

#### SKHHP Advisory Board August 3, 2023, 3:30 – 5:30 PM Zoom Meeting

**Zoom Link:** https://us06web.zoom.us/j/89734407973?pwd=cnllSFU4dXFJaFN5TGlwTWlxZHlNZz09

**Meeting ID**: 897 3440 7973

**Password**: 981696

Phone: 253-215-8782

<u>Time</u>	<u>Agenda</u>
3:30	Welcome / Introductions / Opening
3:35	July 6, 2023, Meeting Minutes (Attachment A)
3:40	SKHHP Executive Board Update from Advisory Board Liaison
3:45	Housing Update from City of Renton
4:15	Housing Capital Application Update
4:25	Advisory Board Recruitment Update
4:30	Updates / announcements
4:40	Closing



SKHHP Advisory Board July 6, 2023 MINUTES

#### I. CALL TO ORDER

Dorsol Plants called the meeting to order at 3:34 pm.

#### II. ROLL CALL/ESTABLISHMENT OF QUORUM

Advisory Board members present: Andrew Calkins, Uche Okezie, Ryan Disch-Guzman, Amy Kangas, Linda Smith, Patience Malaba, Cathy Sisk, Tina Narron, Menka Soni,

Other attendees: Claire Vanessa Goodwin, SKHHP; Dorsol Plants, SKHHP; Bambi Chavez, Advisory Board Alternate; Alex Hunt, City of Burien; Nicholas K. Matz, City of Normandy Park

#### III. June 1, 2023, MEETING MINUTES

Motion to approve June 1, 2023 Minutes by Linda Smith, Second by Andrew Calkins. (9-0)

#### IV. HOUSING UPDATE FROM THE CITY OF NORMANDY PARK

Nicholas Matz, Community Development Director for the City of Normandy Park, provided a brief overview of housing in Normandy Park. Traditionally, the city has been a racially homogenous and wealthy community comprising predominantly large single-family homes. Joining SKHHP in 2019 was a recognition that with the pressures and changes in our region, the city could no longer go on its own.

Normandy Park still needs to do a Housing Action Plan, and there are several tools other SKC jurisdictions use that the city still needs to take advantage of. There is a growing awareness in the community that there is a need for conversations around housing affordability.

The city is rooted in a zoning code from the 1950s/1960s, and thus there is an opportunity to rethink housing today. Normandy Park is around 7,000 people with approximately 2,800 housing units 83% is single-family housing, with a few multi-family housing projects. Often multi-family housing is the best example of Naturally Occurring Affordable Housing (NOAH) inside the city. Much of the BIPOC community of Normandy Park lives in attached or multi-family homes.

Ryan Disch-Guzman asked how you have conversations around housing with a predominantly wealthy community that may be new or resistant to changes. Nicholas Matz responded that it is vital to bring empathy to the conversation and not frame it as required. You are helping to see how others might be in different circumstances, addressing issues of economics, households, and families they recognize. Picking and choosing where you have the conversation and only sometimes having broad discussions. Direct talks work better than speaking to large groups all at once. Many of the BIPOC residents of Normandy Park are wealthy but still struggle with forms of institutional racism in land use. When having the hard conversations with Elected Officials be direct. You don't always have to change someone's mind; just help them to see how someone could be in different circumstances.

Bambi Chavez asked how the advocacy and engagement with the community had been going. Nicholas Matz responded that it's important to start where the community identifies or sees themselves and help them get where they want to go. This might mean you have to have the same conversation repeatedly, but every city has a sense of its identity, and instead of pushing people into being something else, include the changes into the current identity.

Linda Smith asked how the city has integrated representation and centering the voices of those impacted by racial inequities in their community engagement. Nicholas Matz responded that storytelling has been an important tool to use in the short turnaround time to complete the Comprehensive Plan Updates. Regarding race and equity, not every community member is as far along in their understanding. Storytelling can raise awareness and empower conversations on the topic. One example is that Normandy Park has one of the three homes in the region designed by the famous architect Frank Lloyd Wright but also features a home designed by Benjamin F. McAdoo Jr., the first African American to hold an architectural practice in WA State. One community with two famous architects, but very few knew the story of Benjamin McAdoo. By telling his story first as a renowned architect and then including the challenges he experienced as an African American, you begin to help raise an understanding of the impacts of inequity.

