



I. CALL TO ORDER

Chair Nancy Backus called the meeting to order at 1:08 PM.

a. ROLL CALL/ESTABLISHMENT OF QUORUM

Executive Board members present: Nancy Backus, City of Auburn; Colleen Brandt-Schluter, City of Burien; Traci Buxton, City of Des Moines; Sarah Bridgeford, City of Federal Way (alternate); Dana Ralph, City of Kent; Ryan McIrvine, City of Renton.

Staff members present: Claire Goodwin, SKHHP; Dorsol Plants, SKHHP; Dr. Linda Smith, SKHHP Advisory Board; Hannah Bahnmler, City of Renton; Nicholas Matz, City of Normandy Park.

II. PUBLIC COMMENT

Anna, resident of Federal Way, stated that she had been reviewing and following along with the development of housing action plans across the region. Upon doing her research, she expressed concern about the distribution of tax-exempt housing. She said Federal Way had received more than other cities in the area. As Housing Capital Fund applications are being selected, she asked the Executive Board members to remember that Federal Way is overburdened. Her research shows over 4,000 units of tax-exempt housing in Federal Way and hopes SKHHP would be intentional about where housing is placed. She requested that SKHHP consider increasing staffing to help SKHHP cities do their Multifamily Property Tax Exemption (MFTE) program for compliance.

III. APPROVAL OF JUNE 16, 2023 MINUTES

Traci Buxton moved to approve the June 16, 2023 minutes as presented, seconded by Dana Ralph. Motion passed (6-0)

IV. BRIEFING

a. Overview of King County Regional Homelessness Authority (KCRHA)

Alexis Mercedes-Rinck, Director of Sub-Regional Planning and Equitable Engagement, and Abby Anderson, Sub-Regional Planning Specialist for South King County, provided an update on the King County Regional Homelessness Authority (KCRHA) and how SKHHP and KCRHA support each other.

KCRHA was formed in December 2019 through an interlocal agreement between the City of Seattle and King County. The stand-up of the authority was impacted and delayed by the COVID-19 pandemic, and the first CEO was hired in April 2021. June 2021 would see the beginning of the sub-regional planning work. 2022 would focus on the transfer of human services contracts and beginning the Partnership for Zero program. KCRHA would also assume responsibility for the severe weather response throughout King County. Currently, KCRHA is working on services system redesign and beginning to implement a five-year plan.

KCRHA is not in the realm of housing capital and development but does oversee the Continuum of Care funded programs. KCRHA manages the Coordinate Entry for All (CEA) system and the Homeless Management Information System (HMIS), which support human services throughout the county. KCRHA coordinates homeless outreach work but does not coordinate encampment cleaning or respond to mental health crisis events. They do partner with agencies that lead in that work.

KCRHA is a special jurisdiction government agency that receives and administers public funding. They administer programs and policies and partner closely with public and private organizations to do their work. KCRHA is not the King County Department of Community & Human Services or the City of Seattle Human Services Department. They are not a public housing authority and cannot levy taxes. KCRHA's primary role is to provide unified planning and coordination of funding and services for people experiencing homelessness countywide. All Home is the agency that preceded KCRHA.

KCRHA oversees a wide array of funding in our region. This includes overseeing funding from King County, Seattle, Bothell, Kenmore, Lake City, Shoreline, and Woodinville and distributing it to local service providers. Funding from the State of Washington "Right of Way" Initiative has been used for encampment resolution. Additionally, KCRHA oversees and administers federal funding through the Continuum of Care board. An organization called "We Are In" also assists the authority with bringing in philanthropic dollars. Most of the funding goes out to the local human service provider community.

Since 2022, KCRHA has helped 5,600 individuals, couples, and families move into permanent housing, with over 1,000 individuals engaged throughout the year. KCRHA has also developed an equitable procurement manual and has begun work to launch a re-procurement process. They have also worked to ensure encampment resolutions are housing focused and improved the coordination of the severe weather system. The Implementation Board and the Governing Committee have also unanimously adopted KCRHA's five-year plan.

Abby Anderson reviewed the concept of sub-regional planning and the current work that KCRHA has done. To help meet the unique needs of 39 cities across King County, KCRHA divided the county into seven sub-regions, including two for SKC: South-East King County Subregion and the South King County Subregion. KCRHA is conducting extensive ongoing engagement at all levels, including city staff, to direct service providers in the local area. This has increased the authority's ability to look at data, and service needs in a specific area. KCRHA can create service and funding agreements unique to a sub-area.

