



LAKEWOOD CITY COUNCIL STUDY SESSION AGENDA

Monday, March 22, 2021
City of Lakewood
7:00 P.M.

Residents can virtually attend City Council meetings by watching them live on the city's YouTube channel:

<https://www.youtube.com/user/cityoflakewoodwa>

Those who do not have access to YouTube can call in to listen by telephone via Zoom: Dial +1(253) 215- 8782 and enter participant ID: 868 7263 2373

Page No.

CALL TO ORDER

ITEMS FOR DISCUSSION:

- (3) 1. Contaminated Properties Update. – (Memorandum)
- (16) 2. Review FY 2021 Annual Action Plan. – (Memorandum)
- (65) 3. Review of Chapter 9.06 of the Lakewood Municipal Code related to Controlled Substances. – (Memorandum)

ITEMS TENTATIVELY SCHEDULED FOR THE APRIL 5, 2021 REGULAR CITY COUNCIL MEETING:

- 1. Proclamation recognizing Town of Steilacoom Mayor Ron Lucas.
- 2. Presentation of the City of Lakewood 25th Anniversary Art Contest.
- 3. Youth Council Report.
- 4. Clover Park School District Report.
- 5. Authorizing the execution of an agreement with Hemisphere Design, in the amount of \$141,500, for the Build Your Better Here campaign. – (Motion – Consent Agenda)
- 6. Appointing Linn Larsen to serve on the Planning Commission through December 15, 2021. – (Motion – Consent Agenda)
- 7. Public Hearing regarding the Lakewood Station District Subarea Plan. – (Public Hearing and Appeals – Regular Agenda)

Persons requesting special accommodations or language interpreters should contact the City Clerk, 253-983-7705, as soon as possible in advance of the Council meeting so that an attempt to provide the special accommodations can be made.

<http://www.cityoflakewood.us>

8. Amending Lakewood Municipal Code Chapter 9.06 related to Controlled Substances. – (Ordinance – Regular Agenda)
9. Review joint facility use agreement with the Clover Park School District. – (Reports by the City Manager)

REPORTS BY THE CITY MANAGER

Review of March 27, 2021 City Council Retreat Agenda.

CITY COUNCIL COMMENTS


ADJOURNMENT

Persons requesting special accommodations or language interpreters should contact the City Clerk, 253-983-7705, as soon as possible in advance of the Council meeting so that an attempt to provide the special accommodations can be made.



To: Mayor and City Councilmembers

From: Becky Newton, Economic Development Manager
M. David Bugher, Assistant City Manager for Development Services

Through: John J. Caulfield, City Manager 

Date: March 22, 2021

Subject: Contaminated Properties Update

Overview

This is an introduction to contaminated sites in Lakewood for the purpose of developing strategies in promoting environmental cleanup and to support redevelopment efforts.

There are 13,664 properties listed statewide on the Washington State Department of Ecology (WADOE) Confirmed and Suspected Contaminated Sites List. 36 of those sites are in Lakewood. In addition, 18 properties in Lakewood are successfully cleaned up and removed from the list.

Cleanup of contaminated sites may take several years, depending on the extent of the contamination. Most sites are cleaned up by private property owners rather than public agencies.

In this report and in our discussion we will cover the site types, where sites are located, site status, cleanup process, who is responsible, what the City is obligated to do, what has been done, and what the City can do.

Types of Contaminated Sites and Oversight

There are three types of contaminated sites to consider in Lakewood.

Superfund: Uncontrolled or abandoned sites or properties where hazardous waste or other contamination is located. A contaminated site is generally considered a "Superfund site" if the federal government is or plans to be involved in cleanup efforts. There are two such sites that touch incorporated Lakewood, [American Lake Gardens](#) (removed from contaminated sites list) and [Lakewood Ponders Corner](#).

Brownfields: Presence of potentially hazardous substance, pollutant, or contaminant that may complicate real property expansion, development or reuse. Washington State Department of Ecology is the lead agency (WADOE).

USTs: Underground storage tank (UST) sites contamination from petroleum products or Superfund hazardous substances released from underground storage tanks. Tacoma Pierce County Health Department (TPCHD) works with WADOE, property owners and local jurisdictions on these sites.

95% of all sites statewide have some type of petroleum contamination.

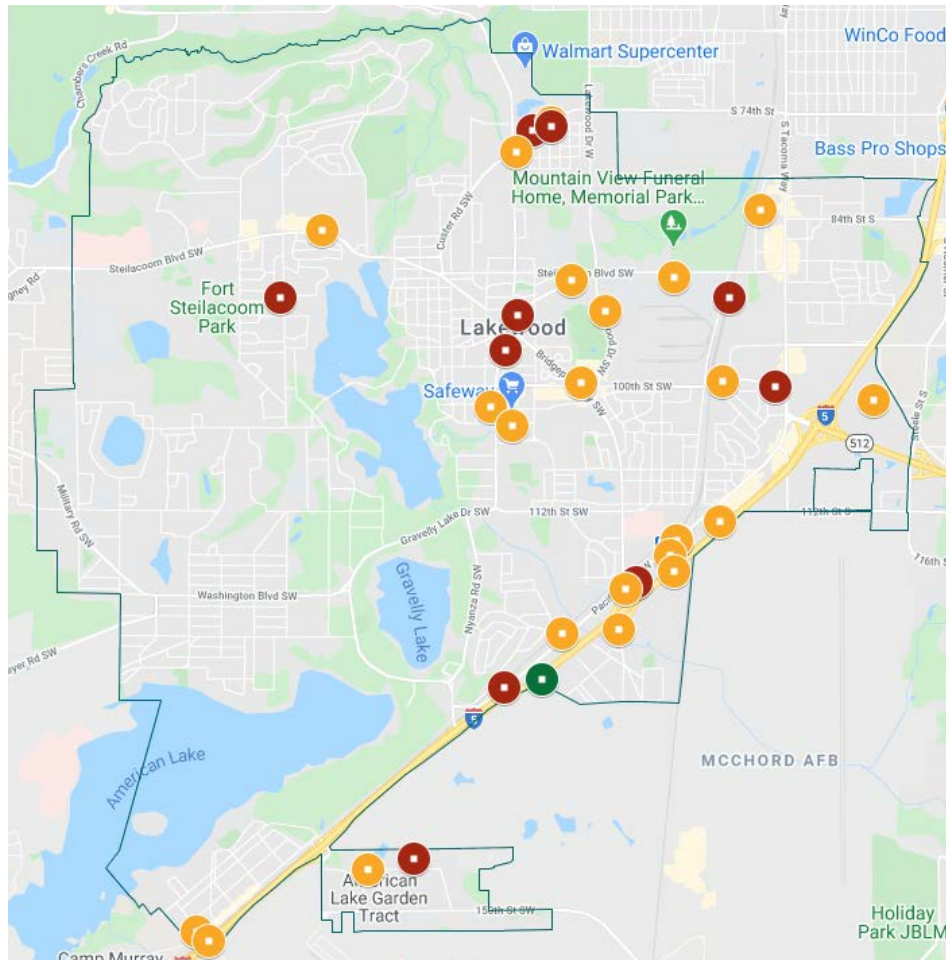
Status of Contaminated Sites

Site Name	Address	Area	Status
BG Olsen	9152 GLD SW	Downtown	VCP expired
Chevron	10202 GLD SW		VCP expired
Ken's Tire	9601 GLD SW		Bldg demo/Awaiting Cleanup
Lwd Towne Center	Main St & 59 th Ave		VCP expired
Flying B 18	11747 Pacific Hwy	Lakewood Station	Awaiting Cleanup
Kwang Property	11536-11533 Pac Hwy		VCP expired
Lakeview Auto Wr.	11528 Pacific Hwy		VCP expired
Lakewood Ford	11517 Pacific Hwy		Voluntary Cleanup Program
Tyee Cleaners	4924 115th St Ct SW		Awaiting Cleanup
Unocal 3588	11919 Pacific Hwy		Awaiting Cleanup
WSDOT MP 126.5	I-5 ROW MP 126.5		Awaiting Cleanup
WSDOT Lakeview	11211 41st Ave SW		Awaiting Cleanup*
Bob's MHP	7109 146th St SW	Woodbrook	Voluntary Cleanup Program
PSE Transformer	7517 146th St SW		Awaiting Cleanup*
Tillicum Mobile	8202 Berkely Ave SW	Tillicum	Awaiting Cleanup
Al's Automotive	7901 Steilacoom Blvd	Other	VCP expired
BNSF Right of Way	7109 146th St SW		Awaiting Cleanup
BP 11258	10302 STW		Voluntary Cleanup Program
Blue Tick Inc	8141 Durango St SW		Awaiting Cleanup
Dirk's Truck Repair	2421 110th St SW		VCP expired
Gais NW Bakery	8203 Durango St SW		VCP expired
Lakes Auto Salvage	4034 100th St SW		Voluntary Cleanup Program
Lakeview Gravel Pit	47 th Ave SW & 121 st		Voluntary Cleanup Program*
Lakewood Ponders	5725 New York Ave		Superfund site
Landscaping Pat B	7519 Grange St SW		NFA
Mutual Materials	5915 75th St W		Awaiting Cleanup
Ponders Auto Part	12828 Pacific Hwy		Awaiting Cleanup
Swan Properties	8920 GLD SW		Awaiting Cleanup*
Tacoma Dry Cleaners	7502 Custer Rd W		Voluntary Cleanup Program*
Texaco 1465	7717 Bridgeport Way		VCP expired
Woodworth	2800 104th Street Ct S		Voluntary Cleanup Program
WSDOT Bridgeport	12320 Bridgeport		Awaiting Cleanup
Schnitzer Pick-n-Pull	2416 112th St S		Awaiting Cleanup
CPTC Hanger Bldg	9219 Lakewood Drive	Public Institution	VCP expired
CPTC Bldg 25	4500 Steilacoom		VCP expired
LASA	9106 Hipkins Rd SW	Residential Area	Awaiting Cleanup

**Project proposed/in process; VCP = Voluntary Cleanup Program; NFA = No Further Action; NFA means that the owner has met target cleanup levels for use, and the government does not consider the contamination worthy of attention. NFA does not necessarily mean ready for all uses. NFA status may change.*

The following EPA Confirmed and Suspect Contaminated Sites are accessible online via this web link: [Lakewood Contaminated Sites](#)

Note: Due to lag or omission in state updating four properties to the federal list, as reported by other agencies, four properties are not on this map. They are Clover Park Technical College Bldg. 25, Lakeview Gravel Pit, Schnitzer Steel Pick-n-Pull, and Blue Tick Inc.



- Cleanup Started
- Awaiting Cleanup
- Cleanup Complete O & M Monitoring

(Cleanup Complete is the Superfund site that federal operations & maintenance monitors)

Washington Department of Ecology list of Confirmed and Suspect Contaminated Sites with a site status No Further Action. These are the 18 sites that have been cleaned up.

	Cleanup Site Name	Address	Site Status
1	AAA Loans & Gun Shop	12831 PACIFIC HWY SW	No Further Action - 08/17/2012
2	ARCO 4266	7718 BRIDGEPORT WAY W	No Further Action - 08/20/1998
3	ASSOC PETROLEUM PRODUCTS INC UST 412871	9822 47TH AVE SW BLDG 18	No Further Action - 04/30/2015
4	DOBASHI MARKET DELI	6101 STEILACOOM BLVD SW	No Further Action - 04/29/1998
5	Fleet forklift	10029 S TACOMA WAY	No Further Action - 07/7/2011
6	HICKEY 12411 & 12507 PACIFIC HWY SW	12411 & 12507 PACIFIC HWY SW	No Further Action - 05/29/2005
7	HOLROYD CO LAKEWOOD	7216 LAKEWOOD DR W	No Further Action - 01/21/2003
8	LAKEWOOD CITY NORTH AMERICAN LAKE PARK	9222 VETERANS DR SW	No Further Action - 12/21/2000
9	LUCKY LEOS CARWASH	4920 109TH ST SW	No Further Action - 11/25/2005
10	REID S AUTOMOTIVE INC	3512 S 84TH ST	No Further Action - 05/14/2008
11	STEILACOOM MOBIL 10HC4	8224 STEILACOOM BLVD SW	No Further Action - 06/1/1995
12	THORNEWOOD CASTLE	8602 THORNEWOOD LANE	No Further Action - 03/19/2007
13	TILLICUM AUTOMOTIVE	14612 UNION AVE SW	No Further Action - 05/8/2014
14	TRI STAR & EAGLES GAS STATION	10515 PACIFIC HWY SW	No Further Action - 03/24/2015
15	Villa Transmission & Auto Repair	9810 59TH AVE SW	No Further Action - 03/11/2014
16	Hi-Way Mobile	9001-9009 S. Tacoma Way	No Further Action- 01/26/2017
17	Unocal #7283	5429 100 th St SW	No Further Action- 09/12/2018
18	7 Eleven Store # 14469	12336 Pacific HWY SW	No Further Action- 07/30/2018

Cleanup Process

The variables that go into the cleanup process are unique to each site. The following are typical processes to follow.

1. Local government official identifies a Brownfield site that has redevelopment potential.
What can you do?
 - Gather information about the history and past uses of the property;
 - Identify the property owner;
 - Work with the owner to encourage development, and to provide resources;
 - Encourage the owner to join the VCP and act as a liaison between the owner, agencies, and resources to assist in this process;
 - Ensure that the community supports this project through proper zoning and noticing as required;
 - Work with the owner through the cleanup process to ensure they complete the process;
 - Act as an ombudsman throughout the cleanup, and development processes.
2. What if the owner cannot be found or does not respond?
 - If property taxes are delinquent, government may repossess the property;
 - If the property is a public nuisance, the local government can take action to abate the hazards, and recover expenses plus fees and taxes from the owner, and failure to reimburse may allow the local government to foreclose;
 - Issue warnings to the property owner and/or civil citations with monetary penalties to the property owner (see more on what the City can do on page 8).

Depending on the amount and type of contamination, it could take many years to complete these projects. WADOE must have four quarters of reporting at levels below minimum cleanup in order to designate the property as NFA. This does not mean the property is completely useless. There are some situations where a property is allowed to be used, but there are restrictions on its use, and/or there is ongoing monitoring required.

