

Appendix D: Land Capacity Analysis

City of Lynden Comprehensive Plan Update 2025

Income Bands, Emergency Housing, Employment

Background

As part of Lynden’s 2044 Comprehensive Plan update, Leland Consulting Group (LCG) was retained as part of a consultant team led by BHC to complete an analysis of land capacity for housing by income band as required by RCW 36.70A.070(2)(c). This memo outlines the methodology and results of this analysis, using the process outlined in the Washington Department of Commerce’s 2023 guidebook “Guidance for Updating Your Housing Element,” and using Whatcom County’s Land Capacity Analysis Spreadsheets developed as part of the County’s 2045 Comprehensive Plan Update process. This memo also contains the results of Lynden’s Land Capacity Analysis for Emergency Housing as required by RCW 36.70A.070(2)(c), using Whatcom County’s Emergency Housing Land Capacity Analysis Spreadsheet.

Housing Capacity Analysis

Housing Targets

Lynden is required to show land capacity to meet 2020-2045 targets for housing units based on the Washington Office of Financial Management countywide projections as allocated to UGAs by Whatcom County.¹ Lynden’s population allocation for this period is **6,665 net new residents**, corresponding to **3,552 net new housing units**, as determined by the Department of Commerce’s Housing for All Planning Tool (HAPT), which generates housing unit need based on population allocations. The HAPT accounts for new housing needed to house projected new households as well as to ensure a healthy vacancy rate of 6 percent.

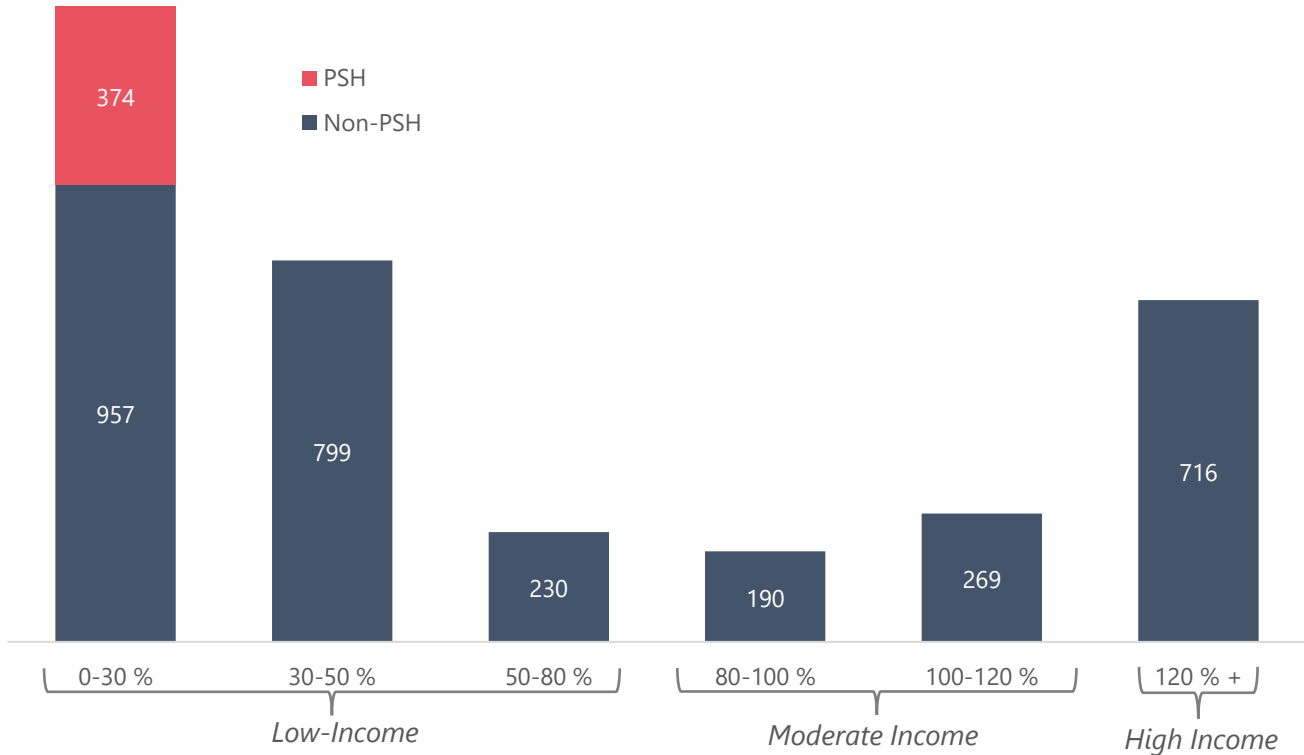
The housing unit targets are further broken down by what income band the housing units can serve, expressed as a percentage of the HUD Area Median Income (AMI). For reference, the AMI for Whatcom County is **\$106,300** in 2024. The AMI is determined by the U.S. Department of Housing and Urban Development (HUD), and is generally higher than the Census-reported Median Household income for a given city, since it is a countywide metric and based on family household income. The HUD AMI is used to determine eligibility and income limits for subsidized affordable housing units. The HAPT generates housing targets by income band for the county, based on projected future income distribution of the new population as well as housing needed to eliminate cost-burden and provide housing for those currently experiencing homelessness.

