

CITY OF MARYSVILLE DEVELOPMENT

Prepared for the City of Marysville by the Center for Economic and Business
Research

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Table of Contents

About the Authors.....	4
Introduction.....	5
Definitions.....	5
Executive Summary.....	6
Methodology.....	9
Retail Leakage.....	9
Population and Household Forecasts.....	11
Housing Allocations.....	11
Population Forecast.....	15
City of Marysville.....	13
Retail.....	16
Housing.....	18
Downtown.....	19
Retail.....	19
Housing.....	21
Getchell.....	25
Retail.....	25
Housing.....	26
Jennings Park.....	28
Retail.....	28
Housing.....	29
Kellogg-Marsh.....	31
Retail.....	31
Housing.....	32
Lakewood.....	34
Retail.....	34
Housing.....	35
Marshall.....	37
Retail.....	37

Housing	38
Pinewood	40
Retail	40
Housing	41
Shoultzes	43
Retail	43
Housing	43
Smokey Point	45
Retail	45
Housing	46
Sunnyside	47
Retail	47
Housing	48
East Sunnyside	49
Retail	49
Housing	50
Conclusion	52
Appendix A: Maps	53
Appendix B: Residential Land Values by Parcel	59

About the Authors

The Center for Economic and Business Research is an outreach center at Western Washington University located within the College of Business and Economics. In addition to publishing the Puget Sound Economic Forecaster the Center connects the resources found throughout the University to assist for-profit, non-profit, government agencies, quasi-government entities, and tribal communities in gathering and analyzing useful data to respond to specific questions. We use a number of collaborative approaches to help inform our clients so that they are better able to hold policy discussions and craft decisions.

The Center employs students, staff and faculty from across the University as well as outside resources to meet the individual needs of those we work with. Our work is based on academic approaches and rigor that not only provides a neutral analysis perspective but also provides applied learning opportunities. We focus on developing collaborative relationships with our clients and not simply delivering an end product.

The approaches we utilize are insightful, useful, and are all a part of the debate surrounding the topics we explore; however, none are absolutely fail-safe. Data, by nature, is challenged by how it is collected and how it is leveraged with other data sources; following only one approach without deviation is ill-advised. We provide a variety of insights within our work – not only on the topic at hand but the resources (data) that inform that topic.

We are always seeking opportunities to bring the strengths of Western Washington University to fruition within our region. If you have a need for analysis work or comments on this report, we encourage you to contact us at 360-650-3909 or by email at cebr@wwu.edu.

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The Center for Economic and Business Research is directed by Hart Hodges, Ph.D. and James McCafferty.

Introduction

The City of Marysville is a medium-sized city located in Snohomish County, WA, alongside the I-5 corridor. It is surrounded by the cities of Everett, Arlington, Lake Stevens, and the Tulalip Indian Reservation, as well as within commuting distance of Seattle, making it an interesting location to examine for retail potential as its population continues to grow. This report analyzes the city as a whole, as well as focusing on each of its eleven individual subareas in terms of their retail markets and suitability for further housing accommodation. This report seeks to provide a realistic assessment of these two markets within Marysville.

In no way does this report seek to convey other than that the City of Marysville is compliant with the Growth Management Act. Instead, it seeks to provide assistance and considerations for the City of Marysville when considering development opportunities for their downtown area and for their expected population growth. In conducting our analysis for this report we have benefitted from updated information, including population projections, which were not available to the city during its last comprehensive plan update. Data within this report may not align with official city documents due to these various data points.

Definitions

In order to provide a more robust understanding of this report, the following definitions have been provided:

Retail Leakage Study: A retail leakage study compares retail sales (supply) with retail demand (consumer purchases) by subtracting supply from demand. This produces a retail gap factor that denotes leakage or a surplus. These factors can range from -100 to +100, with -100 representing an area that has no local consumers, attracting all of their consumers from outside of the area. A retail factor of +100 denotes an area with complete leakage, meaning that all consumers are leaving the area to purchase goods. The closer a factor is to +100, the more opportunity there is for retail investment.

Retail Leakage: Denoted by positive values. Consumers from within the trade area are going elsewhere to purchase retail goods.

Retail Surplus: Denoted by negative values. Consumers from outside of the trade area are purchasing goods.

Single Family High Density: 6.5 dwelling units per acre

Single Family High Density, Lot: 8 dwelling units per acre

Single Family Medium Density: 4.5 dwelling units per acre

Multifamily Low Density: 12 dwelling units per acre (maximum allowed)

Multifamily Medium Density: 18 dwelling units per acre (maximum allowed)

Multifamily High Density: 36 dwelling units per acre (maximum allowed)

Housing Deficit: Less housing is projected to be supplied than what will be demanded. Denoted by parentheses around the number, i.e., “()”.

Housing Surplus: More housing will be supplied than what is expected to be demanded.

The structure of this report has been divided by subarea, treating each analysis as though it were unitary. This allows an analysis of each area at a more in-depth level, but neglects the interconnectivity of each region, as well as the relationship between retail markets and increased households. This interconnectivity is important for development of Marysville as a whole, but not for the purposes of this report.

Lastly, it must be mentioned that retail leakage studies are able to correctly identify where there is room for growth in a retail sector, but they do not necessarily provide a definitive answer as to whether or not development *should* take place. Some areas may present total retail leakage, providing a good opportunity for expansion, but the area may be better suited for other uses. This is integral to keep in mind while reading this report.

Counter-Factual

In laboratory research there is often the reliance of a counter-factual to base what a change may in fact means. In the real world there is no duplicate Marysville to which we may apply random changes to and explore what the exact differences may evolve to be. Within our analyses we present data from the cities of Bothell and Everett to provide a proxy for what could be. Both of these cities are experiencing similar growth demands and have made overt efforts to adapt their communities, but each has taken different approaches. While we hold neither up as a model for the City of Marysville, we do offer the statistical comparisons for discussion purposes.

Executive Summary

From our analysis, we were able to create four scenarios based off of housing allocation to Downtown and population projections and caps. Additionally, ESRI Business Analyst provides summaries for each subarea in terms of retail leakage or surplus. Table 1 provides a summary of subareas in terms of these two analyses.

Table 1

		Housing	
		Surplus	Deficit
Retail	Surplus	Lakewood Marshall Smokey Point	Downtown
	Leakage	East Sunnyside Getchell Jennings Park	Kellogg Sunnyside Shoultes Pinewood

Out of the eleven subareas, five present housing deficits in at least two scenarios, with six presenting housing surpluses. Most subareas present retail leakage to other subareas, with four subareas – Lakewood, Marshall, Smokey Point, and Downtown – making up the majority of the retail marketplace in Marysville.

Overall, Marysville contains between an estimated 6.3 million and 8.3 million square feet of undeveloped retail sales space. As a whole, Marysville would be able to accommodate retail subsectors that currently present leakage. On an aggregate level, however, Marysville presents retail surpluses, meaning that consumers from outside of the area are already coming to the area for retail goods. Continued development, with special attention to industries that present higher levels of leakage could prove beneficial for the Marysville retail marketplace as a whole. Considering different levels of capture rates, most areas are able to accommodate between 10-20 percent of capture, with the exception of Jennings Park and Shoultes as these areas are currently zoned primarily for residential use.

In terms of population and household growth, if new population and households were to be perfectly balanced throughout the Marysville, there would not be an issue in creating new housing under current zoning – approximately 46 million to 53 million square feet is undeveloped and zoned for residential use. However, due to the dynamics of supply and demand in the housing market, some subareas are likely to be preferred over others, even if their current zoning is unable to accommodate expected housing demand. Due to this nuance, subarea analysis is the most enlightening approach to determining Marysville’s ability to accommodate population growth. Within our analysis, it is important to note that the surpluses and deficits that are produced by each scenario assume that all undeveloped land is utilized. More specifically, if there is a large surplus, it will be unnecessary to use all land under current zoning. However, if there is a large housing deficit in an area, rezoning will likely be necessary.

Of all areas that presented housing supply deficits (5), only two – Kellogg and Pinewood – could accommodate population growth through simply manipulating ratios of one type of zone to another, favoring multifamily housing options under zoning styles found in the City of Bothell. The other three – Downtown, Shoultes, and Sunnyside – were unable to accommodate by simply moving around zoning ratios. In the case of Shoultes and Sunnyside, this is due to the fact that there is currently no zoning for multifamily use. Instead, these areas are allocated only for single family medium or high-density use. Furthermore, we find that the 50/50 zoning scenarios create the best prospects for Marysville, as only two neighborhoods - Kellogg-Marsh and Shoultes – present projected housing deficits, compared to four neighborhoods in the 20/80 scenario.

Moving forward, it may be beneficial to consider adding in areas for multifamily use. In terms of Downtown, even the highest density scenario, building 100 percent multifamily units on all undeveloped land, still yielded major deficits in all scenarios. In this case, expansion of the Downtown area will be necessary based upon our scenarios. Another option would be to create higher density housing than allowed under current but land use regulations (Title 22C of the Marysville Municipal Code) which prevent anything denser than 36 dwelling units per acre. However, additions of housing units in commercial and business zoned areas reduces these deficits, but not by an adequate amount within our 50/50 optimal zoning scenarios. We estimate that in order to eliminate this deficit, 1.6-1.7 million square feet of housing space will be needed in total. This amount can be condensed to as low as an estimated 410,000-446,000 square feet of base land given four story residential over retail development. Further estimates on total constructed square feet necessary are provided as well.

Lastly, the interplay between retail markets and increasing population and new household development in each area was not explored within the scope of this report. In general, we can assume that increases in households and population will increase retail demand within each subarea and Marysville as a whole. Additionally, as retail markets develop on a subarea level, the area will likely become more desirable, creating an increase in demand for housing in that area. Thus, the relationship between retail and housing growth is cyclical, and may be beneficial to explore as the City of Marysville considers their options for development.

Methodology

The first step in this research was to define subareas within the Marysville city limits. The eleven subareas in this report were determined by the Marysville 2015 Comprehensive Plan and are as follows: Downtown, East Sunnyside, Getchell, Jennings Park, Kellogg, Lakewood, Marshall, Pinewood, Shoultes, Smokey Point, and Sunnyside. Map 1 in Appendix A outlines these areas and reflect the subarea determinations from the 2015 Marysville Comprehensive Plan. Analysis of retail markets, population, and housing was conducted on both a citywide and subarea level. This analysis assumes that all undeveloped land within an area is utilized. Housing analyses for multifamily units assume that the maximum units allowed are constructed (See Definitions).

Retail Leakage

Analysis begins with a retail leakage study (see Definitions), using ESRI Business Analyst software to identify the level of retail leakage or surplus by subarea. This data provides a simple number that is indicative of retail opportunity within an area. Positive values indicate leakage of retail outside of the area, with negative values indicating surplus in retail sales, meaning consumers from outside of the area are drawn in.

Next, total occupied square footage for retail trade was determined with data obtained through the Snohomish County Assessor's Office for all parcels zoned for commercial, business, or mixed use. Identifying parcel numbers were entered into the Assessor's Office using an automated process. This data was then refined to exclude any duplicated parcels and merged with existing data in GIS software to display the information in previously defined subareas. To determine total occupied sales floor, parcels without any market improvement were filtered out as they are assumed to be bare land. From these parcels, base square footage for each parcel was aggregated to provide a total for structure square footage. From there, the national retail vacancy rate of 10.2 percent was applied. This gives an estimate for the gross occupied floor area. To determine sales floor space, gross occupied floor area was reduced by 15 percent to account for administrative space.

From here, we were able to determine estimates for average sales per square foot for each subarea and the city as a whole. Total sales provided by ESRI were divided by total sales floor space for each respective area, giving us average sales per square feet within each area and for Marysville as a whole. City tax revenues were also calculated using Marysville's local combined sales tax of 1.25 percent.

To evaluate current zoning to accommodate for retail demand, new filters were applied to the raw data procured from the Assessor's website to only include undeveloped land. This was done by excluding parcels that had any listed market improvement, meaning that the final parcels in the list were undeveloped. In order to determine the potential retail sales floor space, proportions for total occupied parcel square footage to total occupied retail sales floor space were taken. This proportion was then applied to undeveloped land. To provide clarity, most areas exhibited a 4:1 proportion, meaning that approximately 25 percent of the parcel was used for sales floor. Therefore, if a subarea had a total of 100,000 square feet of undeveloped land, we can assume that approximately 25,000 square feet will be used for sales floor. Proportions and potential sales floor square footage were calculated for each subarea.

With this estimation for potential sales floor available for development, we are able to estimate square footage necessary to accommodate retail leakage in each area. Total dollar amounts for retail leakage were divided by the previously determined sales per square foot to give the square footage necessary to accommodate the leakage. This assumes that sales per square foot remains constant. Analysis was furthered by providing scenarios for different rates of demand capture at 10, 15, 20, and 100 percent. 100 percent capture rates are considered improbable, with capture rates of 10 to 20 percent being the industry average. From here, we were able to compare the square footage required to accommodate leakage to the total available sales square footage.

Lastly, potential sales and tax revenues were calculated based off of different levels of demand capture. ESRI provides aggregate amounts of potential, uncaptured demand which can then be multiplied by respective rates of demand capture to determine total potential sales and later potential tax revenue. For illustrative purposes, if \$100,000 in sales are currently not being captured, then a demand capture rate of 10 percent would yield \$10,000 in sales. This \$10,000 in sales would generate \$125 in tax revenue for the city, given Marysville's local sales tax. This methodology was applied to all areas. For areas that presented overall surplus, dollar amounts for retail subsectors that still presented leakage were totaled and analyzed in the same manner as previously described.

Further analysis was conducted for the City of Marysville and the Downtown area in regard to the amount of businesses to be expected given population growth. Retail data for industry subgroups was taken from ESRI Business Analyst, allowing us to estimate demand per business and demand per person for the city. Population forecasts from the 2016 Population Growth Trends Report were then utilized to estimate the aggregate increase in spending for each retail industry subsector. For example, if we determine that per person demand is \$100 in retail sector x, and demand per business is \$10,000 for the same sector, an additional 1,800 people would generate an additional \$180,000. From here, we were able to estimate the number of new businesses needed given this aggregate increase and current per business demand. In the previous example, we would divide \$180,000 by \$10,000, giving us 18 new businesses in retail sector x.

Downtown’s expected businesses were calculated by removing the area’s demand, performing the same calculations as previously described, and lastly finding the difference in expected businesses when the Downtown area was included versus when it was not. For example, if 18 businesses are expected to be added overall, but only 10 when Downtown is removed, we can therefore expect the Downtown area to account for 8 additional businesses given population growth. Further breakdowns by industry and mathematical process can be found in Appendix C.

Due to the complex nature of zoning laws and Assessor’s data, the square footage measures that were determined are not exact values, but best estimates in order to account for occupied retail space within Marysville. No other feasible options existed for deriving this data.

Population and Household Forecasts

Population projections were gathered from the US Census Bureau and the Snohomish County 2016 Population Growth Trends Report. Population forecasts are for the year 2035 and change in population is from the time period between July 2019 and 2035. Two populations are presented – one that is the Marysville target population and one that is the Marysville population cap. People per household in Marysville was taken from the US Census Bureau’s QuickFacts for Marysville, Washington. This allowed us to estimate a range for estimated household growth between July 2019 and 2035 by dividing total population by people per household. This assumes that people per household remain constant. The lower end of the household growth range assumes Marysville reaches its population target with the higher end assuming Marysville reaches its population cap.

