

#### **RESOLUTION NO. 2021-05**

A RESOLUTION OF THE CITY OF LYNNWOOD, WASHINGTON, ADOPTING THE CITY'S HOUSING ACTION PLAN AS A GUIDING DOCUMENT WITH RECOMMENDATIONS FOR FUTURE HOUSING POLICY, PLANNING, AND REGULATORY AMENDMENTS TO IMPROVE HOUSING OPTIONS THAT ARE SAFE AND AFFORDABLE FOR THE ENTIRE COMMUNITY.

WHEREAS, the City of Lynnwood has been addressing the community's housing needs for several years through the Comprehensive Plan and other policy efforts; as co-chair of the Snohomish County Housing Affordability Regional Task Force (HART); the preparation of the Lynnwood Housing White Paper (2019); and the creation of the Council Housing Policy Committee (established 2019); and

WHEREAS, the City of Lynnwood has adopted plans, policies, regulations, and programs to increase housing supply and support housing choices; and

WHEREAS, since 2010 income in the City of Lynnwood has been stagnant while housing costs have increased by 20-40% when adjusted for inflation; and

WHERAS, nearly two in every five of Lynnwood's households pay at least 30 percent of their income on housing costs each month, limiting their ability to pay for other necessities; and

WHEREAS, the City of Lynnwood finds that adequate, safe, and affordable housing is key to ensuring a vibrant community with a desirable quality of life; and

WHEREAS, the City of Lynnwood finds that there is a need for housing units that are safe and affordable across all income levels; and

WHEREAS, the City of Lynnwood recognizes the need for a more comprehensive strategy in addressing its housing needs; and

WHEREAS, the Washington State Legislature created a new grant program under Engrossed Second Substitute House Bill (E2SHB) 1923 (Chapter 348, Laws of 2019; in part RCW 36.70A.600), which provided a number of eligible land use planning activities for cities to

consider implementing increases to housing capacity, including the creation of a Housing Action Plan; and

WHEREAS, the City of Lynnwood applied for and received grant funding from Department of Commerce in the amount of \$100,000.00 to develop a Housing Action Plan; and

WHEREAS, the City of Lynnwood contracted with BERK Consulting and MAKERS to assist with development of a Housing Action Plan to identify current and projected housing needs; evaluate current plans, policies, and programs; develop goals and strategies to increase housing supply and variety of housing types; and create an implementation plan; and

WHEREAS, the Housing Action Plan was developed by evaluating the City's ongoing efforts, analyzing Lynnwood's current and future housing needs through a Housing Needs Assessment, and collaborating with the community; and

WHEREAS, the Housing Action Plan included a robust public engagement process, including input from a Stakeholder Advisory Group; the Council Housing Policy Committee; regional partners; the Lynnwood Planning Commission, Human Services Commission, and Diversity, Equity, and Inclusion Commission; online open houses and surveys; newsletters and social media; and other presentations; and

WHEREAS, the City of Lynnwood Planning Commission held meetings addressing the Housing Action Plan on June 25, August 27, October 22, November 12, and December 10, 2020 and January 28 and February 11, 2021; and

WHEREAS, the City of Lynnwood Council received written updates or held meetings addressing the Housing Action Plan on February 8, June 1, August 3, September 21, October 10, November 30, December 7, and December 23, 2020 and January 19, February 17, March 29, and April 5, 2021; and

WHEREAS, on February 22, 2021, the Development and Business Services Department issued a "Determination of Nonsignificance" (DNS) with comments due March 8, 2021, pursuant to RCW 43.21C and WAC 197-11; and

WHEREAS, on April 8, 2021, the City of Lynnwood Planning Commission held a duly advertised public hearing to consider public comment and staff recommendation before making recommendation to the City County in favor of adopting the Housing Action Plan; and

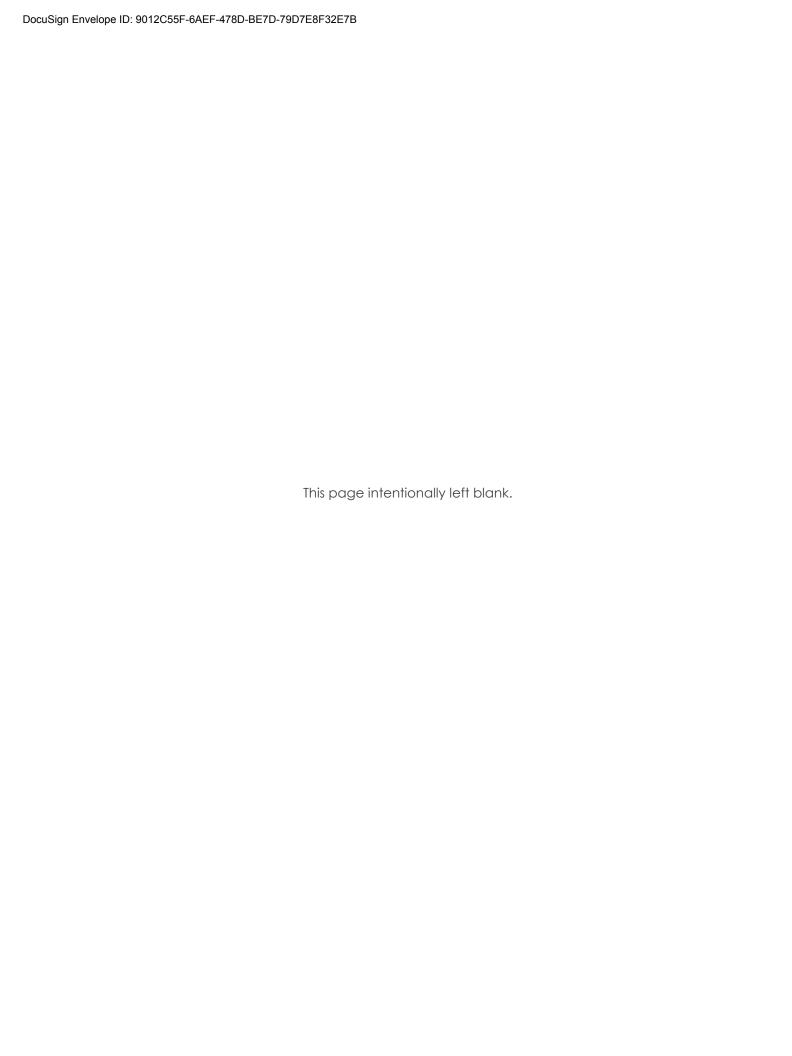
WHEREAS, the City Council received the Housing Action Plan and a briefing on the materials at the April 19, 2021 work session; and

WHEREAS, the City Council held a duly advertised public hearing on May 10, 2021 at the Council business meeting to take and consider public comment; now therefore

84 THE CITY COUNCIL OF THE CITY OF LYNNWOOD, WASHINGTON, DO RESOLVE AS 85 **FOLLOWS:** 86 87 Section 1. The Housing Action Plan as shown in Attachment A is hereby adopted in 88 accordance with RCW 36.70A.600 as a reference document for consideration of 89 recommendations and actions to increase housing options that are safe and affordable for 90 Lynnwood. 91 92 Section 2. The City Council supports the use of the Housing Action Plan to find 93 innovative ways to address Lynnwood's housing needs, following public participation 94 requirements. 95 96 Section 3. The Housing Action Plan is a foundation to update policies related to housing 97 for the 2024 Comprehensive Plan update. 98 99 Section 4. This Resolution shall be in full force and effect from and after its adoption. 100 101 PASSED BY THE CITY COUNCIL, the 24th day of May, 2021. 102 103 APPRUVED: Mcola Smith 104 5/26/2021 281B3CE79E884DA... 105 106 Nicola Smith, Mayor 107 108 ுக்காத்த்தை AUTHENTICATED: 109 Kreen Kitzthum 110 549561C7EC99433.. 111 Karen Fitzthum, City Clerk









## **Acknowledgements**

The Housing Action Plan was made possible through the time, knowledge, and vision from numerous stakeholders. The City values and appreciates the participation of diverse perspectives in the development of an inclusive housing plan for all of Lynnwood. Further information about community engagement plan can be found in **Appendix B: Housing in Lynnwood: Inventory of Efforts**.

#### Mayor

Nicola Smith

#### City Council

George I	Hurst,	President	С
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Jim Smith, Vice President

Christine Frizzell, Past

President

Shannon Sessions, Past

Vice President

Julieta Altamirano-Crosby

Ian Cotton

**Ruth Ross** 

#### Planning Commission

Chris Eck. Chair

Bob Larsen, First Vice Chair

Patrick Robinson, Second

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**Aaron Lum** 

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**Past Members:** 

**Chad Braithwaite** 

Mike Wojack



#### City Staff (Development and Business Services)

David Kleitsch, Director

Ashley Winchell, AICP, Community Planning Manager

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#### Consultant Team

BERK Consulting

**MAKERS** 

#### Stakeholder Advisory Group

The City convened a Stakeholder Advisory Group to provide guidance on existing housing challenges, recommend additional public engagement efforts, and evaluate potential strategies and actions. The Stakeholder Advisory Group included community members, community group representatives, local builders and real estate professionals, and local religious groups/faith-based organizations. Over the course of four Stakeholder Advisory Group meetings, four listening sessions, and dozens of conversations, the Housing Action Plan benefitted from their input and perspectives.

- Bob Larsen, Planning Commissioner and resident
- Cami Morrill, Snohomish County-Camano Association of Realtors
- Chris Collier, Alliance for Housing Affordability
- Duane Landsverk, Landsverk Quality Homes, Inc.
- Duane Leonard, Housing Authority of Snohomish County (HASCO)
- Faheem Darab, Zainab Organization of Greater Seattle
- Fred Safstrom, Housing Hope
- Galina Volchkova, Volunteers of America
- Jared Bigelow, Diversity, Equity, and Inclusion Commissioner and resident
- Jeff Butler, Butler Development LLC

- Keny Lopez, Familias Unidas
- Ki Seung Cho (Master Cho), business owner and resident
- Linda Jones, Lynnwood Chamber of Commerce
- Mark Smith, Housing Consortium of Everett and Snohomish County and resident
- Mary Anne Dillon, YWCA
- Mike Pattison, Master Builders Association
- Nick Nowotarski, AvalonBay Communities, Inc.
- Pastor Gail Rautmann, Gloria Dei Lutheran Church
- Sally Guzmán, Edmonds School District
- Sangsoon Woo, United Seattle-Bellevue Korean School
- Scott Shapiro, Eagle Rock Ventures



#### City Council Housing Policy Committee

The City Council Housing Policy Committee met 11 times and created a report that identifies housing goals, challenges, and strategies for further consideration for the Housing Action Plan.

- Christine Frizzell
- George Hurst
- David Kleitsch
- Ashley Winchell

- Kristen Holdsworth
- M. Christopher Boyer
- Chris Collier\*
- Mary Anne Dillon\*
- Alessandra Durham
- Mary Monroe
- Ali Sheibani
- Kim Toskey
- Melinda Woods

<sup>\*</sup> Member is also on the Stakeholder Advisory Group



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## **Executive Summary**

This Housing Action Plan forms Lynnwood's five-year goals and strategies to promote housing options that are safe and affordable for all community members.

Lynnwood needs housing options that meet the needs of the entire community.

In Lynnwood, 2 out of 5 households (40%) struggle with housing affordability. A sufficient supply of housing affordable across the income spectrum supports economic vitality and vibrant communities. Safe and affordable housing increases educational opportunities for all children, enables older residents to live independently, and helps families avoid tradeoffs for other necessities like food, medicine, and childcare.



Lynnwood community members

This plan was created by evaluating the City's ongoing efforts, analyzing Lynnwood's current and future housing needs, and collaborating with the community. It is the result of hundreds of conversations, survey responses, and other methods of public feedback. The plan has four main goals. Ten strategies, when implemented, will help Lynnwood reach its goals.

### **Housing Action Plan Goals.**

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



## Housing Action Plan Strategies.

1	Continue promoting housing in the Regional Growth Center (Alderwood and City Center) and along major transportation corridors.	6	Support third-party purchases of existing affordable housing to keep units affordable.
2	Update regulations, design standards, and subarea plans to be more flexible and responsive to changing conditions.	7	Work with faith-based and nonprofit organizations.
3	Strategically rezone areas to increase and diversify Lynnwood's housing options.	8	Develop a rental registry program.
4	Revise the Multifamily Tax Exemption (MFTE) program.	9	Encourage amenities that enhance quality of life.
5	Partner with housing providers.	10	Continue community conversations about housing.

