



**South Sound Housing Affordability Partners  
Executive Board  
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>

January 6, 2023 8:30 a.m.

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Chair Mayor Victoria Woodards, Vice Chair Councilmember Hunter George, Mayor Nancy Backus, Councilmember Kevin Ballard, Mayor Daryl Eiding, Mayor Kim Roscoe, Mayor Tracie Markley, Mayor Jason Whalen, Mayor Shanna Styron Sherrell, 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), Deputy Mayor Mike Winkler (Alternate), Councilmember Joe Barrentine (Alternate), Mayor Steve Worthington (Alternate)

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**I. CALL TO ORDER**

8:30

ROLL CALL

INTRODUCTION OF NEW EXECUTIVE BOARD MEMBERS AND ALTERNATE MEMBERS

INTRODUCTORY QUESTION

**Question:** What is the one thing you are looking forward to working on, learning, or taking away from the SSHA<sup>3</sup>P Executive Board experience in 2023?

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**II. REVIEW AGENDA/AGENDA MODIFICATIONS**

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**III. CONSENT AGENDA**

**Action:** Motion to approve the Consent Agenda

ATTACHMENTS: Minutes of December 2, 2022, Executive Board meeting

[Document Link](#)

2023 SSHA<sup>3</sup>P Executive Board Regular Meeting Schedule

[Document Link](#)

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**IV. PUBLIC COMMENT**

This is the time set aside for the public to comment on Resolutions, Ordinances, and Final Action. 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 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](mailto: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 SSHA<sup>3</sup>P website at: [southsoundaffordablehousing.org](http://southsoundaffordablehousing.org)

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**V. PRESENTATIONS**

**A. Presentation: 2023 State Legislative Session Preview**

9:00 – 9:30

**Purpose:** Preview presentation for the 2023 State Legislative Session by Carl Schroeder, Deputy Director of Government Relations, Association of Washington Cities

**Action:** Executive Board question for Carl Schroeder

ATTACHMENTS: Session Preview Presentation

[Document Link](#)

AWC Housing Solutions Group proposal

[Document Link](#)

**B. Advisory Board Appointment Process**

9:30 – 9:55

**Purpose:** Presentation by SSHA<sup>3</sup>P Program Specialist II, Mary Connolly on options for Advisory Board appointment process.

**Action:** Executive Board discussion and direction for staff on development of SSHA<sup>3</sup>P Advisory Board appointment process.

ATTACHMENTS: Advisory Board Appointment Process Presentation

[Document Link](#)

SSHA<sup>3</sup>P Advisory Board Recruitment Flyer

[Document Link](#)

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**VI. REPORT BY THE SSHA<sup>3</sup>P MANAGER**

ATTACHMENTS: Legislative Advocacy Support Memorandum

[Document Link](#)

Washington State Affordable Housing Awards in Pierce County

[Document Link](#)

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**VII. UPDATES/COMMENTS OF THE EXECUTIVE BOARD**

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**VIII. ADJOURN**

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

December 2, 2022

8:30 – 9:59 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  
Councilmember Christi Keith, City of Edgewood (alternate) - present  
Mayor Kim Roscoe, City of Fife - present  
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 – present  
Councilmember Charla Neuman, City of Sumner – absent  
Chair, Mayor Victoria Woodards, City of Tacoma – excused  
Councilmember Denise McCluskey, City of University Place – present

**Staff:** Jason Gauthier, SSHA<sup>3</sup>P Manager  
Mary Connolly, Program Specialist  
Becki Foutz, Administrative Assistant

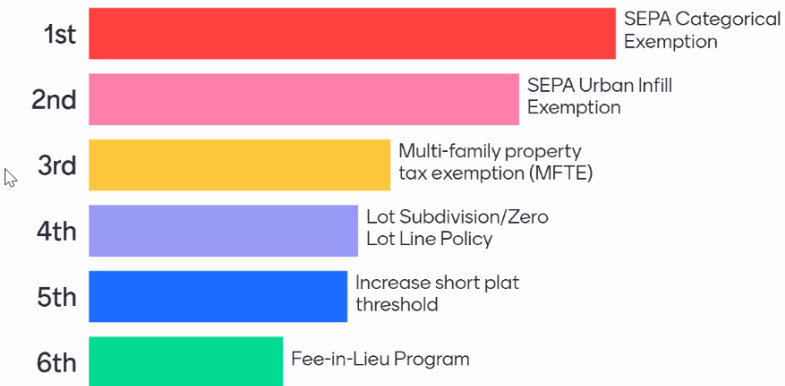
**Guests:** Jason Gano, Bambi Chavez, Dorsol, Jayne Westman, Katie Baker, Kenneth George, LeighBeth Merrick, PCHA, Taylor Jones, Ted Richardson, Tiffany Speir, Trish Crocker

**MINUTES**

TOPIC/ WHO	DISCUSSION	ACTION
<b>Call to Order</b>	Councilmember Hunter George called the meeting to order. SSHA <sup>3</sup> P Manager Gauthier called roll, per above; a quorum was present. A special welcome to Mary Connolly, new SSHA <sup>3</sup> P program specialist! Mary also works at the City of Clyde Hill, as a liaison with ARCH, another regional housing collaboration.	Wel-come!
<b>Consent Agenda</b>	Any additions to the agenda? Councilmember George switched the order of presentations under #5 in order to begin with the Work Plan presentation, as it includes a Resolution for vote. No objections were given.  Mayor Backus moved to approve the consent agenda. Councilmember Mello seconded. The consent agenda was adopted.	Motion ap-proved; the agenda was ap-proved.