Lastly, a vacancy rate of 8.7 percent, the Washington State average according to the US Census Bureau, was applied to household forecasts. From here, current housing vacancies according to ESRI Business Analyst were factored out, allowing us to determine the number of households to be developed by 2035.

Housing Allocations

Population forecasts – and in turn, household forecasts – allow us to create housing demand allocations based on the attractiveness and development costs for subareas within Marysville. In order to rank the subareas within Marysville, an index was created to include the following variables: attractiveness of amenities, land acquisition costs, crime levels, presence of retail, and vacant housing units.

Attractiveness of amenities was determined through proximity to hospitals and student-to-teacher ratios for each subarea’s respective school district options. These measures provide a quantifiable, objective measure for “attractiveness.” We assume that households would prefer to be closer to medical facilities or have their children attend schools that will provide a better education. Therefore, areas that provide these amenities will be more likely to attract residents.

Proximity to hospitals was determined through Google Maps and confirmed with GIS Software. The distance between the center point of each subarea and the two closest hospitals – Cascade Valley Hospital and Providence Medical Center – was determined first by driving distance. A second analysis using aerial distance from the center of the subarea to the hospitals was then used to confirm the index ranking. Both measures produced the same ranking of subareas.

In order to determine student-teacher ratios, we first determined where school boundaries overlap with subarea boundaries. Marysville intersects with three school districts: Lakewood School District, Marysville School District, and Lake Stevens School District. School attendance boundaries for K-12 schools in each district were collected and overlaid onto the subarea boundaries. From here, we were able to determine which schools were able to be attended by residents in each subarea. Lastly, student-teacher ratios for each school were collected from the National Center for Education Statistics (NCES) and averaged for each area.

Acquisition costs for each area were determined from residential property data gathered from the Snohomish County Assessor's Office. The same automated process that was used to gather retail parcel data was used to gather residential property data. To determine which parcels were undeveloped, a filter was created to exclude all parcels that had no market improvement listed, meaning these parcels are empty land zoned for residential use. For each undeveloped parcel, market land value was also gathered from the Assessor's website. This market land value was averaged for each area and for Marysville as a whole.

It is important to note, however, that the least cost market land value is not necessarily going to be the best option for development. In order to find the optimal land for development, market land prices were indexed based on their proximity to the Marysville average. The closer a subarea's average market land price is to the Marysville average, the better index score it received. This controlled for suboptimal land, which is often less expensive, from being promoted as best suited for housing. Lastly, profit margins were considered to be constant and construction costs were considered to be constant for each type of zoning. Since the purpose of this study is to assess the current residential zoning and provide proposals for changes to zoning, it follows that construction costs will change depending on the type of zoning that is to be pursued, meaning that our index would change for every change to zoning that was made. This would mean that including construction costs would force us to assume that zoning would not change. Therefore, land market value by itself was used to determine the attractiveness of subareas based on development costs as they will not change based upon each scenario.

The last variables included in our index were crime levels, presence of retail, and vacant housing units. These variables were collected and then indexed by ESRI Business Analyst's Suitability Analysis tool. Taken together, these variables aggregated into a total index in which lower values indicate a higher attractiveness and likelihood of new population wanting to live in this area. From here, we are able to allocate housing demand.

In order to allocate housing demand based off of index values, our index had to be inverted to give higher values to better areas. Next, the sum of all index values was taken, which allowed us to assign a percent of housing demand to each area based off of its respective index value, with the exception of Downtown. This is due to the fact that housing allocations to Downtown are exogenous at levels of 20, 50, and 100 percent. From here, data determined from the population and household forecasts was allocated based upon the allocations previously determined. Subareas were assessed under two scenarios – one in which 20 percent of demand is allocated to Downtown and 80 percent to the rest of Marysville and another in which 50 percent is allocated to Downtown and 50 percent to the rest of Marysville. Within each scenario, low and high household estimates were used. In total, this produced four scenarios:

- Scenario 1A denotes upper estimates of household growth with 50/50 apportionment.
- Scenario 1B denotes upper estimates of household growth with 20/80 apportionment.
- Scenario 2A denotes lower estimates of household growth with 50/50 apportionment.
- Scenario 2B denotes lower estimates of household growth with 20/80 apportionment.

Within each subarea, current zoning needed to be evaluated to determine the preparedness of each area for the projected increases in housing demand. Undeveloped residential parcel data taken from the Assessor’s website was processed with GIS software that determined under what type of zoning each parcel was located as well as the square feet associated with the parcel. This allows us to determine estimated percentages of square footage available for development under each type of zoning within a subarea. Based off of these percentages, housing demand allocations as previously determined were assigned to respective zones.

Undeveloped square footage for each type of residential zone was also available from the data procured from the Assessor’s office. Additionally, zoning definitions from Title 22C under the Marysville Municipal Code provide the amount of “dwelling units” per acre for each type of residential zone. To determine the potential units available to be developed, undeveloped square footage was converted to undeveloped acres, then multiplied by the zoning type’s respective dwelling units per acre. For example, if a subarea has 10 acres of undeveloped single-family medium-density housing, and single-family medium-density housing contains 4.5 dwelling units per acre, then 45 new dwelling units may be created if all land is utilized. This process was applied for each type of zoning within each subarea. Title 22C provides a range of dwelling units per acre for multifamily zones, but for the purposes of this study, the maximum number of units allowed per acre was used.

Of note within the analysis is a zoning allowance within certain commercial, business, and mixed-use zones that were determined by the 2015 Comprehensive Plan update. Within these areas, density is controlled primarily by access to parking. This allows for residential over retail with multiple floors at a density level where parking requirements are met. Ostensibly this creates areas where population may be substantially greater than 4.5 dwelling units per acre.

With all of this data, we were then able to determine housing deficits and surplus within each subarea. Total potential units were subtracted from prospective housing units required under each scenario, allowing us to see the capabilities of each subarea to accommodate increases in population and households. Further scenarios were created using zoning as seen in Everett and Bothell to demonstrate other zoning options for Marysville. A separate scenario was run specifically for Downtown in which the highest density housing available was given 100 percent of housing allocation in order to demonstrate a high-density outlook for Downtown's zoning and space for housing demand.

Lastly, analysis was conducted for scenarios 1A and 2A housing deficits in order to determine estimates for square footage necessary to eliminate these deficits. Further analysis also provides estimated square footage for all new households. We acquired data from the University of Washington's Spring 2019 Apartment Market Survey to determine average square footage for a 2-bedroom apartment in Snohomish County.¹ From here, total housing space needed was calculated by multiplying this square footage value by respective dwelling unit deficits, providing us with an estimate for square footage needed to accommodate the deficits observed. The same process was also applied to determine total square footage for all new households. Estimates are also included regarding total base square footage for residential over retail scenarios; however, these estimates assume that each floor has equal square footage, which may not be the case in all scenarios.

¹ University of Washington, Washington Center for Real Estate Research, "Washington State Apartment Report – Spring 2019"

Population Forecast

In 2016, Snohomish County set a target population for Marysville in 2035 at 87,798 people, with a population cap of 88,628. With current data from the Census Bureau as of July 2019, Marysville’s population is estimated to be 69,779 people. Between now and 2035, Marysville can expect to add between 18,019 and 18,849 people if the population target and cap turn out to be realistic scenarios.

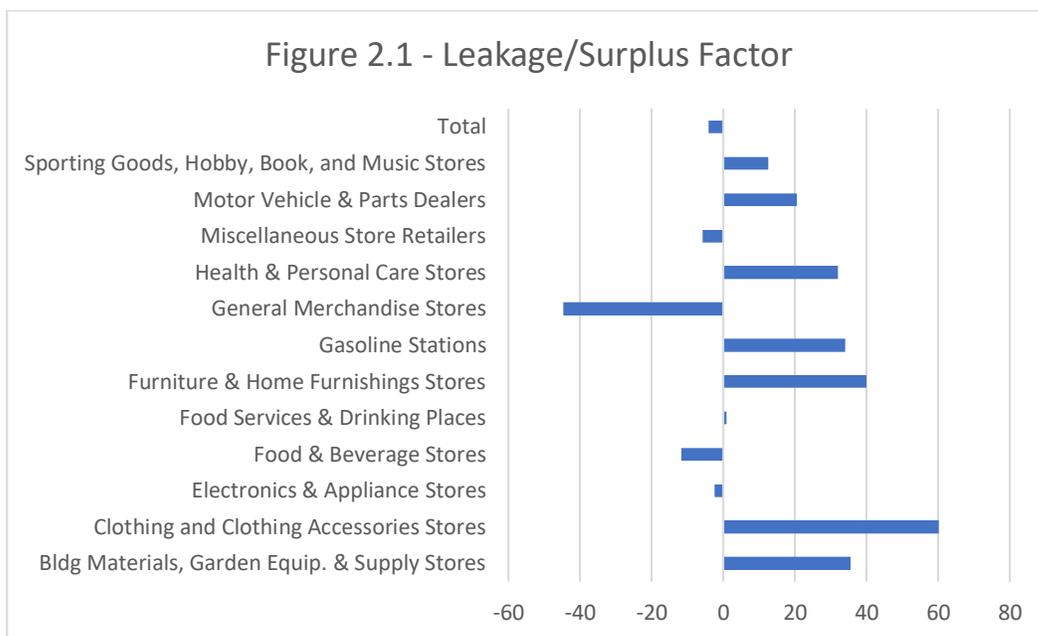
Furthermore, the Census Bureau reports 2.76 people per household within Marysville as of 2017. This is the most recent data available. From this data point, we can determine the growth in households to be expected by 2035, assuming that persons per household remains constant. This scenario would lead to household growth in Marysville between now and 2035 of 6,529-6,829 households, depending on whether Marysville reaches target population or cap population. Table 1.1 provides a snapshot of population and households forecasted by 2035.

	Total Population	New Population	Households
Cap	88,628	18,849	6,829
Target	87,798	18,019	6,529

City of Marysville

Retail

As a whole, Marysville exhibits a retail supply surplus of \$77,473,728. This means that the city attracts consumers from outside of the Marysville city limits to their retail trade area, generating nearly \$77 million in extra spending annually. This is based on data obtained from ESRI Business Analyst – retail potential for Marysville, based on population, households, and consumer spending patterns totals \$908,402,642, whereas retail sales within the city total \$985,876,370. However, this surplus factor is not incredibly large, at a factor of 4.1. This smaller surplus value signifies that the retail market within Marysville is fairly balanced. Eight retail subsectors, however, present retail leakage amounting to approximately \$208 million.



These total retail sales amount to \$26.6 million in tax revenues for the entire city. Within Marysville, an estimated 5.9 to 7.8 million square feet of retail sales space is currently in use, equating to approximately \$166 sales per square foot. Currently, there is an estimated 6.3 to 8.3 million square feet of undeveloped retail sales space which may be available to expand the Marysville retail marketplace. Table 2.1 provides estimates of retail square footage necessary to capture demand of retail subsectors that present leakage, as well as potential sale and tax revenues.

Table 2.1: Square Footage, Sales, and Tax Revenue by Capture Rate

Capture Rate	Square Footage	Sales	Tax Revenue
100%	1,240,938	\$206,802,298	\$2,585,029
10%	124,094	\$20,680,230	\$258,503
15%	186,141	\$31,020,345	\$387,754
20%	248,188	\$41,360,460	\$517,006

As a whole, Marysville would be able to accommodate 100 percent demand capture for industries that present leakage; however, 100 percent demand capture is unrealistic, with capture between 10 and 20 percent being much more likely.

Furthermore, our analysis provides estimates for expected additional businesses given new population and current spending patterns in the City of Marysville. It is important to note that these estimates assume that spending patterns remain the same and current businesses are already producing at an efficient profit level. Given the population cap, Marysville could be expected to add 118 new businesses. Given the population target, 113 business could be added. Further breakouts by more specific industries can be found in Appendix C.

<i>Marysville Additional Establishments by Industry Group</i>			
Industry Group	Current Businesses	1A/B Additional Est.	2A/B Additional Est.
Motor Vehicle & Parts Dealers 441	47	13	12
Furniture & Home Furnishings Stores 442	17	5	4
Electronics & Appliance Stores 443	18	5	5
Bldg Materials, Garden Equip. & Supply Stores 444	36	10	9
Food & Beverage Stores 445	39	10	10
Health & Personal Care Stores 446,4461	24	6	6
Gasoline Stations 447,4471	9	2	2
Clothing & Clothing Accessories Stores 448	27	7	7
Sporting Goods, Hobby, Book & Music Stores 451	17	5	4
General Merchandise Stores 452	19	5	5
Miscellaneous Store Retailers 453	52	14	13
Nonstore Retailers 454	4	1	1
Food Services & Drinking Places 722	133	36	34
Total	442	118	113

Housing

Under current zoning, Marysville contains between 46.9 and 53.7 million square feet of undeveloped land zoned for residential use. This equates to approximately 10,000 new units able to be constructed if all undeveloped square footage is able to be used. Recalling the population and household forecasts, Marysville will be expected to accommodate a maximum of 88,628 total people, which is approximately 18,800 more than current 2019 estimated population. Assuming 2.76 people per household – the current Marysville average – this would require an estimated 6,829 new households by 2035. While at first glance, it may appear that Marysville would have no issues accommodating these new dwellings, this would assume that all new population would settle evenly throughout Marysville. However, this is not necessarily true, which is why analysis at a neighborhood subarea level is necessary to determine whether or not Marysville is adequately equipped to accommodate new population by 2035. Housing demand was allocated to each of the eleven neighborhoods in Marysville through the use of an index that ranks each subarea in terms of attractiveness of amenities and land acquisition costs (see Methodology for more detailed explanation of the index). Rankings can be found below in Table 2.3.

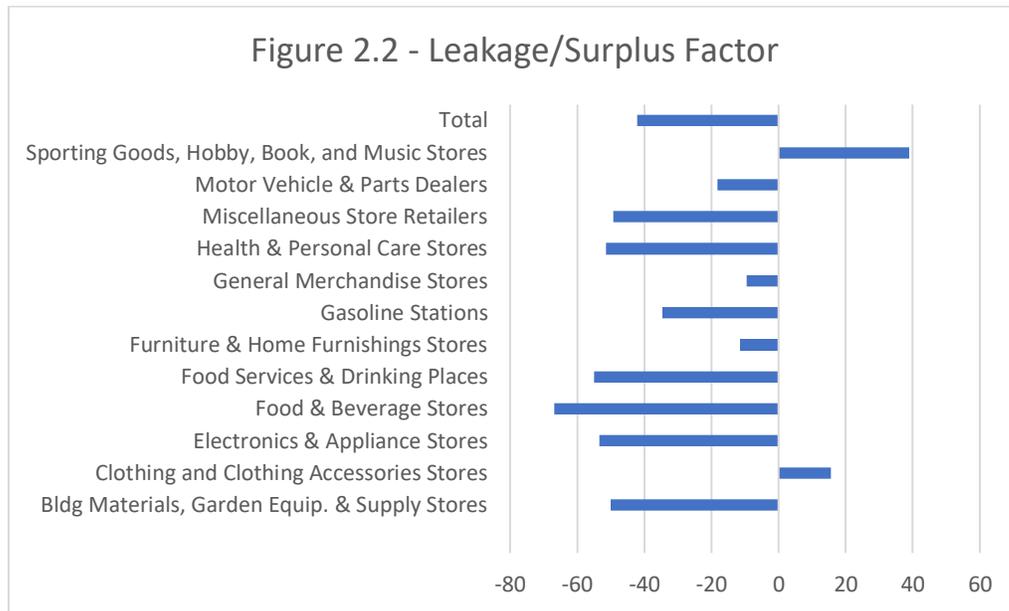
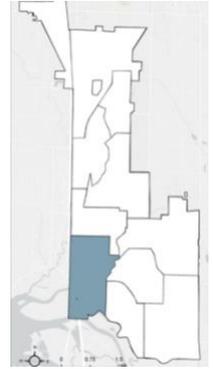
Table 2.3: Ranking of Subareas

Rank	Subarea	Index Value
1	Kellogg	47.10
2	Getchell	49.97
3	Jennings Park	52.74
4	East Sunnyside	59.96
5	Pinewood	68.91
6	Lakewood	69.26
7	Marshall	70.15
8	Shoultés	72.05
9	Sunnyside	78.49
10	Smokey Point	199.50

Downtown

Retail

The downtown subarea of Marysville presents a surplus of supply compared to demand by a factor of -42.2. This is to be expected, as downtowns are often considered to be the “hub” of business for retail suppliers. The only exceptions to this leakage are sporting goods, hobby, books, and music, and clothing and clothing accessory stores. These two retail subsectors present a leakage factor, meaning consumers within the Downtown area go to other areas to purchase these goods.



