



I. CALL TO ORDER

Dorsol Plants called the meeting to order at 3:37 PM.

ROLL CALL/ESTABLISHMENT OF QUORUM

Advisory Board members present: Ashley Kenny, Kent Hay, Kathleen Hosfeld, Phoebe Anderson-Kline, Menka Soni, Rumi Takahashi, Olga Lindbom.

Other attendees: Dorsol Plants, SKHHP; Claire Goodwin, SKHHP; Patrick Tippy, ARCH.

II. FEBRUARY 6, 2025 MEETING MINUTES

Menka Soni motioned to approve the February 6, 2025 minutes, seconded by Kathleen Hosfeld. (7-0)

III. MEET THE FUNDER: A Regional Coalition for Housing (ARCH) HOUSING TRUST FUND

Patrick Tippy, the Housing Stability Program Investment Manager for ARCH, reviewed its Housing Trust Fund program and recent updates to the evaluation process. Patrick Tippy has been with ARCH for about two years; prior to that, he worked in non-profit affordable housing development. ARCH's Community Advisory Board's (CAB) role is to confirm the Housing Trust Fund priorities and ensure each applicant meets them. The CAB assesses projects and helps to make awards based on the resources available. With ARCH staff's support, the CAB also works to maintain a pipeline of upcoming projects.

The meeting adjourned to recess due to a lack of quorum at 3:41 PM

The meeting resumed at 3:42 PM

The CAB will also set conditions related to the funding, such as a timeline for the project or a need for specific amenities to reduce costs. The CAB will make a recommendation before the ARCH Executive Board approves an award.

During the funding round, the CAB will meet roughly three times. The first time will be to get to know the projects. Last year, the Chair broke the CAB into subcommittees to divide up the evaluation of the applications. Each subcommittee reviewed about three applications and helped ARCH staff provide reports to fellow CAB members during the second meeting. The CAB aggregated questions for each applicant based on the reports, and ARCH staff worked to analyze and consolidate the answers leading up to the third and final meeting, where a funding recommendation was made. The responses to the questions helped the CAB develop the special conditions related to each funding recommendation. There were concerns related to permit readiness and when construction would start, and the special conditions were used to help developers understand that timeliness was an essential consideration for ARCH funding.

Historically, the priorities for the Housing Trust Fund have been quite broad, with many different priorities. With limited funding, it has been challenging for ARCH to feel like it is supporting its

priorities. During 2024, a strategic planning process wrapped up that aligned with looking deeper into how ARCH selects its funding. ARCH's long-term goal is to build more affordable housing faster. This idea was used to help focus on how funding awards would be made. The ARCH strategic plan has five key areas, two of which are mainly focused on funding. These are "Supporting high impact special projects and local strategies that result in creating more affordable housing faster" and "Providing an efficient vehicle for members to implement local funding and developer incentive programs and steward the affordable housing assets created through those programs." The last was accomplished in several ways, including changing how ARCH handles contracting, which initially had an individual contract for each partner city. This would require any contract changes to be across multiple jurisdictions. Changing the process so that the developer has one contract with ARCH makes the process more flexible and less time-consuming for every party involved.

Using the view of how to build more affordable housing faster led to a review of the historical funding priorities. In the 2023 funding round, ARCH had ten priorities that were very similar to SKHHP's current priorities in its funding process. The challenge is that when you have ten priorities, it becomes more of a threshold test, and priorities can even be evaluated without honing in on which projects built housing faster. As part of the 2024 funding round, ARCH reduced its priorities to three with sub-bullets to help quantify metrics since homeownership metrics differ from rental projects. The goal was to emphasize building housing faster with some flexibility.

1. Timely Delivery of Housing
 - a. Ability to advance through entitlement and permitting process quickly
 - b. Ability to secure other sources in a timely manner
2. Maximizing Unit Creation with ARCH Investment
 - a. Leveraging private investment
 - b. Maximizing competitiveness of other sources
 - c. Cost Effective Development
3. Other Objectives
 - a. Include target populations, geographic equity, preservation, transit-oriented development, racial equity, shelter & supportive housing, and sustainable & environmentally friendly solutions

The CAB settled on whether a project could receive its permits within fifteen months to determine if it was timely. This was a significant change from the previous process. The other was related to whether the project could secure the proper funding within time to meet the timeline in the application. Annually, ARCH has had \$3-4 million to award projects, which requires applicants who can maximize private and public investment to get a funding award in the time needed. ARCH meets with other public funders to help evaluate an applicant's competitiveness with other funders. When considering cost-effectiveness, ARCH did not want to exclude larger size units and considered not just the cost per door but also the cost per person to support housing for larger family sizes. Finally, applications were evaluated based on the priorities established in previous years. The first and second criteria held most of the weight during the evaluation.

