**Affordable Housing Committee Meeting Minutes**

November 15th, 2019 | 2:00 – 4:00 p.m.

Puget Sound Regional Council Conference Room | 1011 Western Ave #500, Seattle, WA 98104

**Agenda**

Goal: Review equity concepts from the prior Affordable Housing Committee (AHC) meeting, understand the impact of the Growth Management Act (GMA) and Countywide Planning Policies (CPPs) on housing, and possibly adopt the 2019-2020 AHC work plan.

* Apply equity concepts to the Countywide Planning Policies
* House Bill 1406 recommendation/dashboard update
* Work plan

**Attendance**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Members & Voting Alternates** | **Present** | **Phone** | **Alternate** | **Members & Voting Alternates** | **Present** | **Phone** | **Alternate** |
| Emily Alvarado | X |  |  | CM Larry Gossett | X |  |  |
| Mayor David Baker | X |  |  | Chelsea Hicks | X |  |  |
| CM Claudia Balducci | X |  |  | CM Jeanne Kohl-Welles | X |  |  |
| Brooke Belman (for Don Billen) |  |  | X | Tim Walter (for Stephen Norman) |  |  | X |
| Mayor Debbie Bertlin | X |  |  | CM Mike O’Brien |  |  |  |
| Susan Boyd | X |  |  | CM Nancy Tosta | X |  |  |
| Jane Broom | X |  |  | Nicole Vallestero Keenan-Lai | X |  |  |
| Kelly Coughlin | X |  |  | Brett Waller |  |  |  |
| CM Claude DaCorsi | X |  |  | Bryce Yadon | X |  |  |
| **Non-Voting Alternates** |
| CM Marli Larimer |  |  |  |  |  |  |  |
| CM Ryan McIrvin  | X |  |  |  |  |  |  |
| Mayor Ken Hearing | X |  |  |  |  |  |  |
| Michael Ramos | X |  |  |  |  |  |  |
| DM Lynne Robinson |  |  |  |  |  |  |  |

\* CM = Councilmember \* DM= Deputy Mayor

**Decisions**

* The Committee adopted a 2019-2020 work plan, including the following two priority actions:
1. Analyze and identify unused and new revenue sources sufficient to support the countywide share of funding to build or preserve 44,000 affordable units within 5 years of implementation and help build the public case for greater investment in long-term affordable housing
	1. The Committee amended this to include federal and state revenue sources
2. Review and recommend zoning and land use actions to increase and diversify housing choices and maximize affordability, particularly in areas with current or planned high-capacity transit

**Action Items**

|  |  |  |
| --- | --- | --- |
| **Action Item** | **Assigned** | **Due** |
| Send email to AHC with a link to HB 1406 tracker | Staff | Nov 22nd |
| Send email to AHC with GMPC decision on new member | Staff | Nov 22nd |
| Send McCaela organizational state legislative priorities | AHC | Jan 17th |
| Send McCaela any requests for Countywide Planning Policies information to prepare for the January AHC meeting | AHC | Dec 16th |

**Meeting Minutes**

**Welcome and Introductions**

* The Chair, Councilmember Claudia Balducci, called the meeting to order at 2:09 p.m.
* The Chair welcomed the Affordable Housing Committee members and provided an overview of the agenda
* Affordable Housing Committee members introduced themselves

**Meeting Minutes**

* Councilmember Nancy Tosta moved to approve the meeting minutes from September 20th, and Mayor Debbie Bertlin seconded the motion
* The September 20th meeting minutes were approved 16-0

**AHC Membership**

* The Chair announced Patricia Akiyama’s resignation and introduced Caia Caldwell as a potential replacement Committee member
* Caia introduced herself and gave an overview of her background and current role at Master Builders Association of King and Snohomish Counties
* The Chair explained the process for approving new Committee members:
	+ The Growth Management Planning Council (GMPC) must approve new members
	+ The GMPC has this item on their agenda for their next meeting on November 20th
* Staff will email the GMPC’s decision on approving Caia Caldwell’s appointment to the AHC

