

AGENDA

Lynnwood Planning Commission Meeting

Thursday, May 13, 2021 — 6:30 pm

Online via Zoom

A. CALL TO ORDER – ROLL CALL

B. APPROVAL OF MINUTES

C. PUBLIC COMMENTS – (on matters not scheduled for discussion or public hearing on tonight's agenda) Note: Individuals wishing to offer a comment on a non-hearing agenda item, at the discretion of the Chair, may be invited to speak later in the agenda, during the Commission's discussion of the matter. Individuals wishing to comment on the record on matters scheduled for a public hearing will be invited to do so during the hearing.

D. PUBLIC HEARINGS

1. Comprehensive Plan Proposed Amendment List

E. WORK SESSION TOPICS

1. South Lynnwood Neighborhood Plan Update

F. OTHER BUSINESS

G. COUNCIL LIAISON REPORT

H. PLANNING MANAGER'S REPORT

I. COMMISSIONERS' COMMENTS

J. ADJOURNMENT

The public is invited to attend and participate in this public meeting. Parking and meeting rooms are accessible to persons with disabilities. Upon reasonable notice to the City Clerk's office (425) 670-5161, the City will make reasonable effort to accommodate those who need special assistance to attend this meeting.

Joining Planning Commission via Zoom

How the Meeting Will Work

Virtual Planning Commission Meetings will be held via Zoom Webinar. The Community Development Department is hosting the meeting, the Lynnwood Planning Commission are the Panelists, and Lynnwood residents and members of the public – as well as City staff or guest presenters – are attendees. Webinar attendees do not interact with one another; they join in listen-only mode, and the host can unmute one or more attendees as needed.

Meeting Links and Numbers

- **Join from a PC, Mac, iPad, iPhone or Android device:**
 - Download the Zoom Client at: <https://zoom.us/download>.
 - Use Zoom Version 5.0.4 (25694.0524) or later.
 - Please click this URL to join: <https://lynnwoodwa.zoom.us/j/86845449811>
- **Or join by phone:** +1 253 215 8782
Webinar ID: 868 4544 9811

How to Provide Public Comments

The Community Development Department is accepting public comments on behalf of the Planning Commission via Email.

- **Email:** Please add the Planning Commission meeting date in the subject line or in body of the text message such as in the examples below.
 - Send Email to: planning@LynnwoodWA.gov
 - Subject Line: Public Comment for the 6/25/20 Planning Commission Meeting
- **Live Public Comment:** If you are unable to provide a written comment, you may join the webinar as an attendee to comment during the public comment period. Public participation guidelines are provided at the bottom of this page.

Participation Guidelines

Below are recommendations for attendees in meetings conducted via Zoom Webinar.

- **Identification:** Upon entering the webinar, please enter your name or other preferred identifier, so that the host can call on you during the public comment period.
- **Raise Hand (see link below for instructions):** You have the ability to virtually raise your hand for the duration of the webinar, but you will not be acknowledged and your mic will remain muted until you are called on during the public comment period. <https://www.lynnwoodwa.gov/files/sharedassets/public/city-council/business-meeting-agendas/raising-hand-in-zoom.pdf>
- **Public Comment Period:** Use "Raise Hand" to be called upon by the host. The host will unmute your mic and you will have the ability to share your comment. Each speaker is allowed up to five (5) minutes.
- **Use headphones/mic** for better sound quality and less background noise.

**Topic: 2021 Comprehensive Plan
Amendment List (PAL)****Agenda Item: D.1****Staff Report**

- ☒ Public Hearing
- ☐ Work Session
- ☐ Other Business
- ☐ Information
- ☐ Miscellaneous

Staff Contacts: Kristen Holdsworth, AICP, Senior Planner

Summary

At the upcoming meeting the Planning Commission will hold a public meeting to finalize the 2021 Comprehensive Plan Proposed Amendment List (PAL), commonly referred to as the "docket."

The Planning Commission will be asked to make a recommendation to Council regarding which of the proposed amendments should be placed on the docket for further evaluation. Final review and action on the proposed Comprehensive Plan amendments will be presented to the Planning Commission in fall 2021.

Action

At this time, Planning Commission is being asked to make a recommendation to identify which proposed amendments should be included on the docket for further evaluation.

Following this meeting: 1) Staff will present the proposed amendments to Council at a work session; 2) Council will hold a public hearing; and 3) Council will decide which of the proposed amendments are placed on the docket for further evaluation.

The Planning Commission will review and vote whether to amend the Comprehensive Plan in fall 2021. Council must take final action to amend the Comprehensive Plan by December 31, 2021.

Background

The Lynnwood Municipal Code (LMC) provides a process for annual consideration of amendments to the City's Comprehensive Plan (Chapter 18.04 LMC). The decision criteria for taking action on the PAL is specified in the Implementation section of the Comprehensive Plan and is further discussed in this staff report.

Comprehensive Plan Amendment Process

The Comprehensive Plan annual amendment process consists of three phases:

- Phase 1 (Spring): Review the proposed amendment list (PAL) and determine which of the proposed amendments should be further evaluated (adopted PAL/docket).
- Phase 2 (Summer): Staff review of amendments on adopted PAL.
- Phase 3 (Fall/Winter): Legislative process to consider proposed amendments.

Refer to **Attachment 1** for additional information about the annual amendment process.

Proposed Amendments

The 2021 docket consists of three proposed amendments. At the May 13, 2021 Planning Commission meeting there will be a public hearing. This hearing is only regarding Phase 1 (as described above): whether each of the proposed amendments should be further evaluated. If a proposed amendment remains on the PAL (or docket), the individual amendment will be evaluated by staff and presented for Planning Commission consideration in Fall 2021.

The Planning Commission shall base its recommendations on its preliminary evaluation of the need, urgency and appropriateness of the amendments, and criteria set forth in the Implementation Element of the Comprehensive Plan.

The following is a brief summary of each of the docket items:

1. College District Subarea Plan – Text Amendment (CPL-009773-2021)
Ashley Winchell, on behalf of the Development and Business Services Department, submitted a staff-initiated amendment to amend the College District Subarea Plan. The proposed amendment will add language to the subarea plan to increase competitiveness for projects seeking funding through low income housing tax credits (LIHTC). The proposed text amendment serves as an incentive and financing tool to help implement the Housing Action Plan and promotes housing options that serve households at 80% AMI or below. The College District Subarea already allows multifamily housing, this proposal is not an expansion of permitted uses.
2. Highway 99 Subarea Plan – Text Amendment (CPL-009774-2021)
Ashley Winchell, on behalf of the Development and Business Services Department, submitted a staff-initiated amendment to amend the Highway 99 Subarea Plan. The proposed amendment will add language to the subarea plan to increase competitiveness for projects seeking funding through low income housing tax credits (LIHTC). The proposed text amendment serves as an incentive and financing tool to help implement the Housing Action Plan and promotes housing options that serve households at 80% AMI or below. The Highway 99 Subarea already allows multifamily housing, this proposal is not an expansion of permitted uses.

3. Housing Hope Scriber Lake – Future Land Use (FLU) Map Comprehensive Plan Amendment and Concurrent Rezone (CPL-009777-2021)

Housing Hope submitted an application to revise the future land use designation for a portion of the Cedar Valley Community School site (19200 56th Ave W, owned by Edmonds School District) from Public (P-1) to High-density Multi-family (MF-3) and a concurrent rezone from Public (P-1) to High-density Multi-family (RMH). A boundary line adjustment (BLA) application was previously submitted and is under review. The proposed BLA lot lines will align with the proposed FLU and rezone boundaries.

If the Comprehensive Plan and concurrent rezone are approved, Housing Hope and the Edmonds School District have indicated they intend to submit applications to construct multifamily housing.

Staff provided a briefing at the April 22, 2021 Planning Commission meeting.

Previous agenda materials can be viewed at

https://www.lynnwoodwa.gov/files/sharedassets/public/boards-and-commissions/planning-commission/agendas/04-22-2021_pc-packet.pdf.

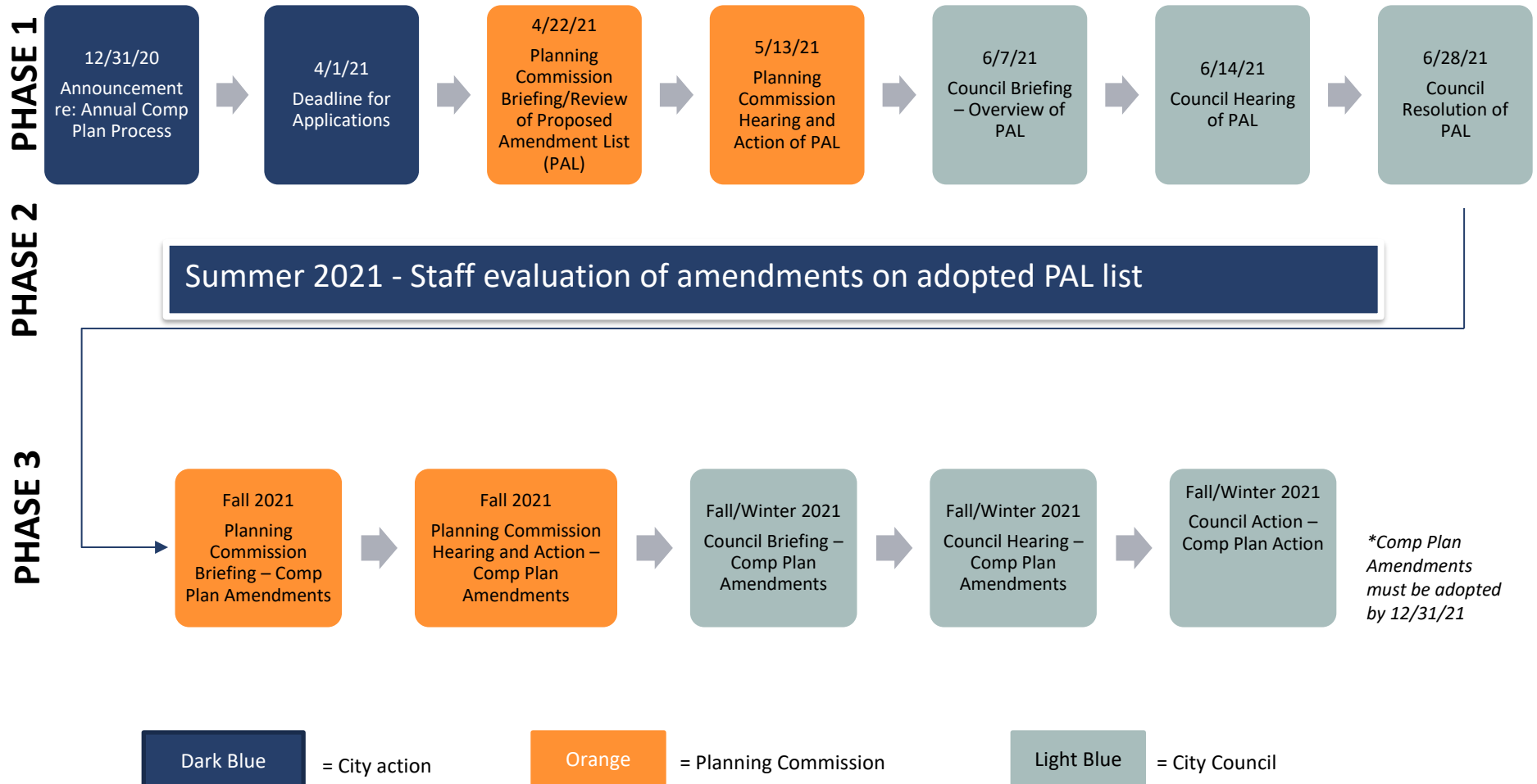
Staff Recommendation

The Development and Business Services Department recommends including all three of the proposed Comprehensive Plan amendments on the docket for further evaluation.