Claire Goodwin asked if ARCH would serve as the sole funder of a project and how a smaller project would compare to a larger project in the evaluation process. Patrick Tippy responded that the question gets to the heart that project evaluation is as much an art as a science. The

CAB felt it was essential not to have a quantitative scoring process, which can have the weight of some priorities canceled out by others. This works theoretically, but two projects with the same number of units and program type would score the same in a quantitative process, but the location of one would make one of the projects more favorable. The CAB wanted to maintain flexibility to consider developer experience or geographic location as part of its evaluation. During this most recent funding round, there was a mix of small and large projects, but there was not enough funding for every project. The CAB created a priority list based on when projects could begin construction and refined that list based on the likelihood of the projects receiving the other funding awards in the application. This led to a recommendation of three projects: \$3.2 million for a 175-unit 4% LIHTC multi-family project, an acquisition project funded by an ARCH member city that had a gap, and an acquisition of a single-family home for families with an Intellectual and Development Disabilities (IDD).

Claire Goodwin asked if the CAB reserves funds for projects in the following funding year. Patrick Tippy stated that \$150,000 was not awarded this past funding round, and previously, funds would be held in reserve to be moved forward into future funding rounds.

Claire Goodwin asked how ARCH responds to the concern that by not being the first funder of a project, the organization has less say as the project develops. Patrick Tippy responded that ARCH doesn't need to be the last funder but does want projects further in development, so it's possible to know if a project can advance. This helps to counter all the uncertainty in the world around lease-up challenges or cost escalations. ARCH has projects awarded funding in 2017 that have not moved forward in the permit process. While these are valuable projects, those funds could have been used to fund housing, which would have been completed.

ARCH staff provides the CAB with reports of each application in areas that align with the evaluation criteria. This includes project amenities, design, cost-effectiveness, schedule, finances, and underwriting. The goal is to be clear and succinct about the benefits and risks of the projects. Being specific about the risks helps the CAB better develop special conditions that can reduce some of those risks. A project doesn't need to be in the final stages to apply but needs to be far enough that it's clear it has the essential elements to move forward quickly.

Maximizing leverage ensures that the selected projects will likely secure other public funding. Historically, projects that ARCH has funded that have languished did so because they were awaiting other public funding. It's essential to understand the priorities of those funders because an applicant may put the source down in an application, but the project is never likely to receive funding since it's not a priority.

The CAB and ARCH staff try not to consider projects competing against each other. The goal is to fund as many projects as possible together. Whether you decide to split small amounts of funding across many projects or go into deeper funding on a couple of projects, there are ways to consider each project without having them compete against one another. The challenge is that each project will serve different populations and needs, and the temptation to fund as many projects as possible is always high.

Rumi Takahashi asked how ARCH knows what the other public funders will prioritize. Patrick Tippy responded that some of King County's funding has fixed criteria related to the population served or priorities such as Transit-Oriented Development. Other funders have similar parameters that can be used to help determine what projects will be funded. Collaboration is the

key part, and ARCH or SKHHP staff can call other public funders and get a general sense of whether a project is likely to be competitive in the funding round.

Claire Goodwin asked if the HTF would fund rehabilitation projects. Patrick Tippy responded that ARCH funds can be used for rehabilitation, but it does not seem to be the current focus for developers in East King County. Depending on current market uncertainty, ARCH may focus more on rehabilitation or preservation in the 2025 round. ARCH has invested in over 80 properties in thirty years, and most of them have never been recapitalized.

Claire Goodwin asked if all the ARCH member cities have had HTF projects in their jurisdiction. Patrick Tippy responded that not every ARCH city has had a project, which can be due to various dynamics. Some of the ARCH cities do not have the level of density that supports the multi-family projects that the HTF tends to fund. ARCH cities have been very supportive of providing housing funding in any other ARCH cities and have not expressed as much concern about having a project in each individual jurisdiction.

IV. 2026 WORK PLAN SURVEY RESPONSES

Dorsol Plants reviewed the results of the Advisory Board 2026 SKHHP Work Plan Development Survey that the Board completed at its February meeting.

The results showed an overwhelming desire to keep Action Item 11, "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." in the SKHHP work plan. Dorsol Plants will update the Advisory Board as the Executive Board develops the 2026 work plan. Based on the feedback Advisory Board members gave on ways to modify or change Action Item 11, there is a strong desire to think strategically about having an impactful event and not just hold one.

Some of the areas of knowledge the Advisory Board identified it could share with elected officials and the community included family homeless services, pathways for families from homelessness to housing, eviction prevention, building design/construction, connecting to multicultural families of loved ones with disabilities, or a more efficient strategy to address homelessness through a south regional approach.

