



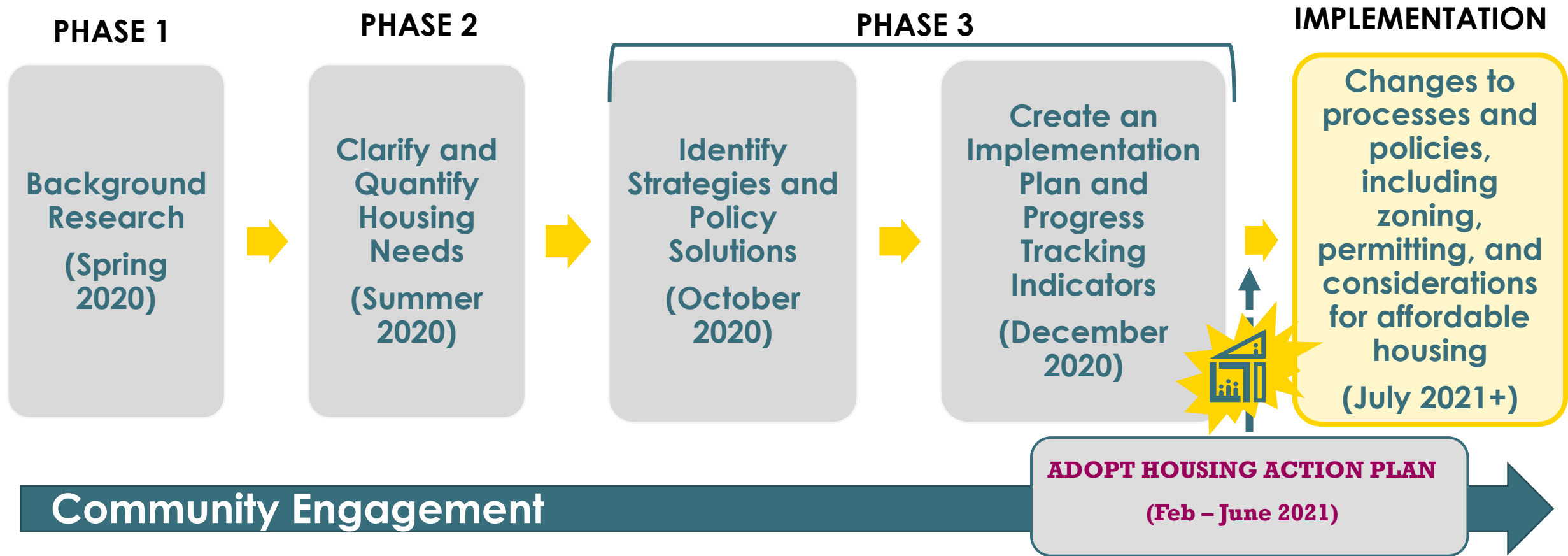
LYNNWOOD HOUSING ACTION PLAN

Planning Commission Update
(Joint Meeting with Human Services
and Diversity, Equity, and Inclusion
Commissions)

February 11, 2021



Developing a Housing Action Plan



What is Housing Affordability?

Housing costs
no more than
30%
of a household's income



*Housing affordability
does not necessarily mean
subsidized or public housing*

Image Source: Brighter Images Photography

Why Does Housing Affordability Matter?