**Applying Equity Concepts to Countywide Planning Policies**

* Housing Interjurisdictional Team (HIJT) member Chris Bhang reviewed the equity concepts presented during the September AHC meeting and introduced three different types of equity: 1) distributional equity, 2) process equity, and 3) cross-generational equity
* Chris directed Committee members to gather in groups to unpack equity by discussing three hypothetical scenarios
* HIJT member Sunaree Marshall presented an overview of the GMA and CPPs, including:
	+ AHC’s chartered responsibility to recommend updates to the CPPs
	+ Differences between the 1992 CPPs and the 2012 CPPs
	+ Differences between 2012 and 2019 affordable unit counts for various Area Median Income (AMI) levels
	+ Maps showing where the median black family, white family, and low-income family can afford to live in the county
* Sunaree asked members to discuss in small groups inequities from the county’s previous approaches to the Housing Chapter of the CPPs and what could be done differently in the future:
	+ Emily Alvarado’s group questioned whether the targets established during the creation of the Housing Chapter in 1992 or the update in 2012 considered racial demographics. African American households are disproportionately low-incomes and setting different housing production targets by AMI level and geography could have influence over where people of color can afford to live. She also shared that both CPPs processes practiced a concept of “fair share” that didn’t consider the history of redlining and restrictive covenants. She expressed that there should be a more nuanced approach to how targets are placed in specific areas for further integration, not segregation. Emily also emphasized a need for accountability and tracking over time because equity goals will not be met if there is a net loss of affordable units.
	+ Nicole Vallestero Keenan-Lai’s group talked about the need to provide accountability and collect data to ensure goals are met. She stated that one method to promote accountability is for jurisdictions to release public statements about specific goals and provide transparent data on the progress. She also added that there should be clear roles and responsibilities articulated, otherwise nobody will do the work.
	+ Mayor Debbie Bertlin’s group talked about the need to identify projected demographics (e.g. age distribution, race distribution, transportation infrastructure, income distribution, job growth). before determining what equitable distribution is. She also questioned whether the determination of equitable distribution gets answered at the jurisdictional, regional, or state level.
		- Councilmember Nancy Tosta added that the wage inequality adds another variable into what is considered affordable
	+ Bryce Yadon stated that his group also talked about accountability issues. He questioned how to look at current demographics, understand anti-displacement, and how to address housing needs for all communities. Looking forward, Bryce also acknowledged the need to open up areas of high opportunity (e.g. places with access to transportation and high-quality schools) to lower-income people.
	+ Councilmember Balducci’s group referenced the maps shown in the PowerPoint illustrating affordability outside of Urban Growth Areas. They discussed the possibility of providing more affordable housing in town centers like Fall City but recognized the need to think about Growth Management topics like transportation and impact on systems as a result of the growth. She stated that there is clearly not enough affordable housing being provided in urban areas, but also wanted to explore the possibility of exploring more areas for affordable housing.
* Sunaree asked Committee members to reach out with additional CPPs-related topics they would like the HIJT to research or prepare before the January Committee meeting

**House Bill (HB) 1406 Recommendation/Dashboard Update**

* HIJT Member Janet Lee introduced a snapshot of the HB 1406 tracker showing 25 jurisdictions implementing HB 1406
* Janet announced the tracker will be up on AHC website next week and an email will go out to

the Committee once it is live

* Janet stated that she is finishing up dashboard scoping and extended an invitation to Committee members to provide input on the first iteration of the dashboard by writing down their names on the index cards in front of them

**Work Plan Introduction**

* McCaela provided an overview of the work plan action prioritization process, including how the staff, HIJT, and AHC narrowed down 100 actions to two actions between July 2019 and November 2019
* McCaela provided an overview of the proposed 2019-2020 work plan of building accountability and taking action, including:
	+ Establish procedures for the AHC
	+ Center equity in the Committee’s work
	+ Develop the data dashboard and reporting systems
	+ Take advantage of timely opportunities to increase regional collaboration
	+ Develop a community engagement strategy to build support for affordable housing
	+ Advance Committee priority areas to produce more homes
* McCaela reviewed the two HIJT-recommended actions for producing more homes, including:
1. Analyze and identify unused and new revenue sources sufficient to support the countywide share of funding to build or preserve 44,000 affordable units within 5 years of implementation and help build the public case for greater investment in long-term affordable housing
2. Review and recommend zoning and land use actions to increase and diversify housing choices and maximize affordability, particularly in areas with current or planned high-capacity transit
* McCaela reviewed the reasoning for recommending the two actions, including:
	+ Potential to make meaningful progress in achieving the 44,000-unit production or preservation goal
	+ Timeliness with the expansion of the light rail and planning decisions around stations
	+ Opportunity to leverage House Bill 1923, which brings new resources and capacity to jurisdictions
	+ These actions emerged as common priorities in conversations with Committee members, the HIJT, and the community
* McCaela walked Committee members through the work plan staff memo and various attachments
* The Chair encouraged members to look over Attachment C: *Priority Actions Matrix* of the work plan staff memo to understand the role of the AHC in implementing actions

