



LYNNWOOD CITY COUNCIL Work Session
City Hall Council Chambers 19100 44th Ave W Lynnwood WA 98036
WEDNESDAY, OCTOBER 20, 2021 6:00 PM

1. CALL TO ORDER
2. ROLL CALL
3. COMMENTS AND QUESTIONS ON MEMO ITEMS
4. WORK SESSION ITEMS
 - A. Public hearing and discussion: Use of American Rescue Plan Act (ARPA) funds - *60 minutes*
Michelle Meyer and Corbitt Loch
[ARPA Condensed for Boards 10.6.pdf](#)
[Qualified Census Tracts 2021 2022.jpg](#)
 - B. Discussion: American Rescue Plan Act Fund Input from Council - *30 minutes*
George Hurst, Council President
 - C. Possible Council Action on HB 1590 - *20 minutes*
Council President Hurst
5. MAYOR COMMENTS
6. COUNCIL COMMENTS

ADJOURN

MEMOS FOR YOUR INFORMATION

FYI Memo: Population and Employment Growth Allocations - *0 minutes*
[Growth Allocations Memo Draft_10-20-2021.pdf](#)

CITY COUNCIL 4.A
CITY OF LYNNWOOD
CITY COUNCIL

TITLE: Public hearing and discussion: Use of American Rescue Plan Act (ARPA) funds

DEPARTMENT CONTACT: Corbitt Loch, Finance

SUMMARY:

Public hearing and discussion: Use of American Rescue Plan Act (ARPA) funds

PRESENTER:

Michelle Meyer and Corbitt Loch

ESTIMATED TIME:

60

BACKGROUND:

The City has ~\$10.1 million in remaining ARPA funds. Congress appropriated ARPA funds to state, tribal, and local governments to support recovery from the COVID-19 pandemic.

The purpose of this agenda item is to provide for community input and to continue discussion of options for allocating Lynnwood's ARPA funds.

The City Council has received ARPA briefings during 2021 as information has been made available. The U.S. Department of Treasury has yet to issue final rules. Receipts of funds are relying upon Treasury's "preliminary final" rules. While no significant changes to those rules are expected, there are many other considerations that are not yet fully known.

The ARPA funds constitute an unprecedented opportunity to support the community's recovery from COVID. Lynnwood staff have advocated using a thoughtful, evidence-based approach to allocate these monies. This meeting can help identify potential uses of funds that can then be evaluated in detail before decisions are made. At this time, staff is not prepared to offer recommendations. ARPA's categories of allowed uses is as follows;

| ARPA Categories | Examples (not exclusive) |
|-----------------------------------------------|-----------------------------------------------------------------------|
| Respond to COVID-19 Public Health Emergency | Offer vaccine incentives, cover the cost of testing. |
| Negative Economic Impacts on Industries | Grants to hard-hit industries, such as hospitality and entertainment. |
| Restore Public Sector Capacity | None proposed at this time. |
| Negative Economic Impacts on Small Businesses | Training, technical assistance, or grants to local small businesses. |

| | |
|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Negative Economic Impacts on Specific & Defined Hardest-Hit Communities | Career re-training, human service navigators, supportive housing, housing assistance, child care, etc. in Qualified Census Tracts. Create or improve parks in Qualified Census Tracts. |
| Direct Aid to Citizens | Financial assistance to low-income households for rent, utilities, internet access, childcare, etc. Housing support, counseling, legal support, etc. for persons vulnerable to eviction. |
| Environmental Remediation | Clean-up of industrial property or increase street sweeping to protect stormwater. |
| Improve Roads, Cybersecurity, Utility Infrastructure | Fund critical improvements at the Wastewater Treatment Plant or lift stations. Install ADA ramps on existing sidewalks. |
| Improve Public Safety | Expand community-based programs relating to violence intervention, mental health, substance abuse, etc. |
| Improve Broadband Infrastructure | Install WI-FI hotspots in targeted areas. |

A map of Lynnwood's three Qualified Census Tracts is attached.