Image Sources: Brighter Images Photography

As of 2016, 2 in every 5 households in Lynnwood are cost burdened*



**Severely
Cost Burdened**



Cost Burdened



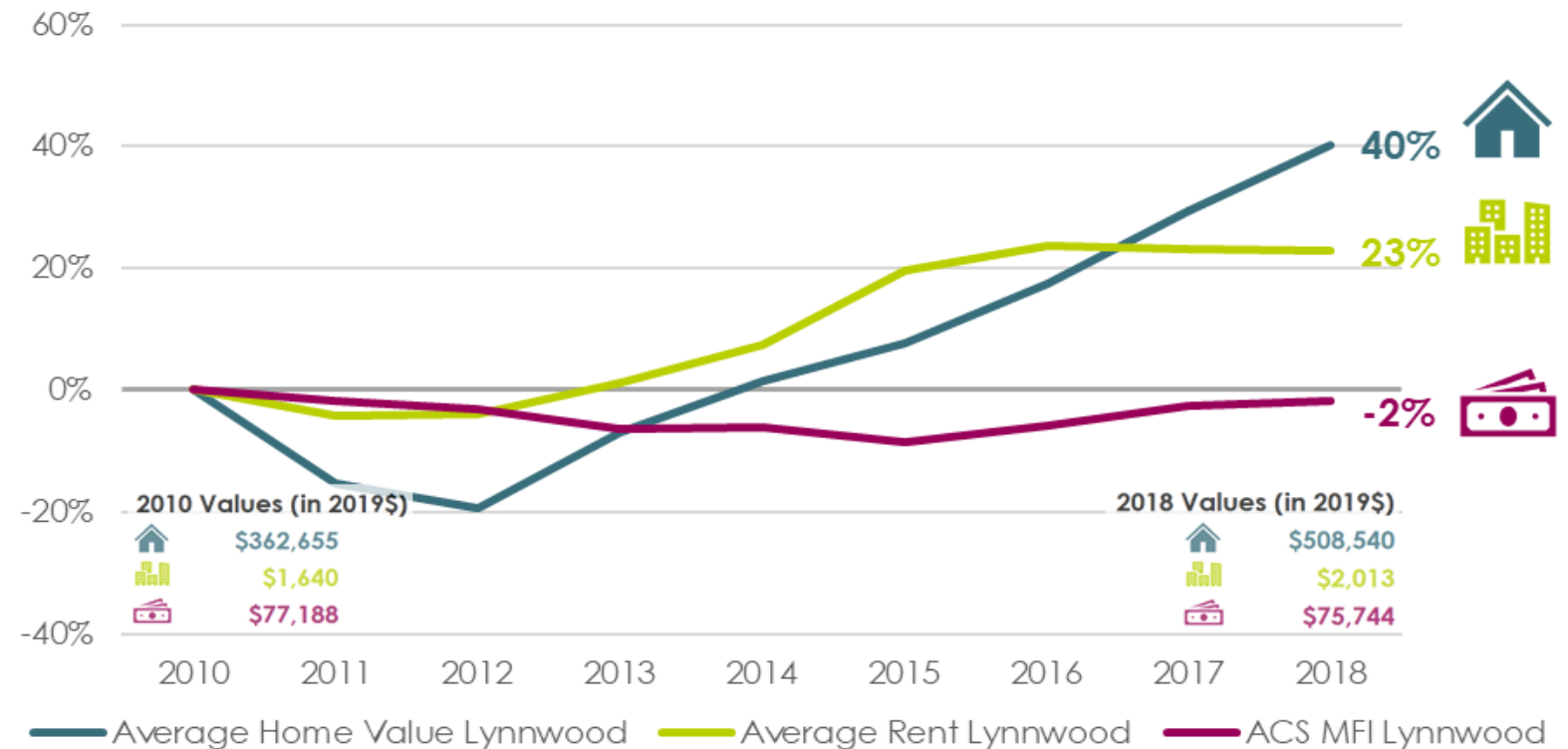
**This number is likely higher now due to increased housing costs and the impacts of Coronavirus*

Sources: HUD CHAS (based on ACS 2012-2016 5-year estimates), BERK, 2020.

Housing Costs are Rising Faster than Incomes

In the past decade, the central Puget Sound region has grown in jobs and population and continues to experience a housing affordability crisis.

Since 2010 Lynnwood home values have increase by 40% 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.

