



**South Sound Housing Affordability Partners
Executive Board**

AMENDED Meeting Agenda

3602 Pacific Ave Tacoma, WA 98418 | Muckleshoot Conference Room

Dial: 253-215-8782 Meeting ID: 983 7464 3754

Webinar Link: <https://piercecountywa.zoom.us/j/98374643754>

July 1, 2022 8:30 a.m.

Chair Mayor Victoria Woodards, Vice Chair Council Member Hunter George, Mayor Nancy Backus, Councilmember Kevin Ballard, Mayor Daryl Eiding, Mayor Kim Roscoe, Mayor Tracie Markley, Councilmember Linda Farmer, Mayor Shanna Styron Sherrill, Executive Bruce Dammeier, Councilmember Ryan Mello, Councilmember Annette Bryan, Deputy Mayor Ned Witting, Councilmember Charla Neuman, Mayor Dick Muri, Councilmember Denise McCluskey, Councilmember Christi Keith (Alternate), Councilmember Lisa McClellan (Alternate), Councilmember Jim Andrews (Alternate), Mayor Jason Whalen (Alternate), Mayor Steve Worthington (Alternate)

I. CALL TO ORDER

8:30

ROLL CALL

INTRODUCTORY QUESTION

Question: What are your plans for July 4th?

II. REVIEW AGENDA/AGENDA MODIFICATIONS

III. CONSENT AGENDA

ATTACHMENTS: Minutes of June 3, 2022 Executive Board meeting

[Attachment Link](#)

Action: Motion to approve the Consent Agenda

IV. PUBLIC COMMENT

This is the time set aside for the public to comment on Resolutions. To request to speak virtually, please press the Raise Hand button near the bottom of your Zoom window or *9 on your phone; if speaking in person, please sign in on the on the public comment form in the conference room. Your name or the last four digits of your phone number will be called out when it is your turn to speak.

The Executive Board meeting can be heard by dialing 253-215-8782 or through Zoom at <https://piercecountywa.zoom.us/j/98374643754> and entering the Meeting ID 983 7464 3754. Written comments may be submitted to jason.gauthier@piercecountywa.gov Friday before 8:00 a.m. prior to the monthly Executive Board meeting for the Public Comment period. Comments will be compiled and sent to the Executive Board and posted on the SSHA³P website at: piercecountway.gov/sshap

V. PRESENTATIONS & RESOLUTIONS

A. Middle Housing Grant

8:50 – 9:05

Purpose: Middle Housing Grant overview presentation by Anne Fritzel, Housing Programs Manager, Department of Commerce.

Action: Questions for Anne Fritzel

ATTACHMENTS: Middle Housing Grant Presentation

[Attachment Link](#)

B. Resolution 2022-05

9:05 – 9:20

Purpose: A RESOLUTION OF THE EXECUTIVE BOARD OF THE SOUTH SOUND HOUSING AFFORDABILITY PARTNERS (“SSHA³P”) APPROVING THE SUBMISSION OF A SUBREGIONAL MIDDLE HOUSING GRANT

ATTACHMENTS: Middle Housing Grant Scope of Work and Budget
Resolution 2022-05
Exhibit A – SSHA³P IGA
Attachment B - SSHA³P 2022 Work Plan

[Attachment Link](#)
[Attachment Link](#)
[Attachment Link](#)
[Attachment Link](#)

Action: Motion to approve Resolution No. 2022-05

C. Resolution 2022-04

9:20 – 9:40

Purpose: A RESOLUTION OF THE EXECUTIVE BOARD OF THE SOUTH SOUND HOUSING AFFORDABILITY PARTNERS (“SSHA³P”) ADOPTING THE 2022 SSHA³P WORK PLAN

ATTACHMENTS: SSHA³P Work Plan Presentation
Resolution 2022-04

[Attachment Link](#)
[Attachment Link](#)

Action: Motion to approve Resolution No. 2022-04

D. 2023 Legislative Agenda Presentation

9:40 – 9:50

Purpose: Provide the Executive Board a historical overview of SSHA³P Legislative Agenda setting process and options to consider for the development of the 2023 SSHA³P State Legislative Agenda.

Action: Questions and direction for staff.

ATTACHMENTS: Legislative Agenda Presentation

[Attachment Link](#)

VI. REPORT BY THE SSHA³P MANAGER

VII. UPDATES/COMMENTS OF THE EXECUTIVE BOARD

VIII. ADJOURN



**South Sound Housing Affordability Partners
Executive Board Meeting Minutes**

June 3, 2022

8:30 – 10:00 a.m.

