

**SKHHP Executive Board**  
**June 28, 2019, 1:00 – 3:00 PM**  
**Federal Way City Hall**  
**33325 8<sup>th</sup> Ave. So., Federal Way 98003**

- I. Call to Order
  - a. Roll Call
  - b. Introductions
  
- II. Review Agenda/Agenda Modifications
  
- III. Announcements and Presentations
  
- IV. Old Business
  
- V. New Business
  - a. Approval of May 24, 2019 Action Minutes  
*Attachment A – Action item*
  
  - b. Report from the Administering Agency (15 Minutes)  
*Discussion item*
    - i. Status of King County Adoption of ILA
    - ii. 2019 Executive Board Schedule
    - iii. SKHHP Program Manager Hiring Process
    - iv. Website Development
    - v. Invoicing Members
    - vi. HR Policy Development
  
  - c. Communication Strategies and Messaging (15 Minutes)  
*Attachment B – Discussion item*
    - i. Document purpose
    - ii. Key Messages
    - iii. Revisions and approval

- d. Workplan Development (20 Minutes)  
*Attachment C.1 and C.2 – Discussion item*
  - i. Overview of identified priorities
    - 1. Must-dos
    - 2. Should-dos
  - ii. Discussion/revisions
  
- e. HB 1406 Overview – Affordable and Supportive Housing (55 Minutes)  
*Attachments D – Discussion item*
  - i. Info presentation (20 Minutes)
  - ii. SKC-specific opportunities
  - iii. June 18 2019 HDC Comment Letter
  - iv. Discussion and next steps
  
- f. Affordable Housing Committee report

VI. Resolutions and Actions

- a. Approval of 2019 Meeting Locations  
*Attachment E - Action item*

VII. Next Meeting

- a. July 26, 2019, City of Kent  
Centennial Center Suite 402  
400 West Gowe Street  
Kent, WA 98032

VIII. Adjourn



**SKHHP Executive Meeting**

**May 24, 2019**

**MINUTES**

---

**I. CALL TO ORDER**

Chair Nancy Backus called the meeting to order at 1 p.m. in the Burien City Hall Miller Creek Conference Room located at 400 SW 152<sup>nd</sup> St Suite 300 Burien, WA

**a.) ROLL CALL/ESTABLISHMENT OF QUORUM**

Executive Board Members Present: Executive Chair Nancy Backus, City of Auburn; Executive Vice Chair Brian Wilson, City of Burien; Marlla Mhoon, City of Covington; Brian Davis, City of Federal Way; Nicole Nordholm, City of Des Moines; Bob Harrison, City of Renton; Allan Ekberg, Tukwila; Mark Hoppen, City of Normandy Park.

Executive Board Members Absent: Dana Ralph, City of Kent

Other Attendees: Jeff Tate, City of Auburn; Colleen Brandt-Schulter, City of Burien; Sunaree Marshall, King County; Mark Santos-Johnson, Renton.

Administrative Assistant Present: Jennifer Oliver, City of Auburn

**II. MINUTES FROM MAY 24, 2019**

**Report from the Administering Agency:**

Temporary Administrative support to the Executive Board starting at the May 24, 2019 meeting. City of Auburn Administrative Assistant, Jennifer Oliver will be assisting with minutes until the new SKHHP Administrative Assistant is hired.

Auburn will be taking the lead role on agenda minutes. Action item minutes are required for minutes. The City of Auburn Clerk's office will assist with Public Notices. Clerk's offices from the other jurisdictions will be included on SKHHP Public Notices emails. Agendas and packets will be out 1 week prior to Executive Board meetings.

The job for SKHHP Program Manager was posted on May 24, 2019. Job announcements will be pushed through to other HR Departments as well. HDC will post the job on their job boards. The tentative schedule would be to have first review of applications on or around June 13. Interviews scheduled would be on or around June 17. First round of interviews would be conducted by the working staff group. Interviews with the SKHHP Executive Board interview would be on or around June 28, which is the Executive Board meeting date. SKHHP working group members to create the interview questions, conduct first review of applications, and first round of interviews prior to forwarding a recommendation to the Executive Board. A future agenda item suggestion is how to assemble policies and procedures for new SKHHP employees and what happens when the new SKHHP employee works for the City of Auburn but also is working for other jurisdictions that may have different policies and procedures.