Attachments

1. Comprehensive Plan Amendment Process
2. Presentation

Attachment 1: Comprehensive Plan Amendment Proc



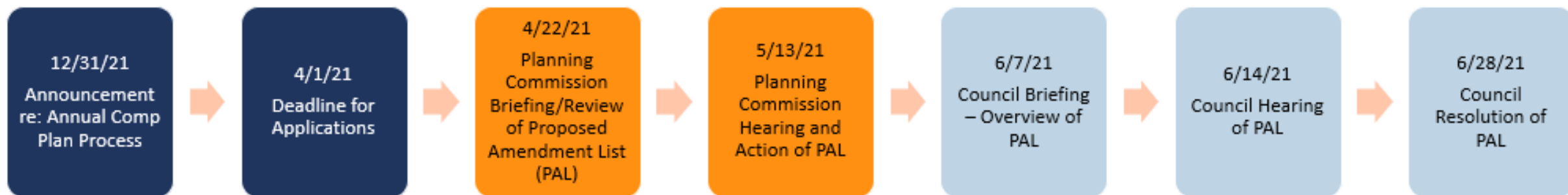


2021 Comprehensive Plan Annual Amendment Process

Proposed Amendment List (PAL)/Docket

Planning Commission Hearing
May 10, 2021

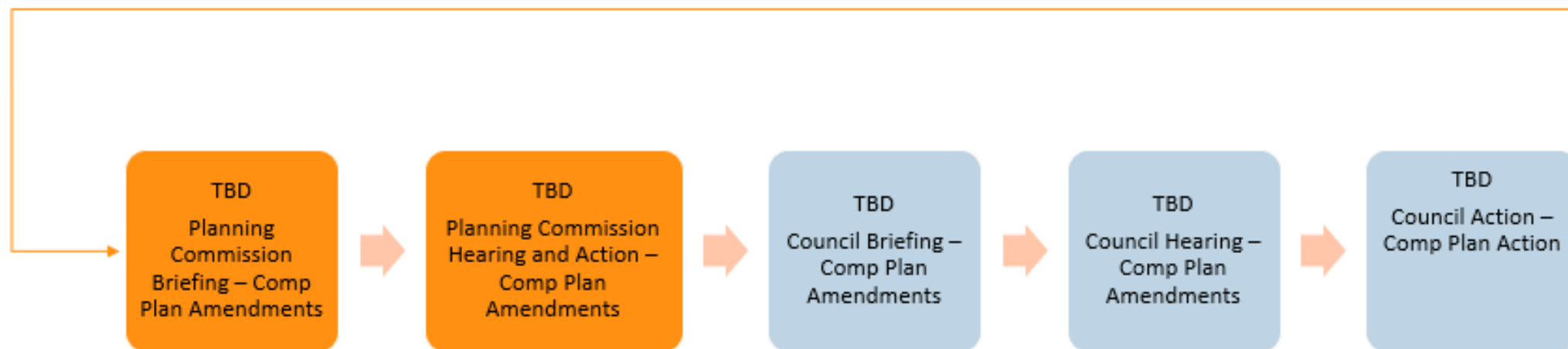
PHASE 1



PHASE 2

Summer/Fall 2021 - Staff review and analysis of amendments on adopted PAL list

PHASE 3



**Amendments
must be
adopted by
Dec 31*

Blue

= City action

Orange

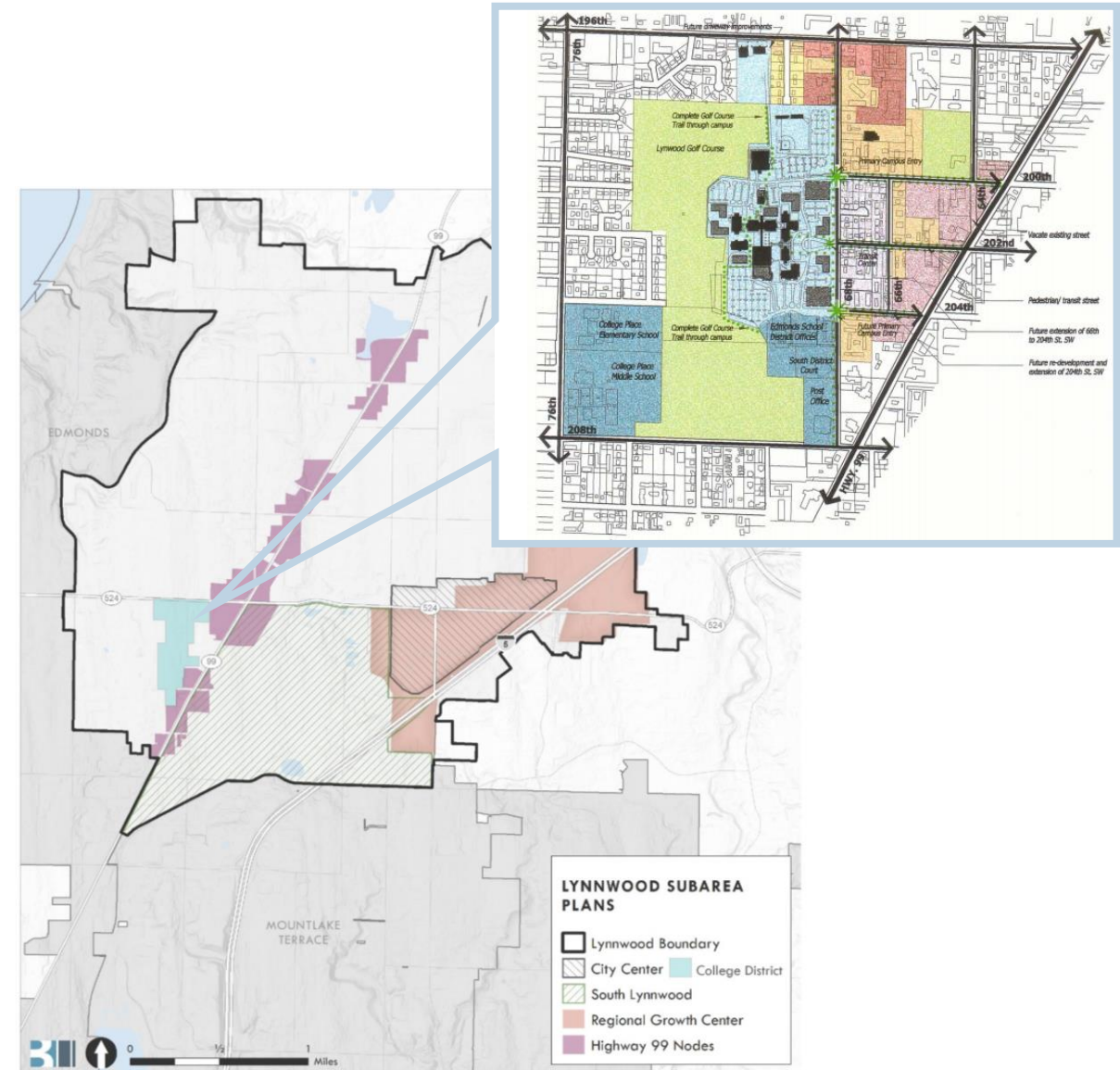
= Planning Commission

Light Blue

= City Council

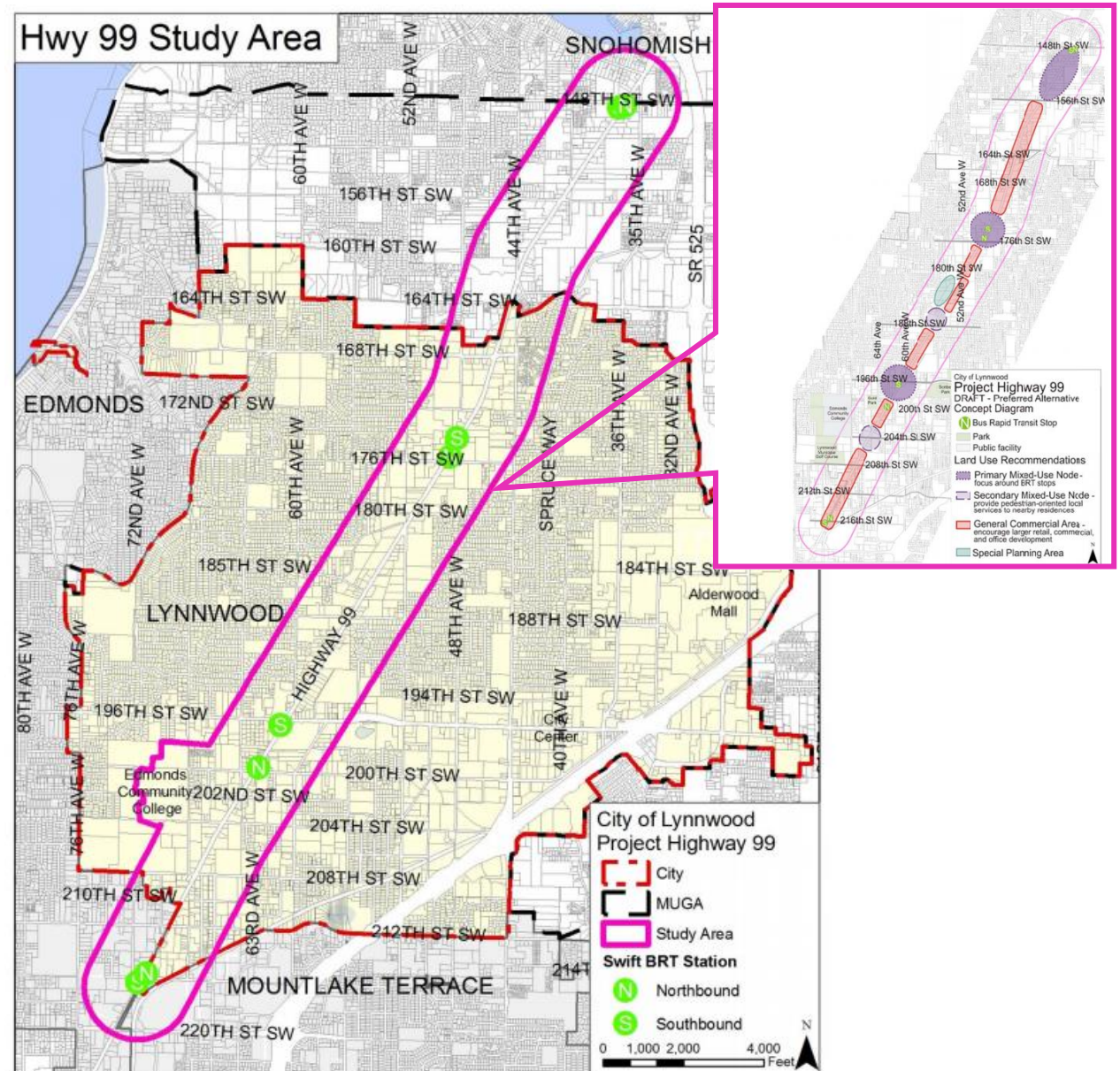
Item 1 - College District Subarea Plan – Text Amendment (CPL-009773-2021)

- **Applicant:** City
- **Location:** College District Subarea
- **Summary:** Add policy language to the subarea plan to increase competitiveness for projects seeking funding through low income housing tax credits (LIHTC).



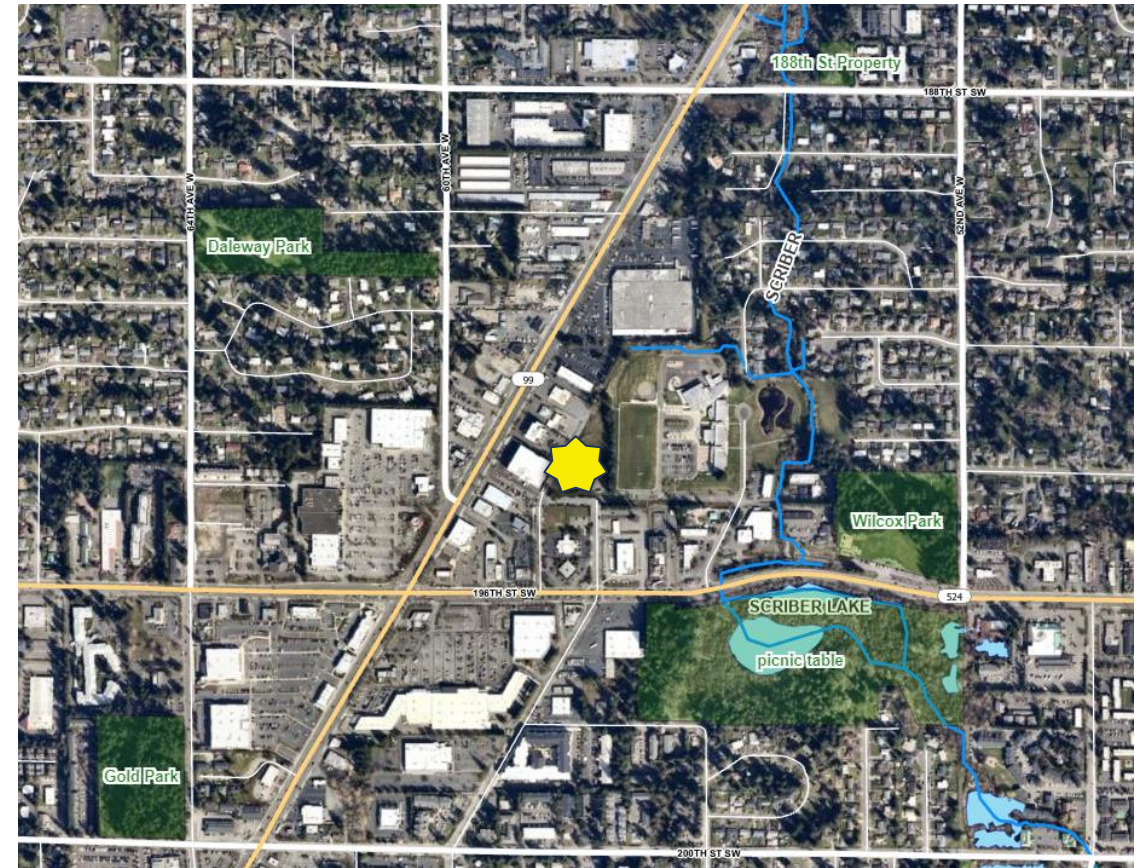
Item 2 - Highway 99 Subarea Plan – Text Amendment (CPL-009774-2021)

- **Applicant:** City
- **Location:** Highway 99 Subarea
- **Summary:** Add policy language to the subarea plan to increase competitiveness for projects seeking funding through low income housing tax credits (LIHTC).



Item 3 - Housing Hope Scriber Lake – Future Land Use (FLU) Map Comprehensive Plan Amendment and Concurrent Rezone (CPL-009777-2021)

- **Applicant:** Housing Hope
- **Location:** Portion of Cedar Valley Community School site (19200 56th Ave W)
- **Summary:** Change Comprehensive Plan Future Land Use (FLU) designation from Public (P-1) to High-density Multi-family (MF-3) and Rezone from Public (P-1) to High-density Multi-family (RMH).



Contact Information

Kristen Holdsworth, AICP
Senior Planner
425-670-5409

kholdsworth@lynnwoodwa.gov

Topic: South Lynnwood Neighborhood Plan
Agenda Item: E.1
Staff Report

- ☐ Public Hearing
- ☒ Work Session
- ☐ Other Business
- ☐ Information
- ☐ Miscellaneous

Staff Contact: Ashley Winchell, Community Planning Manager, Development and Business Services

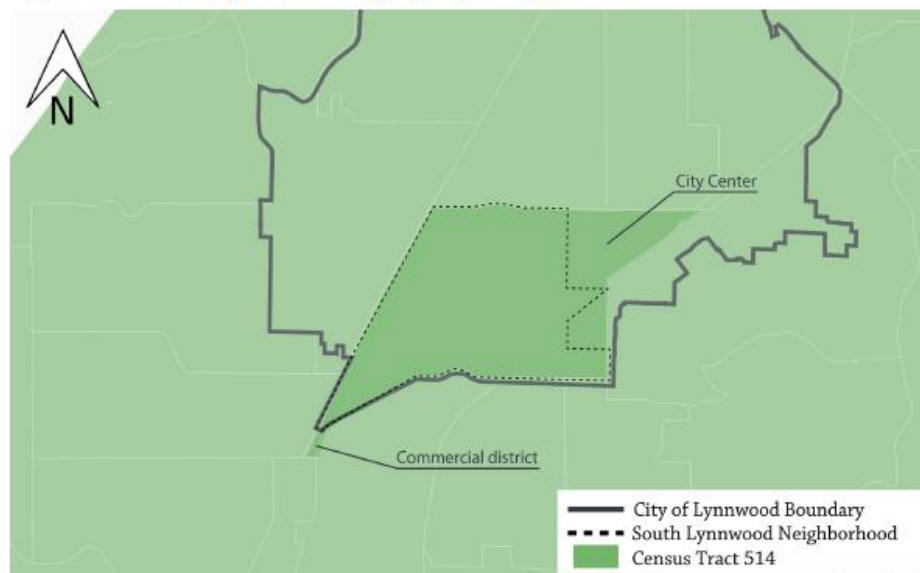
Summary

This meeting will brief the Planning Commission on the progress for the South Lynnwood Neighborhood Plan. Staff is seeking feedback on work-to-date and next steps. The following will also be discussed:

- Housing
- Industrial Lands
- Community Engagement