Downtown’s sales surplus amounts to \$123,547,901, which means that nearly \$124 million sales are coming from consumers outside of this area – this includes consumers that live within other areas of Marysville as well as those outside of Marysville city limits. Total sales amount to \$207,105,307, excluding non-store retail, creating nearly \$5 million in tax revenues from this area alone. Furthermore, total estimated occupied square footage for retail within the downtown area is 2,445,911 square feet of sales space. This provides an average of approximately \$112 sales per square foot.

Undeveloped square footage that can potentially be used for retail sales floor use equates to between 615,000 to 814,000 square feet. This space would best be used for development of retail subsectors that currently present a leakage factor as shown in Figure 2.2. Total leakage amounts to approximately \$2.7 million. Table 2.4 presents potential square footage needed to accommodate this leakage, as well as potential sales and tax revenue based on demand capture rates of current leakage.

Capture Rate	Square Footage	Sales	Tax Revenue
100%	23,925	\$2,677,887	\$33,474
10%	2,392	\$267,789	\$3,347
15%	3,589	\$401,683	\$5,021
20%	4,785	\$535,577	\$6,695

Downtown would be able to accommodate 100 percent demand capture for industries that present leakage; however, 100 percent demand capture is unrealistic, with capture between 10 and 20 percent being much more likely.

Assuming the 50/50 allocation scenario, we were able to determine the amount of new businesses to be added based upon current Downtown spending patterns and population relative to the City of Marysville. These estimates assume that spending patterns remain constant and that current businesses are producing at an optimal level of profit. Scenario 1A and 2A both predict the same amount of businesses (27) to be added. Further breakouts by industry group can be found in Appendix C.

Industry Group	Current Establishments	1A: Additional Establishments	2A: Additional Establishments
Motor Vehicle & Parts Dealers	18	4	4
Furniture & Home Furnishings Stores	5	1	1
Electronics & Appliance Stores	10	2	2
Bldg Materials, Garden Equip. & Supply Stores	18	4	4
Food & Beverage Stores	13	3	3
Health & Personal Care Stores	10	2	2
Gasoline Stations	5	1	1
Clothing & Clothing Accessories Stores	8	2	2
Sporting Goods, Hobby, Book & Music Stores	4	1	1
General Merchandise Stores	6	1	1
Miscellaneous Store Retailers	26	6	6
Food Services & Drinking Places	50	11	11
Total	173	38	38

Housing

Downtown lacks available housing to handle the projected influx of people to Marysville. Two of our models for housing distribution – 100 percent of new housing downtown and 50 percent downtown – result in shortages of housing with current zoning for the downtown area. Allocating 20 percent of new households to Downtown creates a slight surplus in housing supply. Current zoning allows for approximately 1467 new units to be constructed, yet projected units needed if 100 percent, 50 percent, or 20 percent of housing demand is allocated to the downtown area is 7424 units, 3526 units, and 1300 units, respectively. This housing demand assumes that Marysville will reach its population cap by 2035.

<i>Downtown Current Zoning Scenarios</i>					
	Percent of zone	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	0.6%	(13)	1	(12)	2
Multifamily Medium	12.2%	(143)	128	(123)	136
Multifamily High	3.1%	(12)	56	(7)	58
Single Family High	8.2%	(242)	(60)	(229)	(55)
Single Family High Lot	1.4%	(39)	(8)	(37)	(7)
Downtown Community Business	8.3%	(207)	(21)	(193)	(16)
Downtown Commercial	47.3%	(1,007)	45	(930)	76
Downtown General Commercial	13.6%	(337)	(34)	(315)	(26)
Downtown Mixed Use	5.4%	(59)	62	(50)	65
Total Deficit/Surplus		(2,059)	168	(1,895)	234

Given the deficits in our optimal 1A and 2A zoning scenarios, a subsequent model was created to determine estimated square feet needed to accommodate the 2,059 and 1,895 dwelling unit deficits. We estimate the square footage of total base land needed to accommodate, as well as 2, 3, or 4 story residential over mixed use accommodations in Table 2.4A. Square footage required to accommodate all expected households are also included. These estimates do not include potential square footage that would be needed for additional parking structures.

Table 2.4A: Square Footage Estimates – Base Land					
		Base Land			
		1A Deficit Accommodation	2A Deficit Accommodation	All Households (1A)	All Households (2A)
Residential Stories	1	1,784,841	1,643,135	3,056,826	2,915,120
	2	892,421	821,568	1,528,413	1,457,560
	3	594,947	547,712	1,018,942	971,707
	4	446,210	410,784	764,206	728,780

Total base square footage in mixed use residential over retail scenarios was also determined. This demonstrates the total square footage of floor space necessary, assuming one floor of commercial space and variable levels of residential space. As expected, when the number of floors increases, the aggregate base square footage of floor space decreases (see Table 2.4B).

Table 2.4B: Base Square Footage Estimates - Residential Over Retail						
Stories			Deficit Accommodation		All Households	
Total	Commercial	Residential	1A Base SF	2A Base SF	1A Base SF	2A Base SF
2	1	1	3,569,682	3,286,271	6,113,651	5,830,240
3	1	2	2,677,262	2,464,703	4,585,239	4,372,680
4	1	3	2,379,788	2,190,847	4,075,768	3,886,827
5	1	4	2,231,052	2,053,919	3,821,032	3,643,900

Models were also created to modify zoning to reflect that of Everett and Bothell. Mirroring Everett’s zoning increases the amount of single-family high-density housing for the downtown area, and in turn increases the deficit of housing demand within the area. Using Bothell’s allocations, multifamily high-density housing is favored, which creates more overall units, decreasing housing deficits in all scenarios. Mixed use and business zoned areas were excluded from these analyses.

<i>Downtown Everett Zoning Scenarios</i>					
	Everett Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multi-Family Low	13.1%	(407)	(115)	(385)	(107)
Multifamily Medium	16.7%	(477)	(106)	(450)	(95)
Multi-Family High	2.4%	(64)	(10)	(60)	(8)
Single Family High	59.1%	(1,990)	(673)	(1,894)	(635)
Single Family High, Lot	8.7%	(288)	(95)	(274)	(90)
Total Deficit/Surplus		(3,227)	(1,000)	(3,064)	(935)

<i>Downtown Bothell Zoning Scenarios</i>					
Downtown	Bothell Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	39.4%	(1,225)	(347)	(1,160)	(321)
Multifamily Medium	50.2%	(1,437)	(319)	(1,355)	(286)
Multifamily High	7.4%	(194)	(30)	(182)	(26)
Single Family High	2.6%	(89)	(30)	(85)	(28)
Single Family High, Lot	0.4%	(13)	(4)	(12)	(4)
Total Deficit/Surplus		(2,958)	(731)	(2,794)	(665)

Lastly, a scenario was created in which multifamily high-density housing with the maximum number of dwelling units per acre allowed was given 100 percent of undeveloped residential land. Housing deficits were still present in all scenarios. The smallest deficit in housing (348 units) was in the scenario in which 20 percent of housing demand was allocated to downtown. Mixed use and business zoned areas were excluded from the data in this analysis.

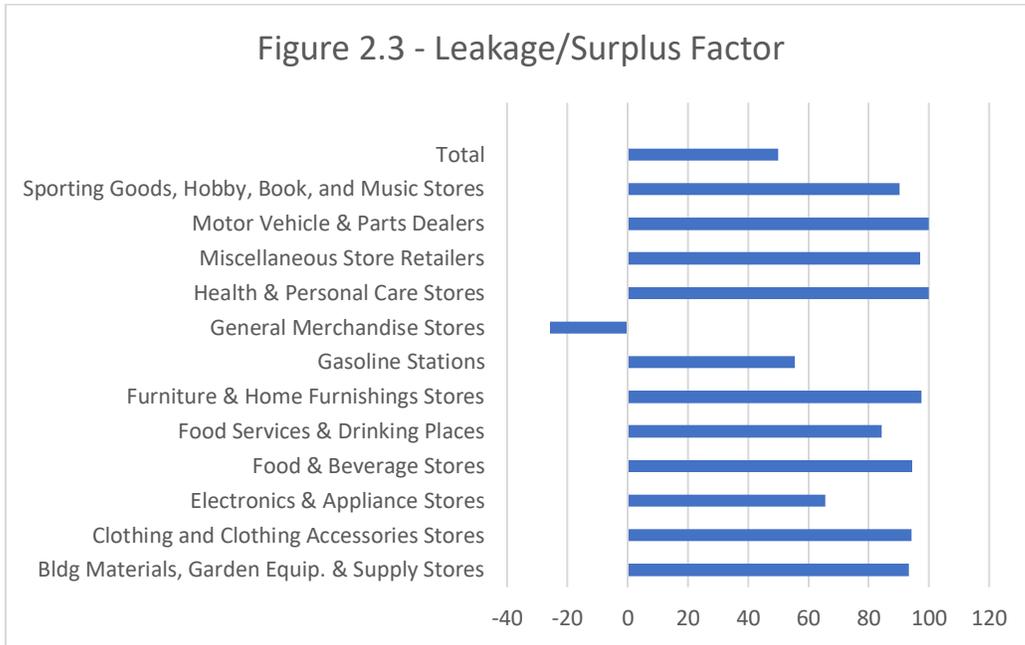
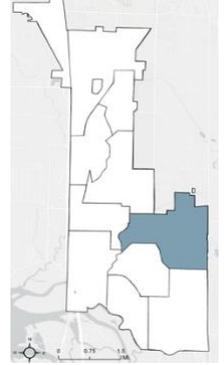
<i>Downtown 100 percent Multi-Family High Density Housing</i>					
	Percent of zone	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	0.0%	-	-	-	-
Multifamily Medium	0.0%	-	-	-	-
Multifamily High	100.0%	(2,641)	(413)	(2,477)	(348)
Single Family High	0.0%	-	-	-	-
Single Family High, Lot	0.0%	-	-	-	-
Total Deficit/Surplus		(2,641)	(413)	(2,477)	(348)

Overall, if downtown is expecting to accommodate a large influx of households, rezoning and expansion of the downtown housing area will be necessary to accommodate housing demand, as current zoning and space is insufficient. Land use codes within this area could also be changed to allow for higher density housing, which would likely allow for creation of more total housing units. While options 1B and 2B provide slight housing surpluses in the area, they create substantial housing deficits in other neighborhoods of Marysville, making options 1A and 2A more recommendable. Housing deficits in these 50/50 apportionment scenarios could be reduced and potentially eliminated through emphasis on mixed use residential over retail development.

Getchell

Retail

Getchell exhibits retail leakage overall by a factor of 49.9, meaning that consumers located within Getchell buy many of their retail goods from outside of this area. The only exception is general merchandise, which presents a surplus factor of -25.8. Two subsectors – motor vehicle and parts and health and personal care stores – present a leakage factor of 100, with no suppliers to meet the demand for these goods in the area. Breakdowns by subsector can be seen in Figure 2.3.



Getchell supplies \$48 million of retail goods with 378,000 square feet of sales space. This equates to approximately \$630,000 in tax revenue from this area alone and an estimated \$170 sales per square foot. Total expected demand within this area is \$149 million, exceeding current supply by approximately \$100 million. Current zoning allows for an estimated 709,000 – 938,000 square feet of undeveloped land available for retail sales space. Table 2.5 provides a snapshot of potential square footage required to capture excess demand within the Getchell neighborhood, as well as the potential sales and tax revenue generated.

Table 2.5: Square Footage, Sales, and Tax Revenue by Capture Rate

Capture Rate	Square Footage	Sales	Tax Revenue
100%	591,072	\$100,209,032	\$1,252,613
10%	59,107	\$10,020,903	\$125,261
15%	88,661	\$20,041,806	\$250,523
20%	118,214	\$15,031,355	\$187,892

With current zoning, Getchell would be able to accommodate 100 percent of demand leakage, but this capture rate is unlikely, with 10-20 percent being much more probable.

Housing

Getchell Hill ranks second within our index for allocation of housing demand. Taking into account current vacancies within Getchell Hill, it is expected that with scenarios allocating 50 percent of housing demand to downtown, Getchell Hill will be expected to accommodate between 350 to 360 new households by 2035, depending on whether Marysville reaches its population cap or projected population. Current zoning allows for the creation of 1,500 new units if all undeveloped land is utilized. This creates an excess of housing within this area, meaning that it will be unnecessary to develop all undeveloped parcels within the Getchell Hill subarea.

<i>Getchell Hill Current Zoning Scenarios</i>					
	Percent of zone	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	14.3%	431	392	434	397
Single Family Medium	39.1%	205	99	213	112
Single Family High	20.7%	191	135	195	141
Single Family High, Lot	25.9%	315	245	320	253
Total Deficit/Surplus		1,142	871	1,162	903

Other scenarios were also created using Everett and Bothell zoning. Both scenarios still presented considerable excess in housing units, but Everett-style zoning lowered the excess by approximately 130 units, while Bothell-style zoning increased excess housing by over 1,500 units. Overall, Getchell is well-positioned to accommodate the expected increased need for housing demand within the area.

