



**ORDINANCE NO. 3455**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LYNNWOOD, WASHINGTON, do ordains follows: AUTHORIZE THE TERMINATION OF THE ALDERWOOD MIXED-USE DEVELOPMENT AGREEMENT OUTLINED IN ORDINANCE NO. 3301; PROVIDING FOR SEVERABILITY; ESTABLISHING AN EFFECTIVE DATE; AND PROVIDING FOR SUMMARY PUBLICATION.**

WHEREAS, Chapter 36.70B RCW authorizes local governments to enter into voluntary development agreements with property owners in order to specify development standards or regulations for the property, and to specify mitigation measures to be provided with development; and

WHEREAS, Cosmos Development Company (“Developer”) is the Authorized Agent for Alderwood Professional Building L.L.C. (“Owner”), which owns approximately 1.87 acres of real property, commonly known as the Alderwood Medical Center (“Site”), located in the City at 18613 Alderwood Mall Parkway, as more fully described in Exhibit “A”; and

WHEREAS, on May 29, 2018, the City of Lynnwood adopted Ordinance No. 3301, described in Exhibit “B”, to approve and adopt the Alderwood Mixed-Use Development Agreement (“Development Agreement”); and

WHEREAS, the Alderwood Mixed-Use Development Agreement, described in Exhibit “C”, outlined a Property Exchange between the City and the Developer for the purpose of facilitating sufficient land area for the project, and sufficient right-of-way to construction of a portion of the Roadway Improvement generally between Beech Road and Alderwood Mall Parkway; and

WHEREAS, the impacts of the post-COVID market and underlying private easements have negatively impacted the Developer and City, negating terms within the Development Agreement; and

WHEREAS, the City has reprioritized the Beech Road Improvement project and are exploring other options to realign Beech Road to provide additional capacity to serve the region for future growth; and

WHEREAS, on October 13, 2022, the Development and Business Services Department and the Developer mutually agreed to terminate the Development Agreement as an alternative to the Development Agreement’s completion, as described in Exhibit “D”; and

45 WHEREAS, the Developer is proposing a new project at the Site, iVista at Alderwood, an  
46 eight-story building with structure parking, 256 units, 264 parking stalls, approximately 4,800  
47 square feet of street level occupied space where 2,400 square feet is dedicated to retail; and  
48

49 WHEREAS, the proposed new development, iVista at Alderwood, does not require a  
50 Development Agreement;

51  
52 NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LYNNWOOD, WASHINGTON, DO  
53 ORDAIN AS FOLLOWS:  
54

55 Section 1: Purpose. The purpose of this ordinance is to authorize the termination of the  
56 Alderwood Mixed-Use Development Agreement outlined in Ordinance No. 3301, attached as  
57 Exhibit "B".  
58

59 Section 2: The Mayor or her designee is authorized to terminate the Development  
60 Agreement and to administer the provisions of this Ordinance consistent with the Development  
61 Agreement and the authority of the Mayor as set forth by LMC 2.10.010.  
62

63 Section 3. Severability. If any section, sentence, clause or phrase of this ordinance should  
64 be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or  
65 unconstitutionality shall not affect the validity or constitutionality of any other section,  
66 sentence, clause or phrase or word of this ordinance.  
67

68 Section 4. Effective Date: This ordinance or an approved summary thereof consisting of its  
69 title shall be published in the City's official newspaper of record and shall take effect and  
70 be in full force five days following its publication.  
71

72 PASSED BY THE CITY COUNCIL THIS 22nd day of January 2024.  
73  
74

75 APPROVED:

76 DocuSigned by:  
77 *Christine Frizzell* 1/23/2024  
78 5E0020D425DB4B8...  
79 Christine Frizzell, Mayor  
80

81 ATTEST/AUTHENTICATED:

82 APPROVED AS TO FORM:

83 DocuSigned by:  
84 *Luke Lonie*  
85 9859FC9ACFCA4CF...  
Luke Lonie, City Clerk

83 DocuSigned by:  
84 *Lisa Marshall*  
85 0C9DE54C77524E7...  
Lisa Marshall, City Attorney