For the purposes of this project, South Lynnwood is defined by Census Tract 514 (figure 1) that is bounded by Highway 99, 196th St SW, 50th Ave W and the City's southern border. The City Center is not a part of South Lynnwood because a subarea plan for the City Center was previously adopted by the Council in 2005.

Figure 1. South Lynnwood's geographic boundaries



Creating a sub-area plan for the South Lynnwood Neighborhood has previously been identified in the Lynnwood's Economic Development Plans adopted by Council in 2004 and 2015. In 2017 a South Lynnwood plan was identified as a city priority to address neighborhood conditions, development pressures and traffic from the coming light rail station, a complicated mix of land uses including important light-industrial businesses, and the needs of Lynnwood's most vulnerable populations. Creating the neighborhood plan was preceded by three years of community outreach and engagement with area residents and businesses to build trust and support for preparing the plan.

The purpose of the South Lynnwood Neighborhood Plan will be to identify policies and projects that address the following visionary themes for the neighborhood.

- Residents, businesses, and community partners work together to create a vibrant community which celebrates diversity.
- Households, families, community partners, and businesses are preserved and stable.
- The neighborhood is home to safe walking networks, parks, open spaces, and gathering places.
- Economic development progresses through employment opportunities and access to social services.

These themes were identified through public surveys, one-on-one interviews, and conversations among stakeholders.

Public Engagement

A Public Engagement Plan (PEP) for the South Lynnwood Neighborhood Plan was drafted in Fall 2019. The PEP outlines how the public will be engaged to guide the creation of the plan. A pre-engagement phase of the project focused on speaking to residents, business owners, service providers and other key stakeholders to determine the most effective way to engage the neighborhood. This input molded the PEP. COVID has impacted this plan. Staff and the consultant team has worked to find ways to stay true to the PEP while respecting social distancing.

Through this process, a Co-Design Committee strategy was adopted for primary community engagement. This Co-Design methodology is an equitable and participatory process where solutions are developed by the Committee in partnership with the City. Through this process, recommendations are identified by the community and city staff to inform plan policies.