**Work Plan Discussion on Priority Actions**

* The Chair opened the floor for discussion of the two recommended actions for inclusion in the work plan
	+ Councilmember Larry Gossett expressed concern with the speed and process for selecting two actions
		- The Chair reminded the group about how the work plan staff memo was structured and reviewed the eight priority actions that emerged from the prior Committee meeting. She explained that work will still be done by other entities to address the non-recommended actions, but there needs to be focus on the resources and intention of the Committee and staff that support it.
	+ Mayor Ken Hearing said that exploring new revenue sources will be tough, especially with the passage of Initiative 976. He agreed that new revenue sources are needed, but that the public will push back. He expressed that his jurisdiction is trying to implement Action #2 but is getting push back from community members. Mayor Hearing referenced the map in the PowerPoint and pointed out that the areas illustrating where low-income families could afford to live don’t have transit. He stated that there is a connection between affordable housing and transit that should be further explored.
	+ Kelly Coughlin expressed that affordable areas like Maple Valley and Covington are growing fast and do not have adequate transit. She said the Committee could miss an opportunity by not recognizing the needs of communities without transit (Action #7).
	+ Nicole Vallestero Keenan-Lai referenced the work plan staff memo and suggested that equity considerations and factors for considerations be in the same column. She also suggested including Action #3, lower barriers to homeownership through alternative home-ownership models, as a factor under Action #2. Nicole gave an example of a light rail cutting through a historically redlined community but not actually serving it, and the advocacy efforts/community visioning that corrected the situation and resulted in the addition of a light rail station. She agreed that transit-oriented development is important, but it should be paired with community visioning with populations impacted.
	+ Brooke Belman supported the two recommended actions. She explained that most Sound Transit 3 capital projects and planning will occur next year, so the urgency is very real in thinking about station areas, anti-displacement strategies, and affordable housing. For Action #2, Brooke said if the goal is to target most growth in transit areas, density must be maximized. She expressed a need to work with the affordable housing community to support density at stations.
	+ Bryce Yadon supported the two recommended actions. He was most interested in Action #1 and the state’s role in increasing funding to support affordable housing development and preservation. He also suggested looking at tax codes. He expressed that the amount of affordable housing needed cannot be produced without resources, which justifies the need to take up revenue and resources first.
	+ Emily Alvarado supported the two recommended actions. She explained that this year, Seattle had $200 million in requests for affordable housing that could immediately be built, but only had $45 million to fund those projects. She expressed that there could be significant progress for the 44,000-unit production/preservation goal but more resources are needed. She added that although I-976 passed statewide, King County voters opposed it and there could be support for momentum. For Action #2, Emily explained that Seattle and Sound Transit have developed a great partnership in thinking about density and affordable housing production. Light rail stations provide more opportunities to provide affordability.
	+ Susan Boyd supported the two recommended actions. To echo Emily’s comments, Susan explained that when affordable housing developers see the opportunities for them with increased resources, they will build a pipeline and find ways to create affordable housing. Without any hope of resources, they won’t. Susan explained that there is a 4,000 affordable housing unit pipeline from the nonprofit sector in Seattle.
	+ Jane Broom supported the two recommended actions. She believed Action #1 is important but expressed nervousness due to the passage of I-976, the need to successfully collaborate across teams, and the need to identify appropriate timing and sequencing for introduction of new revenue sources. Jane was interested in seeing which other organizations are addressing the non-recommended actions and suggested the AHC periodically check-in to see if there are opportunities to connect with them.
	+ Chelsea Hicks supported the two recommended actions. She asked if it was possible to define affordability, since her client population is mostly in the 0-30% AMI range. She talked about the lack of housing focused on 0-30% AMI and suggested adding language to support this in the action statement instead of embedding it in the matrix under factors for consideration. Chelsea also seconded Nicole’s comment about the need to support homeownership opportunities for low-income communities.
	+ Councilmember Claude DaCorsi agreed with Bryce about the state contributing their fair share of resources to meet the affordable housing need. He explained that last year, the state legislature invested $160 million in the Housing Trust Fund for affordable housing, the ask was $200 million, and the need was $600 million. Councilmember DaCorsi mentioned that only $110 million was invested the year before, so the situation is improving. He emphasized that the key is to focus on preservation. The Housing Trust Fund earmarked $10 million for preservation, and many jurisdictions have a lack of buildable land so focusing on preservation makes sense. Councilmember DaCorsi provided various examples of affordable housing developments in Auburn where they are upzoning and have provided homes for a few hundred people a block away from transit. In relation to revenue sources, he added that HB 1406 is a good start, but the revenue need is much greater.
