

COUNCIL 2008 WINTER RETREAT AGENDA ITEM COVER SHEET

DATE: February 9, 2008

SUBJECT: Comprehensive Plan and Capital Facilities Plan (CFP)
Update – Powerpoint Presentation

- o Comprehensive Plan Workshop and Public Hearing Schedule
- o Comprehensive Plan Approach and Assumptions

CONTACT PERSON: Deborah Knight, City Administrator 

ISSUE:

The issue before the City Council is to review, discuss and ask questions on the proposed Comprehensive Plan Workshop and Public Hearing Schedule (Attachment A) and the proposed Comprehensive Plan Approach and Assumptions.

The Planning Board reviewed the materials and provided the following comments:

- Ensure that the City can afford the public improvements necessary to support future population allocation (11,119).
- Ensure a robust public participation process that includes revision control for all documents. Documents must be made available on the City's website. The public should understand the proposed changes and physically view revisions.
- Recommendations from the Planning Board to the City Council should be reviewed by the Planning Board and approved in advance to ensure that nothing is "dropped in translation".
- Text amendments to the development code must be done in conjunction with the Comprehensive Plan update.

SUMMARY:

Workshop and Public Hearing Schedule

Attachment A is the proposed Workshop and Public Hearing Schedule. This schedule was submitted to the Growth Management Hearing's Board in advance of the February 7, 2008 Compliance Hearing on Fallgatter V and Fallgatter VIII (Transportation Improvement Plan).

The City Council adopted this schedule by Resolution No. 08-08 to provide additional support for the required Public Participation Process under RCW 36.70A.140 of the

Growth Management Act. The proposed resolution will not change the City's adopted public participation process, only augment it for this compliance update.

If the Growth Management Hearings Board accepts the schedule, the City will need to keep to the proposed timeframes. The Planning Board and City Council may need to schedule additional meetings to stay on track.

The presentation by City staff and the consultant team (Attachment B) is to provide an opportunity for the City Council and public to review the framework and underlying assumptions that will be used to develop a Capital Facilities Element and supporting documents consistent with the Growth Management Act.

Capital facilities, such as roads, sewer systems, parks and public buildings needed to serve the City's future population are based on a framework of basic assumptions:

- **Land Use** - What types development has the City planned for and where will that development be located? Commercial development requires different streets widths and design features than low density residential. Sewer systems closest to the treatment plant must be sized to serve future development anticipated "upstream".

While the land use assumptions (future land use map) adopted in the 2004 Comprehensive Plan are considered to be a "given" for the purposes of this compliance effort, the proposed capital facilities must be adequate to serve the proposed future land use.

- **Employment** – How many jobs will be created by the proposed land use? Where will those jobs be located? What types of jobs will be created? The 2007 Snohomish County Buildable Lands Report estimates there are 1,010 jobs in the City of Sultan.

The 2004 Comprehensive Plan estimates there will be 2,000 jobs in Sultan by the year 2025 – 500 covered employment positions and 500 land-based or home occupation (telecommuters, consultants, day-care, etc.) jobs. Does the Capital Facilities Plan adequate serve future employment needs?

- **Population Growth** – The 2004 Comprehensive Plan anticipates the City will have 11,119 people by the year 2025. The Compliance update uses a straight line projection for future growth realizing that there may be market fluctuations outside the City's control. This is a "worse-case" scenario for planning purposes. Will there be adequate funding in place, either generated by growth or available from other city resources, to meet the proposed population?

Buildable Lands - What land does the City have available for new development? Where is the available land located? What types of housing is anticipated?

The location and availability of buildable land provides the City with some alternatives (policy decisions) for phasing future growth to ensure adequate financial capacity exists to serve future development. How can the City use this information to ensure that facilities will be available in the areas where growth is expected?

- **Financial Capacity** – Are there adequate financial resources to build the infrastructure needed to serve future development? Do the adopted land use, population, and employment assumptions generate revenues to support future growth or is the financing model unsustainable. Can the City raise additional revenues? The Draft City of Sultan Fiscal Capacity report (Attachment C) begins the process of analyzing the City's capacity to support future growth.

BACKGROUND:

The City's consultant team is working to address the issues raised by the Growth Management Hearings Board in Fallgatter V, Fallgatter VIII (Transportation Element / Transportation Improvement Plan) and Fallgatter IX (Capital Facilities Element / Capital Facilities Plan).

Specifically, the City needs to update its Transportation Element, Transportation Improvement Plan, Capital Facilities Element and Capital Facilities Plan to be compliant with the Growth Management Act.

The City has adopted a holistic approach to addressing the Final Decision and Order determinations made by the Central Puget Sound Growth Management Hearings Board. This means:

- Confirming the underlying assumptions of the City's Comprehensive Plan
- Reviewing and updating the current inventory of City facilities
- Analyzing the cost of alternative levels of service for each type of facility
- Selecting levels of service
- Prioritizing capital improvements to serve future growth
- Adopting a financing plan to pay for capital improvements

The Compliance Team provide an update on assumptions for population, housing and employment (Attachment C) at the Planning Board's February 5, 2008 meeting.

FISCAL IMPACT:

This is an update to the City Council. Direction by the Council to provide additional analysis or to change the underlying assumptions could result in additional consultant fees. This type of direction from the Board would require Council approval to amend the existing budget.

RECOMMENDED ACTION:

Review, discuss and ask questions on the proposed Comprehensive Plan Workshop and Public Hearing Schedule (Attachment A) and the proposed Comprehensive Plan Approach and Assumptions.

ATTACHMENTS:

- A – Resolution 08-08 Comprehensive Plan Compliance Schedule
- B – PowerPoint Presentation - Comprehensive Plan Approach and Assumptions
- C – Technical Memorandum #1 – Population, Employment, Housing and Buildable Lands

**City of Sultan
RESOLUTION NO. 08-08**

A RESOLUTION of the City of Sultan, Washington, Adopting a Workshop and Public Hearing Schedule for the 2008 Comprehensive Plan Compliance Effort

WHEREAS, RCW 36.70A.035 describes the required elements of the Comprehensive Plan public participation notice provisions; and

WHEREAS, RCW 36.70A.130(2)(a) requires cities and counties to establish a public participation program that identifies procedures and schedules for comprehensive plan updates; and

WHEREAS, RCW 36.70A.140 requires cities and counties to adopt and adhere to public participation processes in adopting and amending comprehensive plans and development regulations; and

WHEREAS, the City of Sultan has a Public Participation and Notice Procedure for amendments to the comprehensive plan, comprehensive plan elements and development regulations; and

WHEREAS, the City of Sultan wishes to adopt a Workshop and Public Hearing Schedule to supplement its Public Participation and Notice Procedures consistent with the Revised Code of Washington; and

WHEREAS, the Workshop and Public Hearing Schedule is intended to inform the public of opportunities to learn more about proposed changes to adopt a Comprehensive Plan compliant with the Growth Management Act and participate in the discussion;

NOW, THEREFORE, the City Council of the City of Sultan, Washington hereby resolves and clarifies its desire as follows:

Section 1

To establish a Workshop and Public Hearing Schedule as set forth in Exhibit 1 to supplement its Public Participation and Notice Procedures to inform the public of opportunities to learn more about proposed changes to adopt a Comprehensive Plan compliant with the Growth Management Act and participate in the discussion.

This resolution shall become effective five days after publication.

PASSED by the City Council and APPROVED by the Mayor this _____ day of _____, 2008.

CITY OF SULTAN

Carolyn Eslick, Mayor

ATTEST:

Laura Koenig, City Clerk

APPROVED AS TO FORM:

Kathy Hardy, City Attorney

Filed with the City Clerk:

Passed by the City Council:

Published:

Effective Date:

Resolution No.: 08-08

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**DRAFT 2008 COMPREHENSIVE PLAN WORKSHOP
AND PUBLIC HEARING SCHEDULE**

**CITY COUNCIL MEETS 2ND & 4TH THURSDAYS
PLANNING BOARD MEETS 1ST & 3RD TUESDAYS**

- January 8** – Planning Board Regular Meeting (Distribute Proposed Schedule)
- January 22** – Planning Board Comprehensive Plan (Schedule and Overview)
- February 5** – Planning Board Regular Meeting
- February 19** – Comprehensive Plan Workshop (Update Project Costs for Existing Inventory)
- March 9** - Planning Board Regular Meeting
- March 18** - Comprehensive Plan Workshop (Needs Assessments Based on Alternative Levels-Of-Service and Project Cost Estimates)
- April 1** - Planning Board Regular Meeting
- April 15** - Comprehensive Plan Workshop (Adopt Level-of-Service)
- May 6** - Planning Board Regular Meeting
- May 20** - Comprehensive Plan Workshop (Continuation: Adopt Level-of-Service)
- June 3** - Planning Board Regular Meeting
- June 17** - Comprehensive Plan Workshop (Fiscal Analysis)
- July 1** - Planning Board Regular Meeting
- July 15** - Comprehensive Plan Workshop (Review TIP, 6-Year CIP, and 20-year CFP)
- August 5** - Planning Board Regular Meeting
- August 19** - Comprehensive Plan Workshop (Continue: Review TIP, 6-Year CIP, and 20-year CFP)
- September 1st week**
1. Issue SEIS for 45-comment period
 2. Provide SEIS and Plan Update to CTED for 60-day review
 3. Open House
- September 9** - Planning Board Regular Meeting
- September 23** - Comprehensive Plan Workshop (Update)

October 7 - Planning Board Regular Meeting

October 21 – Planning Board Public Hearing

November 4 – Planning Board Recommendation to City Council

November 20 – City Council Workshop (Planning Board Recommendations)

December 4 – City Council Public Hearing (Special Meeting – Comp Plan Only)

December 18 – City Council Final Action

NOTE: SCHEDULE PROVIDES FOR ONE PLANNING BOARD WORKSHOP PER MONTH. REGULAR MEETING DATES MAY ALSO BE USED FOR WORKSHOPS AS NECESSARY.

Public Hearing Notice posted 10-days before the Hearing in the Everett Herald, posted on the City's Website, at Sultan City Hall and the Sultan Post Office, and e-mailed to the Public Notice List and Parties of Interest lists.

NOTE: SEIS 45-Day Comment Period/
CTED 60-Day Review

PLAN REVIEW AND ADOPTION SCHEDULE

Meeting Date	Meeting/Event	Topic	Materials due to City
Tuesday, January 08, 2008	Planning Board Regular Meeting	(Distribute Proposed Schedule	
Wednesday, January 16, 2008	Team meeting: preparation for January 22	Schedule and Project Overview	
Tuesday, January 22, 2008	Planning Board Comprehensive Plan	Schedule and Project Overview	
Thursday, January 24, 2008	City Council		
Tuesday, February 05, 2008	Planning Board Regular Meeting	Land Use, Building, and etc.	Monday, January 28, 2008
Tuesday, February 19, 2008	Planning Board Regular Meeting	Facilities Inventory	Monday, February 11, 2008
Tuesday, February 26, 2008	Plan Workshop 4:00-7:00	Review Plan to Date	
Tuesday, March 04, 2008	Planning Board Regular Meeting	Update Project Cost	Monday, February 25, 2008
Tuesday, March 18, 2008	Planning Board Regular Meeting	LOS Discussion and Adoption	Monday, March 10, 2008
Tuesday, April 01, 2008	Planning Board Regular Meeting	LOS Adoption --- Needs Assessment	Monday, March 24, 2008
Tuesday, April 15, 2008	Planning Board Regular Meeting	Needs Assessment	Monday, April 07, 2008
Tuesday, May 06, 2008	Plan Workshop 4:00-7:00	Review Plan to Date	
Tuesday, May 20, 2008	Planning Board Regular Meeting	Confirm Plan to Date	Monday, May 12, 2008
Thursday May 22, 2008	City Council	Report on Progress/Status	
Tuesday, June 03, 2008	Planning Board Regular Meeting	Fiscal Analysis	Monday, May 26, 2008
Tuesday, June 17, 2008	Planning Board Regular Meeting	Fiscal Analysis and TIP	Monday, June 09, 2008
Tuesday, July 01, 2008	Planning Board Regular Meeting	TIP and 6-year Plan	Monday, June 23, 2008
Tuesday, July 15, 2008	Planning Board Regular Meeting	6-Year Plan; 2025 Cap. Fac. Plan	Monday, July 07, 2008
Tuesday, August 05, 2008	Plan Workshop 4:00-7:00	Capital Facilities Plan	
Tuesday, August 19, 2008	Planning Board Regular Meeting	Capital Facilities Plan	Monday, August 11, 2008
Tuesday, September 02, 2008	Planning Board Regular Meeting	Pre-SEIS Comprehensive Plan	Monday, August 25, 2008
Tuesday, September 09, 2008	Planning Board Regular Meeting	EIS circulation/ CTED Submittal	
Tuesday, September 16, 2008	Planning Board Workshop	Plan Reassessment	Monday, September 08, 2008
Tuesday, September 23, 2008	Planning Board Meeting	Plan Reassessment	Monday, September 15, 2008
Tuesday, September 23, 2008	Planning Board Meeting	Comment Hearing on SEIS	
Tuesday, October 07, 2008	Planning Board Regular Meeting	Plan Update Review	Monday, September 29, 2008
Tuesday, October 14, 2008	Planning Board Regular Meeting	SEIS Comment Period Ends	
Tuesday, October 21, 2008	Planning Board Regular Meeting	Review Code Amendments	Monday, October 13, 2008
Friday, October 24, 2008	Planning Board Regular Meeting	Advertise Planning Board Public Hearing	
Tuesday, October 28, 2008	Planning Board Regular Meeting	SEIS Issued	
Tuesday, November 04, 2008	Planning Board Regular Meeting	Public Hearing and Recommendation to Council	Monday, October 27, 2008
Thursday, November 13, 2008	City Council	Workshop on Planning Board recommendation	
Thursday, December 11, 2008	City Council	Public Hearing and Decision	Wednesday, December 03, 2008