**Housing is a regional challenge.** High housing costs are common in the region and are not unique to Lynnwood. The plan guides City efforts for coordination with regional partners and demonstrates Lynnwood's commitment to being a regional model to address housing challenges.

**Implementation of the Housing Action Plan will be a collective effort.** Lynnwood will work in partnership with stakeholders and the community to create housing that is safe and affordable for everyone.

The plan was supported by a **Washington State Department of Commerce** grant to enable communities to assess their housing needs and develop strategies to address those needs.



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## Introduction

#### Background & Purpose

The Housing Action Plan guides city investments and efforts to support safe and affordable housing opportunities.

Housing costs are typically the largest expense for households. When a household can afford where they live, it enables them to purchase other essentials (such as food, healthcare, and transportation) without making difficult tradeoffs. A sufficient supply of housing affordable across the income spectrum supports economic vitality and vibrant communities.

#### The City's Role in Housing

Housing affordability is a regional challenge. Lynnwood's local housing system is complex and includes many stakeholders and partners. These include for-profit and nonprofit developers; community organizations; community members; federal, state, and local governments; and other groups. While the City plays an important role in setting housing policies, there are limits to the City's ability to influence housing development on its own.

The private market typically cannot produce housing affordable to households making less than 80% of the area median income (AMI). Making housing affordable to lower income households requires greater public funding, usually from state and federal sources.

Addressing Lynnwood's housing challenges will require partnerships and support across the community and region.

#### Lynnwood at a Glance



**Population** 

39,600



**Median Family Income** 

\$75,744



**Housing Tenure** 

46% Renter / 54% Owner



**Average Home Price** 

\$508,447



**Average Rent** 

\$2,001

Sources: Washington OFM 2019 (Pop), ACS 2018 5-year Estimates (Income, Tenure), Zillow 2019 (Home Price, Rent)



Some housing strategies are more effective when pursued regionally. Regional leadership and action are necessary to address housing affordability challenges. This plan guides City efforts for coordination with regional partners and demonstrates Lynnwood's commitment to being a regional model to address housing challenges.

Lynnwood has already taken actions to support and implement regional plans. In 2019, Snohomish County Executive Dave Somers and Lynnwood Mayor Nicola Smith co-chaired the Snohomish County Housing Affordability Taskforce (HART). HART created a Five-Year Housing Affordability Action Plan with recommendations for all Snohomish County cities and the county to collaboratively respond to housing affordability challenges. Prior to the HART report's release, Lynnwood had already implemented all of the relevant early action items under its authority. The City has also implemented more than half of the five-year action items under its purview and is in the process of implementing an additional 25% of the action items. More information about Lynnwood's efforts to address housing affordability can be found in Appendix A Housing in Lynnwood: Inventory of Efforts.

The Housing Action Plan recognizes and acknowledges Lynnwood's ongoing work and the need for regional cooperation. Despite Lynnwood's efforts, the City needs additional housing supply that is affordable to meet the needs of the community. With this context in mind, this plan focuses on housing strategies most closely linked to the community's needs and are effective and feasible within the next five years when pursued by the City and partners.

#### Housing Action Plan Creation

The City received funding from a Washington State
Department of Commerce grant (through House Bill 1923) to
assist with development of this plan. **Exhibit 1** outlines the
process for creating the Housing Action Plan, including
identifying housing needs, evaluating ongoing efforts, analyzing
available data, and engaging with community members.

The plan is intended to guide city efforts. If adopted, the City will spend the next five years implementing the strategies and actions identified in this plan.

#### Lynnwood at a Glance



#### Population, by Race Identity

American Indian and Alaska

Native: 0.4% Asian: 18%

Black, African American: 8% Native Hawaiian and Pacific

> Islander: 0.7% White: 60%

Two or More Races: 8%

Other: 6%



#### **Housing Cost Burden**

18% Severely Cost-Burdened 20% Cost-Burdened



#### **Housing Stock**

Single Family: 49%

Duplexes: 1%

Triplex-Fourplex: 7%

Multifamily: 39%

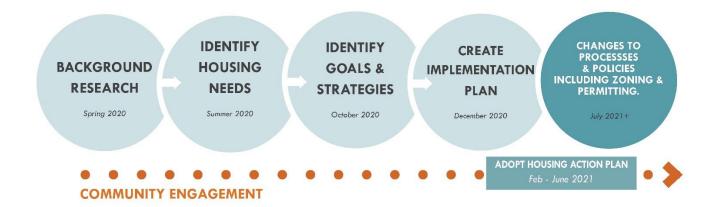
Other: 4%

Sources: HUD CHAS 2016 (Cost Burden), ACS 2018 5-year Estimates (Race), Washington OFM 2018

(Housing Stock)



**Exhibit 1. Housing Action Plan Process Diagram** 



The Housing Action Plan aligns with and builds on existing City plans and efforts which are referenced throughout this plan, including the Comprehensive Plan; infrastructure and transportation plans; the Economic Development Action Plan; the Parks, Arts, Recreation and Conservation (PARC) Plan; and subarea/neighborhood plans.

#### Housing Needs

The <u>Housing Needs Assessment</u> describes local and regional housing needs and trends. The main findings of the **Housing Needs Assessment** are as follows:

1. Two in every five households (40%) in Lynnwood pay more than they can afford on housing and are cost burdened. See Exhibit 2. This rate is higher than Snohomish County (33% of households). The U.S. Department of Housing and Urban Development (HUD) defines cost burdened households using a percentage of income spent on housing or those "who pay more than 30 percent of their income for housing." Cost burdened households often find it harder to afford necessities such as food, clothing, transportation, and medical care. In Lynnwood, rates of cost burden are uneven, with the highest cost burdens among households with lower incomes, renters, and adults over 62.



Exhibit 2. Two of Every Five Households (40%) in Lynnwood are Cost Burdened



Severely
Cost Burdened
Households spends
50% or more of
income on housing



Cost
Burdened
Household spends
30-49% of income on
housing costs



Not Cost

Not Cost
Burdened
Household spends less than
30% of income on
housing costs

Source: HUD CHAS (based on ACS 2012-2016 5-year estimates)

2. Housing costs are rising much faster than incomes. See Exhibit 3. Home values have dramatically risen over the past eight years (2010-2018) due to limited supply and increasing demand. Since 2010 Lynnwood home values have increased by 40% when accounting for inflation. During the same time period, incomes in the City of Lynnwood decreased 2% when adjusted for inflation. Today, less than 30% of current renters and homeowners can afford the purchase of an averaged priced home in Lynnwood without being cost burdened.

Exhibit 3. Percent Change since 2010 in Average Home Values, Rents, and HUD MFI in Lynnwood After Adjustment for Inflation



Sources: Zillow, 2020; ACS Income 5-year estimates (Table \$1901) 2010 - 2018; Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) Seattle-Tacoma-Bellevue WA 2010 - 2019; BERK, 2020.



3. Eligibility for subsidized housing programs far outstrips supply. Many renter households qualify for housing assistance but lack access to subsidized housing. Overall, 61% of Lynnwood households are considered low-, very low-, or extremely low-income by regional income thresholds. These designations determine eligibility for income-restricted affordable housing units and rental assistance vouchers. Despite efforts by local housing authorities, many qualified

Of Lynnwood's cost burdened households, 73% are very low- and extremely low-income households.

households still cannot receive benefits due to limited program funding. While Lynnwood has a high number of subsidized housing units, the need for this housing continues to be higher than available units.

- 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. Homeownership is a key source of wealth creation and housing stability for households in the United States. The rates of homeownership among White and BIPOC community members vary widely in Lynnwood, with the largest disparities between White and Black residents. This reflects a legacy of structural policy issues and has significant implications for life outcomes and economic advancement.
- Residential patterns reveal White residents and Black, Indigenous, and People of Color (BIPOC) residents live in largely separate communities. The neighborhoods where a higher proportion of BIPOC residents live are more likely to be at risk of economic and cultural displacement.
- 6. Lynnwood's current housing stock lacks housing type variety. Single family homes comprise 49% of Lynnwood's housing stock and 84% of the residential land area. The majority of recent development was either 3,000+ square foot single family homes or larger multifamily (100+ unit) apartments. "Missing middle" housing refers to a diversity of residential housing options that transition between single family homes and high-rise apartments, such as accessory dwelling units, duplexes, multiplexes, and townhomes.
- 7. The pace of housing unit construction needs to accelerate to meet expected future demand. The rate of housing unit production has increased in recent years but falls short of the needed rate to meet growth projections. The average annual production of housing units in Lynnwood from 2013 through mid-2020 was 291 units per year. Lynnwood needs an average of 393 units per year to meet estimated household growth by 2044. A total of

The average annual production of housing units in Lynnwood from 2013 – mid 2020 was 291 units per year. Lynnwood needs an average of 393 units per year to meet estimated household growth by 2044.

9,826 additional housing units are needed between 2019 to 2044 to meet estimated population growth projections.



#### Policy and Code Review Findings

- Overall, Lynnwood's existing policy and regulations support increasing housing supply. The City's Comprehensive Plan is a policy document that informs subarea plans and regulatory actions for how Lynnwood will grow over a 20-year period. The most recent Comprehensive Plan was adopted in 2015. State law requires it be updated again by June 30, 2024. The current Comprehensive Plan policies generally support increasing housing supply.
- The City's policy to promote housing in designated subareas is working, although some subareas have more new housing than others. New housing production is concentrated in the Regional Growth Center (City Center and Alderwood). This development is necessary to

meet projected population growth. The City may need to reevaluate implementation of the College District and Highway 99 subareas. See **Exhibit 4**.

- Lynnwood's land supply may be a restricting factor. The 2021 Snohomish County Buildable Lands Report will evaluate Lynnwood's remaining land capacity and future growth projections. The final report will not be available until June 2021. Previous Buildable Lands Reports have identified that an overwhelming majority of Lynnwood's residential land is already developed with single family homes and is unlikely to redevelop. Multifamily development in transit-supported locations (Regional Growth Center, Highway 99, and College District) will be necessary to meet growth projections and comply with state laws.
- The City needs to increase the variety of housing types allowed to meet residents' housing needs.

  Missing middle housing types (such as accessory dwelling unit, duplexes, and townhomes) provide additional units, create choices, and allow people to stay in the community during different life stages.

  Missing middle housing types have seen very little production in Lynnwood due to existing regulations and limited availability of land in the zones where they are allowed.

Planning for growth will help the city consider the needs of current and future residents.

#### Why is growth happening?

By 2050, the Puget Sound Region is expected to grow by 1.8 million people, reaching a total population of 5.8 million. An anticipated 1.2 million more jobs are forecast by 2050.

With a regional growth center and highcapacity transit, Lynnwood is estimated to be one of the locations that will see growth.

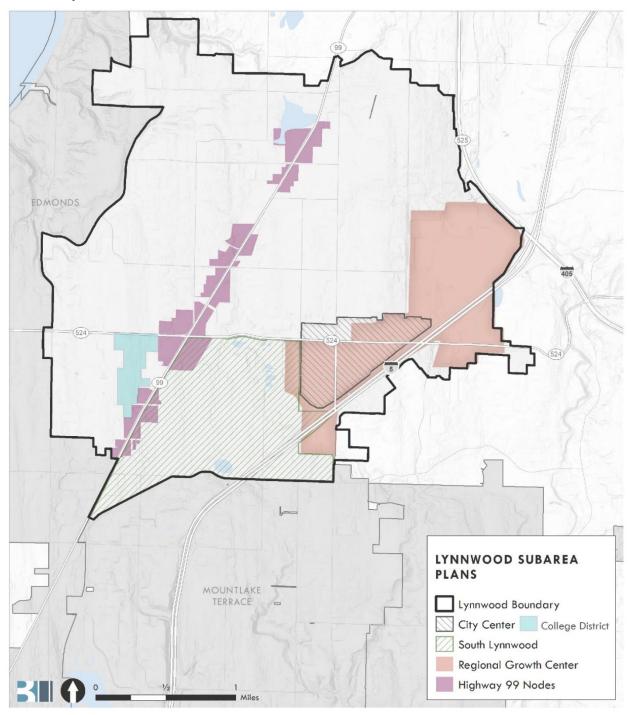
## What happens if Lynnwood doesn't prepare for it?

