

# Affordable Housing Committee Meeting

## Minutes

September 30, 2020 | 1:00 – 3:00 p.m.

Zoom Meeting

### Attendance

Members & Voting Alternates	Present	Alternate	Members & Voting Alternates	Present	Alternate
Emily Alvarado	X		CM Jeanne Kohl-Welles	X	
CC Claudia Balducci	X		CM Marli Larimer	X	X
Don Billen	X		CM Ryan McIrvin	X	
Susan Boyd	X		CM Teresa Mosqueda	X	
Alex Brennan	X		Stephen Norman	X	
Jane Broom	X		CP Tanika Padhye	X	X
Caia Caldwell	X		Michael Ramos	X	
Kelly Coughlin	X		Mayor Lynne Robinson	X	
DM Claude DaCorsi	X		CM Nancy Tosta		
Chelsea Hicks	X		Brett Waller	X	
Thatcher Imboden	X	X	CM Girmay Zahilay	X	

### Non-voting Alternates

CM Zach Hall	X
Mayor Rob McFarland	X

\* CM = Councilmember, CP = Council President, CC = Council Chair, DM = Deputy Mayor

## Meeting Takeaways

### Welcome and Introductions

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

### Meeting Minutes

- The July 22, 2020 AHC meeting minutes were unanimously approved.

### Work Plan Item: Develop shared principles to guide individual member efforts to implement untapped and new revenue sources

- McCaella Daffern, Regional Affordable Housing Implementation Manager at King County, provided an overview of the revenue shared principles memo, including:
  - The scope and intent of the shared principles;
  - The cost modeling findings/scale of the need; and

Approved November 13<sup>th</sup>, 2020

- What informed the shared principles.
- One AHC member suggested reframing the cost modeling language to provide transparency that raising revenue alone will not build or preserve 44,000 units by 2024. Permitting, building, and other components of affordable housing development impact the ability to reach the 44,000 unit goal within the established timeframe.
- Council Chair Balducci posed the following question to the Committee and opened the floor for discussion:

***Are these the right principles to guide regional decision making about revenue over the next few years?***

- Committee members offered the following feedback:
  - Broad recognition that all levels of government should play a role in meeting the need, but there should be a continued emphasis on the role of local governments.
  - Local governments should utilize a race and equity lens to prioritize strategies to reduce disproportionate impacts on Black, Indigenous, and People of Color (BIPOC) communities. They should practice robust community engagement to develop the revenue sources. These ideas should be prioritized visually further up within the principles.
  - It would be helpful to know what revenue tools are available to raise the \$5 billion local share and whether advocacy needs to be done at the state level for more resources.
    - Staff shared that a portion of this work was done, and staff determined that implementation of a few select tools would raise \$1.6 billion by 2024 if enacted in 2021.
  - Encourage coordination and commitment between cities to implement revenue sources together since individual cities may be reluctant to move forward with taxes if their neighboring cities are not. This will support cities who may not have the resources or capacity to engage in revenue implementation individually.
  - Support should be provided directly to cities who lack human or capital resources to implement strategies to support affordable housing development and increase housing choices at all income levels.
    - Council Chair Balducci and staff agreed that the capacity and resource needs of cities to manage project demands could be better addressed through implementation committees after the revenue is identified.
  - A few members expressed broad support and appreciation for the revenue principles, particularly principles 1,2,4,6, and 8. One member applauded the inclusion of ongoing operating and services support.
  - There is an opportunity to add language to prioritize strategies to undo past harm to BIPOC communities, but no amendment was proposed.
  - One AHC member expressed that principle 2a could be problematic with the Committee discussion on HB 1590, a regressive sales tax. If the Committee moves forward with support for HB 1590, this would go against the language supporting implementation of new revenue tools that do not place a disproportionate burden on low-income households.

- The current language in principle 4 makes it seem like BIPOC community needs are equal across the county. BIPOC community needs differ subregionally and specificity should be added to address this. Local governments should work together subregionally to ensure that BIPOC community needs are met.
- Council Chair Balducci posed the following question to the Committee and opened the floor for discussion.

***How will we use the principles?***

- Committee members offered the following feedback:
  - The principles can assist with developing legislative priorities at the state level and maybe even federal level.
  - The principles can be shared with colleagues as a communication/advocacy tool to encourage others to support the actions addressed within the principles. The document is helpful for explaining the need and how the community can come together to work towards meeting the need. Every sector needs to play a role in addressing the resource gap.
- Council Chair Balducci posed the following question to the Committee and opened the floor for discussion.

***Does the Committee want to make a statement on specific revenue tools or is this level of specificity sufficient?***

- Committee members offered the following initial reflection on what she heard:
  - There is a desire to identify what additional revenue sources are needed to meet the \$5 billion dollar local share goal. Prior modeling shows there is a \$3.5 billion dollar gap and there is a need to identify and advocate for other revenue tools to close the gap.
    - Council Chair Balducci stated that this modeling is perhaps a next step and a roadmap for transitioning from principles to lobbying and implementation is needed.
    - Staff agreed that under the direction of the Committee, the HIJT could develop a roadmap for the work and build in assumptions to align with the principles. There is a gap remaining for identifying additional revenue tools that haven't been modeled before. Staff can work with the Chair to scope out the work better.
- The Chair reviewed next steps for the HIJT Revenue Work Group:
  - Revise the shared principles to reflect AHC feedback;
  - Share the revised principles with the Committee at the November meeting; and
  - The Committee votes to adopt the shared principles in November
- The Chair provided a summary of Committee feedback on the principles:
  - Local governments should utilize a race and equity lens to prioritize strategies to reduce disproportionate impacts on BIPOC communities. Practice robust community engagement to develop the revenue sources. Move this idea up further within the principles to prioritize visually.
  - There were various ideas for coordination and support for cities. Encourage coordination on implementation of tools to avoid unequal tax burdens across parts of

the county. Provide support directly to cities who lack human or capital resources to implement this.

