

<u>AGENDA</u> PLANNING COMMISSION

Don Daniels • Ryan Pearson • Paul Wagemann Phillip Combs • Linn Larsen • Brian Parsons

Wednesday, February 2, 2022 at 6:30 pm Virtual Meeting via ZOOM

6000 Main St. SW, Lakewood WA 98499

Per the Lakewood City Council, the Planning Commission will meet virtually. Residents can virtually attend Planning Commission meetings by watching them live on the City's YouTube channel @ https://www.youTube.com/user/cityoflakewoodwa or by calling in to listen by telephone at +1 (253) 215-8782 and by entering meeting ID: 86428836136

To Submit Public Comment and/or Public Hearing Testimony Prior to Meeting: Send comments by mail or email to Karen Devereaux, Planning Commission Clerk, at <u>kdevereaux@cityoflakewood.us</u> or 6000 Main Street SW Lakewood, WA 98499. Comments received up to one hour before the meeting will be provided to the Planning Commission electronically.

Live Public Participation: To provide live Public Comments or Public Hearing Testimony during the meeting, join the Zoom meeting as an attendee by calling by telephone Dial +1(253) 215- 8782 and enter participant ID: 86428836136 or by going online at https://us06web.zoom.us/j/86428836136. Each speaker will be allowed (3) three minutes to speak during the Public comment and during each Public Hearing. Outside of Public Comments and Public Hearings, attendees will not be acknowledged and their microphone will remain muted.

<u>By Phone:</u> For those participating by calling in by phone to testify, the Chair will call on you during the Public Comment and/or Public Hearings portions of the agenda. When you are unmuted, please provide your name and city of residence.

<u>Online:</u> For those using the ZOOM link <u>https://us06web.zoom.us/j/86428836136</u> to testify, upon entering the meeting, please enter your name or other chosen identifier. Use the "Raise Hand" feature to be called upon by the Chair during the Public Comments and/or Public Hearings portions of the agenda. When you are unmuted, please provide your name and city of residence.

1.	Call to Order
2.	Roll Call
3.	Welcome to Community Services Advisory Board Members
3.	Approval of Minutes from January 19, 2022
4.	Agenda Updates
5.	Public Comments
6.	Public Hearings
	None
7.	Unfinished Business
	None
8.	New Business
	2022 Annual Housing Action Plan
	Review of Lakewood Housing Programs
9.	Reports from Staff & Commission Members & Council Liaison
	City Council Updates/Actions
	Written Communications
	Future Agenda Topics

Enclosures

- 1. Draft Meeting Minutes from January 19, 2022
- 2. Staff Report: 2022 Annual Housing Plan Action Plan
- 3. Staff Report: Review of Lakewood Housing Programs



PLANNING COMMISSION REGULAR MEETING MINUTES January 19, 2022 Virtual Meeting via ZOOM 6000 Main Street SW, Lakewood, WA 98499

Call to Order

Mr. Don Daniels, Chair called the ZOOM meeting to order at 6:30 p.m.

Roll Call

<u>Planning Commission Members Present:</u> Don Daniels, Chair; Paul Wagemann, Ryan Pearson, Phillip Combs, Linn Larsen and Brian Parsons <u>Planning Commission Members Excused</u>: None <u>Commission Members Absent</u>: None. <u>Staff Present</u>: Tiffany Speir, Long Range & Strategic Planning Manager; and Karen Devereaux, Administrative Assistant <u>Council Liaison</u>: Paul Bocchi (present)

Approval of Minutes

The minutes of the meeting held on January 5, 2022 were approved as written by voice vote M/S/C Larsen/Parsons. The motion carried, 6 - 0.

Agenda Updates

None

Public Comments

This meeting was held virtually to comply with Governor Inslee's Emergency Proclamations 20-28 and its addendums. No public comments were received.

Public Hearings

None

Unfinished Business

None

New Business

CPA 2022-02: Tillicum Neighborhood Plan and Center of Local Importance

Ms. Tiffany Speir explained that City Council set the docket list for the 2022 Comprehensive Plan amendment cycle to include proposed Amendment 2022-02 that would update the Tillicum 2011 Neighborhood Plan to reflect land zoning and development as well as City actions and infrastructure improvements conducted since adoption; and update the Tillicum Center of Local Importance.

Ms. Speir discussed the nine goals and 64 implementation strategies, or action items, included in the Plan. Long range strategies included in the Plan were also discussed. The full Plan is available for review online at https://cityoflakewood.us/wp-content/uploads/2018/06/tillicum.plan.smaller.pdf

2021 Buildable Lands Report and Lakewood 2044 Growth Targets

Ms. Tiffany Speir presented information on the Pierce County 2021 Buildable Lands Report (21BLR) published in September 2021. Lakewood was found to have a year 2044 capacity for 4,140 more housing units than needed to meet its year 2030 target. Lakewood was found to have a year 2044 capacity for 5,293 more jobs than needed to meet its year 2030 target. The

City of Lakewood

21BLR also concluded that Lakewood's Housing Capacity and Employment Capacity was also sufficient for the draft 2044 targets used in the report.

Ms. Speir clarified that Pierce County has developed draft 2044 population, housing, and employment growth targets for Lakewood, designated a "Core" city in VISION 2050. These targets will be reviewed at the Pierce County Regional Council and then considered for action by the County Council this spring.

Review of City Council 2021-2024 Goals

Ms. Tiffany Speir discussed the City Council vision for the community, goals, and objectives noting the purpose of the City Council Goals to direct our community toward positive changes and serve as the policy direction for City government as well as the policy guide for developing and implementing the next two biennial budgets (2021-2022 and 2023-2024). City Council goals guide the allocation of resources through the budget and capital improvement program to assure that organizational work plans and projects are developed and achieved that move the community forward.

Ms. Speir highlighted the many goals related to the Planning Commission's duties.

Report from Council Liaison

Councilmember Mr. Paul Bocchi updated commissioners on the following topics:

- Updating the Tillicum Neighborhood Plan is a high priority for City Council.
- City Council will hold a retreat in March 2022.
- Councilmember Bocchi will continue as the Council Liaison to the Planning Commission.

Reports from Commission Members and Staff

<u>Future Planning Commission Agenda Topics</u> 02/02/2022: Annual Housing Plan Update and Review of City Housing Programs 02/16/2022: Shoreline Master Plan and Restoration Program Presentation 03/02/2022: Comprehensive Plan Amendments

Next Regular Meeting would be held on February 2, 2022. **Meeting Adjourned** at 7:39 p.m.

Ryan Pearson, Vice-ChairPlanning Commission0

02/02/2022

Karen Devereaux, Recording Secretary Planning Commission 02/02/2022

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TO:	Planning Commission and Community Service Advisory Board (CSAB)
FROM:	David Bugher, Assistant City Manager/Community & Economic
	Development Director
MEETING DATE:	February 2, 2022
SUBJECT:	Lakewood Annual Housing Report
ATTACHMENTS:	None

INTRODUCTION: Each year the Community and Economic Development Department (CEDD) publishes its own annual housing report. There is no specific requirement for this report, but housing plays a key issue regarding Lakewood's future. Most of the department's resources are spent on housing. Housing has been and will continue be one of the department's primary assignments. The content of the report changes from year-to-year. This year's report provides information on the following topics:

- 1. Lakewood and Area Population and Commuting
- 2. Lakewood Income and Poverty Characteristics
- 3. Housing Market Conditions
- 4. Lakewood Housing Production
- 5. Housing Assistance Programs and Partnerships
- 6. Availability of Low Income & Subsidized Housing
- 7. Housing Plans and Policies
- 8. Special Report on Mobile Home Parks
- 9. Environmental Factors Affecting Housing
- 10. Why Do We Have Problems with Housing Production?
- 11. How Do We Fix This or Can We?

This report may answer some questions, but poses many others. There is no easy or quick solutions to the City's or the region's housing problems.

SUMMARY CONCLUSION: Lakewood has been working to address issues affecting housing availability and affordability since incorporation. Looking forward, there is a need to continue to reduce infrastructure deficiencies, to preserve existing affordable housing where possible, and to encourage new missing middle housing through policy, incentive, and regulation. These efforts will be affected by market forces, regional growth and economic trends, and climate change's effects on land use.

LAKEWOOD AND AREA POPULATION AND COMMUTING: As of January 21st, 2022, the population of the Tacoma-Lakewood Metropolitan Area is estimated at 928,200. Population continues to

increase at a rate of approximately 1% per year, dipping slightly under 1% growth in 2021. Net in-migration continues to fuel a large portion of the population increase year-over-year¹.

Year	2017	2018	2019	2020	2021
Tacoma- Lakewood Metro. Area Population	876,764	891,299	904,980	921,130	928,200
Y-o-Y Change	+3.15%	+1.66%	+1.51%	+1.75%	+0.76%

The Puget Sound Region currently encompasses approximately 4.3 Million citizens. The VISION 2050 Regional Growth Strategy projects this will increase to 5.8 Million by 2050. If we assume the Tacoma-Lakewood Metropolitan Area will hold a similar share of the region's population in 2050, we can expect a regional population of approximately 1,250,000 citizens in 2050. This rise in population further exacerbates the rise in housing costs over time.

The stronger rate of population growth in the metropolitan area since 2015 is largely because of increased net in-migration from King County, which is partly attributable to the disparity in housing costs; the average home sales price in Pierce County has been approximately 50 percent less than the average home sales price in King County since 2013. The most recent data available estimates a net flow of 7,600 people from King County to Pierce County in 2018, compared with 2,500, 4,600, and 3,850 in 2017, 2016, and 2015, respectively (U.S. Census County-to-County Migration Flows).

