

2021-2022

City of Lakewood, Community and Economic Development (CED) Department Report



Prepared for the City of Lakewood Mayor and City Council
Through the City Manager and by CED Staff
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Forward

The Community & Economic Development Department (CED) strives to create a strong sense of place and a vibrant, diversified economy with the express purpose of improving the lives of those who work and live in this City. The City Manager has requested that CED provide an annual report to the City Manager and the Lakewood City Council in pursuit of that end.

This report examines our work in relation to the City Council's adopted goals, objectives, and strategies over a 2 ½ year period from 2020 through July 2022.

The essential question of the annual report is:

Were we successful in our endeavors?

- If the answer is YES:
 - Why? Do we refine our intended purpose?
- If the answer is NO:
 - What changes do we make in our approach?

A strong sense of place correlates with the robust social ties that make places successful over time. People gravitate toward livable places, and they tend to stay. This gravity toward a place enhances economic sustainability. It is easier to attract jobs and build commerce in places that already have a high quality of life combined with a strong sense of place and community.

For years, Lakewood's biggest problem is that growth has been in a disorderly manner. Significant improvements made recently in policy and infrastructure to change this course are promising. The work of elected officials' vision for Lakewood is beginning to bear fruit. So, to answer the question, did Lakewood improve? Yes, Lakewood is much improved, but it still needs nurturing, along with careful policy analysis if it is to maintain its initiative. **GOOD CITY-BUILDING IS NOT EASY!**

What follows is the 2020-2022 Annual Report. At the beginning of this report, we tie our work to-date back to the City Council's adopted goals, objectives, and strategies. They represent the road map that led us to today. This report highlights the department's accomplishments, goals, and objectives, which we promulgate to:

- Implement the City Council's goals and objectives.
- Enhance the City of Lakewood as a safe, sustainable and highly desirable place to live, work, learn, recreate, visit and more.
- Report on achievements and performance.
- Effectively and efficiently, manage organizational assets, capabilities, and finances.
- Fulfill the department's regulatory compliance requirements.
- Address changes in state law.

Something to keep in mind - this report examines CED only. It does not include the efforts of other city departments to create a sense of place and build upon Lakewood's economic base. CED regularly works across departments in our work.



Colonial Plaza, Dedicated September 2019

City Profile

Lakewood is home to over 63,000 residents and has one of the most culturally diverse populations in Washington, with 54% BIPOC, and a slightly younger average age, 35.6, as compared to peers in Pierce County.

Incorporated in 1996, Lakewood is the second largest city in Pierce County and the 18th largest in the state of Washington. It is the host community to Joint Base Lewis-McChord, the largest joint base on the West Coast - with a \$14 Billion economic impact - and one of the largest in the U.S. Lakewood is strategically located along the I-5 corridor with connections to major transportation networks, bordering JBLM, Camp Murray and Tacoma. Lakewood benefits from a hub of activity at the Ports of Tacoma, Olympia, and Seattle.

Regional Sound Transit commuter rail and the Pierce Transit bus system are easily accessible through Lakewood Station. Planned investment in these systems will provide enhanced connections for travelers and commuters to Sea-Tac International Airport and downtown Seattle.

Lakewood is home to Clover Park School District, and award-winning K-12 public system with the highest graduation rate of comparable South Sound districts. Pierce College offers baccalaureate and associate degrees, and Clover Park Technical College offers more than 120 certificates and degrees alongside a state-of-the-art school of advanced manufacturing.

We have lush parks, lakes, thriving businesses, and abundant opportunities.



Geography

Total Land Area	17.17 Square Miles ¹
Water	1.78 Square Miles ¹

Population

Total Population (2021)	63,331 ¹
Projected Growth (2044)	23,180 ²
Projected Total (2044)	86,511 ²
Percent Minority	43.4% ¹
Median Age	35.6 ¹

Employment

Civilian Labor Force	34,111 ¹
Employed (Q3 2021)	31,382 ¹
Unemployed (2020)	2,729 ¹
Unemployment Rate (2020)	5.5% ¹
Projected Growth (2044)	9,863 ²
Median Household Income	\$55,723 ¹

Housing

Total Units (2020)	26,999 ¹
Owner Occupied	43.2% ¹
Renter Occupied	56.8% ¹
Vacant	3.9% ³
Median Value (Q1 2022)	\$547,000 ⁴
Median Monthly Owner Cost (2020)	\$1,821 ¹
Average Rent (Q2 2022)	\$1,576 ⁵

Source

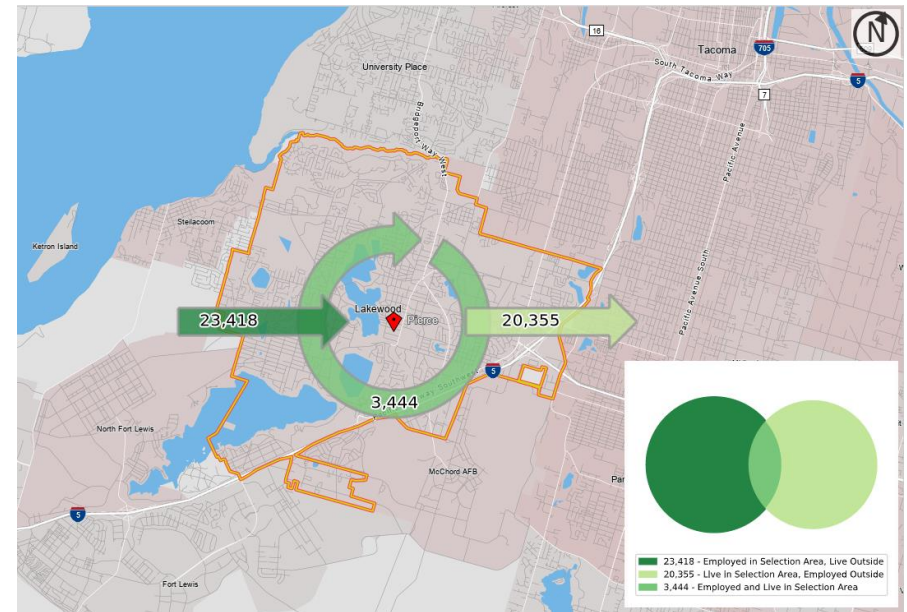
¹U.S. Census Bureau,

²PCRC Recommendation

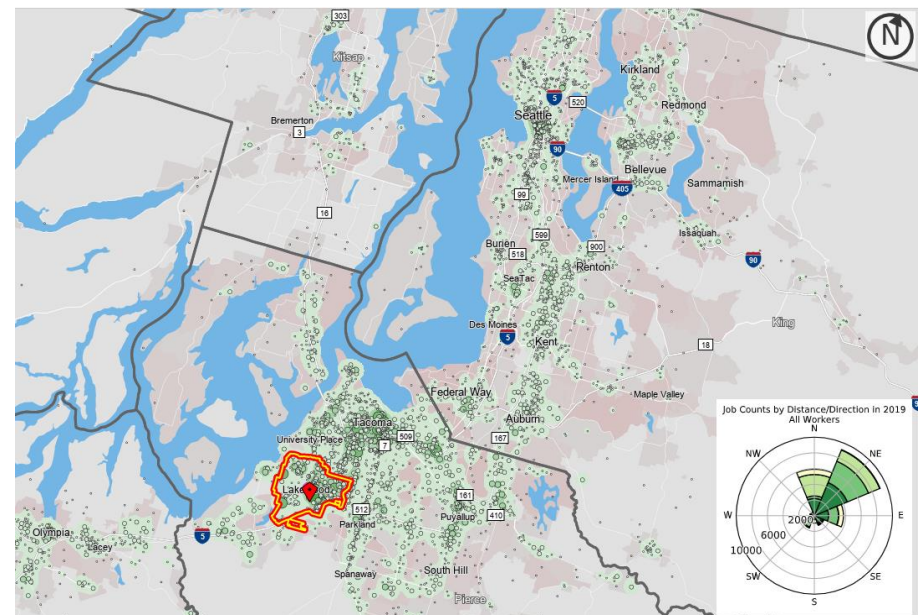
³WCRER Washington State Apartment Market Report – Spring 2022

⁴WCRER Washington State Housing Market Snapshot – Q1 2022

⁵RentCafe Rental Market Trends – Q2 2022



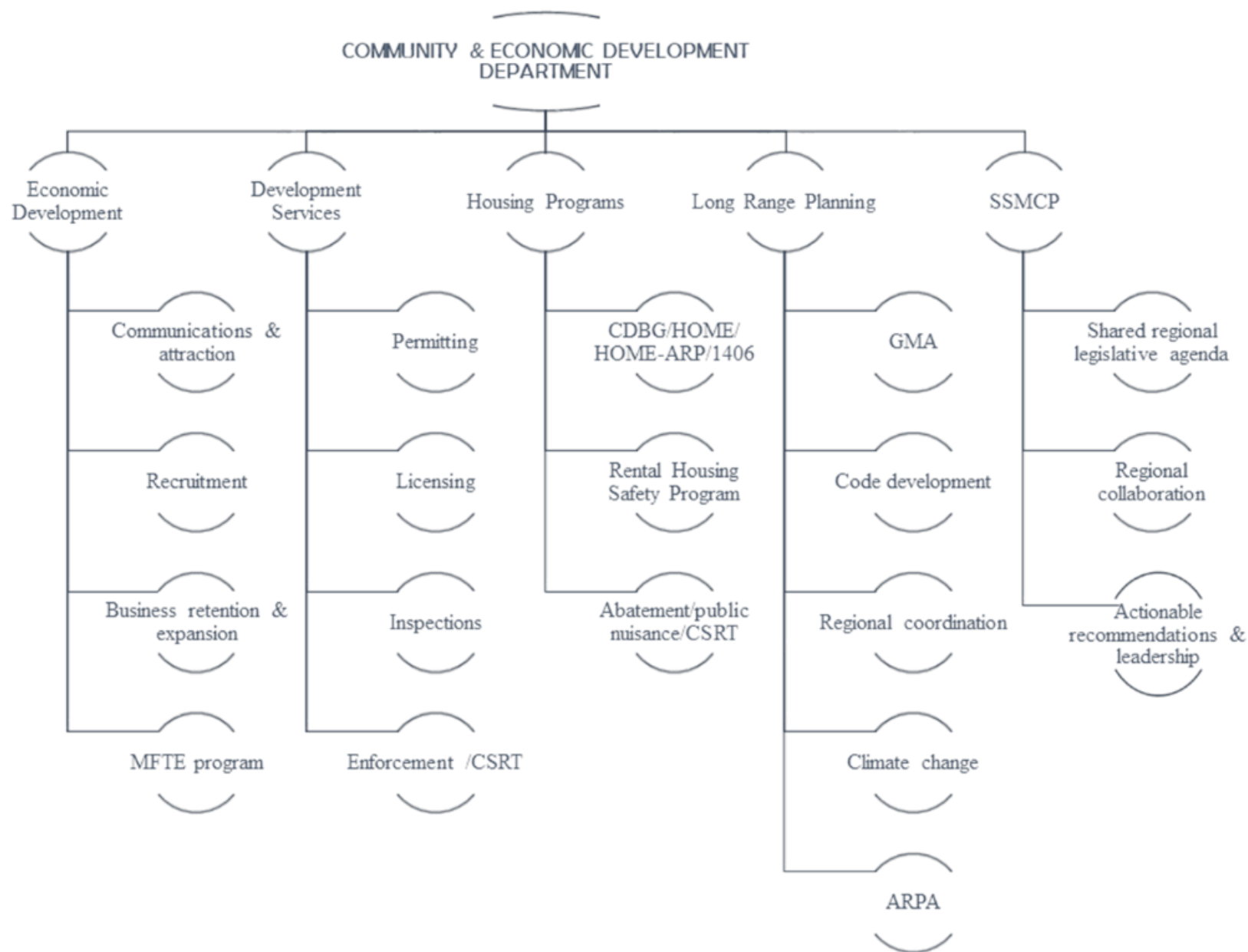
Commuter Flow



Lakewood Resident Commuter Heat Map

Directory of Services & Functional Structure

(figure 1)



City Council's Economic Development Achievements (based on adopted goals, objectives, & strategies)

Referenced Goal & Objective; Listed Strategy	Achievements
<p>1.1 A.</p> <p>Implement and continue to adjust the City's comprehensive economic development strategy to attract and preserve family and high wage jobs.</p>	<ul style="list-style-type: none"> ➤ Attracted multiple companies, including advanced manufacturing company to Lakewood who doubled their employment base. ➤ Average yearly employment growth over the last 10 years has been 3.1% as compared to 2.7% in the county overall. ➤ Lakewood is a net importer of jobs.
<p>1.1 B.</p> <p>Review and develop prudent business incentives that enhance economic development.</p>	<ul style="list-style-type: none"> ➤ Participation in the Pierce County Accelerator Program for businesses. ➤ Continue to be accessible, provide constant assistance and “wrap-around” services to businesses, including technical assistance and expansion resources. ➤ Creation of a City Economic Development Opportunity Fund. ➤ Lakewood partnered with Pierce County and Washington State Procurement and Technical Assistance to bring back the purchasing forum at Alliance Northwest in March, 2022. ➤ Partnered with outside agencies business resource seminars.
<p>1.1 C.</p> <p>Direct growth through sound planning. Update land use codes as necessary and continue to improve internal processes, including the implementation of new technologies.</p>	<ul style="list-style-type: none"> ➤ See 1.2 A. subarea planning and redevelopment efforts ➤ Annual review and updates to zoning and land use as requested and directed. ➤ Comprehensive plan scheduled updates. ➤ Updates to multifamily housing program per legislative changes and council direction. ➤ New CED+ permit system with continual updates.
<p>1.2 A.</p> <p>Implement catalyst projects that promote private investment. e.g., the Downtown Plan, Lakewood Station District Plan, and the Woodbrook Business Park and Lakewood Landing.</p>	<ul style="list-style-type: none"> ➤ Downtown Subarea Plan. ➤ Lakewood Station District Subarea Plan. ➤ Tillicum Subarea Plan. ➤ Woodbrook Business Park ongoing development.

