

**PLANNING
COMMISSION MEETING**

**April 03, 2024
6:00 p.m.**

AGENDA



"Where Dreams Can Soar"

The City of Bonney Lake's Mission is to protect the community's livable identity and scenic beauty through responsible growth planning and by providing accountable, accessible and efficient local government services.

www.ci.bonney-lake.wa.us

Location: Public Services Center, 21719 96th Street East, Buckley, Washington.

The public is invited to attend Planning Commission Meetings in person, via conference call or over the internet. The information for attending is provided below.

Planning Commission Meetings attendance options:

In-Person: Public Services Center, 21719 96th Street East, Buckley, Washington.

By internet: Chrome- [Click Here To Join By Microsoft Teams Link](#)

Your microphone will be turned off when attending online until the start of the public commenting section and when your name is called, will be then turned on.

I. CALL TO ORDER: Commissioner Grant Sulham, Chair

II. ROLL CALL: Commissioner Grant Sulham, Commissioner Jessica Bennion, Commissioner Brad Doll, Commissioner Kerri Hubler, Commissioner Craig Sarver, Commissioner Debbie Strous-Boyd, and Commissioner Jeffery Wilkins.

III. NEXT MEETING POLL (April 17, 2024)

P.3 **IV. APPROVAL OF MINUTES: (March 06, 2024)**

V. PUBLIC COMMENTS AND CONCERNS:

Public comments can be made in-person, by phone or virtually during this portion of the meeting. Comments are limited to 5 minutes. Those planning to comment via phone or virtually will need to sign up prior to the meeting in order to comment. When signing up, please provide your name, your screen name, and phone number (for callers), and if your comments are for general public comments or for the public hearings and which hearing, either by email to spietzk@cobl.us or by phone at 253-447-3108. Virtual and call in registrations need to be received by 5:00 p.m. the day of the meeting. During the meeting, your name will be called when it is your turn. Your microphone will be activated, and you will be able to comment. Those physically appearing at the Planning Commission meeting to speak during citizen comments do not need to sign up but will be asked to state their name and address for the meeting record.

VI. PUBLIC HEARING: None.

VII. OLD / CONTINUING BUSINESS: None.

VIII. NEW BUSINESS

P.3 A. Periodic Update – Growth Alternatives

IX. FOR THE GOOD OF THE ORDER

- A. Correspondence
- B. Staff Comments
- C. Commissioner Comments

X. ADJOURNMENT

Next Scheduled Meeting: April 17, 2024

**PLANNING COMMISSION
MEETING**

**March 06, 2024
6:00 p.m.**

DRAFT MINUTES



“Where Dreams Can Soar”

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www.ci.bonney-lake.wa.us

Location: Bonney Lake Public Services Center, 21719 96th Street East, Bonney Lake, Washington.

Audio starts at:
06:00:00

- I. Call to Order:** The meeting was called to order at 6:00 p.m.
- II. Roll Call:** Planning Commissioners in attendance were Chair Grant Sulham, Vice-Chair Jessica Bennion, Commissioner Craig Sarver, Commissioner Brad Doll, Commissioner Debbie Strous-Boyd, and Commissioner Jeffery Wilkins.

Motion was made by Vice-Chair Bennion and seconded by Commissioner Wilkins to excuse the absence of Commissioner Doll from tonight’s meeting.

Motion approved 5 – 0.

City staff members in attendance were Interim Public Services Director Jason Sullivan, Code Enforcement Officer Shailey Wilkinson and Planning Commission Clerk Kennedy Spietz.

Audio starts at:
06:00:30

III. Next Meeting Poll:

By common consent, Commissioners agreed to hold the next Planning Commission Meeting on March 20, 2024.

Audio starts at:
06:01:00

IV. Approval of Minutes:

Motion was made by Commissioner Sarver and seconded by Commissioner Wilkins to approve the minutes from the February 21, 2024, Meeting.

Motion approved 5 – 0.

Audio starts at:
06:01:30

- V. Public Comments and Concerns: None.** *For efficient use of city resources, comments will be a short summary and not verbatim. Video recordings will be uploaded to the city’s YouTube channel and an audio recording to the state digital archives if needing a complete review of comments.*

Audio starts at:
06:01:45

VI. Public Hearing: None.

Audio starts at:
06:02:00

VII. Old / Continuing Business: None.

Audio starts at:
06:02:30

VIII. New Business

- A. Code Enforcement Update (no advanced materials)**

Introduced by Interim Public Services Director Sullivan. Interim Public Services Director Sullivan presented the Code Enforcement Update Slideshow. Code Enforcement Officer Wilkinson spoke about the more specific code enforcement cases.

B. Allen York Park Summer Planning

Introduced by Interim Public Services Director Sullivan. Interim Public Services Director Sullivan gave an overview of the Allen York Park Summer Planning.

Commissioners discussed and shared their concerns, including:

- Commissioner Sarver thought the planning effort was great.
- Vice-Chair Bennion asked how parking will be paid for?
- Commissioner Sarver asked what the plan is if someone did not have access to the internet for the QR code parking?

IX. For the Good of the Order

Audio starts at:
06:41:00

A. Correspondence: None.

Audio starts at:
06:42:00

B. Staff Comments:

Interim Public Services Director Sullivan stated the implications of the mayor leaving the city of Bonney Lake.

Interim Public Services Director Sullivan spoke about Mettie taken over the Comprehensive Plan.

Audio starts at:
06:50:30

C. Commissioner Comments: None.

X. Adjournment

Motion was made by Vice-Chair Bennion and seconded by Commissioner Wilkins to adjourn the meeting.

Motion approved 5 – 0.

Meeting adjourned at 6:51 p.m.



Kennedy Spietz, Planning Commission Clerk



Planning Commission Agenda Item

Meeting Date: April 2, 2024

Memo Date: March 29, 2024

Staff Contact: Jason Sullivan – Interim Public Services Director

Action Type: Discussion

Agenda Title: Periodic Update – Growth Alternatives

PURPOSE:

The purpose of this discussion item is to brief the Planning Commission on the outcomes of the City’s Land Capacity Analysis and the two Growth Alternatives that will be evaluated as part of the City’s comprehensive plan periodic update.

ATTACHMENTS:

- A. Land Capacity Analysis Memorandum
- B. 2044 Growth Alternatives Memo

SUGGESTED MOTION:

N/A

DISCUSSION:

As part of the City’s comprehensive plan update the City is required to demonstrate that there is sufficient development capacity within the City to accommodate future population, housing, and employment growth consistent with both the Growth Management Act (Chapter 36.70A) and the adopted multicounty planning policies established as part *VISION 2050*. One of the principal requirements of *VISION 2050* is the Regional Growth Strategy (RGS), which was developed to guide growth within the Central Puget Sound Region¹. As part of the RGS, the region is divided into different classifications referred to as “regional geographies.” These regional geographies are used to further the development patterns envisioned in *VISION 2050* and assign growth targets to each of these regional geographies within each county. Each county in coordination

¹ The Central Puget South Region consist of King, Kitsap, Pierce, and Snohomish Counties

with cities are then responsible for establishing growth targets for individual jurisdictions that when taken together do not exceed the growth target established for that specific regional geography. Under the newly adopted RGS and corresponding growth targets, the City of Bonney Lake along with the jurisdiction within Pierce County² within the Cities and Towns classification are expected to take no more than seven percent (7%) of the growth forecasted for Pierce County between 2020 and 2049. On July 7, 2023, the City was assigned housing and employment growth targets for the 2020-2044 planning period (Pierce County Ordinance No. 2023-22s). The planning horizon for the City’s periodic update will be extended out to 2049 to coincide with the centennial for the City. The assumed growth rates to achieve the 2044 target for each category were extended at a constant rate to establish an estimated target for the 2049 planning horizon.

Growth Targets	2020-2044	2020-2049
Population Target	Growth: 3,880 Total: 26,367	Growth: 5,042 Total: 27,529
Housing Target	Growth: 1,451 Total: 9,055	Growth: 1,977 Total: 9,582
Employment Target	Growth: 1,717 Total: 8,082	Growth: 2,129 Total: 8,494

In addition to the overall targets assigned to the City by Pierce County to comply with the Regional Growth Strategy, the City also required demonstrate that the City has sufficient capacity the projected housing needs for moderate, low, very low, and extremely low-income households to include emergency housing, emergency shelters, and permanent supportive housing as assigned by the Washington State Department of Commerce³. Based on the City’s overall housing and population targets assigned by Pierce County, the City was assigned the following targets by household income band:

Income Level	Projected Housing Need
0 - 30% PSH	187
0 - 30% Non-PSH	253
>30 - 50%	269
>50 - 80%	213
>80 - 100%	92
>100 - 120%	83
>120%	354
Total:	1,451

² The other jurisdictions within the Cities and Towns Regional Geography within Pierce County include Bonney Lake, Buckley, Carbonado, Eatonville, Edgewood, Gig Harbor, Milton, Orting, Pacific, Roy, Ruston, South Prairie, Steilacoom, and Wilkeson.

³ RCW 36.70A.070(2)

During the City of Bonney Lake's (City) 2024 Comprehensive Plan update, LDC, Inc. (LDC) was hired to perform a Land Capacity Analysis (LCA) to assess the City's capacity to serve the projected housing and employment needs for the 2020-2044 and 2020-2049 planning periods. The LCA found that the City has ample capacity to meet its employment and Emergency Housing growth targets and has an excess of housing capacity for Low-to-High income households. However, the LCA found that the City had a housing capacity deficit for those within very low and extremely low-income households. This housing capacity deficit is due to the lack of low-income-serving housing solutions and would require the City to plan to provide an additional 423 residential units by 2044.

The Growth Management Act (GMA) requires that the City identify and implement corrective actions that will accommodate the adopted housing growth target. In order to comply with this requirement, completed a Growth Alternative Analysis (GAA) is included as Attachment B and discusses the reasons and outcomes of this analysis in detail. The GAA evaluated two growth alternatives to accommodate the City's housing target:

- **Alternative One: "Stay the Course"**

Alternative One seeks to achieve projected housing growth targets through the amplification of its current development pattern. This includes the reduction of medium-to-low density residential zones (R1 and R2) while increasing zoned acreage in the high density and mixed-use zones (R3, C-1, and DM) to maximize the potential for affordable housing development. This growth alternative also includes an increase in properties zoned (RC-5) Residential/Conservation District as a reflection of the City's priority to preserve its natural land and open space while preventing sprawl. This growth alternative's focus on providing increased housing capacity by adding zoned acreage to the R3, C-1, and DM zones would likely result in a greater coverage of moderate density housing throughout the City with an increased opportunity for mixed-use and inclusive development patterns.

Under this alternative, there are a number of properties that are zoned for a higher density than what is currently allowed under current zoning regulations. A map showing these zoning changes is included as Exhibit A to the Growth Alternative Memo. All properties with "bolded" color represent the new zoning classification that would be adopted for that property.

This alternative will result in a total housing capacity of 2,100 housing units, which exceeds the City's housing target of 1,451 by 649 additional housing units. Below is a table demonstrating that this alternative results in significantly more housing capacity than is needed to serve all income levels.

Housing Income Target Summary			
Income Level	Projected Housing Need	Zone Categories Serving These Needs	Capacity Surplus (or Deficit)
0 - 30% PSH	187	Mid-Rise Multi-family	651
0 - 30% Non-PSH	253		
>30 - 50%	269		
>50 - 80%	213	Mid-Rise Multi-family	195
>80 - 100%	92	Mid-Rise Multi-family, Moderate Density, and ADUs	163
>100 - 120%	83		
>120%	354	Low Density	315
Total	1,451		

- **Alternative Two: "Bend the Trend"**

Alternative Two seeks to achieve projected housing growth targets through a focus on smaller scale development with a sufficient portion of zoning dedicated densities that support low-income housing development. This alternative was developed to explore whether it was possible to reduce the City's overall growth rate consistent with goals of VISION 2050, while at the same time complying with the requirements of RCW 36.70A.070(2) to provide housing to all income segments as determined by the Department of Commerce. This alternative was also developed to focus housing within two specific centers, Downtown and Midtown, consistent VISION 2050; specifically, MPP-RGS-11, MPP-DP-26, MPP-H-7 and MPP-Ec-20. These policies call on the Puget Sound Region to develop a framework of countywide centers and focus the development of housing and economic growth within these centers. The City's Downtown Center is already classified as a Countywide Growth Center. As part of this updated the City will be taking steps of have the Midtown Center classified as a Countywide Growth Center. This includes the elimination of the (R2) Medium-Density Residential District, which would comprise of mostly rezoned (R1) Low-Density Residential District land, and an increase of approximately 30 acres in the R3 and DM zones. This growth alternative's focus on lower density zoning outside of these Centers and the provision of higher density housing through the R3 and DM zones within the Centers would result in a slower build-out of lower density neighborhoods with the majority of high-density housing co-located and a redeveloped in dense mixed-use centers to achieve the dual objectives of slowing the City's overall growth rate while providing housing for all economic segments within the City.

Under this alternative, there are a number of properties that are zoned for a lower density than what is currently allowed under current zoning regulations, while focusing growth in the

City’s Downtown and Midtown Center. Some properties in these Centers have been upzoned to provide the needed capacity. A map showing these zoning changes is included as Exhibit A to the Growth Alternative Memo. All properties with “bolded” color represent the new zoning classification that would be adopted for that property.