The consequences of not proactively planning for growth are severe. Demand for housing will continue to increase without additional supply to balance the need. Existing residents will experience increased housing costs and may not be able to afford to stay in Lynnwood. Without proactive planning, capital facilities (such as roads and parks) will also be strained by increased usage.

The Lynnwood Municipal Code (LMC) may be limiting new development or rehabilitation of existing housing. Code updates to reduce inconsistencies and increase flexibility would improve the rate of development and reduce housing costs in Lynnwood.



**Exhibit 4. Lynnwood Subarea Plan Locations** 



Source: City of Lynnwood, BERK, 2021.



- Due to its size, Lynnwood has limited funds to directly support housing. The city's greatest resource at this time is through policies and regulations. The **Snohomish County HART** report identifies three main roles for local government in addressing housing affordability: policy and regulatory actions; funding; and community outreach and engagement. Larger cities, such as Everett and Tacoma, have direct access to Community Development Block Grant (CDBG) funds to support housing assistance efforts. Lynnwood will be able to directly administer CDBG funding sources when the population reaches 50,000 residents (estimated to occur within the next 10 years). In the meantime, the only direct funding Lynnwood receives for housing affordability is through SHB 1406, which provides a small return of state sales tax to the City for the purpose of affordable and supportive housing. The revenue is dependent on overall sales tax collected within City limits and is estimated to be a maximum of \$196,581 annually for up to 20 years (just under \$4 million maximum). Funds will likely be less than this amount due to fluctuating sales tax revenue. State law requires that the funds be used to acquire, rehabilitate, or construct affordable housing; support operations or maintenance costs of affordable housing; or to provide rental assistance to tenants that make 60% or less of the area median income. The Housing Action Plan Goals & Strategies section of this plan identifies how SHB 1406 funds may be used to assist with implementation.
- Lynnwood is a regional leader for implementing housing strategies. This includes the implementation of Housing Affordability Regional Taskforce (HART) recommendations as noted above, a Multifamily Tax Exemption (MFTE) program to incentive housing, and an interlocal agreement with the Housing Authority of Snohomish County (HASCO). Lynnwood is one of only two cities in Snohomish County that has authorized HASCO to operate within the city without additional approval. This facilitates HASCO's ability to act quickly to preserve affordable multifamily developments for sale and to acquire property suitable for incomerestricted housing.

This plan builds off of existing efforts and includes additional actions for the city to pursue.

#### Community Engagement Findings

Robust and inclusive community engagement informed the goals and strategies in this plan. The City assembled a Stakeholder Advisory Group with participation and input from residents, community groups, housing developers/builders, local realtors, nonprofit housing advocates, and faith-based communities. City staff also participated in the Council's Housing Policy Committee.



The city provided several opportunities for community input, including a "tell your housing story" form, virtual open houses, videos, and surveys (in English, Spanish, and Korean). Outreach and announcements were also provided through newsletters, local community leaders, a project website, and social media. All engagement activities were adapted to be virtual due to COVID-19 and social distancing requirements.

This section summarizes key themes from the community engagement processes. A more detailed list of engagement activities is found in **Appendix B Summary** of Community Outreach Efforts.



Input gathered at Community Conversations

Historically Lynnwood has been relatively affordable, but residents now fear being priced out. Not everyone who would like to live in Lynnwood can afford to do so (or continue to do so).

- Lynnwood's relative affordability in the region and its amenities have made the city a great
  place to live, but community members are concerned Lynnwood is trending away from its
  historical affordability.
- The community is constrained by stagnant wages that have not kept up with rapidly increasing housing costs. Housing affordability is dependent on income. Workforce development and educational opportunities to increase income are complementary strategies to support the community's ability to afford increasing housing costs.
- Community members envision Lynnwood as a place where those who work here can afford to live here.
- Affordability is a regional challenge, and a lack of affordable housing impacts communities as well as individual households. Communities lose a healthy mix of essential residents like teachers, firefighters, and hospitality workers. Households experience loss of stability from repeat moves, lower housing quality, and crowding, which in turn impacts life outcomes and well-being for the community.

#### Housing supply is increasing, but more variety is needed.

- Many community members highlighted the need for variety in housing types. Housing types needed include accessory dwelling units (sometimes called in-law units or backyard cottages), townhouses, duplexes and triplexes, and family-sized rentals with three or more bedrooms.
- Some survey respondents also expressed their appreciation for **existing single-family houses** and a desire for their neighborhoods to remain unchanged. There was also substantial interest in incorporating low-rise housing (townhouses, duplexes, and triplexes) that can blend in with single-family neighborhoods that have access to schools, parks, and other amenities.



- A majority of survey respondents indicated they liked duplexes, triplexes, fourplexes, and townhomes because they are more affordable than single-family homes. A majority of survey respondents indicated they would like to see these units located throughout Lynnwood.
- Survey respondents indicated concern or a need for more of the following amenities and resources as the city supports housing and greater housing variety: emergency and safety resources (55%), nice streets with trees and sidewalks (53%), neighborhood character (46%), school capacity and/or quality (43%), and transportation improvements (42%).

#### A lack of affordability affects populations disproportionally.

- Community members raised concerns that households with lower incomes and those with children were being displaced or priced out. Low- and moderate-income households face a unique challenge gaining entry to market rate housing. These households may be over income limits for housing assistance but below the level needed to afford market rate housing.
- Community members also expressed concerns for older **community members'** ability to age in place and those living with a disability. These communities would benefit from single level housing with features to facilitate caregiving and proximity to grocery stores, pharmacy, parks, libraries, trails, and civic buildings.
- Community members highlighted stable affordable housing in Lynnwood is particularly inaccessible to BIPOC,

young households, and intergenerational families. These equity issues often intersect; for example, many households with disabled members are also low-income.

#### There is broad support for policy and regulatory changes to increase housing supply and affordability.

- The survey found respondents support initiatives for more income-restricted units (68% agree) and tenant protections (66% agree).
- When survey respondents were asked what strategies they were most interested in Lynnwood pursuing, the most popular response was to increase the number of affordable homes (54%), followed by ensuring homes are safe and healthy (51%) and increasing the number of affordable, family-sized homes (49%).
- Survey respondents also identified efforts they would like to see to improve neighborhoods and increase opportunities for all residents, including: increase pedestrian safety, improve walkability, improve traffic signaling, create community gathering spaces, prioritize community health and safety, and help existing residents to stay in Lynnwood.

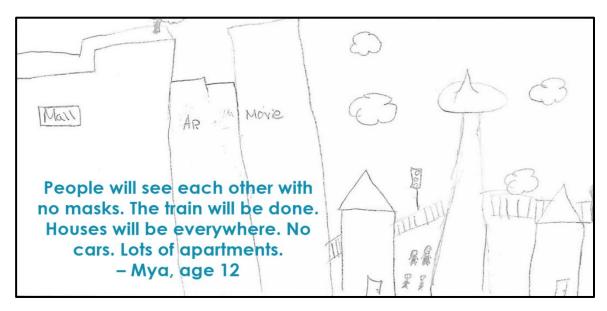
"I am disabled and work...I love living in Lynnwood and on the street I live on. We are small ramblers, very friendly neighbors, we know each other, and I have helped with other's kids and watched them grow up... There have been years that I have been without a car and I have been able to walk to everything I need. If the rents keep climbing, I don't know how much longer I will be able to afford to live here."

Survey response from community member



#### Program and partnership opportunities are an important part of the overall strategy.

- Community members suggested partnerships with local nonprofit developers or with faithbased organizations.
- Community members also saw value in marketing and communications around housing strategies and a need to educate community members and build support.



Source: Kamp Kookamunga drawing exercise "What will houses look like in 2044?"



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## Housing Action Plan Goals & Strategies

### **Housing Action Plan Goals**

This is a five-year plan to guide city efforts to create and preserve housing that is safe and affordable for the entire community. There are four goals, which were developed by identifying current and future housing needs and listening to community ideas and feedback.

#### **Housing Action Plan Goals:**

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

There are 10 strategies with implementing actions that support the goals.

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

Lynnwood needs more housing to accommodate **forecasted population growth.** Lynnwood is expected to grow by over 25,000 residents from 2019-2044. The **Housing Needs Assessment** found average annual production needs to be an average of **393 units per year** to meet estimated household growth by 2044 (See **Exhibit 5**).

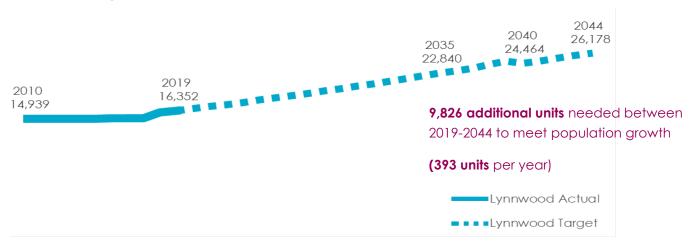
#### <sup>1</sup> Washington OFM for 2019 population estimate and PSRC VISION 2050 plan for 2044 estimate.

#### Why is this a five-year plan?

- The Housing Action Plan identifies housing efforts that should be coordinated with the 2024 Comprehensive Plan (a longterm community vision that guides Lynnwood's day-to-day actions).
- Within the next 10 years the City will receive CDBG funds. Prior to receiving CDBG funds it will be necessary to re-evaluate strategies and administrative capabilities in anticipation of new funding.



Exhibit 5. Housing Units Needed to meet Population Growth by 2044



Sources: Lynnwood Comprehensive Plan, 2015; PSRC Land Use Vision version 2, 2017; BERK, 2020.

The number of units needed to accommodate population growth requires a **mix of development types** to meet needs of all community members. The **Housing Needs Assessment** found single family homes comprise **49%** of Lynnwood's housing stock and **84%** of Lynnwood's residential land area. The market is not producing enough mid-sized housing types, which appeal to a wider range of households and income levels. Through the engagement process, community members shared they would like to see more accessory dwelling units, duplexes, triplexes, fourplexes, and townhomes located throughout all residential neighborhoods. These types of housing are more affordable than single-family homes and can offer home ownership opportunities. While the City received feedback from a variety of stakeholders that these units can integrate into existing neighborhoods, further research is needed to evaluate feasibility and market conditions.





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

Lynnwood housing has historically been considered affordable, but residents are worried they will **no longer be able to afford to live in the city**. The **Housing Needs Assessment** found 54% of Lynnwood households are homeowners, but less than 20% of Lynnwood residents can afford to purchase the median-priced home in today's market.

Over half (52%) of survey respondents are concerned they will not be able to continue to afford to live in Lynnwood

Displacement refers to instances when a household is forced or pressured to move from their home against their will. As the City implements this plan It is important to identify **anti-displacement measures** to help residents to stay in the community. Currently funding for anti-displacement measures is limited.

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

It is important for the City to **develop partnerships** with groups that influence or are affected by the housing market. These groups include for-profit and nonprofit developers, community organizations, community members, neighboring jurisdictions, and others. Many organizations actively build housing and provide financial services for lower income community members. This is an opportunity for the City to support efforts it cannot undertake on its own.



Lynnwood community members

Housing challenges are prevalent across the greater region. **Regional action is needed** to address housing affordability challenges through cooperation and coordination among jurisdictions. The City should continue participating in multi-jurisdictional efforts to address regional housing needs and advocate for South Snohomish County-specific solutions when appropriate.



## **GOAL 4: Prepare** for continued growth and increase the quality of life in Lynnwood.

By anticipating future growth, Lynnwood can support efforts for future generations to enjoy good schools, access to public spaces, and a range of transportation options. Planning for housing that is affordable at all price points will help fulfill the community's desire for people who work in Lynnwood to live in Lynnwood.

Proactive planning efforts promote **stronger and more sustainable communities**, making sure public resources are invested to benefit the whole community.



Lynnwood Fair on 44th event



### **Housing Action Plan Strategies**

The matrix in **Exhibit 6** connects the ten selected strategies with plan goals. It also links to a detailed strategy description containing ideas about how the strategy can be best implemented in the Lynnwood context.

The ten strategies were selected from a broad list of potential strategies compiled from the **Department of Commerce guidance for Housing Action Plans**, Snohomish County **Housing Affordability Regional Task Force (HART)** report, other jurisdictions' housing strategies, and community input. The strategy selection process is further detailed in **Appendix C Strategy Screening Methodology**. The plan is a commitment to address housing affordability. If adopted, the City will spend the next five years further researching and implementing the strategies and actions to tailor the efforts to address Lynnwood's needs.