The targets for households earning under 30% AMI are broken down into **permanent units** (i.e. standard housing units) and **permanent supportive housing (PSH)**, defined in the Department of Commerce guidebook as “subsidized, leased housing for people who are experiencing homelessness or are at risk of homelessness and living with a disabling condition.” Finally, each jurisdiction receives a housing target for emergency housing, defined as “temporary accommodations for households who are experiencing homelessness or are at imminent risk of becoming homeless.” Emergency Housing

¹ Note that in Whatcom County, planning is conducted based on UGA boundaries rather than city boundaries. The capacity numbers throughout this document refer to the combined area of Lynden’s city limits and its UGAs.

capacity is analyzed separately from this process. See the Emergency Housing Land Capacity Analysis section later in this report for results. Lynden’s 2045 permanent housing targets by income band are shown below in Figure 1.

Figure 1. Lynden Existing and Target Housing Units by Income Band, 2020-2045



Source: Whatcom County Non-Binding Multi-Jurisdictional Resolution No. 2025-011 (Adopted March 11, 2025)

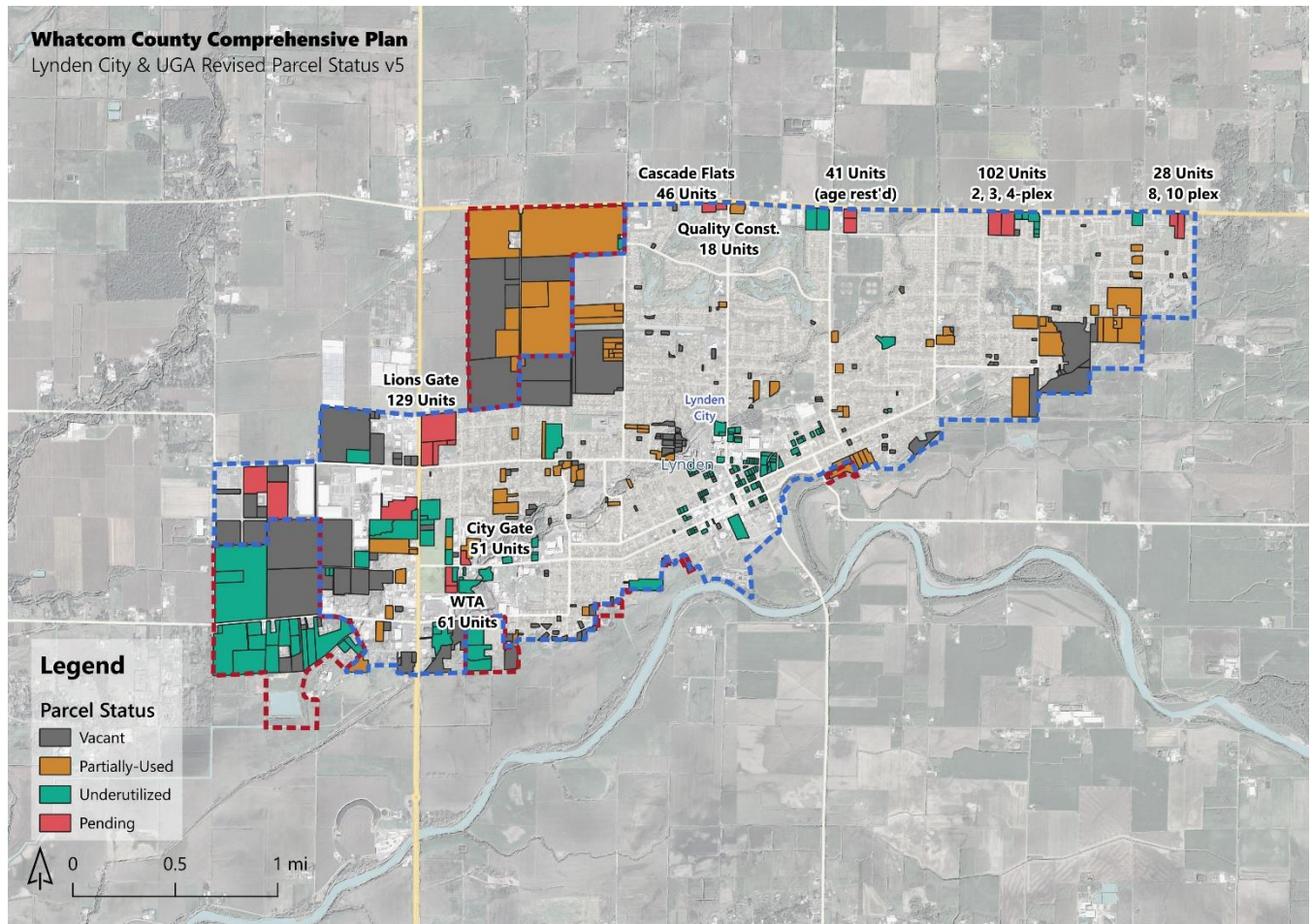
Vacant and Redevelopable Parcels and Pending Development

