



PROJECT MEMO

TO:	Kimberly Mahoney	DATE:	July 30, 2024
FROM:	Nicole Stickney Tri-Cities - (509) 380-5883	PROJECT NO.:	2230242.30
		PROJECT NAME:	Orting Comprehensive Plan Periodic Update
SUBJECT:	Land Capacity Review and Housing Needs Assessment - <i>Revised</i>		

INTRODUCTION

This memo updates the *Land Capacity Analysis* section written by AHBL for the draft Land Use Element (dated June 25, 2024) and supplies additional detail and analysis that can be integrated, as needed, into that Element and the draft Housing Element.

BACKGROUND

The **Buildable Lands Program** is a continuous review and monitoring initiative mandated by the **Growth Management Act** (GMA) in RCW 36.70A.215. Pierce County is responsible for establishing and overseeing this program, ensuring coordination among Orting and the county's other 22 cities and towns. In collaboration with its cities and towns, the County annually collects development data and uses the information to produce a report on observed development and future capacity within the urban growth area (UGA). Pierce County issued the 2021 Buildable Lands Report (Fourth Edition, Updated Version, Published 11/11/2022) to fulfill their ongoing reporting requirements.

The data that was assembled and analyzed for the buildable lands program can now be used as a baseline for assessing the city's future land use map / zoning map in the context of the Comprehensive Plan Update, and for evaluating the city's capacity to accommodate housing needs among various income levels.

PART ONE: LAND CAPACITY CHECK

As noted in the draft Land Use Element prepared for the Comprehensive Plan Periodic Update project (AHBL, June 25, 2024), Orting's population is targeted to grow to 9,590 persons and 3,167 housing units by the year 2044. Likewise, the City must plan for a target of 1,473 jobs by that year. Using the data from the 2021 Buildable Lands Report, we evaluated the city's capacity to meet the projections.

As of April 1, 2024 the state Office of Financial Management (OFM) estimates the city's population to be 9,125 residents which are housed in 3,035 housing units. *This means we need to ensure that there are sufficient lands to accommodate 465 additional people and 135 new housing units in the next 20 years.*

We have reproduced Table 14-8 from the Buildable Lands Report, with corrections, which is labeled as **Table 1**. The data is from January 2020.

Table 1: City of Orting 2020-2044 Housing Capacity (Dwelling Units)

Zone:	Vacant	Under - utilized	Vacant - Single Unit	Pipeline	Total
LM	0	0	0	0	0
MUTC	26	9	0	0	35
MUTCN	166	0	0	4	170
PF	0	0	1	0	1
RC	0	1	2	0	3
RMF	10	5	0	0	15
RU ⁽¹⁾	28	12	30	52	122
Total	230	27	33	56	346

(1) Typos are corrected per AHBL Correspondence from 11/22/2023 for RU Vacant Single Unit and Pipeline (the values in the “total” row and column were correct)

The table shows the city’s estimated net capacity for new housing units among parcels that were classified among four categories, as *vacant*, *underutilized*, *vacant – single unit*, or *pipeline* to arrive at estimates for capacity on a per unit basis according to zoning district (*built out* and *undevelopable* counts are not shown).

- These “net” figures account for deductions to land capacity made for probable market factors, critical area protections, and other factors. (*See the Buildable Lands Report for further information on methodology and for definitions*).

However, more than half of the total residential capacity that was reported in the buildable lands report is now no longer available. This is because the report’s analysis was based on a previous Land Use map for the city which featured a large area of land with the Mixed-Use Town Center North (MUTCN) zoning designation – a location where residential units are permitted to be built.

- In January of 2023 the City Council adopted amendments to the Comprehensive Plan changing the land use and zoning designation of approximately 65 acres from the MUTCN designation to Public Facilities (PF). The change was made to grant the request by the school district because the district bought the property for planned capital projects.
- While residential units were permitted in the MUTCN designation, they are not permitted in the PF zoning district resulting in reduced capacity.

To reconcile and update the data, we obtained the GIS shapefile prepared by the County for the buildable lands analysis and assembled permit data for the time period of 2020-2024 to create an updated table according to all known changes that have occurred since 2020, and additionally consulted with you for your input. As a result of this step, we have made the following adjustments, listed by zoning district and detailed in **Table 2: Adjustment Matrix**.