This alternative will result in a total housing capacity of 1,644 housing units, which exceeds the City’s housing target of 1,451 by 193 additional housing units. Below is a table demonstrating that this alternative results in significantly more housing capacity than is needed to serve all income levels.

Housing Income Target Summary			
Income Level	Projected Housing Need	Zone Categories Serving These Needs	Capacity Surplus (or Deficit)
0 - 30% PSH	187	Mid-Rise Multi-family	177
0 - 30% Non-PSH	253		
>30 - 50%	269		
>50 - 80%	213	Mid-Rise Multi-family	195
>80 - 100%	92	Mid-Rise Multi-family, Moderate Density, and ADUs	107
>100 - 120%	83		
>120%	354	Low Density	406
Total	1,451		

The alternative analysis found both alternatives provide capacity to meet the City’s projected employment and housing needs for all income levels. In comparing the alternatives Alternative 1 provides significantly more capacity than is needed; whereas Alternative 2 provides simply provides sufficient capacity to meet the City requirements. Alternative is more closely aligned with VISION 2050, while still meeting the City requirements to provide housing affordability to all households income groups. The City will likely need to consider some small modifications to Alternative 2 to demonstrate that there is sufficient overall housing capacity out to 2049, which is the planning horizon of the comprehensive plan. Alternative 2 is short by 333 housing units to meet the overall housing needs in 2049; however, there is not a requirement to provide housing by income grouping out to 2049.

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Land Capacity Analysis Memo

To: Jason Sullivan – Interim Public Services Director, City of Bonney Lake
From: Dane Jepsen, Associate Planner, LDC Inc.
CC: Kim Mahoney, Principal Planner, LDC Inc.
Date: March 29, 2024
Re: City of Bonney Lake 2024 Land Capacity Analysis

Executive Summary

This Land Capacity Analysis (LCA) assesses an inventory of the vacant and underutilized land within a city's jurisdiction and determines whether the city can accommodate its projected growth targets. This assessment allows the city to gain a better understanding of how much land is available for development, how the city can utilize the available land to meet the projected growth targets, and highlights potential changes needed to achieve the land capacity necessary to accommodate all housing and employment needs projected for the city.

This LCA found the City of Bonney Lake (City) has ample capacity to meet its employment and Emergency Housing growth targets and has an excess of housing capacity for Low-to-High income households but has a housing capacity deficit for those within very low and extremely low-income households. This housing capacity deficit is due to the lack of low-income-serving housing solutions and would require the City to plan to provide an additional 423 residential units by 2044. Given the shortfall in housing capacity, the City has evaluated growth alternatives to accommodate its housing target; these are outlined in the Growth Alternatives memorandum and support the City's commitment to meeting its adopted growth targets.

This memorandum further details the background, methodology, and findings that inform an update to the City's capacity for housing and employment previously established by the Pierce County Buildable Lands Report (BLR).

Background

The City is required to estimate its land capacity to support anticipated growth over the planning period in the land use element¹ of its comprehensive plan (WAC 365-196-405).

In cities within Pierce County, the LCA relies on findings from the BLR. The BLR is an assessment completed by Pierce County that helps determine the amount of land suitable for development within the County, evaluates each city's capacity for growth, and projects the future housing and employment capacity for each city. The BLR bases its findings on recent development activity data provided by the cities within Pierce County. This report is known as the Buildable Lands program (RCW 36.70A.217) and was last updated in 2021². These data form the basis for updating the analysis of land capacity.

¹ The City has chosen to combine the required land use element and housing element into one element due to the significant interrelatedness of these elements, and the significant role these elements play in the lives of Bonney Lake residents.

² The 2021 Buildable Lands Report is based on an inventory of permits and property status as of January 2020 (Pierce County Buildable Lands Report – Fourth Edition, Revised Version pg. 17).

Land Capacity Analysis Overview

Washington Department of Commerce (Commerce) has developed guidance on conducting LCAs; see [Evaluating Land Capacity to Meet All Housing Needs](#), which is specific to housing capacity related to House Bill (HB) 1220, and [Urban Growth Area Guidebook](#), which addresses both housing and employment capacity in relation to the Growth Management Act (GMA).

In partnership with LDC, the City has analyzed development capacity for the 2020-2044/49 planning periods according to Commerce guidance. In this summary, findings from the LCA are reported according to Commerce guidance with underlying analysis performed based on the Pierce County BLR methodology.

Land Capacity Analysis Methodology

The 2021 Peirce County BLR methodology can be broken into two stages: Stage One - Buildable Lands Inventory and Stage Two - Buildable Lands Capacity Analysis. The lists below outline the general stages of this methodology³:

Stage One - Buildable Lands Inventory:

- Pre-Processing
- Step One – Land Use Look-Up
- Step Two – Inclusions and Exclusions
- Step Three – Feasibility
- Step Four – Overrides

Stage Two - Buildable Lands Capacity Analysis:

- Housing Capacity
- Employment Capacity

The two stages and their associated steps were incorporated into this LCA as indicated below:

Stage One - Buildable Lands Inventory

Stage One of the Pierce County Buildable Land Analysis was performed through a county-wide parcel dataset being processed through a scripted model in a Geographic Information System (GIS) setting; this would have been necessary due to the scope of the County's analysis. This LCA also worked from a continuous parcel dataset including all parcels in the City's jurisdiction; considering the decreased scale of this analysis, the analysis was performed in an Excel workbook rather than a GIS. A series of formulas and lookup tables used the following data inputs to compile a Buildable Lands Inventory for the City:

- Parcel data (Pierce County Assessor, May 2023)
- Property Improvement Data (Pierce County Assessor, May 2023)
- Use Code Table (Pierce County 2021 Buildable Lands Report p. 353-358)
- Parcel Critical area coverage (Pierce County 2021 Buildable Lands Inventory⁴ "ENV_ACRES")
- Traffic Analysis Zone Map (Pierce Transit, 2023)
- Zoning and future land use maps (City of Bonney Lake)
- Recent permitted development (01/2020-04/2023) and pipeline projects (City of Bonney Lake)
- Zone Assumptions (Appendix ACity of Bonney Lake)

³ Documentation of the 2021 BLR methodology is fragmented and only addresses the Buildable Lands Inventory process. This description of the methodology is based on LDC's interpretation of the data produced by each analysis.

⁴ <https://piercecowa.maps.arcgis.com/home/item.html?id=361d44275b464dceba4758c0c9635ae0>

Pre-Processing

Prior to beginning the analysis, the continuous parcel dataset including all parcels in the City’s jurisdiction needed to be assembled and all base data required for the analysis needed to be joined to it. This process was performed in a GIS using spatial and attribute-based data joins. This process was executed over several review cycles which continuously compared the inventories results to the 2021 Buildable Lands Inventory; the final dataset was compiled using the following sub-steps:

1. Filter parcels to only “Base Parcel” tax parcel type.
2. Join recent permitted development and pipeline projects to base parcels.
3. Spatially join critical area encumbrances from 2021 Buildable Lands Inventory to base parcels.
4. Spatially join current zoning and future land use map designations to base parcels.
5. Join Property Improvement Data current city parcels, then spatially to base parcels.

After these sub-steps were performed, the base dataset for the Buildable Lands Inventory was compiled and exported into an Excel workbook for further analysis. Every parcel in the base dataset was processed through the following steps resulting in the parcels classification of one of the following Buildable Lands Inventory designations:

Buildable Lands Inventory designation	Description
Vacant	Land that is vacant of any improvements or existing use. Can be identified by Pierce County Assessor use code or by improvement value.
Vacant Single Unit	Vacant land that is too small to develop more than one Single-Family Residential unit on. This designation is specific to residential zones.
Underutilized	Land that is not vacant and is identified to have potential for redevelopment. This is identified based on existing development compared to the redevelopment potential.
Pipeline	Land that is associated with an existing land use/civil project being permitted by the City of Bonney Lake that has not yet received approval as of April 2023.
Built Out/Undevelopable	Vacant or developed land that is identified to not likely have any development or redevelopment potential. Some reasons include presence of critical areas, public property, improvement value too high, or not enough space to redevelop.

Table 1 – Buildable Lands Inventory Designations

Step One – Land Use Look-Up⁵

All parcels in the base dataset have their designated Pierce County Assessor Use Code compared against the Use Code Table which defines the development potential of properties based on their use. Possible designations from this table are as follows:

- Unbuildable
- Redevelopable
- Vacant
- Aircraft Land
- Gov Land
- School Land
- Golf Course

⁵ The Pierce County Buildable Lands Methodology refers to this as “Stage 1A”.

Parcels designated "Vacant" or "Redevelopable" are again evaluated in Step Two - Inclusions and Exclusions.

Step Two – Inclusions and Exclusions⁶

Based on other base data, parcels designated "Vacant" or "Redevelopable" in Step One are evaluated to either be included or excluded from future analysis.

Possible designations from this step are as follows:

- Exclude
- Vacant
- Pipeline
- Redevelopable

Some parcels will be excluded in this step if they fit any of the following criteria:

- Use type designations in the Use Code Table of "GOV" or "EDUC".
- Use type designation in the Use Code Table of "RES SFR" with a Pierce County Assessor property improvement value over \$500,000.
- Use type designation in the Use Code Table other than "RES SFR" with a Pierce County Assessor property improvement value over \$1,500,000.
- Any recent⁷ permitted development was reported for the parcel.

Some parcels will be included in this step if they fit any of the following criteria:

- Use type designation in the Use Code Table other than "RES SFR" with a Bonney Lake zone type of "MIX COM" or "COM".
- Any pipeline projects were reported for the parcel.

Any parcels that were not explicitly included or excluded by one of the above conditions are advanced to Step Three with the parcel designation they received in Step One.

Step Three – Feasibility

In Step Three, parcels designated "Vacant" or "Redevelopable" had the feasibility of potential development capacity evaluated based on the Bonney Lake Zone Assumptions (Appendix A), presence of critical areas, and existing residential units or commercial space. This step concludes with a Preliminary Capacity Designation aligning with the final output of the Buildable Lands Inventory (Vacant, Vacant Single Unit, Underutilized, Pipeline, Built Out/Undevelopable).

Net parcel area is determined by subtracting the parcel critical area coverage from the Pierce County Assessors listed parcel size. In some cases, the parcels that had been evaluated for critical areas in the 2021 Buildable Lands Inventory have since had their parcel area updated in the assessor's data or parcels had a listed acreage of 0, resulting in negative values for net parcel area; because of this, net parcel area is limited to 0.

Vacant Parcels

Only residential Step Two - "Vacant" parcels were evaluated for subdivision feasibility; if the net parcel area was smaller than the minimum lot size for that parcel's zone, the parcel was designated as "Vacant Single Unit"; otherwise, the parcel was designated "Vacant". All Step Two - "Vacant" parcels in mixed use or commercial zones were designated as "Vacant".

Redevelopable Parcels

All "Redevelopable" parcels were evaluated for redevelopment potential by comparing the build potential (based on zone assumptions and net parcel area) to the existing development. All parcels are evaluated

⁶ The Pierce County Buildable Lands Inventory table shows this as "Stage 1B"

⁷ Building activity that was permitted in the City between January of 2020 and April of 2023

for both residential and commercial development build potential using the zone assumptions for residential density, mixed-use split, and minimum lot size and commercial density and mixed-use split; see zone assumptions (Appendix A). Parcel redevelopment was deemed feasible for residential or commercial development if the net development to existing development ratio exceeded the following feasibility threshold:

Development	Feasibility Threshold
Residential	>2.5 (Net units/existing units)
Commercial	>5 (Net jobs/existing jobs) ⁸

Table 2 – Stage One, Step Three, Redevelopable Feasibility Thresholds

After residential and commercial feasibility was evaluated, a Preliminary Capacity Designation was assigned based on the parcels zoning. Parcels in residential and commercial zones that were deemed feasible for redevelopment were designated "Redevelopable" and those that were deemed infeasible were designated "Built Out/Undevelopable". Parcels in mixed-use zones needed to meet two conditions to be designated "Redevelopable":

1. Have either commercial or residential redevelopment feasibility, and
2. Neither commercial nor residential have a negative net development to existing development ratio.

This ensures that parcels in mixed-use zones, with substantial residential or commercial development, were not included for redevelopment potential. Parcels were designated "Built Out/Undevelopable" if either of these conditions were not met.

Pipeline Parcels

All parcels with the Step two designation of "Pipeline" received a Preliminary Capacity Designation of "Pipeline".

Excluded Parcels

All parcels with the Step two designation of "Exclude" received a Preliminary Capacity Designation of "Built Out/Undevelopable".

Step Four – Overrides

Following Preliminary Capacity Designation, parcels were exhaustively reviewed by LDC and City staff to identify unique circumstances such as parcels with inaccurate assessor’s use designations, parcels owned by the City, and parcels that served some other incompatible use, such as access tracts or stormwater infrastructure. This review closely considered previous designations from the 2021 Buildable Lands Inventory. Any exceptions or discrepancies identified in this review were corrected by directly overriding the assigned designation with one determined to be accurate by LDC and City staff, resulting in a Final Capacity Designation.