Funding Options

*NOTE: Private property owners are not eligible for grants. The City could apply for grants, but would need to be the property owner or have intent to purchase the property. We are not recommending that the City do this due to potential legal implications. **These grants are for informational purposes only.** The majority of properties are cleaned up by private owners.*

The Remedial Action Grant Program has the following opportunities on a biennial basis:

- [Area-wide groundwater investigation grants](#): provide funding to local governments to investigate known or suspected areas of groundwater contamination caused by multiple releases of hazardous substances. These grants are intended to facilitate the cleanup and redevelopment of multiple properties located within the impacted areas by addressing issues that would be difficult to resolve on a site-by-site basis.
- [Safe Drinking Water Action Grants](#): to assist in providing safe drinking water to persons served by private wells or public water systems impacted by a contaminated site.
- [Oversight Remedial Action Grants](#): provide funding to local governments that investigate and clean up contaminated sites under an order or decree overseen by Ecology under MTCA or by the U.S. EPA under the federal cleanup law.

The next opportunity to apply for the above grant types will be in the **Winter of 2022 for funding in the 2023-2025 biennium**. The Guidance for the new biennium will be updated, but we don't expect large changes.

Other grants that are available are:

- [Independent Remedial Action Grants](#) (IRAGs): An independent remedial action is a cleanup action completed voluntarily – that is, a cleanup not under an enforcement order, agreed order, or consent decree. IRAGs are available to help local governments offset costs of cleaning up sites independently.
- [Integrated Planning Grants](#) (IPG): Local Governments that own or are considering acquisition, cleanup and adaptive reuse of a brownfield property, or multiple properties within a defined area, may be eligible for a Standard IPG to facilitate remedial action and adaptive reuse of the property(s) following remediation. **There are no open applications at this time.**

[Washington State Department of Commerce Revolving Loan Fund](#) is available to local and regional governments, non-profit agencies and private businesses for cleanup and redevelopment.

[Liability for brownfields](#) fall to not only the current property owner, but also to previous property owners if they were responsible for the contamination. The City is obligated to ensure that any redevelopment and/or new tenants that take possession of property are protected, including patrons of those tenants when the City has been made aware of the contamination.

City obligation

If the City is aware that a site is contaminated it is obligated to regulate reuse of these properties in order to protect the health of persons and the environment. This includes change of use, tenant improvements to existing structures, and redevelopment of the property. Storm water compliance officers are also responsible for working with property owners, WADOE and others when hazardous spills or leaks occur to ensure proper handling and cleanup.

What is the City currently doing?

- Updates to the contaminated sites report and analysis of properties;
- Working with DOE to provide details on each site, and to assist in getting access to these sites for further evaluation (we are currently in the process of updating this information);
- Working with TPCHD on USTs, including site updates, and outreach to property owners;
- Working with DOE on hazardous spills (Public Works Engineering);
- Code enforcement through CSRT and in coordination with our Housing Program Manager and Building Official;
- Monitoring and regulating sites for redevelopment activities to ensure proper and safe management of land use, and redevelopment efforts.

What can the City do?

The City can legally do any and all of the following.

- 1) Identify and publish the problem properties on the City website;
- 2) Issue warnings to the property owner;
- 3) Issue civil citations with monetary penalties to the property owner;
- 4) Abate dangerous and nuisance conditions on the property, recovering costs from the owner.

All actions are based on the City's "police powers" granted by the Washington State Constitution, Article XI, Section 11, which states: *Any county, city, town or township may make and enforce within its limits all such local police, sanitary and other regulations as are not in conflict with general laws.*

Generally, the City bases many of its code provisions on state statutes; for example, the following:

- [Chapter 35.80](#) (Dangerous and Unfit Buildings) – [Chapter 15.05 LMC](#) (Adoption of International Codes)
- [Chapter 9.06](#) (Public Nuisances) – [Title 8 LMC](#) (Health and Safety)
- [RCW 46.55.240](#) (Junk Vehicles) – [Chapter 8.26 LMC](#) (Junk and Nuisance Vehicles)

Lakewood Water District Actions (LWD)

The Ponders Wellfield Treatment station was fully completed 2019/2020 to address requirements for this Superfund site.

The project included three main components:

- New booster pump station
- Two new stripping towers
- 4 granular activated carbon (GAC) filtration Vessels. These filters remove PFAS* contamination that has migrated to the wellfield.



Governor Inslee has proposed \$4.5 million in funding for the Scotts Wellfield filtration project, one of the largest and most important for LWD. This site is just east of the railroad tracks off of 108th Street SW and west of Rainier Ave SW. Filtration will be installed to remove PFAS from the wells. It will be larger than the Ponders site. LWD is coordinating with the City of Lakewood to possibly secure funding through the Department of Commerce's Defense Community Compatibility Program. This initiative would provide an additional \$5.5 million.

Recommendations and Next Steps

1. Update site evaluations, including an analysis of liability based on historical records and report to WADOE;
2. Obtain updated site access authorizations for each site and provide to WADOE;
3. Inform and work with TPCD on UST/petroleum site status and progress;
4. Prioritize sites that are in our target areas for redevelopment, and that are most easily pushed toward NFA designation (*low hanging fruit*);
5. Develop recommended strategies; and
6. Secure the services of a specialized legal firm as a resource.

**What are PFAs? Polyfluoroalkyl substances that are man-made chemicals widely used for their properties, such as being resistant to heat, water, and oil. These chemicals came into mainstream use in the 1950s and have been used for non-stick cookware (ex. Teflon), stain resistant fabrics and carpeting, waterproof clothing (ex. Scotchgard, Gore-tex), personal care items like shampoo, and firefighting foams (ex. used near air bases and airports).*

Cleanup Site Name	Address	Current Land Use	Description of Contamination	Parcel Number	Zoning	Census Tract	Occupied	Current Owner	Potential Responsible Party(ies)	Area (sq ft)
Al's Automotive Repair	7901 Steilacoom Blvd SW	Kiro Motors Car wash & used car sales	Several USTs were removed; Confirmed petroleum, PCB soil contamination; Other suspected groundwater contamination.	0220342022	NC2	721.06	Yes	Moshira LLC	Estate of Virgina E Goodenow/ Moshira LLC	20,330
BG Olson NW LLC	9152 Gravelly Lake Dr SW	Professional office	Heating oil was released to subsurface soils from UST.	5130001350	18B	718.07	Yes	9152 Gravelly Lake Drive LLC	Gary Krohn Successor Trustee/ 91522 Gravelly Lake Drive LLC	8,595
BNSF Right of Way Lakewood	ROW south of Steilacoom Blvd SW	Sound Transit facilities; active railroad right-of-way	Soil contamination (hydrocarbons & petroleum), suspected metals and other solvents.	Multiple	Multiple	Multiple	No	BNSF	BNSF	N/A
Bobs Mobile Home Park	7109 146th St SW, Space 12 (Previous methdrug lab)	Detached SFR	Septic system contaminated with illegal meth lab chemicals; Confirmed soil and groundwater contamination.	9009430190; 0219221171	MR1	720	Yes	DDI Properties LLC	Mobile Home Tenant / DDI Properties LLC	4,886
BP 11258	10302 South Tacoma Way	Fueling station/ convenience store	UST; Groundwater exposure to hydrocarbons; Monitoring wells installed.	0219011041	C2	718.07	No	Seven Eleven Inc	BP Oil/Kayo Oil/TOSCO	23,674
Chevron 94347	10202 Gravelly Lake Dr SW	None	USTs; Groundwater exposure to hydrocarbons; Monitoring wells installed.	5030001900	18B	719.02	No	Chevron USA Inc.	Chevron USA Inc.	6,098
Clover Park School District Hanger Building	9219 Lakewood Dr SW	CPSD vehicle maintenance facility	Trichlorethene, arsenic, cadmium, chromium, mercury, and lead detected in ground water; Chemicals found in concrete sump were removed and backfilled with clean material.	0220354093	P/I	718.07	Yes	Clover Park School District	Clover Park School District	457,380
Clover Park Technical College, Building 25	4500 Steilacoom Blvd SW	Technical College	Four very large USTs were removed; Tanks contained petroleum products.	0220363037	P/I	718.07	Yes	Clover Park Tech College	Clover Park Tech College	3 million (69 acres)
Dirk's Truck Repair	2421 110th St SW	Vehicle repair & storage	Three settling tanks discharged industrial waste water into an existing leach field.	4776500080	CZ/I2	714.04	Yes	Herman J Dirk	Herman J Dirk	19,512
Flying B 18	11747 Pacific Highway SW	None; land vacant	Suspected gasoline ground contamination.	0219122161	TOC	718.06	No	Hospitality Development Group	Flying J-City Bank-Park Hospitality Dev Group	20,038
Gais NW Bakery	8203 Durango St SW	Lanscaping business	UST; Documented release of gasoline, hydrocarbons & asenic in soil.	6990100072	I2	718.03	Yes	Henry & Phillip Gai	Henry & Phillip Gai	51,620
Ken's Tire Service UST	9601 Gravelly Lake Dr SW	None	Dry well containing sludge; 150 gallons previously removed; High levels of migration potential in ground water.	0219022143	18B	719.01	No	Kenneth & Michelle Winters	Kenneth & Michelle Winters	17,424
Kwang Property	11536 & 11538 Pacific Highway SW	Part of Lakewood Station	Unknown	0219122166	Lakewood Station	718.05	Yes	Sound Transit	Sound Transit	unknown
Lakes Auto Salvage (110th St SW Lakewood Property, LLC	4034 100th St SW	Landscaping, tree cutting services	Gravel produced in the 1950s; Converted to asphalt paving & tile; 1970s used for lumber wholesale & storage; 1980 to 2010 used for auto salvage; Petroleum hydrocarbons & heavy metals. Landuse restrictions in place.	0219011113	I1	718.07	Yes	100th St SW Lakewood Property LLC	Davis Roberts & Johns LLC/100th St SW Lakewood Property LLC	85,376
Lakeview Auto Wrecking	11528 Pacific Highway SW	New & used vehicle sales	County used as maintenance shop (vehicle, paint, chemical storage, & three USTs); Also used as a wrecking yard; elevated hydrocarbons & lead.	2004904791	TOC	718.06	Yes	Lakeview Auto Wrecking	Pierce County/Lakeview Auto Wrecking	349,351
Lakewood Area Community Shelter	9106 Hipkins Rd SW	Existing single family unit	Petroleum products confirmed.	0220334027	R3	721.07	Yes	LASA	Newton Family Living Trust/LASA	13,225
Lakewood Ford	11517 Pacific Highway SW	New & used vehicle sales	Confimed multiple soil contamination (Halogenated solvents, lead, petroleum, other solvents).	0219122157; 0219122031; 0219122027	TOD	718.06	Yes	Titus Will Land LLC	Titus Will Land LLC	349,351

Assessed Land Value	Assessed Improved Value	Total Assessed Value	% improved value	Redevelopment Project	Clean Up Status *	Site Manager	Active Institutional Controls (AIC)	No Further Action (NFA) Received?	CSRT Action Pending	Redevelopment Potential Rating	Conforming Use?	Overall Rating		
\$264,800	\$71,000	\$335,800	27%	No	T	WA-DOE	No	No	No	Low	Yes	7	Overall Rating is somewhat subjective based on staff assessments. The higher the points, the less likely a site will be cleaned up. Points awarded are based on the following.	
\$176,100	\$57,300	\$233,400	33%	No	AC	WA-DOE	No	No	No	Low	No	6		
N/A	N/A	N/A	0%	No	AC	WA-DOE	No	No	No	High	Yes	N/A	Category	Points Given
\$76,800	-	\$76,800	0%	No/adjacent to Phoenix Capital	VCP	WA-DOE	No	No	No	Low	No	5	Occupied	1
\$766,900	\$527,900	\$1,294,800	69%	No	VCP	WA-DOE	No	No	No	Low	Yes	5	Awaiting Cleanup	1
\$125,000	-	\$125,000	0%	No	OC	PLIA	No	No	No	High	Vacant	3	Terminated VCP	1
\$3,955,100	\$2,154,400	\$6,109,500	54%	No	T	WA-DOE	No	No	No	Low	Yes	7	NFA not received	1
\$74,570,000	\$23,610,200	\$98,180,200	32%	No	T	WA-DOE	No	No	No	Medium	Yes	7	CSRT Action	1
\$264,900	\$301,000	\$565,900	114%	No	AC	WA-DOE	No	No	No	Low	No	8	Nonconforming Use	1
\$517,200	-	\$517,200	0%	No	AC	WA-DOE	No	No	No	High	Vacant	3	Redevelopment Potential	
\$435,000	\$1,009,300	\$1,444,300	232%	No	T	WA-DOE	No	No	No	Low	Yes	7		3
\$385,000	-	\$385,000	0%	No	AC	WA-DOE	No	No	No	Low	Vacant	5		2
-	-	unknown	0%	No	T	WA-DOE	No	No	No	Low	Vacant	7		1
\$1,318,500	\$257,300	\$1,575,800	20%	Yes	VCP	WA-DOE	Yes	No	No	Medium	Yes	5	*Cleanup Status: AC = Awaiting Cleanup OC = Owner started cleanup VCP = Voluntary Cleanup Program T = Terminated VCP (or expired prior to NFA) FS = Federally Supervised	
-	-	-	0%	No	T	WA-DOE	No	No	No	Low	Yes	7		
\$142,200	\$172,100	\$314,300	121%	No	AC	WA-DOE	No	No	No	Low	Yes	6		
\$2,336,300	\$6,251,500	\$8,587,800	268%	No	VCP	WA-DOE	No	No	No	Low	Yes	5		