Note: Detailed Schedule is not a part of Resolution 08-08
Information only

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**City of Sultan
2004 Comprehensive Plan
And
Capital Facilities Plan
Update**

Approach and Schedule

1

Outcomes for tonight's meeting

- Review status of 2004 Comprehensive Plan
- Review status of Capital Facilities Plan
- Growth Hearings Board compliance issues
- Review approach and methodology for Plan and CFP update

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Current Status

- **Growth Management Act (GMA)**
 - State requirement to plan for growth through 2025
 - Sultan's 2004 Comprehensive Plan did not meet State requirements under the GMA
- **Growth Management Hearings Board Final Decisions and Orders**
 - Identifies short-comings in Sultan's 2004 Plan
 - Review, update and amend levels of service (LOS) for transportation, parks, police, water and wastewater
 - Update and amend Transportation Chapter (element)
 - Amend and update capital facilities element and plan
 - Update maps

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Objectives -- Planning

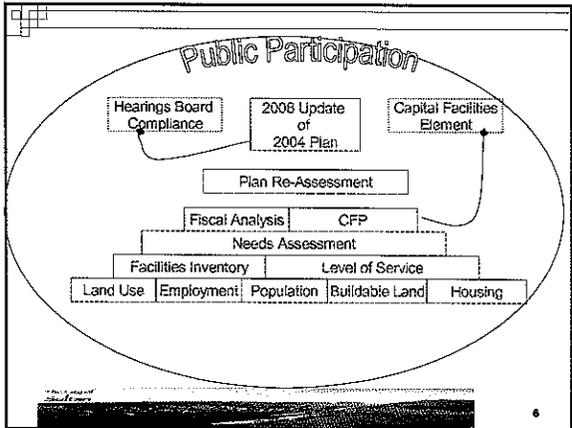
- Land Use - Is the future mix of residential, retail and industrial land appropriate?
- Level of Service – Is the current LOS what the community wants?
- Capital Facilities Plan – Can the City afford to fund the roads, parks, and other facilities to meet current land use and LOS standards?
- Should land use and/or level of service standards be changed?

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Objectives -- Legal

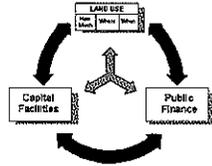
- GMA Requirements – What are the City's obligations under GMA?
- Policy Choices – Where does the City have discretion in how it meets GMA requirements?
- Failure to satisfy GMA – What are the risks in failing to meet GMA requirements?

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Connection between land use, LOS and CFP

- Land use defines what types/sizes of facilities are needed
- Levels of service (LOS) defines the benchmark – how much
- Capital Facilities Plan (CFP) – describes how the service will be paid for and when service will be provided



GMA allows cities to define land use and set levels of service. If a community can't fund its Plan it must adjust land use and/or levels of service

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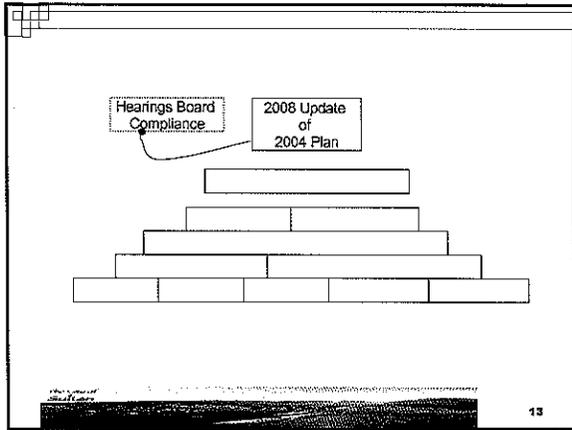
Schedule

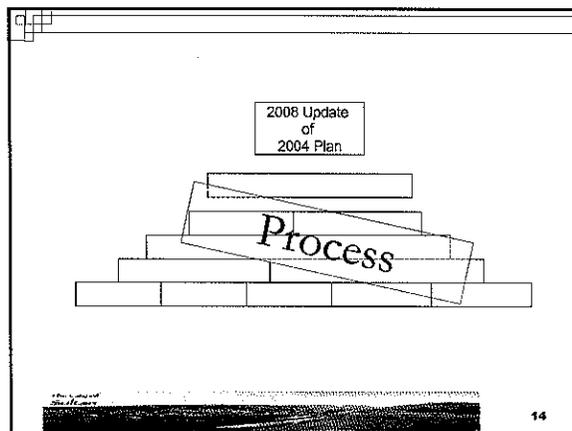
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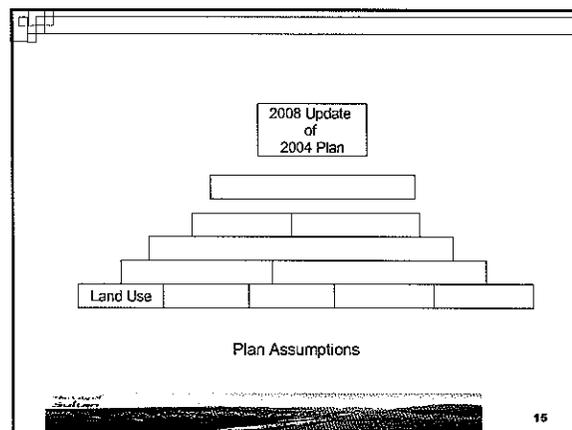
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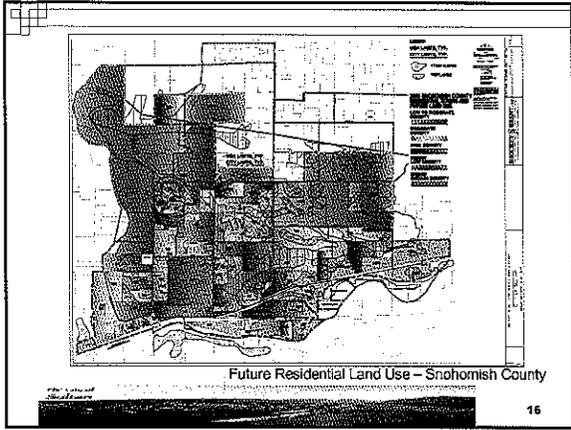
Task Name	Start	2008
		Jan Feb Mar Apr May Jun Jul
1 Planning Board Regular Meeting (Without Proposed Schedule)	Tue 1/8/08	
2 Team meeting preparation for January 22 Planning Board Mtg	Wed 1/15/08	
3 Planning Board Comprehensive Plan (Schedule and Overview)	Tue 1/22/08	
4 City Council – Comprehensive Plan (Schedule and Overview)	Thu 1/24/08	
5 Planning Board Regular Meeting	Fri 2/1/08	
6 Comprehensive Plan Workshop	Tue 2/18/08	
7 Updating Project Costs for Existing Inventory	Thu 2/20/08	
8 Planning Board Regular Meeting	Mon 3/10/08	
9 Comprehensive Plan Workshop	Tue 3/18/08	
10 Needs Assessments (Alternative LOS & Project Cost Estimates)	Thu 3/20/08	
11 Planning Board Regular Meeting	Tue 4/1/08	
12 Comprehensive Plan Workshop	Tue 4/15/08	
13 Adopt Levels of Service	Thu 4/17/08	
14 Planning Board Regular Meeting	Tue 5/6/08	
15 Comprehensive Plan Workshop	Tue 5/20/08	
16 Comprehensive Plan Workshop	Tue 5/20/08	
17 Planning Board Regular Meeting	Tue 6/3/08	
18 Comprehensive Plan Workshop	Tue 6/24/08	
19 Fiscal Analysis	Tue 7/1/08	
20 Planning Board Regular Meeting	Tue 7/1/08	

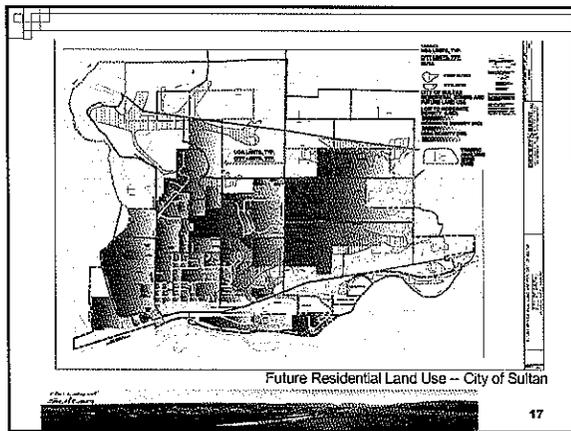
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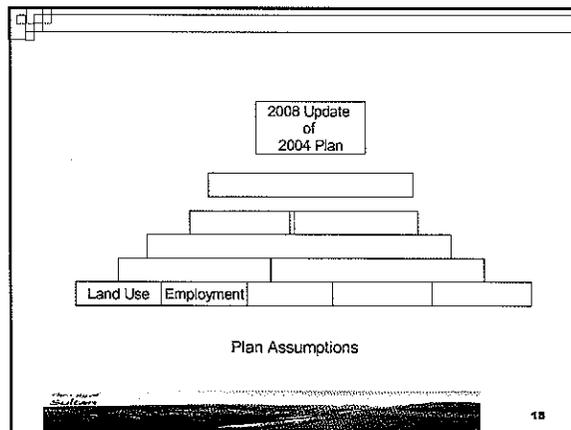