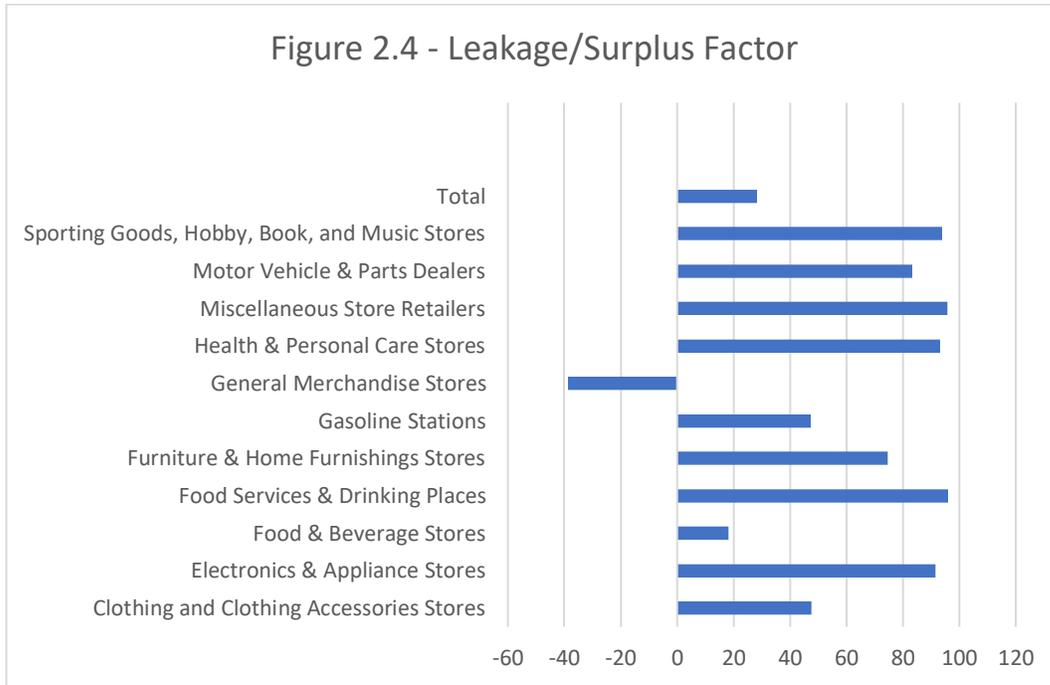
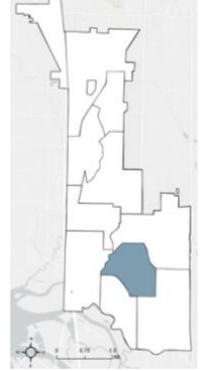
<i>Getchell Hill Everett Zoning Scenarios</i>					
	Everett Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	10%	309	281	311	284
Single Family Medium	36%	191	92	199	104
Single Family High	46%	428	302	437	317
Single Family High, Lot	7%	83	64	84	67
Total Deficit/Surplus		1,011	740	1,031	772

<i>Getchell Hill Bothell Zoning Scenarios</i>					
	Bothell Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	89%	2,661	2,421	2,678	2,449
Single Family Medium	5%	24	12	25	13
Single Family High	6%	55	39	56	40
Single Family High, Lot	1%	11	8	11	9
Total Deficit/Surplus		2,751	2,479	2,770	2,511

Jennings Park

Retail

Jennings Park presents an overall leakage of retail trade by a factor of 28.2. This means that consumers that live within Jennings Park are mostly consuming retail goods from businesses located outside of the subarea. The only exception is general merchandise, which presents a surplus, meaning consumers from outside Jennings Park are shopping at the area's general merchandise stores.



Currently, Jennings Park generates \$67,644,320 of sales, excluding non-store retailers, with an estimated 50,713 square feet of sales floor. This creates approximately \$865,000 in tax revenue from this area alone, with \$1,333 sales per square foot. This level of sales per square foot is extremely large but may be attributable to the fact that ESRI data comes from 2017, whereas parcel data is from 2019. This leaves room for business closures and changes in retail supply that are not reflected in data from ESRI. Aggregate demand for this area is \$54 million greater than current supply, but current zoning does not present any undeveloped parcels for retail development. To accommodate for this excess, Table 2.6 presents the necessary square footage to accommodate current demand leakage, as well as potential sales and tax revenues. It is important to note that due to the exceptionally large sales per square foot within the area, the Marysville average sales per square foot of \$166 was used in determining square footage accommodations.

Capture Rate	Square Footage	Sales	Tax Revenue
100%	326,099	\$54,344,028	\$679,300
10%	32,610	\$5,434,403	\$67,930
15%	65,220	\$8,151,604	\$101,895
20%	48,915	\$10,868,806	\$135,860

Jennings Park only contains between 741 and 950 square feet of undeveloped land zoned for retail, meaning that this area would be unable to capture potential demand.

Housing

Jennings Park ranks fourth within our index for allocation of housing demand. With the current vacancies within Jennings Park, it is expected that allocating 50 percent of housing demand to downtown will require Jennings Park to create 341 to 361 new housing units. Allocating 20 percent of new housing to downtown will require approximately 595 to 627 new housing units. Higher estimates assume Marysville reaches its population cap and lower estimates assume Marysville only reaches projected population by 2035. Current zoning allows for approximately 644 new units to be created if all undeveloped land is utilized. This creates a surplus in multifamily medium density housing for all scenarios, a deficit in single-family medium-density housing in all scenarios, and a deficit in single-family high-density housing when allocating 20 percent of housing to downtown. In all scenarios, however, a net surplus is created with current zoning.

	Percent of zone	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Medium	15%	235	194	238	199
Single Family Medium	24%	(11)	(75)	(6)	(67)
Single Family High	61%	59	(103)	71	(84)
Total Deficit/Surplus		283	17	303	48

Other scenarios were also created using Everett and Bothell zoning. Everett-style zoning reduces the net surplus for each area by approximately 40 units, but creates a deficit when 20 percent of housing demand is allocated to downtown and Marysville reaches the 2035 population cap. Bothell-style zoning increases the net surplus by over 1,000 units and substantially reduces the deficits in single-family medium and high-density zones. Overall, Jennings Park would be able to accommodate the predicted increase in households with current zoning, especially with 50 percent of housing demand allocated to downtown.

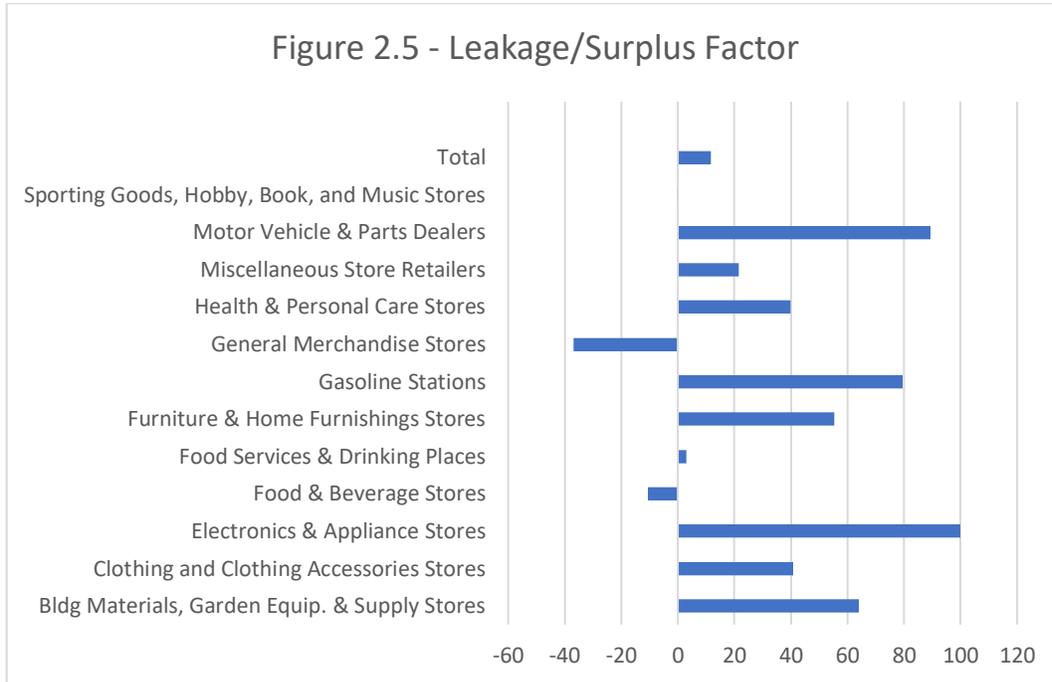
<i>Jennings Park Everett Zoning Scenarios</i>					
	Everett Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Medium	14%	210	174	213	178
Single Family Medium	38%	(17)	(118)	(9)	(106)
Single Family High	48%	47	(82)	56	(67)
Total Deficit/Surplus		240	(26)	260	5

<i>Jennings Park Bothell Zoning Scenarios</i>					
	Bothell Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Med	91%	1,408	1,165	1,426	1,194
Single Family Med	4%	(2)	(12)	(1)	(11)
Single Family High	5%	5	(8)	6	(7)
Total Deficit/Surplus		1,411	1,145	1,431	1,176

Kellogg-Marsh

Retail

The Kellogg-Marsh subarea presents a fairly small leakage factor of 11.6, meaning retail demand in the area exceeds retail supply. All retail subsectors present leakage, except for general merchandise and food and beverage stores. Breakdowns by retail subsector can be seen in Figure 2.5.



Overall sales, excluding non-store retail, amounts to \$105,884,732 while utilizing between 664,000 and 878,000 square feet of retail space. Taken together, this produces approximately \$159 sales per square foot on average for this area. \$1.3 million in tax revenues are generated from this area alone. Demand exceeds supply by an estimated \$27 million, for a total demand potential of approximately \$105 million. Currently, Kellogg-Marsh contains between 32,000 and 43,000 square feet of undeveloped land available for retail sales space. Given demand capture rates of 10, 15, 20, and 100 percent, Table 2.7 presents estimated square footage would be needed to accommodate each respective level of demand capture. Potential sales and tax revenue have also been included.

Table 2.7: Square Footage, Sales, and Tax Revenue by Capture Rate

Capture Rate	Square footage	Sales	Tax Revenue
100%	175,002	\$27,909,151	\$348,864
10%	17,500	\$2,790,915	\$34,886
15%	26,250	\$4,186,373	\$52,330
20%	35,000	\$5,581,830	\$69,773

While Kellogg-Marsh may have a small demand leakage factor, its current level of zoning would accommodate an expansion of the retail market to accommodate nearly 20% of the leakage that is currently present in the area. It is important to note, however, that expansion of this retail market will likely detract from sales in other areas as consumers shift to stores closer to the area in which they live.

Housing

Kellogg-Marsh ranks first in our index for housing demand allocation, meaning that it is projected to be the most attractive area for housing development when looking to accommodate population increases by 2035. Scenarios allocating 50 percent of housing demand to downtown and the other 50 percent to the rest of the Marysville subareas requires that Kellogg-Marsh to accommodate between 340 and 360 new households. Scenarios allocation 20 percent to downtown and 80 percent to the rest of Marysville require Kellogg-Marsh to accommodate between 604 and 636 new households by 2035. Current zoning within the Kellogg-Marsh area allows for the accommodation of 294 new households, making the area ill-equipped to satisfy the projected households necessary. Each scenario creates a deficit of at least 45 households, with the largest housing deficit being in the 20/80 apportionment assuming that Marysville reaches its population cap by 2035.

<i>Kellogg-Marsh Current Zoning Scenarios</i>					
	Percent of zone	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Medium	0.3%	3	2	3	2
Single-Family Medium	20.5%	(30)	(86)	(25)	(80)
Single-Family High	79.2%	(39)	(258)	(23)	(232)
Total Deficit/Surplus		(65)	(342)	(45)	(310)

Scenarios with Everett-style and Bothell-style zoning were created and applied to Marysville. Everett-style zoning allows for accommodation for an estimated 409 new units, eliminating the deficit previously present in the 50/50 apportionment scenarios. Housing deficits still remain in the 20/80 apportionment scenarios, but are reduced by 114 units, meaning a lower housing deficit compared to current Marysville zoning. Bothell-style residential zoning creates a net surplus in housing overall as well as in multifamily medium-density housing. Deficits are still present for single family medium and high-density housing. If rezoned to favor multifamily housing, Kellogg-Marsh would be able to accommodate household growth in the area. However, current zoning is inadequate to accommodate this growth.

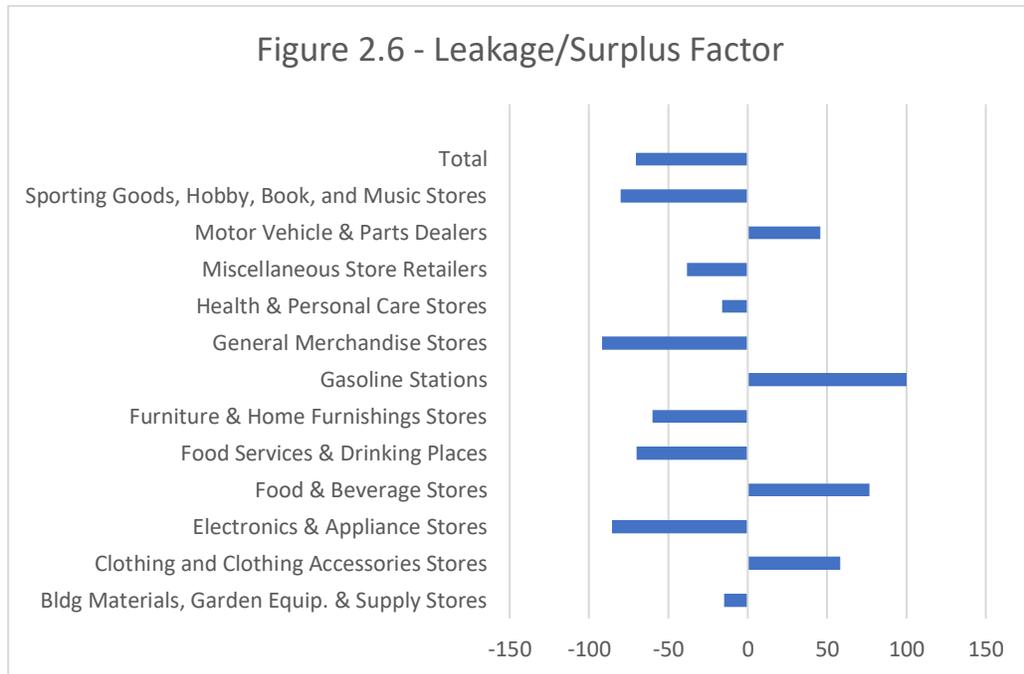
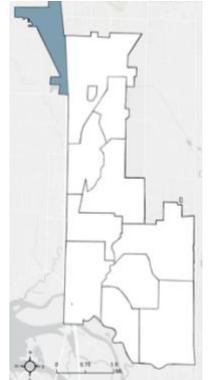
<i>Kellogg-Marsh Everett Zoning Scenarios</i>					
	Everett Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Medium	14%	127	89	130	94
Single-Family Medium	38%	(55)	(160)	(47)	(148)
Single-Family High	48%	(24)	(157)	(14)	(142)
Total Deficit/Surplus		49	(228)	69	(195)

<i>Kellogg-Marsh Bothell Zoning Scenarios</i>					
	Bothell Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Medium	91%	852	599	871	629
Single Family Medium	4%	(5)	(16)	(5)	(15)
Single Family High	5%	(2)	(16)	(1)	(14)
Total Deficit/Surplus		844	568	865	600

Lakewood

Retail

The Lakewood subarea presents an overall surplus of retail supply over demand by a factor of -70.4, meaning consumers from outside of this area are coming to buy goods in Lakewood. This surplus may be due to the fact that Lakewood retail zones are directly adjacent to residential zones within Arlington. Figure 2.6 shows leakage and surplus factors for retail subsectors within Lakewood.



Furthermore, the border that Lakewood shares with the Arlington city limits creates an industry interplay that is not explored within this report. However, it is worth noting that Lakewood residential zones are adjacent to commercial zones in Arlington, with Lakewood commercial zones being adjacent to primarily residential zones in Arlington. This provides consumers with more options for their retail goods within both Lakewood and Arlington, creating a significant interplay between zoning areas in each respective region.

