

Affordable Housing Committee Meeting Notes

July 30th, 2019 | 1:00 – 3:00 p.m.

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

Agenda

Goal: Review and discuss a possible recommendation for implementing House Bill 1406 and discuss Committee member priority actions for a 2019-2020 work plan.

- Committee Procedures
- Housing Interjurisdictional Team Update
- Implementing House Bill 1406
- Work Plan

Attendance

Members	Present	Phone	Alternate	Members	Present	Phone	Alternate
Patricia Akiyama	X			CM Larry Gossett	X		
Emily Alvarado	X			Chelsea Hicks	X		
Mayor David Baker	X			Nicole Valletero Keenan-Lai	X		
CM Claudia Balducci	X			CM Jeanne Kohl-Welles	X		
Mayor Debbie Bertlin	X			Stephen Norman	X		
Don Billen	X			CM Mike O'Brien			
Susan Boyd	X			CM Nancy Tosta	X		
Jane Broom	X			Brett Waller		X	
Kelly Coughlin	X			Bryce Yadon	X		
CM Claude DaCorsi	X						

Non-Voting Alternates

Mayor Ken Hearing	X	
CM Marli Larimer	X	
CM Ryan McIrvine		
DM Lynne Robinson	X	

* CM = Councilmember, DM = Deputy Mayor

Decisions

- The Chair will write a letter summarizing the discussion points/considerations of HB 1406 from Committee members and will circulate it to Seattle and other city councils
- The Committee will formalize their HB 1406 implementation recommendations at the September 20th meeting

Approved September 20th, 2019

- Committee member priorities for the 2019-2020 work plan will be organized by the September 20th Affordable Housing Committee meeting

Action Items

Action Item	Assigned	Due
Refine the HB 1406 Recommendation Statement based on Committee member feedback	HIJT	Aug 20 th
Adopt a finalized HB 1406 Recommendation Statement	AHC	Sep 20 th
Summarize the discussion on Committee member work plan priorities to make progress on work plan adoption	Staff	Aug 20 th

Meeting Minutes

Welcome and Introductions

- The Chair, Councilmember Claudia Balducci, welcomed the Affordable Housing Committee members and provided an overview of the agenda
- Affordable Housing Committee members introduced themselves

Meeting Minutes

- Mayor Debbie Bertlin moved to approve the meeting minutes from June 21st, 2019, and Councilmember Nancy Tosta seconded the motion
- The June 21st, 2019 meeting minutes were approved 19-0

Committee Procedures

- The Chair explained the following Committee procedures:
 - Alternate member engagement: alternates can sit at table and engage in discussion with Committee members but must abstain from voting, unless their respective Committee member is absent
 - Expedited decision making: Committee members should email their issue proposal to the Chair, Vice Chair, and McCaella at least one week in advance of the meeting, then follow the necessary steps outlined in the PowerPoint slide. The Chair shared that the Committee could explore alternative methods if necessary
 - Emerging issues: Ten minutes will be reserved on future agendas for members to introduce emerging issues or make announcements
 - 2019-2020 meeting schedule: The Affordable Housing Committee meeting dates for 2019-2020 were announced. The Chair solicited meeting location suggestions from Committee members and reminded members to let their alternates know if they can't make a meeting
 - Rules of engagement: The expectations and ground rules for engaging with one another were explained.

Housing Interjurisdictional Team (HIJT) Update

- McCaela Daffern reviewed the current list of HIJT members and HIJT member characteristics
- McCaela solicited suggestions from Committee members for additional HIJT members with an expertise in equity and social justice, expertise in the goal areas of the Action Plan, and geographic diversity