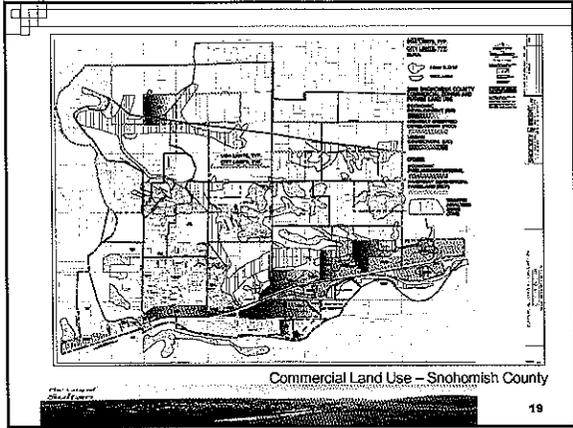


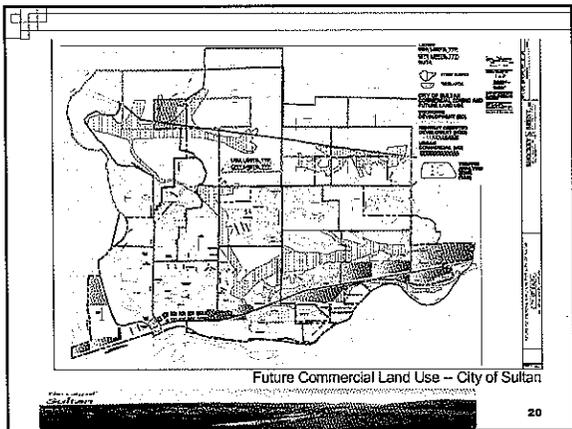


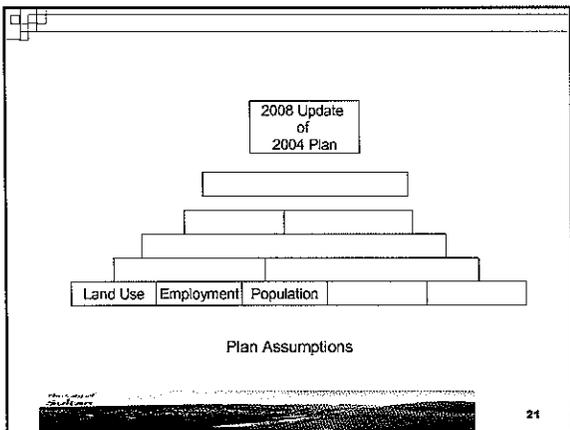


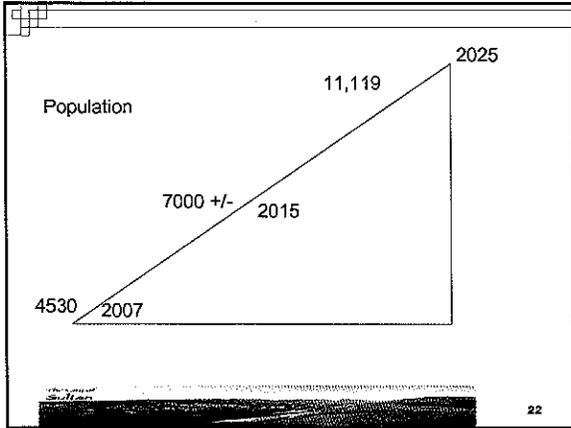


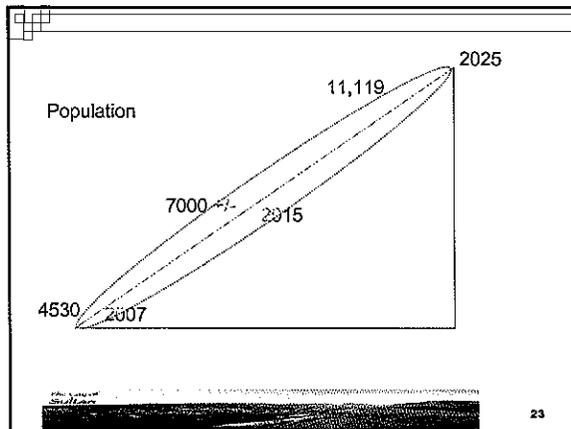


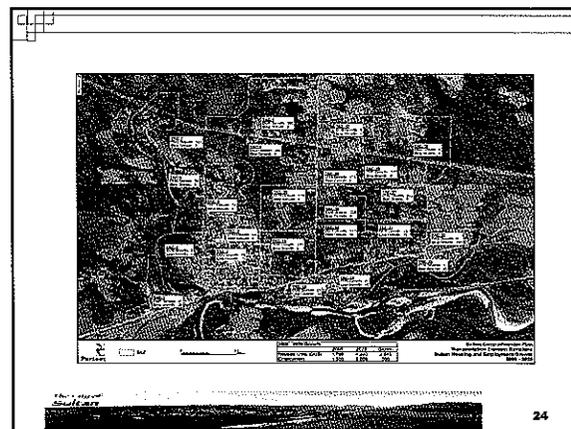


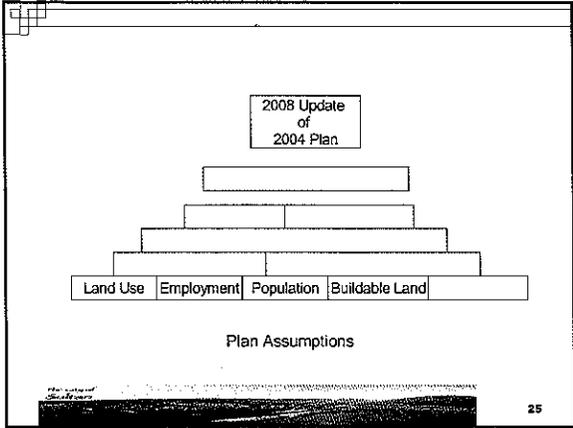


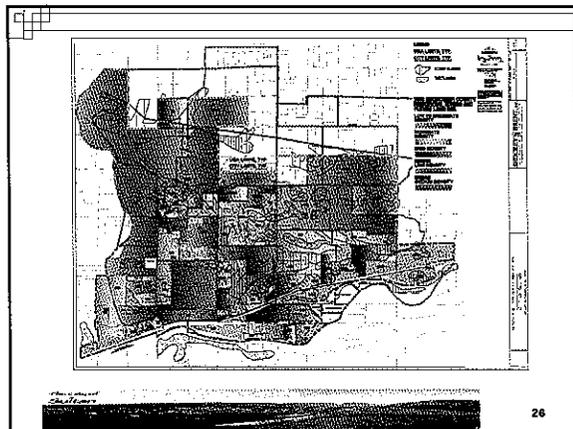


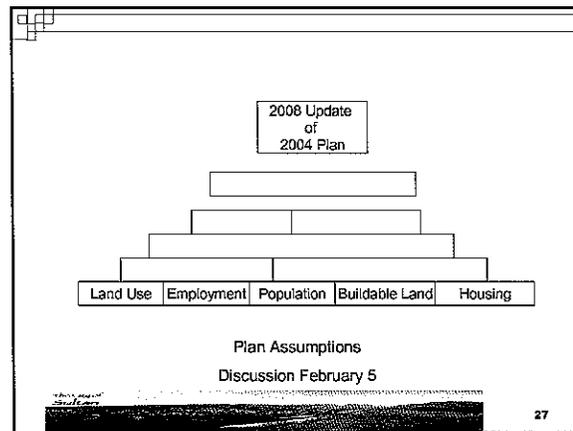












Housing Demand

- County housing study
- Affordability factors
- Future population demographics
- 11,119 ÷ Avg. Household Size + Vacancy
= Housing Demand and Distribution

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Housing Demand

- County housing study
- Affordability factors
- Future population demographics
- 11,119 ÷ Avg. Household Size + Vacancy
= Housing Demand and Distribution

About 4500 units vs. 1739 (2007)

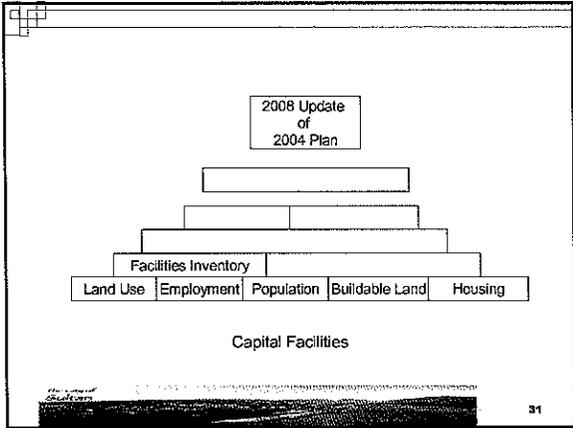
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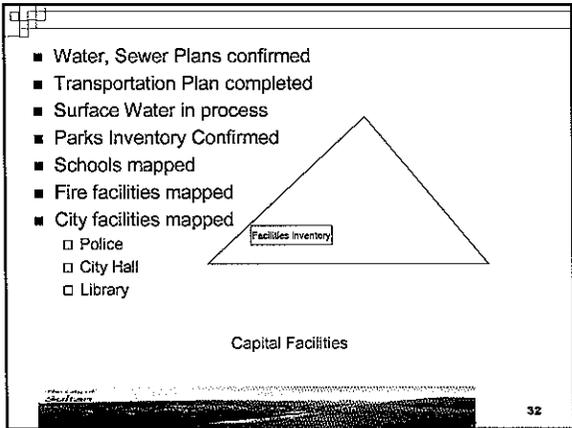
- Land Use Map Assumed
- Population Forecasts Assumed (11,119)
- Employment Estimates Assumed (2,000)
- Critical Areas Confirmed
- Buildable Lands Calculated
- Population Distribution (Two weeks)
- Housing Plan Update (In process)

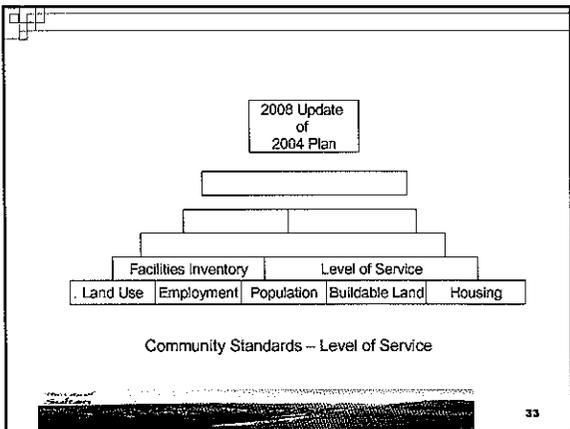
Land Use	Employment	Population	Buildable Land	Housing
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Plan Assumptions – Status
Discussion February 5

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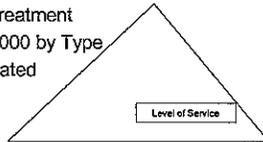




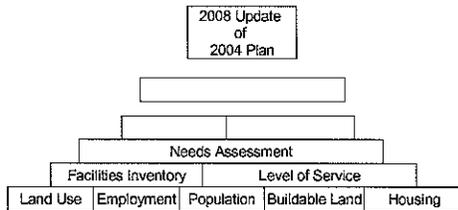
What is "Level of Service"?

- **Level of Service (LOS)**
 - the amount (and/or quality) of public facilities provided to meet basic needs and expectations.
- **Level of Service Standard**
 - the community's benchmark level for the provision of services.

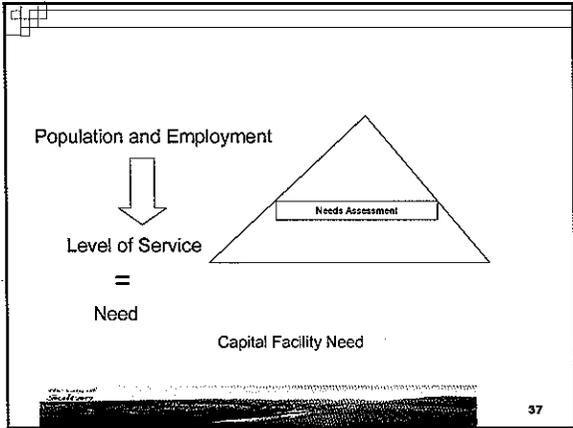
Transportation: LOS "D" vs. "B" being compared
Water: Capacity, Pressure, Fire Flow
Surface Water: Conveyance and Quality
Sewer: Capacity, Treatment
Parks: Acres per 1000 by Type
Police: LOS Eliminated

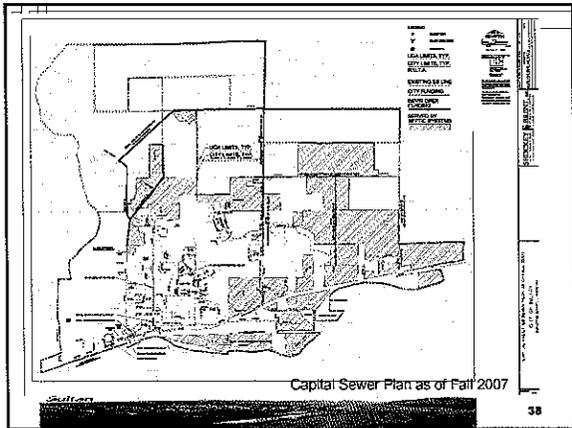


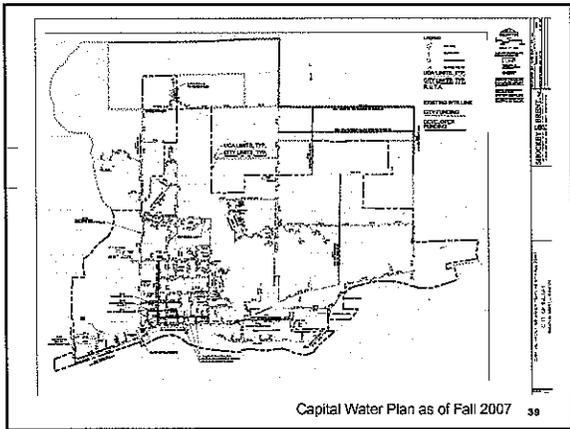
Community Standards
Discussion March 18 and April 1

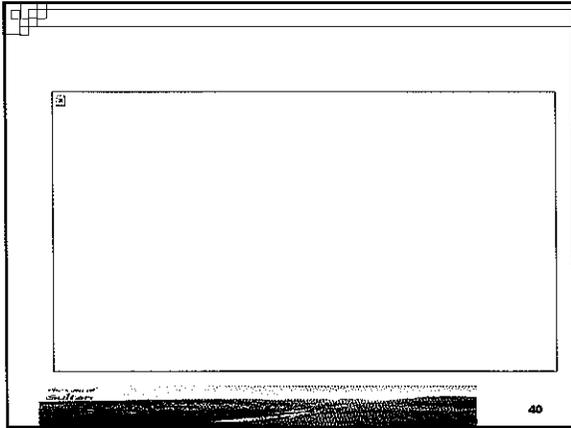


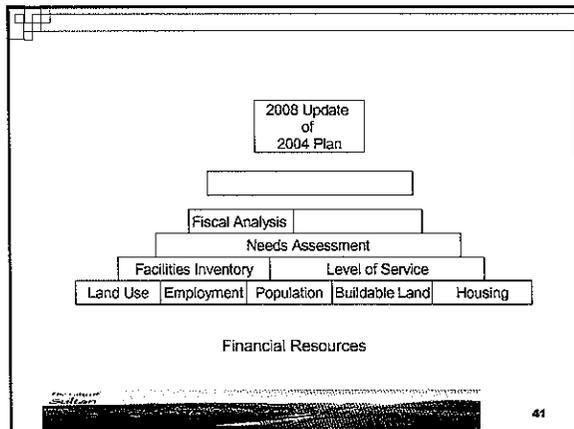
Facility Needs











Fiscal Analysis

- Evaluate current and future fiscal capacity to finance capital facilities.
- Evaluate the fiscal implications of alternative levels of service.
- Develop a strategy (including a six year financial program) to finance capital facilities needed to support the land use plan.