#### **Executive Board Operating Procedures and Rules/Status and Ongoing Efforts of Staff Work Group:**

Agenda and Packet to be sent out 5 working days in advance of the regular scheduled Executive Board meeting. The Staff working group will assist in figuring out timelines, schedules and due dates for agenda items that come up. A webpage would possibly work with set up and distribution of agenda items and the packets. A quorum is a majority of members. If only five board members show up, that is not a quorum. The Staff working group should continue to meet monthly thru 2019.

#### **Discussion about Grant Opportunities:**

Motion made by Vice Chair Brian Wilson for HDC for grant. Executive Board member Mark Hoppen seconded the motion. Chair Nancy Backus brought forward the motion and the motion passed with a 11 to 1 vote (Member Ekberg voting against). Member Ekberg explained that he could not support the motion because he felt that there was not enough information to support this item. The Board further discussed and chose to rescind its support for this application due to a lack of understanding of the purpose, conditions, and labor necessary to support the grant if awarded. Chair Backus stated to not exclude grants but look further into the benefits and timing of it to make sure it is worthwhile. The Board agreed to look into whether it is advantageous to apply for 501(c)(3) status or to have SKHHP designate a partner 501(c)(3) that could serve as a funding agent. It was agreed that this information on that would be discussed at next meeting.

### **Resolution 2019-01**

Ratification of Executive Board's April 10, 2019 Actions to establish the City of Auburn as Administering Agency, the City of Auburn and Burien as host cities, to select the Executive Board Chair and Vice-Chair, to hold Executive Board meetings every month, and to commence the process to hire SKHHP staff.

Vice Chair Brian Wilson moved and Board Member Allan Ekberg seconded to approve Resolution No. 2019-01

Motion Passed Unanimously (12-0)

### **Resolution 2019-02**

Adoption of the SKHHP Executive Board's regular meeting schedule.

Board Member Allan Ekberg moved and Board Member Marlla Mhoon seconded to approve Resolution No. 2019-02.

Motion Passed Unanimously (12-0)

### **Resolution 2019-03**

Adoption of the 2020 SKHHP Budget

Board Member Marlla Mhoon moved and Vice-Chair Brian Wilson seconded to approve Resolution No. 2019-03.

Motion Passed Unanimously (12-0)

### **Resolution 2019-04**

Adoption of SKHHP Executive Board Rules of Procedure

Board Member Bob Harrison moved and Vice Chair Brian Wilson seconded to approve Resolution No. 2019-04.

Motion Passed Unanimously (12-0)

**III. ADJOURNMENT**

There being no further business to come before the Executive Board. It was announced that the next meeting will be held on June 28, 2019 at 1 pm with a location that has yet to be determined. Chair Backus adjourned the meeting at 3:00 p.m.

# SKHHP COMMUNICATIONS PLAN



## OVERVIEW

South King Housing and Homelessness Partners (SKHHP) is a coalition formed by an interlocal agreement between the jurisdictions of Auburn, Burien, Covington, Des Moines, Federal Way, Kent, Normandy Park, Renton, Tukwila, and King County. The agreement allows for South King County jurisdictions to work together and share resources in order to effectively address affordable housing and homelessness. This collaborative model is based on similar approaches used in Snohomish County, East King County, and other areas of the country. The purpose of the coalition is to increase the available options for South King County residents to access affordable housing and to preserve the existing affordable housing stock.

## COMMUNICATION PLAN OBJECTIVES

- Inform city leaders (Council, City Leadership) on the history and goals of SKHHP.
- Manage expectations of SKHHP among Council, City Leadership and community.
- Raise awareness among Council, City Leadership and community regarding housing conditions and needs in South King County.

## KEY AUDIENCES AND STAKEHOLDERS

- South King County City Councils
- South King County City Leadership Teams
- South King County Human Services Commissions and Planning Commissions
- State and federal legislators that represent South King County.
- South King County communities (secondary)
- Media agencies

## KEY MESSAGES

Approach: Stories and data can be powerful tools for helping our stakeholders understand the value of SKHHP and the role it plays in broader affordable housing strategies. Tell stories, use data to tell stories, avoid jargon, keep it simple, and use visuals.