Implementing House Bill (HB) 1406

- Lindsay Masters gave an overview of HB 1406 in relation to the potential use of funds, tax credit rates, projected annual revenue by sub-region and countywide, and cumulative impact of revenue
 - There is flexibility in the use of funds for acquisition, rehabilitation, or construction of affordable housing units, as well as rental assistance or operations and maintenance
 - Funds may only be used for housing and services for populations earning up to 60% of the county median income
- The Chair opened the floor for discussion on implementing HB 1406 with regards to pooling funds
 - Stephen Norman stated a challenge with having balkanized funding and mentioned it may be worthwhile to have a discussion of pros and cons of all jurisdictions pooling funds into a single county-wide pot of money
 - Emily Alvarado stated that one of the actions of the “Housing Seattle Now” plan is to immediately implement HB 1406 with a focus on building and supporting households experiencing homelessness. She emphasized the need to ensure the actions of the Committee are collaborative
 - The Chair suggested a recommendation of jurisdictions implementing HB 1406 to work together under the same set of rules for investment priorities
 - Chelsea Hicks wanted to make sure this model can still address the needs of different geographic areas and populations
 - Councilmember Claude DaCorsi mentioned that in prior discussions, pooling their funds with SKHHP seemed like the way to go, but that councils would appreciate information about a larger pool with the opportunity to review how it would benefit the region and cities. He mentioned a priority for leveraging money the best way possible
 - Don Billen stated that affordable housing developers often piece together multiple pots of funding for a project, so eliminating rules on this source of funding may reduce barriers. ARCH, the City of Seattle, and other entities distributing the funding could use their expertise to figure out how to most effectively use this increment of money
 - Deputy Mayor Lynne Robinson expressed interest in seeing a model for Stephen’s recommendation for a single, regional pot of money. She would like to see who oversees the money, who allocates what gets built, and where the funding goes. She stated that the King County Housing Authority (KCHA) and City of Seattle have done these projects before, but that KCHA may be the one entity that can move fast enough
 - Lindsay Masters mentioned that there are regional funds managed by interlocal agreements and that the Joint Recommendations Committee is the decision-making body for county-wide funds. She stated that ARCH is modeled under a different approach where a smaller group of cities is at the table which allows for easier collaboration

- Mayor David Baker stated that Kenmore chose to pool their money with ARCH in addition to what they already contribute since it provides the most value for their money and works best for their communities in terms of housing unit production
- Nicole Vallesterio Keenan-Lai addressed the issue of every region having different needs, however she emphasized that she is in support of pooling funding while still meeting the needs of each region. Nicole recommended exploring the Equitable Development Initiative for Seattle since it addresses social equity needs in development and allows for more accountability and more stakeholders to get involved
- The Chair presented the draft HIJT recommendations for use of HB 1406 funds including:
 - Funds should be prioritized for 0-30% AMI projects and King County should offer an incentive through its capital fund request to encourage jurisdictions to do this
 - Jurisdictions should consider racial and ethnic groups with high cost burden and/or communities at risk of displacement in the use of these funds
 - Jurisdictions should pool funds to the extent possible with existing sub-regional collaborations or new partners
- The Chair summarized key discussion points including:
 - The Committee should look at a different model for how funds could be distributed
 - Look to the Seattle Equitable Deployment Initiative or similar efforts to see how that will impact Committee recommendations
 - Minimize the amount of strings placed on the money
- The Chair opened the floor for discussion around prioritizing construction and preservation of affordable homes for households earning less than 30% AMI
 - Susan Boyd shared that housing for 30% AMI or below requires ongoing subsidies, operations, and maintenance which is a challenge. She emphasized that the Task Force Action Plan focuses on 50% AMI or below. She argued for more flexibility, incentivizing at 50% AMI or below, or not incentivizing at all
 - Deputy Mayor Robinson saw value in aiming at 50% AMI or below and combining that with an incentive for 30% AMI or below
 - Mayor Debbie Bertlin shared that building at 30% AMI is very difficult in the region. She shared the discussion that occurred at the Sound Cities Association caucus, where consensus resulted in targeting 50% AMI or below but prioritizing 30% AMI and incentivizing it. By focusing on 30% AMI, areas like Mercer Island could be excluded due to sheer cost
 - The Chair summarized that the Committee recommends a coordinated approach to serving households at or below 50% AMI, but to the extent possible reducing that to 30% AMI with incentives from King County
- The Chair opened the floor for discussion around displacement
 - Nicole reiterated checking out Seattle's Equitable Development Initiative and that the HIJT could speak with department staff who are moving that work forward. The HIJT could take those learnings and refine the Committee recommendation
 - The Chair offered the following statement to capture Nicole's suggestion: " We are recommending that jurisdictions deploying these funds should explore ways that the funds could be used to protect communities of color and low-income communities from

displacement, and that they should look to successful models like the Seattle Equitable Development Initiative in order to determine how best to accomplish that.”

