

**SKHHP Executive Board
September 16, 2022, 1:00 – 3:00 PM
Virtual – Zoom Meeting**

Video conference:

<https://zoom.us/j/99857398028?pwd=eXFiMmJpQm1abDZmMmRQbHNOYS8ydz09>

OR by phone: 253-215-8782

Meeting ID: 998 5739 8028 | **Password:** 085570

Or in person public attendance at:

City of Auburn Annex | 1 East Main Street | Auburn, WA | 98001
Annex Conference Room 2

I.	CALL TO ORDER	1:00
	ROLL CALL	
	INTRODUCTIONS OF ADVISORY BOARD MEMBERS AND OTHER ATTENDEES	

II.	REVIEW AGENDA/AGENDA MODIFICATIONS	
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III.	APPROVAL OF AUGUST 19, 2022 MINUTES	Page 3
	(ATTACHMENT A)	
	Motion is to approve the August 19, 2022 SKHHP Executive Board meeting minutes	

IV.	NEW BUSINESS	
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a.	AFFORDABLE HOUSING INVENTORY	1:15 – 1:45
	<u>Purpose:</u> . Provide an overview of the joint Housing Action Plan Implementation project to create an inventory of regulated and unregulated affordable housing across the South King County subregion.	
	<u>Background:</u> As part of a Department of Commerce Housing Action Plan Implementation (HAPI) grant, five SKHHP cities have partnered to retain a consultant to develop a database, online mapping system, and dashboard for monitoring both regulated and unregulated affordable housing stock in South King County.	
	A consultant was retained in July and the dashboard is in the early stages of development. This is the first project update to provide an overview the scope of work and a progress update.	
	<u>Staff presentation:</u> Angela San Filippo	
	For informational purposes only, no action is proposed	

(ATTACHMENT C)

Purpose: Review and discuss draft 2023 State Legislative Priorities developed by the Executive Board working group in consultation with the Advisory Board and staff work group.

Background: The staff work group and Advisory Board developed a list of potential legislative priorities for consideration by the Executive Board working group. The working group narrowed down the list to focus legislative priorities that are most relevant to SKHHP’s mission, are likely to have the greatest impact on South King County, and areas SKHHP partners are likely to be able to reach agreement.

Staff will review the list of potential legislative priorities and facilitate discussion. This will be followed by an opportunity for Board members to pick the top 4 priorities. When picking the top priorities Board members will be asked to consider:

- Which priorities are likely to have the greatest impact on SKHHP’s mission to increase housing stability and access to affordable housing in South King County?
- Which priorities is your Council likely to support?

Executive Board members will have the opportunity to bring draft priorities to their individual Councils prior to consideration adoption of SKHHP’s 2023 state legislative priorities at the October 21 Executive Board meeting.

NOTE: The format of the draft legislative priorities is currently listed in a table with additional background information and explanatory information to aid initial review and discussion by the Executive Board . The format for the final legislative priorities is intended to be a one page document with brief introductory language for SKHHP and South King County housing needs and priorities.

Staff presentation: Angela San Filippo

For review, discussion, and opportunity to bring back to jurisdictions for feedback before consideration of adoption at October meeting

V.	UPDATES/ANNOUNCEMENTS	2:30
	<ul style="list-style-type: none">• SKHHP Program Coordinator update• SKHHP Housing Capital Fund application update	
VI.	ADJOURN	3:00

I. CALL TO ORDER

Chair Nancy Backus called the virtual meeting to order at PM.

Welcome to SKHHP Advisory Board member and liaison, Uche Okezie.

a. ROLL CALL/ESTABLISHMENT OF QUORUM

Executive Board members present: Colleen Brandt-Schluter, City of Burien; Kristina Soltys, City of Covington; Traci Buxton, City of Des Moines; Sarah Bridgeford, City of Federal Way; Dana Ralph, City of Kent; Sean P. Kelly, City of Maple Valley; Amy Arrington, City of Normandy Park; Ryan McIrvine, City of Renton; Cynthia Delostrinos-Johnson, City of Tukwila.

Other attendees: Dafne Hernandez, City of Covington; JC Harris, alternate for City of Des Moines; Nicole Nordholm, City of Des Moines; Merina Hanson, City of Kent; McCaela Daffern, King County; Hannah Bahnmler, City of Renton; Jason Gauthier, SSHAP; Marty Kooistra, Civic Commons; Bambi Chavez, HDC; Nora Gierloff, City of Tukwila; Uche Okezie, Advisory Board liaison; Elsa Kings, ARCH; Alexis Rinck, King County Regional Homelessness Authority; Angela San Filippo, SKHHP.

II. REVIEW AGENDA/AGENDA MODIFICATIONS

No agenda modifications.