**Exhibit 6. Housing Action Plan Strategies** 

Strategy	Produce	Preserve	Partner	Prepare
<b>Strategy 1</b> : Continue promoting housing in the Regional Growth Center (Alderwood and City Center) and along major transportation corridors.			•	•
<b>Strategy 2</b> : Update regulations, design standards, and subarea plans to be more flexible and responsive to changing conditions.			•	•
<b>Strategy 3:</b> Strategically rezone areas to increase and diversify Lynnwood's housing options.	•		•	•
<b>Strategy</b> 4: Revise the Multifamily Tax Exemption (MFTE) program.	•	•		•
Strategy 5: Partner with housing providers.	•		•	
<b>Strategy 6</b> : Support third-party purchases of existing affordable housing to keep units affordable.		•	•	
<b>Strategy 7</b> : Work with faith-based and nonprofit organizations.			•	
Strategy 8: Develop a rental registry program.		•		
Strategy 9: Encourage amenities that enhance quality of life.				•
<b>Strategy 10</b> : Continue community conversations about housing.			•	•



The 10 Housing Action Plan strategies will address housing within Lynnwood city limits. Regionally, there are several opportunities for Lynnwood to advocate and coordinate efforts to improve housing affordability. Below are a few suggestions:

- 1. Advocate for increased funding and pooled resources for more housing vouchers, rental relocation assistance, and the creation of a housing revolving loan fund.
- 2. Support enhanced 311 and social services so households can receive timely support to prevent housing instability.
- 3. Work with south Snohomish County cities. South Snohomish County cities face similar challenges and can share lessons learned. They can also hold each other accountable to pursue action.
- 4. Address the high cost of living in this region by promoting transportation options, increasing food access, reducing childcare costs, and encouraging workforce development.
- 5. Advocate and support funding for the creation of a centralized Snohomish County program (such as east King County's ARCH) to address housing challenges in a coordinated manner across the county.
- 6. Work with the state and federal governments on legislation, funding, and innovative solutions.

# Strategy 1: Continue promoting housing in the Regional Growth Center (Alderwood and City Center) and along major transportation corridors.

Description: By 2024, Lynnwood will have several transit investments, including Sound Transit light rail and bus rapid transit, Community Transit bus rapid transit, and expanded local service. A second Sound Transit Light Rail station is anticipated in the mid-2030s. Planning for housing capacity around transit and employment hubs will help households with modest incomes since transportation is often the second largest share of household budgets (after housing). Continuing to promote housing and other amenities in the Regional Growth Center (Alderwood and City Center), College District, and Highway 99 subareas will help the city leverage public investments in transit infrastructure and economic development. See Exhibit 4 and Exhibit 7. Added housing capacity in transit and job-rich areas contribute to compact, walkable neighborhoods and reduces dependence on cars.

#### Implementation Actions:

- Work with other departments to align capital facilities planning.
- Update Regional Growth Center development regulations and design guidelines to support transit-oriented development (TOD). Remove process barriers and provide flexibility to incentivize development.
- Adopt planned action ordinance to reflect anticipated growth and streamline development.
- Proposed densities will need to be accompanied by investments to create walkable, amenity-rich areas (Strategy 9). Partnerships with housing providers (Strategy 5) and with faith-based and nonprofit organizations (Strategy 7) as well as support for strategic acquisition of existing affordable housing (Strategy 6) are complementary efforts.

#### **Needs Addressed**

Increasing housing supply moderates price increases and makes housing more affordable to low- and moderate-income households.

#### **Housing Needs Assessment**

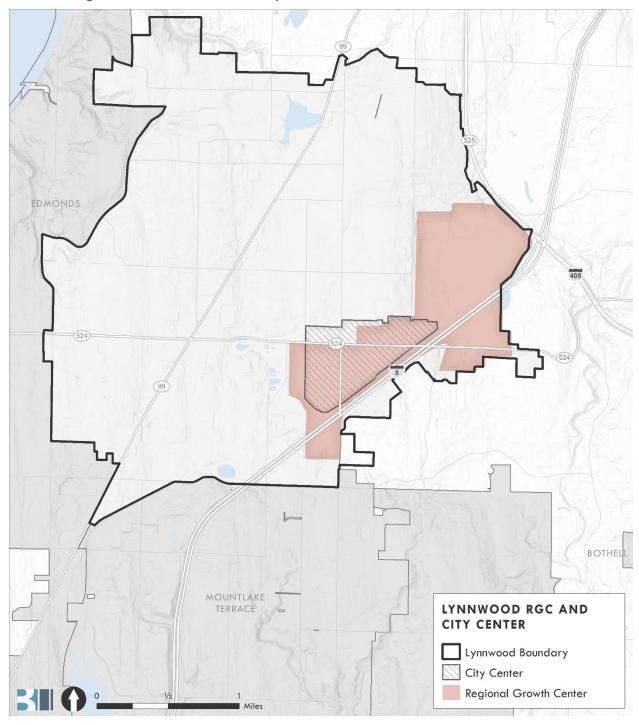
 The pace of housing unit construction needs to accelerate to meet expected future demand.

#### **Policy and Code Review**

- Lynnwood's land supply may be a restricting factor.
- The Lynnwood Municipal Code (LMC) may be limiting new development or rehabilitation of existing housing.
- Lynnwood's greatest resource to support housing is through policies and regulations.
- The City's policy to promote housing in designated subareas is working, although some subareas have more new housing than others.



Exhibit 7. Regional Growth Center and City Center



Source: City of Lynnwood, BERK 2021.

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

Description: The Lynnwood Municipal Code (regulations) is limiting new development and rehabilitation of existing housing. Design guidelines did not anticipate newer development types, such as transit-oriented mixed-use development. Updates to city regulations and design standards can reduce inconsistencies and support flexibility. This will streamline the development process and reduce pass-through housing costs. Lynnwood's subarea planning efforts focus on specific areas (Regional Growth Center, City Center, Highway 99, College District, and South Lynnwood) to create a shared vision. These regulations to implement the subarea plans should be updated to ensure the outcomes they envisioned can be realized.

#### Implementation Actions:

- Update Subarea Plans (Highway 99 and College District).
- Update Lynnwood Municipal Code to remove barriers and modernize code to build more housing. (For one example, see Exhibit 8 addressing accessory dwelling units.)
- Evaluate and update design guidelines to respond to evolving development trends.
- Related Strategies and Other Considerations: Housing providers can provide insight into realistic outcomes from regulation updates (Strategy 5). Subarea planning is most effective when accompanied with partnerships (Strategy 5 and Strategy 7), with investments in amenities (Strategy 9) and informed by a robust community conversation (Strategy 10). The City should carefully balance regulatory changes and required amenities with the risk of increasing housing costs. It is important regulatory changes do not unintentionally displace the very people the improvements are intended to benefit.

#### **Needs Addressed**

The City's intent is to remove barriers and encourage the development of lower-cost housing types.

Housing Needs Assessment

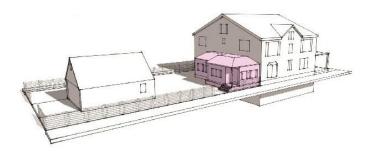
- Homeownership is out of reach for a growing proportion of residents, with the largest gaps for Black, Indigenous, and People of Color (BIPOC) communities.
- Lynnwood's current housing stock lacks housing type variety.
- The pace of housing unit construction needs to accelerate to meet expected future demand.

#### Policy and Code Review

- The City needs to increase the variety of housing types allowed to meet residents' housing needs.
- The Lynnwood Municipal Code (LMC) may be limiting new development or rehabilitation of existing housing.
- Lynnwood's greatest resource to support housing is through policies and regulations.

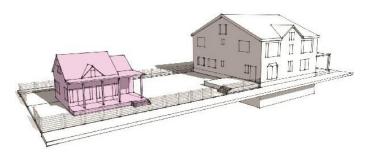


**Exhibit 8. Accessory Dwelling Unit Examples** 





Attached Accessory Dwelling Unit





Detached Accessory Dwelling Unit

Source: Lynnwood Accessory Dwelling Unit Guide, 2018

During the Housing Action Plan (HAP) creation community members repeatedly expressed frustration with Accessory Dwelling Unit (ADU) regulations limiting development potential.

As part of Strategy 2 the City can update regulations, design standards, and plans to address a range of housing types including ADUs.



## Strategy 3: Strategically rezone areas to increase and diversify Lynnwood's housing options.

Description: Zoning districts (zones) identify permitted uses (residential, commercial, etc.) and development requirements for every property in Lynnwood. Historically, zoning has been used by cities to limit a mix of housing types, which drives up housing costs for everyone. For example, in Lynnwood, changes over time have resulted in many existing multifamily apartments containing more units than what would be allowed if built to today's standards. If a structure needs to be rebuilt or rehabilitated there would be a decrease in total housing units, which is contrary to the goals of this plan.

Strategically rezoning areas is one of the most effective tools available to cities for increasing housing capacity and attracting a mix of unit types. Survey respondents indicated strong interest in allowing missing middle housing types such as duplexes and townhomes. See **Exhibit 9**. Rezoning to allow more housing types can encourage a range of housing that meets the community's needs. Rezone locations will need to be further evaluated to address infrastructure capacity and the likelihood it will yield redevelopment of additional units.

#### Implementation Actions:

- Analyze areas that can support redevelopment and where additional housing capacity can occur.
- Integrate proposed changes into Comprehensive Plan update and LMC.
- Related Strategies and Other Considerations: Community engagement with housing developers and community stakeholders is important for the success of these efforts (Strategy 5 and Strategy 10). Lynnwood's Comprehensive Plan update is scheduled for 2024. This is the best opportunity to update the city's

future land use map and coordinate these changes across Lynnwood departments. Strategic rezones should be coordinated with efforts in Strategies 1 and 2 to update regulations and design guidelines.

#### **Needs Addressed**

The strategy allows homeownership options at different price points to meet a variety of needs.

Housing Needs Assessment

- 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.
- The pace of housing unit construction needs to accelerate to meet expected future demand.

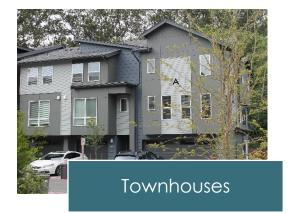
#### Policy and Code Review

- The City needs to increase the variety of housing types allowed to meet residents' housing needs.
- The Lynnwood Municipal Code (LMC) may be limiting new development or rehabilitation of existing housing.
- Lynnwood's greatest resource to support housing is through policies and regulations.



**Exhibit 9. Missing Middle Housing Types** 







Source: City of Lynnwood, 2021.

"Missing middle" housing refers to a diversity of residential housing options that transition between single family homes and high-rise apartments, such as accessory dwelling units, duplexes, multiplexes, and townhomes.

With Strategy 3 the City will be considering strategically rezoning areas to increase housing capacity and attract a mix of unit types.



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

Description: The Multifamily Tax Exemption (MFTE) program provides a property tax exemption on eligible multifamily structures to encourage housing in targeted areas. Cities designate areas and additional requirements (such as displacement prevention measures) for their program. In Lynnwood, MFTE is currently offered in the City Center. The existing policy is open to both preservation and new construction projects for large multifamily developments (50+unit). See Exhibit 10 for an example development. MFTE is a successful tool when applied to areas where multifamily housing is desired but where the market needs incentives to attract investment.

Reevaluating and expanding the MFTE program aligns with recommendations from the 2015 Economic Development

Action Plan and the Highway 99 Subarea Plan. Further study may identify additional MFTE target zones throughout Lynnwood, such as South Lynnwood or the College District. Reevaluating the MFTE code requirements may yield additional benefits, such as utilization of the rehabilitation option.

#### Implementation Actions:

- Evaluate potential MFTE scenarios to encourage more income-restricted units and analyze levels of affordability.
- Evaluate appropriate locations for MFTE program.
- Streamline process.
- Related Strategies and Other Considerations: Revisions to the MFTE program can support efforts to concentrate growth along transportation corridors (Strategy 1) and to update subarea plans to be responsive to changing conditions (Strategy 2).

#### **Needs Addressed**

Housing Needs Assessment

- 40% of households pay more than they can afford on housing and are cost burdened.
- Housing costs are rising much faster than incomes.
- Eligibility for subsidized housing programs far outstrips supply.
   Many renter households qualify for housing assistance but lack access to subsidized housing.
- Residential patterns reveal White residents and Black, Indigenous, and People of Color (BIPOC) residents live in largely separate communities.