Some of the considerations that will influence decision-making include:

- Should ARPA funds be used for one-time, immediate community assistance, or for investments that create long-term benefit?
- To what extent will Snohomish County's \$160 million ARPA allocation address the needs of the Lynnwood community?
- To what extent can one-time financial assistance (i.e., rent or mortgage assistance) create long-term benefit? Example: precluding homelessness.
- Should the City partner with another public agency to create results that would not be possible without collaboration? Example: increase supply of affordable housing.
- Should assistance be offered to local small businesses as well as Lynnwood residents?
- How should investments in park, road, broadband, and utility infrastructure be compared to investments in human services?
- Of the vast array of human/social services needs, which are the highest priority?

Once priorities are identified, staff will provide additional analysis as well as recommended implementation strategies.

During the October 20 meeting, staff can provide an update on COVID recovery assistance programs funded by Snohomish County and Washington State.

SUGGESTED ACTION:

Receive input from the public and discuss preferred options for use of ARPA funds. Decisions will be made at a later time.

PREVIOUS COUNCIL ACTIONS:

Finance Committee Meeting ARPA Overview: June 24, 2021;
City Council Work Session ARPA Overview: July 19, 2021;
Finance Committee Work Session ARPA Immediate Needs Review: July 22, 2021;
City Council Work Session ARPA Immediate Needs Review: August 2, 2021;
City Council Business Meeting ARPA Immediate Needs Funding Request: August 9, 2021;
City Council Work Session ARPA Immediate Needs Follow-Up: September 7, 2021;
City Council Business Meeting ARPA Immediate Needs Follow-Up: September 13, 2021
City Council Work Session ARPA Immediate Needs Confirmation: September 20, 2021

FUNDING:

Total ARPA allotment (in 2 installments): \$10,936,804
Expended to date: \$882,000
Remaining ARPA allotment: \$10,054,804

VISIONS AND PRIORITIES ALIGNMENT:

Community Vision:

The City of Lynnwood will be a regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

- Our vision is to be a welcoming city that builds a healthy and sustainable environment.
- To be a city that is responsive to the wants and needs of our citizens.

Strategic Plan:

Priority 2. Ensure financial stability and economic success.

Priority 4. Be a safe, welcoming, and livable city.