This surplus makes retail expansion less likely within this area from a statistical perspective; from a retail cluster perspective, however, it is possible given the existing draw, infrastructure and available space. Total sales amounted to an estimated \$234 million, excluding non-store retail, while utilizing approximately 1.07 million square feet of retail sales space. Taken together, these sales and square footage amount to approximately \$219 sales per square foot on average within this area. Furthermore, tax revenues from this area alone amount to an estimated \$2.9 million. Retail demand in this area is estimated to be approximately \$40 million, which equates to nearly \$130 million in excess supply over demand.

While the Lakewood subarea as a whole exhibits a supply surplus, certain subsectors of retail exhibit leakage to other areas – motor vehicle and parts dealers, gasoline stations, food and beverage, and clothing and clothing and accessories. It is estimated that Lakewood has approximately 1.4 million square feet of undeveloped retail sales space. While Lakewood presents an overall surplus, there is sub-sectoral leakage amounting to approximately \$14.9 million. Table 2.8 exhibits potential square footage necessary to accommodate levels of demand capture of current leakage as well as potential sales and tax revenue.

Table 2.8: Square Footage, Sales, and Tax Revenue by Capture Rate

Capture Rate	Square Footage	Sales	Tax Revenue
100%	68,249	\$14,929,860	\$186,623
10%	6,825	\$1,492,986	\$18,662
15%	10,237	\$2,239,479	\$27,993
20%	13,650	\$2,985,972	\$37,325

Lakewood is able to accommodate 100 percent of sub-sectoral retail leakage within the area; however, this capture rate is improbable, with 10-20 percent capture being more realistic. It is important to note that expansion of the retail sector in Lakewood will increase the overall level of surplus in the area, which will have effects on surrounding areas attempting to expand their retail marketplace. Specifically, we could expect that expansion in the Lakewood retail market will increase leakage from other areas until externalities such as travel time intercede to change shopping behaviors.

Housing

Lakewood ranks seventh in our index for housing demand allocation. Scenarios in which 50 percent of housing demand is allocated to downtown and 50 percent to the rest of Marysville estimate that Lakewood will be required to accommodate an estimated 282 to 300 new households by 2035. Scenarios in which 20 percent of housing demand is allocated to downtown and 80 percent to the rest of Marysville estimate that between 508 and 536 new households will need to be accommodated within the Lakewood subarea. Current zoning within Lakewood provides the opportunity to construct approximately 3,417 units, utilizing all undeveloped parcels. This creates a surplus in all types of housing zoned within Lakewood (Multifamily Low-Density, Single-Family High-Density, and Single-Family High-Density Small Lot), and for both apportionment scenarios. This places Lakewood in a good position to accommodate the projected population increases by 2035.

<i>Lakewood Current Zoning Scenarios</i>					
	Percent of zone	Scenario 1 (50/50)	Scenario 1 (20/80)	Scenario 3 (50/50)	Scenario 3 (20/80)
Multifamily Low	52%	1,600	1,478	1,609	1,492
Single Family High	15%	147	112	150	116
Single Family High, Lot	0.2%	2	1	2	2
Lakewood Mixed Use	33%	1,369	1,290	1,375	1,299
Total Deficit/Surplus		3,118	2,882	3,136	2,910

Further scenarios were created in which zoning mirrored that of Everett and Bothell. These scenarios include only residential parcels, and not mixed-use areas within Everett and Bothell. The comparisons that are drawn are simply between residential zones and exclude mixed use elements. With Everett-style zoning, approximately 1,200 units are able to be created utilizing all undeveloped parcels, creating surpluses in all housing types and apportionment scenarios. This surplus, however, is reduced by approximately 953 net units. Bothell-style zoning still produces a surplus for all housing types and apportionment scenarios and increases the surplus present with current zoning by approximately 240 units.

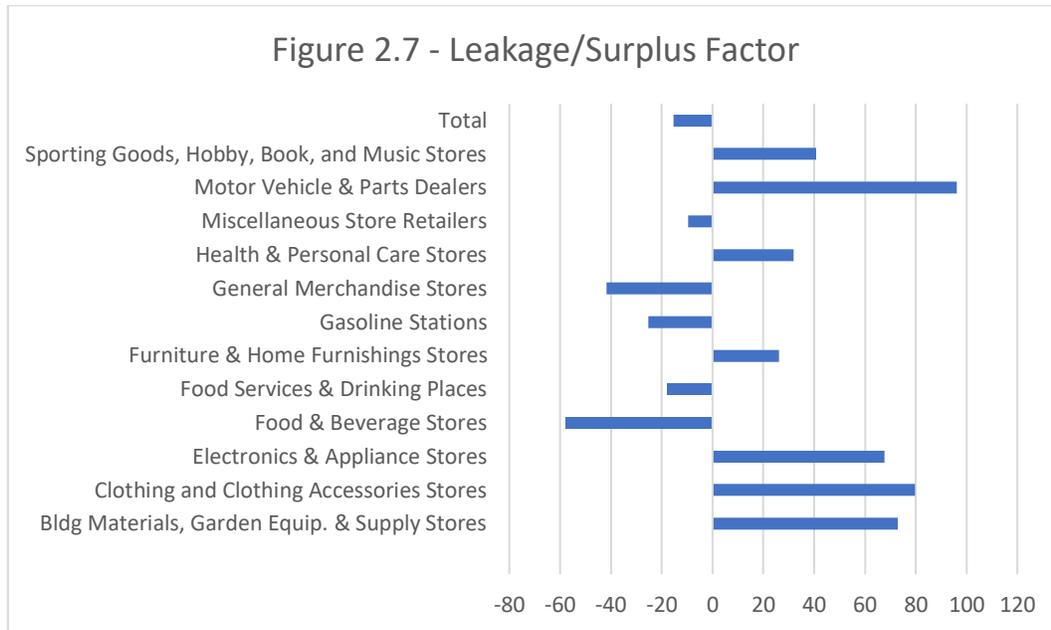
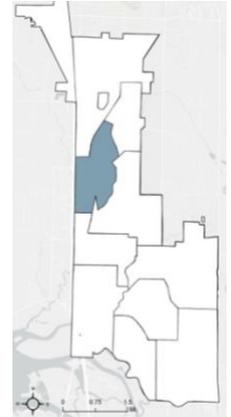
<i>Lakewood Everett Zoning Scenarios</i>					
	Everett Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	16%	358	320	361	325
Single Family High	73%	484	311	497	331
Single Family High, Lot	11%	71	46	73	49
Total Deficit/Surplus		913	677	931	705

<i>Lakewood Bothell Zoning Scenarios</i>					
	Bothell Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	93%	2,057	1,837	2,073	1,863
Single Family High	6%	41	26	42	28
Single Family High, Lot	1%	6	4	6	4
Total Deficit/Surplus		2,104	1,867	2,121	1,895

Marshall

Retail

The Marshall subarea presents an overall surplus by a factor of -15.3, meaning that consumers from outside of the area come to Marshall to shop for retail goods. Leakage is still present within seven subsectors, as seen in Figure 2.7.



Total sales amount to an estimated \$91.4 million, while utilizing approximately 611,000 square feet of sales space, equating to approximately \$150 sales per square foot on average in this subarea. Total tax revenues are estimated to be approximately \$1.1 million from this subarea alone. Demand is estimated to be \$24.3 million less than supply, for a potential demand within the area being approximately \$67.1 million. This means that approximately \$24.3 million of sales are attributable to consumers from outside of the Marshall subarea.

While Marshall as a whole exhibits a surplus factor, certain retail subsectors exhibit leakage to other areas: sporting goods, hobby, books, and music; motor vehicle and parts dealers; health and personal care; furniture and home furnishings; electronics and appliance; clothing and clothing accessories; and building materials, garden equipment and supplies. Currently, Marshall has between an estimated 611,000 and 808,000 of undeveloped retail sales space, which could be used to expand the sectors that exhibit significant leakage. This leakage accounts for approximately \$25.1 million. Table 2.9 presents square footage necessary to accommodate current leakage, as well as potential sales and tax revenues.

Capture Rate	Square Footage	Sales	Tax Revenue
100%	167,872	\$25,112,478	\$313,906
10%	16,787	\$2,511,248	\$31,391
15%	25,181	\$3,766,872	\$47,086
20%	33,574	\$5,022,496	\$62,781

Marshall’s current zoning would be able to accommodate all potential demand within the area, utilizing all available land. However, a demand capture rate of 100 percent is unlikely, with 10 to 20 percent being more probable. It is important to note that development of these retail subsectors that exhibit significant leakage will likely detract from sales in these retail subsectors within other subareas within Marysville as consumers within Marshall will likely prefer a closer, conveniently located retail marketplace.

Housing

Marshall ranks eighth in our index for allocation of housing demand. Scenarios in which 50 percent of housing is allocated to downtown and 50 percent to the rest of Marysville requires that Marshall accommodate between 320 and 337 new households by 2035. In scenarios where 20 percent of housing is allocated to downtown and 80 percent is allocated to the rest of Marysville, Marshall is expected to accommodate between 545 and 572 new households by 2035. Current zoning within Marshall allows for an estimated 1329 new units to be created, allowing for a net surplus in housing in all apportionment and population scenarios. Zoning as a whole is expected to be adequate to accommodate projected population/household growth by 2035.

	Percent of zone	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	1%	24	21	24	21
Multifamily Medium	17%	518	477	521	482
Single Family Medium	22%	47	(3)	51	3
Mixed Use	60%	403	262	413	279
Total Deficit/Surplus		992	757	1,009	785

Scenarios with Bothell and Everett-style zoning were also created. Zoning that mirrored that of Everett allows for the creation of an estimate 634 new units, reducing the net surplus of housing by approximately 166 units. Furthermore, Everett-style zoning creates a surplus in multifamily low-density housing, shifting the housing deficit present in current Marysville zoning to single-family medium-density housing. Bothell-style zoning allows for 1224 units to be created and increases the total housing surplus by over 400 units. Surpluses are present in multifamily low and medium-density housing, but a deficit remains for single family medium-density housing. However, this deficit is only between 2-7 housing units. Mixed use allocations were not included in these comparisons. Overall, Marshall is well-positioned with current zoning to accommodate for projected population growth.

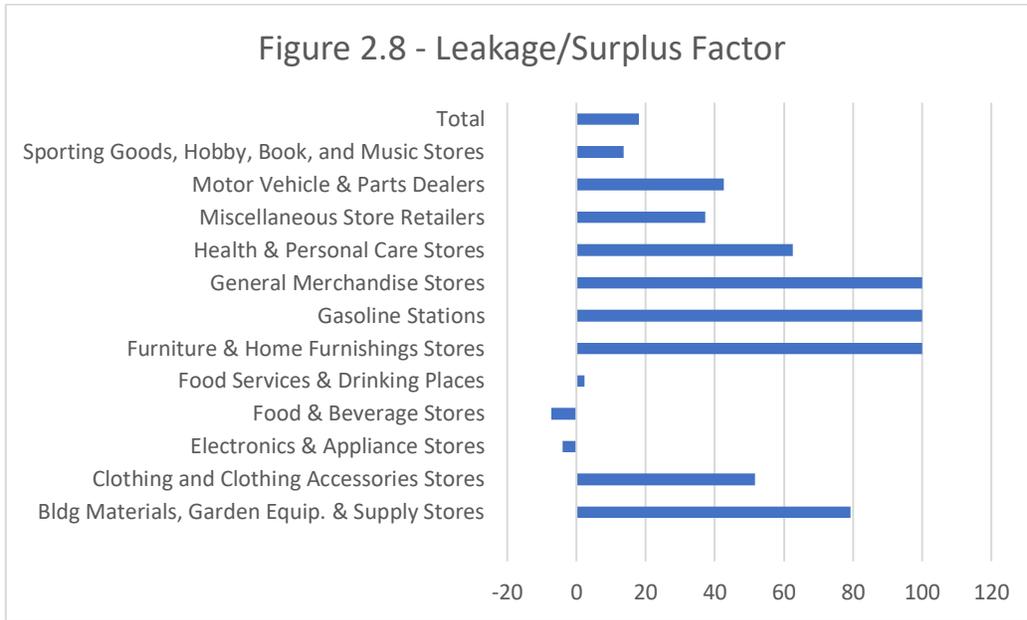
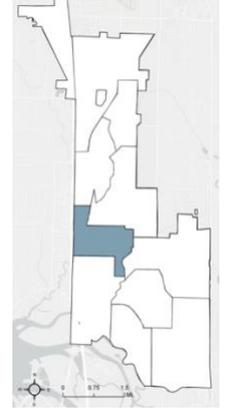
<i>Marshall Everett Zoning Scenarios</i>					
	Everett Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	17%	103	63	106	67.51
Multifamily Medium	22%	252	201	256	206.72
Single Family Medium	61%	(54)	(197)	(44)	(180.65)
Total Deficit/Surplus		301	66	318	94

<i>Marshall Bothell Zoning Scenarios</i>					
	Bothell Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	43%	258	157	265	169
Multifamily Medium	55%	631	502	640	517
Single Family Medium	2%	(2)	(7)	(2)	(7)
Total Deficit/Surplus		887	652	904	679

Pinewood

Retail

The Pinewood retail marketplace presents an overall leakage factor of 18.1, meaning that consumers within the Pinewood area are going to other areas to purchase retail goods. Most retail subsectors exhibit leakage with two exceptions: food and beverage and electronics and appliance, as seen in Figure 2.8. Three subsectors present leakage of 100, meaning that there are no businesses within Pinewood to meet the potential demand.



Overall supply within the Pinewood area is estimated to be \$47.6 million while utilizing between 409,000 and 541,000 square feet of sales space. Taken together, this equates to approximately \$116 sales per square foot on average in Pinewood. Tax revenues acquired from Pinewood alone amount to approximately \$595,000. Demand is estimated to be \$21 million greater than current supply, for a total potential demand of an estimated \$68.7 million. Currently, Pinewood contains between 356,000 and 470,000 square feet of undeveloped land zoned for potential retail sales space. Given demand capture rates of 100, 20, 15, and 10 percent, Table 2.10 outlines the respective estimated square footage needed to accommodate each level of demand capture, as well as potential sales and tax revenues.

Capture Rate	Square Footage	Sales	Tax Revenue
100%	181,566	\$21,091,921	\$263,649
10%	18,157	\$2,109,192	\$26,365
15%	27,235	\$3,163,788	\$39,547
20%	36,313	\$4,218,384	\$52,730

Pinewood’s current zoning allows for any capture rate of retail demand to be reached, but it is important to note that achieving 100 percent demand capture is unlikely and would be inefficient. However, looking to capture between 10 and 20 percent of demand leakage could prove beneficial. It is important to note that expansion of retail within Pinewood will likely result in decreased sales within other subareas of Marysville, specifically those which present a supply surplus. This is due to the fact that consumers within Pinewood will be more likely to choose the closer, more convenient retail option as the Pinewood retail marketplace develops.

