

**SKHHP Executive Board  
February 16, 2024, 1:00 – 3:00 PM  
Virtual Meeting**

**Video conference:**

<https://us06web.zoom.us/j/99857398028?pwd=eXFiMmJpQm1abDZmMmRQbHNOYS8ydz09>

**OR by phone: 253-205-0468**

**Meeting ID:** 998 5739 8028

**Password:** 085570

<b>I.</b>	<b>CALL TO ORDER</b>	<b>1:00</b>
<b>a.</b>	ROLL CALL	
<b>b.</b>	INTRODUCTIONS OF STAFF WORK GROUP MEMBERS AND ADVISORY BOARD REPRESENTATIVE	
<b>II.</b>	<b>PUBLIC COMMENT</b>	<b>1:05</b>
<b>III.</b>	<b>APPROVAL OF JANUARY 19, 2024 MINUTES</b>	<b>1:08</b>
	<b><u>Motion</u> is to approve the January 19, 2024 SKHHP Executive Board meeting minutes.</b>	
<b>IV.</b>	<b>AGENDA MODIFICATIONS</b>	<b>1:09</b>
<b>V.</b>	<b>BOARD BUSINESS</b>	<b>1:10</b>
<b>a.</b>	<b>ELECTION OF CHAIR AND VICE-CHAIR</b>	
	<u>Presenter:</u> Claire V. Goodwin, SKHHP Executive Manager	
	<u>Purpose:</u> To elect a Chair and Vice-Chair to the SKHHP Executive Board.	
	<u>Background:</u> Chair and Vice-Chair elections are held annually to serve a 1-year term and are elected from the appointed members of the Board. The Chair of the Executive Board presides over meetings of the Executive Board. The Vice- Chair, in the absence of the Chair, performs all duties incumbent upon the Chair.	
	Prior to the meeting, nominations were received as follows:	
	<ul style="list-style-type: none"><li>• Nancy Backus for Chair</li><li>• Dana Ralph for Vice-Chair</li></ul>	
	Other nominations for Chair and Vice-Chair positions may be brought forward at the meeting.	
	<b><u>Motion</u> is to approve the nomination for Chair.</b>	
	<b><u>Motion</u> is to approve the nomination for Vice-Chair.</b>	
<b>b.</b>	<b>CITY OF SEATAC INTERLOCAL AGREEMENT FOR SKHHP MEMBERSHIP</b>	<b>1:20</b>
	<u>Presenter:</u> Claire V. Goodwin, SKHHP Executive Manager	

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Purpose: To consider approval of the City of SeaTac Agreement adding the City of SeaTac as a party to the SKHHP Interlocal Agreement.

Background: At the October 2023 and January 2024 SKHHP Executive Board meetings, the Executive Manager provided an update on SeaTac's interest and consideration in becoming a party to the SKHHP Interlocal Agreement. At the January 23, 2024 SeaTac City Council meeting, Council approved execution of the agreement to become a SKHHP member jurisdiction, adopted the 2024 SKHHP work plan and budget, and approved allocation of \$300,000 from the general fund to contribute towards the 2024 SKHHP Housing Capital Fund.

Adding a party to the SKHHP Interlocal Agreement requires final approval by a two-thirds majority vote of the SKHHP Executive Board. A simple majority of the Board will determine operational funding obligations SeaTac shall commit to as a condition of becoming a Party to the Agreement.

**Motion is to approve the SeaTac Agreement and authorize the SKHHP Chair to execute Agreement.**

**Motion is to approve the pro-rated 2024 operational member contribution by the City of SeaTac in the amount of \$10,456.**

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<b>VI.</b>	<b>BRIEFINGS</b>	<b>1:35</b>
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**a. MEET THE DEVELOPER: MULTI-SERVICE CENTER (MSC)**

Presenter: Amanda Santo, Chief Operations Officer, MSC;  
Kristen York, Chief Executive Officer, MSC

Purpose: Provide an opportunity to hear and learn from developers working in South King County.

Background: Formed in 1971, MSC provides housing, rental assistance, employment support, and essential resources to the South King County community. A longtime partner with SKHHP, MSC has been a member of the SKHHP Advisory Board since November 2021. SKHHP recommended funding for MSC in the 2023 Housing Capital Fund funding round to support the rehabilitation of the Victorian Place II Apartments located in Des Moines, WA.

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<b>b.</b>	<b>2024 STATE LEGISLATIVE UPDATE</b>	<b>2:05</b>
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Presenter: Dorsol Plants, SKHHP Program Coordinator

Purpose: A brief update of housing and land use legislation under consideration during the 2024 State Legislative Session.

Background: The Washington State Legislature convened for a short session beginning January 8, 2024. SKHHP staff will monitor and provide updates on legislation connected with housing at the monthly Executive Board meetings. Special

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	focus will be provided on any bills which further SKHHP's adopted legislative priority, "to fund all aspects of affordable housing."	
<b>VII.</b>	<b>BOARD BUSINESS CONTINUED</b>	<b>2:15</b>
	<p><b>a. 2025 WORK PLAN DEVELOPMENT SURVEY</b></p> <p><u>Purpose:</u> Solicit initial feedback from the Executive Board for the development of the 2025 work plan through a survey.</p> <p><u>Background:</u> SKHHP's Interlocal Agreement requires the Executive Board recommend an annual work plan and budget by June 1. To develop a draft work plan and budget for consideration, this survey will help inform that process. A recommended 2025 work plan and budget will be presented at the April 19 Executive Board Meeting for adoption, followed by Council action by each member jurisdiction by July 12.</p> <p><b>For review, discussion, and receipt of Board feedback, no action proposed.</b></p>	
	<p><b>b. 2023 ANNUAL AND QUARTER 4 REPORT</b></p> <p><u>Presenter:</u> Claire V. Goodwin, SKHHP Executive Manager</p> <p><u>Purpose:</u> Presentation of the 2023 quarter four budget and progress report for Executive Board review.</p> <p><u>Background:</u> Staff provides quarterly budget and progress reports consistent with the SKHHP Interlocal Agreement. The quarter 4 progress report serves as the annual report. The report serves as an accountability and progress update as well as a tool for Board members to update their member Councils and other interested parties. Staff presentation followed by Board discussion provides the opportunity for feedback prior to finalization and distribution to member jurisdictions.</p> <p><b>For review, discussion, and Board feedback only, no action is proposed.</b></p>	<b>2:35</b>
<b>VII.</b>	<b>UPDATES/ANNOUNCEMENTS</b>	<b>2:50</b>
	<ul style="list-style-type: none"> <li>• Preservation strategies update</li> <li>• In-person Executive Board meeting in March</li> </ul>	
<b>VIII.</b>	<ul style="list-style-type: none"> <li>• <b>ADJOURN</b></li> </ul>	<b>3:00</b>



## I. CALL TO ORDER

Traci Buxton called the meeting to order at 1:02 PM.

## ROLL CALL/ESTABLISHMENT OF QUORUM

**Executive Board members present:** Merina Hanson (alternate), City of Kent; Colleen Brandt-Schluter, City of Burien; Traci Buxton, City of Des Moines; Brian Davis, City of Federal Way; Victoria Schroff (alternate), City of Maple Valley; Eric Zimmerman, City of Normandy Park; Ryan McIrvn, City of Renton; Dennis Martinez (alternate), City of Tukwila; Sunaree Marshall, King County.

**Others present:** Claire Goodwin, SKHHP Executive Manager; Dorsol Plants, SKHHP Program Coordinator; Tina Narron, SKHHP Advisory Board; Laural Humphrey, City of Tukwila; Dafne Hernandez, City of Covington; Matt Torpey, City of Maple Valley; Nicholas Matz, City of Normandy Park; Angie Mathias, City of Renton.

## II. PUBLIC COMMENT

No public comment was provided.

## III. APPROVAL OF NOVEMBER 17, 2023 MINUTES

Brian Davis moved to approve the November 17, 2023 minutes as presented, seconded by Victoria Schroff. Motion passed (8-0)

## IV. AGENDA MODIFICATIONS

No modifications to the agenda were made.

## V. BOARD BUSINESS

### a. APPOINTING MEMBERS TO THE SKHHP ADVISORY BOARD AND INTRODUCTION

Claire Goodwin provided an overview of the recruitment and selection process for the six SKHHP Advisory Board appointment candidates:

In June, we presented a plan to recruit members to the SKHHP Advisory Board and solicited the names of individuals the Executive Board identified to target. Since June, Dorsol Plants, SKHHP Program Coordinator, has been actively engaged in a recruitment effort to identify potential candidates and communicated with over 40 individuals. We received 13 applications to fill six vacancies, and 11 interviews were conducted. The interview panel consisted of SKHHP's Executive Board Chair and Vice Chair, Nancy Backus and Dana Ralph; SKHHP Executive Board Member Brian Davis; Advisory Board Member Dr. Linda Smith, who participated in the first interview; and Advisory Board Member Maju Qureshi, who participated in the second and third interviews.

By way of background, the SKHHP Interlocal Agreement (ILA) requires us to establish a 12-15 community member Advisory Board appointed by the Executive Board. The role of the Advisory Board is to provide advice and recommendations to the Executive Board on land and/or



resource allocation for affordable housing projects, input on policy needs related to housing stability, program design, and development, recommendations for emergency shelter and other immediate affordable housing needs, and to provide public education and community outreach services. The ILA requires members appointed to the Advisory Board to know and understand affordable housing, be committed to furthering affordable housing in South King County, and represent diverse community perspectives. Appointments last four years, with service limited to two consecutive terms. The Advisory Board provides feedback and recommendations on two significant bodies of work during the work plan development process and the Housing Capital Fund recommendations.

I am excited to present the six candidates for your consideration to appoint to the Advisory Board today.

First is Hamdi Abdulle. Hamdi is a resident of Kent and would represent African Community Housing & Development. Hamdi brings her experience leading this non-profit housing developer and has deep experience working with the African diaspora immigrant and refugee community.

Second is Marie Arns. Maria is a resident of Kent and would not be representing an organization. Maria brings her passion for addressing affordable housing challenges and her background as a person who has experienced homelessness, which is a crucial perspective for our Advisory Board.

Third is Kent Hay. Kent is a resident of Auburn and would not be representing an organization. He brings deep experience working to address homelessness in South King County.

Fourth is Kathleen Hosfeld. Kathleen is a resident of Seattle and would represent Homestead Community Land Trust. You may recall Kathleen's presentation to the Executive Board earlier in the year on the community land trust model for maintaining affordability through homeownership. Kathleen brings her experience leading a successful non-profit community land trust and developing affordable housing with projects in South King County.

Fifth is Olga Lindbom. Olga is a resident of Federal Way and would represent Open Doors for Multicultural Families. Olga brings her experience supporting families with an intellectual and/or developmental disability through a social services organization.

And sixth is Rumi Takahashi. Rumi is a resident of Seattle and would represent SMR Architects. SMR architects designs, preserves, and advocates for affordable housing, and they have projects in South King County. Rumi brings her passion for affordable housing development and perspective as an architect of affordable housing.

All candidates identified experience working with low-income households, BIPOC community members, immigrant and refugee populations, people experiencing homelessness or housing insecurity, veterans, aging adults/seniors, and youth. Most candidates identified experience working with LGBTQ+ communities, people living with disabilities and/or behavioral health needs, people with a criminal history, and multigenerational households.

Brian Davis added that after having the opportunity to interview all the candidates, he was excited about who was being recommended. Deliberations took some time, and the panel had the excellent problem of picking from a group of strong candidates. He is looking forward to working with the six selected candidates.

Brian Davis moved to adopt Resolution 2024-01, appointing the recommended candidates to the SKHHP Advisory Board for a term of four years, seconded by Colleen Brandt-Schluter. Motion passed (8-0)

Eric Zimmerman joined the Executive Board meeting at 1:20 PM.

Claire Goodwin asked each of the new Advisory Board members to introduce themselves and any current Board Members present.

Hamdi Abdulle said she was excited to join the SKHHP Advisory Board and has worked to support her community in SeaTac for a long time. The road was very steep coming to the US and the State of Washington, but my experience has taught me a lot, and I am glad to share that with the Advisory Board.

Kathleen Hosfeld is the CEO of Homestead Community Land Trust and the proud new owner of a rental housing project in Renton. While Homestead is new to rental work, the governance structure is unique and creates greater resident autonomy. She is excited to work in partnership with everyone moving forward and bringing more homeownership to South King County.

Olga Lindbom said she is honored to be a part of the SKHHP Advisory Board and to add the voice of the communities she is a part of and represents. She has worked for the past ten years at Open Doors for Multicultural Families, providing programs and services for families at the intersection of cultural/linguistic diversity and disability in South King County.

Rumi Takahashi said she is excited to join the organization and get to know her fellow board members. She has worked behind the scenes on the design and construction of affordable housing and is excited to jump into the policy side to help develop better housing.

Tina Narron is the Chief Lending Officer at Verity Credit Union and joined the Advisory Board in February 2023. What drew her to SKHHP is that it matched Verity's mission to help build generational wealth and support affordable housing. SKHHP is one way to ensure that someone is speaking about the need for equitable housing programs.

Uche Okezie serves as a private citizen on the Advisory Board and is a resident of Burien. She joined to help create change and ensure affordable rental and homeownership opportunities. She has been a board member since November 2021 and has enjoyed the work, including funding projects through the Housing Capital Fund.

Claire Goodwin thanked the Advisory Board members for introducing themselves and congratulated the new Advisory Board members. She confirmed with Dorsol Plants that the next Advisory Board meeting was on February 1, 2024.

Traci Buxton stated she was grateful and impressed by the quality of the candidates and their work professionally and as volunteers to improve their community.

## **VI. BRIEFING**

### **a. INTRODUCTION TO TAX INCREMENT FINANCING (TIF)**

Claire Goodwin began by reminding the Executive Board that at the June 2023 meeting on long-term funding strategies for the Housing Capital Fund, the Board identified tax increment financing (or TIF) as a topic of interest to learn more about. The Executive Board confirmed their

continued interest at the November 2023 Board meeting, and subsequently, SKHHP staff identified one of the TIF subject matter experts. That subject matter expert is Morgan Shook, Partner/Senior Policy Advisory at EConorthwest, and Morgan has graciously offered to present to us today. Morgan has deep expertise in economic, market, and financial analytics that he brings to bear in business, enterprise, and policy settings. Morgan regularly works for various government, business, and non-profit clients, providing analyses highlighting opportunities, consequences, and trade-offs of land and infrastructure decisions.

