

# Affordable Housing Committee Meeting

## Takeaways

January 30, 2020 | 5:00 – 7:00 p.m.

King County Housing Authority | 700 Andover Park W. Tukwila, WA 98188

### Attendance

Members & Voting Alternates	Present	Phone	Alternate	Members & Voting Alternates	Present	Phone	Alternate
Emily Alvarado	X			CM Jeanne Kohl-Welles		X	
CC Claudia Balducci	X			CM Ryan McIrvine		X	
Don Billen	X			CM Teresa Mosqueda			
Susan Boyd		X		Stephen Norman	X		
Alex Brennan	X			Michael Ramos	X		
Jane Broom		X		Mayor Lynne Robinson	X		
Caia Caldwell	X			CM Nancy Tosta	X		
Kelly Coughlin				Brett Waller			
CM Claude DaCorsi	X			Rob Wotton (for Kelly Coughlin)	X		X
Chelsea Hicks	X						

#### Non-Voting Alternates

Brooke Belman	X	
CM Zach Hall		
CM Marli Larimer		
Mayor Rob McFarland		
CP Tanika Padhye		X

\* CM = Councilmember, CP = Council President, CC = Council Chair

## Meeting Takeaways

### Welcome and Introductions

Council Chair Claudia Balducci welcomed the Affordable Housing Committee (AHC) members and reviewed the agenda.

### Meeting Minutes

The January 17<sup>th</sup>, 2020 AHC meeting minutes were approved.

### Study Session: Countywide Planning Policies (CPP): Issue 3

Staff gave an overview of the Growth Management Act, reviewed CPP takeaways from prior discussions with the Growth Management Planning Council/AHC and reviewed the timeline for drafting updates to the housing chapter.

Approved May 15<sup>th</sup>, 2020

Staff presented data showing the need for government intervention for housing affordable to those earning 0-30% AMI and disparities in cost-burden between races, ages, and geographic location.

The AHC Chair posed a question to the Committee:

***What types of strategies would better support the efforts of nonprofits, businesses, and jurisdictions to meet the need for households at 0-30% AMI?***

Committee members expressed overall support for the following strategies:

- Preserve manufactured home communities which house very low-income households such as seniors
- Develop structured layering of project-based Section 8 with inclusionary zoning, incentive zoning and Multi-Family Tax Exemption to maximize savings in keeping very-low income families housed. More savings per unit allows more of these families to become housed.
- Cities and the County should work with housing authorities to find ways to maximize the leveraging of federal subsidies
- Cities should coordinate with housing authorities on zoning needed to support housing typologies that serve 0-30% AMI
- Incorporate accountability measures into the CPPs to provide housing for 0-30% AMI households
- Ensure housing developers and manufacturers are involved in discussions to address the need for housing affordable to very low-income households. In Burien, a local community-oriented developer is constructing a building with affordable units (\$600 a month, affordable to those who earn above 30% AMI) without subsidy in exchange for supportive/flexible zoning and development regulations that lower the cost of development. Also, some manufacturers can build modular housing efficiently and pass those savings on in the form of lower rents.
- Consider ways to reduce the costs of market-rate housing like density bonuses, micro-housing, reduced parking requirements, and reduced road standards

Individual Committee members recommended the following strategies:

- Recommend cities set aside a portion of their capital budgets for affordable housing
- Begin with implementing flexible zoning, add developer incentives to achieve deeper affordability, and advocate for greater government support. Enact a requirement to provide housing for 0-30% AMI into funding sources.
- Proactively engage local neighborhoods at risk of displacement. Acknowledge that homelessness and housing are interrelated issues and the Committee can address homelessness by prioritizing housing at 0-30% AMI.
- Consider the barriers of suburban cities (i.e. lack of transit, lack of public will for affordable housing) when designing an approach for affordable housing in these cities
- Acknowledge that although zoning solutions mostly benefit the 80-125% AMI level, the money saved can benefit lower AMI levels. Consider opportunities to give 100% 0-30% AMI projects unique zoning capacity for greater flexibility in building that doesn't impact land values. Ensure people with vouchers can use them throughout the county via methods like education for

voucher holders and landlords, enforcement programs, and incentives to deal with security deposit concerns

- Prioritize expanding housing at 0-30% AMI to alleviate practices such as living in substandard housing and car ranching. Remove any unnecessary restrictions for people living in 0-30% AMI to promote agency. Focus on preservation of affordable housing. Develop model ordinances for cities to change zoning to decrease the market value of the land and increase the likelihood of residents able to buy the land and run the community as a co-op.
- Acknowledge the demand pressure that transit development brings to communities and encourage those who have a say in Metro funding to highlight this issue. Support cities to develop tools for implementing a community's vision around transit areas such as inclusionary zoning. Acknowledge that operating subsidy and capital cost are barriers to developing 0-30% AMI housing.
- Advocate for support from the federal government (i.e. ask for a new competitive grant program for cities to incentivize contractors to build 0-30% AMI or 0-50% AMI) that could create a local pot of money for cities to provide incentives for contractors
- Create housing options that cater to the unique and varying household demographics among 0-30% AMI households across the county (e.g. large families, seniors, veterans). Preserve existing housing stock. Consider unique strategies such as limiting parking in housing development around transit to disincentivize luxury housing and support housing at varying AMI levels.

