



MEMO

REPORT DATE: December 5, 2024

TO: San Juan County Planning Commission

CC: Mark Tompkins, Interim County Manager and Interim Department of Community Development (DCD) Director
Mason Wiley, Deputy Prosecuting Attorney

FROM: Sophia Cassam, Planner III, DCD

SUBJECT: Draft Land Capacity Analysis Methodology and Results

BRIEFING: December 20, 2024

ATTACHMENT: Draft Land Capacity Analysis Methodology and Results Report

WEBPAGE <https://engage.sanjuancountywa.gov/2025-comp-plan-update>

PURPOSE: To brief the Planning Commission on the draft results of the Land Capacity Analysis (LCA) as part of the 2025 Comprehensive Plan Update project.

PUBLIC COMMENTS: Please send all public comments regarding the Comprehensive Plan Update to compplan@sanjuancountywa.gov.

BACKGROUND: San Juan County is currently updating its Comprehensive Plan (Comp Plan) with support from a consultant team and a grant from the Department of Commerce. As part of this work, Leland Consulting Group conducted a Land Capacity Analysis to determine potential development capacity for housing and jobs in the County through 2045, including capacity for housing units by income band to comply with recent updates to the Growth Management Act. The attached report details the methodology used to conduct the LCA and draft results of the analysis.

RESULTS SUMMARY & NEXT STEPS: San Juan County is showing an overall surplus in housing unit capacity, but a deficit in capacity for units serving lower incomes (0-80% AMI). As a result, the GMA and Commerce Guidance require that the County increase capacity for housing types that can serve these income bands. The LCA shows that the County's deficit in lower-income units is contained within the Eastsound UGA. In order to address this deficit, the County will need to consider either increasing densities within the UGA, expanding the UGA to include more land where affordable units could reasonably be expected to be built, or both.

As the County continues work on its Comprehensive Plan update, options for increasing capacity for lower income housing in the Eastsound UGA will be identified. The County will need to demonstrate additional capacity to address the deficit in low-income capacity and adopt associated land use or regulatory changes with this Comprehensive Plan update.

San Juan County Comprehensive Plan Update

Land Capacity Analysis Methodology and Results

DRAFT 2024-12-03

Introduction

Leland Consulting Group (LCG) was retained as part of a consultant team led by Otak to assist San Juan County in its 2025 Comprehensive Plan update. As part of this work, LCG conducted a Land Capacity Analysis (LCA) to determine potential development capacity for housing and jobs in the County through 2045, including capacity for housing units by income band to comply with recent updates to the GMA resulting from the passage of HB 1220. This report details the methodology and results of this analysis, which was based on the methodologies in the following documents and guidebooks:

- San Juan County 2036 Comprehensive Plan *Appendix 1: Population Projections and Land Capacity Analysis* (November 30, 2022)
- Department of Commerce *2023 Commerce Guidance for Updating Your Housing Element*, including new methodology for housing unit capacity analysis by income band to comply with HB 1220 requirements.
- Department of Commerce *2018 Buildable Lands Guidelines*
- Department of Commerce *2012 UGA Guidebook*

Population, Housing, and Employment Projections

Population Projections

After analyzing several potential population projections based on Washington Office of Financial Management (OFM) forecasts, the San Juan County Council adopted Resolution no. 34-2023, adopting the forecasts by island shown below in Figure 1, based on the 2045 OFM Medium population forecasts. A full technical memo and discussion of these forecasts prepared by County staff can be found in Appendix A.

Figure 1. 2045 San Juan County Population Forecasts by Island, 2023-2050, Based on OFM Medium

Island	2020 Census Population	2020 Population by Island (%)	Population Projections					
			2025	2030	2035	2040	2045	2050
San Juan (unincorp.)*	5,928	33%	6,229	6,509	6,745	6,938	7,087	7,270
Orcas	5,772	32%	6,130	6,485	6,826	7,154	7,468	7,774
Lopez	2,737	15%	2,907	3,075	3,237	3,392	3,541	3,686
Shaw	253	1%	269	284	299	314	327	341
Subtotal (unincorp.)	14,690	83%	15,535	16,353	17,107	17,798	18,423	19,071
Town of Friday Harbor	2,613	14.7%	2,841	3,087	3,356	3,647	3,964	4,281
Total Ferry Served Islands	17,303	97.3%	18,376	19,441	20,461	21,445	22,387	23,304
Blakely	41	0.23%	44	46	48	51	53	55
Brown	12	0.07%	13	13	14	15	16	16
Center	32	0.18%	34	36	38	40	41	43
Crane	15	0.08%	16	17	18	19	19	20
Decatur	71	0.40%	75	80	84	88	92	96
Johns	15	0.08%	16	17	18	19	19	20
Pearl	2	0.01%	2	2	2	2	3	3
Stuart	38	0.21%	40	43	45	47	49	51
Waldron	142	0.80%	151	160	168	176	184	191
Other Islands	117	0.66%	124	131	138	145	151	158
Total Non-Ferry-Served Islands	485		515	545	574	601	627	653
TOTAL	17,788	100.00%	18,891	19,986	21,035	22,046	23,014	23,957

Source: San Juan County Resolution 34-2023

The above forecasts reflect an allocation of 54 percent of San Juan Island’s net new population to the Town of Friday Harbor. In mid-2024, a series of discussions between the Town and the County resulted in a revision to this target, where the Town agreed to accept an allocation of 60 percent of the net new population of San Juan Island. In addition, following staff recommendations in the technical memo (see Appendix A), both the Eastsound and Lopez Village Urban Growth Areas (UGAs) were allocated 50 percent of net new population growth on Orcas and Lopez Islands, respectively. This is in following the Washington State Growth Management Act (GMA) requirement to “encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner” (RCW

36.70A.020(1)) as well as San Juan County’s existing Comprehensive Plan policy found in Section B, Element 2 (Land Use), Policy (1)(13), which states that the County will “design urban growth areas to accommodate fifty percent (50%) of the twenty-year population growth projected for the island where the UGA is located.” The table below in Figure 2 shows the revised allocation of the above population totals broken out by Island, UGA, and the Town of Friday Harbor.

Figure 2. Net New Population 2020-2045 by Island and UGA (with Friday Harbor)

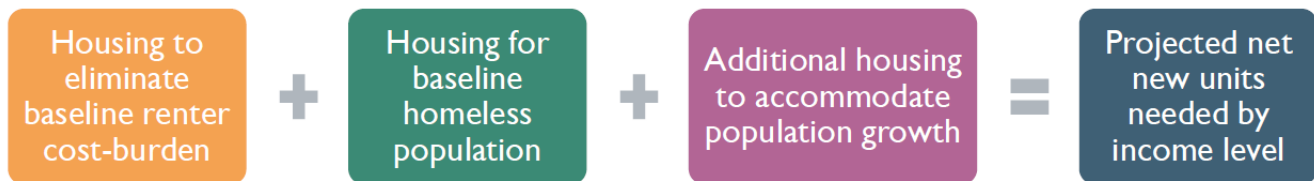
	2020	2045	Net New Population 2020-2045	Share of Countywide Net New	Share of Net New Island Population
San Juan Island	8,541	11,051	2,510	48.03%	
Town of Friday Harbor	2,613	4,119	1,506	28.82%	60%
Unincorporated	5,928	6,932	1,004	19.21%	
Orcas Island	5,772	7,468	1,696	32.45%	
Eastsound UGA	1,200	2,047	847	16.21%	50%
Unincorporated	4,572	5,421	849	16.25%	
Lopez Island	2,737	3,541	804	15.38%	
Lopez Village UGA	233	634	401	7.67%	50%
Unincorporated	2,504	2,907	403	7.71%	
Shaw Island	253	327	74	1.42%	
Non-Ferry-Served Islands	485	627	142	2.72%	
Total	17,788	23,014	5,226	100.00%	

Source: San Juan County, Town of Friday Harbor, Leland Consulting Group

Housing Needs

In addition to planning for the population targets shown above, updates to the GMA resulting from HB1220, now codified in RCW 36.70A.070(2)(a) and (c), require that jurisdictions also plan and show land capacity for sufficient housing units to meet the projected need at all income levels over the planning period. The Department of Commerce (Commerce) has developed a tool, the Housing for All Planning Tool (HAPT), which translates jurisdictions’ selected population targets into housing unit targets by jurisdiction and by income band. These housing unit targets incorporate a number of factors in addition to housing units needed for future population, as shown below:

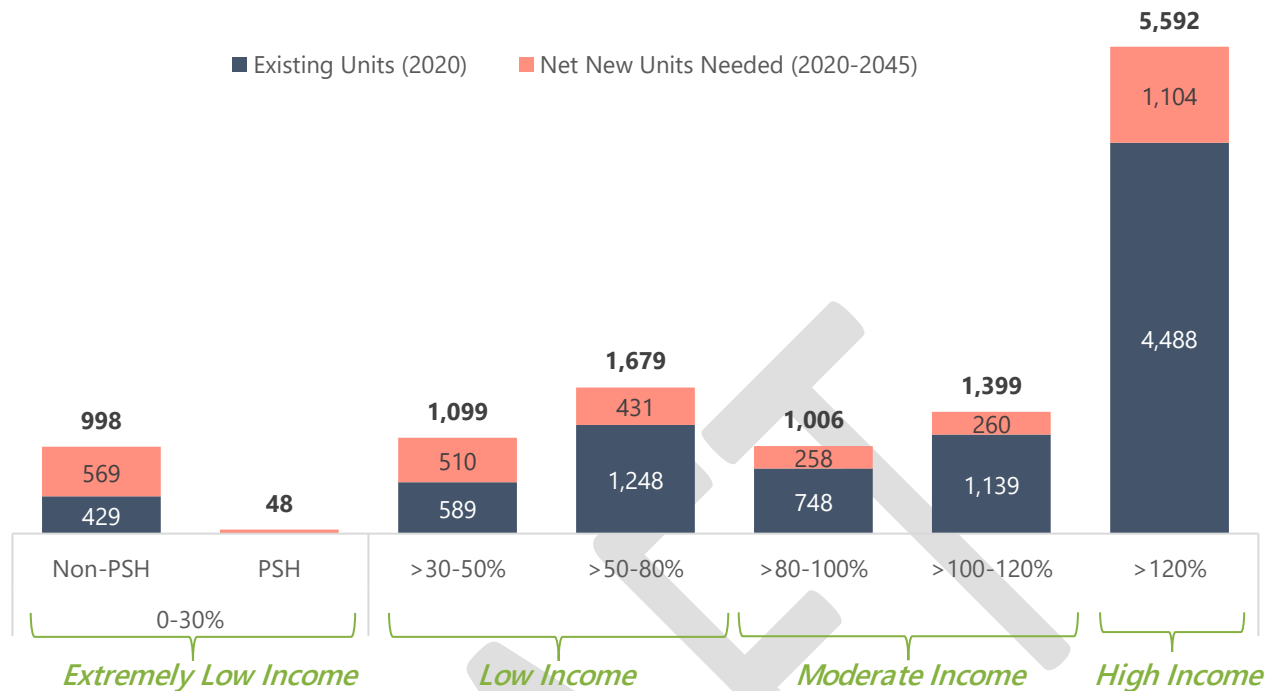
Figure 3. Commerce HAPT Tool Housing Projection Methodology



Source: Washington Department of Commerce, “Establishing Housing Targets for your Community” (July 2023)

The HAPT tool generates a total countywide housing need for the planning period (2020-2045) by income level, as well as countywide needs for Emergency Housing (i.e. temporary shelter beds). The GMA requires that counties plan for these targets generated by the HAPT. San Juan County’s targets are shown below in Figure 4.

Figure 4. San Juan County Existing and Target Housing Targets by Income Band, 2020-2045



Source: Washington Department of Commerce HAPT Tool

Counties are required to allocate these targets to incorporated cities, UGAs, and unincorporated UGAs within the county, and each jurisdiction must then show sufficient land capacity to accommodate the needed units at the various income bands. Commerce provides several methodologies for counties to allocate their total housing targets to UGAs and cities, but counties ultimately have leeway to allocate them as they wish, as long as they meet certain requirements of the GMA. One of these key requirements is that rural areas cannot accommodate housing serving households earning under 50 percent AMI, since this housing is assumed to require a density beyond that which the GMA allows in rural areas (see box at right). However, counties can allocate some moderate-income housing to rural areas in the form of Accessory Dwelling Units (ADUs), as well as to Local Areas of More Intense Rural Development (LAMIRDS) outside of UGAs, in the form of limited capacity for ADUs and duplexes that can be accommodated with existing infrastructure in these areas.

Given the allocation of 60 percent of San Juan Island’s net new population to the Town of Friday Harbor, 50 percent of Orcas and Lopez Island’s net new population to UGAs, and after an analysis of the capacity for rural areas and LAMIRDS to accommodate moderate-income households, the County and Town of Friday Harbor, with assistance from Leland Consulting

Showing Land Capacity by Income Band

Land capacity by income band is determined primarily by an assumed correlation between allowed housing types and incomes those housing types could potentially serve. In Commerce guidance, high-income households are assumed to be accommodated in low-density, single-family development. Moderate-income household capacity is shown through land uses that allow “middle housing” types such as duplexes, triplexes, and attached townhomes. Lower-income capacity is generally assumed to take the form of subsidized apartments. This connection between allowed housing types and income bands is flexible, and San Juan County’s unique circumstances, particularly the provision of subsidized, affordable housing in lower-density housing types developed by Community Land Trusts (CLTs), necessitates careful analysis using on-the-ground realities to supplement this Commerce guidance. The methodology used for this analysis in San Juan County and results will be discussed further in the next section of this report.

Group and BERK, developed the following allocation of countywide housing unit targets by income band to the Town, UGAs, LAMIRDS, and Rural Areas:

Figure 5. San Juan County Housing Allocations by Income Band and Area, 2020-2045

	% of Total	Total	0-30%						Emergency Housing Needs	
			Non-PSH	PSH	>30-50%	>50-80%	>80-100%	>100-120%		>120%
Friday Harbor City & UGA	29%	916	311	26	279	63	38	38	161	10
Eastsound UGA	16%	515	175	15	157	112	28	29	0	6
Lopez Village UGA	8%	244	83	7	74	55	7	8	10	3
Rural Areas / LAMIRDS / AC	47%	1,504	0	0	0	201	185	185	933	17
Countywide Total (HAPT Generated)	100%	3,180	569	48	510	431	258	260	1,104	35
Total (Less Friday Harbor)	71%	2,264	258	22	231	368	220	222	943	25

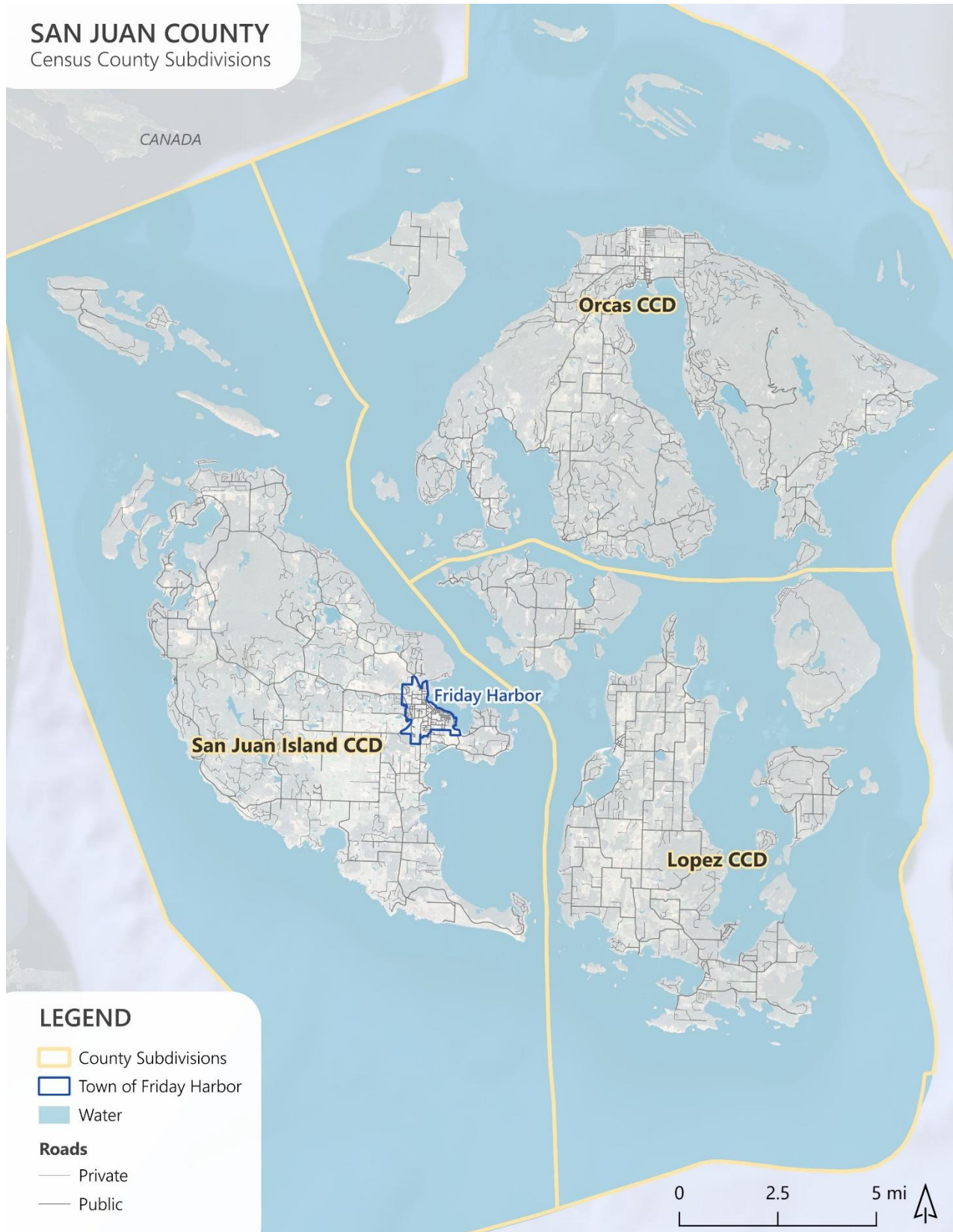
Source: WA Department of Commerce, San Juan County, Town of Friday Harbor, Leland Consulting Group

Employment Projections

In addition to housing, jurisdictions planning under the GMA must also show sufficient land capacity in commercial and industrial lands to meet expected job growth. Unlike with housing, there is not a statewide tool or framework for developing these projections. In order to determine employment targets for San Juan County, the Town of Friday Harbor, and the County’s UGAs, an employment forecast was developed using the same methodology as in the County’s previous Comprehensive Plan. In brief, this methodology used the current ratio of jobs to households and the selected population forecast to determine future job projections. LCG modified this methodology slightly as well as analyzing jobs trends by island to confirm the trajectory of future jobs in the County.

The employment targets and capacity in this analysis are aggregated by Census County Division (CCD), for consistency with the previous comprehensive plan and since this is the smallest geography at which reliable jobs data is available. The employment numbers in this analysis were drawn from the Census Bureau and Center for Economic Study’s Longitudinal Employer-Household Dynamics (LEHD) dataset. These geographies are shown below in Figure 6. Note that the Lopez CCD also contains Shaw, Decatur, and Blakely Islands, which results in lower employment numbers per capita in this CCD.

Figure 6. Census County Subdivisions in San Juan County



Source: U.S. Census Bureau TIGER/Line Shapefiles

Jobs per Person Methodology

The first step in this process is to calculate current jobs per person by CCD. Additionally, jobs per person were calculated back to 2012 to analyze any relevant trends, particularly resulting from the COVID-19 pandemic. This data is shown below in Figure 7. Overall, the County's Jobs-to-Person ratio has been consistent over the past decade. Only the Lopez Island CCD has seen a significant shift in the ratio from 0.24 in 2012 down to 0.19 in 2022.