Preview of the Fiscal Capacity Analysis

- The city has a relatively small tax base that currently produces low revenues in spite of average tax rates.
- The fiscal capacity of the city could significantly improve as the city develops under the comprehensive plan, if the city prudently manages its revenues and costs.
- A lot will depend on how well the city can capture revenue from growth through sales taxes and how well the city manages its on-going costs.

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Fiscal Outlook

Near term--the glass is half empty...



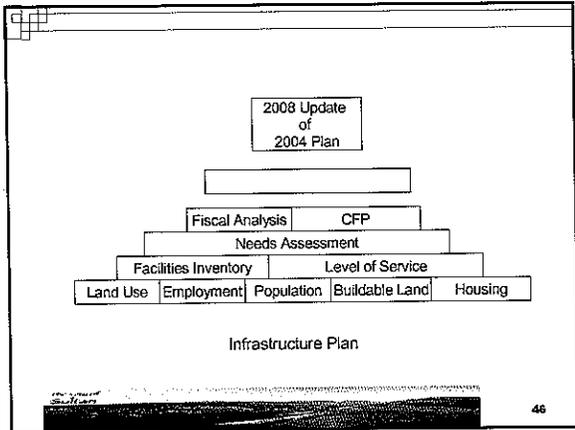
Long term--the glass is half full...

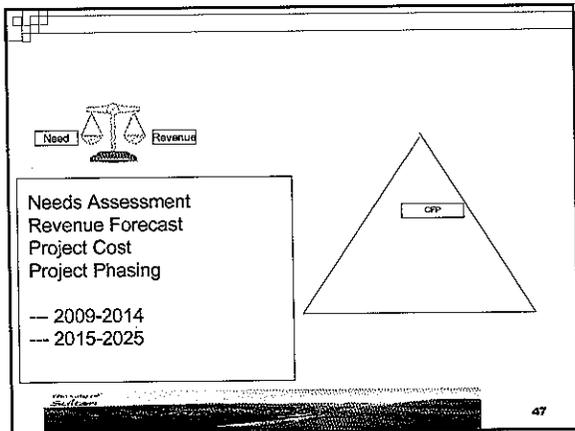
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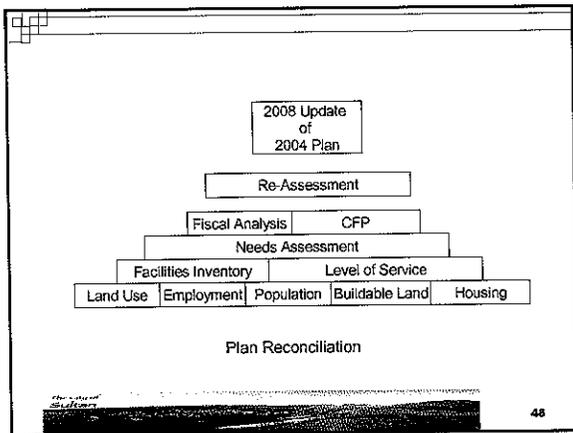
Strengths and Challenges

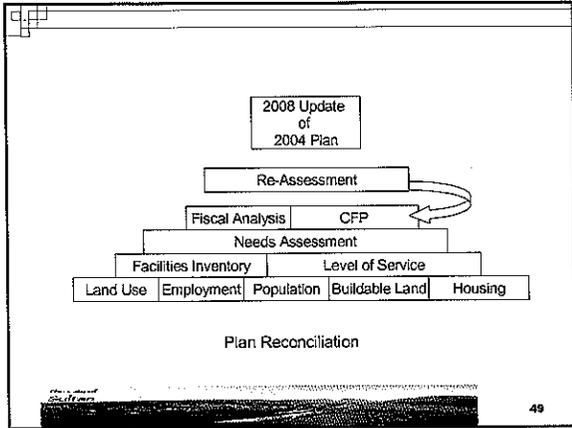
- Significant Strengths
 - Growth of the tax base will generate significant REET revenues and improve the city's capacity for capital finance.
 - New sewer rates have significantly improved the fiscal capacity of that fund.
 - City utility taxes effectively capture revenue from growth.
- Major Challenges
 - Keeping general fund ahead of inflation while serving new growth.
 - Improving the fiscal capacity of the water fund.
 - Providing adequate revenue to maintain city streets.

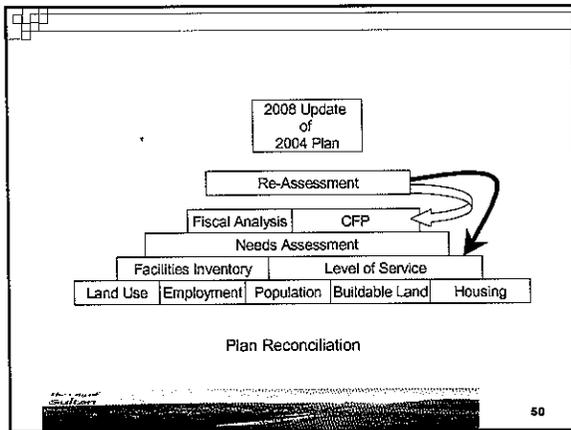
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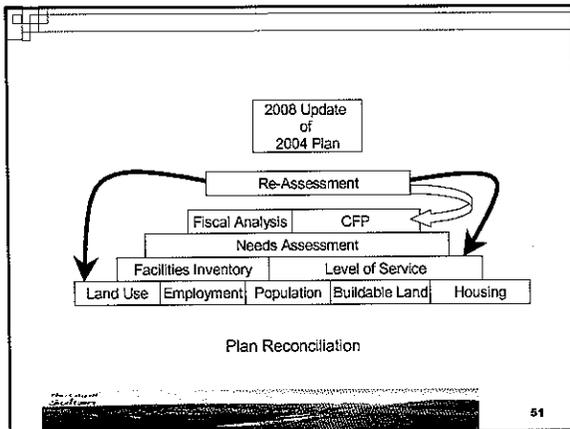












2008 Update
of
2004 Plan

Plan Adoption Process

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2008 Update
of
2004 Plan

Capital Facilities
Element

Integrated Capital Facilities Plan

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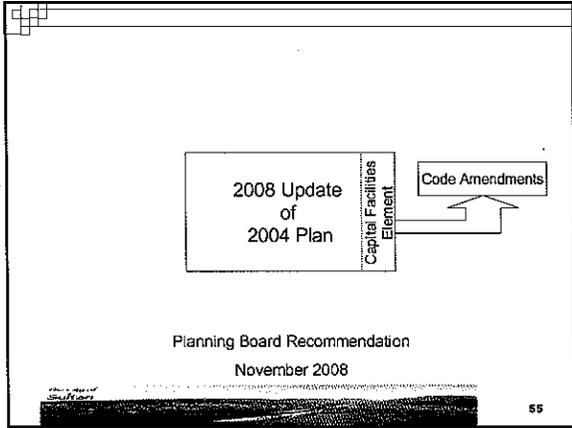
2008 Update
of
2004 Plan

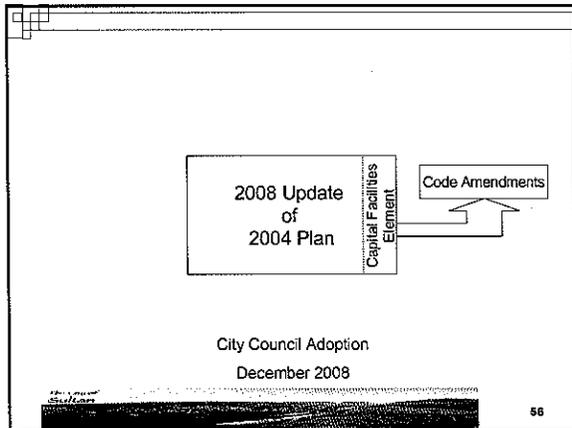
Capital Facilities
Element

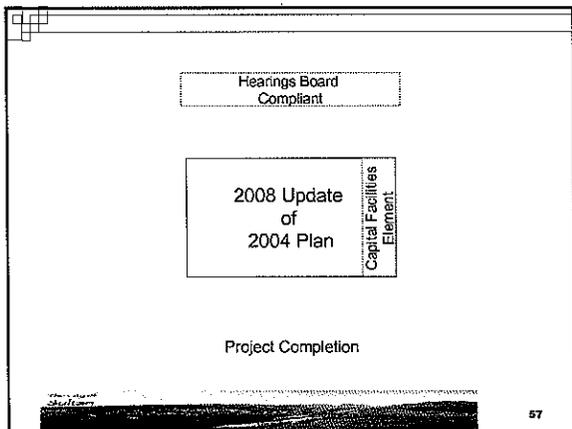
SEPA REVIEW

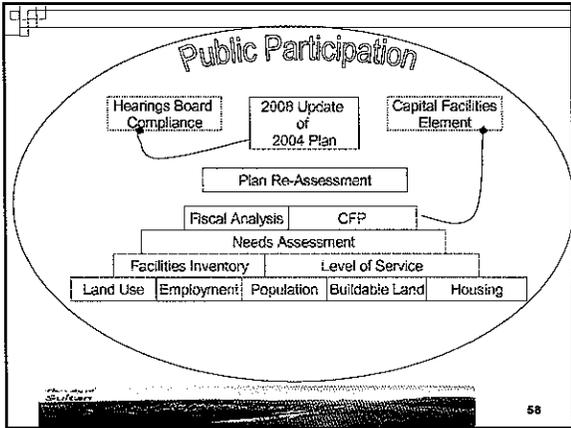
Integrated Capital Facilities Plan

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POPULATION EMPLOYMENT AND HOUSING FORECAST

CITY OF SULTAN WASHINGTON

2008-2025

TECHNICAL MEMORANDUM NO. 1

**POPULATION EMPLOYMENT AND HOUSING FORECAST
CITY OF SULTAN WASHINGTON
2008-2025**

INTRODUCTION

This is the first in a series of technical memoranda describing the methodology and findings in support of the City's updated Capital Facilities Plan (CFP), Comprehensive Plan update, Transportation Improvement Plan (TIP) and capital budget. Sultan is required to conduct its planning under the Washington Growth Management Act (RCW 36.70A) and has done so since 1994. The City updated its plan in 2004. In 2005, the Central Puget Sound Growth Hearings Board found certain inadequacies in the City's update and ordered review and modification.

The inadequacies and required modifications center on the City's handling of its capital facilities planning. While the Board did not find specific fault with the development policies in the Plan, it did rule that there had been inadequate analyses of "level of service" standards, the needed capital improvements resulting from those standards to handle projected growth, and the financial capability of the City to meet those needs. It required the City to revisit its capital facilities plan to reconcile these deficiencies.

The City developed an approach to address the Hearing Board orders which includes:

- Changing or confirming land use and growth assumptions in the 2004 Plan
- Allocating new development among those buildable portions of the various land use districts identified on the Land Use Map
- Developing or confirming "level of service" standards for future capital facilities
- Based on these standards, identifying what facilities will be needed, and when, to adequately serve the future population, housing and employment.
- Assessing the cost of providing these improvements measured against the projected financial resources of the City.
- Developing a Capital Facilities Plan (six-year and Year 2025) that balances cost with estimated funding.

This analysis will be summarized in a series of technical memoranda over the Spring and Summer 2008. When completed, they will be the basis for a reassessment of the 2004 Plan – its land use map and development policies – as necessary to balance needed capital improvements with available revenues. This will be followed by formal adoption of a 2008 revision of the 2004 Plan in compliance with the Growth Management Act and Growth Hearings Board orders.

