



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

November 4, 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
Councilmember Jim Andrews, 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 - excused
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 – present
Councilmember Charla Neuman, City of Sumner – present
Chair, Mayor Victoria Woodards, City of Tacoma – present
Mayor Steve Worthington, City of University Place (alternate) – present

Staff: Jason Gauthier, SSHA³P Manager
Becki Foutz, Administrative Assistant

Guests: Brian Lloyd, Bryan Schmid, Cynthia Stewart, Felicia Medlin, John Howell, Katie Baker
Kennith George, LeighBeth Merrick, Liz Crouse, Mary Connolly, Patti Spaulding-Klewin, Paul
Loveless, Riley Guerrero, Ryan Windish, Taylor Jones, Ted Richardson, Tiffany Speir

MINUTES

TOPIC/ WHO	DISCUSSION	ACTION
Call to Order	Mayor Woodards called the meeting to order at 8:34. SSHA³P Manager Gauthier called roll, per above; a quorum was present.	Wel-come!
What Upcoming Fall or Winter Event in Your Community Are You Excited About?	Mayor Woodards – The Tacoma-Pierce County Chamber’s Officials Reception Mayor Eiding – tree lighting, the day after Thanksgiving Mayor Sherrell – Santa parade, December 22 Deputy Mayor Witting – Reopening of rec center following renovation, November 14, and Holiday market/Santa Parade, December 3 Mayor Worthington – Opening newly constructed and dedicated Veterans Plaza, November 11 at 11:00 in Cirque Park Councilmember Ballard – Veterans Day celebration, November 11, 3:00 – 10:00 p.m. in DuPont at Forward Operating Base Brewery Mayor Muri – has four Veterans Day events to attend	

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<p>What Upcoming Fall or Winter Event in Your Community Are You Excited About? Continued</p>	<p>Mayor Backus – Memorial Service at 9:45, and Veterans Day parade (largest W of the Mississippi!) featuring fly-overs at 11:00 a.m. and 15 marching bands Mayor Markley – tree-lighting special event downtown Councilmember Mello – Mayor Woodards gets inaugurated as the National League of Cities President in Kansas City</p>	
<p>Consent Agenda</p>	<p>Any additions to the agenda? None. Mayor Backus moved to approve the consent agenda. Tracie & Steve seconded. The consent agenda was adopted.</p>	<p>Motion approved; the agenda was approved</p>
<p>Public Comment</p>	<p>Mayor Woodards invited the public to comment.</p>	<p>None</p>
<p>Affordable Housing Development 101 Brian Lloyd, Beacon Development</p>	<p>Jason introduced Brian Lloyd, VP of Beacon Development Group, regional affordable housing development consultant that's been around since 1999. They've done about 100 projects, creating 6500 units, at almost \$1.5B in value, throughout Washington, California, and Oregon. Their work in Pierce County thus far has been in Tacoma, and includes the YWCA, Harborview Manor on Fawcett, and two projects with Hilltop Churches: Shiloh Baptist and are working on developing 80 affordable senior properties for Greater Christ Temple Church.</p> <p>Key challenges that affordable housing developers include construction costs, land costs and availability, length of development timeline, and lack of predictability. Jurisdictions can participate in helping mitigate the length of development timeline. Permits, entitlements, community engagement and assembling funding take a while. If a jurisdiction has planners dedicated to affordable housing and are motivated to advance the affordable housing issues in a community, that's key. Does the jurisdiction have a plan for identifying public lands, and does it have a priority for disposing those properties to affordable housing uses? A predictable path toward permitting is of huge value. Having reductions for affordable housing, or even waivers, is a key contribution to the process. Having commitments around how utilities engage with affordable housing developers is very attractive.</p>	<p>Informational</p>