DEPARTMENT ATTACHMENTS

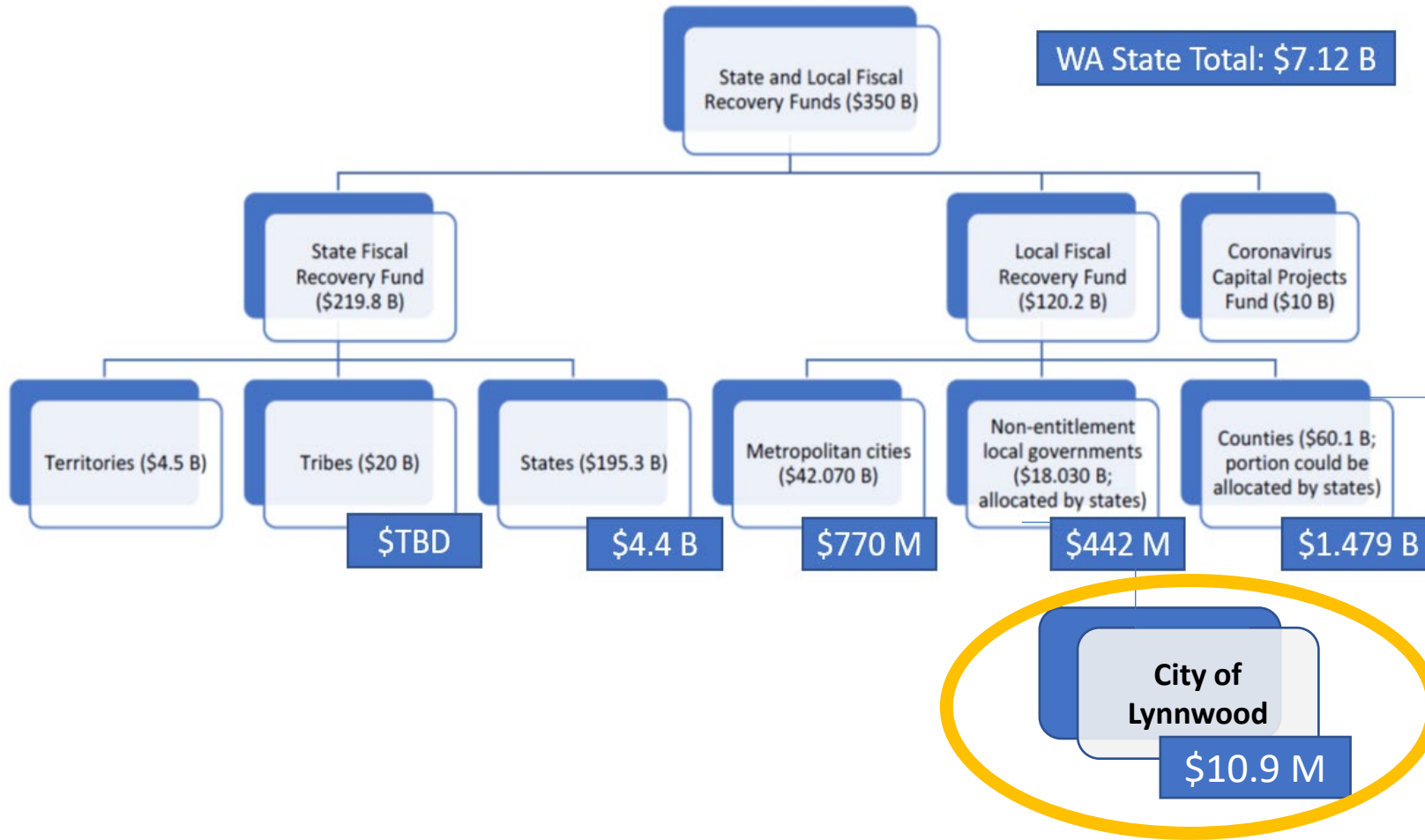
Description:

[ARPA Condensed for Boards 10.6.pdf](#)

[Qualified Census Tracts 2021 2022.jpg](#)

American Rescue Plan Act Overview

American Rescue Plan Funding



WA State Total: \$7.12 B

- State ADO, \$8.6 million
- State Small Business Grants, \$50 million
- State Tourism Recovery, \$12 million
- State Industry Sectors, \$7.3 million
- State Small Business Equity, \$7 million
- State Small Business Credit Initiative, \$138 million

Snohomish County
\$160 M + \$132 M

Other ARPA streams (not all-inclusive):

- Restaurant relief
- Airport
- Capital projects (Broadband)
- Farm and food supply
- Events and theater
- **Utility Assistance**
- **Rent/Homeowner Assistance**

