

JOINT RECOMMENDATIONS COMMITTEE (JRC) MEETING
March 28, 2019
9:30 AM - 11:30 AM
King County South Treatment Plant Cedar River Training Center
1200 Monster Road SW, Renton, WA 98057

Members Present:

De'Sean Quinn, Councilmember, City of Tukwila, JRC Chair (Sound Cities Association)
Ken Hearing, Mayor, City of North Bend, JRC Vice-Chair (Sound Cities Association)
Clyde Hill, SeaTac Councilmember (Sound Cities Association) *via telephone*
Mark Ellerbrook, Division Director, King County Department of Community and Human Services (DCHS)
Susan Oxholm for John Taylor, King County Department of Local Services
Alaric Bien, Senior Planner, City of Redmond
Colleen Brandt-Schluter, Community Services Manager, City of Burien
Arun Jain, Asst. Director, Community Development, City of Bellevue
Joy Scott, Human Services Manager, City of Auburn
Laurie Olson, Lending Manager, City of Seattle Office of Housing

Members Not Present:

Chris Ross, Councilmember City of Sammamish
Jim Chan, Division Director, King County Permitting

King County Staff:

Jackie Moynahan, Capital Programs Manager, HHCDD
Kathy Tremper, Coordinator, Community Development Program, HHCDD
Nicole Washington, Housing Finance Program Manager, HHCDD
Andrea Smith, Project/Program Manager, Community Development Program, HHCDD
Quincy Williams, Project/Program Manager, Housing Finance Program, HHCDD
Isaac Horwith, Affordable Housing Policy Analyst, Housing, Housing Policy and Special Projects, HHCDD
Al DAlessandro, Business and Finance Officer, Housing Finance Program, HHCDD

Guests:

Lauri Anderson, City of Kenmore
Janet Best, City of Des Moines
Denise Catalano, City of Bellevue
Lori Fleming, City of Burien
Merina Hanson, City of Kent
Stacy Hansen, City of Tukwila
Diane Utecht, City of Renton (Alternate)
Christa Valles, Sound Cities Association
Jeff Watson, City of Federal Way

I. **Welcome** Chair opened the meeting at 9:30 a.m.

II. **December 7, 2018 Meeting Minutes**

Review December 7, 2018 Meeting Minutes

Chair De'Sean Quinn asked if anyone had corrections or modifications to the draft December 7, 2018 meeting minutes as presented in the JRC packet. Joy Scott advised that Merina Hanson (Kent) will not be rotating on as a JRC member and that she would maintain her place as a JRC member.

MOTION: Chair De'Sean Quinn made a motion to accept the meeting minutes as corrected. Vice Chair Ken Hearing seconded the motion. The motion passed unanimously.

III. Election of 2019 JRC Chair and Vice Chair

Attachment B.1 and B.2

Vice Chair Ken Hearing nominated Chair De'Sean Quinn as Chair of the JRC for 2019. The nomination was accepted and passed unanimously.

Chair De'Sean Quinn nominated Vice Chair Ken Hearing as Vice Chair of the JRC for 2019. The nomination was accepted and passed unanimously.

The 2019 JRC Meeting Calendar was reviewed. Chair De'Sean Quinn and Clyde Hill advised of a conflict with their schedules for the May 23rd meeting. Vice Chair Ken Hearing advised that a different date may have to be selected in the best interest of having a quorum. Kathy advised that all meetings would be held at the King County South Treatment Plant Cedar River Training Center in response to Joy Scott's inquiry regarding the location of future meetings.

IV. Public Hearing – Housing and Community Development Needs

Attachment C – Info Item All

Chair De'Sean Quinn opened the public hearing for citizen comments regarding community development and housing needs in King County as part of the two (2) public meetings required annually. Kathy advised that the next public hearing will be in September (26th) when the allocation award process takes place.

The public hearing was closed with no comments from the public.