The stronger rate of population growth in the metropolitan area since 2015 is largely because of increased net in-migration from King County, which is partly attributable to the disparity in housing costs. Although average home prices in Pierce County are no longer up to 50% lower than those in King County, a significant gap in average home prices still exists between Pierce and King Counties, giving King County workers incentive to live south of the county line.

Washington Center for Real Estate Research 2021 Q3 Snapshot of Avg. Home Prices		
Pierce King		
\$517,500	\$856,700	

Net migration from King County to Pierce County remains a driver of population increase in Pierce County. While Pierce and King Counties both receive more migrants from each other than any other counties in the state, King County consistently sends about twice as many migrants to Pierce County than vice versa.

¹ Puget Sound Regional Council - Regional Data Profile: <u>https://www.psrc.org/rdp-population</u>

Net Migration Flow Between Pierce and King Counties (2015-2019) ²					
King to Pierce Pierce to King Net Migration from King					
20,736	11,581	9,155			



Part of the symbiotic relationship between the Tacoma-Lakewood Metropolitan Area and King County is illustrated by commuting patterns. The most recent commuting and inflow/outflow data available is from 2019; it is expected to change significantly for 2020-2021 (although any permanent change is yet to be seen) due to increased work-from-home patterns and other effects of the pandemic.

Lakewood Worker Inflow/Outflow as of 2019 ³				
Commute In to Lakewood Commute Within Lakewood Commute Out of Lakewood				
23,418	3,444	20,355		

Affordable housing *in desirable communities close to living-wage jobs* is paramount for supporting a functional community. However, even though more people commute into Lakewood than out of Lakewood for work, over half of Lakewood residents commute more than 10 miles to work.

² <u>https://data.census.gov/cedsci/table?q=migration&g=0500000US53053&tid=ACSST1Y2019.S0701</u>

³ <u>https://onthemap.ces.census.gov/</u>

Commute-to-Work Distances of Lakewood Residents ⁴					
Less than 10 Miles	10 to 24 Miles	25 to 50 miles	More than 50 Miles		
11,413	5,964	4,458	1,964		
48.0%	25.1%	18.7%	8.3%		

Heat and Radar Map of Lakewood Commuting Patterns⁵



⁴ https://www.census.gov/topics/employment/commuting.html
5 https://onthemap.ces.census.gov/

LAKEWOOD INCOME AND POVERTY CHARACTERISTICS

Income

\$29*,*467

Per capita income

- About 2/3 of the amount in the Seattle-Tacoma-Bellevue, WA Metro
- About 3/4 of the amount in Washington: \$38,915

Poverty

16.6 %

Persons below poverty line

- Nearly double the rate in the Seattle-Tacoma-Bellevue Metro areas: 9%
- About 1.5 times the rate of Washington: 10.8%

\$51*,*972

Median household income

- About 3/5 of the amount in the Seattle-Tacoma-Bellevue, WA Metro
- About 2/3 of the amount in Washington: \$73,775



Environmental Disparities in Lakewood

The Washington Environmental Health Disparities Map is an interactive mapping tool that compares communities across our state for environmental health disparities. ("Environmental" is defined broader than climate/geography/geology in this context.) The map shows pollution measures such as diesel emissions and ozone, as well as proximity to hazardous waste sites. In addition, it displays measures like poverty and cardiovascular disease. Lakewood has areas ranked high for socioeconomic factors, as shown below.



The 4 specific Lakewood census tracts highlighted below have also been designated as "Qualified Census Tracts" under the American Rescue Plan Act, meaning that they are automatically qualified for targeted investment of ARPA funds to help their residents and businesses due to HUD-recognized socioeconomic status.



Lakewood residents also face higher risk of evictions than in most of Washington. The following maps⁶ show the relative risk of eviction faced by residents. The first map shows the relative risk of eviction by county; the second shows the relative risk of eviction by Lakewood census tract.





⁶ <u>https://evictions.study/washington/maps/summary.html</u>

HOUSING MARKET CONDITIONS: Lakewood has 56.6% renter-occupied units and 43.4% owner-occupied units. This is opposite the common historical situation in most cities, where there is a higher number of owner-occupied than renter-occupied units.

Owner-Occupied Housing Unit Rate			
Lakewood	43.4%		
Tacoma	52.0%		
Pierce County	62.1%		
King County	56.9%		
Washington State	63.0%		
National	64.0%		

Source: Census.gov

Lakewood has a wide range of apartment rents; however, Lakewood has become increasingly unaffordable for the City's median income of \$51,972. A median income household, based on 30% being used for rent, could afford a maximum of \$1,299.30 per month. Rents averaged \$1,133, \$1,182, \$1,467, and \$1,972 for studios, one-bedroom, two-bedroom, and three-bedroom units respectively.

Housing inaffordability is a significant barrier to quality of life for many people. Anecdotally, since the CEDD provides rental housing assistance to Lakewood residents, staff receive many comments from renters about their rental situation. Families are stressed, and as long as the stay-at-home orders drag on, their economic circumstances seem to be worsening. Staff members spend a considerable amount of time listening to and consoling people. From a program administration perspective, inasmuch as we can, the CEDD has also attempted to lessen the degree of bureaucracy in the City's assistance programs, whether they be for rental housing or commercial businesses.

According to the National Low Income Housing Coalition's Out of Reach 2021: Washington Report⁷, A worker making minimum wage needs to work almost 60 hours per week for a Zero-Bedroom apartment to become considered affordable. Table X and Table Y provide more detail.

Renter Benchmarks SSI Recipient 30% AMI Minimum Wage Mean Renter				

⁷ Out of Reach 2021: Washington: <u>https://reports.nlihc.org/oor/washington</u>

	Rental Affordability					
Fair Market RentAnnual IncomeHousing WageHrs/Week @ \$1Neededto afford						
Zero Bedroom	\$1,011	\$40,440	\$19.44	57		
One Bedroom	\$1,126	\$45,040	\$21.65	63		
Two Bedroom	\$1,461	\$58,440	\$28.10	82		
Three Bedroom	\$2,091	\$83,640	\$40.21	117		
Four Bedroom	\$2,530	\$101,200	\$48.65	142		

Q3 2021 Apartment vacancy rates in both King and Pierce Counties decreased since Q3 2020. Due to decreased construction and decreased vacancy, the average price of rent in Lakewood increased 20% between July 2020 and January 2022.

Apartment Summary Statistics ⁸					
Total UnitsVacanciesQ3 2020 VacancyQ3 2021 VacancySurveyedRateRate					
Pierce	38,880	1,401	4.5%	3.6%	
King	166,285	7,345	5.3%	4.4%	

Apartment market conditions in Lakewood continue to be tight, with a 2.7% vacancy rate December 2021. The average asking rent was \$1,495, and average square footage was 804. Year-over-year change in average apartment rent was a 14% increase. The statewide rental vacancy rate is 5.3%; that is 14.5% lower than the national average. The Seattle-Tacoma-Bellevue metropolitan area has a 6.0% rental vacancy rate⁹.

In 2021, 18.9% of households in the Seattle-Tacoma-Bellevue MSA had missed a rent or mortgage payment or had slight or no confidence in paying the next month on time.¹⁰ Rent debt continues to be a major issue facing citizens in the Tacoma-Lakewood Metropolitan Area. 13,855 households were behind on rent as of August, 2021. The average rent debt per household is \$3,100. The total rent debt in the area is \$42,337,000¹¹.

The average retail price of housing in Q3 2021 showed a 19.3% increase since Q3 2020 in the Tacoma-Lakewood Metropolitan Area. This is a significant departure from the steady ~9%

⁸ https://wcrer.be.uw.edu/wp-content/uploads/sites/60/2021/11/2021FallApartmentMarketReport.pdf

⁹ <u>https://ipropertymanagement.com/research/rental-vacancy-rate#washington</u>

¹⁰ <u>https://www.census.gov/data-</u>

tools/demo/hhp/#/?periodSelector=12&measures=HINSEC 1&s state=00053&s metro=42660&areaSelector=msa

¹¹ <u>https://nationalequityatlas.org/rent-debt</u>

annual growth in housing prices seen since 2015. Building permits also increased by 24.8% over the same period.

The number of home sales are on the rise as of Q3 2021. Pierce County home sales increased 17.5% since Q3 2020.

Seasonally Adjusted Annual Rate of Home Sales Q3 2021, by County					
SAAR (Q3 2020) SAAR (Q3 2021) % Change					
Pierce	14,550	17,100	+17.5%		
King	26,320	32,800	+24.6%		

Home Sales (Not Seasonally Adjusted)								
Year ending Q3 2020 Year ending Q3 2021 % Change								
Pierce	Pierce 13,561		+17.1%					
King	24034	29,970	+24.7%					

Source: https://wcrer.be.uw.edu/wp-content/uploads/sites/60/2021/11/2021Q3WSHMR.pdf

Housing demand in Lakewood remains strong: 48.8% of homes sold above list price in the past year. According to Redfin¹², the average home in Lakewood sells in 10 days and sells for about 1% above list price. Lakewood is considered a very competitive market for home sales compared with other areas of the country.

The current median price of a home in the Seattle-Tacoma-Bellevue area is \$708,400 as of Q3 2021. The median price of a home in the Tacoma-Lakewood metropolitan area is \$475,000. The National average median price of a home is \$356,133.

Median Home Price as of Q3 2021 ¹³					
Tacoma-Lakewood Area Seattle-Tacoma-Bellevue National Average					
\$475,000	\$708,400	\$356,133			

The typical home value of single family homes in Lakewood is \$476,281. This value is seasonally adjusted and only includes the middle price tier of homes. Lakewood home values have gone up 22.3% over the past year.