Referenced Goal & Objective; Listed Strategy	Achievements
<p>1.2 B.</p> <p>Improve underutilized commercial and mixed use areas, e.g., the WSDOT facility, revise zoning regulations where appropriate, and minimize nonconforming uses.</p>	<ul style="list-style-type: none"> ➤ Remove nonconforming uses that have fallen into disrepair through the dangerous building abatement program. ➤ Enforce Air Corridor I and II development regulations. ➤ Remove nonconforming uses through purchasing of private property in the North Clear Zone. ➤ Prepared conceptual designs, property options, and financial considerations for new WSDOT facility through MOU actions. Update underutilized property map, and custom maps for developers.
<p>1.2 C.</p> <p>Expand and improve utilities and community assets, such as sewers, libraries, parks, public spaces, etc.</p>	<ul style="list-style-type: none"> ➤ Worked with utility providers on planning to support growth in the Downtown, and Lakewood Station District. ➤ Implement and staff Library Advisory Committee. ➤ Strategic planning and work with Lakewood Towne Center owner to incorporate a park in the Downtown.
<p>1.3 A.</p> <p>Improve and expand programs and policies to increase homeownership, diversify housing stock, and preserve existing housing stock to meet community needs.</p>	<ul style="list-style-type: none"> ➤ Rental Housing Safety Program. ➤ CDBG Major Home Repair. ➤ Financial Assistance to Pierce County Housing Authority for Village Square/Oak Leaf Apartments. ➤ Use of low-interest loans to preserve existing housing stock under SHB 1406.
<p>1.3 B.</p> <p>Continue to support youth and senior programming and expand community events.</p>	<ul style="list-style-type: none"> ➤ Outreach to Youth Council for input on economic development efforts and planning. ➤ Worked with Senior Center staff on potential locations for programing.
<p>1.3 C.</p> <p>Support and preserve historical, cultural, and ecological places of significance.</p>	<ul style="list-style-type: none"> ➤ Installation of historic street signs. ➤ Revised touring map. ➤ New historic trolley map. ➤ Continue efforts to work with Clover Park School District incorporating local Lakewood History into district curriculum. ➤ Long term, consider the City acquiring historic properties on the Western State Hospital Campus, and managing on behalf of DSHS.

Referenced Goal & Objective; Listed Strategy	Achievements
<p>1.4 A.</p> <p>Be a leader in local economic development, regional transportation and planning policies.</p>	<ul style="list-style-type: none"> ➤ Two Governor’s Excellence awards on the Lakewood Station District Subarea Plan and Climate Change Chapter to the City’s Comprehensive Plan (2022). ➤ Pierce County Healthy Communities Planning Award. ➤ Two 2021 Economic Development Board Excellent 10 Awards. ➤ Planning awards from the Tacoma-Pierce County Health Department (2018). ➤ Governor’s Smart Communities award (2019). ➤ Member of multiple boards and commissions directing tourism, bond financing, manufacturing and industrial land use, state economic development initiatives, social services within the community, and various non-profits cleaning up Lakewood, serving people through the arts, providing food, education, and more.
<p>1.4 B.</p> <p>Continue partnership with JBLM and Camp Murray to improve connectivity, land use development, and transportation.</p>	<ul style="list-style-type: none"> ➤ New community-wide Growth Coordination Plan (GCP) (Elected Official Council to adopt October 2022). ➤ I-5/Nisqually Delta transportation project. ➤ Pending resiliency planning study for JBLM (climate change). ➤ Pending “Housing Study 2.0.” ➤ Pending National Daycare Study for Military Families. ➤ Support JBLM’s need for access to products through the Port of Tacoma.
<p>1.4 C.</p> <p>Expand partnerships with the Chamber of Commerce, neighborhood groups and associations, and other civic groups.</p>	<ul style="list-style-type: none"> ➤ Lakewood Chamber Ambassador of the Year, three years. ➤ Participant in multiple new collaboration groups born out of the pandemic (BRE ecosystem, Greater Seattle Partnership, WEDA monthly meetings, Recruitment roundtables). ➤ Pierce County economic development working group.

Referenced Goal & Objective; Listed Strategy	Achievements
<p>1.4 D.</p> <p>Develop an educated workforce through collaboration with local educational institutions to leverage collective resources and to enhance K-12 and higher education opportunities.</p>	<ul style="list-style-type: none"> ➤ Support Clover Park Technical College efforts to create an Advanced Manufacturing Training facility through connections and grant support. ➤ Showcase Clover Park School District award-winning work through video. ➤ Work with Invista, and local colleges, to connect businesses and their employees to customized training solutions.
<p>1.5 A.</p> <p>Focus resources on business creation, attraction, retention, and expansion</p>	<ul style="list-style-type: none"> ➤ Continue with annual BRE outreach efforts and amend/modify the City's economic development efforts accordingly. ➤ Currently examining the impacts of e-commerce in relation to commercial and industrial zoning districts. CED may introduce new programs that promote e-commerce but at the same time create new jobs/housing initiatives that accompany proposed development. ➤ Outreach and follow up with over 100 businesses per year. ➤ Multiple successful business retention cases. ➤ Focused outreach to residential, commercial, retail, and industrial users.
<p>1.5 B.</p> <p>Promote an entrepreneurial environment, and encourage a balance of manufacturing, commercial, professional, and retail and service businesses.</p> <p>3.3 A.</p> <p>Increase proactive abatement, code enforcement, and housing safety programs to eliminate blight and unsafe conditions.</p>	<ul style="list-style-type: none"> ➤ Completed media campaigns, branding and perception, and tourism. ➤ Targeted developer outreach to 6,500 local, regional, national, and international multifamily/mixed use developers. ➤ Developed relationship with over 30 active and interested mixed use developers. ➤ Continue with present course to address unsafe and dangerous properties. ➤ Amended the City's public nuisance regulations. ➤ Expand public nuisance actions through the support of CSRT and West Pierce Fire & Rescue. ➤ Address recalcitrant landlords who refuse to register and inspect rental units (enforcement action is underway). ➤ Provide relocation assistance to residents impacted by building closures.

Referenced Goal & Objective; Listed Strategy	Achievements
3.3 A. (continued)	<ul style="list-style-type: none"> ➤ This report addresses this objective in other objectives listed above. While abatement activity slowed during the pandemic, CED has attempted to pick-up the pace in 2022. Significant commercial/industrial abatements are completed, with more underway. CED also focused abatement activity at the Karwan Village Mobile Home Park. This project is half-way completed. ➤ One policy under consideration is the use of the City’s economic opportunity fund to assist in the removal of older buildings in exchange for new housing opportunities or mixed-use development. This would take the form of a developer agreement and require City Council approval.
<p>1.5 C.</p> <p>Continue to leverage and improve City assets, e.g., location, access, lakes, parks, civic engagement opportunities, transit options, cultural amenities, activity hubs, and utilities.</p>	<ul style="list-style-type: none"> ➤ Amended the City’s parking regulations to strike a balance between parking needs and promoting housing development. ➤ Tree Preservation Code Public Participation Plan. ➤ Climate Change Perception Study. ➤ Working with partners, promoting EV charging stations near transit facilities. ➤ Assisting PWE with an outreach program to address potential flooding in Springbrook and along Clover Creek. ➤ Review and updated detailed contaminated sites report. ➤ Key contaminated site properties cleaned up, form Chevron on Gravelly Lakewood Drive SW, and SWAN property at the corner of Steilacoom Blvd. and Gravelly Lake Drive SW. ➤ Key contaminated sites in process of clean up, including former Ken’s Tire, and Lakewood Towne Center. ➤ Focused campaigns on business, tourism, & cultural diversity.

Referenced Goal & Objective; Listed Strategy	Achievements
<p>3.4 D.</p> <p>Use innovative approaches and partnerships to provide connections to services to individuals experiencing behavioral health incidents and/or homelessness.</p>	<ul style="list-style-type: none"> ➤ Under the City’s RHSP and abatement program, City provides limited mental health counseling services for some residents impacted by property closures. City also has a significant issue problem with persons having hoarding disorders. The overall prevalence of hoarding disorder is approximately 2.6 percent, with higher rates for people over 60 years old and people with other psychiatric diagnoses, especially anxiety and depression. Hoarding behavior begins relatively early in life and increases in severity with each decade. ➤ In exchange for bed space, City provided financial assistance to LIHI for to convert the Comfort Inn in Tacoma into a temporary housing shelter, referred to as “Aspen Court.” After two years of operation, LIHI would convert the property into transitional housing. ➤ Proposed conversion of Candlewood Suites, 10720 Pacific Highway SW into permanent supportive housing. Some outstanding zoning issues remain. CED is also investigating the operations of other LIHI facilities.
<p>4.1 A.</p> <p>Invest resources in core functions based on priorities.</p>	<ul style="list-style-type: none"> ➤ Implementation of a new CED automated permitting system. ➤ CED allows photo inspections for some building division inspections. ➤ Based on a 5-year average, CED maintains an 85 percent cost recovery. ➤ Exploring a means by which some building division permits receive approval automatically.

Referenced Goal & Objective; Listed Strategy	Achievements
<p>4.3 A.</p> <p>Continue to hire and cultivate top tier City personnel and strategically plan for future City leadership needs.</p>	<ul style="list-style-type: none"> ➤ Over the next five years, about 40 percent of the CED staff will be eligible for retirement. The department expects two significant senior leadership retirements over the next year. Other organizations actively recruit our mid-level staff. ➤ Management strives to create a healthy work environment, in addition to worker flexibility. Remote work, while it does have some drawbacks, has helped to retain staff. However, if key people decide to move on, it will ultimately slow economic development efforts. Cross-training is absolutely essential to maintain momentum.
<p>4.3 D.</p> <p>Continue to evaluate and implement strategic partnerships with other jurisdictions and entities for joint services when of benefit to the community.</p>	<ul style="list-style-type: none"> ➤ CED is already engaged in multiple partnerships across many disciplines. Details of these partnerships exist elsewhere in this report. Expect to see more partnerships on ecommerce, climate change, and waste management.
<p>5.1 A.</p> <p>Create and implement a Communication Strategic Plan that prioritizes inclusivity, community engagement, meaningful civic participation, and enhances branding standards.</p>	<ul style="list-style-type: none"> ➤ CED has many programs in place that speak to creating a better image; this report outlines these programs.
<p>5.2 A.</p> <p>Continue to serve in a leadership capacity in national, regional, and local affairs.</p>	<ul style="list-style-type: none"> ➤ Lakewood has fearlessly taken on leadership roles on regional transportation, military affairs, and climate change. Lakewood also recently received recognition for its transparency related to its ARPA programming.

Referenced Goal & Objective; Listed Strategy	Achievements
<p>5.2 C.</p> <p>Improve awareness of JBLM's and Camp Murray's direct and indirect economic impacts on the city, region, county, and state.</p>	<ul style="list-style-type: none"> ➤ Working with UW Tacoma, SSMCP will be performing an updated economic analysis on the regional impact of JBLM. CED expects this analysis to include discussion as to how JBLM can soften the economic impact of the COVID-19 pandemic.
<p>5.3 A & B.</p> <p>Expand meaningful, two-way communication opportunities with community stakeholders and regional partners.</p> <p>Support and collaboratively engage with neighborhood groups, civic associations, and non-profits.</p>	<ul style="list-style-type: none"> ➤ Remains a work-in-progress. CED reached out to minority groups with the Climate Change Perception Study. We were not as successful as we desired. In the future, we need to improve. This topic will re-emerge as part of the comprehensive plan periodic update. ➤ The pandemic has changed the landscape for neighborhood groups and civic associations. The level of engagement has diminished considerably, and it may not come back in the same form. Expect to see the growth of self-help activism, forms of self-organization aimed at practical problem solving <i>through the use social media</i>. Lakewood will need to pay close attention. Common problems at the community level may generate broad and new types of coalitions that we have not seen before.
<p>5.3 C.</p> <p>Support access to information on workforce development, healthcare, and local services.</p>	<ul style="list-style-type: none"> ➤ Provide connections and customized data for mixed use developers on workforce and local resources, including healthcare.

