

AGENDA

Lynnwood Planning Commission

Thurs., May 27, 2004 — 7:00 pm — City Council Chambers, 19100 – 44th Ave. W., Lynnwood

- A. Call to Order** Chair JOHNSON
 Commissioner BIGLER
 Commissioner DECKER
 Commissioner PEYCHEFF
 Commissioner POWERS
 Commissioner WALTHER
 Commissioner ELLIOTT
- B. APPROVAL OF MINUTES:**
- Minutes of May 13, 2004 Planning Commission meeting
- C. CITIZEN COMMENTS** – on matters **not** on tonight's agenda:
- D. COMMISSION MEMBER DISCLOSURES:**
- E. PUBLIC HEARING:** None
- F. UNFINISHED BUSINESS:**
1. **City Center Plan – Draft SEIS**
Finalize the Commission's review comments on the City Center's Supplemental Environmental Impact Statement.
- G. NEW BUSINESS:** None
- H. WORK SESSIONS:**
1. **City Center Plan – Implementation Strategy**
The fourth in a series of introductory work sessions to familiarize the Commission with the five major components of the City Center Plan.
 2. **Comprehensive Plan Amendments**
Briefing and discussion of the first of nine "suggested" amendments to the Comprehensive Plan. A public hearing will be held on these proposals in July.
- I. DIRECTOR'S REPORT & INFORMATION:**
1. **Recent City Council Actions**
 2. **Upcoming Commission Meetings**
- J. ADJOURNMENT**

The public is invited to attend and participate. To request special accommodations for persons with disabilities, contact the City at 425-670-6613 with 24 hours advance notice.

**Lynnwood Planning Commission
Meeting of May 27, 2004**

Staff Report

Agenda Item: F-1

**City Center Plan – Draft Supplemental
Environmental Impact Statement (DSEIS)**

- Public Hearing
- Informal Public Meeting
- Work Session
- New Business
- Unfinished Business
- Information
- Miscellaneous

Lynnwood Dept. of Community Development — Staff Contact: Dennis Lewis, Senior Planner

BACKGROUND:

The City Center Plan envisions a major transformation of a portion of Lynnwood. The proposed redevelopment of the City Center would create a place of central attraction in the city. It would become the major employment center, and it would offer opportunities for high urban density housing and for civic uses and cultural amenities. Such redevelopment will have significant impacts on the existing city and its residents. Most of the impacts are anticipated to be positive, and some impacts may have negative consequences, such as traffic. It is the function of the environmental impact statement to analyze the proposed Plan, determine what will be the impacts, and identify mitigating actions that will be necessary to eliminate or satisfactorily reduce the identified negative impacts.

The environmental impact statement (EIS) prepared for the City Center Plan is a supplement to the EIS prepared for the 1995 Lynnwood Comprehensive Plan. It is therefore referred to as a Supplemental EIS, or SEIS. It is a draft document, not yet a final EIS. Under the State Environmental Protection Act (SEPA) process, a draft EIS must be issued for public and agency review and comment. All comments received must be considered and may result in amendments to the Final SEIS. As a part of the Final SEIS process, responses must be given to those offering comments. The minimum comment period on the Draft SEIS is 45 days. The publication date of the City Center Plan Draft SEIS is April 19, 2004. The end of the comment period will be June 4, 2004.

REVIEW and DISCUSSION:

The Planning Commission had a first opportunity to review and discuss the DSEIS at the April 22, 2004 meeting. The Commission renewed review and discussion on this document at the May 13, 2004 meeting. Commissioner Bigler and Walther offered the following comments on the Draft SEIS.

- Page II-2. In the second paragraph on this page reference is made to Figure 1. There is no such Figure in the document. If the reference is to Figure 1-1 then Scriber Creek and the other streams mentioned in this paragraph should be shown on the map.

- Page II-3. The last sentence on the page makes a statement that adult Coho salmon have been observed in the upper reaches of Scriber Creek. This statement is not consistent with information contained in III-8 which states that there is a barrier to fish passage on Scriber Creek in the vicinity of I-5. The recommendation is to remove the last sentence on page II-3.
- Page III-8. In the fourth paragraph, Lynnwood is spelled incorrectly.
- Pages III-15 through III-22. Some of the text is repetitive. The suggestion is that when paragraphs repeat previously stated text that instead of doing so the statement "same description as previously given" should be used to cut down on volume of text.
- Pages III-113 and III-114. Issue is taken with the conclusion made in the first sentence on page III-113 that traffic in 2020 would be slightly better than existing levels. Table 3-26 on page III-113 does show that 2020 delay should be less in 2020 than in 2001. But it is not clear that will be the case for even the majority of intersections. The recommendation is that the wording of the conclusion be changed to "the traffic congestion at many intersections in the City Center in 2020 would be slightly better..."

PROPOSED ACTION:

If the Planning Commission agrees with the foregoing comments on the Draft SEIS and wishes to submit them as formal comments, then an adopting motion and vote is necessary. Upon Planning Commission action, staff will prepare a comment letter containing the agreed upon comments for the signature of the Planning Commission Chairman.

Memorandum

DATE: May 17, 2004
TO: Chair Johnson and Members of the Planning Commission
FROM: Kevin Garrett, Planning Manager
SUBJECT: Agenda Item H.1: City Center Plan – Implementation Strategy

SUMMARY:

The City Center Planning Project has just issued a Draft Supplemental Environmental Impact Statement together with a Revised Draft of the Subarea Plan. With release of these documents, project staff is conducting the fourth major public outreach of the project. The purpose of this outreach is to report on progress since the last outreach (about a year ago).

A major focus of recent project work has been on developing a strategy to implement the Plan and, particular, to finance the public improvements needed. The City Center Subarea Plan identifies improvements to City infrastructure that will be needed to accommodate redevelopment of the City Center. These improvements are intended to accommodate redevelop under the preferred Alternative in the Plan, which envisions 9.1 million square feet (new and existing) in the City Center area by 2020. The improvements include street widenings, intersection improvements, new parks and open space, and sewer and water system upgrades. The projected cost of these improvements is about \$100 million. The street improvements account for about \$80 million of the costs (this amount includes \$26 million for two projects that will be needed, even if the City Center is not redeveloped). The project has identified five alternative approaches to implementing the plan and financing these improvements. At this work session, staff will discuss these alternatives with the Board.

CAPITAL FACILITIES FOR THE CITY CENTER

Analysis of the likely impacts of redevelopment of the City Center shows that significant improvements to the City infrastructure serving the area will be needed. Attachment A shows the major improvements and the project costs.

The impact analysis is based on the preferred Alternative in the Subarea Plan. That alternative envisions a total of 9.1 million square feet (MSF) of development (new and existing) in the area by 2020. The infrastructure improvements discussed below would need to be completed as redevelopment occurs, with all the projects completed or substantial underway by 2020.

Streets: The City's (new) traffic model identified street improvements that would be needed in order to maintain Level of Service (LOS) E in 2020 in the City Center area, see Attachment B. The impacts of increased traffic from redevelopment of the area were discussed with the City

Council last summer. At that time, the Council revised the preferred alternative from 12.3 MSF to 9.1 MSF. That revision eliminated the need (in this time frame) for new on- and off-ramps on I-5.

The total cost of the traffic improvements is about \$80 million. Two projects (widening 44th Ave. W and 196th St. SW) account for about \$26 million of this amount. The traffic analysis shows that these improvements likely will be needed in the future (sooner or later), even if the City Center Plan is not approved (“No Action” alternative). These projects are included on the list of City Center improvements because adoption of the Plan would accelerate the need for these projects.

Parks: Following the City’s LOS for park and open space property (10 acres per 1,000 residents) in this area would require purchasing and developing about 26 acres of parks and about 26 acres of open space property (see Attachment C). The cost of these projects would be about \$21.8M. The City Center Plan identifies about 9.5 acres of public plazas and parks in the plan area; additional park and open space properties would eventually need to be developed in or near the plan area.