Executive Board: Mayor Nancy Backus, City of Auburn - present
Councilmember Kevin Ballard, City of DuPont - present
Mayor Daryl Eiding, City of Edgewood - present
Mayor Kim Roscoe, City of Fife - present
Vice Chair, Councilmember Hunter George, City of Fircrest - present
Mayor Tracie Markley, City of Gig Harbor - present
Councilmember Linda Farmer, City of Lakewood - present
Mayor Shanna Styron Sherrell, City of Milton - present
Executive Bruce Dammeier, Pierce County - present
Councilmember Ryan Mello, Pierce County - present
Deputy Mayor Ned Witting, City of Puyallup - present
Councilmember Annette Bryan, Puyallup Tribe - present
Mayor Dick Muri, Town of Steilacoom – excused - present
Councilmember Charla Neuman, City of Sumner - present
Chair, Mayor Victoria Woodards, City of Tacoma - excused
Councilmember Denise McCluskey, City of University Place - present

Staff: Jason Gauthier, SSHA³P Manager
John Howell, Consultant, Cedar River Group
Becki Foutz, Administrative Assistant
Bryan Barmore, Office Assistant

Guests: Annette Bryan, Bryan Schmid, Councilmember Christi Keith (Edgewood-alternate), Cynthia Stewart, Evan Smith, Felicia Medlen, Jim Henderson, Kacey Guin, Katie Baker, Kenneth George, Marty Kooistra, Paul Loveless, Robin Boster-Grant, Taylor Jones, Heather Moss, Joanne Gutierrez, Melanie Harding, Jim Andrews (Fircrest-alternate)

MINUTES

TOPIC/ WHO	DISCUSSION	ACTION
Call to Order	Councilmember George called the meeting to order. SSHA ³ P Manager Gauthier called roll, per above; (there was a quorum.)	

TOPIC/WHO	DISCUSSION	ACTION
Icebreaker	<p>What are three words to describe your plans for this Summer?</p> <p>Executive Dammeier – Africa ,wedding, beach Councilmember Bryan– reelected, Hawaii, family time Mayor Sterrell - camping, boating, community Mayor Roscoe – backyard, ADU, site prep Councilmember McCluskey - family, fun, food Deputy Mayor Witting – water, woods, wind Councilmember Mello – sun, travel, rooftop Mayor Backus – in-person community festivals Councilmember Ballard – golf, golf, golf Mayor Markley – family sunshine graduation – daughter graduating high school! Christi Keith – community, cashflow, capital Councilmember Farmer – campaign, connections, cats Councilmember Neuman –Fargo North Dakota Mayor Eidinger – fun in the sun Councilmember George – travel every month</p>	Ice breaker
Consent Agenda	<p>Any additions or changes to the agenda? Mayor Backus moved to approve the consent agenda. Executive Dammeier seconded. The consent agenda was adopted.</p>	Motion approved. No agenda changes.
Community Land Trust Overview	<p>Councilmember Christi Keith said that she’s happy to speak on Community Land Trusts, to share her passion and commitment to them. Homestead is doing amazing work, and Kathleen Hosfeld is our expert, and a stalwart for the movement. Keith grew up on a farm in Western Oklahoma, where her family settled after coming across the Trail of Tears. She never went hungry, there was a lot of hard work and love. She went to Eastern Oklahoma when she was four, to visit her Uncle, who led the Bureau of Indian Affairs. He asked her to take two jugs of water next door. That’s when she discovered there were people in her family who didn’t have running water, which fueled her lifelong drive to make this world fairer. Keith now loves leading non-profits, specializing in turning them around to help them grow and succeed. Her experience has taught her that Community Land Trusts are the key to everything she’s been working on: food security, domestic violence, MH. Underneath all of the things she cares about is stable and affordable housing. She started a non-profit in Seattle for the homeless. In managing capacity and forecasting paths to grow, she arrived at Community Land Trusts as the mechanism to quickly get lots of units of affordable housing on the ground as fast as possible.</p>	Presentation

TOPIC/WHO	DISCUSSION	ACTION
<p>Community Land Trust Overview, continued</p>	<p>Keith would like to see CLTs that specialize in specific populations. She believes that everyone should fund them, everywhere, to get units on the ground as fast as they can. COVID has grown the emergence for this.</p> <p>Keith introduced Kathleen Hosfeld, of Homestead CLT. Hosfeld thanked the group for having her, and thanked Keith for her story. Homestead’s been around for 30 years as a classic CLT serving people who make less than 80% of AMI, creating stability, equity, and opportunity through homeownership. They put power of governance in the hands of everyday people in the community. They are a housing developer, and active builder, prioritizing anti-displacement, with five active housing developments in King County.</p> <p>Community Land Trusts are in the federal statute; they are membership-based, non-profit organizations that acquire and use land to benefit low- and moderate-income people and neighborhoods, most often by creating housing, and focusing on home ownership. (They can also be used for agriculture but focus here is on housing.)</p> <p>CLTs were created in Albany, Georgia, in the late 60s by civil rights leaders when Black sharecroppers were being evicted from their homes and farms for registering to vote. The first was 5000 acres of farmland, intended for farms, businesses, and homes. The dual purposes of preventing displacement and providing opportunities to own assets transcend to today.</p> <p>Homestead makes and keeps homes affordable to modest income families. By building homes themselves and acquiring them through partnerships, they’re able to reduce the price of homes to 30-50% of market rate prices. They build and rehab homes, subsidize the price to what is affordable, the title of the land is separated and owned collectively through the trust, owners own the home and lease the land for a small monthly fee, and owners resell at a formula price, still affordable. Owners may live in the home as long as they want. The price formula is regulated by HUD. HUD oversees and there must be a fair equity of return.</p> <p>Agreements are submitted through ground leases. When land is shared, such as in a condo, covenants are used. Part of the ground lease says that the homeowner is a member of the community land trust. CLTs are coalitions of like-minded people who work together to create housing stability in their communities. 1/3 of Homestead’s Board are homeowners; 2/3 are community advocates.</p>	<p>Presenta-tion</p>