- Councilmember Larry Gossett stated that the most disadvantaged people are at 30% AMI or below and are mostly people of color, are the most oppressed, and need the most resources. He emphasized that policy prescriptions must be fashioned in a way to prioritize these populations since historically they are not served very well. As a politician, he knows compromise is a must. He stated that policies need to reflect a stronger commitment and that there is a need to find more creative ways of serving these populations
- The Chair laid out possible policy recommendations statements:
 - There should be prioritization towards construction and preservation of affordable homes for households earning less than 30% AMI. Acknowledging the potential limit of deployment of these funds due to challenges, there should be flexibility to move up to funding for 50% AMI or lower
 - Jurisdictions deploying these funds should explore ways that the funds could be used to protect communities of color and low-income communities from displacement in gentrifying areas, and that they should look to successful models like the Seattle Equitable Development Initiative in order to determine how best to accomplish that
 - King County should incentivize construction and preservation of affordable homes for households earning less than 30% AMI
 - Jurisdictions should pool funds to the highest extent possible, ideally as one regional source but sub regionally if not possible
- Emily Alvarado mentioned the Task Force recommendations included recommendations around advocacy at state level, so the Committee may want to think about what message to send to the state so that they provide additional tools for affordable homes
 - The Chair mentioned that legislative messaging may be a great task for the HIJT
- Jane Broom stated that the Committee should focus on areas of most immediate need where money can be used the fastest, so the Committee can go back to legislature and show successful results. She also mentioned it may be easier to start at a target of 30% AMI and go up to 50% AMI if needed
- The Chair opened the floor for discussion for Jane’s comment on speed in deploying the resource effectively and quickly in order to meet the housing need
 - Mayor Debbie Bertlin agreed that speed is necessary
 - Councilmember Nancy Tosta also said speed should be a focus with the caveat of uncertainty around who is ready to build at 30% AMI
 - Councilmember DaCorsi agreed that speed is critical since showing success stories to legislature is important
 - Nicole emphasized that the Committee should prioritize the preservation of existing affordable units since rushing to build new units could do harm by not following an equitable process
 - Councilmember Jeanne Kohl-Welles advocated for speed with the caveats discussed, addressing that delays increase costs, and mentioning that she would like to include immigrants and refugees in the definition of communities of color

- Deputy Mayor Lynne Robinson iterated that speed is important and that there should be a focus on housing preservation and prevention of homelessness since it is a part of displacement
- Mayor Ken Hearing stated that speed and preservation are synonymous
- Stephen Norman asked about bonding in relation to being able to go to the legislature to show the deployment of future funds effectively
- Chelsea Hicks agreed with speed and mentioned the fastest option would be to use funds for rental assistance in cities with populations less than 100,000. She proposed an idea for an alternate recommendation for smaller cities addressing this, along with a recommendation on how outcomes (e.g. “homelessness avoided”) are tracked and reported. That way data could be gathered easily and provided to legislature when asking for funding
- The Chair wrapped up the discussion on HB 1406 by addressing next steps
 - The Chair proposed writing a letter within the next two days, summarizing the discussion points/considerations of HB 1406 from Committee members and circulating it to Seattle and other city councils. The Committee will formalize their recommendations at the September 20th meeting

Workplan

- The Chair reviewed the Post-it Note Exercise takeaways and Affordable Housing Committee Work Plan Survey results
 - Goals 2 and 6 from the Action Plan emerged as priorities
- McCaela presented on HIJT input around thoughtfully centering equity in the Affordable Housing Committee and a need for establishing an equitable accountability structure
- The Chair reviewed the proposed 2019-2020 work plan with a focus on building accountability and taking action
- The Chair explained that Committee members would proceed to identify a list of ten or so priority actions from the Action Plan today, vet those actions with the community and stakeholders, and then narrow down the list to 2-4 actions by January 2020
- The Chair opened the floor for discussion on Committee member priorities for the work plan
 - Bryce Yadon prioritized Goal 6, 5, and 7
 - He asked how the Committee will achieve better housing diversity in high opportunity areas
 - He emphasized the need to display where housing developments are going on the dashboard, what is being preserved, and how to ensure the communities are preserved
 - Nicole Vallesterro Keenan-Lai prioritized prevention of displacement
 - She mentioned the San Francisco model of preserving affordable housing by rapidly purchasing it as it goes on sale, encouraging cities to remove language around blight removal, reconceive what is considered a blight, and ways to encourage jurisdictions to speak to and engage with populations they may displace
 - Chelsea Hicks advocated for more housing set at 30% of tenant’s income via Section 8 or Housing Choice Vouchers, or entire buildings set at rental rates of 30% of tenant’s income.

