



I. CALL TO ORDER

Dorsol Plants called the meeting to order at 3:41 pm.

II. ROLL CALL/ESTABLISHMENT OF QUORUM

Advisory Board members present: Andrew Calkins, Uche Okezie, Ryan Disch-Guzman, Amy Kangas, Bambi Chavez, Menka Soni, Maju Qureshi.

Other attendees: Claire Vanessa Goodwin, SKHHP; Dorsol Plants, SKHHP; Hannah Bahnmler, City of Renton; Abby Anderson, KCRHA.

III. July 6, 2023, MEETING MINUTES

Motion to approve July 6, 2023 Minutes by Andrew Calkins, Second by Maju Qureshi. (7-0)

IV. HOUSING UPDATE FROM THE CITY OF RENTON

Hannah Bahnmler, acting Community Development and Housing Manager for the City of Renton, provided a brief overview of housing needs in Renton.

The Puget Sound Regional Council (PSRC) undertook a public opinion survey in 2022, showing that housing cost and homelessness were the most critical problem facing Washington State, according to residents in Western Washington. This ranked the issues of housing and homelessness above other problems, such as traffic congestion, public safety, and Climate Change. Previously, the housing conversation focused on individuals who couldn't afford housing, but our region is seeing an increased risk for individuals who should be able to afford housing. For Renton, this is a shift as, historically, the city has had more affordability than others in the region. However, regional market pressures from high-wage earners are beginning to impact new development and existing projects. Recent research from Renton shows that asking rents are equivalent to the City of Seattle.

Renton adopted their Housing Action Plan (HAP) in Fall 2021, developed over an eighteen-month process. This was the city's first effort to compile, document, and create a strategy for the housing work already being done by the city. It is intended as a proactive guide to look at current needs and cultivate that into a strategy. A \$100,000 grant awarded by the Washington State Department of Commerce kicked off this work and supported two projects. The first project included coordination with five other SKHHP cities (Auburn, Burien, Federal Way, Kent, and Tukwila), to do a Subregional Housing Framework. The second project used the first as a foundation to build out each city's specific HAPs.

The Renton HAP is broken down into four primary sections. These include a housing needs assessment that examines different housing measures and demographics to support policy decisions. The city also conducted a housing policy review to look at existing policies and their effectiveness, including an assessment of the housing market in Renton. The third section examined various policy tools and options appropriate for the city. Finally, the HAP makes recommendations and prioritizes them into preferred strategies.

Throughout the development of the HAP, the community was engaged in two primary ways. There was a twelve-person advisory committee of housing providers and community stakeholders. Renton also used a model called "Community Conversation," where community representatives were paid to hold focus groups among their communities.

Since the HAP was adopted, the city has been working to implement the strategy. This included applying for and receiving funding through the Department of Commerce's Housing Action Plan and Implementation grant (HAPI). A portion of this funding was provided to SKHHP to support the development of an Affordable Housing Inventory Dashboard. Renton also received the "Middle Housing" grant from the Department of Commerce, used to analyze racial disparity impacts. This work just concluded in the summer of 2023, and some final elements will be developed through 2024.

When speaking with external groups, there can be some confusion between the terms "housing affordability" and "affordable housing." Referring to income-restricted or subsidized housing by their exact name can be helpful. Housing affordability is a relative measure that is individually unique. Affordability is determined by how much of your monthly income pays for housing. When considering housing affordability, we can look at everyone individually and determine the ratio.

Area Median Income (AMI) is one of the critical measures in housing to talk about different income levels. AMI represents a continuum of incomes in a defined area from highest to lowest, with the middle figure being the median value. In 2022 the AMI for our metropolitan statistical area was \$134,600. This means that half of the households in the area had incomes lower than \$134,600, and half of the area had higher incomes. Households at 50% of AMI or below are at greater risk of displacement because they have the most restrictive incomes to pay for housing. AMI is useful because it's a uniform measure that supports the fact that the income of the individual household drives affordability. When talking about households making under 100% of AMI, it is a wide range of households with diverse needs and backgrounds.

Regarding AMI information specific to Renton, roughly 44% of households make 100% or greater of AMI. Below 100% AMI, the city breaks the information down into four categories with 12% of households at 80-100% of AMI, 15% of households at 50-80% of AMI, 14% of households at 30-50% AMI, and 15% of households at 0-30% AMI. Of all those households, 52% are homeowners, with 48% being renters, with households of higher AMI making up the most significant percentage of homeowners. 35% of all households in Renton are paying 30% or more of their monthly income on housing and are defined as 'cost-burdened.' Households with lower AMI tend to be more cost-burdened, but cost burden can impact any household. 15% of the households in Renton are considered severely cost burdened, meaning they pay 50% or more of their monthly income to housing. Renton has further analyzed these numbers to look at trends among specific factors such as race, gender, or education level.

Renton is one of the largest cities in South King County and has 43,733 existing units of housing. The city will need to plan to accommodate 17,000 new households by 2044. House Bill 1220 was passed by the state legislature and required the city to further prepare for new housing based on the need by AMI. Of the 17,000 new homes Renton needs, most need to be developed to support households earning 0-30% AMI and households earning greater than 100% AMI. This reflects Renton's naturally occurring affordable housing (NOAH), which serves

households earning 30-100% of AMI. To reach households below 50% AMI, Renton will need to increase the number of subsidized homes.

While the city can take action to support the development and preservation of affordable housing, it cannot do it alone. The development of partnerships with other stakeholders is an essential piece for solving the housing affordability puzzle. Many factors influence housing affordability, and several different people influence each factor.

