

CITY COUNCIL 6.A
CITY OF LYNNWOOD
CITY COUNCIL

TITLE: Discussion: Opportunity Zones 2.0

DEPARTMENT CONTACT: Sarah Cho, Development and Business Services

SUMMARY:

Provide an overview of Opportunity Zone 2.0, including updated federal requirements and the City's intent to pursue designation of eligible areas.

PRESENTER:

Sarah Cho, City Center Program Manager

ESTIMATED TIME:

20

BACKGROUND:

Opportunity Zones, created under the Tax Cuts and Jobs Acts in 2017, and revised under the One, Big, Beautiful Bill in 2025, provides federal tax incentives to encourage private capital investment in qualifying census tracts to support economic development and job creation. The City of Lynnwood currently includes a designated Opportunity Zone under the original program which contributed to the recent development of City Center. The City partnered with the Economic Alliance of Snohomish County (EASC) for this designation. Opportunity Zone 2.0 provides new guidelines and requirements for future participation in the program. The Washington State Department of Commerce is leading the State's process for identifying and selecting qualifying applications to be submitted to the U.S. Treasury department for approval.

SUGGESTED ACTION:

At a future business meeting, adopt a resolution to support the City's Opportunity Zone 2.0 application and authorize a submission to the Washington State Department of Commerce.

PREVIOUS COUNCIL ACTIONS:

No previous Council actions.

FUNDING:

Opportunity Zone 2.0 attracts private investment and development in City Center that contributes directly and indirectly to City revenues.

VISIONS AND PRIORITIES ALIGNMENT:

1. Fulfill the community vision for the City Center and Lynnwood Link light rail.

2. Ensure financial stability and economic success.
3. Pursue and maintain collaborative relationships and partnerships.

DEPARTMENT ATTACHMENTS

Description:

[OZ 2.0 City Council Presentation.pdf](#)