Utilities: Analysis of the City’s sewer and water systems has identified improvements that will be needed for redevelopment of the City Center; see Attachment D. (This analysis was done as the first part of updating the City’s comprehensive functional plans for the sewer and water utilities. Work on those plans is continuing.) Three projects have been identified, with a total cost of about \$1.56M. With two of these projects, improvements to the sewer system would both accommodate redevelopment of the City Center and resolve existing issues. Therefore, only a portion of the cost of those two projects is allocated to the City Center project. The remainder would be funded by the utility funds.

IMPLEMENTING AND FINANCING STRATEGY

Realizing the vision of the Subarea Plan and providing the infrastructure improvements discussed above requires a major commitment from both the public and private sectors.

Context: Developing a program to finance these improvements has proven to be *the* major challenge of this planning project. Available resources in both the public and private sectors are limited, due to both economic conditions and legal constraints. In the private sector, the real estate market is much less capable of supporting new infrastructure than it was when the planning project started. In the long term, experts expect that the market will strengthen; the timing of this turnaround is uncertain. In the public sector, state and local funding for infrastructure projects is more limited than it was 10 or 15 years ago, the legislature has failed to provide a full set of tools for redeveloping new urban centers, and current legislative initiatives could further reduce funding availability.

This challenge is made more significant by attempting to designate redevelopment in the City Center as a “planned action.” This idea was added to the project (after it got going) in order to make redevelopment of the City Center easier and more attractive to the private sector. Making a “planned action” designation would require the City to define a financing strategy for the capital projects as part of approving the City Center Plan. There is no easy answer to this funding challenge, but five alternative approaches have been developed for consideration for moving forward with the Plan (in addition to the “No Action” alternative).

Alternatives: Based on substantial discussions and reviews of state law and alternative approaches, staff has identified five alternatives for implementing the Plan and financing the

capital projects. Attachment E summarizes these alternatives, plus the No Action alternative, and lists the major pros and cons of each alternative. At the work session, staff will review these alternatives, and the recommendation of the project Oversight Committee, with the Planning Commission.

ATTACHMENTS:

- A. Infrastructure Costs – City Center
- B. City Center Project: Street Improvements
- C. City Center - Parks and Open Space Projects
- D. City Center Project – Utility Improvements
- E. City Center Financing Strategy – Alternatives

Infrastructure Costs – City Center

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Streets

Arterial Widening:	\$26.25 M	
Grid Streets	\$50.00 M	
Intersection Widening	\$2.00 M	
Subtotal		\$78.25 M

Parks

Core Park Projects	\$17.00 M	
Open Space Projects	CND	
Special Use Projects	\$1.25 M	
Trail Projects	\$3.75 M	
Subtotal		\$21.75 M

Utilities

Sewer	\$0.50 M	
Water	\$1.00 M	
Underground Power Lines	CND	
Subtotal		\$1.5 M

TOTAL

\$101.50 M

Notes:

9.1 MSF of development (new and existing)

Existing City Level of Service standards.

Totals may not sum due to rounding

CND – Costs Not Determined.

City Center Project: Street Improvements

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Improvement
1. Build 179 th Street (Maple Road) as a 2 lane road, without on-street parking, between 36 th Ave and Alderwood Mall Parkway
2. Widen 36 th Ave from 3 lanes to 5 lanes from 179 th St. to 164 th St. (4 lanes in CFP).
3. Widen 196 th SW to 7 lanes between 48 th Ave and 37 th Ave
4. At 200 th St SW / 44 th Ave intersection, add a “left turn only” lane to westbound approach; and, delete split phasing of traffic signal.
5. At the 196 th St / 44 th Ave W intersection: add a second “left turn only” lane for the northbound and southbound approaches.
6. On 44 th Ave. W, add a northbound through lane between I-5 and 194 th St. (southbound programmed in CFP).
7. Install a traffic signal at 48 th Ave W and 194 th St SW intersection.
8. Install a traffic signal at 40 th Ave W and 200 th St SW intersection.
9. Expand street grid in the area by adding streets.
10. Assume 100 percent increase in local transit service into, around, and out of the City Center area.
11. Assume \$10 per day parking cost in the City Center area.

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1 **City Center Project – Parks and Open Space**
2 **Projects**

3

Projects
Core Park Projects: 5 Acres / 1000 population Public Square – West End Town Square – Core Additional Parks/Plazas in/near City Center area
Open Space Projects: 3 Acres / 1000 population Natural areas, landscape buffers needed to meet LOS (such as wetlands west of Park & Ride.
Special Use Projects: 2 Acres / 1000 population Community recreation facilities needed to meet LOS
Trail Projects: 0.25 miles / 1000 population Promenade – Portion 44 th Ave Pedestrian Bridge at Interurban Trail Existing Interurban Trail within City Center Additional trail miles needed to meet LOS

4

1 **City Center Project – Utility Improvements**

2

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Sewer
Pump Station No. 10 – Increase pumping capacity
76 th Ave W. Trunkline – Increase Capacity
Water
Install 8-inch water transmission grid

4

City Center Implementation/Financing Strategy – Alternatives

Strategy	Features	Pros	Cons
1. Planned Action SEIS with 100% Mitigation Funding Through a LID.	<p>Adopt Plan, zoning and Planned Action ordinance.</p> <p>All mitigation costs allocated to an LID.</p> <p>Project-level environmental review not required.</p>	<p>No new city revenue required.</p> <p>Would place burden of supporting Planned Action on those who would benefit (property owners).</p>	<p>Doubt whether area can support a \$100M LID;</p> <p>If unreasonable, could significantly impair credibility of Plan.</p>
2. Programmatic SEIS with Project-by-Project Mitigation	<p>Adopt Plan and zoning.</p> <p>Continues how City has “done business” in the past.</p> <p>ERC will determine mitigation responsibility case-by-case.</p>	<p>City is accustomed to this approach.</p>	<p>City would still lack a comprehensive approach to traffic mitigation in area.</p> <p>ERC would need to determine mitigation for all new developments case-by-case.</p>
3. Programmatic SEIS with Further Analysis to Refine Mitigation	<p>Adopt Plan.</p> <p>Allow limited redevelopment (demonstration project) while:</p> <ul style="list-style-type: none"> • Forming LID; • Learning result of RTID process, Eyman initiatives and state sales tax sourcing issue; • Refining mitigation needs and standards; • Determining metering thresholds. <p>Allocate funding responsibilities when work is done, then adopt zoning;</p> <p>May adopt Planned Action after work is completed (18-24 mo.).</p>	<p>Allows time to:</p> <ul style="list-style-type: none"> • Clarify uncertainties in funding strategy. • Consider allowing a lower LOS (accept some more congestion, save costs of some projects). • Establish thresholds to meter pace of new development. <p>Demonstration project would show an example of new development</p>	<p>City action on zoning is delayed, creating some uncertainty in City commitment to Plan.</p>

Strategy	Features	Pros	Cons
4. Planned Action SEIS with Mitigation Funding Allocated Using Existing Information	Adopt Plan, zoning and Planned Action ordinance. Allocate funding responsibilities using mitigations and service standards in Plan; Project-level environmental review not required.	Mitigation requirements are clearly defined.	Uncertainties in funding sources (City, state & federal).
5. Programmatic SEIS and Designate Projects as Exempt From Environmental Review (urban centers)	Adopt Plan and zoning. Adopt ordinances setting mitigation responsibilities using current mitigations and service standards Project-level environmental review not required.	Mitigation requirements are clearly defined.	Uncertainties in funding sources (City, state & federal). City would need to adopt ordinances for all mitigation now and would not be able to require mitigation for unanticipated impacts.
6. Decline to Approve Plan	Continuation of existing development in and plans for area.	Need for widening 196 th St & east side of 44 th Ave. is deferred (but not eliminated).	Vision in Plan and increased economic activity are not realized; Area improves slowly, if at all. Need for street improvements will not be eliminated.