Renton did a policy review to document and review existing housing policies as part of the HAP work. Renton's Policy Toolbox was broken into six buckets: partnerships, incentives, regulations, plans & statutes, preservation, and funding. The city further identified elements already in place for each bucket. (See agenda materials)

Renton has three tools available in the funding bucket that tie directly into the work the SKHHP Advisory Board is also doing. These include substitute House Bill 1406, which funds the SKHHP Housing Capital Fund. Renton also collects House Bill 1590 funds which can be used for affordable housing and behavioral health. Renton City Council has regularly taken action to support affordable housing through funds in the city's General Fund.

Policy work to support affordable housing development becomes more complex as you seek to serve lower-income households. To build housing to support households earning 80-125% AMI, the city can often use zoning flexibility to help the project 'pencil out' or make sense financially to the developer. When supporting households below 50% AMI, there can be a significant funding gap to make these projects pencil, which requires capital and operating funding support.

Looking forward to Renton's future, six strategic recommendations were made to help Renton meet its future housing need. The high-level recommendations include supporting partnerships to meet housing goals, promoting diverse housing types and sizes in neighborhoods, incentivizing housing development, promoting affordable housing development and preservation, using available land for affordable housing, and aligning comprehensive plan policies and other planning. Each of these recommendations has a few action items to support it.

Bambi Chavez asked if Renton's work around surplus land looked solely at rental opportunities or included homeownership. Hannah Bahnmitter responded that in the last legislative session, they amended the definition to include affordable homeownership. Renton advocated for this change after experiencing barriers supporting a church that wanted to provide affordable homeownership opportunities on adjacent land.

Bambi Chavez asked about the term 'land bank' and the ability of the city to keep land in an area where values will be known to increase and use the increase to fund further housing types. Hannah Bahnmitter said the plan was to do land banking in the traditional sense to acquire pieces of property and hold them until the land value is high and out of reach of Affordable Housing Developers. The city can provide this land at a low value making it attainable for affordable housing developers. The challenge is what funding source can be used to cover the acquisition.

Dorsol Plants asked about the city's ability to landbank a NOAH property to keep the building open and affordable while working to find an affordable housing developer to take over the

project. Hannah BahnMiller responded that, ideally, the city would serve as a facilitator rather than hold onto projects long-term.

Claire Goodwin asked how the available land was inventoried and if conversations with Renton City Council had happened regarding next steps when land is identified. Hannah BahnMiller responded that identification is made mainly through Geographic Information System mapping (GIS) and the King County Assessor's information. King County has also done a county-wide inventory of available property. Conversations have yet to take place at the City Council and will likely break down into two categories: 1) land the city owns; and 2) land the city owns with a partner. An internal staff process identifies which surplus land should be moved forward. They are difficult conversations involving different city departments with unique needs and goals.

V. HOUSING CAPITAL APPLICATION UPDATE

Claire Goodwin provided an update on the Housing Capital Fund applications. The October and November Advisory Board meetings will be a full review of the applications and develop a recommendation to the Executive Board for funding. SKHHP staff have been in contact with five applicants to hold pre-application meetings. The geographically diverse projects include Burien, Sea-Tac, Kent, and unincorporated King County. SKHHP staff are also meeting with potential applicants for the future; with the inclusion of HB 1590 funds, we have a greater opportunity to impact our region. Applications are due by September 15, 2023.

Bambi Chavez asked if SKHHP staff were holding an open house or webinars around the fund. Claire Goodwin responded that we have been holding individual meetings with developers interested in learning more.

VI. ADVISORY BOARD RECRUITMENT UPDATE

Dorsol Plants provided a quick update on the Advisory Board Recruitment process. We have received four applications, with a fifth pending for the next day. Applications are welcome from anyone interested in supporting SKHHP.

Bambi Chavez recommended reaching out to Homestead Community Land Trust and Africatown.

Bambi Chavez asked what the timeframe for recruitment was. Dorsol Plants responded that applications received by September 1, 2023, would be prioritized for interviews. If we have yet to reach our full fifteen-person membership, SKHHP will likely continue to accept applications on a rolling basis.

Maju Qureshi asked about the interview process for the Advisory Board applications. Dorsol Plants responded that the interviews will be with the Chair and Vice-Chair of the Executive Board, a member of SKHHP staff, and a member of the Advisory Board.

VII. UPDATES & ANNOUNCEMENTS

Dorsol Plants requested a volunteer to attend the August SKHHP Executive Board meeting. Maju Qureshi said she was able for the first portion of the meeting. Bambi Chavez said she would be happy to provide support.

Dorsol Plants highlighted the October and November Executive Board meetings, which will have the Executive Board review the Advisory Board's Capital Fund recommendation. It can be helpful to have Advisory Board members present if questions come up about project selection.

Dorsol Plants reviewed guidance from the Municipal Research & Service Center (MRSC) about using email to communicate between members of a government advisory board.

- Passive receipt of information is permissible, but discussion of issues by any means by a majority of the governing body can constitute a meeting.
- A message to a majority or more of your colleagues on the governing body is allowed if the message is to provide only documents or factual information, such as emailing a document to all members for their review prior to the next meeting.
- If you want to provide information or documents via email to a majority of members of the governing body, especially regarding a matter that may come before the body for a vote, have the first line of the email clearly state: "For informational purposes only. Do not reply." Consider also using the "BCC:" email line to prevent other members from replying to all recipients.
- Unless for informational purposes only, don't send an email to all or a majority of the governing body, and don't use "reply all" when the recipients are all or a majority of the members of the governing body.
- Have a designated staff member provide documents for meetings electronically or provide hard copies to each member. A staff member can communicate via email with members of the governing body in preparation for a meeting as long as the staff member does not share any replies with the other members of the governing body as part of the exchange.

VIII. CLOSING/ADJOURN

The meeting adjourned at 4:45 pm.

Dorsol Plants

Program Coordinator-SKHHP