American Rescue Plan Eligible Uses

Respond to COVID-19 Public Health Emergency

Restore Public Sector Capacity to Pre-Pandemic Levels

Address Negative Economic Impacts

Replace Lost Revenues and Provide Expanded Services up to Amount of Revenue Loss

Water, Sewer and Broadband Infrastructure

Approvals to Date

| DATE APPROVED BY COUNCIL | Item | 2021 Cost Estimate | 2022 Cost Estimate |
|--------------------------|-------------------------------------------------------------------------------------------|--------------------|--------------------|
| | Respond to COVID-19 Capital or Operational Needs | | |
| 9/13/2021 | <i>Council Chamber IT improvements</i> | \$ 150,000 | |
| | Restore Public Sector Capacity to Pre-Pandemic Levels | | |
| 8/9/2021 | <i>Recreation Customer Service Lead Clerk (1 FTE)</i> | \$ 30,000 | |
| 8/9/2021 | <i>Recreation Aquatics Part-Time Staffing (2.1 non-benefitted FTE)</i> | \$ 40,000 | |
| 8/9/2021 | <i>Recreation Coordinator - Senior Center (.75 FTE)</i> | \$ 25,000 | |
| 8/9/2021 | <i>Recreation Coordinator - Rec Programs (.25 FTE)</i> | \$ 6,000 | |
| 8/9/2021 | <i>Recreation Park Part-Time Staffing (2 PT non-benefitted)</i> | \$ 6,000 | |
| 8/9/2021 | <i>Recreation Service Part-Time Staffing (1.1 non-benefitted FTE)</i> | \$ 15,000 | |
| 8/9/2021 | <i>Police Evidence Officer (1 FTE)</i> | \$ 35,000 | |
| 8/9/2021 | <i>Court Legal Specialist 1 (1 FTE)</i> | \$ 25,000 | |
| 8/9/2021 | <i>Custodian Position (1 FTE)</i> | \$ 20,000 | |
| | Replace Lost Revenues & Provide Expanded Services up to Amount of Revenue Loss | | |
| 8/9/2021 | <i>*Body Camera Program Equipment, Services and Warranty</i> | \$ 400,000 | |
| 8/9/2021 | <i>Body Camera Program Staffing (1 FTE)</i> | \$ 32,000 | \$ 98,000 |
| | TOTAL | \$ 784,000 | \$ 98,000 |

Spend \$100 Tool, American Rescue Plan Act (ARPA)

Your name:

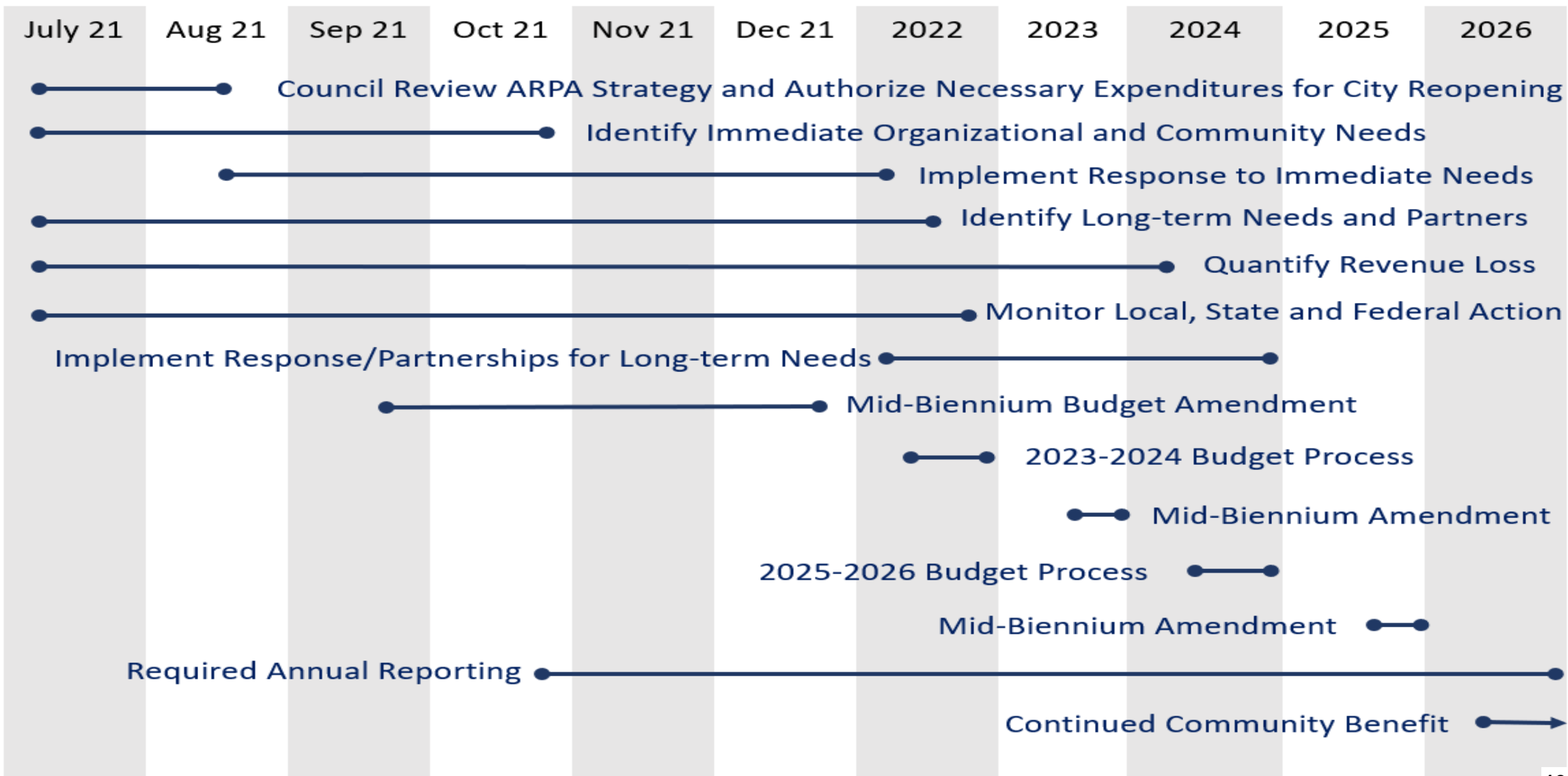
Instructions: Pretend Lynnwood's ARPA allocation is \$100. How would you spend it? Enter your amounts in the yellow column.