Figure 7. Jobs, Population, and Jobs per Person Ratio in San Juan County, 2022

	Countywide			San Juan Island CCD			Orcas Island CCD			Lopez Island CCD		
	Pop	Jobs	Ratio	Pop	Jobs	Ratio	Pop	Jobs	Ratio	Pop	Jobs	Ratio
2012	15,740	4,705	0.30	8,050	2,598	0.32	4,973	1,468	0.30	2,717	639	0.24
2013	15,786	4,899	0.31	7,929	2,737	0.35	5,056	1,497	0.30	2,801	665	0.24
2014	15,847	4,865	0.31	7,771	2,624	0.34	5,198	1,611	0.31	2,878	630	0.22
2015	15,956	4,944	0.31	7,483	2,699	0.36	5,467	1,630	0.30	3,006	615	0.20
2016	16,056	5,318	0.33	7,683	2,930	0.38	5,408	1,763	0.33	2,965	625	0.21
2017	16,221	5,353	0.33	7,810	2,950	0.38	5,481	1,754	0.32	2,930	649	0.22
2018	16,473	5,476	0.33	8,024	2,993	0.37	5,379	1,821	0.34	3,070	662	0.22
2019	16,788	5,461	0.33	8,107	3,001	0.37	5,515	1,810	0.33	3,166	650	0.21
2020	16,953	4,951	0.29	8,318	2,749	0.33	5,458	1,603	0.29	3,177	599	0.19
2021	17,631	5,080	0.29	8,568	2,727	0.32	5,534	1,696	0.31	3,529	657	0.19
2022	18,001	5,450	0.30	8,953	2,924	0.33	5,452	1,849	0.34	3,596	677	0.19

Source: US Census Bureau Longitudinal Employer-Household Dynamics (LEHD), Washington Office of Financial Management

Although there have been only small fluctuations in the jobs per person across the County, an average of the past ten years (2012-2022) was used to calculate the future ratio for the purposes of forecasting. Rather than eliminating the years during which the COVID-19 pandemic significantly disrupted employment, this average attempts to smooth out the effect of the pandemic while acknowledging that employment trends are likely to retain some effect from these years. Therefore it represents a middle ground between using a pre-pandemic jobs per person ratio and simply using the most recent 2022 number. The ratios used in the forecast are shown below:

Figure 8. Jobs per Person Ratios in San Juan County CCDs, 2012-2022

	Average Jobs per Person 2012-2022
San Juan Island CCD	0.35
Orcas Island CCD	0.31
Lopez Island CCD	0.21

Source: US Census Bureau Longitudinal Employer-Household Dynamics (LEHD), Washington Office of Financial Management

Next, these ratios were multiplied by the population targets of the CCDs, as calculated based on the countywide housing allocations shown above in Figure 5. To break down the jobs targets by UGA and for the Town of Friday Harbor, the same methodology was used as in the distribution of population targets – 60 percent of the jobs on San Juan Island were allocated to Friday Harbor and 50 percent of the jobs on Orcas and Lopez islands were allocated to Eastsound and Lopez Village, respectively. The resulting jobs targets for the 2022-2045 period are shown below:

Figure 9. Employment Targets for San Juan County, 2022-2045

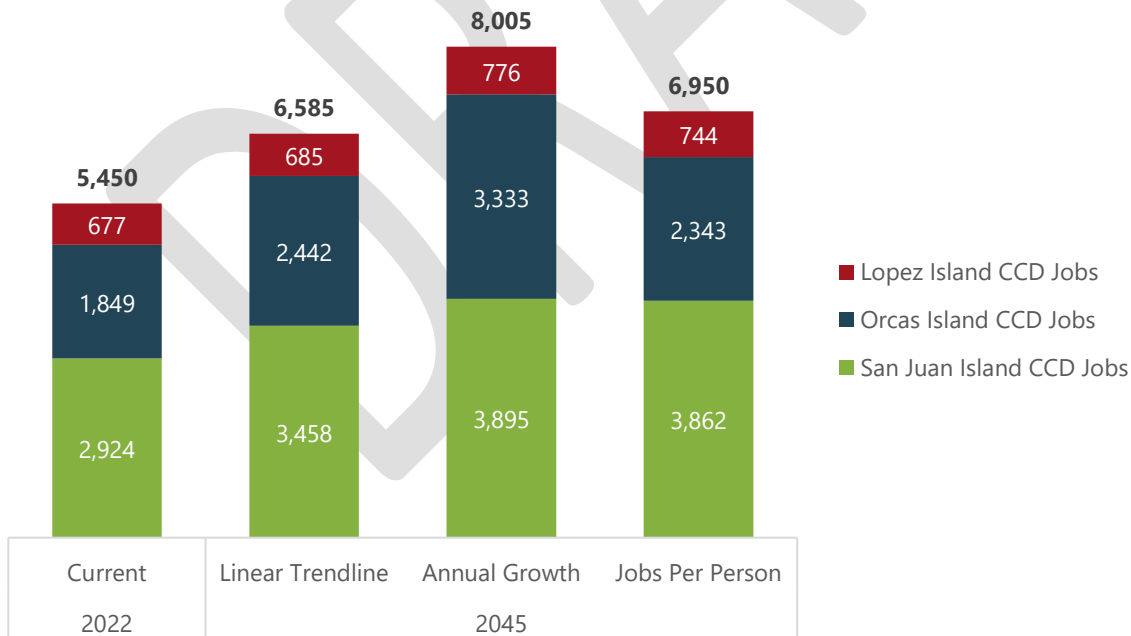
2022-2045	
Net New Jobs	
San Juan Island CCD	938
Friday Harbor	563
Orcas Island CCD	494
Eastsound UGA	247
Lopez Island CCD	67
Lopez Village	34
Countywide Total	1,499

Source: US Census Bureau Longitudinal Employer-Household Dynamics (LEHD), Washington Office of Financial Management, Leland Consulting Group

Employment Trend Verification

In order to verify these targets with recent job trends, the trends of employment growth over the past 10 years were analyzed to 2045 using two methods. First, a linear trendline was calculated based on the past 10 years of growth. Second, job growth to 2045 was estimated using the average annual growth rate over the past 10 years. The results of these two methods of job forecasts are shown below, along with the results of the “Jobs per Person” methodology described above. As shown in Figure 10, the selected “Jobs per Person” method strikes a balance between the linear job trends and the higher growth shown by assuming a continuation of the yearly growth rate. This shows that the selected job targets based on average jobs per person by CCD represent a reasonable continuation of the past 10 years of job trends in San Juan County.

Figure 10. San Juan County Employment Forecast Methodology Comparison, 2022-2045



Source: US Census Bureau Longitudinal Employer-Household Dynamics (LEHD), Washington Office of Financial Management, Leland Consulting Group

Parcel Classification

To determine developable land capacity in San Juan County, a set of assumptions was used to classify parcels as vacant, partially-used, or redevelopable. Critical area acreage and a Market Factor were then deducted to arrive at net buildable parcel acreage by land use designation. The assumptions and methodology for this process are detailed below.

Vacant

Parcels in all land use designations were classified as Vacant if the San Juan County Assessor's improvement (building) value was less than \$10,000, or if the Assessor classified the parcel as "Undeveloped Land" (Assessor code 9100).

Partially-Used

The Partially-Used classification refers to parcels in residential land use designations which are large enough to be subdivided without rezoning. Based on the previous Comprehensive Plan's LCA as well as input from staff, the land use designations considered residential in this analysis are: 2BDD, ACT, AG, C, all ER designations, FOR, HR, LGRA, LVR, OLGA, OVR2, RFF, RR, and VR/I. In these zones, parcels where the ratio of allowed density (acres per unit) to parcel size is less than or equal to 1/3 (0.333...) were classified as Partially-Used. In other words, parcels are considered to be subdividable if they are greater than three times the minimum lot size based on densities shown on the County's Comprehensive Plan maps by land use designation. In Eastsound, the densities were based on minimum lot size specified in the Eastsound Subarea Plan (SJCC 18.30.460-700). In calculating this classification in zones with density bonuses, only the base density was used.

Note that the previous LCA used a threshold of two times the minimum lot size to classify parcels as partially-used. Several Commerce guidebooks suggest the more conservative threshold of three times the minimum lot size which was used in this analysis. This allows leeway for parcels where the lot may not be subdividable even if it is technically large enough due to irregular shape, critical areas, or the orientation of existing structures.

Per Commerce guidance, very high value properties where the improvement (building) value was greater than the 93rd percentile of improvement values in the county (\$1,454,585) were also excluded, since it is unlikely that high-value homes on large properties would subdivide, and in order to attempt to create a more realistic set of subdividable parcels in the County.

Redevelopable

This category applies to parcels which are in mixed-use or commercial/industrial land use designations. For this analysis, the following land use designations were considered mixed-use or commercial/industrial: CCC, EAD, HB, HI, IC, LVC, M, MC, OHC, OVC, OVT, RG, RI, SLI, SP, VC, VCL. In these land use designations, parcels are considered Redevelopable if the improvement (building) value is greater than \$10,000 (indicating the parcel is not vacant), and the improvement (building) value is less than the land value, indicating that a more intensive use could be developed on the land. Parcels are also considered redevelopable if the parcel currently shows a single-family use code in a zone that allows multifamily housing or commercial/industrial development.

Parcels Excluded From Analysis

A number of parcels throughout the County were excluded from this analysis. These exclusion criteria were developed based on Commerce guidance, assessor codes excluded from the previous Comprehensive Plan's LCA and input from County staff, the Lopez Village and Eastsound Planning Review Commissions, and the San Juan County Planning Commission.

- In all land use designations, parcels with the following assessor codes were excluded
 - 1400 Residential Hotels/Condos
 - 9120-9123 Conservation Easements
 - 9300-9303 Water
 - 4500 Highway Right-Of-Way
- In all land use designations, parcels with assessor codes of 1200-1300 (multifamily use) and improvement to land value ratio of less than 1.0 were excluded
- In commercial/industrial land use designations, parcels with an improvement to land value ratio of greater than 1.0 and with the following assessor codes were excluded:

<ul style="list-style-type: none"> ○ 1400-1488 Accommodations ○ 1600 Hotels/motels ○ 1700 Institutional lodging ○ 2100 Food and kindred products ○ 2200 Textile Mill Products ○ 2400-2403: Lumber/wood products ○ 2500 Furniture/fixtures ○ 2600 Paper and Allied products ○ 2700 Printing and publishing ○ 2800 Chemicals ○ 2900 Petroleum refining / related ○ 3100 Rubber misc. plastic products ○ 3200 Stone, clay and glass ○ 3300 Primary metal industries ○ 3400 Fabricated metal products ○ 3500 Prof. & Scientific Instruments ○ 3900 Misc. Manufacturing ○ 4100 Railroad and Transit ○ 4200 Motor vehicle transportation ○ 4300 Aircraft transportation ○ 4400 Marine transportation ○ 4600 Automobile parking ○ 4700 Communications ○ 4900 Other transportation ○ 5000 Non-residential condos ○ 5100 Wholesale trade ○ 5200 Building & hardware & farm ○ 5300-5320 General merchandise 	<ul style="list-style-type: none"> ○ 5400-5403 Retail food ○ 5500-5503 Retail-auto, marine, aircraft ○ 5600 Apparel ○ 5700-5708 Retail furniture and home furnishings ○ 5800 Retail- Eating and drinking ○ 5900 Other retail ○ 6100 Finance, insurance & real estate ○ 6200-6220 Personal services ○ 6300 Business services ○ 6400-6402 Repair services ○ 6500-6503: Professional services ○ 6600 Contract construct. services ○ 6900-6902 Miscellaneous services ○ 7100: Cultural activities ○ 7200-7202: Public assembly ○ 7300 Amusements ○ 7400-7420 Recreational activities ○ 7500 Resorts and group camps ○ 7900 Other recreational ○ 8100-8328: Agriculture ○ 8400 Fishing and related services ○ 8500 Mining activities ○ 7600 Parks ○ 4800-4820 Utilities ○ 6800-6820 Educational services ○ 6700-6793 Governmental services
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In addition to these exclusions based on assessor codes, further parcels were excluded from the land capacity analysis as follows:

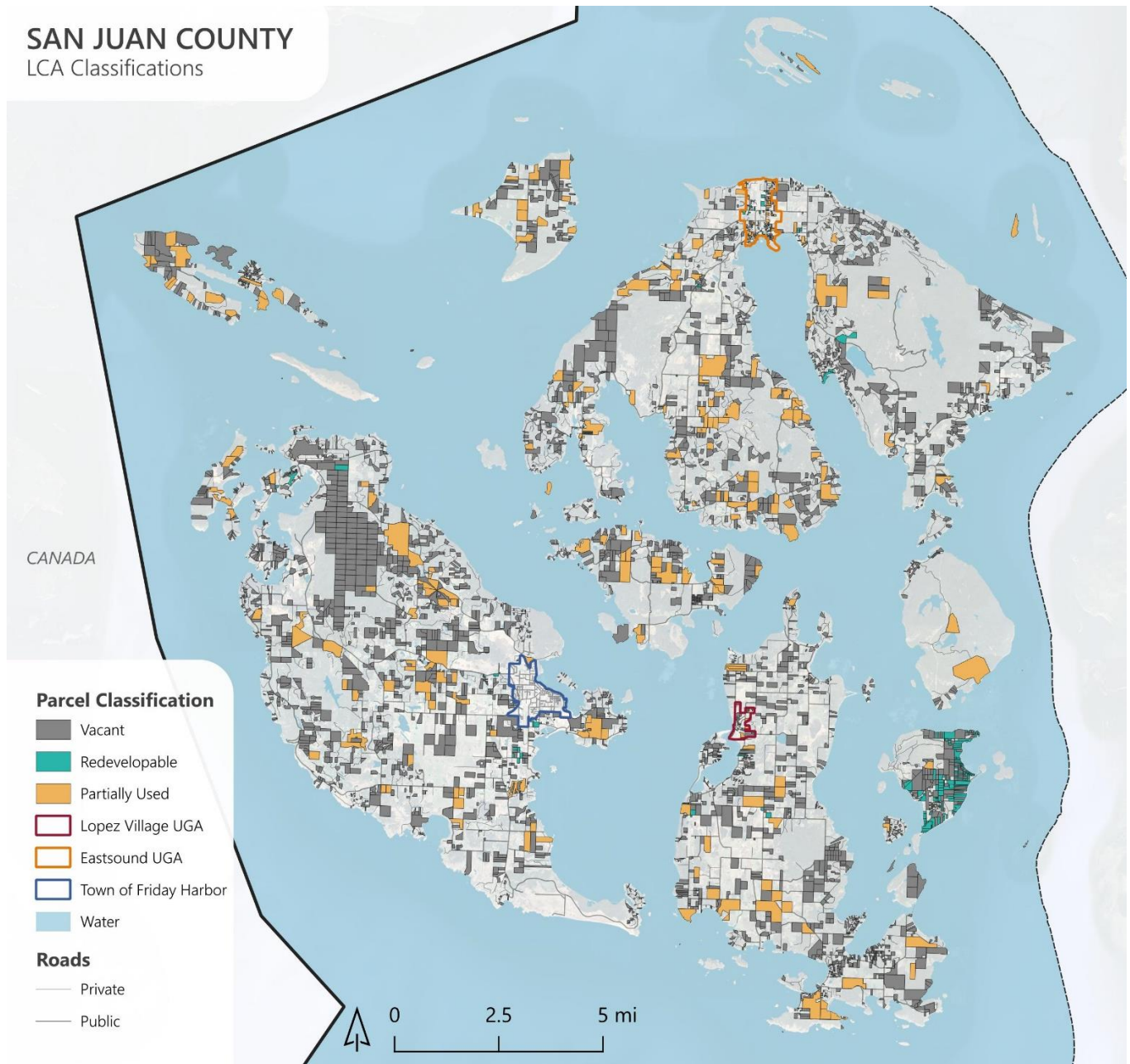
- All parcels in land use designations N (Natural), EN (Eastsound Natural), OCC (Olga Community Center), and HP (Hamlet Park)
- Parcels owned by the San Juan County Conservation Land Bank
- Mobile home parks
- Common areas of Condominiums
- All parcels which are made up entirely of a parking lot, regardless of assessor code
- Parcels in which the legal description indicates a conservation easement, regardless of assessor code
- Parcels for which there is a permit that has been finalized in the past five years or for which there is an outstanding permit.

Staff and Committee Adjustments

Following this initial parcel classification, maps were provided to County staff and the Eastsound and Lopez Village Planning Review Committees. These discussions resulted in further refinement of the parcel classifications, including identification of some recent or in-progress developments, several parcels which are unlikely to develop due to tribal or public ownership, undevelopable parcels in the Eastsound airport mis-classified by the assessor, and parcels unlikely to subdivide due to known deed restrictions.

The final map of parcels classified as vacant, partially-used, and redevelopable is shown below.

Figure 11. San Juan County Land Capacity Analysis Parcel Classifications



Critical Areas

Following the parcel classification, areas of vacant, partially-used, and redevelopable parcels that intersect with critical areas were removed, using the same methodology as the previous Comprehensive Plan's LCA. Acreage of following areas intersecting vacant, partially-used, or redevelopable parcels was deducted from the total parcel acreage:

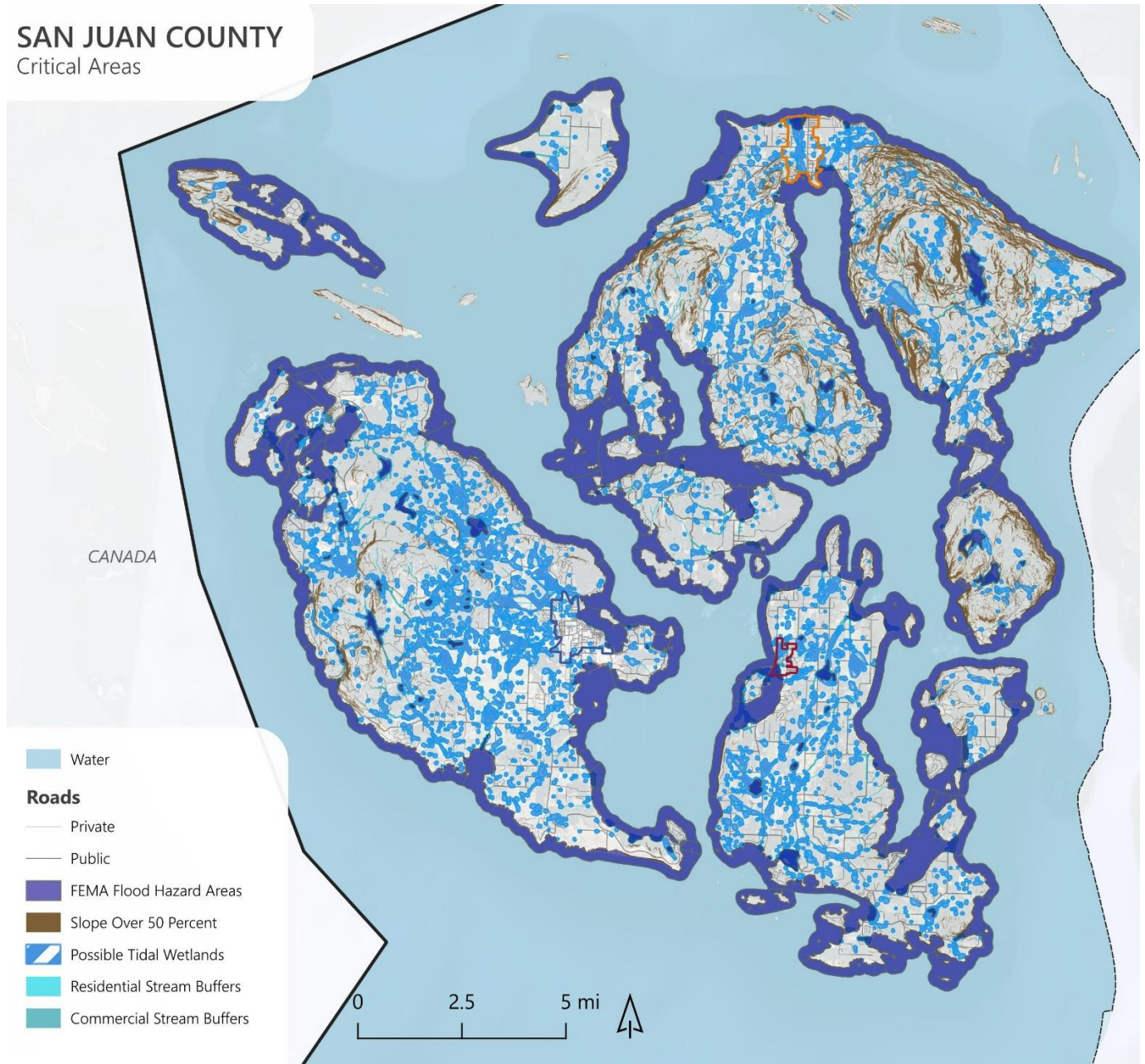
- **Wetlands:** The County's possible wetland inventory.
- **Streams:** The County's base stream dataset as well as the WFC stream dataset provided by the County, with stream centerlines and an assumed 35 feet of non-buildable area on either side of the centerline, corresponding with Tree Protection Zone 1 (TPZ 1) per SJCC Table 18.35.130-2.
- **Steep Slopes:** Areas with slopes greater than 50 percent which are considered Category 1 geo-hazards. Development in these areas is limited per SJCC 18.35.065.
- **Flood Plain:** Land located within 100-year floodplains as shown on the Federal Emergency Management Agency (FEMA), April 2017, Flood Insurance Rate Maps (FIRMS).