Key message #1: SKHHP has been in place for 4 years.

- SKC has regional needs and we can accomplish more/be more effective in addressing these needs by working together and sharing resources.
- SKHHP began as a pilot in 2016 among six South King County cities to test the potential opportunities and feasibility of working together and providing some initial resources for shared staff capacity around the issue of affordable housing.
- After two years of successful collaboration, the cities created a more formal and larger collaborative structure, increasing the number of member jurisdictions and support staff. An agreement was reached in 2018 and the formal interlocal agreement was approved by members in 2019.

Key message #2: The need for SKHHP has become all the more necessary to serve our most vulnerable residents as increasing housing costs in South King County have resulted in a lack of affordable housing for workers, families and seniors.

- For several years the fastest growing rents in King County have been in South King County.

# SKHHP COMMUNICATIONS PLAN



- Nearly 43,000 households spend more than half of their income on housing costs, and more than 1,000 South King County residents are homeless and without shelter.
- Many South King County communities are facing population growth, putting pressure on the supply of affordable housing units.
- Because rent prices are increasing, South King County is seeing an increasing trend of displacement of low-income residents to other communities.
- It is estimated that nearly 55,000 units of affordable housing are needed now in South King County.

Key message #3: There is no single answer to solving housing affordability and homelessness in South King County, but SKHHP can help by:

- Improving opportunities for healthy affordable housing.
- Finding new resources to preserve existing, or build new, affordable housing.
- Providing powerful voice for affordable housing needs in South King County.
- Building public awareness.
- Creating new staff capacity for jurisdictions to address affordable housing needs, with new or expanded policies or programs.
- Expanding the network of stakeholders.

Key message #4: Why focus on housing affordability and homelessness?

- Economic development message - Increasingly, workers cannot afford housing near their jobs, forcing them to work further away. This creates more transportation congestion. Further, investments in affordable housing are a proven catalyst for economic growth, job creation and development while high housing costs restrict opportunities for families to retain money for other needs.
- Quality of life message - After paying for housing, the average severely cost-burdened low-income household has barely more than \$15 per day to meet all other basic needs - including food, transportation, healthcare and savings. (Joint Center for Housing Studies, Harvard University)
- Public health/Human rights message - There are undeniable health implications for populations facing housing instability and housing cost burdens including increased hospitalizations and chronic . Unaffordable and unstable housing causes and perpetuates health disparities while also ballooning healthcare costs, creating strains on all parts of the system.
- Seniors who have lived in our communities all their lives are being forced to move because they can no longer afford their property taxes, or they cannot afford rents.
- Homelessness is one of the biggest crises facing our region. We know that the shortage of affordable housing is a root cause of homelessness in King County, and that increased housing costs are a direct driver of homelessness locally. SKHHP is not an effort to circumvent or usurp our region's homeless crisis response system; it seeks to address one of the root causes of homelessness in our community by supporting the preservation and development of affordable housing across South King County.

Potential barriers:

- We already have enough affordable housing. *Response: 1) Historically this has been the view held by many in South King County. But in recent years we see that many workers, families and seniors cannot afford to live in our communities. We must address this challenge. 2) As Seattle housing prices continue to rise to among the highest in the nation, many look to South King County to find more affordable housing options. That pressure puts great*



# SKHHP COMMUNICATIONS PLAN



*demand on our existing housing stock, driving our prices up. 3) Many of the affordable units we do have are being renovated and rents increased.*

- This is duplicative of the new GPMC Affordable Housing Committee, Challenge Seattle, and/or the Regional Affordable Housing Task Force. *Response: SKHHP will complement the work that is being done at a broader level to set regional production and preservation goals and address housing affordability. By identifying our own local goals and needs and working collaboratively within this SKC-specific coalition, we will ensure that South King County needs are represented with a strong unified voice at county or state decision making tables.*

Messengers:

