



AGENDA

Lynnwood Planning Commission

Meeting

Thursday, January 28, 2021 — 6:30 pm
Online via Zoom

A. CALL TO ORDER – ROLL CALL

B. APPROVAL OF MINUTES

1. December 10, 2020 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

E. WORK SESSION TOPICS

1. Housing Action Plan Briefing

F. OTHER BUSINESS

1. Election of Officers

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: Housing Action Plan

Agenda Item: E.1

Staff Report

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

Staff Contact: Kristen Holdsworth, AICP, Senior Planner

Summary

Staff will provide updates to the Planning Commission on the creation of Lynnwood's Housing Action Plan. At the upcoming Planning Commission meeting staff will provide a brief overview of feedback we received during our 2nd public engagement effort. We will spend the remaining time discussing draft strategies and actions for the Housing Action Plan.

Project Background

In Fall 2019, the City of Lynnwood applied for and received a \$100,000 grant from the Department of Commerce (under ES2HB 1923) to develop a Housing Action Plan. The Housing Action Plan will identify strategies and implementing actions that promote more housing diversity, affordability, and access to opportunity for residents of all income levels. Please refer to previous staff reports and the project website (www.lynnwoodwa.gov/housingactionplan) for additional background information.

Housing Action Plan Goals, Strategies, and Actions

City staff and the community have worked together to set clear, actionable goals and strategies to meet Lynnwood's housing needs. For additional information about this process please refer to previous staff reports and memos to Planning Commission and City Council (also available at www.lynnwoodwa.gov/housingactionplan).

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

We have identified 10 draft strategies to implement the Housing Action Plan's goals. They are broken into two overarching policies: encourage additional housing units and address the impacts of an increasingly expensive housing market. At the upcoming meeting staff will present more information about each strategy.

		GOALS			
		Draft Strategy	Produce	Preserve	Partner Prepare
Strategies that encourage additional housing units	1: Continue growth in the Regional Growth Center (Alderwood and City Center) and along major transportation corridors.	●			● ●
	2: Update regulations, design standards, and subarea plans to be more flexible and responsive to changing conditions.	●			
	3: Strategically rezone areas to increase missing middle housing, allow for rehabilitation of existing multifamily structures, and reduce barriers to income-restricted units.	●	●	●	●
	4: Revise the Multifamily Tax Exemption (MFTE) program.	●		●	
	5: Partner with local housing providers.	●			●
Strategies that address the increasingly expensive housing market	6: Support third-party purchases of existing affordable housing to keep units affordable.			●	●
	7: Work with faith-based and non-profit organizations.	●			● ●
	8: Develop a rental registry program.			●	
	9: Encourage amenities that enhance quality of life.	●			●
	10: Continue community conversations about housing.				● ●

Additional information about the strategies and implementing actions is attached to this staff report.

Next Steps

- **February 11, 2021** – Planning commission review of Draft Housing Action Plan (Human Services and Diversity, Equity, and Inclusion Commissions will be invited to join)
- **Mid-February through Early March** – Draft Housing Action Plan Public Release
- **March** – Planning Commission Briefing + Hearing (Legislative Process)
- **April** – Council Briefing + Hearing (Legislative Process)

Attachments

- Summary of Strategies and Goals
- Presentation

Attachment: Description of Draft Strategies and Implementation Actions

Strategy	Brief Description of Strategy	How it Addresses Needs Identified in Housing Needs Assessment	Implementation Actions
1: Continue growth in the Regional Growth Center (Alderwood and City Center) and along major transportation corridors.	<ul style="list-style-type: none"> For most households, transportation is the second-largest annual expenditure after housing. Considering transit and employment access in selecting sites for housing capacity will help households live closer to where they work. Community survey responses and stakeholder input overwhelmingly agree that planning growth near transportation investments is desirable 	<ul style="list-style-type: none"> Pace of housing unit construction needs to accelerate to meet expected future demand 	<ul style="list-style-type: none"> Revise development standards Plan for capital facilities and amenities Update design guidelines Adopt Planned Action Ordinance(s)
2: Update regulations, design standards, and subarea plans to be more flexible and responsive to changing conditions.	<ul style="list-style-type: none"> Regulatory flexibility can be an effective tool for encouraging unit types that are less commonly developed in Lynnwood. Housing producers can offer insight to finetune changes for maximum impact. The development code contains inconsistencies and seemingly small requirements that lead to significant challenges for development. A thorough review of code followed by updates will 	<ul style="list-style-type: none"> Pace of housing unit construction needs to accelerate to meet expected future demand Homeownership is out of reach for a growing proportion of residents, with the largest gaps for Black, Indigenous, and People of Color (BIPOC) communities. Lynnwood's current housing stock lacks housing type variety. 	<ul style="list-style-type: none"> Focus updates on commercial and mixed-use zones, and the Highway 99 and College District subareas Remove code barriers and added costs while balancing community desires (ADU, parking, Public zone, uses allowed on church property etc) Reduce need for development agreements for housing development