In addition, for Mixed-Use, Commercial, and Industrial land use designations only, increased buffers were applied to streams and wetlands. This is because the County's reasonable use exemption and other standards allow for flexible development of residential uses on parcels which contain critical areas, whereas standards for commercial development are more stringent. The increased buffers on non-residential vacant, partially-used, and redevelopable parcels were as follows, and are very similar to the buffers used in the previous Comprehensive Plan's LCA:

- A 150 foot wetland buffer because most of the County's wetlands are Class III or Class IV and industrial and commercial uses are designated high intensity uses (SJCC 18.35.095 and Tables 18.35.100-2 and 18.35.100-2),
- The following Tree Protection Zone buffers:
 - 110 feet from the centerline for Type F (Type 2 or 3) streams and ponds;
 - 50 feet from the centerline for Type Np (Type 4) streams;
 - 30 feet from the centerline for Type Ns (Type 5) streams; and
 - 30 feet from the centerline for un-typed streams.

A map of the critical areas used in this process is shown below:

Figure 12. Critical Areas Used in San Juan County Land Capacity Analysis



Market Factor

Following these Critical Area deductions, an additional deduction for Market Factor was applied to all parcels. This deduction represents the fact that not all parcels will develop over the 20-year planning horizon due to fluctuations in the market and desires of individual property owners. For this analysis, the Market Factor was set at a 15 percent reduction for vacant parcels and a 25 percent reduction for partially-used and redevelopable parcels. This Market Factor is supported by Commerce’s most recent guidance in the August 2023 “Guidance for Updating your Housing Element”, as well as previous guidance in the UGA and Buildable lands Guidebooks. Additionally, the small sample size of data and atypical development patterns in San Juan County made further calculations of Market Factor at a more granular level very challenging. The baseline Commerce Market Factors were also used in the previous Comprehensive Plan’s LCA.

Total Acreage

The tables below show the vacant, redevelopable, partially-used, and total developable acreage by UGA, LAMIRD, and Rural Area (broken out by island), as well as the unconstrained acreage (after removing critical areas) and the net acres (after applying market factor reductions).

Figure 13. Developable Acreage in Eastsound and Lopez Village UGAs for Land Capacity Analysis

UGA	Land Use Designation	Vacant			Redevelopable			Partially Used			Total Net Developable Acres
		Gross Acres	Unconstrained Gross Acres	Net Acres	Gross Acres	Unconstrained Gross Acres	Net Acres	Gross Acres	Unconstrained Gross Acres	Net Acres	
Eastsound UGA	ER1	0.6	0.4	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.4
Eastsound UGA	ER1P	10.6	8.2	6.9	0.0	0.0	0.0	0.0	0.0	0.0	6.9
Eastsound UGA	ER2	5.7	5.2	4.4	0.0	0.0	0.0	11.2	9.0	6.8	11.2
Eastsound UGA	ER2P	2.9	2.5	2.1	0.0	0.0	0.0	9.1	7.9	5.9	8.1
Eastsound UGA	ER412	8.0	7.3	6.2	0.0	0.0	0.0	6.1	6.1	4.6	10.8
Eastsound UGA	ER4P	12.6	12.6	10.7	0.6	0.6	0.4	11.5	11.5	8.6	19.7
Eastsound UGA	M	0.0	0.0	0.0	2.9	2.0	1.5	0.0	0.0	0.0	1.5
Eastsound UGA	SLI	4.4	4.4	3.7	20.3	17.2	12.9	0.0	0.0	0.0	16.6
Eastsound UGA	VC	4.5	3.7	3.1	7.8	5.9	4.4	0.0	0.0	0.0	7.6
Eastsound UGA	VCL	1.2	1.2	1.0	0.9	0.9	0.7	0.0	0.0	0.0	1.7
Eastsound UGA	VR/I	4.0	3.9	3.4	0.0	0.0	0.0	21.2	20.5	15.4	18.7
Eastsound UGA	Airport 2	2.3	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Eastsound UGA	Airport 3 Inner	0.9	0.7	0.6	3.1	0.0	0.0	1.6	1.0	0.7	1.4
Eastsound UGA	Airport 3 Outer	5.4	4.8	4.0	1.4	1.4	1.0	1.7	1.4	1.1	6.1
Eastsound UGA	Airport 4	4.3	2.1	1.8	0.0	0.0	0.0	0.0	0.0	0.0	1.8
Lopez Village UGA	LVC	5.3	3.0	2.5	4.1	3.4	2.6	0.0	0.0	0.0	5.1
Lopez Village UGA	LVR	35.3	29.4	25.0	0.0	0.0	0.0	32.8	28.2	21.1	46.1
Lopez Village UGA	LVI	2.3	2.3	2.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0

Figure 14. Developable Acreage in LAMIRDS for Land Capacity Analysis

Activity Center (LAMIRD)	Land Use Designation	Vacant			Redevelopable			Partially Used			Total Net Developable Acres
		Gross Acres	Unconstrained Gross Acres	Net Acres	Gross Acres	Unconstrained Gross Acres	Net Acres	Gross Acres	Unconstrained Gross Acres	Net Acres	
Deer Harbor	HC	0.1	0.1	0.0	2.3	2.0	1.5	0.0	0.0	0.0	1.6
Deer Harbor	HI	4.0	3.2	2.8	2.3	1.0	0.7	0.0	0.0	0.0	3.5
Deer Harbor	HR	21.0	20.0	17.0	0.0	0.0	0.0	13.4	13.4	10.0	27.1
Doe Bay	ACT - Doe Bay	9.8	8.5	7.3	0.0	0.0	0.0	0.0	0.0	0.0	7.3
Island Center Lopez	RFF	9.9	9.8	8.3	0.0	0.0	0.0	0.0	0.0	0.0	8.3
Marine Center	MC	10.9	10.8	9.2	4.8	4.3	3.3	0.0	0.0	0.0	12.4
Olga	OLGA	7.5	7.3	6.2	0.0	0.0	0.0	0.0	0.0	0.0	6.2
Orcas Village	OVC	0.0	0.0	0.0	4.8	4.6	3.5	0.0	0.0	0.0	3.5
Orcas Village	OVR2	12.5	10.5	8.9	0.0	0.0	0.0	6.1	5.0	3.7	12.6
Picnic AC	ACT - Picnic AC	0.6	0.5	0.4	0.0	0.0	0.0	7.9	6.5	4.9	5.3
Rosario	2 BDD	33.0	32.0	27.2	0.0	0.0	0.0	0.0	0.0	0.0	27.2
Rosario	ACT - Rosario	36.7	29.7	25.2	0.0	0.0	0.0	0.0	0.0	0.0	25.2
Rural Eastsound Subarea	CCC	0.0	0.0	0.0	5.0	5.0	3.8	0.0	0.0	0.0	3.8
Rural Eastsound Subarea	ER	59.0	51.3	43.6	0.0	0.0	0.0	0.0	0.0	0.0	43.6
Rural Eastsound Subarea	ER4P	28.1	28.1	23.9	0.0	0.0	0.0	0.0	0.0	0.0	23.9
Rural Eastsound Subarea	ERR	35.6	29.1	24.7	0.0	0.0	0.0	19.4	19.3	14.5	39.2
Rural Eastsound Subarea	ERRP2	14.3	13.6	11.6	0.0	0.0	0.0	19.4	18.6	13.9	25.5
Rural Eastsound Subarea	SP	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Figure 15. Developable Acreage in Rural Areas for Land Capacity Analysis

Island	Land Use Designation	Vacant			Redevelopable			Partially Used			Total Net Developable Acres
		Gross Acres	Unconstrained Gross Acres	Net Acres	Gross Acres	Unconstrained Gross Acres	Net Acres	Gross Acres	Unconstrained Gross Acres	Net Acres	
Blakely	FOR	6.7	6.1	5.2	0.0	0.0	0.0	291.7	233.9	175.4	180.6
Blakely	RFF	43.7	37.1	31.6	0.0	0.0	0.0	0.0	0.0	0.0	31.6
Blakely	RG	5.1	4.8	4.1	0.8	0.7	0.5	0.0	0.0	0.0	4.6
Blakely	RR	35.9	32.7	27.8	0.0	0.0	0.0	0.0	0.0	0.0	27.8
Brown	RR	7.2	6.3	5.4	0.0	0.0	0.0	0.0	0.0	0.0	5.4
Center	RR	31.5	30.5	25.9	0.0	0.0	0.0	15.4	15.0	11.2	37.1
Crane	RR	33.3	29.1	24.8	0.0	0.0	0.0	0.0	0.0	0.0	24.8
Decatur	RG	653.1	564.3	479.7	448.1	377.4	283.0	0.0	0.0	0.0	762.7
Decatur	RI	0.0	0.0	0.0	18.6	12.1	9.1	0.0	0.0	0.0	9.1
Decatur	RR	64.1	57.6	49.0	0.0	0.0	0.0	20.2	19.9	14.9	63.9
Johns	RFF	48.9	37.5	31.9	0.0	0.0	0.0	37.2	33.0	24.7	56.6
Johns	RR	24.8	19.9	16.9	0.0	0.0	0.0	0.0	0.0	0.0	16.9
Lopez	AG	586.9	477.3	405.7	0.0	0.0	0.0	364.5	318.8	239.1	644.8
Lopez	AG	161.0	145.5	123.7	0.0	0.0	0.0	0.0	0.0	0.0	123.7
Lopez	AG	80.5	71.4	60.7	0.0	0.0	0.0	0.0	0.0	0.0	60.7
Lopez	AG	155.4	125.9	107.0	0.0	0.0	0.0	127.2	114.7	86.0	193.0
Lopez	C	17.0	15.7	13.4	0.0	0.0	0.0	0.0	0.0	0.0	13.4
Lopez	FOR	557.5	505.3	429.5	0.0	0.0	0.0	0.0	0.0	0.0	429.5
Lopez	LGRA	1.3	1.3	1.1	0.0	0.0	0.0	15.2	14.4	10.8	11.9
Lopez	RFF	975.9	878.4	746.7	0.0	0.0	0.0	369.7	321.0	240.7	987.4
Lopez	RFF	872.6	803.1	682.6	0.0	0.0	0.0	269.1	254.0	190.5	873.2
Lopez	RFF	235.0	190.7	162.1	0.0	0.0	0.0	0.0	0.0	0.0	162.1
Lopez	RFF	6.7	6.7	5.7	0.0	0.0	0.0	0.0	0.0	0.0	5.7
Lopez	RG	16.8	14.0	11.9	0.0	0.0	0.0	0.0	0.0	0.0	11.9
Lopez	RG	1.0	1.0	0.8	1.3	1.3	1.0	0.0	0.0	0.0	1.8
Lopez	RI	1.6	1.6	1.3	10.0	9.9	7.4	0.0	0.0	0.0	8.7
Lopez	RR	92.2	79.1	67.3	0.0	0.0	0.0	0.0	0.0	0.0	67.3
Lopez	RR	26.5	24.6	20.9	0.0	0.0	0.0	89.7	86.0	64.5	85.4
Orcas	AG	137.2	130.0	110.5	0.0	0.0	0.0	65.9	38.2	28.6	139.1
Orcas	AG	251.1	226.5	192.5	0.0	0.0	0.0	178.1	126.5	94.9	287.4
Orcas	C	85.1	80.3	68.3	0.0	0.0	0.0	79.3	76.9	57.6	125.9
Orcas	FOR	2234.1	1611.0	1369.3	0.0	0.0	0.0	479.4	348.8	261.6	1630.9
Orcas	RFF	2884.5	2400.5	2040.4	0.0	0.0	0.0	1303.1	1093.8	820.4	2860.8
Orcas	RFF	107.9	78.8	66.9	0.0	0.0	0.0	0.0	0.0	0.0	66.9
Orcas	RFF	77.3	70.6	60.0	0.0	0.0	0.0	0.0	0.0	0.0	60.0
Orcas	RFF	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Orcas	RR	323.2	237.6	202.0	0.0	0.0	0.0	0.0	0.0	0.0	202.0
Other Islands	C	35.8	26.8	22.8	0.0	0.0	0.0	89.5	75.3	56.4	79.3
Other Islands	C	120.0	91.9	78.1	0.0	0.0	0.0	0.0	0.0	0.0	78.1
Other Islands	C	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Islands	RFF	180.7	166.2	141.3	0.0	0.0	0.0	112.4	87.1	65.3	206.6
Other Islands	RR	89.4	70.4	59.9	0.0	0.0	0.0	17.3	5.8	4.4	64.2
Pearl	RR	5.2	4.5	3.8	0.0	0.0	0.0	0.0	0.0	0.0	3.8
San Juan	AG	820.8	696.0	591.6	0.0	0.0	0.0	241.9	162.7	122.0	713.6
San Juan	AG	386.1	335.8	285.5	0.0	0.0	0.0	0.0	0.0	0.0	285.5
San Juan	C	47.7	35.3	30.0	0.0	0.0	0.0	0.0	0.0	0.0	30.0
San Juan	FHUA	0.2	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2
San Juan	FOR	1.0	1.0	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.8
San Juan	FOR	600.2	534.5	454.4	0.0	0.0	0.0	0.0	0.0	0.0	454.4
San Juan	RFF	2468.1	2172.2	1846.3	0.0	0.0	0.0	1063.9	857.3	642.9	2489.3
San Juan	RFF	3021.4	2666.6	2266.6	0.0	0.0	0.0	425.9	319.6	239.7	2506.3
San Juan	RG	128.2	96.8	82.3	47.5	39.2	29.4	0.0	0.0	0.0	111.7
San Juan	RI	7.1	7.1	6.0	0.0	0.0	0.0	0.0	0.0	0.0	6.0
San Juan	RR	775.5	719.4	611.5	0.0	0.0	0.0	90.8	75.9	56.9	668.4
San Juan	RR	71.0	66.5	56.5	0.0	0.0	0.0	0.0	0.0	0.0	56.5
Shaw	C	0.0	0.0	0.0	0.0	0.0	0.0	18.7	17.9	13.4	13.4
Shaw	C	74.2	68.3	58.1	0.0	0.0	0.0	0.0	0.0	0.0	58.1
Shaw	FOR	190.9	176.4	149.9	0.0	0.0	0.0	91.7	84.9	63.7	213.6
Shaw	RFF	527.9	488.4	415.1	0.0	0.0	0.0	348.6	320.8	240.6	655.7
Shaw	RR	263.3	228.0	193.8	0.0	0.0	0.0	109.6	92.9	69.7	263.5
Stuart	RFF	245.2	197.4	167.8	0.0	0.0	0.0	164.8	143.6	107.7	275.5
Stuart	RFF	282.4	199.6	169.6	0.0	0.0	0.0	153.1	105.0	78.7	248.4
Stuart	RR	80.3	70.8	60.2	0.0	0.0	0.0	77.5	61.8	46.3	106.5
Waldron	C	4.4	1.9	1.6	0.0	0.0	0.0	0.0	0.0	0.0	1.6
Waldron	RFF	212.7	200.9	170.8	0.0	0.0	0.0	78.6	72.5	54.3	225.1
Waldron	RFF	445.9	428.2	364.0	0.0	0.0	0.0	254.5	234.9	176.2	540.2

Density and Use Assumptions

Having established the total vacant, redevelopable, and partially-used acreage, the next step in the Land Capacity Analysis is to establish how much of the acreage will be developed with residential and commercial uses and to establish an assumed density of future development by land use designation. These assumptions are then multiplied by the potentially developed acres to determine capacity for housing units and jobs.

Use Mix

Chapter 18.30 of the San Juan County Code contains use tables and descriptions of allowed uses within the County's land use designations. These use tables were supplemented by analysis of recent permit data to determine what percentage of available acreage by land use designation should be considered for residential and commercial development.

Eastsound UGA

In the Eastsound UGA, the ER zones are residential by definition, and are assumed to develop with fully residential uses. The Marina zone has very little redevelopable acreage or recent development but allows a mix of residential and commercial uses and is therefore split evenly between residential and commercial uses. The VC, VCL, and VR/I zones allow a mix of uses. Analysis of recent permit data in the VC and VCL zones indicates that 12 percent of recently issued permits were for commercial uses. In the VR/I zone, 11 percent of recently issued permits were for commercial uses. The assumed residential share in these zones was set at 80 percent, to reflect a balance of recent permits and existing uses which are more evenly distributed between residential and commercial in these areas. The Airport overlay zones overlay the VC and VR/I areas, so the same share was assumed in these areas. Figure 16 shows these assumptions for the Eastsound UGA.

Figure 16. Assumed Residential/Commercial Mix in Eastsound UGA for LCA

Land Use Designation	Description	Assumed % Residential
ER1	Eastsound Residential 1/acre	100%
ER1P	Eastsound Residential 1/acre P	100%
ER2	Eastsound Residential 2/acre	100%
ER2P	Eastsound Residential 2/acre P	100%
ER412	Eastsound Residential 4-12 units/acre	100%
ER4P	Eastsound Residential 4/acre P	100%
M	Marina	50%
SLI	Service Light Industrial	0%
VC	Village Commercial	80%
VCL	Village Commercial Limited	80%
VR/I	Village Residential / Institutional	80%
Airport 2	Airport 2	80%
Airport 3 Inner	Airport 3 Inner	80%
Airport 3 Outer	Airport 3 Outer	80%
Airport 4	Airport 4	80%

Source: San Juan County Code, San Juan County Permit Data, Leland Consulting Group

Lopez Village UGA

In Lopez Village, there are three land use designations. The Lopez Village Commercial designation allows a mix of uses, with little recent activity and a broad mix of existing uses. Therefore, the residential/commercial split was set at 50

percent. The Lopez Village Residential designation is assumed to develop as 100 residential. The Lopez Village Institutional designation does not allow housing except as an accessory use, so is assumed to develop as 100 commercial.

Activity Centers (LAMIRDS) and Rural Areas

In Activity Centers and rural areas, capacity in residential land use designations was calculated as 100 percent residential uses, capacity in mixed-use designations (in Activity Centers) was split evenly between residential and commercial, and capacity in commercial and industrial areas was calculated as 100 percent commercial, as shown in the tables below.