V. King County Consortium Consolidated Annual and Evaluation Report (CAPER)

Attachment D – Info Item All – *Isaac Horwith*

Isaac provided the 2018 CAPER highlights and accomplishments. Reporting of the CAPER to HUD is in movement. Kathy will send a link to the 2018 CAPER to all JRC members.

VI. JRC State and Federal Legislative Priorities for 2019

Info Item All – *Al DAlessandro*

Al advised that the Federal budget is underway and there are increases in Section 8 vouchers.

The overall State budget is not good; there is a structural problem with the State's budget; even though revenues are increasing, it is not enough, which makes it hard to get some things through the budget. The 1% sales tax option for behavioral health and housing died on the House floor. HB 1406 to take a portion of the State's sales tax for housing passed the House and is in the Senate now. It is at 2% with a revenue sharing component that provides flexibility for cities and counties to share in revenues. Cities can get half unless they have a levy or some other program in which case they can get all of the tax within their City.

Both budgets were released regarding increasing the trust fund to a minimum of \$200M. The trust fund in the House came out at \$150M with buckets for certain types of housing and about \$40M in set asides for specific projects; some of which will be allocated to King County. The Senate is a little better at \$175M with buckets for services for chronic mentally ill and developmentally disabled; as well as approximately \$75M for general affordable and homeless housing projects statewide.

Al advised that the Department of Congress is administering the funds in response to Vice Chair Ken Hearing's inquiry.

There is a progressive rebill that would increase the repayments for housing that sells at a certain price. The general impact would generate about \$400M as a dedicated funding source for the housing trust fund. It showed up as a general fund resource in the House budget; not under the trust fund. Advocates are working to clarify that.

The House operating budget increased the cash grant for ABD (Aged, Blind, or Disabled) and HEN (Housing and Essential Needs) participants in the amount of \$12M; not the \$56M anticipated to address the statewide backlog.

HB 1453 that would improve statewide eviction projections is moving along with good dialogue between landlords and housing advocates.

Colleen Brandt-Schluter inquired if HB 1656, Just Cause, had passed. Al advised that it did.

VII. Housing Finance Program 2019 Capital Funding Round for 2020

Attachment E – Action Item All – Nicole Washington

To date 20 pre-applications from developers have been received; 4 are rehabilitation projects; 15 are new construction; and 1 is a homeownership development. Seven in the City of Seattle and others are across the County. The deadline has been extended through June 2019. Staff will be meeting with applicants who has submitted applications between April through June. The budget is estimated at \$30M with some funding from the \$100M TOD (Transit Oriented Development) set aside.

Vice Chair Ken Hearing inquired if the motel tax could be used for housing as he understood the use to be for tourism. Nicole advised that there is a set aside for housing in that tax and KC is pending receipt of those funds.

Susan Oxholm inquired about how the locations are determined and whether HFP identifies locations. Nicole advised that application opening and process are shared via the existing database of developers and partners as well as the Consortium.

Jeff Watson inquired about conversations regarding other projects that developers are not ready to apply for and how that is being handled. Nicole advised that the pre-application process is still open and has encouraged potential applicants to meet with the HFP staff for technical assistance. Jackie added that as the pre-application period progresses, it is expected that more interest will rise on the last day of the pre-application period.

Joy Scott inquired if there are any trends in the applications for rehabilitation versus new construction. Nicole advised that of the 20 pre-applications received to date, projects were identified in New Castle,

Seattle, Kirkland, Shoreline, and Vashon and would be happy to provide additional information via email.

Chair De'Sean Quinn inquired about extending the application date. Nicole advised that the application initiated in February with a March 9th deadline and was already extended through the end of June to secure more projects throughout the County.

VIII. Consolidated Plan and Fair Housing Plan Update

Attachment F – Information - Isaac Horwith

Isaac Horwith advised that the King County Consortium is at the end of the 2015-2019 Consolidated Plan and is in the process of developing the 2020-2024 Consolidated Plan. He gave a brief overview of the Consolidated Plan and advised that the plan for 2020-2024 will be largely informed by the previous plan as well as other plans throughout the County for alignment. He encouraged attendees to share any plans and strategies used within their jurisdictions.