	improve overall housing development and affordability in Lynnwood.		<ul style="list-style-type: none"> • Subarea plan updates • Revise Development Guidelines
3: Strategically rezone areas to increase missing middle housing, allow for rehabilitation of existing multifamily structures, and reduce barriers to income-restricted units.	<ul style="list-style-type: none"> • Strategically rezoning areas is one of the most effective tools available to cities for increasing housing capacity and attracting a mix of unit types. Rezones in opportunity-rich neighborhoods create opportunities for economic mobility and address equity concerns. Expanded flexibility for the incorporation of missing middle housing types throughout Lynnwood's residential neighborhoods is an important step toward achieving production targets 	<ul style="list-style-type: none"> • Lynnwood's current housing stock lacks housing type variety. • The neighborhoods where a higher proportion of BIPOC residents live are more likely to be at risk of economic and cultural displacement. 	<ul style="list-style-type: none"> • Comprehensive plan update - rezone analysis
4: Revise the Multifamily Tax Exemption (MFTE) program.	<ul style="list-style-type: none"> • MFTE programs offer property tax exemption on the improvement value of an approved multifamily structure for 8 to 12 years. Cities choose target areas for this program, to concentrate growth in amenity-rich neighborhoods. • In Lynnwood, MFTE is currently enacted in the City Center. 	<ul style="list-style-type: none"> • Eligibility for subsidized housing programs far outstrips supply. Many renter households qualify for housing assistance but lack access to subsidized housing. • The pace of housing unit construction needs to accelerate to meet expected future demand. 	<ul style="list-style-type: none"> • Streamline process • Encourage more income-restricted units • Expand locations
5: Partner with local housing providers.	<ul style="list-style-type: none"> • Coordination with local housing developers can lead to development regulations improvements that achieve shared housing production goals. 	<ul style="list-style-type: none"> • Lynnwood's current housing stock lacks housing type variety • The pace of housing unit construction needs to accelerate to meet expected future demand. 	<ul style="list-style-type: none"> • Participate with regional efforts (AHA, Snohomish County, Housing Hope, Edmonds School District) • Connect housing providers to resources

	<ul style="list-style-type: none"> • The City's capacity to fund and build income-restricted housing is limited. Given this, partnerships with private and non-profit organizations are needed to maintain and increase income-restricted and market rate housing stock. 	<ul style="list-style-type: none"> • Eligibility for subsidized housing programs far outstrips supply. Many renter households qualify for housing assistance but lack access to subsidized housing. 	<ul style="list-style-type: none"> • Facilitate development conversations • Be flexible and responsive to changing market conditions • Revolving loan fund • Could use 1406 funds towards new income-restricted units
6: Support third-party purchases of existing affordable housing to keep units affordable.	<ul style="list-style-type: none"> • Acquiring units that provide affordability within existing neighborhoods can be a cost-effective method for avoiding displacement and preserving income-restricted units. Community-based organizations, non-profits and community land trusts are important property owners within a neighborhood. 	<ul style="list-style-type: none"> • 40% of households pay more than they can afford on housing and are cost burdened. • Housing costs are rising much faster than incomes. 	<ul style="list-style-type: none"> • Support creation of revolving loan fund • Could use 1406 funds to rehabilitate units
7: Work with faith-based and non-profit organizations.	<ul style="list-style-type: none"> • Lynnwood has a strong community of faith-based organizations and nonprofit organizations that can be important partners for housing efforts, particularly housing that serves vulnerable groups and residents with lower incomes (below 50% MFI). 	<ul style="list-style-type: none"> • 40% of households pay more than they can afford on housing and are cost burdened. • Housing costs are rising much faster than incomes. 	<ul style="list-style-type: none"> • Be flexible and responsive to ideas • Revise public zones to allow for housing • Could use 1406 funds to fund projects
8: Develop a rental registry program.	<ul style="list-style-type: none"> • Rental inspection programs respond to tenant concerns of owner neglect or mismanagement. Inspections look 	<ul style="list-style-type: none"> • Homeownership is out of reach for a growing proportion of residents, with the largest gaps for Black, Indigenous, and People of Color (BIPOC) communities. 	<ul style="list-style-type: none"> • Identify program goals, applicability, inspection timelines, and enforcement capabilities

	<p>for issues such as building weatherproofing, provision of emergency egress, adequate ventilation, and functional utilities. Enforcing these basic life safety regulations protects tenant safety and promotes health and wellbeing in the community.</p>	<ul style="list-style-type: none"> • 40% of households pay more than they can afford on housing and are cost burdened. 	
9: Encourage amenities that enhance quality of life.	<ul style="list-style-type: none"> • Housing is most successful when it is accompanied by investments in amenities and community assets that improve quality of life. 	<ul style="list-style-type: none"> • The neighborhoods where a higher proportion of BIPOC residents live are more likely to be at risk of economic and cultural displacement. 	<ul style="list-style-type: none"> • Incentivize “village” amenities (community meeting spaces, locally owned retail opportunities, etc.)
10: Continue community conversations about housing.	<ul style="list-style-type: none"> • Community engagement is a critical component to decision-making. The impacts of housing policy are personal and can dramatically impact the lives of those affected. Processes for outreach and engagement should establish effective lines of communication to ensure that community concerns are reflected in decision making. 	<ul style="list-style-type: none"> • The pace of housing unit construction needs to accelerate to meet expected future demand. • Lynnwood’s current housing stock lacks housing type variety. • Homeownership is out of reach for a growing proportion of residents, with the largest gaps for Black, Indigenous, and People of Color (BIPOC) communities. 	<ul style="list-style-type: none"> • Raise awareness of housing needs and solutions • Continue and improve engagement and building trust with communities of color, underserved communities, and low-income communities • Make sure all community voices are represented • Step Up conference attendance/presentation • Social media and newsletter announcements