Cleanup Site Name	Address	Current Land Use	Description of Contamination	Parcel Number	Zoning	Census Tract	Occupied	Current Owner	Potential Responsible Party(ies)	Area (sq ft)
Lakewood Ponders Corner (Super Fund Cleanup site)	15 New York Avenue SW (5725 New York Ave SW?)	Water wells & air strippers	Confirmed groundwater organics.	0219114116	MF1	718.06	No	Lakewood Water District	Lakewood Water District	50,094
Lakewood Towne Center (Toxic spill site near RPAI offcies)	Main Street & 59th St SW	Retail/office building	Confirmed halogenated organics in the groundwater; Suspected petroleum products.	4002240010	18B	719.01	Yes	RPAI	Previous dry cleaner; RPAI	1,108,166
Landscaping by Pat Boring	7519 Grange St SW (7519 Grange Street SW)	Boarded up single family residence	Petroleum-Diesel, remediated; Low to moderate risk.	3905000270	MF3	718.03	No	Allenmore Heights LLC	Allenmore Heights LLC	21,780
Mutual Materials Lakewood Block PLT	5915 75th Street W	Cement block plant	Petroleum products-unspecified, confirmed.	0220264083	I2	718.03	Yes	Mutual Materials Company	Mutual Materials Company	428,500
Ponders Auto Parts Inc	12828 Pacific Highway SW (12826 to 12828 Pacific Highway SW)	Merchandise; retail trade	Halogenated organics suspected; Metals, and petroleum products, confirmed.	0219142081	C1	718.06	Yes	Michael Archie	PAP Inc A/T/A Ponder's Auto PA/Michael Archie	27,600
PSE Transfomer at Meadowbrook Apartments	7517 146th Street SW	Multifamily apartments; 48 units	Petroleum, confirmed; Remediated for petroleum but still above acceptable level; Other chemicals below cleanup.	0219222015	MF1	720	Yes	Yuan Zhangs Meadowbrook Apartments	Yuan Zhangs Meadowbrook Apartments	227,383
Swan Properties Corp.	8920 Gravelly Lake Dr SW (portions of a UST may be found within the City's right-of-way)	Commercial buildings; unused residential/ commercial structures; previous auto repair; vehicle storage	Suspected groundwater contamination for metals, solvents, and petroleum; Below or remediated for all except non-halogenated organics.	5130001551	NC2	718.07	Yes	Swan Properties Corp.	Swan Properties Corp.	127,631
Tacoma Dry Cleaners	7502 Custer Road SW	Dry Cleaner	Confirmed halogenated organics in soil and groundwater; Halogenated solvents confirmed in air.	3905000150	NC2	718.03	Yes	May Family Investment LLC	May Family Investment LLC	8,201
Texaco Service Station No. 1465	7717 Bridgeport Way SW	Sound Credit Union	Confirmed soil and groundwater petroleum.	0220263102	NC2	718.03	Yes	Sound Credit Union	Texaco/Sound Credit Union	28,278
Tillicum Mobil	8202 Berkeley Ave SW	Vacant	Confirmed groundwater petroleum.	2200000282	NC2	720	No	WSDOT	Texaco/WSDOT	26,450
Tyee Cleaners & Laundromat	4924 115th St Ct SW	Dry Cleaner	Confirmed Benzene,and hydrocarbons in the air; Confirmed halogenated organics and solvents in the air, soil and groundwater.	2650000110	TOC	718.05	Yes	Lakewood Community Group LLC	Dry Cleaner/ Lakewood Community Group	22,387
Unocal 3588	11919 Pacific Highway SW	Gas station	Confirmed petroleum in soil and groundwater.	0219122053; 0219122070	C2	718.05	Yes	Durga Inc.	Durga Inc.	37,025
WSDOT Bridgeport Way Interchange	12320 Bridgeport Way SW	ROW/Storage	Unknown; Suspected petroleum.	N/A	N/A	718.06	No	WSDOT	WSDOT	N/A
WSDOT I-5 ROW	MP 126.5 NB I-5	ROW	Confirmed petroleum in the soil.	N/A	N/A	718.07	No	WSDOT	WSDOT	N/A
WSDOT Lakeview Maintenance Facility	11211 41st Ave SW	Maintenance Facility	Confirmed petroleum in the soil.	0219121004; 0219122075	TOC	718.07	Yes	WSDOT	WSDOT	231,056
Woodworth & Co Inc Lakeview Plant	2800 104th St Ct S	Mining activities	Confirmed petroleum in the soil.	201082000	AC1/I1	717.04	Yes	Miles Resources	Miles Resources	N/A
Lakeview Gravel Pit	47th Avenue SW & 121st Street SW	Vacant	Confirmed lead in the soil and groundwater; Suspected arsenic, metals, petroleum, and hydrocarbons.	0219122156; 029122160; 0219123112	IBP	718.06	No	Pierce County	Pierce County	1,271,726
Schnitzer Pick-n-Pull	2416 112th St S (2518 112th St SW)	Auto Wrecking	Confirmed lead, metals, and petroleum in the soil; Confirmed petroleum in the groundwater.	200263500;	NCZ/I1	717.06	Yes	Ferrill Family	Ferrill Family	300,642
Blue Tick Inc	8141 Durango St SW	Vacant	Confirmed petroleum- Approx. 50 gallons of diesel fuel was released to unpaved ground with lateral flow onto adjacent property to the south; suspected Benzene and non-halogenated organics.	6990100061	I1	718.03	No	Larsen Properties LLC	Sunabill Investment/Windmill Corner LLC/Larsen Properties LLC	28,739

Assessed Land Value	Assessed Improved Value	Total Assessed Value	% improved value	Redevelopment Project	Clean Up Status *	Site Manager	Active Institutional Controls (AIC)	No Further Action (NFA) Received?	CSRT Action Pending	Redevelopment Potential Rating	Conforming Use?	Overall Rating
\$860,600	\$233,100	\$1,093,700	27%	No	FS	Federal	No	No	No	Low	Vacant	4
\$2,611,400	\$2,980,500	\$5,591,900	114%	No	T	WA-DOE	No	No	No	Medium	Yes	5
\$290,300	\$500	\$290,300	0%	No	NFA	WA-DOE	No	Yes	No	High	Yes	1
	-		0%	No	AC	WA-DOE	No	No	No	Low	Yes	5
\$621,200	\$207,100	\$828,300	33%	No	AC	WA-DOE	No	No	No	Low	Yes	6
\$1,536,100	\$2,130,900	\$3,667,000	139%	Phoenix Capital 402,915 SF industrial, Woodbrook	AC	WA-DOE	No	No	No	Medium	No	4
\$1,247,600	\$600	\$1,248,200	0%	Swan Grove Apartments, 90 Units	T	PLIA	No	No	Yes	High	Yes	6
\$207,300	\$18,800	\$226,100	9%	Beyond Smoothie (tenant)	VCP	DOE Headquarters	No	No	No	High	Yes	3
\$772,000	\$989,900	\$1,761,900	128%	No	T	DOE SW	No	No	No	Low	Yes	7
\$429,200	-	\$429,200	0%	JBLM Cong Relief	OC	DOE SW	No	No	No	Low	Yes	5
\$435,900	\$186,400	\$622,300	43%	Possibly?	T	DOE SW	No	No	No	High	Yes	5
\$1,016,800	\$334,600	\$1,351,400	33%	No	OC	PLIA	No	No	No	Medium	Yes	5
N/A	N/A	N/A	N/A	N/A	OC	DOE SW	No	No	No	N/A	Yes	N/A
N/A	N/A	N/A	N/A	N/A	OC	DOE SW	No	No	No	N/A	Yes	N/A
\$4,337,700	\$733,300	\$5,071,000	17%	Lakewood Landing	OC	DOE SW	No	No	No	Medium	Yes	4
\$6,170,271		\$6,170,271	0%	No	VCP	DOE SW	No	No	No	N/A	Yes	5
\$4,134,100	-	\$4,124,100	0%	Yes - Industrial pending environmental	VCP	DOE SW	No	No	No	Medium	Yes	3
\$1,687,700	\$655,400	\$2,343,100	39%	No	OC	DOE SW	No	No	No	Low	No	6
\$177,400	-	\$177,400	0%	No	OC	DOE SW	No	No	Yes	Medium	No	5



TO: Mayor and City Councilmembers

FROM: Jeff Gumm, Housing Program Manager

THROUGH: John J. Caulfield, City Manager *John J. Caulfield*

DATE: March 22, 2021, City Council Study Session

SUBJECT: Proposed FY 2021 Annual Action Plan for CDBG & HOME Funding and Related Housing Assistance Programs Available to Lakewood Households.

Introduction: This memorandum serves three purposes:

- 1) Reviews housing-related assistance presently available to Lakewood residents and programs which are anticipated to becoming available soon;
- 2) Provides the City Council with a brief update on related housing funding covered in the recently passed American Rescue Plan Act (ARPA); and
- 3) Introduces the City Council to the proposed use of funds for the FY 2021 Annual Action Plan (AAP), amendment to FY 2017, FY 2019, and FY 2020 Annual Action Plans, public participation to-date, and timeline for submittal of the plan.

Emergency rental and mortgage assistance funding: On March 10th, Pierce County announced it would be providing \$58.6 million in U.S. Treasury and State funding for rental and utility assistance to low income tenants (up to 80% AMI). Applicants can apply for up to 12 months back due rent back as far as March 2020. Lakewood residents would be eligible for assistance under this program. The City of Tacoma is offering similar programs with \$2 million in rental assistance (through LASA) to low income tenants (80% AMI) residing within the City of Tacoma, and \$4.5 million in utility assistance. Funding for Tacoma programs is U.S. Treasury funding.

Pierce County is presently working on a mortgage assistance program which would provide similar assistance to low income Pierce County homeowners who have found themselves behind in their mortgage due to COVID 19 income reductions. Funding levels for this program have not yet been announced, however it is expected to be funded with approximately \$2.25 million in CDBG-CV and \$1 million in State Rescue Plan funds, with additional funding as ARPA funds are allocated.

City of Lakewood Rental and Mortgage Assistance Program: As approved by Council as part of the FY 2020 Annual Action Plan, \$148,464 in HOME funds has been allocated for emergency tenant based rental assistance for low income households behind on rent. Nearly all funds have been expended with the exception of a very small percentage which have been allocated but are awaiting client documentation to complete expenditure.

Additionally, this February Council approved approximately \$703,426, including administration, in CDBG-CV funds for rental and mortgage assistance to low income households impacted by the coronavirus. Qualifying households must be at or below 80% AMI with payments limited to \$4,000 per household for past due rent and mortgage payments. Program applications have been made available to the public with an initial review of applicants scheduled to begin on April 5th. Response to the program is expected to be heavy.

Additional funding related to the recently approved \$1.9 trillion American Rescue Plan Act (ARPA)¹: Although the funds associated with the recent signing of this bill by the President are not part of the FY 2021 AAP, it is important we include what we know about the bill and its financial impacts related to additional funding which may be coming Lakewood's way. Among other funding allocations, the bill does include a provision for \$5 billion in additional HOME funds to be allocated to existing HOME-participating jurisdictions at a rate equal to 3.7 times their normal HOME allocation. For Lakewood, this would mean approximately \$1.2 million in additional HOME funds to be used to develop affordable housing. The bill also includes an additional \$21.6 billion in funding for emergency rental assistance, \$10 billion in mortgage assistance, \$4.5 billion in utility assistance, and \$120 million for housing counseling, although it is unknown how the funds will be allocated.

Additional funding is also anticipated to come through the WA State Department of Commerce sometime in April to assist with the ongoing economic impacts of the coronavirus pandemic. Funding is expected to be in the \$10 - \$12 million range, with eligible uses including business assistance, rental and mortgage assistance, public and health services, utility assistance, and general governmental expenses, including increasing connectivity and response services related coronavirus impacts and service needs. Staff is presently weighing options for community-wide funding and expected to report funding options to Council on March 27, 2021.

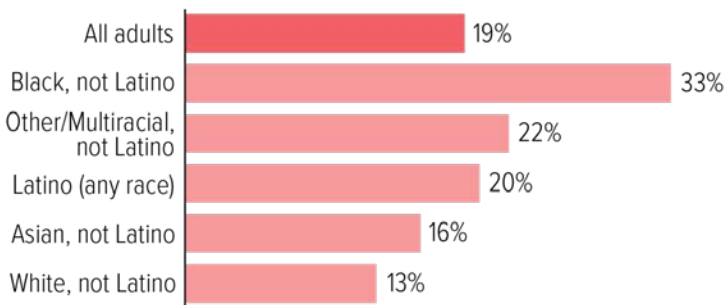
¹ A total of \$350 billion in payments to U.S. territories, states, and local and tribal governments is included as crucial assistance for budgets depleted by COVID-19 funding (\$130.2 billion to be allocated to local governments with \$45.6 billion earmarked for metropolitan cities with individual payments adjusted for population). Eligible uses of funding is to be limited to costs thru December 31, 2024 for the following:

- for response to the public health emergency with respect to COVID-19 or its negative economic impacts, including assistance to households, small businesses and nonprofits, or aid to impacted industries such as tourism, travel and hospitality;
- to provide premium pay to eligible workers, including local government, performing such essential work, or to provide grants to eligible employers with eligible workers performing essential work;
- for the provision of government services to the extent of the reduction in revenue is due to the COVID-19 public health emergency, relative to revenues collected in the most recent full fiscal year prior to the emergency (pending Treasury guidance, this would likely allow for replacing revenue that was lost, delayed or decreased as a result of COVID-19); or
- to make necessary investments in water, sewer or broadband infrastructure.

Information of note: Rental housing impacts and which households are being adversely impacted:

Nearly 1 in 5 Renters Not Caught Up on Rent During Pandemic, With Renters of Color Facing Greatest Hardship

Share of adult renters saying their household is not caught up on rent



Note: Other/Multiracial, not Latino = people identifying as American Indian, Alaska Native, Native Hawaiian or Pacific Islander, or more than one race. Chart excludes renters who did not respond to the question.

Source: CBPP analysis of Census Bureau Household Pulse Survey tables for February 17 - March 1, 2021

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

Coordination of local funding efforts: Staff is engaging both Pierce County and Tacoma on a regular basis to seek partnership opportunities to ensure funding and services are not duplicated amongst funders, and to ensure the greatest economic impact for both cities and the region as a whole. As additional funds continue to be allocated by the federal and State governments, this coordination will be crucial to ensuring the greatest impact for Lakewood residents is achieved. Funding recommendations identified in the proposed FY 2021 Annual Action Plan have taken into account current programs and attempted to direct funding towards undressed needs of Lakewood citizens.

CDBG and HOME planning process: HUD requires state and local governments to produce both a 5-Year Consolidated Plan and an Annual Action Plan to receive federal funding from the Community Development Block Grant (CDBG) and HOME Investment Partnership Act (HOME) programs. The 5-YR Plan outlines overarching community needs for housing and community development and sets goals in order to satisfy those needs over a specified five year period of time. The Annual Action Plan on the other hand, is a single year action plan derived from the goals of the 5-YR Plan as well as annual community input. Lakewood's current 5-YR Consolidated Plan covers fiscal years 2020 -2024 (July 1, 2020 – June 30, 2025), while the Draft FY 2021 Annual Action Plan covers only fiscal year 2021 (July 1, 2021 – June 30, 2022). The discussion below focuses on the proposed Annual Action Plan for FY 2021.

What input did we receive at the February 10, 2021 public hearing on CDBG and HOME? The City received a wide array of comment, however many were directed at housing needs and responses to the coronavirus pandemic. Comments received included support for the development of additional affordable housing units, both rental and

homeowner; the need for nontraditional housing units with 4 and 5 bedrooms; increased need for housing counseling services as eviction moratoriums expire; support for multi-unit projects to make development more attractive as costs continue to escalate; support for what is seen as a growing need for transitional and shelter type housing in the wake of the coronavirus pandemic; the need for additional supportive housing options; the need of mental and health care public services, including domestic violence and substance abuse counseling; financial assistance for small businesses; a strong need for rental and mortgage assistance programs; the development of small housing, including tiny houses and micro houses; graffiti abatement funding; the need to fund food assistance programs; land banking and land trust models for housing development; and finally, the need for additional community meeting spaces and facilities.