After Morgan's presentation, Brian Davis from the City of Federal Way will discuss his perspective of TIF and Federal Way's utilization of the tool to redevelop a vital area of the city.

Morgan Shook explained that his expertise is twofold: on the housing and infrastructure sides. On housing, he has worked on land development for affordable housing developers and local government, particularly transit agencies in Washington, Oregon, and California. In Washington, the focus has been on helping to steer equitable development to create deeply affordable units and advance other community benefits. His early history of policy development was working with cities when Washington State offered a tax credit to encourage the annexation of large areas, which led to an understanding of the fiscal challenges many cities face.

Washington has had a TIF program for roughly thirty years and was initially called Community Revitalization Financing (CRF). CRF was only used between the City and County of Spokane, and it was a tax-sharing arrangement between the two entities to allow neighborhood-level community planning for infrastructure. This process needed more support for economic development and led to the creation of two laws in the 2000s: the Local Infrastructure Financing Tool (LIFT) and Local Revitalization Financing (LRF). LIFT was very popular and allowed a sales tax credit of up to \$25 million back to the jurisdiction, which several cities successfully used. The downside was that it required the state to provide funding for the program. LIFT would morph into the LRF, which was not competitive but was a first-in, first-out tool. Roughly 25 cities would receive funding over five rounds between the two programs. Over the years, the Association of Washington Cities and others would lobby for the state legislature to provide some specialized infrastructure funding tool. In 2021, the legislature would establish a robust TIF process in response to the economic challenges brought on by COVID-19.

TIF is an economic development tool available to cities, counties, and ports that allows increased property tax revenue stemming from private development to be used "up front" to invest in infrastructure to support the development. TIF is designed to benefit a specific site or area with high certainty that development will occur. TIF is established by a "but/for" agreement, meaning the development would not occur without the infrastructure improvements. This can include the argument that the development would only occur on-time, at-scale, or match the community's desires with that investment.

The Tax Increment Area (TIA) is sometimes known as a TIF district and is the area where the incremental values are calculated. Inside a TIA, the base value is the taxable value of properties in the TIA at the time it is created based on the tax year it is established. The increment value is any positive change above that base value in any given year the increment is being measured. Finally, public improvement is defined by the infrastructure funded by the TIF investment, and there is a legal requirement that a local government must own these.

TIF funds can be spent in two general ways. The first side is what is in the "but/for" argument or the things which must be built to support the development. These can be things inside and

outside of the TIA and can include road construction, water/sewer connections, parks, transit facilities, brownfield mitigation, and other items generally considered public infrastructure. An example of an improvement outside of the TIA might be a roadway intersection a 0.5 mile away, which requires improvement to allow for the increased traffic the new development will bring to the area. The second group of expenditures are things you can spend TIF funds on that do not fit into the "but/for" argument. This can include purchasing, rehabilitating, retrofitting for energy improvements, and constructing housing to create or preserve long-term affordable housing. Energy retrofits are not required to be tied to affordable housing but can be used separately or to rehabilitate affordable housing. Additionally, funds can be spent to improve security and maintenance for public improvements and relocate and construct government facilities.

A TIF is created by an ordinance that designates the TIA and identifies the public improvements being financed. The ordinance must be adopted by June 1 to create it for the following tax year. If a jurisdiction wanted to meet this year's June 1 threshold, you would use the certified assessed tax values in the TIA from 2023, and next year, the increment will be calculated off the increased value in 2024. Because there is a lag between when taxes are assessed and collected, most jurisdictions would not receive actual money in hand until late 2025 or early 2026. Once the ordinance is adopted, a jurisdiction cannot change the boundary of the TIA or add additional public improvements.

Outside the ordinance, some procedural steps exist to establish a TIF. The jurisdiction must hold at least two public meetings solely on the proposed TIF. A project analysis must also be submitted to the State Treasurer for review and comment. Based on their analysis, the Treasurer has 90 days to issue a letter and comments back to the jurisdiction. Responding to the letter or comments is not required, but the letter must be made available for public review. The Treasurer will look at several items during their analysis. This will include TIA boundaries, the duration of the increment area, and a description of the expected private development with scenarios describing the project with and without proposed public improvements. The real property in the TIA will be assessed for its value and any impacts necessary to address or mitigate, such as impacts on the local business community, affordable housing, and public schools.

Additionally, if 20% of the assessed valuation of fire districts is included in the TIA or there is an increased level of service, a mitigation plan must be implemented. The fire districts are the only ones named for mitigation because many areas see the fire district as having the highest property levy. As a provider, fire districts have a different level of control related to these issues than a city.

In the first two years, Morgan Shook has supported the analysis of 18 proposed TIFs in Washington. Four jurisdictions have created TIF districts, and another three are likely to begin this year. During the analysis, the Treasurer is keenly looking at the financial risks and creditworthiness. They want to ensure that the jurisdictions have done their math but also considered downside risks, such as how much a developer is sharing the risk or what reserves may be available during a downfall. Ultimately, the jurisdiction is on the hook, unlike LIFT or LRF, and the Treasurer's desire is to see mitigation plans in place.

Boundary considerations for TIF include that the sponsoring jurisdiction cannot have more than two TIAs at a time, and the boundaries cannot overlap. Increment areas at the time of creation can total up to \$200 million in assessed valuation or be at most 20% of the total assessed

valuation for the sponsoring jurisdiction. It is important to note that the \$200 million, or 20% limit, is the summation of both TIAs in a single jurisdiction. The 20% limit is most likely to impact decision-making for smaller jurisdictions, but the \$200 million limitation is more likely to be the limiting factor for larger jurisdictions. An ideal TIA is an area with a low base valuation near significant near or long-term development. Most of the TIF value will occur later in the life of the area, and to keep the risk low, one should limit the list of infrastructure investments to small, essential projects. A TIA is not a "set it and forget it" arrangement; there is uncertainty, such as a project delay or the assessment failing to capture everything that could occur in a year.

Calculating the base value of a TIA is the added taxable value inside the boundary area. This will remain the base value over the potential 25 years of TIF. The increment is a non-negative number and is the district's valuation in that year minus the established base value. When the developer pays property taxes to the State, the State sends the increment value back to the sponsoring jurisdiction for investment.

It is important to note that TIF affects regular property tax levies. A regular levy is subject to constitutional provisions such as the 1% limit factor. This means almost all property tax levies are included except state school levies, excess levies, and local school levies. Using an example from Shoreline, the 2023 tax rate was \$9.68, and the property tax levies eligible for TIF sum \$3.46, giving a 36% levy capture rate. By looking at the tax rate and the levies impacted, you can better understand what is available for TIF allocation.

TIF dollars can only be spent on public improvements outlined in the ordinance and can only run for 25 years. Bonds issued will count against the jurisdiction's debt capacity, and no state backup exists. Any additional revenue after covering the cost of public improvements or repaying the bonds must be returned to the tax district in proportion to the regular tax levy rates. Local governments may be responsible for reimbursing the County Assessor, but this has yet to occur in King County.

The state legislature is considering a bill allowing junior tax districts to opt out of a TIF. This would lessen the revenue available and is likely based on a misunderstanding of the state tax structure. Compared to other states, Washington has a unique tax structure, which causes things to look and work differently. Many jurisdictions interpret TIF as a way they lose revenue and on the face that seems easy to understand. The state law has a provision known as "Do no harm," which changed how district levies are computed to stay within the 1% limit factor but also provided new levy capacity to pay for the money going out of TIF. You can only increase your levy by 1% a year plus some amount of add-ons such as the value of new construction times last year's levy. The TIF law created an "increment add-on," which allows you to multiply the increment with last year's levy to compensate for funds lost to a TIF. You do lose money at the TIF level, but new money at the district level offsets that amount.

The Alexan, located in Shoreline, is used as an example to determine how much money would be available. The Alexan is a 300-unit multifamily project assumed to begin construction in 2025. The preconstruction assessed value of the site is around \$5.2 million. If the city were to create a TIF around the immediate area of the development, there would be a nominal cash flow of \$11.2 million over twenty-five years. This would support a bond of up to \$7 million for the development of affordable housing, childcare, or other infrastructure. This example looks at a single development, but most of the analysis work done so far includes multiple sites in a single area. One example includes planning around the Kirkland, WA, Link light rail station area that

can potentially bond \$50-\$80 million against the present value. The bigger you get means more revenue, but the greater number of projects reduces the certainty.

TIF cash flow can take time to ramp up, and most of the revenue will come in the later years. Sponsors must have a financial plan to cover early 'deficit' years. Even for an entirely sure TIF project, there will be shortfall years. The Treasurer's review will examine how carefully jurisdictions have looked at these problems and how they will mitigate small to larger shortfalls.

Project analysis must look at a project's potential impacts on affordable housing. It has been understood that it is not about broad impacts, such as affordability going up or down in the area, but specific impacts, such as demolishing an existing affordable housing unit. Thus far, most of the TIA's have been in urban, commercial areas and have not impacted existing affordable housing. The conversation around affordable housing has tied more directly into planning and policy discussions, such as using TIF dollars to help fund land acquisition, pre-development activities, or gap funding. No one has done that, but many cities have been thinking about that. The first phase of TIF has been building new areas for jurisdictions. The second phase appears to focus more on using TIF to meet the need for affordable housing.

Some top issues impacting the TIF conversation include opportunity costs and tying low-value areas with a desire to develop or being limited to only two TIFs simultaneously. Development scaling and timing are also a challenge, as more development creates a greater sense of uncertainty. A TIF will have to be managed year after year and cannot be set in place and left alone. Additionally, managing and preparing for the deficit years that will occur over the 25 years of the TIF is more challenging for some jurisdictions than others. Finally, infrastructure demands are significant, and there is a constant need to balance those against the impact on the taxpayers.

Brian Davis provided a brief update on the City of Federal Way's use of TIF. Federal Way is currently working on a mitigation plan with the fire district as part of its efforts to utilize TIF. TIF is a long-game strategy, and fire districts tend to focus more on the moment due to the nature of their services. If it is possible to consider the long game, TIF can be a truly effective strategy. While working in Oregon, TIF enabled revitalization and started several developments only possible with the investment TIF allowed. Federal Way has had some great discussions and hopes to redevelop a portion of the city's downtown area around the 320<sup>th</sup> Street corridor to include mixed-use development. This area is adjacent to one of the incoming Link light rail stations, a prime location for future development. The City is monitoring the changes at the state legislature, which would allow junior districts to opt-out and potentially have a negative impact on future TIF development. There is a real challenge when choosing to forgo current tax revenue for future development, which may be years from completion.

Traci Buxton wanted to confirm that TIF fundamentally works by taking out a bond to support development in the area, and the jurisdiction receives taxes based on the increased value to pay back the bond. Morgan Shook confirmed that was the basic concept when utilizing TIF.

Victoria Schroff asked if the slides would be made available after the presentation. Claire Goodwin confirmed that it would be available and could be found in the agenda packet.

Traci Buxton asked if it was possible to bond against the projected value, not just the current one. Morgan Shook confirmed yes, and nothing prevents a jurisdiction from paying as they go

as an alternative. Due to issues each jurisdiction faces, some have considered doing multiple debt issuances, but it does get more complicated.

Traci Buxton asked how a tax-exempt status, such as an MFTE, may interact with a TIF and if you would want to avoid having an MFTE project inside the TIA. Morgan Shook confirmed that you would not want an MFTE inside a TIA, though you could account for the loss in tax revenue as part of the financial planning. Brian Davis added that Federal Way is currently looking at this interaction and considering the impacts of an MFTE inside their projected TIA. It is essential to avoid cannibalizing your tax revenue too much. You can consider and mitigate the impact of a tax-exempt project inside a TIA.

## **b. 2024 STATE LEGISLATIVE UPDATE**

Dorsol Plants provided an update on the 2024 Washington State Legislative Session. The intent is to provide a high-level overview of a few housing and land use bills that tie into SKHHP's legislative priority or have seen a lot of attention in the last two weeks.

The SKHHP 2024 legislative priority focuses on funding all aspects of affordable housing. This includes homeownership for moderate-income households and below, preservation of naturally occurring affordable housing (NOAH), land acquisition to secure permanent affordability, permanent supportive housing (PSH), infrastructure around affordable housing developments, and workforce housing.

Reviewing the legislative session timeline, the next key date is January 31, which is the policy committee cutoff or when policy bills need to be voted and approved out of committee to continue in the session. The final day of the legislative session will be March 7.

Some highlights from the Governor's proposed 2024 budget for housing and homelessness include \$100 million for rapid capital acquisition and \$4.5 million to support housing for those with intellectual and/or developmental disabilities. Additionally, \$10 million to backfill document recording fee lost revenue, \$7.5 million for landlord mitigation and tenant preservation, and \$2.5 million for an emergency housing fund for cities, counties, and non-profits to support people needing emergency housing assistance. Not shown on the slides but included in the budget is an additional \$10 million proposed for the Right of Way Initiative and \$10 million for an encampment resolution program.

Several bills related to funding housing this year are in the legislative session. One bill to highlight is SB 6173. SB 6173 was in its first public hearing today and is now scheduled for Executive Session on January 24; the bill would add language that would enable SHB 1406 funds to be used to support the development of affordable homeownership opportunities up to 80% AMI.

HB 1892 would create the Workforce Housing Accelerator Revolving Loan Fund Program (WHLP) within the Department of Commerce (DOC) and direct DOC to contract with the Washington State Housing Finance Commission (WSHFC) to administer the revolving loan program. The funding would be drawn from the General Fund, and as of the time of this presentation, the funding amount has yet to be decided. A current limit of \$20 million per county per year strives for geographic equity.

Like last year, we have a transit-oriented development bill (TOD). HB 2160 and SB 6024 have had some changes when introduced and since the session began. The bill defines "station

areas" as within a 0.5 mile walking radius of light rail, commuter rail, and streetcars and within a 0.25 mile walking radius of bus rapid transit. Within station areas, cities are prohibited from imposing a maximum density in terms of homes per acre and from imposing parking requirements, except those dedicated exclusively to individuals with disabilities. While there is a lot in these bills, one item to call out is the requirement for the Department of Transportation to designate a liaison as a point of contact for local governments and project proponents regarding land use decisions and processing development permit applications.