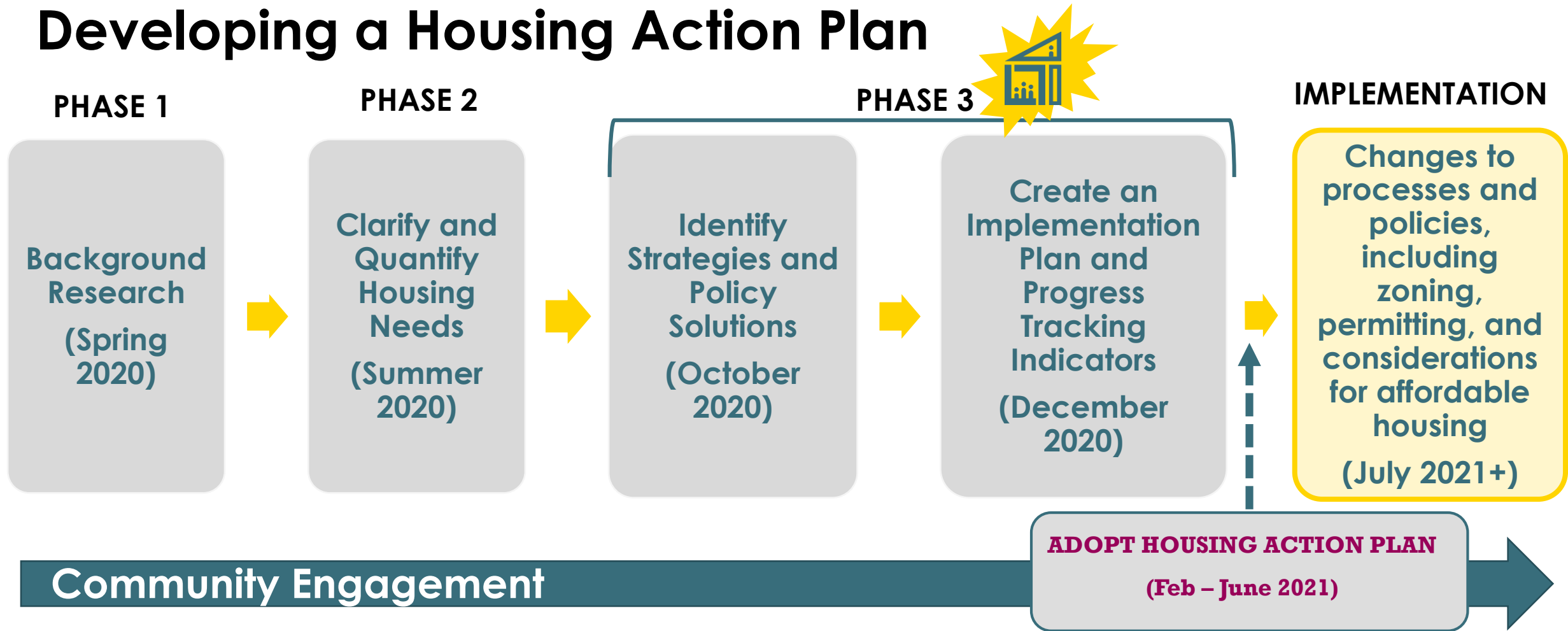
LYNNWOOD HOUSING ACTION PLAN

Planning Commission Update

January 28, 2021



Developing a Housing Action Plan

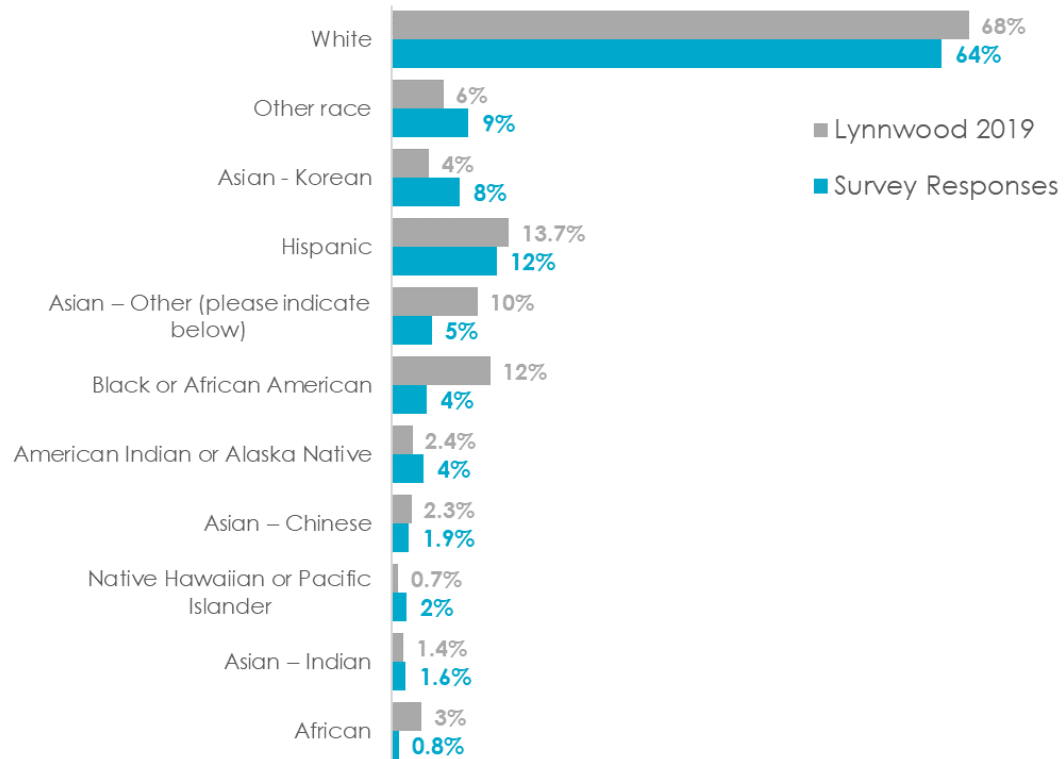




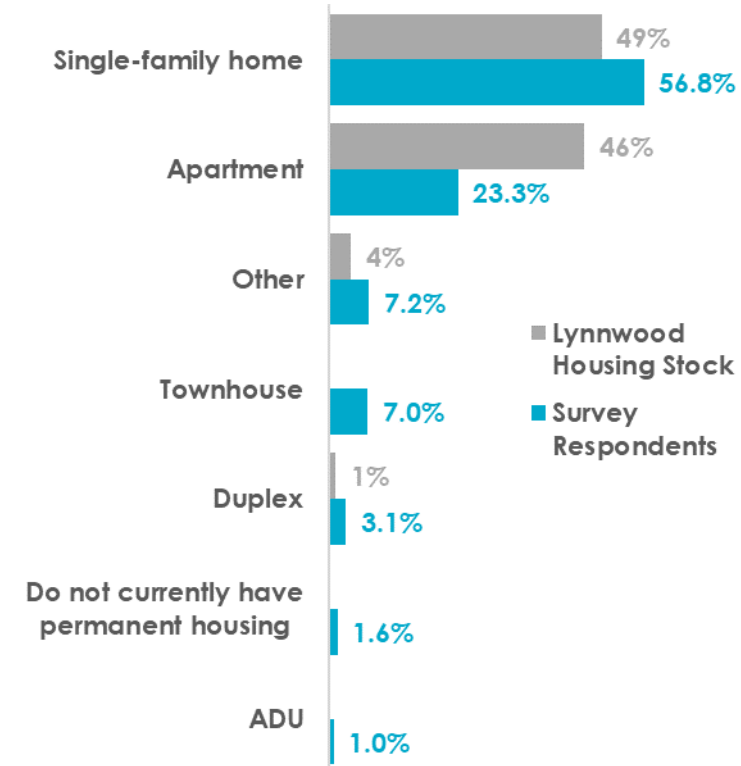
PUBLIC ENGAGEMENT

Who have we heard from?

Respondents, by race and/or ethnic identity



Respondents, by housing type



**When you are looking
for a place to live,
what is most important
to you?**

Top 5 Responses

Safety

369

Cost

365

**Character/visual appeal
of the home**

196

**Close to grocery stores or
other food sources**

195

Commute time

176

Different Housing Types

ADUs

- Homeowners feel that **cost and complexity** are the biggest barriers to building an ADU