¹² <u>https://www.redfin.com/us-housing-market</u>

¹³ <u>https://www.geodataplus.com/property-data/washington</u>





Mortgage delinquency in the Seattle-Tacoma-Bellevue area continues to decrease. As of June 2021, less than 1% of mortgages are 30-89 days delinquent. The rate of mortgage delinquency in the area has been steadily declining since its peak during the recession from 2008-2012.¹⁴

Percentage of mortgages 90 or more days delinquent: Seattle-Tacoma-Bellevue, WA versus national average, January 2008–June 2021



Source: National Mortgage Database Date published: December 2021

Current multifamily unit owners have continued to struggle due to lack of payments by renters and the COVID rent moratorium; consequently, there has been an uptick in multifamily property sales.

<u>South Sound Military & Communities Partnership (SSMCP) Housing Study:</u> The 2010 Joint Base Lewis-McChord (JBLM) Growth Coordination Plan identified a need to improve off-installation housing options (also called off-base) for active duty service members in communities

¹⁴ <u>https://www.consumerfinance.gov/data-research/mortgage-performance-trends/mortgages-30-89-days-delinquent/</u>

neighboring JBLM. The SSMCP received a grant from the U.S. Department of Defense's Office of Economic Adjustment for commissioning the 2020 Off-Base Housing Study¹⁵.

The results of this 2020 Study are consistent with local and national news reports and the common experience of locating housing by the local military community. A shortage of for-sale housing and historically low rental vacancy rates has resulted in fast-rising housing costs. What is unique, however, in Lakewood is the recognition or emphasis on the need for a specific type of housing – military – that is often overlooked.

Prior federal legislation has emphasized funding opportunities and assistance programs related to the development of "affordable housing" (as defined by Department of Housing and Urban Development (HUD)) to address the needs of individuals and families living at poverty levels. However, the key challenge faced by military service members is finding available and affordable housing within a 30-minute drive given the structural supply limitations. Most of the housing developed by local single-family housing developers is priced above what is affordable for E1 to E5 service members. There is a segment of lower cost, market rate housing products that are needed and missing for the E1 to E5 service members.

The Off Base Housing Study also finds that there remains a structural deficit of housing within the Pierce and Thurston County regions. The national ratio of housing units to households is 1.14; the Puget Sound region has a ratio of 1.06. Thus, there is an existing deficit of 8,585 units of housing available with this region to satisfy existing households today. In short, this means fewer housing options are available for all households in the market area.

Lakewood Rent Ranges: January 2022 data from RentCafe.com shows rent ranges in the City:

Lakewood, WA Apartment Rent Ranges



Using the <u>Rent Café</u> website, the table below compares Lakewood's average rent to the national average over time. The City has also collected information on rents within Lakewood and the region.

¹⁵ <u>https://cityoflakewood.us/wp-content/uploads/2020/11/20200902.JBLMOffInstallationHousingStudy.Compressed.pdf</u>

Lakewood Rent Trends							
Nov 2018 Mar 2019 Jul 2019 Nov 2019 Jul 2020 Jan 20							
Lakewood	\$1,143	\$1,150	\$1,167	\$1,207	\$1,245	\$1,495	
National	\$1,428	\$1,432	\$1,468	\$1,475	\$1,464	\$1,463	

Lakewood has a lower average price of rent than most of the jurisdictions chosen for comparison. Even though Lakewood remains one of the cheapest options in the region, it has experienced the largest growth in rent prices over the past year.

	Apartment Rents by Nearby Community							
Location	Average Rent	Y-o-Y Change	Average Size (sq ft)					
Seattle	\$2,197	+13.6%	692					
Puyallup	\$1,805	+11.7%	951					
Federal Way	\$1,729	+12.7%	882					
Auburn	\$1,699	+9.9%	778					
Fife	\$1,603	+10%	854					
Tacoma	\$1,576	+10.7%	833					
Lacey	\$1,551 +13.7%		845					
Parkland	\$1,516	+12.7%	911					
Lakewood	\$1,495	+14.0%	804					
Spanaway	\$1,395	+10.0%	684					
Pierce County	Data not available at the county-wide level							

According to the Puget Sound Regional Council's 2021 Regional Housing Needs Assessment¹⁶, housing production for the period 2010-2020 lagged behind growth targets by 40,000-50,000 housing units. This accounts for approximately two years of housing production. Increasing population and stagnating home construction is significantly impacting both home and rent prices in the region.

Rent Prices - Market Summary - Lakewood						
No. of Bedrooms Median Rent Year-Over-Year Change Apartments for rent (Jan. '2						
Studio	\$995	2				

¹⁶ <u>https://www.psrc.org/sites/default/files/rhna.pdf</u>

1 bedroom	\$1,295	8 %	35
2 bedroom	\$1,573	10%	37
3 bedroom	\$1.970	7%	9
4-bedroom	\$2,790	30%	4
• • • • • •	1 .		

Source: https://www.zumper.com/rent-research/lakewood-wa

HOUSING PRODUCTION: The COVID-19 pandemic has affected the production of housing in many regions, which will likely further exacerbate housing availability issues. Apartment construction cooled off in 2021. Increased pressure on rental unit inventory from migration and JBLM's housing needs contributed to an increase in average rent prices in Lakewood.

However, the City continues to incentivize new construction. There is recent considerable interest in multifamily construction, particularly in the newly adopted Lakewood Station District Subarea, including both affordable and market rate units. 114 total multifamily units were <u>applied</u> for in 2021, with anticipated construction in 2022. According to the Fannie Mae Multifamily Economics and Strategic Research group, multifamily unit demand is increasing quickly, vacancy rates will continue to decline and then stabilize as new completions come online, and rent growth will remain positive in all classes.

Over the past five years, total new residential construction activity in Lakewood has remained relatively low. Demand for new single family construction is high, but the amount of available land remains limited. Deficient infrastructure, notably water and sewer, may currently prevent missing middle residential development in some parts of the City.

Historically, new multifamily development activity rises and falls. The share of entry-level homes has declined, yet demand has more than outstripped the declining new supply that is being generated by the market. The number of adult family home permit requests has remained high. The number of residential additions has dropped. Accessory dwellings (ADUs) remain low, but could increase with recent changes in development codes.

As a percentage, ADUs remain a very small part of the overall housing stock. ADUs can enhance affordability for renters, and can help some lower-income homeowners to rent a place to pay their mortgage and stay in place. ADUs are sometimes referred to as adding "gentle density."

Residential Construction Activity, 2017 Through 2021 – City of Lakewood (Permits Issued)							
Source: Lakewood Permit Data	Source: Lakewood Permit Data						
Permit Type 2017 2018 2019 2020 2021 Line							
						Total	
Adult family home permits	11	22	9	21	18	81 ¹⁷	
Manufactured unit inside park	4	5	5	0	5	18	
Manufactured unit on lot	0	0	2	2	0	4	

¹⁷ 81 adult family homes represents about 486 persons (81 x 6).

Residential Construction Activity, 2017 Through 2021 – City of Lakewood (Permits Issued)							
Source: Lakewood Permit Data							
Permit Type	2017	2018	2019	2020	2021	Line	
						Total	
New multifamily units	11	238	10	108 ¹⁸	8	267	
New single family	48	67	28	57	64	264	
Accessory dwelling units	1	6	5	2	6	20	
Subtotal new units	64	316	49	61	83	573	
Units demolished	-24	-41	-31	-48	-50	-194	
Total net units	40	275	18	13	33	279	
Single family residential additions	43	35	42	48	28 ¹⁹	196	

In 2021, the City produced a total of 50 new multifamily and single family units; 87 units were built and 37 were demolished. The table below provides a breakdown of housing unit types.

Lakewood Net Housing Production							
Туре	Type Units Built Units Demolished						
New single family	56	-37	19				
New duplex	16	0	16				
New triplex	0	0	0				
New Multifamily	8 (one property)	0	8				
Accessory dwelling unit (ADU)	7	0	7				
Total	87	37	50				

The two recently adopted Lakewood subarea plans focus future housing growth in the Downtown (a designated Regional Growth Center) and the Lakewood Station District. The subareas are zoned, incentivized and regulated to see up to 1300 housing units built by 2044.

The table below demonstrates the significantly increased 2021 platting activity in Lakewood.

2021 Platting Activity					
Type No. No. of Lots					
Short plats, applications pending	4	9			

¹⁸ Washington Boulevard Apartment (48-units) under construction; Lake Grove Apartments (60-units), construction complete.

¹⁹ Assumes the drop in permits contributed to new energy conservation requirements.

2021 Plattin	2021 Platting Activity						
Туре	No.	No. of Lots					
Short plats approved, but not finaled	7	23					
Short plats finaled	6	15					
Short plats denied	2	4					
Preliminary plats, applications pending	0	0					
Preliminary plats approved, but not finaled	2	35					
Preliminary plats finaled	1	20					
Preliminary plats denied	0	0					
Plat Alteration approved, but not finaled	1	8					
Plat Alteration Pending	1	2					
Total	24	116					

HOUSING ASSISTANCE PROGRAMS AND PARTNERSHIPS

<u>Living Access Support Alliance (LASA) Expansion:</u> LASA is a local nonprofit that provides emergency housing, rapid rehousing and transitional housing in Lakewood, in addition to case management and a range of other services to prevent homelessness. The City is working with LASA to expand their facility, which opened in 2015.

Demand for LASA's services surpasses their current capacity and is only expected to intensify due to the continuation of the COVID-19 pandemic. The City has provided funding to LASA as part of its 1% general fund allocation to human services and funding totaling \$1.0 million for capital facility development. In addition, the City has provided LASA a total of \$426,390 to date to help local residents in need with rental-housing and utility assistance during the COVID-19 pandemic.