Funding allocations for FY 2021 CDBG and HOME programs: Funding allocations for FY 2021 were recently announced by HUD as follows:

- CDBG: \$573,352 (3.8% reduction from FY 2020 allocation of \$595,915)
- HOME: \$321,730 (3% reduction from FY 2020 allocation of \$331,627)

Fiscal Year 2021 Joint Consolidated Annual Action Plan: The FY 2021 Plan is a joint plan between Lakewood and the City of Tacoma (as part of the Tacoma-Lakewood Consortium). As a joint plan, it has allowed both communities to identify shared housing and community development needs and resources, and consideration of regional assets and strategies to meet the needs of low and moderate income households.

City staff administers the City's CDBG housing programs, and jointly administers Lakewood's HOME funded programs with Tacoma serving as the "lead entity." As lead HOME entity, Tacoma, through the Tacoma Community Redevelopment Authority (TCRA), reviews and approves Lakewood's HOME housing projects based on the lending criteria of the TCRA. Projects are funded out of Lakewood's portion of the HOME grant with Tacoma taking 10 percent of the total allocation to carry out general program administration activities.

Funding recommendations for CDBG and HOME for FY 2021 Annual Action Plan (year two of five): For FY 2021, Lakewood CDBG and HOME funds are proposed to be focused in support of all four goals addressed in the 5-YR Consolidated Plan 2020-2024:

1. Housing instability among residents, including homelessness – Programs include the funding of the Major Home Repair/Sewer Loan program to assist with homeowner rehabilitation; neighborhood revitalization through the Neighborhood Stabilization Program 1 abatement revolving loan fund; and relocation assistance for low income tenants displaced through no fault of their own.
2. Limited supply of diverse rental and homeownership opportunities – Funding will focus on providing additional affordable homeownership opportunities through the HOME Affordable Housing Fund.
3. Need for accessible, culturally competent services – Services will include fair housing counseling, foreclosure counseling, and financial counseling services.

4. Need for safe, accessible homes and facilities – Funding will focus on the provision of new public infrastructure where none presently exists through the construction of sidewalks in a low income, predominantly residential census block group.

Funds which are available for the upcoming fiscal year, along with the recommendations from the Community Services Advisory Board are contained in Tables 1 and 2.

TABLE 1 CDBG FUNDING RECOMMENDATIONS – FY 2021 (Includes Reprogrammed CDBG)					
Activity	CDBG	Reprogrammed FY 2017 CDBG	Reprogrammed FY 2019 CDBG	FY 2020 CDBG	Total
Housing – Major Home Repair/Sewer Loan	\$264,106.92	\$0	\$0	\$0	\$264,106.92
Housing – CDBG Administration of HOME Housing Services	\$15,000	\$0	\$0	\$0	\$15,000
Housing – Emergency Assistance for Displaced Residents (EADR)	\$0	\$28,708.76	\$0	\$0	\$28,708.76
Public Service – Housing/Foreclosure Counseling & Fair Housing	\$50,000	\$0	\$0	\$0	\$50,000
Infrastructure – COL Sidewalk Project – Phillips Rd.	\$129,574.68	\$0	\$170,425.32	\$0	\$300,000
Administration	\$114,670.40	\$0	\$0	\$0	\$114,670.40
Total Funding	\$573,352	\$28,708.76*	\$170,425.32**	\$0***	\$772,486.08
<i>*FY 2017 - Reprogrammed \$28,708.76 in EADR funds to current fiscal year.</i> <i>**FY 2019 – Reprogrammed funding \$170,425.32 (FY 2019 Low Income Street Lighting \$164,257.17; FY 2019 Administration \$3,392.96; and FY 2019 Section 108 Repayment – Interest \$2,775.19).</i> <i>***FY 2020 – Annual Action Plan Amendment addresses CDBG allocation incorrectly reported to Lakewood on October 22, 2020. Corrected allocation provided on November 9, 2020. Initial allocation reported as \$596,006; corrected allocation reported as \$595,915 (\$91 less). Amendment to decrease FY 2020 Administration allocation by \$91 to \$119,110.20. No other changes to 2020 AAP.</i>					

TABLE 2 HOME FUNDING RECOMMENDATIONS – FY 2021	HOME
Affordable Housing Fund	\$289,557
Housing Rehabilitation	\$0
Administration (Tacoma 10%)	\$32,173
Total Funding	\$321,730

What does Lakewood’s FY 2021 Annual Action Plan timeline look like? Table 3 provides a timeline of activities taken to date and upcoming actions to be undertaken by Lakewood and Tacoma to allocate CDBG and HOME funding for FY 2021:

TABLE 3 CDBG/HOME FUNDING TIMELINE – FY 2021	
Date	Action
<i>February 1, 2021</i>	<i>Council review of CDBG/HOME priorities and funding options for FY 2021 taken from 5-YR 2020-2024 Consolidated Plan.</i>
<i>February 10, 2021</i>	<i>Public hearing on housing, services and community development needs for CDBG & HOME funding – CSAB attended.</i>
<i>March 10, 2021</i>	<i>CSAB review of Draft FY 2021 Annual Action Plan.</i>
March 22, 2021 - Study Session	Council review of Draft FY 2021 Annual Action Plan.
April 1 – April 30, 2021	Citizen 30-day review and comment period of Draft FY 2021 Annual Action Plan.
April 19, 2021 - Council Meeting	Lakewood City Council Public Hearing on Draft FY 2021 Annual Action Plan.
April 13, 2021	Tacoma City Council Public Hearing on Draft FY 2021 Annual Action Plan.
May 3, 2021 - Council Meeting	Lakewood City Council adoption of FY 2021 Annual Action Plan.
May 11, 2021	Tacoma City Council adoption of FY 2021 Annual Action Plan.
May 14, 2021	Submittal of FY 2021 Annual Action Plan to HUD.

Attachment A is a copy of the Draft FY 2021 Annual Action Plan, which includes proposed amendments to the 2017, 2019, and 2020 Annual Action Plans. These plans are formatted in accordance with HUD’s Integrated Disbursement and Information System.

City of Lakewood

FY 2021 Consolidated Annual Action Plan



Tacoma-Lakewood
HOME Consortium

March 2021

Executive Summary

AP-05 Executive Summary - 91.200(c), 91.220(b)

1. Introduction

The FY 2021 Consolidated Plans for the Tacoma-Lakewood Consortium provide a framework for addressing housing and community development needs in these cities. The Plans are developed for the U.S. Department of Housing and Urban Development to define how funding is to be allocated for the following federal programs: the Community Development Block Grant Program (CDBG), HOME Investment Partnership Act (HOME), and for the City of Tacoma, Emergency Shelter Grants (ESG).

The FY 2021 Annual Action Plan (July 1, 2021 – June 30, 2022), Lakewood's second under the 5-YR Consolidated Plan (2020-2024), is a one-year plan that addresses local community and economic development needs and the resources necessary to meet the needs of low and moderate income households. The Plan identifies unique needs and assets in Lakewood and Tacoma, as well as on a regional basis. Goals and priorities of the Annual Action Plan are to be consistent with national objectives and priorities established by HUD and shall be consistent with the goals and strategies identified in the 5-YR Consolidated Plan.

Strategies identified in this Plan were built upon a broad citizen participation process in consultation with public and private agencies. Through this planning process, FY 2021 policies and priorities were developed to be consistent with those long-term goals established as part of the 5-YR Consolidated Plan (2020-2024). Priority needs identified as part of the Plan include, housing instability among residents, including homelessness; a limited supply of diverse rental and homeownership opportunities; the need for accessible, culturally competent services; and the need for safe, accessible homes and facilities. All needs identified were prioritized as high.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The 2021 Annual Action Plan will primarily focus on the following priority needs identified in the 5-YR Consolidated Plan:

- Housing instability among residents, including homelessness – Programs will focus on rehabilitation of owner-occupied housing units, neighborhood revitalization through the removal of blighted properties, and relocation assistance for low-income households displaced through no fault of their own.

- Limited supply of diverse rental and homeownership opportunities – Funding will focus on providing additional affordable homeownership opportunities.
- Need for accessible, culturally competent services – Services will include fair housing counseling, foreclosure counseling, and financial counseling services.
- Need for safe, accessible homes and facilities – Funding will provide for sidewalk construction along the west side of Phillips Rd. SW, from Agate Dr. SW to Onyx Dr. SW, serving low income households in census tract 072105 block group 2 and census tract 072106 block groups 3 & 4. The project will serve a total population of 5,345, with 2,895 being low income individuals (52.48% LMI).

Recommended funding allocations for FY 2021, including the reprogramming of unexpended FY 2017 & FY 2019 funding, include:

- *Housing Improvements* – Funding in the amount of \$264,106.92 is recommended in support of the Major Home Repair/Sewer Loan Program; \$15,000 in support of CDBG Administration of HOME housing activities; and \$28,708.76 (reallocation of 2017 Emergency Assistance for Displaced Residents- \$28,708.76) is recommended in support of Emergency Assistance for Displaced Residents. A total of \$150,000 in program income is recommended for continued support of Major Home Repair program (CDBG - \$85,000) and Neighborhood Stabilization Program 1 revolving loan fund activities (NSP1 - \$65,000).

In addition, a total of \$298,464 in HOME funding is recommended in support of housing activities directed at the expansion of affordable homeownership opportunities. HOME funding allocations for Lakewood may be found in Tacoma's 2021 Joint Consolidated Annual Action Plan.

- *Public Services* – \$50,000 is recommended in support of fair housing counseling, foreclosure counseling, and financial counseling services for those low-income households affected by the coronavirus pandemic. Funding in support of public and human services programs is also being provided as part of the City's 1% General Fund allocation totaling \$380,000 in 2021.

- *Physical/Infrastructure Improvements* – A total of \$300,000 (2021 CDBG allocation of \$129,574.68, plus reallocation of 2019 Low Income Street Lighting - \$164,257.17, 2019 Administration - \$3,392.96, and 2019 Section 108 Repayment- Interest \$2,775.19) is recommended for neighborhood-related sidewalk improvements along the west side of Phillips Rd. SW.

- *Administrative Activities* – Funding in support of general administrative activities for CDBG are recommended at \$114,670.40.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The 5-YR Consolidated Plan (2020-2024) for Lakewood identified five primary goals: 1) Stabilize existing residents; 2) Increase rental and homeownership opportunities; 3) Prevent and reduce homelessness; 4) Need of accessible, culturally competent services; and 5) Support of public infrastructure improvements.

As the Consolidated Plan moves into its second year, the City has identified funding strategies consistent with the priority needs identified in the Plan. With the close its initial year, despite the many setbacks the coronavirus pandemic has presented, the City believes itself to remain on task and on track to meet the five-year goals identified in the Plan.

Lakewood, not unlike other communities, has experienced trying times over the recent year as the global impacts of the coronavirus pandemic have continued to linger. The effects of the pandemic seem to have exacerbated income disparities and household instability, particularly among minority and low-income households. With the growing economic impacts of the pandemic and resulting increase in homelessness and income stagnation, sustainable long-term housing strategies continue to dominate the needs of many low-income households and remain the next big hurdle for communities to overcome. Housing access and affordability remain a top priority.

While the City of Lakewood does anticipate some of its first year accomplishments to be a bit delayed due to the effects of shifting funding priorities and resources towards ameliorating the effects of the coronavirus pandemic, it does expect to meet the benchmarks established as part of the overall 5-YR Consolidated Plan. A complete evaluation of the performance measures, including program expenditures and accomplishments, will be provided as part of the Consolidated Annual Performance Evaluation Report (CAPER) for FY 2020.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The FY 2021 Annual Action Plan was developed in coordination with the City of Tacoma and local organizations, agencies, and stakeholders. The Plan was developed in accordance with requirements established by the U.S. Department of Housing and Urban Development and the Citizen Participation Plan as adopted by the City of Lakewood. Citizen activities included notification in the Tacoma News Tribune on January 25, 2021 of a February 10, 2021 public hearing held by city staff and the Lakewood Community Services Advisory Board (CSAB) for FY 2021 (July 1, 2021 – June 30, 2022) Community

Development Block Grant (CDBG) and HOME Investment Partnership Act (HOME) program funding. Citizen input was solicited to identify community and economic development, housing, and public service's needs.

Notification of the Draft FY 2019 Annual Action Plan will be published on March 31, 2021 in the Tacoma News Tribune indicating where the document were available for review during the 30-day citizen comment period (April 1, 2021 – April 30, 2021). A public hearing by the Lakewood City Council will be held on April 19, 2021 to solicit comments from citizens, local for-profit and non-profit agencies, neighborhood associations, the State of Washington, Pierce County, City of Tacoma, local public housing authorities, and other interested parties on the draft document. Copies of the Plan will be made available to those requesting copies. Records on the proposed housing and community development projects will be made accessible to the general public. Comments received at the public hearings held by the Lakewood CSAB and Lakewood City Council will be summarized later in this report.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

The following comments were received as part of the FY 2021 citizen participation process. They include testimony provided at the February 10, 2021 public hearing and the Lakewood City Council public hearing on April 19, 2021:

2021 Annual Action Plan Public Hearing – February 10, 2021

At the February 10, 2021 public hearing held by the City staff and Lakewood Community Services Advisory Board, the City multiple comments from five (5) public attendees. Comments received included support for the development of additional affordable housing units, both rental and homeowner; the need for nontraditional housing units with 4 and 5 bedrooms; increased need for housing counseling services as eviction moratoriums expire; support for multi-unit projects to make development more attractive as costs continue to escalate; support for what is seen as a growing need for transitional and shelter type housing; the need for additional supportive housing options; the need of mental and health care public services, including domestic violence and substance abuse counseling; financial assistance for small businesses; a strong need for rental and mortgage assistance programs; the development of small housing, including tiny houses and micro houses; graffiti abatement funding; the need to fund food assistance programs; land banking and land trust models for housing development; and finally, the need for additional community meeting spaces and facilities.

(Insert comments here)

6. Summary of comments or views not accepted and the reasons for not accepting them

There were no comments or views received that were not accepted.

7. Summary

FY 2020 Annual Action Plan Amendment – Includes a correction of Lakewood’s CDBG allocation incorrectly reported as \$596,006 on October 22, 2020. A corrected allocation of \$595,915 was provided by HUD on November 9, 2020. This amendment decreases FY 2020 Administration allocation by \$91 to \$119,110.20. No other changes proposed to the FY 2020 Annual Action Plan.