SB 5961 and HB 2114 have seen a lot of attention in the legislature and the media. Both bills are commonly referred to as "Rent Stabilization." They both seek to limit rent increases for most tenants to 5% per year. However, it exempts tenancies in homes built within the past ten years or those operated by a public development authority, housing authority, or non-profit organization where maximum rents are already restricted. It will also require six months' notice for a rent increase of 3% or more. Additionally, it will ensure that fees count as rent to calculate a rental increase and limit move-in fees to the equivalent of one month's rent or less. It will also limit late fees to \$10.

While only some legislative bills were reviewed, the housing and land use bills that SKHHP staff will track through the legislative session are listed in the PowerPoint presentation. Each bill is hyperlinked so you can easily see current status information or read the bill at your convenience.

Dorsol Plants thanked the Executive Board for the opportunity to present and informed them he would provide a legislative update each month through the end of the session.

Claire Goodwin added that she wanted to highlight SB 6173, which she mentioned has been discussed by the Executive Board on several occasions and had sent information to the Executive Board earlier that week. Several board members signed in and spoke on the bill, which would enable SHB 1406 funds to serve households up to 80% AMI for homeownership. She will continue to send alerts she believes are of interest to the Board.

## **UPDATES/ANNOUNCEMENTS**

Claire Goodwin provided an update on the SKHHP Chair and Vice-Chair elections. Nominations for Nancy Backus for Chair and Dana Ralph for Vice-Chair have been received. Elections will be held at the February Executive Board meeting due to several board members needing to attend the Conference of Mayors.

Claire Goodwin informed the Executive Board that the City of SeaTac will take final action on January 23, 2024, to join SKHHP. If the City Council does approve the Interlocal Agreement, the Board will take action at the February meeting to incorporate the City of SeaTac as a member of SKHHP.

Claire Goodwin provided an update on planning for the Executive Board meeting over the next few months. Based on feedback from the Executive Board, developers will come to present their current work in South King County. This will start at the February meeting, where we will hear from the 2023 Housing Capital Fund recipient, Multi-Service Center. Additionally, SKHHP staff will begin visiting each member city council to receive concurrence on the 2023 Housing Capital Fund recommendation over the next few months. Finally, the work on the 2025 Work Plan and



2024 Housing Capital Fund guidelines will begin in February and move quickly in preparation for Claire Goodwin's maternity leave from May to September.

Claire Goodwin will be on vacation from January 22 to 26. Executive Board members needing support can contact the SKHHP Program Coordinator, Dorsol Plants.

Sunaree Marshall provided an update that she will also be on maternity leave around the same time as Claire Goodwin and will provide an update on who will serve on the Executive Board in her absence soon.

Traci Buxton congratulated both Claire Goodwin and Sunaree Marshall.

## **VII. ADJOURN**

Traci Buxton adjourned the meeting at 2:47 PM.

## **Interlocal Agreement Between South King Housing and Homelessness Partners (“SKHHP”) and the City of SeaTac**

This Companion Agreement (“SeaTac Companion Agreement”) expands the Parties of the South King Housing and Homelessness Partners (“SKHHP”) Interlocal Agreement to include the City of SeaTac, a municipal corporation of the State of Washington.

**WHEREAS**, the SeaTac Companion Agreement is made pursuant to the Interlocal Cooperation Act, chapter 39.34 RCW, for the purpose of adding a municipal government to the original SKHHP Interlocal Agreement; and

**WHEREAS**, the cities of Auburn, Burien, Covington, Des Moines, Federal Way, Kent, Normandy Park, Renton, Tukwila, and King County executed the SKHHP Interlocal Agreement with an effective date of January 1, 2019 and the city of Maple Valley executed a companion agreement with SKHHP on February 4, 2022 (hereinafter referred to as the “Parties”); and

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

**WHEREAS**, the Parties wish to provide a sound base of housing policies and programs in South King County and complement the efforts of existing public and private organizations to address housing needs in South King County; and

**WHEREAS**, the Parties wish to act cooperatively to formulate affordable 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 goals of the Washington State Growth Management Act, related countywide planning policies, and other local policies and programs relating to affordable housing, and to do so efficiently and expeditiously; and

**WHEREAS**, 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 public and private resources; and

**WHEREAS**, the intent of this cooperative undertaking is not to duplicate efforts of non-profit organizations and other entities already providing affordable-housing-related services; and

**WHEREAS**, a cooperative work plan with a primary focus on the production and preservation of affordable housing, is needed because the lack of access to affordable housing in one of the key contributors to homelessness; and

**WHEREAS**, the city of SeaTac would like to become a Party to the SKHHP Interlocal Agreement and share in the above recited efforts cooperatively with the current Parties to the Interlocal Agreement; and

**WHEREAS**, as a Party to the SKHHP Interlocal Agreement, SeaTac shall agree to all the obligations and responsibilities required of the Parties and adopt the SKHHP Interlocal Agreement, the Work Plan, and Operating Budget and contribute monetarily to SKHHP's operating budget with an annual contribution; and

**WHEREAS**, the Parties would like SeaTac to become a Party to the SKHHP Interlocal Agreement; and

**WHEREAS**, Section 20 of the SKHHP Interlocal Agreement authorizes the SKHHP Executive Board to add the City of SeaTac as a Party to the SKHHP Interlocal Agreement upon two-thirds majority vote of the membership of the Board.

**NOW, THEREFORE**, in consideration of the mutual promises, benefits, and covenants contained in this Companion Agreement:

**SKHHP agrees to the following terms and conditions:**

**Section 1.** The SKHHP Interlocal Agreement between the cities of Auburn, Burien, Covington, Des Moines, Federal Way, Kent, Maple Valley, Normandy Park, Renton, Tukwila, and King County is hereby expanded to include the City of SeaTac as a Party.

**Section 2.** As a Party to the SKHHP Interlocal Agreement, SeaTac shall be afforded all rights and responsibilities of Parties to the SKHHP Interlocal Agreement.

**The City of SeaTac agrees to the following terms and conditions:**

**Section 1.** The City of SeaTac agrees to become a Party to the SKHHP Interlocal Agreement and adopts the recitals, mutual promises, benefits, terms, covenants, and conditions of the SKHHP Interlocal Agreement signed by the cities of Auburn, Burien, Covington, Des Moines, Federal Way, Kent, Maple Valley, Normandy Park, Tukwila, and King County, attached hereto as **Exhibit A**.

**Section 2.** As a Party to the SKHHP Interlocal Agreement, the City of SeaTac agrees to and adopts the 2024 SKHHP Work Plan and Operating Budget, attached hereto as **Exhibit B**.

**Section 3.** As a Party to the SKHHP Interlocal Agreement, the City of SeaTac agrees to pay its share of SKHHP's operating budget beginning in 2024, assuming this agreement is executed by December 2023. If this agreement is signed in 2024, the City of SeaTac agrees to pay a pro-rated amount of its share of SKHHP's 2024 operating budget, beginning on the first day of the month this agreement is signed. SeaTac's 2024 operating contribution shall be \$11,407. All future annual contributions will be established in the SKHHP annual operating budget.

**Section 4.** This Agreement will be in full force and effect only after the City Council of the City of SeaTac has authorized the City Manager to execute this Agreement and after the SKHHP Executive Board affirmation by a two-thirds majority vote.

**CITY OF SEATAC**

\_\_\_\_\_  
Carl Cole, City Manager

\_\_\_\_\_  
Department Head Initial

Attest:

\_\_\_\_\_  
Kristina Gregg, City Clerk

Approved as to form:

\_\_\_\_\_  
Mary Mirante Bartolo, City Attorney

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

**SOUTH KING HOUSING AND HOMELESSNESS PARTNERS**

\_\_\_\_\_  
Nancy Backus, SKHHP Executive Board Chair

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

**ATTACHED**

**EXHIBIT A**

**SKHHP FORMATION INTERLOCAL AGREEMENT**

**EXHIBIT B**

**SKHHP RESOLUTION 2023-01: 2024 WORK PLAN AND BUDGET**

**Draft Interlocal Agreement for SKHHP  
South King Housing and Homelessness Partners**

(Effective Date: January 1, 2019)

This Interlocal Agreement ("Agreement") is entered into by and between the Cities of Auburn, Burien, Covington, Des Moines, Federal Way, Kent, Normandy Park, Renton, Tukwila, and King County, each municipal corporations and political subdivisions of the State of Washington (individually, a "Party" and collectively, the "Parties"). This Agreement relates to the creation and operation of a joint undertaking among the Parties hereto to be known as the South King Housing and Homelessness Partners ("SKHHP"). This Agreement is made pursuant to the Interlocal Cooperation Act, chapter 39.34 RCW, and has been authorized by the legislative body of each jurisdiction.

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

WHEREAS, the Parties wish to provide a sound base of housing policies and programs in South King County and to complement the efforts of existing public and private organizations to address housing needs in South King County; and

WHEREAS, the Parties wish to act cooperatively to formulate affordable 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 goals of the Washington State (the "State") Growth Management Act, related countywide planning policies, and other local policies and programs relating to affordable housing, and to do so efficiently and expeditiously; and

WHEREAS, 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 public and private resources; and

WHEREAS, the intent of this cooperative undertaking is not to duplicate efforts of non-profit corporations and other entities already providing affordable-housing-related services; and



WHEREAS, a cooperative work plan with a primary focus on the production and preservation of affordable housing, is needed because the lack of access to affordable housing is one of the key contributors to homelessness;

NOW, THEREFORE, in consideration of the mutual promises, benefits and covenants contained in this Agreement and other valuable consideration, the sufficiency of which is acknowledged, the Parties agree to the above Recitals and the following terms and conditions:

1. DEFINITIONS. The following terms used in this Agreement are defined as follows:

a. *Administering Agency* - One or more of the Parties that will provide administrative support services on behalf of SKHHP. The Administering Agency will be the fiscal agent for SKHHP in accordance with the requirements of chapter 39.34 RCW. One Party could serve as the fiscal agent and another Party could serve as the administrative home for SKHHP staff.

b. *Advisory Board* - A board consisting of 12 to 15 community members appointed by the Executive Board to provide advice and recommendation to the Executive Board on land and/or money resource allocation for affordable housing projects, input on policy needs related to housing stability, program design and development, recommendations for emergency shelter and other immediate affordable housing needs, and to provide public education and community outreach services.

c. *Executive Board* - The governing board for SKHHP comprised of members as provided herein, which will act on behalf of all Parties and as may be in the best interest of SKHHP in order to carry out the purposes of this Agreement.

d. *Housing Capital Funds Account* - An account established by the Administering Agency within the SKHHP Fund for the purpose of administering the contributions of Parties, or other public or private entities, to affordable housing projects and programs, to be known as the SKHHP Housing Capital Funds Account. The amounts in the Housing Capital Funds Account will be held and disbursed by the Administering Agency.

e. *Individual Account(s)* - One or more subaccounts established within the Housing Capital Funds Account for each Party



to this Agreement that chooses to contribute to the Housing Capital Funds Account. Contributions to an Individual Account from a Party may be released only upon, and in accordance with, the written direction of that Party.

f. *SKHHP Fund* - A special fund established by the Administering Agency, as authorized by RCW 39.34.030, to be known as the "Operating Fund of the SKHHP Executive Board". Within the SKHHP Fund may be established various accounts and subaccounts including but not limited to a "SKHHP Operating Account" and a "Housing Capital Funds Account".

g. *SKHHP Operating Account* - An account created by the Administering Agency for the receipt of contributions from the Parties and other private or public entities, for the purpose of paying for the operations of and supporting the SKHHP annual budget.

h. *SKHHP Program Manager* - The lead staff for SKHHP, reporting to the Executive Board, responsible for carrying out the SKHHP annual work plan and other terms of this Agreement.

i. *SKHHP Staff* - The full-time and part-time staff hired or assigned with the responsibility for carrying out the SKHHP work plan.

j. *Sphere of Influence* - The area in South King County where SKHHP is expected to conduct its work, as further described in Exhibit A.

2. PURPOSE. All Parties to this Agreement have responsibility for local and regional planning for the provision of housing affordable to residents that work and/or live in South King County. The Parties agree to act cooperatively to formulate affordable housing policies that address housing stability and to foster efforts to preserve and provide affordable housing by combining public funding with private-sector resources. In order to accomplish the purposes of this Agreement, the Parties agree to create a joint and cooperative undertaking responsible for administering the activities described herein. The cooperative undertaking among the Parties will be called the South King Housing and Homelessness Partners ("SKHHP"). The Parties further intend that this Agreement serve as a framework for all participating municipalities within the broader SKHHP Sphere of Influence to do the aforementioned work. The Parties encourage other cities and other public and private entities in South King County within the SKHHP Sphere of Influence to join the Parties in this endeavor.



3. STRUCTURE; CREATION OF JOINT BOARD. By executing this Agreement, the Parties hereto create a joint board pursuant to RCW 39.34.030(4) to govern SKHHP. The joint board created by this Agreement will be called the "Executive Board" and will be composed of members as provided for in Section 5.a of this Agreement. The Joint Board created in this Agreement is not a separate legal or administrative entity within the meaning of RCW 39.34.030(3). The Executive Board will act on behalf of all Parties and as may be in the best interest of SKHHP in order to carry out the purposes of this Agreement. The Executive Board is not authorized to own assets or have employees.

4. RESPONSIBILITIES AND AUTHORITY. In order to carry out the purposes of SKHHP and this Agreement, the Executive Board will have the responsibility and authority to:

a. Create and implement an annual work plan approved by the Executive Board to guide the work of SKHHP Staff. The work plan will include activities that may benefit multiple participating jurisdictions or individual jurisdictions. The work plan activities will be consistent with the purpose described in this Agreement.

b. Provide recommendations to the Parties regarding the allocation of public and private funding for affordable housing purposes.

c. Direct the Administering Agency to enter into agreements with third parties for the use and application of public and private funds contributed by individual Parties to the SKHHP Housing Capital Funds Account established in Section 14, under terms and conditions as may be agreed by the individual contributing Parties, as further described in Section 14. At least annually, report to the Parties on the geographic distribution of all housing capital funds as recommended by the SKHHP Executive Board.

d. Guide the SKHHP Staff in the performance of the following duties:

i. Provide recommendations to the Parties regarding local and regional affordable housing policies. SKHHP Staff will assist the Parties in developing strategies and programs to achieve State Growth Management Act housing goals, growth targets, local



Comprehensive Plan Housing Element goals, and local housing strategy plans, as appropriate.