#### Policy and Code Review

- The Lynnwood Municipal Code (LMC) may be limiting new development or rehabilitation of existing housing.
- Lynnwood's greatest resource to support housing is through policies and regulations.
- The City's policy to promote housing in designated subareas is working, although some subareas have more new housing than others.to support housing is through policies and regulations.



Exhibit 10. Draft Rendering of Kinect @ Lynnwood



Source: American Capital Group.

Example multiunit development in the City Center anticipated for completion by 2024 and proposing use of MFTE.

### Strategy 5: Partner with housing providers.

Description: Coordinating with housing providers can help the City identify regulatory and design guideline updates that achieve shared housing production goals. Feedback from partners who use the Lynnwood Municipal Code frequently can assist in identifying where existing regulations (and potential changes) may not yield results as intended. This approach recognizes City action alone is not enough to achieve housing goals in Lynnwood. Conversations should identify production barriers and discuss opportunities to encourage a variety of housing types that meet the community's needs. Lynnwood has started to build these partnerships through the Development and Business Services reorganization/permit process improvements and by including housing providers in the Stakeholder Advisory Group for this plan. Continued collaboration will benefit everyone.

#### Implementation Actions:

- Facilitate development conversations and identify opportunities for collaboration within the housing and social services community. See example in **Exhibit 11**.
- Continue to be flexible and responsive to changing conditions (see Strategies 1, 4, and 6).
- Related Strategies and Other Actions: Coordinating with housing providers will be necessary for the success of Strategies 1, 2, 3, and 4. It is important to balance input from multiple sources to meet community needs. SHB 1406 funds can be used to implement this strategy.

#### **Needs Addressed**

#### Housing Needs Assessment

- Housing costs are rising much faster than incomes.
- 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.
- The pace of housing unit construction needs to accelerate to meet expected future demand.

#### Policy and Code Review

- The City needs to increase the variety of housing types allowed to meet residents' housing needs.
- The Lynnwood Municipal Code (LMC) may be limiting new development or rehabilitation of existing housing.
- Lynnwood's greatest resource to support housing is through policies and regulations.
- The City's policy to promote housing in designated subareas is working, although some subareas have more new housing than others.



Exhibit 11. Housing Hope



Source: Housing Hope 2021.

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

**Description:** The **Housing Needs Assessment** found Lynnwood renters face higher affordability challenges than owners. Survey respondents indicated they are fearful of no longer being able to live in Lynnwood due to increased housing costs. This strategy prevents potential displacement of residents.

Acquiring existing affordable units can be a cost-effective method to preserve existing housing and prevent displacement. Maintaining existing naturally occurring and income-restricted affordable housing units is cheaper than constructing new units (although both are needed). There are several ways Lynnwood can support preservation of existing units. State law (RCW 35.21.685) allows for cities to use public resources to construct, acquire, or rehabilitate housing that is or will be occupied by households making 80% or less of the area median income. See example in **Exhibit 12**.

While Lynnwood has limited funds available, there are many other ways to support these efforts. For example, the city has a significant proportion of older housing stock that is typically more affordable. These structures are at risk of being demolished and rebuilt with market-rate housing or fewer income-restricted units due to changes in zoning regulations. Lynnwood should review regulations and consider strategic rezones to allow for rehabilitation of properties to maintain, at minimum, no net loss in existing units.

#### Implementation Actions:

- Proactively engage with housing providers to identify opportunities for support.
- Update policies and regulations to be competitive for funding opportunities.
- Related strategies and Other Considerations: Faith-based and nonprofit organizations (Strategy 7) are most likely to implement this strategy. Coordination and partnership will increase the potential for success. SHB 1406 funds can be used to implement this strategy.

#### **Needs Addressed**

Housing Needs Assessment

- 40% of households pay more than they can afford on housing and are cost burdened.
- Housing costs are rising much faster than incomes.
- Eligibility for subsidized housing programs far outstrips supply. Many renter households qualify for housing assistance but lack access to subsidized housing.
- Residential patterns reveal White residents and Black, Indigenous, and People of Color (BIPOC) residents live in largely separate communities.

#### Policy and Code Review

- Lynnwood's land supply may be Lynnwood's land supply may be a restricting factor.
- The Lynnwood Municipal Code (LMC) may be limiting new development or rehabilitation of existing housing.
- Lynnwood's greatest resource to support housing is through policies and regulations.



#### Exhibit 12. HASCO Trillium Before and After Renovation





Before After

Source: HASCO 2021.

After purchasing the formerly-named Tall Firs Apartments and finishing an extensive renovation of all 40 units and the grounds, the Housing Authority of Snohomish County (HASCO) opened the renamed Trillium Apartments at 23000 55th Ave. W. in Mountlake Terrace. The units are provided to senior adults 62 years and older.  $\sim$ MLTNews, September 16, 2018



# Strategy 7: Work with faith-based and nonprofit organizations.

Description: The Lynnwood community has a network of faith-based and nonprofit organizations with missions to address community needs. Faith-based organizations and nonprofit organizations can be important partners for housing efforts, particularly housing that serves vulnerable groups and residents with lower incomes. See Exhibit 13 for an example. Faith-based and nonprofit organizations are partners with a unique set of resources and an inherent focus on serving the needs of those who are most vulnerable. The City can collaborate to identify solutions that fit within regulatory requirements while providing flexibility for innovation.

#### Implementation Actions:

- Convene and connect with these organizations to stay in touch with community issues.
- Explore opportunities for collaboration toward shared goals (see Strategies 3, 6, and 9).
- Related Strategies and Other Considerations: This strategy
  overlaps with Strategy 6 (preserving existing housing that is safe
  and affordable). Faith-based and nonprofit organizations are
  trusted community messengers and can help with inclusive

engagement (Strategy 10) and implementation of multiple other strategies. SHB 1406 funds can be used to implement this strategy.

#### **Needs Addressed**

#### Housing Needs Assessment

- Eligibility for subsidized housing programs far outstrips supply.
   Many renter households qualify for housing assistance but lack access to subsidized housing.
- Residential patterns reveal White residents and Black, Indigenous, and People of Color (BIPOC) residents live in largely separate communities.

#### Policy and Code Review

- The Lynnwood Municipal Code (LMC) may be limiting new development or rehabilitation of existing housina.
- Lynnwood's greatest resource to support housing is through policies and regulations.



#### **Exhibit 13. Shepherds Village Tiny Homes**

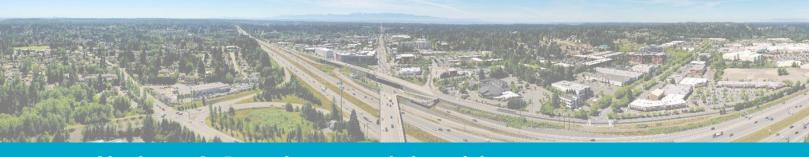






Source: Jean Kim Foundation

Shepherd's Village provides a home for Edmonds Community College students experiencing homelessness. Temporary tiny homes were intended to offer more privacy and weather protection. ~HeraldNet, July 27, 2018



### Strategy 8: Develop a rental registry program.

Pescription: Almost half of Lynnwood households (46%) are renters. Survey responses indicated strong support for renter protections and programs. See Exhibit 14. Rental registry programs proactively address life safety concerns and maintenance issues in rental units. Inspections evaluate rental units for basic life safety precautions such as the provision of emergency egress; operational fire safety equipment; proper ventilation; and functioning utilities.

Tenants can feel sometimes powerless or fear retaliation when they are responsible for addressing concerns directly with landlords. This is particularly true for a community's most vulnerable renters, such as those who cannot afford to move, people with disabilities, or those who do not speak English.

Proactively inspecting and enforcing basic provisions protects tenants' safety and promotes health and wellbeing across the community. The City's Development & Business Services 2020

"Process Review & Improvement Program" also recommends a rental registry program. Further evaluation will identify program scope and implementation costs.

#### Implementation Actions:

- Research and scoping process.
- Appropriately staff to support the program.
- Engage with community to increase awareness and education.
- Pilot testing and refinement.
- Related Strategies and Other Considerations: Lynnwood's efforts to preserve housing that is safe and affordable (Strategy 6) will be further supported if units are maintained for lifesafety provisions. Details of a rental registry program require further study. The frequency of inspections and process for rental unit registration will depend on program staffing and resources. Lynnwood can look to examples from other programs in the region: Lakewood, Seattle, Kent, Bellingham, and Tukwila all have active rental registry programs for reference. This strategy is likely to require the addition of staff positions at the City for inspection, monitoring, and legal remedies. Communication with tenants and landlords will be an essential component to the success of a rental registry program (Strategy 10).

#### **Needs Addressed**

Housing Needs Assessment

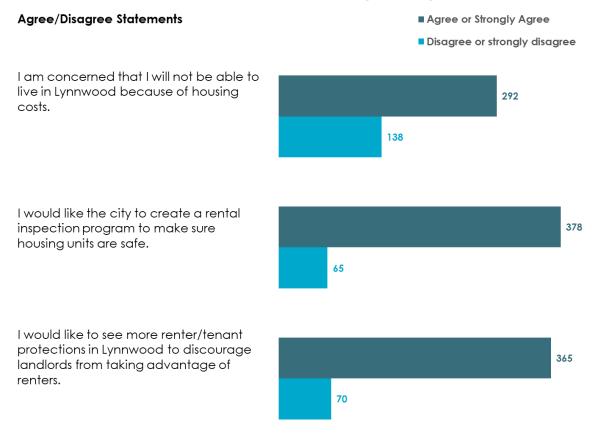
- 40% of households pay more than they can afford on housing and are cost burdened.
- Homeownership is out of reach for a growing proportion of residents, with the largest gaps for Black, Indigenous, and People of Color (BIPOC) communities.

#### Policy and Code Review

 Lynnwood's greatest resource to support housing is through policies and regulations.



#### Exhibit 14. Selected Responses to Survey Questions: Agree/Disagree Statements



Source: BERK Consulting, Inc. 2021.

Respondents demonstrated support for initiatives such as incentives and/or requirements for inclusionary housing, rental inspection programs, and more tenant protections. Support was strongest for rental inspection and tenant protection programs. Many respondents (272) voiced concern that they could be priced out of Lynnwood.



# Strategy 9: Encourage amenities that enhance quality of life.

Description: Housing is most successful when accompanied by investments in amenities and community assets that improve quality of life. They make neighborhoods healthier and more aesthetically attractive. Community assets are particularly important for lower-income households, households living in smaller units, and housing without private yards for recreation. The community has indicated an appreciation and desire for more parks, community gathering spaces, and locally owned businesses. See examples in Exhibit 15.

Lynnwood can encourage quality of life amenities across its neighborhoods with cross-sector partnerships and incentives. The 2024 Comprehensive Plan update and capital facilities programming should align city investments with projected housing growth. This strategy aligns with the city's 2016-2025 Park, Arts, Recreation, and Conservation Plan, which identifies the need for an expanded park system and additional programming that is responsive to Lynnwood's changing demographics. It also aligns with several of the 2015 Economic Development Action Plan's goals and actions, such as: incorporating amenities for open space into new development; enhancing Lynnwood's livability and unique sense of place; recruiting entertainment and recreational uses; and improving neighborhoods.

#### **Needs Addressed**

#### Housing Needs Assessment

- Residential patterns reveal White residents and Black, Indigenous, and People of Color (BIPOC) residents live in largely separate communities.
- The pace of housing unit construction needs to accelerate to meet expected future demand.

#### Policy and Code Review

- Lynnwood's land supply may be a restricting factor.
- The Lynnwood Municipal Code (LMC) may be limiting new development or rehabilitation of existing housing.
- Lynnwood's greatest resource to support housing is through policies and regulations.

#### Implementation Actions:

- Establish list of priorities for amenity review and inventory.
- Conduct study for gaps in coverage and neighborhood-based evaluations.
- Coordinate with appropriate departments to address community needs. Update regulations and design guidelines as necessary (see Strategy 2).
- Related Strategies and Other Considerations: Amenity investments are long-term in focus. This strategy will be particularly effective in locations that are anticipated to experience new housing development (Strategies 1, 2, and 3). Community needs and preferences can be gathered through meaningful community engagement processes (Strategy 10).



