

Lynnwood Housing Action Plan

Stakeholder Advisory Group Meeting #3 Summary

October 21, 2020 | 3:00 pm – 5:00 pm | Zoom

Key Objectives

1. Learn about project progress
2. Share Housing Action Plan goals
3. Consider strategies and actions for meeting Lynnwood's housing needs

Agenda

- 3:00 Welcome
- 3:10 Moving from Needs to a Plan
- 3:20 Selecting Strategies + Actions
- 3:30 Breakout Sessions: Which strategies support the Housing Action Plan goals?
- 4:30 Breakout Report Out/Summary
- 4:50 Upcoming Outreach
- 5:00 Adjourn

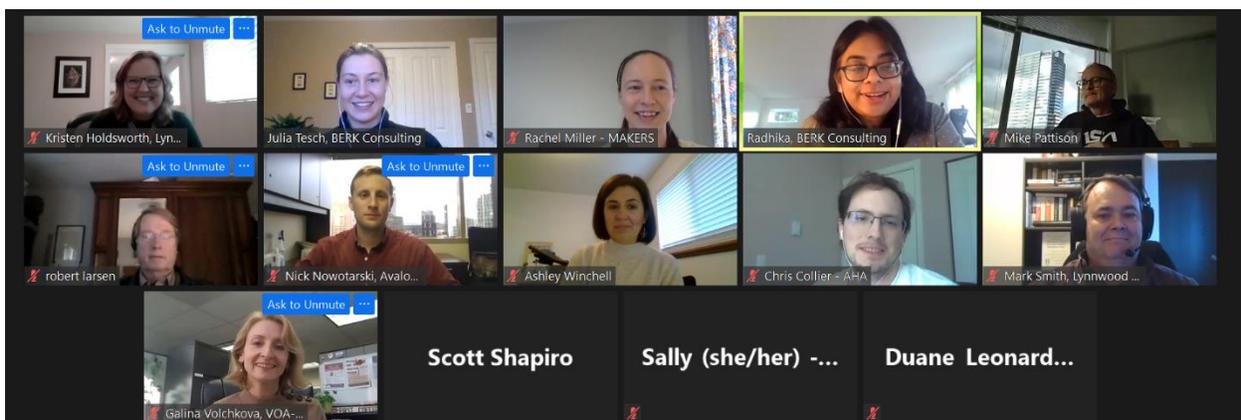
Staffing

Ashley Winchell, City of Lynnwood
Julia Tesch, BERK Consulting
Kristen Holdsworth, City of Lynnwood
Rachel Miller, MAKERS
Radhika Nair, BERK Consulting

Advisory Group Participants

1. [Chris Collier](#), Alliance for Housing Affordability (AHA)
2. [Faheem Darab](#), Zainab Organization of Greater Seattle
3. [Sally Guzmán](#), Edmonds School District
4. [Duane Landsverk](#), Landsverk Quality Homes
5. [Bob Larsen](#), Resident
6. [Duane Leonard](#), Housing Authority of Snohomish County (HASCO)
7. [Cami Morrill](#), Snohomish County Camano Association of Realtors
8. [Nick Nowotarski](#), AvalonBay Communities, Inc.
9. [Mike Pattison](#), Master Builders Association of King and Snohomish Counties
10. [Scott Shapiro](#), Eagle Rock Ventures LLC
11. [Mark Smith](#), Housing Consortium of Everett and Snohomish County
12. [Galina Volchkova](#), Volunteers of America Western Washington

Exhibit 1. Prompt: “Show us how you’ll react when the Housing Action Plan is adopted.”



Source: BERK, 2020.

Presentations and Key Takeaways

Presentations focused on the following three topics. For more details on the presentations, view the full presentation on the project website:

<https://www.lynnwoodwa.gov/files/sharedassets/public/development-and-business-services/planning-amp-zoning/lynnwood-hap-advisory-group-meeting-3-presentation.pdf>.

Moving from Needs to a Plan

The City presented an overview of the transition from analyzing housing needs to developing a housing action plan. The City also briefly reviewed the Housing Needs Assessment (HNA), including gaps identified and the seven key findings.