- ii. SKHHP Staff will provide technical assistance to any Party considering adoption of land use incentives or requirements, or affordable housing programs. SKHHP Staff will research model programs, develop draft legislation, prepare briefing materials and make presentations to planning commissions and councils on request by a Party. SKHHP Staff will assist Parties in developing strategies and programs to implement county-wide affordable housing policies to meet State Growth Management Act objectives, growth targets, local Comprehensive Plan Housing Element goals, and local housing strategy plans for an equitable and rational distribution of low- and moderate-income housing.
- iii. Facilitate cooperation between the private and public sector with regard to the provision of affordable housing. SKHHP Staff will communicate directly with private developers, financial institutions, non-profit corporations and other public entities to assist in the implementation of affordable housing projects. SKHHP Staff will work directly with any Party to provide technical assistance with regard to the public funding of affordable housing projects and the implementation of affordable housing regulatory agreements for private developments.
- iv. SKHHP Staff will also identify public and private sites that are available for affordable housing and develop affordable housing alternatives for such sites.
- v. After the Housing Capital Fund is created, develop standard regulatory agreements acceptable to private and public financial institutions to facilitate the availability of funding for private and public projects containing affordable housing.
- vi. Provide other technical advice to any Party upon request and to enter into agreements to provide technical assistance to other public entities on a reimbursable basis.

- vii. Provide support and educational activities and to monitor legislative and regulatory activities and proposed policy changes related to affordable housing at the county, state and federal levels. Ensure that the Parties to this Agreement have a strong South King County voice in regional decision making.
- viii. After the Housing Capital Fund is created, develop and carry out procedures for monitoring of affordable units and to administer direct service housing programs on behalf of any Party. Such direct service housing programs may include but are not limited to relocation assistance programs, rent voucher and/or deposit loan programs.
- ix. Work directly with other public and private entities for the development of affordable housing policies and encourage the provision and preservation of affordable housing.
- x. Work with the Advisory Board appointed under this Agreement and South King County agencies working on regional housing stability and housing affordability, identify trends and promising practices, and mobilize those agencies to support South King County positions in regional decision-making forums.
- xi. Support public and private fundraising efforts of public and private entities (including non-profit corporations) to raise funds to carry out the purposes of this Agreement. Enter into agreements with those entities for the use of such funds in order to carry out the purposes of this Agreement.
- xii. As directed by the Executive Board, accept public and private funding, invest those funds in accordance with State law, and take other appropriate and necessary action to carry out the purposes of this Agreement.

5. EXECUTIVE BOARD.

a. Membership. SKHHP will be governed by an Executive Board composed of either an elected official or City



Manager/Administrator for each city and the King County Executive, or their designated representative, of each Party. However, there will not be more than two members on the Executive Board representing cities with population less than 5,000 persons, unless approved by the Executive Board. In the event that there are more than two Parties to this Agreement with population less than 5,000 persons, then those Parties will propose to the Executive Board for the Executive Board's approval, a method for shared membership on the Executive Board by those Parties.

Municipalities, local governments and public agencies within the Sphere of Influence may become Parties to this Agreement with representation on the Executive Board described in this Section 5, upon satisfaction of the requirements of Section 20.

Any member of the Executive Board representing more than one Party must be approved by the chief executive officer of those Parties being represented by the shared Executive Board member. The Executive Board will administer this cooperative undertaking under the terms of this Agreement and under any procedures adopted by the Executive Board.

b. Chair. The Chair of the Executive Board will be elected by the members of the Board from the Board membership; will preside over all meetings of the Executive Board; and will, in the absence of a Program Manager provided for in Section 6 of this Agreement, process issues, organize meetings and provide for administrative support as required by the Executive Board. The Chair will serve a one-year term, but may be reelected by the Executive Board.

c. Alternate Member. Each member of the Executive Board may designate one alternate member who will serve in the place of the member on the Executive Board during the member's absence or inability to serve. Notice of the designation will be provided to the Chair of the Executive Board. An alternate member may only vote on behalf of the appointing Party if the Chair has received written notice of the alternate's appointment.

d. Powers. The Executive Board will have the power to (1) develop and approve an annual budget and annual work plan for SKHHP; (2) adopt procedures for the administration of SKHHP (including securing any necessary legal counsel) and for the conduct of meetings; (3) make recommendations to the Parties concerning planning, policy, programs and the funding of affordable housing projects; (4) establish policies for the expenditure of SKHHP budgeted items; (5) designate one or more



Administering Agencies to carry out the terms of this Agreement; (6) establish a special fund with the Administering Agency as authorized by RCW 39.34.030, to be known as the "Operating Fund of the SKHHP Executive Board" ("SKHHP Fund") within which Fund may be established various accounts and subaccounts including but not limited to a "SKHHP Operating Account" (into which will be deposited funding for the SKHHP operating budget) and a "Housing Capital Funds Account"; (7) hold regular meetings on those dates and at those places as the Executive Board may designate; (8) direct the Administering Agency to enter into contracts and agreements for the provision of personnel and other necessary services to SKHHP, including accounting and legal services and the purchase of insurance, and authorize the Administering Agency to execute such other contracts, agreements or other legal documents necessary with public and private entities for SKHHP to carry out its purposes; (9) establish the responsibilities for the SKHHP Program Manager, direct and oversee the Administering Agency in the hiring process and performance review for that position and direct and oversee the activities of the SKHHP Program Manager; (10) appoint members of the Advisory Board; (11) assist with incorporating and/or work with a non-profit corporation to accept grants, donations and other funds on behalf of SKHHP and direct the Administering Agency to enter into contracts or other agreements with such agency for the use of those funds to carry out the purposes of this Agreement; and (12) take whatever other action is necessary to carry out the purposes of this Agreement.

6. ADMINISTRATION AND OVERSIGHT. The Executive Board will have final decision-making authority on behalf of SKHHP over all legislative and administrative matters within the scope of this Agreement. The Executive Board may delegate responsibility for general oversight of the operations of SKHHP to a Program Manager. The SKHHP Program Manager will submit quarterly budget performance and progress reports on the status of the work program elements to the Executive Board and the legislative body of each Party. The reports and their contents will be in a form acceptable to the Executive Board.

The Executive Board will, by two-thirds supermajority vote, designate one or more of the Parties to serve as the Administering Agency, which will provide administrative support services on behalf of SKHHP. The Administering Agency will be the fiscal agent for SKHHP in accordance with the requirements of chapter 39.34 RCW. Each Party that serves in the capacity of Administering Agency hereby agrees to comply with the terms of this Agreement applicable to the Administering Agency in order to permit SKHHP to carry out its purposes. SKHHP will be staffed with personnel



provided by the Parties and/or independent contractors contracting with the Administering Agency on behalf of SKHHP.

Any Party providing personnel to SKHHP will remain solely responsible for the continued payment of all compensation and benefits to those personnel as well as for any worker's compensation claims. All Parties will cooperate fully in assisting SKHHP to provide the services authorized in this Agreement.

7. MEETINGS OF EXECUTIVE BOARD.

a. Frequency. The Executive Board will meet as often as it deems necessary, but not less often than quarterly.

b. Quorum. A quorum at any meeting of the Executive Board will consist of the Board members (or alternates) who represent a simple majority of the Board's membership. Executive Board members (or alternates) may participate in any meeting by phone or video conferencing for all purposes, including but not limited to voting and establishing a quorum.

c. Action. No action may be taken except at a meeting where a quorum exists. Action by the Executive Board requires an affirmative vote by a majority of the Board's membership, provided however, that a supermajority (two-thirds of Board members) will be required to appoint the Administering Agency, to add a new Party to this Agreement, or to modify the proposed contribution methodology for dues and assessments (see Section 15). Official action by the Executive Board may be conducted by motion, resolution, declaration, or other means as determined to be necessary by the Executive Board, provided however, appointment of the Administering Agency or Agencies shall be completed by resolution. All official action of the Executive Board shall be recorded in its official minutes. Each Executive Board member, or his or her alternate, will have one vote on any proposed action; except that shared member voting shall be in accordance with the Executive Board's approval under Section 5 (a). Proxy voting will not be allowed. To the extent applicable to meetings of the Executive Board, the Executive Board will comply with applicable requirements of the Washington State Open Public Meetings Act (chapter 42.30 RCW).

8. ADVISORY BOARD. The Executive Board will create an Advisory Board to provide advice and recommendation to the Executive Board on land and/or money resource allocation for affordable housing projects, input on policy needs related to housing stability, program design and development, recommendations



for emergency shelter and other immediate affordable housing needs, and to provide public education and community outreach services. The Advisory Board will be created before the end of the first year of SKHHP operations (with the start of the year defined as the hiring of the SKHHP Program Manager). The Advisory Board will consist of not more than fifteen (15) and not less than twelve (12) community members. The Executive Board will appoint members to the Advisory Board. Members appointed to the Advisory Board must have knowledge and understanding of affordable housing, be committed to the furtherance of affordable housing in South King County, and represent diverse community perspectives. Appointments will be for a four-year term with service limited to a total of two consecutive terms. The Executive Board will adopt procedures for the convening and administration of the Advisory Board. A member may be removed from the Advisory Board by the Executive Board with or without cause on a majority vote of membership of the Executive Board.

9. MEETINGS OF ADVISORY BOARD.

a. Frequency. The Advisory Board will meet as often as it deems necessary, but not less often than quarterly.

b. Quorum. A quorum at any meeting of the Advisory Board will consist of the Board members who represent a simple majority of the Board's membership. Advisory Board members may participate in any meeting by phone or video conferencing for all purposes, including but not limited to voting and establishing a quorum.

c. Action. No action may be taken except at a meeting where a quorum exists. Action by the Advisory Board requires an affirmative vote by a majority of those members attending a Board meeting where a quorum exists. Official action by the Advisory Board may be conducted by motion, resolution, declaration, or other means as determined to be necessary by the Advisory Board. Proxy voting is not allowed. To the extent applicable to meetings of the Advisory Board, the Advisory Board will comply with applicable requirements of the Washington State Open Public Meetings Act (chapter 42.30 RCW).

10. AGREEMENT DURATION. This Agreement will be in full force and effect for a period commencing as provided in Section 34, and ending December 31 2020. This Agreement will automatically renew for successive two-year terms, unless sooner terminated under the provisions of this Agreement.



11. TERMINATION OF AGREEMENT. This Agreement may be terminated at any time by affirmative vote of a majority of the legislative bodies of the Parties to this Agreement.

Upon termination of this Agreement, all property acquired during the life of the Agreement will be disposed of in the following manner:

a. all property contributed without charge by any Party will revert to the contributing Party;

b. all property purchased on behalf of SKHHP after the effective date of this Agreement will be distributed to the Parties based on each Party's pro rata contribution to the overall budget at the time the property was purchased;

c. except as provided in Subsection d. below, all unexpended or reserve funds will be distributed to the Parties based on each Party's pro rata contribution to the overall budget in effect at the time the Agreement is terminated;

d. all uncommitted monies in the Housing Capital Funds Account will be distributed to the Parties by remitting the total uncommitted amounts remaining in each Party's Individual Account (as described in Section 14) to that Party; and

e. each Party that has funded a project through the Housing Capital Funds Account will be substituted for the Administering Agency with regard to all project financing documents, and the Administering Agency will be released from further obligations with respect thereto.

12. WITHDRAWAL. If a Party wishes to withdraw from participation in this Agreement, it may do so after the initial two year term if it first gives three months advance written notice to the Executive Board of its intention to withdraw, which notice will be due on or before October 1, 2020. If notice of an intent to withdraw is timely received, withdrawal will be effective as of 11:59 p.m. on December 31, 2020. The initial members of SKHHP agree they will participate for at least the first two years of the collaboration.

After January 1, 2021, an opportunity is provided once per year for a Party to withdraw from this Agreement. Under this provision, advance written notice must be provided to the Executive Board on or before July 1, of its intention to withdraw from participation in the Agreement, effective as of 11:59 p.m. on December 31<sup>st</sup> of that current year.



Any Party withdrawing from this Agreement will remain legally and financially responsible for any obligation incurred by the Party pursuant to the terms of this Agreement, including but not limited to any project financing documents executed by the Administering Agency on behalf of that Party, during the time the withdrawing Party was a member of SKHHP. A notice of withdrawal may be revoked by the Party that submitted the notice only by approval of a majority of the Executive Board to accept the revocation. Any Party that provides written notice of its intent to withdraw may continue to vote on all matters before the Executive Board prior to the effective date of its withdrawal, except the budget and work plan for the following year.

13. BUDGET. The fiscal year for SKHHP will be January 1 to December 31 of any year. The first year budget and anticipated second year budget for SKHHP are attached to this Agreement as Exhibit B and incorporated herein by this reference. Approval of this Agreement by the legislative body of each Party includes approval of the first year SKHHP budget. For subsequent years, on or before June 1st of each year, a recommended operating budget and work plan for SKHHP for the next budget year will be prepared, reviewed and recommended by the Executive Board and transmitted to each Party. The recommended operating budget will contain an itemization of all categories of budgeted expenses and will contain an itemization of the amount of each Party's contribution, including in-kind services, toward that budget. Contributions to the SKHHP annual budget may also come from other public or private entities. The Executive Board will approve acceptance of those contributions.

a. No recommended budget or work plan will become effective until approved by the legislative body of each Party and adopted by the Executive Board, except for SKHHP's first year (2019). For the first year, the budget will be approved as part of the approval of this Agreement, and the first year work plan must be approved by the Executive Board. Once the legislative body of each Party has approved its contribution to SKHHP, either separately or through its budget process, and the SKHHP budget has been adopted by the Executive Board, each Party will be obligated to make whatever contribution(s) is budgeted for that Party. If a Party does not approve the work plan or budget in a timely manner, the Executive Board may adopt the annual budget and work plan with a two-thirds majority vote.

b. Each Party's contribution(s) will be transmitted to SKHHP on a quarterly basis at the beginning of each quarter unless



otherwise provided in the budget document. Each Party will specify the amount of its contribution to be deposited by the Administering Agency into the SKHHP Operating Account, as well as the amount, if any, to be deposited into the Party's Individual Account within the SKHHP Housing Capital Funds Account established by Section 14.

c. If any Party is delinquent by more than three months in the payment of its approved operating budget contribution to the SKHHP Operating Account, that Party will not be entitled to vote on matters before the Executive Board until the delinquency has been paid. A Party's decision not to contribute funds to its Individual Account, or its delinquency in funding the same will not affect that Party's voting rights on the Executive Board.