THE ROLE OF LAND USE IN CAPITAL FACILITIES PLANNING

A Land Use Element is one of six mandatory elements required by the Growth Management Act¹:

" The City must adopt a) Land Use element designating the proposed general distribution and general location and extent of the uses of land, where appropriate, for agriculture, timber production, housing, commerce, industry, recreation, open spaces, general aviation airports, public utilities, public facilities, and other land uses. [It] shall include population densities, building intensities and estimates of future population growth. The land use element shall provide for protection of the quality and quantity of groundwater used for public water supplies. Where applicable, the land use element shall review drainage, flooding, and storm water run-off in the area and nearby jurisdictions and provide guidance for corrective actions to mitigate or cleanse those discharges that pollute waters of the state..."

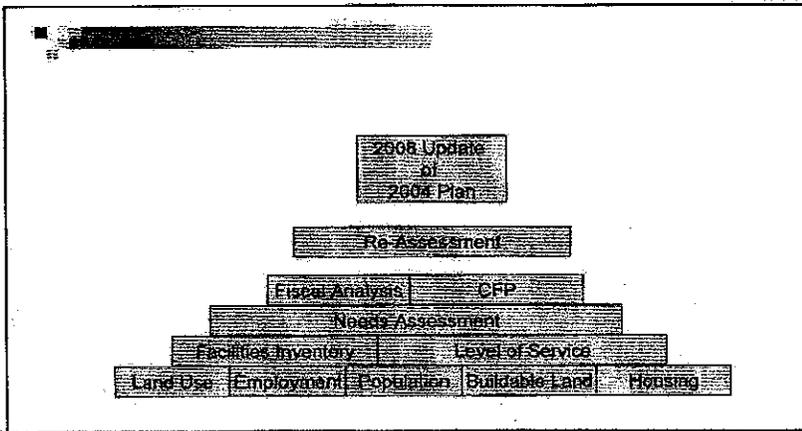
The Land Use section of the Comprehensive Plan establishes the framework for the City's future land use development. It presents the community's policy for growth through 2025. It deals directly with how citizens will be able to use their land and therefore is among the most sensitive topics of government regulation. Most important to this Plan update, it shows where development will occur as a basis for a Capital Facilities Plan. It considers the general location, intensity and density of land uses so that traffic, drainage, community services, utilities, etc. can be properly planned for.

Throughout the completed Comprehensive Plan there will be discussion of groundwater, drainage, flooding, stormwater run-off and other elements mandated for review by GMA. These, along with traffic, community services, etc. are all related to land use. So, while there may not be extensive discussion of these issues within the Land Use section itself, they are a prime consideration in developing the Land Use Map for the City.

¹ RCW 36.70A.070(1)

ANALYSIS

The Planning Board and City Council are proceeding with a 2008 update of the 2004 Comprehensive Plan to better link capital facility needs with future growth. The "building block" approach shown below is intended to create a factual basis regarding the Plan's assumptions on land use, population, employment, housing and buildable land; followed by an analysis of capital facilities needed to serve growth through 2025.



For this analysis, information was updated to 2006-2007. Conflicts between City, County and other sources of information were resolved. The 2004 Land Use Map was divided into the City's 2007 Traffic Analysis Zones (TAZ) and critical areas information was quantified for each

TAZ. The result is a refined, accurate and internally consistent picture of Sultan in 2008 and a credible estimate of how it will grow through 2025.

The City limits of Sultan and the Urban Growth Area (UGA) will be discussed throughout this document as the two main boundaries of study in this update. Principal emphasis is placed on the UGA because the City assumes that the entire UGA will be a part of the City by 2025.

SULTAN'S PHYSICAL SETTING

Sultan is located at the confluence of the Sultan and Wallace Rivers with the Skykomish River in the Skykomish River valley. Old Sultan is located at an elevation 100 feet above Puget Sound on the north bank of the Skykomish River and east bank of the Sultan River.

The eastern limits of the City and UGA are located on top of one of the bluffs that extend south defining the eastern edge of the Sultan River valley and the north edge of the Skykomish River valley. The bluff overlooks the valley floors, old town, and Cascade Mountains.

The City and its UGA are affected by floodwaters from the Sultan and Skykomish Rivers. Two other surface water bodies – Wallace River and Wagleys Creek – run through the City, but do not pose a significant flood risk.

Sultan lies along State Highway 2 (US-2), a major east-west cross-state highway. While serving large traffic volumes generated by the Sultan economy, increasing volumes have created concerns throughout the Sky Valley communities regarding traffic safety and access to local streets.

POPULATION GROWTH TRENDS

Population forecasts for Sultan were taken from two sources. The 2007 Snohomish County Buildable Lands Report is an official estimate and must be used by Sultan for its planning; moreover, the City feels that it is an accurate depiction of the growth that will occur. Estimates of Sultan's future population are derived from the Washington State Office of Financial Management for all of Snohomish County. Again, these estimates are official.

The county and its cities, through Snohomish County Tomorrow, allocate population estimates to each city, school district and the unincorporated area. Sultan has participated in those efforts and has adopted the official projections for its planning.

Past Population Growth

Sultan was incorporated as a municipal jurisdiction in 1905 with a resident population of 576 persons. The resident population increased on a gradual basis averaging 1.5 to 1.8% per year from 1910 to 1940. The population declined by 1.6% between 1940-1950 and increased 0.1% from 1950-1960. The resident population increased at a rate considerably higher than the surrounding county between 1960 and 2000 as corporate boundaries expanded. The population grew an average of 3.1 to 4.1% per year from 1960-2000. In 2000, 3,344 persons resided within the Sultan UGA 95% of who resided within the city limits.²

Future Population Growth

The Puget Sound Regional Council expects the Skykomish Valley area will eventually support 17,026 persons by the year 2010, 20,549 persons by the year 2020, and 23,977 persons by the year 2030. The projected Sultan population of 11,119 in 2025 would represent about half of these residents.

² Office of Financial Management, Forecasting Division, June 2007

By the year 2012, Snohomish County Tomorrow (SCT) expects approximately 7,300 persons will reside in the UGA of which 90% will reside in city limits, as shown in Table 1.³ SCT expects the current UGA will eventually support a population of 11,119 persons at build-out in 2025. It is assumed that the entire UGA will be incorporated into the City by that time. This is an official population estimate and is used by the City for its growth and capital facilities planning.

Table 1: Urban Growth Area (UGA) Summary (1990-2025)

	City of Sultan	Unincorporated Area	Total UGA
1990 Population	2,227	456	2,683
2000 Population	3,344	187	3,532
2006 Population	4,440	345	4,785
2012 Population (Est.)	6,570	730	7,300
2025 Population (Est.)	11,119		11,119

- Source: Office of Financial Management, Forecasting Division, June 28, 2005.
- Office of Financial Management, Forecasting Division, June 27, 2007 and 2007 Buildable Lands Report

POPULATION DENSITY

Population or housing density is the average number of people occupying an area relative to the area's size. Density is an important factor in determining how much land will be needed to accommodate the estimated 2025 population. Density is expressed in one of two ways: *gross density* which is simply the average number of people or houses occupying, say, an acre of land (i.e. one acre ÷ three houses = 3 dwellings per gross acre); or *net density* which is the average number of people or houses occupying a developable acre (i.e. one acre, minus ½ acre of wetlands and streets ÷ three houses = 6 dwellings per net acre).

The Growth Management Act requires that development within Urban Growth Areas occur at an "urban" density, which is defined by most communities as four dwellings per net acre. It is not a "bright line" requirement, but rather a guideline. This target is acknowledged by the City of Sultan.

Historical trends in the density of development help to understand how Sultan has

³ 2007 Buildable Lands Report, Figure 40. Sultan UGA Population

developed in the past as an indicator of how it will develop in the future. Table 2, taken from the County's Buildable Lands Report, gives a sample of how new development densities occurred between 1995-2005. Average densities approached the GMA guideline of four dwellings per net acre.

**Table 2
New Residential Development and Density
1995 to 2005**

Zone		Buildable Acres Developed	Residential Dwelling Units	Density Units/Acre	Average Density
LMD	Single Family Units	24.69	69	2.79	
MD	Single Family Units	60.30	264	4.23	
	Multi-Family Units	62.43	24	0.38	
	Total	62.43	288	4.61	
HD	Single Family Units	14.42	76	2.55	
	Multi-Family Units	15.34	161	5.41	
	Total	29.76	237	7.96	
					3.99 DU/A

HOUSING NEEDS

Sultan's expected population will require a diverse range of housing. The types and density of housing are crucial elements of this Plan. The City must be ready to accommodate the types of housing needed and, depending on the type and density will dictate how much land is allocated to different land use zones. This distribution will, in turn, affect how capital facilities and services will be provided.

There is, and will be, a need for additional affordable housing units to accommodate current and future populations. The term "affordable housing" applies to the adequacy of the housing stock to fulfill the housing needs of all economic segments of the population. The underlying assumption is that the marketplace will guarantee adequate housing for those in the upper economic brackets, but that some combination of appropriately zoned land, regulatory incentives, financial subsidies, and innovative planning techniques will be

necessary to make adequate housing available for the needs of middle and lower income persons.

According to the Growth Management Act, a Housing Element must, at a minimum, include the following:

- (a) an inventory and analysis of existing and projected housing needs;
- (b) a statement of goals, policies and objectives for the preservation, improvement and development of housing;
- (c) identification of sufficient land for housing, including but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multi-family housing, group homes and foster care facilities;
- (d) adequate provision for existing and projected housing needs for all economic segments of the community.

Sultan's 2008 Comprehensive Plan update addresses these objectives.

Table 3 General Demographics

	Number	Percent
Female	1,661	49.7%
Male	1,683	50.3%
Age Distribution		
Under 5 years	264	7.9%
5 to 9 years	324	9.7%
10 to 14 years	306	9.2%
15 to 19 years	228	6.8%
20 to 24 years	175	5.2%
25 to 34 years	552	16.5%
Median age (years) 32.2		
35 to 44 years	602	18.0%
45 to 54 years	376	11.2%
55 to 59 years	128	3.8%
60 to 64 years	99	3.0%
65 to 74 years	142	4.2%
75 to 84 years	118	3.5%
85 years and over	30	0.9%
Total Population:	3,344	100%
Year 2000		

Source: US Census Bureau, 2000

Housing Profile

Sultan's population grew from 2,236 in 1990 to 3,344 in 2000 which is a 49.6

Table 4- Income Levels

Family Size	Low Income	Very Low Income
1	\$40,600.00	\$27,250.00
2	\$46,600.00	\$31,150.00
3	\$52,200.00	\$35,050.00
4	\$58,000.00	\$38,950.00
5	\$62,650.00	\$42,050.00
6	\$67,300.00	\$45,200.00
7	\$71,900.00	\$48,300.00
8	\$76,550.00	\$51,400.00
9	\$83,450.00	\$54,550.00
10	\$88,200.00	\$57,650.00
11	\$93,000.00	\$60,750.00
12	\$97,750.00	\$63,900.00

Source: Everett Housing Authority, April 2007

percent increase⁴. The population is predominately young, with relatively more persons under 20 and between 20 and 34 than Snohomish County as a whole. The median age is 32.2 years. Sultan contains fewer older adults, 35 to 64 and seniors. (See Table 31 General Demographics).

Annual median household income (adjusted for inflation) increased 25.5 percent between 1990 and 2000 to \$46,619 which is well below the countywide median of \$53,060. An annual median household income of \$46,619 is defined as "low income" according to Table 4.

The percentage of housing units owned in 1990 rose from 64.7% to 72.4% in the year 2000. The increase pushed the proportion of multi-family and manufactured housing units represented in the total housing stock down from 44.8 percent in 1990 to 32 percent in 2000. This 12.8 percent decline in multi-family and manufactured housing units was the second largest decline among all county jurisdictions.