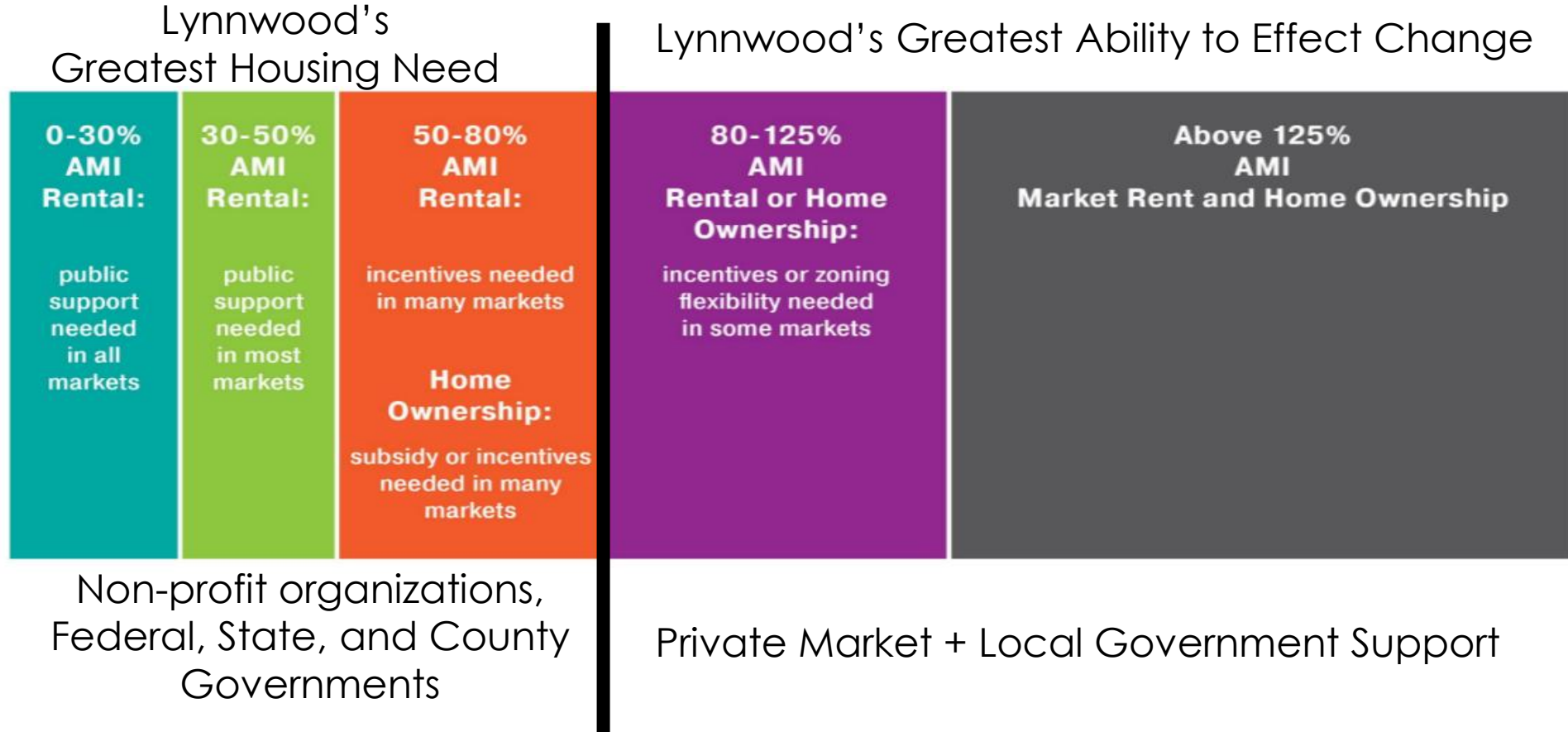
1. Almost 40% of Lynnwood's households are **cost-burdened**.
2. Housing **costs are rising faster than incomes**.
3. Many renters qualify for housing assistance but **lack access to subsidized housing**.
4. **Homeownership is out of reach** for a growing proportion of residents, with the largest gaps for Black, Indigenous, and People of Color (BIPOC) communities.
5. White and Black, Indigenous, and People of Color (BIPOC) residents typically live in **separate communities**.
6. Lynnwood's current housing **stock lacks housing type variety**.
7. The pace of housing unit **construction needs to accelerate** to meet expected future demand.