14. HOUSING CAPITAL FUNDS ACCOUNT ESTABLISHED; PROCEDURES FOR ADMINISTERING HOUSING CAPITAL FUNDS ACCOUNT CONTRIBUTIONS. If authorized by resolution of the Executive Board, the Administering Agency may establish and maintain an account within the SKHHP Fund for the purpose of administering the contributions of Parties, or other public or private entities, to affordable housing projects and programs, to be known as the SKHHP Housing Capital Funds Account. The amounts in the Housing Capital Funds Account will be held and disbursed by the Administering Agency as described in this Agreement.

a. Within the Housing Capital Funds Account, a sub-account will be established for each Party to this Agreement that chooses to contribute to the Housing Capital Funds Account. Such sub-accounts are collectively referred to as the "Individual Accounts." Contributions to an Individual Account from a Party may be released only upon, and in accordance with, the written direction of that Party.

b. A subaccount will be established within each Individual Account for each project or program funded in whole or part by a Party from its Individual Account. Such sub-accounts are referred to as "Project Accounts."

c. The Administering Agency will maintain records sufficient to separately track the deposits, withdrawals and interest earnings, within each Individual Account and each Project Account, and will provide quarterly reports to all Parties as to the status of funds in each Individual Account and Project Account. The Administering Agency's responsibilities under this Section may be delegated to the SKHHP Program Manager to the extent consistent with applicable law and as the Administering Agency and Executive Board may agree.



d. Funds transmitted to SKHHP for deposit in the Housing Capital Funds Account will be held by the Administering Agency on behalf of SKHHP until directed for application to a specific project or program by the contributing Party. Uncommitted funds in an Individual Account will be remitted to the contributing Party within 45 days of receipt of written request from the Party signed by its chief executive officer, or upon the Party's withdrawal from SKHHP in accordance with the terms of Section 12, or on the dissolution of SKHHP per Section 11.

e. Funds held by the Administering Agency on behalf of SKHHP will be subject to laws applicable to public funds, including but not limitations on investments for public funds as provided in State law and the State constitutional limitations on the gifting of public funds. Investment earnings will be credited to each Individual Account and Subaccount on a pro rata basis.

f. The Executive Board will develop standard forms of approvals and agreements to be used in the application of funds contributed to the Housing Capital Funds Account (collectively referred to as "project financing documents"), consistent with the following goals and procedures:

- i. Each Party choosing to participate in funding a project or program through the Housing Capital Funds Account will by action of its legislative body authorize the application of a specified amount of its Individual Account monies to such project or program, and will authorize and direct the SKHHP Executive Board, the SKHHP Program Manager, and the Administering Agency to take such actions as necessary to accomplish this. The Executive Board will recommend to the individual legislative bodies various terms to accompany their authorizations, and the legislative body authorizations will at a minimum include terms related to:
  1. amount of funds allocated;
  2. project description, including minimum affordability requirements, if any;
  3. nature of the funding commitment (loan, grant, or other);
  4. in the event the funding commitment is provided as a loan, the general repayment terms including but not limited to the term of the loan and applicable, interest rate(s); and

5. a general description of the security interests, if any, to be recorded in favor of the Party.
- ii. For each individual housing project or program to be funded through the Housing Capital Funds Account, the developer, owner or administrator of such project or program (generally referred to as the "developer"), will enter into the necessary set of agreements (project financing documents) with the Administering Agency. The project financing documents will specify that the Administering Agency is acting as administering agency on behalf of each Party that is providing Housing Capital Funds Account funding to the project or program pursuant to this Agreement and RCW 39.34.030(4), and will identify each participating funding Party. The project financing documents will be consistent with general forms of agreement approved by the Executive Board and the terms and conditions approved by the legislative bodies of the funding Parties. To the extent permitted by law, the project financing agreements will incorporate all terms and conditions relative to the use and (if applicable) repayment of such funds, and provide for transfer of the Housing Capital Funds Account monies from the funding Parties to the developer.
- iii. Funding contributions to, and repayments (if any) from, specific projects and programs will be recorded by the Administering Agency, including recording of monies deposited and withdrawn from each Party's Individual Account and Project Accounts. Repayments (if any) under any project financing agreement will be applied *pro rata* to the funding Parties' Individual Accounts based on the ratio of funding contributed to the project by each Party, unless the funding Parties otherwise agree.
- iv. Unless the Parties funding a project or program through the Housing Capital Funds Account otherwise agree, a default, termination or other action against a developer or other third party may be declared only after securing approval in writing of the chief executive officers of funding Parties which together have contributed not less than 51% of the total SKHHP member funding to the project. The Administering Agency will provide reasonable



notice and information regarding the status of projects as necessary to each funding Party's chief executive officer to allow them to make a timely decision in this regard. Funding Parties not consenting to such default, termination or other action will be bound by the decision of the majority. All funding Parties will be obligated on a pro rata basis (based on their contributions to the project) to pay to the Administering Agency its reasonable costs and expenses incurred as a result of declaring a default, terminating an agreement or taking other action against a developer or other third party. Any funds recovered through such enforcement proceedings will be allocated to the funding Parties Individual Accounts pro rata based on their respective funding contributions to a project.

- v. The Executive Board may from time to time authorize the Administering Agency to administer housing project agreements entered into before the effective date of this Agreement, upon terms consistent with this Agreement and subject to the consent of the Administering Agency and the Parties to such agreements.

15. DUES, ASSESSMENTS AND BUDGET AMENDMENTS. Contributions to the SKHHP Operating fund will be based on groupings of like-sized cities (based on population), or whatever contribution methodology is approved by a two-thirds majority of the Executive Board. Funding for the activities of SKHHP will be provided solely through the budgetary process. Unless otherwise specified in this Agreement, no dues, charges or assessments will be imposed or required of the Parties except upon unanimous vote of the membership of the Executive Board and ratification by the legislative body of each Party subject to the dues, charges or assessments. An approved budget (the overall revenues and expenditures) will not be modified until approved by the legislative body of each Party and finally adopted by the Executive Board. If a Party agrees to totally fund an additional task to the work program, not currently approved in the budget, the task may be added to the work plan and the budget amended to reflect the funding of the total cost of such task by the requesting Party, upon approval by a majority of the membership of the Executive Board without approval by the individual Parties. Notwithstanding the foregoing, contributions by a Party to its Individual Account within the Housing Capital Funds Account will be solely within the



discretion of that Party and are not considered "dues or assessments."

16. PUBLIC RECORDS REQUESTS. Records of SKHHP will be held by the Administering Agency, in addition to any records the Parties themselves may retain concerning their participation in SKHHP. These records may include meeting agendas, meeting summaries, reports, plans, budgets, and other documents.

When a Party receives a request for records that may be held by the Administering Agency, the Party will refer the request to its own Executive Board member. The Party's Executive Board member will then work with the Administering Agency to gather all responsive records. The Party receiving the request should work with its own public records staff (if any) to describe the request with sufficient specificity to allow the Administrative Agency to identify and provide the records being sought. If any clarification of the request is required, the Party receiving the request will obtain that clarification from the requester. All communication with the requester will be by the Party to whom the request was submitted.

In consultation with the Administering Agency, it will be the responsibility of the Party to whom the request for records was made to estimate the time it will need to produce responsive records, determine which records are responsive to the request, and address any redactions permitted by law. The Party that receives the request will bear the responsibility of complying with the Public Records Act in relation to its public records.

Nothing in this Section is intended to require a Party to collect or produce records that are not prepared, owned, used, or retained by that Party as contemplated by the Public Records Act.

17. INDEMNIFICATION AND HOLD HARMLESS.

a. Each Party will indemnify, defend and hold other Parties (including without limitation the Party serving as, and acting in its capacity as, SKHHP's Administering Agency), their officers, officials, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of that Party's wrongful acts or omissions in connection with the performance of its obligations under this Agreement, except to the extent the injuries or damages are caused by another Party. If there is any recovery under this Section, the Party responsible for any wrongful acts or omissions will pay any judgment or lien arising from the acts or omissions, including all



costs and other Parties' reasonable attorney's fees. If more than one Party is held to be at fault, the obligation to indemnify and to pay costs and attorney's fees, will be only to the extent of the percentage of fault allocated to each respective Party by a final judgment of the court.

b. If a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of a Party (including without limitation the Party serving as, and acting in its capacity as, SKHHP's Administering Agency), its officers, officials, employees, and volunteers, the Party's liability hereunder will be only to the extent of the Party's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Party's waiver of immunity under Industrial Insurance Title 51 RCW, solely for the purpose of this indemnification. This waiver has been mutually negotiated by the Parties. The provisions of this Section will survive the expiration or termination of this Agreement.

c. Each Party (including without limitation the Party serving as, and acting in its capacity as, SKHHP's Administering Agency) will give the other Parties proper notice of any claim or suit coming within the purview of these indemnities.

18. INSURANCE. The Executive Board, SKHHP Program Manager and the Administering Agency will take such steps as are reasonably practicable to minimize the liability of the Parties associated with their participation in this Agreement, including but not limited to the utilization of sound business practice. The Executive Board will determine which, if any, insurance policies may be reasonably practicably acquired to cover the operations of SKHHP and the activities of the Parties pursuant to this Agreement (which may include general liability, errors and omissions, fiduciary, crime and fidelity insurance), and will direct the acquisition of same.

19. AMENDMENTS. Any amendments to this Agreement must be in writing. This Agreement may be amended upon approval of at least two-thirds of the legislative bodies of all Parties to this Agreement, evidenced by the authorized signatures of those Parties as of the effective date of the amendment. However, any amendment to this Agreement affecting the terms and conditions of membership on the Executive Board, powers of the Executive Board, voting rights of Executive Board members, Party contribution



responsibilities, hold harmless and indemnification requirements, provisions regarding duration, termination or withdrawal, or the conditions of this Section will require consent of the legislative authorities of all Parties. This Section will not be construed to require amendment of this Agreement for the addition of a new Party contemplated under Section 20 or for any related revision to Executive Board membership authorized in Section 5(a).

20. ADDITIONAL PARTIES. Municipalities, local governments and public agencies within the SKHHP Sphere of Influence may, on execution of the Agreement and approval of the budget and work plan by its legislative body, become a Party to this Agreement on affirmative vote of a two-thirds majority of the membership of the Executive Board. The Executive Board will determine by a vote of a majority of its membership what, if any, funding obligations the additional Party will commit to as a condition of becoming a Party to this Agreement.

21. SEVERABILITY. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Agreement, will not affect the validity of the remaining provisions of the Agreement.

22. CONFLICT RESOLUTION. Whenever any dispute arises between the Parties or between a Party or Parties, the Executive Board, or the Administering Agency (referred to collectively in this Section as the "Parties") under this Agreement which is not resolved by routine meetings or communications, the parties agree to seek resolution of such dispute in good faith by meeting, as soon as feasible. The meeting will include the Chair of the Executive Board, the SKHHP Program Manager, and the representative(s) of the Parties involved in the dispute. If the parties do not come to an agreement on the dispute, any party may pursue mediation through a process to be mutually agreed to in good faith between the parties within 30 days, which may include binding or nonbinding decisions or recommendations. The mediator(s) will be individuals skilled in the legal and business aspects of the subject matter of this Agreement. The parties to the dispute will share equally the costs of mediation and assume their own costs.

23. SURVIVABILITY. Notwithstanding any provision in this Agreement to the contrary, the provisions of Section 10 (Agreement Duration), Section 11 (Termination of Agreement), Section 12 (Withdrawal), Section 16 (Public Records Requests), and Section 17 (Indemnification and Hold Harmless) will remain operative and in full force and effect, regardless of the withdrawal or termination of any Party or the termination of this Agreement.



24. WAIVER. No term or provision of this Agreement will be deemed waived and no breach excused unless that waiver or consent is in writing and signed by the Party claimed to have waived or consented.

25. SUBSEQUENT BREACH. Waiver of any default will not be deemed a waiver of any subsequent default. Waiver of breach of any provision of this Agreement will not be deemed to be a waiver of any other or subsequent breach and will not be construed to be a modification of the terms of the Agreement unless stated to be such through written approval of all Parties.

26. NOTICE. Any notice to the Executive Board will be in writing and will be addressed to the Chair of the Executive Board and to the SKHHP Program Manager. In the absence of a SKHHP Program Manager, notice will be given to the chief executive officer of the Administering Agency. Any notice to an Officer or Party will be sent, to the address specified by the chief executive officer of the Party.

27. ASSIGNMENT. No Party may sell, transfer or assign any of its rights or benefits under this Agreement without Executive Board approval.

28. APPLICABLE LAW AND VENUE. This Agreement and any rights, remedies, or obligations provided for in this Agreement will be governed, construed, and enforced in accordance with the substantive and procedural laws of the State. The Parties agree that the venue for any legal action under this Agreement is in the County in which a project is located, provided that the venue for any legal action against King County may be filed in accordance with RCW 36.01.050.

29. RETAINED RESPONSIBILITY AND AUTHORITY. Parties retain the responsibility and authority for managing and maintaining their own internal systems and programs related to affordable housing activities.

30. INDEPENDENT CONTRACTORS. Each Party to this Agreement is an independent contractor with respect to the subject matter of this Agreement. No joint venture or partnership is formed as a result of this Agreement.

Nothing in this Agreement will make any employee of one Party an employee of another party for any purpose, including, but not limited to, for withholding of taxes, payment of benefits, worker's



compensation pursuant to Title 51 RCW, or any other rights or privileges accorded by virtue of their employment. No Party assumes any responsibility for the payment of any compensation, fees, wages, benefits or taxes to or on behalf of any other Party's employees. No employees or agents of one Party will be deemed, or represent themselves to be, employees of another Party.

31. NO THIRD PARTY BENEFICIARIES. This Agreement is for the benefit of the Parties only, and no third party will have any rights under this agreement.

32. NONDISCRIMINATION. The Parties will comply with the nondiscrimination requirements of applicable federal, state and local statutes and regulations.

