



I. CALL TO ORDER

Nancy Backus called the meeting to order at 1:02 PM.

ROLL CALL/ESTABLISHMENT OF QUORUM

Executive Board members present: Nancy Backus, City of Auburn; Merina Hanson, City of Kent; Traci Buxton, City of Des Moines; Brian Davis, City of Federal Way; Xochitl Maykovich, King County; Sean Kelly, City of Maple Valley; Eric Zimmerman, City of Normandy Park; Carmen Rivera, City of Renton; James Lovell, City of SeaTac; Thomas McLeod, City of Tukwila; Colleen Brandt-Schluter, City of Burien.

Others present: Victoria Schroff, City of Maple Valley; Dennis Martinez, City of Tukwila; Jeff Tate, SKHHP Interim Executive Support; Dorsol Plants, SKHHP Program Coordinator; Kent Hay, SKHHP Advisory Board; Laural Humphrey, City of Tukwila; Nicholas Matz, City of Normandy Park; Nicole Nordholm, City of Des Moines; Dafne Hernandez, City of Covington; Matt Torpey, City of Maple Valley; Liz Stead, City of Burien; McCaela Daffern, King County; Joe Thompson, Mercy Housing NW; Chris Bendix, Mercy Housing NW; Obinna Amobi, Mercy Housing NW.

II. PUBLIC COMMENT

No public comment was provided.

III. APPROVAL OF APRIL 19, 2024 MINUTES

Traci Buxton moved to approve the April 19, 2024 minutes as presented, seconded by Sean Kelly. Motion passed (11-0)

IV. AGENDA MODIFICATIONS

No modifications to the agenda were made.

V. BOARD BRIEFING

a. MEET THE DEVELOPER: MERCY HOUSING NORTHWEST

Joe Thompson began the presentation by providing some of his background. He has been President of Mercy Housing NW for the past four years, and when he became President, he wanted to make South King County a priority for development, and that reality was realized. South King County is an incredibly culturally rich and diverse area with many residents at risk of displacement as housing becomes unaffordable for many. He continued that his first month with Mercy Housing NW was at the Appian Way Apartments in Kent, which inspired a genuine love for the region. Appian Way is a 150-unit property that Mercy Housing NW has operated for about thirty years. Currently, Mercy Housing NW has cranes in the ground building in SeaTac near the Angle Lake Link Light Rail station in conjunction with the ARC of King County.

Mercy Housing NW serves over 6,000 people daily by providing safe and stable housing. In the past few years, they have developed about 1,300 units of family housing, 700 of which are in

King County. Mercy Housing NW has a similar number of units in its development pipeline over the next five years.

In addition to affordable housing development, Mercy Housing NW provides resident services once those communities welcome someone home. This makes them unique compared to other developers, and the aim is to take the stable platform the unit provides the family to help them address a challenge or a goal. Services are offered in five distinct areas: health and wellness, housing success and stability, economic empowerment, and community building, both in development and in the surrounding community. One service area that Joe Thompson highlighted at the Appian Way apartment is the Mercy Scholar program, which focuses on second-generation residents to provide education wrap-around support to amplify the opportunities for academic success. The Mercy Scholar program will be offered at the South King County locations currently under construction.

Obinna Amobi reviewed the Burien Family Housing project in Burien, funded as part of the 2022 SKHHP Housing Capital Fund. The project is a partnership between Mercy Housing NW and Mary's Place, and the site will include an emergency family shelter. Mercy Housing NW and Mary's Place have successfully partnered on two other projects in King County, the Allen Family Center and Cedar Crossing. Cedar Crossing includes 20 units set-aside for families with children with complex medical challenges, including those from Mary's Place Popsicle Place program. These families are mainly referred from the Seattle Children's Hospital and have unique challenges securing affordable housing.

Burien Family Housing is a redevelopment of a site Mary's Place has been operating since 2018. A set of shared principles has guided the development since the beginning of 2021. These principles include, "Center equity and opportunity to address the crisis of family homelessness. Innovation and use of best practices to create a well-planned community for residents, including children and families, as well as the broader Burien community. Ensure long-term financial and program stability plan. Concept and program formed with input from the community and people with lived experience."