Referenced Goal & Objective; Listed Strategy	Achievements
<p>5.3 D.</p> <p>Strengthen relationship with local school districts, colleges, and other public entities.</p>	<ul style="list-style-type: none"> ➤ Maintain/update agency master plans for Clover Park Technical College, Pierce College, St. Clare Hospital, Western State Hospital, and Clover Park School District. ➤ Connections with businesses on workforce training, and opportunities to partner with local colleges. ➤ Work with Lakewood Chamber to connect with school district, communities in schools, and daycares for participation in Lemonade Day youth entrepreneurship program.
<p>6.1 A.</p> <p>Continue to partner with community-based organizations and partner entities to support the communities most vulnerable individuals and families.</p>	<ul style="list-style-type: none"> ➤ Maintain partnerships with Pierce County Human Services, City of Tacoma (CDBG/HOME Consortium), Habitat for Humanity, Living Access Support Alliance (LASA), South Sound Housing Affordability Partners, and local food banks. ➤ Work with Centerforce on partnerships in the sale of their building and leasing to veteran-owned business to support BIPOC and veteran start-ups.
<p>6.2 B.</p> <p>Enhance and expand communication and outreach efforts to eliminate barriers to full civic engagement and participation, creating a more inclusive, connected, and active community.</p>	<ul style="list-style-type: none"> ➤ Regular presentations to service clubs, Lakewood Chamber, real estate broker groups, and other business organizations and community organizations on Lakewood plans and opportunities. ➤ Participation in multiple working groups. ➤ Outreach to multi-cultural organizations.
<p>6.3 A.</p> <p>Celebrate, value and support the cultural diversity of the community through partnerships, public art, events and programs.</p>	<ul style="list-style-type: none"> ➤ Incorporated cultural celebrations within City events through partnership with Asian Pacific Cultural Center. ➤ Worked with Parks & Recreation Department on banners for International District. ➤ Featured individuals, and businesses of varied cultures in websites, videos, and targeted social media. ➤ Support of BIPOC Accelerator program with ARPA funds, partnerships, and planned program celebration and tradeshow to show case businesses.

Department Overview

Who We Are

The Community & Economic Development Department (CED) is one of several City departments. CED has five divisions: Economic Development; Development Services; Long Range Planning & Special Projects, sometimes referred to as Policy Development; Housing Programs; and The South Sound Military & Communities Partnership (SSMCP). The duties of each of these divisions appear in CED's organizational chart, Figure 1.

The department's mission is to create and implement plans, policies, and programs based on a foundation of mobility, economic vitality, fairness, and improved quality of life for all.

What We Do

CED implements the development regulations found in the Lakewood Municipal Code. In addition, CED implements the Washington State regulatory framework including the Growth Management Act (GMA), the State Environmental Quality Act (SEPA), the State Shoreline Management Act, subdivisions, International Building Codes as amended by the State Legislature, and other land use related enabling legislation. One division within CED focuses on federal and state entitlement programs to create and maintain affordable housing, and assist with homelessness.

SSMCP is a partnership of more than 50 members: cities, counties, tribes, nonprofits, corporations, organizations, and Joint Base Lewis-McChord (JBLM). This organization seeks to bridge military and civilian communities through innovative and flexible partnerships and performing mutually beneficial work in the South Sound. SSMCP takes on projects to advance infrastructure and regional improvements that support military readiness and the communities neighboring Joint Base Lewis-McChord. Projects encompass land use, infrastructure, traffic, community relations, child care, housing affordability, and economic development.

Department Succession Planning

CED carries out a significant regulatory function, *and much of it is driven by state law*. The department issues thousands of permits and licenses every year. Through this work, CED employees increasingly receive more than their fair share of verbal attacks and heavy criticism. Some clients' comments show little restraint, are regularly mean-spirited, politically-charged, and derogatory. Over the years, public etiquette has gotten worse and it takes its toll on CED employees' morale.

- Developing and implementing strategies to retain and recruit staff. Upcoming staff retirements. (An estimated *40 percent* of current staff will be eligible for retirement within the next five years based on length of service). Use of outside contracts for services for plan review, inspections and planning services in the event Lakewood is unable to retain/recruit adequate staffing. Transitioning to, and implementing post-pandemic business operations such as continued remote working, continued expansion of CED online services, and meeting technologies. Continuing improvement of the department's website and other electronic internal and external services to improve efficiencies and service delivery.
- *Improving* post-pandemic public hearing and engagement strategies with in-person and remote/online participation.

Big Picture Issues

City Hall re-design and pending CED reorganization, effective September 1, 2022. Lakewood is not a full service city, meaning the development review process will continue to require a high level of coordination with outside agencies. Project and administrative coordination within the Tacoma-Lakewood CDBG/HOME Consortium. Implementing new laws from the 2022 Legislative Session, in addition to upcoming years. Maintaining the work plan schedule for the 2024 Comprehensive Plan Periodic Update. Initiating a climate change work plan. Processing complex and controversial development projects and code compliance cases. Addressing affordable housing through collaboration with multiple partners.

Community Engagement & Partnership

The CED Department constantly engages with the public, organizations, and other government agencies. Because the City does not own the water, sewer or power utilities serving Lakewood, other agencies review land use and building permits and are regular and essential partners in land and economic development activities.

2nd Stryker Brigade Combat Team (JBLM Community Connector)

Asian Pacific Cultural Center

Association of Washington Cities

Boys and Girls Club

Caring for Kids

Cities of DuPont, Steilacoom, Tacoma, and University Place

Clover Park School District

Clover Park Technical College

Communities in Schools

Economic Development Board for Tacoma - Pierce County

Emergency Food Network

Greater Seattle Partnership

Growth Management Coordinating Committee

Habitat for Humanity

International Economic Development Council

Joint Base Lewis-McChord (JBLM)

Kiwanis Club of Clover Park

Korean Women's Association

Lakeview Light & Power

Lakewood Chamber of Commerce

Lakewood Churches

Lakewold Gardens

Lakewood First Lions

Lakewood Historical Society

Lakewood Playhouse

Lakewood Towne Center

Lakewood United

Lakewood Water District

Lakewood YMCA

Living Access Support Alliance

Master Builders Association of Pierce County

Multicare Health System

Neighborhood Associations

Nisqually Tribe

Nourish Pierce County

Manufacturing Industrial Council

Partners for Parks

Pierce College

Pierce County

Pierce County Climate Change Working Group

Pierce County Healthy Communities Working Group

Pierce County Housing Authority

Pierce County Library System

Pierce County Regional Council

Port of Tacoma

Puget Sound Energy

Springbrook Connections

Sound Transit

South Sound Alliance, UWT Urban Studies Program

South Sound Housing Affordability Partners (SSHA3P)

St. Clare Hospital

Tacoma Housing Authority

Tacoma-Pierce County Association of Realtors®

Tacoma-Pierce County Health Department

Tacoma Public Utilities

United Way

Washington Association of Building Officials

Washington Chapter of the American Planners Association

Washington Department of Commerce

Washington Department of Ecology

Washington State Department of Transportation

Washington State Procurement and Technical Assistance Center

West Pierce Fire and Rescue

Western State Hospital

Internal and External Boards & Commissions

Internal Boards & Commissions

Planning Commission. The Planning Commission meets at least twice per month; it may meet more often for certain work plan items. CED staff prepares all materials and administers the Commissions meetings. The role of the Planning Commission is to assist the City Council in the following areas:

- General Land Use and City Planning Issues;
- Redevelopment Activities and Projects; and
- Transportation

Landmarks and Heritage Advisory Board (LHAB). The Landmarks and Heritage Board meets monthly and advises the City Council on the protection of historical landmarks by:

- Holding public meetings on potential historical landmarks;
- Hiring professionals to examine potential landmarks; and
- Deciding whether a location qualifies as a landmark.

Ad hoc committees. On occasion, the City Council will assign tasks to the CED Departments that requires establishing public or stakeholder committee task forces for a specific focus and/or limited duration. Recent examples include:

- 2022 Tree Advisory Committee
- 2022 Library Advisory Committee
- 2021 Lakewood Station District Subarea Plan Stakeholder Group
- (Pending) 2024 Comprehensive Plan Periodic Review Task Force

Community Services Advisory Board (CSAB). Human Services and CED provide staff to the monthly Community Services Advisory. The CSAB assists the City Council in the following areas:

- Conduct Public Hearings
 - To identify community and housing needs
 - To review the allocation of money to human services and programs
- **Recommend to the City Council:**
 - Which community service programs to fund
 - Funding for the development of housing program strategies
 - Funding for human services

External Boards & Commissions

Aspen Court Community Advisory Committee

Clover Park Rotary

Economic Development Corporation of Pierce County

Growth Management Coordinating Committee

Pierce County 2060 & 2163 & Doc Recording Fee Funding Advisory Committee

Pierce County Climate Change

Pierce County Behavioral Health Advisory Board

Pierce County Comp Plan to End Homelessness Advisory Committee

Pierce County Healthy Community Planning Interest Group

Pierce County Housing Services Providers Group

Pierce County Tourism Promotion Area Commission

PSRC Regional Staff Committee

Tacoma-Lakewood Pierce County Continuum of Care

Tacoma Tideflats Subarea Plan Technical Advisory Group

Travel Tacoma Mt Rainier Tourism & Sports Executive Board

Washington Association of Building Officials

Washington Economic Development Association

Workforce Advisory Committee (led by Pierce College)

Ad hoc groups, recently including:

- 2022: Pierce County Housing Needs Advisory Board
- 2022: WA Dept. of Commerce Model Climate Change Chapter Advisory Group
- 2022: WA Dept. of Commerce MFTE Advisory Committee
- 2021: Pierce County Comprehensive Plan to End Homelessness Task Force

Economic Development

Communications and Attraction

The **Build Your Better Here** brand awareness campaign had a project goal to develop a strategic image and messaging to promote the many benefits of living and working in a growing community. The brand sentiments surveys demonstrated that continuing to invest in these efforts improved favorable opinions of the City of Lakewood. Engaged audiences reported being extremely (15%) and very (19%) favorable toward Lakewood at the end of the campaign as compared to 1% and 7%, respectively who had not seen the campaign. The website generated 6,862 users, 7,822 sessions, and 10,549 page views. Search visibility increased 253% over the last year. 2022 focused on new content on Lakewood incentives. Total social media impressions exceeded 3 million, with just under 2 million video views, and 26,552 clicks to additional content. Targeted ads focused on the Seattle market. 15 videos, 5 radio spots, and dozens of digital ads were produced in 2022.



Nearcation.com, a lodging tax funded tourism website, reflects a retro road-trip vibe with our own Nearcation Travel Agent, with fun videos on history, food, outdoor outings, and golf getaways. The website has continued to generate traffic. Media exposure included radio, print, and social media. The site garnered 523,314 total views, 3,799 clicks, and 10,495 total page views. Most people visited the website during the summer, from the Seattle-Tacoma area (48%) via a mobile device (78%).

Downtown Attraction

Staff has regular contact with mixed use and multifamily developers, as well as brokers, retailers, restaurateurs, and other potential tenants. We have developed relationships with over 30 key mixed use builders, providing a range of housing products, combined with commercial development. Connections have been made, primarily with KITE Realty and Pacific Advisors (representing LAKHA Properties), two of the largest real property holders in Lakewood Towne Center, and other Downtown ownerships to assist in attracting tenants. The Downtown Subarea is showcased on our website, on social media, and through our economic development and tourism websites. Programs, policies, planning efforts, and acting as ombudsmen in assisting to facilitate development through meaningful connections has created momentum in revitalizing this key target area and Regional Center within Lakewood.

Lakewood Landing

Through our relationship with a local design team, and a city-appointed broker, we developed a comprehensive pro forma, market analysis, and marketing materials for a proposed *Lakewood Landing* project. We emailed this project to 6,500 primarily mixed-use developers across the globe. While Phase I of this Pacific Highway ultimately attracted an e-commerce ‘new retail’ concept, the exposure started multiple conversations with new developers, and attracted new companies to the area. Due to this project, we held conversations and meetings with healthcare providers, recreational companies, retailers, and multiple multifamily developers.

Social Media

Staff used social media through BYBH and Nearcation, and promoted Lakewood on LinkedIn through direct contacts and meetups.

Editorial Calendar

In 2021 we implemented a bi-monthly release of articles related to economic development, written and published by the Economic Development Manager. Features answered the following questions, *What Incentives are available in Lakewood?*, *What is Economic Development?*, *Why do some properties remain vacant?*, *How can I find out what I can and can't do with my property?*, and *How long does it take to get a permit?*

Recruitment

Over 1,400 new companies started or relocated to Lakewood in 2020 and 2021. We estimate new net operations of over 200. We noted a significant uptick in new homebased businesses. This level of activity has continued into 2022.