TOPIC/WHO	DISCUSSION	ACTION
<p>Community Land Trust Overview, continued</p>	<p>A number of agreements need to exist in CLTs. You can be a funder, or you can have density bonus agreements. Either way, a Program Agreement must be signed by all parties. There’s also a Use Agreement, signed by buyers. The Ground Lease or Deed Restriction spells out obligations of both the CLT and the buyer. A Fannie Mae Rider document is inserted into all CLT land trusts that says if the home is lost to foreclosure, all affordability restrictions are lost. (This is a huge incentive to help prevent homes from going into foreclosure) Subordination agreement – agreement on order of debt payoff.</p> <p>Ned asked what actions the CLT takes to help owners avoid foreclosures. They monitor owners’ financial health by checking on whether they’re paying their ground lease every month. If not, they would check in. Banks must give CLT notice. They can counsel, refinance, or if necessary, help the owner sell their home.</p> <p>Owners must be first-time homebuyers, below 80% AMI at time of purchase, the home must be their primary residence, kept in good repair, insured, owners must pay property taxes, and at resale sell according to the price formula to another income-qualified buyer.</p> <p>Kathleen encouraged the group to consider the whole housing continuum. Often investments are made at the lowest level while the middle-level is ignored. Housing prices are going up and up, all over the country. There’s a gross mismatch between incomes and housing costs that doesn’t show signs of reversing itself anytime soon. \$571,000 is the current median home price in Pierce County.</p> <p>CLT homeownership is an anti-displacement strategy. Homestead homes are in high-risk of displacement areas in Seattle. For cost-burdened renters, they provide an entry point to homeownership that provides security and economic mobility, and the ability to build assets and freedom from the fear of displacement.</p> <p>As a housing developer, Homestead provides many home types, including townhomes, cottage homes, condos, and scattered site single family homes, in Renton, Tukwila and Seattle.</p> <p>Kathleen suggested having a central hub with technology to develop homes, steward homes, support owners post-purchase and have community organizations with relationship to the technical hub.</p>	<p>Presenta-tion</p>

TOPIC/WHO	DISCUSSION	ACTION
<p>Community Land Trust Overview, continued</p>	<p>The more financing sources, the more complex it becomes. For some projects Homestead has up to 11 sources. The Homeowner’s mortgage pays 53%.</p> <p>Hosfeld suggested reading Homestead’s published report, <i>Closed Doors: The Crisis of Supply of Affordable Homeownership in Washington State</i>, at Closeddoorsreport.com. Washington readers can look up eligibility, the supply of for-sale homes, ratio of demographics of homeownership, and more!</p> <p>Hosfeld invited questions. Executive Dammeier thanked Kathleen; he appreciates the balance she has found. He asked about the speed and scalability. The available land has development challenges. Kathleen suggested we look at density bonus agreements right away because they take advantage of for-profit development work that’s happening. She’ll provide a link to a recent webinar on density bonus agreements. That combined with increased zoning that’s promised in many areas is the fastest way to get homes in trust. The model is actually more scalable than some other AH developments, provided that there is subsidy to increase to invest in that first. Once a home has been price-set, it can serve seven households over 50 years. The other potential is to work with mission-focused or non-profits that are willing to income-average and add some affordable sites to their mix in developments. It takes two to four years to complete a project, start to finish. Multiple sources are needed, such as local funds.</p> <p>Ned asked about what other challenges there are in putting the project and financing together. The starting point is to find the property. They’re used to working with parcels that no one wants. They develop the site concept, preliminary budget, apply for public and private financing, then to the County for land use and permitting. Then it takes 12 to 18 months for construction and two to four months for sales. Consider surplus properties that might be owned by the County or Cities. Current law doesn’t allow surplus property to be used for homeownership; we need the statute modified to match CLT policies. The trick is to hold the land in trust for permanently affordable homes. Ned asked how Homestead handles the buying delay? They don’t usually use market-rate land, as it’s too expensive. They can access funds to tie up land.</p> <p>Christi said that she’d like to help with outreach to legislature. Ned asked Jason to put this on the Board’s legislative priorities.</p> <p>Councilmember George asked Hosfeld, on behalf of Heather Moss, to discuss homeowner turnover; where do they go? . Owners remain in CLT homes between three and 20 years. Recently most have gone on to purchase a market-rate home. People are able to stabilize in place, plan and save. Sometimes single owners sell because they get married.</p>	<p>Site to read Closed Doors Webinar on density bonus agreements</p>