- TBD

## LOGISTICS

### Executive Board Members

- 

### Meeting Schedule

- 

### Staff

- 

### Website

-



# Draft Work Plan Overview

Version 7

# Must Do

Unified voice and presence for South King County



Implement the ILA and governance structure



Develop key presentations for legislators



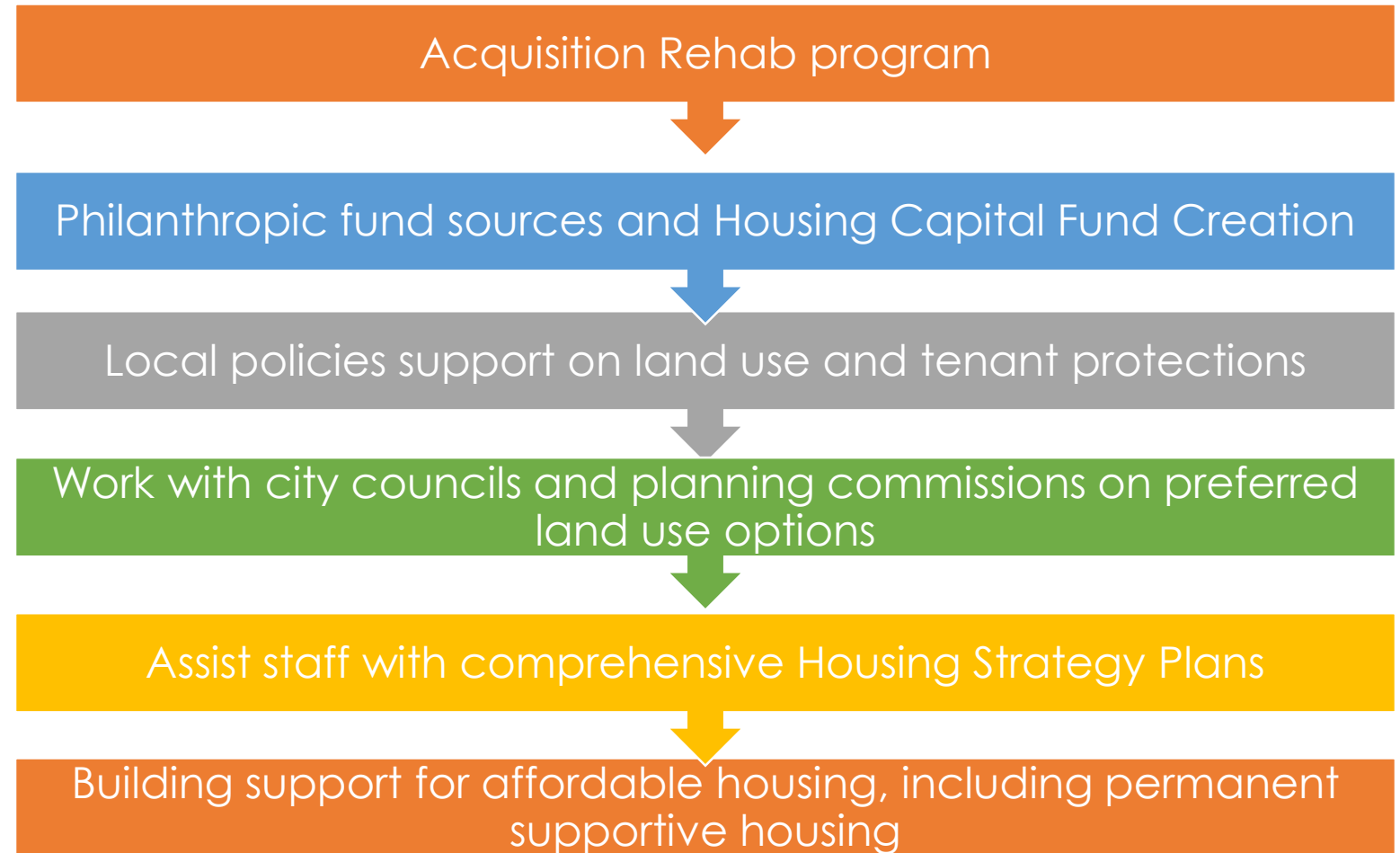
Assessment of housing stock and condition



Homelessness coordination



Building resources for affordable housing or coordinating around HB 1406



# Discussion/revisions

Thank You!