The first step in the land capacity analysis is to determine which parcels could accommodate new development over the planning horizon. Whatcom County provided updated GIS data classifying parcels in Lynden as **vacant, underutilized, and partially-used**. Working with city staff, LCG refined the set of vacant, underutilized, and partially-used parcels to account for planned and proposed development, some changes in land classification, and new development which has taken place since the County assessment.

Next, development which has occurred since 2023 or is planned, proposed, or under construction was totaled. These new housing units and jobs count towards the growth targets, since the baseline established by Whatcom County was for 2023. This recent and forthcoming development totals **95 single-family housing units and 361 multifamily housing units**.

The map below in Figure 2 shows the locations of the vacant, underutilized, partially-used, and pending parcels in Lynden used for this analysis. Details on the pending units are also shown.

Figure 2. Vacant, Underutilized, Partially-Used, and Pending Parcels in Lynden, 2024

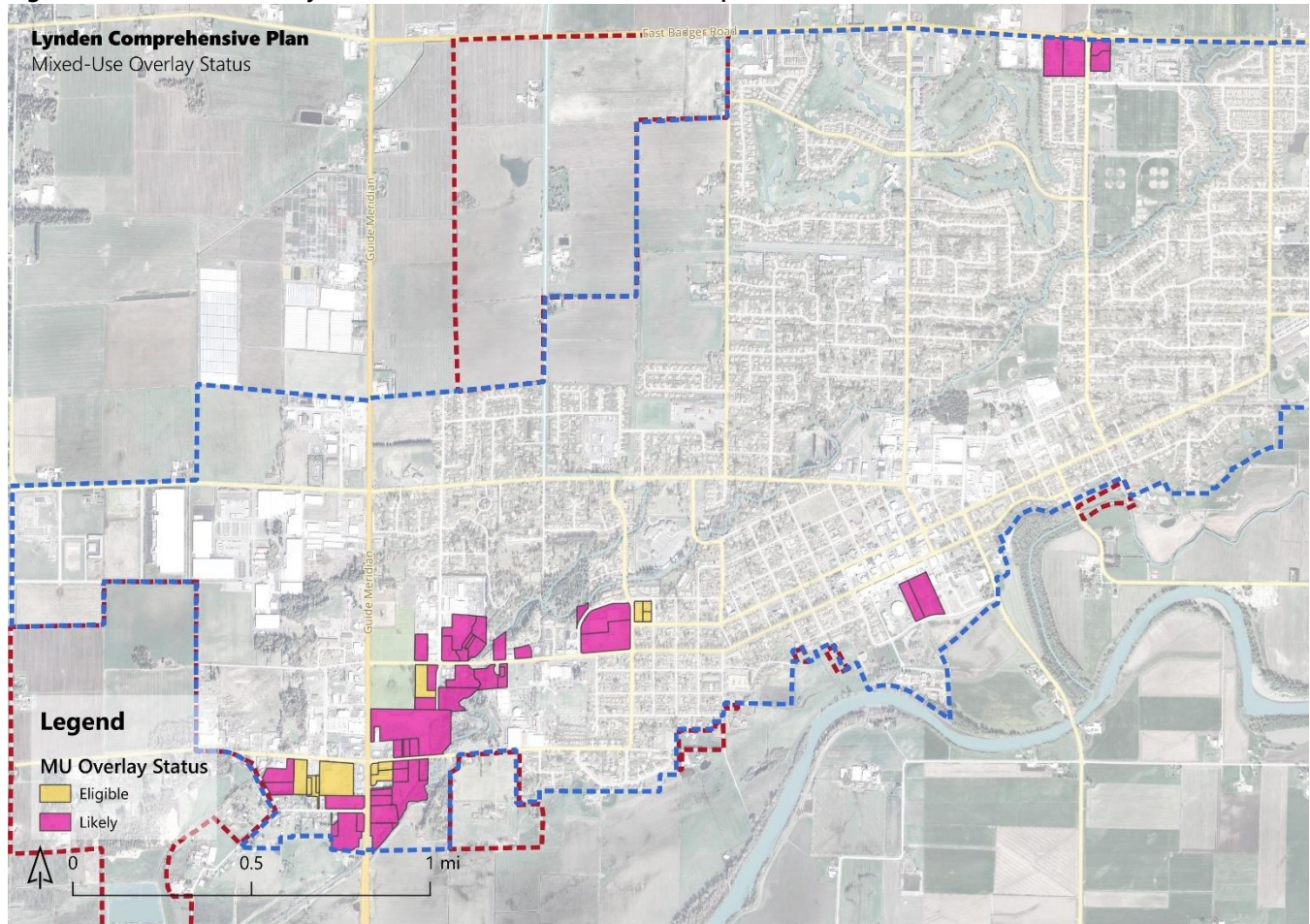


Source: Whatcom County, City of Lynden, Leland Consulting Group

Mixed-Use Overlay

In December 2022, Lynden adopted a mixed-use overlay near various qualifying commercial centers across the city (Ordinance 1657). This was intended to facilitate more multifamily housing in Lynden at key nodal areas near commercial services and other potential amenities. As adopted, these centers allow increased densities up to **28 units per acre**. Since these parcels' assessed value and county classifications shown above do not reflect this recent land use change, city staff classified the likelihood of redevelopment of these parcels based on zoning, size, proximity to a qualifying commercial center, current use, and property ownership. Some parcels are considered "**Eligible**" for the overlay but less likely to redevelop over the planning horizon, and others are "**Likely**" to see change over the next 20 years. These parcels are shown below in Figure 3. These parcels were added to the potential redevelopable parcel set and assigned various density assumptions and market reduction factors as described in the next section. Since the overlay requires at least 20 percent commercial development, **80 percent** of the acreage in these parcels was assigned to potential residential capacity and **20 percent** to potential employment capacity.

