

## Build-out Analysis: Existing vs. Proposed Downtown LDRs

The Comprehensive Plan requires annual monitoring of the amount, location, and type of growth that occurs. One of the “lessons learned” in the Comprehensive Plan process is that the location and intensity of growth that the community will see in the next 20 years will be a direct result of the development rights embedded within today’s zoning districts. As a result, staff has prepared the table below to compare the build-out potential of current zoning to the build-out potential of the proposed zoning for District 2 of the Comprehensive Plan.

These numbers assume that every property in District 2 will redevelop to its full potential according to the use-mix assumptions detailed on the next page. There is one important caveat to any build-out analysis: the estimated development potential is likely a significant overestimation of the actual build-out because local experience and national data show that properties often do not achieve their maximum allowed development potential due to market conditions and development constraints. With this in mind, the build-out numbers are more useful in demonstrating the comparative increase in build-out potential (provided in the right-most column) than in projecting exactly how much additional nonresidential floor area will actually be developed. The primary reason for the large increase in development potential in District 2 is the significant FAR increase proposed for the new downtown zones.

|                           | Existing Development | Potential Development |               | Change in Development Potential with Proposed LDRs |
|---------------------------|----------------------|-----------------------|---------------|--|
|                           |                      | Current LDRs          | Proposed LDRs |  |
| Nonresidential Floor Area | 1,127,923 sf         | 150,674 sf            | 2,362,030 sf  | 2,211,357 sf                                       |
| Lodging Units             | 1497                 | -78                   | 2,510         | 2,588  |
| Short-Term Rentals*       | 10                   | 697                   | 2,216         | 1,519  |
| Dwelling Units            | 476                  | 823                   | 1,583         | 759  |
| Employee Units            | -                    | 421                   | 2,146         | 1,725  |
| Workforce Housing Need    | -                    | 57                    | 449           | 392  |

In 2009 a taskforce comprised of staff and interested citizens developed a set of assumptions and calculated the build-out potential of the current LDRs. The conclusions of that group were used to develop the Comprehensive Plan. In 2012, as part of the Comprehensive Plan monitoring effort, staff compiled a more accurate accounting of existing development, which included classifying lodging as its own category rather than as nonresidential floor area. In addition, where development has occurred or development circumstances have changed since 2009, the existing development numbers have been updated. Staff used the 2009 assumptions to calculate current potential and, for the most part, the 2009 and 2014 analyses yield the same result, except that the 2014 analysis separates lodging from other nonresidential uses and separates short-term rentals as its own category.

\*A short-term rental unit is a unit that can be used as a lodging unit or residential unit (i.e., dual entitlement) at the owner’s discretion. There are not many units in District 2 that currently have such approval, but recent applications indicate that it is a unit type to be anticipated in the future. The assumption applied to current zoning is that much of the latent potential would be used for short-term rental units, which is why that number is so high (697) and the nonresidential floor area and lodging unit numbers are relatively low (150,674 and -78).

Another 2009 taskforce developed a methodology for calculating the job generation from development. Using that methodology, staff calculated workforce housing need by calculating job generation from potential development, accounting for multiple jobs per employee and multiple employees per household, and then applying a local need of 65% of the workforce housing unit demand.

### Development Potential Assumptions

| Zone   | FAR   | % NonRes | % Lodging | LU size | % STR | STR size | % Res | DU size  | DU density | % ARU | ARU size |
|--------|---|----------|-----------|---------|-------|----------|-------|----------|------------|-------|----------|
| TN-1   | 2   | 33%      | 33%       | 650 sf  | 33%   | 1,200 sf | 0%    | 1,200 sf | -          | 20%   | 850 sf   |
| TN-2   | 1   | 50%      | 0%        | 650 sf  | 0%    | 1,200 sf | 50%   | 1,200 sf | -          | 15%   | 850 sf   |
| TN-3   | 1   | 50%      | 5%        | 650 sf  | 20%   | 1,200 sf | 25%   | 1,200 sf | -          | 10%   | 850 sf   |
| TN-4   | 2   | 33%      | 28%       | 650 sf  | 28%   | 1,200 sf | 10%   | 1,200 sf | -          | 20%   | 850 sf   |
| TN-5   | 2   | 5%       | 0%        | 650 sf  | 0%    | 1,200 sf | 95%   | 1,200 sf | -          | 0%    | 850 sf   |
| UC/LO  | 1.3   | 25%      | 25%       | 650 sf  | 25%   | 1,200 sf | 25%   | 1,200 sf | -          | 10.5% | 600 sf   |
| UC2    | .65   | 75%      | -         | -       | -     | -        | 25%   | 1,200 sf | -          | 10.5% | 600 sf   |
| UC2/LO | .8  | 25%      | 25%       | 650 sf  | 25%   | 1,200 sf | 25%   | 1,200 sf | -          | 10.5% | 600 sf   |
| AC/LO  | .65   | 25%      | 25%       | 650 sf  | 25%   | 1,200 sf | 25%   | 1,200 sf | -          | 10.5% | 600 sf   |
| AC     | .325  | 75%      | -         | -       | -     | -        | 25%   | 1,200 sf | -          | 10.5% | 600 sf   |
| AR     | -   | -        | -         | -       | -     | -        | -     | -        | 17.42      | -     | -        |
| OP     | .46   | 75%      | -         | -       | -     | -        | 25%   | 1,200 sf | -          | 10.5% | 600 sf   |
| OP2    | .65   | 75%      | -         | -       | -     | -        | 25%   | 1,200 sf | -          | 10.5% | 600 sf   |
| BC     | -   | -        | -         | -       | -     | -        | -     | -        | 17.42      | -     | -        |
| RB     | .32   | 75%      | -         | -       | -     | -        | 25%   | 1,200 sf | -          | 10.5% | 600 sf   |
| MHP    | no potential - existing development will remain |          |           |         |       |          |       |          |            |       |          |
| NC     | -   | -        | -         | -       | -     | -        | -     | -        | 5.81       | -     | -        |
| R      | -   | -        | -         | -       | -     | -        | -     | -        | 3.63       | -     | -        |
| P/SP   | no potential - existing development will remain |          |           |         |       |          |       |          |            |       |          |

### Workforce Housing Need Calculation Assumptions

|  |       |
|--|-------|
| Job Generation per 1,000 sf of Nonresidential Floor Area | 3.39  |
| <i>Office (15%)</i>                                      | 4     |
| <i>Industrial (15%)</i>                                  | 1.3   |
| <i>Restaurant (7%)</i>                                   | 6.5   |
| <i>Retail (33%)</i>                                      | 3.3   |
| <i>Other (30%)</i>                                       | 3.5   |
| Job Generation per Lodging Unit                          | 0.3   |
| Job Generation per Short-term Rental Unit                | 0.46  |
| <i>Lodging Unit Equivalent (50%)</i>                     | 0.3   |
| <i>Dwelling Unit Equivalent (50%)</i>                    | 0.61  |
| Job Generation per Dwelling Unit                         | 0.61  |
| <i>&lt; 2,000 sf (47.6%)</i>                             | 0.35  |
| <i>2,000-4,000 sf (31.4%)</i>                            | 0.69  |
| <i>4,000-6,000 sf (20%)</i>                              | 1.14  |
| Job Generation per Employee Unit                         | 0.35  |
| Public Sector Job Adjustment Factor                      | 11.5% |
| Jobs per Employee  | 1.2   |
| Employees per Household                                  | 1.8   |
| Housing Units Needed Locally                             | 65%   |