We provided permit and technical assistance to 229 businesses/projects, 2020-2021, for new commercial, tenant improvements, and land use (36 as of Q2 2022). We helped with navigation and support throughout the permitting process. We fielded 543 inquiries, 2020-2021 (160 through Q2 2022).

Businesses Located in Lakewood by Industry – April 2022				
Industry	#	LQ	Avg Wage	Ann % Growth
Ag., Forestry, Fishing, Hunting	7	.16	\$32,545	1.0%
Utilities	6	.47	\$80,758	.7%
Construction	360	.93	\$69,269	1.1%
Manufacturing	76	.40	\$63,566	.4%
Wholesale Trade	89	.85	\$72,559	1.0%
Retail Trade	644	1.17	\$42,370	.3%
Transportation and Warehousing	111	1.55	\$59,708	2.0%
Information	22	.29	\$66,904	3.9%
Finance and Insurance	110	.46	\$97,008	0.8%
Real Estate and Rental and Leasing	157	1.33	\$66,874	1.2%
Professional, Scientific, and Tech	302	.54	\$71,417	1.6%
Management of Companies	5	.04	\$92,945	0.9%
Admin & Support & Waste Mngmt	184	.47	\$51,837	1.7%
Educational Services	42	.99	\$58,989	1.7%
Health Care and Social Services	394	2.15	\$74,786	1.7%
Art, Entertainment, and Recreation	69	1.72	\$30,625	3.2%
Accommodations and Food Services	236	1.09	\$24,864	2.7%
Other Services (except Public Adm)	392	.79	\$39,063	1.9%
Public Administration	2	.28	\$88,160	1.0%
Total	3,208	1.00	\$61,672	1.6%

LQ = Industry concentration as compared to the nation

We attribute \$918 million of investment to economic development efforts for 2020-2021, \$243 million through Q2 2022, measured in valuation of projects and real estate purchases. This is due to the programs and policies set forth by the City Council, through ongoing and consistent staff efforts.

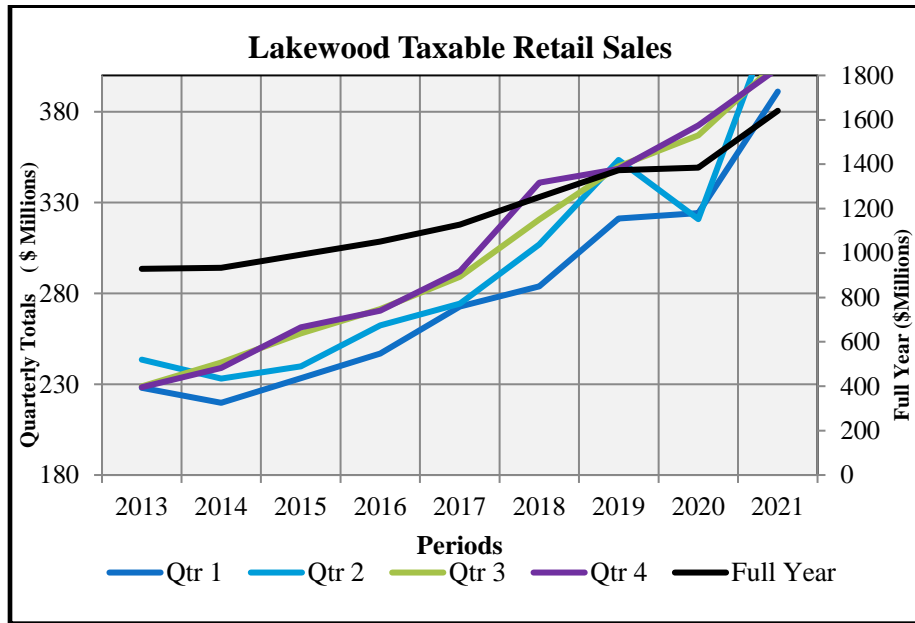
Changes between 2014 and 2020 suggest local retail is becoming stronger with attracting retail business from outside of Lakewood. While businesses have closed due to pandemic restrictions, new restaurants and retailers continued to open in 2020 and 2021, and into 2022. E-commerce is becoming a bigger part of the picture. New experiences, art related businesses, and entertainment are on the increase.

Retail Leakage				
Description	2020	Pull Factor		Avg. Growth
		2015	2020	
Retail Trade	\$155,675,876	1.21	1.31	6.8%
Motor Vehicle and Parts Dealers	\$38,906,500	1.14	1.35	6.4%
Furniture and Home Furnishings Stor	\$6,682,352	1.67	1.40	-0.1%
Electronics and Appliance Stores	-\$9,412,519	0.82	0.72	6.2%
Building Material and Garden Equipm	\$10,199,426	0.99	1.18	10.7%
Food and Beverage Stores	\$21,744,133	1.49	1.74	6.0%
Health and Personal Care Stores	\$4,557,194	1.28	1.20	7.9%
Gasoline Stations	\$2,565,330	1.35	1.21	-0.2%
Clothing and Clothing Accessories S	\$5,393,696	1.09	1.23	1.7%
Sporting Goods, Hobby, Musical Inst	\$8,179,593	1.26	1.42	7.3%
General Merchandise Stores	\$57,384,277	1.38	1.74	5.6%
Miscellaneous Store Retailers	\$8,019,724	1.46	1.10	17.4%
Nonstore Retailers	\$1,456,169	0.79	1.07	-0.4%
Food Services and Drinking Places	\$82,361,516	1.57	2.17	3.9%
Total Restaurant + Retail	\$238,037,392	1.27	1.41	6.2%

Lakewood has two significant industrial parks, Lakewood Industrial Park (150 acres) with a job base of approximately 2,000 people and nearly 100% occupancy, and the new Woodbrook Business Park (188 acres), now building out, has 1.7 million square feet built, with another 285,000 square feet in permitting. The Amazon Distribution Center opened in 2021.

Star lite Distribution Center, 245,000 square feet, completed and leased, and Coleman Moving & Storage began site development for their new 10-acre site, formerly Oakbrook Elementary.

While local retail trade jobs were down in 2020 and 2021 as compared to 2019, the retail sales collection trend continued to rise. Local Sales & Use Tax increased 20.1% over 2020.



Industry Impacts and Development Trends

Industry expansions included construction, warehousing & transportation, manufacturing, and government. Healthcare saw some retraction in revenues.

One of the hardest hit during the pandemic, hotels, experienced some return to normalcy, and occupancy generally outpaced the nation overall.

Jan. 2-8, 2022

	Occupancy (Y-O-Y)	ADR (Y-O-Y)	RevPar (Y-O-Y)
Puyallup / Sumner +	66.4% (+33.1%)	\$102.78 (+28.1%)	\$68.29 (+70.5%)
Tacoma Mall / Hosmer +	53.1% (+15.2%)	\$87.74 (+30.2%)	\$46.57 (+49.9%)
Downtown Tacoma / Tacoma Dome +	35.8% (+8.4%)	\$125.85 (+16.3%)	\$45.04 (+26%)
DuPont / Lakewood +	63.5% (+21.9%)	\$97.64 (+6.3%)	\$61.96 (+29.5%)
Fife +	65.3% (+8.8%)	\$74.81 (+17.8%)	\$48.83 (+28.2%)

Hotel data: ADR = Average Daily Rate; RevPAR = Revenue Per Available *Source: Travel Tacoma*

Incentives

No Local B&O Tax	Free Construction Watch Program
No Development Impact Fees*	Free Business Watch Program
Within Foreign Trade Zone #86	HUB Zone, EB5, New Market Tax
Workforce Customized Training	\$100 Million Capital Improvement
Diversified Residential Opportunity	Two Colleges
HUD Section 108 Lending Program	“Wrap-Around” Business Services

*Traffic mitigation fee may be assessed in the Downtown subarea

Sampling of New Businesses with Employment

firm-name	# Employees	Product Description
AERO PRECISION, USA	800	Advance Manufacturing
KOREAN WOMEN'S ASSOC	533	Home Care
AMAZON.COM SERVICES LLC	350	Distribution
HOPE HUMAN SERVICES LLC	244	Behavioral Health
TORRES CONTRACTORS	200	Construction
THE OAKS AT LAKEWOOD	102	Nursing Home
ACES	99	Education & Behavior
SOUTH SOUND FINAL MILE	80	Delivery Service
DAMCO DISTRIBUTION	80	Distribution
SOUTH SOUND FINAL MILE	80	Delivery Service
WILD RIVER DOOR	60	Manufacturing
CRUMBL - LAKEWOOD	60	Bakery - Retail
ELEVATED ACOUSTICS	52	Acoustical Installation
EXTRUSION TECHNOLOGY	49	Manufacturing
PATRIOTS CHOICE LLC	48	Commercial Painting
SOUTH SOUND EXPRESS	42	Delivery Service
KULCHIN FOUNDATION	41	Geotech Drilling
BBQ OLIVE CHICKEN	40	Restaurant
WOODSPEAR PROPERTIES	33	Property Management

Business Retention & Expansion Program (BRE)

Business Retention & Expansion (BR&E) is a core program for the City of Lakewood. The purpose of the program is to support our local businesses, identify needs, concerns, and opportunities, and to provide guidance to the City on policies and programs beneficial to the overall health of Lakewood. Established businesses typically provide 70-80% of the job growth.

The pandemic continued in 2021, and state restrictions were cause for more closures. Biggest challenges were workforce recruitment and retention, supply chain issues, rising costs (including rent), and concern over housing prices and the homeless.

We conducted 229 business retention and expansion visits in 2020-2021. We also conducted 2 surveys. We hosted 3 business resource forums and one contracting event with a total of 364 attendees. We supported, participated in, and contributed to numerous Economic Development Board, Pierce County, and Lakewood Chamber forums throughout the year with 100's of attendees. We produced two Business Showcase video stories, six editorial calendar articles, and regular newsletters. The Annual Business Retention and Expansion reports was produced, and staff provided a BRE update to City Council March, 2021. A comprehensive contaminated sites report was also developed and presented to City Council March, 2021.

There were multiple retention and expansion cases, outside of visits noted above, including manufacturing companies, and retailers. Lakewood economic development staff partners with the Economic Development Board of Tacoma-Pierce County, Workforce Central, and other partners on retention and expansion cases depending on the specific needs of the business.

Lakewood continued to collaborate on weekly and bi-monthly BR&E calls, webinars, and training events. Partners regularly participating were Pierce County, Workforce Central, Pierce Transit, Impact Washington, Invista Performance Solutions, Tacoma Public Utilities, Impact Washington, Manufacturing Industrial Council, and municipalities across Pierce County.

Lakewood partnered with the Economic Development Board of Tacoma/Pierce County to host a two-hour business resource webinar including topics on finance, workforce, healthcare, real estate, regulatory tax code, and, diversity, equity, and inclusion. We also partnered with the Lakewood Chamber on multiple business webinars throughout 2020, 2021, and 2022. These events provided knowledge for business in various disciplines, and access to diversified streams of income for local businesses.

Lakewood partnered with Pierce County and Washington State Procurement and Technical Assistance to bring back the purchasing forum at Alliance Northwest in March, 2022. Nearly 200 attendees specifically attended our breakout sessions, and Alliance attracted more than 700 attendees overall.

The City allocated American Rescue Plan Act (ARPA) monies to Pierce County for a Business Accelerator program. The multiple-language program continues into 2022.

Other partnerships included work with the Manufacturing Industrial Council around Port of Tacoma industrial lands, and South Sound Military & Communities Partnership to resolve North Clear Zone issues, and to address economic development and housing strategies Joint Base Lewis-McChord.

In 2020 we conducted 123 BRE visits. Below is an account of business outreach for 2021 (44 have been completed through Q2 2022).

2021 BRE Outreach

Industry	Number	Jobs
Construction	7	580
Manufacturing	5	244
Wholesale Trade	4	120
Retail Trade	21	1,984
Transportation & Warehousing	11	780
Information	4	89
Finance and Insurance	7	340
Real Estate, Rental, Leasing	3	167
Prof, Scientific, and Technical	4	278
Management of Companies	1	1
Admin, & Waste Management	3	380
Educational Services	4	76
Health Care & Social Assistance	9	2,760
Arts, Ent, and Recreation	4	340
Accomm & Food Services	13	1,535
Other Srvs (not Public Admin.)	6	230
TOTALS	106	9,904

Daytime Population 67,598

Note: significant uptick, homebased business startups

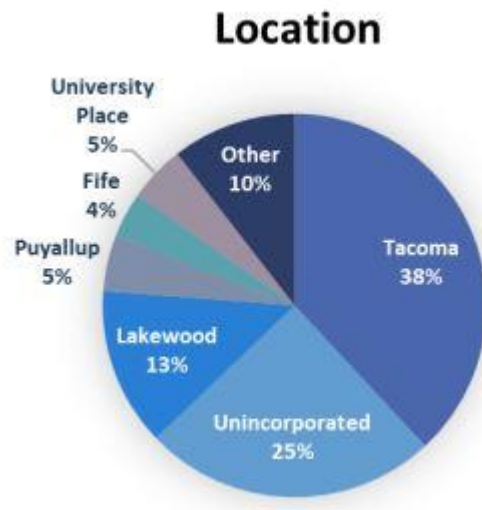
Pierce County Business Accelerator

The City of Lakewood contributed \$500,000 of ARPA funds to a new Pierce County accelerator program for business. The program serves entrepreneurs and business owners with a focus on underserved communities, by providing direct access to business resources such as training, coaching, technical assistance, and networking support.