TOPIC/WHO	DISCUSSION	ACTION
<p>Community Land Trust Overview, continued</p>	<p>Councilmember George asked what the biggest challenges for homeowners in a CLT home are. Sometimes they just forget that they're CLT homeowners. At the end of their tenancy, they at times take it for granted and forget what their prior experience was like.</p> <p>Ned asked if Homestead would consider developing projects in Pierce County? Kathleen said that Homestead can help the community set up a CLT.</p>	
<p>Review of Draft 2022 Work Plan Deliverables and Target Dates-Jason Gauthier</p>	<p>Overview of recent work:</p> <ul style="list-style-type: none"> • Review of Strategic Priorities & Strategies – 5/6/22 • Executive Board Prioritized 1A, 2A, 2B, 2C, 3A, 3B (12 strategies, half in the “must-do” items highlighted in blue) • Member Council presentations - UP, Dupont, Lakewood, (done) Edgewood, GH, Fife (scheduled) Presentations to Councils will continue to be offered both before and after adoption of the Work Plan. <p><u>Strategic Priority 1: Develop and support policies and programs that prioritize and incentivize residential production.</u></p> <p>1A) Identify 1-3 policy and program areas that have significant impact and/or potential for impact, and develop a toolkit for tracking and dissemination</p> <p>For deliverables, the Board should expect the summary assessment of current policy and program landscape performance. The summary assessment will consist of a review of locally and regionally produced reports and recommendations of policies and programs regarding housing affordability and housing production. The review will include but won't be limited to the UWT State of Affordable Housing for Pierce County, the City of Tacoma's Affordable Action Strategy, the Master Builders of Pierce County 10-Point Plan for Housing Accountability, the Puget Sound Regional Council's Housing Innovations Program SSHA3P member surveys and industry feedback. From there, the Board should expect the presentation in September on this summary assessment, with a decision package of six to 12 policy and program areas and options for the Board to consider for potential action.</p> <p>1B) Explore potential collaborative project funding to increase affordable housing development. We'll work with member governments to develop reports on the type of partnership funding structures our members would consider for engagement.</p>	<p>Informa- tional</p>

TOPIC/WHO	DISCUSSION	ACTION
<p>Review of Draft 2022 Work Plan Deliverables and Target Dates-Jason Gauthier</p>	<p><u>Strategic Priority 2: Refine understanding of affordable housing solutions and promising practices</u> Here’s where we continue our dive into collective learning and shared understanding as we just did today with the CLT presentation.</p> <p>2A) Identify, package, and share essential data on market rate and affordable housing production</p> <p>We’re already developing interactive maps to show current and future affordable housing development in our community and map out the varying programs serving the housing needs of people currently in housing, including our low-income, home repair and weatherization programs and environmental modifications for seniors and disabled households. The maps will also show the full spectrum of residential production has taken year over year since 2016. The maps will be on the SSHA3P website, anticipated to go live on July 1. They’ll be available for members to utilize.</p> <p><u>Strategic Priority 3: Assist member governments in achieving affordable and attainable production and preservation goals</u></p> <p>3A) Identify funding mechanisms and the scope of member governments’ historical utilization</p> <p>It’s important to note with strategy 3A that Pierce County has not achieved an equitable level of affordable housing capital investment from either the from either the State Housing Trust Fund or the four or 9% housing tax credit programs. Strategy three is a baseline of historical information to support our efforts to ensure affordable housing needs isn’t unfulfilled because of inequitable distribution of statewide resources.</p> <p>3B) Design mechanism(s) to identify member governments’ policy and/or program assistance needs and prioritize the fulfillment of those needs.</p> <p>This is designed to create a member support system and a feedback loop to review our effectiveness. Just yesterday SSHA3P hosted a conversation with member government planning staff and the Department of Commerce to discuss potential and ideas for multi-jurisdictional collaboration on the new middle housing grant programs offered by the Department of Commerce. Supporting our members will take many different forms, but we’ll endeavor each day to provide value to each. .</p>	