Figure 3. Mixed Use Overlay Parcels with Likelihood of Redevelopment



Source: City of Lynden, Whatcom County, Leland Consulting Group

Reduction Factors

Commerce’s HB 1220 guidance indicates that jurisdictions should reduce the amount of vacant and redevelopable acreage by a reasonable amount to account for land which may not be available for redevelopment due to the need for new right-of-way, public space, stormwater facilities, or other dedications, as well as a reasonable estimate of the amount of land that will remain unavailable due to the market. For this analysis, Lynden used the same assumptions developed for the 2021 Buildable Lands report: a quasi-public use deduction of **5 percent**, an infrastructure deduction of **5 percent**, and market factors of **15 percent** for vacant parcels and **25 percent** for partially-used and underutilized parcels.

The exception to these factors were increased market factors in the **Mixed-Use Overlay** areas to account for uncertainty about potential redevelopment in these areas given the recent land use changes. In “Likely” areas (shown in pink on the map above), the market factors were increased to **20 percent** for vacant parcels and **25 percent** for partially-used and underutilized parcels. In “Eligible” but less likely areas, shown in yellow on the map above, market factors were increased further to **25 percent** for vacant parcels and **35 percent** for partially-used and underutilized parcels.

Housing Density Assumptions

Having established the amount of available developable acreage, the next step in the analysis was to estimate the density at which that acreage could redevelop. These assumed future densities were developed based on achieved and allowed densities, and were based on the assumed densities developed during the 2021 Buildable Lands process. The assumed density for the Mixed-Use Overlay districts was set at 28 units per acre, since there have been recent projects proposed at higher densities in this area. The assumed densities by zone are shown below.

Figure 4. Housing Density Assumptions for Lynden Land Capacity Analysis (units/acre)

| Zoning Designation | Assumed Net SF Res Density (du/ac) | Assumed Net MF Res Density (du/ac) |
|---------------------------|-------------------------------------------|-------------------------------------------|
| RS-100 | 4.0 | |
| RS-84 | 4.5 | |
| RS-72 | 5.0 | |
| RMD | 6.0 | |
| RM-1 | | 8.0 |
| RM-2 | | 12.0 |
| RM-3 | | 16.0 |
| RM-4 | | 24.0 |
| RM-PC | | 12.0 |
| MUO Likely | | 28.0 |
| MUO Eligible | | 28.0 |