The City is working with LASA to acquire additional property to expand their existing facilities as well as helping LASA develop a long range social services plan to help meet community needs. This budget proposal [commits \$150,000 in 2020 and up to \$300,000 in 2021/2022 for a total of \$450,000 to help LASA expand. The City has received \$500,000 from the state capital budget for LASA to accelerate its facility expansion and provide more needed services in Lakewood.

In January 2022, the City executed an agreement with LASA to use CDBG-CV2 funds (\$129,871.00) to expand LASA's Services Center to rehabilitate the existing facility to include new and improved access to laundry facilities, bathroom facilities, and general hygiene support to homeless persons. Work is to be completed no later than June 30, 2023.

Habitat for Humanity Partnership: The City continues to partner with Habitat for Humanity to build low-income housing in Lakewood; assistance includes financial support from the City's Community Development Block Grant (CDBG) and HOME Investment Partnerships Program funds. Between 2001 and 2021, Habitat for Humanity has constructed 43 new homes for low income families in the Tillicum neighborhood. The 2022/23 adopted budget includes allocating \$715,000 of HOME funds in the form of a development subsidy to provide down payment assistance to nine (9) low-income homebuyers to construct an additional 9 new homes (four (4) duplexes and a single-family home) dedicated for low-income families. This will bring the total to 52 new homes for low-income families.

In addition, the City Council has sponsored zoning code amendments to increase residential densities on behalf of Habitat for Humanity.

<u>"New partnerships" with Habitat for Humanity & Rebuilding Together South Sound:</u> Lakewood has CDBG housing rehab projects in process, but cannot find contractors to perform the work. The City has reached out to these two non-profits for assistance. For the time being, the City will use these agencies to complete residential rehabs.

<u>CDBG and HOME Programs</u>: The City is part of the Tacoma-Lakewood-Pierce County Continuum of Care (TLP CoC) to qualify for Federal and Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) dollars. Both are federal assistance programs provided by the U.S. Department of Housing and Urban Development (HUD). HOME provides funds in support of affordable housing, particularly housing for lowand very low-income individuals. HOME funds have been used by Habitat for Humanity to construct low income housing units in the Tillicum neighborhood.

In recent years, CDBG and HOME funding allocations to Lakewood were decreasing annually. The City received CDBG funding totaling \$913,000 in 2000 and \$455,000 in 2017, a decrease of over 50% (and that does not take into account the relative value of money).

However, in 2014, the Lakewood City Council made it a federal priority to restore CDBG funding. This advocacy resulted in Congress restoring CDBG funding to 2008 levels and increased annual CDBG funds by about \$150,000 to almost \$600,000 and HOME Funds to over \$331,000 in 2020.

The City has been a CDBG entitlement City since 2000. The following table outlines Lakewood CDBG investments from 2000 through 2019. During that time, the City has invested approximately \$4.6 million to construct road improvements, add sidewalks and install street lights in a large number of low-income neighborhoods throughout Lakewood. These improvements, particularly street lights, has resulted in much safer neighborhoods. The City has also invested almost \$5.3 million in support of affordable and low-income housing such as home repairs, emergency assistance to help displaced individuals find housing, and down payment assistance.

		CDBG	Expenditures by I	nvestment Progr	am	
Year	Infrastructure	Housing	Public Service	Economic Development	Administration	Section 108 Loan Repayment
2000	\$ 537,860	\$ 102,275	\$ 34,031	\$-	\$ 103,618	\$-
2001	250,287	126,612	60,023	-	153,429	-
2002	451,438	357,310	78,146	-	144,069	-
2003	399,609	350,529	76,295	-	161,200	-
2004	294,974	407,592	80,490	-	136,553	-
2005	86,156	359,033	68,336	-	130,880	-
2006	164,000	486,607	70,645	-	99,092	-
2007	-	427,346	66,380	-	96,940	-
2008	9,872	412,527	66,818	-	108,066	-
2009	20,000	433,021	64,920	-	127,986	-
2010	522,544	133,537	84,394	31,948	131,686	-
2011	185,482	268,585	86,188	-	123,854	-
2012	-	280,855	34,701	-	100,871	-
2013	284,852	301,829	3,545	13,230	98,881	-
2014	160,000	188,139	48,066	-	108,854	-
2015	320,000	85,806	-	-	98,363	-
2016	321,938	164,352	-	-	106,968	-
2017	266,003	89,040	-	-	96,106	49,311
2018	300,000	210,376	-	-	102,580	49,813
2019	-	73,386	-	-	33,292	384
Total	\$ 4,575,014	\$ 5,258,755	\$ 922,978	\$ 45,178	\$ 2,263,288	\$ 99,508

In June 2020, the Lakewood City Council adopted the 2020-2025 5-Year Consolidated Plan for the Community Development Block Grant (CDBG) and HOME Investment Partnership Act (HOME) Programs. The policy direction for the investment of these funds has focused on:

- Assisting low and moderate income homeowners maintain their homes through the City's Major
- Home Repair Program (195 residences);
- Providing down payment assistance loans (69 residences);
- Loans for Public Works Trust fund projects (21);
- Providing emergency and permanent housing assistance for low income families displaced through no fault of their own;
- Providing assistance to low income households to help them afford the housing costs of market-rate units through a newly created Tenant-Based Rental Assistance (TBRA) program; and
- Funds to support the acquisition, construction and/or rehabilitation of affordable housing for low-income rentals and/or to facilitate new homeownership opportunities to include a down payment assistance program (e.g., Habitat for Humanity).

CDBG 2021 update:

Cares Act CDBG CV3 Mortgage and Rental Assistance Program

- To date, the City has received 165 applications.

- To-date, Lakewood has paid \$463,347.19 to 119 qualified applicants. Of the remaining 46 applications, 5 applications are approved and in process, 26 did not qualify for the program (non-COVID-related reason for applying or over AMI), and 15 did not respond to request for additional information /clarification. The breakdown is as follows:
 - Rental assistance: 115 applicants awarded a total of \$447,347.19. Have three additional applications currently in process.
 - Mortgage assistance: 4 applicants awarded a total of \$16,000. Have two additional applicants currently in process.

HOME TBRA Rental Assistance Program

- The HOME TBRA program offered in 2020 paid \$108,038.42 in rental assistance to a total of 47 rental applicants. Mortgage assistance was not part of the program.

<u>American Rescue Plan Act (ARPA):</u> In 2021, Lakewood was awarded \$13.76M in ARPA funds. The City Council established policies for how the funds would be used and then has taken action to approve expenditures in several rounds. As of December 31, 2021, the Council had approved a total of \$7,166,582 in ARPA allocations, some of which is for housing needs.

<u>ARPA - LIHI, Aspen Court:</u> The City Council approved a partnership with Tacoma and Pierce County to jointly purchase a hotel for conversion first into an enhanced shelter for two years and then into permanent supportive housing units. Lakewood contributed \$1M toward acquisition of the hotel that was reopened as Aspen Court in December 2021; the City has 12 double occupancy rooms reserved for Lakewood clients that can accommodate up to 24 individuals. The LPD Behavioral Health Contact Team is the referring agency for people needing to access Aspen Court, and as of January 26, 2022, the BHCT had placed people in 10 of the 12 available rooms at the facility.

Aspen Court will operate as an enhanced shelter through 2023 and then be converted into permanent supportive housing; when that occurs, Lakewood will not have access to Aspen Court any more.

<u>ARPA - Rebuilding Together South Sound, Rebuilding Healthy Neighborhoods</u>: In part, the agency is proposing to make repairs to homes for low-income families. Total amount of award is \$341,250. Some of these funds would go to housing repair, but other funds would be used for community "inreach" programs. The exact number of repair projects, and locations have not been determined. City will be seeking additional information.

<u>ARPA - Habitat for Humanity, New Home Construction</u>: Habitat has obtained a \$242,000 ARPA grant from the City to fund utility expansion and road construction for nine (9) residences in the Tillicum community. Work would start in 2022 and continue throughout 2023.

<u>"Pre-COVID" Tenant-Based Rental Assistance (TBRA) program</u>: In the fall of 2020, the City introduced a HOME rental assistance program to help tenants with rents. For a period of about three-months, the City paid out \$108,038.42 to 47-rental housing applicants. The program was suspended when the City began receiving CDBG-COVID I & CDBG-COVID II funds; these fund accounts significantly expanded assistance programs.

<u>COVID-related Mortgage and Rental Assistance Programs</u>: Because of the COVID pandemic, the City has offered offer rental and mortgage programs. The City may pay up to \$4,000 to assist past-due rent for eligible renters. The City may help eligible homeowners with past-due on mortgage payments. Even if mortgagees have a forbearance plan, the City can still help pay past-due mortgage payments of up to \$4,000. These current programs are set to expire when funds run out or are reprogrammed.

115 applicants have been awarded a total of \$447,347.19 in rental assistance, and as of January 20, 2022, there are three (3) applications in process. Four (4) applicants have been awarded a total of \$16,000 in mortgage assistance, and as of January 20, 2022, two (2) applications are in process. In addition to the City's Mortgage and Rental Assistance Programs, Lakewood citizens were also eligible for rental assistance through Pierce County Human Services.

<u>Affordable Housing Sales Tax Credit Program</u>: In March 2020, the Lakewood City Council adopted an ordinance authorizing a sales and use tax credit for affordable and supportive housing in accordance with SHB 1406 (codified as RCW 82.14.540) that was approved by the State Legislature in 2019. Beginning in 2020, the City started receiving an estimated \$97,571 per year for 20-years, totaling a projected estimated \$1,951,417. The City Council directed that the funds be used in conjunction with the City's CDBG Major Home Repair Program, CDBG Major Home Repair and Sewer Loan Program, and HOME Housing Rehabilitation Loan Program given that there is a high demand for home repair and rehabilitation loans in the City. These funds are applied to individuals who do not meet the financial criteria established under the CDBG/HUD programs, but whose residential units are still in need of repair.

