King County Affordable Housing Committee Meeting Minutes

July 21, 2021 | 12:00 p.m. – 2:00 p.m.

Location: Zoom Meeting

Introductions

Members & Voting	Present	Alternate	Members & Voting	Present	Alternate
Alternates			Alternates		
Emily Alvarado	X		Niki Krimmel-Morrison	Х	
CC Claudia Balducci	Х		CM Kathy Lambert	Χ	
Don Billen		Thatcher Imboden	CM Ryan McIrvin	Х	
Susan Boyd	Х		CM Teresa Mosqueda		
Alex Brennan	Х		Stephen Norman	Х	
Jane Broom			Michael Ramos		
Caia Caldwell	Х		Mayor Lynne Robinson	Х	
Kelly Coughlin	Х		CM Nancy Tosta	Х	
DM Claude DaCorsi	Х		Brett Waller		
Mark Ellerbrook					

Non-voting Alternates

CM Zach Hall	
Deputy Mayor Nigel Herbig	Χ
CM Marli Larimer	Χ
CP Tanika Padhye	Χ
CM Dan Strauss	
Brady Nordstrom	Х

^{*} CC = Council Chair, CM = Councilmember, CP = Council President, DM = Deputy Mayor

Agenda Review

- The Chair reviewed the agenda and reminded the group that the Committee is grounded in the goal of building or preserving 44,000 affordable housing units by 2024
 - A Committee member stated that the Sound Cities Association (SCA) Caucus discussed presenting a thermometer indicating progress towards developing affordable housing units at each Committee meeting to help the Committee ground themselves in the goal

Action Item: Adoption of May 19, 2021 Meeting Minutes

- Vote to approve by Deputy Mayor DaCorsi, seconded by Mayor Robinson
- Approved

Briefing and Discussion: Update Regulations to Increase Housing Choice, Diversity, and Affordability

- Affordable Housing Committee (AHC) Vice Chair Susan Boyd presented affordable housing developer needs to maximize affordability, particularly in areas served by frequent or highcapacity transit
- Council Chair Claudia Balducci invited members to ask questions. Members discussed the following:
 - A suggestion to explore jurisdictional self-assessments on concepts within Susan's pyramid
 - A suggestion to create a template or menu of actions that cities could sign on to speed up construction of affordable housing units
 - A concern for parking requirements. Too little visitor parking could result in long walks for elders or differently abled people
 - A suggestion to talk to developers who tried to or have developed in Committee members' jurisdictions and learn what worked and what didn't. Ensure members are educated about development issues and who lives in the buildings and recruit other housing champions in respective city councils.
 - A question on the possibility of creating a list of developers who are willing to develop
 affordable housing for Committee members to reach out to
 - Susan stated that she could work with the Housing Development Consortium to coordinate a speakers' bureau or other event with a diversity of private/nonprofit developer perspectives
 - A comment that Habitat for Humanity Seattle-King County would be happy to participate or help with that in any way – particularly from the permanently affordable homeownership side of affordable housing
 - A question on how waivers of impact fees impact sewer districts and schools. Many multifamily dwellings have more children than expected, and with larger capacity, the sewer needs to be increased.
 - A recognition that this a challenge and there is not an answer, but that there
 needs to be a shift to thinking of affordable housing as a public good and there
 should be other solutions to pay for impact fees
 - A question on whether impact fee waivers are easy to obtain for cities that rely heavily on developer-provided public infrastructure (i.e., new public streets, streetscapes, stormwater management)
 - A response that Seattle relies heavily on developer-provided infrastructure, and that the public housing subsidy (e.g., Seattle Housing Levy) often covers those costs, which are then reflected in per unit housing costs. So instead of waivers, they subsidize through housing subsidy.
 - A comment that the 2021-23 state budget included \$42 million for utility connections for affordable housing. The Department of Commerce is still working on the details of how that will be allocated.
 - Sharing of information on grants: <u>Growth Management Grants</u> -<u>Washington State Department of Commerce</u>. There is a link on the grants page to sign up to get notified when applications are released.