The Co-Design Committee has held six meetings to date. The committee is comprised of 22 members including residents, business owners, service providers, and city staff.

- Meeting #1: February 18, 2020 – Plan Introduction
- Meeting #2: May 19, 2020 – Visioning
- Meeting #3: July 28, 2020 – Public Outreach Discussion
- Meeting #4: October 13, 2020 – Draft Rescope Review
- Meeting #5: December 17, 2020 – Housing Action Plan
- Meeting #6: January 27, 2021 – Industrial Land
- Meeting #7: February 24, 2021 – Housing

Staff is working with the consultant team to plan for upcoming community engagement. Upcoming engagement will include a video presentation in English and Spanish. An online survey in English and Spanish will also be available. Staff is coordinating distribution of paper surveys within the neighborhood.

Next Steps

Two additional Co-Design Meetings are scheduled. The project team will be working with the Co-Design Committee to draft recommendations for the plan. A final public engagement effort will be hosted to confirm plan details and hear considerations from the public. The plan will be brought to Planning Commission and City Council for approval this summer / early fall.

Attachments

- South Lynnwood Neighborhood Plan Presentation



LYNNWOOD
WASHINGTON

A great deal more

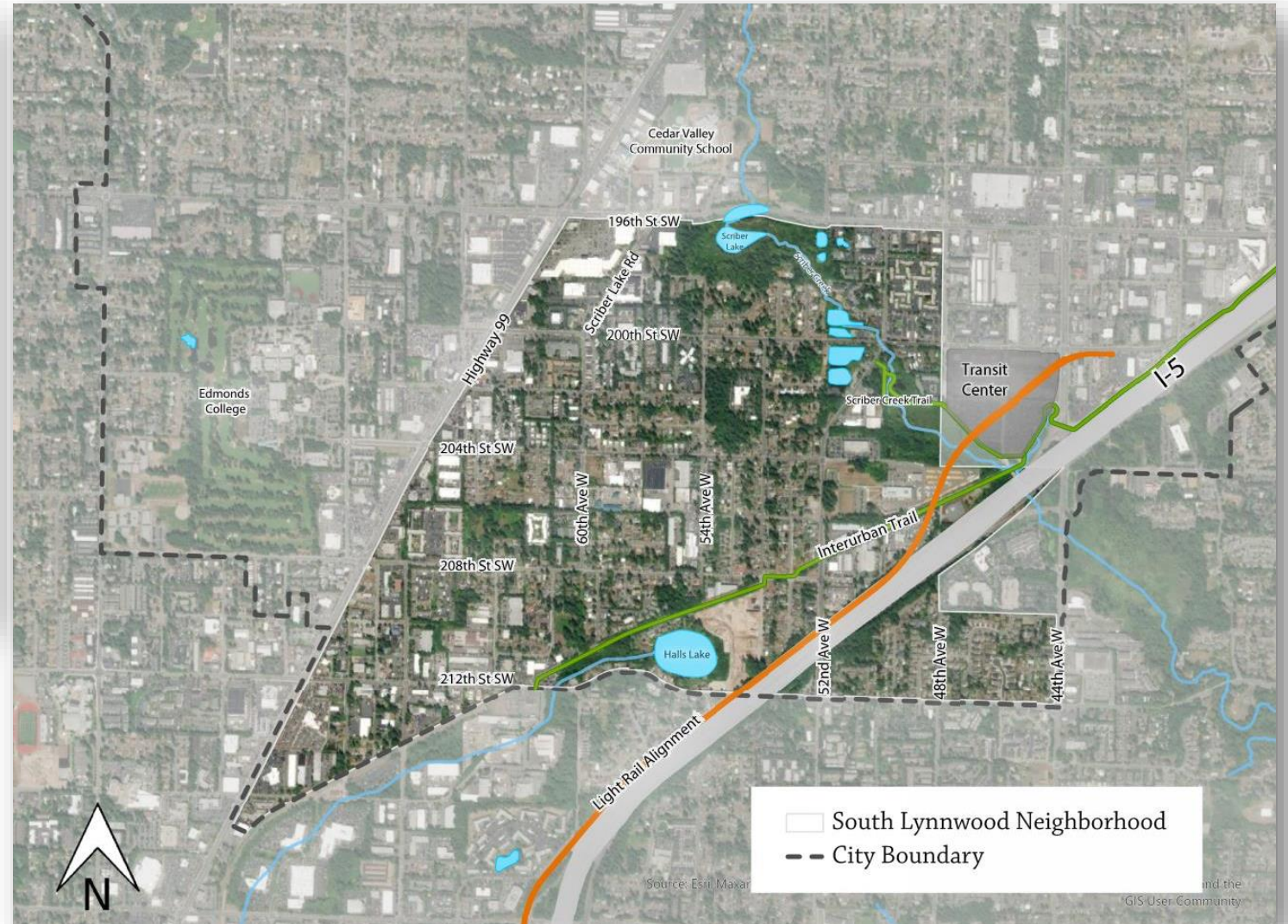
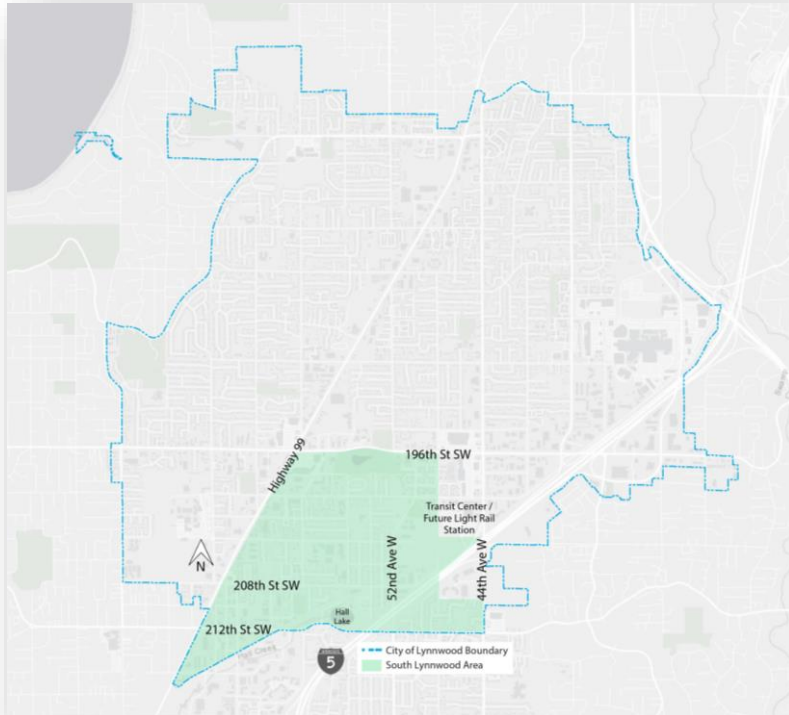
South Lynnwood Neighborhood Plan

Planning Commission

May 13, 2021

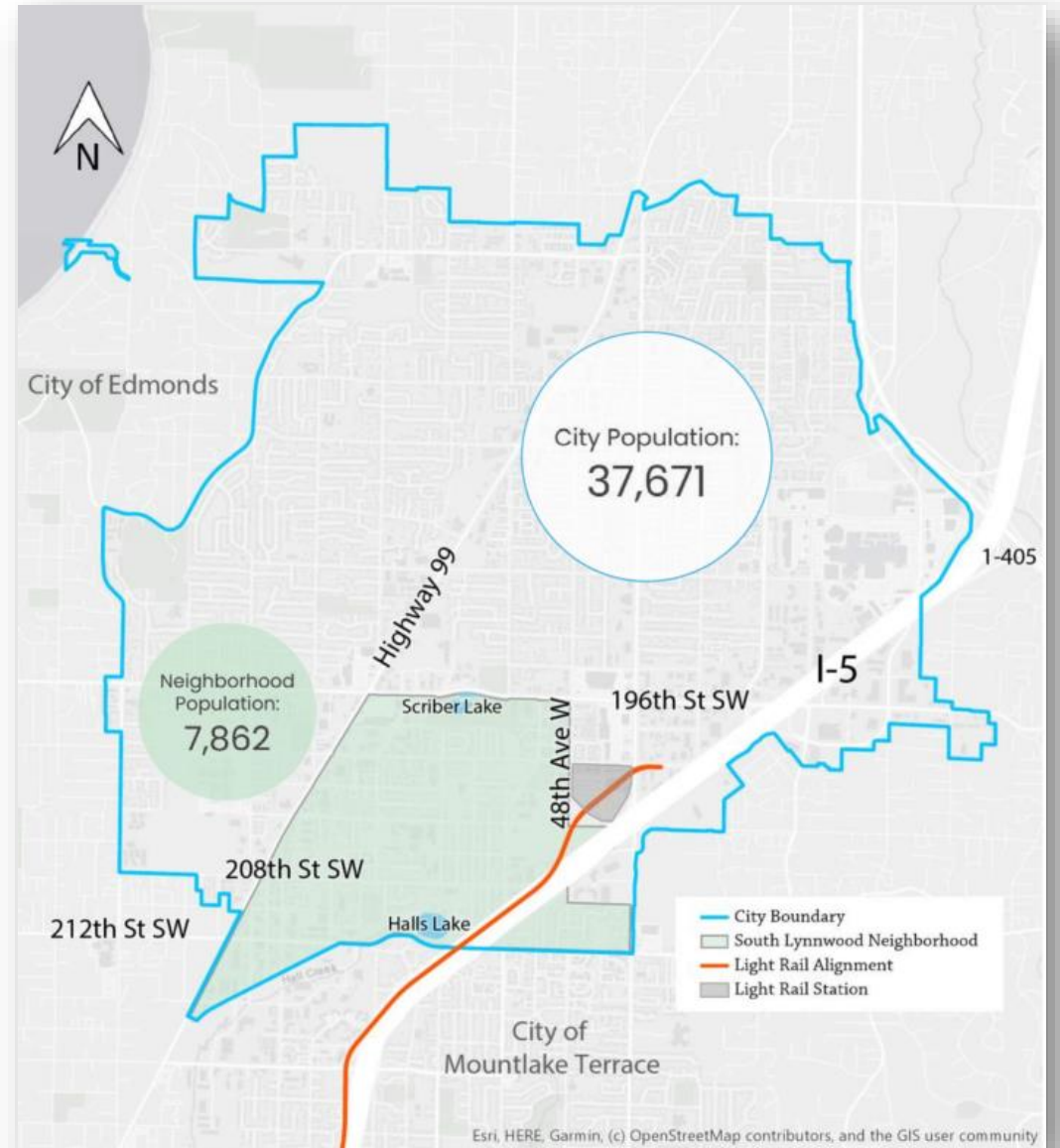
Ashley Winchell, AICP, Community Planning Manager

Where is South Lynnwood?