Cohorts met for training in various areas through the county, including here in Lakewood at Korean Women's Association with courses in various languages. We expect 200 participants to graduate from the program by fall, 2022. Graduates have access to additional grant funding and technical assistance.

City of Lakewood Graduates as of May, 2022:

- 14 business owners
- 93% Minority Owned
- 50% Women Owned
- 21st Veteran Owned
- 45 Coaching Hours
- 10 Obtained Capital Matching Grants
- \$142,750 Capital Raised
- \$96,750 in funded Training Hours
- 10 Rent Reimbursement Grants



Pierce County and Lakewood have partnered on an event to be held October, 2022 to showcase and celebrate the graduates with a trade show which will include access to resource partners.

Multifamily Tax Exemption

Lakewood offers a multifamily property tax exemption in select residential target areas, including the Downtown, Lakewood Station District, and a portion of the Springbrook Neighborhood. Full market rate projects can apply for an 8-year property tax exemption on new residential units, or a 12-year exemption if the project includes 20% affordable units. Here are projects to date.

Project Name	Identified RTA	Term (years)	City Council Approval Date	Total Units	% Rent subsidized
Oak Grove Village	CBD	10	06/06/2006	254	0
Gravelly Lake Townhomes	CBD	10	06/06/2006	28	0
Springbrook Apartments	Springbrook	8	12/07/2016	219	0
Rainier Terrace	Lakewood Station/ Lakeview RTA	8	08/01/2016	11	0
Town View Apartments	CBD	8	10/17/2017	30	0
Lakeview Chapel, LLC/Toto Townhomes	Lakewood Station District Subarea Plan	12	Resolution No. 2021-11; August 16, 2021	50	Low-Mod 20%
112th Street Townhouses	Lakewood Station District Subarea Plan	8	Resolution No. 2021-09; July 19, 2021	15	0
				607	

Development Services

Business Licensing

In 2018 the City joined the Washington State Department of Revenue (DOR) business licensing services (BLS) processing system to process all general, non-resident and home occupation business licenses through the states portal. We process specialty licenses including pawnshops, solicitors, second-hand sales and temporary business licenses through the City's separate database. Since joining BLS, the City has seen growth in the number of licenses reviewed and processed each year. On average, the development services team processes approximately 100 licenses per month including the review of new licenses, and existing licenses that have renewed late or requested a change in ownership, business type or location. Many of the business licenses that come in through the system receive approval automatically once staff verifies that their business complies with the municipal code or is a continuation of a prior use. We receive licenses that require additional research weekly. In these instances, a permit technician or planner reach out to applicants to learn more about the business and, if required, request that they apply for appropriate permits prior to license approval.

We have a dedicated staff member who monitors licenses daily. In some instances, additional research or permits are required and the licenses are delayed. The department reviews all new licenses, change in ownership, name changes or business operational changes.

For home occupation licenses, the planning department reaches out to all new requests to determine if the business complies with the regulations outlined in our municipal code, specifically, that the proposed business will generate no outward appearance or, that they obtain a home occupation permit prior to license approval.

	2018	2022
City of Lakewood Active Licenses	3,215	4,539

Permitting Activity Overview

In 2021 the Development Services Department processed 2,109 permit applications. Building, land use and public works engineering permits require inter-departmental review and processing. The City's permit counter process all incoming permit applications.

Application type	2020 total	% of total	2021 total applications	% of total	Jan- July 2022 applications	% of total
Building Commercial	354	15%	228	11%	131	9%
Building Residential	596	26%	487	23%	331	23%
Plumbing	176	8%	130	6%	146	10%
Mechanical	605	26%	657	31%	479	34%
Demo	76	3%	77	4%	24	2%
Land Use	217	9%	238	11%	145	10%
Public Works Engineering	304	13%	292	14%	173	12%
Total Permits	2328	100%	2109	100%	1429	100%

Beginning in January 2022 the City began processing all permit applications electronically through a new online system, CED+. From January- July 31, 2022 the City received 1,367 electronic submittals which created 1,474 individual permit applications.

As of January 2022 the City began to provide online chat services. From January- July 31, 2022 the City responded to 288 online chats over 211 work days. We also fielded 93 offline messages, which are messages received outside of regular business hours. The highest number of chats accepted in a single day ranges from 0-7, with an average of 1.3 per day.

The City provides in-person development services assistance Monday through Friday 9am-3pm and application review meetings upon request. The Department typically receives 0-5 in-person customers per day, and receives approximately 3 in-person appointments requests per month.

Days to First Review

With the new CED+ system the City is now able to track the days between application intake and days to first review for some permit types. Below is a summary of the days to first review for some permit types, based on application being deemed complete.

Application Type	Total Intake	Avg days to first review Jan. 1, '22- July 31, '22	Targets
Building Commercial	131	13	30
Building Residential	331	14	30
Demo	24	1	5
Mechanical	479	1	5
Plumbing	146	4	5
SEPA	9	28	28
Short Plat	7	24	28
Land Use Action	32	17	28
Tree Removal	34	14	28
Site Development	22	81	60
Right of Way	149	3	6

Inspections

On average, the building division processes 25+ inspections per day between two inspectors. The division accepts inspection requests via phone or the City's online portal. Once requested, inspections are typically complete by the next day. With the new online portal, clients are able to schedule inspections in advance in order to ensure they meet their individual timelines.

	2020	2021	2022 (through July 31)
Inspections	5,525	6,222	3,183

Unsafe Building and Stop Work Orders

When individuals begin construction without permits the City performs proactive enforcement. Illegal construction is problematic for many reasons: if work is completed without permits there is no way to ensure that the workmanship or structural integrity of a building/unit is maintained. This puts future tenants at risk. For these reasons, our team will stop unpermitted construction activity and require that the plans be approved and properly inspected. When unpermitted work is identified, a member of the inspection team makes a site visit and posts a notice to the site, a "stop work order." Members from the Community and Economic Development Department team work with applicants to bring them into compliance. Often times, applicants are frustrated, our team is trained in de-escalation techniques to navigate these situations.

	2020	2021	2022 (through July 31 st)
Stop Work Orders	50	56	68
Unsafe	28	44	22

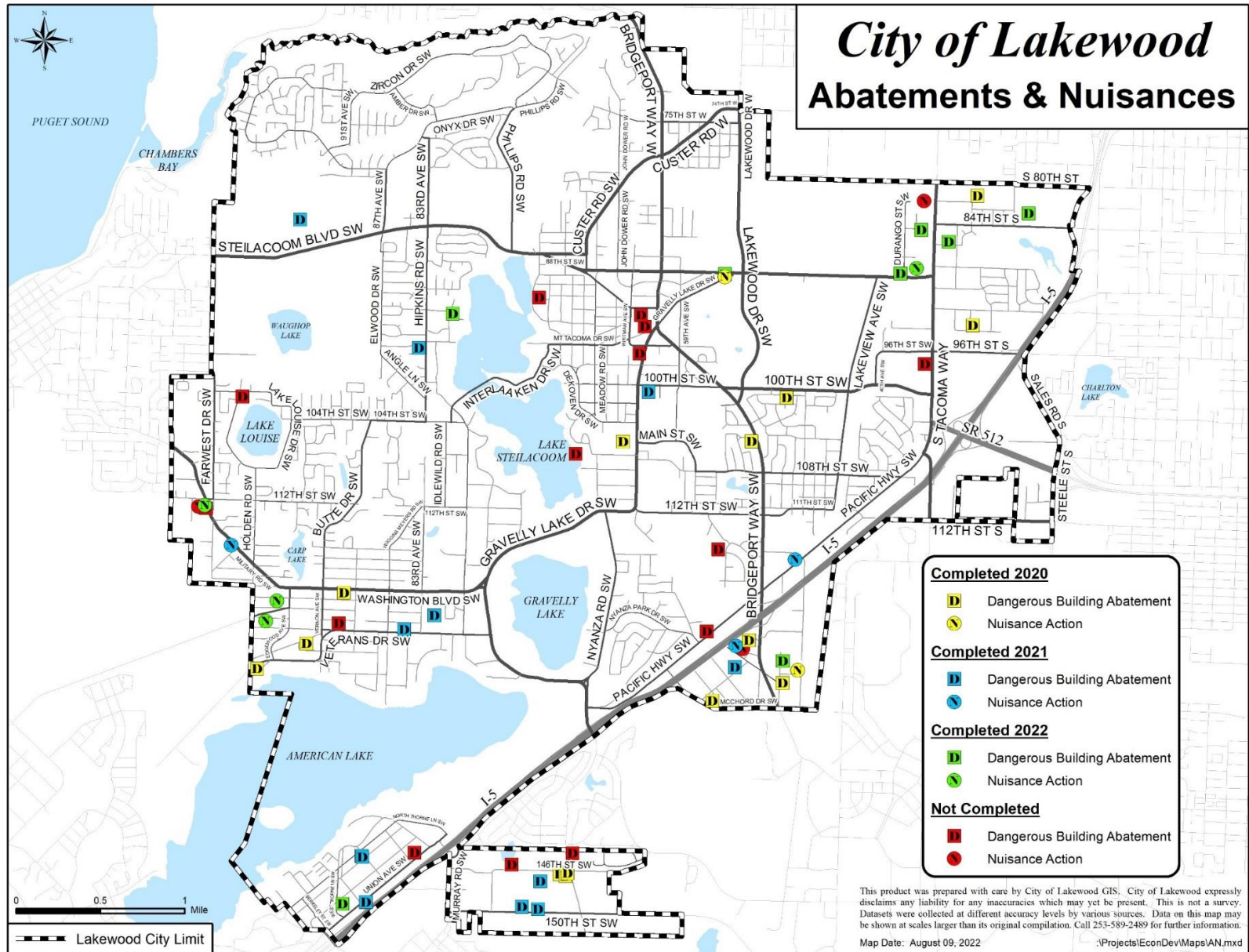
Hearing Examiner Decisions

	2020	2021	2022
Conditional Use Permit	4	1	1
Master Facilities Plan	1	1	1
Plat Alteration	0	2	0
Variance	1	1	0
Administrative Appeal	0	2	4
Site Specific Rezone	1	1	0
Abatement/Nuisance Appeals	2	3	2
Totals	9	11	8

