

**SKHHP Executive Board**  
**August 23, 2019, 1:00 – 3:00 PM**  
**City of Des Moines, Beach Dining Hall**  
**22030 Cliff Ave South, Building B, Des Moines 98198**

- I. Call to Order
  - a. Roll Call
  - b. Introductions
  
- II. Review Agenda/Agenda Modifications
  
- III. Announcements and Presentations
  
- IV. Old Business
  
- V. New Business
  - a. Approval of July 26, 2019 Action Minutes  
*Attachment A – Action item*
  
  - b. Report from the Administering Agency (20 Minutes)  
*Discussion items*
    - i. SKHHP Program Manager Hiring Process
      - 1. New applications, interviewing, adjustments
    - ii. Invoicing Members –
      - 1. Auburn, Burién, Covington, Kent, Renton, HDC, Housing Authority Invoices area Paid (\$86,457 collected); Cumulative Outstanding: \$44,895
      - 2. Above invoices cover January 2019 through June 2019
      - 3. Next Billing will be for 2<sup>nd</sup> Half of 2019
    - iii. HR Policy Development
      - 1. Employment Agreement
      - 2. SKHHP and Auburn Operational Policy
  
  - c. Monthly Education Item: Housing Affordability and What it Means within Your Community (30 Minutes)  
*Attachment B – Discussion Item (staff will facilitate an interactive exercise)*  
*Discussion item*
    - i. Ownership

ii. Rental

d. HB 1406 (60 Minutes)

*Attachment C – Discussion item/potential action item*

- i. Update on HB 1406 Timing Considerations
- ii. Recommendation to Pool – Resolution 2019-06
- iii. How to champion pooling within individual cities
- iv. How to navigate conversations about how the money is used

VI. Next Meeting

- a. September 27, 2019, City of Auburn  
City Council Chambers  
25 W Main Street  
Auburn, WA 98001

VII. Adjourn



## SKHHP Executive Meeting

July 26, 2019

### MINUTES

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#### I. CALL TO ORDER

Chair Nancy Backus called the meeting to order at 1:09 P.M. in the City of Kent, Centennial Center, Suite 402, located at 400 West Gowe Street, Kent 98032.

##### a.) ROLL CALL/ESTABLISHMENT OF QUORUM

Executive Board Members Present: Executive Chair Nancy Backus, City of Auburn; Executive Vice Chair Brian Wilson, City of Burien; Mark Hoppen, City of Normandy Park; Bob Harrison, City of Renton; Marlla Mhoon, City of Covington; Verna Seal, City of Tukwila; Kelly Rider, King County; Dana Ralph, City of Kent.

Executive Board Members Absent: Michael Matthias, City of Des Moines.

Other Attendees: Jeff Tate, City of Auburn; Colleen Brandt-Schluter, City of Burien; Nicole Nordholm, City of Des Moines; Joy Scott, City of Auburn; Luisa Bangs, City of Des Moines; Merina Hanson, City of Kent; Steve Gross, City of Auburn; Garrett Moore, Office of Congressman Adam Smith; Marty Kooistra, Housing Development Consortium.

Administrative Assistant Present: Jennifer Oliver, City of Auburn

#### II. APPROVAL OF MINUTES

##### A. Approval of June 28, 2019 Action Minutes

Bob Harrison moved and Verna Seal seconded to approve the action minutes from the June 28, 2019 meeting.

MOTION CARRIED UNANIMOUSLY (8-0)

### III. MINUTES FROM July 26, 2019

Chair Nancy Backus brought forth to the Executive Board, a modification to the Agenda. Item IV, Section D - HB 1406 will be moved to the front of the Agenda for the meeting. Additionally, at 2:00 P.M. the Executive Board would go into Executive Session for the purpose of conducting a SKHHP Program Manager interview. The SKHHP Executive Board meeting would continue at 3:00 P.M.