The total below must equal \$100. Email to cloth@Lynnwoodwa.gov Thank you for your input!



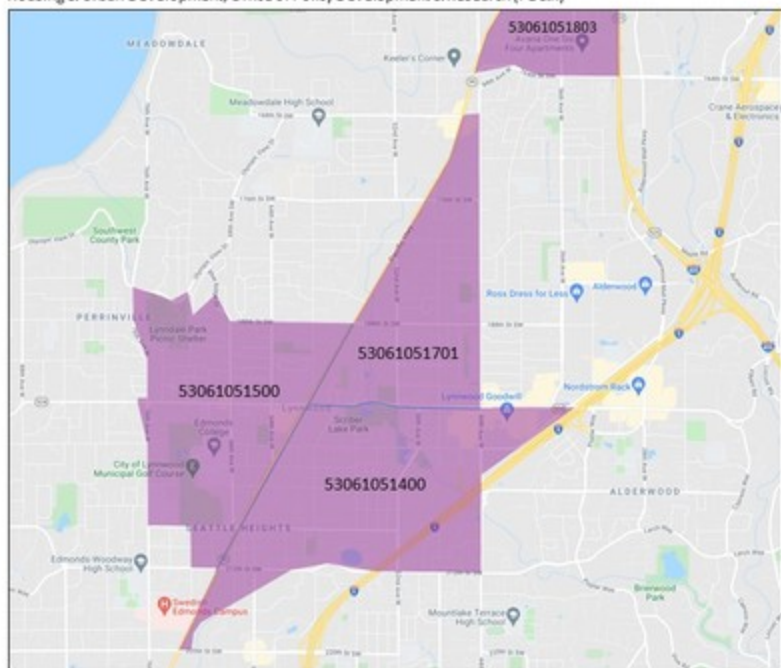
| | ARPA Categories | Examples (not exclusive) | \$ | Comments/Suggestions |
|----|-------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------------------|
| 1 | Respond to COVID-19 Public Health Emergency | Offer vaccine incentives, cover the cost of testing. | | |
| 2 | Negative Economic Impacts on Industries | Grants to hard-hit industries, such as hospitality and entertainment. | | |
| 3 | Restore Public Sector Capacity | None proposed at this time. | | |
| 4 | Negative Economic Impacts on Small Businesses | Training, technical assistance, or grants to local small businesses. | | |
| 5 | Negative Economic Impacts on Specific & Defined Hardest-Hit Communities | Career re-training, human service navigators, supportive housing, housing assistance, child care, etc. Create or improve parks. | | |
| 6 | Direct Aid to Citizens | Financial assistance to low-income households for rent, utilities, internet access, childcare, etc. Housing support, counseling, legal support, etc. for persons vulnerable to eviction. | | |
| 7 | Environmental Remediation | Clean-up of industrial property or increase street sweeping to protect stormwater. | | |
| 8 | Improve Roads, Cybersecurity, Utility Infrastructure | Fund critical improvements at the Wastewater Treatment Plant or lift stations. Install ADA ramps on existing sidewalks. | | |
| 9 | Improve Public Safety | Expand community-based programs relating to violence intervention, mental health, substance abuse, etc | | |
| 10 | Improve Broadband Infrastructure | Install WI-FI hotspots in targeted areas. | | |
| | | TOTAL (must equal \$100) | \$ - | |