#### V. HOUSING ACTION PLAN UPDATE FROM THE CITY OF BURIEN

Alex Hunt, Senior Planner for the City of Burien, reviewed the Housing Action Plan (Attachment B). Burien adopted its Housing Action Plan in 2021 alongside a housing needs assessment. This research showed that from 2011-2019 Burien produced 9.3 units of housing for every 10 new families. Prices rise as supply doesn't keep up with demand. Burien experienced a 45% increase in rent for two-bedroom apartments from 2013-2020 and a 101% increase in the median price of a single-family home. The conclusion of the assessment was that Burien needs to increase housing of diverse types, sizes, and price points.

The Housing Action Plan provides several recommendations by which the city can reach the goal of producing 7,500 new units of housing. Those recommendations include retaining the affordable market-rate units that the city currently has and acting with caution when making land use changes that could cause displacement. Burien may also reduce its parking requirements to reduce the cost of developing new housing. Additionally, the city could create a multi-family tax exemption program around future transit corridors. Finally, allowing for middle housing types in areas zoned for single-family housing.

Burien has begun implementing the Housing Action Plan through sub-area planning efforts. In 2022, Burien was awarded the WA State Department of Commerce's Housing Action Plan Implementation Grant (HAPI), which enabled zoning changes along the Ambaum Corridor and in Boulevard Park. A 20-year vision was looked at for both subarea plans and zoning amendments were made to encourage the growth of that vision. Examples of zoning amendments include reducing regulatory barriers to a wide array of housing types, reducing the required number of parking spaces, and height bonuses for having Affordable Housing.

Burien does not have an acting Planning Commission due to resignations, which has delayed both subarea plans. The hope had been for legislation to pass at the end of this year, but it is more likely to occur next year when the Comprehensive Plan is adopted. Burien is committed to the project and will take the extra time to engage in further community engagement and education.

Alex Hunt went on to highlight projects that are further along in their development. These include a 40-unit Habitat for Humanity homeownership project, which consists of 20 units funded by the SKHHP Housing Capital Fund. DESC has a six-story project that will provide 95 units of permanent supportive housing. Both projects went through the Burien Affordable Housing Demonstration Project. Lastly, the Kinect project is a six-story building providing 230 housing units. This project used the 12-year MFTE program and will provide 46 units (20%) of housing affordable to low or middle-income.

Bambi Chavez asked about the Eco-Thrive project located in Burien. Alex Hunt responded that the Eco-Thrive project has moved through the Affordable Housing Demonstration Project, a 27-unit cottage housing development in the Boulevard Park subarea. They are currently in the land use and permitting stage.

Ryan Disch-Guzman asked about ways to preserve the Latinx community in the Ambaum Corridor, which is at risk for displacement. Alex Hunt responded that the city recognizes that the Latinx community is a cultural asset to Burien. The city focused on communicating with vulnerable communities, including the Latinx community. This included outreach at apartments and community groups. Meetings were held in English and Spanish to help better understand the community's perspective on what they need to feel like their home. The community helped to identify several vital cultural anchors, and the city developed a mixed-use priority zone that ties development capacity to supporting the present community. Also, identifying underutilized areas like Burien's Office zones where zoning changes are less likely to displace communities.

Bambi Chavez asked if community preference policies had been considered as an anti-displacement strategy in Burien. Alex Hunt said that the city had yet to include community preference policies as part of the project and asked if there were communities Burien could learn from. Bambi Chavez cited King County and the work they have done in Skyway.

Dorsol Plants asked if the Burien Affordable Housing Demonstration Project was closed and no longer accepting projects. Alex Hunt responded that it was extended.

Andrew Calkins asked about efforts to create permanently affordable units as part of the MFTE program and if the city had strategies to preserve the NOAH units. Alex Hunt responded that with the MFTE program, the city is still early in development and is awaiting further direction from the Planning Commission and City Council. Burien has a "Notice of Intent to Sell" policy which requires NOAH property owners to provide notice before selling property to provide non-profit developers a chance to purchase the property first.

#### VI. ADVISORY BOARD RECRUITMENT PROCESS

Dorsol Plants provided an update on the Advisory Board Recruitment Process, which began on June 19, 2023. The Advisory Board is supposed to have twelve to fifteen members, and the current board has ten. In preparation for the recruitment drive, SKHHP staff identified vital knowledge areas to prioritize for recruitment. Those areas would include non-profit and market-rate developers, housing financing, landlords, and people with lived experience. The goal is to recruit widely. All applications will be reviewed by SKHHP staff, with priority given to applications sent before September 1. Interviews will include the Chair and Vice-Chair of the Executive Board, a SKHHP Staff member, and a representative from the Advisory Board. Recruitment materials have been sent out to the Advisory Board to aid in recruiting.