	+ Mayor David Baker stated that several jurisdictions are looking at HB 1406 and pooling resources. He expressed that pooling will have a greater impact on the money. Regarding Action #1, Mayor Baker stated there are a lot of people competing for revenue sources listed in Attachment B of the work plan staff memo. He mentioned that there are other steps jurisdictions are taking to advance affordable housing in their communities (e.g. removing barriers to accessory dwelling units and acquiring private lands from churches). He stated that jurisdictions are unlikely to contribute their small revenue sources to a countywide pot because there are housing projects in their communities available to fund.
	+ Councilmember Ryan McIrvin supported the two recommended actions. He stated Action #2 is an opportunity to support a high capacity transit investment in Renton. He emphasized a need to zone to the highest and best zoning capacity and incorporate an affordable element. Regarding Action #1, Councilmember McIrvin has been pushing Renton to place a qualifying local tax on the ballot. He stated that there is a need for some form of new revenue, but timing is important to consider when figuring out when it should be placed on the ballot and what the odds of it passing would be.
	+ Councilmember Jeanne Kohl-Welles supported Action #1 and believes her Seattle constituents would as well. She emphasized a need to determine what’s going to be on the ballot and when. For the 2020 ballot, Councilmember Kohl-Welles stated there may be Seattle or county ballot measures related to Seattle Transportation Benefits District and Harborview Medical Center. She recommended looking at whole context of what is being done. Councilmember Kohl-Welles stated that Seattle is implementing most of Action #2 already, but that it should be replicated everywhere. She also stated that it is critical for the funding discussion to be related to what is happening with Vision 2050.
	+ Councilmember Nancy Tosta directed Committee members to the Action #1 language around the local share of funding in the work plan staff memo. She stated that many local jurisdictions do not have unused revenue sources and are struggling to fund basic city services. Councilmember Tosta expressed that there is a lack of appetite for funding sources listed in Attachment D of the work plan staff memo, especially when looking at taxing options among low-income communities. She expressed concern with starting out with Action #1, given these barriers. Councilmember Tosta suggested including Action #5, leverage public-private partnerships as a part of finding new sources of funding. There is some movement in that direction already with Microsoft’s monetary contribution. Given what’s happened with job growth and the need for workforce housing and affordable housing, she advocated for public-private partnerships. Councilmember Tosta addressed the inequity in wealth in this region, especially among those working in the public vs. private sectors, and a need to create partnerships in order to advance equity. She echoed Nicole’s comment about the importance of homeownership in wealth creation and a need to prioritize it. Regarding Action #2, Councilmember Tosta stated that Burien is working on this already with an ordinance piloting five studies to increase density in single family neighborhoods. She explained that there are a lot of examples of other jurisdictions implementing Action #2, and that downtown Burien also has a lot of transit-oriented development. She supported Jane’s idea to do an inventory of who’s making progress in other action areas to understand the landscape and reprioritize. Councilmember Tosta mentioned that the Sound Cities Association discussed how each jurisdiction is different and face unique barriers. She thinks it would be helpful to understand how variables exist across jurisdictions and what the barriers to getting affordable housing in each community are (e.g. lack of transit, lack of public land, political issues, permitting or zoning). She emphasized that it would be helpful to have this information in order to strategize and overcome the barriers.
	+ Mayor Debbie Bertlin questioned whether accountability for producing affordable housing lies with the jurisdiction or county. She stated that if accountability is regional, then it doesn’t exist. She also questioned what equity looks like (e.g. is it a pure number-based system, or a number based on jobs, demographics, growth, etc.). Regarding Action #1, Mayor Bertlin stated it comes down to priorities because needs will always exceed available revenue. Many groups compete for the same dollars, but if some adjacencies can be created, such as Sound Transit and affordable housing, there may be success. She also gave an example of directing some money for education to affordable housing from a construction tax in the Puget Sound Tax Payer Accountability Account. An adjacency between affordable housing and education could be formed by co-locating affordable housing with early childhood education. Mayor Bertlin also shared a challenge Mercer Island faced in cleaning underdeveloped land near transit. She encouraged more work to be done with public-private partnerships, including helping faith communities overcome barriers to provide affordable housing on their land. Regarding Action #2, Mayor Bertlin mentioned decision-making complications for zoning and land use (e.g. the various groups involved, accountability). She echoed Councilmember Tosta’s comments about each jurisdiction facing unique barriers, and the need to share learnings about similar issues. She mentioned that the SCA caucus talked at length about transportation becoming an integral part of affordability.