33. COUNTERPARTS. This Agreement may be signed in counterparts and, if so signed, will be deemed one integrated Agreement.

34. FILING AND EFFECTIVE DATE; PRIOR AGREEMENTS. This Agreement will become effective January 1, 2019, subject to its approval by the legislative bodies of all jurisdictions who are members of SKHHP as of January 1, 2019, and, pursuant to RCW 39.34.040, upon recording this Agreement or posting this Agreement on a Party's web site or other electronically retrievable public source. Although this Agreement may be approved and signed by a Party after the Agreement's effective date, all acts consistent with the authority of this Agreement that occur on or after January 1, 2019, are hereby ratified and affirmed, and the terms of this Agreement will be deemed to have applied.

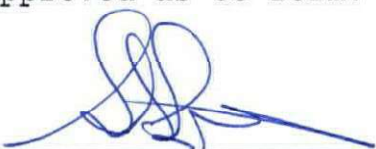
(Signature Page Follows)

Approved and executed this 19<sup>th</sup> day of February, 2019.

Name of Party: **CITY OF AUBURN**

  
\_\_\_\_\_  
Nancy Backus, Mayor

Approved as to form:

  
\_\_\_\_\_  
Steve Gross, City Attorney

Approved and executed this 6<sup>th</sup> day of June, 2019.

Name of Party: City of Duran Approved as to form

Brian J. Gilden, City Manager  
6/6/2019

By:



City Attorney

Its:

CITY ATTORNEY

Approved and executed this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

Name of Party: \_\_\_\_\_

Approved as to form

Regan Belli  
City Manager

By: \_\_\_\_\_

City Attorney


Its: \_\_\_\_\_

Kathy Huel  
City Attorney

Approved and executed this 2nd day of April, 2019.

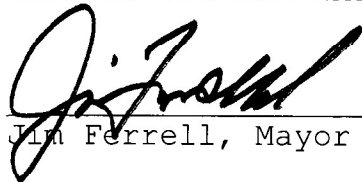
Name of Party: City of Des Moines

Approved as to form

  
By: Michael Matthias  
Its: City Manager

  
City Attorney

CITY OF FEDERAL WAY:


  
Jim Ferrell, Mayor

ATTEST:

  
Stephanie Courtney, CMC, City  
Clerk

APPROVED AS TO FORM:

DATE: 25 Feb 2019

  
J. Ryan Call, City Attorney



Approved and executed this 19<sup>th</sup> day of June, 2019.

Name of Party: City of Kent


Approved as to form

Dana R. R.  
By: Dana Ralpe  
Its: Mayor

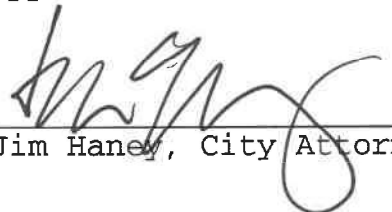
[Signature]  
City Attorney, Deputy

Approved and executed this 12th day of March, 2019.

CITY OF NORMANDY PARK

By   
Mark Hoppen, City Manager  
By direction of the City Council  
Taken, March 12, 2019

Approved as to Form:

  
Jim Haney, City Attorney

Approved and executed this 24 day of May, 2019.

Name of Party: City of Renton

Approved as to form

Denis Law

By: Denis Law  
Its: Mayor

Shane Moloney

Shane Moloney  
City Attorney

Attest: Jason A. Seth 5/24/19  
Jason A. Seth, CMC, City Clerk

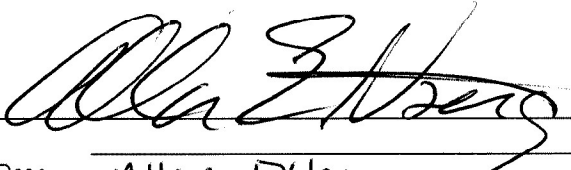




Approved and executed this 21<sup>st</sup> day of February, 2019.

Name of Party: \_\_\_\_\_

Approved as to form

  
By: Allan Ekberg  
Its: Mayor

  
City Attorney

Approved and executed this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

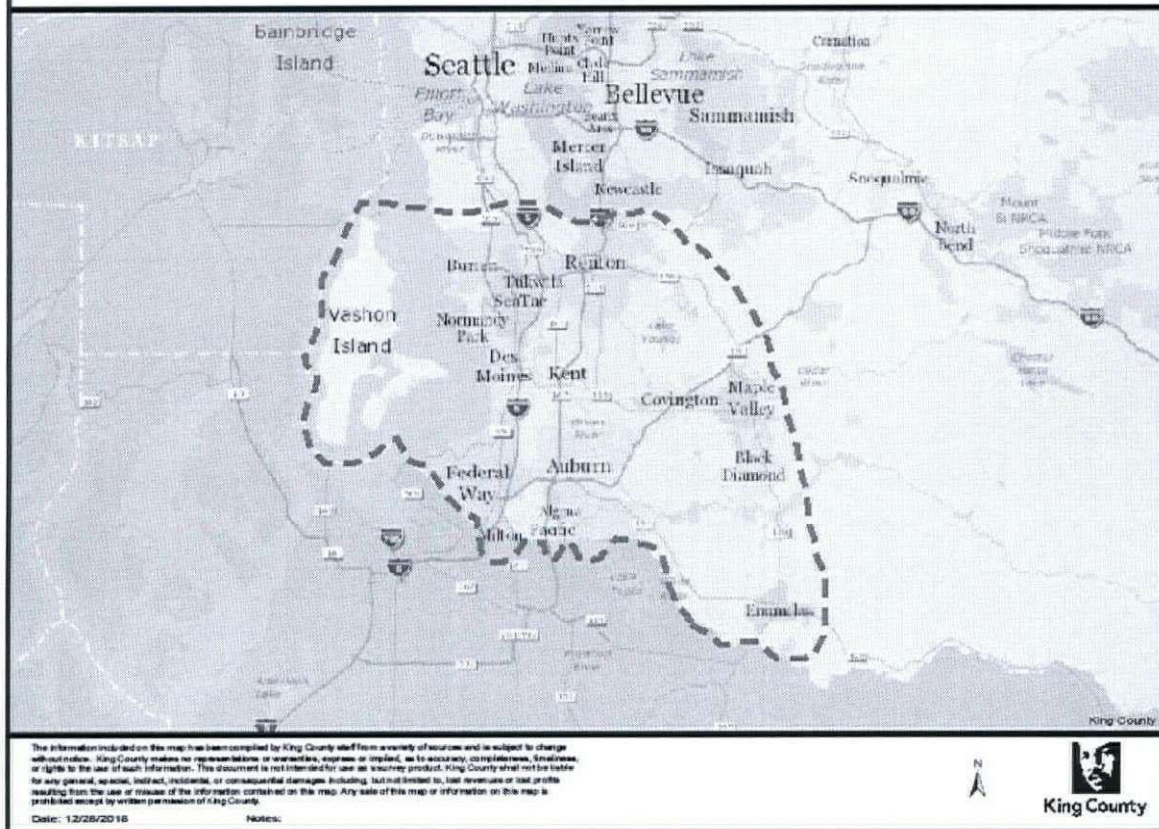
Name of Party: King County Approved as to form



By: Dow Constantine  
Its: Executive

\_\_\_\_\_  
City Attorney

## Exhibit A - SKHHP Sphere of Influence





**EXHIBIT B**

<b>FIRST YEAR SKHHP BUDGET</b> <b>9 cities &amp; King County</b> <b>Year 1: 10 months of Operations</b>			
<b>Annual Expense Budget</b>			
Full-time manager with salary/taxes/benefits		\$	130,000
Administrative & low-level policy support with salary/taxes/benefits		\$	90,000
Expenses - travel, phone, postage, and start-up costs		\$	19,000
Space		\$	12,000
SubTotal		\$	251,000
10% Fiscal Administration Fee		\$	25,100
<b>TOTAL</b>		<b>\$</b>	<b>276,100</b>
<b>Cost for 10 months of Operations:</b>		<b>\$</b>	<b>230,083</b>
<b>Revenue Budget</b>			
Outside sources* (County, philanthropy, aligned organizations)		\$	68,000
Office Space (in-kind donation) [Pro-rated]		\$	10,000
Shared among participating cities (see below)		\$	152,083
<b>TOTAL</b>		<b>\$</b>	<b>230,083</b>
<b>Shares for participating cities:</b>			
	<b>Population (OFM 2018 est)</b>	<b>% of Population</b>	<b>Grouped by Size**</b>
Auburn	80,615	12%	\$ 20,236
Burien	51,850	8%	\$ 11,675
Covington	20,080	3%	\$ 5,837
Des Moines	31,340	5%	\$ 5,837
Federal Way	97,440	15%	\$ 20,236
Kent	128,900	20%	\$ 26,463
Normandy Park	6,700	1%	\$ 3,113
Renton	104,100	16%	\$ 26,463
Tukwila	19,800	3%	\$ 5,837
Unincorporated SKC	111,000	17%	\$ 26,463
<b>TOTAL</b>	<b>651,825</b>		<b>\$ 152,161</b>
<b>*Outside sources</b>		<b>**Grouped by Size Ranges</b>	
KC Housing Authority	15,000	<10,000	\$ 3,113
Enterprise	5,000	10,001- 35,000:	\$ 5,837
King County***	48,000	35,001 - 65,000:	\$ 11,675
<b>TOTAL</b>	<b>68,000</b>	65,001 - 100,000	\$ 20,236
		100,001+ :	\$ 26,463
***King County has committed \$75,000; including covering the share for unincorporated (In Year 1, the accrual from the unincorporated SKC share is used for \$7K in startup costs)			

**SECOND YEAR SKHHP DRAFT BUDGET**

**9 cities & King County**

**Year 2: Full Year of Operations**

**Annual Expense Budget**

Full-time manager with salary/taxes/benefits	\$	130,000
Administrative & low-level policy support with salary/taxes/benefits	\$	90,000
Expenses - travel, phone, postage	\$	12,000
Space	\$	12,000
SubTotal	\$	244,000
10% Fiscal Administration Fee	\$	24,400
<b>TOTAL</b>	<b>\$</b>	<b>268,400</b>

**Revenue Budget**

Outside sources* (County, philanthropy, aligned organizations)	\$	61,000
Office Space (in-kind donation)	\$	12,000
Shared among participating cities (see below)	\$	195,400
<b>TOTAL</b>	<b>\$</b>	<b>268,400</b>

**Shares for participating cities:**

	Population (OFM 2018 est)	% of Population	Grouped by Size**
Auburn	80,615	12%	\$ 26,000
Burien	51,850	8%	\$ 15,000
Covington	20,080	3%	\$ 7,500
Des Moines	31,340	5%	\$ 7,500
Federal Way	97,440	15%	\$ 26,000
Kent	128,900	20%	\$ 34,000
Normandy Park	6,700	1%	\$ 4,000
Renton	104,100	16%	\$ 34,000
Tukwila	19,800	3%	\$ 7,500
Unincorporated SKC	111,000	17%	\$ 34,000
<b>TOTAL</b>	<b>651,825</b>		<b>\$ 195,500</b>

**\*Outside sources**

KC Housing Authority	15,000
Enterprise	5,000
King County***	41,000
<b>TOTAL</b>	<b>61,000</b>

**\*\*Grouped by Size Ranges**

<10,000	\$ 4,000
10,001 - 35,000:	\$ 7,500
35,001 - 65,000:	\$ 15,000
65,001 - 100,000	\$ 26,000
100,001+ :	\$ 34,000

\*\*\*King County has committed \$75,000;  
including covering the share for unincorporated

## RESOLUTION NO. 2023-01

A RESOLUTION OF THE EXECUTIVE BOARD OF THE SOUTH KING HOUSING AND HOMELESSNESS PARTNERS (SKHHP), ADOPTING THE 2024 SKHHP WORK PLAN AND OPERATING BUDGET

WHEREAS, pursuant to the Interlocal Agreement, the SKHHP Executive Board approves an annual work plan and budget each year to guide the work of SKHHP staff; and

WHEREAS, pursuant to the Interlocal Agreement, the annual budget includes an itemization of all categories of budgeted expenses and itemization of each Party's contribution, including in-kind services; and

WHEREAS, upon adoption by the Executive Board, the annual work plan and budget will be transmitted to each participating jurisdiction for approval by their legislative body; and

WHEREAS, the budget will not become effective until approved by the legislative body of each jurisdiction and adopted by the SKHHP Executive Board; and

WHEREAS, if a party does not approve the work plan or budget in a timely manner, the Executive Board may adopt the budget and work plan with a two-thirds majority vote; and

WHEREAS, the purpose of the annual work plan and budget is to provide management and budget guidance, and implement the overarching SKHHP mission to work together and share resources to increase the available options for South King County residents to access affordable housing and to preserve the existing affordable housing stock; and

WHEREAS, the 2024 work plan includes four goals with corresponding action items that further SKHHP's mission.

NOW, THEREFORE, THE EXECUTIVE BOARD RESOLVES as follows:

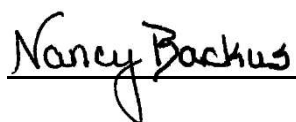
**Section 1.** The Executive Board adopts the 2024 SKHHP Work Plan in Attachment A.

**Section 2.** The Executive Board adopts the 2024 SKHHP Operating Budget in Attachment B.

**Section 3.** Each party's contribution to SKHHP's operating budget will be transmitted on an annual basis during the first quarter of the calendar year.

**Section 4.** This Resolution will take effect and be in full force upon approval by the legislative body of each participating jurisdiction.

Dated and Signed this 22nd day of May, 2023

  
\_\_\_\_\_

NANCY BACKUS, CHAIR, SOUTH KING HOUSING AND HOMELESSNESS PARTNERS



## RESOLUTION 2023-01 – ATTACHMENT A

### SKHHP 2024 WORK PLAN

#### PURPOSE

Establish a 2024 SKHHP work plan and budget that is guided by Executive Board priorities, is consistent with the SKHHP Interlocal Agreement, and furthers SKHHP's mission.

#### BACKGROUND

Established by an interlocal agreement, SKHHP jurisdictions work together and share resources to increase options for South King County residents to access affordable housing and preserve existing affordable housing. The 2024 SKHHP work plan builds on work done in previous years and was developed in collaboration with the Executive Board, Advisory Board, and staff work group.

