

# King County Affordable Housing Committee Meeting Minutes

September 4, 2025 | 2:00 P.M. – 3:30 P.M.

Location: Teams Meeting

## Call to Order and Roll Call

Members	Member Present	Alternates Present
Affordable Housing Committee Chair King County Councilmember Claudia Balducci	X	
Affordable Housing Committee Vice Chair Alex Brennan, Futurewise	Absent	Jazmine Smith, Futurewise
Saghar Amini, Habitat for Humanity Seattle-King and Kittitas Counties	Absent	Ryan Makinster, Habitat for Humanity Seattle-King & Kittitas Counties
Jane Broom, Microsoft Philanthropies	X	
Allison Butcher, Master Builders Association of King and Snohomish Counties	X	
Kelly Coughlin, SnoValley Chamber of Commerce	X	
Kirkland Councilmember Amy Falcone on behalf of Sound Cities Association	X	
Kenmore Mayor Nigel Herbig on behalf of Sound Cities Association	X	
Mara D'Angelo, Sound Transit	X	
Sunaree Marshall, King County Department of Community and Human Services, on behalf of King County Executive Dow Constantine	X	
Renton Councilmember Ryan McIrvine on behalf of Sound Cities Association	X	
Seattle Councilmember Debora Juarez	Absent	
Bellevue Mayor Lynne Robinson on behalf of Sound Cities Association	X	
Robin Walls, King County Housing Authority	Absent	
Maiko Winkler-Chin, Seattle Office of Housing, on behalf of Mayor Bruce Harrell	X	
	X	City of Shoreline Councilmember Annette Ademasu on behalf of Sound Cities Association
	X	Maple Valley Deputy Mayor Dana Parnello on behalf of Sound Cities Association
	X	Issaquah Council President Lindsey Walsh on behalf of Sound Cities Association
	Absent	Seattle Councilmember Mark Solomon
	X	William Schnieder, Washington Multi-Family Housing Association

	X	Councilmember Christina Rustik, Sound Cities Association
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- Affordable Housing Committee (AHC or Committee) Chair King County Councilmember Claudia Balducci welcomed AHC members and called the meeting to order.
- Chair Balducci invited AHC Manager McCaela Daffern to call the roll. McCaela confirmed quorum.
- Chair Balducci announced several membership changes:
  - She welcomed Seattle City Councilmember Debora Juarez.
  - She welcomed Sound Transit Community Development Acting Director Mara D'Angelo and expressed appreciation for Thatcher Imboden's past service on the AHC.
  - She shared Washington Multi-family Housing Association's (WMFHA) Carter Nelson stepped down from her role and the AHC.
- Chair Balducci reviewed the meeting agenda which included a data briefing on evolving housing market pressures and impacts of changing area median income (AMI), the draft 2026 AHC legislative priorities, and a plan review update.

#### **Action Item: Adopt June 5, 2025 Meeting Minutes**

- King County Councilmember Jorge Barón moved to approve the June 5, 2025 meeting minutes.
- Shoreline Councilmember Annette Ademasu seconded the motion.
- The AHC passed the motion to approve the June 5, 2025 meeting minutes
  - Kirkland Councilmember Amy Falcone was not present for the vote.

#### **Briefing: Housing Data Trends**

- Chair Balducci recalled the beginning of the year when the AHC requested staff to develop a dating briefing to inform future Committee work.
- Chair Balducci welcomed Department of Community and Human Services (DCHS) Data and Evaluation Manager Jesse Warren to present.
- Jesse presented on housing production market pressure, impacts of shifting AMI, and takeaways for policymakers
  - He shared data showing:
    - high production of studio and one-bedroom units resulted in relative improvements in their affordability;
    - sharp rises in AMI driven by homeowners and high-income renters resulted in a wider breadth of households which qualify for affordable housing; and
    - rising AMI resulted in 80 percent AMI income restricted unit rents which have outpaced market rents.
  - He noted the following policy implications resulting from the data:
    - Additional affordable housing subsidy needed to meet unrestricted rental market gaps;
    - Incentive tools need to be calibrated carefully to provide public benefit, create units; and
    - Policy makers need to understand these nuanced findings when interpreting data about progress to meet countywide housing needs.
- Chair Balducci noted the Seattle Times article presented similar data. She opened the floor for discussion.