Who lives in South Lynnwood?

Race	South Lynnwood	Lynnwood
White	51%	55%
Black	7%	7%
Native American	1%	0%
Asian	11%	17%
Pacific Islander	0%	1%
Other	0%	0%
Multi-Racial	4%	7%
Hispanic	25%	13%



Plan Purpose



- Culturally rich place to live
- Support and grow businesses
- Ease transition to higher density areas
- Identify areas appropriate for redevelopment
- Protect residents against displacement
- Allow for residents to stay in South Lynnwood



Future Condition Statements



Residents, businesses, and community partners **work together** to create a vibrant community which **celebrates diversity**.



Households, families, community partners, and businesses are **preserved and stable**.



A healthy neighborhood which is home to **safe walking networks, parks, open spaces, and gathering places**.



Economic development progresses through **employment opportunities** and **access to social services**.



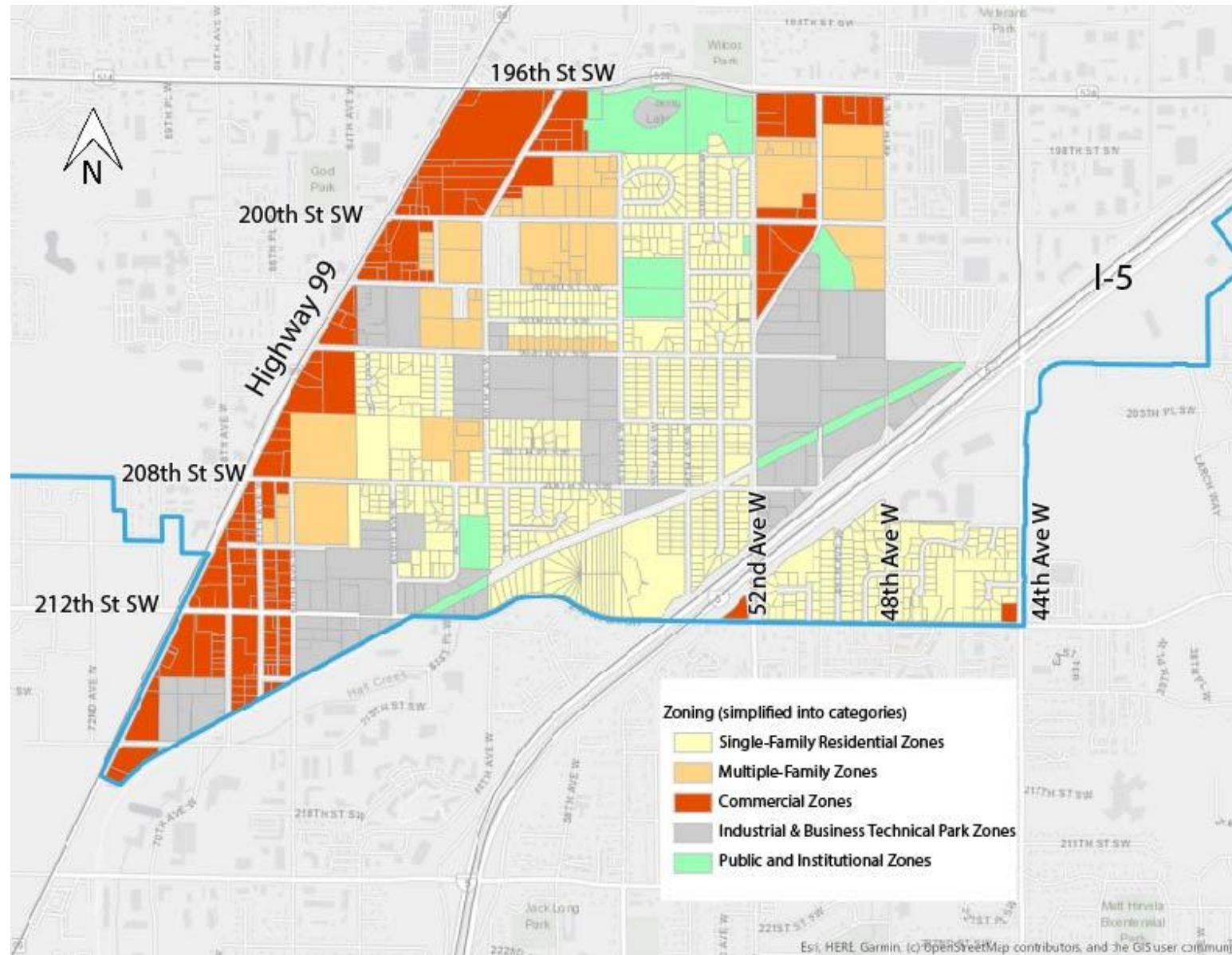
South Lynnwood – Industrial & Heavy Commercial



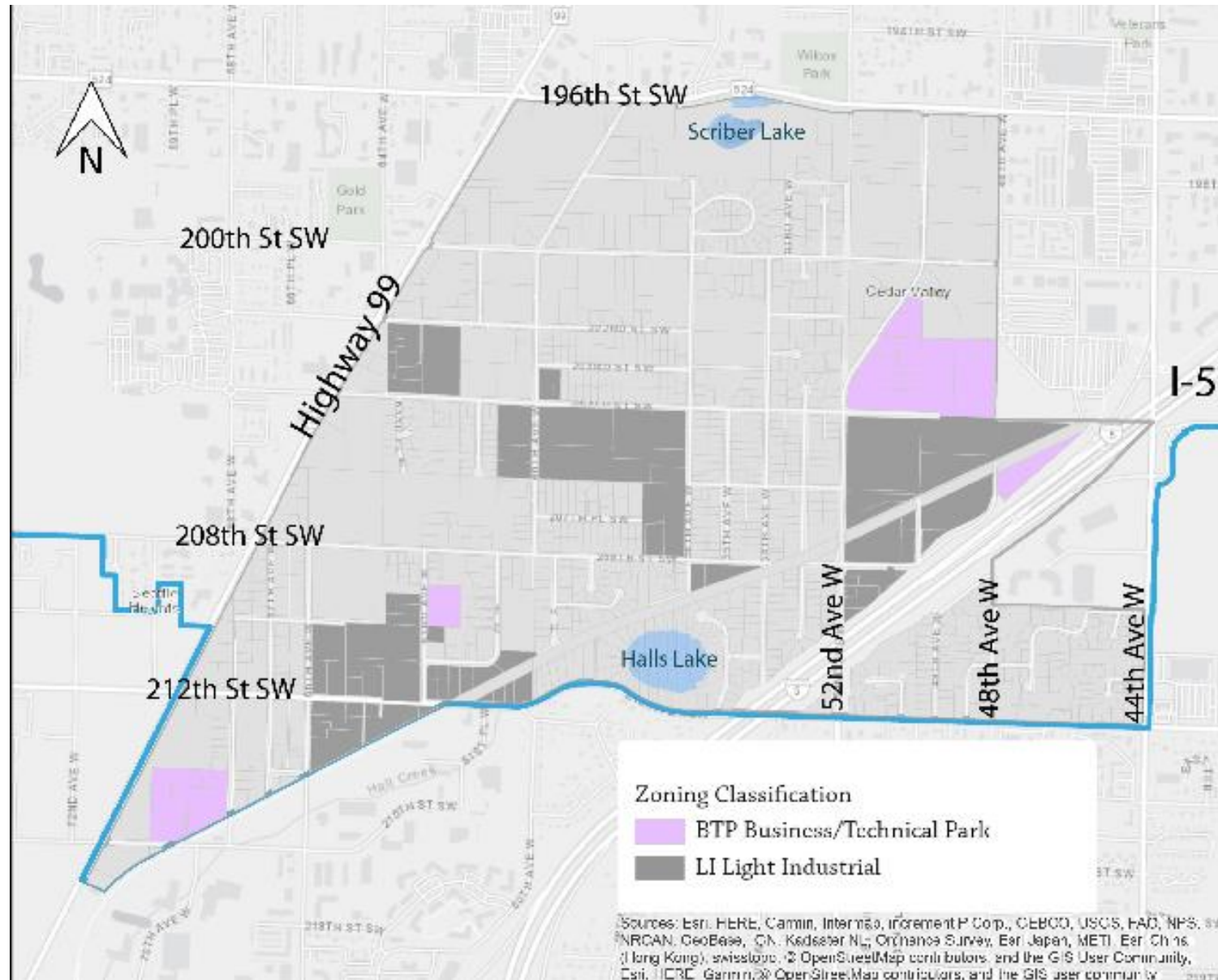
South Lynnwood - Residential



South Lynnwood Neighborhood Zoning



Zones where Light Industrial uses are allowed



Industrial land uses are important

- Preservation of industrial land provides economic development opportunities
 - Lower cost facilities enable new businesses and potentially innovative industries to grow and expand
- Support more diverse enterprises (thus a more diverse community)
- Provide access to good paying job opportunities
- Needed to facilitate local public services (recycling and waste vehicles need to be stored somewhere)

- Heavy Industrial:
 - Manufacturing, production, or storage that involve large undertakings (e.g. steel production or big equipment manufacturing)
 - Needs large areas of land and is high cost, and has high barriers to entry
- Light Industrial:
 - Less environmentally disruptive
 - More consumer oriented than business-oriented
 - Produce small consumer goods or provide consumer services

Most industrial uses operate in two zones

- **Business and Technical Park (BTP)**

- Primarily intended for business and technical parks and utilized for tracts considered difficult to develop
- Permits a variety of uses: Office, wholesale, manufacturing, and research development

- **Light Industrial (LI)**

- Allows light manufacturing and wholesaling activities with little retail contact
- Permits more uses than BTP (e.g. athletic facilities, automotive repair, and food processing, packaging and distribution)

- **General Commercial Zone**

- Some industrial uses exist in this zone
- Warehouses, automotive repair, and Litho Craft (large format printing services)

A variety of businesses operate in the industrial zones

- Most industrial businesses in the subarea are in the Light Industrial (LI) and Business and Technical Park (BTP) zoned parcels

Business Activity	Number of businesses	Rentable Square Feet
Manufacturing	10	269,467
Office	8	177,524
Trades	7	92,966
Auto Repair	4	21,302
Professional Services	3	23,747
Towing	2	21,357
Warehouse	2	29,866
Auto Parts Retailer	2	27,768
Mobile Home Park	2	N/A
Distribution	1	43,029
Flex	1	3,060
Fiber Optic Cable Supplier	1	19,860
Metal Fabrication	1	9,120
Fuel Tank Cleaning	1	3,320
Auto Parts and Supplies	1	50,000
Glass Fabrication	1	13,680
Sound and Communication Systems	1	10,172
Food Distribution and Packaging	1	24,218
Food Processing	1	10,355

Business activities support high paying jobs

The sectors within the BTP and LI zones represent some of the highest paying industries in Snohomish County.