TOPIC/WHO	DISCUSSION	ACTION
<b>Public Comment</b>	George invited the public to comment. None. No written comments were received.	
<b>Workplan Presentation</b> Jason Gauthier	<p>Resolution 2022-07, to adopt the 2023 SSHA<sup>3</sup>P Annual Work Plan is on the table. The work plan, a requirement of the IGA, directs and prioritizes workflow, and sets expectations. The work plan was developed to align with the 2024 Comp Plan, with government staff feedback and Executive Board and Work Plan Sub-group direction.</p> <p>Jason reviewed the work plan which was provided in the meeting packet. The plan encompasses four categories: Affordable Housing Development, Housing Policy &amp; Planning, Education &amp; Outreach, and Administration &amp; Governance.</p> <p>Councilmember George invited questions; none. Mayor Backus moved to approve the work plan; Mayor Roscoe seconded. Councilmember George invited questions and discussion. Mayor Backus expressed appreciation for the work of Jason and the sub-group to put this comprehensive plan together. Executive Dammeier agreed; it's a great work product!</p> <p>Deputy Mayor Witting would love to have a report at the end of each year so members can report back to their respective boards on SSHA<sup>3</sup>P accomplishments. Jason's working with Communications on the annual report.</p>	Vote was taken; the work plan was adopted unanimously.
<b>Barriers &amp; Cost Drivers of Housing Development</b> Jason Gano, Gov't Affairs Director, Tacoma-Pierce County Master Builder's Association	<p>Master Builders represents 850 businesses and 11,000 employees in Pierce County. Their goal is to make housing more attainable. They're also members of the Building Industry Association of WA (BIAW) and the National Association of Home Builders (NAHB.) 1.8 million more people are anticipated to move to our region by 2050 and we are tens of thousands of housing units short for current levels. The average construction delay is 7.79 months, costing \$5100/month (\$1281 a week), totaling \$39,915. For each \$1000 added to the cost of a newly-built home in the state, approximately 2200 families are priced out. The price of a home in Pierce County is above the national average. WA State's average median new home price is \$565,613. Pierce County's average median new home price is \$721,105. To afford a new home, a family must make over \$160,000 a year.</p> <p>What can be done? RCW 36.70A.040, Local Project Review Act requires cities to publish data on typical permit wait times, however, many cities do not. Master Builders have developed recommended reasonable timelines. Check codes – some expensive things that are routinely done are not required.</p>	

TOPIC/WHO	DISCUSSION	ACTION
<p><b>Barriers &amp; Cost Drivers of Housing Development</b> Jason Gano, continued</p>	<p>75% of Pierce County lots are zoned for one house. New zoning could allow for low-rise multifamily units in all residential zones, no minimum lot sizes, no design requirements, minimum lot sizes, or yard space requirements. Fee simple lot lines are recommended, to help create affordable home ownership. They tend to cost 15-20% less than single-family homes and they look quite attractive. Duplexes are a good way to instantly double housing inventory. Towncenter Villages in Puyallup have done a great job of dividing up lots; they created 16 units per acre.</p> <p>Jason opened for questions. Mayor Backus expressed concern for lack of parking; parking issues fall back on the city. She receives complaints weekly. Does Jason have any suggestions around parking feasibility? He anticipates that the parking issue will dissipate over time. As self-driving cars come out and mass transit expands, people eventually won't need as much parking. Councilmember McCluskey agreed that parking is currently an issue; people have cars and want independence. She's also seeing that the units are multi-story – without elevators how do they accommodate for ADA and those with limited mobility? At four stories the code changes, requiring elevators. What about accessibility to amenities? Jason said that there are only about nine housing developers and they're mom and pop businesses with few employees.</p>	<p>Jason provided his contact information:</p> <p><a href="mailto:jgano@masterbuildersperce.com">jgano@masterbuildersperce.com</a></p> <p>253.682.8495</p>
<p><b>Housing Toolkit Presentation</b> Jason Gauthier</p>	<p>Jason would like the Board to recommend policy items to include in the Housing Toolkit. Jason reviewed in detail the policies to consider: ADUs (supply, 1406 Pooling (subsidy), PALS+ (supply), Property Tax Exemptions for Special Populations (stability), Surplus Land Policy (subsidy), 1/10 1% Affordable Housing Sales Tax (subsidy), Transfer Development Rights (supply), and Townhome Density Bonuses (supply).</p> <p>Mary shared a link to the survey provided on 11/7, for those members who haven't responded yet (at right).</p> <p>In the future, the Advisory Board will function as a planning commission that will seek input from the Executive Board.</p> <p>Jason reviewed survey results thus far in detail on the following options: Increase the maximum number of lots in a short subdivision (e.g., short plat to 9 lots; SEPA Urban Infill Exemption; SEPA Categorical Exemption; Multi-family Property Tax Exemption; Fee-in-Lieu Program; and Lot Subdivision Policy.</p>	<p><a href="#">Link to survey</a></p>