- Councilmember Ademasu asked if it was required to use the Housing and Urban Development (HUD) AMI which was calculated using both homeowner and renter incomes, or if it was possible to calculate AMI using only renter income. She suggested doing so would prioritize the population the AHC seeks to support. She additionally shared that it was important to include the fact that monthly rent is expected to be one third of a household's income. She expressed concerns that for households with lower incomes, two thirds of their income isn't enough to survive. She wondered if the AMI calculation could consider rent as 20 percent of the household's income.
  - Jesse shared that the Washington State Department of Commerce recently published a study exploring if an alternative method of calculating AMI should be developed. He shared that the report ultimately recommended not to develop a subregional AMI calculation method due to challenges in coordination with federally funded housing programs which require use of HUD's AMI and possible challenges which could occur from further sub-dividing the rental market.
  - Councilmember Ademasu shared that tying affordability to AMI has not worked. She shared her belief that rent growth was too high and must be lowered.
- SnoValley Chamber of Commerce Director Kelly Coughlin shared that Snoqualmie Valley business struggle to find employees. She wondered if Washington's minimum wage increase impacted AMI.
  - Jesse shared his team hasn't tried to project the impacts of recent minimum wage increases on AMI. He shared it was difficult to predict how AMI would change in the future.
- Chair Balducci asked what drove the increase in AMI. She shared her hypothesis that the influx of high wage jobs resulted in the increase.
  - Jesse agreed her hypothesis was well informed. He also noted that AMI is calculated based on median family income, which excludes individuals not living with other relatives. He shared that as AMI is calculated using family incomes, two high income earners marrying and combining incomes would drive up AMI.
  - Chair Balducci shared that when considering policies, it is important to not overcorrect as new conditions may result in unexpected implications.
- Maiko Winkler-Chin, the director of the City of Seattle Office of Housing, agreed that developing a new AMI chart wasn't feasible. She emphasized it was important to remember market rents are not equal to 100 percent of AMI and thanked Jesse for identifying that. She suggested tying average King County minimum wage to the average job worked. She shared there isn't much data at the City of Seattle on what a minimum wage job is, the number of hours worked, and the lifestyles of such individuals. She shared that she heard Jesse was performing an assessment current housing availability and needs.
  - Jesse said that was correct, sharing the assessment will present data on housing needs by AMI levels, housing affordability by unit size, and the household types by unit size and affordability.
- Isaaquah Council President Walsh recalled that AMI is calculated based on the incomes of homeowners and renters. She shared it was important to remember market rate rents don't increase at the same rate as AMI because landlords know renters are their target population.
  - She shared the report indicates that the affordable housing sector has overproduced studio and one-bedroom units. She emphasized the fact that two- and three-bedroom units renting higher than market rent were a result of the significant AMI growth.

- Council President Walsh queried how the AHC should handle the 80 percent AMI units that sit vacant because their income restricted rents are too high compared to market rate rents. She wondered about the impact of vacant units on providers' abilities to continue operations. She asked how vacancies would impact production of new units. She pondered if high vacancy rates would hurt providers' abilities to obtain financing. She emphasized that it wasn't right to have vacant units when there is so much need for housing. She asked if providers could reduce the AMI requirements on some of their units so people could enter housing.
- Chair Balducci invited King County's Department of Community and Human Services Housing and Community Development Director Sunaree Marshall to speak.
  - Sunaree shared it was important to think differently about success moving forward, noting the default metric of success was number of units and shared a new measure may be depth of affordability, size of units, or location of affordable housing. She noted the AHC was well positioned to take on such discussions and work.
  - She emphasized operating subsidies currently focused on permanent supportive housing, but may be necessary to buy down rents in other buildings.
  - She clarified the "Expenditure Restriction 9," which tasked DCHS staff with producing a countywide housing need assessment, will look at a number of datapoints.
- Bellevue Mayor Lynne Robinson expressed concern that housing units will naturally decline over time. She noted that as there is a lag time, cities shouldn't stop building housing. She emphasized that, at the end of the day, there is a shortage of housing.
- Kenmore Mayor Nigel Herbig wondered what stops housing providers from charging lower rents. He noted that to him, a unit paying partial rent was preferable to a vacant unit paying no rent. He noted that housing providers were allowed to increase rent significantly over the last five years.
  - Chair Balducci agreed with his rumination over why housing providers would choose to accept vacancies instead of charge lower rents.
  - Sunaree clarified that while providers have increased rent over the last five years, they haven't increased rents to the maximum they are allowed to. She noted providers have also provided concessions such as one or two months of free rent.
- Chair Balducci noted the Seattle Times story humanized the data. She recalled the story of a household which qualified for a subsidized affordable housing unit, but chose a slightly more expensive market rate unit. She noted such a decision was commonplace as market rate units did not require income verification.
  - She identified that, at the end of the day, governments should subsidize at the lower end of affordability because that's where the market can't afford to provide.
  - Chair Balducci suggested returning to the conversation with policy implications at a later time.