Housing

Pinewood ranks sixth in our index for allocation of housing demand. Scenarios in which 50 percent of housing is allocated to downtown and 50 percent is allocated to the rest of Marysville requires that Pinewood be able to accommodate between an estimated 306 and 323 new households. Scenarios in which 20 percent of housing is allocated to downtown and 80 percent is allocated to the rest of Marysville requires that Pinewood accommodate between 532 and 560 new households. Current zoning within Pinewood would accommodate an estimated 474 units. This produces a net surplus in 50/50 apportionment scenarios and a net deficit in 20/80 apportionment scenarios. Multifamily low, medium, and high-density produce a surplus in housing for these zones in all scenarios, whereas single family medium and high-density zones produce housing deficits within these zones for all scenarios. However, taken together, Pinewood’s current zoning would produce a surplus in net housing given that all land is developed.

<i>Pinewood Current Housing Scenarios</i>					
	Percent of zone	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	4%	10	1	11	2
Multifamily Medium	33%	201	122	207	131
Multifamily High	2%	21	16	22	16
Single Family Medium	30%	(51)	(122)	(46)	(114)
Single Family High	30%	(30)	(102)	(25)	(94)
Total Deficit/Surplus		151	(86)	169	(58)

Scenarios in which Bothell and Everett-style residential zoning were applied to Marysville were also created. Using Everett-style zoning, total potential housing units are approximately 337 units. Net housing surpluses are decreased by approximately 137 units in the 50/50 apportionment scenarios. Housing deficits are worsened in the 20/80 scenarios, with deficits increasing by an estimated 120 units. Bothell-style zoning allows for 782 potential units and creates net housing surpluses in all scenarios.

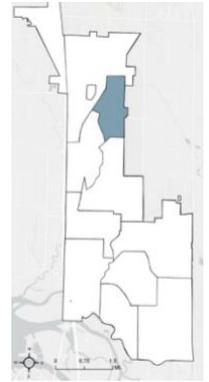
<i>Pinewood Everett Zoning Scenarios</i>					
	Everett Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	10%	25	2	26	5
Multifamily Medium	12%	73	44	75	48
Multifamily High	2%	16	12	16	12
Single Family Medium	34%	(57)	(137)	(51)	(127)
Single Family High	43%	(43)	(145)	(35)	(133)
Total Deficit/Surplus		14	(223)	32	(195)

<i>Pinewood Bothell Zoning Scenarios</i>					
	Bothell Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	39%	101	9	108	20
Multifamily Medium	49%	298	181	307	195
Multifamily High	7%	66	49	67	51
Single Family Medium	2%	(3)	(8)	(3)	(8)
Single Family High	3%	(3)	(9)	(2)	(8)
Total Deficit/Surplus		459	222	476	250

Shoultes

Retail

The Shoultes subarea is currently zoned for nearly 100 percent residential use. ESRI Business Analyst projected only \$2 million in sales from this area, producing a leakage factor of 100 for all retail subsectors except motor vehicle and parts and building materials. This creates a total leakage factor of 91.6, meaning that the majority of potential consumers within the Shoultes subarea are going elsewhere to consume retail goods. Potential demand within this region equates to an estimated \$63.2 million. Currently, no parcels are allocated for retail use within Shoultes and no data was able to be extracted in regard to current square footage used for retail sales. This is due to the fact that Shoultes is only zoned for residential use. These limitations prevent an accurate assessment of Shoultes’ potential retail demand sales per square foot and necessary square footage to accommodate this leakage.



Housing

Shoultes ranks ninth in our index for allocation of housing demand. Scenarios in which 50 percent of housing demand is allocated to downtown and 50 percent to the rest of Marysville require Shoultes to accommodate between 334 and 351 new households. Scenarios in which 20 percent of housing demand is allocated to downtown and 80 percent to the rest of Marysville require Shoultes to accommodate between 555 and 582 new households. Current zoning only allows for the creation of 70 new units, placing Shoultes in an extreme housing deficit for all scenarios. This is likely due to the fact that Shoultes is currently zoned for solely single-family housing – it is likely that in order to accommodate increases in population, multifamily housing will need to be considered.

<i>Shoultes Current Zoning Scenarios</i>					
	Percent of zone	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Single Family Medium	89%	(253)	(459)	(237)	(434)
Single Family High	11%	(28)	(53)	(26)	(50)
Total Deficit/Surplus		(280)	(512)	(263)	(485)

Scenarios were also constructed to mirror the zoning of Everett and Bothell. With Everett-style zoning, only 40 units are projected to be developed, increasing the housing deficit further. Bothell-style zoning presents the same increase in housing deficit. Overall, Shoultes’ current zoning will not be able to accommodate increases in population.

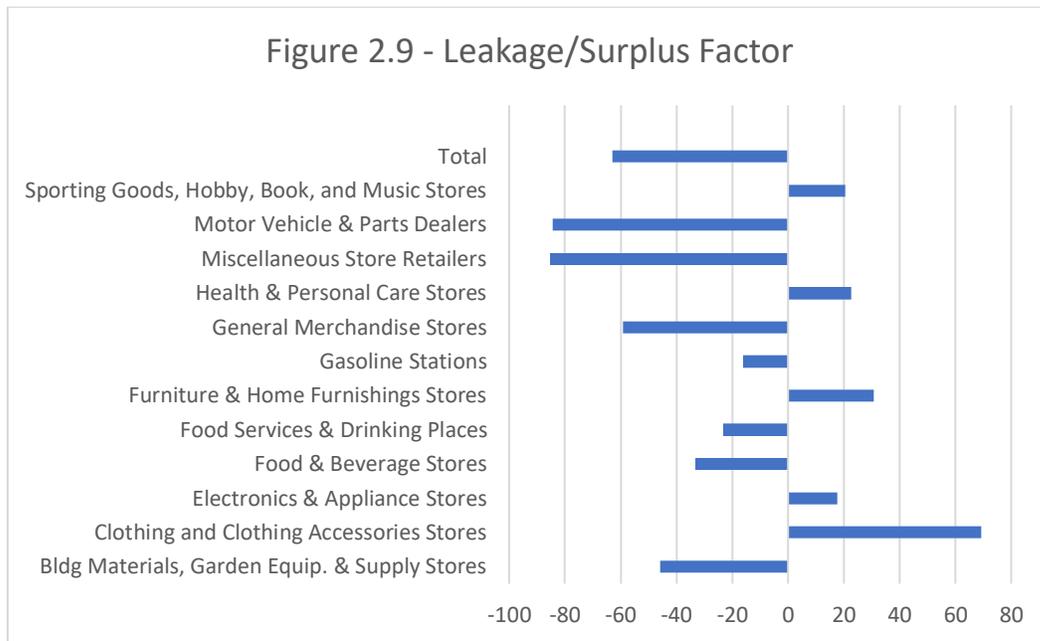
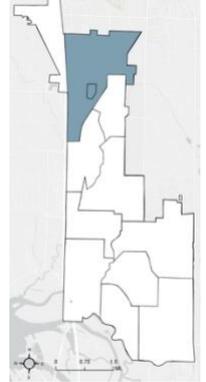
Shoultes Everett/Bothell Zoning Scenarios

	Everett/Bothell Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Single Family Medium	44%	(125)	(226)	(117)	(215)
Single Family High	56%	(186)	(315)	(176)	(300)
Total Deficit/Surplus		(311)	(542)	(294)	(515)

Smokey Point

Retail

Smokey Point presents an overall retail surplus factor of -63, meaning that the supply of retail goods exceeds estimated demand within the area. Consumers from outside Smokey Point are coming to this area to buy retail goods, with the exception of sporting goods, hobby, books, and music; health and personal care; furniture and home furnishings; electronics and appliance; and building materials, garden equipment and supplies. These retail subsectors exhibit leakage from Smokey Point, as seen in Figure 2.9.



Smokey Point also shares a border with Arlington. In this case, industrial-zoned areas overlap with Arlington’s industrial zones, and areas zoned for retail also overlap between Arlington and Smokey Point, with the exception of a small residential area in Arlington. This creates an interesting interplay between these two areas, but is outside the scope of this report.

Total sales in Smokey Point, excluding non-store retail, amounted to an estimated \$149.5 million, exceeding potential demand within the area by approximately \$118.1 million. Current retail sales space occupies between 554,000 and 732,000 square feet, producing approximately \$269 sales per square foot. These sales account for an estimated \$1.9 million in tax revenue for Marysville. This high sales volume is due to the fact that Smokey Point has very little area zoned for residential use, causing potential demand to be only \$34 million – on the lower end compared to other subareas in Marysville.

While Smokey Point presents a net surplus of retail, there are still retail subsectors that present approximately \$3.39 million in leakage from the area. Current zoning allocates between an estimated 1.4 and 1.8 million square feet of retail sales space; however, due to low amounts of leakage from this area, it is unlikely that all of this space will be used. Table 2.17 gives estimates of square footage needed to accommodate different levels of demand capture within Smokey Point, as well as the potential sales and tax revenues.

Table 2.11: Square Footage, Sales, and Tax Revenue by Capture Rate

Capture Rate	Square Footage	Sales	Tax Revenue
100%	12,553	\$3,388,085	\$42,351
10%	1,255	\$338,809	\$4,235
15%	1,883	\$508,213	\$6,353
20%	2,511	\$677,617	\$8,470

Current zoning allows for Smokey Point to meet any demand capture rate, but it is important to note that a 100 percent demand capture rate is unlikely, whereas capture rates between 10 and 20 percent provide a more realistic estimate. Expanding Smokey Point’s retail marketplace may prove beneficial for the subarea, but expansion in Smokey Point will likely be accompanied by increased retail leakage within other subareas of Marysville.

Of note within this subarea is the substantial retail cluster that is shared with the City of Arlington. This area is likely to continue to expand its overall capture rate until externalities such as travel time intercede to change shoppers’ behavior. While not explored within this analysis, it should be expected that with increasing density throughout the city retail behavior will modify over time creating shifts in both where and volume of retail capture/leakage occur.

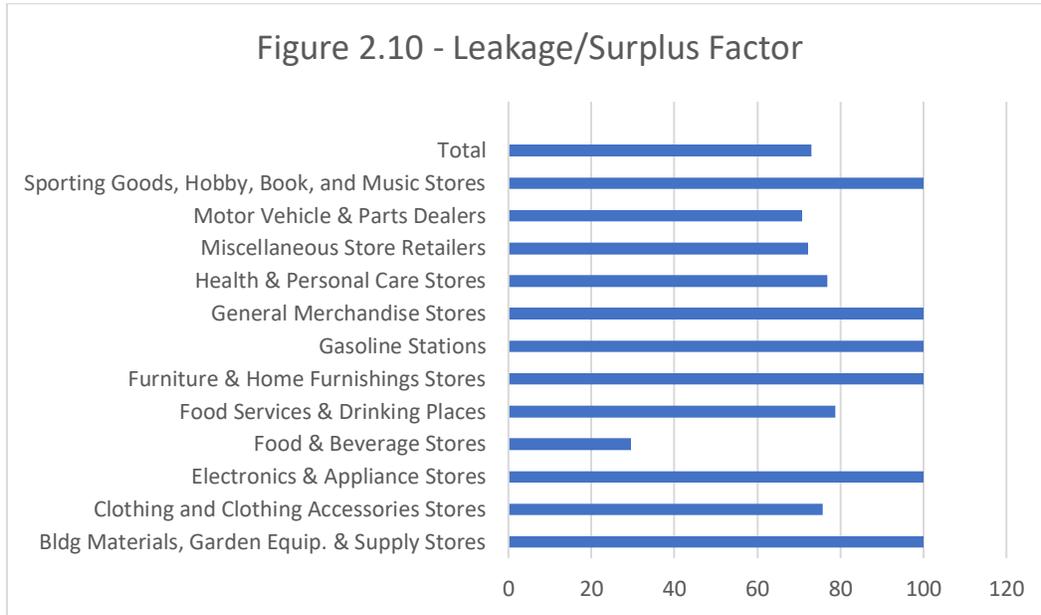
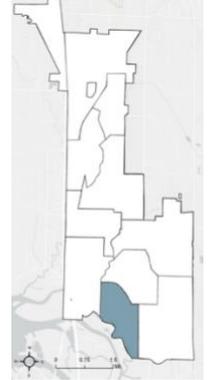
Housing

Smokey Point ranks last in our index for allocation of housing demand likely because of extremely high acquisition costs and reporting the second highest level of crime within Marysville. This caused our index to produce an overall index of 0.5, causing only 2 new units to be created within Smokey Point. Due to how minimal this housing creation was, Smokey Point is not recommended for housing development. However, for the purposes of this report, it was found that there is currently an estimated 2.6 million square feet of undeveloped land zoned for residential use. With current zoning, this has the potential to produce 741 new units within Smokey Point. Once again, this land is exceptionally expensive to acquire, and high crime rates may deter future population from wanting to live in Smokey Point.

Sunnyside

Retail

The Sunnyside subarea presents leakage in all areas of retail, for a total leakage factor of 73, with six areas presenting total leakage to other areas. This means that the majority of potential retail demand is going to other areas outside of Sunnyside.



Total sales are estimated to amount to \$5.1 million, accounting for approximately \$64,000 in tax revenue from this area. No occupied parcels were detected within Sunnyside, which prevented us from being able to find specific sales per square foot within Sunnyside. In order to provide an analysis of potential demand, square footage, and sales, the Marysville average \$166 sales per square foot was used. Currently, there is an excess of demand within this area by an estimated \$27 million, causing total potential demand to be approximately \$32 million. This large difference is due to the fact that nearly 100 percent of Sunnyside is zoned for residential use. Current zoning provides a single parcel for potential retail use, amounting to between approximately 13,000 and 17,000 square feet of undeveloped retail sales space. Table 2.12 provides estimates for square footage required for different levels of demand capture, as well as potential sales and tax revenues

Table 2.12: Square Footage, Sales, and Tax Revenue by Capture Rate			
Capture Rate	Square Footage	Sales	Tax Revenue
100%	165,464	\$27,574,455	\$344,681
10%	16,546	\$2,757,446	\$34,468
15%	24,820	\$4,136,168	\$51,702
20%	33,093	\$5,514,891	\$68,936

Sunnyside’s current zoning would be able to accommodate approximately 10 percent of potential demand within the area and would have to utilize all undeveloped land to do so. It is important to note that capturing local demand within Sunnyside will likely detract from sales in other subareas of Marysville, especially those which present supply surpluses such as Downtown or Lakewood.

Housing

Sunnyside ranks tenth on our index for housing demand allocation. Scenarios in which 50 percent of housing is allocated to downtown and 50 percent is allocated to the rest of Marysville requires that Sunnyside be able to accommodate between an estimated 300 and 316 new households. Scenarios in which 20 percent of housing is allocated to downtown and 80 percent is allocated to the rest of Marysville requires that Sunnyside accommodate between 510 and 536 new households. Current zoning allows for the creation of 334 units, producing net housing surpluses in 50/50 demand apportionment scenarios and net housing deficits in 20/80 demand apportionment scenarios. Deficits are present in all scenarios for Single Family Medium-Density housing.