American Rescue Plan Action Timeline



Qualified Census Tracts (QCT) 2021 & 2022, Lynnwood

Housing & Urban Development, Office of Policy Development & Research (PD&R)



QCT: A census tract (or equivalent geographic area defined by the Census Bureau) in which at least 50% of households have an income less than 60% of the area median gross income. In addition, it may also be a Qualified [Census Tract](#) if it has a poverty rate of at least 25%.

CITY COUNCIL 4.B
CITY OF LYNNWOOD
CITY COUNCIL

TITLE: Discussion: American Rescue Plan Act Fund Input from Council

DEPARTMENT CONTACT: Lisa Harrison, City Council

SUMMARY:

The Council President will lead a discussion among council members regarding use of the American Rescue Plan Act funds. No action will be taken on this item at the meeting.

PRESENTER:

George Hurst, Council President

ESTIMATED TIME:

30

BACKGROUND:

Ideas submitted from council members to the executive Assistant are as follows:

Council member Altamirano-Crosby:

- Scholarships to the rec center.
- More art classes at the rec center.
- More swim classes Scholarships at rec center
- Adult education.
- Edmonds College Scholarships
- Student musicians. Pay for rental of instruments or purchase instruments for low income kids. Would help kids in grade 5 and up. Would make it easier for kids to participate in music programs.
- Laptops for adult education so they can do their work.
- Buy the books for adult education. So expensive.
- 2 covid-resources coordinators for human services

Council member Frizzell:

- I would like to suggest that if we give individuals ARPA funds for rental or utility assistance we do that based on them taking a class to improve themselves to be paid for by ARPA funds.
 - Classes could be ESL, Life Skills, Internet or other skill sets and we could negotiate costs and availability with educational providers such as Edmonds College, Leti, or Goodwill.
 - Provided they attend and pass a class, they could be eligible for additional funds. In this way we are not giving money for people to stay in the same place they are, but actually giving them resources to change their living situation.
- I would like to propose we compensate essential employees (not directors) that were

required to work on site, or with the public, to a max of \$1,500 per person. Perhaps we can have Director Chin and Director Meyer weigh in as to the viability of this policy .

Council member Sessions:

- I would like to see us use the ARPA funds for our Lynnwood small businesses to get back on their feet and use the money to pay landlord's of rental properties for loss of rent and to Lynnwood residents to pay specifically for their rent from 2020 and 2021 to present, maybe also include utilities pay back too (not moving costs or other costs associated with housing).

DEPARTMENT ATTACHMENTS

Description:

CITY COUNCIL 4.C
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TITLE: Possible Council Action on HB 1590

DEPARTMENT CONTACT: Lisa Harrison, City Council

SUMMARY:

President Hurst will lead a discussion with council regarding whether or not they should impose the tax proposed in HB 1590.

PRESENTER:

Council President Hurst

ESTIMATED TIME:

20

DEPARTMENT ATTACHMENTS

Description:

CITY COUNCIL
CITY OF LYNNWOOD
CITY COUNCIL

TITLE: FYI Memo: Population and Employment Growth Allocations

DEPARTMENT CONTACT: Ashley Winchell, Development and Business Services

ESTIMATED TIME:

0

DEPARTMENT ATTACHMENTS

Description:

[Growth Allocations Memo Draft_10-20-2021.pdf](#)

DATE: October 20, 2021
TO: City Council
FROM: Ashley Winchell, Community Planning Manager
David Kleitsch, Development and Business Services Director
SUBJECT: 2044 Growth Allocations

Background

The Washington State Growth Management Act (GMA) is a series of statutes adopted by the state legislature in the early 1990s. The GMA requires the cities within the urban growth areas of Snohomish, King, Pierce, and Kitsap counties “provide sufficient capacity of land suitable in their jurisdictions to accommodate their allocated housing and employment growth” (RCW 36.70A.115).