Table 5 – Sultan Housing Unit Inventory

Municipality	Total	1 Unit	2+ Units	MH/Spec
2000	1,291	908	147	236
2001	1,469	1,080	151	238
2002	1,526	1,135	153	238
2003	1,564	1,141	185	238
2004	1,590	1,155	197	238
2005	1,621	1,184	199	238
2006	1,713	1,268	207	238
2007	1,739	1,283	218	238

Source: OFM, July 12, 2007

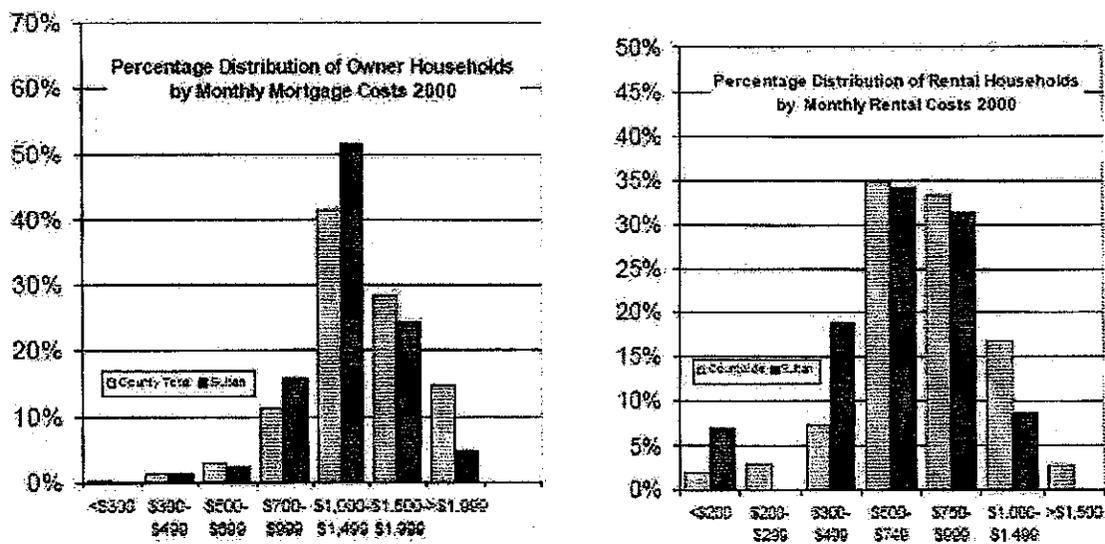
The County's Growth Monitoring Report notes that Sultan fell from having the 4th most affordable home sales between 1995 and 1997, to the 7th most affordable between 1998 and 2000. While Sultan is above the countywide average of 26.1% of all sales defined as affordable, the 26.5% point drop in home sale affordability was the highest among county jurisdictions. US Census figures from the year 2000 indicates that Sultan homeowners with mortgages and annual household incomes below \$50,000 are stressed and that 68.3 percent of this group is paying more than 30 percent of their monthly income for housing. Updated information for 2008 is not available.

Sultan renter households in Sultan fared better in 2000 than homeowners. The US Census found that 49.2% of Sultan renter households were paying more than 30% of their monthly income for housing compared to 53.4% of renters countywide. Although renters are generally paying less of their monthly incomes compared to the remaining portion of Snohomish County, almost half of all renters are paying more than 30%.

⁴ Housing Evaluation Report, 2002.

Sultan should explore more options for affordable housing for both renters and owners. These strategies will be discussed later in this report.

Figure 2
Owner and Renter Income
Year 2000 City of Sultan



Sultan has 26 permanently dedicated assisted housing units and 12 households currently receiving voucher assistance for a total of 38 assisted units.⁵ The assisted housing units make up 2.9 percent of the total housing stock in Sultan.

Housing in Sultan can be further characterized as follows:

- *The percent of owner occupied housing units* was 72% in Sultan in the year 2000, compared with 68% in Snohomish County, 62% in Puget Sound, 65% in Washington State, and 66% in the United States. Sultan owner occupied statistics may be higher than the region because Sultan homeowners prefer ownership and/or because this housing choice is the predominant market offering.

⁵ Housing Evaluation Report, 2002.

- The percent single-family detached units of all structures was 68% in Sultan compared with 62% in Snohomish County, 60% in Puget Sound, 62% in Washington State, and 60% in the United States.
- The percent mobile homes or trailers area of all structures was 18% in Sultan compared with 7% in Snohomish County, 5% in Puget Sound, 8% in Washington State, and 8% in the United States. Mobile or manufactured homes on single lots may be the preferred choice of Sultan households and/or the past predominant market offering.
- The median value of owner occupied housing units was \$160,800 in Sultan compared with \$196,500 in Snohomish County, \$199,302 in Puget Sound, \$168,300 in Washington State, and \$119,600 in the United States. Sultan has 83% of its housing stock concentrated within the \$100-199,999 value ranges compared with 50% in Snohomish County, 44% in Puget Sound, 49% in Washington State, and 39% in the United States - possibly reflecting the City's higher percentage of mobile and manufactured housing stock.
- The percent of owner occupied housing units paying more than 35% of household income for housing costs was 22% in Sultan compared with 19% in Snohomish County, 19% in Puget Sound, 18% in Washington State, and 16% in the United States.
- The median cost of renter occupied housing units was \$588 in Sultan compared with \$691 in Snohomish County, \$660 in Puget Sound, \$663 in Washington State, and \$602 in the United States. Sultan has 33% of its rental stock concentrated below \$499 monthly rent compared with 16% in Snohomish County, 23% in Puget Sound, 23% in Washington State, and 32% in the United States.
- The percent of renter occupied housing units paying more than 35% of household income for housing costs was 31% in Sultan compared with 29% in Snohomish County, 30% in Puget Sound, 31% in Washington State, and 30% in the United States.

The statistics indicate the following trends:

- Though Sultan may have a greater proportion of lower value housing stock in its inventory, housing prices are still higher than household incomes may be reasonably able to afford.
- Single-family units may be the preferred choice of Sultan households and/or the past predominant market offering.
- A higher proportion of these single-family units are mobile or modular units compared with other communities.
- Sultan's rental households may choose to live in the City because rental housing prices are lower than the surrounding area.

- Though Sultan may have a greater proportion of lower priced rental units in its inventory, housing costs are still higher than household incomes may be reasonably able to afford.

In summary, Sultan households are predominantly housed in owner occupied single-family and mobile home units less expensive than the surrounding region; and in lower cost rental units less expensive on average than the surrounding area. Nonetheless, a significant percent of Sultan households in owner and renter occupied units are also paying more for housing costs than household incomes may be reasonably able to afford. Sultan residents will continue to pay high percentages of their household incomes for housing if this trend continues.

Future Housing Need

Two important factors are used in projecting future housing needs: population growth and the community's economic profile. The City of Sultan's population in 2005 was 4,486 growing to 11,119 in 2025. The 2000 Census reported an average household size of 2.78 persons. The 2005 average was about 2.65. Assuming an average housing vacancy rate of 5%, a total demand for about 4400 housing units is indicated for 2025. This is an increase of about 2700 units over the 1739 that existed in 2007.

It is Sultan's policy to use the ratio of income to housing costs as a measure of affordability. When housing costs, excluding utilities, exceeds 30% of a household's income; the housing is no longer considered affordable. A rental unit is considered affordable for a household if the annual rent (including utilities) is less than or equal to 30% of the household's annual income.

Table 6: Average Annual Income (2000 Census)

	Median Household Income	Median Family Income	Per Capita Income
Washington	\$45,776	\$53,760	\$22,973
Puget Sound	\$51,386	\$60,943	\$26,048
Snohomish County	\$53,060	\$60,726	\$23,417
Sultan	\$46,619	\$51,038	\$18,822

Table 7 below distributes future housing demand based on population, economic and zoning criteria. According to the Office of Financial Management (OFM), the City of Sultan had 1,713 total housing units within the UGA in 2006. According to the 2007 Buildable Lands

Report (BLR), the City of Sultan has sufficient buildable land to accommodate 1,966 additional Single Family units and 759 Multiple Family units by 2025. In the Low to Moderate Density (LMD) designation there is additional capacity for 469 Single Family units. In the Moderate Density (MD) designation there is additional capacity for 119 Single Family units and 8 Multiple Family units. In the High Density (HD) designation there is additional capacity for 149 Single Family units and 43 Multiple Family units. In the Highway Oriented Development (HOD) designation, residential units are not currently allowed according to the Sultan Municipal Code. A code amendment may be considered in late-2008 and if approved would allow that use. If approved, the HOD has additional capacity for 708 units. The additional 2,725 units would bring the total number of housing units in Sultan in 2025 to 4,438 units.

Table 7: Housing Demand Estimate

Existing Housing Units in 2006				Additional Housing Units between 2006-2025				Total Housing Units in 2025
SF Units	MF Units	MH/Spec	TOTAL	SF Units	MF Units	MH/Spec	TOTAL	
1,268	207	238	1,713	1,966	759	0	2,725	4,438
Capacity of each residential land use in Sultan								
LMD	MD	HD		LMD	MD	HD	HOD	
				SF	MF	SF	MF	708
				469	0	119	8	149 43

This housing distribution has been used throughout this report as part of the capital facilities analysis and to confirm the designations on the Future Land Use Map. It will be further refined as the analysis of buildable lands and capital facility planning are concluded.

Promoting Housing Choice

The Sultan community can encourage a wide range of housing to ensure that the 11,119 residents estimated for 2025 have the type of dwelling types that meet their desires at an affordable price. The Sultan Comprehensive Plan provides a slight range of housing choices with some provisions for higher density, more innovative products. Higher density housing zones are located adjacent to the existing downtown district and transit corridor along US-2 that presently have access to regional transit bus routes in Snohomish and King

Counties. Higher density housing of 5-7 dwellings per acre is also a part of the planned Industrial Park Master Plan east of the City. The zoning ordinance has been amended to allow cluster development with a lot reduction of 20% to allow for the protection of sensitive environmental areas and open space systems.

In addition to the typical single-family, duplex or apartment dwelling, the City will explore other housing forms that can be suitably integrated into the community. Among these are the following:

Accessory Housing: Accessory units help provide affordable housing, and include dwelling units attached or detached from the primary residential units, on a single-family parcel. Attached units contained within a single-family home are the most commonly encountered type of accessory dwelling unit. Accessory apartments typically involve the renovation of a garage, basement family room or a similar space in a single-family residence.

Manufactured Housing: Manufactured homes are allowed in the two lower density residential zones ranging from 4.0-5.0 dwelling units per acre in the Low/moderate density zone (LMD) to 7.0 in the Moderate density zone (MD). Detached single-family residential uses are allowed in the three lower density residential zones ranging from 4.0 dwelling units per acre in the Low/moderate density zone (LMD), 6.0-8.0 in the Moderate density zone (MD), and 9.5-12.0 in the High density zone (HD) – but not in the Urban center (UC). Attached single and multifamily uses are allowed in the three higher density residential zones ranging from 8.0-10.0 dwelling units per acre in the Moderate density zone (MD), 12.0-20.0 in the High density zone (HD), and 14.0-24.0 in the Urban center (UC) – but not in the Low/moderate density zone (LMD).

Group Homes: The U.S. Census defines “non-institutional group quarters” as living quarters that house ten or more unrelated persons living in the unit, such as rooming houses and groups homes. Group homes include “community-based homes” providing care and supportive services. Such places include homes for the mentally ill, mentally retarded, and physically handicapped; drug/alcohol halfway houses; communes; and maternity homes. The extent of the housing need for special population groups (present and projected) is based on the anticipated continued growth of the special needs population. In addition, persons with special needs require a range of supportive services in conjunction with affordable housing to ensure independent living.

Housing Strategies

Sultan's housing element contains four key goals:

- Ensure adequate housing is available for households with different income levels;
- Encourage maintenance and creation of healthy residential neighborhoods;
- Encourage design techniques to aid acceptance of various housing types; and
- Encourage environmentally sensitive housing development practices.

A variety of affordable housing strategies have been adopted to achieve these goals:

- Provide areas for mixed use residential development;
- Allow manufactured housing in all designed residential areas;
- Ensure buildings are in conformance with current building codes;
- Support retention and revitalization of older housing; and
- Allow more flexibility in design and density to encourage sensitive development.

Sultan's existing housing stock contains a large number of lower-end, low-cost housing. In 2000 the median home sale prices were among the seventh lowest among jurisdictions in Snohomish County at \$161,750 compared to a countywide median of \$188,000. Yet the 2000 US Census figures indicate that 68.3 percent of homeowners with annual incomes below \$50,000 are paying more than 30 percent of their monthly incomes for housing.

This affordability gap needs to be addressed. Sultan must create a more diverse balance of housing options. Strategies that are not permitted under the existing municipal code, but could be implemented include:

- Zero lot line development,
- Flexibility in front-yard setbacks,
- Cluster housing provisions,
- Density bonuses,
- Density transfer programs and
- Impact fee credit programs.⁶

Other strategies that are currently permitted under the existing municipal code include: allowing infill development and detached accessory dwelling units and multi-family developments in allowed zones. Concerned citizens express unfavorable viewpoints regarding building high density neighborhoods that include multi-family housing. The City will need to balance those concerns with the reality of meeting GMA housing goals.

⁶ Housing Evaluation Report, 2002.

EMPLOYMENT GROWTH TRENDS

As the City develops policies and zoning for its future housing needs, it must make adequate provision for future employment as well. The 1990 Washington State Growth Management Act (GMA) established the following statewide economic development goal:

Encourage economic development throughout the state that is consistent with adopted comprehensive plans; promote economic opportunity for all residents of the state, especially for unemployed and disadvantaged persons; and encourage growth in areas experiencing insufficient economic growth all within the capacities of the state's natural resources, and local public services and facilities.