TOPIC/WHO	DISCUSSION	ACTION														
<p><b>Housing Toolkit Presentation</b> Jason Gauthier, continued</p>	<p>Councilmember George asked if members were completing the survey during the meeting. Yes. Councilmember Mello thanked Jason for organizing the survey in such a thoughtful way. He asked about the MFTE 20-year option – how does that work? Who’s eligible? Jason helped develop the 20-year tool. It’s designed to lower the cost to accommodate a lower income band of homeowner, although it could be used for rentals. 20% of a development’s units must be affordable to be eligible. No restriction on size of city. Jason shared current survey results (below).</p>	<p>Discussion</p>														
	<p style="text-align: center;"><b>SSHA3P Housing Toolkit</b></p>  <table border="1" data-bbox="527 751 1307 1136"> <thead> <tr> <th>Rank</th> <th>Policy Recommendation</th> </tr> </thead> <tbody> <tr> <td>1st</td> <td>SEPA Categorical Exemption</td> </tr> <tr> <td>2nd</td> <td>SEPA Urban Infill Exemption</td> </tr> <tr> <td>3rd</td> <td>Multi-family property tax exemption (MFTE)</td> </tr> <tr> <td>4th</td> <td>Lot Subdivision/Zero Lot Line Policy</td> </tr> <tr> <td>5th</td> <td>Increase short plat threshold</td> </tr> <tr> <td>6th</td> <td>Fee-in-Lieu Program</td> </tr> </tbody> </table>	Rank	Policy Recommendation	1st	SEPA Categorical Exemption	2nd	SEPA Urban Infill Exemption	3rd	Multi-family property tax exemption (MFTE)	4th	Lot Subdivision/Zero Lot Line Policy	5th	Increase short plat threshold	6th	Fee-in-Lieu Program	
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	<p>Jason asked the Board to continue to complete the survey. The Housing Toolkit calls for 1-3 policy recommendations for member cities to consider implementing. The top three as voted in the survey will be the three. Councilmember George asked if there was any objection to that? None expressed.</p>	<p>In January the top three policy recommendations will be brought forward for adoption.</p>														

TOPIC/WHO	DISCUSSION	ACTION
<p><b>Advisory Board Update</b> Jason Gauthier</p>	<p>Mary will be staff liaison for the Advisory Board, so she will be reporting on this item in the future.</p> <p>The role of the Advisory Board is required and spelled out in the IGA to provide advice and recommendations to the Executive Board. Assessment of housing needs, develop policies, and funding resources, determine priorities for allocation of SSHA<sup>3</sup>P resources to create or preserve affordable housing, provide input on program design and development, suggest approaches to legislative advocacy, provide support for education and outreach activities, advise and respond to requests of the Executive Board regarding legislative agendas, annual budget, work plan, Executive Board presentation schedule, and, with the annual consent of the Executive Board, evaluate policies and programs.</p> <p>The Board will consist of 15-20 members, representing a geographic diversity across Pierce County, as well as demographic diversity. 1/3 will be consumers of affordable housing, rental and ownership; 1/3 will be developers, designers, planners, and managers and 1/3 will be advocates and advisors who work on land use and housing issues. Jason noted that this is different than how other regions' advisory boards are set up.</p> <p>Advisory Board members will have three-year terms, staggered with 1/3 being appointed for one year, 1/3 for two years, and 1/3 for three years. They'll meet every other month, in April, June, August, October and December 2023.</p> <p>The Board's priority work in 2023 will include appointing a Chair and Vice Chair, creating By-Laws, working on the 2024 budget and work plan, legislative agendas, and evaluating, considering, and recommending policies and programs.</p> <p>Recruitment of Board members will begin later this month. Member governments will be asked to help get the word out and share the link to apply.</p> <p>Councilmember George asked if the staff workgroup will continue. Yes. Mayor Markley's glad that the group will continue; she hopes that other members are utilizing that group; it's been quite helpful for Gig Harbor.</p>	<p>The Executive Board will vote on Resolutions to establish the Advisory Board and appoint members in 2023.</p>
<p><b>SSHA<sup>3</sup>P Manager Report</b> Jason Gauthier</p>	<p>Jason is happy to have Mary on board – she will staff the Advisory Board, support middle housing grants and the community engagement process, and support comprehensive plan items. He thanked those who worked on the staff workgroup; their efforts will affect state legislation.</p>	

TOPIC/WHO	DISCUSSION	ACTION
<p><b>SSHA<sup>3</sup>P Manager Report</b> Jason Gauthier, continued</p>	<p>Today at 11:30 the House Local Government Committee in Olympia will be meeting and there will be a presentation on middle housing options.</p> <p>The House and Senate released their committee structures yesterday. They both have stand-alone housing committees. The House committee now has jurisdiction over residential land use codes. Executive Dammeier noted that jurisdiction change is a big one. He asked if meeting materials will be posted to the website? They're there, however, it's challenging to find them.</p> <p>Exec Dammeier noted that there's a Housing Indicators tab with info on DuPont, Fircrest and Steilacoom. Are we intending to get those for all jurisdictions? Yes. Jason demonstrated the website, displaying the housing indicator data we have thus far. Edgewood and Gig Harbor are next on Jason's list to publish. Executive Dammeier added that he's happy to have Mary on board!</p>	<p>Jason emailed the link to the meeting to the Board.</p>
<p><b>Executive Board Updates/Comments</b></p>	<p>Councilmember Keith announced that she's not moving to California as previously planned. The group's glad to still have her on board!</p> <p>Councilmember Farmer is now Pierce County Auditor-Elect! This will be her last meeting with SSHA<sup>3</sup>P. It's bittersweet as she's loved working with the group. It's been an honor and a privilege for her to serve on the Lakewood City Council, and specifically this group. She thanked the group. Mayor Jason Whalen will be attending SSHA<sup>3</sup>P until a permanent replacement is selected.</p> <p>Mayor Markley is getting out into the community to talk about affordable housing and/or a workforce community. People in Gig Harbor are not super thrilled about it but this group's emboldening her. She was approached about a huge project, asked them to include affordable housing, and they will! The community and Council are beginning to come around.</p> <p>Exec Dammeier announced that the Army Navy game's coming up a week from Saturday. In regarding to the 1/10 of 1% tax consideration, the Council would require five votes to pass the new tax. Potential for future presentation: Sound Transit's doing a lot for affordable housing in Seattle, reaching out to King County and other areas. We want to be sure that we get the same opportunities. They have a lot of funding opportunities; Amazon provided funding, for example. This could be a powerful tool to get some projects built in the South Sound area. Mayor Backus agreed. Whatever's good for King County's also good for Pierce and Snohomish Counties. The opportunity for affordable housing on Sound Transit's surplus properties is important.</p>	<p>Informational</p>



TOPIC/WHO	DISCUSSION	ACTION
<b>Executive Board Updates/Comments, continued</b>	Mayor Backus shared that King County's SKHHP group (sister program to SSHA <sup>3</sup> P) will be awarding for the first time \$1M for an affordable housing project, to probably two developers. Their advisory group reviews projects and refers them to the Board. She appreciates being part of SSHA <sup>3</sup> P.  Councilmember George shared a schematic of Fircrest's Mildred Street Development Project proposal, a mixed-use development plan for 389 apartment units and commercial space on a 9.5-acre property.	Informa-tional
<b>Good of the Order/Adjournment</b>	The meeting was adjourned at 9:59 a.m.	Meeting ad-journed!