Stage Two - Buildable Lands Capacity Analysis

Stage Two of the 2021 Pierce County Buildable Land Analysis was performed within an Excel workbook through a progressive calculation table applying zone assumptions and summarizing development capacity by each zone of each jurisdiction. This LCA worked from a progressive calculation table of the same structure, but summarized capacity by zone and by Traffic Analysis Zone (TAZ) for a total of 484 rows of zone/TAZ combinations of summarized capacity.

⁸ Existing jobs were estimated based on Property Improvement Data commercial building square-footage and Use type designations in the Use Code Table. Commercial Properties (Use Type "FIRES" or "RETAIL") had an assumed 500 square-feet per employee, Manufacturing Properties (Use Type "MANU" or "WTCU") had an assumed 900 square-feet per employee.

While Stage One involved the estimation of development capacity for the purposes of determining site feasibility, none of the counts of residential or commercial capacity are directly included in this stage of analysis other than those counts from recent development, Pipeline projects, and Vacant Single Unit parcels; all remaining capacity is calculated strictly based on the base dataset and Final Capacity Designation from Stage One.

The progressive calculation table summarized components of residential and commercial capacity in steps; the added the steps together yield a final residential and commercial capacity for each zone/TAZ combination. This Final Capacity (employment and housing) becomes the input for Step 1 of the Commerce LCA guidance (discussed on page 12 of this memorandum).

Housing Capacity

Housing capacity was calculated for each zone/TAZ combination. The diagram below shows the basic progressive steps that are incorporated in the calculation of Final Housing Capacity. Details of each step are provided beneath the diagram.

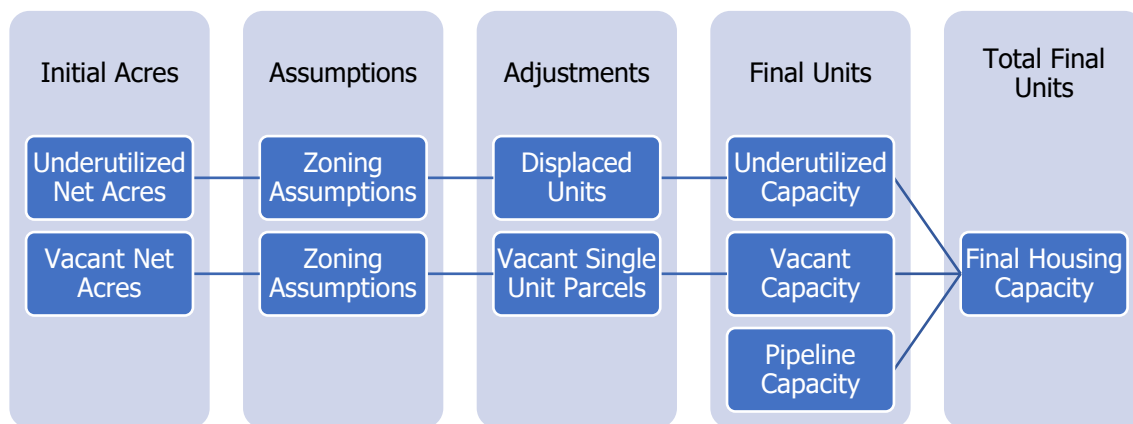


Figure 1 – Stage Two, Housing Capacity Calculation

Initial Acres

Housing capacity's initial acres are net acres (total acres minus any critical areas). Only the acres of parcels with a Stage One Final Capacity Designation of "Vacant" or "Underutilized" are totaled in initial acres.

Assumptions

Housing zone assumptions include:

- Density
- Mixed-Use Split
- Market Factor
- Plat Deductions
- Non-residential Use in Residential Zone

Assumptions are unique to each zone. Mixed-Use Split only applies to Mixed-Use zones, the split divides the available land in a zone between housing and employment. Market factor applies a reduction to the total land area available to account for the likelihood of a property being developed given the local real estate market; generally, "Underutilized" land will have a higher market factor than "Vacant" land. Single-family residential zones have a 5% deduction "Non-residential Use in Residential Zone" to plan for the co-location of residences and jobs and future housing; this is deducted from both "Vacant" and "Underutilized" land in applicable residential zones.

Adjustments

Housing adjustments include displaced units and vacant single unit parcels. Any existing dwellings on underutilized land (in all zones) are considered "displaced" in this analysis; actual redevelopment of a

specific site might include the preservation of existing units; regardless, they are subtracted from the total units of underutilized capacity to represent net housing growth. Parcels with a Stage One Final Capacity Designation of “Vacant Single Unit” are counted and added in to vacant housing capacity after zone assumptions are applied; since these parcels will not subdivide, they are not expected to have substantial changes to their future housing dependent on market factor or public dedications.

Final Units

Final units from vacant and underutilized land, as well as those to be provided by pipeline development, are compiled.

Total Final Units

All final units from vacant and underutilized land, as well as those to be provided by pipeline development, are summed to represent total housing capacity for each zone/TAZ combination.

Employment Capacity

Employment capacity was calculated for each zone/TAZ combination. The diagram below shows the basic progressive steps that are incorporated in the calculation of Final Employment Capacity. Details of each step are provided beneath the diagram.

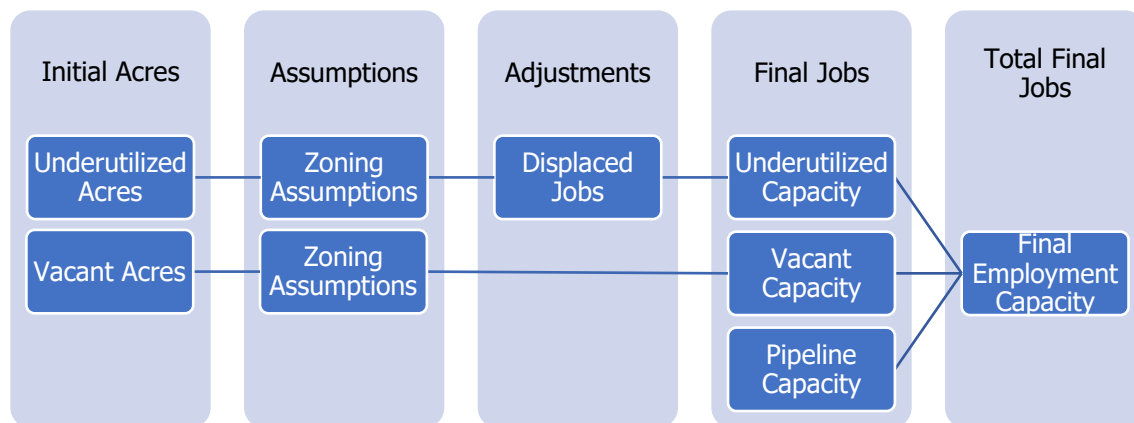


Figure 2 – Stage Two, Employment Capacity Calculation

Initial Acres

Employment capacity’s initial acres are gross acres; the 2021 BLR included an employment density survey that recommended a base rate of jobs/acre be applied to gross acreage; this differs from housing initial acres in that critical areas are not considered. Only the acres of parcels with a Stage One Final Capacity Designation of “Vacant” or “Underutilized” are totaled in initial acres.

Assumptions

Employment zone assumptions include:

- Density
- Mixed-Use Split
- Market Factor
- Non-residential Use in Residential Zone

Employment assumptions function very similarly to the housing assumptions, including density, mixed-use split, and market factor assumptions. According to the 2021 BLR methodology, employment density is broadly applied at a rate of 20 employees per acre for commercial/mixed use zones and 9 employees per acre for industrial zones; in Bonney Lake the only industrial zone is the Eastown zone. Non-residential

Use in Residential Zone, calculated in housing capacity, is added to vacant and underutilized employment capacity after acreage deductions are applied but before density is applied.

Adjustments

Employment adjustments include displaced jobs. Displaced jobs work mostly the same as displaced units except they utilize the existing jobs calculation made in Stage One – Step Three of the Buildable Lands Inventory.

Final Jobs

Final jobs from vacant and underutilized land, as well as those to be provided by pipeline development, are compiled.

Total Final Jobs

All final jobs from vacant and underutilized land, as well as those to be provided by pipeline development, are summed to represent total employment capacity for each zone/TAZ combination.

Land Capacity Analysis Results

The LCA produced projections of future capacity for housing and employment. The remainder of this memo will review the LCA’s outcomes and options related to the City’s 2024 Comprehensive Plan update.

Housing and Employment Targets 2020-2049

On July 7, 2023, the City was assigned housing and employment growth targets for the 2020-2044 planning period (Pierce County Ordinance No. 2023-22s). The planning horizon for the City’s periodic update will be extended out to 2049 to coincide with the centennial for the City. The assumed growth rates to achieve the 2044 target for each category were extended at a constant rate to establish an estimated target for the 2049 planning horizon.

Growth Targets	2020-2044	2020-2049
Population Target	Growth: 3,880 Total: 26,367	Growth: 5,042 Total: 27,529
Housing Target	Growth: 1,451 Total: 9,055	Growth: 1,977 Total: 9,582
Employment Target	Growth: 1,717 Total: 8,082	Growth: 2,129 Total: 8,494

Table 3 – Bonney Lake Growth Targets

Current Development

The City provided data for land development that has occurred since the 2021 BLR. The following tables summarize the amount and type of building activity that was permitted in the City between January of 2020 and April of 2023. Any development applications not yet permitted by this date will be incorporated later in the LCA as Pipeline Projects.

2020-2023 Permits	
Development	Quantity
Single-Family Detached	170 Units
ADU	7 Units
Multi-Family	505 Units
Total Residential	682 Residential Units
Commercial Building	395,340 Square-feet
Total Commercial	504 Estimated Jobs

Table 4 – 2020-2023 Permit Summary

Permitted units and jobs can be directly counted against the City’s current growth targets because they have effectively increased the City’s capacity for housing and employment.

Growth Targets	2020-2044	2020-2049
<i>Housing Target</i>	1,451	1,977
2020-2023 Permitted Growth	682	682
Target Remaining	769	1,295
<i>Employment Target</i>	1,717	2,129
2020-2023 Permitted Growth	504	504
Target Remaining	1,213	1,625

Table 5 – Remaining Growth Targets

Employment Capacity

Employment capacity includes potential jobs from vacant and underutilized land, known pipeline projects, and the loss of jobs from development activities (Residential or Commercial) removing existing commercial space. Note that even residential zones have employment capacity since the zone assumptions for Bonney Lake include a 5% “Non-residential Use in Residential Zone” to plan for the co-location of residences and jobs for future housing.

Employment Capacity (Jobs)				
Zone	Initial	(Displaced)	Pipeline	Total
(C-1) Neighborhood Commercial District	0	(0)	0	0
(C-2) Commercial District	203	(3)	24	224
(DC) Downtown Core District	39	(37)	0	2
(DM) Downtown Mixed Use District	55	(23)	64	96
(E) Eastown District	260	(2)	533	791
(MC) Midtown Core District	429	(7)	63	485
(PF) Public Facilities District	0	(0)	0	0
(R1) Low-Density Residential District	246	(0)	0	246
(R2) Medium-Density Residential District	53	(0)	0	53
(R3) High-Density Residential District	43	(0)	0	43
(RC-5) Residential/Conservation District	36	(0)	0	36
Total	1,364	(72)	684	1,976

Table 6 – Employment Capacity Summary

The City has net employment capacity for approximately 2,365 jobs, considering current zoning provides approximately 1,364 jobs (of which, approximately 72 jobs exist on underutilized properties, resulting in Zoned Employment capacity of 1,292 jobs), and approximately 684 jobs will be provided by pipeline development.

Employment capacity in the City is more than sufficient to satisfy its employment growth targets. The table below shows the employment outcomes of the LCA against the 2044 and 2049 targets showing a surplus of 763 and 351 jobs, respectively.

Employment	2020-2044	2020-2049
2020-2023 Permitted Growth	504	504
Pipeline projects	684	684
Zoned Employment capacity	1,292	1,292
Total Employment Capacity	2,480	2,480
(Employment Target)	(1,717)	(2,129)
Employment Capacity Surplus (or deficit)	763	351

Table 7 – Employment Growth Target Progress

Housing Capacity

Per the GMA, the LCA needs to take into consideration capacity for Affordable Housing, Permanent Supportive Housing, and Emergency Housing, as well as needs for traditional market rate housing⁹. These housing types will be referenced throughout the LCA; their definitions from the GMA are available in the table below:

Housing type	Definition from RCW
Affordable Housing RCW 84.14.010	Residential housing that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed thirty percent of the household's monthly income. For the purposes of housing intended for owner occupancy, "affordable housing" means residential housing that is within the means of low or moderate-income households.
Permanent Supportive Housing (PSH) RCW 36.70A.030	Subsidized, leased housing with no limit on length of stay that prioritizes people who need comprehensive support services to retain tenancy and utilizes admissions practices designed to use lower barriers to entry than would be typical for other subsidized or unsubsidized rental housing, especially related to rental history, criminal history, and personal behaviors. Permanent supportive housing is paired with on-site or off-site voluntary services designed to support a person living with a complex and disabling behavioral health or physical health condition who was experiencing homelessness or was at imminent risk of homelessness prior to moving into housing to retain their housing and be a successful tenant in a housing arrangement, improve the resident's health status, and connect the resident of the housing with community-based health care, treatment, or employment services.
Emergency Housing RCW 36.70A.030	Temporary indoor accommodations for individuals or families who are homeless or at imminent risk of becoming homeless that is intended to address the basic health, food, clothing, and personal hygiene needs of individuals or families. Emergency housing may or may not require occupants to enter into a lease or an occupancy agreement.