Selecting Strategies + Actions

The group discussed the four draft goals for Lynnwood's HAP and related draft targets for 2044. The four draft goals are shown below in Exhibit 2. The project team also presented a range of draft strategies to meet each of the four objectives. The full list of strategies and details about each were included in the materials to prepare for the meeting and sent via email.

Exhibit 2. Four draft objectives for Lynnwood's HAP

PRODUCE	Produce housing that meets the needs of the community.
PRESERVE	Preserve existing housing that is affordable and safe so that people can stay in Lynnwood.
PARTNER	Partner with housing educators, providers, and other groups to find equitable housing solutions and remove systemic barriers.
PREPARE	Prepare for continued growth and increase quality of life in Lynnwood.

Source: City of Lynnwood, 2020; MAKERS, 2020; BERK, 2020.

Public Engagement Update

Open House #1 - Review

- 4 meetings total: 2 in English, 1 in Spanish, and 1 in Korean: About 50 attendees total.
- Social pinpoint website – ideas wall and surveys.
- We learned that hosting meetings at a specific time is particularly difficult right now. Better to provide content that people can digest on their own timeframe. Follow-up conversations and smaller discussions/presentations are more useful and yield better feedback.

Upcoming Outreach #2: October 26 – November 30

- Share short video clips in English, Spanish, and Korean via email and social media. We will then follow up with a survey. Goal of 200 survey responses.
 - Can all advisory committee respondents can help us gather 5-10 survey respondents?
- We will go into the community to talk community groups.
 - Correct some myths heard in first engagement period.
 - Gather some brief input from community.

What We Heard: Breakout Groups

Participants split into three breakout groups for focused discussion of the draft HAP strategies. Following the breakout groups, participants reconvened as a full group to share key takeaways. The summary of top priorities is included in [APPENDIX A](#).

Breakout Objective: *Select the top five strategies for each of the four draft HAP goals.*

Considerations: Breakout groups considered the following aspects of potential strategies:

- Likelihood of being implemented.
- Market feasibility.
- Amount of potential units created or preserved.
- Level of resources required (e.g., cost, new staff, enforcement).
- Appropriateness for the City to be lead (or should the City partner?).
- Addresses past inequities (e.g., legacy impacts, barriers, from systemic racism).
- Risk of displacement and unintended consequences.
- Addresses unique or hard-to-solve needs.

Next Steps

- **October 22** – Planning Commission Update
- **October 26 – November 30** – Engagement Effort #2
 - Share videos and survey with your networks.
 - Goal = 5-10 surveys returned per Stakeholder Advisory Group Member!
- **November 30** – Next Council Update
- We will also share a unique survey for the advisory council members.

Appendix A: Summary of Breakout Group Discussions

GOAL 1: PRODUCE. Produce housing that meets the needs of the community.

The following strategies were recommended as “high” or “medium” priority during breakout group discussions (these strategies are listed sequentially based on the handout provided, they are not ranked or prioritized):

- **Strategy 1:** Adopt a SEPA Infill Exemption
- **Strategy 2:** Adopt Form-Based Code
- **Strategy 5:** Create Incentives or Provide Flexibility for Desired Unit Types
 - Make as simple as possible--clearly allow all the types you can.
 - Snohomish County, Bothell, Mill Creek--don't reinvent wheel
- **Strategy 6:** Create pre-approved ADU plans for residents
- **Strategy 9:** Facilitate more efficient deal assembly and development timelines/promote cost-effectiveness through consolidation, coordination, and simplification
- **Strategy 10:** Inclusionary Zoning (with incentives)
 - Plus calibration of MFTE (should include incentives – not “all stick no carrot”)
 - Heavy political lift may not go anywhere.
 - Tough to make mid-rise projects pencil with this probably could do garden.
 - Especially without MFTE. Only works with incentives.
- **Strategy 11:** Increase Allowed Housing Types in Existing Zones (cottages; 2, 3, 4-plexes; townhouses; micro-housing)
 - Make easy for faith communities, developers with moral compass to do. Give bonus density/encouragement for doing.
 - Everett--proof that it is possible. Alternative is lack of housing. Need to look at upstream solutions. We keep having greater need for affordable housing because we're not providing it.
 - Banks/investors, the least creative. Skanska and others--outside the box.
 - Include duplexes, ADUs, and tinyhouses in residential zones.
 - Revise ADU standards.