- Renters express that **privacy and proximity to a landlord** are the least desirable traits of ADUs
- 17% who responded (43 people) say that they **would enjoy living in an ADU**



Different Housing Types

Duplexes/Triplexes/Fourplexes

- Like that they are **more affordable** than single-family homes
- Feel that that **fit well** in existing neighborhoods
- Could see this type **throughout residential neighborhoods** in Lynnwood
- Concerns about **parking and traffic**



Different Housing Types

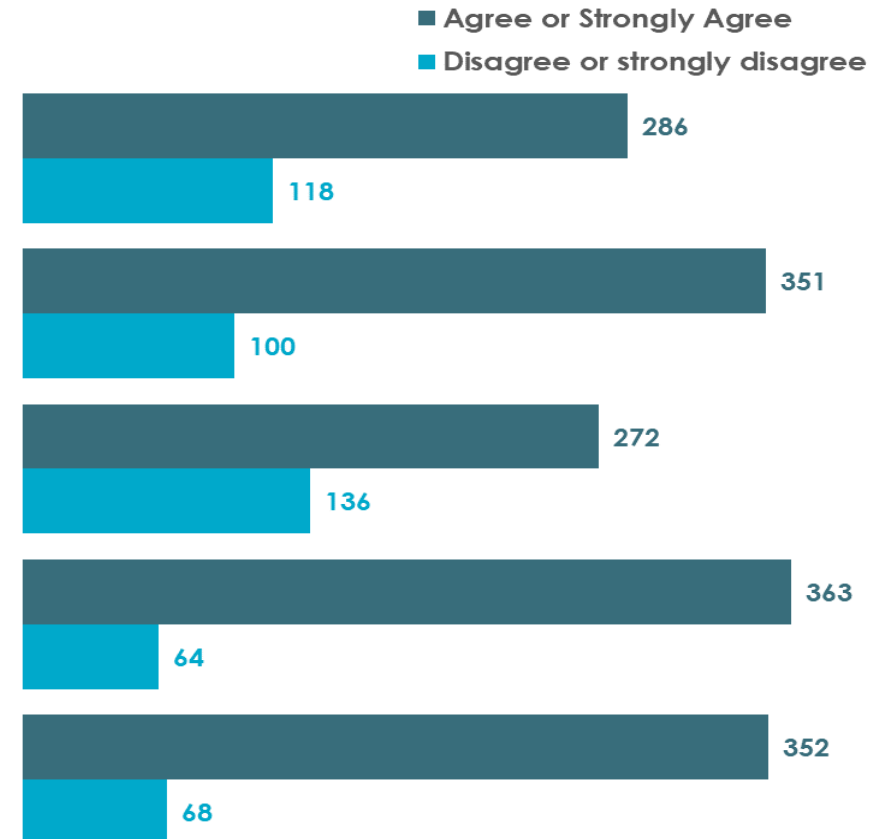
Townhomes

- Like that they offer **affordable home ownership** opportunities
- Could see this type **throughout Lynnwood**
- Concerns about **parking and traffic**
- Hesitations around **HOA fees and restrictions**