The next SSHA<sup>3</sup>P Executive Board meeting is scheduled for Friday, January 6, at 8:30 a.m. via Zoom.

Respectfully submitted,

Becki Foutz  
Administrative Assistant



2023 Executive Board  
Regular Meeting Calendar

**January 6, 2023**

**February 3, 2023**

**March 3, 2023**

**April 7, 2023**

**May 5, 2023**

**June 2, 2023**

**July 7, 2023**

**August 4, 2023**

**September 8, 2023**

**October 6, 2023**

**November 3, 2023**

**December 1, 2023**

# Briefing on AWC Housing Solutions Group Process



# What were our goals?



Identify policy solutions that cities broadly support that will result in creating more housing availability and affordability.



Ensure proposals are scoped to the true size of the challenge and the true barriers



Demonstrate cities commitment to identifying solutions to impact housing availability and affordability.



Identify areas of middle ground to inform AWC's approach to develop a package and advocacy strategy for 2023.

# Housing Solutions Stakeholder Process

- Hired BDS Planning to provide facilitator services and data via ECONorthwest
- City stakeholder group (4 meetings)
  - One meeting included Governor Inslee
- External stakeholder group (2 meetings) Included Sightline, Futurewise, Low Income Housing Alliance, Master Builders, NAIOP, BIAW, REALTORS, Governor's office, legislators
- Additional “extra meetings” with city officials and legislators
- Began work in August and ran through November

# Solutions Group Members

BRETT LUCAS  
SENIOR PLANNER  
CHENEY, DISTRICT 1

ADAM LINCOLN  
DEPUTY CITY MANAGER  
PASCO, DISTRICT 2

CARL FLOREA  
MAYOR  
LEAVENWORTH, DISTRICT 3

STEVE STUART  
CITY MANAGER  
RIDGEFIELD, DISTRICT 5

TY STOBER  
MAYOR PRO TEM  
VANCOUVER, DISTRICT 5

LEONARD BAUER  
COMMUNITY DEVELOPMENT DIRECTOR  
OLYMPIA, DISTRICT 6

ANGELA BIRNEY  
MAYOR  
REDMOND, DISTRICT 7

EMIL KING  
PLANNING DIRECTOR  
BELLEVUE, DISTRICT 8

KYOKO MATSUMOTO-WRIGHT  
MAYOR  
MOUNTLAKE TERRACE, DISTRICT 8

BETSY WILKERSON  
COUNCILMEMBER  
SPOKANE, DISTRICT 9

JOHN HINES  
COUNCILMEMBER  
TACOMA, DISTRICT 10

DAN STRAUSS  
COUNCILMEMBER  
SEATTLE, DISTRICT 11

ROB PUTAANSUU  
MAYOR  
PORT ORCHARD, DISTRICT 12

ALLAN EKBERG  
MAYOR  
TUKWILA, DISTRICT 13

RYAN WALTERS  
COUNCILMEMBER  
ANACORTES, DISTRICT 14

# State action on land use and housing in the last 5 years

## 2017

- **SB 5254** – Adequacy of buildable lands and zoning in UGA; funding for low-income/homeless housing

## 2019

- **HB 1219** – REET 2 for affordable housing and homelessness
- **HB 1377** – Increased density requirement for religious property
- **HB 1406** – Encouraging investments in affordable and supportive housing (sales tax credit)
- **HB 1923** – Incentivized increasing urban residential building capacity (i.e. density); parking reductions near transit for low-income housing

## 2020

- **HB 2950** – MFTE extension
- **HB 2673** – SEPA exemption for infill

- **SB 6617** – ADU parking restrictions
- **HB 2343** – Extended and expanded HB 1923; adding parking restrictions near transit for market rate multifamily housing
- **HB 1590** – Councilmanic sales and use tax for housing