Source: City of Lynden, Leland Consulting Group

Additional ADU Capacity

HB 1337, passed by the legislature in 2023, requires that cities allow two ADUs, detached or attached, on all parcels currently zoned for low-density residential (i.e. single-family). As part of this capacity analysis, LCG considered the additional housing capacity that this new legislation could create in Lynden. Parcels in the RS-100, RS-72, and RS-84 zones were considered for this analysis. Since the new legislation allows ADUs to be constructed within existing structures (such as in a basement or garage conversion) or in new structures, all parcels in these zones were considered eligible for an ADU – a total of **3,604 parcels**. This parcel count was then multiplied by an “uptake rate” representing the share of eligible parcel owners that may choose to construct an ADU over the 20-year planning horizon. This rate was set at **5 percent**, per Commerce’s suggestion and trends seen in other Washington cities, resulting in a capacity for **180 ADUs** over the planning horizon. This was then benchmarked to recent trends in Lynden, where about 7 ADUs per year have been permitted over the past five years. If this trend were to continue, this would equal 140 ADUs constructed over the next 20 years, showing that the capacity assumption of 180 is within the range of recent trends and represents a reasonable, slight increase in ADU construction above recent trends, based on the forthcoming implementation of the new state legislation.

Initial Totals

Applying the density assumptions and reduction factors discussed above to the available vacant, underutilized, partially-used, and mixed-use overlay parcels in Lynden results in an initial land capacity of **3,610 housing units**, which, when added to the 456 pending units built since 2020 or in the pipeline, results in a **surplus of 531** units over the required allocation of 3,535 units. The next step in this analysis is to break down this housing unit capacity by the income band that the units can potentially serve and compare with the allocations, as described in the next section.

Income Band Classifications

Pending Units by Income Band

The first step in the income band breakdown is to categorize the units which have been built since 2020, are proposed, or are under construction by the income level that they will serve. Following Commerce guidance as well as an analysis of average rents in Lynden based on CoStar and Washington Center for Real Estate Research data, multifamily units were assigned to the 0-80 percent AMI category. There are several “middle housing” projects including 8-plexes and 10-plexes in the pipeline in Lynden. These were assigned to the 80-120 percent AMI category. Finally, single-family units were assigned to the 120 percent AMI and higher category. In addition, city staff provided details on the affordability level of several specific pipeline projects, including a mix of affordability levels at the Lions Gate project and some forthcoming small age-restricted housing in the city. Figure 5 below shows the breakdown of pending units in Lynden categorized by income band:

Figure 5. Pending Units by Income Band in Lynden

| Pending Units | |
|----------------------|------------|
| 0-80 % | 241 |
| 80-120 % | 140 |
| 120% + | 75 |
| Total | 456 |

Source: City of Lynden, Leland Consulting Group

Land Capacity by Income Band

The next step in this analysis was to break down the land capacity for future units into income bands that those units could serve. Following Department of Commerce guidance, this is accomplished by grouping zones into zone categories based on the housing types that are allowed, and then grouping those categories by the lowest potential income level that could be served by the housing types in that zone category. This classification is shown below.

Figure 6. Lynden Zone Category Classification

| Zone | Single-Family Land Capacity | Multifamily Land Capacity | Single-Family Zone Category | Multifamily Zone Category |
|--------------|-----------------------------|---------------------------|-----------------------------|---------------------------|
| RS-100 | 227 | 0 | Low Density | |
| RS-84 | 0 | 0 | Low Density | |
| RS-72 | 505 | 0 | Low Density | |
| RMD | 997 | 0 | Moderate Density | |
| MH | 0 | 0 | Low Density | |
| TR-RW | 0 | 0 | Low Density | |
| RM-1 | 0 | 4 | | Moderate Density |
| RM-2 | 0 | 206 | | Moderate Density |
| RM-3 | 0 | 130 | | Low-Rise |
| RM-PC | 0 | 89 | | Low-Rise |
| MUO Eligible | 0 | 183 | | Mid-Rise |
| MUO Likely | 0 | 1,089 | | Mid-Rise |

Finally, the aggregated housing allocations for each income band from Whatcom County are compared with the total pending units and additional land capacity by income band. The results are shown below in Figure 7.

Figure 7. Lynden Housing Targets and Capacity by Income Band (Current Zoning)

| Income Band | Housing Needs | Aggregated Housing Needs | Pending Units | Remaining Needs | Total Capacity | Surplus/Deficit |
|--------------|---------------|--------------------------|---------------|-----------------|----------------|-----------------|
| 0-30 Non PSH | 957 | 2,360 | 241 | 2,119 | 1,671 | (448) |
| 0-30 PSH | 374 | | | | | |
| 30-50 | 799 | | | | | |
| 50-80 | 230 | 459 | 140 | 319 | 1,207 | 888 |
| 80-100 | 190 | | | | | |
| 100-120 | 269 | | | | | |
| 120+ | 716 | 716 | 75 | 641 | 732 | 91 |
| Total | 3,535 | 3,535 | 456 | 3,079 | 3,610 | 531 |

As shown above, although Lynden has sufficient total capacity for a surplus of 531 units, **there is insufficient capacity for units serving lower-income households (earning 80 percent AMI or less)**. Per Commerce’s framework, this correlates with a lack of capacity for multifamily housing in the city, that could take the form of subsidized units that can serve these lower-income households.