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<p>Affordable Housing Development 101- Brian Lloyd, continued</p>	<p>Sufficient property with sufficient zoning's critical. Does the jurisdiction have sufficient amount of land designated for multi-family use? A density bonus for affordable housing is very attractive and an incentive. When jurisdictions have identified land that's appropriate for</p> <p>The type of developments that Beacon works on generally have 75-100 units, to make use of tax credits and HUD funding for multi-family properties. But affordability can definitely be addressed through multiple types of housing.</p> <p>Deputy Mayor Witting asked what the most effective density bonuses are. Near transit including light rail, rapid bus service. If the surrounding area's zoned for three- or four-story, if affordable housing can add a fifth story, that would be a huge benefit. Allowing greater units allows greater cost efficiency. The amount of the bonus depends on the jurisdiction. Garages reduce the number of units. There's a struggle to right-size parking. Even when near transit, people want their vehicles. Affordable housing sited in the right location should have high walkability and lots of services and transit. Then parking reduction is appropriate and extremely beneficial, because with the cost of land, if we dedicate land to parking, we're losing units. Mayor Backus said that they have roughly 800 affordable multi-family units downtown and residents come with vehicles and are not willing to pay for garage space, so they pour out into the streets and sometimes get tickets for parking too long. How do we find the right mix? We're not seeing a reduction of cars yet. Brian suggested encouraging people to be creative, providing alternative transportation like having rental cars available in the building and/or giving residents transit passes.</p> <p>What's a local jurisdiction able to offer in terms of funding? It doesn't always have to be a lot of money. It's extremely valuable when jurisdictions dedicate funds towards affordable housing and have predictable application and allocation processes. Brian encouraged the group to consider local levies; local funds can leverage other funding. Having a predictable process for funding is an advantage.</p> <p>Brian opened for questions. Mayor Worthington thanked Brian and asked the top three things that make the biggest difference. Funding, public land disposition and showing developers that you're affordable housing friendly, whether that's having planners in place or an expedited permitting process.</p> <p>Mayor Markley said that Gig Harbor doesn't have a lot of buildable land within their city limits. Does Brian ever enter into partnerships with cities to purchase land? What costs are developers willing to take on? Brian said they often provide funding for land. Identifying property that's appropriate for affordable housing's a great first step. Market-rate properties can sometimes work, and the city's the best party to identify those. It's not just new construction; existing units can be modernized. The city's the closest to their community and they know what's going on.</p>	<p>Information on HOME funds</p> <p>Thank you, Brian!</p>

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<p>Affordable Housing Development 101- Brian Lloyd, continued</p>	<p>Are there any jurisdictions doing a good job with predictability and reliability? The City of Tacoma's commitment shows. Beacon can call the planning or utility departments and they're all very helpful and familiar with the projects. Deputy Mayor Witting shared that Puyallup recently received an award from the Master Builders' Association for expediting permitting!</p>	
<p>Housing Toolkit Decision Package- Jason Gauthier</p>	<p>Jason would like feedback and direction from the Executive Board re: the Housing Toolkit. Katie Baker, Kenneth George, and Taylor Jones joined in as subject matter experts.</p> <p><i>Identify 1-3 policy and program areas that have significant impact and/or potential for impact, and develop a toolkit for tracking and dissemination."</i></p> <p>Some members are in the process of adopting these best practice recommendations. The toolkit will live on the SSHA³P website and Board members will receive regular updates.</p> <p>Staff considerations</p> <ul style="list-style-type: none"> • ADUs (supply) • PALs+ (supply) would advise Pierce County to... • Property tax exemptions for special populations (senior and disabled households) (stability) – will work with Assessor's office to encourage more communication about these programs to increase usage • Surplus land policy (subsidy) – currently developing draft model language for dispossessing land to be used • 1/10 1% affordable housing sales tax (subsidy) – commonly referred to as 1590, politically uncomfortable but need to acknowledge as a possibility • <p>By 2024 we need to have 14,000 housing units. 13,000 for 30-50% AMI, and...Working with legislators on...creating more...development becomes more attractive for philanthropy if we have local funds to leverage</p> <p>Supply</p> <ol style="list-style-type: none"> 1. Short plat threshold increase – up to four lots – any city or town can increase this to streamline the regulatory process and save time 2. SEPA Urban Infill Exemption – no statutory ceiling on local thresholds, must prepare an environmental impact statement 3. SEPA Categorical Exemption – remove certain projects from SEPA review, lowers cost of housing development 4. Multi-family property tax exemption – identifying property – 8–12-year exemptions 5. Fee-in-Lieu Program – optional program to allow fees to be paid in lieu of...property owner may request (Puyallup & Milton have this) 	<p>Informa-tional</p>

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<p>Housing Toolkit Decision Package- Jason Gauthier, continued</p>	<p>6. Townhome Density Bonus – create more pathways for home ownership</p> <p>7. Lot Subdivision Policy – can further support more pathways for home ownership</p> <p>8. Transfer Development Rights (TDRs) – incentivize dense residential and mixed-use development – developers can receive incentives</p> <p>9. Affordable and Supportive Housing Sales & Use Tax (1406) – engaging with Fife, Sumner, University Place...to distribute and monitor the use of these funds</p> <p>Jason asked members to recommend 1 to 3 recommendations from the toolkit to focus on.</p> <p>Mayor Worthington thanked Jason for putting together the information. University Place is looking at several of these tools, which went to the planning commission last night. Changing SEPA threshold, final plats – moving from Council to administrative, ADUs...those are things they feel could work for UP. TDRs are complex to put together, and in order to be effective, need a partnership between rural and urban areas. He doesn't know if it's ever been worthwhile.</p> <p>Councilmember Ballard suggested extending special population tax exemptions to include military/disabled vets. – those exemptions will be a focus of getting out the message to the community. He'd like to see this taken a step further, advancing it to the legislature to review current levels in Pierce County. 100% disabled veterans currently exceed the income threshold, and he feels that should be reviewed and changed. CA, OR and WA assign an income level to veterans whereas the majority of states automatically exempt disabled veterans. Jason said that we're working with AARP to raise the threshold.</p> <p>Councilmember Mello thanked Jason for his well-thought through work. He noted that many of the items are currently being worked on by jurisdictions. What can this group collaborate on? Pooling 1406 dollars would make a sizable change. Working together on technical items such as SEPA urban infill exemptions and categorical exemption work would pay off and help smaller jurisdictions that may not have experts in-house to do it.</p> <p>Mayor Woodards asked if there's anything not on the list that's important to members. She suggested giving members time to decide whether we build up what's currently being done or start something new. Maybe we should see where the most work's being done so that we can build upon it and get it over the finish line. She would like to focus on smaller cities; their success is our success.</p>	<p>Informa-tional</p> <p>Discus-sion</p> <p>Jason will follow up with Council-member Ballard on this.</p>