Notes

1. In all alternatives, City will continue to seek state/federal funding for improvements.
2. LID – Local Improvement District.
3. ERC – Environmental Review Committee.
4. RTID – Regional Transportation Investment District.
5. LOS – Level of Service.
6. SEIS – Supplemental Environmental Impact Statement.

Lynnwood Planning Commission
Meeting of May 27, 2004

Staff Report

Agenda Item: H-2
Comprehensive
Plan Amendments

- Public Hearing
- Informal Public Meeting
- Work Session
- New Business
- Old Business
- Information
- Miscellaneous

Lynnwood Dept. of Community Development — Staff Contact: Ron Hough (425) 670-6655

Introduction:

Lynnwood's Comprehensive Plan consists primarily of a document and a citywide map that, in combination, provide a blueprint for the City's growth and change to year 2020.

The Plan document begins with an introduction that includes the "Vision for Lynnwood in 2020." Nine chapters follow. These are more commonly referred to as "elements". Each element addresses a major area of growth and development and includes goals, objectives and policies aimed at achieving the City's adopted vision.

The adopted growth-related goals and policies are reflected on the Plan Map. This map prescribes the future land use for each property within the City limits. It also provides the foundation for zoning. State law requires that our Zoning Map be consistent with the Plan so that day-to-day decisions work toward Plan implementation.

In addition to the main document and map, the Comprehensive Plan may also include other satellite documents, such as subarea or neighborhood plans. Although prepared independently, these must be consistent with the citywide Plan and adopted within the annual amendment schedule. This year we will review the boundaries and zoning of the College District Plan and consider adopting the City Center Plan.

The Process:

The annual Plan amendment process officially began with the April 1 application deadline. A summary of the proposals was prepared by staff for consideration by the Planning Commission at a public hearing on April 8. Following the hearing and discussion, the Commission forwarded its recommendations to the City Council. On May 10, the Council approved the Proposed Amendments List for 2004. Nine of the ten recommended proposals were included on the final list and will be processed this year.

Staff is now preparing information and maps for each of the proposals for the Planning Commission's discussions. The two formal applications (Raskin and Kingsbury West) were discussed at the May 13 Commission meeting and will be discussed again later in the summer. The other nine proposals have been tentatively scheduled for upcoming Commission meetings through July.

Approval Criteria:

The following criteria are contained in the Implementation Element of the Lynnwood Comprehensive Plan and will be used by the Planning Commission and City Council in their review of each proposal. Each proposed amendment to the Comprehensive Plan must be reviewed and approved only if it meets all of the following criteria:

- A. The proposal is consistent with the provisions of the Growth Management Act (GMA) and will not result in Plan or regulation conflicts; and
- B. The proposal will change the development or use potential of a site or area without creating significant adverse impacts on existing sensitive land uses, businesses, or residents; and
- C. The proposed amendment can be accommodated by all applicable public services and facilities, including transportation; and
- D. The proposal will help implement the goals and policies of the Lynnwood Comprehensive Plan; and
- E. If the proposal could have significant impacts beyond the Lynnwood City limits, it has been sent to the appropriate Snohomish County officials for review and comment.

Tentative Schedule:

Two major plans, the City Center Plan and the Shoreline Master Program, are more complex and are following separate tracks. The expectation is that both will come together in the fall for the Council's simultaneous adoption of the complete package of 2004 amendments. If one or both is not ready, it will be continued to 2005.

The following meetings have been tentatively scheduled to process the amendments.

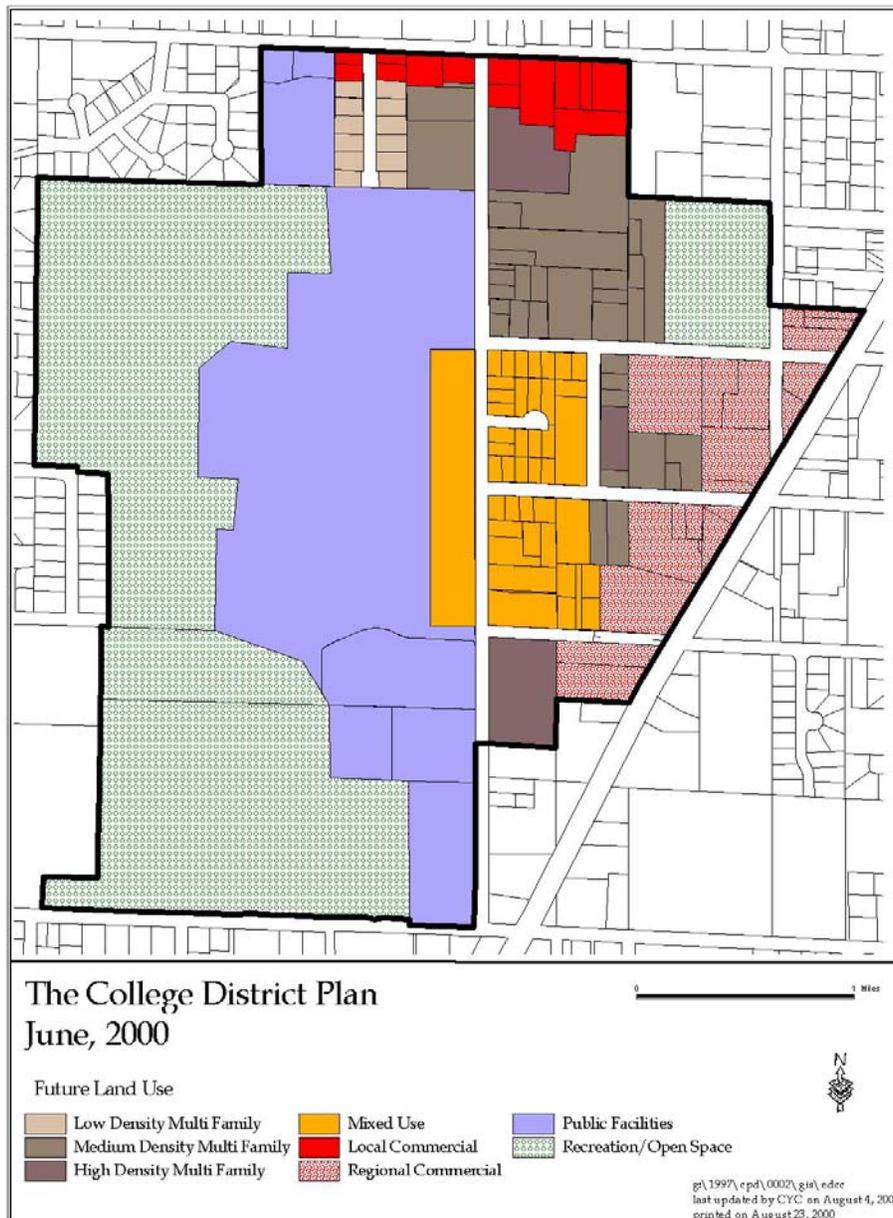
- ✓ April 8 Planning Commission Public Hearing on the PAL (Proposed Amendments List)
- ✓ April 19 City Council briefing and work session on the PAL
- ✓ May 10 City Council approval of the PAL
- ✓ May 13 Commission Work Session: Raskin and Kingsbury West
- May 27 Commission Work Session: College District and Growth Policies
- June 10 Commission Work Session: Residential Balance and Policy Adjustments
- June 21 City Council Work Session: Plan amendments – overview.
- July 7 City Council Work Session: City Center Plan
- July 8 Commission Work Session: City Center Plan and Shoreline Master Program
- July 19 City Council Work Session: Plan amendments and Shoreline Master Plan
- July 22 Commission Hearing: All proposals except City Center and Shoreline
- Aug. City Council work sessions
- Sept. City Council work sessions
- Oct. City Council work sessions (schedule as needed)
- Nov. City Council Adoption of approved amendments.