Dorsol Plants reviewed the types of events the Advisory Board was interested in attempting in 2025. There was a strong interest in doing another affordable housing tour. Several Executive Board members discussed last year's tour as SKHHP staff went around and sought concurrence on the Housing Capital Fund recommendation. In addition to supporting an affordable housing tour, there was a desire to support affordable housing open houses and hold a public gathering or listening session on housing.

Based on the survey results and the conversation at the February Advisory Board meeting, four ideas appear to have the most support for engagement this year: an Affordable Housing tour, an informal and fun community gathering, supporting a Comprehensive Plan workshop or engagement event, or a Comprehensive Plan engagement video.

The affordable housing tour received a lot of support from the survey and seems like something the Advisory Board could aim to do toward the end of summer or the beginning of fall.

There was a consensus among the Advisory Board to do an Affordable Housing tour toward August or September of this year. Kathleen Hosfeld offered the Southard in Tukwila as an example of homeownership in South King County after having the Executive Board visit Willowcrest in 2024. Phoebe Anderdon-Kline said she'd speak with the MSC operations team to see if Redondo Heights is available to tour.

For the idea of holding an informal gathering or event, the Advisory Board could tie in the HDC Affordable Housing Week, which will be May 12-16. The last South King County themed event Dorsol Plants attended was a backyard BBQ about housing issues, so there is some flexibility in the event style. HDC also expressed interest in an event themed around Universal Design, like the one SKHHP held in February. Aligning with Affordable Housing Week would mean the Board could advertise the SKHHP Housing Capital Fund and recruit for the Advisory Board.

Rumi Takahashi suggested finding out if there are events that week, like an affordable housing tour, which the Advisory Board can support. Dorsol Plants responded that it was still early in the planning process, but he would contact HDC to see if events are already happening in South King County.

Dorsol Plants spoke with the SoKiHo planners, and they are interested in partnering with them on community engagement events. One example is a housing forum held by the City of SeaTac on April 2. The forum will be focused on home ownership and include tabling from home repair programs, the Covenant Homeownership Act, and more. Dorsol Plants will send out more information about the event. Supporting an event like the housing forum is an example of how flexible the ways the Board chooses to engage can be and may even allow Board members to participate even if they can't attend. The Advisory Board could help get the word out, inviting more of the community or could attend the event to provide specific housing or SKHHP-related information.

There was not a consensus to support the April 2 housing forum among the Advisory Board. Dorsol Plants will generate a list of other events in South King County that the Advisory Board could consider supporting.

Lastly, the Board discussed video engagement in February. While the idea was discussed in the meeting, survey results showed low interest in that type of engagement. Dorsol Plants asked if there was a desire to do video engagement or if it would be better to wait on the idea.

There was a consensus not to proceed with the video engagement idea this year.

Capacity is a key consideration. The Advisory Board held two events last year, and there is no need to implement every idea this year.

Dorsol Plants reviewed some of the Advisory Board's thoughts about the next five years. The Board strongly desired to increase team building and collaboration among themselves. The Board also strongly desired to increase capital funding in the next five years, which aligns with the desires of staff and the Executive Board. There was also hope to engage more with tenants to receive renter feedback and to encourage environmentally friendly housing. The Advisory Board also hoped to increase community engagement over the next five years.

Menka Soni added that increasing funding for the Housing Capital Fund is a top priority. Claire Goodwin added that was the same priority for the Executive Board.

Kathleen Hosfeld added working with the Executive Board to advocate together at King County to increase the funding available for South King County cities.

Dorsol Plants informed the Board that the majority of the survey respondents wanted to maintain the monthly meetings. SKHHP staff will continue to try to keep these meetings meaningful and effective, and Dorsol Plants encouraged any feedback on ways to improve them.

Dorsol Plants reviewed topics the Board would like to see as briefings at future Advisory Board meetings. Regenerative and Sustainable housing, community and social housing, Non-traditional affordable housing initiatives, Federal housing policy changes and local jurisdictional responses, and Evidence-based programs and practices for reducing homelessness and providing affordable housing options.

Menka Soni asked if it would be possible to gather data and do a root cause analysis for homelessness to help begin working on prevention.

Rumi Takahashi asked for funding and housing priorities to help align SKHHP's funding choices with the city's funding framework—at least a high-level understanding of where each jurisdiction is focusing its current work.

VIII. UPDATES & ANNOUNCEMENTS

Dorsol Plants informed the Board that the Seattle Office of Housing would present at the April Advisory Board meeting to review its funding process.

IX. CLOSING/ADJOURN

The meeting was adjourned at 4:46 PM due to a lack of quorum.

Dorsol Plants

Program Coordinator-SKHHP