Table 8 – GMA Housing Definitions

The City has adopted targets to add an additional 1,451 residential units and 334 emergency beds by 2044. These targets incorporate needs for Affordable Housing, PSH, and Emergency Housing, as well as needs for traditional market rate housing. As is previously stated, Pierce County Ordinance No. 2023-22s (adopted July 7, 2023) establishes the City's housing growth target allocations; the table below outlines permanent housing targets by income and emergency housing target in beds.

Permanent Housing Target (Units) by Affordability (AMI)								Emergency Housing Target (Beds)
0 – 30%		30 – 50%	50 – 80%	80 – 100%	100 – 120%	120% Plus	Total	
Non-PSH	PSH							
187	253	269	213	92	83	354	1,451	334

Table 9 – Affordable and Emergency Housing Targets

In 2021, the GMA was amended to reflect the passing of HB 1220, requiring local government to plan for and accommodate affordable housing to all economic segments. The GMA was later amended in 2023 to reflect the passing of HB 1337, requiring eased barriers to the construction and use of ADUs.

⁹ RCW 36.70A.070(2)(c)

To demonstrate compliance with HB 1220, housing capacity is reported according to Commerce guidance¹⁰; this guidance outlines the demonstration of housing capacity through the following steps:

1. Summarize land capacity by zone.
2. Categorize zones by allowed housing types and density level
3. Relate zone categories to potential income levels and housing types served
4. Summarize capacity by zone category
5. Compare projected housing needs to capacity
6. (If deficit is found) Implement actions to increase capacity for one or more housing needs. Then re-assess capacity (Step 1) based on actions.

1. Summarize land capacity by zone

In the context of recent HBs (HB 1220 and HB 1337), the City has identified capacity for all housing needs in three areas:

1. Zoned capacity – Capacity from vacant and redevelopable land or from pipeline development projects.
2. Accessory Dwelling Unit Capacity (HB 1337) – Potential capacity for the construction of ADUs on existing and future residential lots based on assumed production rates.
3. Emergency Housing Capacity (HB 1220) – Capacity for the City to provide for emergency housing needs based on available land and other opportunities.

Zoned Capacity

The table below summarizes zoned housing capacity identified in Stage 2 of the LCA.

Housing Capacity (Units)				
Zone	Initial	(Displaced)	Pipeline	Total
(C-1) Neighborhood Commercial District	0	(0)	0	0
(C-2) Commercial District	0	(0)	0	0
(DC) Downtown Core District	8	(0)	0	8
(DM) Downtown Mixed Use District	27	(1)	24	50
(E) Easttown District	0	(6)	48	42
(MC) Midtown Core District	0	(1)	0	(1)
(PF) Public Facilities District	0	(0)	0	0
(R1) Low-Density Residential District	576	(175)	71	472
(R2) Medium-Density Residential District	180	(74)	12	118
(R3) High-Density Residential District	320	(68)	672	924
(RC-5) Residential/Conservation District	37	(2)	1	36
Total	1,148	(327)	828	1,649

Table 10 – Housing Capacity Summary

¹⁰ WA Commerce, HB 1220 Book 2 Housing Element Update (August 2023), p.19

Accessory Dwelling Unit Capacity (House Bill 1337)

[HB 1337](#) was passed during the 2023 legislative session. The provisions of this bill must be implemented by the City no later than June 30, 2025. The bill states that if a city or county does not amend their rules to be consistent with the law, the provisions of the law “**supersede, preempt and invalidate any conflicting local development regulations.**” ([Session law](#) adopting HB 1337, p. 5, lines 14-15).

Recent changes to state law require cities to allow up to two Accessory Dwelling Units (ADUs) on all lots¹¹ zoned to allow single-family homes, provided the lots meet or exceed the minimum lot size for the zone; in Bonney Lake, this includes the R1, R2, and RC5 zones. There are 7,188 parcels in the R1, R2, and RC5 zoning districts. After excluding various land uses, parcels with critical areas, and parcels with capacity as determined in the LCA, 3,719 lots are eligible for 2 ADUs per HB 1337. Including lots that could add an ADU that have LCA capacity (vacant, underutilized, or vacant single unit) brings the total ADU-eligible lots to 4,261.

Commerce recommends basing estimated ADU production on an estimated participation rate based on the Real Estate market of the jurisdiction¹². The estimated participation rate was inferred from analysis of recent development in the City. Seven ADUs were permitted in the last three years, which equates to approximately 2.3 ADUs per year. For this LCA, the City assumed that ADU production would increase due to regulation changes required by HB 1337 and expects approximately 5.35 ADUs per year in the 2024-2044 planning period. Extrapolated out over the next 20 years, the City could plan for an additional 107 ADUs by 2044.

Based on an analysis of ADUs built in the last five years, the City assumed a 2% participation rate; this accounts for owners who do not have the means or the desire to build ADUs. Additionally, the City assumed an average of 1.25 ADUs per lot; currently, there are no lots identified in the City that have more than one ADU, but considering the new requirements of HB 1337, lots with two ADUs could exist in the future. Applying this analysis, the City has capacity for 107 ADUs on 85 lots.

ADU Development Capacity				
Available Lots	Participation Rate	Potential ADU Lots	ADUs per Lot	2044 ADU Capacity
4,261	2.00%	85	1.25	107

Table 11 – HB 1337 ADU Capacity

Emergency Housing Capacity (House Bill 1220)

HB 1220 included the addition of Emergency Needs Housing Requirements. These requirements are applicable to all jurisdictions that have been assigned Emergency Needs Housing targets, of which the City has been assigned 334 beds. The bill requires that jurisdictions allow for siting of indoor emergency housing or indoor emergency housing shelters where hotels are allowed or within “a majority of zones within a one-mile proximity to transit.” The City lacks any zones permitting Hotels and has one Park & Ride serviced by Sound Transit.

In this LCA, the City accounted for Emergency Housing capacity by dedicating a portion of the vacant land identified for Emergency Housing use. The City selected vacant land because it is more likely to feasibly support the development of Emergency Housing, and the City did not specify specific sites for this Emergency Housing provision because they do not have any regulations limiting the siting, spacing, or intensity of Emergency Housing uses. The City removed a total of 8 acres from the E and PF zones in the LCA and estimated provision for emergency housing according to Commerce Guidance¹³ and an assumed construction of Tiny shelter villages and Emergency Congregate shelters.

¹¹ Lots with critical areas or their buffers are exempt from the requirements of HB 1337.

¹² WA Commerce, HB 1220 Book 2 Housing Element Update (August 2023), p.28

¹³ WA Commerce, HB 1220 Book 2 Housing Element Update (August 2023), p.47-48

Emergency Housing Capacity						
Site Grouping	Acres	Density	Capacity (beds or units)	Total Capacity	(Total need)	Capacity Surplus (or Deficit)
Tiny shelter villages	4	30 units/acre	120	360	(334)	26
Emergency Congregate Shelter	4	60 beds/acre	240			

Table 12 – Emergency Housing Capacity Summary

The City has sufficient capacity in the PF and E zones to meet its Emergency Housing target. The City will need to take steps to ensure this housing is provided, some steps might include coordinating with local shelters or other providers of Emergency Housing and applicable services, pursuing sources of funding for Emergency Housing projects, and including public engagement in the necessary siting of Emergency Housing uses.

Housing Capacity Subtotal

Housing capacity provided by zoning, pipeline projects, and ADU production contributes toward the City’s total 2044 housing target of 1,451 residential units. This LCA has identified approximately 391 acres of vacant and underutilized land available for future residential development in the City. Without considering housing needs for income brackets, the City has capacity for 2,438 residential units and has a housing capacity surplus of 987 residential units. The below table shows the residential outcomes of the LCA against the 2044 and 2049 targets.

Housing	2020-2044	2020-2049
2020-2023 Permitted Growth	682	682
Pipeline projects	828	828
Zoned Housing capacity	821	821
ADU Capacity	107	107
Total Housing Capacity	2,438	2,438
(Housing Target)	(1,451)	(1,977)
Housing Capacity Surplus (or deficit)	987	461

Table 13 – Housing Growth Target Progress

2. Categorize zones by allowed housing types and density level

Commerce has developed a framework for determining potential housing affordability. The framework requires the compilation of permitted housing types and maximum allowed density in each zone to assign zones into “Zone Categories” which can be used to better understand how effective the capacity identified in the LCA is at serving “all housing needs.”

Housing costs and affordability can vary significantly by housing type, and housing types and densities are determined in part by zoning and other local development regulations. For example, subsidized affordable housing projects are most feasible to produce in low-rise or mid-rise multifamily zones that allow for multi-unit housing production, such as apartment buildings.¹⁴

The table to the right shows zone categories from Commerce guidance that are applicable to zones in Bonney Lake.

Zone Category	Typical Housing Types Allowed
Low Density	Detached single-family homes
Moderate Density	Townhomes, duplex, triplex, quadplex
Mid-Rise Multifamily	Apartments or condominiums in buildings with ~4-8 floors (~40-85 feet in height)

Table 14 – Zone Density Categories

Based on this framework, the City’s residential zones can be classified into the following categories:

Bonney Lake Residential Zone Density Categories				
Zone	Housing Types Allowed	Min Density Required	Max Density Allowed	Assigned Zone Density Category
(DC) Downtown Core District	Apartments or condominiums, Residential over Ground Floor Retail	10.00 Du/Ac	None	Mid-Rise Multifamily
(DM) Downtown Mixed Use District	Apartments or condominiums, Residential over Ground Floor Retail	10.00 Du/Ac	None	Mid-Rise Multifamily
(R1) Low-Density Residential District	Detached single-family homes	4.00 Du/Ac	5.00 DU/Ac	Low Density
(R2) Medium-Density Residential District	Detached single-family homes, duplex, triplex and quadriplex	5.00 Du/Ac	9.00 DU/Ac	Moderate Density
(R3) High-Density Residential District	Apartments or condominiums, townhouses, Duplexes	10.00 Du/Ac	None	Mid-Rise Multifamily
(RC-5) Residential/Conservation District	Detached single-family homes	None	0.20 DU/Ac	Low Density

Table 15 – Bonney Lake Zone Density Categories

¹⁴ WA Commerce, HB 1220 Book 2 Housing Element Update (August 2023), p.30

3. *Relate zone categories to potential income levels and housing types served*

Depending on the housing types permitted in a zone, different income levels' housing needs are more likely to be served. The table below outlines the potential income levels served depending on housing type and market rate or subsidized housing; this is based on a standard table provided by Commerce¹⁵. Household income segments refer to households that are affordable to households at specified AMIs. Income levels are based on the Area Median Income (AMI); in the City, the 2018-2022 Median Income was \$123,462¹⁶. See table to right for Household Income Levels.

Income Levels	
Income Level	Relative AMI
Extremely Low Income	<=30% AMI
Very Low Income	>30% and <=50% AMI
Low Income	>50% and <=80% AMI
Moderate Income	>80% and <=120% AMI
High Income	>120% AMI

Table 16 – Household Income Levels

Zone Category Incomes Served				
Zone Category	Housing Types Served	Lowest Potential Income Level Served		Assumed Affordable Income Level for LCA
		Market Rate	With Subsidies	
Low Density	Single-Family Detached	High Income	Not feasible at scale	High Income
Moderate Density	Townhomes, duplex, triplex, quadplex	Moderate Income	Not feasible at scale	Moderate Income
Mid-Rise Multifamily	Apartments or condominiums in buildings with ~4-8 floors	Low Income	Extremely Low - Very Low Income	Low - Extremely Low Income and PSH
ADUs (all zones)	ADUs on developed residential lots	Moderate Income	N/A	Moderate Income

Table 17 – Zone Category Incomes Served

¹⁵ WA Commerce, HB 1220 Book 2 Housing Element Update (August 2023), Exhibit 12, p.33

¹⁶ Data from US Census Bureau: QuickFacts, Bonney Lake city, Washington

4. Summarize capacity by zone category

The table below shows zoned capacity from the LCA and compiles it based on the zone density category.

Pipeline projects are not included in this categorization; specific knowledge about the built condition or the proposed projects in the pipeline lends a more accurate measure of what income levels are being served. The table below summarizes recent projects in the permitting pipeline by housing type and income level.

In addition to Pipeline development, the 682 dwelling units constructed since the BLR are accounted for in the table below.

