

King County Affordable Housing Committee Meeting Minutes

November 17, 2021 | 1:00 p.m. – 3:00 p.m.

Location: Zoom Meeting

Introductions

Members & Voting Alternates	Present	Alternate	Members & Voting Alternates	Present	Alternate
CC Claudia Balducci	X		Niki Krimmel-Morrison	X	
Don Billen			CM Reagan Dunn		
Susan Boyd	X		CM Ryan McIrvine	X	
Alex Brennan	X		CM Teresa Mosqueda		
Jane Broom	X		Stephen Norman	X	
Caia Caldwell	X		Michael Ramos	X	
Kelly Coughlin	X		Mayor Lynne Robinson	X	
DM Claude DaCorsi	X		CM Nancy Tosta	X	
Mark Ellerbrook	X		Brett Waller	X	
Robin Koskey	X				

Non-voting Alternates

CM Zach Hall	X
Deputy Mayor Nigel Herbig	
CM Marli Larimer	
CP Tanika Padhye	X
CM Dan Strauss	

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

Agenda Review

- The Chair acknowledged changing membership and provided reflections on Committee accomplishments over the last three years
- The Chair reminded the group that the Committee is grounded in the goal of building or preserving 44,000 affordable housing units by 2024
- The Chair reviewed the agenda and encouraged the Committee to rise to the challenge of scaling up affordable housing production to meet the goal

Action Item: Adoption of September 29, 2021 Meeting Minutes

- Vote to approve by Deputy Mayor Claude DaCorsi, seconded by Councilmember Nancy Tosta
- Approved

Action Item: Update 2022 State Legislative Agenda

- The Chair provided background on the draft 2022 state legislative agenda and informed members that proposed amendments were circulated in the meeting packet
- Councilmember Nancy Tosta moved the state legislative priorities forward, seconded by Mayor Lynne Robinson

Approved February 9, 2022

Amendment 1.1

- Stephen Norman moved amendment 1.1, seconded by Deputy Mayor Claude DaCorsi
- This amendment specifies support for creating permanent funding for affordable housing, like that proposed in a bill to eliminate a business and occupation tax deduction for financial institutions to fund affordable housing
- Amendment 1.1 adopted

Amendment 1.2

- Susan Boyd moved amendment 1.2, seconded by Stephen Norman
- This amendment specifies the amount of Housing Trust Fund increase sought and the source of funds
- Committee members discussed a modification to the amendment to provide flexibility in support of affordable housing services and production
 - “fund affordable housing” instead of “fund the production of affordable housing”
- Amendment 1.2 adopted with modification

Amendment 1.3

- Susan Boyd moved amendment 1.3, seconded by Mark Ellerbrook
- This amendment increases the income limit for new revenue to align with the Regional Affordable Housing Task Force’s focus on at or below 50% AMI
- Amendment 1.3 adopted

Amendment 1.4

- Alex Brennan moved amendment 1.4, seconded by Mayor Lynne Robinson
- This amendment adds a new priority on housing benefit districts
- Amendment 1.4 adopted
- One member commented that now that the Regional Homelessness Authority is stood up, the Committee needs more formal conversation with them on how to collaborate on legislative agendas and housing production
 - Kelly Rider, King County, chatted that she recently reached out to King County Regional Homelessness Authority staff regarding the state legislative priorities and will flag the AHC intersection specifically

Amendment 2

- Alex Brennan moved amendment 2, seconded by Mayor Lynne Robinson
- Amendment 2 adds a new priority supporting funding for communities to engage in comprehensive planning and make it clear that both policies are in support of implementation of E2SHB 1220
- Amendment 2 adopted

Amendment 3

- Susan Boyd moved amendment 3, seconded by Mayor Lynne Robinson
- Amendment 3 expands the ways in which the AHC supports housing stability to include financial support for low-income households

- Committee members discussed a modification to the amendment removing specific dollar amounts for an increase of Aged, Blind, and Disabled program payments. The precise number in the original amendment may be lower than what other groups are advocating for.
- Amendment 3 adopted with a modification to just say “increase” and remove specific dollar amount

Amendment 4.1

- Stephen Norman moved amendment 4.1, seconded by Councilmember Ryan McIrvin
- This amendment adds a new priority in support of a Real Estate Excise Tax Exemption for affordable housing in support of affordable housing preservation
- Amendment 4.1 adopted

Amendment 4.2

- Stephen Norman moved amendment 4.2, seconded by Deputy Mayor Claude DaCorsi
- This amendment adds a new priority in support of manufactured housing community policies that allow tenants and nonprofits the opportunity to purchase and require longer closure notices to tenants
- Amendment 4.2 adopted

Amendment 4.3

- Amendment 4.3 creates a new section if amendments 4.1 or 4.2 pass
- Amendment 4.3 adopted without discussion or a vote