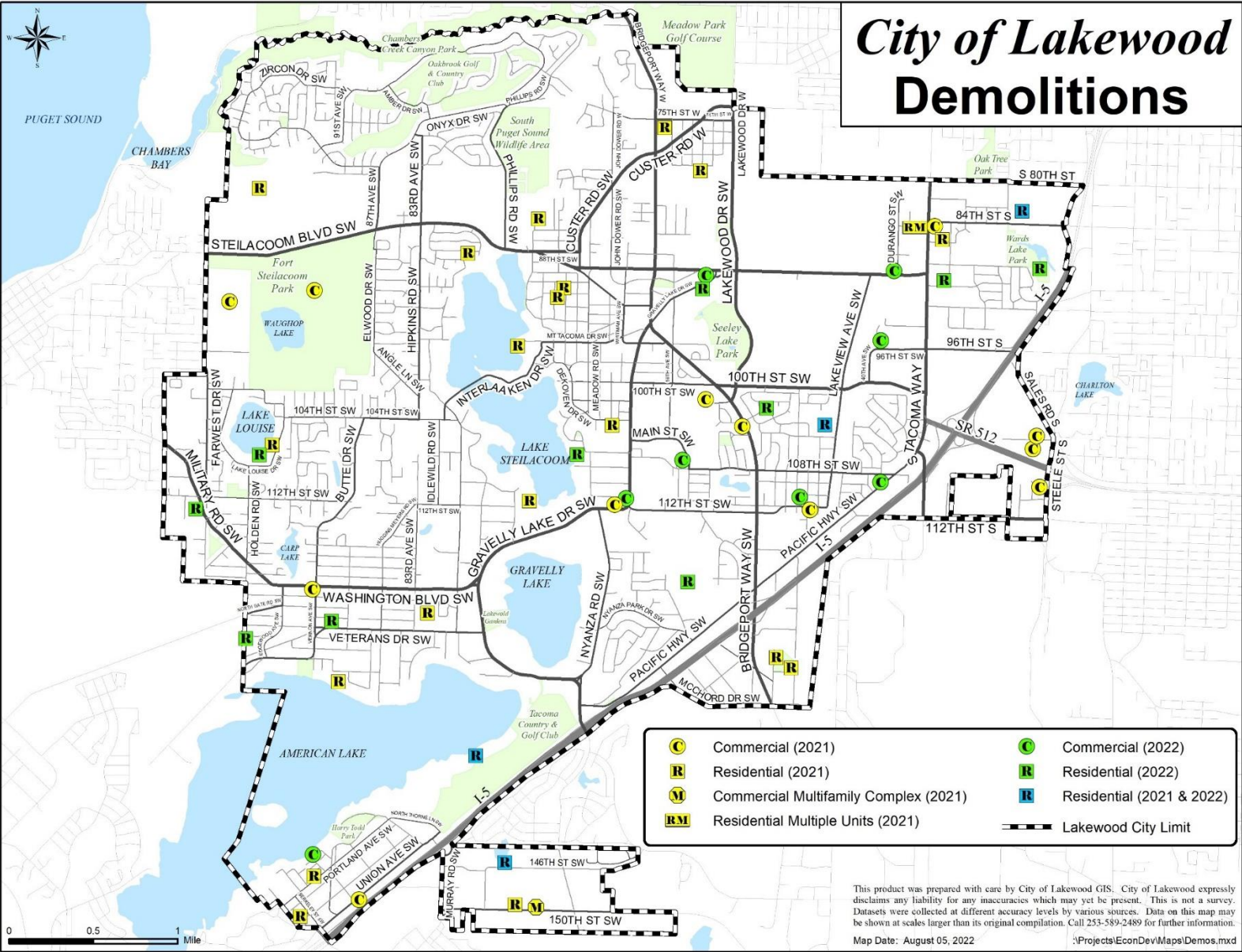
Building Permits - Total Issuances

Building Permits- Total Permits Issued									
Permit Type	2020	Valuation	% of total	2021	Valuation	% of total	January 1- June 30, 2022	Valuation	% of total
Commercial Addition	8	\$21,836,280	0.50%	3	\$308,864	0.20%	2	\$1,632,504	0.50%
Change of Use	14	-	0.80%	1	-	0.10%	0	-	0.00%
Commercial Carport	1	\$8,800	0.10%	1	\$46,202	0.10%	0	-	0.00%
Commercial Deck	2	\$87,227	0.10%	0	-	0.00%	0	-	0.00%
Commercial Demolition Permit	28	\$1,215,884	1.60%	16	\$1,687,499	1.00%	4	\$228,750	1.00%
Day Care	2	\$3,000	0.10%	0	-	0.00%	0	-	0.00%
Commercial Gate	5	\$178,628	0.30%	2	\$60,000	0.10%	2	\$141,894	0.50%
Commercial Mechanical	115	-	6.50%	83	-	5.30%	25	\$968,147	6.10%
New Commercial Building	17	\$67,947,656	1.00%	21	\$62,676,204	1.30%	3	\$10,386,517	0.70%
New Commercial Bldg - Multi-Family	11	\$8,850,680	0.60%	1	\$850,000	0.10%	1	\$4,130,426	0.20%
Commercial Plumbing	106	-	6.00%	64	-	4.10%	8	\$124,100	1.90%
Commercial Retaining Wall	1	\$30,000	0.10%	3	\$610,056	0.20%	0	\$8,100	0.00%
Commercial Remodel	156	\$23,416,462	8.80%	88	\$42,347,141	5.60%	28	\$15,530,876	6.80%
Commercial Re-roof	27	\$1,163,142	1.50%	37	\$2,399,014	2.40%	0	\$86,778	0.00%
Permanent Signs	44	\$493,104	2.50%	52	\$674,976	3.30%	8	\$472,380	1.90%
Commercial Window Replacement	50	\$875,046	2.80%	7	\$9,119	0.40%	0	\$13,300	0.00%
Residential Accessory Structure	18	\$906,236	1.00%	24	\$1,117,520	1.50%	2	\$295,331	0.50%
Residential Addition	48	\$3,179,267	2.70%	28	\$2,004,270	1.80%	6	\$579,966	1.50%
Adult Family Home	22	-	1.20%	19	-	1.20%	4	-	1.00%
Residential Accessory Dwelling Unit	2	\$349,875	0.10%	7	\$1,209,496	0.40%	2	\$307,947	0.50%
Residential Demolition Permit	48	\$516,840	2.70%	59	\$946,922	3.80%	9	\$310,680	2.20%
Residential Gate	1	\$15,000	0.10%	0	-	0.00%	0	-	0.00%
Manufactured Home	2	\$160,000	0.10%	5	\$245,000	0.30%	0	-	0.00%
Residential Mechanical	496	-	28.00%	566	-	36.20%	154	\$10,350	37.30%
New Single Family Residence	58	\$20,498,217	3.30%	64	\$26,496,540	4.10%	30	\$10,159,061	7.30%
Residential Plumbing	102	\$346,202	5.80%	70	-	4.50%	36	\$153,610	8.70%
Residential Re-roof	87	\$1,289,279	4.90%	77	\$1,355,599	4.90%	19	\$782,784	4.60%
Residential Remodel/Repair	167	\$6,237,812	9.40%	136	\$4,901,122	8.70%	50	\$3,766,755	12.10%
Solar - Residential Prescriptive OTC	3	\$54,553	0.20%	11	\$100,420	0.70%	5	\$280,282	1.20%
Residential Window Replacement	129	\$923,587	7.30%	119	\$6,984,623	7.60%	15	\$548,760	3.60%
Total	1771	\$160,582,777		1562	\$157,030,587		413	\$50,919,298	

Dangerous Building & Nuisance Abatement



Demolitions



Long Range Planning

Updated Development Rules

Ordinance	Year	Description
XXX	2022	Adopting proposed tree preservation code amendments.
772	2022	Adopting the 2022 annual comprehensive plan amendments.
771	2022	Amending the City's 2019 Lakewood Shoreline Restoration Plan.
763	2022	Adopts a Special Revenue Fund, "ARPA Fund" in the City's budget.
764	2021	Creating an economic opportunity fund for the purpose of accumulating excess funds from the General Fund and other funds that are eligible to provide funding for economic development opportunity related expenditures. To-date, the City has placed \$2M in this fund account.
759	2021	"ARPA Program": Adopts findings, policies and priorities, allocation categories, and approving initial expenditures.
758	2021	Updating the City's business licensing, critical areas, building, and land use development codes. Update was part of an annual development code process, and to respond to state legislative changes.
756	2021	Adopting the 2021 annual comprehensive plan amendments.
753	2021	Amending the list of public nuisances.
752	2021	Adopts the SEPA planned action for the Lakewood Station District Subarea.
751	2021	Adopts the Lakewood Station District Subarea Plan. LMC Title 18C
747	2020	Adopts revised building codes as required by State Legislature.
738	2020	Adopts annual development code amendments.
737	2020	2020 annual comprehensive plan amendments.
733	2020	Adopts site specific rezone at 11918 and 11920 Nyanza Road SW.
Res. 2020-11	2020	Establishes funding principles and a budget to guide expenditure of coronavirus relief funds

The CED is responsible for staffing and administering numerous ongoing current and long-range land use and housing planning projects that comply with the state Growth Management Act, regional and countywide planning policies, and state building and construction code requirements, including but not limited to:

- CDBG/HOME Consolidated Plan
- Current Planning, including Building Permit and Land Use Permit Activity
- Hearing Examiner Cases
- Periodic Building and Construction Code Updates
- Comprehensive Plan Annual Update Cycles & Decennial Periodic Reviews
- Subarea Plans Adoption and Implementation, including review of Title 18B, Downtown Subarea Plan
- Centers of Municipal Importance Adoption and Implementation
- Energy & Climate Change Program Implementation
- Periodic Shoreline Master Program Updates
- Tracking Shoreline Restoration Activities
- Environmental Protection (e.g., Critical Areas Ordinance administration, Shoreline Master Program administration)
- Tree Preservation & Urban Forestry
- Climate Change
- Agency/Organization Site Master Plans (Western State Hospital, Colleges, Hospitals)

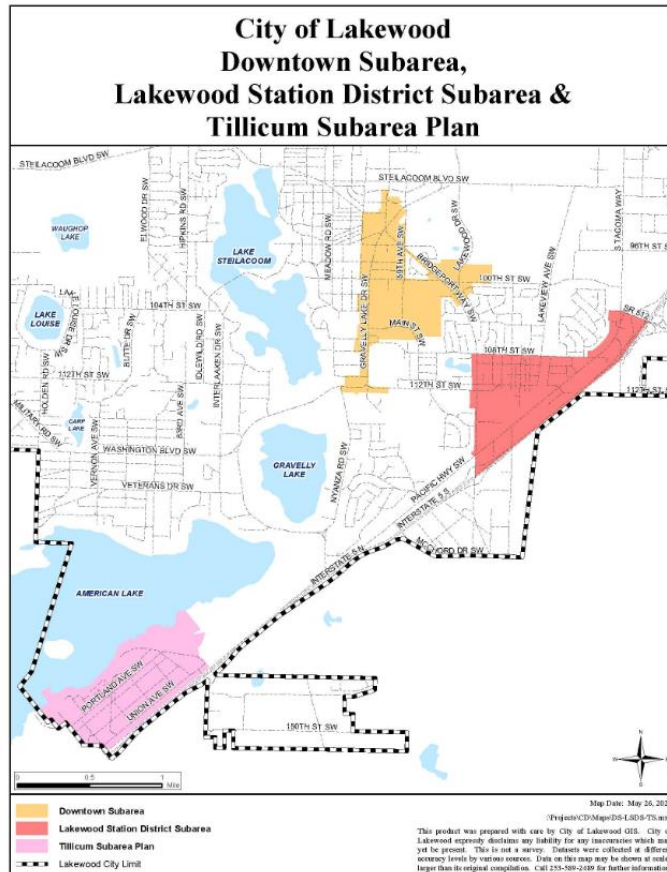
Energy & Climate Change Chapter – Lakewood Comprehensive Plan

It is increasingly evident that there are dramatic relationships between greenhouse gas emissions and local transportation and land use patterns. Lakewood has opportunities to build higher density, mixed-use projects around existing public transit infrastructure, schools, parks and neighborhoods. Energy efficiency and sustainability can be further enhanced by incorporating green materials and construction practices into buildings and streetscape improvements. Sustainable development concepts such as natural resource conservation, transit-oriented development, multimodal transportation access and the encouragement of green building are integrated throughout this Comprehensive Plan Chapter.



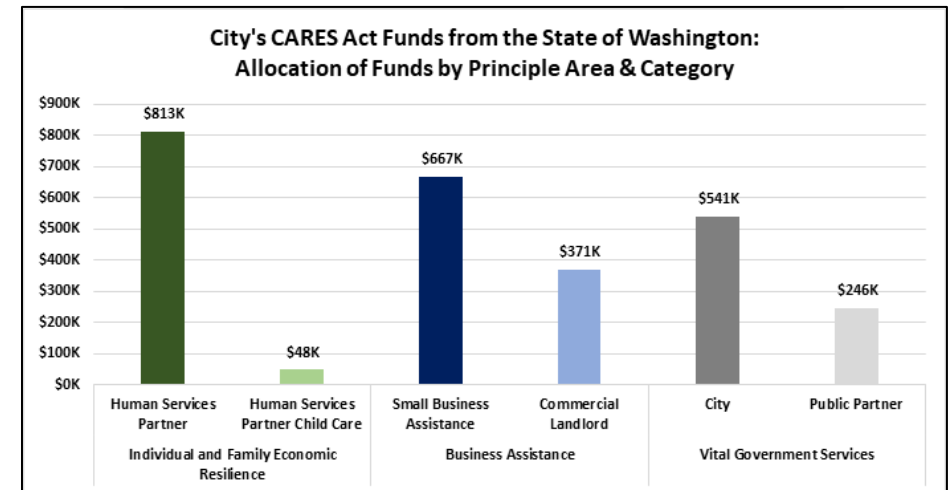
Figure 1 (ART DAILY, June 2019)

The Energy and Climate Change Chapter:



Coronavirus Aid, Relief, and Economic Security (CARES) Act & American Rescue Plan Act (ARPA) Programs

In 2020, when the federal government established the CARES Act, the City appointed the CED Long Range & Strategic Planning Manager as the City's CARES Act Program Manager and established the internal and external program protocols. Division heads created and administered new programs for business, and commercial landlord assistance, and allowed for outside seating. Coordinating with Human Services and Finance, that year, Lakewood's CARES Act program distributed \$2.69M to residents and businesses.