Light Manufacturing (LM) Zone: *No changes*

Mixed Use – Town Center (MUTC) Zone:

- Elimination of 1 unit from the vacant category due to parcel consolidation at 222 Washington Ave N
- Added 1 unit to the vacant category due to land that was apparently missed (parcel 6565000773 on Bridge Street)
- There is no net change

Mixed Use – Town Center North (MUTCN) Zone:

- Elimination of 166 units from the “Vacant, MUTCN” and elimination 4 units from the “Pipeline, MUTCN” group due to the Comprehensive Plan map change detailed above

Public Facilities (PF) Zone:

- Elimination of 1 unit in “PF, Vacant, single unit” for the city hall site

Residential – Conservation (RC) Zone: *No changes*

Residential – Multifamily (RMF) Zone:

- Addition of 33 units to “Pipeline, RMF” for the Bridgewater plat (note: there is no offset as the land was previously identified as “unbuildable”)

Residential – Urban (RU) Zone:

- We have accounted for 53 new units due to recent construction, all in the RU zone that were previously counted as “pipeline:”
 - a. 19 units for the Meadows at Orting South development (all removed from “pipeline”)
 - b. 32 units for the Tahoma Valley Estates development (removed 30 from “pipeline”)
 - c. 2 units removed from “pipeline” for homes at 604 and 606 Harmon Way S.
- We have accounted for 10 additional new units due to recent construction, all in the RU zone that were previously counted as “vacant” (removed from “vacant” using our best guess / assumption)
 - a. 10 units of additional “infill” type development not occurring in a long plat subdivision (removed from “vacant” using our best guess/ assumption)
- Following that we have the following additional adjustments:
 - a. Removal of 11 units from “Underutilized, RU” and addition of 41 units to “Pipeline” for the Rainier Meadows Division 2 development (parent parcel no. 0519321001)
 - b. Addition of 8 units (per feasibility check) as “vacant” for the land at parcels 7930000-102 and -103 which are currently for sale (there is no offset as the land was previously identified as “unbuildable”)
 - c. Addition of 6 units as parcels 0519293096 and 2585000114 have not been developed and have plenty of net acreage for development but were previously identified as either constructed or “unbuildable” (thus no offset)
 - d. Addition of 10 units at parcel 0519311700 which was listed as “unbuildable” due to critical areas; there are ROW improvements for the site but it can likely also accommodate some modest housing development

Table 2: Adjustments Matrix

Zone:	Vacant	Under - utilized	Vacant - Single Unit	Pipeline
LM				
MUTC	0			
MUTCN	-166			-4
PF			-1	
RC				
RMF				+33
	-10			
	+8			
	+6			-53
RU	+10	-11		+41
Total	-152	-11	-1	-17

With these documented adjustments, the resulting table provides our best estimate of land capacity from 2024-2044, aligning the information to be consistent with current population counts.

The resulting table shows an updated total capacity for 193 units, 75 of which are now in the current “pipeline”:

Table 3: City of Orting 2024-2044 Housing Capacity (Dwelling Units)

Zone:	Vacant	Under - utilized	Vacant - Single Unit	Pipeline	Updated Total Capacity
LM	0	0	0	0	0
MUTC	26	9	0	0	35
MUTCN	0	0	0	0	0
PF	0	0	0	0	0
RC	0	1	2	0	3
RMF	10	5	0	33	48
RU	34	1	30	42	107
Total	70	16	32	75	193

In conclusion, we have documented that Orting has sufficient land for planned population growth (population and housing targets).

PART TWO: ACCOMMODATING HOUSING NEEDS

The Growth Management Act (GMA) requires comprehensive plans to include a Housing Element identifying “sufficient capacity of land” to accommodate all projected housing needs during the 20-year planning period (RCW 36.70A.070(2)(c)). With recent state law changes, the state now additionally requires municipalities to

specifically review their ability to accommodate needs for *moderate, low, very low* and *extremely low*-income households, as defined in RCW 36.70A.030.

The income level is relative to “median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.” The Department of Housing and Urban Development (HUD) publishes Area Median Income (AMI) for each county (or market area which may include several counties) on an annual basis. The AMI in 2024 is \$136,600.00

Through Pierce County Ordinance No. 2023-22s, the County set out the specific housing unit requirements for Orting according to income band, which is further detailed in the draft Housing Element prepared for the Comprehensive Plan Periodic Update project (AHBL, June 25, 2024).

In order to evaluate land capacity by income level, we utilized the 6-step process as outlined by Commerce¹.

Step 1: Summarize Land Capacity by Zone

Table 3, “City of Orting 2024-2044 Housing Capacity (Dwelling Units)” provides this information.