- Within diverse communities across the county, there are various levels of need. Specificity should be added to the principles to address this. Local governments should work together subregionally to ensure that BIPOC community needs are met.

### **Health through Housing Proposal (House Bill 1590)**

- Mark Ellerbrook, Housing, Homelessness, and Community Development Division Director at King County, briefed the Committee on the Executive's Health through Housing Proposal.
- Council Chair Balducci provided an update on the status of the proposal.
- The Chair opened the floor for questions or comments. Members offered the following feedback:
  - Mark clarified that the legislation only addresses the construction of new affordable housing units. There will be a request to the state legislature to include acquisition in the statute to allow that action to occur.
  - It's important to ensure housing programs support the people in them so they have as much autonomy as possible. Many programs have countless unnecessary rules that pose barriers to vulnerable populations.
  - The City of Seattle recently funded 600 units of permanent supportive housing; they are eager to think about how HB 1590 efforts can be used to compliment efforts in Seattle to build a collaborative ecosystem around homeless housing.
  - A question arose about how decisions are made about siting. There may be opposition from cities to hosting these facilities. Cities are encouraged to step up and have these funds be used for acquisition in their cities.
    - Mark stated that working with local jurisdictions is in the statute. The new King County Regional Homeless Authority is operating under the goal that every city needs to play a role in addressing the homelessness crisis.
  - Broad support for this proposal was expressed from several members.

### **Work Plan Item: Countywide Planning Policies Housing Chapter Update**

- McCaela Daffern provides a brief overview of the health- and equity-focused framework found on pages 2-3 of the CPP memo. She also reviewed the timeline.
- Council Chair Balducci asked the Committee if the proposed framework is suitable moving forward. The Committee expressed a silent nod of support.

### **Draft 2019 AHC Annual Report**

- McCaela provided an overview of the goals of the 2019 AHC Annual Report.
- The Committee had no comments or questions related to the annual report.

### **State Legislative Priorities Sharing**

- Council Chair Balducci posed the following questions to the Committee and opened the floor for discussion.

***What is your jurisdiction's or organization's 2021 legislative priorities related to housing affordability? How can we best coordinate to have a strong joint message as a Committee?***

- The Sound Cities Association Caucus is not ready to share priorities yet but has been made aware of and generally support four of the South King Housing and Homelessness Partner's draft priority ideas. The SCA Caucus generally supports displacement protections, including implementation of statewide legislation that seeks to prevent displacement such as just-cause eviction. They support lifting the 1% property tax cap and increasing it to 3%. They support more resources for the state Housing Trust Fund. Lastly, they support the idea that the housing capital fund should provide direct funding to SKHHP and that a South King County housing capital fund should be established. These priorities are not all inclusive, not finalized, and will continue to evolve as more discussions take place.
- A Regional Coalition for Housing has not developed legislative priorities to share out yet.
- The East King Chambers Coalition already approved 2021 state priorities. Priorities include lobbying to expand Multifamily Tax Exemption to 20 years, creating incentives and penalties related to achieving Growth Management Act housing goals, creating incentives to encourage transit-oriented development, and rejecting proposals to authorize rent control.
- One member appreciates the inclusion of expanding Multifamily Tax Exemption but would like to see that in conjunction with a requirement for deeper affordability.
- The King County assessor will bring a proposal to advocate for a homestead exemption. Implementation of the proposal would result in progressive taxation so people with lower incomes or lower priced housing get a tax break.
- Seattle wants to protect the Housing Trust Fund from cuts and increase resources to it. The city supports Washington Low Income Housing Alliance's ask for \$250 million for the Housing Trust Fund. They would like an increase in operating, maintenance, and services funding that can support housing for the low-income, high-need communities. Different options are being explored like document recording fees. They support stabilizing and supporting renters and homeowners economically impacted by COVID through rental assistance, mortgage counseling, and foreclosure prevention. Seattle wants to ensure that these resources do not come out of a capital resource to expand affordable housing.
- One Committee member asked if there will be a conversation around federal legislative priorities since 2/3 of modeled funding plan is federal. The sooner the Committee starts to formulate a clear legislative message, the easier it will be to identify what is possible federally.
  - The Chair invited members to share proposals or ideas for federal priorities for the Committee to support after the meeting
  - The Association of Washington Cities Federal Legislative Committee will meet on October 22<sup>nd</sup> to begin their process for developing federal legislative priorities. Deputy Mayor Claude DaCorsi will pass those priorities along to the Committee once they are solidified.
- Futurewise is focusing on updating and strengthening the housing element of the Growth Management Act. They are advocating to increase accountability around planning for housing at all income levels. They propose adding two concepts to the framework for housing within comprehensive plans; one focuses on displacement and the other focuses on Affirmatively Furthering Fair Housing.

- The Chair reviewed next steps for 2021 legislative priorities:
  - Staff will analyze feedback received today.
  - As meetings to firm up priorities occur, staff will survey members for updates.
  - Staff will create a list of possible priorities the Committee may support.

### **Next Steps**

- McCaela announced that the Community Partners Table Request for Information will be released soon and the second dashboard preview event is scheduled for 10/22, 10am-12pm.
- Chair Balducci shared potential agenda topics for the next AHC meeting on November 13:
  - Review draft CPP Housing Chapter amendments;
  - Possible vote to adopt revenue shared principles;
  - Possible vote to adopt 2021 AHC work plan;
  - Revisit 2021 legislative priorities; and
  - Review and discuss AHC membership changes, renewals, and vacancies.