III. APPROVAL OF JULY 15, 2022 MINUTES

Traci Buxton moved to approve the July 15, 2022 minutes as presented; Ryan McIrvine seconded the motion. Motion passed unanimously (9-0). [Maple Valley representative, Sean P. Kelly joined at 1:20].

IV. EDUCATIONAL ITEM

a. A Regional Coalition for Housing (ARCH) Housing Trust Fund

SKHHP was modeled after ARCH and since the beginning of SKHHP's formation we have looked to ARCH as a successful model of regional collaboration. Hearing from ARCH's Housing Trust Fund Manager is an opportunity to learn from their staff's experience from an organization that has been doing this work for almost 30 years. Especially as the SKHHP Advisory Board will be reviewing funding applications and the Executive Board will be making a funding recommendation this fall.

Elsa Kings, ARCH Housing Trust Fund Manager. Elsa provided brief introduction and overview of her experience with Impact Capital, Beacon Development, City of Seattle, and ARCH. Overview of ARCH and the growing housing need on the east side. ARCH's focus has been to serve households earning 50% or less of Area Median Income (AMI), but they prioritize 0-30% AMI. ARCH is part of public funding ecosystem and utilize leverage from lots of public sources.

Presentation will focus on housing trust fund, underwriting process and lessons learned. ARCH tries to align their Housing Trust Fund cycle with public funders and in an effort to have one application that developers can present to all public funders they use the combined funders application. Applications are typically due in September, review and underwrite applications October through December. Applications are reviewed with help of their Advisory Board with final recommendations to Executive Board in December. During January through May they seek final approval from City Council of their 13 member cities. Start process again in July to set guidelines, which focuses on which populations to serve for the funding round, how they will be analyzed in the competitive round. In the past several years they have been incredibly over prescribed.

During the first meeting with the Advisory Board they establish underwriting timeline and divide applications amongst advisory board members with interest and expertise in particular projects. ARCH staff makes an initial review of the application and provides short summary that Advisory Board uses to underwrite, make recommendations, and obtain more information as necessary.

Prioritize by guidelines for that year, for example: permanent supportive housing, homeless projects, seniors, and transit oriented development (TOD) projects.

Leveraging private investment is also very important, they like to see that other public funders are in support of the project.

Advisory Board uses a matrix of evaluation criteria to determine whether projects fall within the criteria, don't underwrite for points but make sure they meet criteria which includes things like: feasibility, relevance to local needs, and experience. Feasibility includes making sure that project can be built within cost projection and project is financeable. Cost estimate is evaluated based on meeting development and for any discrepancies between third party estimate and construction estimate. Also look at whether the project can be built within the zoning, potential geotechnical issues, ecological cleanup, etc. Also look at whether there is a sufficient construction period to be able to build the project identified in the timeline.

Advisory Board wants to understand that member cities are comfortable with the project, know that it addresses local needs and priorities, and positive community. Question about garnering community support. They don't always have community support and can expect some level of opposition, but developers show they have thought through issues, ARCH can be a liaison to make sure project is successful in garnering community support.

Sponsor and project management experience includes looking at whether the developer built projects of a similar size and serving similar populations or do they have a partner to assist. One of the major factors is the partnerships for service model to provide services that the population needs. Also ensure services are properly funded – operation and maintenance.

Some of the lessons learned include the insufficient funding to meet the need. Recently projects have found themselves with funding gaps and have to come back to public funders to get them to construction. As a result, this year funders are prioritizing funding gaps. For example, this year ARCH has \$4.5 million available but could have projects come back that were funded last year and that will significantly decrease what is available for new projects. Generally, filling funding gaps is the priority for all public funders which disadvantages new projects.

ARCH has a focus on providing technical assistance to help make projects better. Staff can identify potential issues and create open line of communication with developers.

Mandy affordable housing developers and managers lack of organizational capacity. Many looking to find partners to assist with the process – writing applications. Identify issues, ask questions.

b. King County Regional Homelessness Authority (KCRHA)

KCRHA joined us last September to provide an overview of the organization. KCRHA joining us today is an opportunity to hear an update on their work and discuss potential opportunities for collaboration.

Alexis Rinck provided an overview of KCRHA, background and formation of authority, organizational structure, responsibilities, and relationships with King County and City with Seattle.

Overview of some recent wins related to emergency housing vouchers, contract, contract consolidation, release of RFPs, severe weather response framework, sub-regional agreement progress, service landscape data, qualitative data, housing gaps analysis, and encampment resolutions.

Update on the Point in Time County and increase in folks experiencing homelessness – over 13,000 people experiencing homelessness at one point in time. Cross systems analysis of administrative systems and how many individuals are captured in all those systems. De-duplicated number of individuals accessing services was 40,871. Keep in mind that not all folks experiencing homelessness are system connected. Highlighted the disproportionate number of BIPOC communities that experience homelessness.