Figure 17. Assumed Residential/Commercial Mix in Activity Centers for LCA

Area	Land Use Designation	Description	Assumed % Residential
Deer Harbor	HC	Hamlet Commercial	50%
Deer Harbor	HI	Hamlet Industrial	0%
Deer Harbor	HR	Hamlet Residential	100%
Doe Bay	ACT - Doe Bay	Activity Center	100%
Island Center Lopez	RFF	Rural Farm - Forest	100%
Marine Center	MC	Marine Center	50%
Olga	OLGA	Olga Hamlet	100%
Orcas Village	OVC	Orcas Village Commercial	0%
Orcas Village	OVR2	Orcas Village Residential	100%
Picnic AC	ACT - Picnic AC	Activity Center	100%
Rosario	2 BDD	2 Base Density District	100%
Rosario	ACT - Rosario	Activity Center	100%
Rural Eastsound Subarea	CCC	Country Corner Commercial	0%
Rural Eastsound Subarea	ER	Eastsound Rural	100%
Rural Eastsound Subarea	ER4P	Eastsound Residential 4/acre P	100%
Rural Eastsound Subarea	ERR	Eastsound Rural Residential	100%
Rural Eastsound Subarea	ERRP2	Eastsound Rural Residential 2/acre P	100%
Rural Eastsound Subarea	SP	Service Park	0%

Figure 18. Assumed Residential/Commercial Mix in Rural Areas for LCA

Land Use Designation	Description	Assumed % Residential
AG	Agricultural Resource Lands	100%
C	Conservancy	100%
FHUA	Friday Harbor Unincorporated UGA	100%
FOR	Forest Resource Lands	0%
LGRA	Lopez Village Growth Reserve Area	100%
RFF	Rural Farm-Forest	100%
RG	Rural General Use	0%
RI	Rural Industrial	0%
RR	Rural Residential	100%

Residential Density

Next, residential density assumptions were developed for each area and land use designation. These densities are based on a combination of minimum and maximum allowed densities by land use designation in the San Juan County Code, supplemented with data on existing built density and recently permitted density. The selected densities represent an assumed future density (see box at right), balancing the realities of achieved densities by land use designation with potential densities which could serve a variety of income bands, and which may be seen in the future as the market shifts over time and various other factors come into play, such as the potential for increased county or state funding of affordable housing development.

Commerce Guidance on Assumed Densities

Commerce’s August 2023 “Guidance for Updating Your Housing Element” describes the purpose and considerations for assumed densities:

“Since the LCA is a forward-looking analysis, jurisdictions should focus on the level of development expected to occur during the planning period. Assumed densities for use in the LCA should consider the maximum densities allowed under zoning, and historic trends and achieved residential densities, as well as factors, which may cause trends to change in the future.”

Eastsound UGA

The assumed densities for Eastsound are shown below in Figure 19. In general, the lower-density residential districts follow the maximum allowed zoning density, which is also reflected in recent and achieved development. In the VC, VCL, and VR/I zones, the assumed densities reflect a middle ground between what has been achieved recently and what is allowed in the code. VC allows up to 40 units per acre, but the assumed density of 18 units per acre reflects more of a balance between the lower-density development seen in this zone and the potential for higher-density projects to be built over the planning horizon. The assumed 18 units per acre is still lower than the maximum recently achieved density of 27.5 units per acre. In the airport overlay zones, density maximums are reduced due to FAA regulations. Most parcels in the airport overlays are in the VC or VR/I land use designations, which allow a maximum of 12-40 units per acre, so the maximum allowed densities within the airport overlays are used, since they are significantly lower than the densities otherwise allowed in those areas. Since the Airport 3 Outer overlay also contains some parcels in the ER4P designation, an assumed density below the maximum of 8 units per acre is used.

Figure 19. Eastsound UGA Achieved, Recent (2019-2024) and Assumed Densities for LCA

Zone	Description	Minimum Density (du/ac)	Maximum Density (du/ac)	Average Total Achieved Density (du/ac)	Average Recent Density (du/ac)	Maximum Recent/Achieved Density (du/ac)	Assumed Density for LCA (du/ac)
ER1	Eastsound Residential 1/acre		1	1.0	1.8		1.0
ER1P	Eastsound Residential 1/acre P		1	0.9			1.0
ER2	Eastsound Residential 2/acre		2	1.9	1.3		2.0
ER2P	Eastsound Residential 2/acre P		2	1.4	1.4		2.0
ER412	Eastsound Residential 4-12 units/acre	4	12	5.8	5.5	10.8	8.0
ER4P	Eastsound Residential 4/acre P		4	2.5	4.1		4.0
M	Marina	6	8	2.9			7.0
SLI	Service Light Industrial						
VC	Village Commercial	4	40	4.5	9.7	27.5	18.0
VCL	Village Commercial Limited	4	40	2.8			15.0
VR/I	Village Residential / Institutional	4	12	1.8	3	12.0	8.0
Airport 2	Airport 2		1				1.0
Airport 3 Inner	Airport 3 Inner		4				4.0
Airport 3 Outer	Airport 3 Outer		8				6.0
Airport 4	Airport 4		4				4.0

Lopez Village UGA

In Lopez Village, density bonuses for affordable housing and for efficient water usage allow densities up to 12 units per acre. Such densities do exist in the Commercial area, so an assumed density of 10 units per acre was used. In the residential area, the average achieved density is only 2.4 units per acre, but this includes development prior to the adoption of regulations precluding subdivision of parcels at a density less than 6 units per acre. Given that projects exist that have exceeded 6 units per acre, and that projects taking advantage of the density bonus have been constructed in the UGA, an assumed density slightly higher than the base 6 units per acre was chosen, but not as high as in the commercial area. These density assumptions balance the capacity of the UGA to accommodate lower-income units using the density bonus while also acknowledging the reality that lower-density development is likely to continue in Lopez Village.

Figure 20. Lopez Village UGA Achieved, Recent (2019-2024) and Assumed Densities for LCA

Zone	Description	Minimum Density (du/ac)	Maximum Density (du/ac)	Average Existing Density (du/ac)	Maximum Existing Density (du/ac)	Assumed Density for LCA (du/ac)
LVC	Lopez Village Commercial	none	12	5.0	14.0	10.0
LVR	Lopez Village Residential	6	12	2.4	7.6	8.0

Activity Centers (LAMIRDS) and Rural Areas

In LAMIRDS, the majority of land use designations allow very low densities of between 0.2 and 0.5 units per acre. However, the HC, HR, ACT – Doe Bay, OLGA, and ACT-Rosario land use designations allow densities up to 2 units per acre when affordable housing is provided. Based on staff feedback, these bonuses are infrequently used. For the purposes of this analysis, capacity was analyzed using an assumption that 90 percent of development in these areas would be market-rate at the lower density, and 10 percent may use the affordability bonus at the higher density, bringing the weighted average up slightly in these areas as shown below in Figure 21. This balances the potential for lower-income units in Activity Centers with the reality that they are infrequently developed in these areas.

Figure 21. Activity Center (LAMIRD) Achieved, Recent (2019-2024) and Assumed Densities for LCA

Area	Zone	Description	Maximum Density (du/ac)	Existing Density (du/ac)	Recent Permit Density (du/ac)	Assumed Market-Rate Density	Market Rate %	Assumed Affordable Density	Assumed Affordable %	Assumed Density for LCA (du/ac)
Deer Harbor	HC	Hamlet Commercial	0.5	0.85		0.5	90%	2.0	10%	0.7
Deer Harbor	HR	Hamlet Residential	0.5	0.35	0.1	0.5	90%	2.0	10%	0.7
Doe Bay	ACT - Doe Bay	Activity Center	0.2	0.87		0.2	90%	2.0	10%	0.4
Marine Center	MC	Marine Center	4	0.95						1.0
Olga	OLGA	Olga Hamlet	0.5	2.13	3.5	0.5	90%	2.0	10%	0.7
Orcas Village	OVR2	Orcas Village Residential	0.5	0.67	1.0					0.5
Picnic AC	ACT - Picnic AC	Activity Center	0.5	0.72	0.5					0.5
Rosario	2 BDD	2 Base Density District	2	0.82	0.43	1	90%	2.0	10%	1.1
Rosario	ACT - Rosario	Activity Center	0.5	1.15	2.2	0.5	90%	2.0	10%	0.7
Rural Eastsound Subarea	ER	Eastsound Rural	0.2	0.13	0.4					0.2
Rural Eastsound Subarea	ER4P	Eastsound Residential 4/acre P	4	2.50	4.1					4.0
Rural Eastsound Subarea	ERR	Eastsound Rural Residential	0.2	0.71	0.716					0.2
Rural Eastsound Subarea	ERRP2	Eastsound Rural Residential 2/acre P	0.5	0.71	1.71					1.7

In rural areas, densities were calculated based on the densities (expressed in **acres per dwelling unit**) shown on the San Juan County official land use maps. These densities are shown below, broken out by island and land use designation.

Figure 22. Rural Achieved, Recent (2019-2024) and Assumed Densities for LCA

Area	LU Designation	Description	Density (acres per unit)
Blakely	RFF	Rural Farm-Forest	5
Blakely	RR	Rural Residential	5
Brown	RR	Rural Residential	5
Center	RR	Rural Residential	5
Crane	RR	Rural Residential	5
Decatur	RR	Rural Residential	5
Johns	RFF	Rural Farm-Forest	5
Johns	RR	Rural Residential	5
Lopez	AG	Agricultural Resource Lands	10
Lopez	AG	Agricultural Resource Lands	15
Lopez	AG	Agricultural Resource Lands	20
Lopez	AG	Agricultural Resource Lands	40
Lopez	C	Conservancy	10
Lopez	LGRA	Lopez Village Growth Reserve Area	5
Lopez	RFF	Rural Farm-Forest	5
Lopez	RFF	Rural Farm-Forest	10
Lopez	RFF	Rural Farm-Forest	15
Lopez	RFF	Rural Farm-Forest	20
Lopez	RR	Rural Residential	5
Lopez	RR	Rural Residential	10
Orcas	AG	Agricultural Resource Lands	10
Orcas	AG	Agricultural Resource Lands	20
Orcas	C	Conservancy	5
Orcas	RFF	Rural Farm-Forest	5
Orcas	RFF	Rural Farm-Forest	10
Orcas	RFF	Rural Farm-Forest	20
Orcas	RFF	Rural Farm-Forest	W
Orcas	RR	Rural Residential	5
Other Islands	C	Conservancy	5
Other Islands	C	Conservancy	10
Other Islands	C	Conservancy	P
Other Islands	RFF	Rural Farm-Forest	5
Other Islands	RR	Rural Residential	5
Pearl	RR	Rural Residential	5
San Juan	AG	Agricultural Resource Lands	10
San Juan	AG	Agricultural Resource Lands	40
San Juan	C	Conservancy	10
San Juan	FHUA	Friday Harbor Unincorporated UGA	0.25
San Juan	RFF	Rural Farm-Forest	5
San Juan	RFF	Rural Farm-Forest	10
San Juan	RR	Rural Residential	5
San Juan	RR	Rural Residential	10
Shaw	C	Conservancy	5
Shaw	C	Conservancy	P
Shaw	RFF	Rural Farm-Forest	5
Shaw	RR	Rural Residential	5
Stuart	RFF	Rural Farm-Forest	5
Stuart	RFF	Rural Farm-Forest	10
Stuart	RR	Rural Residential	5
Waldron	C	Conservancy	10
Waldron	RFF	Rural Farm-Forest	5
Waldron	RFF	Rural Farm-Forest	10

Commercial Density

To calculate potential employment density on vacant, underutilized, and partially-used parcels, an assumption of jobs per acre was developed for each commercial and mixed-use land use designation, and applied to the developable acreage. This used data on existing commercial FAR by land use designation and average square feet per job by CCD gathered and calculated during the previous Comprehensive Plan's LCA. Since very little commercial development has occurred in the County since the previous plan was developed, staff and the consultant team determined that these numbers were sufficiently accurate to use in this analysis. Unlike the previous LCA, this analysis does not consider maximum and achieved FAR, since using maximum FAR results in unrealistically high jobs counts. Using the more conservative achieved FAR is more representative of potential future employment numbers in the County. The tables below show the achieved FAR, square feet per job, and assumed job density expressed in jobs per acre used in this LCA.

Figure 23. Eastsound UGA Assumed Job Density by Land Use Designation for LCA

Zone	Description	Achieved Density (FAR)	Square Feet per Job	Assumed Job Density (Jobs/Acre)
M	Marina	0.03	531.0	2.8
SLI	Service Light Industrial	0.47	531.0	38.2
VC	Village Commercial	0.39	531.0	32.0
VCL	Village Commercial Limited	0.39	531.0	32.0
VR/I	Village Residential / Institutional	0.16	531.0	12.7
Airport 2	Airport 2	0.47	531.0	38.6
Airport 3 Inner	Airport 3 Inner	0.16	531.0	13.1
Airport 3 Outer	Airport 3 Outer	0.16	531.0	13.1
Airport 4	Airport 4	0.16	531.0	13.1

Figure 24. Lopez Village UGA Assumed Job Density by Land Use Designation for LCA

Zone	Description	Achieved FAR	Square Feet per Job	Assumed Job Density for LCA (Jobs/Acre)
LVC	Lopez Village Commercial	0.9	415.3	95.9
LVR	Lopez Village Residential	0.9	415.3	95.9
LVI	Lopez Village Institutional	0.9	415.3	95.9

Figure 25. LAMIRD/Activity Center Assumed Job Density by Land Use Designation for LCA

Area	Zone	Description	Achieved Job Density (FAR)	Square Feet per Job	Assumed Job Density (Jobs/Acre)
Deer Harbor	HC	Hamlet Commercial	0.30	531.0	24.5
Deer Harbor	HI	Hamlet Industrial	0.03	531.0	2.1
Marine Center	MC	Marine Center	0.11	531.0	9.3
Orcas Village	OVC	Orcas Village Commercial	0.15	531.0	12.5
Rural Eastsound Subarea	CCC	Country Corner Commercial	0.15	531.0	12.3
Rural Eastsound Subarea	SP	Service Park	0.15	531.0	12.5

Figure 26. Rural Areas Assumed Job Density by Zone for LCA

Area	Zone	Description	Achieved FAR	Square Feet Assumed Density	
				per Job	(Jobs/Ac)
Blakely	RG	Rural General Use	0.12	454.11	11.7
Decatur	RG	Rural General Use	0.12	454.11	11.7
Decatur	RI	Rural Industrial	0.03	454.11	2.5
Lopez	RG	Rural General Use	0.12	415.27	12.8
Lopez	RG	Rural General Use	0.12	415.27	12.8
Lopez	RI	Rural Industrial	0.03	415.27	2.7
San Juan	RG	Rural General Use	0.12	314.74	16.9
San Juan	RI	Rural Industrial	0.03	314.74	3.6

Seasonal, Recreational, and Occasional Use Deduction

San Juan County has a large number of vacation rentals and second homes. These uses can prevent housing units from being available to full-time residents of the County. Commerce guidance suggests that jurisdictions should calculate their land capacity for permanent units available to full-time residents and treat vacation rentals and second homes as extra units outside the scope of the LCA. The previous Comprehensive Plan’s LCA used a reduction factor of 35 percent of units based on a Countywide estimate drawn from state data to account for this housing stock unavailable to full-time residents.

For this analysis, two data sources were used to determine more specific rates of vacation rentals and second homes by island and by UGA. First, the American Community Survey (ACS), administered by the Census Bureau, provides counts of units which are used for “Seasonal, Recreational and Occasional Use” (SRO), as a subset of vacancy data. This data was available down to the CCD level (see Figure 6. Census County Subdivisions in San Juan County above for a map of CCDs). Statistics for the Town of Friday Harbor are also shown based on ACS data. The data from Friday Harbor shows that SRO uses are less common in the town than in the unincorporated areas of San Juan Island. In order to determine if this trend was also consistent in the County’s UGAs, data from the Washington Office of Financial Management’s Small Area Estimates Program (SAEP) at the UGA level was analyzed. This data does not break down vacancy into categories as the census does, but as shown below in Figure 27. Seasonal, Recreational, and Occasional Use Housing in San Juan County, 2022 the SAEP data also shows that overall vacancy rates are lower inside UGAs.

Figure 27. Seasonal, Recreational, and Occasional Use Housing in San Juan County, 2022

Island	Total Units	Vacant Units	SRO Units	Share of Countywide Vacant Units	Vacancy Rate	SRO Rate
Lopez CCD	3,448	1,713	1,595	32.96%	49.68%	46.26%
<i>Lopez Village UGA (SAEP)</i>	<i>146</i>	<i>27</i>			<i>18.49%</i>	
Orcas CCD	4,542	1,813	1,557	34.89%	39.92%	34.28%
<i>Eastsound UGA (SAEP)</i>	<i>745</i>	<i>164</i>			<i>22.01%</i>	
San Juan CCD	5,861	1,671	1,416	32.15%	28.51%	24.16%
<i>Friday Harbor</i>	<i>1,397</i>	<i>219</i>	<i>106</i>	<i>4.21%</i>	<i>15.68%</i>	<i>7.59%</i>
<i>Unincorporated</i>	<i>4,464</i>	<i>1,452</i>	<i>1,310</i>	<i>27.94%</i>	<i>32.53%</i>	<i>29.35%</i>

Source: 2022 American Community Survey 5-Year Estimates, Table B25004; Washington Office of Financial management 2022 Small Area Estimates Program (SAEP)

Given this data, as well as input from County staff, planning review commissions, and stakeholders which corroborate the lower rate of SRO units inside UGAs, specific SRO reduction factors were developed for UGAs and by CCD outside of UGAs. The assumed SRO rate in UGAs was averaged to 20 percent, and island-specific SRO rates were based on the Census data shown above. The SRO deduction factors are shown below in Figure 28.

Figure 28. Seasonal, Occasional, and Recreational Use Rates in San Juan County for LCA

Census County Division (CCD)	Seasonal, Recreational, and Occasional Use Reduction Rate
San Juan CCD (outside Friday Harbor)	29%
Orcas CCD	
Eastsound UGA	20%
Outside Eastsound UGA	34%
Lopez CCD (including Waldron, Blakely, and Shaw)	
Lopez Village UGA	20%
Outside Lopez Village UGA	46%
Other	33%

In addition to providing more location-specific rates, these reduction factors also reflect the GMA policy that subsidized affordable housing, which caters to the islands’ full-time residents, be concentrated within UGAs, and reflects on-the-ground realities of such housing being developed by Community Land Trusts within UGAs in recent years. Additionally, the County has recently established caps on the quantity of new vacation rental permits available by island. Although this regulation will not affect second home owners, it may reduce the number or share of vacation rentals in San Juan County over this planning period. However, in the interest of a conservative estimate and to ensure that the reduction in year-round housing resulting from SRO uses is adequately captured in the LCA, the recent vacation rental caps were not taken into account when developing these reduction factors.

Income Band Classifications

As discussed earlier in this report, updates to the GMA resulting from HB1220, now codified in RCW 36.70A.070(2)(a) and (c), require that jurisdictions also plan and show land capacity for sufficient housing units to meet the projected need at all income levels over the planning period. This classification of land capacity by income band is tied to housing types. The table below, from Commerce’s August 2023 “Guidance for Updating Your Housing Element,” shows the connection between land use, housing type, and potential income band served.