Proposed Land Use Revisions

In order to address the deficit in 0-80 percent AMI units shown above in Figure 7, staff and the consultant team worked together to analyze potential increases in zoned density which can provide the capacity required to meet Lynden’s targets for this Comprehensive Plan. The analysis showed that an with an assumed density of about 38 units per acre in the Mixed-Use Overlay areas, the city would have sufficient capacity to meet its targets in the 0-80 percent category. Staff indicated that there have been proposals in recent years to develop projects in the 40 units/acre range in the MUO areas since they were rezoned, and one proposal even came in for a project at about 60 units per acre in the MUO, although it was not developed. Nonetheless, these proposals indicate that the development community is both aware of the potential in the new overlay districts as well as willing to build at a greater density than the currently allowed 28 units per acre.

Based on this analysis, the city is planning to adjust the maximum allowed density in the Mixed Use Overlay districts to 40 units per acre concurrently with this Comprehensive Plan update. This will provide sufficient capacity for Lynden to meet and exceed its housing targets at all income levels. The chart below in Figure 8 shows Lynden’s revised capacity with an assumed density of 40 units per acre in the MUO. Note that an average density of slightly less than 38 units per acre would provide sufficient capacity, but because it is likely that not all projects will reach the maximum allowed density, the city is increasing allowed density up to 40 units per acre.

Figure 8. Lynden Housing Targets and Capacity by Income Band (Proposed Zoning @ 40 DU/Ac in MUO)

| Income Band | Housing Needs | Aggregated Housing Needs | Pending Units | Remaining Needs | Total Capacity | Surplus/Deficit |
|--------------|---------------|--------------------------|---------------|-----------------|----------------|-----------------|
| 0-30 Non PSH | 957 | 2,360 | 241 | 2,119 | 1,671 | 98 |
| 0-30 PSH | 374 | | | | | |
| 30-50 | 799 | | | | | |
| 50-80 | 230 | | | | | |
| 80-100 | 190 | 459 | 140 | 319 | 1,207 | 888 |
| 100-120 | 269 | | | | | |
| 120+ | 716 | | | | | |
| | | 716 | 75 | 641 | 732 | 91 |
| Total | 3,535 | 3,535 | 456 | 3,079 | 4,516 | 1,077 |

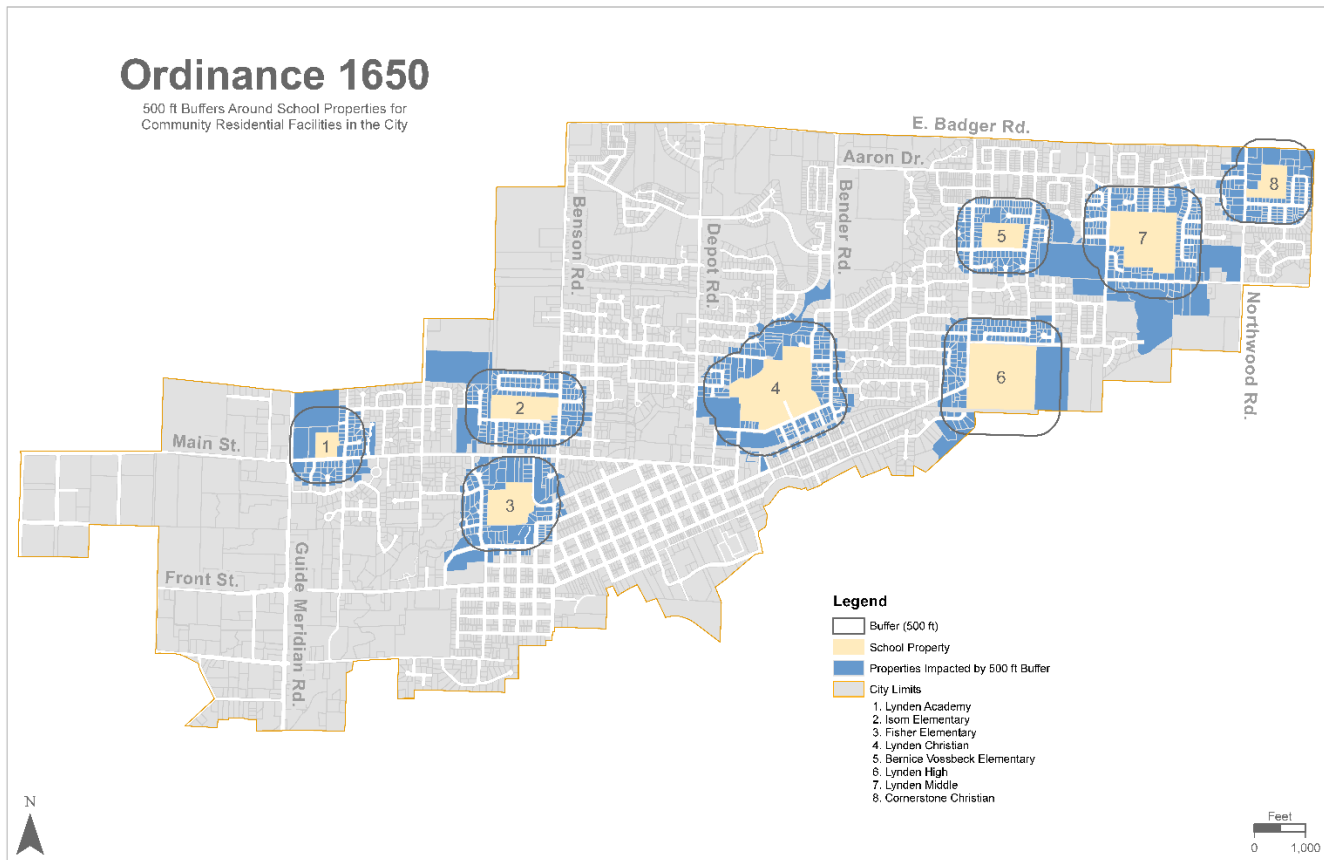
Emergency Housing Land Capacity Analysis

