehensive Plan policies and zoning standards, and engage our communities and stakeholders throughout. Unlike past updates this work also needs to include significant residential upzoning to comply with state housing laws, as well as a new climate element. Meeting this timeline will require moving forward rather than revisiting past decisions.

We appreciate NW Partners (NWP) timely delivery of the recent Competinomics report and the background information it provides, particularly given the short time frame in which it was produced. Unfortunately, the report does not indicate how its main emphasis that we should plan for more market rate housing and less inexpensive housing would comply with GMA or fix the local housing affordability crisis. There also appears to be little actionable data or analysis in the report to use in the upcoming hearing decisions. The report recommends alternative

housing allocation numbers that are outside what the HAPT tool required by GMA allows, and it has no suggested numbers at all for allocating jobs. There is no analysis of the total housing or employment capacities estimated by the latest VBLM results. There is no analysis of the various individual VBLM assumptions that drive those capacity estimate totals, except for two employment assumptions which as noted in the County staff report for the hearing are not accurate. The report questions the countywide employment target adopted last year, noting that it would represent a slowing in the annual rate of increase of jobs, but says nothing about how and why this target was adopted – on the written recommendation of the Washington Employment Securities Department (ESD) economist and with no local stakeholder objections, based on the adopted countywide population forecast and an aspirational goal of reaching one job per household.

Our recommendations are based on the following:

1. The Council has already adopted aggressive long-term countywide growth targets. The County's own capacity data, and the opinion of the Cities who know their areas best, indicates these can be accommodated by existing land supplies with minor changes. In 2023 the Council adopted a long-term countywide population forecast of 718,000 persons, which was higher than the state projected was most likely to occur, and higher than the cities all recommended. Based on this population forecast, and goal of improving the countywide ratio of jobs to housing, an employment forecast of 269,000 jobs was also adopted last year.

The latest results of the County's VBLM model show there is sufficient capacity to accommodate this projected population, and only a small shortfall of land to accommodate the projected employment. The Cities attached March 19, 2024 joint letter states that existing land supplies with modest jobs-oriented expansions as envisioned by some small cities is sufficient to ensure robust housing and economic futures in our communities, and expanding further may outstrip jurisdictions ability to provide adequate facilities and services.

As cannot be emphasized enough, GMA requires the 20-year land supplies to be restocked at least every 10 years well before they run out, and allows them to be increased much sooner if needed, which Clark County itself did in its 2007 expansions following is previous expansion three years earlier. The reverse is not the case – once expanded, UGA boundaries are difficult to reduce in practice.

2. A hybrid housing growth allocation halfway between Methods A and B is fairest, and provides all jurisdictions with ample opportunities to plan for single as well as multifamily housing. The Countywide housing targets by income bands are identical under any

allocation, the only difference is how these are distributed among the jurisdictions. Vancouver like other cities initially supported Method B, which fully recognizes each jurisdiction's pre-existing below market units already in place. However, we recognize Method B would result in some cities having negative allocations in some income bands and believe a hybrid approach halfway between A and B is a workable compromise that eliminates this issue. Method A or something close to it would mean most of a jurisdictions existing housing would not be recognized in the allocation, and disadvantages Battle Ground, Yacolt and Woodland in addition to Vancouver. We appreciate recent discussion but also can't support carving out different methods for select jurisdictions, as this appears inconsistent with existing Countywide Planning Policy 2.1.1 on page 72 of the County Comprehensive Plan which calls for fair share regional housing provision, and it does not set a good a precedent for addressing regional housing challenges going forward.

Method A or close to it is *not* needed for jurisdictions to have flexibility to plan for single family housing and owner-occupied homes, contrary to some claims. As confirmed by Department of Commerce staff, allocations in any individual bands are minimums, not maximums, and jurisdictions can plan for more units in any category if they wish. Single family housing can also be provided in the income band below 120% through smaller or narrower lots, cottage clusters, compact subdivisions, and similar products. Jurisdictions can also further increase their ability to plan for future higher income band housing by accounting for their actual 2020-2023 housing construction by income band, rather than using the default assumption that all recent units built were in the highest income category. We ask that the Council please make this clear in its decision.

- 3. The proposed employment allocation in Issue Paper 5 allows for modest jobs-oriented UGA expansions as envisioned by various small cities. It indicates the countywide employment target requiring new commercial and industrial land is approximately 1,500 jobs higher than countywide capacities of those lands. The specific distribution of this amount among the jurisdictions will need to be adjusted later in the process once those expansion plans are finalized.
- 4. There is no sound reason to reopen the VBLM model assumptions, which are now four years in the making, causing further delay in beginning the important next stages of the update process. The May 7 hearing is a continuation from earlier hearings which were only advertised for growth allocations. As County legal counsel explicitly advised at the April 17 workshop, capacity decisions have already been made and the hearings are about allocation, not capacity (1.03.01). Re-opening the capacity issues would require continuing the hearing again, and readvertising.

The Competinomics report does not provide a reason to reopen the VBLM in our view, as it raises no objections to the latest VBLM results, and only raises objections to two of the many individual assumptions used to generate those results. On the share of construction jobs that are located in offices requiring new land, the report misstates what the latest assumption is (it is 22.5% of total construction jobs, not 25%), does not address why that figure was recommended by WESD, and argues instead that the assumptions should be raised to 34%, without providing relevant data. On employment densities, it misstates how the current density assumptions were originally developed, and does not address why they were retained in this update. The report also provides no support for objections to other assumptions raised recently at the County Planning Commission, or earlier in this process by NWP.