Patience Malaba asked if the Advisory Board members should provide and discuss potential recruits at today's meeting or follow up with SKHHP Staff afterward. Dorsol Plants responded that time was on the agenda and that any suggestions would be welcome for recruitment. Claire Goodwin added that we hope to have a full and varied Advisory Board; we would accept applications outside the knowledge categories.

Patience Malaba added that an additional category of knowledge would be community-based organizations that would align with lived experience. Patience Malaba suggested contacting El Centro, Beacon Development and was happy to help make connections. There should be a balance

between voice for homeownership and rental. Greater Expectations is a developer and program operator that would be a great organization to add.

#### VII. HOUSING CAPITAL FUND GUIDELINES UPDATE

Claire Goodwin provided a brief update on the Housing Capital Fund. The feedback from the Advisory Board, which included adding "Economic Opportunity" to the funding priorities and edits to the "Racial Equity" category, was adopted by the Executive Board. The Executive Board also gave SKHHP Staff direction to work with willing jurisdictions to pool HB 1590 funds into the Housing Capital Fund. This has increased the HCF from \$1.3 million to almost \$6 million for the 2023 funding round. Work is underway to draft an interlocal agreement with Covington. Kent has already contributed their funds, and Maple Valley City Council will discuss the pooling of funds next week. The Executive Board must adopt modified Housing Capital Fund Guidelines at the July 21, 2023 Executive Board meeting, including this new funding.

Patience Malaba asked about the projected timeline for the 2023 Housing Capital Fund. Claire Goodwin responded that the application would go live on July 24, 2023. Intent to Apply forms are optional and due by August 7, 2023. SKHHP Staff has already begun scheduling pre-application meetings to complete them by mid-August. Applications are due by September 15, 2023, and the Advisory Board will review the application in October with a recommendation at the November meeting. The Executive Board would adopt the Advisory Board's recommendation at their November meeting. Formal awards would be made after March 2024 to allow SKHHP staff to present at each SKHHP funding jurisdiction.

Patience Malaba asked after growing the Housing Capital Fund if there was an opportunity to go in front of philanthropic groups to secure gap funding to support Affordable Housing projects. Claire Goodwin said that was a hope moving forward. SKHHP is in an explorative phase and is working to find ways to increase awareness about the collaborative opportunities in South King County. At the June Executive Board meeting, there was a discussion around securing long-term funding for the Housing Capital Fund, which included philanthropic support.

#### VIII. DISCLOSURE STATEMENTS FOR HOUSING CAPITAL FUND

Dorsol Plants reminded the Advisory Board about disclosing potential conflicts of interest with Housing Capital Fund applicants. If there is questions or concern about a potential conflict of interest, connect with SKHHP staff who can support Board members through the process.

#### IX. UPDATES & ANNOUNCEMENTS

Dorsol Plants requested volunteers to serve as the Advisory Board liaison to the Executive Board for August and September. Andrew Calkins volunteered for September. Patience Malaba asked what the role of the Advisory Board member attending would be. Dorsol Plants responded that when the Advisory Board has made recommendations in the past, it has been helpful to have an Advisory Board member present to answer questions associated with the recommendation. The Board member can also update the Advisory Board on the actions at the Executive Board meeting. Claire Goodwin added that it is an excellent way for the two boards to get to know each other.

#### X. CLOSING/ADJOURN

The meeting adjourned at 5:09 pm

# City of Renton Housing Action Plan

**SKHHP Advisory Board - August 3, 2023** 

Hannah Bahnmiller
Acting Community Development and Housing Manager
City of Renton
hbahnmiller@rentonwa.gov









# **Outline**

"HAP" Overview
Housing Needs
Housing Tools
Looking Forward



## **Overview**

The City of Renton developed a Housing Action Plan to build on existing efforts to expand housing options

# Funded by WA Department of Commerce Grant

## **Two Components:**

1) Subregional Housing Action Framework

> Joint project with cities of Auburn, Burien, Federal Way, Kent, Renton, and Tukwila

- 2) City of Renton Housing Action Plan
  - 1. Needs Assessment
  - 2. Policy Review
  - 3. Policy Tools
  - 4. Recommendations