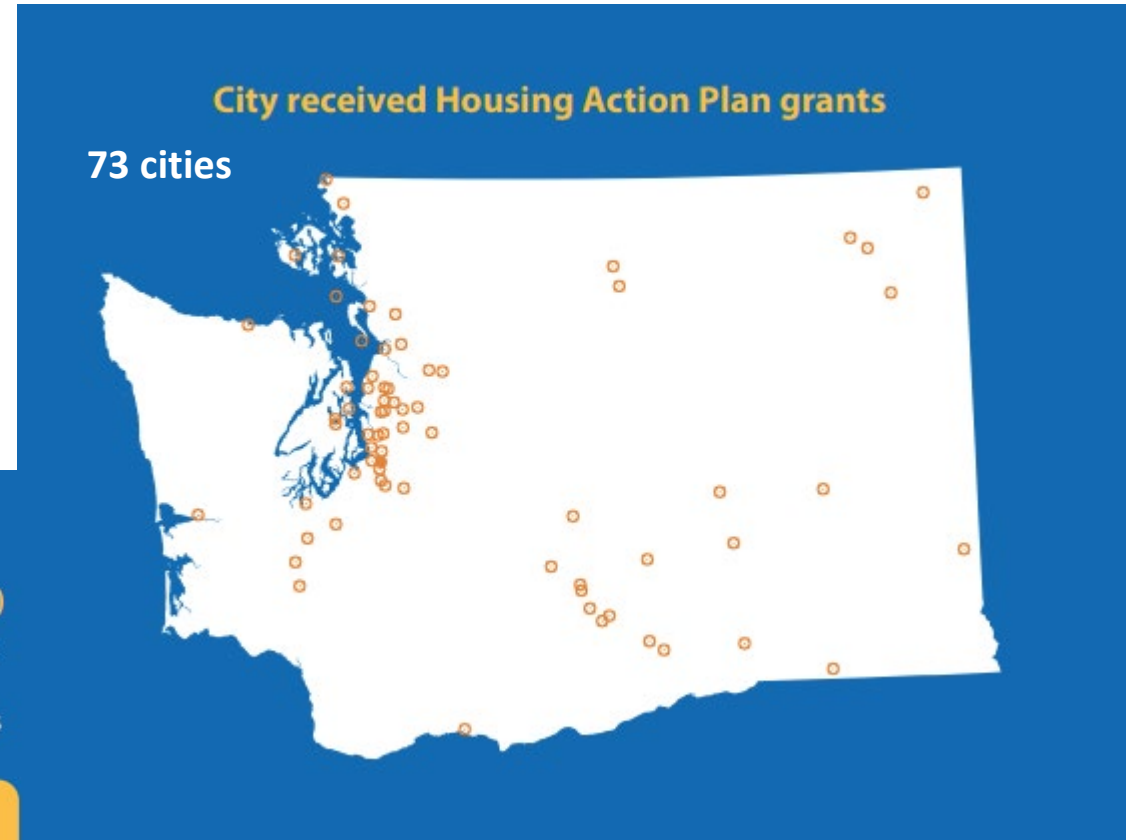
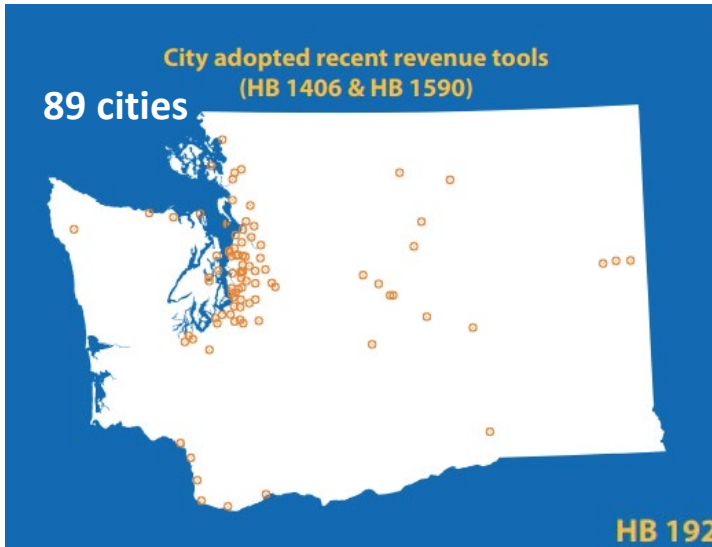
## 2021

- **HB 1220** – Zoning mandate for shelters and supportive housing; expanded GMA Housing Element requirements for increased density, low-income housing, barriers/gaps, and displacement evaluation (unfunded)
- **SB 5287** – MFTE reform

## 2022

- **SB 5818** – SEPA exemptions for development capacity increases and more

# How have cities responded?



## HB 1923 & HB 2343 – Incentivized increasing urban residential building capacity and parking restrictions near transit (2019 & 2020)

These bills encouraged cities to adopt new development regulations to increase density and to adopt housing action plans by offering up to \$100,000 in planning funds

88 cities  
responded –  
representing

**79%**

of the state's  
incorporated  
population

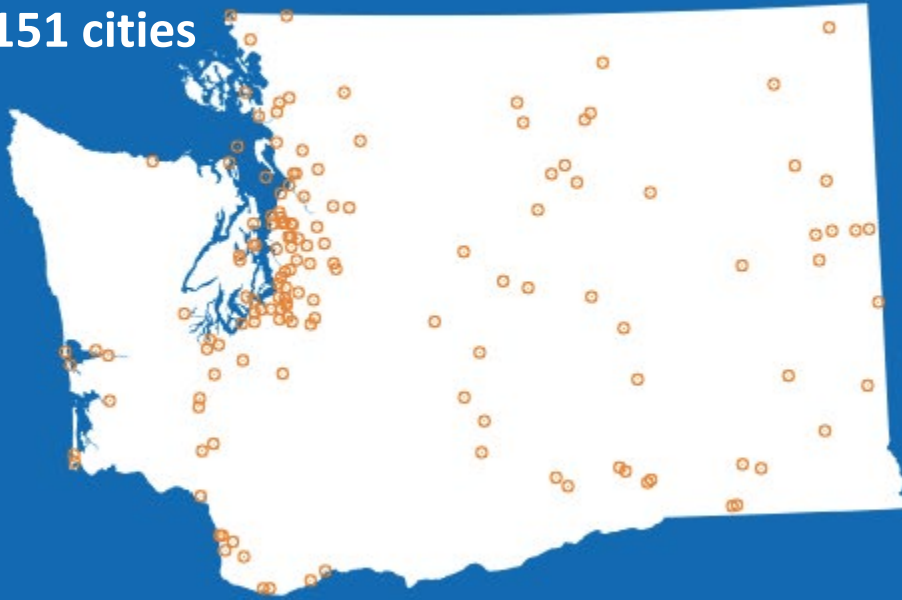
- Still in progress in some cases
- Grants for implementation were announced this spring