Figure 29. Department of Commerce Guidance on Relating Land Use to Income Bands

Zone category	Typical housing types allowed	Lowest potential income level served		Assumed affordability level for capacity analysis
		Market rate	With subsidies and/or incentives	
Low Density	Detached single family homes	Higher income (>120% AMI)	Not typically feasible at scale*	Higher income (>120% AMI)
Moderate Density	Townhomes, duplex, triplex, quadplex	Moderate income (>80-120% AMI)	Not typically feasible at scale*	Moderate income (>80-120% AMI)
Low-Rise Multifamily	Walk-up apartments, condominiums (2-3-floors)	Low income (>50-80% AMI)	Extremely low and Very low income (0-50% AMI)	Low income (0-80% AMI) and PSH
Mid-Rise Multifamily	Apartments, condominiums	Low income (>50-80% AMI)	Extremely low and Very low income (0-50% AMI)	Low income (0-80% AMI) and PSH
ADUs (all zones)	Accessory Dwelling Units on developed residential lots	Low income (>50-80% AMI)	N/A	Low income (>50-80% AMI) – Group with Low-Rise and/or Mid-Rise Multifamily

Source: Washington Department of Commerce, “Guidance for Updating Your Housing Element” (August 2023)

Given San Juan County’s unique housing environment, where Community Land Trust (CLTs) provide the majority of subsidized affordable housing units, this framework was used as a starting point and adjusted to reflect on-the-ground realities. Although subsidized affordable housing across the state is primarily provided through multifamily apartments built using the Low-Income Housing Tax Credit and other incentives and funding programs, many CLT projects in San Juan County are made up of smaller detached or attached units at low- and moderate-densities. For example, several projects currently in development or recently completed are providing units at 80 percent AMI or even lower at densities between 4 and 12 units per acre. Additionally, little to no apartment construction has occurred in the County for at least 20 or more years. Therefore, the categorization of potential units by income band was modified in various ways to reflect both the potential for apartments to be built in some UGA areas which allow sufficient density as well as the potential for continued provision of subsidized housing at lower densities by CLTs, as detailed below.

Pending Units

Commerce’s housing unit targets generated by the HAPT (see “Housing Needs” on p. 3) use a 2020 baseline. As a result, all units built since 2020 or currently in the development pipeline count towards the County’s 2020-2045 housing target. County staff provided building permit data for units built since 2020 and current permits. In addition, staff provided details on several Community Land Trust (CLT) projects in development, and the Eastsound and Lopez Planning Review Commissions provided feedback on pending units as well. The tables below show the pending parcel counts, income band classifications that the units are expected to serve, and other details.

Eastsound UGA

In Eastsound, there are two CLT projects in development by Opal Community Land Trust – 10 units at Kidder Way and 20 units at the Cottages at Pea Patch. These will serve households earning 80% AMI or below. There are also 41 units at April’s Grove serving households earning under 80% AMI completed in 2021. The categorization of single-family, middle housing, and ADUs follows the Commerce guidance shown above. For manufactured homes, LCG analyzed a number of units sold over the past several years in San Juan County. The average manufactured home was selling for about 82 percent AMI, so these units are categorized in the 80-120% AMI category.

Figure 30. Eastsound UGA Pending Units (Built since 2020 and pipeline) with Income Band

Project Type	Number of Projects	Number of Units	Income Band
Single-Family Residential	13	13	120% AMI +
Manufactured Home	12	12	80-120% AMI
Middle Housing (2-8 units)	6	20	80-120% AMI
ADU	1	1	0-80% AMI
Community Land Trust	3	71	0-80% AMI

Lopez Village UGA

In Lopez Village, one CLT project by Housing Lopez is in development at Lopez Village North. Currently 15 units are under construction but the multi-phase project is expected to have 45 units by the end of this 20-year planning horizon.

Figure 31. Lopez Village UGA Pending Units (Built since 2020 and pipeline) with Income Band

Project Type	Number of Projects	Number of Units	Income Band
Single-Family Residential	4	4	120% AMI +
Manufactured Home	7	7	80-120% AMI
Middle Housing (2-8 units)	1	8	80-120% AMI
Community Land Trust	1	45	0-80% AMI

Activity Centers (LAMIRDS) and Rural Areas

In Activity Centers, there has been some single-family, manufactured housing, and triplex development since 2020 and some in the pipeline, in Rosario, the Rural Eastsound Subarea, Deer Harbor, and Orcas Village.

Figure 32. Activity Center (LAMIRDS) Pending Units (Built since 2020 and pipeline) with Income Band

Project Type	Number of Projects	Number of Units	Income Band
Single-Family Residential	39	39	120% AMI +
Manufactured Home	6	6	80-120% AMI
Middle Housing (2-8 units)	1	3	80-120% AMI

In Rural Areas, there have been 272 units built since 2020, and there are 292 permits issued in the pipeline for residential development. Per Commerce guidance and the GMA, these units in rural areas are categorized in the high-income (120% AMI+) category.

Land Capacity

The tables below show the land capacity for housing units by land use designation in UGAs, Activity Centers, and Rural Areas. The total unit capacity was calculated using the vacant, partially-used, and redevelopable parcel acreage (after removing critical areas and market factor deductions), density assumptions, and seasonal, occasional, and recreational use factors discussed throughout this report. The total capacity and associated income band are shown by land use designation for each area.

Eastsound UGA

In Eastsound, low-density residential is assumed to serve higher-income households. The ER4P, ER4-12, VC, VCL, and VR/I land use designations allow a variety of housing types including duplexes and townhomes which can serve middle-income households. Therefore, these areas have a base assumption of serving the 80-120% category. Additionally, these are the areas in which Community Land Trusts have been constructing projects in recent years, so a portion of capacity

was assigned to the 0-80% band to reflect continued CLT activity in these areas. ER4P is a less dense designation but does allow for an affordable housing density bonus, so a smaller amount of affordable capacity was assumed in this area. Finally, VC and VCL allow up to 40 units per acre which falls into the density category which can serve lower-income households per Commerce guidance. Although units of this density have not been built recently, the potential for affordable units was increased slightly in these areas to reflect this potential for multifamily units during the planning period assuming state or other forms of subsidy were available.

Figure 33. Unit Capacity and Income Band Classification in Eastsound UGA

Land Use Designation	Net Unit Capacity	Market-Rate Category	Assumed Affordable %	Market-Rate Units	Affordable Units (0-80%)
ER1	0	120% +	0%	0	0
ER1P	6	120% +	0%	6	0
ER2	18	120% +	0%	18	0
ER2P	13	120% +	0%	13	0
ER412	69	80-120%	50%	34	34
ER4P	63	80-120%	10%	56	6
M	2	80-120%	0%	2	0
VC	74	80-120%	65%	26	48
VCL	14	80-120%	65%	5	9
VR/I	96	80-120%	50%	48	48
Airport 2	0	120% +	0%	0	0
Airport 3 Inner	2	120% +	0%	2	0
Airport 3 Outer	22	80-120%	25%	17	6
Airport 4	5	80-120%	0%	5	0

Lopez Village UGA

In Lopez Village, the LVR area allows a wide variety of housing types, including apartments, middle housing typologies, and single-family homes. Additionally, Community Land Trust projects have occurred recently in this land use designation. As a result, half of the LVR capacity assigned to 0-80%, and the remainder split between 80-120% and 120%+ income bands to reflect these various potential housing types. The LVC area has a limited capacity of 19 units, which were assigned to the 0-80% category given the emphasis on higher density in that area of the Village.

Figure 34. Unit Capacity and Income Band Classification in Lopez Village UGA

Land Use Designation	Net Unit Capacity	120%+ Units	80-120% Units	0-80% Units
LVC	19	0	0	19
LVR	259	65	65	130

LAMIRDS and Rural Areas

In LAMIRDS, land use designations which only allow single-family development were assigned to the 120%+ category. Areas where duplexes are also allowed were assigned to the 80-120% category, following Commerce guidance. In addition, there are some areas with affordable housing density bonuses, as discussed earlier in this report in the discussion of densities. Based on recent trends, it was assumed that 10% of the acreage of these areas may see affordable housing developed using the density bonus. Because the density bonus increases the allowed density by four to six times, this translates to a 31-53 percent share of units in those areas which would be affordable, since there would

be denser development allowed in areas with the affordability bonus. Therefore, a small number of units were assigned to the 0-80% category following this distribution, as shown below in Figure 35.

Figure 35. Unit Capacity and Income Band Classification in Activity Centers (LAMIRDS)

Area	Land Use Designation	Net Unit Capacity	Market-Rate Category	Affordable %	Market-Rate Units	Affordable Units
Deer Harbor	HC	0	80-120%	31%	0	0
Deer Harbor	HI	0	120% +	0%	0	0
Deer Harbor	HR	12	80-120%	31%	8	4
Doe Bay	ACT - Doe Bay	2	120% +	53%	1	1
Island Center Lopez	RFF	0	80-120%	0%	0	0
Marine Center	MC	4	120% +	0%	4	0
Olga	OLGA	3	80-120%	31%	2	1
Orcas Village	OVC	0	120% +	0%	0	0
Orcas Village	OVR2	4	120% +	0%	4	0
Picnic AC	ACT - Picnic AC	2	120% +	0%	2	0
Rosario	2 BDD	20	120% +	18%	16	4
Rosario	ACT - Rosario	11	120% +	31%	8	3
Rural Eastsound Subarea	CCC	0	120% +	0%	0	0
Rural Eastsound Subarea	ER	6	120% +	0%	6	0
Rural Eastsound Subarea	ER4P	64	80-120%	0%	64	0
Rural Eastsound Subarea	ERR	5	80-120%	0%	5	0
Rural Eastsound Subarea	ERRP2	29	80-120%	0%	29	0
Rural Eastsound Subarea	SP	0	120% +	0%	0	0

In rural areas, capacity was generally considered to take the form of single-family units, which serve higher-income households per Commerce guidance. However, as discussed above, there are also a significant amount of mobile or manufactured homes in San Juan County. An analysis of County assessor data indicates that in the AG, FOR, RF, and RR land use designations, mobile or manufactured homes make up between 8 and 14 percent of existing units. Applying these shares to future capacity in those land use designations resulted in a small share of rural capacity being assigned to the 80-120% category, as shown below.

Figure 36. Unit Capacity and Income Band Classification in Rural Areas

Land Use Designation	Zone Description	Net Unit Capacity	% Mobile Home	SF Capacity (120%+)	MH Capacity (80-120%)
AG	Agricultural Resource Lands	117	12%	104	14
C	Conservancy	45	0%	45	0
FHUA	Friday Harbor Unincorporated UGA	0	0%	0	0
FOR	Forest Resource Lands	95	14%	82	13
LGRA	Lopez Village Growth Reserve Area	1	0%	1	0
RFF	Rural Farm-Forest	1,318	11%	1,169	148
RG	Rural General Use	0	0%	0	0
RI	Rural Industrial	0	0%	0	0
RR	Rural Residential	219	8%	202	17

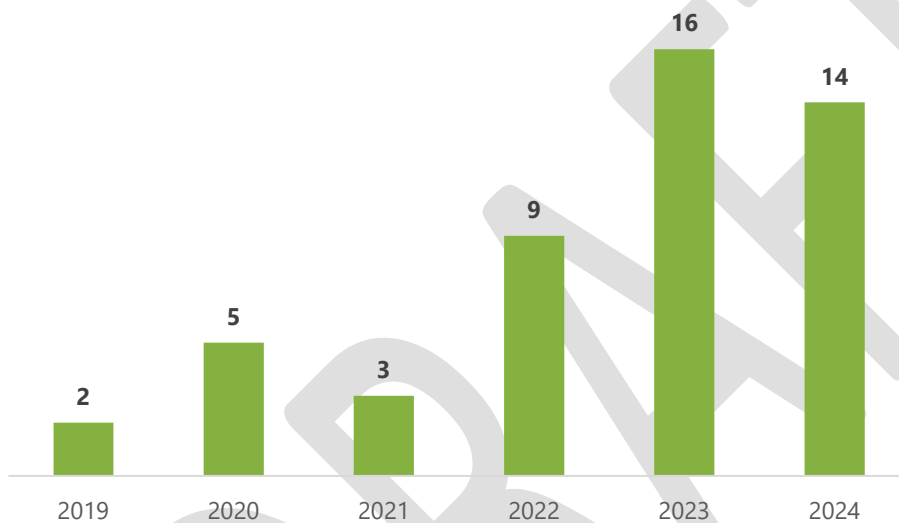
Other Assumptions

In addition to pending units and the land capacity by land use designation shown above, several additional housing types and areas were considered in this capacity analysis. Per Commerce guidance, ADU capacity was considered as a potential middle-income housing typology, as well as future housing units in master planned resort areas and the potential for a San Juan County-specific form of affordable housing, rural residential clusters.

ADUs

Per Commerce guidance, ADUs can provide housing affordable to moderate and lower-moderate income households (earning 50-80% AMI). ADUs are widely allowed throughout the County and there has been an increase in ADU permitting in recent years, as shown below in Figure 37.

Figure 37. ADU Permits in San Juan County, 2019-2024



Source: San Juan County Permit Data

Eastsound UGA

In Eastsound, ADUs are allowed in ER1, ER2, ER 4, ER 4-12, M, SLI, VC, VCL, and VR/I land use designations. In total, there are 403 parcels where an ADU could be developed within these areas. This number was multiplied by a 5 percent potential participation rate, as suggested by Commerce guidance, to represent that only a small number of potential property owners will choose to build an ADU over the planning horizon. This results in a total capacity of 20 ADUs in the Eastsound UGA.

Lopez Village UGA

In Lopez Village, there are a total of 88 parcels where ADUs could be developed. Initially, a similar assumption of 5 percent participation was assumed, for a total capacity of 4 ADUs over the planning horizon. However, feedback from the Lopez Village Planning Review Commission indicated that ADUs have been developed more rapidly in recent years, and there has been increasing interest. Therefore the average of 0.875 ADUs per year in the village since 2016 was multiplied by 20 years for a total ADU capacity of 17.5 ADUs in the Village over the planning horizon.

Activity Centers (LAMIRDS) and Rural Areas

In Activity Centers, in land use designations where ADUs are allowed (HC, HR, ACT, RFF in Island Center, OLGA, 2BDD, CCC, ER, ER4P, ERR, ERRP2, and SP), a similar capacity analysis was conducted, again assuming a 5 percent participation rate, for a total capacity of 28 ADUs in Activity Centers.

In rural areas, ADUs are allowed on lots of 10 acres or more in Agricultural Resource Lands, on lots of 20 acres or more in Forest Resource Lands, and on lots of 5 acres or more in other rural areas. Taking the number of lots meeting these size requirements and assuming a 5 percent uptake rate would result in a capacity for 263 ADUs in rural areas. However, the San Juan County Code limits ADUs in rural areas to 8 per year outside of UGAs. This would represent a cap of 160 ADUs over the planning horizon, so the ADU capacity in rural areas was reduced to 160.

ADU Totals

The table below in Figure 38 shows the total ADU capacity for the County. Per Commerce guidance, ADUs cannot make up more than 10 percent of total Countywide capacity. As shown, the capacity for 225 ADUs represents 7.8 percent of total countywide capacity. These units are assigned to the 50-80% AMI income band per Commerce’s guidance for moderate-income communities.

Figure 38. ADU Capacity in San Juan County, 2020-2045, for LCA

Area	ADU Capacity
Eastsound UGA	20
Lopez Village UGA	17
AC/LAMIRD	28
Rural	160
Total	225
<i>% of Countywide Capacity</i>	<i>7.8%</i>
<i>not to exceed 10% per Commerce</i>	

Master Planned Resorts

San Juan County has three master planned resort areas – Rosario, Roche Harbor, and West Beach Resort. These areas have master plans which contain approved numbers of potential new units. In total, there is the potential for about 150-200 units that have been approved based on these master plans, according to County staff. However, many of these may be vacation rentals and there have also been ownership issues with Rosario in recent years. As a result, no additional units in the Rosario MPR area were considered for this analysis. West Beach is a small areas and unlikely to develop year-round housing so was excluded from this analysis as well.

In 2022, Roche Harbor submitted a proposal to the County for 48 new units, including 24 long term affordable units for employees of the resort and other island residents. Although this project did not get built, it indicates the type of development that may reasonably occur in over the planning horizon. Although there may be higher capacity within the Roche Harbor Master Plan, for this analysis, 24 units at 120%+ AMI and 24 units at 80-120% AMI were included in the capacity for MPR areas.

Rural Residential Clusters

San Juan County Code 18.36.230 contains a provision for affordable housing serving households earning 80% AMI and below in rural areas through cluster development. There is a maximum of 12 units per development, and a cap of 100 total units countywide per decade. Since 2006, there have been four developments built. The current cluster

development that is under construction has six units. For this capacity analysis, 36 units in Rural Residential Clusters were assumed for the 2020-2045 planning horizon, serving households earning 80-120% AMI. This would represent three 12-unit developments, or, more likely based on current trends, four developments at 9 units each.

Results and Totals

Housing Units

The tables below show targets and totals by income band for both UGAs and for Activity Centers and rural areas, as well as a table showing Countywide targets and totals (excluding Friday Harbor)

Figure 39. Eastsound UGA Housing Needs and Capacity, 2020-2045

Income Band	Housing Needs	Aggregated Housing Needs	Pending Units	Remaining Needs	Total Capacity	Surplus/Deficit
0-30 PSH	15					
0-30 Non PSH	175	458	78	380	171	(209)
30-50	157					
50-80	112					
80-100	28	57	22	35	193	158
100-120	29					
120+	0	0	18	-18	39	57
Total	515	515	118	397	404	7

Figure 40. Lopez Village UGA Housing Needs and Capacity, 2020-2045

Income Band	Housing Needs	Aggregated Housing Needs	Pending Units	Remaining Needs	Total Capacity	Surplus/Deficit
0-30 PSH	7					
0-30 Non PSH	83	219	45	174	175	1
30-50	74					
50-80	55					
80-100	7	15	15	0	69	70
100-120	8					
120+	10	10	4	6	69	64
Total	244	244	64	180	314	134

Figure 41. Activity Centers (LAMIRD) and Rural Housing Needs and Capacity, 2020-2045

Income Band	Housing Needs	Aggregated Housing Needs	Pending Units	Remaining Needs	Total Capacity	Surplus/Deficit
0-30 PSH	0					
0-30 Non PSH	0	201	0	201	201	0
30-50	0					
50-80	201					
80-100	185	370	9	361	362	1
100-120	185					
120+	933	933	603	330	1,644	1,313
Total	1,504	1,504	612	892	2,206	1,314

Figure 42. Total San Juan County (Excluding Friday Harbor) Housing Needs and Capacity, 2020-2045

Income Band	Housing Needs	Aggregated Housing Needs	Pending Units	Remaining Needs	Total Capacity	Surplus/Deficit
0-30 PSH	22					
0-30 Non PSH	258	879	123	756	547	(208)
30-50	231					
50-80	368					
80-100	220	442	46	396	624	228
100-120	222					
120+	943	943	625	318	1,752	1,434
Total	2,264	2,264	794	1,470	2,924	1,454

Employment

The table below shows the results of the employment capacity analysis using the vacant, redevelopable, and partially-used acreage, critical areas, market factor reductions, and job density assumptions discussed previously in this report.

Figure 43. San Juan County (Excluding Friday Harbor) Employment Targets and Capacity, 2020-2044

	Employment Target	Employment Capacity	Surplus
San Juan Island CCD (less Friday Harbor)	938	1,907	970
Rural Areas		1,907	1,907
Orcas Island CCD	494	944	450
Eastsound UGA	247	770	523
Activity Centers		174	174
Lopez Island CCD	67	9,633	9,565
Lopez Village UGA	34	432	398
Rural Areas		9,201	9,201
Countywide Total (less Friday Harbor)	937	12,484	11,547

Discussion & Next Steps

As shown above in Figure 42, San Juan County is showing an overall surplus in housing unit capacity, but a deficit in capacity for units serving lower incomes (0-80% AMI). As a result, the GMA and Commerce Guidance require that the County increase capacity for housing types that can serve these income bands. Housing types that can serve these income bands are primarily considered to be multifamily, although in San Juan County, Community Land Trust developments are also serving these income categories.

Figure 39 shows that the County's deficit in lower-income units is contained within the Eastsound UGA. In order to address this deficit, the County will need to consider either increasing densities within the UGA, expanding the UGA to include more land where affordable units could reasonably be expected to be built, or both.

As the County continues work on its Comprehensive Plan update, Leland Consulting Group and Otak will work with the County to determine potential increased capacity which could result from upzoning and/or expansion of the Eastsound UGA. Additional capacity to address the deficit in low-income capacity and associated land use or regulatory changes will need to be demonstrated and adopted along with this Comprehensive Plan update.