The Planning Commission questions were responded to in detail in the City of Vancouver's April 22 letter to the Council. In Vancouver mixed-use and commercial zones that allow residential development, having the share of land assumed to be developed for housing and the share assumed for jobs add up to more than 100% is necessary to account for the reality that some of the development will consist of mixed use buildings where housing and jobs are located in on the same land, one on top of the other, and there will likely be more of this in the future. We do not assume mixed-use buildings will take up most or even half of mixed-use and commercial land, only 10 - 25% over the next 20 years, depending on the zone. Within the employment portion of the lands, Vancouver conservatively assumes that job densities will be no higher than the VBLM's countywide commercial estimate of 20 jobs per acre, despite the fact that this countywide commercial average is based in part on low intensity commercial uses such as gas stations, auto sales and rental, cinemas, bulk sales and rental, storage and other uses which virtually never locate on the first floor of mixed use buildings, and has not been updated in many years to reflect current conditions.

Vancouver residential density assumptions on vacant or underutilized land in its existing single-family zones are higher than they are currently producing because of the reality of recently passed housing laws. HB 1337 requires all jurisdictions to allow at least two Accessory Dwelling Units (ADUs) per homesite. HB 1110 requires Vancouver to allow 4-to-6-unit plexes on lots as small as 1000 square feet in single family zones. Vancouver estimates are based on discussions with our consultant ECO Northwest, which has examined impacts from the new laws in the Puget Sound region and elsewhere in the state. We are conservatively assuming unbuilt land will develop at the far less than the maximum density allowed under the new laws. These and other new housing laws have already been adopted by the state, and in the case of HB 1110 there is a self-executing mechanism whereby state

model standards automatically supersede local rules for those jurisdictions that do not comply on time.

Thank you again for the opportunity to comment. We request the Council respect the wishes not just of Vancouver but all the Cities, who are in agreement on the proposed employment allocation, and very close on the housing allocation. The Cities are also on record that existing land supplies with modest adjustments are sufficient to accommodate the aggressive 20-year countywide growth targets the Council has set. The County's own latest data is saying the same.

With critical work ahead including unprecedented new requirements facing all jurisdictions, we respectfully urge the Council to move forward rather than revisit decisions already made. If the Council does choose to reopen the VLBM capacity assumptions, for the sake of accuracy this will also require examining Vancouver concerns documented in our <a href="April 22 letter">April 22 letter</a> that existing VBLM assumptions for redevelopment, critical lands deductions, and home based work are not supported by the balance of data, and result in continued undercounting of actual long-term employment and housing capacities. These were also raised in several prior correspondences with no response to date.

Sincerely,

Erik Paulsen

Mayor Pro Tempore, City of Vancouver

Attachments

A. March 19, 2024 Joint Cities letter

## Attachment A: Joint Cities letter













March 19, 2024

RE: Cities testimony for March 21, 2024 public hearing, in overall support of the proposed housing and jobs growth allocations in Issue Paper 5, with qualifications noted below.

Chair Johnson and Clark County Planning Commissioners:

On behalf of the undersigned cities in Clark County, we thank you for the opportunity to comment, and wish to extend our thanks as well to the County Council and staff for their work in reaching this important point.

Our cities differ in various circumstances, but having been involved in this process since the outset, we wanted to bring forward some key principles we all agree on regarding the growth allocation decisions currently before you:

- Allocations to individual jurisdictions should be made in consideration of their growth capacities and goals, rather than attempting to have all jurisdictions grow at the same rate. Doing this would create chaos on the ground, with some jurisdictions forced to shrink their longstanding existing UGA boundaries, and others forced to expand their boundaries in a manner they have not envisioned or planned for.
- 2. The proposed allocations of total housing units and jobs in revised Issue Paper 5 are reasonable, and allow for developing land use scenarios for the upcoming countywide Environmental Impact Statement review process.
- 3. The sub-allocation of housing units in specific income bands won't make much difference in the countywide mix of housing, but this does matter at the individual jurisdiction level. Method B proposed by County staff was initially discussed among the jurisdictions, and appropriately recognizes the existing stock and affordability levels of housing in individual communities. However, it leaves some jurisdictions with unrealistic targets and even negative housing allocations at certain income levels. An allocation between Methods A and B could be a workable compromise that recognizes

in part what communities have done, while also providing more realistic growth targets without negative allocations.

- 4. There are 20 months until the Comprehensive Plan update process must be completed, and discussions within individual jurisdictions and the communities they serve is ongoing. Moving forward, the process should strive to accommodate the modest and reasonable UGA expansion goals of the small cities which at this time are primarily but not exclusively focused on jobs, and amount to less than a square mile in total size countywide.
- 5. Larger expansions than these may extend beyond our ability to fund necessary services, and are not needed to support robust economic and housing futures in our communities. Although the cities all formally supported selection of the OFM medium and most likely long-term population forecast for Clark County to anchor this process as it began a year ago, we acknowledge that a more aggressive local population target of 718,000 persons countywide by 2045 was chosen by the County Council. New state law under HB 1220 ensures that the number of housing units provided to accommodate this population in our communities will be *extremely* aggressive. The countywide employment forecast of 269,000 jobs is tied to the population through an aspirational jobs per household target, ensuring that it also is aggressive. We believe these targets can be accommodated in existing areas already served by infrastructure and services with limited adjustment, and do not support larger expansions.

Thank you again for the opportunity to comment. We look forward to continued collaboration as the process moves forward, including final refinement of the allocation numbers as the process concludes at the end of 2025.

Sincerely,

City of Battle Ground

Rumt

City of La Center

City of Vancouver

City of Camas

City of Ridgefield

City of Washougal