Review of subregional analysis with a focus on South King County (SKC) analytics and ongoing communication amongst KCRHA and SKC cities.

Comment on the incredible list and that work that went into the analytics and the great resource that the datasets provide for the region and establishing accountability. Question about how KCRHA sees SKHHP being able to partner with KCRHA. Response included thinking strategically about pooling resources, similar to efforts made by SKHHP to pool resources for affordable housing. What does it look like to pool homelessness response dollars?

Question about communication with law enforcement and outreach out with regard to homelessness and encampments. Response included reference to Auburn based outreach and other SKC outreach teams.

V. OLD BUSINESS

a. Resolution 2022-04 – 2023 SKHHP Work Plan and Budget

The 2023 Work Plan and Budget was developed in consultation with the staff work group and Advisory Board. Initial Executive Board review and discussion was followed by outreach to each partner jurisdiction. Resolution to adopt the 2023 Work Plan and Budget is before Executive Board for adoption. After Executive Board adoption, the work plan and budget will be brought forward for approval by each SKHHP partner jurisdiction.

Angela San Filippo provided a brief reminder of the organization of the work plan and action items priorities by critical, important, and desirable action items. The Work Plan is organized with five goal areas and action items identified by priority under each goal. Prioritization includes – critical, important, and desirable. Angela asked for any outstanding questions, comments, concerns, or other feedback that should be incorporated into the work plan.

Angela reviewed the budget and explained the incremental increases for all SKHHP member jurisdictions that will enable SKHHP to reach a balance budget by 2025 and asked for questions, comments, concerns, or other feedback that should be incorporated into the budget.

Traci made a motion to approve Resolution 2022-04 2023 work plan and budget, Sean P Kelly seconded the motion. Motion carried (10-0).

Traci commented on SKHHP's operating costs and the ability to disperse 1406 and 1590 funds that recognizes specific needs and priorities of South King County and providing the ability to direct those funding sources locally. Acknowledgement of the added principle for allocating funds that ensures projects funded by SKHHP have the partner jurisdictions support and that empowers jurisdictions to have a voice. Recognition that the contribution is relatively nominal compared to other membership organizations just to have a seat at the table. SKHHP is not just collaboration but actually making decisions on funding.

VI. NEW BUSINESS

a. 2022 Second Quarter Progress Report

Angela reviewed the quarterly progress report as required by SKHHP Interlocal Agreement which provides an opportunity for staff to provide progress update to the Board. Progress reports also serve as a tool for Executive Board members to communicate back to their jurisdictions about the work that SKHHP

is doing. New in this progress report is that the budget report splits out the housing capital fund, operating budget, and department of commerce grant funding. Angela will send out final version of progress and budget report.

VII. UPDATES/ANNOUNCEMENTS

State legislative priority work group – volunteers are Nancy Backus, Traci Buxton, Sunaree Marshall, Ryan McIrvine, and Dana Ralph. Angela had the opportunity to review schedule, potential legislation, and outreach recommendations with a couple of the work group members. The next work group meeting is September 8 where the group will be reviewing a fairly comprehensive list of potential legislation that may come before state legislators during this next session. A draft legislative agenda will be reviewed at the September 16 meeting with consideration for adoption at the October 21 meeting.

Marty Kooistra spoke about the Black Homeownership Initiative and the work that Bambi Chavez has been doing in that space.

VIII. ADJOURN

Ralph adjourned the meeting at 3 pm.

DRAFT

2023 STATE LEGISLATIVE AGENDA – DRAFT PRIORITIES

LOCAL AFFORDABLE HOUSING TOOLS AND REVENUE OPTIONS				
Potential priority	Explanation	Alignment with housing partners	Relevant past legislation	Notes
<p>Authorize local option Real Estate Excise Tax (REET) for affordable housing.</p>	<p>Addressing the affordable housing needs cannot be solved without vastly increasing the funding for affordable housing. Funding is needed at every level – local, state, and federal – to significantly increase capital and operating dollars to support the production and preservation of affordable housing for low-income households.</p> <p>Proposal for new local REET, either a flat rate or progressive tiers to match the State’s REET, is currently development by HDC work group.</p>	<p>A Regional Coalition for Housing (ARCH) – <i>exploring with partner jurisdictions</i></p> <p>Affordable Housing Committee (AHC) – <i>tentative</i></p> <p>HDC – <i>tentative</i></p>		
<p>Provide planning resources to help local governments plan for more diverse housing supply and displacement prevention.</p>	<p>Support for local governments to implement best practices and policies that ensure planning for housing at all economic segments helps to promote equitable growth and prosperity and helps to ensure low-income residents can live in communities of opportunity near jobs, services, and access to transit.</p>	<p>HDC – <i>included in 2022 priorities</i></p> <p>Joint Recommendations Committee (JRC) – <i>included in 2022 priorities</i></p> <p>King County – <i>included in 2022 priorities</i></p> <p>SSHA3P – <i>tentative</i></p>	<p>Previous Department of Commerce grant opportunities for Housing Action Plan, Housing Action Plan implementation, and Middle Housing</p>	