# **Timeline**

#### 2020

Awarded grant to create a Housing Action Plan (HAP)

#### 2021

- Creation of Department of Equity, Housing and Human Services (EHHS)
- HAP Adopted in October
- Awarded Housing Action Plan Implementation (HAPI) grant

#### 2022

Awarded Middle Housing Grant

#### **UPCOMING**

- Adoption of HAPI grant and Middle Housing recommendations by June 2023
- Comprehensive Plan Update adoption by December 2024

## **Definitions**

<u>Subsidized Housing</u> refers to income-restricted units for household making below the median income

<u>Naturally Occurring Affordable Housing</u> refers to units on the private market that are available at a price point affordable to those making less than median income

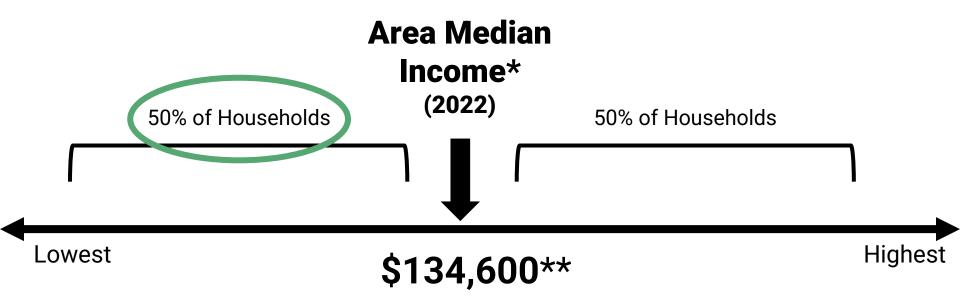
<u>Housing Affordability</u> measures individual housing costs as a percentage of personal income. Housing is considered unaffordable when a household's monthly housing costs exceed 30% of gross income

<u>Cost burden</u> is when a household pays more than 30% of its income on housing costs

<u>Severe cost burden</u> is when a household pays more than 50% of its income on housing costs

**Area Median Income (AMI)** measures the median, or middle, household income in a specific geography; updated annually by the U.S. Department of Housing and Urban Development (HUD), this number is the official figure used to determine income limits and maximum rent prices for government-funded affordable housing programs

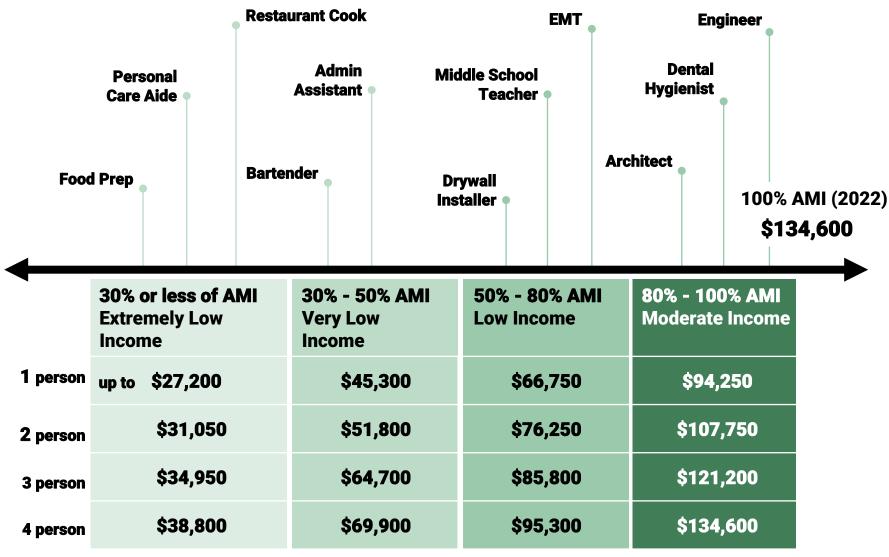
## **Household Income**



<sup>\*</sup>Area Median Income (AMI) is calculated for the three-county area of King, Pierce, and Snohomish counties

<sup>\*\*</sup>Represents median family income for a household of four

## **Household Income**



**HUD 2022** 

# **Affordability**by Income & Household Size



AMI	Studio	1-bed	2-bed	3-bed
30%	\$680	\$728	\$873	\$1,009
50%	\$1,132	\$1,213	\$1,456	\$1,682
80%	\$1,668	\$1,787	\$2,145	\$2,478