As shown above in Figure 43, the County and UGAs have sufficient land capacity to meet and exceed employment targets.

Appendix A:
Technical Memorandum –
Population Projection for the 2025-2045 Comprehensive Plan Update

DRAFT



TECHNICAL MEMORANDUM

TO: San Juan Planning Commission

VIA: Norm Gollub

FROM: Colin Maycock, AICP, Planner IV *cm*

DATE: November 7, 2023

SUBJECT: Population Projection for the 2025-2045 Comprehensive Plan Update

1.A Purpose:

This technical report provides the data to inform the County's adoption of a 20-year population projection. Once selected, the County will allocate the projected population growth to the County's rural areas, UGAs and activity centers for the twenty-year planning horizon.

As required by the Growth Management Act (GMA), San Juan County Department of Community Development, in coordination with the Town of Friday Harbor, is updating the Comprehensive Plan (Plan). The twenty-year planning period is from 2025 - 2045. Identifying the County's 2045 population is a key component of correctly assessing the community's future housing and transportation needs, sizing the County's Urban Growth Areas (UGAs), and identifying and establishing priorities for capital improvement projects.

The specific elements documented in this technical report include:

- Population projection background;
- Population projection methodology;
- County demographic profile;
- Annual population estimates;
- Population distribution;
- Population projections by island;
- Population projections by UGA; and
- Housing and Visitors.

1.B Population Projection Background:

The County is required by the GMA to use a population projection that is consistent with the projections of the Washington Office of Financial Management (OFM) as the basis for its land use planning. RCW 36.70A.115 states:

“Counties and cities that are required or choose to plan under RCW 36.70A.040 shall ensure that, taken collectively, adoption of and amendments to their comprehensive plans and/or development regulations provide sufficient capacity of land suitable for development within their jurisdictions to accommodate their allocated housing and employment growth, including the accommodation of, as appropriate, the medical, governmental, educational, institutional, commercial, and industrial facilities related to such growth, as adopted in the applicable countywide planning policies and consistent with the twenty-year population forecast from the office of financial management.”

RCW 43.62.035 authorizes the OFM:

“At least once every five years or upon the availability of decennial census data, whichever is later, the office of financial management shall prepare twenty-year growth management planning population projections required by RCW 36.70A.110 for each county that adopts a comprehensive plan under RCW 36.70A.040 and shall review these projections with such counties and the cities in those counties before final adoption. The county and its cities may provide to the office such information as they deem relevant to the office's projection, and the office shall consider and comment on such information before adoption. Each projection shall be expressed as a reasonable range developed within the standard state high and low projection. The middle range shall represent the office's estimate of the most likely population projection for the county. If any city or county believes that a projection will not accurately reflect actual population growth in a county, it may petition the office to revise the projection accordingly. The office shall complete the first set of ranges for every county by December 31, 1995.

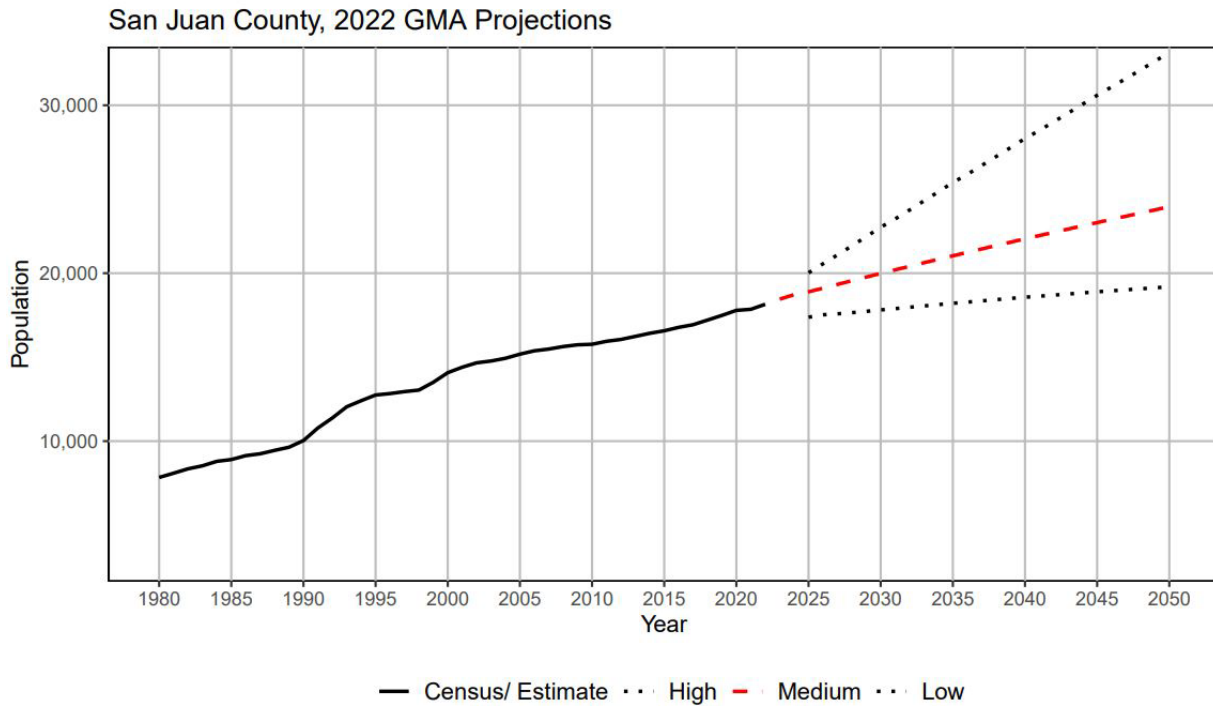
The most recent GMA population projections issued by the OFM were dated December, 2022. The OFM GMA projections are for the County as whole and are not segregated by island. The next set of GMA projections are due in 2027.

Table 1. OFM 2022 San Juan County GMA Population Forecast.

San Juan	2020	2021	2022	2025	2030	2035	2040	2045	2050
High	17,788	17,850	18,150	20,024	22,735	25,397	28,019	30,595	33,144
Medium	17,788	17,850	18,150	18,891	19,986	21,035	22,046	23,014	23,957
Low	17,788	17,850	18,150	17,380	17,817	18,212	18,572	18,893	19,190

Source: OFM GMA December 2022 projections.

Figure 1. December 2022 OFM Population Projections.



Source: OFM GMA County population projection, December 2022.

The GMA does not specify which projection the County must adopt. The OFM presents a range of possible populations. The County must select a population that is consistent with the range provided by the OFM.

The OFM’s high projection establishes a final population that is thirty-three percent higher than the medium projection.

The OFM GMA low projection establishes a final population that is approximately eighteen percent lower than the medium projection.

Based on the analytical assumptions that undergird the projections, the OFM considers the medium GMA projection of a population of 23,014 people in 2045 in San Juan County as the most likely result of current demographic patterns.

1.C OFM Methodology:

Population change is primarily driven by two factors:

1. Natural increase (births minus deaths); and
2. Net migration (in-migration minus out-migration).

The difference between births and deaths is considered the natural component of population change. The difference between in-migration and out-migration is considered the migration component of population change.

Both the natural and migration components of population change are tied to the community's demographic profile. Internal factors or population characteristics, such as the gender and age distribution of the community directly impact the rates of natural increase. External or social factors such as employment, housing, community facilities and education opportunities contribute to migration rates.

The OFM projections are derived from the 'cohort-component' technique. This methodology is described in the classic planning text book, *Urban Land Use Planning, 4th Ed.*, Kaiser, Edward J., Godschalk, David R., Chapin, F.Stuart. University of Illinois Press, Urbana and Chicago. 1995. P. 133 as:

“the most complicated and sophisticated approach to projecting population because of the subtleties and complexities in estimating parameters and calculating their impacts.”

The 'cohort-component' technique is captured in the following equation:

$$P_{t+n} = P_t + B - D + IM - OM$$

Where P_t = population of the study area at the beginning of some time period t to n ;

P_{t+n} = population at the end of the period;

B = number of births during the period;

D = number of deaths during the period;

IM = number of in-migrants to the study area during the period; and

OM = number of out-migrants to the study area during the period.

Using the US Census as the baseline, the OFM splits the population into five-year cohorts. Birth and death rates, along with out- and in-migration are then factored in as the population is aged through the different intervals. The aging considerations include:

- How many people are likely to be born over the next five years;
- How many of the people of each age group are likely to die over the next five years;
- How many people of each age group are likely to move away from the County in the next five years; and
- How many people of each age group are likely to move into the County in the next five years.

1.D County Demographics:

The OFM identifies the 5 year cohorts used in the medium projection in Table 2. This data shows that fifty-nine percent of the County population is over the age fifty. Conversely, OFM data shows that approximately thirty-four percent of the State's population is over the age of fifty. Table 2 shows a diminished presence of people between the ages of twenty and forty in the County. In Washington, twenty to forty year olds make up approximately twenty-eight percent of the population. In San Juan County they make up sixteen percent (OFM: Forecast of state population by age and sex; 2020).

Table 2. San Juan County Population: Five Year Cohorts

2020 San Juan County Five Year Cohorts			
Age Group	Male	Female	Total
0-4	235	250	485
5-9	272	311	583
10-14	353	397	749
15-19	321	345	666
20-24	288	288	583
25-29	268	303	571
30-34	317	369	686
35-39	420	428	847
40-44	469	463	932
45-49	505	491	996
50-54	558	565	1,122
55-59	694	737	1,431
60-64	853	919	1,772
65-69	932	989	1,921
70-74	829	849	1,678
75-79	528	543	1,071
80-84	309	322	631
85+	277	340	617
Total	8,426	8,914	17,340

Source: OFM County estimates.

Demographic data compiled from federal data sources including the Bureau of Economic Analysis, Bureau of the Census, American Community Survey office, U.S. Department of Commerce, Bureau of Labor Statistics and U.S. Department of Labor by the Economic Profile System reveal the following attributes of the County's population:

- The median age of the County's population changed from forty-seven in 2000 to fifty-four in 2015. Currently, the median age of the County is fifty-six years old.

- The median age of the State is thirty-eight.
- Approximately 35 percent of the population is over 65 years old compared to 16 percent statewide.
- Unsurprisingly, the County has a low percentage of people under the age of 18, thirteen percent, compared to 22 percent statewide.
- The Bureau of Labor Statistics shows the County had an average civilian labor force of 8,411 people in 2022.
- The primary economic activities as a percentage are:
 - Education, health care and social assistance (17.6 percent);
 - Arts, entertainment, recreation, accommodation, and food (12.8 percent);
 - Construction (13.6 percent);
 - Professional, scientific, management, administration and waste management (14.4 percent);
 - Retail trade (9.7 percent);
 - Finance and insurance and real estate (5 percent);
 - Other services, except public administration (6 percent);
 - Transportation, warehousing and utilities (5.3 percent);
 - Manufacturing (5.5 percent)
 - Public administration (4.3 percent); and
 - Agriculture, forestry, fishing and hunting, mining (2.9 percent).
- Reflecting the importance of the Tourism sector, the number of Jobs in the County increases during the summer, usually peaking in August with an average gain of approximately 1,808 jobs over the January low point.
- The predictable rhythm was disrupted by the Covid-19 pandemic in 2020; however, tourism picked up in 2021 and by the end of 2022 had recovered its pandemic related job losses.
- The County's population is highly educated. Approximately 51 percent of the population have attained a bachelor's degree or higher. By contrast, approximately 36 percent of the State's population have achieved the same level of education.
- In 2020 there were 13,772 housing units in the County.

Table 3

San Juan County 2020 Housing Characteristics		
Type of Housing Unit	Number of Housing Unit	Percentage of Housing Units
Total Housing Units	13,772	100%
Occupied Housing Units	8,446	61.3%
Vacant Housing Units	5,326	38.7%
For Rent	150	1.1%
Rented, not occupied	64	0.5%
For Sale only	113	0.8%
Sold, not occupied	65	0.5%
For seasonal, recreational use	4,449	32.3%
All other vacant units	485	3.5%

- Average household size is 2.08 people.
- Approximately 43 percent of the County’s population are ‘baby boomers’ with ages ranging between fifty-nine and seventy-seven years old.

2.A Adopted Comprehensive Plan Population Projection:

In 2017, the County adopted a population projection for planning purposes based on the County’s historic 0.23% proportionate share of the State population

Table 4. San Juan County Population Forecast 2016-2036.

2016	2020	2025	2030	2035	2036
16,314	16,845	17,711	18,532	19,281	19,423

Source: Resolution No. 27- 2017.

The proportionate share model was adopted in 2017 after the model demonstrated historic validity and appeared a more accurate base for future population projections.

The 2020 Census pegged the County’s population as 17,788, surpassing the projected 2020 population by 948 residents.

The 2020 Census revealed that the population figures in the 2017 projection for 2020 were 5.59% lower than the actual 2020 population. The OFMs 2012¹ medium projection for the County’s population in 2020 was 16,256, 9.5% lower than 17,788; whereas the OFM’s 2012 high projection pegged County population as 19,735, in 2020 which was 11 percent higher than the actual population.

2.B Historic Population Change:

The County experienced significant and prolonged population growth in the last third of the 20th Century. In the decade between 1970 and 1980, the County population almost doubled. The eighties and nineties saw strong and continuous population growth at a rate about half that of the seventies.

Table 5 and Figure 2 show that since 1970 net migration dwarfs natural increase as a component of population growth in the County.

The migration component of population change is more volatile than the natural component. Major economic, social or national changes can generate spurts and slowdowns in migration that are difficult to predict. Uncertainty about the pace and nature of economic recovery, property costs, and the availability of medical services may affect County migration trends in the future.

Table 5. San Juan County Population Change 1970-2020.

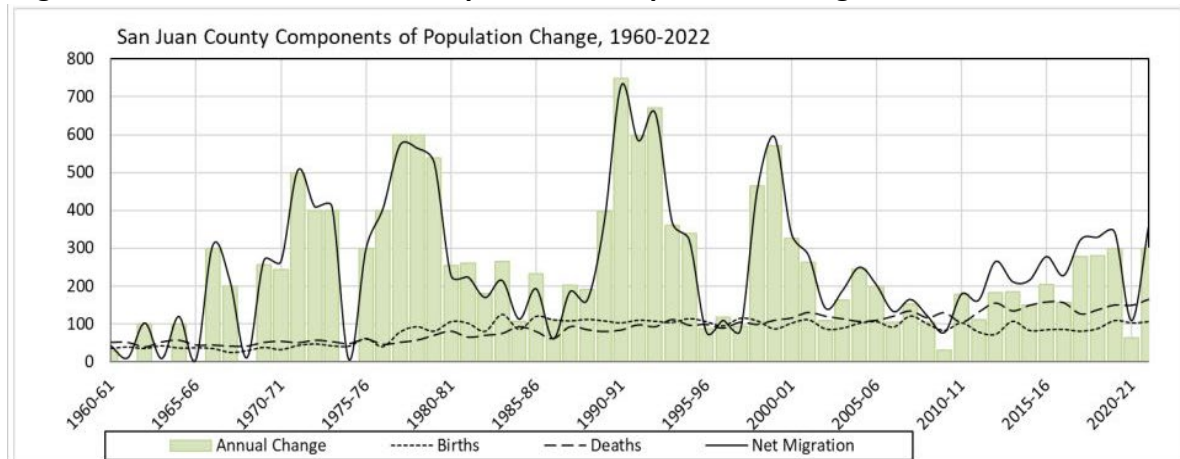
Decade	Initial Population	Births	Deaths	Net Migration	Population Change	Final Population	Average Annual Growth
1970-1980	3,856	556	-536	3,962	3,982	7,838	7.4%
1980-1990	7,838	1,044	-742	1,895	2,197	10,035	2.51%
1990-2000	10,035	1,213	-1,178	4,007	4,042	14,077	3.47%
2000-2010	14,077	983	-1,192	1,901	1,692	15,769	1.15%
2010-2020	15,769	884	-1,400	1,503	2,019	17,788	1.28%

Source: OFM Annual Estimates.

¹ In September 2017, the OFM updated the 2012 GMA population projections. The County adopted the 2036 population projection on July 25, 2017 with Resolution No.27-2017.

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Figure 2. Forecast of Natural Components of Population Change.



Source: OFM annual estimates.

Assessing the push and pull factors that influence migration, the OFM balances both broad principles and a consideration of local conditions when evaluating the data. These presumptions inform the analysis rather than rigidly define it. The OFM considers employment opportunities, social amenities (i.e. community characteristics such as schools, access to public lands, crime rate), housing, transportation as well as historic trends when developing the population projections for jurisdictions.

While unpredictable, it appears that recessions occur, with varying degrees of severity, every decade or so. When a recession occurs, migration to the County drops. This may be linked to reduced purchasing power and the perceived absence of employment opportunities in the County. In some economic sectors; however, effective and reliable communications technology may reduce the need for specific business locations. Changes in the communications infrastructure in the County may enable the expansion telecommuting and the creation of businesses that do not require a specific location and reduce the migratory disruption that accompanies recessions in the future.

Of course, some migration, such as military or retiree movements, is not entirely economic.

The OFM’s Forecast of the State Population, November 2022 forecast, states:

To forecast near-term migration, OFM uses an econometric model that weighs Washington’s relative attractiveness to job seekers against California and other states. Near term migration is then transitioned to a long-term migration average over a period of several years. For the present forecast, we applied a steep downward adjustment to near term migration. This accounted for the effects of the pandemic, the economic recession and changes in Federal immigration policy, Page 2.

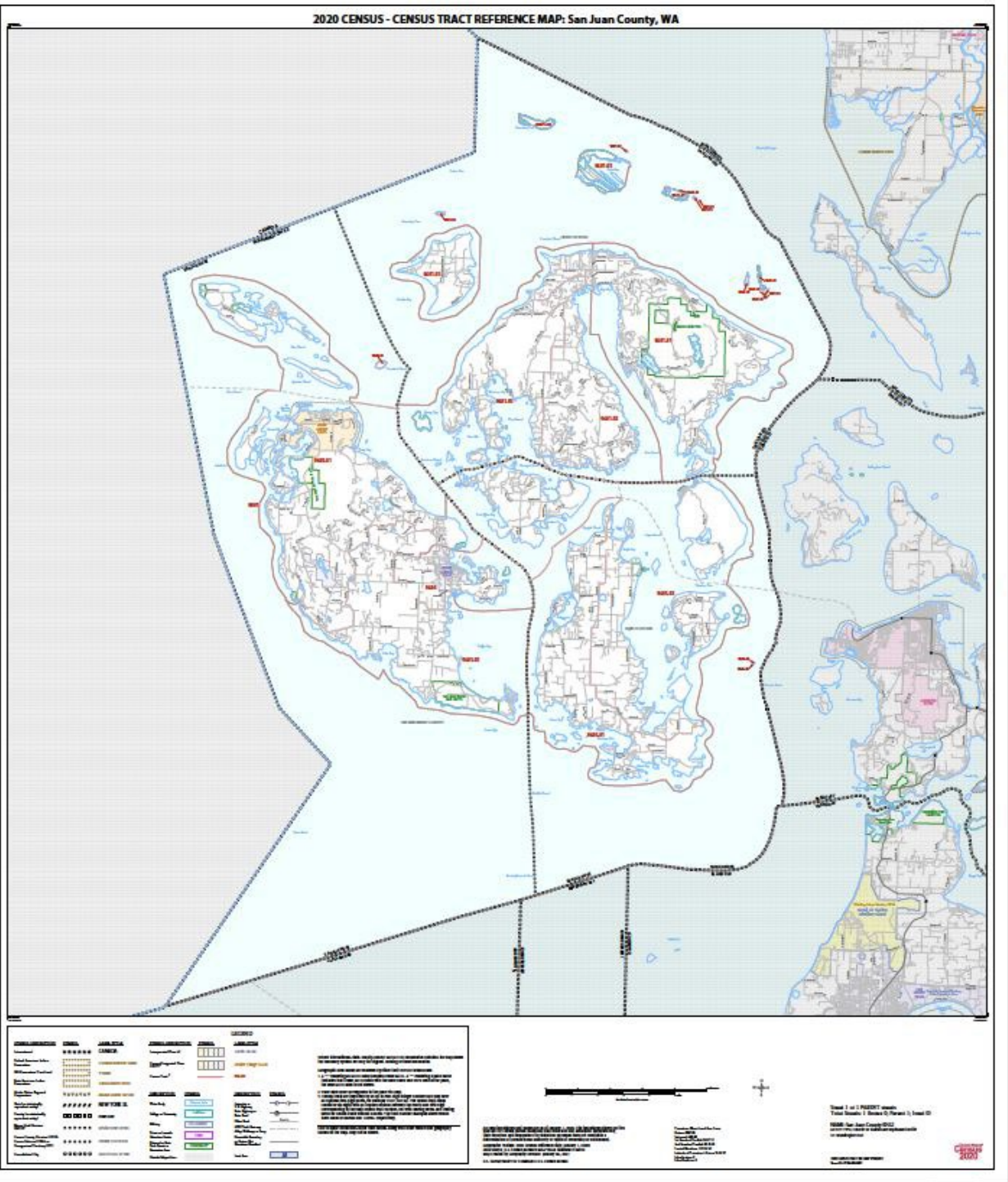
3.A Population Distribution, Census Tracts:

The U.S. Census is a physical count, rather than a statistical analysis, of every person in the United States of America. The first census in the United States of America was carried out in 1790 and has occurred every decade since. The American Community Survey (ACS) was initiated following the 2000 Census and is an ongoing statistical survey of American communities. The ACS distributes three million survey questionnaires each year.