7 Key Findings from Housing Needs Assessment

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



1. **The Snohomish County Housing Affordability Regional Task Force (HART).** The City has implemented all of the early-action items and a majority of the five-year actions.
2. **The Multifamily Tax Exemption (MFTE)** program in the City Center subarea.
3. **Streamlined Permitting Process/Process Improvements**
4. **SHB 1406** revenue for housing \$196,581 (dependent on sales tax) annually for the next 20 years.
5. **Regional Coordination** – AHA, Interlocal Agreement with HASCO, etc.



**CURRENT +
ONGOING
EFFORTS**

1. Overall, Lynnwood has been **successful** at increasing the number of new housing units.
2. The city's policy focus on creating the City Center subarea and **focusing growth in designated subareas is working**, although some subareas are performing better than others.
3. City policy references the **need for housing diversity**. While several “**missing middle**” housing types are allowed across a range of zones, the total acreage of these zones (and potential for redevelopment) is **limited**.
4. The development code contains **inconsistencies and seemingly small requirements** that lead to significant challenges for implementation.



POLICY AND CODE REVIEW



PUBLIC ENGAGEMENT

1. Outreach & Communications

- Project webpage
- Print and social media
- Official notices
- Interested parties list
- Graphic Materials
- Project Kiosk

2. Community & Stakeholders

- Stakeholder Interviews
- Meetings in a Box
- Pop-up Community Events
- Community Meetings
- Small Group Discussions
- Advisory Group Meetings

3. Boards & Commissions

- Joint Boards and Commission Annual Meeting
- Planning Commission
- Diversity Equity and Inclusion Commission
- Human Services Commission³.

4. City Council

- Council Updates
- Council Housing Policy Committee
- Council Interviews

5. Regional Entities

- Snohomish County Housing Affordability Regional Task Force (HART)
- Alliance for Housing Affordability (AHA)
- Puget Sound Regional Council (PSRC)
- American Planning Association (APA)



Engagement Strategies

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

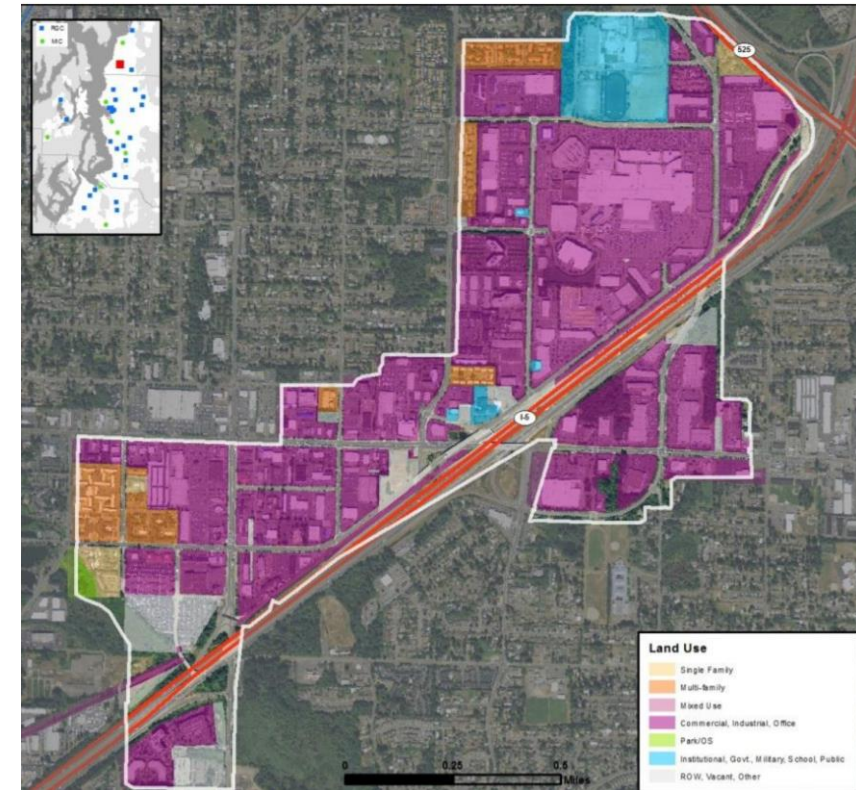
Partner with housing educators, providers, and other groups to find equitable housing solutions and remove systemic barriers.