Section 108 – Principal repayment for 2021 includes \$31,000 in principal repayment by Curbside Motors and \$16,000 in principal for repayment by LASA for the Client Service Center project. The table below summarizes the City's Section 108 outstanding balances and scheduled principal repayments:

PROJECT	SECTION 108 BALANCE	ANTICIPATED INCOME - 2021	PRINCIPAL REPAYMENT - 2021
Curbside Motors	\$540,000	\$31,000	\$31,000
LASA Client Service Center	\$295,000	\$31,521.75	\$16,000

Table 1 - Section 108 Loan Program - 2021

PR-05 Lead & Responsible Agencies - 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	LAKEWOOD	Community Development Department

Table 2 – Responsible Agencies

Narrative

In the City of Lakewood, CDBG funding is administered by the Community Development Department with oversight provided by the Council-appointed Community Services Advisory Board (CSAB) and Lakewood City Council. As a member of the Tacoma-Lakewood HOME Consortium, Lakewood receives HOME funding through the Tacoma Community Redevelopment Authority (TCRA). HOME funding allocations are initially approved by the Lakewood City Council before they are forwarded on to the TCRA for final review and approval.

Consolidated Plan Public Contact Information

City of Lakewood
Community Development Department
Attn: Mr. Dave Bugher, Assistant City Manager
6000 Main Street SW.
Lakewood, WA 98499
(253) 589-2489
dbugher@cityoflakewood.us

AP-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

The FY 2021 Annual Action Plan was developed to provide a general framework for addressing housing and community development needs in the City of Lakewood. In a larger sense, the plan involves a regional element to coordinate and address economic development, transportation, public services, special needs, housing, and homelessness throughout Pierce County. Coordination included consultation with the City of Tacoma, Pierce County, Pierce County Housing Authority, the Tacoma Housing Authority, and other stakeholders as provided in the Plan.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

As part of the planning process, the City of Lakewood established a committee to provide public oversight, comment on the process, and to review funding recommendations for both the CDBG and HOME programs. As part of the development of the 5-YR Consolidated Plan (2020-2024), the City solicited input through interviews, meetings, and public hearings to determine community need, priorities, and approaches to meeting those needs. Since the development of the 5-Year Plan, the City has continued to consult with many of the agencies and organizations originally polled.

The Pierce County Housing Authority and the Tacoma Housing Authority continue to work closely with the cities of Lakewood and Tacoma coordinating efforts to improve housing choice for low income households in both communities. Additionally, local housing and services providers such as Living Access Support Alliance (LASA), Greater Lakes Mental Health, Tacoma-Pierce County Habitat for Humanity, the Homeownership Center of Tacoma, Associated Ministries, the Fair Housing Center of Washington, and the Tacoma Pierce County Affordable Housing Consortium among others continue to provide input and support for mental health, services, and housing options both in Lakewood and Tacoma.

As part of the City's human services funding process, monthly coalition meetings are held at the City to bring together non-profits, service providers and governmental agencies to help determine and better understand the need for housing and human services in Lakewood and throughout Pierce County. Consultation with Joint Base Lewis McChord was also conducted as a part of the consolidated planning process to determine what level of assistance military personnel and veterans were experiencing with housing need, health and human services, and mental health care assistance.

Lakewood sought comment internally from City departments on housing and community development needs and services to low income and special needs populations. On a regional level, the consolidated planning process involved consultation with Pierce County Community Connections, the City of Tacoma,

United Way of Pierce County, the Pierce County Housing Authority, Tacoma-Pierce County Habitat for Humanity, the Homeownership Center of Tacoma, Living Access Support Alliance (LASA), Lakewood Community services Advisory Board, local school districts, police and fire departments, and the State of Washington to better understand the needs of at risk populations such as homeless families with children, victims of domestic violence, individuals with disabilities, ethnic minorities, and the elderly.

Additional efforts to enhance and coordinate efforts between housing, health, and services providers are described throughout the Plan.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The Cities of Tacoma and Lakewood are actively engaged members of the Tacoma/Lakewood/Pierce Road Home County Continuum of Care Committee. The three jurisdictions are the most involved governmental entities in the Continuum, cooperatively working on programs to meet needs for housing and services. Both Tacoma and Lakewood support the Continuum's priorities focusing on the needs of the most vulnerable populations including chronically homeless persons, unaccompanied youth, families with children, and veterans, among others. The mission of the Road Home Continuum of Care is to promote community wide commitment to ending homelessness through policy and resource alignment by implementing activities to achieve the goals and objectives of the Plan to End Homelessness.

In recent years, the Continuum has moved from a single point of access, or centralized intake, to that of a coordinated entry system providing many points of entry. This system, when coupled with an active Diversion program, known as Housing Solutions Conversations, aims at keeping those in housing crisis from entering the system by supporting their own identification of a solution and prioritizes them for a specific housing referral based on their vulnerabilities and the severity of their barriers to secure housing. Through this partnership and implementation of the Five-Year Plan to Address Homelessness, stands a county-wide commitment to ensure all persons facing homelessness have access to shelter and support – no matter their social or economic circumstances or where they live within Pierce County.

As housing prices and market-rate rents continue to rise at alarming rates and housing options are pushed out of reach of many, this coordinated and cooperative effort to ensure affordable housing stability and access to a home endure as a realistic and attainable goal for all in our community.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The Cities of Tacoma and Lakewood work closely with the Collaborative Applicant of the Continuum of Care (Pierce County) planning for allocation and use of Emergency Solutions Grant (ESG) funds. ESG policies and procedures were created and are updated periodically in cooperation with Pierce County and Tacoma to ensure that ESG subrecipients are operating programs consistently across eligible activities. Performance is reviewed by both entities. The Collaborative Applicant is also the HMIS lead and works closely with City of Tacoma to maximize use of HMIS resources and to draw data for reports on project performance and program outcomes. The City of Lakewood does not receive ESG funding.

2. Agencies, groups, organizations and others who participated in the process and consultations

N/A

Table 3 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	City of Tacoma
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	As the lead member of the Tacoma-Lakewood HOME Consortium, Tacoma remains a key partner in the development and implementation of the consolidated planning process. The City of Tacoma was consulted in the development of priorities and strategies designed to meet the various community and economic development needs identified in this Plan. Lakewood and Tacoma will continue to coordinate their efforts to ensure the goals and outcomes identified in the 5-YR Consolidated Plan (2020-2024) are satisfied.
2	Agency/Group/Organization	Pierce County Community Connections
	Agency/Group/Organization Type	Other government - County

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Pierce County Community Connections is a partner agency in a regional effort to end homelessness, encourage community and economic development efforts benefitting low income individuals, to expand safe, decent, affordable housing, and in the provision of public and human services to individuals in need. As a recipient of CDBG, HOME, and ESG funding, the County is a natural partner with the cities of Lakewood and Tacoma in determining a regional approach to housing and community development activities.
3	Agency/Group/Organization	Pierce County Housing Authority
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homelessness Strategy Market Analysis Anti-poverty Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Pierce County Housing Authority (PCHA) is a vital partner to the City of Lakewood in its efforts to increase and preserve affordable housing options for low income households. PCHA manages a number of programs such as scattered site public housing, Section 8 vouchers, and enterprise fund apartments to provide housing stability to many low income Lakewood households. As an operator of 285 apartment units in Lakewood, the housing authority was consulted to provide information on the need for public housing in Lakewood and in greater-Pierce County. Lakewood anticipates continued cooperation with PCHA in developing and maintaining affordable public housing options.
4	Agency/Group/Organization	Tacoma Pierce County Habitat for Humanity
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Families with children Homelessness Needs - Veterans Non-Homeless Special Needs Market Analysis Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Tacoma-Pierce County Habitat for Humanity remains an integral part of Lakewood's approach to providing safe, decent, affordable housing to low income households in Lakewood and Tacoma. Lakewood recognizes the crucial link between wealth-building and homeownership, especially for minority and low income households. Consultation with the agency focused on housing need, market analysis, anti-poverty strategy, veteran housing opportunities, and special needs housing. Lakewood anticipates continued coordination with Habitat will increase affordable housing options for low income families and improvements to distressed communities as older blighted homes are replaced with newly constructed affordable single family homes.

5	Agency/Group/Organization	LASA
	Agency/Group/Organization Type	Housing Services - Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	LASA was consulted as part of the planning process to better define and understand the scope and type of homeless need in Pierce County. LASA continues to be an integral provider in the fabric of homeless services and housing assistance to the homeless and those at risk of homelessness. With LASA's ongoing partnerships with the Pierce County and Tacoma Housing Authorities, and operation of housing and services facilities for the homeless, LASA is uniquely positioned to understand and assist the homeless population in Lakewood and Pierce County. Partnership and coordination with LASA allows Lakewood a better understanding of the needs of those living at or below the poverty rate, as well as what seems to be an ever-increasing demand for homeless services. Current partnership with LASA involves the expansion of homeless services, including temporary and shelter options for those experiencing homelessness.
6	Agency/Group/Organization	HOMEOWNERSHIP CENTER OF TACOMA
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Anti-poverty Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City continues to partner with the Homeownership Center of Tacoma to create additional affordable housing options for low income households. Consultation with the agency included housing need, market analysis, and anti-poverty strategy. Lakewood anticipates continued coordination with the Homeownership Center will provide additional affordable housing options to low income households seeking homeownership opportunities through targeted redevelopment of blighted properties with newly constructed affordable single family homes.
7	Agency/Group/Organization	Greater Lakes Mental Health
	Agency/Group/Organization Type	Services-Health Health Agency
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homelessness Needs - Veterans Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City of Lakewood provides funding to the Behavior Health Contact Team which partners mental health professionals with police to assess persons in crisis & provide de-escalation, in-place treatment, and stabilization services. The team is a critical outreach tool for the City's effort to better understand and serve the homeless population in Lakewood and the needs that population may need in the way of mental health services.

Identify any Agency Types not consulted and provide rationale for not consulting

N/A

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Pierce County	The mission of the Road Home Continuum of Care is to promote community wide commitment to ending homelessness through policy and resource alignment by implementing activities to achieve the goals and objectives of the Plan to End Homelessness.
City of Lakewood Comprehensive Plan	City of Lakewood	The plan encourages infill housing, cottage-style development, changes in zoning to permit higher densities, and incentivizes the construction of affordable housing.

Table 4 - Other local / regional / federal planning efforts

Narrative

AP-12 Participation - 91.401, 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

Citizen input for the FY 2021 Annual Action Plan was conducted in accordance with the requirements established by the U.S. Department of Housing and Urban Development and the City of Lakewood Citizen Participation Plan. Citizen participation was encouraged throughout the process culminating in the development of this FY 2021 Annual Action Plan.

The process included:

- Input from community-based organizations, service providers, and local non-profit organizations.
- Oversight and review provided by the City of Lakewood Community Services Advisory Board and the Tacoma Community Redevelopment Authority (TCRA).
- Input and coordination with the City of Lakewood, City of Tacoma, and Pierce County.
- Meetings with Lakewood and Tacoma City Councils.
- Review of planning documents for local agencies.
- Solicitation of public input.

Effort to encourage citizen participation in the development of the Plan included notification of public hearings on housing and community development need, notice of availability of the plan, and community input concerning approval the final plan. Public hearings were advertised in the Tacoma News Tribune as follows:

- February 10, 2021 – Public hearing on housing and community development needs
- April 1 - April 30, 2021 – Public Comment Period
- April 19, 2021 – Public hearing on FY 2021 Annual Action Plan

A draft of the FY 2021 Annual Action Plan will be made available to the public for review beginning April 1, 2021. Comments received through the citizen participation process will be incorporated into the Plan. Formal approval of the final Plan will be made by the City Council on May 3, 2021.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Newspaper Ad	Non-targeted/broad community	Notification of February 10, 2021 public hearing on housing and community development needs for CDBG and HOME funding.	Comments detailing the public hearing are summarized in item #2 below.	N/A	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
				Comments received included support for the development of additional affordable housing units, both rental and homeowner; the need for nontraditional housing units with 4 and 5 bedrooms; increased need for housing counseling services as eviction moratoriums expire; support for multi-unit projects to make development more attractive as costs continue to escalate; support for what is seen as a growing need for transitional and shelter type housing; the need for additional supportive housing options; the need of mental and health services		
2	Public Meeting	Non-targeted/broad	Annual Action Plan February 10, 2021 public meeting of City staff and Community Services Advisory Board, 2021		19	40
OMB Control No: 2506-0117 (exp. 09/30/2021)						
					N/A	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Newspaper Ad	Non-targeted/broad community	Notification of April 19, 2021 public hearing and April 1 - April 30, 2021 public comment period.	Comments detailing the public hearing will be summarized in item #5 below.	N/A	
4	Internet Outreach	Non-targeted/broad community	Notification of hearings and provision of Annual Action Plan.	Comments detailing the public hearing will be summarized in item #5 below.	N/A	
5	Public Hearing	Non-targeted/broad community	April 19, 2021 public hearing held by the Lakewood City Council.	Comments to be inserted here.		
6	30-day Public Comment Period	Non-targeted/broad community	April 1 - April 30, 2021 30-day public comment period.	Comments to be inserted here.		

Table 5 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

Funding for FY 2021 is provided by the U.S. Department of Housing and Urban Development through the Community Development Block Grant (CDBG) Program. Additional programmatic funding is being generated through program income and the reprogramming of unexpended funds from fiscal years 2017 and 2019. All funds received, and otherwise reprogrammed, will be allocated to activities in support of the goals and objectives identified in the 5-YR Consolidated Plan. Additional funding for public service activities will be supported with General Fund dollars in accordance with a City Council-adopted strategic plan for human services.

CDBG funding in FY 2021 will focus on housing instability among residents, including homelessness; the expansion of diverse homeownership opportunities; the need for accessible, culturally competent services; and the need for safe, accessible homes and facilities. Specifically, investments will include the rehabilitation of owner-occupied housing units, neighborhood revitalization through the removal of blighted properties, relocation assistance for low-income households, providing additional affordable homeownership opportunities through the construction of new single family homes, foreclosure and financial counseling, and fair housing activities, and construction of sidewalks along the west side of Phillips Rd. W between Agate Dr. SW and Phillips Dr. SW.

Homeless prevention services, specifically relocation assistance for low income individuals displaced through no fault of their own during fire or code enforcement actions, will continue to be addressed with reprogrammed FY 2017 CDBG funding. Finally, activities seeking the stabilization of existing residents through the creation of safe, accessible homes and facilities will focus on the redevelopment of slum and blight conditions in communities adversely impacted by disproportionate foreclosure and vacancy rates through the City's Neighborhood Stabilization Program 1 Dangerous and Nuisance Abatement Revolving Loan Fund.