RCW 36.70A.070(2)(c) requires that, in addition to land capacity for permanent housing, jurisdictions also show sufficient land capacity for their allocations of emergency housing as part of their comprehensive plan updates. This section outlines the methodology and results of this analysis, which is based on the Emergency Housing Land Capacity Analysis Option B (assumed density method) as outlined on pp. 44-48 of the WA Department of Commerce’s “Guidance for Updating Your Housing Element” (August 2023).²

The use table in Lynden Municipal Code 19.23.020 allows for “Emergency Housing” and “Emergency Shelters” in the HBD, CSL, and CRS zones. Per Commerce guidance, this analysis considers parcels in these zones which were classified as “Vacant,” “Partially Utilized” or “Underutilized” in the overall land capacity analysis as detailed previously in this report. Lynden has spacing requirements which prohibit the location of Emergency Housing within 500 feet of schools. Using GIS data from the city’s analysis of these buffer zones, LCG excluded parcels within these areas from this analysis. The school buffers are shown below:

² <https://deptofcommerce.box.com/s/1d9d517g509r389f0mjpowh8isjpirlh>

Figure 9. 500-Foot School Buffers in Lynden



Source: City of Lynden

The total net vacant, partially used, or underutilized area by zone available for Emergency Housing as calculated using Lynden’s Land Capacity Analysis spreadsheet, and after removing parcels falling within the school buffers shown above, is **52.4 acres**, as shown below in Figure 10:

Figure 10. Lynden Net Acres Available for Emergency Housing by Zone

| Zone | Net Acres |
|--------------|-------------|
| HBD | 0.2 |
| CSL | 15.5 |
| CSR | 36.7 |
| Total | 52.4 |

Source: City of Lynden, Lynden Land Capacity Analysis Spreadsheet, Leland Consulting Group

This acreage is then multiplied by a density assumption for potential emergency shelters, measured in beds per acre. The density assumption is based on a combination of prototypes drawn from the Whatcom County Health Department’s inventory of Emergency Housing in the County which most closely match staff expectations for the types of potential emergency housing that could be developed in Lynden under current zoning. Details and densities on the prototypes used and the percentage of each prototype used in generating the average density assumption of **24 beds per acre** are shown below.

Figure 11. Density Prototypes for Lynden Emergency Shelter Land Capacity Analysis

| Name | Location | Type | Details | Beds | Acres | Density (beds/acre) | Percentage |
|-----------------------------------------|------------|----------------------|--------------------------------------------------------------------------------------------|------|-------|---------------------|-------------|
| New Way Ministries Transitional Housing | Lynden | Transitional Housing | 1 story former nursing home, parking, women and children (2 year stays with 24 hr support) | 61 | 2.80 | 22 | 75% |
| Whatcom Homeless Service Center | Bellingham | Hotel Conversion | 31 bed converted motel with parking | 31 | 1.03 | 30 | 25% |
| Average Density for LCA: | | | | | | 24 | 100% |

Source: WA Department of Commerce, Whatcom County Health Department, City of Lynden, Leland Consulting Group

Applying this density assumption to the available acreage by zone results in a capacity for **1,250 beds** on vacant and redevelopable parcels in zones where emergency housing is allowed in Lynden, as broken down below in Figure 12.