College District Adjustments

Applicant: City of Lynnwood – Initiated by City Council

Description: In early 2004, a code amendment related to the College District and its zoning was processed. The request was to exempt commercial sites fronting on Highway 99 from the provisions of the College District Overlay (CDO) zone. The provisions of that zone conflicted with the proposed design of a new auto dealership. Following a review of the zoning, it was concluded that the CDO zone was inappropriately applied to properties along Highway 99. Businesses within the Highway 99 corridor have unique locational and land use characteristics that are not similar to those of the College District neighborhood.

The code amendment discussions prompted the City Council to initiate a review of the College District boundaries and the possible removal of other commercially-zoned properties from the College District.



BACKGROUND:

In 2002, the City Council adopted the College District Plan. The boundaries of the district (see map) extend eastward to Highway 99 and include several businesses that front on the Highway, generally between 200th Street and 204th Street.

Certain design concepts were included in the College District Plan to improve the neighborhood. They included the placing of new buildings closer to the streets, emphasizing pedestrian amenities and locating most of the parking between or behind the buildings. The College District Overlay Zone (CDO) was designed to implement those concepts by requiring both minimum and maximum building setbacks along with standards for the location of parking.

The College District Plan envisioned the possibility of a college presence at Highway 99. It was thought that college-related buildings on the highway would help provide visually unique entry points, announcing the entrance to the College District. However, the separation between the college and Highway 99 is significant and the EdCC master plan concentrates new development on the present campus – or as close as possible. Therefore, the college has no plans to acquire property with Highway 99 frontage and it's not likely that college-related development will occur on the highway in the foreseeable future. It's more likely and appropriate that auto-related commercial businesses will continue to prevail.

HIGHWAY 99 CORRIDOR:

All properties along Highway 99 are commercially zoned. The corridor includes many auto dealerships and other auto-related businesses that have little or no relationship to Edmonds Community College. When a new auto dealership was proposed in late 2003, the CDO zone development standards were found to conflict with the traditional design and function of dealerships. The "pedestrian friendly" concept that was promoted in the College District Plan became an obstacle to the inherent need to display auto products as prominently as possible along the highway frontage.

The current zoning along the College District portion of Highway 99 is "General Commercial." This is an intense zone that is designed to serve most automotive needs. It allows auto dealerships and other types of commercial businesses that market products both locally and regionally.

The CDO zone overlays the commercial zone and applies additional standards related to the College District neighborhood. The primary conflicts between the CDO zone standards and traditional auto-related businesses include:

1. The CDO zone requires new buildings to have a street frontage setback of at least 10 ft. but no more than 20 ft.
2. The CDO zone requires areas between the building and street to be landscaped and designed for pedestrian uses.
3. Off-street parking in the CDO zone is prohibited in the front yard area. It must be beside or behind buildings.

196TH STREET:

During the City Council's discussions of the CDO zone's effects on Highway 99 businesses, it was noted that the CDO zone also applies to commercially-zoned properties along the south side of 196th Street. At least one member of the Council voiced concern that all businesses weren't being treated fairly or equally if we applied the CDO zone to some but not others.

Nine properties along 196th Street (and within the College District) are currently zoned "Community Business (B-1)" and four others are zoned "Neighborhood Business (B-3)." All are also within the College District Overlay zone. There are several questions regarding these properties:

- What are the effects, if any, of the CDO zone on existing businesses?
- Are there significant differences between the 196th Street corridor and the Highway 99 corridor? If so, what are they?
- What are the differences between the B-1, B-3 and CG zones?
- Would some buildings or businesses become nonconforming? If so, what would they be required to do?
- What would be the effect on the College District Plan if all commercially-zoned properties along Highway 99 and along 196th Street are removed?

DISCUSSION AND RECOMMENDATION:

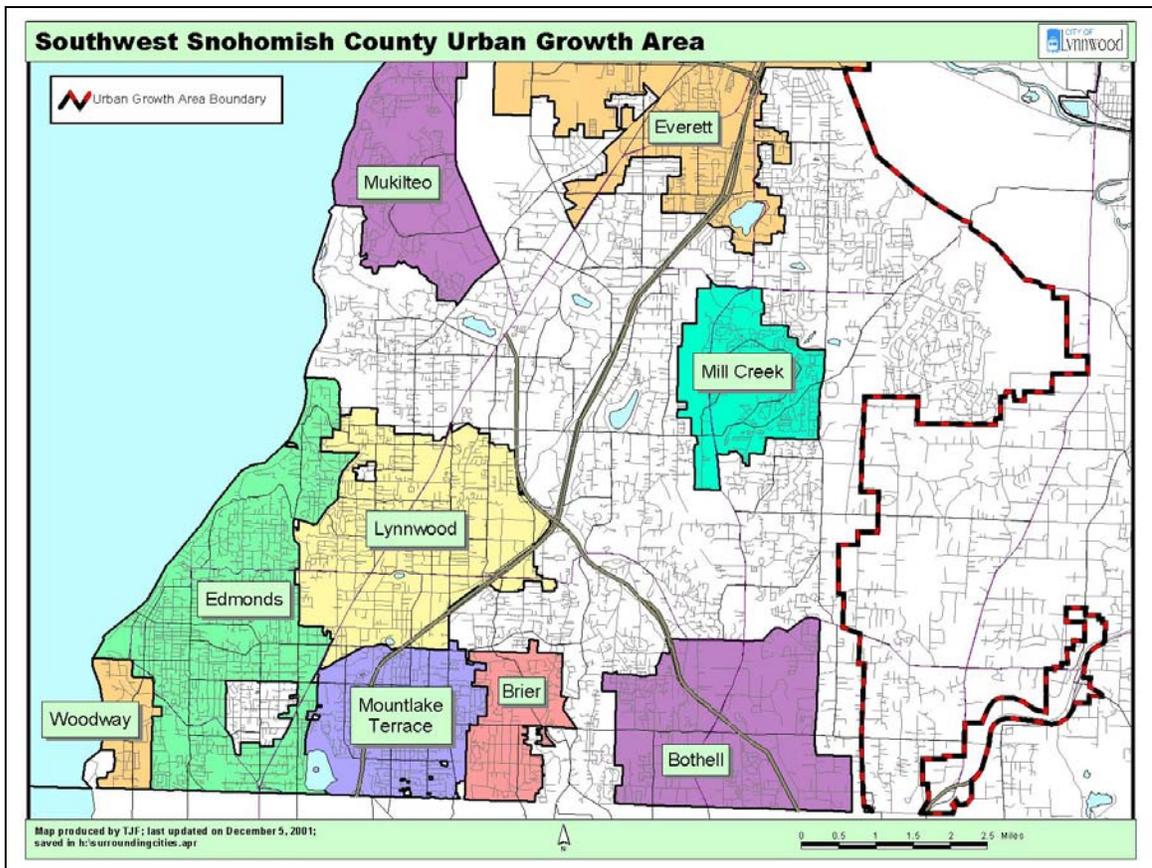
Staff will provide additional information for the Commission's work session review. A recommendation on this proposal is not expected at this meeting. Further discussion may be needed and a public hearing will be conducted prior to the Commission's formal recommendation.

Growth Policies Review:

Applicant: City of Lynnwood – Dept. of Community Development

Description: Lynnwood adopted a Municipal Urban Growth Area (MUGA) in November 2002. The boundaries have not been formally endorsed by Snohomish County and some gaps and an overlap with Mill Creek’s MUGA need to be resolved. In most cases, the MUGA boundaries follow existing streets. However, in some locations they divide existing neighborhoods, cut through individual properties and include a portion of Martha Lake.