SKHHP and KCRHA collaborate on the full spectrum of housing and homelessness topics in South King County. KCRHA represents more of the homelessness and services side of housing while SKHHP focuses more on addressing the development and preservation of affordable housing.

KCRHA began developing its five-year plan a year ago by engaging the community and system providers to understand available services. In the fall of 2022, KCRHA would begin content development, soliciting feedback from community partners and city staff throughout the process. January 2023, the first draft was released to the public and received over 640

responses to refine the plan further. Based on the feedback, the five-year plan was restructured in February and March, leading to the Implementation Board and Governing Committee's unanimous adoption in June 2023.

The five-year plan aims to bring unsheltered people inside – in a way that meets their needs – as swiftly as possible. Key elements to accomplish that goal include unification and coordination of funding and policies and improving system-wide efficiency, effectiveness, and accountability. To invest in policies and programs with proven evidence-based outcomes.

Alexis Mercedes-Rinck continued that KCRHA approaches ending homelessness through three primary lenses. The first is asking what is happening with local service providers and working to build on what providers are doing well. The second lens in the five-year plan is improving the network and relationship between service providers to increase data collection and accountability. The last lens examines the connections the homeless service response system has with other support systems, such as public health. They are working to ensure that there is no wrong door when someone needs help to exit homelessness.

KCRHA will know it's been successful when the system has more shelter beds and housing options to direct people to. That people will have the services they need and can access them quickly. Fewer people return to the street after exiting homelessness, and more are housed permanently. KCRHA will track system performance metrics to ensure the work is done along these outcomes.

The five-year plan serves as a strategic road map to change the homeless response system. The sub-regional implementation plan answers how this work is brought to South King County. Abby Anderson continued that this work is ongoing and is broken down into seven sections. The first two sections introduce KCRHA and acknowledge all the work going into the five-year plan. The third section provides an overview of the five-year plan and the development process for the plan and the sub-regional implementation plan. Section five offers sub-regional analytics and examines what services are being provided well and what gaps remain. The following section looks further at the resources and investments in service made by a sub-region. The final section builds concrete action steps and timelines around KCRHA's work.

Thirty activities have been identified from the five-year plan that will be tailored to each sub-region. While some activities will require region-wide standardization or KCRHA administration, action steps and activities were developed in collaboration with South King County providers and staff.

Traci Buxton asked for further detail on how KCRHA will begin to work in South King County and how it relates to KCRHA's predecessor, All Home. Nancy Backus said All Home focused more on the Continuum of Care and the NOFA application process. Alexis Mercedes-Rinck added that KCRHA has taken over the responsibilities held by All Home along with other departments, such as the City of Seattle Human Services department. All Home held the federal funds, but other departments held local funding sources. KCRHA has consolidated those funds, along with the data collection and reporting.

Traci Buxton asked if KCRHA received around \$225 Million as part of their annual budget and if that was an increase from All Home's budget. Alexis Mercedes-Rinck provided an approved budget for review in the chat (the information is available to view in the July 21, 2023 meeting's agenda materials).

Nancy Backus spoke to the advantage of an organization like KCRHA, which was able to streamline funding for service providers in our region. Previously, agencies would report to multiple funders with different metrics or outcomes for similar services. KCRHA has streamlined operations and serves as a central reporting system for providers.

V. BOARD BUSINESS

a. Revised Housing Capital Fund Guidelines

Claire Goodwin brought a revised draft of the 2023 Housing Capital Fund Guidelines, which incorporate the pooling of HB 1590 funds. At the June meeting, the Executive Board adopted the 2023 Housing Capital Fund Guidelines but directed SKHHP Staff to update the guidelines to incorporate HB 1590 funds.

SKHHP Staff did present to the Covington Human Services Commission, which recommended the pooling of 1590 to the City Council. The Covington City Council did concur with the recommendation to contribute almost \$500,000 this year. Maple Valley did meet to discuss and has invited the SKHHP Executive Board Chair and the Executive Manager to present to the Maple Valley City Council to discuss pooling HB 1590 funds. The City of Kent acted last year to pool their HB 1590 with the SKHHP Housing Capital Fund.