<u>Multifamily Tax Exemption Program (MFTE)</u>: The MFTE program allows for qualifying multifamily housing projects to be exempt from property tax on the value of housing improvements for a period of eight (8) or twelve (12) years(if at least 20% of the units are low income.) A project must have a minimum of four (4) units to be considered. The purpose of the MFTE is to remove substandard housing and to revitalize older neighborhoods thereby improving quality of life. Development contributions to infrastructure help to offset the reduction in revenue from the tax exemption with new sales tax and business revenue. The MFTE is allowed only within City Council-designated Residential Target Areas (RTAs).

There are specific requirements for MFTE projects:

- located within an RTA;
- includes at least four units of multi-family housing within a residential structure or as part of a mixed use development;
- at least 50 percent of the space designated for multifamily housing must be provided for permanent residential occupancy;
- must be scheduled to be completed within three years from the date of approval of the application; and
- must be designed to comply with the City's comprehensive plan, building, housing, and zoning codes, and any other applicable regulations in effect at the time the application is approved.



The table below shows the number of MFTE projects built since program inception.

Project Name	Applicant	Site Address	RTA	Term	Units
				(Years)	
Oak Grove	Joseph E. Mayer/Lincoln	4724 Steilacoom Boulevard SW	CBD		254
Village	Property Company			10	
	(Lakewood Project LLC)				
Gravelly Lake	Gravelly Lake Townhomes,	8911 & 8919 Gravelly Lake Drive	CBD	10	28
Townhomes	LLC	SW		10	
Rainier Terrace	Rainer Terrace LLC/Michael	4108 and 4110 108th Street SW	LSDS	8	11
	Robinson			8	

Project Name	Applicant	Site Address	RTA	Term (Years)	Units
Springbrook Apartments	Springbrook SPE LLC	12632 Bridgeport Way SW	SPR	8	219
Townview Apartments	Two Ironmen, LLC	5915, 5909 & 5903 Lake Grove Street SW	CBD	8	30
Lakeview Chapel	Lakeview Chapel, LLC	4606 108th Street SW	LSDS	12	50
112 th Street Townhouses	One-12 Fund, LLC	4812 112th Street SW	LSDS	8	15
					607

In 2021, the State Legislature amended the enabling MFTE program legislation and made some significant changes. This year, the Lakewood City Council will review the enabling legislations and follow-up with local amendments.

<u>Rental Housing Safety Program (RHSP)</u>: On August 1, 2016 the Lakewood City Council approved Ordinance No. 644 creating a RHSP. The program requires all residential rental properties (apartments, single family homes, duplexes, etc.) within Lakewood city limits to be registered. The program is designed to ensure that all rental housing units comply with minimum life & safety standards and are providing a safe place for tenants to live. As of November 30, 2017, all rental properties owners will be required to register their property with the City every year and have the property inspected once every five years.

The RHSP aims to reduce, and eventually eliminate all substandard rental housing in the City. By addressing housing conditions proactively through the RHSP and quickly identifying and addressing substandard conditions and code violations, this program is preserving Lakewood's existing housing stock versus the gentrification that is occurring elsewhere in the Puget Sound region. Lakewood has more rental housing units than similarly-sized suburban cities. However, much of the rental housing stock is at an age that requires life cycle investments. The RHSP has identified that there are many rental units (not all) that are in need of maintenance.

The list of registered properties and units in the following table is based on data as of December, 2021. The number of registered units and inspections are lower in 2020 and 2021 as a result of COVID-19 protocols and the limitation on property inspections. The number of registered properties will increase once the pandemic is behind us.

Registered RHSP Properties					
	2018	2019	2020	2021	
SFR & Duplex Properties Registered	1,776	1,441	1,325	1,410	
Multifamily Properties Registered	443	432	440	408	

Registered RHSP Properties				
	2018	2019	2020	2021
Sub-Total	2,219	1,873	1,765	1,818

Rental Housing Safety Program (RHSP)						
Description	Oct 2017 to	2019	2020	2021		
	Dec 2018					
Rental properties						
Registered properties	2,218	2,219	1,647	1,765		
Initially failed properties	435	423	76	222		
Failure percentage	20%	19%	5%	13%		
Rental apartment units						
Registered units	11,322	11,328	9,333	10,487		
Initially failed units	1,361	1,009	191	360		
Failure percentage	12%	9%	2%	3%		

Two RHSP-related actions are taking place in 2022: the launch of updated RHSP software and proactive enforcement. Since the program's inception, there is a handful of property owners that have refused to register. To get their attention, the City is now issuing civil infractions.

<u>Dangerous & Nuisance Abatement Programs</u>: Lakewood uses its International Construction Codes (ICCs) - building and construction and property maintenance - to address structures that have fallen into a significant state of disrepair and are therefore deemed to be a public safety hazard. Pursuant to state law, property owners are provided notice to make repairs and/or demolish unsafe structures. If they fail to do so, the City proceeds to Pierce County Superior Court and obtains a warrant for abatement. This action allows the City to enter onto private property and perform work the property owner failed to do. The order also permits the City to levy a special assessment with interest on the costs the City incurred to perform the work. Abatement actions generally cause the property to enter into bankruptcy and foreclosure. This process, while it can take up to three years, frees up land for redevelopment. New units are constructed with subsequent, often dramatic improvements to a neighborhood.

Abatement costs can vary from year-to-year based on the level of activity. Generally, the City performs 25 to 30 abatements and about five (5) to seven (7) nuisances annually. However, the number of active abatements/nuisances have been down over the past couple of years because we have chosen to focus on large projects, in addition to judicial impacts related to COVID. Over the last two years getting into superior court to obtain warrants has been slow. The map below shows abatement actions for 2020 and 2021.



There are several major abatements currently underway. These include the previous QFC site, 9314 to 9316 Bridgeport Way; Karwan Village Mobile Home Park, 2621 84th Street SW; and the Mayberry property, 9616 Gravelly Lake Drive SW.

<u>Affordable Housing Initiative (2060) and Homeless Housing Act (2163) Programs:</u> The City works collaboratively with Pierce County to allocate State 2060 and 2163 funds, which support affordable housing and homelessness programs.

The 2060 program was created by the State Legislature in 2002 via SHB 2060 (codified as RCW 36.22.178) an Affordable Housing Initiative that requires the Pierce County Auditor to collect a surcharge on certain recorded documents countywide, including within Lakewood. The funds generated from the document recording fee provide affordable housing opportunities for Pierce County's very low-income (50% of median per HUD) households in a manner that is consistent with the RCW, and countywide affordable housing needs and policies. In 2018, state legislation increased the document recording surcharge from \$10 to \$13. The annual budget totals approximately \$3.0 million.

The 2163 program was created by the State Legislature in 2005, the Homeless Housing Act via SHB 2163 (codified as RCW 36.22.179). The program is also funded with a surcharge on certain recorded documents countywide to include Lakewood, again collected by the Pierce County Auditor. The surcharge revenue must be used for planning, housing, and supportive services related to homelessness. In 2018, the State Legislature passed HB 1570, which increased the surcharge from \$40 to \$62 and made the surcharge permanent.

Both programs are administered through interlocal agreements (ILA) between Pierce County and its cities and towns, including Lakewood. These funds, which are collected countywide, are distributed by an oversight committee composed of members from Tacoma and Lakewood, Pierce County and other city and town representatives.

Current rules require that 50% of the funds, which totaled a combined \$10.8 million in 2020, be issued directly to Pierce County; the remaining 50% goes to urban areas. Historically, the majority of funds have been distributed each year to the City of Tacoma. In accordance with the interlocal agreements, 16% of the funding is dedicated to the operations and maintenance of eligible homeless shelters. Also, both programs are subject to the review committee and steering committee process.

The CEDD's Housing Division works proactively with eligible agencies, Living Access Support Alliance (LASA), Emergency Food Network (EFN), and other Pierce County non-profits to apply for and secure 2060 and 2163 funds for Lakewood projects. When successful, these monies support affordable housing, homelessness, and related social service programs.

Eligible activities for this program can include rental and furnishing of dwelling units for the use of homeless persons; costs of developing affordable housing for homeless persons; services for formerly homeless individuals and families; operating subsidies for transitional housing or permanent housing serving formerly homeless families or individuals; services to prevent homelessness; temporary services to assist persons leaving state institutions and other state programs to prevent them from becoming or remaining homeless; outreach services for homeless individuals and families; and, the development and management of local homeless plans, including homeless census data collection, identification of goals, performance measures, strategies, costs, and evaluation of progress towards established goals. Funds are awarded to projects annually through a competitive Notice of Fund Availability (NOFA) process. The annual budget totals about \$7.8 million.

HOUSING PLANS AND POLICIES

<u>South Sound Housing Affordability Partners (SSHA³P):</u> On July 19, 2021, the City Council adopted Resolution No. 2021-10 and was the first the first legislative body in Pierce County to authorize a city's participation in the regional coalition known as the South Sound Housing Affordability Partners (SSHA³P.) SSHA³P was formed to enable local governments to act cooperatively in formulating housing policies that address access to affordable/attainable housing, housing stability, and to foster efforts to preserve and create affordable/attainable housing by combining public funding or other resources with private-sector resources.