#### HB 1406

At the June 28, 2019 meeting there was not an opportunity to discuss amongst the Executive Board any thoughts or questions related to the HB 1406 Presentation that was provided by the Washington Low Income Housing Alliance. Each member described the status of HB 1406 discussions within their city. Auburn, Burien and Renton were looking towards the middle to later part of August to take action on both steps of HB 1406. Normandy Park, Des Moines, Kent, Covington and King County are moving forward with presentations and conversations with committees and council in the near future. Federal Way is looking into possibly pursuing other options as well as having further discussions regarding HB 1406.

Two SKHHP Resolution options were brought forth to the Executive Board:

- Resolution urging SKHHP members to adopt a resolution declaring intent to enact HB 1406
- Resolution urging SKHHP members to adopt a resolution declaring intent to enact HB 1406 **and** recommending that funds be pooled.

The Board discussed that the purpose of the resolutions were not in fact committing each City to anything, but more so encouraging the respective Cities to consider implementation of HB 1406.

Luisa Bangs moved and Vice Chair Brian Wilson seconded to adopt Resolution 2019-05: A resolution of the Executive Board of the South King County Housing and Homelessness Partners urging SKHHP Members to declare their intent to enact the provisions of HB 1406. This is the first Resolution in the Executive Board Packet and referred to as option 1.

During discussion on the motion a motion was made to amend option 1 to include Section 4 of option 2, under the second Resolution proposed in the packet. The proposed amendments are as follows:

Section 4. The Executive Board of SKHHP commits to developing options and a recommendation, including for the proposed pooling of funding, that details levels of funding commitments for each member's legislative authority to consider for future subsequent action.

MOTION ON THE AMENDMENT CARRIED UNANIMOUSLY (8-0)

A VOTE ON THE ORIGINAL MOTION THEN CARRIED UNANIMOUSLY (8-0)

## **Report from the Administering Agency**

King County adopted the ILA on July 10, 2019

SKHHP Program Manager hiring process is under way. First Round interviews on July 19. One person has removed themselves from the process just recently. The Executive Board will be conducting an interview today.

Website is Live with a statement on what SKHHP is as well as the ability to send out links for future agenda packets.

Invoicing Members Update: Auburn, Burien, Covington, Kent and Renton, HDC, Housing Authority Invoices are paid with a total of \$86,457 collected. The cumulative outstanding amount is \$44,895. These invoices cover January 2019 through June 2019. The next billing will be for second half of 2019.

HR Policy Development: An Employment Agreement is part of the packet. It is modeled how the City of Auburn structures its contracts. Another part that is still in development is the operational policy. Gives structure between SKHHP and the City of Auburn if there are employment issues. With two bodies involved with employing the SKHHP Program Manager, it is challenging to navigate roles in the midst of an employment issue. More information on that particular item in the next packet or possibly through email if a manager is hired prior to the next SKHHP Executive Board Meeting. There are minor changes to the Employment Agreement that were suggested by the board:

### **Section 5:4**

Amend section: Employee will receive those benefits available to other City employees in the N09 pay scale.

Amended changes: Employee will receive those benefits available to other Administering Agencies employees in the N09 pay scale.

The way the Employment Agreement is drafted, it would need to be renewed annually. After discussion between board members, it was amended from yearly renewal to remaining in effect until employee is no longer employed.

Meeting adjourned at 2:00 P.M. for Executive Session for one hour.

Meeting called back to order at 3:15 P.M.

## **Monthly Education Item: Non-Profits and Funding**

City of Auburn Attorney Steve Gross attended the board meeting to assist answering any questions on Non-Profits and Funding. He reiterated to the board that there are many different options that can be looked into. It was discussed that SKHHP is so new and need to really put our stake in the ground and know what we are doing before we go in too many directions.