The work plan is organized into four goals with corresponding objectives and action items. Each action is identified by priority as follows:

- Higher – Identified as higher priority by Executive Board or is necessary to carry out the Interlocal Agreements
- Medium – Identified as mid-level priority
- Lower – Identified as lower priority

Quarterly budget and progress reports on the status of the work plan elements will be submitted to the SKHHP Executive Board and the legislative body of each member jurisdiction as follows:

**Quarter 1:** May | **Quarter 2:** August | **Quarter 3:** November | **Quarter 4:** February

In accordance with the Interlocal Agreement, the 2024 SKHHP work plan and budget will be approved by the SKHHP Executive Board and the legislative body of each member jurisdiction.

#### SKHHP MISSION

South King County jurisdictions working together and sharing resources to create a coordinated, comprehensive, and equitable approach to increasing housing stability, reducing homelessness, and producing and preserving quality affordable housing in South King County.

#### GOALS & OBJECTIVES

Number	Goal	Objective
1	Fund the expansion and preservation of affordable housing.	Coordinate public resources to attract greater private and public investment for affordable housing in South King County.
2	Develop policies to expand and preserve affordable housing.	Share technical information and resources to promote sound housing policy.
3	Serve as advocate for South King County.	Provide a unified voice to advocate for South King County needs at a local, regional, and state level.
4	Manage operations and administration.	Sustain operational commitments and Interlocal Agreement requirements.



## Goal 1

### Fund the expansion and preservation of affordable housing.

Actions	Priority of Actions ••• = Higher •• = Medium • = Lower
1. 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.	•••
2. Pool resources from member jurisdictions for the Housing Capital Fund, including SHB 1406 and HB 1590 funds.	•••
3. Manage 2023 Housing Capital Fund funding round including facilitating approval from participating Councils and preparing contract documents.	•••
4. Manage 2024 Housing Capital Fund funding round including adopting annual guidelines, updating application materials, soliciting proposals, and facilitating project selection.	•••
5. Encourage investment by private investors, lenders, and philanthropies.	•••
6. Work with member cities and project sponsors to start developing a pipeline of projects to be funded over the next five years.	••
<b>Indicators</b>	
○ Number of housing units or number of projects funded with financial support from SKHHP	
○ Number of housing units preserved with financial support from SKHHP	
○ Total dollar amount pooled by member jurisdictions for Housing Capital Fund	
○ Total dollar amount from new sources of revenue added to the Housing Capital Fund	
○ Geographic diversity of applications received for annual Housing Capital Fund funding round	



## Goal 2

### Develop policies to expand and preserve affordable housing.

Actions	Priority of Actions ••• = Higher •• = Medium • = Lower
7. Develop subregional housing preservation strategies and facilitate implementation.	•••
8. Facilitate technical assistance and updates to the Affordable Housing Inventory Dashboard.	•••
9. Build relationships with developers to learn from their perspective the ways to encourage housing development, especially affordable housing.	••
10. Continue to refine and update housing policy matrix.	•
11. Convene land use planners to increase coordination and collaboration on housing policy and planning.	•
12. Develop SKHHP Executive Board briefings on key housing and homelessness topics, especially as they relate to the goals of the work plan.	•
Indicators	
○ Number of preservation policies explored with members of the Executive Board	
○ Successful update of data and deployment of the Affordable Housing Inventory Dashboard	
○ Number of relationships built with developers	
○ Number of Executive Board briefings on key housing and homelessness topics	





### Goal 3

#### Serve as advocate for South King County.

Actions	Priority of Actions ••• = Higher •• = Medium • = Lower
13. Coordinate with the Advisory Board in collaboration with housing organizations and stakeholder groups to provide education and engagement opportunities for elected officials and community members.	••
14. Work collaboratively with public funders at the state and local levels to promote shared affordable housing goals and equitable geographic distribution of resources.	••
15. Produce public-facing communications content that highlights South King County through social media and newsletters.	•
16. Represent SKHHP at relevant local and regional meetings and forums that help advance SKHHP's mission and provide a voice for increasing access to safe, healthy, and affordable housing in South King County.	•
Indicators	
○ Number of events or engagement opportunities Advisory Board members organize or support	
○ Number of communications published	
○ Number of meetings, forums, or events attended that advance SKHHP's mission	



## Goal 4

### Manage operations and administration.

Actions	Priority of Actions ••• = Higher •• = Medium • = Lower
17. Develop annual work plan and budget.	•••
18. Generate and distribute quarterly progress reports to SKHHP Executive Board and member jurisdictions.	•••
19. Work with administering agency to maintain records and produce regular financial reports for the SKHHP Housing Capital Fund and SKHHP Operating Account.	•••
20. Organize and host monthly Executive and Advisory Board public meetings.	•••
21. Manage the Affordable Housing Inventory Dashboard contract.	•••
22. Maintain and update the SKHHP website.	••
23. Advance work on SKHHP Foundation efforts to establish logistics, administration, and pursue federal nonprofit status.	••
Indicators	
○ Work plan and budget adopted	
○ Quarterly progress reports prepared and presented to Executive Board	
○ Financial reports and public records maintained	
○ Commitments of the Affordable Housing Inventory Dashboard contract fulfilled	
○ Website maintained	
○ Application submitted for SKHHP Foundation 501c3 status	

## RESOLUTION 2023-01 – ATTACHMENT B

### 2024 SKHHP Operating Budget

Estimated beginning fund balance - January 1, 2024 \$ 205,736

Estimated ending fund balance -December 31, 2024 \$ 144,877

#### REVENUES

Auburn	\$ 39,543
Burien	\$ 22,814
Covington	\$ 11,407
Des Moines	\$ 11,407
Federal Way	\$ 51,710
Kent	\$ 51,710
Maple Valley	\$ 11,407
Normandy Park	\$ 6,084
Renton	\$ 51,710
Tukwila	\$ 11,407
King County*	\$ 51,710
Additional King County*	\$ 23,290
Interest earnings	\$ 2,100
Office space (in-kind donation)	\$ 12,000
<b>TOTAL REVENUES</b>	<b>\$ 358,299</b>
Spend down balance	\$ 60,859
<b>TOTAL</b>	<b>\$ 419,158</b>

#### EXPENSES

Salaries and benefits	\$ 305,344
Interfund IT	\$ 31,500
Advisory Board compensation	\$ 14,400
Office space (in-kind donation)	\$ 12,000
Other professional services/Misc.	\$ 6,400
Travel	\$ 5,250
Professional development	\$ 5,250
Supplies	\$ 2,000
<b>Subtotal</b>	<b>\$ 382,144</b>
Administering agency - 10% admin fee**	\$ 37,014
<b>TOTAL</b>	<b>\$ 419,158</b>

\*King County contribution based on the population of unincorporated King County is shown as increasing at the same rate as other partner jurisdictions and the additional allocation decreasing to maintain a total contribution of \$75,000 per year.

\*\*10% administrative fee is calculated as a percentage of operating costs which excludes in-kind donations and carry-forwards.



# 2024 State Legislative Update

Dorsol Plants, SKHHP Program Coordinator

February 16, 2024

SKHHP Executive Board

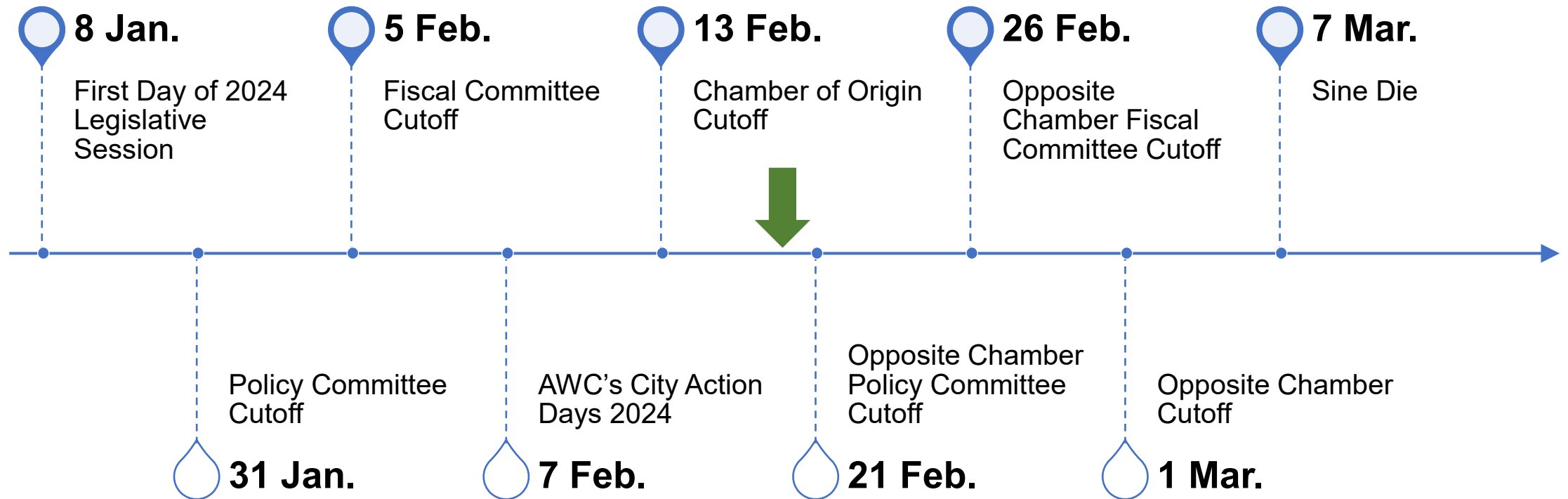
# SKHHP 2024 Legislative Priority

South King County is facing a growing affordable housing crisis. In order to address this crisis, we need to fund all aspects of affordable housing, including:

- Homeownership for moderate income households and below
- Preservation of naturally occurring affordable housing (NOAH)
- Land acquisition to secure permanent affordability
- Permanent supportive housing (PSH)
- Infrastructure around affordable housing developments
- Workforce housing



# 2024 Legislative Session Timeline



[HB 2354](#): Creating an option for impacted taxing districts to provide a portion of their new revenue to support any tax increment area proposed within their jurisdiction and clarifying that a tax increment area must be dissolved when all bond obligations are paid.



- Requires the project analysis conducted by a local government prior to establishing a tax increment area to assess impacts on local emergency medical services and public hospital services.
- Requires mitigation agreements between local governments and affected public hospital districts.
- Requires arbitration if mitigation agreements cannot be agreed upon.



# SB 6173: Encouraging investments in affordable homeownership unit development

Allows SHB 1406 (RCW 82.14.540) funds to support housing intended for owner occupancy, as defined in RCW 84.14.010 at or below 80% of the median income.



# HB 1892: Concerning the workforce housing accelerator program



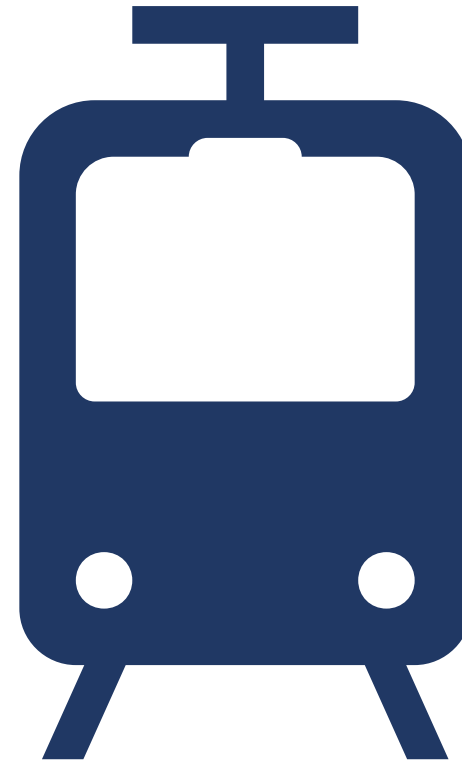
Creates the Workforce Housing Accelerator Revolving Loan Fund Program (HALP) within Department of Commerce, but administered by the WA State Finance Commission, to issue loans for the development of housing for households earning 50 - 80% AMI.

The loan recipient must...

- Begin construction within 180 days of award
- Adhere to the Evergreen Sustainable Development Standard adopted by the Department of Commerce
- File an annual compliance report
- Restrict use of awarded loan funding to eligible costs of housing as defined under RCW 43.180.020