Agree / Disagree Statements

- The city should offer **incentives** to developers for inclusion of affordable housing
- The city should **require** developers to **build affordable housing**
- I am concerned that I will not be able to live in Lynnwood because of **housing costs**
- I would like the city to create a **rental inspection program**
- I would like to see more **renter/tenant protections** in Lynnwood



Housing Action Plan Goals

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

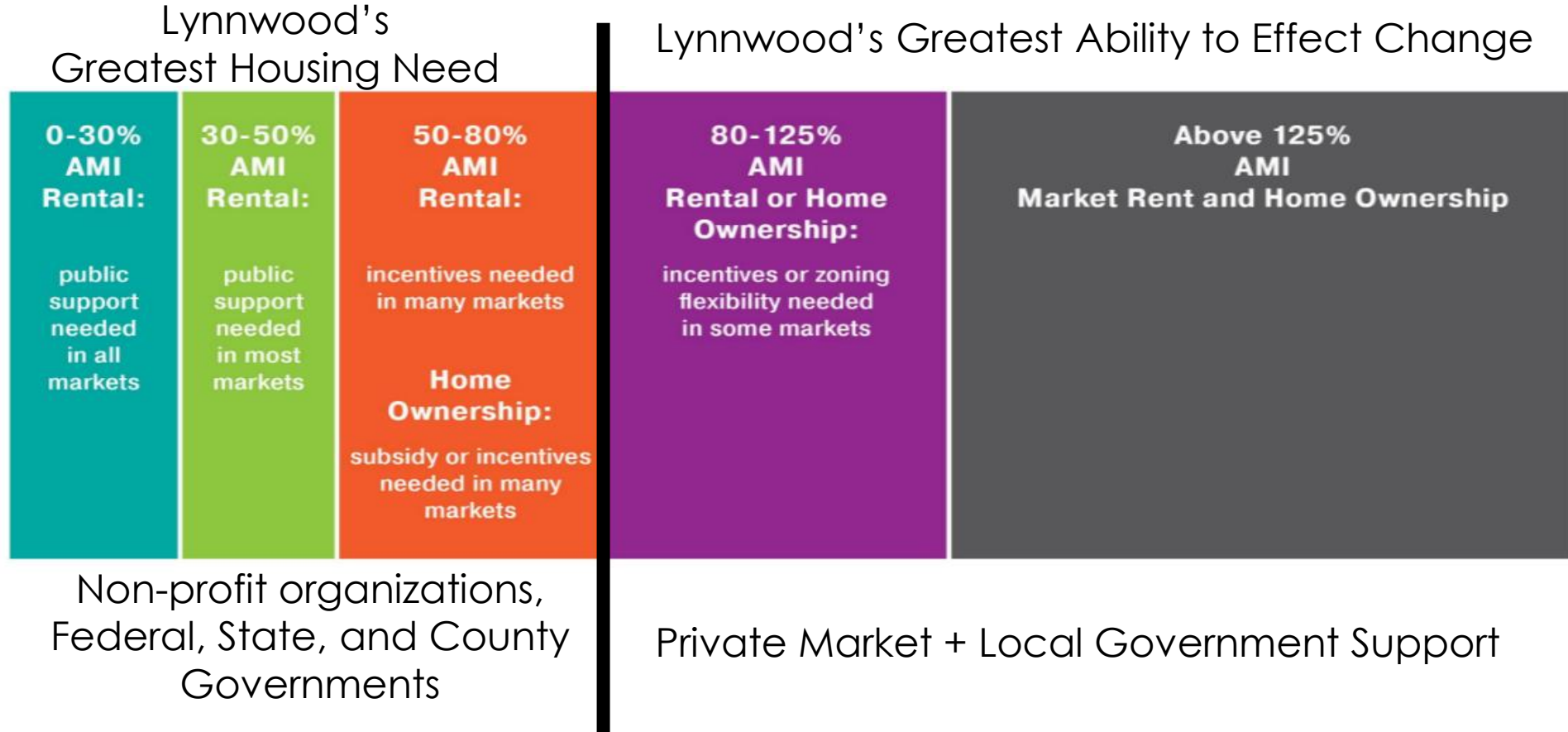
Partner with housing educators, providers, and other groups to find equitable housing solutions and remove systemic barriers.

PREPARE

Prepare for continued growth and increase quality of life in Lynnwood.