### **Setting Agendas and Managing Input**

The packet provided an outline to establish a consistent and fair protocol for development of SKHHP Executive Board monthly agendas that complies with the Open Public Meetings Act. These principals are incorporated into the below protocols:

1. Implement measures that are designed to eliminate email discussion amongst a quorum of the Executive Board.
2. Incorporate a balanced approach that considers appropriateness of content, time limitations, time sensitivity, demands on SKHHP staff and alignment with SKHHP Objectives.
3. Create a transparent approach that enables and manages participation.

The Board members had no comments at the time.

### **ADJOURNMENT**

There being no further business to come before the Executive Board, Chair Backus adjourned the meeting at 3:37 P.M.

### Housing Cost Data by City (Ownership)

City	Median Household Income (Census 2017)	Average Housing Cost (Zillow)	Population (OFM 2019)
Auburn	\$64,400 (\$5,367/mo)	\$375,300	81,720
Burien	\$60,732 (\$5,061/mo)	\$427,300	52,000
Covington	\$93,980 (\$7,832/mo)	\$392,300	20,280
Des Moines	\$60,814 (\$5,068/mo)	\$383,900	31,580
Federal Way	\$62,086 (\$5,174/mo)	\$366,300	97,840
Kent	\$64,573 (\$5,381/mo)	\$387,000	129,800
Normandy Park	\$95,313 (\$7,943/mo)	\$682,100	6,610
Renton	\$70,661 (\$5,888/mo)	\$464,800	104,700
Tukwila	\$51,318 (\$4,277/mo)	\$373,500	20,930
			545,460 Total
SKHHP Average	\$69,320	\$428,056	
Weighted Average	\$65,639	\$403,352	

### Housing Cost Data by City (Rental)

City	Median Household Income (Census 2017)	Average Rent (1 bed/2 bed)		Population (OFM 2019)
Auburn	\$64,400 (\$5,367/mo)	\$1,365	\$1,700	81,720
Burien	\$60,732 (\$5,061/mo)			52,000
Covington	\$93,980 (\$7,832/mo)			20,280
Des Moines	\$60,814 (\$5,068/mo)			31,580
Federal Way	\$62,086 (\$5,174/mo)	\$1,410	\$1,757	97,840
Kent	\$64,573 (\$5,381/mo)	\$1,490	\$1,856	129,800
Normandy Park	\$95,313 (\$7,943/mo)			6,610
Renton	\$70,661 (\$5,888/mo)	\$1,709	\$2,128	104,700
Tukwila	\$51,318 (\$4,277/mo)			20,930
				545,460 Total
SKHHP Average	\$69,320			
Weighted Average	\$65,639			



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Date: August 16, 2019  
To: SKHHP Executive Board  
From: SKHHP Staff Working Group  
RE: Recommendation to pool HB 1406 funds

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Under cover of this memo is draft Resolution 2019-06 which, if adopted, is a recommendation from the SKHHP Executive Board that member cities pool HB 1406 funds. This was developed as a result of the adoption of Resolution 2019-05 which states that the Executive Board will make subsequent recommendations to member cities and King County regarding pooling and use of HB 1406 funds.

The SKHHP Staff Working Group (SWG) developed this recommendation during their regular monthly meeting on Wednesday, August 14, 2019. The basis for the SWG recommendation is as follows:

1. The ILA adopted by each city and King County emphasizes that regional coordination and pooling of resources is a fundamental reason for the formation of SKHHP.
2. The State Legislature's action on HB 1406 is a significant and meaningful financial tool that was made available to local government at the same time that SKHHP was formed and that the Executive Board has expressed a desire to find early opportunities to show value.
3. The amount of funding that individual cities will receive from HB 1406 will be minimal relative to the cost associated with supporting and/or contributing to the creation of new housing stock or the preservation of existing stock.
4. Regional pooling will strengthen South King County's ability to recruit other partners and financial contributions.

The Resolution also emphasizes the following recommendations:

1. The need for cities to wait until King County takes its action on HB 1406 (currently scheduled for September 3<sup>rd</sup>) in order to maximize the amount of money collected in King County.
2. The recommendation that King County direct a proportionate share of HB 1406 revenue to SKHHP cities based on the cumulative population of the 9 cities.
3. And that SKHHP should spend HB 1406 revenues in a manner that is aligned with the SKHHP work plan.