**Based on 2022 HUD HOME Program Rent Limits** 



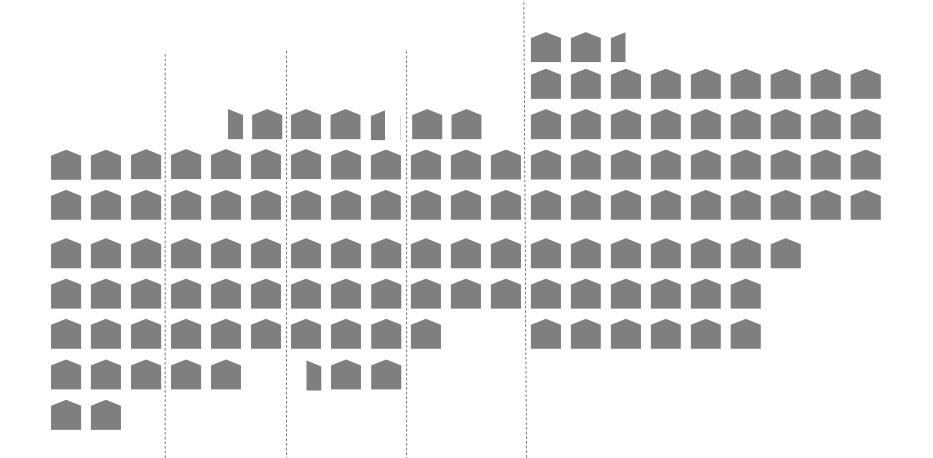


# **Housing Needs by Income**



# Household Incomes 2015-2019 ACS

= 300 households



**15**% 0-30%

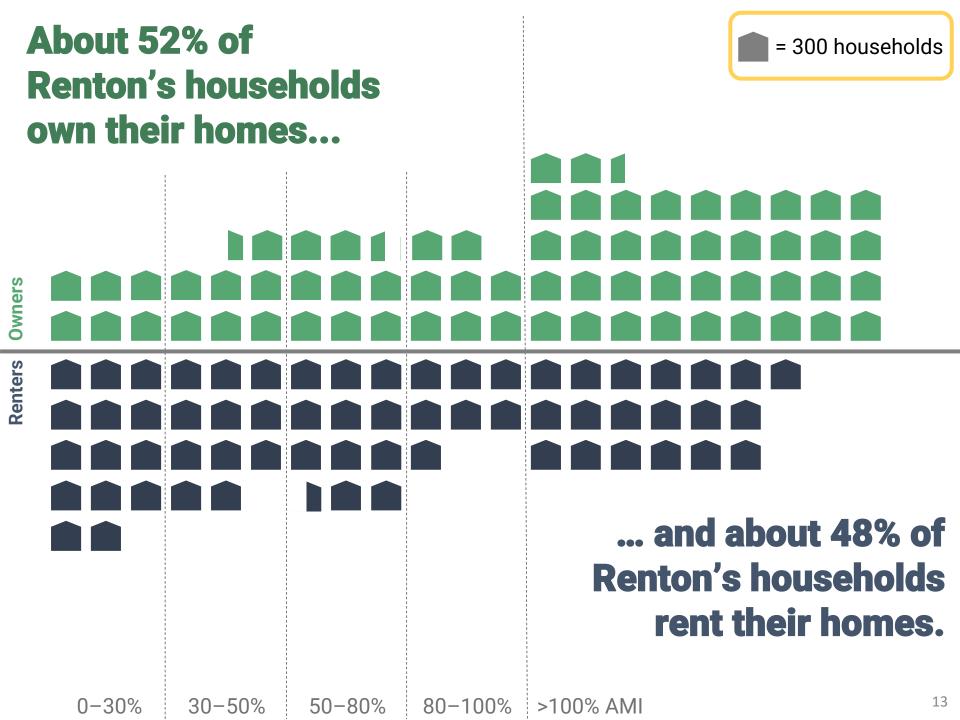
**14**% 30-50%

**15**% 50-80%

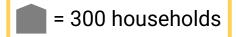
**12**% 80-100%

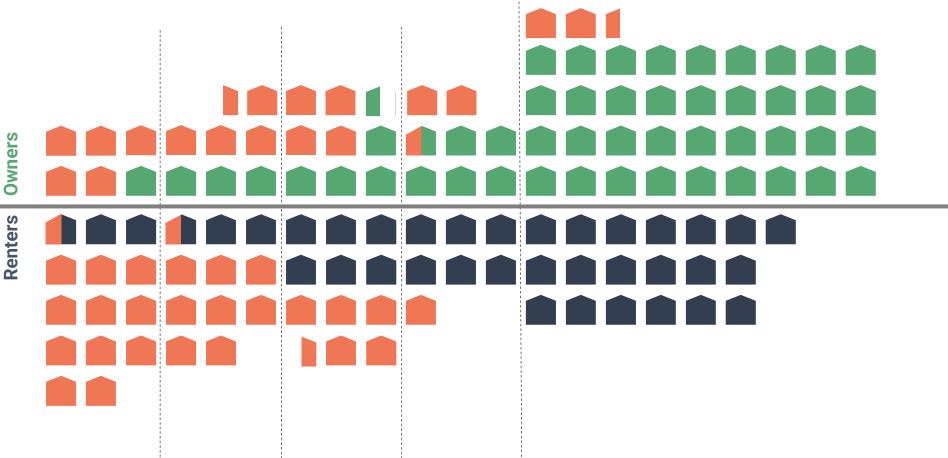
**44%** >100% AMI

of total Renton households









**83**% 0-30%

**71%** 30-50%

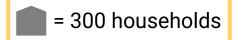
**48**% 50-80%

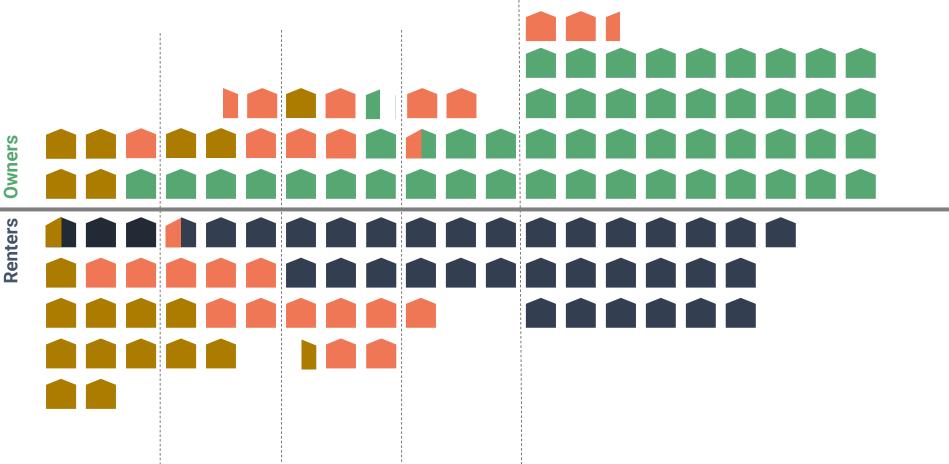
**22**% 80-100%

**6**% >100% AMI

of this income band pay more than 30% of income on housing







67% 0-30% % 30-50%

% 50-80%

% 80-100%

% >100% AMI

