

# Market and Real Estate

## Market Area Economics

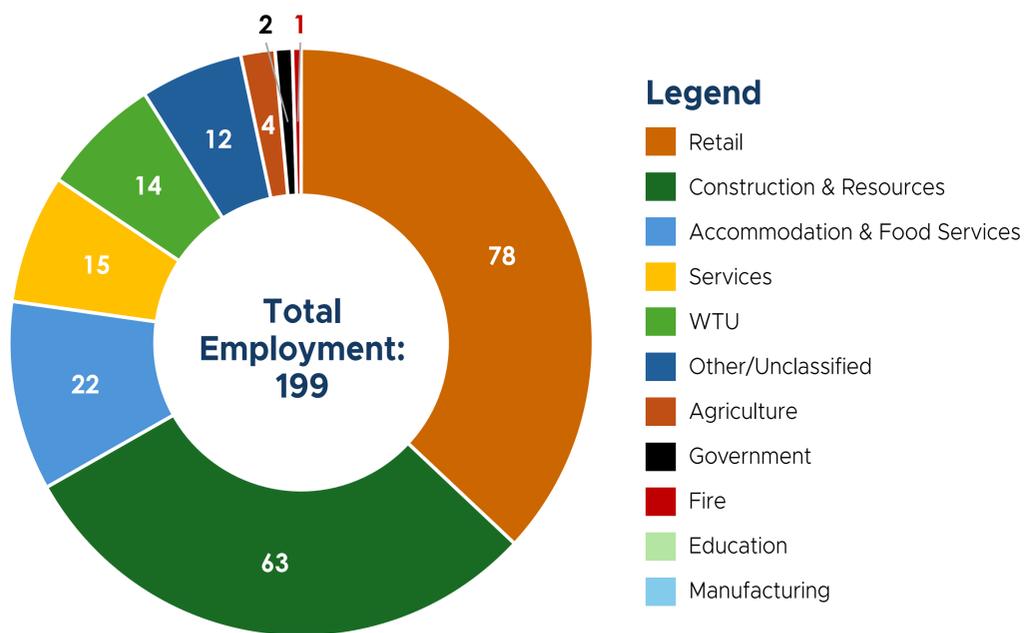
Island Crossing’s landscape is characterized by a mix of open land, low-density retail structures, and numerous surface parking lots. While there are no housing, industrial, or office uses in Island Crossing, there are economic clusters nearby.

The subarea is located at one end of the Mountain Loop Scenic Byway, a gateway for travelers accessing regional recreation.

Neighboring economic centers and Island Crossing’s importance in the region’s tourism and outdoor recreation ecosystem are key to understanding local conditions and potential land use demands.

## Business and Employment

- 18 businesses in the subarea employ about 200 workers.
- The subarea’s largest industry sector is retail, followed by construction and resources.
- While much of Island Crossing’s land is agricultural, there are few agricultural jobs located in the subarea.
- The retail sector in the subarea has a higher concentration of businesses and jobs than Arlington as a whole.
- There are no big box retailers or chains in the subarea, outside of service stations.



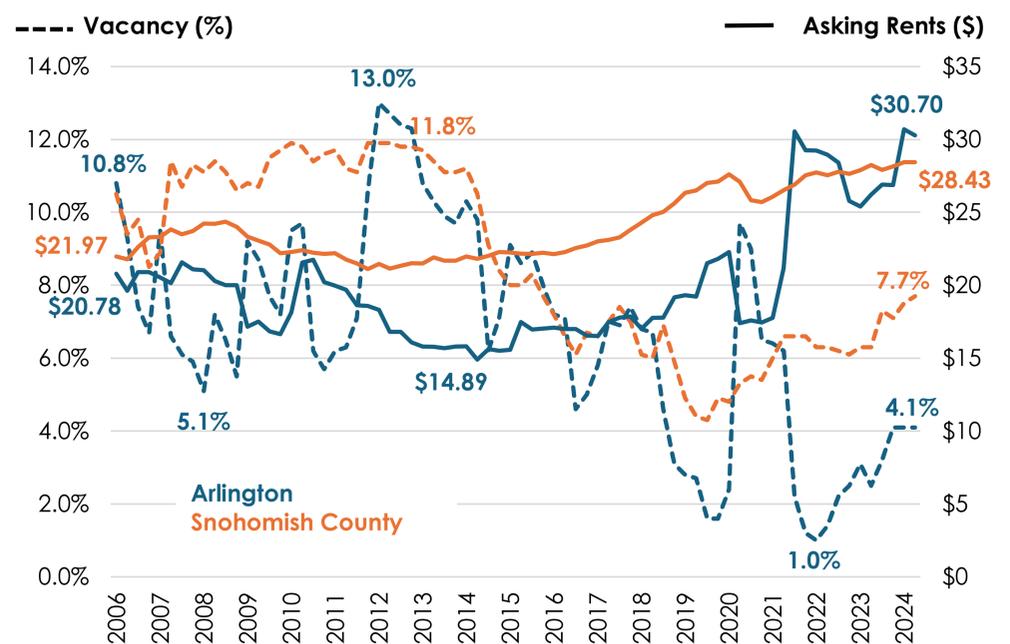
Island Crossing Employment Total by Major Industry, 2024



Island Crossing and Arlington Businesses by Major Industry Comparison, 2024

## Real Estate Analysis

- Island Crossing falls within the Arlington Urban Growth Area.
- The Snohomish County 2021 Buildable Lands Report found that four parcels in the subarea are redevelopable, and assumed:
  - Parcels in the subarea can support up to 100 additional jobs.
  - No residential growth.
- Zoned capacity does not appear to be a constraint on future growth opportunities within the subarea.
- Retail inventory in Arlington has been climbing slowly since 2006, though retail demand has been decreasing recently.



Arlington and Snohomish County Office Direct Vacancy and Asking Rates, 2006-2024

## Key Findings

- Public investments in partnership with local businesses and landowners may catalyze community-desired development and increase economic activity.
- Agriculture is a key legacy industry in the region. Research and outreach to local businesses and policymakers can help identify appropriate approaches to incentivize uses that support existing businesses, leverage nearby recreational tourism, and capture revenue.
- Retail trade is the dominant industry in the subarea.
- Island Crossing has a local specialization in wholesale, transportation, and utilities industries. 1/3 of all businesses in the subarea are gas stations.
- Arlington and Snohomish County’s industrial and multifamily residential markets have grown significantly, which could increase market support in Island Crossing for retail, food, and other supporting businesses.
- Demand for office space in Arlington is growing, which could create spillover demand in Island Crossing.