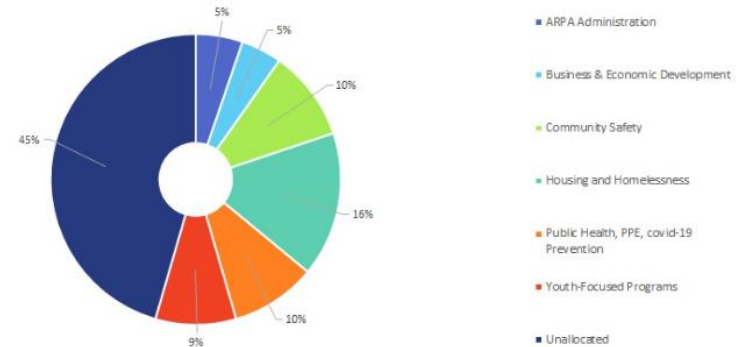


In 2021, when the ARPA Program was established, the City again appointed the CED Long Range & Strategic Planning Manager as the ARPA Program Manager. The City was allocated \$13.76 M to be exhausted by December 31, 2026; as of July 31, 2022, just over \$7.2M has been obligated to organizations providing the services the City Council prioritized. The CED Program Manager and ARPA Program Coordinator will be administering internal and external operations of Lakewood's ARPA program and working with Finance regarding reporting to Treasury on the City's performance under ARPA through 2026.



\$144,543 for services to disproportionately impacted communities

How much ARPA funding has Lakewood spent so far?



Comfort Inn Emergency Shelter Purchase Joint Project



\$1,000,000 to address negative economic impacts of the COVID-19 emergency

Next Steps

In July 2022, the City Council directed that the City issue Requests for Proposals (RFPs) for food bank capital costs, construction of veterans emergency shelter, and capital costs for permanently supportive housing. The Council will be approving ARPA funding awards for these new types of projects in later 2022.

Housing

New Residential Construction

New Residential Units

The chart below provides a summary of all new residential units constructed in each respective year. A permit is final once it has been issued and completed all of the required inspections. In this chart, “pending” is a combination of recent applications that have not received full approval and those projects currently under construction.

New Residential Housing, All-Types, 2010-2022			
City	New Housing Construction 2010-2022	Average per year	Population Density Rank 2022 (lower the number, higher the density)
Bremerton	1,850	154	134
Shoreline	2,454	205	5
Des Moines	802	67	6
University Place	1,191	99	17
Lakewood	599	50	28
Puyallup	2,099	175	54
Olympia	4,118	343	51

New Residential Units - Permit Finaled				
Unit Type	2020	2021	2022	PENDING
Single family	24	85	35	73
Multifamily	-	48	-	110
Townhomes	-	7	-	65

Lakewood’s housing production is lower as compared to other cities, why is that?

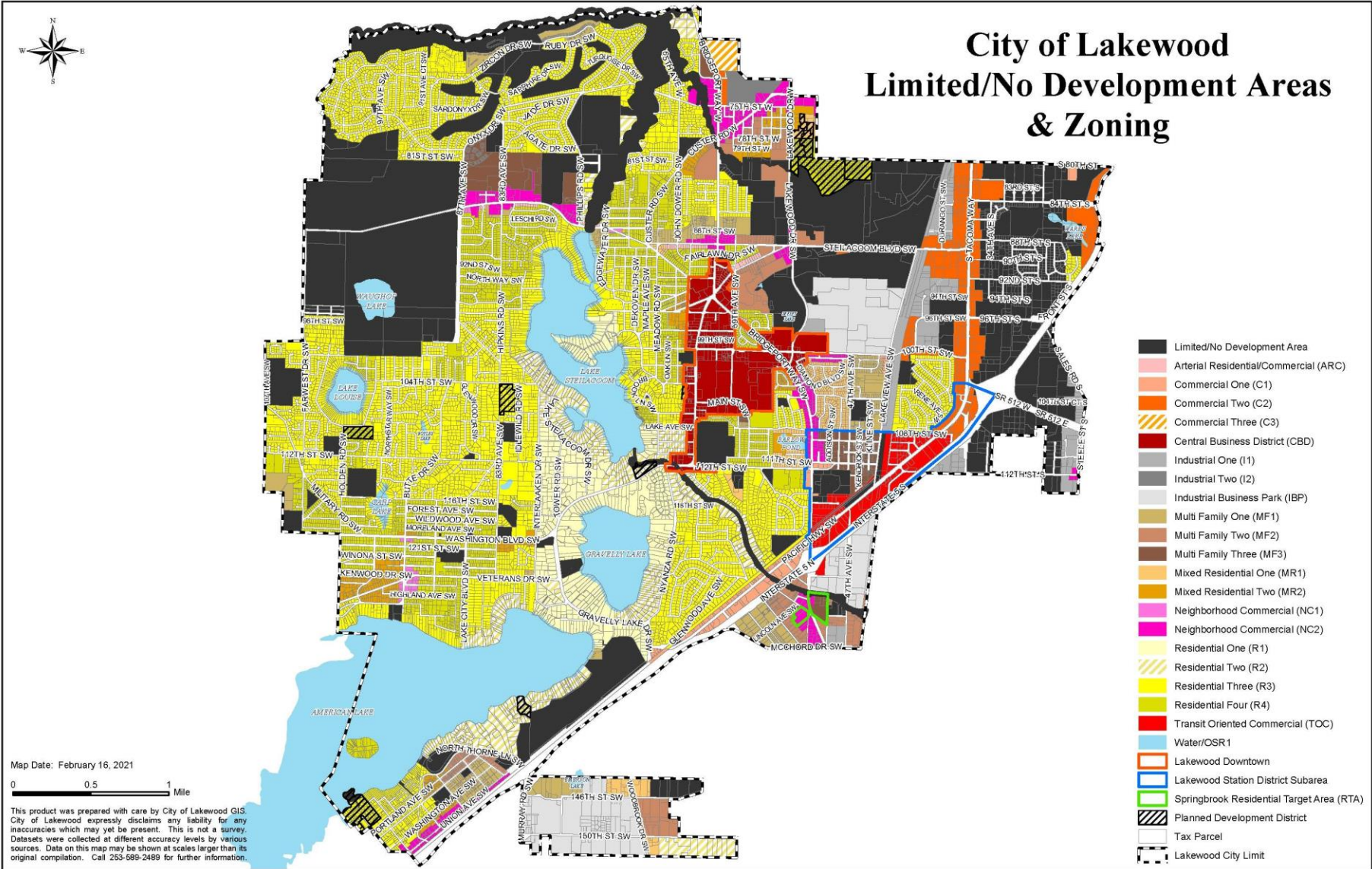
1. The market has not gone this far south, at least not yet.
2. The low residential densities found in the R1 and R2 zones.
3. City zoned state and some private property open space to protect it from development.
4. Shoreline regulations by lakes, creeks, and streams do not allow for higher density.
5. Sewer systems in some of Lakewood’s residential neighborhoods may not support a higher density without substantial new investments.
6. Higher density requires demolishing existing structure(s), or relocating the structure(s) elsewhere on the property, both expensive propositions.
7. Existing private street systems that would make higher density development unlikely.
8. Some parcels are locked up with city/county approved open space and conservation easements
9. Limitation on types of use and densities in the Air Corridor 1 and Air Corridor 2 zones.

Some of the city’s subdivisions, the exact number is unknown, have written on the face of the plat the underlying density.

Higher density is not allowed without having to go back and amend the plat, which is too difficult to do. This matter has been litigated affirming the density when the plat was approved. Current residential zoning is irrelevant.

However, the City has authorized accessory dwelling units in at least one such subdivision over the objection of some of local residents.

Limited/No Development Areas & Zoning



Recent Subdivisions

Plats Approved/ Applied for in 2021-2022

9836 LLC SHORT PLAT	9836 NEWGROVE AV SW	5
B&R LAND INC SHORT PLAT	8142 VETERANS DR SW	4
BEYLER SHORT PLAT	12617 NAOMILAWN DR SW	2
CARLYLE COURT LLC SHORT PLAT	4702 124TH STCT SW	2
CONNIE KAY DESIGN SHORT PLAT	6718 ALFARETTA ST SW	3
DEKOVEN SHORT PLAT	9012 DEKOVEN DR SW	2
DURR SHORT PLAT	12102 COCHISE LN SW	2
DURR SHORT PLAT	12111 COCHISE LN SW	2
GLENWOOD ESTATES SHORT PLAT	12818 GLENWOOD AVE SW	6
GOLUB SIDING SHORT PLAT	8415 WILDWOOD AVE SW	2
GR AFFORDABLE SHORT PLAT	8107 VETERANS DR SW	2
HAQUE SHORT PLAT	9808-9810 KENWOOD DR SW	2
HURLOW SHORT PLAT	8211 NORTH WAY SW	2
IRWIN SHORT PLAT	11412 GRAVELLY LAKE DR SW	2
KEARNEY SHORT PLAT	12105 COCHISE LN SW	3
KIRICHUK SHORT PLAT	9802 KENWOOD DR SW	2
KULIBABA SHORT PLAT	8007 107TH ST SW	2
MADDEN SHORT PLAT	12795 GRAVELLY LAKE DR SW	3
MALYON/HAWKINS SHORT PLAT	7405 STEILACOOM BLVD SW	2
MIKASHANSKIY SHORT PLAT	10021 MEADOW RD SW	2
OFELT SHORT PLAT	10021 MEADOW RD SW	4
QBM LLC SHORT PLAT	9105 GRAMERCY PL SW	2
QWEST CORP SHORT PLAT	6330 111TH ST SW	2
REICKERT SHORT PLAT	9822 MEADOW RD SW	2
SLEEGER SHORT PLAT	8721 DOLLY MADISON ST SW	2
ST. JOHNS LUTHRAN CHURCH SHORT PLAT	8602 BRIDGEPORT WY SW	2
STOLZ SHORT PLAT	9901XXX ANGLE LN SW	4
TPC-HABITAT FOR HUMANITY SHORT PLAT	15123 TO 15127 88TH ST SW	9
TRUNG SHORT PLAT	10515 KLINE ST SW	2
WENNBERG SHORT PLAT	8101 VETERANS DR SW	2
HARWOOD COVE - FINAL PLAT	12404 GRAVELLY LAKE DR SW	19
OAKBROOK PARK - FINAL PLAT	7701 RUBY DR SW	16

All are short plats except for two, Harwood Cove, and Oakbrook Park.

CDBG/HOME/1406 Entitlement Programs

Lakewood operates a myriad of federal and state funds to assist with new housing, housing repairs, business loans, and mortgage and rental assistance programs. It is a complex system. To help explain it, the table below has been prepared based on the HUD Consolidated Annual Performance and Evaluation Report (CAPER) for the last two fiscal years.

Program Status for All CDBG/HOME/1406 Entitlement Programs			
Entitlement Programs/ Housing Assistance	FY 2020/2021	FY 2021/2022	Totals
Major HOME Repair	7 units	6 units	13 units
Major Sewer	0 units	0 units	0 units
HOME Rehab	0 units	0 units	0 units
HOME Housing (includes TBRA clients, 48-units /104 persons)	49 unit	1 unit	50 units/ 106 persons
HOME Habitat	0 units	0 units	0 units
NSP Habitat	0 units	0 units	0 units
Down Payment Assistance	0 applications	1 application	1 application
Emergency Assistance Displaced Residents (EADR) – usually associated with RHSP or dangerous building actions	3 households	2 households	5 households
CDBG-CV3 Business Loans	15 businesses/ 38 jobs	0 businesses/ 0 jobs	12 businesses/ 38 jobs
CDBG-CV3 Rental Assistance	65 households/ 151 persons	110 households/ 264 persons	175 households/ 415 persons
CDBG-CV3 Mortgage Assistance	0 applications	12 units/ 38 persons	12 units/ 38 persons

Summary of Lakewood’s Home Repair Programs

Lakewood administers three basic home repair programs: Housing Rehabilitation; Major Home Repair; and SHB 1406 Home Repair. Housing Rehabilitation loans up to \$65,000, & \$75,000 for accessibility improvements. Major Home Repair loans up to \$60,000, and SHB 1406, \$30,000. All three provide for affordable monthly

payments depending on income, and interest rates as low as 1% for up to 20-years.

Housing Rehabilitation and Major Home Repair derive from federal grant programs, CDBG and HOME.

SHB 1406 is a local state-shared tax for affordable and supportive housing. The legislation allows Lakewood to impose a local state-shared sales and use tax to fund affordable or supportive housing. The consumer does not pay this tax, and the effective sales tax rate remains the same. Instead, this tax is credited against the state sales tax. Lakewood receives about \$100,000 annually.

Per Ordinance 731 and Council direction, Lakewood uses its HB 1406 funds as described above. It is recommended that in the first quarter of 2023, the City Council review the potential use of 1406 funds for other purposes (e.g., rental assistance, emergency shelter or affordable housing unit operational costs, or other uses.)

Applications In-the-Pipeline

Three SHB 1406 projects are in-process. Total, cumulative loan amount is \$68,250. All three projects are scheduled to begin construction this year.

Living Access Support Alliance (LASA) will soon begin construction of a client services center at their existing facility, 8956 Gravelly Lake Drive SW. Total cost of the project is \$130,000. Project is being funded through CDBG-CV2 (WA state funding, not Lakewood).