- **Strategy 13:** Lobby for changes in state and federal law that will enable more consolidated and streamlined funding to support low-income housing.
- **Strategy 14:** Protection from SEPA Appeals on Transportation Impacts
- **Strategy 15:** Recalibrate the Multifamily Tax Exemption (MFTE) Program
 - Has to be better than break even. Run the math and how much better. Varies project to project.
 - Revise for better utilization. Incorporate affordability requirements.
 - Consider expanding citywide.
- **Strategy 17:** Reduce Off-Street Parking Requirements
 - Based on walkshed and proximity to transit
 - All agreed parking should be reduced within ½ mile of transit locations.
 - Consider eliminating instead of reducing.
- **Strategy 20:** Remove Requirement for Ground Floor Commercial
 - Could be helpful in certain areas. Retail is not feasible across cities.
 - Very targeted requirement.
- **Strategy 22:** Revise ADU Standards
- **Strategy 23:** Revise design review
 - general support.
- **Strategy 25:** Rezone areas
 - Include lot size and density.
 - Connected to Strategy 26.
 - Streamline housing review process.
 - Consider open space requirements.
- **Strategy 26:** Simplify Land Use Designation Maps
 - City of Everett is doing. Can reduce the number of comp plan designations.
 - Connected to Strategy 25.
- **Strategy 27:** Streamline subdivision process
 - Allow additional housing types in SF zones.
 - Need a wider range of codes and densities allowed. Also look at use table--duplex/triplex. e.g., R-72--allow duplex on all lots.
 - Political process to make this change. Lower hanging fruit--ADUs--allow everywhere.

In addition to identifying strategies to prioritize, groups also had discussions about concerns with certain strategies:

- There were differing opinions regarding incentives vs. mandates
- There was recognition that some actions may not result in many changes due to Lynnwood's available land capacity
- There was recognition that methods need to "pencil out" and that development will not happen unless it can be financed

GOAL 2 PRESERVE. Preserve existing housing that is affordable and safe so that people can stay in Lynnwood.

The following strategies were recommended as “high” or “medium” priority during breakout group discussions (these strategies are listed sequentially based on the handout provided, they are not ranked or prioritized):

- **Strategy 1:** Adopt a Notice of Intent to Sell / Sale Ordinance*
 - Speed of the market. Allow HASCO to get in there.
 - Important for tenants and potential buyers.
 - Might not see a lot of long-term affordability, but will reduce upheaval.
- **Strategy 3:** Establish short term acquisition revolving loan fund to enable rapid response to preserve low income housing developments when they are put on the market
 - HASCO a major driver of preservation
 - This strategy and #5 are related. These efforts would make a huge impact for low income housing preservation. Normally nonprofits and low-income housing providers need a lot of time to assemble financing and capital. Having this will keep them competitive.
- **Strategy 5:** Improve tracking and monitoring of existing subsidized and “naturally occurring affordable housing” properties to preserve long-term affordability.
 - Level of effort is high, but outcome is high value. Advocacy issue
- **Strategy 6:** Increase investments in communities of color, historically underserved communities, and low-income communities by developing programs and policies that serve individuals and families at risk of displacement.
 - Needs more clarity and accountability. What does the City expect from it?
- **Strategy 7:** Preserve Mobile Home Parks and Provide Relocation Assistance*
- **Strategy 8:** Property Tax Assistance Programs*
- **Strategy 9:** Provide Down Payment Assistance*
 - Expanded to renters to help with security deposits.
 - Likely not realistic to fully provide this funding, but the City may be able to insure or help provide backing.
- **Strategy 12:** Provide Tenant Relocation Assistance*
 - Necessary, but probably not realistic. It’s pricey and requires lots of staff overhead.
- **Strategy 13:** Strategically Acquire and Finance Existing Multifamily Housing*
 - 1406 money could be used for this.
- **Strategy 15:** Support Third-party Purchases of Existing Affordable Housing

- Non-profits. Lot of acquisition shops are buying older products and retrofitting so they are not as affordable anymore.
- A lot of these are pricey. What would pencil out? What would entail providing tenants relocation assistance.
- Other strategies not on the list-
 - Programs to maintain affordability (existing rent/pricepoint) if older apartments are redeveloped. Require one-for-one replacement if redeveloped or generally affordable units in replacement.
 - Support ADUs for maintaining affordability and to provide extra income to homeowners.