The process begins when the Washington State Office of Financial Management (OFM) creates the population and employment growth projections. The Puget Sound Regional Council (PSRC) then allocates those projections to the four counties under their jurisdiction (King, Kitsap, Pierce and Snohomish) by adopting Multicounty Planning Policies, also known as Vision 2050. The counties then work with their local cities to allocate growth at the local level. Each city is required to demonstrate how they will accommodate growth through their comprehensive plans, ordinances, and policies.

Snohomish County through a subcommittee of the Snohomish County Tomorrow Planning Advisory Committee (SCT-PAC) is responsible for developing a methodology to allocate projected population and employment growth. City of Lynnwood staff serves on this committee. The allocations are to be reviewed by Snohomish County Tomorrow in October and then forwarded to County Council later this year for consideration and action.

There are financial sanctions for jurisdictions that do not provide sufficient development capacity to accommodate their growth allocations (RCW 36.70A.115). These sanctions include withholding local funds as listed below (RCW 36.70A.340):

- motor vehicle fuel tax (RCW 82.36);
- transportation improvement account funds (RCW 47.26.084);
- urban arterial trust account (RCW 47.26.080);
- sales and use tax (RCW 82.14);
- liquor profit tax (RCW 66.08.190);
- liquor excise tax (RCW 82.08.170); and/or
- the real estate excise tax (RCW 82.46).

Vision 2050

Vision 2050 was adopted in October 2020. It includes the Regional Growth Strategy, which provides a framework for how and where development occurs and how the region supports efforts to manage growth. The region is expected to grow by 1.5 million people by 2050 for a total regional population of 5.8 million. It is also anticipated that there will be 1.1 million more jobs in the region by 2050. Vision 2050 call for these new households and jobs to be accommodated within cities and urban areas without significant expansions to the Urban Growth Boundary to maintain farms, forests, and rural land and to prevent sprawl.

Vision 2050 allocates 20% of the region's population growth and 39% of the region's employment growth to Snohomish County. The Regional Growth Strategy includes the following regional geographies to identify how growth should be allocated: Metropolitan Cities, Core Cities, High-Capacity Transit Communities, Cities and Towns, Urban Unincorporated Areas, Rural, Agricultural Land, Natural Resources Land, Indian Reservation Land, and Military Installations. Lynnwood is designated as a Core city by PSRC. Vision 2050 calls for 28% of the region's population growth and 35% of the region's employment growth to be accommodated by the 13 Core Cities. Vision 2050 encourages growth in core cities to be concentrated by high-capacity transit stations and within regional growth centers.

Snohomish County Allocations

PSRC allocates growth to each county in their planning area. PSRC provides allocations for each regional geography in the county. Counties then create methodology to distribute growth between each regional geography. This methodology is created by a subcommittee of the SCT-PAC using guidance created by PSRC.

The Buildable Lands Analysis, which was completed in early 2021, assesses the capacity of undeveloped and underdeveloped land to accommodate future growth. This determines the development capacity for each city. The amount of existing capacity was subtracted from the overall allocation for each regional geography to determine the additional capacity needed. The proposed methodology was then applied to each jurisdiction to assign additional capacity to each city. Methodology considered the share of population and employment, pending development, population and employment change between 2011 and 2019, number of light rail and high-capacity transit stations, and proximity to major employment centers.

Implications for Lynnwood Planning and Policy

Existing Lynnwood Policies, as listed below, are generally consistent with the policy established by Vision 2050:

Lynnwood Comprehensive Plan: Policy LU-19. Accommodation of the population and employment growth specified by the Countywide Planning Policies should

primarily occur within the designated Lynnwood Regional Growth Center and along Highway 99.