By the end of 2021, SSHA³P had garnered participation of 14 jurisdictions (Auburn, Edgewood, Fife, Fircrest, Gig Harbor, Lakewood, Milton, Pierce County, Puyallup Tribe of Indians, Puyallup, Sumner, Steilacoom (which joined SSHA³P after creation of the map below), Tacoma, and University Place.)



In 2022, SSHAP will hire its Executive Manager, adopt a Work Plan, and consider whether to pursue the creation of a capital fund for use to create demonstration and/or collaborative affordable housing projects.

Low Income and Subsidized Housing: Lakewood has some existing low-income housing options. Combined with mobile home parks, subsidized housing totals 2,997 housing units, or about 11 percent of Lakewood's total housing stock:

- 26 mobile home parks comprising 1,451 manufactured units and RVs used as permanent housing;
- Habitat for Humanity programs which to-date have built 41 low-income residences in Tillicum;
- Living Access Support Alliance (LASA) provides housing to 15 families in Lakewood;
- Pierce County Housing Authority (PCHA) operates and manages four multifamily apartments totaling 269 units;

- Pierce County Housing Authority (PCHA) further offers a housing choice voucher program county-wide. On average, Section 8 Housing Choice vouchers pay Lakewood landlords \$800 per month towards rent. The average voucher holder contributes \$400 towards rent in Lakewood. The maximum amount a voucher would pay on behalf of a low-income tenant in Lakewood, Washington, for a two-bedroom apartment is between \$1,267 and \$1,549. There are 2,749 vouchers, and of this amount, about 550 are applied to rents in Lakewood; and
- A variety of agencies and private property owners operate subsidized low-income properties comprising 671 units.

City Housing Policies:

The Lakewood City Council has prioritized both economic development and housing development to create a City identity and to provide needed "missing middle" housing for current and future residents. Basically, missing middle housing includes many housing types, such as duplexes, fourplexes, cottage courts, and courtyard buildings that provide diverse and more affordable housing options supporting locally-serving retail and public transportation options.



- In late 2018, the Lakewood City Council adopted the Lakewood Downtown Subarea Plan, accompanying development code and SEPA Planned Action, all of which were focused on solidifying a clear Downtown while encouraging well-designed, higher density housing and mixed use development that could take advantage of transit options within and near to the Downtown. The Planned Action provides a way by which development review is streamlined since individual projects consistent with the subarea plan do not have to undergo a SEPA analysis. The Lakewood Downtown Plan envisions 2,257 or more new housing units within the subarea plan boundaries by 2040.
- In 2021, Lakewood adopted the Lakewood Station District Subarea (LSDS) Plan, related development regulations, and a SEPA Planned Action. LSDS boundary incorporates the area within a half mile of the Sounder station but does not include areas southeast of I-5, since the freeway provides a significant barrier. The District implements development standards to foster a high quality, pedestrian-oriented urban environment, including incentives to encourage a dense mix of commercial and medical office, regional and

local retail, services and hospitality, and high-density residential uses offering ownership and rental housing opportunities, all supported by direct regional transportation access.

Residential densities would be up to 40 units per acres in the residential zone (MF3) and up to 54 units per acre in the mixed use zone (TOC). Residential development will target housing serving households at 65% to 110% of the area median income. Rowhouse residential development allows for compact residential development at an affordable price point. Ground-related units provide private and semiprivate outdoor space and the opportunity for zero-lot line platted development. This type of development provides homeownership opportunities and the chance to build wealth and equity for moderate income households in the subarea.

Net residential growth within the LSDS is estimated to be 1,772 dwelling units or more, which assumes 760 units in Lakewood Landing and 962 new units from residential growth in the rest of the of the subarea over a 20-year period.



 Lakewood has also adopted updated Accessory Dwelling Unit (ADU) policies and development code requirements that provide for the easier creation of more attached and detached ADUs associated with a single-family housing unit, duplex, triplex, townhome, or other housing unit in multiple city zones, including R1-R4, MR1 & MR 2, MF1 & MF2, and TOC. **SPECIAL REPORT - MANUFACTURED HOUSING (MOBILE HOME) PARKS:** Lakewood has 25 manufactured home parks with a total of about 1,441 manufactured units. These parks were all in existence prior to incorporation.



Since incorporation, four parks have closed and the properties converted to other uses. An illegal park located in Woodbrook has also closed through an abatement action. Of the 25 existing parks, nine, or 36 percent, are located in the Air Corridor Zoning Districts AC1 and AC2 and are non-conforming uses. These land use zones do not allow new residential development and limit remodeling of residential uses in order to comply with safety guidance related to the adjacent North McChord Air Field operations.

State and federal laws limit local government regulation of manufactured housing. Local governments may not enact construction, safety, and energy standards that are stricter than those established the Department of Housing and Urban Development (HUD) since Congress passed the National Manufactured Housing Construction and Safety Standards Act of 1974.

Since 2004, under the guise of affordable homeownership and rental housing, the state adopted legislation that cities and counties are to regulate manufactured homes built to federal manufactured housing construction standards no differently than they regulate other types of homes. (See RCW 35.21.684; RCW 35A.21.312, and RCW 36.01.225.) Previously, Washington cities and counties seemingly had the authority to regulate the location of manufactured homes through zoning and even to ban them entirely.

In 2008, the legislature passed further restrictions providing that cities and counties may not prohibit a mobile or manufactured home from locating in an existing mobile home park or manufactured housing community (existing before June 12, 2008) based on the age or size of that mobile or manufactured home.

The 2009 legislature added a further limitation on the authority of cities and counties regarding manufactured/mobile home communities. Cities and counties may not have an ordinance that prevents the entry or requires the removal of a recreational vehicle used as a primary residence in manufactured/mobile home communities.

What <u>can</u> cities and counties regulate? They can require that manufactured homes:

- 1. Be set on a permanent foundation;
- 2. Have building permits for initial setup; carports, garages, decks, outside stairwells, and landings (but no permits required for the actual unit; that includes repairs and general maintenance);
- 3. Comply with any local design standards that may apply to all other homes in the neighborhood in which the manufactured home is to be located;
- 4. Be thermally equivalent to the state energy code;
- 5. Meet requirements for a "designated manufactured home" in RCW 35.63.160. (Because a "designated manufactured home" under that definition is one that includes at least two sections, cities and counties may still regulate "single-wide" manufactured homes differently than other types of homes.)
- 6. Have age and dimension criteria that is sited outside of mobile and manufactured housing communities, or on housing to be sited in new mobile home parks, or manufactured housing communities;

 Be connected to utility hookups in manufactured/mobile home communities meet state and federal building code standards and that a recreational vehicle contain both an internal toilet and an internal shower (unless the manufactured/mobile home community provides toilets and showers).

<u>History of Karwan Village Mobile Home Park, 2621 84th Street SW:</u> There are 30-mobile homes identified in public records on the Karwan Village site as well as two stick-built structures, built in 1967, with add-ons, one of which houses electrical utilities serving the park and the other, a rental housing unit. The Property has not been consistently or properly maintained for years, requiring a great deal of attention from the City's code and law enforcement.

On October 19, 2019, the City's Hearing Examiner made the following conclusions:

...the conditions that qualify the buildings, structures and premises of the subject property as dangerous are serious and unquestionably threaten public health and safety. Multiple failing septic systems jeopardize the health of park residents as well as the public at large. Exposed and unprotected wires installed without permits are prevalent throughout several mobile home units, often in structures with leaking roofs that soak floors and walls. Squatters and vagrants use bathrooms without any functioning plumbing and RV units without septic connections simply dump sewage onto the ground. Carports that are decades old have undergone years of water damage. Some are listing and subject to makeshift repairs without required permits. Windows are broken leaving units exposed to the elements. Water is provided to some mobile homes via garden hoses. Makeshift water connections are illegally made above ground without backflow devices, facilitating the contamination of the park's water supply.

The Property has been a drain on City resources with staff responding to police calls and code enforcement violations. In 2018, Lakewood Police responded to complaints a total of 254 times and made a total of 25 arrests. Through June 26, 2019, Lakewood Police have responded to complaints a total of 100 times and made a total of 8 arrests. Lakewood Police have continued to make arrests at the property. From June 27, 2019 to date, Lakewood Police have responded to complaints 184 times (37 of which were calls from one-unit) and made a total of 19 arrests. Arrests for this period include:

- July 19, 2019 for misdemeanor arrest for physical domestic violence;
- August 20, 2019 for a misdemeanor warrant for violation of no-contact protection order;
- September 1, 2019 for felony arrest for warrant service of subject with a warrant;
- September 11, 2019 for felony arrest of subject with warrant for theft and one on the same day for felony arrest for warrant service of subject with a warrant;
- October 10, 2019 for misdemeanor arrest for physical domestic violence;
- November 4, 2019 for felony arrest for warrant service of subject with a warrant;

- December 22, 2019 for misdemeanor arrest for warrant service of subject with a warrant;
- January 19, 2020 for felony arrest for warrant service of subject with a warrant;
- June 5, 2020 for misdemeanor arrest for violation of a court order and one the same day for misdemeanor arrest for warrant service of subject with a warrant;
- July 4, 2020 for misdemeanor arrest for warrant service of subject with a warrant;
- August 6, 2020 for felony arrest for warrant service of subject with a warrant;
- August 27, 2020 for misdemeanor arrest for warrant service of subject with a warrant;
- October 24, 2020 for felony arrest for warrant service of subject with a warrant;
- November 4, 2020 for misdemeanor arrest for physical domestic violence;
- November 21, 2020 for misdemeanor arrest for warrant service of subject with a warrant; and
- November 23, 2020 for misdemeanor arrest for physical domestic violence.