In addition to identifying strategies to prioritize, groups also had discussions about concerns with certain strategies:

- Main concern was that certain strategies may “slow down” the process for development.
- **Strategy 1:** Adopt a Notice of Intent to Sell / Sale Ordinance*
- **Strategy 2:** Create “Right to Return” Policies for Promoting Home Ownership*
 - Hard to administer

GOAL 3: PARTNER. Partner with housing educators, providers, and other groups to find equitable housing solutions and remove systemic barriers.

The following strategies were recommended as “high” or “medium” priority during breakout group discussions (these strategies are listed sequentially based on the handout provided, they are not ranked or prioritized):

- **Strategy 1:** Encourage banking and insurance industry support for condominium projects as homeownership solution.
 - Lots of opportunity for two-way comm between industry and the city.
- **Strategy 4:** Increase regional coordination and cross-sector partnerships to address housing challenges and connect individuals with stabilizing services
 - Lynnwood alone can’t fix it. The most progressive HAP coming out of Lynnwood is only applying to 7.2 acres of county land. Collaboration regionally very important.
- **Strategy 5:** Partner with Local Housing Providers

- Following what Everett is doing – uses for surplus lands. Just reminding people you can isn't enough. Have a plan to do it like Everett.
- **Strategy 7:** Provide "Found Land": Surplus Land and Other Opportunities
 - Lease to non-profits who develop income-restricted city of Everett.
 - Prioritized list of uses for surplus land. Top of the list would be income-restricted land.
- **Strategy 9:** Provide prospective homeowners information about credit and personal finance.
 - Other agencies do this. City could position itself as a clearinghouse for information.
 - Partner with organizations to provide Foreclosure Intervention Counseling
 - Partner with organizations to provide Homeownership Counseling. Could be rolled into regional collaboration. Nonprofits come and go but city would be more permanent. Organizing could be a value.
- **Strategy 12:** Work with faith-based organizations on housing
 - Especially those with land and interest in providing housing.

In addition to identifying strategies to prioritize, groups also had discussions about concerns with certain strategies:

- PSRC needs to have a larger role in community conversations about growth. PSRC works with cities but needs to do better outreach to community members.
- Eliminate **Strategy 1** as it would require a legislative change in Olympia. But Council could make a proclamation supporting.
- **Strategy 8:** Provide prospective homeowners information about credit and personal finance. High school class? What does this do?

GOAL 4: PREPARE. Prepare for continued growth and increase quality of life in Lynnwood.

The following strategies were recommended as "high" or "medium" priority during breakout group discussions (these strategies are listed sequentially based on the handout provided, they are not ranked or prioritized):

- **Strategy 1:** Adopt Planned Action Ordinances
- **Strategy 2:** Adopt Subarea Plans with Non-Project EIS
- **Strategy 3:** Build strategic amenities that can support housing
 - Proposals must pencil out, who is paying for the amenities?

- **Strategy 4:** Create a Local Housing Trust Fund
 - There was recognition that funding is needed, but there were concerns over who will contribute to it?
- **Strategy 5:** Create community awareness of housing needs and solutions
- **Strategy 8:** Foster community conversations about density
- **Strategy 9:** Make Strategic Infrastructure Investments
- **Strategy 10:** Transit-Oriented Development (TOD)/Employer Oriented Development (EOD)– Proactively plan for increased housing capacity around major transit and employment hubs

In addition to identifying strategies to prioritize, groups also had discussions about concerns with certain strategies:

- HASCO/AHA recommendation on incentives/mandates? How does Lynnwood's plan align with metropolitan plan?
- Examples from other cities. Need regional planning and work to have all cities do their part.
 - Bellevue--lots of work to help renters know their rights and help with evictions. With Covid, even more urgent. But doesn't have inclusionary zoning at all.
 - Everett has a mandatory affordable housing requirement. Lynnwood should consider. Merlone Geier site by light rail station 200th, 700-800 units--no requirement to make any affordable--missed opportunity.