- Sharing of information on the Commerce housing planning page with guidance – not yet reflecting 2021 legislative changes: <u>Growth</u> <u>Management Planning for Housing - Washington State Department of</u> Commerce.
- The Chair asked Committee members Caia Caldwell, Master Builders Association of King and Snohomish Counties, and Alex Brennan, Futurewise, to develop a list of 5-10 policy actions based on the discussion for the next Committee meeting. The Chair also directed staff to analyze the dashboard to identify the biggest technical challenges to affordable housing development (i.e., transit areas with insufficient multifamily zoning, areas of high land costs, the current distribution of income restricted housing in the region). The Chair asked Committee members to think about and share at the next meeting where they have been successful housing champions, and where they have struggled.
 - Alex and Caia agreed to coordinate on the requested list of 5-10 policy actions

Briefing: Countywide Planning Policies

Sunaree Marshall, King County, provided an update on the Countywide Planning Policies
 Housing Chapter adoption and next steps for the Committee

Briefing: Advance Shared Revenue Principles

- McCaela Daffern, King County, reflected on the May AHC briefings on the Tax Credit (House Bill 1406) and Tax Option (House Bill 1590) case studies and the need to accelerate deployment of existing revenue
- The Chair asked Committee members what they can do to accelerate deployment of funds.
 Members discussed the following:
 - o King County Council (KCC) has access to transit-oriented development revenue for affordable housing through the hotel/motel tax. KCC voted to earmark funds because they wanted funding distributed geographically, but earmarking allows money to sit, when there are other housing projects ready to be funded. The Chair committed to talking with colleagues to rethink earmarking and explore how King County housing funding can be deployed more quickly.
 - Redmond has limited dollars from House Bill 1406 and have been aggregating it together for larger projects. They are not sure how to accelerate that. The other challenge is securing funding for staff to take on the workload for changing code and making it easier to increase density.
 - The Chair stated that their challenges may have a partnership solution since they are both part of A Regional Coalition for Housing (ARCH).
 - ARCH has advertised all the HB 1406 dollars made available to them in the current funding round and is looking forward to receiving applications
 - Seattle has experimented with a few strategies: 1) they increased the annual number of funding rounds (in two years, they completed three annual Notice of Funding Availability as compared to one); 2) they forward committed resources to help scale investments, 3) they deeply fund fewer projects to develop them more quickly.

- The Chair asked Committee members to identify the hold ups for deploying funds and explore
 how to deploy revenue more quickly, and to report back findings at the September AHC meeting
 - One member stated that September is a challenging time frame for SCA cities to report back, given council schedules in the summer
 - The Chair offered to continue the discussion later and chart a reasonable path forward

Briefing: Community Partners Table

 Matt Hayashi and Sarah Ballew, Headwater People, introduced their organization and approach for the Community Partners Table work

Briefing: Federal Legislative Priorities

- Andrew Calkins, King County Housing Authority, provided an update on the federal legislative session. He invited members to ask questions. Members discussed the following:
 - Federal funding and advocacy for more resources is necessary to scale up. The Committee collectively should advocate for federal funding.
 - The Committee agreed a sign-on letter from Committee members and other affordable housing champions to the federal government would be the most effective form of advocacy
 - King County Housing Authority agreed to draft a letter for the Chair to review and circulate
 - Thatcher Imboden, Sound Transit, shared information that Congressman Smith introduced the Promoting Affordable Housing Near Transit Act, that passed the House (HB 3680) that is still awaiting Senate action (it makes it easier for transit agencies to transfer property at no cost for affordable housing).
 - The Chair asked Thatcher to draft a letter to support this and circulate it separately
 - Thatcher agreed to work on the letter with his government relations team

Wrap-Up and Next Steps

- Members will commence 2022 state and federal legislative agenda scoping at the next meeting
- Members should review Puget Sound Regional Council's draft Regional Housing Strategy and provide comment
- Next meeting (September 29, 2021, 1-3 p.m.)