# How have cities responded?

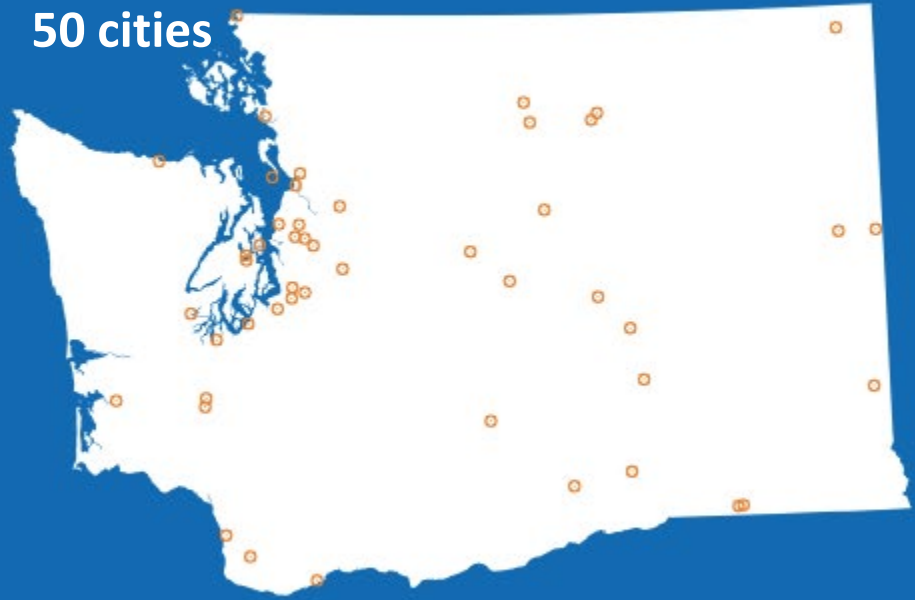
City allows middle housing in single-family zones