Staff suggested that the “Urban Growth Policies” section of the Implementation Element be reviewed and discussed and that a clear growth policy for the City be adopted to help guide future annexations. This should include a review of the guidelines for evaluating proposed annexations, which were adopted in 1996 by Resolution No. 96-21.



BACKGROUND:

Central to our discussion of city growth is the history and current status of “urban growth areas.” The concept of establishing urban growth areas (UGA) to manage growth and protect rural lands came to Washington in 1990 as a component of the Growth Management Act. Other states had already used this technique for a number of years. Oregon, for example, had been working with urban growth areas nearly twenty years before Washington’s GMA was passed. The process was no longer experimental.

In Washington, the responsibility for establishing urban growth areas was assigned to the counties, but not before consultation with their cities. By 1990, the southwestern corner of Snohomish County had a cluster of cities and was growing fast. Between the cities were rapidly developing unincorporated areas. For the most part, these areas were already urban in character or were in the process of urbanizing. Working with each city to establish individual Urban Growth Areas wasn’t feasible. It would have been very time-consuming and virtually impossible within the time constraints of GMA. So, to meet the basic objective of GMA, Snohomish County established one large UGA that included all nine southwestern cities and adjacent unincorporated areas. Lynnwood is one of the cities within the “Southwest Urban Growth Area (SWUGA).”

DEFINING LYNNWOOD’S SPHERE OF INFLUENCE:

Cities should always be concerned about growth and development in areas beyond their jurisdictions. If we are aware of the trends and conditions in outlying areas, we’ll be better able to understand how they will affect our own growth, development and even community quality. The “sphere of influence” became an integral component of general plans in California and other states during the 1960s and 1970s. That concept was also used in Washington to a lesser extent.

In 1990, Lynnwood directed consultant J.A. LaTourelle to study the unincorporated areas east of Interstate-5 and advise the City on the role it might play in the development and management of those areas over the next two decades. The result was the City of Lynnwood Sphere of Influence Study and Recommended East Boundary (December 1990).

This study was designed to look at factors pertaining to annexation and urban services and identify a “sphere of influence” (SOI) which would set limits to our eastern expansion. “Sphere of Influence” was defined in the report as the area around a city which it intends to annex, and in which the city seeks to influence development before annexation. Whether the entire area eventually annexes or not, it’s likely that properties, lifestyles, noise, traffic, streets and other infrastructure throughout the sphere will be affected to various degrees by what occurs within the City of Lynnwood.

At the time of the study, Mill Creek was a relatively new city. It had incorporated seven years earlier with a population of 3,350 and an area of less than two square miles. Since then, Mill Creek’s area has more than doubled and its population exceeds 12,000.

Unincorporated areas between Lynnwood and Mill Creek have also changed considerably. 164th Street is now the primary and only direct link between the two cities. The I-5 interchange has been improved and 164th Street has been vastly improved in recent years to as many as seven traffic lanes in some locations. However, the added

impacts of new development and related increases in traffic continue to grow and burden the system.

Properties along 164th Street have changed from forested lands and low-intensity rural land uses to highly urban uses. The 164th Street corridor has attracted a Wal-Mart, several strip-malls, banks, fast food outlets, auto services and a number of multi-family residential developments. Lower-density residential areas to the north and south of 164th have continued to fill in with homes on smaller lots, higher densities and development standards that are inconsistent with those of Lynnwood.

The consultant's report recommended a very large Sphere of Influence boundary for Lynnwood, extending northward to 128th Street and eastward to the west boundary of Range 4 and 5 E. At that time, the range line was the demarcation of several urban service providers and generally followed a portion of Mill Creek's city limits. Although the straight range line didn't follow any natural landform, it was described as generally following the base of the hill that forms the west side of the North Creek flood plain and wetlands.

This boundary recommendation was justified at that time by the following findings:

1. The boundary included and preserved both the Martha Lake and Alderwood Manor communities.
2. Most of the area (south of 148th St.) is within the Edmonds School District.
3. The history of Alderwood Manor is closely tied to Lynnwood and most of the subject area was originally part of the Alderwood Manor tracts.
4. Martha Lake is a neighborhood of the Alderwood Manor community, with ties to Lynnwood.
5. Local post office and water district bear the name "Alderwood".
6. A number of businesses in the area use the names Martha Lake or Alderwood and, thereby, are linked to Lynnwood.
7. Alderwood Manor is in the South Snohomish County telephone directory area. Mill Creek is not. It is partly in the Everett exchange.
8. The Alderwood Post Office serves most of the area, which shares a Lynnwood zip code. Mill Creek is served by the Bothell post office with a different zip code.
9. North Creek and associated wetlands form an effective barrier along the eastern boundary from Filbert on the south to 128th Street on the north. Other than a couple of residential crossings, the only other crossing of this natural area is at 164th Street.
10. Good access to Alderwood Mall and other shopping and recreational areas in Lynnwood.
11. Much of the area is sparsely developed, has large areas of forest and is developing as a low to moderate density single-family community.
12. The area is entirely within the service area of Alderwood Water District.
13. The recommended boundary is generally consistent with those of the Edmonds School District, Fire District 1 and also follows the City limit line of Mill Creek.
14. The area is served by Fire District #1 and it was expected that Lynnwood would contract with that district for fire protection services.
15. Lynnwood already provides parks and recreational services, including a swimming pool, to residents throughout this area.

16. The recommended boundary is relatively square, which complies with the Boundary Review Board's need to prevent abnormally irregular boundaries.

REEVALUATING THE SPHERE OF INFLUENCE:

The reasoning behind the Sphere of Influence proposal may have been valid for its time but we're in a high-growth area and many changes have occurred over the past 14 years. The City conducted a major review of its Comprehensive Plan in 2001. It reviewed an older growth phasing map and replaced it with a new Municipal Urban Growth Area (MUGA) in 2002. The sphere of influence hasn't been discussed in several years. However, it's important to know about its history – and its shortcomings.

1. The Sphere of Influence report placed considerable emphasis on the Alderwood Manor community. Alderwood Manor was one of the earliest communities in the area and the name was a natural for the first post office, local addresses, service districts and names of businesses. Long-time residents still associate the name with their area. Newer and younger residents, who are rapidly becoming the majority, are less likely to know about the history and not likely to have an attachment to Alderwood Manor.
2. Martha Lake was originally a clearly defined neighborhood surrounding a small lake. The continuation of residential growth has blurred the neighborhood limits. We now have a South Martha Lake Neighborhood that has been described as virtually everything between Lynnwood, Mill Creek and Bothell. Parts of this "neighborhood" are miles from the lake and have no apparent relationship to it. This large area actually consists of many smaller neighborhoods and many of them have little or nothing in common with each other.
3. Post offices, school district boundaries, fire districts, telephone area codes, etc., have little to do with the physical relationships of areas and the planning of future communities. Some areas north of Mill Creek have Bothell addresses and zip codes, but have no relationship at all to the City of Bothell, several miles to the south. School District boundaries rarely follow city limit lines and the boundaries of other special districts often shrink as cities grow and assume the service responsibilities.
4. The Sphere of Influence report pointed out that much of the unincorporated area is sparsely developed and has large areas of forest. This is no longer true. The entire area is now designated "urban" and preservation of remaining forest lands is not a priority.
5. Part of Lynnwood's boundary followed the Mill Creek City limits line. This may have been a good idea at the time, but it needs to be reviewed. Mill Creek was a small village at that time. It now has growth plans and ambitions of its own that need to be taken into consideration.
6. Justification items #14 and #15 also need to be reconsidered. Is it still Lynnwood's intention to contract with the fire district for services within the sphere of influence area? And, is Lynnwood really (and willingly) providing parks and recreation services for residents of these unincorporated areas – or should the County be doing that?
7. Designing a growth boundary to be square in shape to "prevent irregular boundaries" is not always the best solution, particularly when existing development, street systems, watercourses and natural topography don't conform to straight lines.