Among other things, the Economic Development Element of the Comprehensive Plan establishes an economic vision for the community and expresses support for the core goal of the local and State planning principles.

ECONOMIC DEVELOPMENT IN SULTAN

Sultan's Economic History

Historically, forest and mineral resources, manufacturing and associated industries have provided the "primary jobs" for the community. It is recognized, however, that long-term strength of a local economy is built upon diversification of a community's business base and establishment of a planning process that allows for timely and efficient response to changing market conditions and demands. Stabilization of the employment base is very important to the stability and quality of life in the Sultan community.

Consequently, the Sultan community has pursued a policy of developing an industrial base for basic manufacturing and business, while building a service industry for local residents and travelers along US-2. The City adopted its Industrial Park Master Plan for the area between Sultan Basin Road and Rice Road. This Master Plan is incorporated by reference into the Comprehensive Plan. Mixed-use commercial areas (allowing various levels of commercial and residential activity) have been designated along US-2 and in the historic downtown area. The City is actively pursuing development in these economic centers.

Existing Employment

According to the US Census, in the year 2000 approximately 1,736 Sultan residents, about half the population, were employed both inside and outside the City. This reflects a relatively higher number of non-working family members and more elderly, childless, and

potentially retired age groups than is common of the population profiles within the surrounding county and region.

In 2006, there were approximately 1,010 jobs located in the Sultan area⁷. In 2025, the Comprehensive Plan estimates an increase to 2,000 jobs in Sultan. Figure 3 depicts the location of commercial and industrial employment both now and in the future. Most of the 1,000 additional jobs the community will seek will be located in these areas.

Employment Density

As with housing, a measure for employment density (i.e. jobs per acre) helps to determine how much land will be needed to develop Sultan's target employment base of 2000 jobs in 2025. Table 8 illustrates the development history between 1995 and 2005 within the commercial zones in Sultan. It provides a snapshot of current employment densities in newly developing areas.

Table 8
Sample Employment Densities
City of Sultan

Zone	Developed Acres	New Employment	Employees per Developed Acre
Urban Center	0.37	9	23.90
Economic Development	6.23	92	14.77
Hwy Oriented Development-New	4.71	31	6.68
Hwy Oriented Development-Infill	4.06	43	10.61
Total	15.37	175	11.4

Source: Buildable Lands Report, 2007

Table 9 presents a breakdown of employment by category in 2006. The numbers do not match the 1010 job number above because they are taken from State Employment Security records which exclude self-employed workers, proprietors, CEOs, and other non-insured workers. Typically, covered employment has represented 85-90% of total employment. Table 10 presents a comparison between the jobs Sultan residents *do*, and the jobs that are performed by Sultan businesses. The figures suggest commuter patterns, that is, those who travel outside the community for jobs and those who travel to Sultan to work in local businesses. Sultan's goal is to promote job growth somewhat in proportion to the demographic of local workers to reduce the home-to-work commute.

⁷Buildable Lands Report, 2007

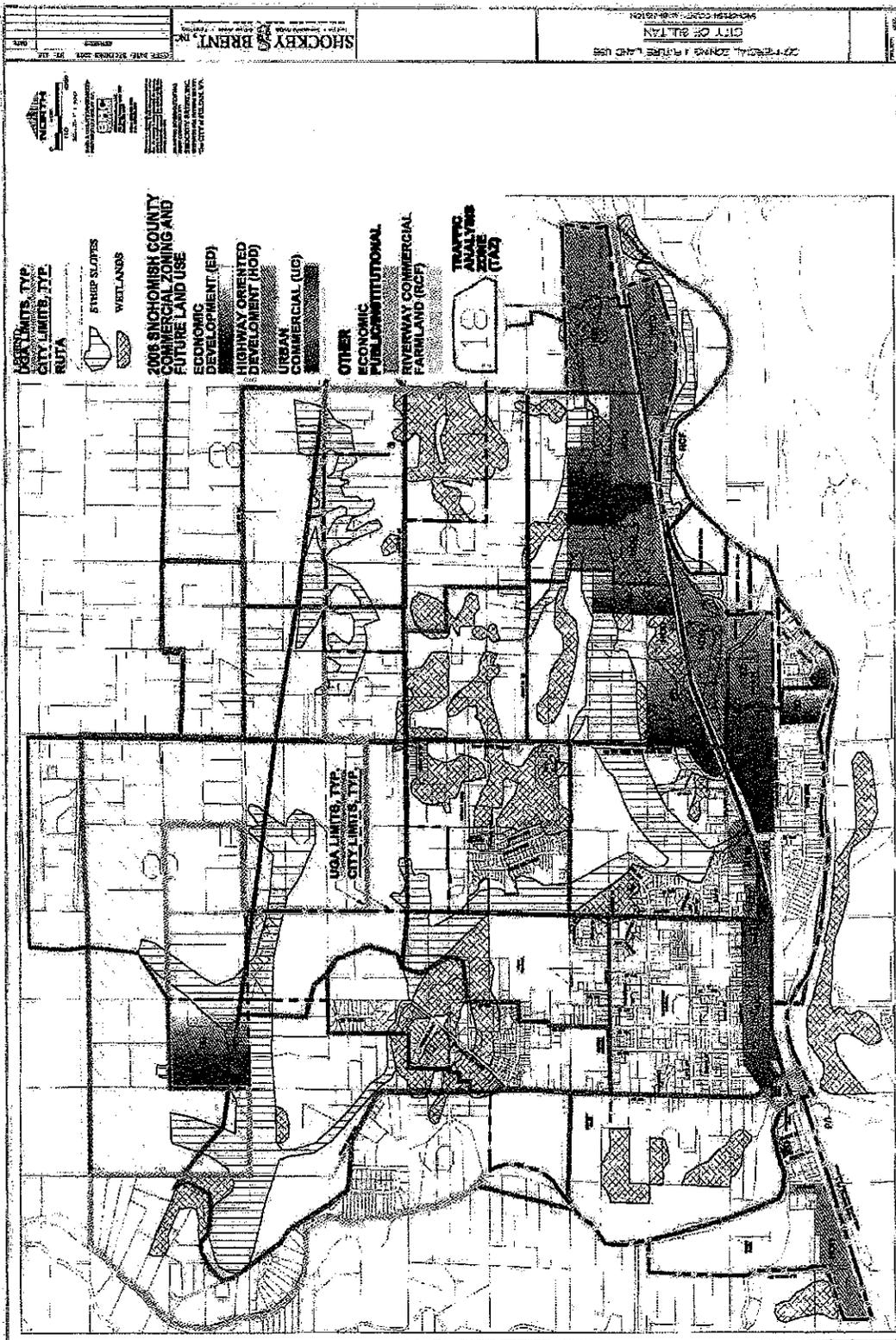


Figure 3 -- Commercial Land Use Districts

Table 9
Employment by Category
City of Sultan

Occupation	No.
Education	243
Manufacturing	232
Services	228
Retail	77
Construction/Resource	68
Government	49
WTU (Wholesale Trade, Transportation & Utility)	42
FIRE (Finance, Insurance, Real Estate)	16
Total	995

Source: Puget Sound Regional Council, 2007

Table 10
Job Location in Sultan

Industry	Jobs Located in Sultan	Sultan's Labor Force
Manufacturing	12%	20%
WTU	7%	5%
Retail	22%	11%
FIRE	24%	6%
Government/Education	34%	26%
Other		32%

Source: US Census 2000

Strengths and Challenges in Sultan's Economy

Population and employment statistics outlined above suggest areas of strengths and weaknesses in Sultan's economic base. On the positive side, Sultan has a large labor force consisting of approximately 75 percent of its adult population over the age of 16 years. Its employment base and resident labor force are engaged in a wide range of different jobs and occupations. Approximately 50 percent of the resident labor force has post high-school educations with nearly 20 percent possessing college degrees. Sultan has a higher percentage of affordable housing compared to the rest of Snohomish County.

Posing challenges to Sultan are its location relative to jobs for residents. A large portion of Sultan's income is spent on commuting costs. The average commuter living in Sultan travels approximately 60 miles per day. The cost of commuting represents approximately 12 percent of Sultan total income base.

Approximately 55% of Sultan's households spend 35 percent or more of their household income on mortgage or rental payments, which is an indication of excessive housing costs.

Sultan needs to reduce its housing and commuting costs in order to increase its local economy's income base.

Sultan must work to improve the existing imbalance in its jobs-to-housing ratio. Ideally, this ratio is one job for each household. Sultan had approximately 1,010 jobs in 2006 and 1,739 households which equate to a 0.58 jobs/housing ratio. Sultan will need approximately 700 jobs to correct its current imbalance and a total of 3,650 jobs to maintain a balanced jobs-to-housing ratio by the year 2025. The success of its economic development plan could be measured by the reduction in percentage of Sultan's income base spent on commuting costs.

BUILDABLE LAND

Preceding sections have confirmed the population, housing and job estimates which serve as the basis for the 2004 Comprehensive Plan. The following section describes the method used to determine where and how much buildable land exists to accommodate these people, houses and jobs.

Sultan is comprised of diverse types of land, some suitable for development, some not. The Growth Management Act requires that sensitive lands and critical areas be avoided if at all possible as development occurs. The Growth Management Act identifies critical areas as

- Wetlands
- Recharge areas affecting aquifers used for potable water
- Fish and wildlife habitat conservation areas
- Frequently flooded areas
- Geologically hazardous areas (steep or unstable slopes)

Sultan has many of these features throughout the 2300 acres contained within its Urban Growth Area. Only a portion of this area is therefore available to accommodate residential and commercial development. Knowing where these areas are is essential to the design of the Future Land Use Map, development regulations and capital facilities plans. Figure 4 compares critical area locations to the City's Land Use Map. Figure 5 gives a clear view of the critical areas in the community and UGA.

As part of the City's update of its Transportation Plan, the UGA was divided into Traffic Analysis Zones (TAZ). Future population, housing and employment were distributed to these TAZs to determine where future traffic would travel and what effect this would have on the need for road improvements. Figure 6 presents the TAZ map and distribution numbers used in the Transportation Plan.