TOPIC/WHO	DISCUSSION	ACTION
<p>Review of Draft 2022 Work Plan Deliverables and Target Dates-Jason Gauthier</p>	<p>Strategic Priority 4: <i>Ensure our community’s affordable, attainable, and accessible housing needs are represented</i></p> <p>4A) Identify local, regional, and statewide influence hubs that affect member governments’ policies and resources, and map and ensure member government representation</p> <p>The question we must ask: does our community have a seat at every table that affects land use policy and affordable housing investment strategy, because the answer today is no. The Affordable Housing Advisory Board, the principal body to the Department of Commerce on housing and housing-related issues has Governor-appointed members – none from Pierce County. There’s no Pierce County representation on the Washington State Housing Finance Commission Board of Commissioners. And there are many others across the State and region. Pierce County is the second most populated County in our state and should have a voice in every housing policy conversation.</p> <p>4B) Produce an annual set of state legislative priorities and determine collaborative paths for joint advocacy success</p> <p>Since 2019 SSHA3P members have worked to produce a legislative priority letter for Pierce County delegation as an element of our work plan and we have options for how to develop this priority agenda and how to advocate for these priorities. Jason will provide a short presentation at the July Board meeting for the Board to provide direction regarding the desired process for the development of this legislative agenda.</p> <p>Strategic Priority 5: <i>Complete the organizational aspects of the SSHA3P intergovernmental entity</i></p> <p>5A) Hire and support .5 FTE staff position</p> <p>We anticipate having the halftime position listed by mid-June</p> <p>5B) Continuously review, consider, adopt, and implement policies and procedures for SSHA3P governance and operations</p> <p>5B speaks to the question still to be answered regarding the operations of SSHA3P, questions like, what’s the annual review process for the SSHA3P manager, or is there a need to establish Board committees or taskforces or annual work plan development budget setting and legislative priority developments. We’ll review best practices from others, regional and subregional collaborations and present the Executive Board the recommendation memo and presentation late this year for consideration of potential action in 2023.</p>	<p>Informational</p>

TOPIC/WHO	DISCUSSION	ACTION
<p>Review of Draft 2022 Work Plan Deliverables and Target Dates-Jason Gauthier</p>	<p>5C) Identify, orient, and deploy an Advisory Board to affect equitable community engagement</p> <p>The SSHA3P intergovernmental agreement requires that the Advisory Board be created within one year of the hiring of the SSHA3P Manager. The work plan would set the stage. The goal is to begin Board recruitment by the end of 2022.</p> <p>Seeking Exec Board feedback today. Late June will bring a final draft and hope for final approval on July 1.</p> <p>Councilmember Ballard noted that one of the most poignant comments in Jason’s presentation is that there’s no Pierce County representation at the State level. He would like to focus on any sort of state-defined composition of said Board to see what we need to do to give Pierce County a voice.</p> <p>Executive Dammeier echoed Councilmember Ballard’s comments. It’s unconscionable that we don’t have a voice – need to start work on that soon as part of our advocacy with our state-level legislators as well as local legislators. Great presentation! He’s happy with the 7/1 go-live website date and achieving 2A by 9/1.</p> <p>He added that at the Puget Sound Regional Council’s General Assembly meeting, the City of Renton received an award for being permit-ready. It was a great example of how to streamline and simplify affordable housing using four or five predefined, prior-approved plans.</p> <p>How have presentations to Councils gone? Two thumbs up from DuPont! Other cities agreed that they went great and amazingly well.</p> <p>George noted that this past session there was a strong push to free up local zoning. There was a proviso in last year’s budget for housing, does require a summary assessment, the AWC will work with members on middle-housing legislation (check recording)</p> <p>Christi said she’d like Jason to be able to hire sooner than later. Jason said that HS has been very helpful but yes, it will be great to have staff officially on board.</p>	<p>Please let Jason know if you have input for the plan; it should be ready for approval next month.</p>
<p>Public Comment</p>	<p>Councilmember Hunter invited public comment.</p>	<p>None</p>

TOPIC/WHO	DISCUSSION	ACTION
SSHA3P Manager Report	Jason reported that the Association of Washington Cities’ annual conference is coming up in Vancouver, June 22-24. He encouraged members to register if they can attend. He will be there with some subregional housing colleagues. There will be a number of housing-related panel sessions.	
Board Member Updates/ Comments	<p>Mayor Backus will be at the AWC conference on a housing policy panel on 6/23. She plans to speak with Rep Bateman.</p> <p>Mayor Roscoe explained that she applied to be on the AHAB in late 2020 and Mary Hudson was selected. She would like to be a part of any type of outreach to work on composition of the Board.</p> <p>Councilmember Ballard suggested that we make sure that AWC knows that Pierce County needs representation on the State Affordable Housing Commission.</p> <p>Executive Dammeier noted there are some openings - we should get some people from Pierce County to apply.</p> <p>Councilmember George suggested that members strategize together during the conference.</p> <p>Mayor Markley said that she’ll be there and would love to meet with others to strategize. She will be getting there Tuesday evening through Friday.</p> <p>Updates from City of Sumner:</p> <ol style="list-style-type: none"> 1. Recently updated senior housing regulations, allowing for up to 40 units per acre 2. Public hearing coming up on updating ADU in Sumner, 3. Expanding residential targeted areas to include East Sumner for 500 new multi-family units! 	Composition of State Affordable Housing Commission
Good of the Order/ Adjournment	Terrific presentation today – have a great time at AWC! Councilmember George adjourned the meeting at 10:00 a.m.	Meeting adjourned

The next SSHA³P Executive Board meeting is scheduled for Friday, July 1, at 8:30 p.m. via Zoom.