For all practical purposes, the existing Karwan Village septic system is non-functional. The Tacoma Pierce County Health Department (TPCHD) did not initiate enforcement action against the previous owner or the current owner when both failed to act on permits or otherwise correct the deficiencies in the septic system until recently, when it began issuing septic system violation notices. However, the City has not received any written report or evaluation of the septic system at the Property by a TPCHD approved septic service company.

Conditions on the property remain generally unchanged since 2019 with the following exceptions:

- unit 39 has been completely demolished and removed from the property;
- nearly all of the garbage, trash, and junk conditions on the property have been cleaned up and removed from the common areas;
- both stick framed structures (unit 30 and unit 34) remain vacant;
- unit 29 was cleaned of debris, however it has not been demolished or repaired;
- unit 1 has been partially cleaned of junk and debris, however the out buildings and structures remain, along with various junk and trash; and
- the area around unit 28 remains littered with garbage and the front and rear porch and stairs have not been corrected or made safe for proper egress.

Conditions identified of specific tenant occupied trailers have been addressed with the exception of units 1 and 29.

The City is currently in Superior Court with the owner of the Karwan Village mobile home park. The purpose is to obtain a warrant of abatement to demolish unsafe structures, make substantial repairs throughout the park, and repair the septic system with least costly repair method. Upon completion of the work, the City will proceed with the filing of a lien against the property. Total costs are unknown at this time. It is not uncommon for some of Lakewood's manufactured parks to have similar conditions. At Karwan Village, the City has *resolved to "finish what we started"*, given its atrocious living conditions.

Why do these parks have these problems?

- 1. Absentee landlords take advantage of residents, because they are poor with very limited options, and do not speak English;
- Residents do not own or control the land beneath their homes. The private company or investor owns the land, but is also responsible for its roads and utilities, which from the City's perspective, are almost never properly maintained (no long-term obligation to maintain assets);
- 3. Parks have a high cash flow. The economics behind parks are quite unique with many opportunities to generate cash, and without the need to maintain or upgrade the park because of state preemptions;
- 4. Limited appreciation in the manufactured units;
- 5. Units are difficult to sell, unique problems with title;
- 6. Unit transportation is difficult. Some units are too old to be transported in a regular manner making the cost to move a unit more than the unit's value;
- 7. The park's rules, if they exist, are not enforced by the private company or investor who owns the land; and
- 8. Limited enforcement by State Labor and Industries (L&I)²⁰, and
- 9. While TPCHD has authority over septic systems, enforcement is not something they pursue.

ENVIRONMENTAL FACTORS AFFECTING HOUSING: Underlying the issue of housing is also climate change and Puget Sound water quality, both of which continue to contribute to the quickly increasing housing costs.

<u>On the climate change front</u>, at a minimum, developers are being required — by regulation, by changes in building codes, or by consumer demand — to substitute more energy-efficient building materials for existing materials. Developers will be required to adopt new construction methods and technologies. All these changes are likely to be expensive and are likely to involve some amount of trial and error²¹.

<u>Pending Amendments to the City's Tree Preservation Code</u> could affect housing production by imposing new requirements for tree preservation set-asides, or potentially in-lieu of fees.

<u>Materials Cost Increases</u>. The price of lumber has gone up 188 percent since the beginning of the COVID-19 pandemic, adding at least \$24,000 to the price of a new single-family home, according to the National Association of Home Builders (NAHB). Most of the wood supply for residential construction comes out of western Canada.

²⁰ L&I has a total of two inspectors for all of Pierce County.

²¹ file:///C:/Users/dbugher/Downloads/22847_Research_RIHA_September_2021_Report_WB.pdf

Global wood supply is determined by both sawmill and logistics capacity, and the ability of forestlands to grow trees. Although forests have always been subject to climatic events—such as drought, beetle outbreaks, windstorms, and wildfires—climate change appears to be making these events more frequent and severe.

To grasp the extensive impact that climatic events can have on wood supply, consider the mountain pine beetle in western Canada. While the beetles are a natural part of lodgepole forests, warming winters have meant there are now far fewer of the extreme cold snaps needed to keep beetle populations in check. In the 1990s, an outbreak that started in Tweedsmuir Provincial Park began growing out of control, killing large swaths of forest in its wake. Following a surge of salvage harvesting in the early 2000s, log supply began declining. Ultimately, the outbreak destroyed roughly 55% of BC's merchantable pine timber, or 25% of the province's log supply, resulting in the closure of 33 sawmills since 2005. Analysts are forecasting BC's timber harvest to decline still more in the future, due to the beetles, catastrophic wildfires, and conservation set-asides aimed at protecting an endangered population of mountain caribou²².

<u>Sewer Rates and Fees.</u> Most of the sewage plants in the region (58) do not filter out nutrients before discharging their treated water. The nutrient in question here is inorganic nitrogen. On top of natural sources of nitrogen, humans add this nutrient to Puget Sound in two ways: one source is wastewater, which represents nearly 70% of the human nitrogen pollution, and the other roughly 30% comes from dispersed sources of watershed "runoff," such as nitrogen-rich fertilizer that washes off the landscape into the sound.

Excess nitrogen in Puget Sound can trigger a cascade of ecological impacts and erode the ability of marine life to deal with a variety of environmental stressors. Nitrogen can feed a growth boom in algae, known as a "bloom," which, after dying off, sucks dissolved oxygen out of the water and changes the chemistry, leading to ocean acidification. Fish and other creatures that don't breathe air need certain levels of that water-bound oxygen in order to survive and thrive.

Lower oxygen levels in Puget Sound can stress out or even kill marine life, similar to the way it's harder for people to exercise or even just breathe at higher elevations, where the air is thinner and holds less oxygen. Jellyfish, on the other hand, may see a boost in numbers when water quality drops in this way, thanks to their simple and adaptable bodies, which allow them to survive in a wide range of environmental conditions. Harmful algal blooms also have a slew of effects: contaminating shellfish and potentially sickening people and animals.

²² http://blog.cdnsciencepub.com/forest-research-and-skyrocketing-lumber-prices-whats-the-connection/

Both King County and Tacoma estimate upgrades to treatment plants could at least double current sewer rates, worsening existing affordability issues because sewer rates are determined by water use, instead of some other measure such as property values²³.

WHY DO WE HAVE PROBLEMS WITH HOUSING PRODUCTION?²⁴

For the past 40 years, national housing supply has not kept pace with population growth. Housing starts as a share of the population decreased by roughly 39 percent in the 15-year period from January 2006 to June 2021. Researchers at Freddie Mac have estimated that the national current shortage of homes is close to 3.8 million, up substantially from an estimated 2.5 million in 2018.

These numbers are in the aggregate, but there are large and crucial differences between segments of the market. One of the most important is that the number of new homes constructed below 1,400 square feet—typically considered "entry-level" homes for first-time homebuyers—has decreased sharply since the Great Recession, and is more than 80 percent lower than the amount built in the 1970s. Similarly, entry-level homes are becoming a smaller fraction of the new homes that are being completed, representing less than 10 percent of all newly constructed homes, compared to roughly 35 percent in the 1970s. These dynamics mean that the critically important "bottom rung" of the home-ownership ladder is far too out-of-reach for young families trying to start building housing wealth.

The dearth of housing supply is caused by a range of factors and varies between markets. Many urban and suburban markets suffer from a shortage of available land. Part of the shortage of available land reflects public policy decisions of municipalities about how to use land. Additionally, labor shortages and the cost of building materials have increased in recent years.

Another key factor driving limited housing supply is rigid single-family zoning. Roughly 64 percent of all housing that has been authorized since the 2008 global financial crisis has been single-family homes. Units that have two to four residences and allow for multiple families to live on a single lot—as opposed to a large apartment which requires multiple lots to construct—have only accounted for roughly 3 percent of all permits since the financial crisis. Apartments and buildings with more than five units have accounted for approximately the remaining third.

In addition to the supply shortage in the homeownership market described above, the United States has an inadequate supply of housing for renters. Across the country, one in four renters pay more than half of their income on rent, and nearly 47 percent spend over the recommended 30 percent of their income on rent and utilities. These trends are partially driven by supply constraints. Rental unit vacancy rates from 2019 to 2021 have been, on

²³ https://crosscut.com/environment/2021/10/urine-trouble-high-nitrogen-levels-puget-sound-cause-ecological-worry#:~:text=Among%20its%20many%20environmental%20challenges,peo

²⁴ This section excerpted and modified from <u>https://www.whitehouse.gov/cea/written-materials/2021/09/01/alleviating-supply-constraints-in-the-housing-market/</u>

average, at their lowest levels in over 35 years. The problem of supply constraints appears to be worsening. In July 2021, rental prices had increased by 8.3 percent year-over-year, the largest increase for which realty website RealPage has data. In addition, 65 of the country's largest 150 metros are seeing price increases of over 10 percent year-over-year.

Now add to this, COVID-19. The pandemic shifted families' preferences for location and type of housing, exacerbating existing supply chain constraints that have persisted for many years. These pandemic-related changes interacted with the existing housing inventory shortage, resulting in sharp price increases for both owned homes and rental units. National home prices, as measured by the Case-Shiller Index, increased by 7 to 19 percent (year-over-year) every month from September 2020 to June 2021. Home prices outpaced income growth in 2020, with the national price-to-income ratio rising to 4.4—the highest observed level since 2006.

How Do WE FIX THIS - OR CAN WE?

1. <u>Recognize there is no easy solution.</u> This housing shortage may not be solvable, at least in the short-term, and there are areas where the City has no control (market, labor and materials). Further, good intentions aside, major shifts in the application of residential density can have consequences. As a good example, Olympia attempted to solve the missing middle housing problem by abolishing single family zoning in 2020. Since then Olympia has seen little to no growth in development of missing middle housing in the year since. The zoning amendment process was a contentious four-year confrontation with homeowners.