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<p>Housing Toolkit Decision Package- Jason Gauthier, continued</p>	<p>Councilmember Farmer thanked Jason for the fantastic work. She believes her city's interested in more options and there are some things already in play; they're interested in collaborating to get regional benefit from tax dollars. She'll take this back to her Council to see what direction they're going.</p> <p>Mayor Woodards asked if members can each take the toolkit back to their jurisdictions/Councils and provide feedback by the next meeting?</p> <p>Councilmember Mello likes those next steps of getting information with a brief explanation of each. He'd also like to add a straightforward poll where each member picks three to five items. Mayor Woodards suggested having the poll on the screen at the next meeting, as well as sending it out. Councilmember Farmer agreed that those are fantastic ideas for next steps. She requested that Jason add the narrative he used to describe each.</p> <p>Councilmember Mello said one thing missing for him was overt inclusionary zoning – up zoning with affordability benefit. Jason said that the workgroup was concerned that up zoning and inclusionary zoning can negatively impact production of affordable housing.</p>	<p>Jason will get a packet to Executive Board members next week, and options will be selected in December.</p>
<p>2023 Draft Work Plan- Jason Gauthier</p>	<p>Jason requested feedback and direction from the Exec Board on the draft 2023 Work Plan. He thanked the work group that helped put the draft together. It's a requirement of the IGA, directs and prioritizes workflow and sets expectations.</p> <p>The work plan's divided into four categories: affordable housing development, housing policy and planning, education and outreach, administration & governance.</p> <p>Affordable Housing Development Special Projects – investments, coordination, exploring funding opportunities and partnerships Collaborative Funding – including 1406 sales tax remittance, 1590</p> <p>Housing Policy & Planning Housing toolkit, Comp Plan Housing Element Update, Grant Support, State Legislative Agenda, Federal Legislative Agenda</p> <p>Education & Outreach – internal and external, mapping, updates, information portal, housing indicators dashboard, explore developing a dynamic dashboard across member governments.</p> <p>Administration & Governance – Advisory Board will be in place by April 2024, FY 2024 Budget and work plan development, quarterly reporting, housing-related policy boards, membership growth</p>	<p>Informational</p> <p>Update on Implementation of the Comprehensive Plan to End Homelessness:</p>

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<p>2023 Draft Work Plan- Jason Gauthier</p>	<p>Mayor Woodards asked work group members if they had any comments. None. Mayor Woodards is very excited to see who they might have missed in their membership.</p> <p>Mayor Worthington asked about members behind on contributions; it will be paid up soon!</p>	<p>Please give feedback to Jason; this will come up on the December agenda as a Resolution.</p>
<p>Executive Board Updates/Comments</p>	<p>Mayor Markley reported that Gig Harbor had their final 2023 Council budget discussion yesterday. The Council brought forth a request for a Human Services Director for Gig Harbor, which Mayor Markley has wanted since before she was Mayor. This position will take burden off many departments. They will potentially hire a Human Services Director within six months. They will help connect with builders, expedite permitting process, help with BH issues, transit, etc.</p> <p>The City of Sumner has received its first MFTE housing application!</p> <p>Jason announced that in September, the City of Tacoma awarded its annual affordable housing funds, \$5.9M for five different projects that will result in about 350 housing units. Mayor Woodards added that by 2025 they'll have over 600 units being built at 50% AMI.</p>	
<p>Good of the Order/Adjournment</p>	<p>The meeting was adjourned at 10:00 a.m.</p>	<p>Meeting adjourned!</p>

The next SSHA³P Executive Board meeting is scheduled for Friday, December 2, at 8:30 a.m. via Zoom.

Respectfully submitted,

Becki Foutz
Administrative Assistant