HOMEOWNERSHIP OPPORTUNITIES				
Potential priority	Explanation	Alignment with housing partners	Relevant past legislation	Notes
Amend surplus land dispossession policies to support homeownership development opportunities for low- and moderate-income households.	<p>Expanding the use of public property for the purpose of affordable housing to moderate-income households by allowing a public benefit purpose to include affordable rental housing and permanently affordable homeownership.</p> <p>For rental housing – monthly housing costs do not exceed 30 percent of household income. For owner-occupied housing – 38 percent of the household’s monthly income and the total household debt is no more than 45 percent of the monthly household income.</p>	SSHA3P – <i>tentative</i>	<p>HB1511, 2021-2022. Did not make it out of committee</p> <p>HB 1908, 2021-2022. Did not make it out of committee</p>	

HOUSING STABILITY AND DISPLACEMENT PREVENTION				
Potential priority	Explanation	Alignment with housing partners	Relevant past legislation	Notes
Amend statewide just cause eviction legislation. Support amendments to the statewide just cause eviction legislation to create consistency in requirements for month-to-month and longer term lease agreements in alignment with local just cause ordinances.	<p>The statewide just cause eviction legislation was passed in 2021. Under the measure, landlords can end month-to-month leases for reasons like failure to pay rent, unlawful activity and nuisance issues, as well as intention to sell or move into a rental.</p> <p>Landlords can still end a tenancy at the end of an initial lease without cause if the initial rental term is between 6 months and one year.</p>	TBD	HB 1236 , 2021-2022. Effective date May 5, 2021.	
Support the establishment of statewide rental and vacant property registration program.	Work to provide recommendations on the creation of a statewide rental and vacant property registration program for the purpose of inventorying both tenant-	WLIHA – <i>included in 2022 priorities.</i>	SB 5825 , 2021-2022. Did not make it out of committee.	

HOUSING STABILITY AND DISPLACEMENT PREVENTION

Potential priority	Explanation	Alignment with housing partners	Relevant past legislation	Notes
	occupied and potentially available rental housing.			
<p>Provide tenants more time to respond to rent increases over a certain threshold.</p>	<p>There are currently no limits on how high landlords can raise rents in Washington and communities are experiencing very high rent increases. When a tenant cannot afford an increase in rent, they often have to move with as little as 60 days’ notice. With high rents and limited vacancies, renters need more time to respond to rent increases over a certain threshold.</p> <p>Providing more time for tenants to respond to rent increases will allow tenants time to decide what’s best for them, and if necessary, time to find a new place to live and save money for a deposit and other moving costs.</p> <p>The rent increase threshold will likely be under consideration by legislators. In the 2021 bill, proposed thresholds were between 3% and 7.5%.</p>	<p>WLIHA – <i>included in 2022 priorities.</i></p>	<p>HB 1904, 2021-2022. Did not make it out of committee.</p>	
<p>Provide funding support for tenants’ Right to Counsel program and pre-eviction legal aid.</p>	<p>Under Washington’s Right to Counsel program, low-income tenants are provided a free lawyer in eviction court. Right to Counsel is available to tenants in eviction court, but pre-eviction legal aid is the first line of defense against eviction. It prevents cases from entering the court process and empowers tenants to utilize their rights.</p>	<p>AHC - <i>tentative</i></p> <p>King County – <i>included in 2022 priorities</i></p> <p>WLIHA – <i>included in 2022 priorities</i></p>	<p>SB 5160, 2021-2022. Effective date April 22, 2021.</p>	

FUNDING FOR AFFORDABLE HOUSING

Potential priority	Explanation	Alignment with housing partners	Relevant past legislation	Notes
<p>Fully fund the Washington State Housing Trust Fund, authorize new sources that do not disproportionately burden low-income households, and support continued affordable homeownership investments.</p>	<p>The Housing Trust Fund is a primary state source for development of affordable housing across Washington State and an important source of leverage for housing programs in King County. When the HTF is increased, the result is additional permanent supportive housing and affordable housing units in King County.</p>	<p>AHC - <i>tentative</i> HDC – <i>tentative</i> JRC – <i>included in 2022 priorities</i> SSHA3P – <i>tentative</i></p>		

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