Respectfully submitted,

Becki Foutz, Administrative Assistant

Middle Housing Grant Program

SSHA3P Executive Board Regular Meeting

JULY 1, 2022



Washington State
Department of
Commerce

OVERVIEW

Funding and Applicant Eligibility

Eligible Activities

Application Content

Grant Timeline



What qualifies as “middle housing”?

For purposes of this grant, budget proviso authorizing these grants provides the following definition:

“Middle housing types” include duplexes, triplexes, fourplexes, fiveplexes, sixplexes, townhouses, courtyard apartments, cottage housing, and stacked flats.



Duplex



Fourplex



Courtyard Apartments



Cottage Housing



Townhouses

Funding and Grant Amounts

- **Base grant amounts:**
 - Cities under 10,000 population \$60,000
 - Cities between 10-20,000 population \$175,000
 - Cities over 20,000 population \$100,000
- Additional funding may be requested to subcontract with community-based organizations and to access translation services

Who Can Apply? What are basic requirements?

Funding is available only to cities in the Puget Sound region

- **Must consider middle housing types on at least 30% of lots currently zoned as single family** (Consider how various middle housing may be allowed in various parts of the community).
- **Must conduct a racial equity analysis** (already required by new Housing Element requirements as part of the comprehensive plan update).

How Can Grant Funds Be Used?

- **Analyzing comprehensive plan policies and development regulations** to determine the extent of amendments required to meet the goal (may include parking, design, fees, etc.).
- **Preparing informational materials** for the public.
- **Conducting outreach**, with the assistance of community-based organizations, to inform and solicit feedback from a representative group of renters and owner-occupied households and from for-profit and nonprofit residential developers.
- **Drafting proposed amendments** to zoning ordinances for consideration by the city planning commission and city council.
- **Holding public workshops and city planning commission public hearings** and publicizing and presenting the city planning commission's recommendations to the city council.
- **Holding city council public hearings** on the planning commission's recommendations.

Grantees must conduct a Racial Equity Analysis

- **Each city must use a racial equity analysis and establish antidisplacement policies** as required under RCW 36.70A.070(2)(e) through (h) to ensure there will be no net displacement of very low, low, or moderate-income households, *and/or* individuals from racial, ethnic, and religious communities which have been subject to discriminatory housing policies in the past

**Required with periodic update:
RCW 36.70A.070(2)(e) through (h)**

- (e) Identifies local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including:
 - (i) Zoning that may have a discriminatory effect;*
 - (ii) Disinvestment; and*
 - (iii) Infrastructure availability;**
- (f) Identifies and implements policies and regulations to address and begin to undo impacts caused by local policies, plans, and actions;*
- (g) Identifies areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments; and*
- (h) Establishes antidisplacement policies,*

Regional collaboration grants

Joint applications from two or more jurisdictions are encouraged where regional groups may work jointly on housing policy.

- Funding requests should be the cumulative total of base grant amounts for the joint applicants.
- Funding requests should reflect savings where work can be shared
- Joint applicants must designate a lead agency for purposes of grant administration and contracting.
- The lead city and partner city or cities must meet all the eligibility requirements for this grant.
- Each joint city may have a separate grant agreement through Commerce.

Grant Timeline:

June 9, 2022:

First applications due or
Email intent to apply

July 1, 2022: Funds available

July 5, 2022: Applications due,
but will be accepted later
depending on funding and
ability to complete the scope
of work.

June 30, 2023: Funding
expires, unless reappropriated.