Zoned Capacity by Density			
Zone	Capacity (LCA)	Zone Density Category	Capacity in Zone Density Category
DC	8	Mid-Rise Multifamily	286
DM	26		
R3	252		
R2	106	Moderate Density	106
R1	401	Low Density	436
RC5	35		
ADUs (any zone)	107	ADUs	107
Total	935¹⁷		

Table 18 – Zoned Capacity by Density

Pipeline Development			
Type	Permitted Units	Density Category	Capacity Built Density Category
Multi-Family	280	Mid-Rise Multifamily	280
Townhouse	175	Moderate Density	175
ADU	0	ADU	0
Single-Family Detached	373	Low Density	373
Total	828		

Table 19 – Pipeline Development by Density

2020-2023 Development			
Type	Permitted Units	Density Category	Capacity Built Density Category
Multi-Family (<60% AMI) ¹⁸	408	Mid-Rise Multifamily	408
Multi-Family	97	Mid-Rise Multifamily	97
Townhouse	0	Moderate Density	0
ADU	7	ADU	7
Single-Family Detached	170	Low Density	170
Total	682		

Table 20 – 2020-2023 Development by Density

¹⁷ This total does not account for 7 residential units displaced in the E and MC zones; since these units aren't being displaced by residential development and do not constitute a significant loss of housing, they are not counted against affordable housing capacity. The net zoned capacity of 927 units is reflected in Table 10.

¹⁸ Multi-family project, "View by Vintage" built between 2021 and 2023, all units were limited to residents with income less than 60% AMI for the next 50 years as the project received low interest loans from the Washington State Housing Trust Fund.

5. Compare projected housing needs to capacity

The adopted income housing targets previously shown (Table 9) are compared to the identified capacity (**Error! Reference source not found.**, **Error! Reference source not found.**, and **Error! Reference source not found.**) in the below table (Table 21). The first two columns are a column-to-row flip of the income housing targets table (Table 9); the remaining columns show the calculations based on the category capacity established on the previous page. Zoned capacity fills higher income brackets before lower ones due to market pressures, pipeline and built capacity is specifically assigned to income categories based on development type and whether the development was market-rate or included an affordable housing component.

Income Housing Target Capacity Summary							
Income Level	Projected Housing Need	Aggregate d Housing Needs	2020-2023 Permitted Growth	Total Pipeline Capacity	Zone Categories Serving These Needs	Total Zoned Capacity	Capacity Surplus (or Deficit)
0 - 30% PSH	187	709	0	0	Mid-Rise Multifamily	286	(423)
0 - 30% Non-PSH	253						
>30 - 50%	269						
>50 - 80%	213	213	408	0	Mid-Rise Multifamily	0	195
>80 - 100%	92	175	104	455	Mid-Rise Multifamily, Moderate Density, and ADUs	213	597
>100 - 120%	83						
>120%	354	354	170	373	Low Density	436	625
Total	1,451		682	828		935	

Table 21 – Income Housing Target Capacity Summary

Sufficient Capacity

The current zoned and built capacity is sufficient to meet the needs of households with incomes greater than 50% AMI. Plenty of single-family housing has been built and is in the pipeline, effectively serving the need for greater than 120% AMI households. Additionally, townhouse and multi-family developments have provided ample capacity for households between 80% and 120% AMI. The 50% to 80% target is met solely by the View By Vintage project which constructed 408 income restricted dwelling units that will be income restricted until year 2070 and is than enough to serve the projected need.

Insufficient Capacity

Housing targets for households making less than 50% AMI have not seen any measurable progress since 2020. The combined housing need for households under 50% AMI is 709 units. Current buildable land in Mid-Rise zones does not seem sufficient to meet these targets. The R3, DM, and DC zones have a combined capacity of 286 units, so the total shortfall for households under 50% AMI is 423 units. Yet, this assumes that all the 286 units of zoned capacity would need to be allocated to households <50% AMI, which is unlikely without substantial changes to development regulations. An increased capacity for Mid-Rise Multi-Family residential development and measures to incentivize income restricted development serving Low and Extremely Low incomes may be required to meet these targets.

6. (If deficit is found) Implement actions to increase capacity for one or more housing needs. Then re-assess capacity (Step 1) based on actions.

Note that though the R3, DM, and DC zones have an assumed density of 15 units per-acre in this LCA, higher densities are likely feasible. The City's DC, DM, and R3 zoning classification have a minimum density of 10 units per net acre, but no maximum density. All the zones permit buildings of at least 4 stories of 45 feet, and the DC and DM allow buildings up to seven stories.

The R3 zone has approximately 42.4 acres of land available for residential development with 68 existing units on redevelopable parcels. Including displaced units, the assumed density would have to be increased to just 18.3 to produce a net 709 units. It is possible for the City to accommodate the adopted housing need, but action on behalf of the City will be necessary to ensure this housing capacity deficit solution is implemented.

Conclusion

In partnership with LDC, the City has analyzed development capacity for the 2024-2044/2049 planning period according to Pierce County BLR and Commerce guidance applicable to new State regulations implementing HBs 1220 and 1337. The LCA updates the Buildable Lands Inventory in the 2021 BLR and documents the City's progress towards its Housing and Employment growth targets.

The City has been continually growing and expanding the selection of housing that it allows and is serving a greater range of household incomes than before.

This LCA found the City has ample capacity to meet its employment and Emergency Housing growth targets and has an excess of housing capacity for Low-to-High income households and has a housing capacity deficit for those within very low and extremely low-income households. This housing capacity deficit is due to the lack of low-income serving housing solutions and would require the City to plan to provide an additional 423 residential units by 2044. Given the shortfall in housing capacity, the City has evaluated growth alternatives to accommodate its housing target; these are outlined in the Growth Alternatives memorandum and support the City's commitment to meeting its adopted growth targets.

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Appendices

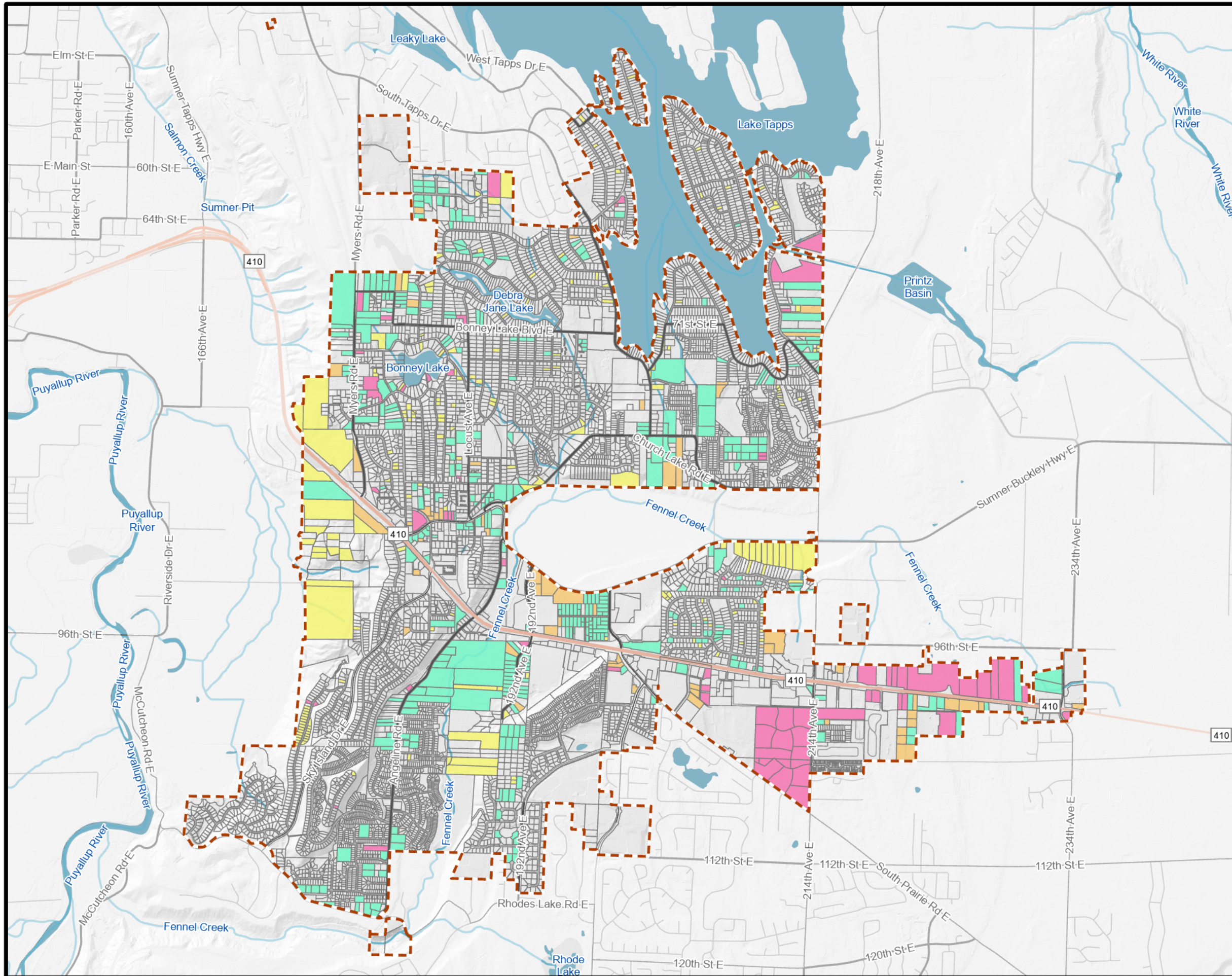
(2024). *Appendix A – LCA Zone Assumptions*

(2024). *Appendix B – 2024 Buildable Lands Inventory Map*

(2024). *Appendix C – Zoning Map*

Appendix A - Bonney Lake 2024 LCA Zone Assumptions

Zone	Zone Type	Residential			Employment		Residential Market Factor		Non-Residential Market Factor		Plat Deductions (ROW, Stormwater, Open Space, Non-Residential)	Non-residential Use in Residential Zone	Assumed Density
		Mixed-Use Split	Density	Min Lot	Mixed-Use Split	Density	Vacant	Underutilized	Vacant	Underutilized			
C1	MIX COM	50%	6	0	50%	20	15%	35%	15%	35%	0%	0%	6.00
C2	MIX COM	0%	0	0	100%	20	15%	35%	15%	35%	0%	0%	0.00
DC	MIX COM	20%	15	0	80%	20	15%	35%	15%	35%	0%	0%	15.00
DM	MIX COM	50%	15	0	50%	20	15%	35%	15%	35%	0%	0%	15.00
E	IND	0%	0	0	100%	9	15%	35%	15%	35%	0%	0%	0.00
MC	COM	0%	0	0	100%	20	15%	35%	15%	35%	0%	0%	0.00
PF	COM	0%	0	0	100%	20	15%	35%	15%	35%	0%	0%	0.00
R1	RES	100%	4	0.5	0%	20	15%	30%	0%	0%	20%	5%	4.00
R2	RES	100%	6	0.49	0%	20	15%	30%	0%	0%	20%	5%	6.00
R3	RES	100%	15	0.3	0%	20	15%	30%	0%	0%	20%	5%	15.00
RC5	RES	100%	0.2	12.5	0%	20	15%	30%	0%	0%	20%	5%	0.20









Envision BONNEY LAKE

Celebrating 100 Years

2024 Buildable Lands Inventory

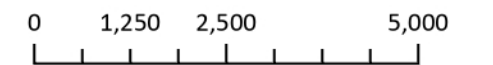
Legend

-  City Boundary
-  Built Out/Undevelopable
-  Pipeline
-  Underutilized
-  Vacant
-  Vacant Single Unit



This map is a geographic representation based on information available at the time of production. Bonney Lake disclaims any warranty concerning the accuracy, currency, or completeness of the data depicted.

*Base Map Service layers:
Washington Geological Survey, King County, WA State Parks GIS, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA, USFWS*



1 inch equals 2,500 feet

Date Updated: 3/28/2024

2044 Growth Alternatives Memo

To: Jason Sullivan – Interim Public Services Director, City of Bonney Lake
From: Dane Jepsen, Associate Planner, LDC Inc.
CC: Kim Mahoney, Principal Planner, LDC Inc.
Date: March 29, 2024
Re: City of Bonney Lake 2024 Comprehensive Plan Update

Executive Summary

During the City of Bonney Lake’s (City) 2024 Comprehensive Plan update, LDC, Inc. (LDC) performed a Land Capacity Analysis (LCA) to assess the City’s capacity to serve the projected housing and employment needs for the 2020-2044 and 2020-2049 planning periods¹. The LCA found that the City has ample capacity to meet its employment and Emergency Housing growth targets and has an excess of housing capacity for Low-to-High income households. However, this analysis found that the City has a housing capacity deficit for those within very low and extremely low-income households. This housing capacity deficit is due to the lack of low-income-serving housing solutions and would require the City to plan to provide an additional 423 residential units by 2044.

Per RCW 36.70A (the Growth Management Act [GMA]), the City is required to identify and implement corrective actions that will accommodate the adopted housing growth target; the City has evaluated two growth alternatives to accommodate its housing target:

- Alternative One: "Stay the Course"
- Alternative Two: "Bend the Trend"

This memorandum further details the background, methodology, overview, and analysis results of the City’s considered growth alternatives.

Background

Puget Sound Regional Council (PSRC) is a multi-county planning organization that coordinates the planned growth of the Puget Sound region needed to accommodate future housing and employment needs. Through its *VISION 2050* plan, PSRC coordinated a target for total regional population growth and the adoption of county-wide population, employment, and housing targets for its member counties. In the PSRC Vision 2050, the City is identified as one of the geographies accepting a lower portion of the regions’ housing and employment growth.