The decennial (every ten years) census, divides the County into four census tracts. The first three tracts include either San Juan, Orcas or Lopez and their respective neighboring non ferry served islands. The fourth tract is the Town of Friday Harbor and some of the adjacent County territory. The decennial census provides the basis for the population distribution by island and informs the OFM's small island population estimates.

Historically, the ferry served islands have enjoyed greater popularity than non-ferry served islands reflecting the relative ease of access the State ferries provide. The Washington State ferry system is the dominant method by which County home-owners (and tourists) travel to, from and between the different ferry-served islands. The majority of the County's economic activity occurs on the four ferry served islands. An increasingly sophisticated suite of medical services is becoming available in the County. Important services for an aging community, the medical facilities reduce the need to travel to the mainland for treatment. Fundamental to the projected population distribution is the continuation of ferry service to the County through the planning horizon.

Figure 3. San Juan County Census Tracts.



Source: U.S. Census.

Figure 3 shows that while the County’s census tracts broadly correspond to the ferry served islands there is no direct correspondence. Using Census, ACS, County and other data sources,

the OFM develops small area population estimates that provide approximate numbers for the County's islands.

3.B County Population as Proportionate Share of the State Population:

To identify an alternative potential population projection, staff compared the County's average annual population change with changes in the County's share of the State's population. It is clear that for the past forty years the County has retained a consistent share of the State population while the average annual increase rates are volatile and inconsistent from decade to decade.

Migration is the source of County population growth. The unpredictability of migration fosters variable average annual growth rates. Despite significant swings in migratory patterns, the County's population, as a share of the State's population has remained consistent since the 1980s. Additionally, each island's share of the County's population has been stable since the 1990 census; the first year that island specific estimates were available from the OFM. Based on these historic trends, staff developed a population projection consistent with this pattern. The projection presented below and provides a comparison to the OFM's low, medium and high projections in section 4.B.

Table 6. Trend in County's Proportionate Share of the State Population.

Year	SJC Population	Average annual increase	SJC Proportionate Share	Washington State Population
1970	3,856	10.33%	0.14%	2,853,214
1980	7,838	2.80%	0.23%	3,413,250
1990	10,035	4.03%	0.21%	4,866,663
2000	14,077	1.20%	0.24%	5,894,143
2010	15,769	0.35%	0.23%	6,724,540
2020	17,788	1.28%	0.23%	7,705,281
			*Average = 0.23%	

Source: U.S. Census, OFM annual estimates. * 1970 has been excluded as a statistical outlier.

3.C Population Distribution, OFM Data:

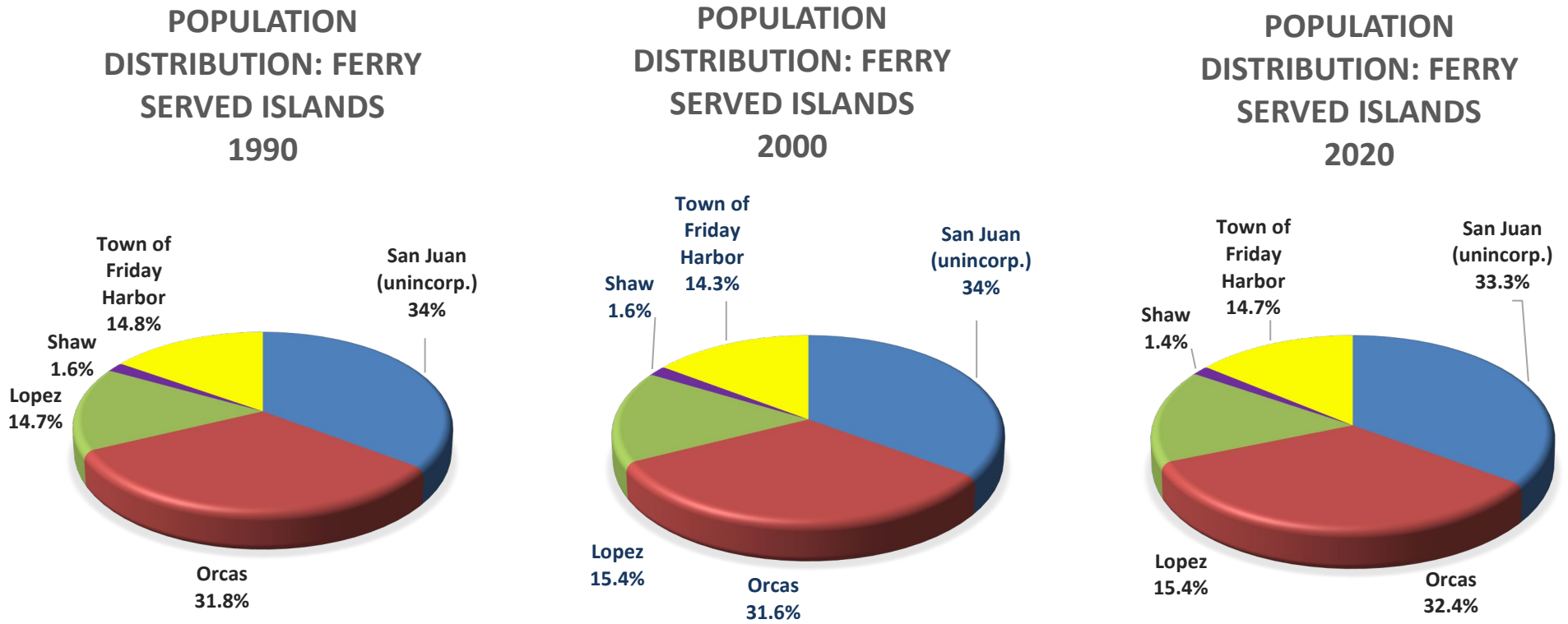
The OFM's small area population data was used to develop Table 7. Table 7 shows that the distribution of the County's population across the different islands remains consistent with the patterns identified in the 1990 census. In 2000, the ferry served islands made up approximately ninety-six percent of the population, in 2010, they made up almost ninety eight percent of the population and in 2020, they made up ninety-seven point two percent of the population. While there are minor variations over time, the pattern of settlement in the County is well established and is reflected in the projections.

Table 7. San Juan County Population Distribution 1990-2020.

Island	1990 Population	% by Island	2000 Population	% by Island	2010 Population	% by Island	2020 Population	% by Island
San Juan (unincorp.)	3,449	34%	4,783	34%	5,416	34%	5,928	33.3%
Orcas	3,195	32%	4,455	32%	5,220	33%	5,772	32.4%
Lopez	1,483	15%	2,176	15%	2,380	15%	2,737	15.4%
Shaw	163	2%	235	2%	238	2%	253	1.4%
Subtotal (unincorp.)	8,290	82.61%	11,649	82.7%	13,254	84.1%	14,690	82.5%
Town of Friday Harbor								
Town of Friday Harbor	1,492	14.9%	2,020	14.3%	2,162	13.7%	2,613	14.7%
Total Ferry Served Islands	9,782	97.5%	13,669	97.09%	15,416	97.76%	17,303	97.2%
Other Islands								
Blakely	29	0.29%	56	0.40%	33	0.21%	41	0.23%
Brown	14	0.14%	13	0.09%	17	0.11%	12	0.07%
Center	14	0.14%	49	0.35%	16	0.10%	32	0.18%
Crane	11	0.11%	20	0.14%	8	0.05%	15	0.08%
Decatur	54	0.54%	71	0.50%	78	0.49%	71	0.4%
Johns	1	0.01%	5	0.04%	9	0.06%	15	0.08%
Pearl	NA	-	7	0.05%	8	0.05%	2	0.01%
Stuart	40	0.40%	47	0.33%	29	0.18%	38	0.21%
Waldron	70	0.70%	104	0.74%	106	0.67%	142	0.8%
Other Islands	20	0.20%	37	0.26%	43	0.27%	55	0.31%
Total Non-Ferry-Served Islands								
Total Non-Ferry-Served Islands	253	2.60%	409	2.91%	347	2.20%	423	2.38%
TOTAL	10,035	100%	14,078	100%	15,769	100%	17,788	100%

Source: OFM Selected Islands Report (County Parts) October, 2022. The data for 1990 came from a document prepared by the OFM for an internal study based on the 1990 U.S. census data.

Figure 4. Population Distribution on Ferry Served Islands for 1990, 2000 and 2020.



Source: OFM Selected Islands Report, October 12, 2022. 1990 data from internal document prepared by the OFM based on Census data.

Table 7 shows the population changes on the non-ferry served islands over the past thirty years. Only Waldron had consistent growth across the period.

4.A OFM Annual Population Estimates:

Alongside the quinquennial (every five years) GMA population projections, the OFM publishes annual population estimates for Washington counties and cities. Bookended by the decennial census, these estimates are compiled every year on the housing unit method. Each spring, the County provides the OFM data on the number and type of residential units built or demolished in the previous year. At its heart, the housing unit method assumes that the number of people in the County changes as the number of residential units change. In addition to tracking permits, the OFM uses demographic data such as average household size and vacancy rates to create accurate estimates. Migration patterns are verified through a variety of sources including school enrollment, Medicare and Medicaid records and generalized Internal Revenue Service data. As they are compiled yearly, the annual estimates are the most up to date County population count until the next census in 2030.

4.B OFM GMA Projections:

The OFM GMA population projections were compiled in 2022 and start with the 2020 census number.

Tables 8 (a, b, c and d) compare the low, medium and high GMA population projections with a population projection based on the County's proportionate share of the State population. If the County's proportionate share of the State population remains unchanged then the County population in 2045 will be 22,077, while the OFM medium projection is 937 people higher at 23,014.

Table 8(a) County GMA Population Forecast 2020-2050: Low Projection

Island	2020 Population	Population by Island (%)	Population Projections					
			2025	2030	2035	2040	2045	2050
San Juan (unincorp.)	5,928	33%	5,550	5,514	5,436	5,318	5,411	5,298
Orcas	5,772	32%	5,640	5,781	5,910	6,026	6,131	6,227
Lopez	2,737	15%	2,674	2,741	2,802	2,858	2,907	2,953
Shaw	253	1%	247	253	259	264	269	273
Subtotal (unincorp.)	14,690	83%	14,111	14,290	14,407	14,466	14,717	14,751
Town of Friday Harbor	2,613	14.7%	2,795	3,041	3,309	3,599	3,661	3,916
			16%	17%	18%	19%	19%	20%
Total Ferry Served Islands	17,303	97.27%	16,906	17,331	17,715	18,066	18,378	18,667
Blakely	41	0.23%	40	41	42	43	44	44
Brown	12	0.07%	12	12	12	13	13	13
Center	32	0.18%	31	32	33	33	34	35
Crane	15	0.08%	15	15	15	16	16	16
Decatur	71	0.40%	69	71	73	74	75	77
Johns	15	0.08%	15	15	15	16	16	16
Pearl	2	0.01%	2	2	2	2	2	2
Stuart	38	0.21%	37	38	39	40	40	41
Waldron	142	0.80%	139	142	145	148	151	153
Other Islands	117	0.66%	114	117	120	122	124	126
Total Non-Ferry-Served Islands	485		474	486	497	506	515	523
TOTAL	17,788	100.00%	17,380	17,817	18,212	18,572	18,893	19,190

Source: OFM December 2022, GMA Population Projections: Low.

For planning purposes, the Town of Friday Harbor has selected an annual population growth rate of 1.7 percent per year.

Table 8 (b). County GMA Population Forecast 2020-2050: Medium Projection.

Island	2020 Census Population	2020 Population by Island (%)	Population Projections					
			2025	2030	2035	2040	2045	2050
San Juan (unincorp.)*	5,928	33%	6,275	6,555	6,792	6,986	7,390	7,587
Orcas	5,772	32%	6,130	6,485	6,826	7,154	7,468	7,774
Lopez	2,737	15%	2,907	3,075	3,237	3,392	3,541	3,686
Shaw	253	1%	269	284	299	314	327	341
Subtotal (unincorp.)	14,690	83%	15,581	16,400	17,153	17,845	18,726	19,388
Town of Friday Harbor	2,613	14.7%	2,795	3,041	3,309	3,599	3,661	3,916
<i>x1.7 percent per year</i>			15%	15%	16%	16%	16%	16%
Total Ferry Served Islands	17,303	97.3%	18,376	19,441	20,461	21,445	22,387	23,304
Blakely	41	0.23%	44	46	48	51	53	55
Brown	12	0.07%	13	13	14	15	16	16
Center	32	0.18%	34	36	38	40	41	43
Crane	15	0.08%	16	17	18	19	19	20
Decatur	71	0.40%	75	80	84	88	92	96
Johns	15	0.08%	16	17	18	19	19	20
Pearl	2	0.01%	2	2	2	2	3	3
Stuart	38	0.21%	40	43	45	47	49	51
Waldron	142	0.80%	151	160	168	176	184	191
Other Islands	117	0.66%	124	131	138	145	151	158
Total Non-Ferry-Served Islands	485		515	545	574	601	627	653
TOTAL	17,788	100.00%	18,891	19,986	21,035	22,046	23,014	23,957

Source: OFM GMA Population Projections: Medium.

Table 8 (c). County GMA Population Forecast 2020-2045: High Projection.

Island	2020 Population	Population by Island (%)	Population Projections					
			2025	2030	2035	2040	2045	2050
San Juan (unincorp.)	5,928	33%	6,819	7,875	8,886	9,854	11,030	11,998
Orcas	5,772	32%	6,498	7,377	8,241	9,092	9,928	10,755
Lopez	2,737	15%	3,081	3,498	3,908	4,311	4,708	5,100
Shaw	253	1%	285	323	361	399	435	471
Subtotal (unincorp.)	14,690	83%	16,683	19,074	21,396	23,656	26,100	28,324
Town of Friday Harbor	2,613	14.7%	2,795	3,041	3,309	3,599	3,661	3,916
			14%	13%	13%	13%	12%	12%
Total Ferry Served Islands	17,303	97.27%	19,478	22,115	24,705	27,255	29,761	32,240
Blakely	41	0.23%	46	52	59	65	71	76
Brown	12	0.07%	14	15	17	19	21	22
Center	32	0.18%	36	41	46	50	55	60
Crane	15	0.08%	17	19	21	24	26	28
Decatur	71	0.40%	80	91	101	112	122	132
Johns	15	0.08%	17	19	21	24	26	28
Pearl	2	0.01%	2	3	3	3	3	4
Stuart	38	0.21%	43	49	54	60	65	71
Waldron	142	0.80%	160	181	203	224	244	265
Other Islands	117	0.66%	132	150	167	184	201	218
Total Non-Ferry-Served Islands	485		546	620	692	764	834	904
TOTAL	17,788	100.00%	20,024	22,735	25,397	28,019	30,595	33,144

Source: OFM GMA Projections: High.

Table 8 (d). County Population Projection Based on Proportional Share of the State’s Population.

Island	2020 Census Population	2020 Population by Island (%)	Population Projections					
			2025	2030	2035	2040	2045	2050
San Juan (unincorp.)*	5,928	33%	6,151	6,349	6,503	6,614	6,940	7,058
Orcas	5,772	32%	6,046	6,346	6,631	6,902	7,164	7,417
Lopez	2,737	15%	2,867	3,009	3,144	3,273	3,397	3,517
Shaw	253	1%	265	278	291	303	314	325
Subtotal (unincorp.)	14,690	83%	15,328	15,982	16,568	17,092	17,814	18,317
Town of Friday Harbor	2,613	14.7%	2,795	3,041	3,309	3,599	3,661	3,916
<i>x1.7 percent per year</i>			15%	16%	16%	17%	17%	17%
Total Ferry Served Islands	17,303	97.3%	18,123	19,023	19,877	20,691	21,475	22,233
Blakely	41	0.23%	43	45	47	49	51	53
Brown	12	0.07%	13	13	14	14	15	15
Center	32	0.18%	34	35	37	38	40	41
Crane	15	0.08%	16	16	17	18	19	19
Decatur	71	0.40%	74	78	82	85	88	91
Johns	15	0.08%	16	16	17	18	19	19
Pearl	2	0.01%	2	2	2	2	2	3
Stuart	38	0.21%	40	42	44	45	47	49
Waldron	142	0.80%	149	156	163	170	176	182
Other Islands	117	0.66%	123	129	134	140	145	150
Total Non-Ferry-Served Islands	485		508	533	557	580	602	623
TOTAL	17,788	100.00%	18,631	19,556	20,434	21,271	22,077	22,856

Source: U.S. Census, OFM December 2022 estimate. 1.7 percent annual population growth rate attributed to the Town of Friday Harbor. * As the Town of Friday Harbor grows, the population allocation for the unincorporated area of San Juan Island decreases

The GMA high projection indicates the County's population will increase by 12,807 people by 2045.

The GMA medium population projection indicates the County's population will increase by approximately 5,226 people by 2045.

The GMA low population projection indicates the County's population will increase by 1,105 people by 2045.

In comparison, the projection based on the County's proportionate share of the State population indicates an increase of 4,289 residents by 2045.

The OFM's 2022 high projection is not consistent with either the County's historic population trends or the County's proportionate share of the State's population. To reach the high projection number, a population growth rate similar to that of the 1970's would be necessary. The social and economic context that led to the explosive growth of the County population in the 1970's no longer pertains.

The prevailing social and economic trends (low wages, high costs, aging population) that mark the County as a preferred destination for older, affluent people may support either high or low growth rates in the future.

As noted above, 32.5% percent of the residential units in the County are considered seasonal or recreational homes. One potential source of population increase are new retirees who shift their primary residence from elsewhere on the mainland to their house in the County. Equally, the high rate of seasonal residences may indicate the growth of seasonal or recreational residential units used as a source of investment income for non-resident owners. An intensifying seasonal home market may indicate a gradual 'hollowing out' of the County's population as more residential units convert from full-time residences to part-time residences.