- She also identified a need for more tenant protections around barriers to housing, like evictions on records, judgements from former landlords, and criminal records
- Stephen Norman prioritized preservation and production of affordable housing. To meet the goal of 44,000 units over the next five years, 9,000 units would need to be built or preserved a year, which cannot be accomplished given existing resources. The Committee needs to:
 - Take advantage of the booming economy and push for aggressive inclusive zoning because affordability opportunities are lost when luxury housing goes up
 - Develop an aggressive federal lobbying agenda and find allies in other jurisdictions
 - Councilmember Nancy Tosta prioritized:
 - Keeping people in their homes through rental policies, rental assistance, preserving existing housing, displacement prevention, etc.
 - Increasing availability of housing by looking at church property, streamlining permitting, and changing zoning to enhance density
 - Figuring out how to implement Goal 6 from the Action Plan regarding increasing opportunities for homeownership
 - Advocating for federal dollars
 - David Baker stated a priority of finding sources of funding for smaller cities
 - Councilmember Marli Larimer stated a priority for serving seniors, preservation of mobile homes within the senior population, and different ownership models to build intergenerational wealth. She also wanted to ensure suburban communities get a slice of the pie in funding for affordable housing
 - Kelly Coughlin also prioritized serving seniors, housing for farm workers, and finding solutions for businesses suffering from a lack of workers
 - Councilmember Claude DaCorsi prioritized the promotion of opportunities of homeownership, workforce housing and moving them into home ownership, preservation, federal advocacy, and cost-effective modular housing that can be developed rapidly
 - Jane Broom brought a process perspective of focusing on building off of work accomplished with the Work Plan Survey results. She expressed the need for regional planning, simplifying zoning and regulatory processes across the region since there is complexity from city to city on various policies, focusing on density near transit, building work with equity at the center, starting by engaging people in the communities who are left out, and then building in speed
 - Mayor Ken Hearing prioritized serving seniors since they have such an affordable housing need. He mentioned that TOD projects often displace affordable housing and that workforce housing needs to be in every jurisdiction to reduce traffic congestion
 - Brett Waller mentioned that the Committee should focus on discussion around just-cause evictions so that there is a consistent policy across the County
 - Councilmember Jeanne Kohl Welles prioritized Action Plan Goal 4 regarding increasing tenant protections, just-cause eviction, and caps on rental increases
 - Susan Boyd prioritized raising money for housing through local and state governments in addition to the federal government and building political will to generate resources
 - Emily Alvarado prioritized actions under Action Plan Goal 2 regarding raising funds through local, state, federal, business and philanthropy
 - Councilmember Larry Gossett prioritized an equitable process to achieve goals in creating affordable, decent shelter for King County residents

- Don Billen prioritized Goal 6 Strategy B “Decrease costs to build and operate housing affordable to low-income households.” He suggested not attaching too many requirements to new funding resources because they drive up project costs
- Mayor Debbie Bertlin also prioritized Goal 6 Strategy B “Decrease costs to build and operate housing affordable to low-income households.” She suggested looking at Ruckelshaus and Vision 2050 for reporting on control and funding issues in order to play into long-term strategies and roadblocks
- Patricia Akiyama prioritized developing a community wide understanding of the need for affordable housing where everyone accepts housing of all types everywhere. She also mentioned eliminating single-family zoning
- The Chair prioritized applying ideas like resource deployment, avoidance of displacement, and preservation in opportunity areas around transit oriented-development

Next Steps

- Organize Committee member work plan priorities
- Develop equity foundation
- Develop data dashboard
- The next Affordable Housing Committee meeting is on September 20th, 2019, location TBD