The intent is for the Burien Family Housing project to serve as a model for a way to address the homelessness crisis. Frequently, unhoused families are left behind in the present system and face challenges such as long wait lists or having to accept housing that moves them away from their community support. This project will enable families that have moved through the Mary's Place shelter to stay in their community. The 90-unit project comprises two-, three-, and four-bed units that can serve families making between 30% to 60% Area Median Income (AMI). Thirty-four units will be set aside for families transitioning from the Mary's Place shelter on-site. The project has received a commitment of 34 Section 8 vouchers from King County to service the set-aside units. Families will receive case management and on-site support, including the Mercy Scholar program and Mary's Place Kids' Club. The emergency shelter on-site will be able to serve up to 75 families at one time.

The project began in 2021, and much of the funding has been achieved. Mercy Housing NW is awaiting the pursuit of a 4% LIHTC allocation. Permitting is underway, and the goal is to start construction in early 2025. The emergency shelter construction will likely begin at the same time as the housing construction.

Chris Bendix reviewed the Kent Multicultural Village (MCV) project in Kent, funded as part of the 2023 SKHHP Housing Capital Fund. The project began about a year ago in response to Sound

Transit's offer of the transit-oriented development (TOD) site and is on the same block as the future north entry of the Kent/Des Moines Link Light Rail station. The site is also across the street from Highline Community College. This project was started through a partnership with Open Doors for Multicultural Families, the same way the Burien project had an essential partnership. Open Doors' mission is to support families with at least one household member living with a disability, and it specializes in helping families newly arrived in the United States. In 2022, Open Doors served over 2,500 clients out of three locations in King County.

Open Doors largely set the vision and guiding principles of the project and their ambition to create housing that meets the specific needs of families with intellectual and developmental disabilities (IDD). The hope is to create an inclusive and diverse mixed-use community with the support families need and easy transit access. Open Doors has been hoping to bring this idea to reality for years, and the Mercy Housing NW partnership was a real opportunity to do it.

The project will have 20% of the units set aside for residents with IDD, and Open Doors will relocate their office and program space to the location. These units will exceed minimum ADA requirements and seek to be as usable and accessible as possible. Open Doors will include a space to provide community services and will operate an inclusive early learning center on-site to serve the needs of children with IDD. The site will also include neighborhood retail on the corner leading to the Link Light Rail entrance, and the project will activate the station area with public plazas and recreation space.

The project includes 240 affordable housing units serving households ranging from 30% to 60% of AMI. The community space and office for Open Doors will be 25,000 square feet, providing more space for the agency than its current location. Project Feast is communicating with Mercy Housing NW to occupy the 4,500 square feet of retail space and will provide dining and culinary skills training and food service. The site will emphasize multicultural design and art and is intended to feel like a place where all people are welcome and want to spend time.

The Kent MCV is in design and predevelopment until mid-2025. Construction is expected to begin in the third quarter of 2025 and be completed in the third quarter of 2027.

Mercy Housing NW has been working in King County on several projects. Angle Lake Family Housing, located in SeaTac, is a 130-unit affordable housing project adjacent to the Angle Lake Light Rail station that broke ground in 2023. Like the Kent MCV, the project includes set-asides for people with IDD. Mercy Othello Plaza is in Seattle and has 108 affordable housing units adjacent to the Othello Light Rail station. Othello Plaza was built to prevent displacement of the community. Cedar Crossing is a 254-unit affordable housing project adjacent to the Roosevelt Station in Seattle. It was a partnership with Bellwether Housing.

Traci Buxton asked where the public plaza on the Kent MCV site design was in relation to Pacific Highway and the transit station. Chris Bendix said the plaza will start at the corner of Pacific Highway and 236th Street and expand back toward the transit station in a triangle pattern.