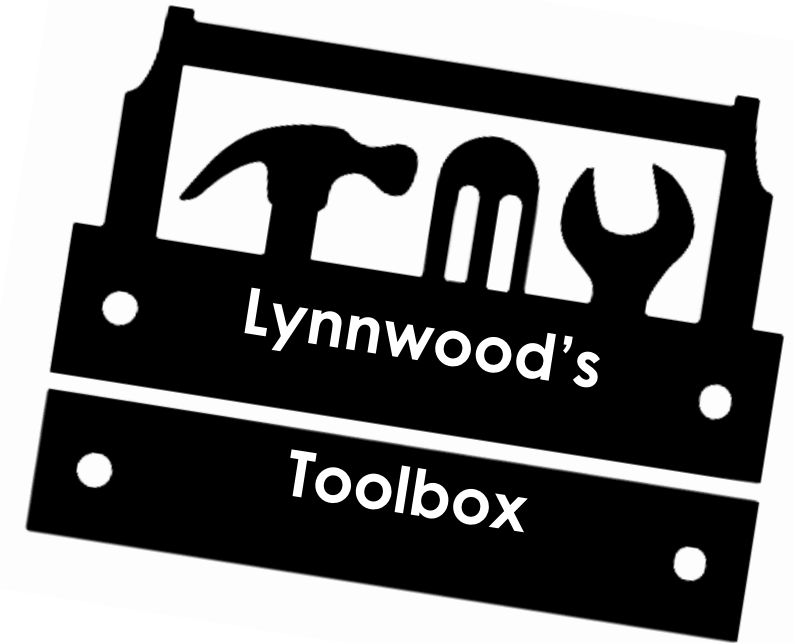
Different strategies for different needs


- LOWER housing costs require GREATER public intervention



Local Government's Role on Addressing Housing Affordability

1. Policy and Regulatory Actions
2. Funding
3. Community Outreach and Engagement



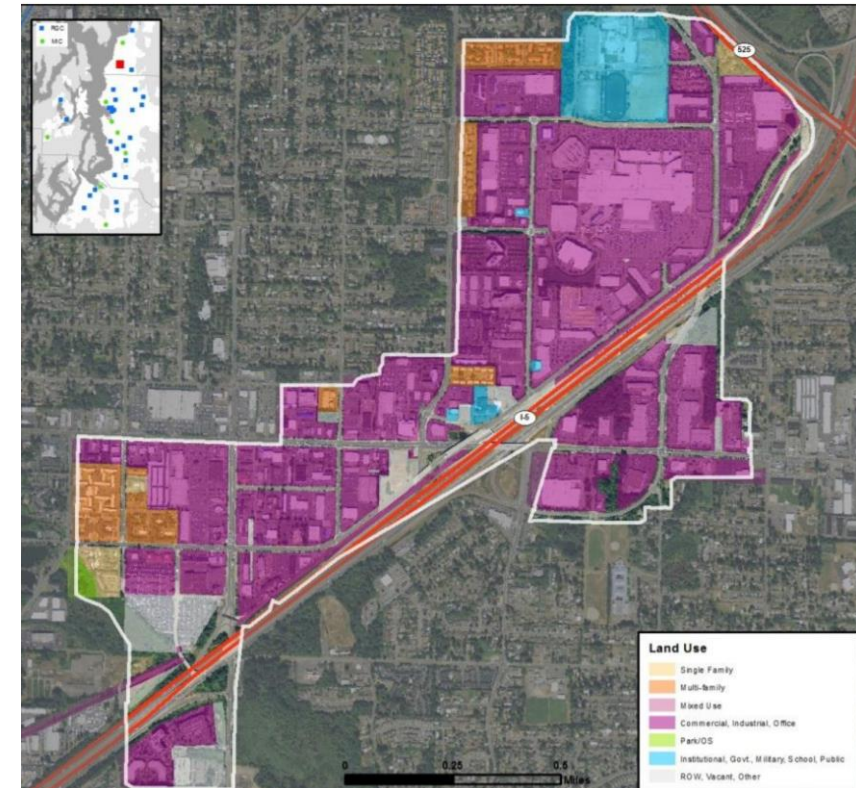


Strategies that encourage additional housing units

1. Continue growth in the Regional Growth Center (Alderwood and City Center) and along major transportation corridors.
2. Update regulations, design standards, and subarea plans to be more flexible and responsive to changing conditions.
3. Strategically rezone areas to increase missing middle housing, allow for rehabilitation of existing multifamily structures, and reduce barriers to income-restricted units.
4. Revise the Multifamily Tax Exemption (MFTE) program.
5. Partner with local housing providers.

1: Continue growth in Regional Growth Center (Alderwood and City Center) and along major transportation corridors.

