

Regional Affordable Housing Task Force Meeting

June 1, 2018

Seattle City Hall 10 AM – 2 PM

PARTICIPANTS

Task Force

- David Baker, Mayor, City of Kenmore (Co-Chair)
- Claudia Balducci, King County Councilmember (Co-Chair)
- Rod Dembowski, King County Councilmember
- Larry Gossett, King County Councilmember
- Jeanne Kohl-Welles, King County Councilmember
- Ryan McIrvin, Renton City Councilmember
- John Stokes, Bellevue City Councilmember
- Steve Walker, Director, Seattle Office of Housing (for Mayor Durkan)
- Dow Constantine, King County Executive

Standing Advisory Panel

- Hamdi Abdulle, Somali Youth & Family Club
- Patricia Akiyama, Master Builders Association of King and Snohomish Counties
- Maria Barrientos, Barrientos & Ryan LLC
- Colleen Echohawk, Chief Seattle Club
- Merf Ehman, Columbia Legal Services
- Marty Kooistra, Housing Development Consortium
- MA Leonard, Enterprise Community Partners
- Villette Nolon, Imagine Housing
- Chris Szala, Community House Mental Health/Vashon Household
- Brett Waller, Washington Multi-Family Housing Association
- Bryce Yadon, Futurewise

ACTIONS

- The [revised Task Force rules](#) with updated meeting dates and locations were approved unanimously.

MEETING NOTES

Welcome

- **Co-Chair Claudia Balducci** called the meeting to order and gave opening remarks. The Task Force has reached a pivot point and has shifted from information gathering and learning to identifying and prioritizing strategies to recommend. She encouraged the Task Force to take action to change the trajectory of the affordable housing crisis, to dramatically scale up efforts to meet the need, and work strategically at the regional level to set bold goals.

Recap of the Task Force Process

- **Alison Mendiola, King County Council Housing Coordinator**, gave a report on the activities of the Standing Advisory Panel (SAP). Themes that have emerged from the SAP conversations include:
 - The need to promote housing diversity, tenant protections, and transit-oriented development to best serve all residents.
 - Promoting and refining density incentives like Multi-Family Tax Exemption, knowing that they don't work everywhere
 - Targeting underutilized public property for affordable housing.
 - Establishing zoning to allow and encourage affordable housing development throughout the county.
- **Karen Wolf, Senior Performance and Strategy Analyst, King County Office of Performance, Strategy and Budget**, gave a report on the Staff Working Group, which consists of senior staff of King County jurisdictions with housing expertise. The group wants more than just another housing toolkit. They expressed the need for capacity building, especially for smaller cities, with technical assistance, legal assistance and sample ordinances, for example. They see a need for strategies that are actionable and target the lowest income households. Many local initiatives are underway, but could be better coordinated at the regional level.
- **Chris Mefford, Community Attributes Inc.**, provided a [recap of the data](#) reviewed in past meetings. Task Force discussion during the data review included:
 - The need to clarify how this group defines and measures displacement.
 - Interest in better understanding seniors' unique housing challenges.
 - The need to think about home ownership affordability as well as rental affordability, addressing inherent challenges in measuring homeowner affordability as well.
- **Kelly Rider, Special Projects Manager, King County Department of Community and Human Services**, presented major affordable housing funding

sources as a follow-up to her presentation at the February 15th Task Force meeting. In the last five years, the Federal Low Income Housing Tax Credits (LIHTC) provide three-fourths of capital funding for affordable housing overall. However, there are many funders, and so there's a need to work closely across all these funders to coordinate and leverage funds efficiently. More units serving those below 30% AMI have been built in Seattle than elsewhere in the county, largely due to the Seattle Housing Levy which helps stretch funds further. Publicly built affordable units are critical as they are affordable for 50 years.

- **Ms. Rider** also reviewed how the Task Force relates to the One Table effort on homelessness. One Table is working specifically to address the root causes of homelessness: behavioral health challenges, a lack of affordable housing, engagement in the child welfare system, engagement in the criminal justice system, and a lack of employment opportunity. It is more focused on the short term need, and on engaging the private sector, including civic and philanthropic partners. The Task Force, on the other hand, is more focused on the long-term need and setting systems in place to get there. The efforts are complimentary but distinct. Task Force discussion included:
 - The possibility of bringing in scenarios to Task Force goals – how many affordable units would we need if poverty decreased moving forward, for example.
 - The potential problem of treating income bands as homogenous – there is great variation in households making closer to 30% AMI as opposed to one closer to 50%, but they're both in one “bucket”.