Housing Action Plan: Strategy 1. Continue promoting housing in the Regional Growth Center and along major transportation corridors.

Lynnwood's Regional Growth Center was established in 1995 through the PSRC Regional Centers Framework and is comprised of most of the City Center and the area around Alderwood Mall. The Lynnwood Comprehensive Plan recognizes this area as an area designated for housing and employment growth.

Vision 2050 and the Regional Centers Framework require all PSRC-designated regional growth centers to adopt subarea plans and meet certification requirements by 2025. Planning efforts for Lynnwood's Regional Growth Center Subarea Plan were partially funded through the 2021/2022 Capital Budget. Staff have applied for additional grant funds to supplement this work.

The City's 2024 Comprehensive Plan update and Regional Growth Center (RGC) Subarea Plan will establish policies for Lynnwood to accommodate the state-required growth allocations through 2044 while maintaining quality of life for current and future Lynnwood residents and workers.

Similar to previous Comprehensive Plan updates in the City, Lynnwood needs to plan for additional capacity to meet growth allocations. The 2024 Comprehensive Plan and Regional Growth Center Subarea Plan presents an opportunity to evaluate alternatives to accommodate Lynnwood's capacity shortfalls, and to plan for impacts of the Everett Link Extension. This strategy is in line with past policy to concentrate growth outside of single-family neighborhoods.

Missing middle housing could present an opportunity to accommodate additional low-density growth where appropriate. This strategy will be further examined through the 2024 Comprehensive Plan update efforts and will seek out strategic locations that could be more successful at accommodating this type of housing vs. blanket regulations that allow missing middle everywhere. While missing middle housing could provide some capacity it is unlikely to accommodate all the future projected growth.

The following charts show the draft allocations developed by the Snohomish County Tomorrow Planning Advisory Committee.

Growth Allocations – Draft as of September 13, 2021

| Population | | | | | |
|-------------------|--------------------------------|--------------------------------|-------------------------------------|------------------------------------|----------------------------------------------------------|
| | 2010 Census¹ | 2020 Census² | Capacity to 2035³ | 2044 allocation⁴ | Additional Population Capacity Needed⁵ |
| Lynwood City | 35,840 | 38,568 | 56,041 | 63,735 | 7,694 |
| Lynnwood MUGA | 27,147 | 35,652 | 48,362 | 53,433 | 5,071 |

1. This is the estimated population provided by the 2010 Census.

2. This is the estimated population provided by the 2020 Census.

3. Based on 2021 Buildable Lands Report. This is how much population Lynnwood can accommodate with existing policies and regulations.

4. This is the new population being allocated to Lynnwood. The Housing Action Plan used PSRC's LUV model and estimated a 2044 population of 64,958.

5. This is how much population we must plan to accommodate in the 2024 Comprehensive Plan update.

| Employment | | | | | |
|-------------------|-------------------------|-------------------------|-------------------------------------|------------------------------------|----------------------------------------------------------|
| | 2011¹ | 2019² | Capacity to 2035³ | 2044 allocation⁴ | Additional Employment Capacity Needed⁵ |
| Lynwood City | 24,266 | 28,628 | 42,537 | 50,540 | 8,003 |
| Lynnwood MUGA | 3,574 | 5,067 | 7,609 | 8,009 | 400 |

1. This is the estimated number of jobs in 2011.

2. This is the estimated number of jobs in 2019.

3. Based on 2021 Buildable Lands Report. This is how many jobs Lynnwood can accommodate with existing policies and regulations.

4. This is how many new jobs are being allocated to Lynnwood.

5. This is how many jobs we must plan to accommodate in the 2024 Comprehensive Plan update.

Reference Documents

- Growth Management Act: <https://apps.leg.wa.gov/rcw/default.aspx?cite=36.70a>
- Vision 2050: <https://www.psrc.org/sites/default/files/vision-2050-plan.pdf>
- 2021 Buildable Lands Report: <https://snhomishcountywa.gov/1352/Buildable-Lands>
- 2021 Countywide Planning Policies: <https://snhomishcountywa.gov/5782/Countywide-Planning-Policies>