If Lakewood were to consider a similar approach, opening up single family zones for higher density, primary issues would be densifying the R1, R2, R3, and R4 zones, and the conversion of the Oakbrook Golf Club from open space to residential uses²⁵. Perhaps different than Olympia would be the environmental and transportation consequences of such actions, *which the City and developers would not be able to mitigate*. Through SEPA, the City can choose to override the environment for the sake of housing, but there are consequences.

2. Locate the deficiencies in water and sewer services in Lakewood. Pierce County installed sewers in the 1980s, but based on then-existing uses. There was never any plan to have expanded capacity in the single family residential zones. One of the problems Lakewood experiences, from time-to-time, is that developers will propose density allowed under the current zoning code, but the underlying sewer capacity is not available. Consequently, under the County's sewer expansion policy of "pay as you go", the developer is required to pick up the costs for making major expansions to the sewer system. Many times, the cost of

²⁵ Over the past three years, the owner has informally requested changing land use designations to a residential designation. In each request, the City has stated that the owner would need to submit a comprehensive plan amendment to include the preparation of an EIS. At some point, according to the owner, if/when the conservation futures easement is removed/voided from the golf course (date unknown), the owner, because of rising property values would propose land use amendments.

sewer expansion is prohibitive; the developer is unable to afford installing this new sewer system, so the development stops.

The Lakewood Water District has a similar situation. The district has announced plans to replace 180 miles of aging asbestos cement water pipes over the next 50-years. These pipes are currently 50-70 years old and are at or near the end of their useful life.

The City has not yet analyzed the specific infrastructure deficiency areas in comparison to where missing idle housing might be located. Even if the City were to plan to densify with missing middle development requirements, it is unlikely to occur for many years.

- 3. <u>Update the City's Comprehensive Plan Housing Element</u> (already underway).
- 4. <u>Review utility and special district permitting procedures</u> in coordination with the City's three energy purveyors (Lakewood Light & Power, PSE and Tacoma Power), the Lakewood Water District, Pierce County Sewer District, and the West Pierce County Fire District (Fire Marshal services).
- 5. <u>Considering Prepare a Housing Action Plan (HAP)²⁶</u> Grants have been available through the Washington State Department of Commerce to create a Housing Action Plan (HAP). The HAP answers these basic questions:
 - How much additional housing will be necessary to meet the needs of Lakewood's current and future households?
 - How effective are the city's current policies at ensuring adequate housing options?
 - How can the city, residents, and businesses work together to improve Lakewood's housing options?
 - What are Lakewood residents' preferred strategies for increasing affordable housing?
 - How can Lakewood work with its neighboring communities to meet the need for housing?
 - How do we prevent our current residents from being displaced by future development?

Since a new Lakewood Comprehensive Plan Housing Element is mandated, and due in 2024, which will likely answer these same questions, the City has opted to not pursue a HAP.

6. <u>Consider Financial Options</u>. There are financial programs that are addressing affordable housing at all levels of government. The key is access and coordination. A good example is the state's Connecting (affordable) Housing to Infrastructure Program (CHIP) grant, which has \$34.6 M available statewide. This is an opportunity for Tarragon Development Limited,

²⁶ In 2020, Department of Commerce provided options for cities to develop housing strategies. Cities were given a menu of options. Two of those options were either prepare a subarea plan or a housing action plan. Since the city's housing programs were already robust, the decision was to move forward with the Lakewood Station District Subarea Plan. City received a grant of \$100,000 for this purpose.

the developer working within the Lakewood Station District Subarea in affordable housing, but the grant timing is tight this year, and the City would need assistance from special districts. If the City Council wants to take advantage of grant programs, the operations within CEDD will need to expand along with adding capacity to supporting service departments. Some of this has already occurred, but it is something we are watching.

7. Engage in active participation with the Washington State Housing Finance Commission (WSHFC). This Commission has in past years been actively engaged in housing programs in Lakewood, oftentimes without the City's knowledge. A good example of this is the WSHFC's partnership with ROC Northwest and ROC USA, which offers the financial tools and expert guidance for manufactured-housing ("mobile-home") communities to become self-owned cooperatives. One park, Jamestown Estates, is in the process of becoming a residentowned community. A second park is also considering a self-owned cooperative. The City became aware of the conversions as a result of an off-handed conversation between the park owner and the CEDD Director.

Further, the WSHFC is responsible for state's Low Income Housing Tax Credit (LIHTC) program, which five (5) apartment complexes in Lakewood have taken advantage of.

- 8. Keep doing what Lakewood is already doing.
 - The partnerships with LASA, Habitat of Humanity, Rebuilding Together South Sound, SSMCP, Pierce County, and SSHA³P are solid programs that should continue and be nurtured.
 - Continue to support the City's dangerous building abatement and public nuisance program. This endeavor helps turn over land into new housing production.
 - Continue to support the City's RHSP, which keeps existing rental housing properly maintained and deters deferred maintenance.
 - Continue the City Council's biennial review of the two subarea plans (the next review of the Downtown Subarea Plan is in 2022, and the first review of the Lakewood Station District Subarea Plan will be in 2023.)
 - Amend the City's MFTE program pursuant to state law and regulations, and expand the LSDS RTA.
 - Even though it is taxing and expensive, continue to pursue the turnaround of poorly functioning manufactured housing parks as time and resources allow.
 - Continue with supporting housing efforts through CDBG/HOME; however, with less than \$1M a year, progress is going to be slow.
 - Continue to prepare the City's Annual Housing Report as a source for City Council consideration of any needed policy or legislative changes.
- 9. <u>Seek an affordable housing demonstration project through SSHA³P</u>. Exactly what this looks like, we're not sure, but additional details are expected later in the year.
- 10. <u>Consider the use of ARPA funds to address not just homelessness, but housing, including the missing middle</u>. At the moment, this remains a work in progress.



Call to Order

Mr. Don Daniels, Chair called the ZOOM meeting to order at 6:30 p.m.

Roll Call

<u>Planning Commission Members Present:</u> Don Daniels, Chair; Paul Wagemann, Ryan Pearson, Phillip Combs, Linn Larsen and Brian Parsons <u>Planning Commission Members Excused</u>: None <u>Commission Members Absent</u>: None. <u>Staff Present</u>: Tiffany Speir, Long Range & Strategic Planning Manager; and Karen Devereaux, Administrative Assistant <u>Council Liaison</u>: Paul Bocchi (present)

Approval of Minutes

The minutes of the meeting held on January 5, 2022 were approved as written by voice vote M/S/C Larsen/Parsons. The motion carried, 6 - 0.

Agenda Updates

None

Public Comments

This meeting was held virtually to comply with Governor Inslee's Emergency Proclamations 20-28 and its addendums. No public comments were received.

Public Hearings

None

Unfinished Business

None

New Business

CPA 2022-02: Tillicum Neighborhood Plan and Center of Local Importance

Ms. Tiffany Speir explained that City Council set the docket list for the 2022 Comprehensive Plan amendment cycle to include proposed Amendment 2022-02 that would update the Tillicum 2011 Neighborhood Plan to reflect land zoning and development as well as City actions and infrastructure improvements conducted since adoption; and update the Tillicum Center of Local Importance.

Ms. Speir discussed the nine goals and 64 implementation strategies, or action items, included in the Plan. Long range strategies included in the Plan were also discussed. The full Plan is available for review online at https://cityoflakewood.us/wp-content/uploads/2018/06/tillicum.plan.smaller.pdf

2021 Buildable Lands Report and Lakewood 2044 Growth Targets

Ms. Tiffany Speir presented information on the Pierce County 2021 Buildable Lands Report (21BLR) published in September 2021. Lakewood was found to have a year 2044 capacity for 4,140 more housing units than needed to meet its year 2030 target. Lakewood was found to have a year 2044 capacity for 5,293 more jobs than needed to meet its year 2030 target. The

City of Lakewood

21BLR also concluded that Lakewood's Housing Capacity and Employment Capacity was also sufficient for the draft 2044 targets used in the report.

Ms. Speir clarified that Pierce County has developed draft 2044 population, housing, and employment growth targets for Lakewood, designated a "Core" city in VISION 2050. These targets will be reviewed at the Pierce County Regional Council and then considered for action by the County Council this spring.

Review of City Council 2021-2024 Goals

Ms. Tiffany Speir discussed the City Council vision for the community, goals, and objectives noting the purpose of the City Council Goals to direct our community toward positive changes and serve as the policy direction for City government as well as the policy guide for developing and implementing the next two biennial budgets (2021-2022 and 2023-2024). City Council goals guide the allocation of resources through the budget and capital improvement program to assure that organizational work plans and projects are developed and achieved that move the community forward.

Ms. Speir highlighted the many goals related to the Planning Commission's duties.

Report from Council Liaison

Councilmember Mr. Paul Bocchi updated commissioners on the following topics:

- Updating the Tillicum Neighborhood Plan is a high priority for City Council.
- City Council will hold a retreat in March 2022.
- Councilmember Bocchi will continue as the Council Liaison to the Planning Commission.

Reports from Commission Members and Staff

<u>Future Planning Commission Agenda Topics</u> 02/02/2022: Annual Housing Plan Update and Review of City Housing Programs 02/16/2022: Shoreline Master Plan and Restoration Program Presentation 03/02/2022: Comprehensive Plan Amendments

Next Regular Meeting would be held on February 2, 2022. **Meeting Adjourned** at 7:39 p.m.

Ryan Pearson, Vice-ChairPlanning Commission02/02/2022

Karen Devereaux, Recording Secretary Planning Commission 02/02/2022