Snohomish County Businesses, Employment and Wages by Sector

Industry	Employment	Percent of Total Employment	Establishment Count	Average Annual Wages
Information	3,640	0.8%	377	\$109,044
Manufacturing	57,834	12.5%	775	\$95,836
Goods-producing	82,754	17.9%	4,279	\$84,708
Financial activities	12,735	2.8%	1,613	\$80,756
Professional and business services	27,025	5.9%	3,520	\$68,588
Construction	23,107	5.0%	3,292	\$57,772
Education and health services	33,617	7.3%	5,327	\$53,352
Service-providing	148,854	32.3%	17,533	\$53,144
Trade, transportation, and utilities	44,815	9.7%	3,265	\$47,112
Natural resources and mining	1,813	0.4%	212	\$44,356
Other services	6,093	1.3%	1,559	\$34,580
Leisure and hospitality	20,929	4.5%	1,872	\$20,644
Total	442,287	100%	4,905	\$62,491

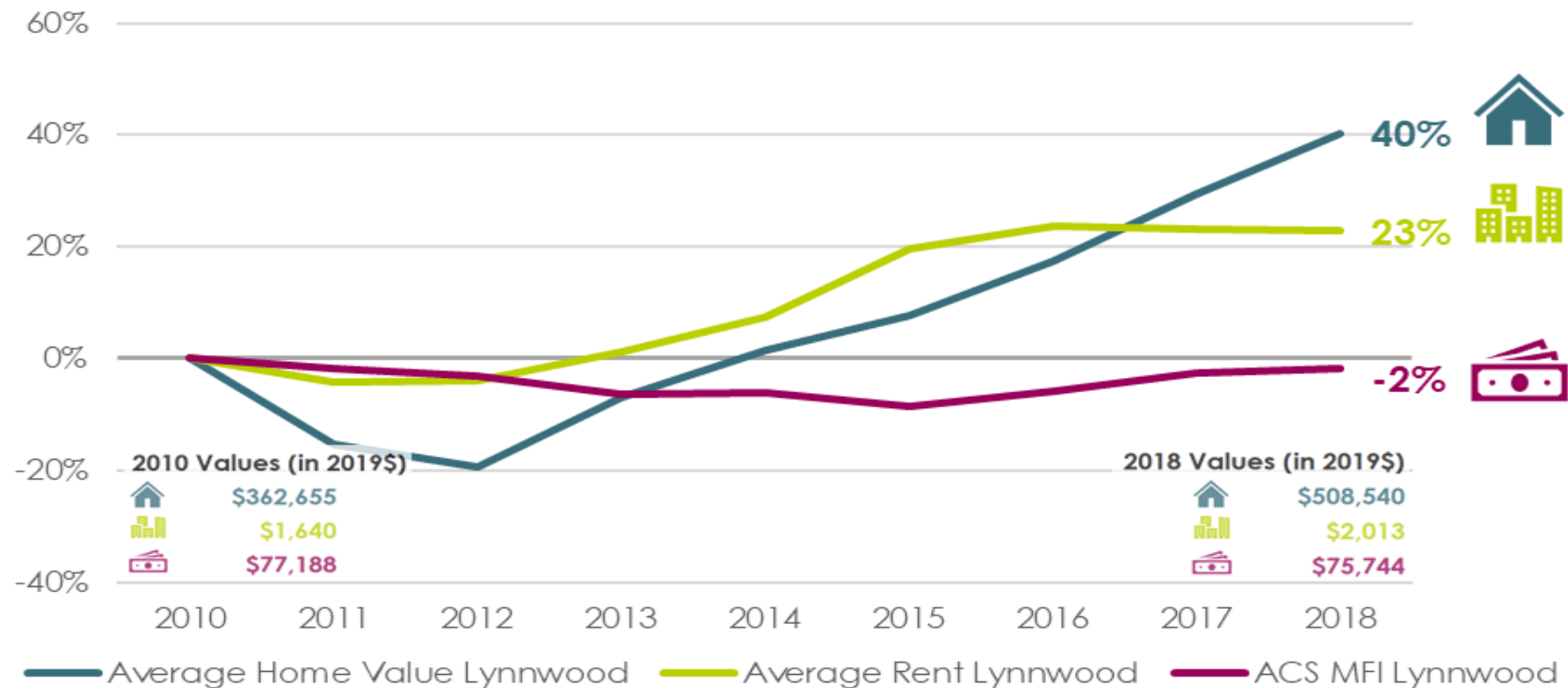
Source: QCEW Snohomish County, June 2020

Challenges of industrial land preservation

- Aging buildings (average building age 40 years) will require renovations soon
- Low rents (avg. \$12.32 /sf) and low vacancy rate (1%) make renovations difficult
- Population growth and light rail add pressure to rezone / redevelop for other uses
- Prioritizing the preservation of industrial areas = limits land opportunities to build needed housing

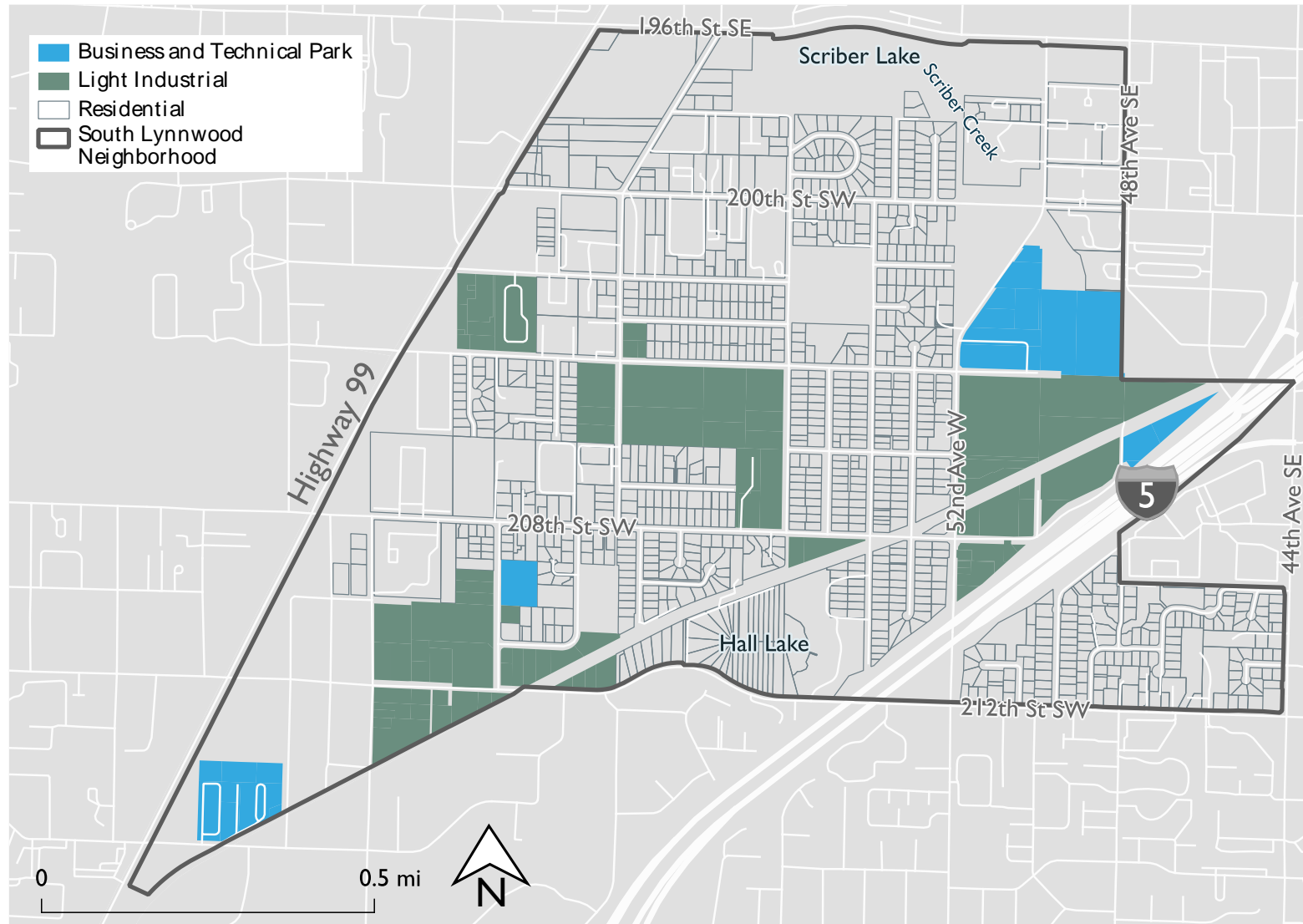
Housing costs have risen faster than incomes

Since 2010 Lynnwood home values increased by 40% and rents grew 23% when accounting for inflation. During the same time period, incomes in the City of Lynnwood decreased 2% when adjusted for inflation.



Sources: Zillow, 2020; ACS Income 5-year estimates (Table S1901) 2010 - 2018; Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) Seattle-Tacoma-Bellevue WA 2010 - 2019; BERK, 2020.

Industrial areas are adjacent to residential



Development can be a challenging process



Notes

Times frames are approximate and represent larger projects (50 or more units)

Time frames would be shorter for smaller developments

What is housing affordability?