151 cities

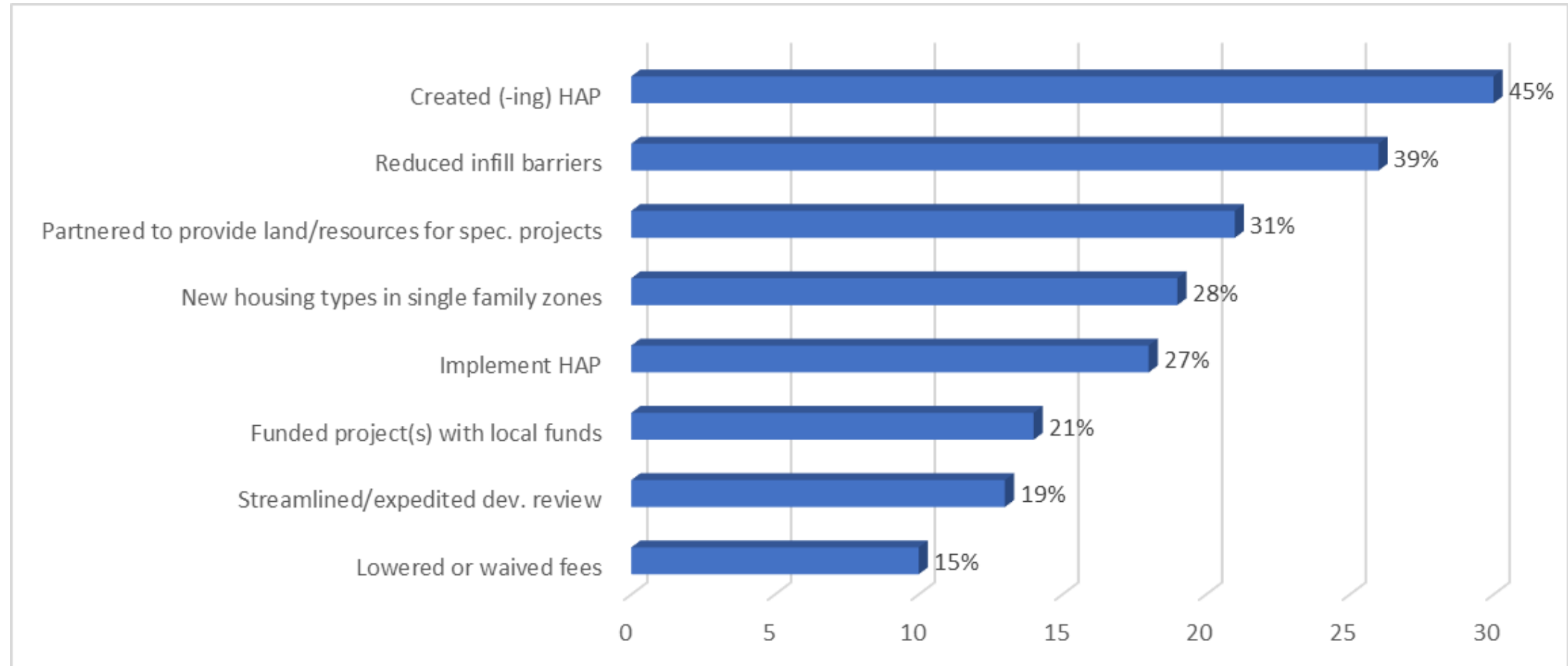


City has upzoned 75% single-family land base

50 cities



# City actions taken in the last year (67 cities reporting)

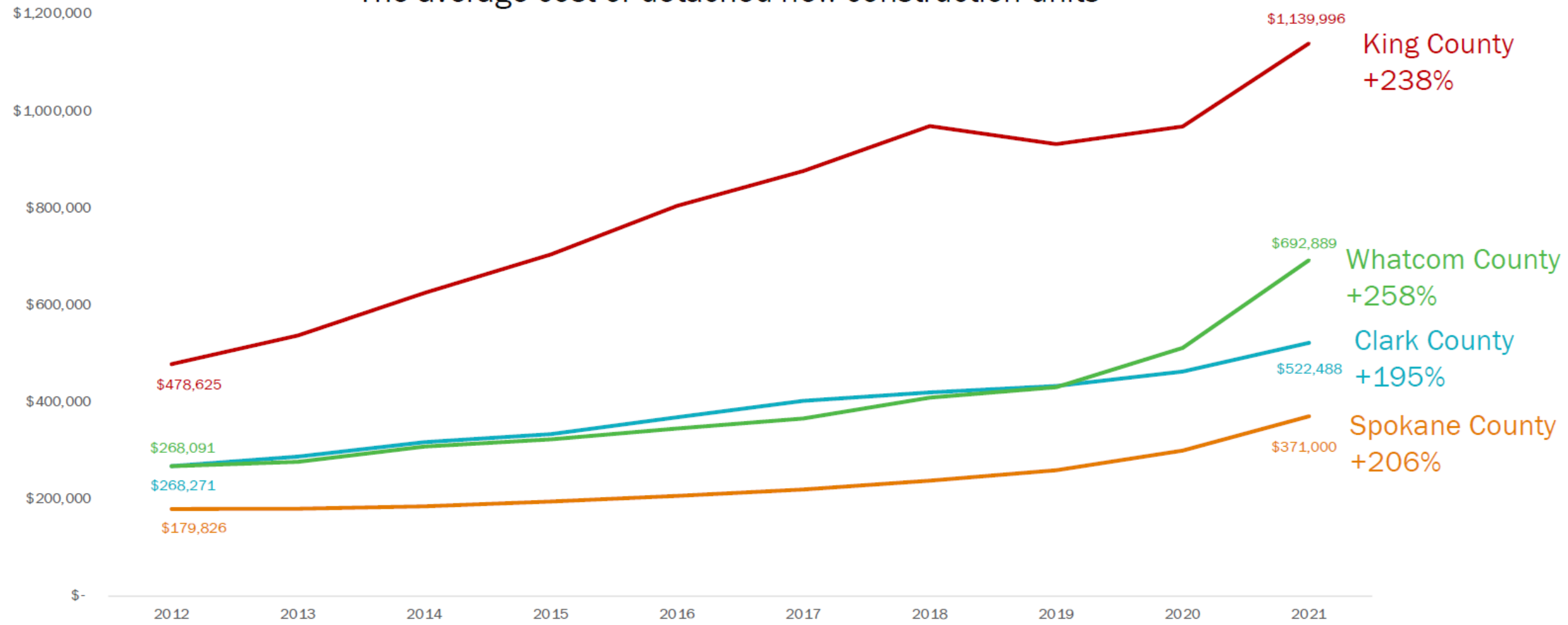


# What have we seen in the housing market?

- Declining share of detached housing being built for nearly 20 years
- More multifamily being built than single family for first time ever
- Increasing rent levels, increased home sale prices
- Increasing cost of new construction for both rentals and home ownership over time
- Limited availability of residential construction workforce to meet need

# Since 2012, the average cost of new construction doubled everywhere statewide

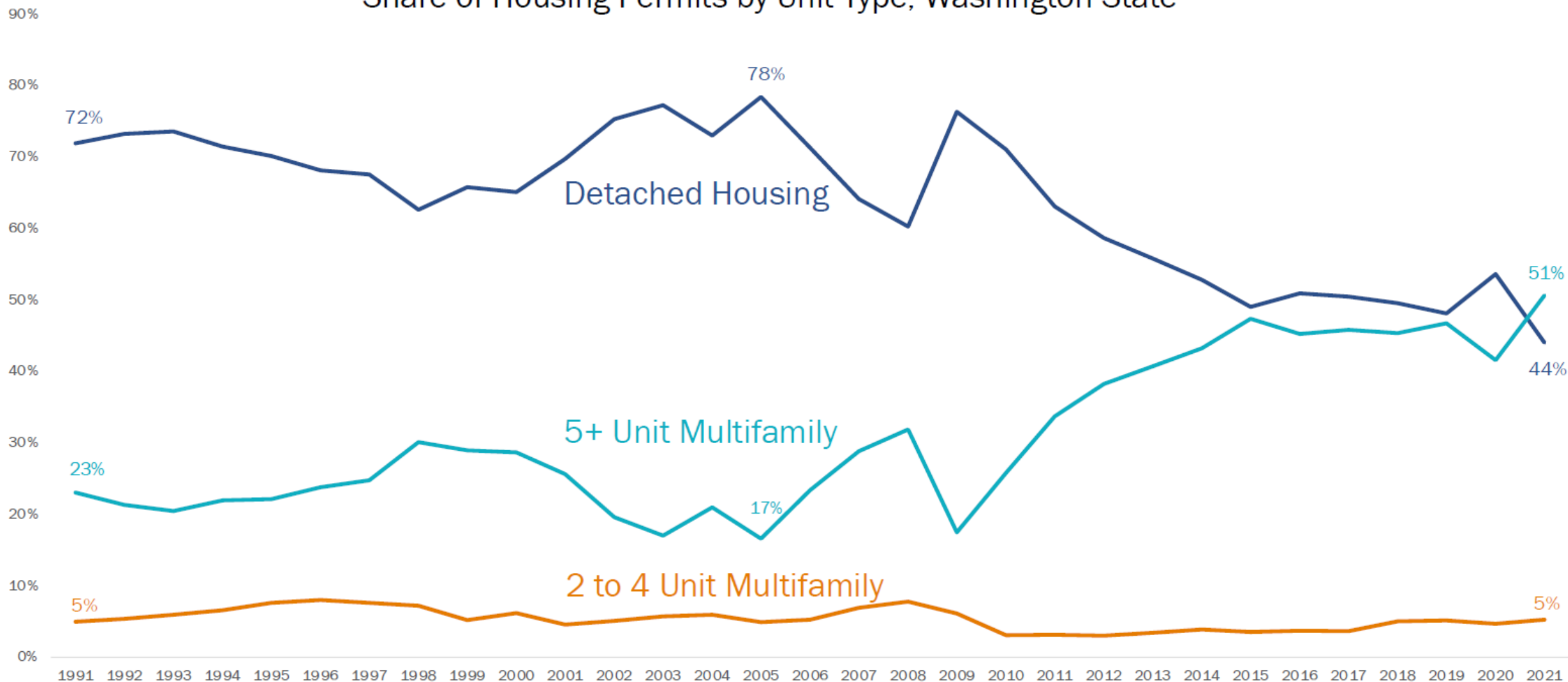
## The average cost of detached new construction units