Additional HOME-funded activities in support of the expansion of diverse homeownership opportunities will include the funding of the HOME Affordable Housing Fund, which is intended to support the development of new housing and homeownership opportunities for low income households. HOME funding activities are further detailed in Tacoma's Annual Action Plan as lead agency in the Tacoma-Lakewood HOME Consortium.

The City of Lakewood has employed a conservative approach for estimating CDBG and HOME allocations and program income for FY 2021 and the remainder of the 5-YR Consolidated Plan.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	573,352	85,000	199,134	857,486	1,650,000	Prior year resources include reprogrammed funds from the following FY 2017 & FY 2019 activities: 1) Activity 206, Emergency Assistance for Displaced Residents- \$28,708.76; Activity 215, COL Street Lighting- \$164,257.17; 2) Activity 219, Administration- \$3,392.96; and 3) Activity 221, Section 108 Repayment- Interest- \$2,775.19. Anticipated program income of \$85,000 is composed of RLF activities for Major Home Repair and Down Payment Assistance. Section 108 income of \$60,419.70 is not included in this total.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Economic Development Housing Public Improvements Other	65,000	0	0	65,000	160,000	NSP1 funds were awarded to Lakewood in 2009 through the Washington State Department of Commerce to address issues of slums and blight through the demolition of homes that have been foreclosed, abandoned or have been left vacant. Funds may also be used to acquire and redevelop foreclosed and abandoned properties for the purpose of constructing safe, decent, affordable housing for low income individuals. Anticipated program income of \$65,000 for NSP1 Abatement Fund RLF activities.

Table 6 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Leverage ratios for 2021 CDBG projects are anticipated to remain very low as a majority of funding is being targeted to housing rehabilitation of homeowner occupied units and a small-scale infrastructure project. Homeowner rehabilitation projects usually see little to no leveraging of funds as the program typically assists clients who would otherwise be unable to pursue commercial loans to repair their home were it not for this type of program. Many clients have credit issues restricting their access to funding, limited incomes restricting their ability to deb service a conventional loan, or simply limited equity in their homes in which to access to make renovations or improvements. Infrastructure funding for the construction of sidewalks along Phillips Rd. SW is expected to generate matching funds in the amount of \$152,000.

Housing/foreclosure counseling and fair housing activities are anticipated to be funded solely with 2021 CDBG funding, including CDBG

Administration funds. HOME funds are likely to see larger leverage ratios as housing development projects conducted by non-profit housing developers like Tacoma Pierce County Habitat and the Homeownership Center of Tacoma typically see leverage ratios between 2.5:1 and 3.5:1. HOME funds match requirements and leverage is provided as part of the Tacoma-Lakewood HOME Consortium and is reported in Tacoma's portion of the Plan.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

No publicly-owned land or property is scheduled to be included as a part of this plan.

Discussion

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Stabilize existing residents	2020	2024	Affordable Housing Homeless Non-Housing Community Development		Housing instability, including homelessness Need for safe, accessible homes and facilities	CDBG: \$349,107 NSP1: \$65,000	Homeowner Housing Rehabilitated: 10 Household Housing Unit Buildings Demolished: 3 Buildings
2	Increase rental and homeownership opportunities	2020	2024	Affordable Housing Public Housing		Affordable rental and homeowner opportunities	CDBG: \$15,000	Homeowner Housing Added: 2 Household Housing Unit
3	Prevent and reduce homelessness	2020	2024	Affordable Housing Homeless Non-Homeless Special Needs		Housing instability, including homelessness Need for accessible, culturally competent services	CDBG: \$28,709	Homelessness Prevention: 12 Persons Assisted
4	Need of accessible, culturally competent services	2020	2024	Homeless Non-Housing Community Development		Housing instability, including homelessness Need for accessible, culturally competent services	CDBG: \$50,000	Public service activities other than Low/Moderate Income Housing Benefit: 75 Persons Assisted

Table 7 – Goals Summary

Annual Action Plan
2021

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Goal Description

1	Goal Name	Stabilize existing residents
	Goal Description	Funding provides support of the stabilization of residents experiencing homelessness or displacement pressure. Activities include the creation of new or maintenance of existing affordable housing stock for low income homeowners or renters and the elimination of slums and blight through the demolition and redevelopment of blighted properties.
2	Goal Name	Increase rental and homeownership opportunities
	Goal Description	Projects in support of rental and homeownership opportunities include activities to create new homeownership opportunities for low income households through the construction of new, affordable single-family housing units.
3	Goal Name	Prevent and reduce homelessness
	Goal Description	Funding provides for services engaged in the reduction and prevention of homelessness through the provision of relocation assistance for households displaced through no fault of their own.
4	Goal Name	Need of accessible, culturally competent services
	Goal Description	Provides for increased access to culturally competent services for low income individuals with emphasis on extremely low income individuals, persons of color, immigrants, and the elderly. Activities include fair housing counseling, foreclosure counseling, and financial counseling aimed at those households most impacted by COVID 19. Some assistance is anticipated to be provided through CDBG administrative activities focusing on fair housing education and outreach, and landlord tenant education, and as such, will not be reported as clients served in the Consolidated Plan or subsequent Annual Action Plans due to CDBG administration reporting requirements.
5	Goal Name	Support of public infrastructure improvements
	Goal Description	Funding will provide for sidewalk construction along the west side of Phillips Rd. SW, from Agate Dr. SW to Onyx Dr. SW, serving low income households in census tract 072105 block group 2 and census tract 072106 block groups 3 & 4. The project will serve a total population of 5,345, with 2,895 being low income individuals (52.48% LMI).

AP-35 Projects - 91.420, 91.220(d)

Introduction

The City of Lakewood will aim to implement its federal funds in 2021 to accomplish the following goals and corresponding activities:

- **Stabilize existing residents** – Through funds for owner-occupied housing rehabilitation and renovation programs and sewer connections to maintain existing affordability, and through the removal of slums and blight by addressing and demolishing dangerous structures.
- **Increase diverse rental and homeownership opportunities** – Providing homeownership opportunities to low and moderate income families through the construction of new affordable housing units using the Affordable Housing Fund administered by TCRA.
- **Prevent and reduce homelessness** – Funding provided for emergency assistance for displaced residents for renters who have been displaced through no fault of the own.
- **Increase availability of accessible, culturally competent services** – Through funds for housing and foreclosure counseling and fair housing activities designed to assist low and moderate income households maintain housing access and affordability, and provide landlord tenant education and outreach.
- **Need for safe, accessible homes and facilities** – Funding will include provide for sidewalk construction along the west side of Phillips Rd. SW, from Agate Dr. SW to Onyx Dr. SW, serving low income households in census tract 072105 block group 2 and census tract 072106 block groups 3 & 4. The project will serve a total population of 5,345, with 2,895 being low income individuals (52.48% LMI).

The projects listed and described in this plan represent the proposed use of funds for the FY 2021 CDBG program.

#	Project Name
1	Administration
2	CDBG Administration of HOME Housing Services
3	Major Home Repair/Sewer Loan Program
4	Housing/Foreclosure Counseling & Fair Housing Counseling
5	Emergency Assistance for Displaced Residents
6	NSP1 Abatement Program
7	City of Lakewood Low Income Sidewalk Improvements

Table 8 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Funding in FY 2021 will focus primarily upon the need to address housing instability, including homelessness; the need to increase the supply of diverse homeownership opportunities; the need to expand accessible, culturally competent services to low and moderate income households; and the need for safe, accessible homes and facilities. With housing prices and market rate rents continuing to rise, coupled with the impacts the coronavirus pandemic has unevenly leveled against minority and low income households, many low and moderate income and minority households have found themselves unemployed or with significant reductions in household income, pushed to the brink of housing instability, or simply find themselves homeless.

This is especially true of African American households whose average household wealth is already 10 times lower than white households (2016 Pew Research), and who are more likely to work for wages below the poverty level with 8% of black workers compared to 4% of white workers working for wages below the federal poverty level (2019 Bureau of Labor Statics). These factors, when coupled with historically low rates of homeownership, 41% for African American households compared to 71% of white households (2001-2016 American Community Survey), and double digit inflation of rental rates, have placed many African American households in an increasingly disadvantaged position.

Activities will include the funding of housing rehabilitation programs aimed at assisting low and moderate income households with housing repairs and renovations they may not otherwise be able to afford through conventional financing options; homeownership assistance programs directed toward expanding homebuyer assistance and the long-term wealth-building opportunities these programs afford low and moderate income households; providing housing stability and homelessness prevention through the provision of relocation assistance to families forced to relocate due to no fault of their own; through reduction of slums and blight in low income neighborhoods with the demolition and redevelopment of dangerous buildings; through financial and housing counseling programs and fair housing counseling services aimed at alleviating the economic impacts the coronavirus and rising skyrocketing housing costs have had on minority and low income households; and finally, through new access to infrastructure improvements seeking to improve community connectivity and access where such improvements are lacking or inadequate to ensure public safety and accessibility.

AP-38 Project Summary

Project Summary Information

1	Project Name	Administration
	Target Area	
	Goals Supported	Need of accessible, culturally competent services
	Needs Addressed	Need for accessible, culturally competent services
	Funding	CDBG: \$114,670
	Description	Administration to implement and manage the Consolidated Plan funds. Activities include providing fair housing and landlord tenant outreach and education.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Administration funds are anticipated to be expended in support of general administration activities to administer the 2021 Annual Action Plan, including funding for fair housing activities in support of 25 low and moderate income households.
	Location Description	
2	Project Name	CDBG Administration of HOME Housing Services
	Target Area	
	Goals Supported	Increase rental and homeownership opportunities
	Needs Addressed	Affordable rental and homeowner opportunities
	Funding	CDBG: \$15,000
	Description	Program administration and housing services in support of HOME Program.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	A total of 2 low and moderate income households will be assisted with HOME-funded activities.
	Location Description	City-wide

	Planned Activities	Program administration and housing services in support of HOME Program.
3	Project Name	Major Home Repair/Sewer Loan Program
	Target Area	
	Goals Supported	Stabilize existing residents
	Needs Addressed	Housing instability, including homelessness
	Funding	CDBG: \$349,107
	Description	Program provides home repair and/or sewer connection loans to eligible low income homeowners. Funding for program provided through FY 2021 entitlement funding and revolving loan funds.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	A total of 10 low income households will be assisted with housing rehabilitation activities or side sewer connections.
	Location Description	City-wide
	Planned Activities	The project will provide major home repair/sewer connection loans which include connection of side-sewer to sewer main, decommissioning of septic systems, roofing, removal of architectural barriers, plumbing, electrical, weatherization, major systems replacement/upgrade, and general home repairs for eligible low income homeowners. Program funding includes a total of \$85,000 in program income to be used for similar RLF activities
4	Project Name	Housing/Foreclosure Counseling & Fair Housing Counseling
	Target Area	
	Goals Supported	Stabilize existing residents Prevent and reduce homelessness
	Needs Addressed	Housing instability, including homelessness Need for accessible, culturally competent services
	Funding	CDBG: \$50,000
	Description	Program provides housing counseling, foreclosure counseling, and fair housing counseling for low and moderate income individuals facing eviction, foreclosure or other fair housing related issue.
	Target Date	6/30/2022

	Estimate the number and type of families that will benefit from the proposed activities	Activities including the provision of housing and foreclosure counseling and fair housing services are anticipated to benefit 75 low and moderate income individuals.
	Location Description	City-wide
	Planned Activities	Program provides housing counseling, foreclosure counseling, and fair housing counseling for low and moderate income individuals facing eviction, foreclosure or other fair housing related issue.
5	Project Name	Emergency Assistance for Displaced Residents
	Target Area	
	Goals Supported	Stabilize existing residents Prevent and reduce homelessness
	Needs Addressed	Housing instability, including homelessness
	Funding	CDBG: \$28,709
	Description	Program provides emergency relocation assistance to eligible low income households that are displaced through no fault of their own during building and code enforcement closures, fires, redevelopment, and other incidences resulting in homelessness.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	12 individuals will be assisted with emergency rental assistance for persons displaced due to no fault of their own.
	Location Description	City-wide
6	Planned Activities	Activities include emergency relocation assistance to low income individuals displaced due to no fault of their own. Assistance to include rental assistance, deposits, and other related relocation expenses. Funding for this activity will be provided through reprogrammed FY 2017 CDBG Emergency Assistance for Displaced Residents program funding.
	Project Name	NSP1 Abatement Program
	Target Area	
	Goals Supported	Stabilize existing residents
	Needs Addressed	Need for safe, accessible homes and facilities

	Funding	NSP1: \$65,000
	Description	Provides funding for the abatement of dangerous buildings that have been foreclosed, abandoned or are vacant. Activities funded with revolving loan fund.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	The City of Lakewood anticipates it will demolish a total of 3 dangerous buildings located in low income block groups in FY 2021 with the NSP1 Abatement Fund.
	Location Description	City-wide
	Planned Activities	Provides funding for the abatement of dangerous buildings that have been foreclosed, abandoned or are vacant. Funding for the program is provided through revolving loan funds generated from previous NSP1 abatement activities. Program funding includes a total of \$65,000 in program income to be used for similar RLF activities.
7	Project Name	City of Lakewood Low Income Sidewalk Improvements
	Target Area	
	Goals Supported	Support of public infrastructure improvements
	Needs Addressed	Need for safe, accessible homes and facilities
	Funding	CDBG: \$300,000
	Description	Funding will provide for sidewalk construction along the west side of Phillips Rd. SW, from Agate Dr. SW to Onyx Dr. SW, serving low income households in census tract 072105 block group 2 and census tract 072106 block groups 3 & 4. Construction will provide for sidewalks where none currently exist. The project will serve a total population of 5,345, with 2,895 being low income individuals (52.48% LMI).
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	The project will serve low income households in census tract 072105 block group 2 and census tract 072106 block groups 3 & 4. Total population served of 5,345, with 2,895 being low income individuals (52.48% LMI).
	Location Description	Sidewalk construction along the west side of Phillips Rd. SW, from Agate Dr. SW to Onyx Dr. SW.

	Planned Activities	The project will provide for sidewalk construction along the west side of Phillips Rd. SW, from Agate Dr. SW to Onyx Dr. SW, serving low income households in census tract 072105 block group 2 and census tract 072106 block groups 3 & 4. Construction will provide for sidewalks where none currently exist. The project will serve a total population of 5,345, with 2,895 being low income individuals (52.48% LMI).
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AP-50 Geographic Distribution - 91.420, 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

In targeting CDBG and HOME funds, the City has typically looked to block groups with at least 51% low- and moderate-income populations as many of Lakewood's minority and ethnic populations continue to be concentrated in these areas. Many of these block groups tend to have large concentrations of older housing stock suffering from a lack of routine maintenance and infrastructure that is either inadequate or are outdated in accordance with current development requirements.