of this income band pay more than 50% of income on housing



# **Housing Needs by Units**



# **Housing Units By Type** 45% 53% **■ One Unit Housing Units ■ Two or More Unit Housing Units ■ Mobile Homes and Specials**

# **Housing Needs**

Renton has an existing 43,733 housing units

**Source: 2022, Washington Office of Financial Management** 

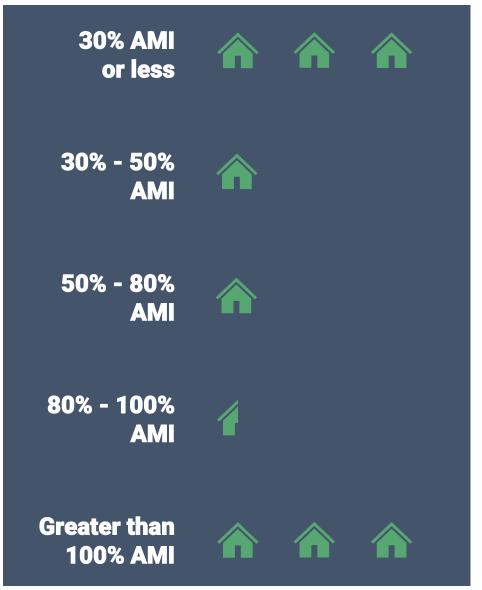
# **Housing Needs**

The City of Renton is planning to accommodate 17,000 new households by 2044



# **Housing Needs**

The City of Renton is planning for future needs by income band



## **Existing Subsidized Affordable Housing Units** by Target Income **Target** Income 60% AMI **75%** 15% **Target** 10% Income 50% AMI **Target** Income 30-35% AMI