The Buildable Lands Report does not take the addition of ADUs into account but there is some latent capacity that could be realized. Orting must make code amendments to allow two ADUs per lot, on lots that allow single family homes, per HB 1337. Orting already adopted code changes pursuant to HB 1923 that increased the opportunity for ADUs. As of April 1, 2024 there are 2,711 single family residential homes in Orting per OFM. Assuming that ADUs will be added to 3 percent of all those lots within the coming 20 years, we can estimate that 81 ADUs could be added in the time period from now to 2044 throughout the city in all zones, which is probably a conservative estimate (4 per year).

Step 2: Categorize Zones

In Table 4, we document what the code allows for, and what assigned zoning category corresponds to each zoning district.

Table 4: Orting Zoning Districts and Allowed Housing Types / Density Level

Zone	Housing types allowed	Max density level allowed	Assigned zone category
MUTC	Duplex, Multifamily, townhouse	None	Low rise multifamily
MUTCN	Duplex, Multifamily, cottage, townhouse	N/A	Low rise multifamily
RC	Detached single family, Cottage, duplex,	0.5 DUA	Low density
RU	Detached single family, townhouse, duplex, cottage	6 DUA	Low density
RMF	Cottage, duplex, multifamily, townhouse	8 DUA	Moderate density

¹ “Guidance for Updating Your Housing Element”

Step 3: Relate Zone Categories to Potential Income Levels & Housing Types Served

The following table is from Commerce’s “Guidance for Updating Your Housing Element.” It is important to note how ADU’s are classified, as well as how subsidies and other marketplace interventions are assumed to be needed for the attainment of housing for certain income levels.

Table 5: Zone categories and potential income levels served

Zone category	Housing types allowed	Lowest Potential income level served		Assumed affordability level for capacity analysis
		Market Rate	With subsidies and/or incentives	
Low Density		Higher income (>120% AMI)	Not typically feasible at scale	Higher income (>120% AMI)
Moderate Density		Moderate income (>80-120% AMI)	Not typically feasible at scale	Moderate income (>80-120% AMI)
Low-Rise Multifamily		Low income (>50-80% AMI)	Extremely low and Very low income (0-50% AMI)	Low income (0-80% AMI) and Permanent Supportive Housing (PSH)
ADUs (All zones)	Accessory dwelling Units on developed residential lots	Low income (>50-80% AMI)	N/A	Low income (> 50-80% AMI)

Step 4: Summarize Capacity by Zone Category

We estimate there is a capacity for 110 units in the low-density category, 35 units in the low-rise multifamily category and 48 units in the moderate density category in addition to capacity for 81 ADUs as show in Table 6:

Table 6: Orting Building Capacity Summarized by Zone Category

Zone:	Unit Capacity (from Table 3)	Unit Capacity for ADUs	Assigned zone category
MUTC	35		Low Rise Multifamily
RC	3		Low Density
RMF	48		Moderate Density
RU	107		Low Density
ALL		81	N/A

Step 5: Compare projected housing needs by capacity

For Step 5 we populated Table 7 to show the housing need as allocated by Pierce County for the years 2020-2044, but also adjusted to reflect that development of 63+ units which has occurred since the year 2000 to satisfy (and likely exceed) the housing need at the income bands at or above 100% of AMI. As a result, we have labeled the table for the years 2024-2044 and set the housing need for the bands from 100-120% to 4 and for the band at or above 120% of AMI to 0. We also adjusted down the projected housing need for 0-30% PSH by a reduction of 35 units to account for the 35 units of permanent supportive housing that was constructed in 2021 at the Orting Veteran’s Village.

Table 7: Orting Projected Housing Needs compared to Available Capacity (2024-2044)

Income Level (% AMI)	Projected housing need (*Denotes Adjusted for 2024-2044)	Zone categories serving these needs	Aggregated housing needs	Total capacity (from Step 4)	Capacity: surplus or deficit
0-30% PSH	4*	Low-rise multifamily Plus all zones, with ADUs	107	116	+9
0-30% Other	29				
>30-50%	41				
>50-80%	33				
>80-100%	14	Moderate density	18	48	+30
>100-120%	4*	Low density	0	107	+107
>120%	0*				

PSH = Permanent Supportive Housing

The results of our evaluation show that Orting has no deficit in housing capacity for any of the income bands.

Step 6: Implement actions to increase capacity for one or more housing needs. Then reassess capacity (Step 1) based on actions.

This step does not apply, there is sufficient capacity.

Cc: Scott Larson, City of Orting
Wayne Carlson, Helen Stanton, Emily Weimer and Anisa Thaci, AHBL

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