In 2021, Lakewood's second year of the 5-YR Consolidated Plan (2020-2024), funding prioritization will focus on increasing and preserving affordable housing stock through owner-occupied housing rehabilitation and the construction of new affordable homes, the prevention of homelessness through emergency rental assistance for displaced residents, improved access to housing and foreclosure counseling and fair housing activities directed at maintaining housing access and affordability for low and moderate income households, and the need for safe, accessible homes and facilities through the improved access to sidewalk improvements along the west side of Phillips Rd. SW, from Agate Dr. SW to Onyx Dr. SW. Additionally, the City plans to continue to target households living in Census Tracts 718.05, 718.06, 718.07 and 720.00 for its Major Home Repair/Sewer Loan Program, which assists low- and moderate-income homeowners make necessary improvements to their homes, including connecting to recently constructed sewers in the 720.00.

For all other funding, the City has not identified specific targeted areas; programs are open to eligible low and moderate income individuals city-wide.

Geographic Distribution

Target Area	Percentage of Funds

Table 9 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

N/A

Discussion

AP-75 Barriers to affordable housing -91.420, 91.220(j)

Introduction

As identified in the 5-YR Consolidated Plan (2020-2024), low incomes, high housing costs, overcrowding, homelessness, and aging all present challenges to Lakewood residents which can have negative impacts on their quality of life. Most common among these housing problems for Lakewood residents is housing affordability, as measured through cost burdens. Renters, in particular, face more acute cost burdens than do homeowners.

For renters, of the 3,650 severely cost burdened households (paying more than half of their income on rent), 68% earn less than 30% AMI and 26% earn between 31% and 50% AMI. For the 6,824 renter households that are cost burdened (paying between 31% and 50% of their income on rent), 44% earn less than 30% AMI and 53% earn between 31% and 80% AMI. Of the 1,064 homeowners experiencing severe cost burdens, 28% earn 30% AMI or less and 31% earn between 31% and 50% AMI. For homeowners who are cost burdened, 21% earn between 31% and 50% AMI and 23% earn between 51% and 80% AMI.

Although household incomes have seen increases in recent years, Lakewood's median income of \$51,972 (2015-2019 American Community Survey) lags far below that of the county (\$72,113) and the United States (\$62,843). Of additional concern is Lakewood's apparent concentration of families living below the poverty rate- 16.6% compared to 9.4% for the county and 10.5% for the United States (2015-2019 American Community Survey). Even though median incomes have seen consistent improvements, so have housing related expenses, leaving little relief for low income households who are traditionally burdened with housing related expenses exceeding 30 percent of household income.

With the median home price in Lakewood at \$269,200 (2015-19 American Community Survey) and percentage increases continuing into the double digits, the dream of owning a home remains out of reach for many, if not for all low income households. Echoing this problem is the steady increase in the cost of rents year over year. With the median gross monthly rent now standing at \$1,034 (2015-2019 American Community Survey), housing cost is easily outstripping income growth, especially for low and moderate income households. These issues of rising housing costs relative to household incomes become strikingly apparent when looking at the percentages of Lakewood households where monthly housing cost exceeds 30 percent of household income- 36% for households with a mortgage and 55% for households who rent (2015-2019 American Community Survey).

With strong increases in property valuation and land costs, housing development costs have continued to push private investment into market rate housing and away from affordable housing. As this trend continues, the lack of investment in and the increased demand for affordable housing is forcing many communities to look for creative ways to develop affordable housing options for low and moderate income households. With conventional financing options diminishing and governmental subsidized funding packages become more competitive, the development horizon for affordable housing options

appears bleak.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City of Lakewood encourages the development of affordable housing through the City's Comprehensive Plan. The Plan addresses future housing needs for current and future residents of all incomes. Policies offers density bonuses to developers of affordable housing, encourage infill housing, cottage-style development, changes in zoning to permit higher densities, and incentivizes the construction of affordable housing.

Additional means used to encourage affordable development is though the City's Multifamily Tax Credit program which allows developers to defer taxes on valuation improvements for all housing repairs for up to 12 years withing certain urban use centers. This is especially important in areas where development is stymied by conditions of blight, the lack of infrastructure, or where rents are not conducive to sustaining redevelopment activities. With the tax deferral, the development of new housing or the modernization of existing substandard units can be incentivized as a means of neighborhood revitalization.

Discussion

With the COVID-related economic downturn, many low income families have struggled matching ongoing expenses with reduced household incomes, forcing many to choose between paying the rent and paying for food, utilities, and other essential services. This is especially true of Black, Other/Multiracial, and Latino households. With Black and Latino households suffering disproportionately high rates of job loss during the pandemic, it's not hard to see why these households are more likely to report they are not caught up on rent than are White, non-Latino households.

According to a recent Center for Budget and Policy Priority's analysis of Census Bureau Pulse Survey tables for February 17 – March 1, 2021, 33% of Black households, 22% of Other/Multiracial households, and 20% of Latino households report they are not caught up on rent. These numbers are higher than the percentage reported for all adults at 19%, and significantly higher than reported for White households at 13%. As communities struggle to shake off the effects of the coronavirus pandemic, housing stability and affordability will remain among the most important social issues moving forward.

AP-85 Other Actions - 91.420, 91.220(k)

Introduction

Actions planned to address obstacles to meeting underserved needs

In response to the economic impacts of the coronavirus pandemic, Lakewood is earmarking funding in support of housing and financial counseling services to assist those low and moderate income households who, due to job losses or other adverse economic impacts, have found themselves at risk of foreclosure or homelessness. Additional funding is being allocated in anticipation of strong demand for fair housing education and landlord tenant outreach activities as eviction moratoriums near expiration. With the economic impacts of the coronavirus epidemic unequally weighted against communities of color and those with extremely low incomes, the need for affordable housing and housing stability amongst these populations looms large.

Additional action to assist those economically impacted and at risk of homelessness is being provided through the City's emergency relocation assistance program for individuals at risk of homelessness through no fault of their own due to discriminatory housing practices, or as a result of building and code enforcement closures, fires, or redevelopment activities.

In FY 2021, the City will continue to offer an emergency housing repair program for households that do not qualify for the City's CDBG and HOME-funded programs. The program will utilize grant funds provided by the Nisqually Indian Tribe to make emergency repairs to low income, owner-occupied households who otherwise lack the means or the equity to make the necessary repairs.

Additional actions to address the needs of Lakewood's underserved population are addressed through the ongoing 1% allocation from the City's general fund; strategic priorities include emotional supports and youth programs, housing assistance and homelessness services, crisis stabilization and advocacy, access to health & behavioral health, and access to food. For 2021, the City has allocated \$380,000 in general fund dollars in support of these programs.

Actions planned to foster and maintain affordable housing

Lakewood recognizes the importance affordable housing and homeownership play in building vibrant communities and the direct connection they afford low income households in wealth-building opportunities. In 2021, the City continues its partnership with Tacoma-Pierce County Habitat for Humanity and the Homeownership Center of Tacoma in redeveloping vacant, abandoned and blighted properties into new homeownership opportunities for low income families. Both partners are actively acquiring troubled properties in Lakewood and have multiple active construction sites.

Support for existing affordable housing will be provided through the Major Home Repair/Sewer Loan

Annual Action Plan

2021

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Program and HOME Housing Rehabilitation, while multifamily housing is supported and encouraged with Lakewood's HOME Affordable Housing Fund as well as through zoning density bonuses offered to developers of affordable housing. With homeownership opportunities increasingly difficult as housing development costs continue to escalate, the City will continue to offer down payment assistance to low income homebuyers to help offset the met the minimum cash investment necessary for a down payment.

Efforts to maintain existing owner occupied housing are supported through the Major Home Repair/Sewer Loan Program, HOME Housing Rehabilitation, and Nisqually Repair Funds, while multifamily housing is supported and encouraged with Lakewood's HOME Affordable Housing Fund as well as through zoning density bonuses offered to developers of affordable housing. With homeownership opportunities becoming more difficult as housing process creep higher, the City offers developer subsidies to encourage low income housing development and offers a revolving loan fund to assist low income homebuyers with down payment assistance designed to help met the minimum cash investment necessary to qualify for a conventional home loan.

Additional efforts in support of housing stability have come in the form of approval of an annual 0.0073% sales and use tax (SHB-1406) to be used to provide additional financing for the development and maintenance of affordable housing. As a result, an estimated \$1.95 million dollars is expected to be raised in support of affordable and supportive housing development over the next 20 years.

Rental habitability and affordability remain a priority for the City. With approximately 53 percent of Lakewood's housing stock being rental, and more than 65 percent of Lakewood's housing stock constructed prior to 1960, the importance of maintain this housing stock remains of paramount importance. In 2017, the City began its Rental Housing Safety Program (RHSP) requiring all residential rental properties (apartments, single family homes, duplexes, etc.) within the Lakewood city limit be registered on an annual basis and maintain specific life and safety standards for those properties. Since substandard housing disproportionately affects the poor, working class families, seniors, the disabled, and persons who suffer from chronic illness, it is the aim of the RHSP to eliminate all substandard rental housing in Lakewood and improve the quality of life for all Lakewood residents. Since the program's inception, the City has seen substantial improvements in both the quality and condition of many of the City's substandard rental properties. Inspections of rental properties in the City of Lakewood will be ongoing throughout the term of the Consolidated Plan.

Actions planned to reduce lead-based paint hazards

Consistent with Title X of the Housing and Community Development Act of 1992, Lakewood provides information on lead-safe practices to owners of all properties receiving up to \$5,000 of federal assistance. If work on painted surfaces is involved in properties constructed prior to 1978, the presence of lead is assumed, and safe work practices are followed if testing is not conducted.

In addition to the above, homes with repairs in excess of \$5,000 in federally funded rehabilitation assistance are assessed for risk (completed by a certified Lead Based Paint firm) or are presumed to have lead. If surfaces to be disturbed are determined to contain lead, interim controls are exercised, occupants notified, and clearance testing performed by an EPA-certified firm. Properties constructed prior to 1978 and acquired with federal funds are inspected for hazards and acquired rental properties are inspected periodically.

With approximately 65% of Lakewood's 26,453 housing units being built prior to 1978, there exists the potential for some 17,000 housing units to contain lead-based paint hazards. To inform the community of the hazards of lead-based paint, the City offers copies of the EPA's "Protect Your Family from Lead in Your Home" and HUD's "Renovate Right" pamphlets at City Hall and provides copies of these pamphlets to all housing repair program applicants. As part of the City's single and multifamily housing programs, XRF paint inspections and Risk Assessments are conducted, lead-safe work is conducted by Washington State certified RRP renovation contractors, abatement work is conducted by certified abatement contractors, and Clearance testing of all disturbed surfaces is performed by certified Risk Assessors.

The City conducts lead paint inspections on all pre-1978 properties where persons are relocated to with the Emergency Assistance for Displaced Residents and where homeownership assistance is provided for existing housing. Risk assessments are to be conducted on all pre-1978 homes served by housing repair programs where painted surfaces are to be disturbed as part of the scope of repairs. When completed, all homes will be free of lead-based paint hazards.

Actions planned to reduce the number of poverty-level families

The goals in the Strategic Plan have the capacity to reduce the number of households living in poverty. The goals emphasize stable and affordable housing and services as a means to address poverty and high-quality infrastructure as a way to revitalize communities.

For instance, the goal to address housing instability among residents, including homelessness includes projects which address long-term housing stability through housing rehabilitation programs designed to address housing repairs and renovations vital to maintaining existing affordable housing stock. Housing improvements also provide for accessibility and energy efficiency improvements providing for safer and more economical housing. Funding used to acquire blighted properties and replace them with new homeownership opportunities revitalizes neighborhoods, increases the value of neighboring properties, and creates ownership avenues designed to build household wealth and move families from poverty.

Finally, the importance that stable housing plays in a family's life cannot be understated. Families who have been displaced through code enforcement, fires, and redevelopment activities are often pushed into varying situations of housing instability, including homelessness; especially susceptible are those living on the edge of poverty, those with limited English, the elderly, and persons with disabilities. By

catching these individuals before they become homeless, the Emergency Assistance for Displaced Residents program aims at breaking the cycle of housing instability experienced by those living on the edge of homelessness.

The goal to address the limited supply of diverse rental and homeownership opportunities includes funding for the construction of new, safe and affordable housing units for low income homebuyers. By subsidizing project development costs, the City is able to effectively decrease the share of total income a family commits for housing cost, allowing the household to use those extra funds to pay down short-term debt and pay for other necessities, such as transportation, healthcare, and food, or save for the future.

To address the need for accessible, culturally competent services, programs will focus on the financial impacts the coronavirus pandemic has had on low and moderate income households. Programs will provide housing counseling, foreclosure counseling, and fair housing counseling for those households most impacted by COVID 19. Assistance will provide financial and debt counseling, foreclosure counseling, and fair housing counseling aimed at assisting low income households access financial assistance, restructure debt, to develop payment plans for unpaid mortgage and rent balances, better understand landlord-tenant laws, and to assist households move into homeownership opportunities resulting in long-term wealth building.

Additional effort to reduce the number of poverty-level families include funding through the 1% human services allocation is targeted to programs that provide low income housing and homelessness assistance, crisis stabilization and advocacy, emotional supports & youth programs, access to health and behavioral services, and access to food. For 2021, the City has allocated \$380,000 in General Fund dollars in support of these programs.

Actions planned to develop institutional structure

Lakewood, Tacoma, and Pierce County have a long history of working closely together to coordinate funding activities and ensure funding strategies don't overlap or conflict. This is especially true today, as all three jurisdictions have been grappling with the economic and social impacts of the coronavirus pandemic. Regional coordination on anti-poverty strategies, affordable housing strategies, and homelessness initiatives have been pushed to the mainstream as jurisdictions seek to affect change on a region-wide basis. These initiatives aim to increase the supply of affordable housing (both rental and homeownership), lower the overall cost of housing for residents, create access to financial assistance and services, increase the earning potential of low income households, reduce or eliminate the time a family is homeless, and creates pathways to build wealth and assets.

Both Tacoma and Lakewood are represented on the Tacoma/Pierce County Affordable Housing Consortium to work on issues of affordable housing, including state-level policies and programs to

increase resources and opportunities to address local housing needs. Tacoma and Lakewood participate in a multicounty planning system (Puget Sound Regional Council) that looks at regional growth and economic development, as well as equal access to opportunities.