Amendment 5

- Stephen Norman moved amendment 5, seconded by Mayor Lynne Robinson
- Amendment 5 adds a new section and priority in support of the Health and Homes Act
- Amendment 5 adopted

Amendment 6

- Alex Brennan withdrew his amendment due to member concerns that the scope extends beyond housing. He offered to meet with interested members to discuss HB 1099 legislation.
- The Chair offered to take this concept to the King County Council and advocate for its inclusion on their state legislative agenda

Overall 2022 state legislative agenda

- Motion passed with 12 votes in favor, 0 votes against, and 3 abstentions
 - Committee Chair Claudia Balducci, aye
 - Don Billen, absent
 - Susan Boyd, aye
 - Alex Brennan, aye
 - Jane Broom, aye
 - Caia Caldwell, abstain
 - Kelly Coughlin, aye
 - Deputy Mayor Claude DaCorsi, aye
 - Mark Ellerbrook, aye
 - Robin Koskey, absent

- Niki Krimmel-Morrison, abstain
- Councilmember Reagan Dunn, absent
- Councilmember Ryan McIrvine, aye
- Councilmember Teresa Mosqueda, absent
- Stephen Norman, aye
- Michael Ramos, aye
- Mayor Lynne Robinson, aye
- Councilmember Nancy Tosta, aye
- Brett Waller, abstain

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

- The Chair introduced the work plan item as a local strategy to increase and diversify housing choice and maximize affordability
- Janet Lee, King County, provided background on previous activity related to the work plan item
- The Chair proposed creating a sign-on letter for individual elected officials, advocates, and community members around the county. She reviewed framing and the proposed substance of the letter:
 - 2024 comprehensive plan represents opportunity to scale up the region’s response to the housing affordability crisis
 - Increase development capacity in specific places
 - Inclusionary requirements or incentives as part of upzoning
- The Chair asked members if the Committee should adopt a sign-on letter and then follow up with signatories to invite them to a convening to understand the opportunities in their communities
- Members discussed the following:
 - Lack of agreement that political will is the most important barrier to increasing and diversifying housing choice and maximizing affordability. There are cities that can create affordable housing, can’t create affordable housing, and those that won’t create affordable housing. This letter addresses cities that won’t create affordable housing. Cities that can’t create affordable housing don’t have the resources, funding, or staff to do so. Bellevue created non-mandated recipes for increasing affordable housing that may be beneficial to include on the Regional Affordable Housing Dashboard for replication in other cities. The dashboard should change to become more useable for cities and updated more regularly.
 - The Chair asked a clarifying question: Are you unsupportive of the sign-on letter approach or are you seeking modification?
 - The member disagreed with the premise and concept that single-family neighborhoods need to change to create affordable housing. Cities have unique conditions and can’t be mandated to adopt the same strategies. The member would be supportive of a modified letter, but it would take time to agree on the contents. They suggested possibly adopting a letter encouraging cities to adopt strategies on the modified dashboard.
 - An agreement from another member that there is no lack of political will, but rather fundamental resource constraints. The letter is shaming. Although 60 percent of their community is zoned for single-family and accessory dwelling units (ADUs) are allowed, not a lot of ADUs are developed. Affordable housing developers haven’t come into their community and they haven’t had support to make the ADU program more effective. The

member isn't supportive of the letter, doesn't think the letter would make an impact with their council, or that mandating strategies for cities will accomplish goals. Jurisdictions may benefit from understanding strategies other jurisdictions are doing and how they can replicate them rather than mandates.

- Another member agreed with the prior comments. The Committee should keep a collaborative spirit in finding regional solutions and focus on the dashboard. The member supports providing incentives for cities and providing model ordinances and tools rather than penalties. Cities need money for staff to develop incentive programs and land use changes. The state can help cities by streamlining processes to update development regulations. The more the Committee can foster collaboration and offer tools and support, the more encouragement jurisdictions will have to create affordable housing.
- Another member expressed lack of support for inclusionary zoning. When applied to small projects or townhomes, projects don't pencil so housing production decreases. Instead of mandatory, create voluntary regulatory and financial incentives, and be careful how this is applied this to smaller housing projects.
- A chat message suggesting a letter that just states "Do something significant in each city.....and hurry up". :)
- The Chair suggested drafting a letter striking a balance between "do something significant and do it fast" and specific strategy recommendations jurisdictions can include in their comprehensive plans to support affordable housing development. The AHC can react to a draft in between meetings and reassess strategy if needed. The Chair opened the floor for further discussion. Members discussed the following:
 - A chat message stating: Looking statistically, we should be able to come up with some sort of recommendation that 32% of a city's housing should be affordable to less than 80% AMI
 - A clarification that political will isn't the only or highest barrier, but political will is required to create resources and zoning that accommodates density. More must be done in cities and it does require political will. Resources are a political problem.
 - A comment that the dashboard makes sense to monitor progress and practice accountability. There is benefit to something that feels like a challenge. Putting out a goal and a bold statement through a letter can generate conversation and action. King County staff from an advocacy standpoint are limited in their involvement for this work plan item.
 - One member asked the elected officials on the Committee: "What are the best approaches to help you move this work plan item forward?" Members discussed the following:
 - A comment that every city will have a unique answer, but all cities need an accurate affordable housing inventory
 - An agreement with the prior comment. Cities need access to tools that work to advance affordable housing or increase ADU production. There is will, but cities need support in making affordable housing production happen.
 - A chat message linking to model ordinances for ADUs
 - An agreement with the first comment. More discussion of cities is needed on obstacles they are facing. A challenge letter isn't very impactful. Inclusionary housing will deter affordable housing. More of a communication effort is needed rather than a demand or mandate to do certain things.