**RESOLUTION NO. 2019-06**

**A RESOLUTION OF THE EXECUTIVE BOARD OF THE  
SOUTH KING COUNTY HOUSING AND HOMELESSNESS  
PARTNERS URGING SKHHP MEMBERS TO SUPPORT  
POOLING OF HB 1406 FUNDS.**

WHEREAS, in 2019 the cities of Auburn, Burien, Covington, Des Moines, Federal Way, Kent, Normandy Park, Renton, and Tukwila and King County entered into an Interlocal Agreement (ILA) that formed the South King Housing and Homelessness Partners (SKHHP); and

WHEREAS, pursuant to the ILA, the partners have a common goal to ensure availability of housing that meets the needs of all income levels in South King County; and

WHEREAS, also pursuant to the ILA, the partners wish to act cooperatively to formulate housing policies and strategies that address housing stability, to foster efforts to preserve and provide affordable housing by combining public funding with private-sector resources, to support implementation of the Washington State GMA, related countywide planning policies, and other local policies and program relating to affordable housing, and to do so efficiently and expeditiously; and

WHEREAS, also pursuant to the ILA, the parties have determined that the most efficient and expeditious way for the parties to address affordable housing needs in South King County is through cooperative action and pooling of public and private resources; and

WHEREAS, the ILA states that the parties intend that the ILA serves as a framework for all participating municipalities within the broader SKHHP Sphere of Influence to do the aforementioned work; and

WHEREAS, on July 26, 2019 the SKHHP Executive Board adopted Resolution 2019-05 which urges member cities to declare their intent to enact the provisions of HB 1406; and

WHEREAS, Resolution 2019-06 states that the Executive Board commits to developing options and a recommendation, including for the proposed pooling of funding, that details funding commitments for each member's legislative authority to consider for future subsequent action; and

WHEREAS, HB 1406 is a powerful and meaningful funding source to further advance the efforts of the housing objectives established through the ILA that, if pooled, will generate approximately \$1,000,000 per year for the eligible 20 year period (See Attachment A); and

WHEREAS, the Executive Board adopts the recommendations contained within this resolution as a unified statement of support by SKHHP member cities.

NOW, THEREFORE, THE EXECUTIVE BOARD RESOLVES as follows:

**Section 1.** The Executive Board of SKHHP urges all members to pool the base sales tax credit revenues collected under HB 1406 and to allocate the full amount of those revenues to SKHHP.

**Section 2.** In order to maximize HB 1406 funding within King County, the Executive Board of SKHHP urges all members to take Ordinance action on HB 1406 after King County takes action.

**Section 3.** The Executive Board of SKHHP urges King County to provide HB 1406 funds to SKHHP in a manner that proportionately represents the cumulative population of SKHHP member cities.

**Section 4.** The Executive Board of SKHHP commits to aligning the use of HB 1406 funds with the work plan required within the adopted ILA.

**Section 5.** This Resolution will take effect and be in full force on passage and signature.

Dated and Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**SOUTH KING COUNTY HOUSING AND HOMELESSNESS PARTNERS**

\_\_\_\_\_  
NANCY BACKUS, CHAIR

\_\_\_\_\_  
Shawn Campbell, Auburn City Clerk

SKHHP Resolution 2019-06 Exhibit A

Estimated HB 1406 Revenue by SKHHP Municipality (based on 2018 revenues)

<b>City</b>	<b>Estimated Annual Revenue</b>
Auburn	\$154,992
Burien	\$65,477
Covington	\$43,678
Des Moines	\$29,793
Federal Way	\$124,142
Kent	\$185,467
Normandy Park	\$4,866
Renton	\$236,380
Tukwila	\$162,046
<b>Total (not including King County)</b>	<b>\$1,006,841.00</b>