Exhibit 15. Example Amenities in Lynnwood Area





# Strategy 10: Continue community conversations about housing.

Description: Addressing housing needs will require ongoing community conversations about housing needs and solutions. An inclusive community engagement process intentionally brings historically underrepresented community members into conversations and will help reflect diverse concerns in decisionmaking. This will support Lynnwood's goal of creating housing policies that serve all of Lynnwood.

#### Implementation Actions:

- Use outlets such as social media and newsletters to regularly provide updates on action items and to raise awareness about new and evolving housing needs.
- Establish two-way communication channels with the community and incorporate concerns and ideas in planning efforts.
- Provide public spaces for events and education related to housing. See example events in **Exhibit 16**.
- Related Strategies and Other Considerations: Inclusive community engagement is essential as the city begins to implement all other strategies. Communication processes should include approaches that are accessible and culturally relevant. Engagement should consider community members who prefer to communicate in languages other than English, who have historically been underrepresented in decision making process, or who are cautious about interacting with government entities.

#### **Needs Addressed**

#### Housing Needs Assessment

- 40% of households pay more than they can afford on housing and are cost burdened.
- Homeownership is out of reach for a growing proportion of residents, with the largest gaps for Black, Indigenous, and People of Color (BIPOC) communities.
- Residential patterns reveal White residents and Black, Indigenous, and People of Color (BIPOC) residents live in largely separate communities.

#### Policy and Code Review

- The City needs to increase the variety of housing types allowed to meet residents' housing needs.
- The Lynnwood Municipal Code (LMC) may be limiting new development or rehabilitation of existing housing.
- Lynnwood's greatest resource to support housing is through policies and regulations.



Exhibit 16. Community Engagement and Outreach Activities in Lynnwood









Source: City of Lynnwood, 2019-2020.



# **Implementation**

## **Action Steps and Timeline**

This Housing Action Plan includes strategies and implementing actions for the next five years. The chart in **Exhibit 17** provides an overview of the implementation schedule for all 10 strategies. The table below estimates the upfront staff time and other costs associated with implementation of each strategy and identifies key partners for collaboration. The schedule in **Exhibit 18** outlines the research and adoption time frames for each strategy as well as an estimated start date for implementation.

The implementation plan's actions are intended to guide budgets and workplans for city departments and community partners. Implementation will depend on available funding. While this plan identifies potential community partners, no commitments or agreements have yet been made. Continued flexibility and adaptability will be needed as conditions change and the work plan evolves.

#### Exhibit 17. Action Table for Selected Strategies.

Level of effort metric providers a general from low to high estimated for anticipated amount of dedicated staff time or added positions as well as potential costs for technical reports or studies needed.

	LEVEL OF EFFORT (STAFF TIME & COST)	BUDGET YEAR WHEN ACTION STARTS	POTENTIAL PARTNERS
1. Continue promoting housing in the Regional Growth Center and along major transportation corridors.	High		
Work with other departments to align capital facilities planning.		2021-2022	Relevant city departments
Update Regional Growth Center development regulations and design guidelines. Remove process barriers and provide		2021-2022	Housing providers, businesses, property owners, and transportation agencies



	LEVEL OF EFFORT (STAFF TIME & COST)	BUDGET YEAR WHEN ACTION STARTS	POTENTIAL PARTNERS
flexibility to incentivize development.			
Adopt planned action ordinance to reflect anticipated growth and streamline development.		2023-2024	Relevant city departments and community members
2. Update regulations, design standards, and subarea plans to be more flexible and responsive to changing conditions.	High		
Update Subarea Plans (Highway 99 and College District).		2025-2026	Lynnwood community members (especially businesses, residents, Edmonds College, Edmonds School District, and community organizations)
Update Lynnwood Municipal Code to remove barriers and modernize code to build more housing.		2021-2022	Housing providers and community members
Evaluate and update design guidelines to respond to evolving development trends.		2025-2026	Housing providers and community members
3. Strategically rezone areas to increase and diversify Lynnwood's housing options.	Medium		
Analyze areas that can support redevelopment and where additional housing capacity can occur.		2021-2022	Relevant city departments, community members (especially community organizations), housing providers, and residents
Integrate proposed changes into Comprehensive Plan update and LMC.		2023-2024	Relevant city departments
4. Revise the Multifamily Tax Exemption (MFTE) program.	Medium		
Evaluate appropriate locations for MFTE program.		2021-2022	Community organizations, housing providers, and community members
Evaluate potential MFTE scenarios to encourage more income-restricted units and analyze levels of affordability.		2023-2024	Housing providers



	LEVEL OF EFFORT (STAFF TIME & COST)	BUDGET YEAR WHEN ACTION STARTS	POTENTIAL PARTNERS
Streamline process.		2023-2024	Relevant city departments

5. Partner with housing providers.	Low		
Facilitate development conversations and identify opportunities for collaboration within the housing and social services community.		Ongoing	Housing providers, social service agencies, and community organizations
Continue to be flexible and responsive to changing conditions (See Strategies 1, 4, and 6).		Ongoing	Housing providers, social service agencies, and community organizations
6. Support third-party purchases of existing affordable housing to keep units affordable.	Low		
Proactively engage with housing providers to identify opportunities for support.		Ongoing	Income-restricted housing providers and operators (such as HASCO and Housing Hope), the Affordable Housing Alliance (AHA), Snohomish County, transportation agencies, Edmonds School District, faith-based organizations, and community organizations
Update policies and regulations to be competitive for funding opportunities.		2023-2024	Income-restricted housing providers and operators and community organizations
7. Work with faith-based and nonprofit organizations.	Low		
Convene and connect with these organizations to stay in touch with community issues.		Ongoing	Lynnwood Cops & Clergy, faith-based organizations, and community organizations
Explore opportunities for collaboration toward shared goals (See Strategies 3, 6, and 9).		Ongoing	Lynnwood Cops & Clergy, faith-based organizations, and community organizations
8. Develop a rental registry program.	High		

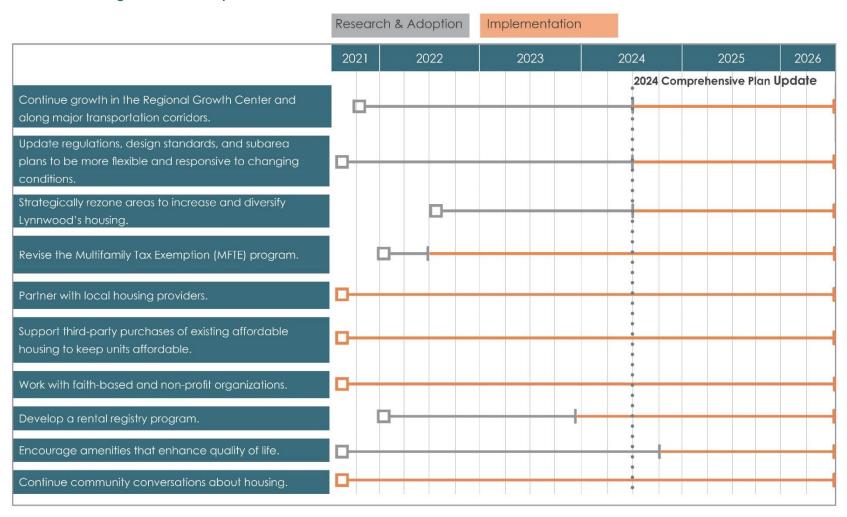


	LEVEL OF EFFORT	BUDGET YEAR	POTENTIAL PARTNERS
	(STAFF TIME & COST)	WHEN ACTION STARTS	
Research and scoping process.		2021-2022	Relevant city departments, city attorney, tenant advocacy groups, landlords, renters, and cities that have implemented programs
Appropriately staff to support the program.		2023-2024	Relevant city departments
Engage with community to increase awareness and education.		2023-2024	Community organizations (especially Volunteers of America, tenant groups, and landlord associations) and community members
Pilot testing and refinement.		2025-2026	Relevant city departments and community members
9. Encourage amenities that enhance quality of life.	Low		
Establish list of priorities for amenity review and inventory.		2021-2022	Community members
Conduct study for gaps in coverage and neighborhood-based evaluations.		2023-2024	Community members
Coordinate with appropriate departments to address community needs. Update regulations and design guidelines as necessary (See Strategy 2).		2023-2024	Relevant city departments
10. Continue community conversations about housing.	Low		
Use outlets such as social media and newsletters to regularly update on action items and to raise awareness about new and evolving housing needs.		Ongoing	Community organizations, faith-based organizations, Edmonds School District, Edmonds College, businesses, and community members
Establish two-way communication channels with the community and incorporate concerns and ideas in planning efforts.		Ongoing	Community organizations, faith-based organizations, Edmonds School District, Edmonds College, businesses, and community members
Provide public spaces for events and education related to housing.		Ongoing	Relevant city departments and community organizations



The City intends to launch Housing Action Plan implementation by creating partnerships with housing providers and Lynnwood community members (especially businesses, residents, Edmonds College, Edmonds School District, faith-based organizations, and community organizations). The City anticipates that several strategies will require a research and adoption phase that spans the next two to three years before they can be implemented.

Exhibit 18. Housing Action Plan Implementation Timeline





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## **Measuring Progress**

The City intends to monitor Housing Action Plan implementation. The following **Key Indicators** reflect overall desired outcomes of this plan. The **Key Indicators** will be monitored by the City to capture overall trends of the housing market. Importantly, they will help if an adjustment in goals, strategies, and implementing actions are needed.

KEY INDICATOR 1: Increase average annual production rate of total housing units.

This indicator reflects Goal #1 of producing housing that meets the needs of the community. Tracking production rate changes will provide a sense of shorter-term success in encouraging the production of different unit types. See **Exhibit 19**.

**Exhibit 19. Average Annual Production Rates** 

Unit Type	2015-2019	2020-2024	2025-2029	2030-2034
Single Family Homes	32 units/year			
ADU	4 units/year			
Duplex	0.4 units/year			
Townhome	2 units/year			
Multifamily Overall	259 units/year			
Overall	296 units/year			

Sources: City of Lynnwood permit data (by date of application), 2020; BERK, 2020.

KEY INDICATOR 2: Decrease rate of cost burden for moderate- and low-income households without loss of moderate- and low-income households.

This indicator reflects Lynnwood's aim of housing being affordable to all residents. Cost burdened households make tradeoffs that affect other elements of wellbeing such as health or education. If affordability strategies are effective, Lynnwood should hope to see decreased rates of cost burden across all income levels. It is important to monitor both severe cost burden (over 50% of income spent on housing) and cost burden (over 30% of income spent on housing).

Success for this indicator is only complete if cost burden rates reduce without losing households at each income bracket. This makes it important to track both cost burden rates and the proportion of moderate- and low-income households in the city. A healthy mix of household



income levels means that Lynnwood is a place where essential workers such as childcare providers, educators, retail workers, and healthcare assistants can live. Maintaining this balance demonstrates the success of preservation of housing that is affordable for the entire community. See **Exhibit 20** and **Exhibit 21**.

Exhibit 20. Rate of Cost Burden and Severe Cost Burden for Lynnwood Households

Household Type	2012-2016	2017-2021	2022-2026	2027-2031
	Cost Burden/ Severe Cost Burden	Cost Burden/ Severe Cost Burden	Cost Burden/ Severe Cost Burden	Cost Burden/ Severe Cost Burden
Moderate-Income (80-100% MFI)	21%/9%			
Low-Income (50-80% MFI)	27%/3%			
Very Low-Income (30-50% MFI)	46%/14%			
Extremely Low-Income (≤30% MFI)	19%/56%			
All Households	20% / 18%			

MFI refers to HUD-area median family income.

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

Exhibit 21. Proportion of Moderate- and Low-income Households in Lynnwood

Household Type	2012-2016	2017-2021	2022-2026	2027-2031
	Share of total households			
Moderate-Income (80-100% MFI)	11%			
Low-Income (50-80% MFI)	17%			
Very Low-Income (30-50% MFI)	14%			
Extremely Low-Income (≤30% MFI)	25%			

MFI refers to HUD-area median family income.

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



# KEY INDICATOR 3: Lynnwood Median Family Income and Housing Costs (adjusted for inflation)

When adjusting for inflation, income has stagnated over the past 10 years while housing costs of dramatically increased. Tracking Lynnwood's Median family income (MFI), median home price, and median rent price (adjusted for inflation) will reveal additional market factors and workforce/economic development opportunities. This indicator depends on factors beyond the City's control, but is a good indicator of external factors and sign that the City may need to evaluate and consider additional action. See **Exhibit 22**.