The Housing Capital Fund Guidelines changes since last month are purely administrative. Some administrative changes include adding HB 1590 funds and the eligibility criteria specific to those funds. SKHHP staff also updated the method of delivery of the applications from a flash drive to a shared electronic folder. Additionally, minor edits were made at the suggestion of the legal department. The funding priorities and the content developed over the past few months remain unchanged.

If the revised Housing Capital Fund Guidelines are adopted today, the application will open on Monday, July 24, 2023. SKHHP Staff and staff from the project location jurisdiction will hold pre-application meetings from July 26 through August 18, 2023. On October 20, 2023, the SKHHP Executive Board will review the applications and consider adopting the Advisory Board's funding recommendation at the November 17, 2023, meeting.

Dana Ralph said that when the Kent City Council decided to pool the HB 1590 funds, the goal was to keep the funds in our region. Supporting housing in South King County is the purpose of those dollars, and she is glad to be making an impact.

Traci Buxton expressed her thanks for putting the SKHHP coalition together and the willingness to pool financial resources together to keep them in South King County.

Dana Ralph moved to approve the revised Housing Capital Fund Guidelines, seconded by Ryan McIrvine. Motion passed (6-0)

b. Long-Term Funding Strategy for Housing Capital Fund

Claire Goodwin continued the discussion on developing long-term funding strategies for the Housing Capital Fund. This item was one of the board's highest priorities in 2023 and 2024 based on the work plans. The exact wording in the 2024 work plan is to "Develop a long-term funding strategy for the Housing Capital Fund and facilitate conversations with member jurisdictions to identify and explore dedicated sources of revenue for affordable housing at the local and regional level."

At the June Executive Board meeting, board members were given a list of possible funding sources and broke into small groups for discussion. Each group was asked to consider three specific questions. 1. What does this work plan item mean to you? 2. Are new revenue sources needed for the Housing Capital Fund? 3. If so, are there dedicated sources of revenue your jurisdiction would or would not support?

Results of those discussions include that any new taxes levied would be a hard sell. Cynthia Delostrinos Johnson's group supported increasing philanthropic contributions and raising awareness of city-specific projects to the State and Federal legislative delegation. This aligns with the other small group discussions. A local Real Estate Excise Tax (REET) and an inclusionary housing in-lieu fee were suggested as potential possibilities.

Claire Goodwin noted that only some presented funding sources would directly fund the Housing Capital Fund. The item described in the 2024 work plan references two strategies for funding affordable housing. The first is adding additional funds to the housing capital fund. The second addresses the need to fund affordable housing in South King County that is not directly linked to the Housing Capital Fund. Both strategies can work in tandem. For example, a Tax Increment Financing Tool implemented in an SKHHP city that is funding an affordable housing project could have the same project apply to the Housing Capital Fund. Reviewing these funding options will enable the Executive Board to find ways to leverage the Housing Capital Fund better.

SKHHP Staff is seeking feedback from the Executive Board today around four key questions. 1. Tell me about your vision for the long-term funding strategy for the Housing Capital Fund and increasing funding for affordable housing in SKC. 2. What else should I consider as part of the funding strategy? 3. Did I capture the small group conversation accurately? Anything to add that was discussed? 4. Tell me more about what the philanthropic contributions and engaging the state and federal delegations mean to you?

Dana Ralph mentioned that her group had discussed the history behind including this item on the work plan and how SKHHP has advanced further than initially hoped. With the ability to pool HB 1406 and HB 1590 funds, the Housing Capital Fund will gradually grow yearly.

Traci Buxton said that philanthropic contributions were a favorite in her group, along with increased funding from the state legislature. She noted that there tends to be a pattern with the State Legislature where they act one year and then fund it the following session. This session was the "year of housing," with much action taken, and there may be opportunities

to discuss funding sources in the coming session to support those decisions. There is also a question about SKHHP staff capacity, as there was a considerable increase in funding in the 2023 Housing Capital Fund.

Nancy Backus asked if SKHHP staff could coordinate a briefing on Tax Incremental Financing. Dana Ralph agreed and mentioned that the City of Kent multimedia team created a short video explaining the process. Claire Goodwin confirmed she would begin planning a briefing.

Colleen Brandt-Schluter said that her discussions aligned with Dana Ralph's group and that there had been interest in engaging with some of the larger corporations in our region to provide philanthropic dollars.

3. Did I capture the small group conversation accurately? Anything to add that was discussed?

Nancy Backus confirmed that the information from the small group discussions had been captured.