PREPARE

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

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

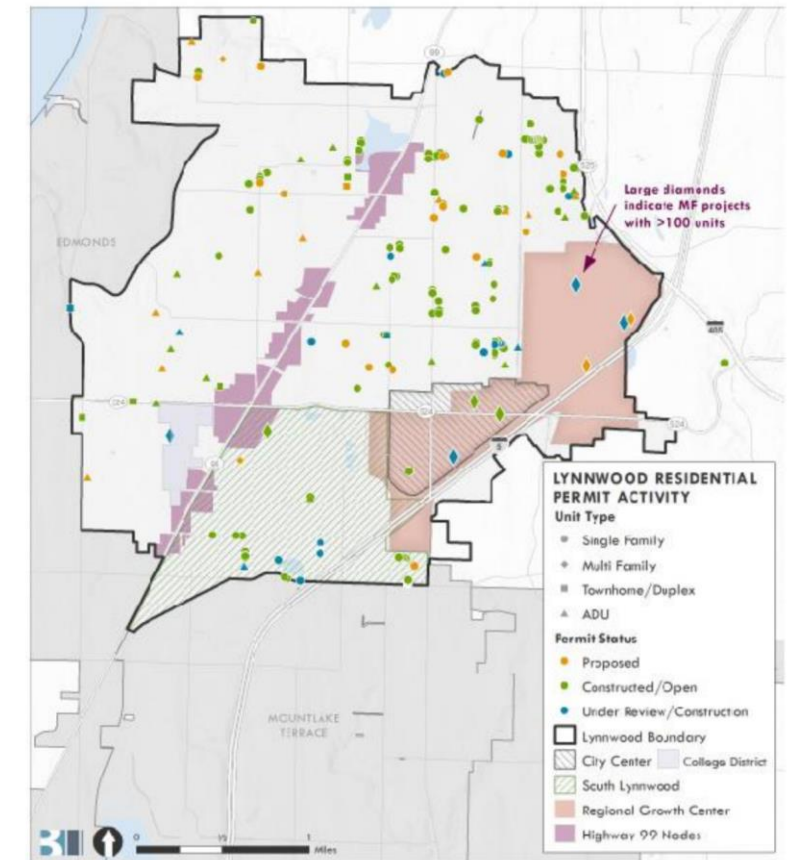
- Revise development standards
- Plan for capital facilities and amenities
- Update design guidelines
- Adopt Planned Action Ordinance(s)