Definition: Housing costs no more than 30% of Income

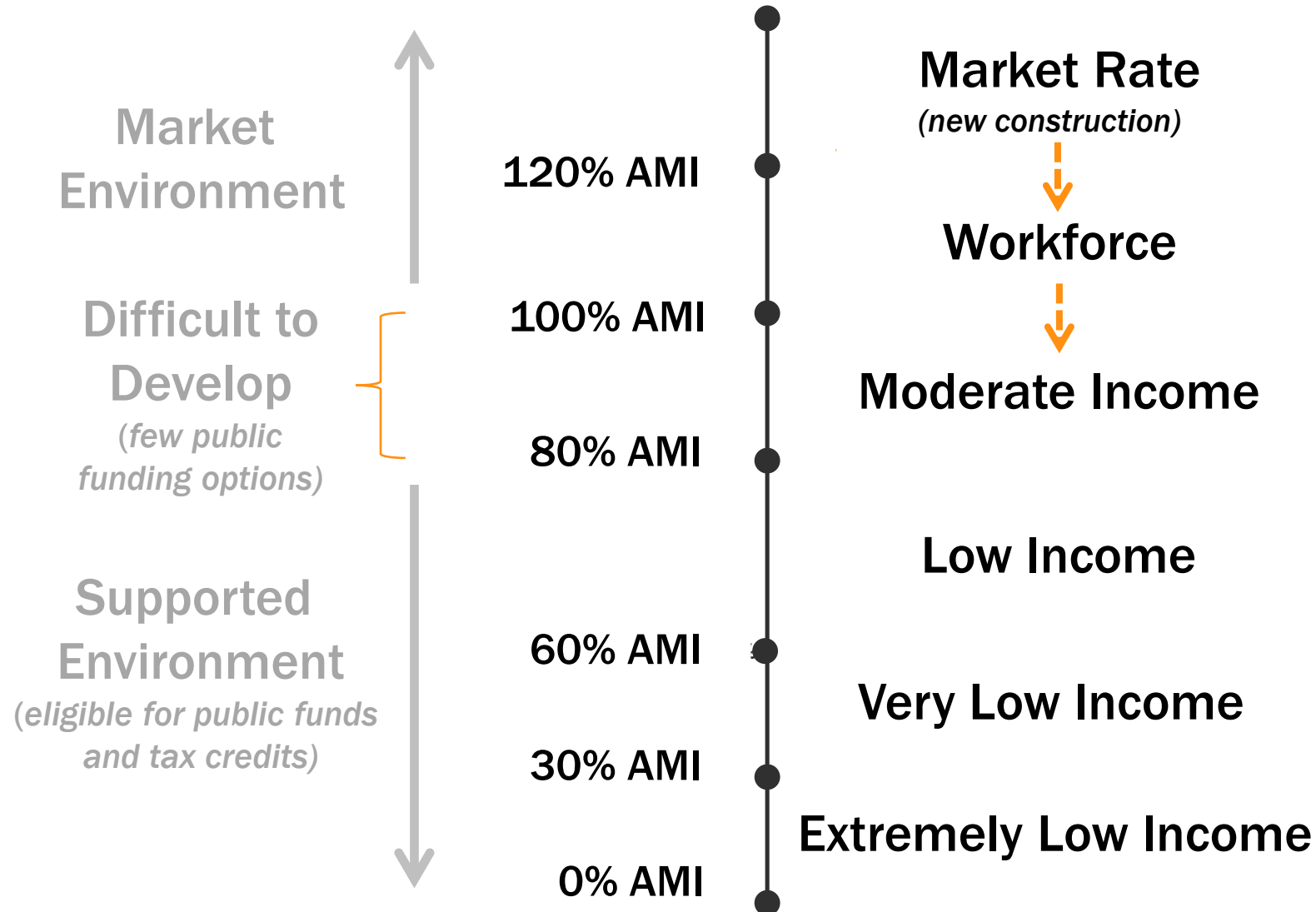
Example:

- Household income: \$4,500/month (\$54,000/year)
- 3-person household (2-bed unit) – qualifies as 50% AMI

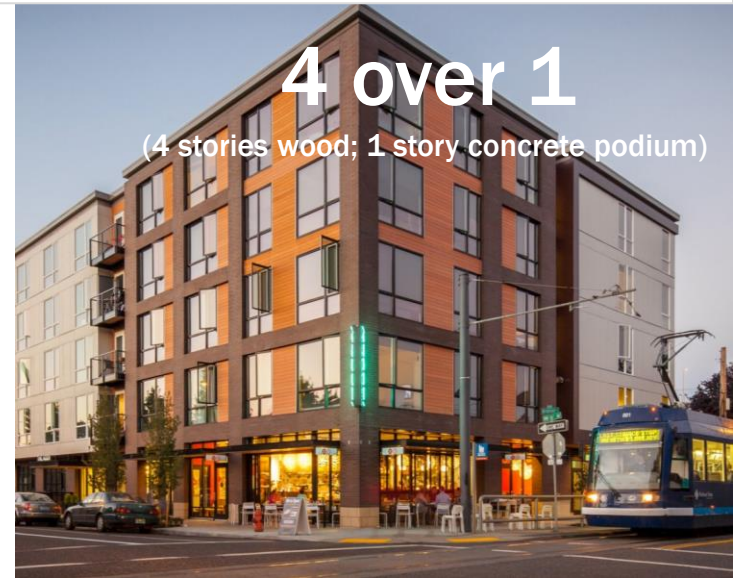
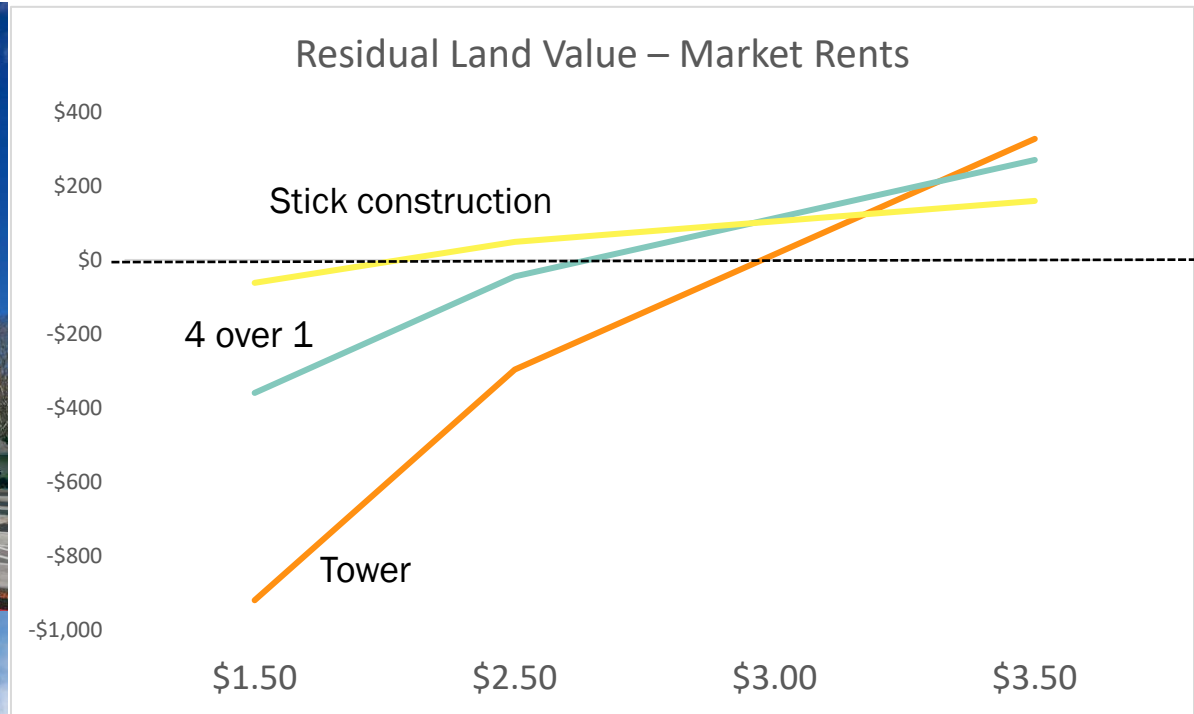
Housing Costs (rent or mortgage + utilities)

- | | |
|-------------------|---|
| ▪ \$1300 /month | Less than 30% of income |
| ▪ \$1,500 / month | More than 30% of income (cost burdened) |
| ▪ \$2,250 / month | 50% of Income (severely cost burdened) |