4. Tell me more about what the philanthropic contributions and engaging the state and federal delegations mean to you?

Nancy Backus mentioned that many SKHHP cities have shared federal delegation and established relationships. While there may not be a specific ask, Board members can begin raising awareness of SKHHP in preparation for future funding work.

Dana Ralph mentioned that Amazon provides funding for housing related to transit-oriented development projects. These projects can come with significant red tape, which can be off-putting to developers—also, working to raise awareness of the challenges in South King County to try and focus more philanthropic dollars in our region.

Traci Buxton mentioned that SKHHP formed partly because small jurisdictions that felt they couldn't do enough alone could accomplish more together. This may be an issue that businesses also face, and SKHHP could serve the role of helping to pool resources. Going out to local chambers of commerce, which couldn't individually give \$1 million, could collectively impact their communities by pooling dollars together. This would be a way to speak with many businesses without knocking on each door.

Nancy Backus mentioned that the South Sound Chamber has a legislative commission that holds a breakfast each year for the local State legislative delegation.

Discussion took place around ensuring successful partnerships with accountability elements would be an essential component of philanthropic partnerships.

Nancy Backus added that the preservation of affordable housing has limited funding sources, and a place to focus an increase in funding could be supporting preserving the naturally occurring affordable housing in our region. Dana Ralph added that Kent had a similar fear. Ideally, funding would be available to safeguard all housing types and support homeownership.

Claire Goodwin added that the Housing Capital Fund could be awarded to preservation and homeownership projects and that those are current funding priorities identified by the Board and included in the Housing Capital Fund Guidelines. Housing Capital Fund projects are restricted to serving residents at 60% AMI and below, which can be a challenge for homeownership opportunities which tend to do between 60% and 90% AMI. Homestead Community Land Trust will be providing a briefing in August on their affordable homeownership model.

Colleen Brandt-Schluter added that between conversations with the legislature and corporate partners, the South King County Legislators seem more aware of SKHHP than the potential corporate partners. There is an opportunity to help build these partnerships and create an understanding of the unique needs of South King County. Using shared materials and talking points will help develop a further understanding of SKHHP, and SKHHP staff should spend time creating collaborative outreach materials.

c. Legislative Priorities

Claire Goodwin discussed alternative options for developing annual state legislative priorities. In 2022, the SKHHP Executive Board held several meetings and adopted a robust list of legislative priorities for the following year. In February 2023, SKHHP Staff were directed by the Executive Board to remain neutral on legislation given the diversity of opinions inside SKHHP. Conversations have already begun to prepare for the 2024 State Legislative Session.

Some of the challenges with engaging with the legislature include that session moves quickly and only allows for time to hear from some SKHHP jurisdictions. Additionally, only some SKHHP Board members are empowered to take a position without seeking further guidance from their jurisdiction. SKHHP staffing is also limited in the capacity to carry out this work. There is also a need for more awareness within our state delegation and a need to still get the word out about SKHHP.

An alternative to developing a list of priorities would be to focus on one item that all jurisdictions could agree on. That item could be advocating around increasing available funding for all aspects of affordable housing in South King County. To accomplish this and to help raise awareness about SKHHP, the Executive Board members would serve as ambassadors. SKHHP Staff would provide a one-pager about SKHHP and the need for funding affordable housing in South King County, additionally asking each SKHHP jurisdiction to add the need for increased funding for affordable housing to their individual legislative priority lists. Finally, SKHHP staff would like a list of active, affordable housing projects in each of the jurisdictions so that we can help advertise and raise awareness around funding opportunities. Specific tasks to show a need for funding can serve as a better advocacy tool than generally speaking about a need.

Traci Buxton said they were great recommendations, and she has made notes in the file for the City of Des Moines' legislative priorities.

Nancy Backus stated that this process would be easier to implement and could be revisited.

There was consensus that SKHHP staff should move forward with the suggested process.

VI. UPDATES/ANNOUNCEMENTS

Traci Buxton mentioned that Des Moines' Waterland Festival with a parade on 7/22/23.

Nancy Backus confirmed that the corgi races would occur at Auburn's Emerald Downs on 7/23/23.

Ryan McIrvine mentioned Renton River Days upcoming this weekend, including a drone show taking place that night and a rubber duck release on 7/23/23.

VII. ADJOURN

Nancy Backus adjourned the meeting at 2:46 PM.

Dorsol Planta

Program Coordinator-SKHHP