GROWTH AREAS IN LYNNWOOD'S COMPREHENSIVE PLAN:

Lynnwood's first GMA comprehensive plan was adopted in 1995. A map entitled Current City Boundaries & Urban Growth Area delineated two growth areas:

Phase I – Probable Urban Growth Area: (Short term 5-10 years)
Phase II – Potential Urban Growth Area: (Long range)

During the 1996 annual Plan amendment process, the legend was changed from “Phases” to “Priorities” (see attached map). The following describes these two areas:

Priority #1 Planning and Annexation Area

This area extended north to 148th Street, west to 52nd Avenue and parts of Lund’s Gulch, south to 212th Street and east to Larch Way. These were likely to be annexed within the following 5-10 years – or by 2005.

Priority #2 Planning and Annexation Area

This area extended north to Mukilteo, east to Mill Creek and south to Mountlake Terrace. It was described in the Comprehensive Plan as an “annexation and planning influence area.” The Plan recognized that this area overlapped the annexation interests of other jurisdictions but pointed out that an interlocal planning process within the urban growth area would lead to further changes to the Comprehensive Plan. That process has not occurred.

City Council discussions in 1996 regarding possible changes to the growth map included whether or not to retain the terms “probable” and “potential”. It’s unclear what happened to those terms. However, it is clear that the map the City used prior to the 2002 adoption of the MUGA was adopted in December, 1996 – without the terms “probable” and “potential” in the legend.

Such terms are generally used to predict the future – not to manage it. Since the entire UGA has annexation potential, a logical conclusion would be that the Council decided, during the amendment deliberations, to drop those terms in favor of the simpler Priority #1 and #2 designations and to establish the UGA as a growth management tool rather than a crystal ball for future annexation activity. Setting priorities was a policy decision that would influence decision-making.

In 1998, the two priority planning areas were analyzed to determine the current level of development and the projected 2012 level. The figures in the following table resulted. According to these figures, if the Priority #1 area is annexed by year 2012, the City’s population would grow to 68,329, an increase of 107% over the 1997 population.

Since that analysis was done, growth has continued in the unincorporated areas and numerous residential rezones, most often accompanying Planned Residential Developments, have resulted in a higher level of density than anticipated.

	Area	1997 Pop.	2012 Pop.
City of Lynnwood (Within City limits)	7.7 sq. mi.	33,070	35,600
Priority Area #1 Planning & Annex. Area	6.4 sq. mi.	19,668	32,729
Priority Area #2 Planning & Annex. Area	10.3 sq. mi.	27,167	38,526
Total:	24.4 sq. mi.	79,905	106,855

EARLY ATTEMPTS AT JOINT PLANNING:

The need for coordinated planning has been a concern for years and it was Lynnwood's assumption that the urban growth areas would be fine-tuned through interlocal agreements with Snohomish County for joint planning. In 1996, Lynnwood and Snohomish County agreed to a two-part planning effort within the Urban Growth Area adjacent to Lynnwood. It was proposed that an identified Area "A" would become Lynnwood's UGA Plan. This was essentially Lynnwood's Priority #1 area.

We would also work with the County on a plan for a much larger Area "B", which was similar to our Priority #2 area and which would become part of the larger Southwest UGA Plan.

This agreement was signed in April, 1996, with work to be done the following year. The work didn't get done and the agreement became void after 18 months.

In the late 1990s, property owners in the area north of Lynnwood requested annexation. The City delineated the North Gateway Study Area and studied the feasibility of a large annexation. At that time, Snohomish County was asked to participate in a joint planning exercise to develop a subarea plan for the area, prior to its annexation. The County was unable to participate in that effort, so Lynnwood developed and adopted a comprehensive subarea plan, along with implementing zoning and development guidelines in anticipation of annexation. That Plan remains in place but, until the annexation takes place, the City has no authority to administer its adopted plan and zoning within the unincorporated area.

THE MUGA PROCESS – Municipal Urban Growth Areas:

For the past decade, Lynnwood and eight other cities in the Southwest Urban Growth Area have been sharing a single UGA with large areas of unincorporated territory. None of the cities knew exactly how much of the unincorporated area it should be responsible for, nor how much it might be expected to annex. This has resulted in massive overlaps of growth ambitions with little or no predictability. The residents of unincorporated areas often find themselves in a territorial tug-of-war rather than in an area that they know will someday become part of a particular city.

To clarify these and other issues, a project was initiated to clearly define individual urban growth areas, primarily for purposes of better planning and coordination. The result of this MUGA process would find the County's large Urban Growth Area divided into smaller pieces with a "Municipal Urban Growth Area" for each city.

The concept was sound and logical. When finally coordinated and officially adopted, City officials, staff and our unincorporated neighbors will have a clear picture of which neighborhoods would be expected to annex to Lynnwood. It was also understood that the process of annexation may take decades and that the City has no obligation to annex anyone, nor do the neighborhoods have an obligation to be annexed.

Smaller and more specific boundaries would make it easier to work with the County, special districts, local residents and others to develop neighborhood or subarea plans. Snohomish County would know which areas belong to which cities (for planning purposes), and would be better able to coordinate activities within each urban area.

Lynnwood quickly became a leader in the MUGA effort. We were centrally located and needed to work with seven neighboring cities to coordinate our growth areas. Mutually agreeable boundaries were worked out at the staff level and the matter was taken to the Planning Commission. The Commission conducted a review, held a public hearing and forwarded its recommendation to the City Council. The recommendation included the Commission's preferred boundaries and two options on the east side of I-5.

MAP AMENDMENT CONSIDERATIONS:

During the 5-year update of Lynnwood's Comprehensive Plan, staff reviewed the Current City Boundaries & Future Annexation Areas map. Several questions and concerns were identified and discussed with the Planning Commission and City Council. Following those discussions, the City Council decided that no changes would be made to the City's growth and annexation map during the 2001 Plan amendment process.

The following is a summary of some of those concerns:

- The adopted growth area extended across several drainage basins and creeks to the city limits of Mill Creek. Much of the eastern boundary followed a north-south range line.
- The Priority #1 Area followed a section or range line, cutting through Martha Lake and nearby neighborhoods with no apparent consideration for existing neighborhood development, property lines or street patterns. A minor adjustment to that boundary was suggested to exclude Martha Lake and allow the boundary to follow existing roads. That suggestion was abandoned because it divided the neighborhood north of 164th Street and resulted in an area that would be awkward and costly to serve.
- The Priority #1 Area extended only to 52nd Avenue on the west. This boundary may have been the result of an earlier failed annexation attempt. Areas west of 52nd were not being claimed by Edmonds or Mukilteo and should probably not have been cut off. It may be most appropriate for Lynnwood to serve those areas at some time in the future.
- Staff questioned the necessity of two levels of UGA prioritization. All designated urban areas (within UGAs) are intended for urban development and are all subject to annexation. Our Priority #1 area was intended for annexation within ten years – or by 2005. We're now months away from 2005 and the City has annexed very little of this area. Annexation timeframes are unpredictable and very difficult to manage. A single UGA (or MUGA) would work fine.

THE ROAD TO ADOPTION:

Following two years of study, discussion and public involvement, the MUGA process was nearing completion by the end of 2001. The proposed boundaries appeared to have the support of all neighboring cities as well as major unincorporated neighborhoods. In early 2002, the Lynnwood Planning Commission conducted its public hearing and made some minor adjustments before sending recommendations to the City Council. The attached map entitled MUGA Boundary Alternatives shows the Commission's recommendations, including the two options east of I-5.