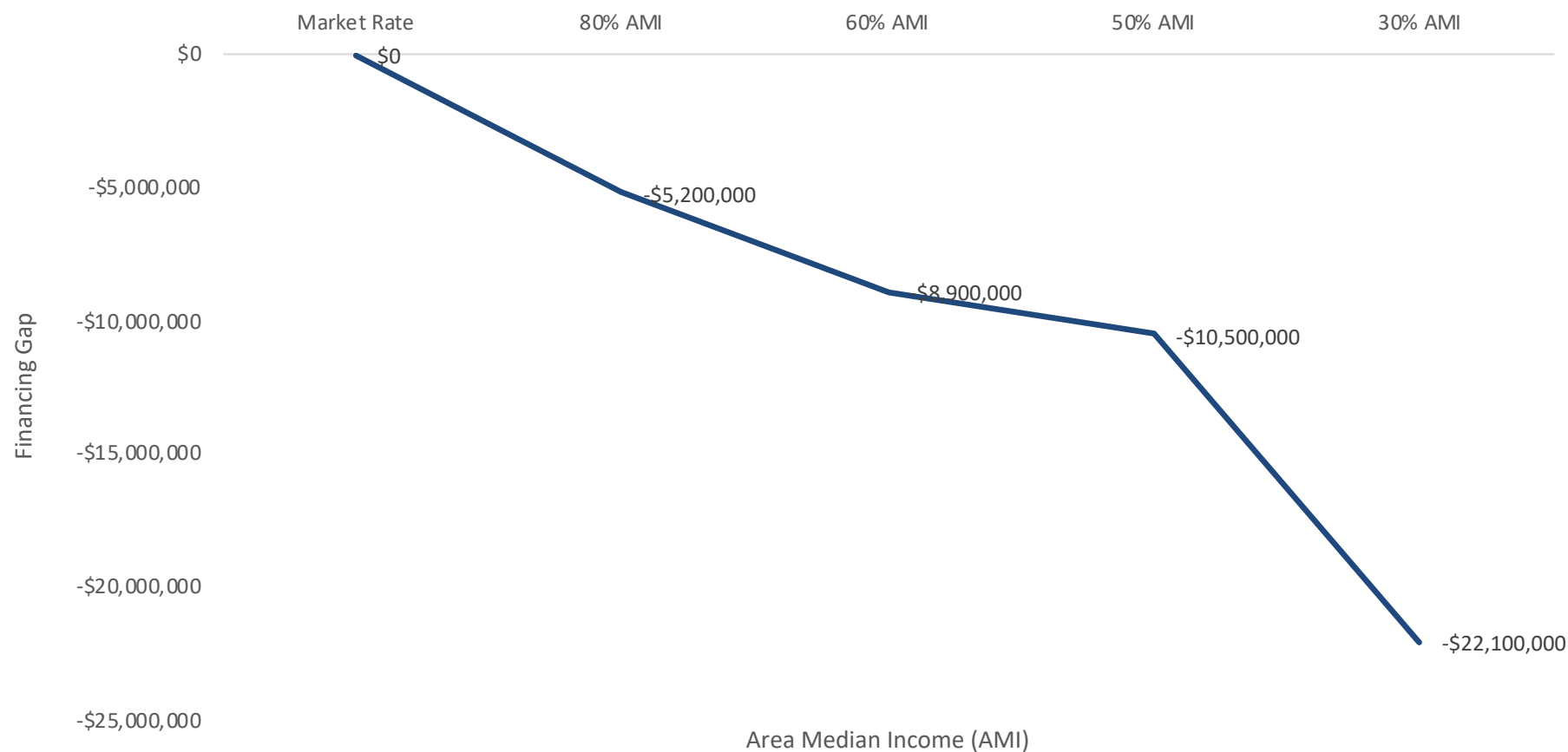
The market builds higher end housing



Construction type affects feasibility for all development



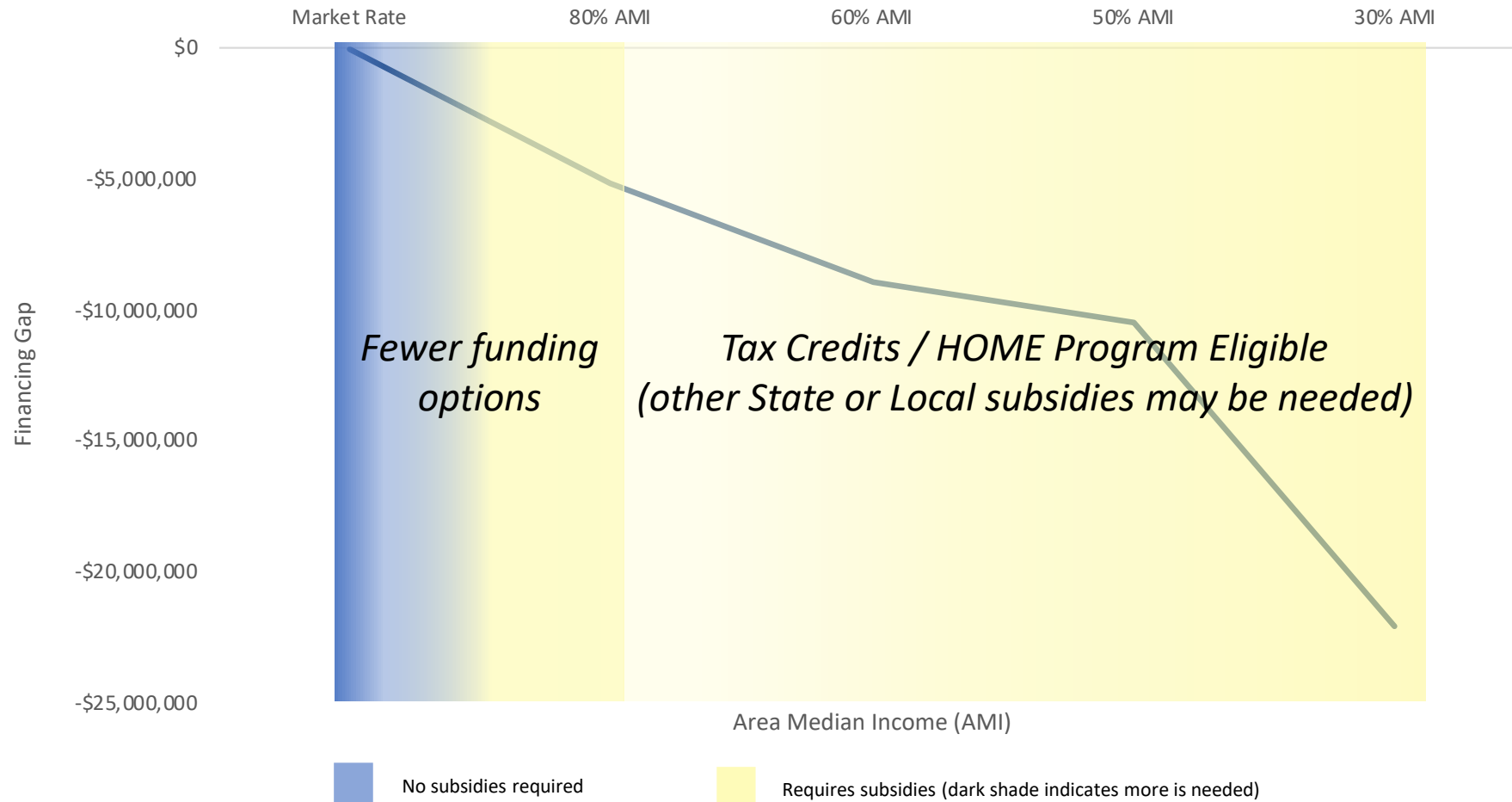
Filling financing gaps is needed for affordable housing



*Assumes the development of a 120-unit apartment complex (100% wood frame construction)

** All units set to the target AMI

Deeper affordability requires more funding sources

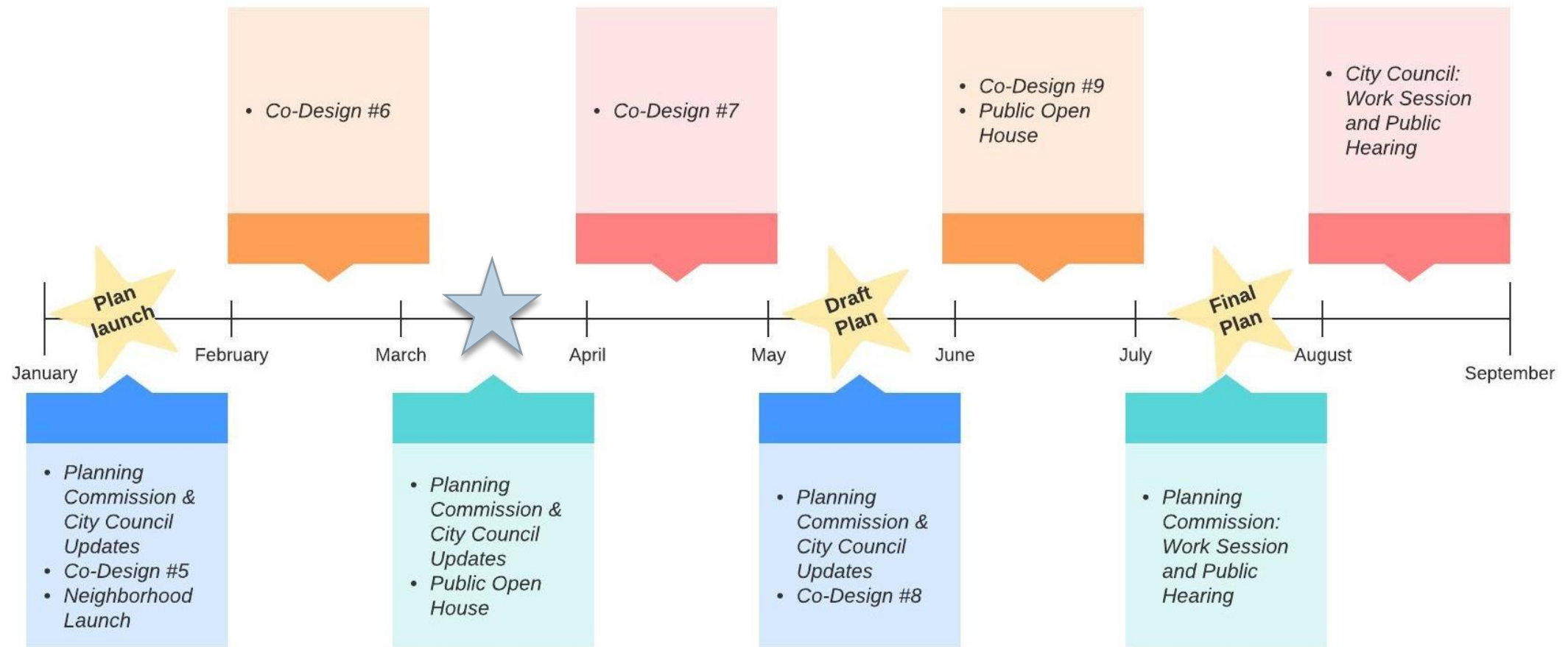


Upcoming Community Engagement

- Interviews with local business owners and operators
- Video Presentation in English and Spanish
- Community Survey
 - Online survey shared through email list, Co-Design Committee members, social media
 - Paper survey shared through Edmonds School District food distribution sites and HASCO property management
 - Paper survey distribution at parks



South Lynnwood Neighborhood Plan Schedule



TO: Planning Commission

FROM: David Kleitsch, Development and Business Services Director
Ashley Winchell, Community Planning Manager

DATE: May 13, 2021

SUBJECT: Director and Planning Manager's Report

UPDATES

- Housing Action Plan: The Housing Action Plan Public Hearing was held before City Council on May 10, 2021. City Council action for the Housing Action Plan is scheduled on May 24, 2021.
- Step Up for Racial Equity Conference: Community Planning staff presented at the Step Up conference on April 30. The title of the session was "When "Good Enough" Isn't Good Enough – Moving Beyond Checking the Box to Pursue Equity Through Community Engagement." Staff's presentation focused on public outreach associated with the Housing Action Plan.
- Community Justice Center: The Community Justice Center Public Hearing was held before the Hearing Examiner on May 6, 2021. A decision is expected in the upcoming weeks.

EVERETT LINK EXTENSION

Sound Transit has initiated planning efforts for the Everett Link Extension (EVLE). This extension will connect Lynnwood City Center Station to Everett Station through a 16.3 mile alignment via Paine Field with a new station near Alderwood Mall (West Alderwood Station). The EVLE planning efforts will include station area planning, guideway alignment, siting of an operations and maintenance facility (OMF), and a model code partnership. These planning efforts also include a multi-jurisdictional partnership with City of Everett, Snohomish County, WSDOT, Community Transit, and City of Lynnwood. Sound Transit has hired Kimley Horn as the primary consultant to support the Everett Link Extension.

Q2 2021 Planning Commission Schedule

May	27	Connect Lynnwood	Work Session
June	10	Misc. Code Amendment	Work Session
June	24	Connect Lynnwood	Public Hearing