### **Briefing: Draft AHC 2026 State Legislative Priorities**

- Chair Balducci shared that the AHC develops state legislative priorities every year as the state plays a significant role in responding to the affordable housing crisis. She invited King County Department of Community and Human Services Senior Housing Policy Analyst Isaac Organista to present the preliminary draft priorities.
- Isaac presented on the development of the preliminary draft AHC 2026 AHC state priorities and adoption process before walking the group through the draft priorities noting there were 15 policies grouped under four goals:

- Grow and stabilize capital resources for affordable housing.
- Increase and sustain operating resources for affordable and supportive housing projects.
- Maximize opportunities for King County residents to live in a home they can afford in the community of their choice.
- Maintain and deepen housing stability for renters.
- Chair Balducci opened the floor for discussion.
- Chair Balducci asked for clarification on the policy about land speculation.
  - Isaac shared that AHC members and partner organizations previously discussed the concept of regional land banking. He recalled a land banking bill introduced in 2025 to address the concern and ensure there isn't a scarcity of land for affordable housing around transit centers.
- Bellevue Mayor Robinson shared that while reviewing the priorities about protecting tenants, she noted there was no mention of landlords. She expressed concerns that not collaborating with landlords will result in fewer rental opportunities. She wondered if the AHC could collaborate with landlords.
  - Chair Balducci asked if she was proposing an addition to the state legislative priorities.
  - Mayor Robinson clarified that landlords feel trapped in a tough situation that makes them never want to be a landlord again. She shared it would behoove the AHC to take input from landlords.
    - Chair Balducci suggested AHC staff revise the introductory language of the legislative priorities to denote that the AHC is a multidisciplinary committee which includes housing provider representatives. She suggested the introductory language can describe how the AHC understands how the housing market works from all perspectives.
- Allison Butcher noted there were lots of funding items in the legislative priorities and agreed that funding is necessary, as the market will not meet the needs of the full spectrum. She shared that she didn't see anything about lowering barriers to more supply of housing. She emphasized that housing supply worked in conjunction with funding.
- Chair Balducci asked how the legislative priorities were developed and who was involved.
  - Isaac shared that the staff began with the AHC 2025 state legislative priorities, considered the current political and fiscal landscape going on, incorporated the Countywide Planning Policies, and collaborated with partner organizations and King County staff. He shared that Housing Interjurisdictional Team members, Housing and Community Development and DCHS staff, and A Regional Coalition for Housing and South King Housing and Homelessness Partners were involved.
- Shoreline Councilmember Ademasu observed priority two mentioned behavioral healthcare, but noted there was no mention of primary care. She shared that people usually don't reach out for behavioral health or substance use issues, but usually build up trust with doctors or nurses while seeking wound care first, before being referred for behavioral health care.
- Jane Broom with Microsoft Philanthropies agreed with previous statement about the supply of rental units. She seconded being thoughtful about the situation landlords find themselves in. She shared she will take the legislative priorities to community-oriented housing developers to see if there are unintended consequences. She shared it was important to listen to landlords and developers to learn of any unintended consequences which may come out of the policies the AHC supports.

- Maiko shared that in the past few years, there have been discussions about insurance. She shared that the Office of the Insurance Commissioner came out with a study on insurance tied to permanent supportive housing and also heard about permanently affordable homeownership required insurance. She suggested adding elements of the Office of the Insurance Commissioner's study to contain the insurance costs for housing providers.
- William Schneider from the WMFHA thanked Mayor Robinson for her comments. He shared that the WMFHA wanted to be part of the solution and work with other housing providers on the issues in King County. He shared he is available and happy to collaborate.
- Maple Valley Deputy Mayor Parnello wondered if there was an opportunity for a legislative solution around what Mayor Robinson's landlord concern. He requested the AHC acknowledge or recognize that a large number of landlords are small landlords, and they are exiting the rental market as it became too burdensome or risky for them. He wondered if legislative priorities could acknowledge there are many types of landlords. He suggested landlords who owned four fewer units face a different set of policies.
- Chair Balducci noted a desire for revisions to the legislative priorities. She suggested staff add something about removing barriers or providing support for landlords or owners.
  - Mayor Robinson clarified she wanted to see something about collaborating with landlords to maintain housing affordability.
  - Chair Balducci suggested developing a policy, ordinance, or funding ask around it.
  - Chair Balducci emphasized that AHC staff should work with AHC members and noted that HIJT members may not always be in coordination with their respective AHC representative.
- Chair Balducci shared the legislative agenda seemed to long. She shared if the AHC wanted to accomplish something, they should pick their top priorities and get them done. Chair Balducci thanked the AHC for a substantive discussion on the proposed draft legislative priorities and requested AHC staff circulate the plan review update in writing to AHC members due to lack of time in the meeting.

## Adjourn

- Chair Balducci reminded AHC members the next AHC meeting would be held on October 2, 2025 from 2:00 P.M. to 3:30 P.M.
- Chair Balducci adjourned the September 4, 2025 AHC meeting.