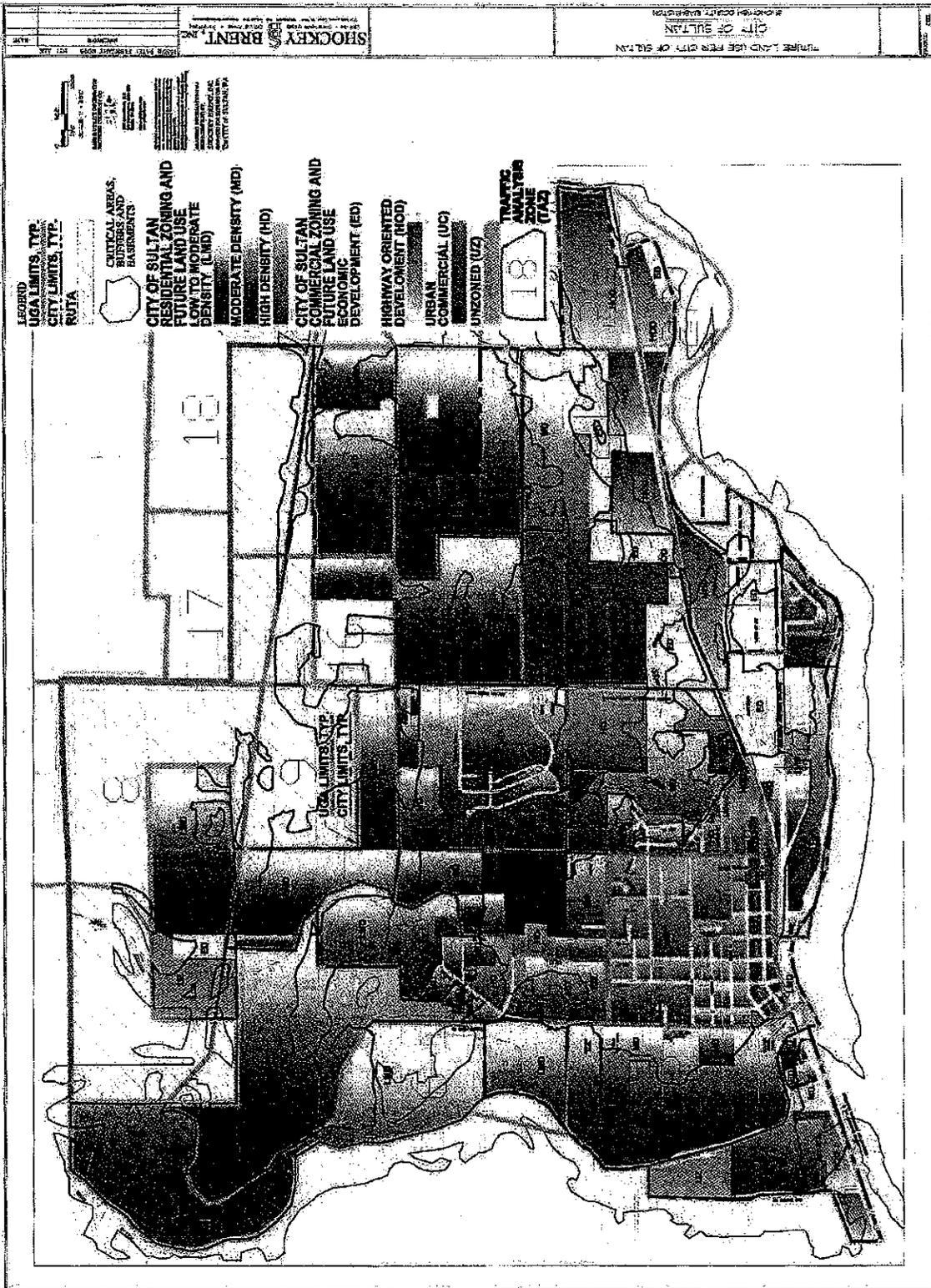


Figure 4 Future Land Use -- City of Sultan

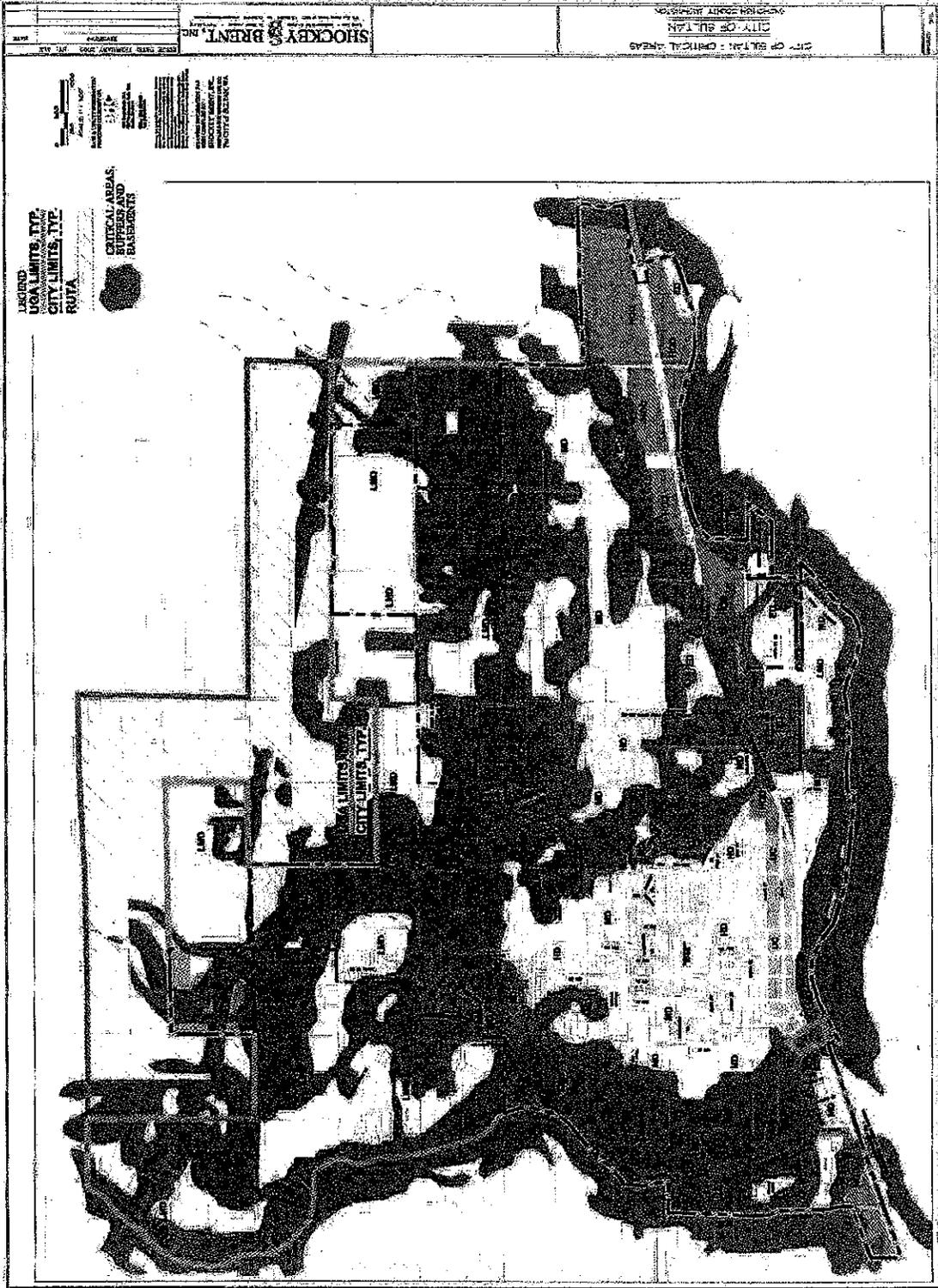


Figure 5 City of Sultan – Critical Areas

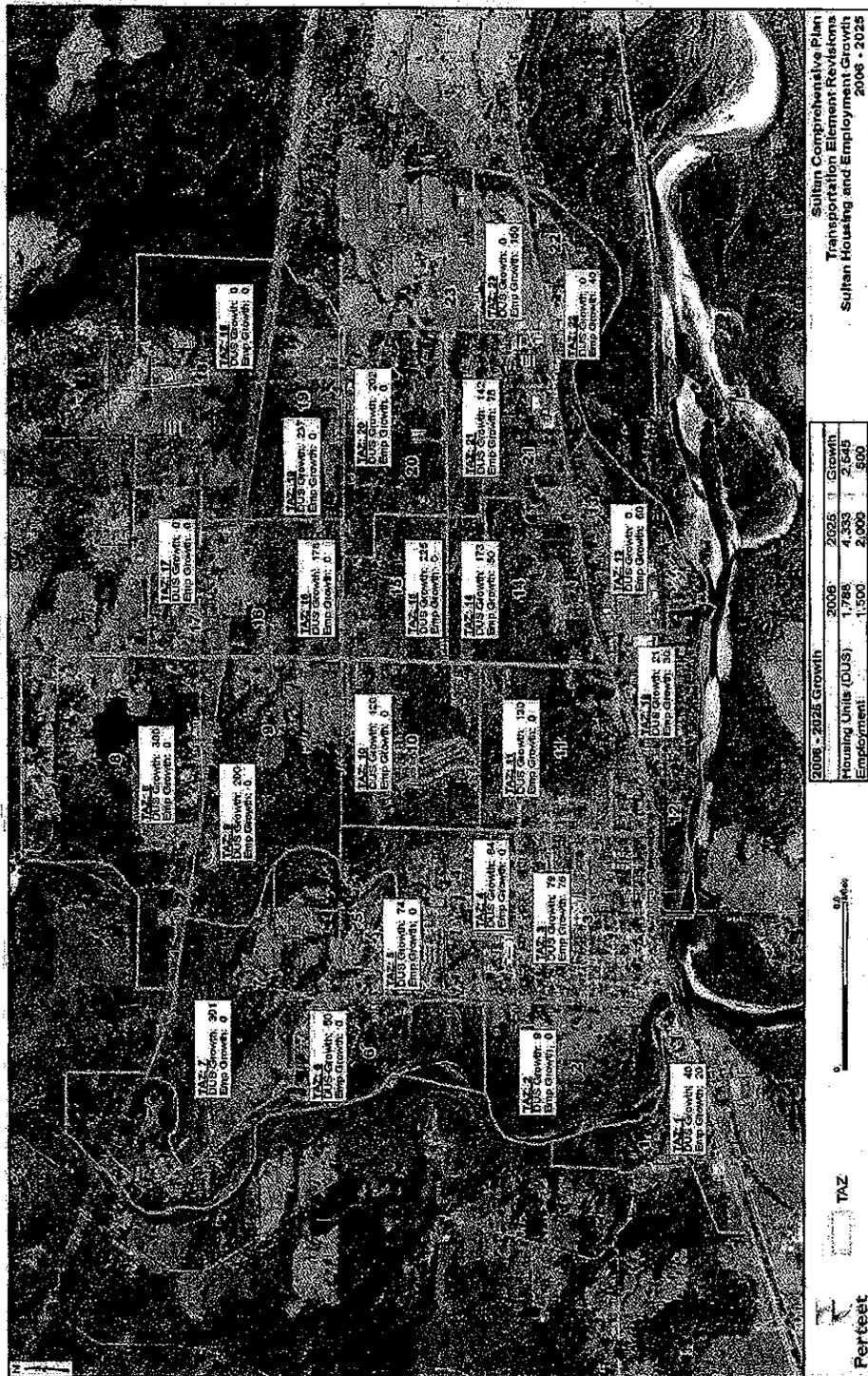


Figure 6 – Population and Employment by TAZ

The City of Sultan

Table 11 shows the amount of buildable and unbuildable land with each TAZ, broken down into Land Use Map categories. These figures were derived by calculating the total area within each TAZ; and subtracting both critical areas and the developed acreages within each "buildable land" category. Housing and employment densities were then calculated based on projected housing and employment growth on the currently vacant buildable land. The total density projected for housing (7 du/acre) and employment (11.6 employees per acre) compare well with the existing density of development.

Table 11
Buildable Land Summary
City of Sultan

TAZ	Buildable Acres			Vacant/Buildable Acres		TAZ Assumptions		Plan. Assumptions		Net Density	
	Total	Residential	Commercial	Residential	Commercial	Housing	Employment	Housing	Employment	Housing	Employment
1	24.8	15	9.8	7.5	4.9	40	20	43	43	5.79	8.69
2	22	22		11		9		10		0.89	
3	133.3	116.1	17.2	58.05	8.6	79	75	86	160	1.48	18.58
4	50	50		25		64		69		2.78	
5	63.7	63.7		31.85		74		80		2.52	
6	29	29		14.5		50		54		3.74	
7	61	61		PRELIMINARY		301		327		10.71	
8	67	64	3	32	1.5	300		326		10.17	
9	30	30		15		200		217		14.47	
10	6	6		FINAL		120		130		43.40	
11	74.85	66.55	8.3	CALCULATIONS		130		141		4.24	
12	11.3	10	1.3	UNDER REVIEW		21		23		4.56	
13	33	9	24	5	0.65		60		128		10.65
14	74.6	68	6.6	4.5	12		50		107		32.27
15	37	37		34	3.3	173		188		5.52	
16	20	20		18.5		225		244		13.20	
17				10		178		193		19.31	
18											
19	72	72		36		237		257		7.14	
20	7	7		3.5		202		219		62.62	
21	71.2	35.2	36	17.6	18	142	75	154	160	8.75	8.88
22	24		24		12		40		85		7.10
23	42		42		21		150		320		15.21
TOTAL	953.75	781.55	172.2	390.775	86.1	2545	470	2761	1001	7.07	11.63

SUMMARY

Table 12
Existing and Future Growth
Sultan Urban Growth Area

	2006	2025
Population	4,785	11,119
Housing	1,713	4,438*
Jobs	1,010	2,000

Source: Buildable Lands Report, 2007
Office of Financial Management, 2007.

Preceding sections have described Sultan's population, housing and economic growth trends. These are fundamental to determining future growth policies and regulations; and to outlining on the official Land Use Map how growth will occur. These estimates of the future are

shown on Table 12.

Table 11 shows the results of the Buildable Lands analysis. Preliminary findings are that there is sufficient land available to accommodate housing and employment estimates. These figures will undergo continual review as other elements of the Comprehensive Plan and Capital Facilities Plan are updated to ensure consistency of information and the accuracy of final Plan elements.

USE OF THIS INFORMATION

The information in this memorandum will be used as follows:

- To assess the current designations on the City's Land Use Map to determine if adjustments are needed to increase or lessen densities in areas of the City. The preliminary conclusion from this analysis is that adjustments, if warranted, will be minor. The 2004 Comprehensive Plan and Land Use Map appear consistent with future needs.
- To assist in the development of capital facility plans for sewer, water, roads and parks based on level of service standards now under review. The distribution of land uses to meet the housing and economic development needs will affect the scope and phasing of these facilities. Depending on the findings and recommendations in the Capital Facilities Plan, adjustments could be made to the Land Use Map, growth assumptions, regulations or policies. These adjustments would be considered prior to adoption of the Plan update in December of this year.
- To update the Land Use section of the 2004 Comprehensive Plan.