**Work Plan Wrap-up**

* The Chair delivered a few key wrap-up statements about the work plan, including:
	+ Overall, the majority of the Committee supported moving forward with the two recommended actions
	+ The Committee should remember to consider the needs of areas that don’t have great transit in implementation of the priority actions
	+ There was significant support for finding opportunities to lower barriers to homeownership
	+ The Committee should identify who is making progress on non-prioritized actions, keep up with them, and regularly report the findings. The Chair encouraged Committee members to connect with entities who are working on areas important to them.
	+ The Chair acknowledged the very strong differences in tax sensitivities within the county, the fact that more revenue is needed, and the challenge in finding out what kind of revenue to get, where it comes from, and who raises it
	+ The Chair acknowledged actions cities are taking to increase affordable housing in their communities and suggested finding ways to support their work to achieve quick wins
* The Chair asked members to nod if they were comfortable adopting the work plan, including the two proposed actions. Committee members nodded in agreement and the Chair asked if members would feel more comfortable with a vote. Committee members elected not to vote.
* McCaela asked for clarity on whether the Committee is expanding its scope to include federal, state, and public-private partnership revenue
	+ Councilmember Tosta expressed we should expand the scope
	+ Bryce expressed that the Committee can’t look for new revenue sources unless they talk about the state
	+ The Chair expressed that public-private partnerships are fundamentally different than raising revenue and believed it goes beyond the scope of Action #1. She acknowledged that public-private partnerships are currently happening and may not fit in the work plan.
	+ Councilmember Tosta stated that public-private partnerships are another tool for raising revenue. She stated that the breadth of problem suggests a variety of funding sources, not just relying on taxes.
	+ Councilmember Gossett asked the Chair why Microsoft would be involved in the Committee if there is no interest in having the private sector involved in funding and support efforts
		- The Chair clarified that there is interest in having private sector involvement but due to staff capacity, the Committee should try to have a narrower focus for the year one work plan. She explained it is not an exclusionary process but more of a prioritizing of resources for this upcoming period.
	+ Nicole stated that unused and new revenue sources provide ongoing support to build and maintain housing as opposed to one-time gifts often received from public-private partnerships. She expressed support for unused and new revenue sources due to more guaranteed and predictable funding streams. Nicole also mentioned that some taxes, like those for short term rentals, aren’t as regressive and less subject to push back. She suggested jurisdictions think about new revenue that won’t be as scary to voter bases. She also shared recent poll results showing that some of the region’s voters are ready to tax large corporations .
	+ Mayor Baker shared that the Regional Affordable Housing Task Force agreed to look at funding at the state and federal levels and expressed that the Committee should continue that discussion
	+ The Chair expressed that the taxpayers will want to know that every funding rock is being turned. She shared that private investments in affordable housing are on the rise and other entities like Challenge Seattle are working to build public-private partnership. She suggested gathering information about what is happening in the region and sharing findings with the Committee.

**State Legislative Agendas**

* The Chair passed out state legislative agendas from the Master Builders Association of King and Snohomish Counties
* The Chair encouraged Committee members to share any housing-related legislative agendas with McCaela
* Staff will collect and compile legislative agendas received and share them with the Committee