VISION 2050 includes plans for housing and employment capacity in the following geographies:

- Metropolitan Cities
- Core Cities
- High Capacity Transit (HTC) Communities
- Cities & Towns
- Rural Unincorporated Areas
- Rural

The City of Bonney Lake was placed within “Cities & Towns” category, which means that the City is expected to accommodate a small portion of the region’s needs relative to its size. The housing and employment growth targets adopted by Pierce County on July 7, 2023 reflect the planned growth

¹ 2020-2044 growth targets adopted July 7, 2023 under Pierce County Ordinance No. 2023-22s, 2020-2049 growth targets extend the 2044 target based on projected growth rate.

assigned to Pierce County in *VISION 2050*; therefore, the City’s planning to accommodate its growth targets inherently participates in the much wider regional plan, as well. In the 2024 Comprehensive Plan update, the City is faced with decisions about how it will plan to meet its housing and employment targets. In the past, the City has met rising housing needs through development of single-family and multi-family housing, with an increasing portion of new multi-family units (Figure 1). In an effort to explore methods for accommodating its housing growth targets, the City has considered one alternative of “staying the course” (Alternative One), whereby its recent trends of housing development could serve the growing need for housing, and another alternative, “bending the trend” (Alternative Two), whereby a refreshed perspective to housing development could more adequately serve housing needs in the City.

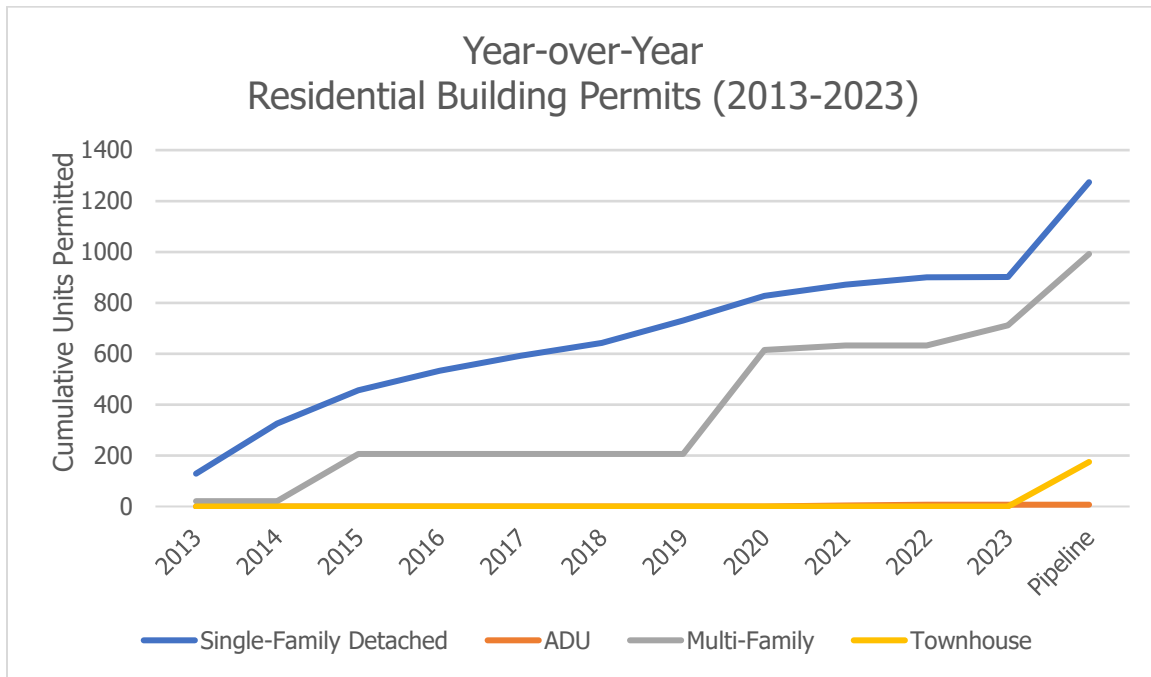


Figure 1 – Year-over-Year Residential Building Permits (2013-2023)

Methodology

The two proposed growth alternatives were evaluated for potential housing and employment capacity using the same methodology outlined in the LCA memo; this includes the same zone assumptions and the same process for identifying lands as Vacant, Vacant Single Unit, Underutilized, Pipeline, and Built Out/Undevelopable. Two specific changes were incorporated in the analysis of these growth alternatives: changes to capacity in the (PF) Public Facility zone, and removal of the Midtown Pipeline project. See these changes outlined below:

Public Facilities Zone Capacity

In the LCA, no housing or employment capacity was designated on publicly owned land. Development of public land does not respond to market pressure the way private development does, and LCA assumptions cannot predict the likelihood of a community decision. Yet, while considering growth alternatives, it is acceptable to present the outcomes of growth paths that require said decision making. For this reason, Alternative One included capacity from a selection of publicly-owned parcels on the City Hall campus that have been identified to be favorable for private sale and redevelopment. The *City of Bonney Lake Centers Plan* (Centers Plan) adopted in 2017 envisioned that the former civil campus would be developed with a mix of residential and commercial uses. Under Alternative One, it is assumed that the City would move forward with the zoning changes as part of this periodic update and further implement the Centers Plan. These parcels were designated as vacant since the market factor applicable to underutilized land would not be as prevalent on publicly-owned land. These parcels were rezoned for

Overview

There are two main ways jurisdictions can address housing and employment capacity deficits identified in an LCA:

1. Changing jurisdiction regulations for development related to employment and housing capacity.
2. Changing the zoning map to increase or decrease developable area in specified zones.

The City’s proposed growth alternatives only included changes to the zoning map. The remainder of this memo will review the impacts of these zoning changes on projected capacity.

Zoning changes were comprehensively evaluated for every base parcel in the City, allowing the Buildable Lands Inventory to adjust based on proposed zoning changes. Appendix A & B depict the zoning changes that were implemented in the analysis of each alternative, the table below also shows the changes to the gross acreage of each zone proposed by each growth alternative.

Zoned Acres - Alternatives Summary					
Zone	Area (Acres)				
	Base Zoning	Alternative One		Alternative Two	
		Total Acres	Change Addition or (Reduction)	Total Acres	Change Addition or (Reduction)
(C-1) Neighborhood Commercial District	0.00	14.47	14.47	0.00	0.00
(C-2) Commercial District	114.27	172.47	58.20	83.49	(30.79)
(DC) Downtown Core District	8.24	6.48	(1.76)	7.08	(1.16)
(DM) Downtown Mixed Use District	20.88	45.00	24.13	33.01	12.13
(E) Easttown District	166.27	166.27	0.00	166.48	0.21
(MC) Midtown Core District	236.05	178.15	(57.90)	226.42	(9.63)
(PF) Public Facilities District	508.87	512.81	3.94	524.21	15.34
(R1) Low-Density Residential District	2289.44	2,223.11	(66.33)	2531.41	241.96
(R2) Medium-Density Residential District	282.73	182.70	(100.03)	0.00	(282.73)
(R3) High-Density Residential District	155.73	260.23	104.50	158.46	2.73
(RC-5) Residential/Conservation District	410.06	430.85	20.79	461.99	51.93
Total	4192.54	4192.54		4192.54	

Table 1 – Zoned Acres - Alternatives Summary

Both Alternatives feature overall reductions in the DC, MC, and R2 zones and additions in the DM, PF, R3, and RC-5 zones. Alternative One utilizes the C-2 and R3 zones much more than Alternative Two while reducing the area of the MC, R1, and R2 zones. Alternative Two utilizes the R1 and RC-5 zones more than Alternative Two while reducing the C-2 zone and outright removing the R2 zone.

Alternative One: "Stay the Course"

Alternative One seeks to achieve projected housing growth targets through the amplification of its current development pattern. This includes the reduction of medium-to-low density residential zones (R1 and R2) while increasing zoned acreage in the high density and mixed-use zones (R3, C-1, and DM) to maximize

the potential for affordable housing development. This growth alternative also includes an increase in the area of the (RC-5) Residential/Conservation District as a reflection of the City's priority to preserve its natural land and open space while preventing sprawl. This growth alternative's focus on providing increased housing capacity by adding zoned acreage to the R3, C-1, and DM zones would likely result in a greater coverage of moderate density housing throughout the City with an increased opportunity for mixed-use and inclusive development patterns.

Alternative Two: "Bend the Trend"

Alternative Two seeks to achieve projected housing growth targets through a focus on smaller scale development with a sufficient portion of zoning dedicated densities that support low-income housing development. This alternative was developed to explore whether it was possible to reduce the City's overall growth rate consistent with goals of VISION 2050, while at the same time complying with the requirements of RCW 36.70A.070(2) to provide housing to all income segments as determined by the Department of Commerce. This alternative was also developed to focus housing within two specific centers: Downtown and Midtown, consistent with VISION 2050; specifically, MPP-RGS-11, MPP-DP-26, MPP-H-7 and MPP-EC-20. These policies call on the Puget Sound Region to develop a framework of countywide centers and focus the development of housing and economic growth within these centers. The City's Downtown Center is already classified as a Countywide Growth Center. As part of this update, the City will be taking steps to have the Midtown Center classified as a Countywide Growth Center. This includes the elimination of the (R2) Medium-Density Residential District, which would comprise of mostly rezoned (R1) Low-Density Residential District land, and an increase of approximately 30 acres in the R3 and DM zones. This growth alternative's focus on lower density zoning outside of these Centers and the provision of higher density housing through the R3 and DM zones within the Centers would result in a slower build-out of lower density neighborhoods with the majority of high-density housing developing in dense mixed-use centers to achieve the dual objectives of slowing the City's overall growth rate while providing housing for all economic segments within the City.

Alternative Analysis Results

In this analysis, growth alternative capacity is summarized and presented in the same format that was used to present housing and employment capacity in the LCA. This analysis will compare the capacity results of the proposed growth alternatives with the results determined based on existing zoning in the LCA.

Employment Capacity

Employment capacity identified in the LCA was more than sufficient to satisfy the City’s employment growth targets. The proposed alternatives included planned zoning changes reflected in the City’s current Comprehensive Plan map designations and deductions of commercial and industrial zones for the purposes of meeting housing capacity needs; these changes in zoning yielded changes in projected employment capacity; the table below summarizes alternatives changes in capacity and compares them against the employment growth target:

Employment Capacity - Alternatives Summary					
Zone	Base Zoning	Alternative One		Alternative Two	
		Total Jobs	Change Addition or (Reduction)	Total Jobs	Change Addition or (Reduction)
(C-1) Neighborhood Commercial District	0	76	76	0	0
(C-2) Commercial District	200	416	216	165	(35)
(DC) Downtown Core District	2	2	0	2	0
(DM) Downtown Mixed Use District	32	128	96	63	31
(E) Eastown District	258	258	0	258	0
(MC) Midtown Core District	422	188	(234)	326	(96)
(PF) Public Facilities District	0	0	0	0	0
(R1) Low-Density Residential District	246	236	(10)	289	43
(R2) Medium-Density Residential District	53	33	(20)	0	(53)
(R3) High-Density Residential District	43	203	160	95	52
(RC-5) Residential/Conservation District	36	37	1	37	1
Total Zoned Capacity	1,292	1,577	285	1,235	(57)
2020-2023 Permitted Growth	504	504		504	
Pipeline projects	684	684		684	
Total Employment Capacity	2,480	2,765		2,423	
(Employment Target)	(1,717)	(1,717)		(1,717)	
Employment Capacity Surplus (or deficit)	763	1,048		706	

Table 2 – Employment Capacity - Alternatives Summary

Analysis of both growth alternatives identified sufficient capacity for future employment targets with Alternative One producing slightly more and Alternative Two slightly less employment capacity than current zoning.

Housing Capacity

As in the LCA, housing capacity for proposed growth alternatives should demonstrate capacity for affordable housing to all economic segments. Washington State Department of Commerce has provided guidance² for demonstrating this utilizing the following steps:

1. Summarize land capacity by zone.
2. Categorize zones by allowed housing types and density level.
3. Relate zone categories to potential income levels and housing types served.
4. Summarize capacity by zone category.
5. Compare projected housing needs to capacity.
6. (If deficit is found) Implement actions to increase capacity for one or more housing needs. Then re-assess capacity (Step 1) based on actions.

The LCA summarized current projected housing capacity using these steps and some of the analysis utilized there will be reused in the growth alternatives capacity analysis. The proposed alternatives involve changes to only the zoning map; resultantly, steps 2 and 3 do not need to be re-evaluated to demonstrate capacity. Step 6 was executed through this memo's analysis of the proposed growth targets. Analysis of Housing capacity for growth alternatives will include the following steps:

1. Summarize land capacity by zone.
4. Summarize capacity by zone category.
5. Compare projected housing needs to capacity.

1. Summarize land capacity by zone

The LCA identified housing capacity in three areas: zoned capacity, Accessory Dwelling Unit (ADU) capacity, and Emergency Housing Capacity. The proposed alternatives resulted in different outcomes for zoned and ADU capacity, but Emergency Housing capacity remained the same. Eight acres of vacant land were identified in the LCA for Emergency Housing Capacity; the same area of vacant land was reserved from the proposed alternatives, resulting in no change to projected Emergency Housing capacity. Housing capacity for the proposed growth alternatives was identified in two areas:

1. Zoned capacity – Capacity from vacant and redevelopable land.
2. Accessory Dwelling Unit Capacity (House Bill [HB] 1337) – Potential capacity for the construction of ADUs on existing and future residential lots based on assumed production rates.

