

## CITY COUNCIL 11.A

### CITY OF LYNNWOOD CITY COUNCIL

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**TITLE: Motion: Fund 146 Affordable Housing Spending Plan**

**DEPARTMENT CONTACT: Karl Almgren, Development and Business Services**

**SUMMARY:**

Staff presented a spending plan for Fund 146 on February 2, 2026 to support construction of affordable housing and rental assistance. This item is authorization to pursue expending a portion of the fund.

**PRESENTER:**

Ben Wolters, DBS Director, Karl Almgren, Community Planning Manager, and Kyle Ward, Human Services Coordinator

**ESTIMATED TIME:**

20

**BACKGROUND:**

Expenditure of Fund 146 may be accomplished through the use of an Request for Proposal (RFP) process. Staff has prepared initial RFP summary information for two expenditures.

1. \$500,000 expenditure for one or two projects to support the construction of affordable housing.
2. \$120,000 expenditure for third party contract to support rental assistance. (Revised since February 2, 2026 Discussion)

**SUGGESTED ACTION:**

Authorize Mayor Hurst to direct staff to expend up to \$620,000 from Fund 146 for construction of affordable housing and rental assistance.

**PREVIOUS COUNCIL ACTIONS:**

On February 2, 2026, City Council was briefed on RFP Summaries with potential next steps. On November 19, 2025, City Council directed City Staff to draft initial Request for Proposal summaries.

On July 21, 2025, City Council held a discussion on possible project options.

On November 20, 2024, Finance Committee held a discussion on Fund 146.

On November 4, 2024, City Council held a discussion on parameters of a fund expenditure policy.

On October 23, 2024, Finance Committee held a discussion on Fund 146.

On May 26, 2020, City Council passed Ordinance No. 3357 authorizing and imposing a sales

and use tax for affordable and supportive housing as provided by Substitute House Bill (SHB)1406.

## **FUNDING:**

The current fund has \$1,060,870 (Q4 2025) and is restricted only to be used for the following:

- Acquisition, construction, or rehabilitation of affordable housing or facilities providing supportive housing,
- Operations and maintenance costs of affordable or supportive housing, and
- Providing rental assistances to certain low-income tenants.

## **VISIONS AND PRIORITIES ALIGNMENT:**

Goal 2: Promote and facilitate the provision of housing that is affordable to households of all demographics and incomes.

HO Policy 2.6: Use grant programs, private lenders, and other available funding sources to establish and maintain a housing subsidies program

## **DEPARTMENT ATTACHMENTS**

Description:

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[Staff Presentation.pdf](#)

[RFP Summary Development Assistance.pdf](#)

[RFP Summary Rental Assistance.pdf](#)