The City Council considered the recommendation during the 2002 Plan Amendment process. The Council had several concerns about the Commission's proposals, not the least of which was the notion of limiting our growth to the west side of I-5. Following considerable discussion at several work sessions, the City Council finally adopted a MUGA for Lynnwood. The MUGA that was adopted was none of the three

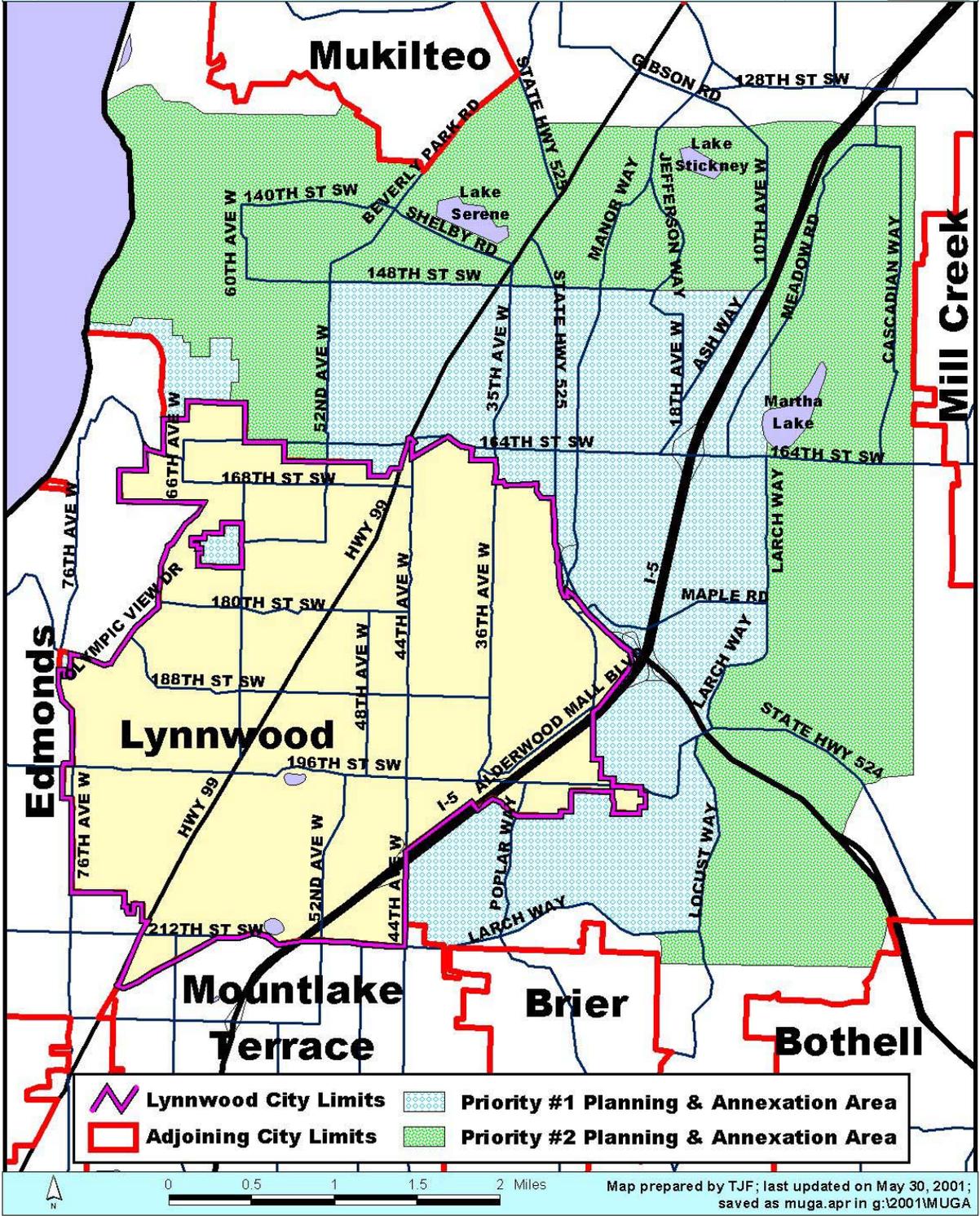
recommended by the Planning Commission. Instead, the Council adopted the Priority #1 future planning and annexation area from the 1997 growth map.

Because of Lynnwood's central location in the Southwest UGA, our boundaries require the cooperation and coordination of the County and seven other cities. Our boundaries are not coordinated. Fortunately, the most serious conflict involves only the City of Mill Creek on the east side of I-5. Resolving this conflict would be a major accomplishment. Lesser boundary flaws can wait.

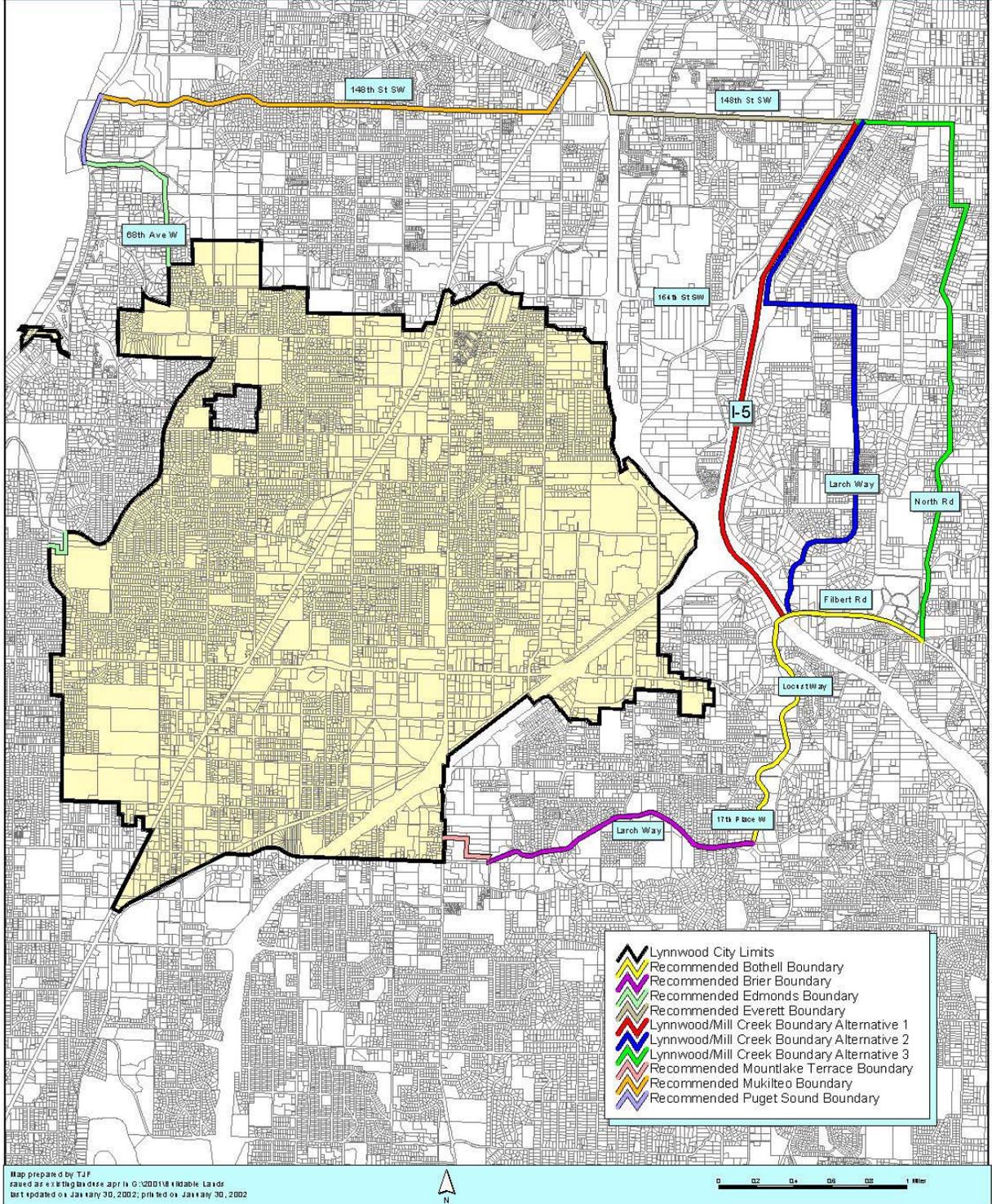
DISCUSSION AND RECOMMENDATION:

This report provides a slice of history to give the Planning Commission a foundation for discussions of growth and growth boundaries. Staff will provide additional information for the Commission's work session review. A recommendation on this proposal is not expected at this meeting. Further discussion may be needed and a public hearing will be conducted prior to the Commission's formal recommendation.