**Staff Identification of Potential Top Priority SKHHP**

**June 2019**

Staff of member jurisdictions have discussed a wide range of work plan ideas for SKHHP that were identified last year as part of the Example Work Plan. Their goal was to identify some initial thoughts about priorities for an 18-month work plan for the new SKHHP staff. Each jurisdiction was asked to identify what SKHHP “must do”, “should do” or “could do” in the next 18 months. The summary below lists all the identified “must do” or “should do” areas.

Next steps are to review this list with the Executive Board and get their reactions. Once the SKHHP Program Manager is hired this list can be used to discuss and ultimately create a draft 18-month work plan that will include deliverables. The SKHHP work plan will need to be approved by the Board and each member jurisdiction

<b>Must Do</b>	<b>Should Do</b>
Unified voice for South King County	Acquisition rehab program
Assessment of housing stock and condition	Weatherization programs/expansion
Schedule priority meetings and SKC ambassadors	Assess risk of manufactured housing
Develop key presentations for legislators/SCA	Policies for safe and healthy housing
Develop connection to regional planning efforts	Benchmark existing trust funds
Homelessness coordination	Explore support from other philanthropic fund sources
Implement the ILA and governance structure	Support city staff on enacting local policies on ADU's, zoning provisions, tenant protections
Annual work plan	Assist staff with comprehensive housing strategy plans
Assessment of Existing preservation programs	Assist staff from jurisdictions to align policies and share info
Reviewing housing elements & docs	Prepare materials/presentations for city councils, planning commissions and host Affordable housing tours
Catalogue best practice housing policies	Building support for affordable housing, including permanent supportive housing
Building resources for affordable housing or coordinating around HB 1406	

# HB 1406 and South King Housing & Homelessness Partnership



# Overview of HB 1406



- This is not an additional tax – local jurisdictions are just retaining a portion of the sales and use taxes already paid.
- Bill goes into effect on July 28<sup>th</sup>, 2019.
- All cities and counties are eligible. If a city and county both act to implement, the bill outlines when a city can claim the full authority. Otherwise it is shared.
- Department of Revenue determines the maximum revenue, based on state fiscal year 2019 taxable retail sales with the county or city.
- Earliest possible use of the funds is fall 2019.
- Authority expires after 20 years and the clock starts ticking on day one!



# Use of the funds



## Bonding and revenue sharing:

- Cities or counties imposing the tax may issue general obligation or revenue bonds and may pledge the revenue collected for repayment of the bonds.
- A county or city may enter into an interlocal agreement with other local government or public housing authorities to pool the tax receipts received and pledging those taxes to bonds.

# Definitions



- Maximum or full authority = .0146%
- Half or split authority = .0073%
- Participating City/Participating County:  
Any city or county that opts into the revenue is considered a “participating” city or county.
- Qualifying Local Tax:  
A city that has implemented, or implements within year one, a “qualifying local tax” is eligible to claim the full authority.

## Qualifying local taxes



“Qualifying local taxes” means the following tax sources, if the tax source is instated by a city no later than July 27<sup>th</sup>, 2020 (within one year of the bill’s effective date):

- The affordable housing levy authorized under RCW 84.52.105;
- The levy authorized under RCW 84.55.050 if used solely for affordable housing;
- The sales and use tax for housing and related services authorized under RCW 82.14.530 if the city has imposed the tax at a minimum or least half of the authorized rate;
- The sales tax for chemical dependency and mental health treatment services or therapeutic courts authorized under RCW 82.14.460.

## Maximum Authority 0.0146 percent



The maximum authority of 0.0146 percent can be reached either by a city and county each claiming half (0.0073 percent), or by one of the entities claiming the whole.

Following are the circumstances in which the full 0.0146 percent can be claimed by a county:

- Counties always maintain authority over unincorporated areas and can levy the maximum authority in those areas within the first year.
- Counties can levy the maximum authority in the boundaries of cities that declare that they will not levy it or who don't otherwise utilize it within the first year.