#### **Study Session: Countywide Planning Policies: Issue 4**

Staff provided an overview of jurisdictional monitoring and adjustment after the 2012 CPPs and different frameworks for calculating affordable housing goals.

The AHC Chair posed a question to the Committee:

***What values should guide our understanding of affordable housing "need?" Should we seek to maintain a proportionate mix of all housing types for all income levels throughout the county or meet past and future cost burden?***

Committee members expressed overall support for the following strategies:

- The CPPs should focus on creating affordable housing goals that meet the need of past and future cost-burden for households earning at or below 80% AMI

Individual Committee members expressed the following considerations:

- Acknowledge that someone cost-burdened at 30% AMI is in a worse situation than someone cost-burdened at 100% AMI because they have a smaller financial cushion
- Acknowledge current cost-burden as well as past and future cost-burden
- Acknowledge that the Committee worked hard to gather the cost-burden data, so calculating affordable housing goals and needs based on that makes sense. The accountability to report on affordable housing targets is more important than the methodology to determine targets. Although it is easier to achieve targets set at higher AMI levels, there is a great need to serve lower AMI levels and there should be accountability in the CPPs to support that.

#### **Emerging Issues**

The Chair opened the floor for member announcements:

- Capitol Hill Housing is opening an affordable housing development of 110 units above the Capitol Hill light rail station. 1300 applications for housing have been submitted.
- The Housing Choice Voucher Section 8 waiting list opens on February 12<sup>th</sup> for two weeks. There were over 20,000 people on the list last time it was open in April 2017.
- Housing Development Consortium held a networking event for people working in the housing field.
- A few members participated in the the Association of Washington Cities “City Action Days” in Olympia to meet with legislators. They attended affordable housing and homelessness sessions and heard from many Washington cities facing the same issues. There was encouragement to create a combined effort to support the host of affordable housing bills being presented during the legislative session.

### **Legislative Session Update**

- Joyce Nichols from the City of Bellevue expressed the city’s disapproval of HB 2570. Though they agree with the substance of the bill to increase density, they do not agree with the requirement to preempt cities to make decisions locally on zoning issues. Local governments can find alternative ways to increase density.
  - There was a suggestion to exempt cities from the bill who have adopted a housing strategy and are already taking action to produce housing
- There was a statement that the region has failed to keep up with housing production and that cities must work together to produce results before telling the legislature they can produce housing on their own
- North Bend and Snoqualmie have concerns about scalability due to the size of their staff and resources. There is not a lack of trying or willingness, but there still a need for the region to alleviate some of the housing production burden.
  - There could be support with model ordinances and technical assistance
- There was a suggestion for bills that the AHC could support:
  - Good cause bill to eliminate evictions for no cause
  - Bill to better define damages that could prevent landlords from making up damages and indebting renters
  - Bill that provides an opportunity for manufactured housing residents to have time to get financing together to make a competitive offer to purchase their park
  - Bill that provides a 3-year notice that the manufactured housing park is closing
  - Bill about property tax foreclosures that eliminates interest and fees when someone has fallen behind on their property tax payments
- There was a request to take the temperature of suburban cities on councilmanic authority for modest increases in sales tax for housing purposes without voter approval
  - The Deputy Mayor of Auburn stated that they have three new councilmembers that may be more willing to support councilmanic authority than the previous council who always advocated for voter approval. They will report back.
  - The Bellevue Mayor is in support of councilmanic authority if a share of the large portion of sales tax that Bellevue contributes goes back into their community

- SHB 2343 is an extension of last year's HB 1923 to encourage cities to adopt different programs to add zoning capacity or take housing affordability measures. There is an opportunity to extend the deadline for cities to participate and a potential to add additional options to the list.
- HB 2570 asks cities and towns to allow attached accessory dwelling units on all lots. It limits owner occupancy, parking requirements, impact fees, and utility connection requirements to facilitate the production of ADUs. ADUs provide access to housing and jobs in areas where people may not afford to buy or rent. Another bill on missing middle housing allows triplexes and duplexes on certain city lots zoned for single family housing.
- HB 2907 is a business payroll tax worth following and could support those in the 0-30% AMI range or those in homelessness. Kirkland and Renton are asking for a HB 1406 time extension for local jurisdictions to implement their own local housing funding so they can access the sales tax.
- The Chair stated that the Affordable Housing Committee could come together to support a couple key pieces of legislation, but it doesn't have the ability to weigh in in time for this session. They could plan to do this for next legislative session.
  - Members agreed that October would be a good time to start this work
  - Members would complete the work over two meetings; one meeting would be spent coming up with ideas of key legislation to support, member constituencies would weigh in, and then agreement would be reached at the following meeting.