Exhibit 22. Median Family Income and Housing Costs (adjusted for inflation in 2019\$)

	2018	2020	2022	2024	2026
Lynnwood Median Family Income	\$73865				
Average Lynnwood Rent	\$2,013				
Average Lynnwood House Price	\$508,540				

Sources: ACS 5-year Estimates, Table \$1901 (Income), Zillow (Rent and Home Prices)



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# **Website Links**

This page is intended to provide readers of a printed copy the weblinks to the hyperlinked information cited throughout the Housing Action Plan.

- Work Session Agendas: <a href="https://www.lynnwoodwa.gov/files/sharedassets/public/city-council/work-session-agendas/agenda-2020-11-16-meeting.pdf">https://www.lynnwoodwa.gov/files/sharedassets/public/city-council/work-session-agendas/agenda-2020-11-16-meeting.pdf</a>
- Snohomish County HART Website: <a href="https://snohomishcountywa.gov/5422/HART">https://snohomishcountywa.gov/5422/HART</a>
- Housing Needs Assessment:
   <a href="https://www.lynnwoodwa.gov/files/sharedassets/public/development-and-business-services/planning-amp-zoning/lynnwood-housing-needs-assessment final 1.pdf">https://www.lynnwoodwa.gov/files/sharedassets/public/development-and-business-services/planning-amp-zoning/lynnwood-housing-needs-assessment final 1.pdf</a>
- 2021 Snohomish County Buildable Lands Report:
   https://snohomishcountywa.gov/1352/Buildable-Lands
- Highway 99 Subarea Plan:
   <a href="https://www.lynnwoodwa.gov/files/sharedassets/public/development-and-business-services/planning-amp-zoning/highway-99-subarea-plan.pdf">https://www.lynnwoodwa.gov/files/sharedassets/public/development-and-business-services/planning-amp-zoning/highway-99-subarea-plan.pdf</a>
- 2016-2025: Parks, Recreation, Arts, and Conservation Plan:
   <a href="https://www.lynnwoodwa.gov/files/sharedassets/public/parks-recreation-and-cultural-arts/administration/comprehensive-plans/2016-parc-plan web.pdf">https://www.lynnwoodwa.gov/files/sharedassets/public/parks-recreation-and-cultural-arts/administration/comprehensive-plans/2016-parc-plan web.pdf</a>



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# **Appendices**

# A. Housing in Lynnwood: Inventory of Efforts

Lynnwood aims to be a regional model and has already implemented many efforts to address housing affordability. The City of Lynnwood has completed or is currently implementing several policies, programs, and actions to encourage housing and meet the diverse needs of the Lynnwood community.

This appendix includes an inventory of Lynnwood's existing efforts to address housing affordability. It is organized by two documents that served as a starting foundation for the Housing Action Plan's creation. Lynnwood's accomplishments represent many of the "low hanging fruit" and low-cost initiatives to address housing affordability and availability in the community. Many of the remaining strategies will require a higher level of effort, political buy-in, funding, or a combination thereof. The 10 strategies in Lynnwood's Housing Action Plan include new efforts as well as updates to existing efforts. More information about strategy selection is included in **Appendix C Strategy Screening Methodology**.

Snohomish County Housing Affordability Regional Taskforce (HART)<sup>2</sup>: In 2019, Snohomish County Executive Dave Somers and Lynnwood Mayor Nicola Smith co-chaired the HART initiative. Together, HART created a Five-Year Housing Affordability Action Plan with recommendations for all Snohomish County cities and the county to respond to housing affordability challenges. The HART Action Plan includes eight "Early Action" items and 37 action items to be implemented by HART or its members within the next five years.

Prior to the HART report's release, Lynnwood had already implemented all of the relevant early action items that are under its authority to implement. The City has also implemented more than half of the five-year action items under its purview and was in the process of implementing an additional 25%. See Exhibit 23 for a summary list of these activities.

<sup>&</sup>lt;sup>2</sup>Website: https://snohomishcountywa.gov/5422/HART



Lynnwood has also implemented many of the Department of Commerce housing strategies, outlined in the Housing Action Plan guidance document.<sup>3</sup> The guidance document details 58 strategies, organized by type: zoning revisions, regulatory strategies, process improvements, affordable housing incentives, funding options, anti-displacement strategies, and other strategies. This spectrum of options represents actions that can fit a range of community sizes and situations, and it is not anticipated that every strategy is the right fit for Lynnwood. Still, the City has already implemented or is in the process of implementing almost one half (48%) of these strategies.

**Exhibit 23. Lynnwood Housing Action Steps** 

Lynnwood Action (Implemented or In Progress)	HART Early Action Item	HART 5-year Action Item	Dept. of Commerce Housing Strategy
Encourage cities to enter into cooperation agreements with the Housing Authority of Snohomish County (HASCO) and Everett Housing Authority (EHA).	✓		
Implement the state sales tax shift to local governments for up to 20 years to fund low-income housing as authorized by HB 1406, as adopted by Legislature in 2019.	✓		<b>√</b>
Review and consider recommendations from existing toolkits to engage communities around the issue of housing affordability.	<b>√</b>		
Foster community conversations about density.	✓		✓
Confirm and support an ongoing structure for regional collaboration around production of housing affordable across the income spectrum.	<b>√</b>		
Track progress on the plan.			✓
Establish specific housing affordability goals in city			✓

<sup>&</sup>lt;sup>3</sup> Department of Commerce Guidance Document, Published June 2020. https://www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/planning-for-housing/



Lynnwood Action (Implemented or In Progress)	HART Early Action Item	HART 5-year Action Item	Dept. of Commerce Housing Strategy
and county comprehensive plans and provide			
more accurate information into the development of			
those plans.			
Ensure adequate Buildable Land Supply for housing.		✓	✓
Increase SEPA categorical exemption thresholds for housing developments.		✓	✓
Facilitate more efficient deal assembly and development timelines/promote cost-effectiveness through consolidation, coordination, and simplification.		✓	
Remove barriers by reducing construction costs and delays and expedite the permit process.		✓	✓
Increase housing variety allowed at a range of affordability levels in single-family zones, in areas with connections to jobs, and along transit corridors, including consideration of zoning for duplex, triplex, 4-plex, courtyard apartments, etc.		✓	
Apply for state planning grants to develop housing elements of local comprehensive plans in connection with increasing density as authorized by HB1923 and adopted by the State Legislature in 2019. Apply alone or with other cities.		<b>√</b>	
Implement Multi-Family Property Tax Exemption program.		✓	<b>√</b>
Prioritize affordability and accessibility within a half mile walkshed of existing and planned frequent transit service, with particular priority near high-capacity transit stations.		~	<b>√</b>
Revise local zoning to encourage Accessory  Dwelling Units (ADU).		✓	✓



Lynnwood Action (Implemented or In Progress)	HART Early Action Item	HART 5-year Action Item	Dept. of Commerce Housing Strategy
Reduce short plat threshold for low-income housing projects.		✓	
Study funding mechanisms and pursue joint advocacy efforts.		✓	
Prioritize affordability and accessibility within half a mile walkshed of existing and planned frequent transit service, placing particular priority on high-capacity transit stations. Require some amount of low-income housing in development near transit hubs.		<b>√</b>	
Remove barriers by improving the permit process.		✓	✓
Increase variety of housing types allowed along transit corridors through increasing zone density and providing incentives to include low-income units.		✓	<b>√</b>
Reduce parking requirements for multi-family projects located near transit.		✓	✓
Increase Snohomish County/City projects' competitiveness for state and federal funding by ensuring multi-family zoning near transit.		<b>√</b>	
Maximize resources available for Transit Oriented Development (TOD) in the near term.		✓	
Expand engagement of non-governmental partners to support efforts to build and site more affordable housing.		✓	<b>√</b>
Engage communities of color, historically underserved communities, and low-income communities in affordable housing development and policy decision.		<b>√</b>	<b>√</b>
Subarea Plan with non-Project EIS			✓



Lynnwood Action (Implemented or In Progress)	HART Early Action Item	HART 5-year Action Item	Dept. of Commerce Housing Strategy
Strategic Infrastructure Investments			✓
Upzone			✓
Increase Building Height			✓
Integrate or Adjust Floor Area Ratio Standards			✓
Increase or Remove Density Limits			✓
Adopt Design Standards			✓
PUD/PRD and Cluster Subdivisions			✓
Planned Action			✓
Subdivision Process Streamlining			✓
Strategic Infrastructure Investments			✓
Simplify Land Use Designation Maps			<b>✓</b>
Temporary Emergency Housing			<b>✓</b>



## **B. Summary of Community Outreach Efforts**

Community involvement for this project was responsive to COVID-19 social distancing requirements. The Project Team worked hard to ensure that the community's voice is well represented in this plan. This appendix summarizes findings from three of the major engagement efforts. It also provides a detailed list of additional outreach activities and feedback opportunities pursued throughout the life of the project.

#### Opportunities for Public Input

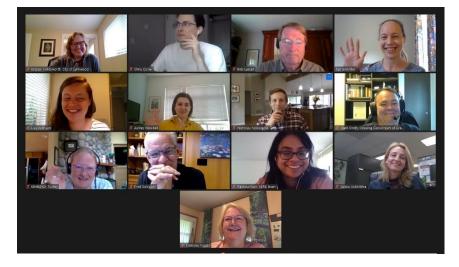
#### Tell Your Housing Story & Listening Sessions

A "tell us your housing story form" and listening sessions were two sources of community input for the Housing Action Plan during the early needs assessment phase. The story form was hosted using an online survey tool and was available in English, Spanish, and Korean. The Project team held four listening sessions in July using a series of four questions about rental housing needs, displacement issues, development regulations, and permitting processes in Lynnwood.

The purpose of these efforts was to hear from residents and stakeholders, in their own words, about housing in Lynnwood.

Questions on the survey prompted open-ended, narrative responses to provide depth to the project's understanding of housing needs. Participants were encouraged to "Share your story" on the project website, including a place to upload photos.

Forty-three (43) residents used the project's online platform to share their housing story. These



Screenshot from Listening Session, July 7, 2020

responses were thoughtful, detailed, and provide important context to the lived experience of Lynnwood households. The four listening sessions were attended by 24 participants of the Stakeholder Advisory Group and the Council's Housing Policy Committee.

Several themes emerged from these activities.

Historically Lynnwood has been relatively affordable, but residents are now facing housing



challenges and not everyone who would like to live in Lynnwood can afford to.

- Housing supply is increasing, but it does not include a mix of "missing middle" options.
- There are regulatory and policy opportunities to increase housing supply and affordability.
- Program and partnership opportunities are an important part of the City's overall strategy.

#### Virtual Open House #1- Housing Needs Assessment Feedback

Once the draft <u>Housing Needs Assessment</u><sup>4</sup> was completed the city conducted a series of open houses to gather community input. Open houses included an "Ideas Wall" on the Social Pinpoint platform as well as four live community meetings. Meetings were conducted virtually via Zoom and Facebook on the following dates:

- August 25, 2020 Open House Meeting #1 (English)
- August 26, 2020 Open House Meeting #2 (English)
- September 22, 2020 Open House Meeting #3 (Spanish)
- September 23, 2020 Open House Meeting #4 (Korean)

More than 40 community members attended these meetings. Feedback ranged from agreement on the need for affordable housing, appreciation for existing single-family development, concerns around traffic with increased density, and the need for planning for infrastructure such as parks.

The "Ideas Wall" on Social Pinpoint saw 4,040 total page visits with 975 unique users. More than 25 stakeholders left comments on the wall around housing challenges, potential solutions, the **Housing Needs Assessment** findings, and the overall project. Community feedback mirrored the findings from the "Tell Us your Housing Story," and included themes such as the following:

- Community members, especially local workers, struggle to find housing that is affordable for their income levels.
- Access to stable housing, housing for older residents, and more diverse housing types are important needs.
- Strategies such as revisions to parking standards and use of city-owned land were also recommended.