4.C Recommendation:

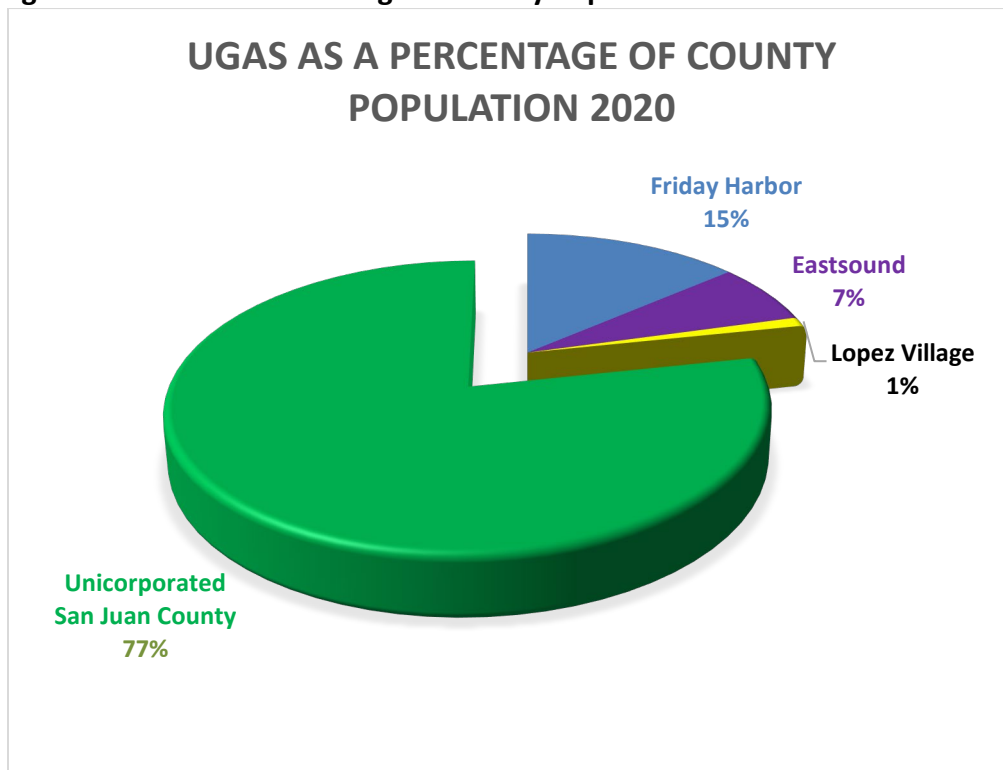
Staff recommends the 2045 County population projection of 23,014, an increase of approximately 5,226 new residents. This is the OFM's medium projection and is a more conservative projection than the proportionate share projection. With an average household size of 2.08, a population increase of 5,226 people will require the minimum development of approximately 2,512 housing units countywide.

5.A Urban Growth Areas:

The County’s island geography led to the development of small villages as service centers. Unlike other counties where Urban Growth Areas (UGA) concentrate both population and economic activity, in San Juan County, UGA’s house a relatively low proportion of the population of Orcas and Lopez Islands. In 2020, Friday Harbor accounted for approximately thirty percent of the population of San Juan Island, Eastsound housed twenty percent of the Orcas Island population, and Lopez Village housed 8.5 percent of the Lopez Island population. Approximately seventy-two percent, eighty percent and ninety-two percent of the population of San Juan, Orcas and Lopez Islands live in areas beyond the UGAs. All together the County’s UGA’s, including the Town of Friday Harbor, account for approximately twenty-three percent of the County’s population.

In contrast, seventy-four percent of neighboring Whatcom County’s population lives in UGAs. (*Whatcom County Population Growth Monitoring Report, October 30, 2020.*)

Figure 5. UGAs as a Percentage of County Population.



Source: OFM Small Area Estimates for 2020 census-Unincorporated UGAs.

The GMA requires the County reduce sprawl and “Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner” (RCW 36.70A.020 (1)). UGAs are expected to expand over time in order to house more people.

San Juan County Comprehensive Plan, Section B, Element 2, the Land use and rural section, policy (1)(13) clearly states the County's goal of accommodating growth in the unincorporated Urban Growth Areas:

Design urban growth areas to accommodate fifty percent (50%) of the twenty-year population growth projected for the island where the UGA is located. Development of urban areas should be encouraged consistent with smart growth principles. The Town, County, and utility providers should jointly explore infrastructure planning, construction and financing options for necessary capital improvements. Potential financing options include developer agreements, utility local improvement districts, grants, service area agreements, and impact fees.

The method used for developing the population projections for Eastsound and Lopez UGA's are as follows:

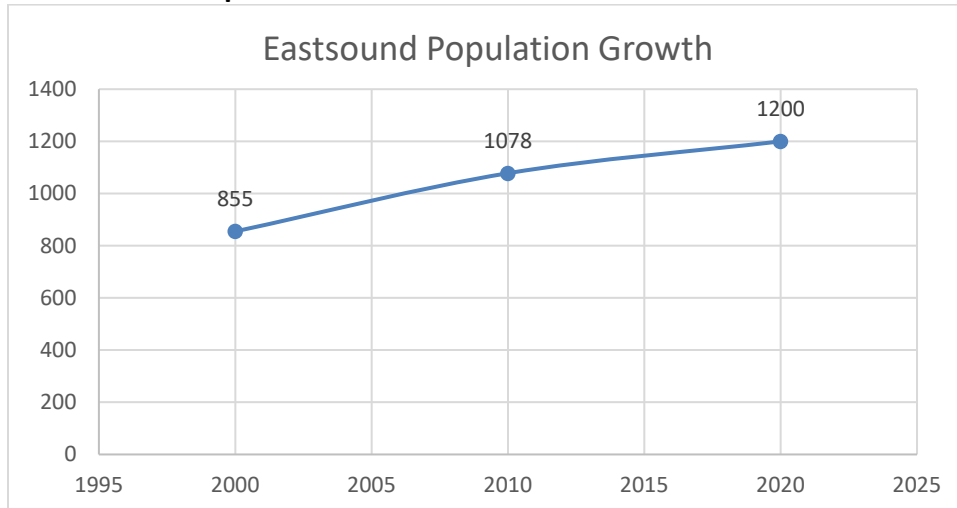
1. The allocation of the population by island follows the established pattern Table 6;
2. The UGAs populations for 2020 were tabulated from the OFM's Small areas report;
3. The island population forecasts for the medium projection were tabulated from Table 8(b);
4. The UGA populations were projected in two ways:
 - a. First as proportionate share of the island population. In which case the UGA population remains as a stable percentage of the island's changing population, or:
 - b. As fifty percent of the island's projected population growth.

5.B Urban Growth Area Projections:

1. **Friday Harbor:** The Town of Friday Harbor has selected a growth rate of 1.7 percent. Amendments to the Town's UGA are subject to established procedures and negotiations with the Town.

2. Eastsound UGA:

Figure 6. Eastsound Population Growth 2000-2020.



Source: OFM Small Area Estimates-Unincorporated UGAs-2020 Census.

The non-municipal UGA, Eastsound, is the commercial and social hub of Orcas Island. The original UGA was established in 1998 and was subsequently revised. The current UGA boundary was established in 2005. Between 2000 and 2020, the population in Eastsound grew by 29 percent or approximately 345 people. An average annual increase of approximately 2 percent. Conversely, over the same period the Orcas Island population increased by 29.5 percent (1,317 people), an average annual increase of 1.3 percent. Between 2000 and 2020, approximately twenty-six percent of the total population increase on Orcas Island occurred within the UGA, instead of the projected fifty percent.

20 years is a small sample size; however, comparable data for earlier decades is not available. Using the available data, staff developed two distinct projections:

1. A projection based on Eastsound maintaining a percentage share of the Orcas Island population; or
2. A projection with Eastsound achieving the goal of accommodating 50% share of the Orcas Island population growth.

5.C Eastsound UGA Projections:

Table 9 (a). Eastsound UGA GMA Population Forecast 2020-2050: Medium Projection.

Year	2000	2005	2010	2020	2025	2030	2035	2040	2045	2050
Orcas Island Population	4455	4921	5220	5772	6130	6485	6826	7154	7468	7774
Eastsound UGA	855	950	1078	1200	1274	1348	1419	1487	1553	1616
Percentage of Island Population	19.19%	19.40%	20.65%	20.79%	20.79%	20.79%	20.79%	20.79%	20.79%	20.79%

Source: OFM Small Areas Estimates-Unincorporated UGAs 2020 and OFM County GMA Population forecast-December, 2022. This model is limited by the expectation that, as the village grows, its relative weight to the island’s population will remain the

Table 9 (b). Eastsound UGA GMA Population Forecast 2020-2050 as 50% of island population growth.

Year	2000	2005	2010	2020	2025	2030	2035	2040	2045	2050
Orcas Island Population	4455	4921	5220	5772	6130	6485	6826	7154	7468	7774
Eastsound UGA (50% of Orcas Island Population growth)	855	950	1,078	1,200	1,379	1,556	1,726	1,890	2047	2,200
Percentage of Island Population	19.19%	19.40%	20.65%	20.52%	22.49%	24%	25%	26.4%	27.4%	28.29%

Source: OFM Small Areas Estimates-Unincorporated UGAs Census 2020 and OFM County GMA Population forecast- December 2022.

Tables 9 (a) and (b) forecast growth of population in Eastsound as either a proportionate share of the Orcas Island population or as 50% of Orcas Island’s projected population growth. The latter is a more conservative projection that attributes a higher than historic population growth to Eastsound. The projection is consistent with the County’s stated goal of accommodating 50% of Orcas Island’s population growth into the Eastsound UGA. The projection would be the base for regulatory or UGA changes to accommodate the prospective population.

The projections suggest that by 2045, the population of Eastsound may increase by either 353 people or 847 people. Population increases that will require approximately 169 or 407 residential units² respectively.

² Based on the average household size of 2.08 people.

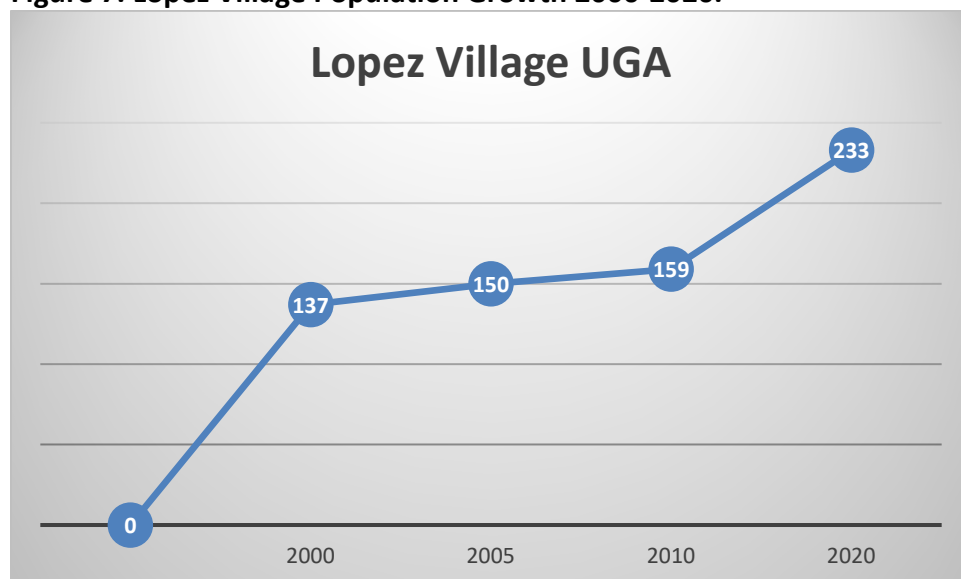
5.D Eastsound UGA Recommendation:

Staff recommends the projection in Table 10(b) which establishes an Eastsound population in 2045 as 2,047, an increase of 847 people between 2020 and 2045.

The recommended projection shows that, over time, Eastsound will account for a larger proportion of Orcas Island’s total population, eventually housing approximately twenty-seven percent of the island’s population in 2045 and accommodating almost fifty percent of Orcas Island’s projected growth consistent with the County’s Comprehensive plan.

5.E Lopez Village UGA:

Figure 7. Lopez Village Population Growth 2000-2020.



Source: OFM Small Areas Estimates-Unincorporated UGAs and 2020 Census

The non-municipal UGA, Lopez Village, is the commercial and social hub of Lopez Island. The original UGA boundary was established in 1998 and was subsequently revised in 2005. Between 2000 and 2020, the population in Lopez Village grew from 137 to 233 people, approximately 96 residents. This represents an average annual increase of approximately 3.5 percent.

Conversely, over the same period the Lopez Island population increased by 26 percent (561 people), an average annual increase of 1.28 percent. Between 2000 and 2020 approximately seventeen percent of Lopez Island’s total population increase occurred within the UGA rather than the projected fifty percent. Twenty years is a small sample size; however, comparable data for earlier decades is not available. Based on the recommended OFM’s medium projection, staff has developed two distinct Lopez Village projections:

1. A projection based on Lopez Village UGA maintaining a proportionate share of the Lopez Island population: or
2. A projection with Lopez Village UGA absorbing fifty percent of the projected population growth of Lopez Island.

Table 10 (a). Lopez Village UGA GMA Population Forecast 2020-2045: Medium Projection.

Year	2000	2005	2010	2020	2025	2030	2035	2040	2045	2050
Lopez Island Population	2176	2317	2380	2737	2907	3075	3237	3392	3541	3686
Lopez Village UGA (Maintaining Current percentage of Lopez Island Population)	137	150	159	233	247	262	276	289	301	314
Percentage of Island Population	6.30%	6.47%	6.68%	8.51%	8.51%	8.51%	8.51%	8.51%	8.51%	8.51%

Source: OFM Small Areas Estimates-Unincorporated UGAs.

Table 10 (b). Lopez Village UGA-GMA Population Forecast 2020-2045: Medium Projection

Year	2020	2025	2030	2035	2040	2045	2050
Lopez Island Population	2737	2907	3075	3237	3392	3541	3686
Lopez Village UGA (50% of Lopez Island Population Growth).	233	318	402	483	560	634	706
Percentage of Island Population	8.5%	11%	13%	15%	16%	18%	19%

Source: OFM Small Areas Estimates-Unincorporated UGAs Sept. 2023.

Table 10(a) forecasts the population growth in Lopez Village as a static 8.51% share of the Lopez Island population growth within the context of the County’s recommended projection. As the Lopez Island population rises, so does the population allocated to Lopez Village. This projection shows the village population increasing by 68 people over twenty-seven years. A population increase that will require approximately 32 new residences.

Table 10(b) projects the expected development of Lopez Village within the context of the recommended OFM projection but presumes that Lopez Village UGA will absorb fifty percent of Lopez island’s population growth consistent with the County’s Comprehensive plan. This projection shows the Lopez Village population more than doubling and increasing by 401 people over the next twenty-seven years. A population increase that will require approximately 192 new residences. This projection would be the base for regulatory or UGA changes that may be required to accommodate the prospective population.

5.F Lopez Village UGA Recommendation:

Staff recommends the projection in Table 10 (b) which establishes a Lopez Village UGA population of 634, an increase of 401 people and approximately 192 residences. This projection is consistent with the County's goal of housing fifty percent of the island's population increase in the UGA.

6.A Housing:

While net migration and natural increase drive actual population change, housing and employment opportunities, are key variables influencing migration. Traditionally, employment stimulates the demand for housing; however, over the past forty years, San Juan County has followed a different path by becoming an affluent retirement community with relatively low wage employment options.

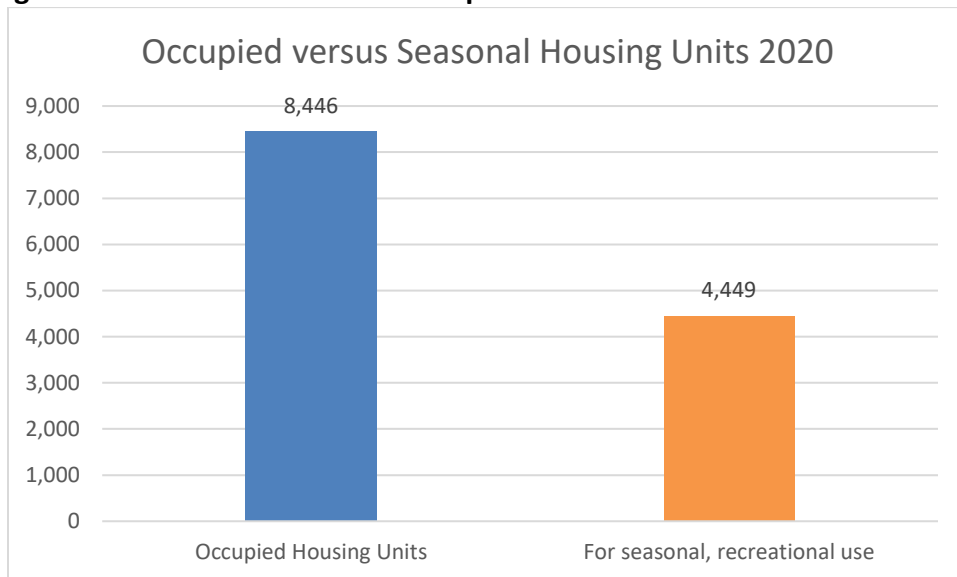
The combination of relatively low wage employment in the seasonal service, construction and recreation sectors, a lack of affordable housing and a high cost of living weighs against the in-migration of younger people with limited personal capital and favors affluent older people with greater personal capital. This is reflected in the age of the County's population where the median age is 56 years old.

Current research by the University of Washington Real Estate Commission in the Runstad Center for Real Estate Studies, *Housing Market Summary, Q2, 2023*, University of Washington, Page 3, shows that, "The least affordable County [in Washington] is San Juan County." The County currently has the lowest first-time home buyer affordability, with an index of 24. (A score of 100 means that median income families are likely to be able to afford a mortgage for a below median cost residence. Numbers below 100 indicate the difficulties median income earners would have to obtain a mortgage.)

The scenic and social amenities of the islands foster the proliferation of second or seasonally occupied homes.

The 2020 Census shows that approximately 32.3 percent of the County's housing stock is used for seasonal, recreational, or occasional use. In comparison, the Census shows that approximately 2.8 percent of the State's housing stock falls into the same category.

Figure 8. Total Units and Units Occupied.



Source: 2020 Census

The high proportion of seasonal units impacts the calculations of average household size and house cost, which, in turn, shapes the number of residential units projected to house the future population. If the percentage of seasonal units remains constant, then for every three full time residences, an additional seasonal unit will be developed.

The recommended population projection indicates a population increase of 5,226 people and the development of approximately 2,512 housing units. If the percentage of seasonal units remains unchanged then, the same population increase will entail an additional 803 seasonal housing units.

The current data suggests that the number of seasonal units will plateau and decline over the long run as the number of baby boomers continues to decline.

7.A Overnight Population:

San Juan County is a tourist destination. The overnight population peaks sharply in the summer months between Memorial Day and Labor Day. There is no irrefutable method for determining the number of overnight visitors who come to the islands during the summer months. Anecdotal evidence suggests the summer population peaks around the fourth of July weekend, with similar peaks for Memorial and Labor Day weekends.

Dean Runyan Associates regularly issues reports for the Washington Tourism Alliance examining the travel impacts and visitor volumes for each of Washington’s counties. Dean Runyan Associates have developed a sophisticated model for analyzing the economic impacts

of the travel industry. This model uses data sources such as unit inventories, visitor surveys, room demand, campsite use, and the number of second homes and visitor air arrivals to calculate visitor volumes.

The model indicates that the County had 813,000 visitors who spent approximately \$203 million in 2015. The report shows that approximately 125,000 visitors stay with resident friends or relatives.

Table 11. Visitor Volume.

	Persons (Thousands)		Parties (Thousands)		Party Size	Length of Stay
	Trips	Nights	Trips	Nights	(Persons)	Nights
San Juan	813	1,485	322	584	2.5	1.8

Source: Dean Runyan, Washington State County Travel Impacts and Visitor Volume 2000-2015. April 2016.

Notes: Visitor-trips is the number of trips to the destination by visitors. Visitor nights is the number of nights or days that visitors stayed at the destination. Visitor nights are equal to the number of visitor trips multiplied by the average length of stay.