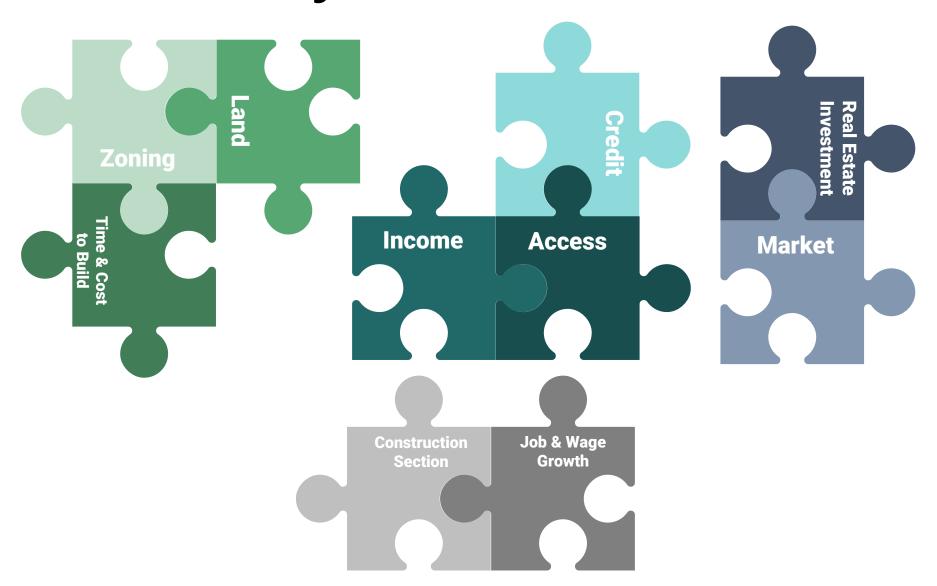
# **Housing Needs**

The City of Renton needs additional subsidized housing for households making less than 50% AMI

Source: 2019, EcoNorthwest



# **Affordability Factors**



# **Renton's Toolbox**

Partnerships	<ul><li>Renton Housing Authority</li><li>Regional and subregional collaboratives</li><li>Non-profit developers</li></ul>		
Incentives	<ul> <li>•Multi-Family Tax Exemption</li> <li>•Bonus Density for Affordable Housing</li> <li>•Waived Fees for Affordable Housing</li> <li>•Reduced Parking for Affordable Housing</li> </ul>		
Regulations	<ul><li>Permit Ready Accessory Dwelling Units</li><li>Cottage Housing Density Bonus</li></ul>		
Plans & Statutes	<ul><li>Comprehensive Plan</li><li>Housing Action Plan</li><li>Rainier/Grady Subarea Plan and Planned Action EIS</li></ul>		
Preservation	•Rental Registration Program •Housing Repair Assistance Program		
Funding	<ul> <li>Housing Opportunity Fund</li> <li>SHB 1406 State Sales Tax Credit</li> <li>HB 1590 State Sales Tax Increase</li> </ul>		

# Layering tools is required for the deepest affordability

Operating
Funding
+
Capital
Funding
+
Incentives
+
Regulations

Capital
Funding
+
Incentives
+
Regulations

Incentives + Regulations

**Regulations** 

<30% AMI

**30-50% AMI** 

50-80% AMI

80-125% AMI

>125% AMI



# **HAP Strategic Recommendations**

#### **Support Partnerships to Meet Housing Goals**

- 1.1 Create Housing Advisory Committee
- 1.4 Identify long-term funding sources for the Renton Housing Authority and non-profit development organizations

## Promote Diverse Housing Types and Sizes in Neighborhoods

2.1 Consider permitting additional housing types

## **Incentivize Housing Development**

## **Promote Affordable Housing Preservation and Development**

4.1 Pass requirements for the distribution of information to tenants

### **Use Available Land for Affordable Housing**

• 5.5 Coordinate land banking to preserve land for affordable housing

## **Align Comprehensive Plan Policies and Other Planning**

- 6.1 Reinforce the commitment of the City to address racial equity
- 6.2 Increase the emphasis on housing affordability and reducing displacement

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# Questions?

#### **CONTACT**

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