Middle Housing Grant Program

SSHA3P Executive Board Regular Meeting

JULY 1, 2022



Washington State
Department of
Commerce

Grant Objective	Land use assessments and the development and review of policy and program actions to consider allowing a minimum of 30% of area or lots as places where middle housing types are considered			
Actions/ Steps/ Deliverables	Description	Start Date	End Dates	Grant Budget Recipient, Responsibility, and Allocation Amount
Action 1	Public Engagement Activities	September 1, 2023	May 1, 2023	
Step 1.1	Develop community engagement plan	August 1, 2022	October 1, 2022	<p>SSHA³P</p> <p>SSHA³P will develop a community engagement plan to solicit input and feedback from representative stakeholders in the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place regarding middle housing types and anti-displacement.</p>
Step 1.2	Subcontract with community-based organizations	October 1, 2022	December 1, 2022	<p>SSHA³P</p> <p>\$40,000 (CBO Contracting Funds Requested)</p> <p>SSHA³P will sub-contract with community-based organization to receive input and feedback from representative stakeholders in the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place regarding middle housing types and anti-displacement.</p>
Step 1.3	Inform and solicit feedback from a representative group of for-profit and nonprofit residential developers, renters, and owner-occupied households in residential neighborhoods.	October 1, 2022	April 30, 2023	<p>SSHA³P</p> <p>SSHA³P will inform and solicit feedback from interested parties, representative group of for-profit and nonprofit residential developers, renters, and owner-occupied households in residential neighborhoods for Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place.</p>
Step 1.4	Developing informational materials for the public	October 1, 2022	April 30, 2023	<p>SSHA³P</p> <p>SSHA³P will develop informational materials for residents and interested parties in the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place for outreach and education regarding middle housing types.</p>
Deliverable 1a	Public Engagement Plan		October 1, 2022	<p>SSHA³P</p> <p>SSHA³P will develop a community engagement plan to educate and solicit feedback from industry stakeholders and residents in the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place.</p>

Deliverable 1b	Public Engagement Results		May 1, 2023	SSHA³P SSHA ³ P will provide summary results for stakeholder and resident feedback in the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place, regarding middle housing types and anti-displacement.
Action 2	Racial Equity Report	September 1, 2022	April 1, 2023	
Step 2.1	<i>Identify local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including: zoning that may have a discriminatory effect; disinvestment; and infrastructure availability.*</i>	September 1, 2022	March 1, 2023	Consultant For the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place the consultant will identify local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including: zoning that may have a discriminatory effect; disinvestment; and infrastructure availability.
Step 2.2	<i>Identify areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations.*</i>	September 1, 2022	March 1, 2023	Consultant Consultant will identify areas in the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations.
Steps 2.3	Evaluate displacement risk of very-low, low, and moderate-income households.	September 1, 2022	March 1, 2023	Consultant Consultant will evaluate displacement risk of very-low, low, and moderate-income households in the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place.
Step 2.4	Evaluate displacement risk of individuals from racial, ethnic, and religious communities which have been subject to discriminatory housing policies in the past.	September 1, 2022	March 1, 2023	Consultant Consultant will evaluate the displacement risk of individuals from racial, ethnic, and religious communities which have been subject to discriminatory housing policies in the past in the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place.
Step 2.5	Evaluate displacement risk of locally owned businesses.	September 1, 2023	March 1, 2023	Consultant Consultant will evaluate displacement risk of locally owned businesses past in the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place.
Step 2.6	<i>Develop policies and regulations to address and begin to undo the impacts of</i>	September 1, 2022	March 1, 2023	Consultant Consultant will develop policies and regulations to address and begin to

	<i>local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing. This is consistent with Pierce County CPPs and Vision 2050.*</i>			undo the impacts of policies and regulations in the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place that result in racially disparate impacts, displacement, and exclusion in housing.
Step 2.7	<i>Develop anti-displacement strategies, including strategies to minimize displacement of low-income residents resulting from redevelopment.*</i>	September 1, 2022	March 1, 2023	Consultant Consultant will develop anti-displacement strategies, including strategies to minimize displacement of low-income residents resulting from redevelopment in the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place.
Steps 2.8	Develop anti-displacement policy documents that include a schedule of programs and actions to implement the anti-displacement strategies including a timeline.	September 1, 2022	March 1, 2023	Consultant Consultant will develop anti-displacement policy documents that include a schedule of programs and actions to implement the anti-displacement strategies, including a timeline, for implementation at the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place.
Deliverable 2a	Racial equity analysis report		April 1, 2023	Consultant Consultant will provide a racial equity analysis report combining actions 2.1 – 2.8 for the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place.
Deliverable 2b	Proposed policies to address anti-displacement		April 1, 2023	Consultant Consultant will develop and propose policies to address anti-displacement in the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place.
Action 3	Policy and Program Development	November 1, 2022	June 1, 2023	
Step 3.1	<i>Review and evaluate the current housing elements of the comprehensive plans and their alignment with middle housing type development.*</i>	November 1, 2022	February 1, 2023	Consultant Consultant will review and evaluate the current housing elements of the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place comprehensive plans and their alignment with middle housing type development.
Step 3.2	Review buildable lands report and current residential land uses for potential to allow	November 1, 2022	February 1, 2023	Consultant Consultant will review the buildable lands report and current residential land uses for the Cities of Edgewood,