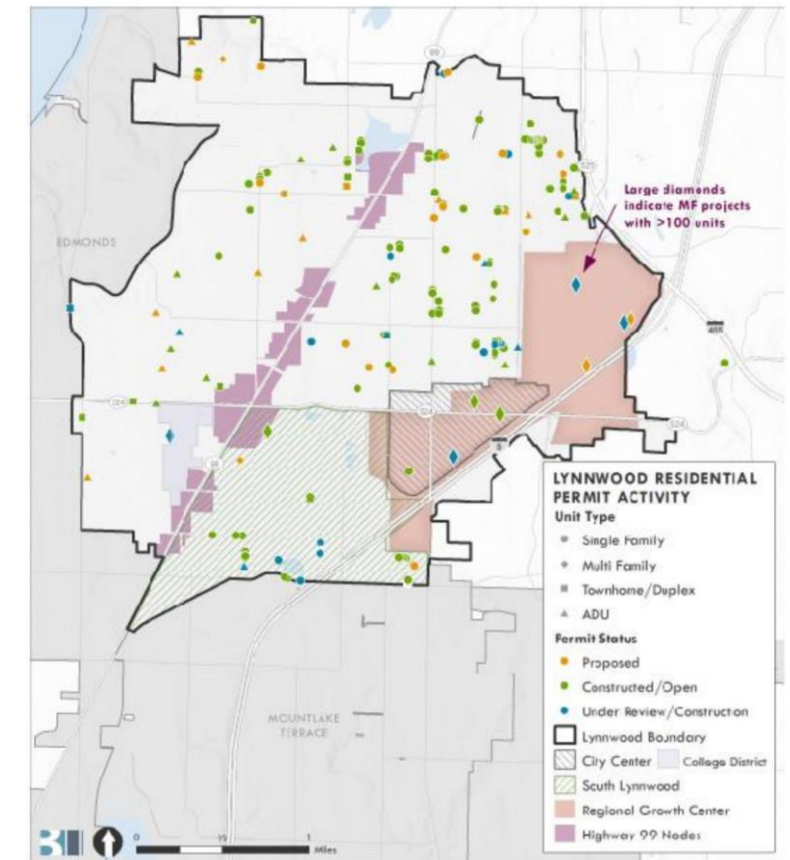
- Revise development standards
- Plan for capital facilities and amenities
- Update design guidelines
- Adopt Planned Action Ordinance(s)



2: Update regulations, design standards, and subarea plans to be more flexible and responsive to changing conditions.

- Focus updates on commercial and mixed-use zones
- Revise the Highway 99 and College District subareas
- Remove code barriers and be more flexible/responsive to changing development conditions (ADU, parking, Public zone, uses allowed on church property, etc.)
- Reduce need for development agreements for housing development
- Revise development guidelines

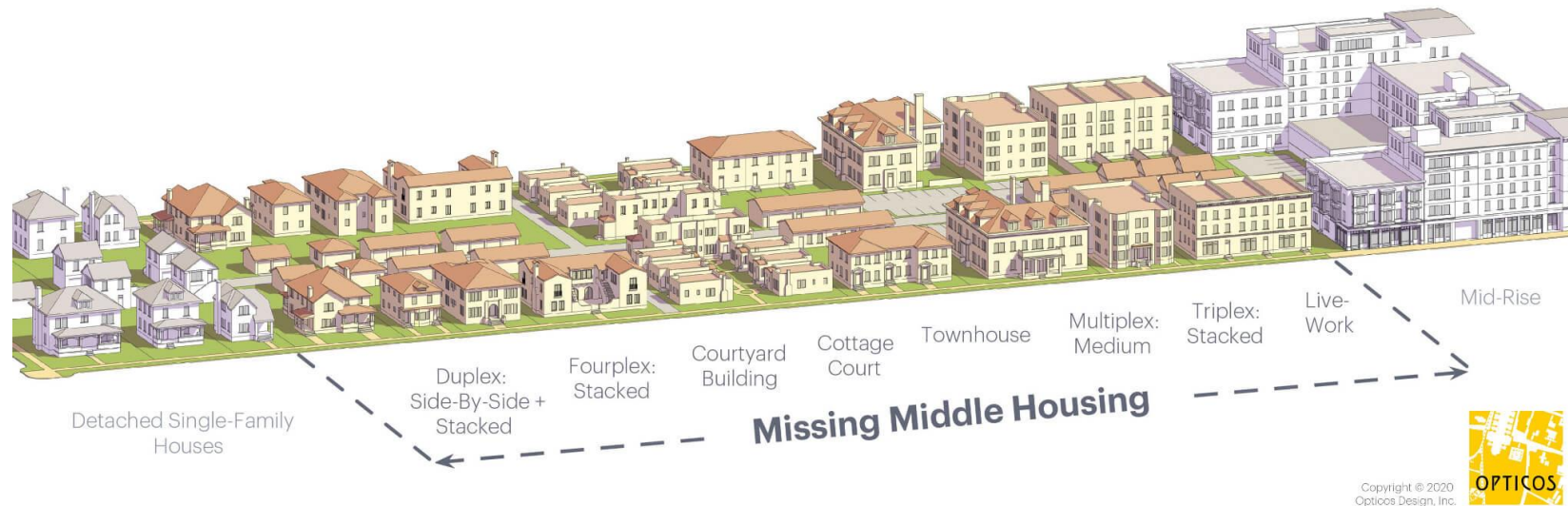
Exhibit 35: Residential Development in Lynnwood, January 2013- March 2020.



Sources: City of Lynnwood, 2020; BERK Consulting, 2020.

3: Strategically rezone areas to increase missing middle housing, allow for rehabilitation of existing multifamily structures, and reduce barriers to income-restricted units.

- Comprehensive Plan update – update Future Land Use (FLU) map and rezone properties



4: Revise the Multifamily Tax Exemption (MFTE) program.

- Streamline process
- Encourage more income-restricted units
- Expand locations




5: Partner with local housing providers.

- Participate with regional efforts (AHA, Snohomish County, Housing Hope, Edmonds School District)
- Connect housing providers to resources
- Facilitate development conversations
- Be flexible and responsive to changing market conditions
- Revolving loan fund
- Can use 1406 funds towards new income-restricted units



Snohomish County, Washington





Strategies that address the increasingly expensive housing market

6. Support third-party purchases of existing affordable housing to keep units affordable.
7. Work with faith-based and non-profit organizations.
8. Develop a rental registry program.
9. Encourage amenities that enhance quality of life.
10. Continue community conversations about housing.