Traci Buxton asked if there were conversations about installing a pedestrian bridge over Pacific Highway aligning with the entrance to Highline Community College. Chris Bendix said that his project would not be making changes to the public right of way but didn't know if other agencies had discussed the possibility of a pedestrian bridge.

Thomas McLeod commented on the number of three- and four-bedroom units in the Burien project, noting that South King County sees only a few family-sized units. He asked how many family-sized units were available in the affordable housing market. Obinna Amobi responded that there was only a little available to his knowledge, and the reason so many units were included at the Burien site was due to the partnership with Mary's Place, which identified a need for family-sized units.

Thomas McLeod asked if there was a demand for four-bedroom units. Obinna Amobi responded that it depends on whom you ask, but Mercy Housing NW is regularly asked to include them in its projects. The Burien site is potentially the first project Mercy Housing NW has that includes four-bedroom units. Chris Bendix added that they will add four-bedroom units at the Kent site to help accommodate multi-generational families. Joe Thompson added that Mercy Housing NW is seeing increased demand for the larger units.

Obinna Amobi discussed some of the challenges Mercy Housing NW has seen, including an increase in the homelessness crisis in South King County. This has impacted how the community perceives and responds to potential affordable housing projects in our region. An opportunity in South King County has been increased capital funding made available through agencies such as SKHHP. Shorter permitting times will also help projects move forward promptly and cost-effectively.

Chris Bendix added that the Department of Commerce's program Connecting Housing to Infrastructure (CHIP), which helps local governments offset the cost of utility and other infrastructure improvements that otherwise the developer would be required to pay, has been helpful. By working together, both the developer and local jurisdiction can benefit from the program, and he highly recommends learning more.

VI. BOARD BUSINESS

a. 2024 QUARTER 1 REPORT

Jeff Tate highlighted the importance of the quarterly reports, which bring updates to the SKHHP member city councils and other government officials. These reports demonstrate the significant traction SKHHP has achieved in such a short period of time. The Quarter 1 report is structured around the 2024 Work Plan and Budget goals and was included in the meeting agenda packet.

Jeff Tate continued by acknowledging the substantial effort into the City of SeaTac officially joining SKHHP in the first quarter of 2024. SeaTac brings a new revenue source to combine with the City of Maple Valley's first contribution to the Housing Capital Fund. With support from the Executive Board, the Staff Work Group shepherded the 2023 Housing Capital Fund recommendations through each of the member city councils and is implementing a similar process to bring the 2025 Work Plan and Budget forward for adoption.

VII. UPDATES/ANNOUNCEMENTS

Jeff Tate reviewed a memo in the meeting agenda packet with an update on the Habitat for Humanity Miller Creek project located in Burien, awarded \$300,000 from SKHHP in the 2022 Housing Capital Fund. The number of units and the affordability levels for the units SKHHP is funding has stayed the same, but there is an administrative and financial shift the project is making. The Executive Board was asked, "When changes to projects such as these occur (which is likely in future projects as well), how informed or involved does the Board want to be?"

Does the Board want to approve these types of changes, or are these administrative changes that can be handled by the Executive Manager when contracting?”

As a first step, Merina Hanson suggested elevating concerns to the jurisdiction receiving the project, including the Executive Board representative.

Traci Buxton asked if there was a reason someone should be concerned about the change. Jeff Tate responded that there could be a couple of reasons. One was the potential narrative that SKHHP funds are only covering three units for \$300,000, but SKHHP's contribution is part of the funding package that enables the construction of twenty affordable homeownership units. No legal risk or other challenges have been identified at this time.

Traci Buxton asked if action was needed. Jeff Tate responded that the Executive Board didn't need to take action and that this was an opportunity to update the board and answer questions.

Nancy Backus confirmed the timeline for SKHHP staff's response. Jeff Tate confirmed there was time, and any concerns or objections would need to be addressed before signing the contract in fall 2024.

VIII.ADJOURN

Nancy Backus adjourned the meeting at 2:08 PM.

DP

Program Coordinator-SKHHP