## Maximum Authority 0.0146 percent



Following are the circumstances in which the full 0.0146 percent can be claimed by a city:

- Cities can levy the maximum authority if they have levied one of the qualifying local taxes before or within the first year.
- Cities can levy the maximum authority in year one without a qualifying local tax only if a county declares they will not participate or otherwise fails to adopt a resolution.

## One important exception



Cities without a local qualifying tax in non-participating counties in year two lose authority due to a mistake in the bill.

This will not pertain to any cities in King County as long as King County participates.

# Expected revenue



The Department of Revenue is directed to cap the yearly revenue rate based on collections during the fiscal year ending June 30, 2019. *The numbers below are based on 2018 and are provided only as an example.*

Auburn	Burien	Covington	Des Moines	Federal Way	Kent	Normandy Park	Renton	Tukwila	King County (includes all city shares)
\$154,992	\$65,477	\$43,678	\$29,793	\$124,142	\$185,467	\$4,866	\$236,380	\$162,046	\$5,052,967
\$309,984	\$130,953	\$87,356	\$59,586	\$248,284	\$370,935	\$9,732	\$472,760	\$324,093	\$10,105,933

## Half Authority 0.0073 percent



- A city without a qualifying local tax that takes action in year one has access to half the authority when their county also participates.
- Counties can claim half of the authority within the jurisdiction of any city only if that city does not have a qualifying local tax, but otherwise participates.



# Timelines



- Resolution of Intent must be adopted by January 28, 2020.
- The legislation must be adopted by July 28, 2020.
- Department of Revenue requires 30-days notice of adoption of sales tax credits and the change must occur on a first day of the month (RCW 82.14.055)
- Considering the necessary actions, the earliest possible use of the funds is this fall.

## Decision Points: Use of Funds



Ask: What is better overall for affordable housing?

Options to consider:

- Pooling of funds between jurisdictions (MOU),
- Bonding against the revenue stream,
- Cities ceding authority to county under certain agreed upon terms.

## Decision Points: Use of Funds



HB 1923 and Housing Action Plan planning grants for cities:

- Many cities will have housing money for the first time and a plan how to spend it will be incredibly helpful.
- Cities are eligible for a \$100k planning grant. Application guidelines are being developed by the Department of Commerce.
- Cities are required to include affordable housing advocates in development of the plan.

## Additional Resources



- HB 1923 planning grant contact: Dave Andersen, Department of Commerce: 509-434-4491 and [Dave.Andersen@commerce.wa.gov](mailto:Dave.Andersen@commerce.wa.gov)
- Pacifica Law Group free brown bag on July 23 at their offices in Seattle: 1191 2nd Avenue, Suite 2000 Seattle.
- Department of Revenue has indicated that they are creating factsheets – the Housing Alliance will post them on our website when they are available.

## Additional Resources



- Housing upcoming webinar on passing a qualifying local tax!
- Get on the Housing Alliance's 1406 Stakeholder list!
- Michele Thomas  
micheleT@wliha.org  
www.wliha.org



June 18th, 2019

South King Housing and Homelessness Partners (SKHHP)  
25 West Main Street  
Auburn, WA 98001

Dear SKHHP Executive Board,

On behalf of the Housing Development Consortium (HDC), thank you for this opportunity to comment on the significant new funding tool created for local jurisdictions to increase investment in affordable housing during the most recent state legislative session. HDC urges the SKHHP Executive Board to employ the effective local strategy of pooling resources through the existing interlocal agreement (ILA) that created SKHHP. We emphasize the need to act with urgency to use this additional funding opportunity to create the SKHHP Housing Capital Fund and meet the critical need for housing in the community.

HDC is a non-profit membership association representing 180 cross-sector non-profit developers, architects, service providers and public partners who are dedicated to the vision that all people should live in a safe, healthy, and affordable home in a community of opportunity. As members of SKHHP and our 2019 Municipal Champions, we know you understand that confronting our region's complex affordable housing need requires many hands and many tools.