Lynnwood City Boundaries and Future Annexation Areas May, 2001



MUGA Boundary Alternatives



Map prepared by TJP
 based on existing land use April 6, 2001
 last updated on January 30, 2002; printed on January 30, 2002

ANNEXATION EVALUATION GUIDELINES

Adopted: December 23, 1996
Council Resolution No. 96-21

Principle:

The following criteria provide a framework for evaluating proposed annexations. These criteria will be used as guidelines for discussion, and are not to be used as a formal checklist. (It is expected that no annexation will fulfill all the criteria. For example, annexation of residential areas may not provide economic opportunities, and annexations of commercial corridors may not provide housing opportunities.)

The relative importance (or weight) of each criterion will be different for each proposed annexation. The evaluation will need to determine both the degree of criteria fulfillment and identify the importance of each criterion for that annexation. The City Council will make a final decision of whether to approve or deny an annexation after reviewing the annexation proposal as a whole.

In some annexations, it may be possible to improve fulfillment of one or more criteria by either imposing conditions on the annexation or by expanding the service capacity of one or more City departments. Conditions for the annexation may be included in the annexation ordinance.

Evaluation Criteria:

The major categories of evaluation criteria include, but are not limited to:

General

- The annexation should be consistent with the Comprehensive Plan of the City and should contribute to the development of the City as an economic, civic or cultural center of Snohomish County.

Community Identity and Support

- The annexation should include residents and property owners who are generally favorable toward annexation or where annexation can be demonstrated to benefit the residents and property owners of both the annexation area and the City.
- The annexation area should have similar or shared interests and concerns with the City.
- The annexation area should have logical physical boundaries.
- The annexation should prevent abnormally irregular boundaries.
- The annexation should be contiguous to the City.

City Services

- The boundary of the annexation area should reflect the ability (both from a geographic and fiscal standpoint) of the City to cost-effectively provide services within a reasonable time.
- The annexation should create and preserve logical service areas.
- The physical features of the area should allow for the expansion or maintenance of utilities or other capital facilities without excessive costs.

- The annexation should not overburden City services.
- The annexation should not cause City services levels to drop below acceptable levels.
- The annexation should provide for a reasonable transition of services between the County or special districts and the City and should provide for the transfer of existing assets and resources for capital projects (such as grants or previously collected impact fees) to the City; it should also include a process for transfer of governance, including permit processing, building inspections, police and fire services, revenue and staff.
- The annexation should provide for dissolution of inactive special purpose districts and absorption of special purpose districts, where appropriate.

Costs and Revenues

- A fiscal impact study should be conducted to quantify city, county and special purpose district fiscal impacts, as well as tax and fee impacts on the residents and businesses in the area proposed for annexation. This study will evaluate existing and planned conditions, infrastructure, revenues and expenditures and identify the resources and responsibilities that will result from the annexation – both near term and long term – and a strategic plan will be outlined. The following basic consideration will be evaluated:

Changes for Residents:

- ◆ Property tax rates
- ◆ Sales tax rates
- ◆ Utility taxes
- ◆ Utility rates

Changes for Businesses:

- ◆ Business license fees
- ◆ Utility tax rates
- ◆ Utility rates
- ◆ Property tax rates

City Impacts:

- ◆ Gained assessed valuation
- ◆ Gained sales tax revenue
- ◆ Gained property tax revenue
- ◆ Gained per capita revenue
- ◆ New residents
- ◆ New businesses
- ◆ New single-family units
- ◆ New multi-family units
- ◆ New residential mobile/manufactured home units
- ◆ New miles of roads
- ◆ Capital project transfers
- ◆ Per capita assessments

- The timing of the effective date of the annexation should consider deadlines or schedules for receiving revenues and taxation from the annexation area.

Economic Development

- Existing or planned commercial or industrial development in the annexation area should provide the potential for increased employment or other economic opportunities or benefits.

Housing

- Existing or planned residential development should provide the potential for increasing the variety of housing types and opportunities in the City.

Parks, Recreation and Open Space

- The annexation includes lands or facilities that can contribute to meeting and maintaining acceptable service levels for parks and recreation land or facilities.
- The annexation should facilitate the development of lands for parks, recreational or cultural use and the preservation of significant open space.

Community Development and Land Use

- Existing land uses should be generally consistent with City permitted or planned land uses.
- Existing development in the annexation area should generally conform with City development standards.
- The area should be capable of accommodating anticipated expansion needs of the City for residential or commercial/industrial purposes.
- An annexation should preserve natural neighborhoods and communities.
- The annexation area should contribute to the logical growth pattern of the City and should encourage orderly growth.
- In drawing boundaries of an annexation area, due regard should be given to special districts in the area.

Public Safety

- The annexation boundaries, roadways and development within the annexation area should allow provision of public safety services at levels of service generally equal to those provided within the existing City limits.

Streets and Transportation

- The streets meet or could be improved to standards generally consistent with City standards.
- The existing or planned street network does or could provide traffic circulation and access generally consistent with City standards.
- Existing and planned traffic on arterial streets should be generally consistent with City level of service standards.

Capital Facilities and Utilities

- Existing and planned capital facilities (water, sewer, storm water and public buildings) and utilities (power and telecommunications) are or could be improved to standards generally consistent with City standards.



Lynnwood Planning Commission
Meeting of May 27, 2004

Staff Report

Agenda Item: I-2

Upcoming Commission Meetings

- Public Hearing
- Informal Public Meeting
- Work Session
- New Business
- Old Business
- Information**
- Miscellaneous

Lynnwood Dept. of Community Development — Staff Contact: Ron W. Hough, Planning Manager

■ The following schedule is for planning purposes – subject to adjustments.

May 27	Public Hearing:	<u>None Scheduled</u>
	Unfinished Bus:	<u>City Center Plan* – Draft SEIS – Finalize comments</u>
	Work Session:	<u>City Center Plan* – Implementation Strategy</u> <u>Comprehensive Plan Amendments</u>
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June 10	Public Hearing:	<u>None Scheduled</u>
	Work Session:	<u>Comprehensive Plan Amendments – continued</u>
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June 24	Public Hearing:	<u>None Scheduled</u>
	Work Session:	<u>City Center Plan* – CFP & Financing Strategy (if needed)</u>
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July 8	Public Hearing:	<u>None Scheduled</u>
	Work Session:	<u>Comprehensive Plan Amendments – continued</u> <u>Shoreline Master Program</u>
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July 22	Public Hearing:	<u>Comprehensive Plan Amendments & Recommendations</u>
	Work Session:	<u>City Center Plan</u> <u>Shoreline Master Program</u>

*** City Center Plan – Schedule:**

- ✓ Feb. 26 Subarea Plan
- ✓ March 25 Development Regulations and Design Guidelines
- ✓ April 22 Draft SEIS
- ✓ May 27 Implementation Strategy
- June 24 CFP and Financing Strategy (if not covered on May 27)