² WA Commerce, HB 1220 Book 2 Housing Element Update (August 2023), p.19

Zoned Capacity

The table below summarizes zoned housing capacity identified in this alternative analysis and compares it to that identified in the LCA. Zoned capacity is the net result of initial units minus displaced units.

Housing Capacity - Alternatives Summary					
Zone	Base Zoning	Alternative One		Alternative Two	
		Total Units	Change Addition or (Reduction)	Total Units	Change Addition or (Reduction)
(C-1) Neighborhood Commercial District	0	14	14	0	0
(C-2) Commercial District	0	0	0	0	0
(DC) Downtown Core District	8	7	(1)	7	(1)
(DM) Downtown Mixed Use District	26	116	90	57	31
(E) Eastown District	-6	-6	0	-6	0
(MC) Midtown Core District	-1	-1	0	-4	(3)
(PF) Public Facilities District	0	0	0	0	0
(R1) Low-Density Residential District	401	378	(23)	464	63
(R2) Medium-Density Residential District	106	65	(41)	0	(106)
(R3) High-Density Residential District	252	1,237	985	822	570
(RC-5) Residential/Conservation District	35	37	2	42	7
Total	821	1,847	1026	1,382	561

Table 3 – Housing Capacity - Alternatives Summary

Accessory Dwelling Unit Capacity (HB 1337)

Projected ADU capacity fluctuated between the proposed growth alternatives due to rezones affecting the future production of single-family lots in the City. The alternatives analysis utilized the same assumptions as the LCA: 2% participation factor for available lots and 1.25 ADUs constructed per participating lot. The table below outlines ADU capacity for each alternative.

ADU Development Capacity – Alternatives Summary			
	Base Zoning	Alternative One	Alternative Two
Available Lots	4,260	3,906	4,258
Potential ADU Lots	85	78	85
2044 ADU Capacity	107	97	106³

Table 4 – ADU Development Capacity - Alternatives Summary

³ 2044 projections for ADU capacity are rounded from the nearest tenth decimal place, resulting in a slight difference between base and alternative two ADU capacity.

Housing Capacity Subtotal

Housing capacity provided by zoning, pipeline projects, and ADU production contributes toward the City’s total 2044 housing target of 1,451 residential units. Without considering housing needs for income brackets, total housing capacity provided by proposed growth alternatives exceeds projected housing targets. Notably, Alternative Two has a surplus 112 units lower than that provided by base zoning.

Housing	Base Zoning	Alternative One	Alternative Two
2020-2023 Permitted Growth	682	682	682
Pipeline projects	828	156	156
Zoned Housing capacity	821	1,847	1,382
ADU Capacity	107	97	106
Total Housing Capacity	2,438	2,782	2,326
(2020-2044 Housing Target)	(1,451)	(1,451)	(1,451)
Housing Capacity Surplus (or deficit)	987	1,331	875

Table 5 – Housing Capacity Subtotal

4. Summarize capacity by zone category

Zone density categories identified in the LCA are applicable in the analysis of the proposed growth alternatives. Zoned, pipeline, and built capacity were totaled by zone density category; zoned and pipeline capacity had different quantities than were presented in the LCA; built capacity was not affected by the proposed alternatives, for reference see the LCA Memo Table 20.

The table below shows zoned capacity from the alternatives LCA and compiles them based on the zone density category.

Zoned Capacity by Density - Alternative Comparison									
Zone Density Category	Zone	Base Zoning		Alternative One			Alternative Two		
		Zoned Capacity	Capacity in Zone Density Category	Zoned Capacity	Capacity in Zone Density Category	Change Addition or (Reduction)	Zoned Capacity	Capacity in Zone Density Category	Change Addition or (Reduction)
Mid-Rise Multi-family	DC	8	286	7	1,360	1047	7	886	600
	DM	26		116			57		
	R3	252		1,237			822		
Moderate Density	R2	106	106	65	65	(41)	0	0	(106)
Low Density	R1	401	436	378	415	(21)	464	506	70
	RC5	35		37			42		
ADUs	ADUs (any zone)	107	107	97	97	(10)	106	106	(1)
Total		935		1,937			1,498		

Table 6 – Zoned Capacity by Density - Alternatives Comparison

The proposed alternatives produced significantly more than base capacity in the “Mid-Rise Multi-family” zone density category, with Alternatives One and Two improving on base capacity by 1047 and 600 units, respectively. Proposed zoning changes did no-doubt affect this capacity projection, but the biggest factor in this increase is the removal of the Midtown pipeline project. At 672 units, the Midtown pipeline project made up approximately 73% of the total housing capacity in the R-3 zone, but it did not have any affordable housing provision. Thus, its pipeline capacity only applied to income brackets greater than 80% AMI. Returning the Midtown project site’s land to vacant capacity re-introduced the possibility of adding affordable housing with its development; for example, Alternative Two only expanded the R-3 zone by 6.9 acres, and still all 822 units of zoned capacity can count towards incomes served by the “Mid-Rise Multi-family” zone density category.

Pipeline projects utilized in the alternatives analysis differ from the LCA due to the removal of the Midtown Project. The table below summarizes pipeline projects used in this analysis by housing type and income level.

Pipeline Development			
Type	Permitted Units	Density Category	Capacity Built Density Category
Multi-Family	72	Mid-Rise Multi-family	72
Townhouse	0	Moderate Density	0
ADU	0	ADU	0
Single-Family Detached	84	Low Density	84
Total	156		

Table 7 – Pipeline Development by Density

5. Compare projected housing needs to capacity

Comparison of alternative capacity to each proposed growth alternative was done individually before being compared to the total capacity identified in the LCA.

The adopted income housing targets are compared to capacity identified for each growth alternative (Table 6, Table 7, and LCA Memo Table 20) in the below tables (Table 8 and Table 9). The first two columns are a column-to-row flip of the income housing targets table; the remaining columns show the calculations based on the zone density category capacity established in Housing Capacity – Step 4. Permitted growth and Pipeline capacity have set income brackets they serve based on presence of income restrictions in their existing or proposed provision of housing.

Alternative One - Income Housing Target Capacity Summary							
Income Level	Projected Housing Need	Aggregated Housing Needs	2020-2023 Permitted Growth	Total Pipeline Capacity	Zone Categories Serving These Needs	Total Zoned Capacity	Capacity Surplus (or Deficit)
0 - 30% PSH	187	709	0	0	Mid-Rise Multi-family	1,360	651
0 - 30% Non-PSH	253						
>30 - 50%	269						
>50 - 80%	213	213	408	0	Mid-Rise Multi-family	0	195
>80 - 100%	92	175	104	72	Mid-Rise Multi-family, Moderate Density, and ADUs	161	163
>100 - 120%	83						
>120%	354	354	170	84	Low Density	415	315
Total	1,451		682	156		1,937	

Table 8 – Alternative One - Income Housing Target Capacity Summary

Alternative Two - Income Housing Target Capacity Summary							
Income Level	Projected Housing Need	Aggregated Housing Needs	2020-2023 Permitted Growth	Total Pipeline Capacity	Zone Categories Serving These Needs	Total Zoned Capacity	Capacity Surplus (or Deficit)
0 - 30% PSH	187	709	0	0	Mid-Rise Multifamily	886	177
0 - 30% Non-PSH	253						
>30 - 50%	269						
>50 - 80%	213	213	408	0	Mid-Rise Multifamily	0	195
>80 - 100%	92	175	104	72	Mid-Rise Multifamily, Moderate Density, and ADUs	106	107
>100 - 120%	83						
>120%	354	354	170	84	Low Density	506	406
Total	1,451		682	156		1,498	

Table 9 – Alternative Two - Income Housing Capacity Summary

Previous tables have compared growth alternative capacity directly with LCA capacity; the following table shows how the proposed growth alternatives compare to the base capacity relative to the adopted growth targets.

Affordable Housing Target Capacity - Alternative Comparison							
Income Levels	Aggregated Housing Needs	Base Capacity		Alternative One		Alternative Two	
		Zoned Capacity	Capacity Surplus (or Deficit)	Zoned Capacity	Capacity Surplus (or Deficit)	Zoned Capacity	Capacity Surplus (or Deficit)
0 - 50% PSH & Non-PSH	709	286	(423)	1,360	6531	886	177
>50 - 80%	213	408	195	408	195	408	195
>80 - 100%	175	772	597	338	163	282	107
>120%	354	979	625	669	315	760	406
	1,451	2,445		2,775		2,336	

Table 10 – Affordable Housing Target Capacity - Alternative Comparison

Sufficient Capacity

Base capacity and both growth alternatives all served sufficient capacity for the 50% to 80% AMI income bracket by the View By Vintage project constructed in 2020. Independently, base capacity was only able to provide sufficient capacity to meet the needs of households with incomes greater than 50% AMI; while providing an excess of capacity for moderate-to-high income households (80%-120% AMI).

Zoning proposed in growth Alternative One is projected to have more than enough capacity to meet the needs of residents of all incomes. Excess housing capacity is concentrated in the less than 50% AMI brackets, creating a favorable environment for the construction of low-income and supportive housing types. Additionally, Alternative One provides a wide variety of options for dense forms of housing through use of the R2, R3, C-1, and DM zones; this variety of housing types is also likely to fill the "Missing Middle" gap in the City's housing stock and better meet the housing needs of its future residents.

Zoning proposed in growth Alternative Two is projected to have sufficient capacity to meet the needs of residents of all incomes. There is little excess housing capacity overall, the majority of capacity overperformance is in the greater than 120% AMI income bracket. The 406 excess units of capacity in the greater than 120% AMI income bracket will likely result in more home-ownership opportunities; these opportunities would only meet the housing needs of a portion of the City's residents. The three income brackets less than 50% AMI (30-50%, 0-30% PSH & non-PSH) have a total of 177 units of excess capacity between them; the zoning assumptions considered in this LCA ensure that it is possible for the City to deliver on this projected capacity. Still, the City would need to work with low-income housing providers and developers to ensure the needed low-income housing is captured in the development of applicable zones.

Insufficient Capacity

The LCA identified a total shortfall for households under 50% AMI of 423 units. These targets have seen no measurable progress since 2020 and are fully served by the "Mid-Rise Multi-family" zone density category containing the R3, DM, and DC zones. Proposed growth Alternatives One and Two addressed

this capacity shortfall through zoning changes and maximized use of existing zoned area in the R3 zone that can serve low-income housing needs, resulting in no capacity shortfall for either.

2049 Housing and Employment Targets

In addition to the housing and employment targets for 2044 (20 years), the City projected growth to 25 years (2049) and evaluated capacity for each of the proposed alternatives. The tables below outline the results of the two alternatives and compare them to the existing projected capacity.

2049 Housing Target Vs Capacity - Alternatives Summary					
Housing	Base Zoning	Alternative One	Change Addition or (Reduction)	Alternative Two	Change Addition or (Reduction)
Total Housing Capacity	2,438	2,782	344	2,326	(112)
(2020-2049 Housing Target)	(1,977)	(1,977)		(1,977)	
Housing Capacity Surplus (or deficit)	461	805		349	

All alternatives produced a surplus of housing capacity when compared to the City’s 2049 housing target. Alternative One resulted in 344 more units of housing than base zoning, while Alternative Two resulted in 112 less units than base zoning.

2049 Employment Target Vs Capacity – Alternatives Summary					
Employment	Base Zoning	Alternative One	Change Addition or (Reduction)	Alternative Two	Change Addition or (Reduction)
Total Employment Capacity	2,480	2,765	285	2,423	(57)
(2020-2049 Employment Target)	(2,129)	(2,129)		(2,129)	
Employment Capacity Surplus (or deficit)	351	636		294	

All alternatives produced a surplus of employment capacity when compared to the City’s 2049 employment target. Alternative One resulted in 285 more jobs of housing than base zoning, while Alternative Two resulted in 57 less jobs than base zoning.

The proposed alternatives achieve adopted and projected growth targets and consistently represent the two proposed growth paths for the City’s next 25 years of growth.

Conclusion

In partnership with LDC, the City has analyzed housing and employment development capacity for the 2024-2044 planning period based on proposed growth alternatives:

- Alternative One: "Stay the Course"
- Alternative Two: "Bend the Trend"

This alternative analysis found both alternatives sufficiently provide capacity to meet the City’s projected employment and housing needs. While base capacity identified in the LCA found housing capacity

shortfalls for very low-income households, this analysis found that proposed alternatives are projected to meet the needs of residents of all incomes, including very low-income households. Proposed growth alternatives met the existing housing capacity shortfall through rezones and maximized use of existing zoned area in the R3 zone that can serve low-income housing needs.

Given the outcomes of this alternatives LCA indicate that either Alternative One or Alternative Two could serve the housing needs of the community's projected growth, the City will decide which growth alternative is preferable for the City's 2024 Comprehensive Plan update and implement proposed changes along with the adoption of its plan.