In recent years, South King County (SKC) has seen the highest rent increase annually at 12.6 percent, faster than other cities in the region. Data coming from the Regional Affordable Housing Taskforce, shows that in SKC, 42,700 households are severely cost burdened, meaning they pay more than half of their income for housing. About 40,000 of these households are below 60 percent Area Median Income. It also shows that 57,400 additional affordable homes are needed in SKC alone, to meet the current housing needs. These numbers underscore the extent of the pressing need in the community that calls for councils to act boldly and collaboratively as a region. The passage of HB 1406 now provides an important tool in creating and maintaining more affordability without any new taxes. It can only be used for the next 20 years. We urge you to use this tool as an additional revenue source and maximize the impact.

**Housing Development Consortium  
of Seattle-King County**

1326 5th Avenue, Suite 230, Seattle, WA 98101  
206.682.9541 [www.housingconsortium.org](http://www.housingconsortium.org)



**HOUSING  
DEVELOPMENT**  
*consortium*

**New Funding Tool: HB 1406**

HB 1406 allows cities and counties to retain a portion of the sales tax for investment in affordable or supportive housing. This portion is offset by a reduction in the state's portion and does not result in an increased tax on consumers. The system to recapture the portion is offered in two tiers. The two tiers are either 0.0146 percent defined as full authority or 0.0073 percent, the half authority. These are based on whether a jurisdiction has adopted a "qualifying local tax". This is a gift and tool that the state has provided with a timeframe that we ask local legislators to be cognizant of and act with urgency.

The bill gives 6 months for jurisdictions to declare a resolution of intent and 12 months to act on legislation. Cities and counties may pledge the funds for revenue bonds and can enter into interlocal agreements with other counties, cities, or public housing authorities to pool the tax receipts received. In determining the use of the funds, a city must consider the income of the individuals and families to be served, the leveraging of the resources made available, and the housing needs within the jurisdiction. We encourage you to prioritize and consider investments for the 0 to 30 percent area median income households.

HDC urges that the SKHHP Executive Board and councils of SKHHP member cities act to use this new tool by adopting a resolution declaring their intent to adopt the legislation through the ILA to authorize the maximum capacity of the tax by January 31, 2020. Please consider the strategic use of the revenue for the establishment of the Housing Capital Fund to enhance production and preservation of affordable housing. These funds will allow the sub-region to build housing now and act with the urgency that this moment demands. Another option to consider as offered by the bill is partnership for the ILA with a housing authority to design and implement an acquisition and rehabilitation program to preserve the affordable housing that the SKC is losing at a fast rate.

We thank you again for the opportunity to comment and look forward to continuing to work with you on ensuring that South King County remains a diverse, inclusive, and affordable community for people of all incomes.

*Marty Kooistra*

Marty Kooistra  
Executive Director

*Patience M. Malaba*

Patience Malaba  
Policy Manager

**Housing Development Consortium  
of Seattle-King County**

1326 5th Avenue, Suite 230, Seattle, WA 98101  
206.682.9541 | [www.housingconsortium.org](http://www.housingconsortium.org)

**June 28, 2019 Executive Board Meeting  
Attachment E**

**2019 SKHHP Executive Board Meeting Schedule**

<b>Date</b>	<b>City</b>	<b>Room Name and Address</b>
May 24, 2019	Burien	Burien City Hall Miller Creek Conference Room 400 SW 152 <sup>nd</sup> Street, Suite 300 Burien, WA 98166
June 28, 2019	Federal Way	Federal Way City Hall 33325 8 <sup>th</sup> Ave So. Federal Way, WA 98003
July 26, 2019	Kent	City of Kent Centennial Center Suite 402 400 West Gowe Street Kent, WA 98032
August 23, 2019	Des Moines	Beach Park Dining Hall 22030 Cliff Ave South, Building B Des Moines, WA
September 27, 2019	Auburn	Auburn City Hall 25 W Main Street Auburn, WA 98001
October 25, 2019	Tukwila	City of Tukwila Tukwila Community Center Meeting Room A 12424 42 <sup>nd</sup> Ave. S Tukwila, WA 98168
November 22, 2019	Renton	Renton City Hall 7 <sup>th</sup> Floor Conferencing Center Room 726 1055 S Grady Way Renton, WA 98057
December 27, 2019	TBD if not cancelled	TBD if not cancelled