- A chat message that the biggest inflection point—and presumably area of "challenge"—is the intersection with populations currently or at risk of experiencing homelessness. This is where a conversation with the King County Regional Homelessness Authority that Kelly Rider is beginning might be fruitful and lead to some proposed joint outcomes and incentives.
- The Chair stated she would create a draft, work offline with select Committee members who will stay on board next year, and present something at the next meeting
- Following closure of this agenda item, some offered a comment in the chat—some East King County cities are focused on building up their dense/affordable/urban centers connected to transportation/ human/business services, but developers can't or won't partner/build in those areas (doesn't pencil out, etc.). It might be easier to allow additional development capacity in single-family neighborhoods, but those neighborhoods aren't connected to any of those kinds of services at this time. We're committed to good urbanist policy/best practices in city planning, but it's hard. I'd love to learn more from committee members about how partnerships with developers can better serve community interests in this way.
- A chat message building on the previous comment—as a jurisdiction that has tried to do the right things in terms of zoning and has also put in place an Affordable Housing Demo Program that hasn't had as much interest as we'd hoped - it would be extremely helpful to better understand what it takes for developers to be willing to step up. Is the "penciling out" always the issue? Are there any incentives or other actions we can take locally that would enhance developer interest?

Discussion: Community Partners Table

- Sarah Ballew, Headwater People, provided an overview of proposed membership for the Community Partners Table and opened the floor for member discussion. Members discussed the following:
 - A chat message that the group is great
 - A question about who will represent the immigrant/farmworkers perspective in Snoqualmie Valley
 - Matt Hayashi, Headwater People, offered that Centro Cultural Mexicano may be able to speak to that perspective. There are many populations who will not be able to have specific representation on the Table. Matt will talk to the proposed membership organizations to clarify if the immigrant/farmworker perspective is represented.

Discussion: Advance Shared Revenue Principles

- The Chair reminded the Committee that she asked members from Seattle and the Sound Cities Association to identify an action(s) that they and their subregional collaborations (ARCH and SKHHP) will take to rapidly increase the preservation and production of permanent affordable units by deploying available revenue sources. The Chair opened the floor for discussion:
 - Angela San Filippo, South King Housing and Homelessness Partners (SKHHP), presented on SKHHP actions, including:
 - Standing up a local capital fund for affordable housing South King County

- Standing up an advisory board to amplify community voices and provide funding allocation recommendations for the local capital fund. They held their first meeting in November.
 - Working on administrative structures such as funding schedules, eligible applicants and activities, types of funding awards, reporting requirements, and evaluation criteria to administer the local capital fund
 - Will start to work with public funders and other partnerships to increase investment into affordable housing. They will pursue a 501(c)3 branch to partner with philanthropic donors and corporate investors.
 - Lindsay Masters, A Regional Coalition for Funding (ARCH) presented on recent ARCH actions, including:
 - Approved \$5 million in contracts from 2020 funding round
 - Published \$5.7 million in pooled city funds for 2021 ARCH funding round (June)
 - Published \$6 million in Bellevue HB 1590 funds (August)
 - Recommendations for all published funding rounds expected in December
 - Closed on \$5.7 million in financing for master development at Eastgate
 - City of Bellevue approved \$4 million investment for acquisition of 36 new public housing units
 - City of Kirkland approved \$2.5 million for land acquisition in Totem Lake neighborhood
 - Challenges include: overall resource constraint, development cost, and coordination challenges
 - Next steps
 - ARCH Board to discuss an early 2022 funding round to deploy any remaining resources
 - ARCH coordinating with Housing Development Consortium on preliminary assessment of Eastside housing levy
- The Chair stated that she would follow up with Lindsay on questions and King County's role in the work

Wrap-Up and Next Steps

- The Chair wrapped up with a few announcements:
 - The Committee will focus on additional work for the Countywide Planning Policies next year
 - Thank you to the members who filled out the work plan and committee functioning survey. The Committee will address goals at the beginning of next year.
 - Members should complete a forthcoming meeting poll to determine when to meet next
- The Chair allowed outgoing Committee members to offer departing reflections