### Virtual Open House #2 - Community Survey

Lynnwood's community survey was advertised on the city's website, the Inside Lynnwood newsletter, and through promotional events such as the Halloween Hullabaloo (see full list in

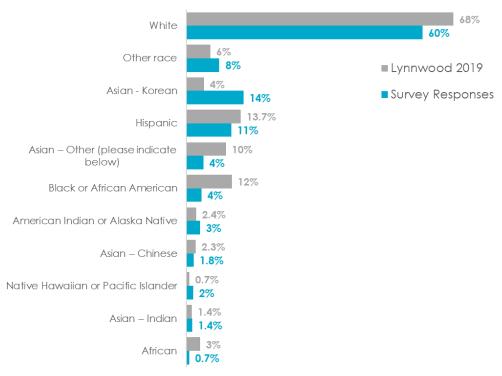
<sup>&</sup>lt;sup>4</sup> Website: <a href="https://www.lynnwoodwa.gov/files/sharedassets/public/development-and-business-services/planning-amp-zoning/lynnwood-housing-needs-assessment-final-1.pdf">https://www.lynnwoodwa.gov/files/sharedassets/public/development-and-business-services/planning-amp-zoning/lynnwood-housing-needs-assessment-final-1.pdf</a>



**Exhibit 26**). The survey was available in electronic and paper formats in English, Spanish, and Korean. Questions focused on respondent priorities for housing qualities, impressions of missing middle housing types in the Lynnwood context, and thoughts toward a variety of potential housing policy actions. The goal of this survey was to assess how action steps might best align with resident priorities and preferences.

Lynnwood received 651 survey responses. Survey respondents roughly reflect community demographics in terms of race, ethnicity, and housing type (Refer to **Exhibit 24** and **Exhibit 25)**. A mix of age groups were reached as well: 41% from ages 20-44, 41% from ages 45-64, and 16% ages 65 and older.

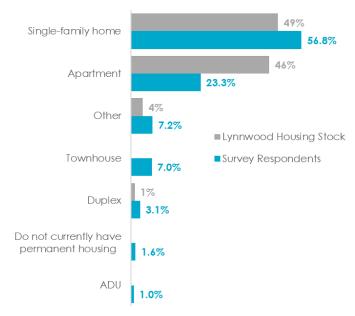
Exhibit 24. Lynnwood Survey Respondents, by Race and/or Ethnicity, Compared to Overall Resident Demographics.



Sources: American Community Survey 5-year Estimates, 2019; BERK, 2021.



Exhibit 25. Lynnwood Survey Respondents, by Housing Type, Compared to Overall Housing Stock.



Sources: Washington OFM, 2018; BERK, 2021.

Responses to the survey revealed important trends and preferences from Lynnwood those that live, work, and play in Lynnwood. The survey was organized into four sections: housing needs and priorities, different types of housing, agree/disagree statements, and housing strategies. These responses provided important feedback to inform strategy selection and prioritization.

### Additional Outreach and Engagement Activities

As part of this project, Lynnwood attended community and stakeholder meetings, posted announcements across a wide range of platforms, provided progress updates with Planning Commission and City Council, hosted, and attended various online and in-person events, and facilitated a Stakeholder Advisory Group. In addition, targeted phone calls and interviews added depth to the project understanding and helped inform outreach methods. A summary of these related activities can be found in **Exhibit 26 and Exhibit 27**.

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#### **Exhibit 26. List of Additional Engagement Activities**

Engagement Activity	Date(s)
Regional Collaboration	
Alliance for Housing Affordability (AHA) Board Meeting	2020 - January 22, May 27, July 27, and October 28 2021 - January 27
Alliance for Housing Affordability (AHA) ADU/DADU subcommittee	2020 - December 1 2021 - January 15
Snohomish County Housing Affordability Regional Taskforce (HART)	2020 - February 5 (report release) and October 21 (Stakeholder Advisory Group)
City Council Updates	
Council Retreat Presentation	February 8, 2020
Council Housing Policy Committee Meetings	2020 – March 24, May 26, June 14, June 18, June 23, July 1, July 29, August 25, and September 2
Council Interviews	July 1 – August 3, 2020
Council Work Session Presentations	2020 – August 3, September 21, October 10, and November 30 2021 – January 19,February 17, and March 29
Council Work Session FYI Memos	2020 – June 1, December 7, and December 23
Mayor's Memo (Memo from Mayor to Department Leadership and City Council)	2019 – November and December 2020 – March, April, June, August, Sept/October, November 2021 – January
Boards and Commissions Updates	·
Joint Boards and Commission Meeting	February 12, 2020
Planning Commission Presentations	2020 - June 25, October 22, November 12, and December 10 2021- January 28
Planning Commission – Joint meeting with Human Services and Diversity, Equity, and Inclusion Commissions	2020 - August 27 and November 12 2021 - February 11
News/Media	
Lynnwood Today	2020 – February 17, August 1, August 24, September 19, November 28, December 2, and December 3 2021 – January 22 and February 24
Lynnwood Times	August 24 and September 1, 2020
Everett Herald	January 22, 2021
Open House/Community Feedback	
"Share Your Housing Story" Form	June 22 – July 31 2020



Engagement Activity	Date(s)	
Virtual Open House #1: Housing Needs Assessment	August 24 – October 2, 2020	
Virtual Open House #2: Strategies	October 26 – December 4, 2020	
Halloween Hullabaloo Paper Survey Collection	October 31, 2020	
Lynnwood Foodbank Paper Survey Collection	November 18 and 20, 2020	
Stakeholder Advisory Group Meetings	June 3, August 11, October 21, and December 16, 2020	
Listening Sessions with Stakeholder Advisory Group and Council Housing Policy Committee	July 7, 9, 15, and 17, 2020	
South Lynnwood Neighborhood Plan Co-Design Committee Presentation	December 17, 2020 and February 24, 2021	
Draft Housing Action Plan public review and comment period	February 22 – March 12, 2021	
Outreach & Communications		
Project Website	Throughout Project	
Facebook/Social Media	Throughout Project	
Lynnwood Listserv emails	Throughout Project	
Inside Lynnwood Newsletter (delivered to every mailbox with a Lynnwood address)	2020 – 2 <sup>nd</sup> Edition and 3 <sup>rd</sup> Edition 2021 – 1 <sup>st</sup> Edition	
Edmonds School District Back to School Fair – Flyer Distribution	August 10 and 11, 2020	
Edmonds School District "Renters Rights and Eviction Panel" Community Meeting	February 25, 2021	
Future Lynnwood Kamp Kookamunga Youth Engagement	August 2020	
Lynnwood Carpool Cinema - Flyer Distribution	September 19, 2020	
Lynnwood Chamber BYO Breakfast Presentation	September 24, 2020	
Cops and Clergy Presentation	September 24, 2020 and March 4, 2021	
St. Pius X Leadership Meeting	November 1, 2020	
Organizations that assisted with distribution of project information: Communities of Color Coalition (C3), Edmonds College, Edmonds School District, Everett Community College, Gloria Dei Church, Homage, Habitat for Humanity Snohomish County, Housing Authority of Snohomish County (HASCO), Lynnwood Food Bank, Latino Educational Training Institute (LETI), Lynnwood Business Consortium, Lynnwood Chamber of Commerce, Master Builder's Association ok King and Snohomish Counties, Lynnwood Recreation Center, Lynnwood Senior Center, Verdant Health, Volunteers of America, Washington Family Engagement, and St Pius X Catholic Church.	Throughout Project	



#### Exhibit 27. Interviews and Phone Calls

Name, Organization (if applicable)
Aaron Olsen, Sherry Dawley, and Roger Johnson, Habitat for Humanity
Bob Larsen, Planning Commissioner and resident
Chris Collier, Alliance for Housing Affordability
Council Member Christine Frizzell, Lynnwood City Council
Council Member George Hurst, Lynnwood City Council
Council Member Jim Smith, Lynnwood City Council
Council Member Julieta Altamirano-Crosby, Lynnwood City Council
Dave Jordan, Volunteers of America (VOA)
Faheem Darab, Zainab Center
Terri Cleveland and Diana Furtuna, Fairfield Residential – Alderwood Court
Fr. Cal Christiansen, Saint Pius X Catholic Church
Gail Rautmann, Gloria Dei Lutheran Church
Galina Volchkova, Volunteers of America (VOA)
Jared Bigelow, Lynnwood DEI Committee
Ki Seung Cho (Master Cho), business owner and resident
Landsverk Quality Homes team
Linda Jones, Lynnwood Chamber of Commerce
Mike Pattison, Master Builders Association
Maria del Rosario Corona Horta, Familias Unidas
Mayor Nicola Smith
Monisha Herrell
Pam Hurst, Lynnwood Human Services Commission
Phong Nguyen, Lynnwood Business Consortium
Sally Guzmán, Edmonds School District
Sandra Huber, Verdant Health Commission
Zoe Reese, Verdant Health Commission



# C. Strategy Screening Methodology

The Housing Action Plan was developed from best practices and lessons learned to avoid "reinventing the wheel" and duplicating efforts. The plan includes 10 strategies which were selected from a larger "universe of strategies" and then tailored to address Lynnwood's context and needs. The original "universe of potential strategies" was compiled by the consultants and have demonstrated success in other communities. They were identified from the <a href="Department of Commerce guidance for Housing Action Plans">Department of Commerce guidance for Housing Action Plans</a>, <a href="Snohomish County Housing Affordability">Snohomish County Housing Affordability</a> <a href="Regional Task Force">Regional Task Force</a> (HART) report</a>, other jurisdictions' housing strategies, and community input.

In order to develop a plan that was realistic leads to actionable results, strategies were narrowed down from this large list based on defined criteria. Quantitative assessments, qualitative reviews, and community feedback were key components to the final strategy selection process. See **Exhibit 28**.

Exhibit 28. Strategy Screening Methodology, Lynnwood Housing Action Plan.



Source: BERK, 2020.

From an original list of 68 potential strategies, 44 strategies were identified for further consideration and inclusion into the draft plan. Strategies that met three out of the five criteria listed below were considered for further evaluation:

The strategy maintains or increases a diversity of housing types. The Housing Needs Assessment identified that the overwhelming majority of Lynnwood housing consists of two types of units: single family homes and small units in larger apartment complexes. Lynnwood needs more units that provide opportunities for ownership, can accommodate larger families, and can promote "aging in place" for older residents.

<sup>&</sup>lt;sup>5</sup> Website: https://www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/planning-for-housing/

<sup>&</sup>lt;sup>6</sup> Website: https://www.snohomishcountywa.gov/5422/HART



- 2. The strategy supports/aligns with existing regional efforts (HART, MPPs, and ST). There are several regional efforts underway that Lynnwood should continue to support, including the Snohomish County HART report recommendations, PSRC Vision 2050 Housing Element Multicounty Planning Policies, and Sound Transit's TOD Housing Policy.
- 3. The strategy creates or preserves a "medium" or "high" number of units. Lynnwood needs about 10,000 additional housing units by 2044. While every additional unit helps meet this goal, some strategies have the potential to create more units (or preserve existing affordable units) than others.
- 4. The strategy is feasible and appropriate for Lynnwood. As previously discussed, the strategies were identified through a variety of sources. It is important that the strategies can be successful Lynnwood. This evaluation criteria were based on the level of effort and cost to implement a strategy, whether it met a specific need, and feedback we received through public engagement. Priority was given to strategies that ranked "medium" or "high."
- 5. The strategy addresses the needs of renters and BIPOC community members. Some strategies may not directly produce housing but address historic housing discrimination or future threats of displacement.

This list of 44 potential strategies were reviewed by city staff, the Stakeholder Advisory Group, Planning Commission, City Council, and other community members.

At the fourth Stakeholder Advisory Group Meeting members were encouraged to discuss a preliminary list of strategies, tailor the strategy to the Lynnwood context, and voice concern for any strategies that were not included for further consideration.

The Stakeholder Advisory Group, Planning Commission, and City Council all indicated general support for the 44 potential strategies. After this discussion and review, Lynnwood staff worked to further narrow down the selection of strategies for final inclusion in the plan. Strategies were prioritized if they specifically addressed housing needs in Lynnwood and were relevant for implementation in the next five years.

Strategies were evaluated based on:

- 1. Identifying whether existing actions were sufficient or needed adjustment
- 2. Grouping like actions together
- 3. Considering existing resources and five-year timeline
- 4. Community feedback

This review resulted in the final 10 strategies included in this Housing Action Plan.



Many of the strategies in Lynnwood's Housing Action Plan are intended to coincide with updates to the City's Comprehensive Plan. Other strategies may be appropriate if conditions change; such as if Lynnwood becomes eligible to directly administer Community Development Block Grant (CDBG) funds or if annexations occur.