Habitat for Humanity will pursue construction of the 12-unit project in Tillicum, also known as the Boat Street property. The City provides funding assistance using HOME funds.

Further out is the expansion of LASA to include 27-units. Timeline is 2024-25. Funding is a combination of City HOME funds, Pierce County ARPA, WA State Housing Trust Fund and donations.

Rental Housing Safety Program

On August 1, 2016 the Lakewood City Council approved ordinance No. 644 creating a Rental Housing Safety Program (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 specific life & safety standards and are providing a safe place for tenants to live. 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.



Rental Inspection Data	2018	2019	2020	2021	2022 through 2 nd Quarter
Rental Properties	3,346	3,346	2747	2,403	18
Unregistered	1,127	1,634	982	585	312
Registered	2,219	1,712	1765	1,818	1823
Rental Units	13,298	13,298	11,925	11,635	12,217
Unregistered	1,970	3,153	1,438	712	871
Registered	11,328	10,145	10,487	10,923	11,346
Initial Property Inspections Total	499	163	227	255	46
Multifamily Inspections	167	43	58	29	20
Single Family Inspections	208	98	137	198	20
Duplex Inspections	124	23	32	28	6
Results—Properties Passed	80	27	34	33	1
Results—Properties Failed	419	137	193	222	45
Property Re-inspections Total	212	321	297	257	84
Multifamily Inspections	61	107	109	78	19
Single Family Inspections	94	155	138	153	54
Duplex Inspections	57	59	50	26	11
Re-inspections—Passed	203	54	106	36	63
Re-inspections—Failed	18	16	191	360	20
Tenant Requested Property Inspections (# units)	8	3	6	17	22
Landlord Requested Property Inspections (# units)	0	0	0	1	1
City Mandated Property Inspections (# units)	5	4	12	3	1
Posted Unsafe/Illegal to Occupy (# units)	4	1	3	1	1

Historic Preservation

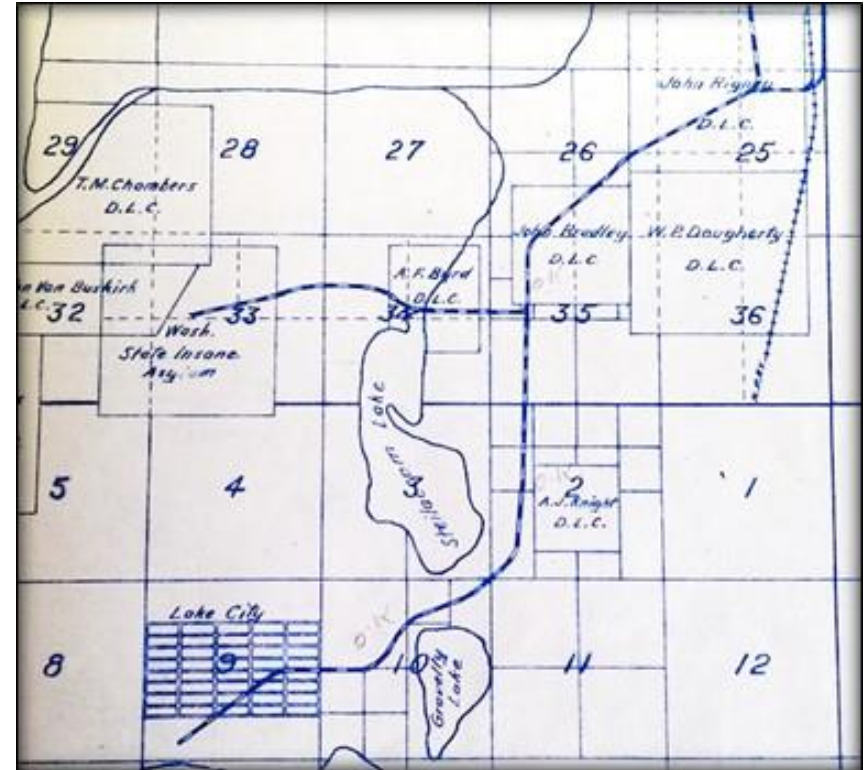
The City has established a Landmarks and Heritage Advisory Board (LHAB) whose mission is to preserve, protect and promote the unique heritage and historic resources of the City of Lakewood. Currently there are four members.

LHAB's ongoing projects include:

- Expanding the historic streets recognition program.
- Continue to work with Clover Park School District to incorporate local Lakewood History into the Curriculum.
- Research grant opportunities to fund additional historic markers throughout the City of Lakewood.
- Update the Lakewood Touring map to include historic streets identified through the recognition program
- Work with Pretty Gritty Tours to develop a walking tour program for the City of Lakewood.
- Explore the use of the Community Landmark designation for a variety of private properties.
- Recruit new members to serve on LHAB.
- Engage with the City of Lakewood Youth Council.
- Create short, "History of Lakewood" videos to post online.

Two other projects that are not on the board's work plan but are worthy of mention, the first being the publication of a detailed map showing the private trolley system that served the Lakewood community in the early 1900's.

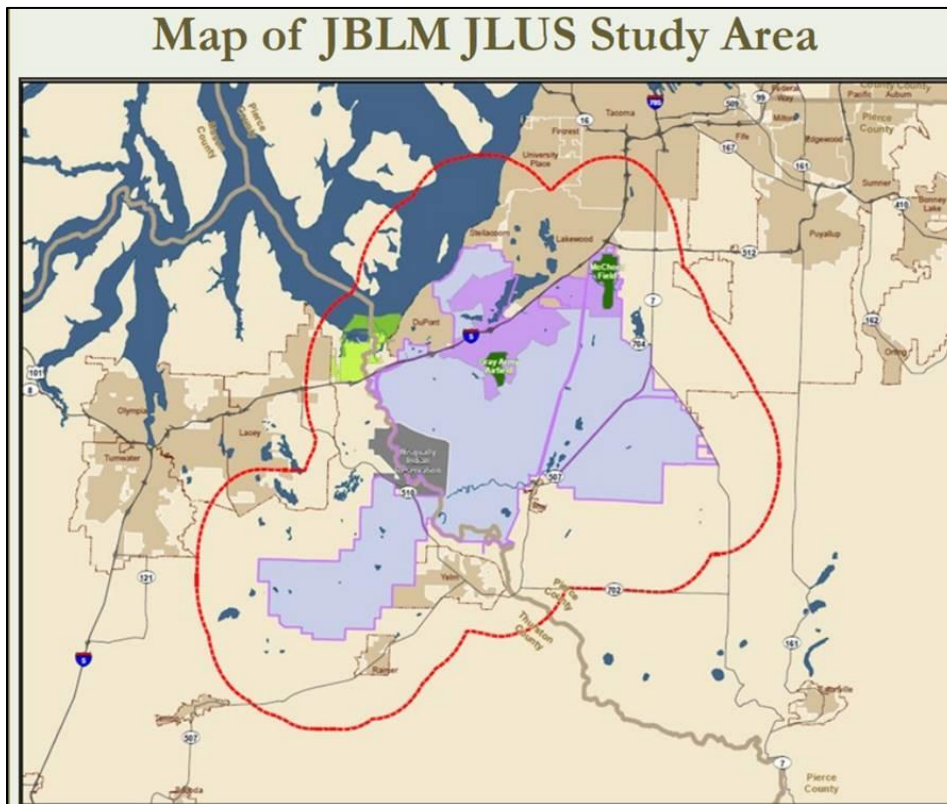
Another project, one that requires a significant investment, would be for the City to acquire and manage the historic properties found on the Western State Hospital Campus. There has been some preliminary discussion with DSHS on this proposal as part of the master plan update. DSHS was interested. They suggested that the City may want to investigate the proposal through the state's biennial budget and legislative process.



Historic Map Showing Early Trolley system serving Lake City and the Washington State Insane Asylum.

South Sound Military and Communities Partnership

The South Sound Military and Communities Partnership (SSMCP) is a partnership of more than 50 members: cities, counties, tribes, nonprofits, corporations, organizations, and Joint Base Lewis-McChord. The city of Lakewood acts as the fiduciary agent on behalf of SSMCP. The City provides accounting, administrative and legal support. SSMCP exists within CED since the two share common assignments. SSMCP staff serve on behalf of the SSMCP Elected Officials Council, the SSMCP Executive Leadership Team and SSMCP Steering Committee.



Develops a shared regional legislative agenda

- Conducts semi-annual SSMCP Elected Officials Councils to educate legislators and the general membership on its initiatives and legislative advocacy.
- Develops annual regional legislative agendas and lobbies on behalf of shared military community interests.
- Regional advocate for I-5 corridor transportation improvement. Advocacy efforts helped to secure \$75M in transportation funding for the I-5 Mounts Road to Tumwater / Nisqually Delta project from the Legislature in 2022.
- Evaluates alternate transportation routes and options to relieve traffic congestion and ensure mission readiness.
- Provides ongoing advocacy for the I-5 Nisqually Delta improvement program to prevent flooding, and enhance the environmental quality of the estuary.
- Regional champion for the development and funding of the state's Defense Community Compatibility Account.
- Secured \$1.4M from the state legislature and \$5.1M from federal government for North Clear Zone property acquisitions.
- Provides continued advocacy and lobbies for Occupational Licensure Portability for military spouses.
- Lobbies the WA State Legislature to improve occupational licensing portability for military spouses. SSMCP's advocacy efforts helped to secure two new occupational licensure compacts for occupational therapy and psychology in 2022.
- Promotes increasing access to quality affordable childcare for all WA residents, including service members, veterans, and their families.
- Advocates for the expansion of attainable housing opportunities in the South Sound Region for military members and their dependents.

Promotes regional collaboration with communities & JBLM

- Provides a framework for collaboration in the South Puget Sound Region between local governments, military installations, state agencies, federal agencies, and community organizations to better coordinate efforts in areas such as military relations; transportation and land use planning; environmental protection; emergency preparedness; data coordination; funding requests (e.g., grant applications); health care coordination; population forecasting; workforce development; education; housing; community development; economic development; and other issues that may arise.
- Focus is on the intersection of issues between local government and the military community. Facilitates and manages multiple working groups including health care, business & economic development, transportation, social services, and housing.
- Supports the JBLM Community Connector Program. The JBLM Community Connector Program links local municipalities with specific units from JBLM. The program's goal is to encourage community support and partnership with soldiers and families assigned to live within surrounding communities
- Assists with the planning and outreach for the 2022 JBLM Community Connector Golf Tournament.
- Conducts biannual JBLM Workforce surveys to gauge the needs & behaviors of military-affiliated members of the South Sound Community.
- Collaborates with the University of Washington to produce its third Regional Economic Impact Analysis (REIA) to highlight the economic impacts of JBLM, with the next REIA due out in 2023.
- Secures funding for its second housing study, Housing Study 2.0, and the JBLM Military Installation Resiliency Review (climate change); a study beginning in 2023.

- Collaborates with Army HQs, JBLM, USAF leadership, Washington Department of Commerce, Pierce County, and City of Lakewood to eliminate encroachment and acquire properties in the North Clear Zone. Ongoing discussions with remaining North Clear Zone property owners and funding sources for future acquisitions, and to improve the current North Clear Zone acquisition process.
- Works with other agencies to develop a project description and planning and environmental linkages study pertaining to a recent award of \$75M for the I-5, Tumwater to Mounts Road improvement programs.
- With assistance from the Economic Development Division, established lease agreement with Tactical Tailor until they relocate outside the North Clear Zone.
- Works with Development Services Division to enforce regulations in the Air Corridors I and II, and the North Clear zoning districts to prohibit new uses that would be incompatible with the Joint Land Use Study (JLUS) and the 2015 Air Installation Compatible Use Zone (AICUZ).



Provides recommendations to regional leadership

- Provides actionable recommendations to regional leaders on initiatives, programs, and topics that strengthen the role that Joint Base Lewis-McChord (JBLM), the National Guard, and Reserves play in America's defense strategy, the economic health and vitality of the region, and the State of Washington.
- Provides project title and description recommendations for the \$75M award to the I5 Tumwater to Mounts Road Improvement project. Provides JBLM with recommendations for prioritizing North Clear Zone acquisitions and the procurement funding process.
- Provides policy recommendations to regional leaders based on analysis of analytics provided by the biannual JBLM Workforce survey.
- Provides recommendations to local, regional, and state jurisdictions focusing on the Regional Economic Impact Analysis.
- Provides recommendations to local and regional leadership based on the work within the SSMCP 2020 Housing Study, the work within the Housing Task Force, and future study findings as a part of Housing Study 2.0, and the Military Installation Resiliency Review.
- Presents and recommends biannual work plans subject to the review of SSMCP Executive Leadership and SSMCP Steering Committee.
- Provides recommendations for an SSMCP regional legislative agenda to its Executive Leadership Team and Steering Committee prioritizing SSMCP's legislative priorities and policy positions.