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

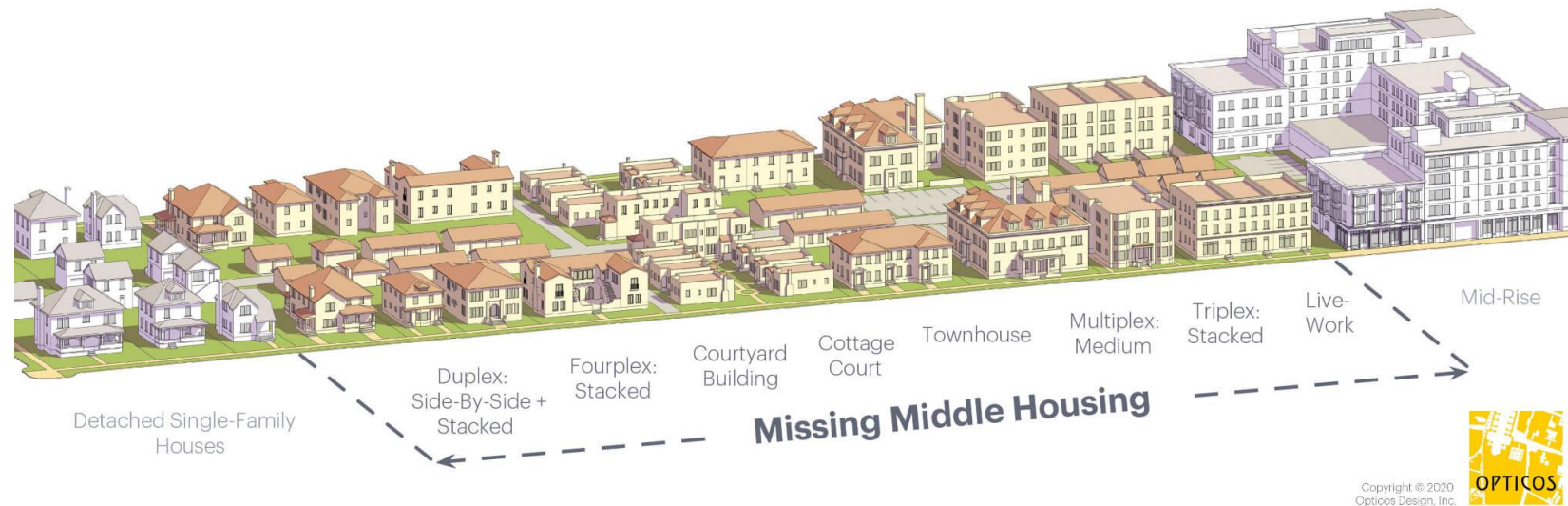
Exhibit 35: Residential Development in Lynnwood, January 2013- March 2020.



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

3: Strategically rezone areas to increase and diversity Lynnwood housing options.

- 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



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**



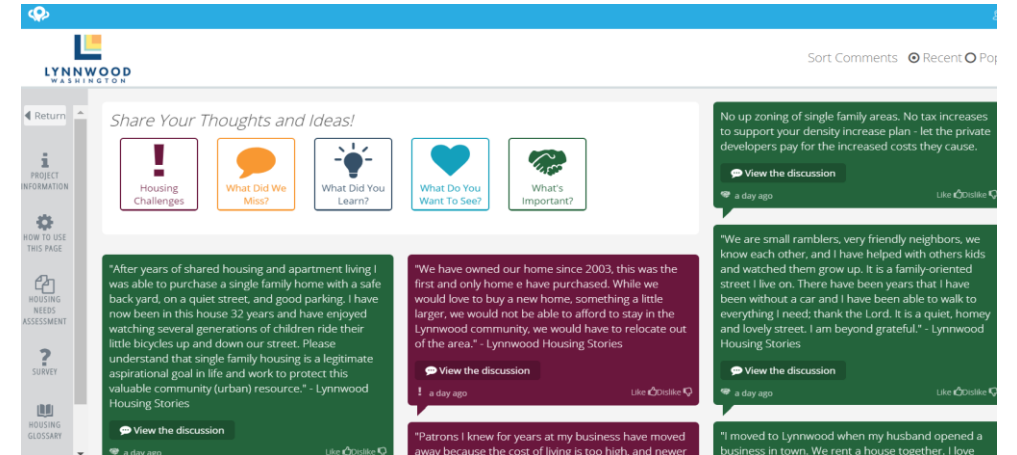
9: Encourage amenities that enhance quality of life.

- 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 17** – Council Update
- **Mid-February through Early March** – Draft Housing Action Plan
Public Release
- **March** – Planning Commission Briefing + Hearing
- **April** – Council Briefing + Hearing
- **May 10, 2021** – Plan Adoption



www.lynnwoodwa.gov/housingactionplan

 **LYNNWOOD**
WASHINGTON

 **BERK**

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