<i>Sunnyside Current Zoning Scenarios</i>					
	Percent of zone	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Single Family Medium	72%	(13)	(172)	(2)	(154)
Single Family High	28%	31	(29)	36	(22)
Total Deficit/Surplus		18	(202)	34	(176)

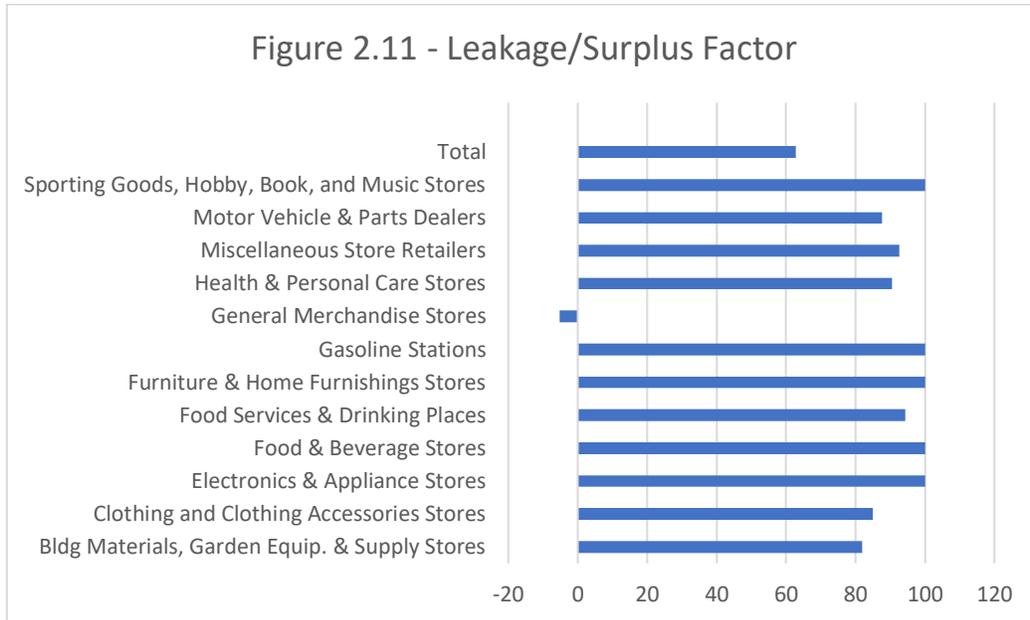
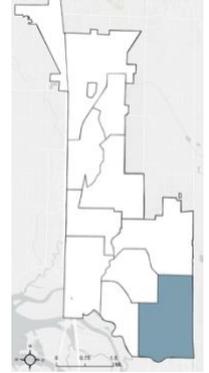
Scenarios using Everett and Bothell-style zoning were also created. Both scenarios produced the same results, allowing for the creation of 372 new households, but net deficits are still present for 20/80 apportionment scenarios. Overall, Sunnyside would not be able to accommodate projected new households and should consider rezoning to potentially include multifamily housing options.

<i>Sunnyside Everett/Bothell Zoning Scenarios</i>					
	Everett/Bothell Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Single Family Medium	44%	(8)	(105)	(1)	(93)
Single Family High	56%	64	(59)	73	(45)
Total Deficit/Surplus		56	(164)	72	(138)

East Sunnyside

Retail

East Sunnyside presents a total leakage factor of 62.8, meaning that the majority of consumers within East Sunnyside are going outside of the area to buy retail goods. Leakage is present in all subsectors with the exception of general merchandise, with five subsectors preventing total leakage as seen in Figure 2.11. With close proximity to the substantial retail cluster in the Lake Stevens, this is not surprising.



Total sales are estimated to be approximately \$25 million, accounting for an estimated \$314,000 in tax revenue. No occupied parcels were detected within East Sunnyside, which prevented the calculation of specific sales per square foot within this area. In order to provide an analysis of potential demand, square footage, and sales, the Marysville average \$166 sales per square foot was used. Currently, there is an excess of demand within this area by an estimated \$85 million, causing total potential demand to be approximately \$110 million. This large difference is due to the fact that the vast majority of East Sunnyside is zoned for residential use. Current zoning provides between approximately 323,000 and 428,000 square feet of undeveloped retail sales space. Table 2.13 provides estimates for square footage required for different levels of demand capture, as well as potential sales and tax revenues.

Table 2.13: Square Footage, Sales, and Tax Revenue by Capture Rate

Capture Rate	Square Footage	Sales	Tax Revenue
100%	509,640	\$84,930,917	\$1,061,636
10%	50,964	\$8,493,092	\$106,164
15%	76,446	\$12,739,638	\$159,245
20%	101,928	\$16,986,183	\$212,327

East Sunnyside would be able to accommodate over 50 percent of demand capture but would fall short of a 100 percent capture rate. However, 10-20 percent capture rates are much more likely and East Sunnyside would be able to accommodate this more realistic rate.

Housing

East Sunnyside ranks fifth on our index for housing demand allocation. Scenarios in which 50 percent of housing is allocated to downtown and 50 percent is allocated to the rest of Marysville requires that East Sunnyside be able to accommodate between an estimated 304 and 322 new households. Scenarios in which 20 percent of housing is allocated to downtown and 80 percent is allocated to the rest of Marysville requires that East Sunnyside accommodate between 546 and 575 new households. An estimated 12 million square feet remains undeveloped and zoned for residential use within this area. Current zoning allows for the creation of 2300 units, producing net housing surpluses in all scenarios. No deficits are present.

<i>East Sunnyside Current Zoning Scenarios</i>					
	Percent of zone	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	16%	635	595	637	600
Multifamily Medium	4%	273	262	273	264
Single Family High	67%	908	739	921	759
Single Family Medium	9%	74	52	76	54
Mixed Use	5%	104	104	104	104
Total Deficit/Surplus		1,993	1,753	2,011	1,781

Scenarios using Everett and Bothell-style zoning were also created. Both scenarios increase housing surpluses by 121 and 3515 units, respectively. Mixed use zones were not included in these comparisons. Overall, East Sunnyside is well positioned with its current zoning to accommodate projected population increases and will likely not be required to develop all undeveloped land.

East Sunnyside Everett Zoning Scenarios

	Everett Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	10%	419	395	421	397
Multifamily Medium	12%	871	840	874	844
Single Family High	44%	637	526	645	539
Single Family Medium	34%	312	225	318	235
Total Deficit/Surplus		2,239	1,986	2,258	2,016

East Sunnyside Bothell Zoning Scenarios

	Bothell Zoning	Scenario 1A (50/50)	Scenario 1B (20/80)	Scenario 2A (50/50)	Scenario 2B (20/80)
Multifamily Low	42%	1,810	1,704	1,817	1,716
Multifamily Medium	53%	3,762	3,627	3,772	3,643
Single Family High	3%	41	34	41	35
Single Family Medium	2%	20	14	20	15
Total Deficit/Surplus		5,633	5,379	5,651	5,409

Conclusion

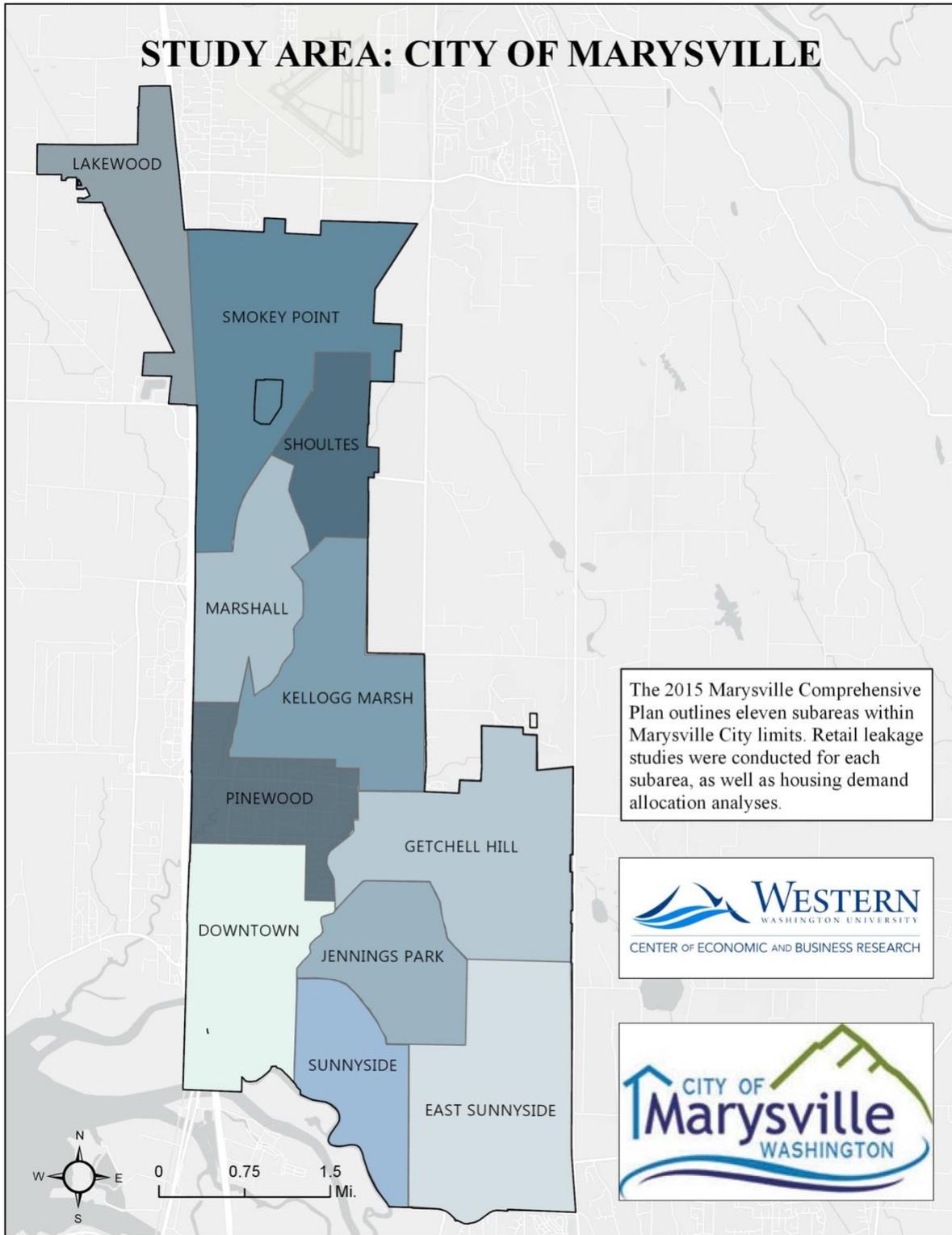
Retail markets within Marysville are doing well at an aggregate level – surpluses are present, meaning consumers are coming to Marysville to buy retail goods. However, there is room for growth in retail sectors that present leakage. Marysville is equipped to accommodate this growth with the current undeveloped square footage that is available. Looking to a subarea level is also helpful in determining placement of retail expansion – areas with higher leakage have untapped markets that are leaking to other subareas. By accommodating this leakage on a subarea level, it will simply be shifting surplus from other areas to accommodate leakage in another. For example, accommodating the leakage in Jennings Park may pull from the surplus in Downtown. Thus, developing a retail market in an area that presents high leakage will not guarantee a net increase in overall sales within Marysville.

From the previous analyses, we are able to see that Marysville as a whole has the tools to accommodate housing demand, but it is likely that rezoning will be necessary on a subarea analysis to bring balance to the growth in housing demand. Rezoning can be minimized through utilization of the 50/50 housing scenarios, which creates minimal neighborhood housing supply deficits in comparison to the 20/80 housing scenarios. This allows for focused development upon the Downtown area. In areas that present deficits, rezoning to favor multifamily housing will likely be necessary, as these types of units will create more units while utilizing less land. This is especially applicable to the Shoultes and Sunnyside areas that are zoned only for single family residential use. Downtown will also need to likely be expanded and also favor multifamily high-density housing or mixed use residential over retail development. It may also be necessary for increased density zoning to be allowed in Downtown, as Title 22C only allows 36 units per acre as the highest density available for zoning.

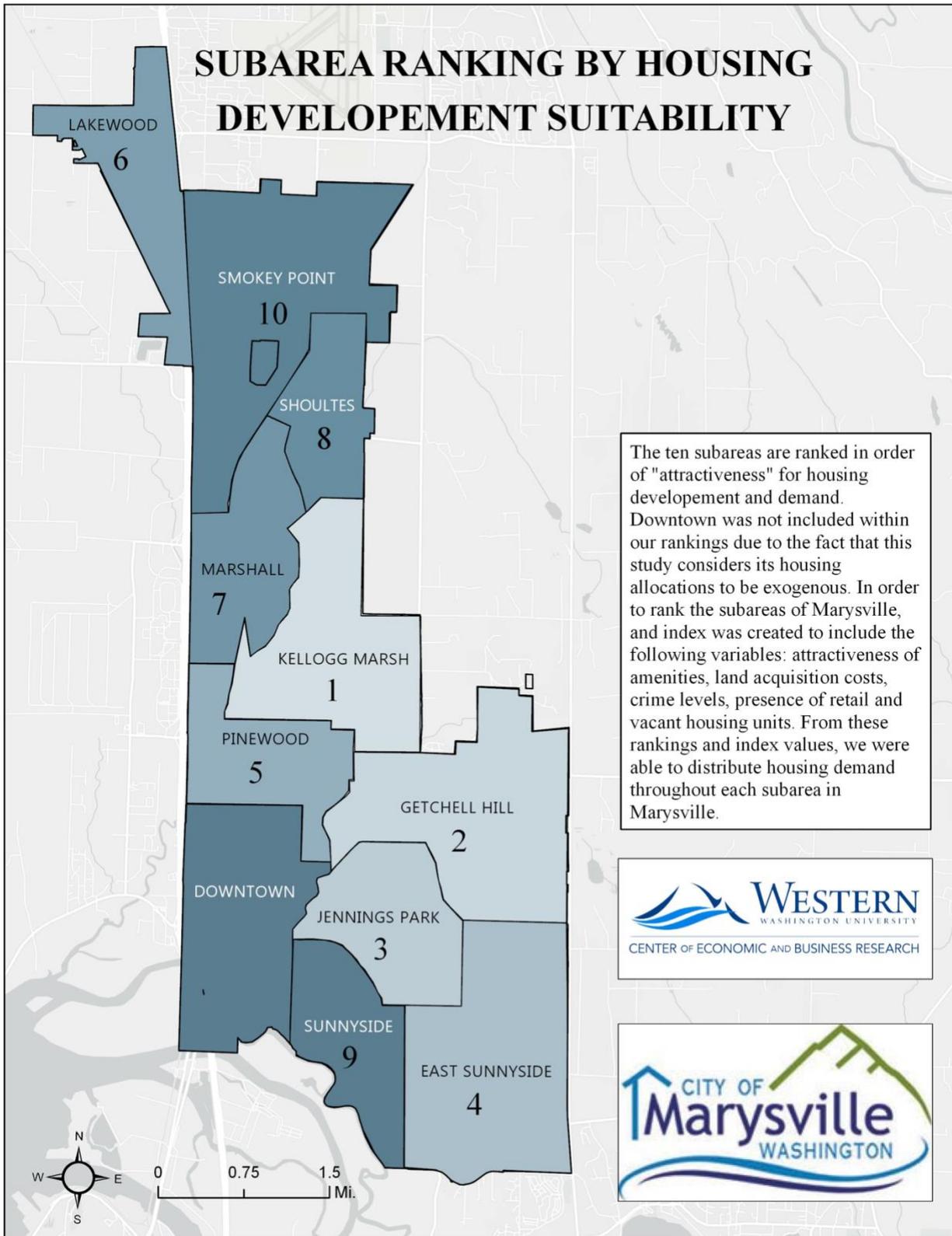
Finally, the cyclical relationship between retail markets and increasing population and new household development in each area was not explored within the scope of this research. We can assume that increases in households and population will increase retail demand within each subarea and Marysville as a whole as more people creates increased consumption. Additionally, as retail markets develop on a subarea level, the area will likely become more desirable and convenient for those looking to move, creating an increase in demand for housing in that area. Thus, the relationship between retail and housing growth is cyclical, and may be beneficial to explore as the city considers their options for development.