Susan Oxholm shared that the County's Comprehensive Plan is engaged in a sub area planning process in Skyway that could be informative for the Consolidated Plan.

Isaac further advised that the three goals of the Consolidated Plan will not change; however the language will be updated. Another component of the Consolidated Plan is the Analysis of Impediments (AI) to fair housing choice resulting from the Federal Fair Housing Act that placed a duty on all government agencies to affirmatively further fair housing by identifying the barriers to fair housing choice. A fair housing discrimination testing contract is underway.

Chair De'Sean Quinn inquired if voices are being heard with regards to this. Isaac advised that public outreach efforts are underway and encouraged attendees to share with their respective organizations. Demographic analysis and code reviews will be conducted to see what impacts they have on housing. There is a meeting in Auburn on April 1st with additional meetings in July to gather feedback on the Consolidated Plan on the AI. The plan is due to HUD in November.

Susan Oxholm added that the Office of Equity and Social Justice has some of the work done in terms of demographics.

Isaac shared a midpoint report from the Fair Housing Center of Washington, regarding the fair housing testing.

Merina Hanson inquired about access to the data boundaries. Isaac advised that the data is still under review but thus far has not yielded a significant change.

IX. Community Development Program 2019 Capital Funding Round for 2020

Attachment G – Information Item CDBG Consortium Cities Only – Kathy Tremper

Kathy Tremper reviewed the Community Development's 2020 allocation process timeline. The process has been extended this year and technical assistance workshops will be held in March through May. Final applications are due May 31, 2019. The evaluation process will be held in June and July.

Action Item – Adopt Priorities established at Consortium-wide Meeting

At the February 25th Consortium-wide meeting priorities were discussed; however, a decision was not made regarding priorities for the N/E. The South agreed to have an open competitive process. There is a timeliness concern and funding should be expended rather than going back to HUD. Allocated money should not be rolled over to the next funding cycle. Jackie added that the 40% set aside in the N/E that runs through the ARCH allocation process to select a housing project ran last year and did not have a viable project apply so there is no project to attach that funding to. What happens to those funds will be a part of the decision making process in the next couple months.

Kathy advised that the funds being referenced are those funds are at the bottom of the waterfall. Requests for feedback for the allocation of funds in the N/E were made and received from Clyde Hill to stay as is with further discussion; Lindsay Masters to stay the same and with further group discussion; and Lauri Anderson to keep updated on the coordinated response.

Vice Chair Ken Hearing inquired if ARCH is subjected to the same auditing requirements for CDBG funds as the County. Jackie advised that the funds are tied to the Consortium so the County is ultimately responsible for the audit.

Vice Chair Ken Hearing Ken commented that his concern is the overall allocation of the waterfall with limited funds to begin with and ARCH is not held to the same competitive process.

Susan Oxholm echoed the Vice Chair's comments in representation of the unincorporated areas of the County that represented 250k residents.

Chair De'Sean Quinn clarified that the JRC is tasked to make decisions regarding situations like this and is prepared to do so. Kathy mentioned that the requests has been to provide additional time to discuss options. Jackie mentioned that the discussion should take into account the status of the 2019 funds as well as the 2020 allocation process at least by the May 23rd meeting in order to continue the process to determine allocations.

Lauri Anderson advised that ARCH does not meet frequently; however, the Executive Board has the discussion set for their next meeting and time is needed to review the impact of a change.

Chair De'Sean Quinn advised that this is an opportunity for the JRC to make decision and a special meeting should be scheduled between now and the May 23rd meeting to gather the full committee in making that decision. Kathy clarified which JRC members are to be present at that meeting.

A tentative date is scheduled for April 25, 2019; time and place to be determined.

Kathy advised that the County attorney cleared the meetings to be held via Skype.

**X. Information, Round Table
Greenbridge Section 108 Update – not discussed**

ADJOURNED: at 11:00 am

Next Meeting: May 23, 2019

Location: King County South Treatment Plant, Black River Conference Room