	middle housing, or where station areas or higher intensity uses might be defined, or where commercial areas might be converted or residential to mixed-use development.			Fife, Gig Harbor, Milton, and University Place for the potential to allow middle housing, or where station areas or higher intensity uses might be defined, or where commercial areas might be converted to residential or mixed-use development.
Step 3.3	Review current programs, development regulations, impact fees, system development charges, and permitting processes as to how they might encourage or discourage the development of middle housing types.	November 1, 2022	February 1, 2023	Consultant Consultant will review the current programs, development regulations, impact fees, system development charges, and permitting processes for the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place as to how they might encourage or discourage the development of middle housing types and make recommendations for policy alignment to encourage and support the development of middle housing types.
Step 3.4	Consider bonus densities and incentives for affordable housing to accompany any changes in zoning that increase density to accommodate middle housing types.	December 1, 2022	February 1, 2023	Consultant Consultant will conduct a market-based evaluation of existing and potential incentives currently in use or available to be used by the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place for the purposes of encouraging the development of middle housing types.
Step 3.5	Gather data, analyze and review to understand the realistic potential of the various changes to support and/or encourage the development of middle housing types, and conduct financial feasibility analysis of developing new various housing typologies in various zones.	January 1, 2023	March 1, 2023	Consultant Consultant will gather data, analyze and review to understand the realistic potential of the various changes to support and/or encourage the development of middle housing types, and conduct financial feasibility analysis of developing new various housing typologies in various zones in the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place.
Deliverable 3a	Summary Assessment lots suitable to re-zoned to allow middle housing types with priority on areas		May 1, 2023	Consultant Consultant will provide summary assessment lots suitable to re-zoned to allow middle housing types with priority on areas adjacent to station

	adjacent to station areas, along transit corridors, and in amenity rich and high opportunity areas			areas, along transit corridors, and in amenity rich and high opportunity areas in the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place.
Deliverable 3b	Middle housing staff report on changes needed to support middle housing including recommended changes to policies, regulations, fee structures, incentives and permitting procedures for consideration with periodic update.		June 1, 2023	Staff Staff for the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place will develop a report on changes needed to support middle housing including recommended changes to policies, regulations, fee structures, incentives and permitting procedures for consideration with periodic update.
Deliverable 3c	Develop a menu of strategies (policies, regulations, fee structures, incentives, and permitting procedures) to increase the supply of middle housing types for city consideration within the periodic update.		May 1, 2023	Consultant Consultant will develop a menu of strategies (policies, regulations, fee structures, incentives, and permitting procedures) to increase the supply of middle housing types for consideration by the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place within their periodic update.
Deliverable 3d	Planning Commission briefing of Deliverables 2a and 2b		June 30, 2023	Staff/Planning Commission Staff for the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place will develop a briefing presentation for Planning Commissions to review Deliverables 2a and 2b.
Deliverable 3e	Planning Commission briefing of Deliverables 3a, 3b, and 3c		June 30, 2023	Staff/Planning Commission Staff for the Cities of Edgewood, Fife, Gig Harbor, Milton, and University Place will develop a briefing presentation for Planning Commissions to review Deliverables 3a, 3b, and 3c.

**Housing Element requirement as part of the Comprehensive Plan Update*

Proposed Budget / Financial Information

Grant Objective: Land use assessments and policy and program actions to consider allowing a minimum of 30% of area or lots as places where middle housing types are considered	Commerce Funds
Action 1. Public Engagement Activities <ul style="list-style-type: none"> • Deliverable 1a • Deliverable 1b 	\$25,000
Action 2. Racial Equity Report <ul style="list-style-type: none"> • Deliverable 2a • Deliverable 2b 	\$120,000
Deliverable 3. Policy and Program Development <ul style="list-style-type: none"> • Deliverable 3a • Deliverable 3b • Deliverable 3c 	\$240,000
Total Middle Housing Grant Funds	\$385,000
<i>Extra Community Based Organization Funds</i>	<i>\$40,000</i>
Total:	\$425,000

Budget Narrative: For each grant objective, please support the funding request with estimates of staff hours (may be per action, step, or deliverable), staff hourly rates, and other expenses.

Action / Deliverables	Dept of Commerce Funds	Other Funds
1. Public Engagement Activities	\$25,000	\$40,000****
Deliverable 1a	\$7,500***	
Deliverable 1b	\$17,500***	
2. Racial Equity Report	\$120,000	
Deliverable 2a	\$85,000* / \$5,000**	
Deliverable 2b	\$35,000* / \$10,000**	
3. Policy and Program Amendments	\$240,000	
Deliverable 3a	\$60,000*	
Deliverable 3b	\$85,000**	
Deliverable 3c	\$30,000*	
Deliverable 3d	\$25,000**	
Deliverable 3e	\$25,000**	
Total	\$385,000	\$40,000

*Consultant allocation
 **City staff allocations
 ***SSHA³P allocation
 ****Community Based Organizations allocation