Appendix A: Maps

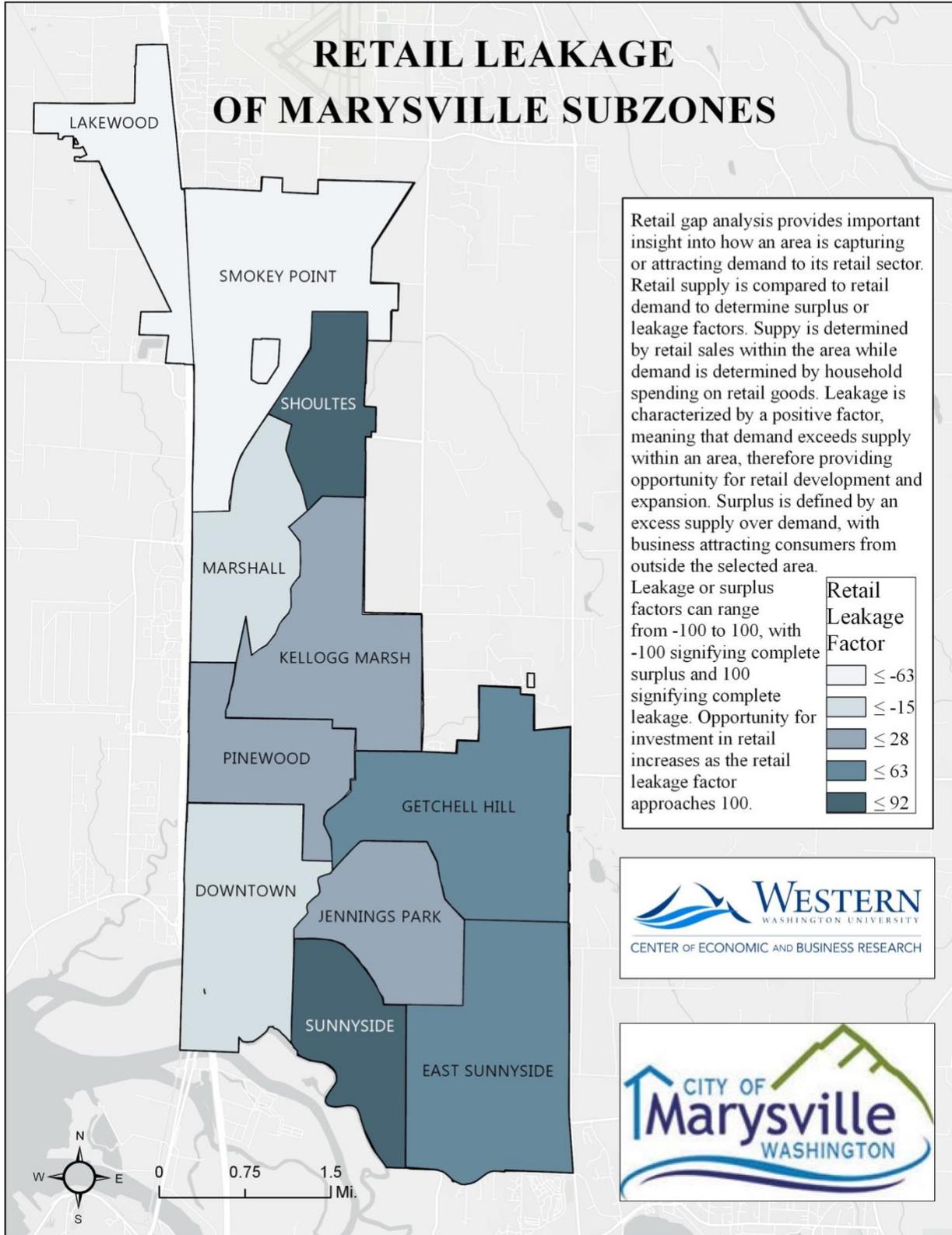
Map 1



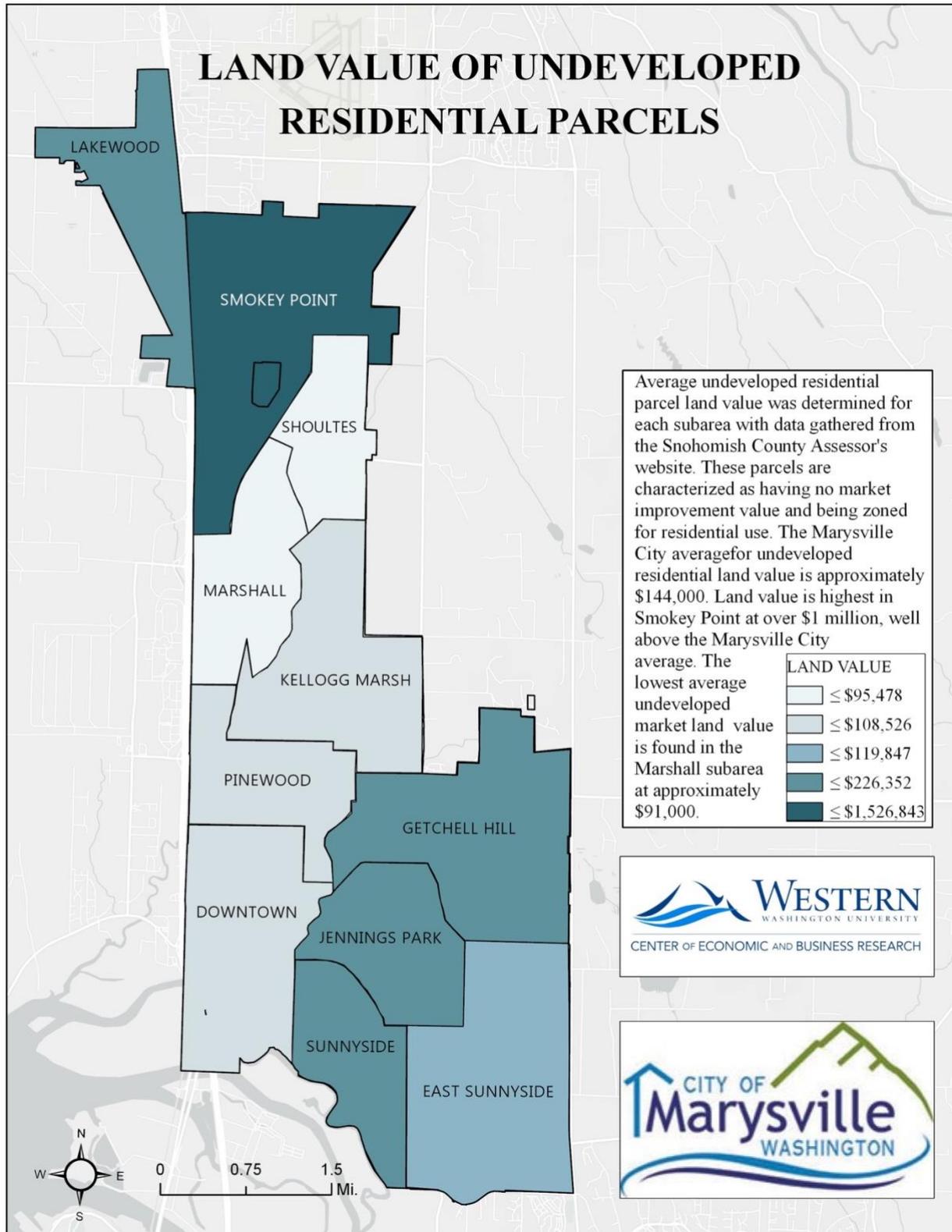
Map 2

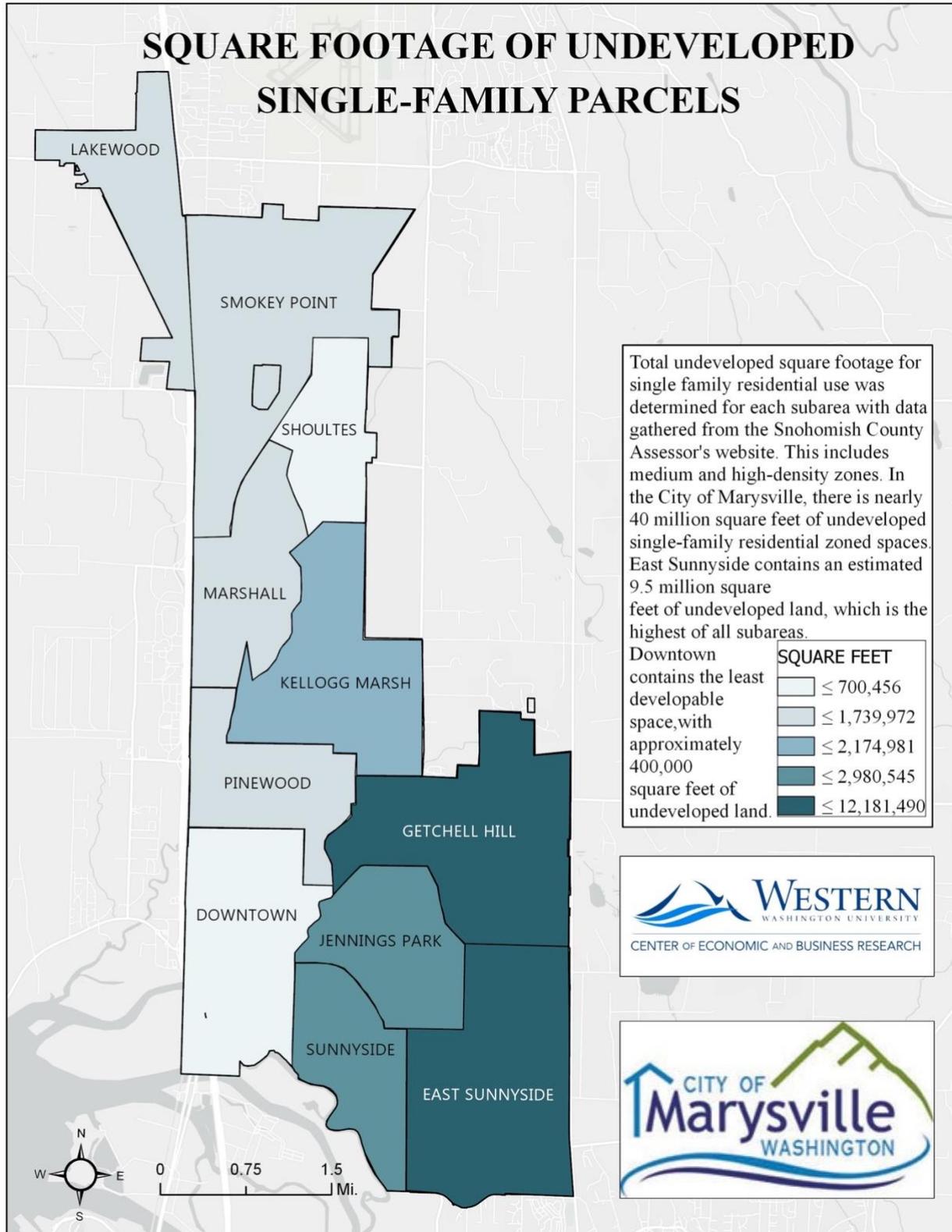


Map 3

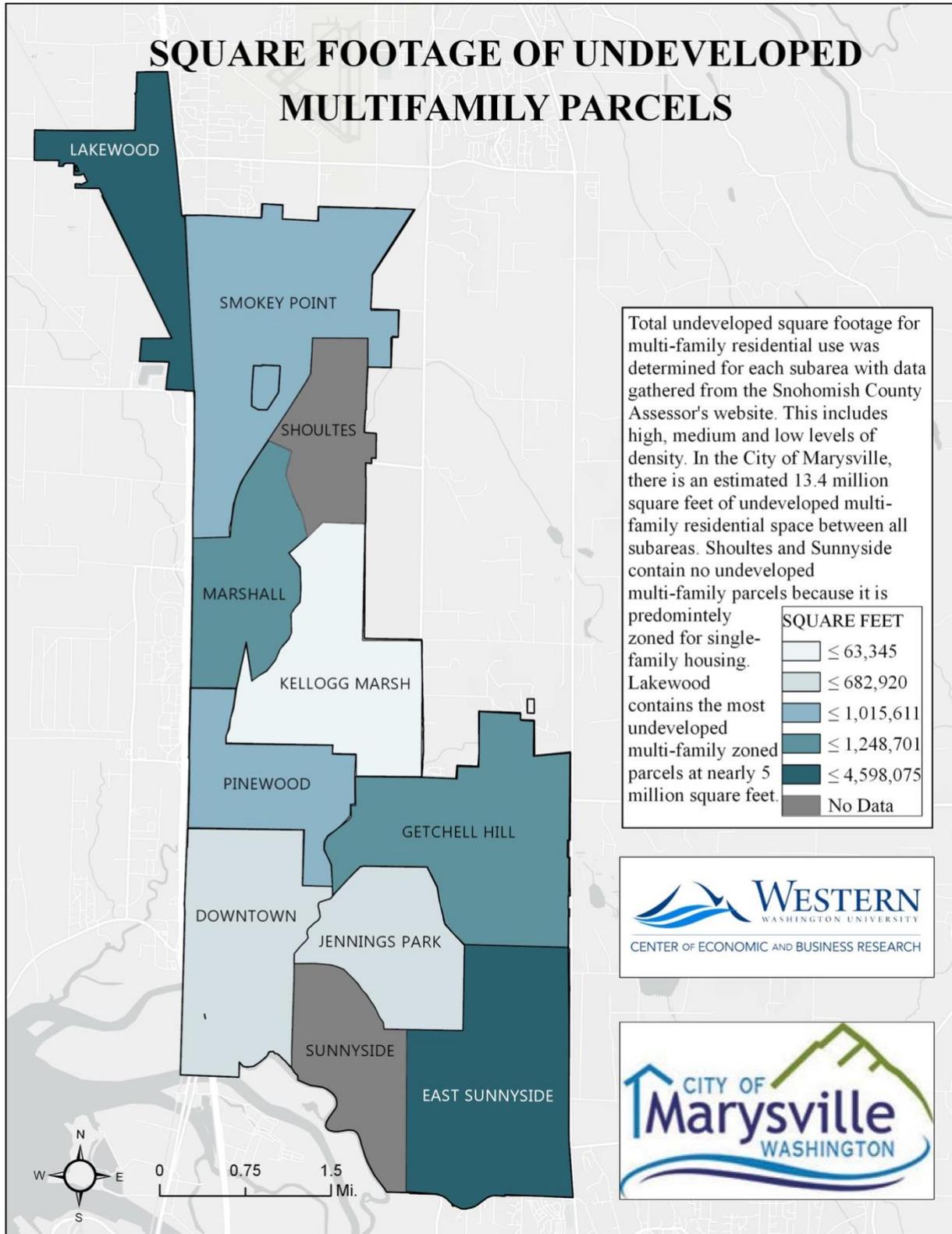


Map 4





Map 6



Appendix B: Residential Land Values by Parcel

Appendix C: Additional Retail Businesses