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Appendices

(2024). *Appendix A – Alternative One Maps*













(2024). *Appendix B – Alternative Two Maps*

Envision BONNEY LAKE

— Celebrating 100 Years —

Alternative One Zoning

Legend

-  City Boundary
-  Neighborhood Commercial
-  Commercial
-  Downtown Core District
-  Downtown Mixed District
-  Eastown
-  Midtown Core
-  Public Facilities
-  Residential
-  Medium-Density Residential
-  High-Density Residential
-  Residential/Conservation District

Parcels not subject to rezone in Alternative One are depicted faded.



This map is a geographic representation based on information available at the time of production. Bonney Lake disclaims any warranty concerning the accuracy, currency, or completeness of the data depicted.

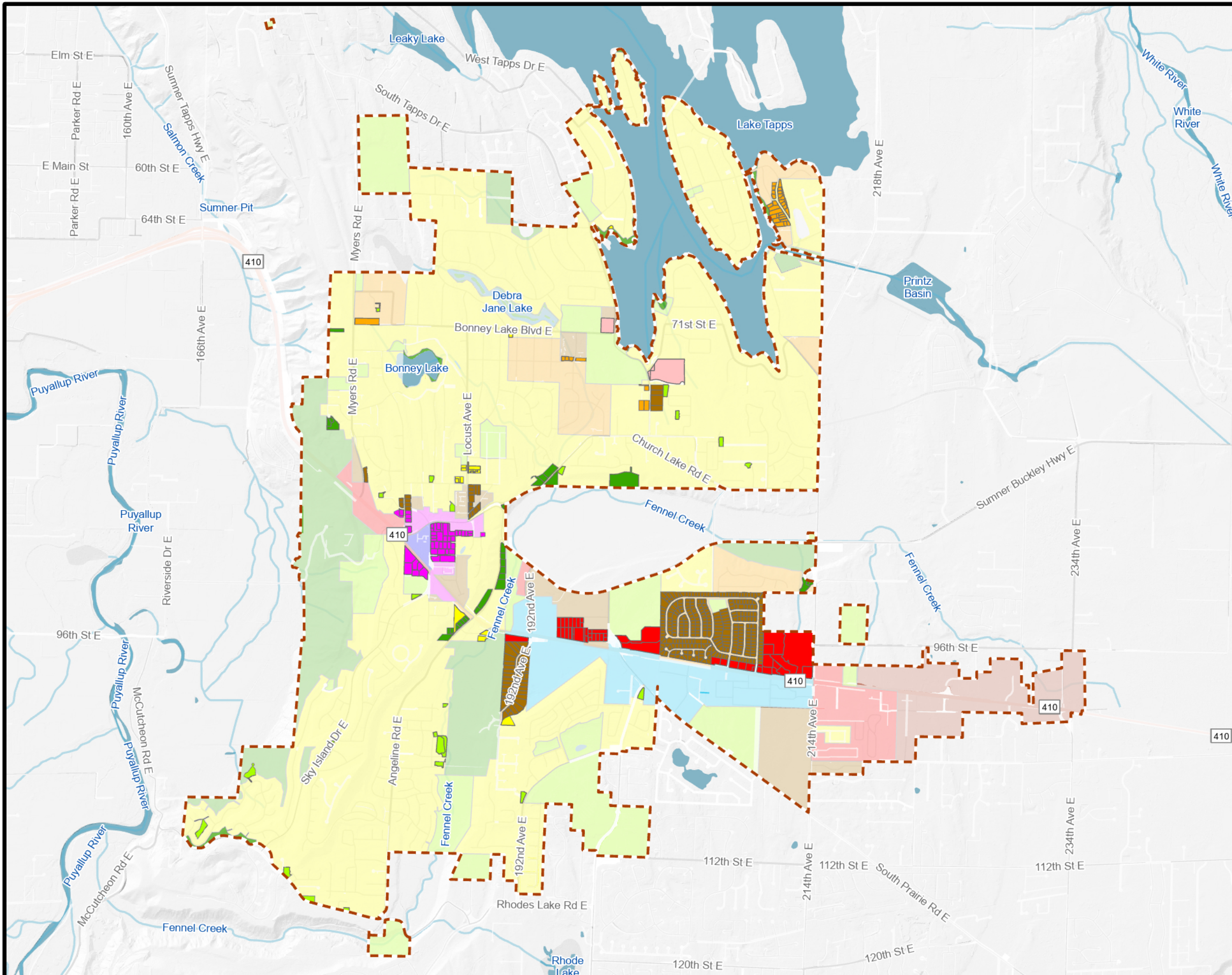
Base Map Service layers:
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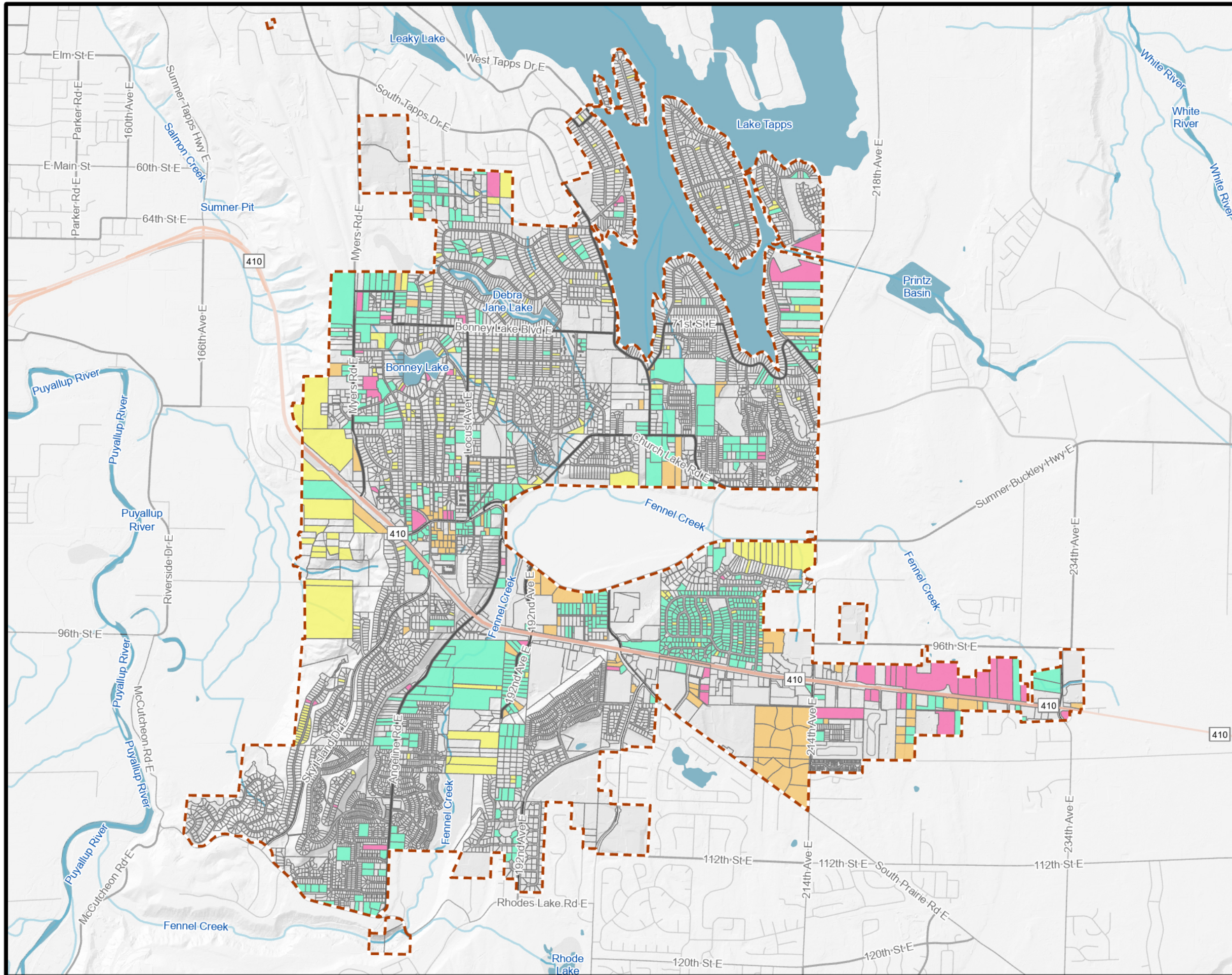


0 1,250 2,500 5,000

1 inch equals 2,500 feet







Date Updated: 3/28/2024





**Alternative One Buildable
 Lands Inventory**

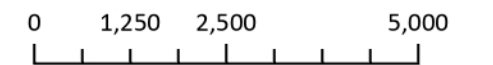
Legend

-  City Boundary
-  Built Out/
Undevelopable
-  Pipeline
-  Underutilized
-  Vacant
-  Vacant Single
Unit



This map is a geographic representation based on information available at the time of production. Bonney Lake disclaims any warranty concerning the accuracy, currency, or completeness of the data depicted.

*Base Map Service layers:
 Washington Geological Survey, King County, WA State Parks GIS, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA, USFWS*









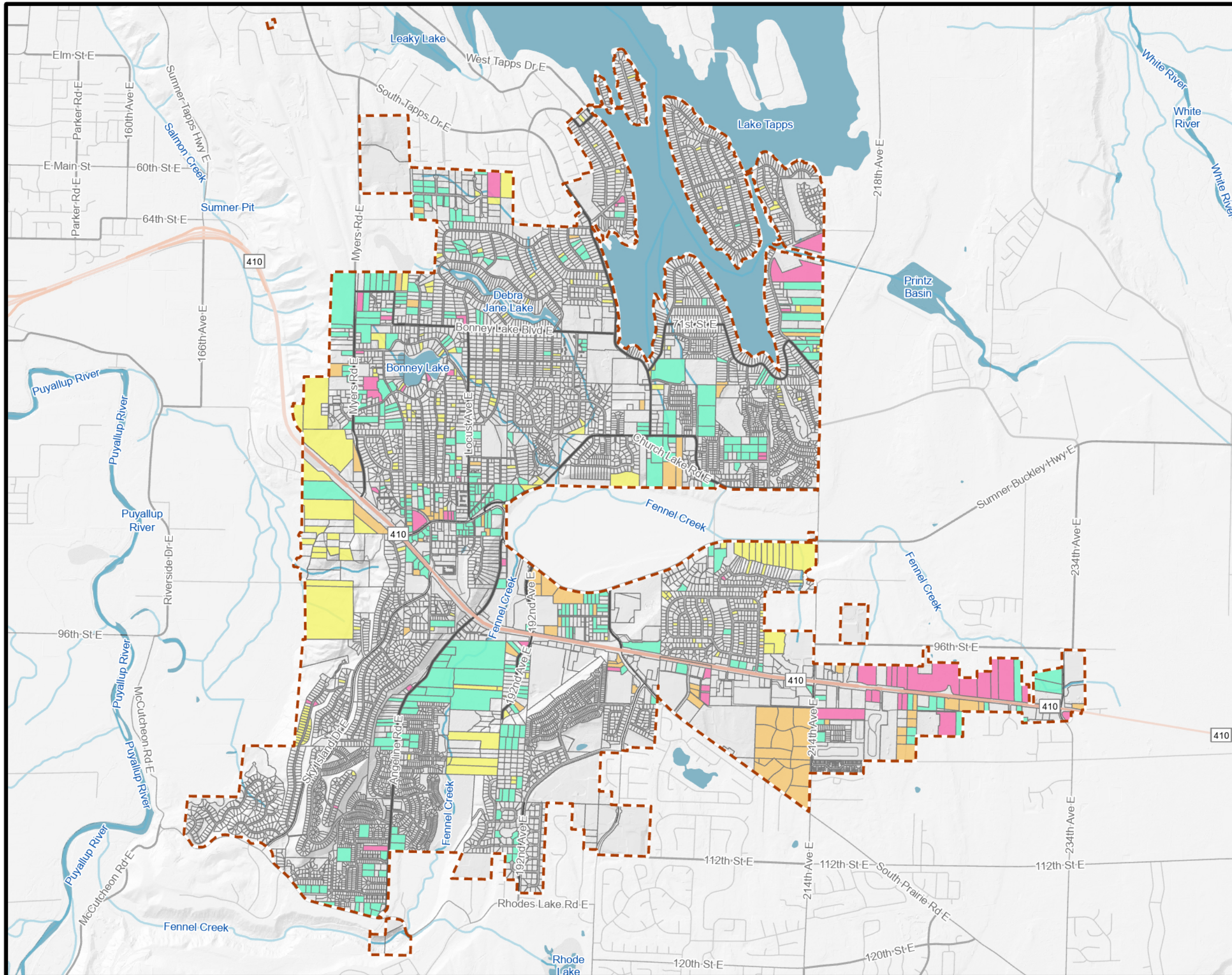
1 inch equals 2,500 feet

Date Updated: 3/28/2024

**Alternative Two Buildable
 Lands Inventory**

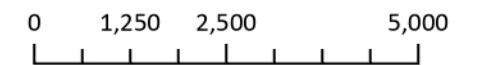
Legend

-  City Boundary
-  Built Out/
Undevelopable
-  Pipeline
-  Underutilized
-  Vacant
-  Vacant Single
Unit



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1 inch equals 2,500 feet

Date Updated: 3/28/2024