# HB 2160/SB 6024: Transit Oriented Development

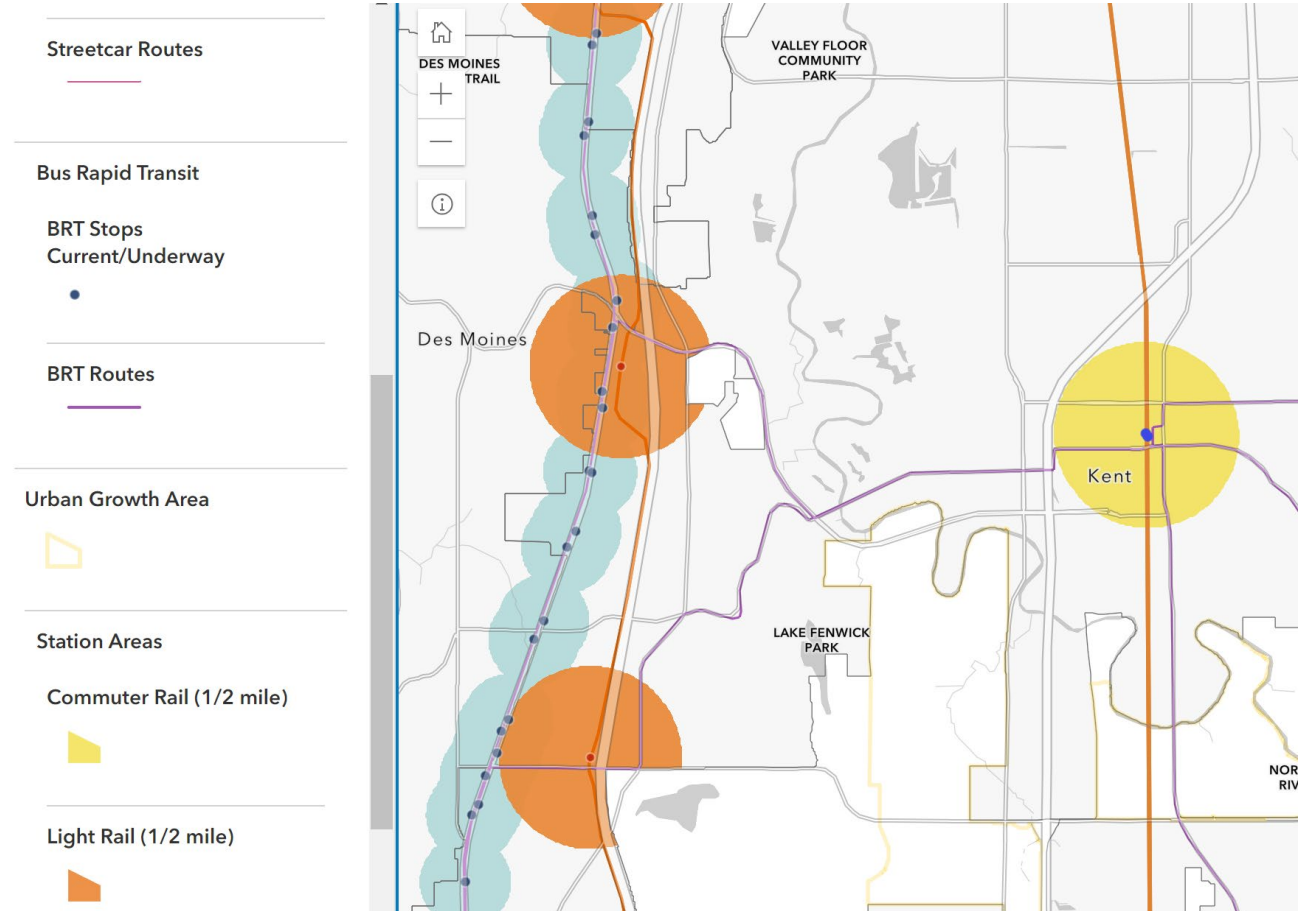
- Establishes that cities planning under the Growth Management Act (GMA) may not enact or enforce any new development regulation within a station area that prohibits the siting of multifamily residential housing on parcels where other residential use is permissible and must allow new residential and mixed-use development within any station area at certain transit-oriented development densities.
- Requires at least 10 percent of all residential units in buildings constructed within a station area be maintained as affordable housing for at least 50 years except under certain conditions.
- Prohibits counties and cities planning under the GMA from requiring off-street parking as a condition of permitting development within a station area, with exceptions.
- Categorically exempts all project actions that propose to develop residential or mixed-use development within a station area from the State Environmental Policy Act.



# HB 2160: [Interactive Map](#)

Puget Sound Regional Council (PSRC) has created an interactive map showing development areas adjacent to transit that would be created by HB 2160 and SB 5961.

The current map reflects Second Substitute House Bill 2160.





# SB 5961/HB 2114: Rent Stabilization



- Limits rent and fee increases to 7% during any 12-month period and prohibits rent and fee increases during the first 12 months of a tenancy for tenants subject to the Residential Landlord-Tenant Act and the Manufactured/Mobile Home Landlord-Tenant Act, with certain exemptions.
- Provides certain other protections for tenants, such as rent and fee increase notice requirements; tenant lease termination provisions; limits on move-in fees, security deposits, and late fees; and requirements for parity between month-to-month and longer-term rental agreements.
- Provides remedies and enforcement mechanisms, including Attorney General enforcement of certain provisions in the bill under the Consumer Protection Act and a private cause of action for damages against landlords who violate certain provisions of the bill.
- Requires the Department of Commerce to create an online landlord resource center and requires the Attorney General to publish model lease provisions regarding rent and fee increases.

# Funding Affordable Housing

Bill Number	Description	Status
<a href="#"><u>SB 6173</u></a>	Encouraging investments in affordable homeownership unit development.	2/13 First reading in House, referred to Local Government
<a href="#"><u>SB 5949</u></a>	Concerning the capital budget.	2/15 Public hearing in the Senate Committee on Ways & Means
<a href="#"><u>HB 2089</u></a>	Concerning the capital budget.	1/11 Public hearing in the House Committee on Capital Budget
<a href="#"><u>HB 1628</u></a>	Increasing the supply of affordable housing by modifying the state and local real estate excise tax.	1/8 By resolution, reintroduced and retained in present status. House Rules "X" file
<a href="#"><u>SB 6065</u></a>	Concerning the property tax exemption for cities or counties providing affordable housing to qualifying households.	1/9 First reading in Senate, referred to Housing
<a href="#"><u>SB 5118</u></a>	Concerning modifying the multifamily property tax exemption to promote development of long-term affordable housing.	2/5 Executive session scheduled, but no action was taken in the Senate Committee on Ways & Means

# Funding Affordable Housing Continued

Bill Number	Description	Status
<a href="#">HB 1892</a>	Concerning the workforce housing accelerator program.	2/16 Executive session in the Senate Committee on Housing
<a href="#">SB 6136</a>	Reestablishing a business and occupation tax on the privilege of providing property for rent and supporting access to affordable rental property by exempting from tax landlords participating in a rent stabilization program.	1/25 Referred to Senate Ways & Means
<a href="#">HB 1343</a>	Providing local governments with options to grant rent relief and preserve affordable housing in their communities.	1/8 By resolution, reintroduced and retained in present status
<a href="#">SB 5493</a>	Limiting a business and occupation tax deduction for financial institutions to fund affordable housing	1/8 By resolution, reintroduced and retained in present status
<a href="#">HB 2219</a>	Providing tax relief for nonprofit development of affordable housing.	1/25 Public hearing in the House Committee on Finance

# Housing and Land Use

Bill Number	Description	Status
<a href="#"><u>SB 6024</u></a>	Promoting community and transit-oriented housing development.	1/11 Public hearing in the Senate Committee on Local Government, Land Use & Tribal Affairs
<a href="#"><u>HB 2160</u></a>	Promoting community and transit-oriented housing development.	2/15 Public hearing in the Senate Committee on Local Government, Land Use & Tribal Affairs
<a href="#"><u>SB 6015</u></a>	Concerning residential parking configurations.	2/14 Public hearing in the House Committee on Local Government
<a href="#"><u>HB 2071</u></a>	Concerning residential housing regulations.	2/15 Public hearing in the Senate Committee on Local Government, Land Use & Tribal Affairs



# Housing and Land Use Continued

Bill Number	Description	Status
<a href="#"><u>HB 1998</u></a>	Concerning co-living housing.	2/15 Executive session in the Senate Committee on Local Government, Land Use & Tribal Affairs
<a href="#"><u>SB 5901</u></a>	Concerning co-living housing.	1/26 Passed to Rules Committee for second reading
<a href="#"><u>HB 2084</u></a>	Establishing an oversight committee to improve construction-related training and pathways to state registered apprenticeships in state correctional facilities.	2/14 First reading in Senate, referred to Human Services (Not officially read and referred until adoption of Introduction report).
<a href="#"><u>HB 1944</u></a>	Establishing a running start for the trades grant program.	1/8 First reading in House, referred to Education
<a href="#"><u>HB 2123</u></a>	Establishing a running start for the trades grant program.	1/8 First reading in House, referred to Education

# Housing and Land Use Continued

Bill Number	Description	Status
<a href="#"><u>HB 1507</u></a>	Concerning fair housing training for officers or board members in common interest communities.	2/13 First reading in Senate, referred to Law & Justice
<a href="#"><u>HB 2276</u></a>	Increasing the supply of affordable and workforce housing.	1/18 Public hearing in the House Committee on Finance
<a href="#"><u>SB 6191</u></a>	Increasing the supply of affordable and workforce housing.	1/25 Public hearing in the Senate Committee on Ways & Means
<a href="#"><u>HB 2113</u></a>	Concerning compliance with the housing element requirements of the growth management act.	2/5 Referred to Rules 2 Review
<a href="#"><u>HB 1245</u></a>	Increasing housing options through lot splitting.	1/10 First reading in Senate, referred to Local Government, Land Use & Tribal Affairs

# Housing and Land Use Continued

Bill Number	Description	Status
<a href="#"><u>SB 5961</u></a>	Improving housing stability for tenants subject to the residential landlord-tenant act and the manufactured/mobile home landlord-tenant act by limiting rent and fee increases, requiring notice of rent and fee increases, limiting fees and deposits, establishing a landlord resource center and associated services, authorizing tenant lease termination, creating parity between lease types, and providing for attorney general enforcement.	1/26 Executive action taken in the Senate Committee on Housing
<a href="#"><u>HB 2114</u></a>	Improving housing stability for tenants subject to the residential landlord-tenant act and the manufactured/mobile home landlord-tenant act by limiting rent and fee increases, requiring notice of rent and fee increases, limiting fees and deposits, establishing a landlord resource center and associated services, authorizing tenant lease termination, creating parity between lease types, and providing for attorney general enforcement.	2/13 Passed in the House (yeas, 54; nays, 43; absent, 0; excused, 1)

# Questions?





**2023 Annual Progress Report.** 2023 was a time of foundation building, bringing awareness about SKHHP to a wider audience, and expanding the South King Housing and Homelessness Partners (SKHHP) Housing Capital Fund to fund the creation and preservation of affordable housing in South King County. SKHHP welcomed its new Executive Manager to the coalition in January and two member cities pooled a new funding source for the Housing Capital Fund resulting in quadrupling funding available for affordable housing projects and doubling the number of applications received over 2022.

## WHO WE ARE

Formed in 2019 by an Interlocal Agreement, we are a collaboration between 10 South King County cities and King County united under the common goal to ensure the availability of housing for all income levels of residents in South King County. We achieve this through a focus on the production and preservation of affordable housing, partnership with public and private organizations, pooling and sharing resources, and advancing housing policies.

## PURPOSE

Create a coordinated, comprehensive, and equitable approach to increasing housing stability, reducing homelessness, and producing and preserving quality affordable housing in South King County.

## CONTACT

Claire Vanessa Goodwin  
Executive Manager

**Website:**

<http://skhhp.org>

**Phone:**

(253) 931-3042

**Email:**

[info@skhhp.org](mailto:info@skhhp.org)



### GOAL 1. Implement SKHHP Interlocal Agreement.

**New Executive Manager** – Hired and successfully onboarded new Executive Manager.

**2024 Work Plan** – Facilitated development and adoption of the 2024 work plan and budget.

**Advisory Board** – Recruited, interviewed, and appointed nine new Advisory Board members.

**New Member** – Presented at three City of SeaTac public meetings on becoming a member of SKHHP. SeaTac City Council took action in January 2024 to join as SKHHP's newest member.



### GOAL 2. Build long-term sustainability for SKHHP Housing Capital Fund.

**2023 Housing Capital Fund** – Two member cities pooled revenues collected under HB 1590 to fund affordable housing through the SKHHP Housing Capital Fund quadrupling funding amount available in 2023 over 2022 (from \$1.4 million to \$5.9 million). Received six applications for funding and the Advisory and Executive Boards recommended funding four projects throughout South King County.

**2022 Housing Capital Fund** – Presented to eight City Councils and received concurrence on the Executive Board's recommendation to support two affordable housing projects in Burien.



### GOAL 3. Work with partner jurisdictions to enhance and develop policies that protect existing affordable housing and accelerate access.

**Preservation Strategies** – Worked closely with South King County planners (SoKiHo) on the development of subregional affordable housing preservation strategies.

**South King County Joint Planners and Developers** – Hosted an open discussion with 11 developers on reducing barriers to affordable housing development in South King County. A summary of the discussion is available [here](#).

**Affordable Housing Inventory Dashboard** – Finalized the internal tool and completed the requirements of the Housing Action Plan and Implementation grant on behalf of five cities.



### GOAL 4. Represent South King County and its affordable housing needs at all relevant decision tables and foster collaboration between partners.

**Stakeholder Collaboration** – Collaborated with King County and ARCH on a joint application for HUD's Pathways to Removing Obstacles to Housing grant. Updated Congressman Smith on SKHHP's work.

**Participation in Local Meetings and Forums** – Represented SKHHP at 200+ regional meetings representing 25 unique groups. Attended four statewide forums and one national conference.



### GOAL 5. Further strengthen regional stakeholders' understanding of the spectrum of affordable housing options and the range of related needs.

**Executive Board Briefings** – Coordinated six presentations to the Executive Board including on permit accelerator programs, King County's Community Preference Program, King County Housing Authority's preservation program, and Homestead Community Land Trust's homeownership model.

**South King Housing and Homelessness Partners  
Fund Status as of December 31, 2023**

<b>REVENUES</b>	<b>OPERATING ACTUAL</b>	<b>HOUSING CAPITAL FUND CONTRIBUTIONS 2023</b>	<b>DEPARTMENT OF COMMERCE GRANT ACTUAL</b>
Auburn	\$ 34,385	\$ 152,865	\$ 6,556
Burien	19,838	69,897	6,556
Covington	9,919	438,028	-
Des Moines	9,919	34,301	-
Federal Way	44,965	133,558	-
Kent	44,965	4,745,112	6,556
Maple Valley	9,919	-	-
Normandy Park	5,290	6,992	-
Renton	44,965	246,643	6,556
Tukwila	9,919	17,233	6,556
Unincorporated KC	44,965	-	-
King County additional contribution	30,035	-	-
Contributions/Donations	(5,000)	-	-
<b>INTEREST EARNINGS</b>	132,093	-	-
<b>Total</b>	<b>\$ 436,177</b>	<b>\$ 5,844,630</b>	<b>\$ 32,779</b>
<b>EXPENDITURES</b>	<b>OPERATING ACTUAL</b>	<b>HOUSING CAPITAL FUND ACTUAL</b>	
SKHHP Cost Reimbursement	337,937	-	
Administration Fee	33,400	-	
<b>Total</b>	<b>371,337</b>	<b>-</b>	
Beginning Fund Balance – January 1, 2023	296,916	1,448,075	
Estimated net change in fund balance – December 31, 2023	97,618	5,844,630	
Estimated Ending Fund Balance – December 31, 2023	394,534	7,292,705	

<b>SKHHP Cost Reimbursement Detail</b>	
<b>EXPENDITURES</b>	
Wages	204,036
Benefits	56,156
Supplies	502
Professional Services	46,547
Interfund Allocations	30,696
Administrative fee	33,400
<b>Total</b>	<b>371,337</b>