Goals Definition

- The Task Force members felt the previously adopted Statement of Intent did a good job of capturing their goals and the planned goals exercise wasn't needed. The group agreed to move on, talking on an ongoing basis about what sounds like a goal as opposed to a strategy.

Revised Task Force Rules

- **ACTION:** The [revised Task Force rules](#) with updated meeting dates and locations were approved unanimously.

Policy Options Discussion

Task Force members discussed a variety of strategy ideas, which were organized based on whether they were regional, state, or local strategies:

- Regional

- The Task Force should establish a macro goal for affordable housing and work with cities for buy-in and to identify what cities can do
- Create regulatory models to reduce barriers to the development of Accessory Dwelling Units
- Encourage affordable housing along transit routes and not just around stations, e.g. Bus Rapid Transit lines. Perhaps to include mandatory inclusionary zoning
- “Super charge” the Transfer of Development Rights (TDR) program to incentivize affordable housing and/or other community benefits like daycares, preschools and community centers
- Develop a cohesive, coherent strategy
- Need a regional place to hold the affordable housing strategy. Need a group with authority, expertise and the ability to track progress. Could be a regional committee developed through the King County Charter Review process. The Task Force flagged the need for further discussion of what this regional organization might look like
- Understand and analyze the impact of strategies on markets to encourage desired affordable housing outcomes
- Adopt a meaningful package of tenant protections and make them common throughout the county, e.g. relocation assistance, advance notice for rent increases, and etc.
- Common agreement among cities about strategies and policies, including a best practices toolkit. Two strategies were highlighted:
 - Establish city incentives to encourage new policies/zoning/funding for affordable housing development
 - Create a compact for cities to sign, committing to implementing best practices at the local level
- Set some sort of production goal, which could be a hard target or incentives
- Include a preservation strategy
- Need a regional mechanism to review results periodically, provide accountability, share data among cities
- Include a homeownership strategy
- Look at funding options
- Need a market strategy to work in conjunction with the subsidized market
- State
 - Tax increment financing
 - Real Estate Excise Tax (REET) for affordable housing
 - Condo liability reform
 - Collective lobbying strategy with common items to benefit all King County jurisdictions
- Local
 - Waive city impact, permitting and other fees for rehabilitation of affordable housing
 - Implement multi-family property tax exemptions

- Require affordable housing development for any approved development agreement
- Authorize discounts of affordable housing on surplus property
- Use proceeds from public land sales for affordable housing
- Partner with faith-based organizations to develop their underutilized land
- Allow faith communities and non-profit organizations to utilize higher zoning densities if building affordable housing on underutilized land
- Pair increased zoning and public property to promote flexible and affordable housing construction
- Expand allowed housing diversity in single-family zones
- Standardize sets of policies/rules across jurisdictions to make process more predictable and uniform
- Streamline regulations for developers
- Adopt uniform plans and codes across jurisdictions
- Reduce restrictions on private developers

Task Force members invited SAP members in attendance to provide comments at the end of the meeting:

- We can move beyond incremental tweaks, we need 156,000 units today. Need a new level of urgency. Don't see anything on the state agenda that will get there, need to get away from regressive tax system.
- Remember these aren't just houses or units, they're people and families living without homes or lacking money for education or amenities.
- Need to discuss the role of the Department of Housing and Urban Development (HUD). We have an opportunity to expend the political capital necessary to influence the federal government and acknowledge this region as an economic engine for the nation.
- Would like to see more energy around the MFTE, to extend it and to offer a preservation version. A preservation tax credit would generate a lot of affordability. TOD density increases are critical, can't be too late to the game before land has already traded.
- There are a lot of evictions that have happened this month, almost 40 people from the East African community in SAP member's office last Sunday. The smallest increase in rent for each person was \$200, these are low income people.
- Interest in removing barriers to provide housing for all income levels. Interested in minimum net urban density, increasing density in all neighborhoods in the urban growth area.
- Extra regulations are hard on the small landlord that might not be as inclined to raise rents, may encourage them to sell.

Meeting Recap and Next Steps

- Next meeting June 29 at Weyerhaeuser King County Aquatic Center