Figure 12. Emergency Shelter Capacity by Zone in Lynden, 2020-2045

| Zone | Net Acres | Beds / Acre | Emergency Shelter Bed Capacity |
|--------------|-----------|-------------|--------------------------------|
| HBD | 0.2 | 24 | 5 |
| CSL | 15.5 | 24 | 369 |
| CSR | 36.7 | 24 | 876 |
| TOTAL | | | 1,250 |

Source: WA Department of Commerce, City of Lynden, Leland Consulting Group

Lynden’s target for emergency housing is 58 beds, as shown in the target allocations above in Figure 12. Therefore, the city has a **surplus capacity of 1,192 shelter beds** for the 2020-2045 planning period, as shown below in Figure 13. The table below also shows that Lynden would need 2.43 acres of land at 24 beds per acre in order to accommodate the target of 58 beds. This small acreage shows that accommodating this emergency housing target will not have an impact on Lynden’s ability to meet its targets for permanent land capacity.

Figure 13. Emergency Shelter Capacity and Target in Lynden, 2020-2045

| Total Emergency Shelter Need (Beds) | Total Emergency Shelter Capacity (Beds) | Surplus/Deficit | Acres Needed |
|-------------------------------------|-----------------------------------------|-----------------|--------------|
| 58 | 1,250 | 1,192 | 2.43 |

Source: Whatcom County, WA Department of Commerce, City of Lynden, Leland Consulting Group

Employment Capacity Analysis

In addition to its housing and population targets, Lynden must also show capacity to accommodate **1,799 new jobs** by 2045. A capacity analysis for employment was conducted using a substantially similar methodology to the housing analysis, and also using Lynden’s Land Capacity Analysis spreadsheets developed during the Buildable Lands process. The same set of vacant, partially-used, and underutilized parcels shown above in Figure 2 were used for the employment analysis. Reduction factors were also the same: a quasi-public use deduction of **5 percent**, an infrastructure deduction of **5 percent**, and market factors of **15 percent** for vacant parcels and **25 percent** for partially-used and underutilized parcels.

Density assumptions for commercial development are shown below in Figure 14. The assumed floor area ratio (FAR) for commercial and industrial development was calculated based on achieved densities during the 2021 Buildable Lands process, and the assumed square feet per job was developed by the City of Bellingham for the County in a 2020 technical memo updated in 2024 for this planning cycle.

Figure 14. Commercial Density Assumptions for Lynden Land Capacity Analysis (FAR)

| Zoning Designation | Assumed Net Commercial Density (FAR) | Assumed Industrial Density (FAR) | Assumed Square Feet per Job |
|--------------------|--------------------------------------|----------------------------------|-----------------------------|
| CSR | 0.184 | | 467 |
| CSL | 0.184 | | 467 |
| HBD | 0.184 | | 467 |
| ID | | 0.26 | 768 |
| IBZ | | 0.26 | 768 |
| MUO Likely | 0.184 | | 467 |
| MUO Eligible | 0.184 | | 467 |

Source: City of Lynden, Whatcom County, City of Bellingham Leland Consulting Group

Figure 15 below shows the results of the employment capacity analysis. Although some acreage in the Mixed Use Overlay zones was assigned to commercial use, as noted previously, the large number of existing jobs in these areas resulted in no net increase in jobs if redevelopment were to occur. Overall, and particularly as a result of the large amount of industrial employment capacity in the ID and IBZ zones, **Lynden has more than enough capacity to meet its job targets for this comprehensive planning period.**

Figure 15. Lynden Employment Land Capacity Analysis Results, 2023-2045

| Zoning Designation | Net Developable Acres | Job Capacity |
|--------------------------|-----------------------|--------------|
| CSR | 36.69 | 584 |
| CSL | 16.29 | 231 |
| HBD | 0.21 | 0 |
| ID | 128.82 | 1,683 |
| IBZ | 89.69 | 1,240 |
| MUO Likely | 10.41 | 0 |
| MUO Eligible | 1.63 | 0 |
| Grand Total | 283.74 | 3,737 |
| Employment Target | | 1,799 |
| Surplus | | 1,938 |

Source: City of Lynden, Whatcom County, City of Bellingham Leland Consulting Group