On a local level, Lakewood continues to coordinate federal funding opportunities and general fund expenditures through the Community Services Advisory Board (CSAB). The CSAB is tasked with policymaking and general funding recommendation authority as they relate to community development and human services activities city-wide. Board responsibilities include facilitating the cooperation and coordination of human services and Consolidated Plan activities, holding public hearings to receive input on community development and human service's needs, developing policy guidance and program evaluation criteria, and making funding recommendations.

With regard to the Tacoma-Lakewood HOME consortium and the allocation of HOME funds, the City of Tacoma has established the Tacoma Community Redevelopment Authority (TCRA), a public corporation organized and dedicated to the administration of federal grants and programs such as the Community Development Block Grant and HOME Investment Partnerships Program. The TCRA is responsible for administering the HOME Program, including the review of all housing programs for both Tacoma and Lakewood. The Board is staffed by ten Board members and is supported by City of Tacoma staff.

Actions planned to enhance coordination between public and private housing and social service agencies

The City is the convener of monthly human services Collaboration meetings. Collaboration partners include for-profit and nonprofit providers of housing, services, homeless programs, dv and family services, youth programs, food banks, and healthcare services.

City of Lakewood staff routinely coordinate with City of Tacoma, as part of the HOME Consortium, and participate in regional efforts coordinating planning efforts and service delivery. The Cities participate in the Tacoma/Lakewood/Pierce County Continuum of Care and are active in the Tacoma Pierce County Affordable Housing Consortium, the Economic Development Board for Tacoma-Pierce County, the Pierce County Human Services Coalition and other public entities and associations that set priorities for use of resources in the region, set goals, and measure progress in meeting those goals. Lakewood staff participate in monthly meetings with service providers and coordinate on the development of plans and strategies. Coordination with public and assisted housing providers along with governmental agencies for health, mental health, and other services focus on economic development, transportation, public services, special needs, homelessness, and housing. As the need for affordable housing and services continues to increase, the Cities of Tacoma and Lakewood, Pierce County, and the Puget Sound Regional Council continue to collaborate on long-term priorities to leverage limited funding to meet the needs of the community.

Through the City's annual 1% human services allocation, relationships have been maintained with providers of services such as, Catholic Community Services, Tacoma Rescue Mission, Emergency Food Network, Community Health Care, Greater Lakes Mental Healthcare, YWCA & YMCA, Boys & Girls Club of South Puget Sound, Rebuilding Together South Sound, Asian Pacific Cultural Center, and other services providers offering programs to low and moderate income households throughout the County.

Collaboration continues with both the Pierce County Housing Authority and the Tacoma Housing Authority on the expansion of safe, decent, affordable housing options for low income citizens.

Additional effort to reduce the number of poverty-level families include funding through the 1% human services allocation is targeted to programs that provide low income housing and homelessness assistance, crisis stabilization and advocacy, emotional supports & youth programs, access to health and behavioral services, and access to food. For 2021, the City has allocated \$380,000 in General Fund dollars in support of these programs.

Discussion

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

Introduction

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements


1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

Discussion



TO: Mayor and City Council

FROM: Heidi Ann Wachter, City Attorney; Mike Zaro, Chief of Police

THROUGH: John Caulfield, City Manager 

DATE: March 22, 2021

SUBJECT: Review of Lakewood Municipal Code Chapter 9.06 related to Controlled Substances

ATTACHMENTS: Draft Ordinance

The Washington State Supreme Court issued a ruling on February 25, 2021 that rendered the state's current drug possession law unconstitutional. The state statute does not require intent; possession itself is sufficient to support arrest and ultimately conviction. The ruling left the state without a drug possession law unless and until a remedy is legislated.

Currently, arrests for drug possession are not being made because there is no law in effect upon which to base such arrest. Previously, such arrests would be referred to the Pierce County Prosecuting Attorney because possession of any controlled substance other than marijuana has been a felony; there has previously been no misdemeanor possession of heroin, methamphetamine or other controlled substance.

County prosecutors are reviewing previous cases to reverse convictions under the previous law. Even with new law, individuals convicted under the previous law are eligible for relief from any conviction. Any new law will not be retroactive to previous arrests. The City had no authority to file charges under the previous law, only the County. While the City may have made the arrest, any further hold was the result of County action.

The State Legislature has introduced SB 5468 to remedy the constitutional defect identified by the Washington State Supreme Court. The bill is a simple fix in that it adds the word "knowingly" to state law, which adds the intent element missing from the previous law. As of today, the bill has yet to be scheduled for a hearing.

<https://app.leg.wa.gov/billsummary?BillNumber=5468&Year=2021&Initiative=false>

Whether the City has the authority to enact legislation prohibiting possession of drugs to the extent of a misdemeanor penalty depends on whether state preemption holds; state action is required in order to restore felony penalties. The state specifically preempted regulation of controlled substances in the same chapter as the section that once prohibited possession. RCW 69.50.608¹

Obviously there are jurisdictions that have interpreted this as something other than complete preemption; Marysville has adopted a prohibition of possession of controlled substances by local ordinance. A draft closely mirrors the previous state law but adds the intent element.

Earlier this week, the Association of Washington Cities (AWC) put out the guidance that cities not take action until after the state legislature adjourns to provide them an opportunity to address and that cities also “take time to carefully plan a path forward with regards to the ruling.” What the financial impact is and who is responsible is still unknown at this time, as shifting former felony prosecution to misdemeanor courts will have cities absorbing the cost of processing those cases, including any jail time imposed.

<https://wacities.org/advocacy/News/advocacy-news/2021/03/12/simple-drug-possession-no-longer-a-felony-what-now>

A review of arrests from 2019 and 2020 suggests that a shift of cases from felony to misdemeanor can be absorbed by the City, particularly given the typical association with a companion case. Very often the possession of drugs is found during an arrest for something else, such as shoplifting or trespassing. These companion charges are often misdemeanors that the City would prosecute.

Offense	2019	2020	Grand Total
3504 - Hallucinogen	3		3
3512 - Heroin	38	30	68
3522 - Opium or Deriv	2		2
3532 - Cocaine	9	3	12
3542 - Synth Narcotic	10	10	20
3562 - Marijuana	5	4	9
3572 - Amphetamine	56	55	111
3582 - Barbiturate		1	1
Grand Total	123	103	226

¹ **State preemption.** The state of Washington fully occupies and preempts the entire field of setting penalties for violations of the controlled substances act. Cities, towns, and counties or other municipalities may enact only those laws and ordinances relating to controlled substances that are consistent with this chapter. Such local ordinances shall have the same penalties as provided for by state law. Local laws and ordinances that are inconsistent with the requirements of state law shall not be enacted and are preempted and repealed, regardless of the nature of the code, charter, or home rule status of the city, town, county, or municipality.

Options

1. Follow the guidance of AWC and wait for the legislature to enact new law.
 - a. Pro – the state continues to bear the cost of drug enforcement in terms of prosecution
 - b. Con - until the legislature acts, the city is without enforcement authority for drug possession
2. Adopt our own ordinance
 - a. Pro – enforcement for drug violations can resume, presumably more quickly
 - b. Con – the City will pay for any jail imposed as a sentence, which is not the case in felony sentencing
 - c. Con – adopting our own legislation can leave us on our own defending it, particularly given the state statute that would support a preemption argument

Recommendation

There is not a sufficient volume of drug offenses to warrant diverging from AWC guidance. The overall number of drug possession offenses is not only comparably small compared with overall arrests, this offense is typically not the reason for the stop or contact; it is incidental to another contact such as shoplifting or trespass. Law enforcement has not been hindered in the ability to contact the individuals who possess drugs and the City may want to avoid jail costs of any sentencing imposed for drug possession.

ORDINANCE NO.

AN ORDINANCE of the City Council of the City of Lakewood, Washington, amending Chapter 9.06 of the Lakewood Municipal Code relating to Controlled Substances.

WHEREAS, the City of Lakewood finds that laws prohibiting possession of illegal drugs are a valuable tool to law enforcement in preserving public safety in the City; and

WHEREAS, the Supreme Court of the State of Washington has declared illegal and rendered useless the state law prohibiting possession of illegal drugs due to the deficiency in the state law of requiring the element of intent; and

WHEREAS, the state legislature has failed to immediately remedy this deficiency; and

WHEREAS, the City of Lakewood has the authority to adopt laws to protect public safety to the extent such laws are not in conflict with State or Federal law; and

WHEREAS, loss of the State law hinders effective law enforcement in the City of Lakewood.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKEWOOD, WASHINGTON, DO ORDAIN as Follows:

Section 1. That Chapter 9.06 of the Lakewood Municipal Code is amended to add a new section, 9.06.005 Possession of controlled substance, to read as follows:

Section 9.06.005 Definitions

(1) RCW 69.50.101(e) is adopted by reference. "Controlled substance" means a drug, substance, or immediate precursor included in Schedules I through V as set forth in federal or state laws, or federal or commission rules.

Section 2. That Chapter 9.06 of the Lakewood Municipal Code is amended to add a new section, 9.06.045 Possession of controlled substance, to read as follows:

Section 9.06.045 Possession of controlled substance

(1) It is unlawful for any person to knowingly possess a controlled substance unless the substance was obtained directly from, or pursuant to, a valid prescription or order of a practitioner while acting in the course of his or her professional practice, or except as otherwise authorized by this chapter.

(2) Any person who violates this section is guilty of a gross misdemeanor punishable pursuant to LMC 9.06.080.

(3)(a) The possession, by a person twenty-one years of age or older, of useable marijuana, marijuana concentrates, or marijuana-infused products in amounts that do not exceed those set forth in RCW 69.50.360(3) is not a violation of this section.

(b) The possession of marijuana, useable marijuana, marijuana concentrates, and marijuana-infused products being physically transported or delivered within the state, in amounts not exceeding those that may be established under RCW 69.50.385(3), by a licensed employee of a common carrier when performing the duties authorized in accordance with RCW 69.50.382 and 69.50.385, is not a violation of this section.

(4)(a) The delivery by a person twenty-one years of age or older to one or more persons twenty-one years of age or older, during a single twenty-four hour period, for noncommercial purposes and not conditioned upon or done in connection with the provision or receipt of financial consideration, of any of the following marijuana products, is not a violation of this section:

(i) One-half ounce of useable marijuana;

(ii) Eight ounces of marijuana-infused product in solid form;

(iii) Thirty-six ounces of marijuana-infused product in liquid form; or

(iv) Three and one-half grams of marijuana concentrates.

(b) The act of delivering marijuana or a marijuana product as authorized under this subsection (4) must meet one of the following requirements:

(i) The delivery must be done in a location outside of the view of general public and in a nonpublic place; or

(ii) The marijuana or marijuana product must be in the original packaging as purchased from the marijuana retailer.

(5) No person under twenty-one years of age may knowingly possess, manufacture, sell, or distribute marijuana, marijuana-infused products, or marijuana concentrates, regardless of THC concentration. This does not include qualifying patients with a valid authorization.

(6) The possession by a qualifying patient or designated provider of marijuana concentrates, useable marijuana, marijuana-infused products, or plants in accordance with chapter 69.51A RCW is not a violation of this section.

Section 3. Severability. If any portion of this Ordinance or its application to any person or circumstances is held invalid, the remainder of the Ordinance or the application of the provision to other persons or circumstances shall not be affected.

Section 4. Effective Date. That this Ordinance shall be in full force and effect thirty (30) days after publication of the Ordinance Summary.

ADOPTED by the City Council this 5th day of April, 2021.

CITY OF LAKEWOOD

Attest:

Don Anderson, Mayor

Briana Schumacher, City Clerk

Approved as to Form:

Heidi Ann Wachter, City Attorney



LAKEWOOD CITY COUNCIL RETREAT AGENDA

Saturday, March 27, 2021
8:30 A.M. - 1:00 P.M.
City of Lakewood
City Council Chambers
6000 Main Street SW
Lakewood, WA 98499

Residents can virtually attend City Council meetings by watching them live on the city's YouTube channel:

<https://www.youtube.com/user/cityoflakewoodwa>

Those who do not have access to YouTube can call in to listen by telephone via Zoom: Dial +1(253) 215- 8782 and enter meeting ID: 868 7263 2373.

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City Council Retreat 2021

Objectives:

1. Identify and set City Council goals and priorities for 2021-2022 (2023), including:
 - American Rescue Plan Act (ARPA) fund use
 - Vision for a post-pandemic Lakewood
 - Diversity, equity, and inclusion efforts
 - Other items as identified by the City Council

Agenda:

1. Welcome – John Caulfield **(5 minutes)**
 - a. Purpose
 - b. Introduce facilitator – Shannon Kelley-Fong
2. Ice Breaker Activities **(20 minutes)**
 - a. Socially distanced obstacle course
3. Ground Rules **(5 minutes)**

The Council Chambers is accessible to persons with disabilities. Equipment is available for the hearing impaired. Persons requesting special accommodations or language interpreters should contact the City Clerk, 253-983-7705, as soon as possible in advance of the Council meeting so that an attempt to provide the special accommodations can be made.

<http://www.cityoflakewood.us>

4. Reflection on past year (30 minutes)

- a. Personally – One thing you learned during the past year?
- b. On the City Council – One thing you learned during the past year?
- c. Review of City's 2020 Accomplishments
- d. Review of March 2020 Retreat / July 2020 Memo

BREAK (10 minutes)**1. Priority Setting 2021-2022 (2023)****a. COVID-19 Recovery (40 minutes)**

- i. American Rescue Plan Act (ARPA) overview
 - a. Options & strategies for allocating ARPA funding
 - b. Prioritization exercise

b. Post-COVID Visioning (40 minutes)

- ii. Threats / Weaknesses / Strengths / Opportunities for 2021 and beyond
- iii. Identifying key projects / focus areas

c. Diversity, Equity, and Inclusion Efforts (40 minutes)

- i. Review what the City has done to date
- ii. What's next? City Council DEI goals / priorities

d. Other items identified by the City Council for discussion (30 minutes)**BREAK (10 minutes)**

The Council Chambers is accessible to persons with disabilities. Equipment is available for the hearing impaired. Persons requesting special accommodations or language interpreters should contact the City Clerk, 253-983-7705, as soon as possible in advance of the Council meeting so that an attempt to provide the special accommodations can be made.

2. Priority Setting 2021-2022 (2023) continued **(45 minutes)**
 - a. Goals / Priorities Setting - What's missing? Needs to be updated?
3. Closing Remarks & Next Steps **(10 minutes)**
 - a. Consolidate information and return to City Council with updated draft City Council goals for 2021-2022 (2023) for consideration.
4. Adjourn

DRAFT

The Council Chambers is accessible to persons with disabilities. Equipment is available for the hearing impaired. Persons requesting special accommodations or language interpreters should contact the City Clerk, 253-983-7705, as soon as possible in advance of the Council meeting so that an attempt to provide the special accommodations can be made.