6: Support third-party purchases of existing affordable housing to keep units affordable.

- Support creation of revolving loan fund
- Assist with zoning certification/analysis
- Can use 1406 funds to rehabilitate units



7: Work with faith-based and non-profit organizations.

- Be flexible and responsive to ideas
- Revise public zones to allow for more types of housing
- Can use 1406 funds to fund projects



8: Develop a rental registry program.

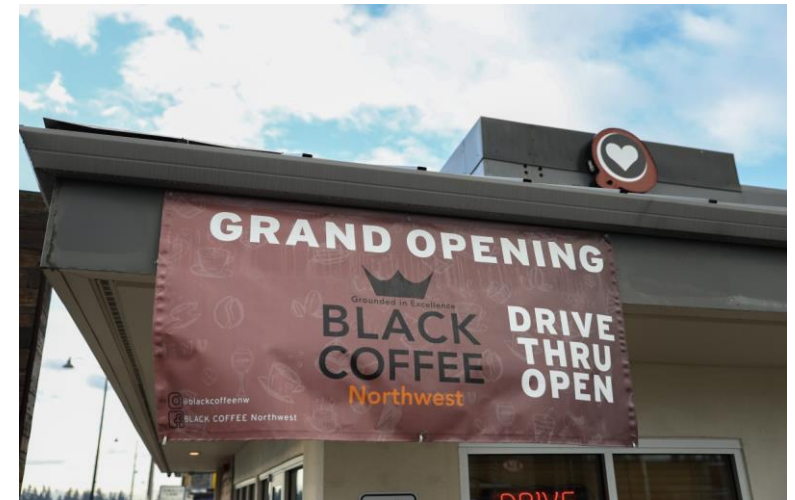
- Identify program goals, applicability, inspection timelines, and enforcement capabilities

**Rental Property
Registration**



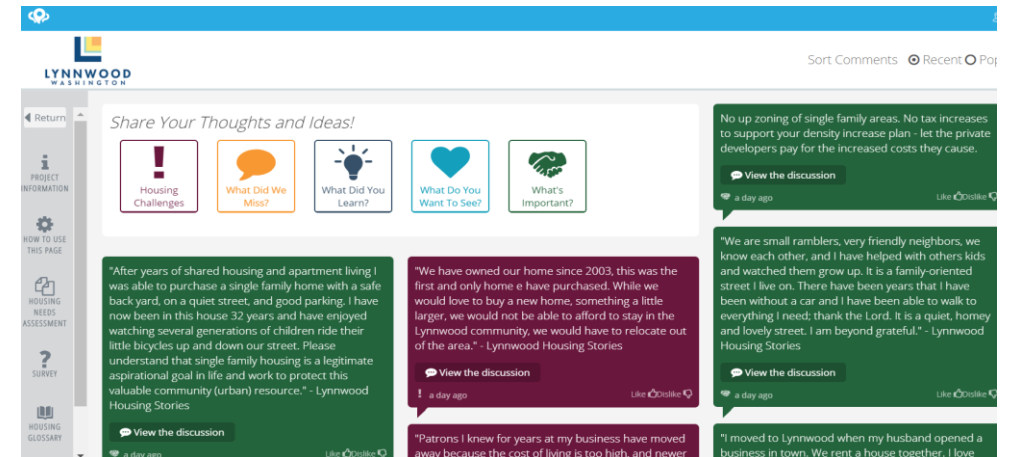
9: Encourage amenities that enhance quality of life.

- Code updates to allow outright and incentivize “village” amenities (community meeting spaces, locally owned retail opportunities, etc.)



10: Continue community conversations about housing.

- Raise awareness of housing needs and solutions
- Continue and improve engagement and building trust with communities of color, underserved communities, and low-income communities
- Make sure all community voices are represented



NEXT STEPS

www.lynnwoodwa.gov/housingactionplan

- **February 11** – Planning Commission Update with Human Services and Diversity, Equity, and Inclusion Commissions
- **Mid-February through Early March** – Draft Housing Action Plan Public Release
- **March** – Planning Commission Briefing + Hearing
- **April** – Council Briefing + Hearing



www.lynnwoodwa.gov/housingactionplan



Contact Info

Kristen Holdsworth, AICP

📞 425-670-5409

✉ kholdsworth@lynnwoodwa.gov

🌐 <https://www.lynnwoodwa.gov/HousingActionPlan>

Election of Officers

Agenda Item: F.1

Staff Report

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

Staff Contacts: Ashley Winchell, Community Planning Manager

Summary

This agenda item allows for election of Commission members to the positions of Chair, First Vice-Chair, and Second Vice-Chair.

Pursuant to the Planning Commission's Scope and Rules (2021), officers are to be elected annually.

Policy Questions

NA

Action

Nominate and subsequently elect Commissioners to the officer positions Chair, First Vice-Chair, and Second Vice-Chair.

Background

Officers for 2020 were:

Chair	Chad Braithwaite
First Vice-Chair	Chris Eck
Second Vice-Chair	Layla Bush

Previous Planning Commission / City Council Action

NA

Adm. Recommendation

NA

Attachments

1. None