Source: Zillow and AEI; ECONorthwest

# For the first time in WA history, more 5+ unit structures permitted than detached

## Share of Housing Permits by Unit Type, Washington State



# Availability of workforce in residential construction limiting production

- In order to tackle housing underproduction, would need to produce an additional 11,700 units per year for 20 years statewide
- Assuming every 100 additional workers can produce 132 units of housing per year, would need to add an additional 8,900 workers, a 25% increase over current levels

# Themes that guided our discussions:

- Cities play an important role in promoting housing development, particularly in terms of development authority and permitting, and infrastructure provision. Increasingly accessing revenue tools.
- Cities want everyone to do their part, but flexibility on how.
- Cities do not build housing and do not fully control when and where building occurs.
- Any successful package of proposals that will meaningfully improve our housing availability and affordability must involve more than just zoned capacity and supply-side trickle-down solutions.
- There is a need for significantly more investment in housing for people at income levels that the market cannot and will never serve.

# Why won't market-only solutions work?

The housing need is greatest at the lowest income levels

<b>Snohomish County</b>		<b>Projected Countywide Needs Based on User Inputs</b>						
Scenario: PSRC Vision 2050 (2044)		Total	0-30%	30-50%	50-80%	80-100%	100-120%	120%+
Total Future Housing (2044)	475,513	48,915	65,483	83,979	76,233	65,821	135,082	
Baseline Housing Supply (2020)	317,348	10,998	42,985	67,180	62,562	49,788	83,835	
Net New Housing Needed (2020-2044)	158,165	37,917	22,498	16,799	13,672	16,034	51,247	

<b>King County</b>		<b>Projected Countywide Needs Based on User Inputs</b>						
Scenario: PSRC Vision 2050 (2044)		Total	0-30%	30-50%	50-80%	80-100%	100-120%	120%+
Total Future Housing (2044)	1,290,335	172,833	141,775	178,759	196,918	137,179	462,871	
Baseline Housing Supply (2020)	960,951	38,381	91,505	155,214	181,009	119,133	375,709	
Net New Housing Needed (2020-2044)	329,384	134,453	50,270	23,544	15,909	18,046	87,162	

<b>Pierce County</b>		<b>Projected Countywide Needs Based on User Inputs</b>						
Scenario: PSRC Vision 2050 (2044)		Total	0-30%	30-50%	50-80%	80-100%	100-120%	120%+
Total Future Housing (2044)	493,590	43,171	59,767	133,822	82,744	55,499	118,587	
Baseline Housing Supply (2020)	355,799	10,127	36,738	112,533	72,435	46,088	77,878	
Net New Housing Needed (2020-2044)	137,791	33,044	23,029	21,290	10,308	9,411	40,709	

<b>Kitsap County</b>		<b>Projected Countywide Needs Based on User Inputs</b>						
Scenario: PSRC Vision 2050 (2044)		Total	0-30%	30-50%	50-80%	80-100%	100-120%	120%+
Total Future Housing (2044)	145,250	14,435	17,275	38,462	21,688	14,393	38,997	
Baseline Housing Supply (2020)	110,914	4,237	11,737	33,907	19,338	12,078	29,617	
Net New Housing Needed (2020-2044)	34,336	10,198	5,538	4,555	2,351	2,314	9,381	

Total that will not be built by the private market (**0-50% AMI**) and requires subsidy—just in Pierce County:

**66,103** units by 2044.

Source: Draft allocations from HB 1220



# The role of new construction on affordability

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In some cities, apartments in new buildings only become 4-5% more affordable per decade, in terms of AMI.

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An UpJohn Institute working paper preliminarily found a 5-7% rent reduction in nearby buildings when very large multifamily is built in low-income areas of highly urban cities.

# The role of new construction on affordability

- Supply in general is needed, but in both cases **new, market rate construction doesn't decrease rent levels fast enough to address our current affordability crisis**
- From January 2022 to June 2022, the average rent, statewide, for a one-bedroom apartment increased by 8%
- The increase is 19% since January 2020

# Package components: Zoning around transit

- **Maximize density around regional transit assets.** No maximum density in residential areas within  $\frac{1}{2}$  mile walking distance of rapid transit if 20% of units are affordable at 80% of AMI for 50 years.
  - Cities may set minimum density and higher affordability standards.
  - Cities may otherwise regulate through local development standards including height and envelope limitations.
- **Cities over 20,000 without rapid transit:** City must allow at least three units on every lot within  $\frac{1}{4}$  mile walking distance of arterials.

# Package components: Zoning around community assets (Cities over 20,000)

- **Maximize utilization of community amenities (Choose A or B).**
- **A.** Cities must allow three units per lot within  $\frac{1}{4}$  mile walking distance around schools and community parks. City can otherwise regulate through development standards. Individual lots can be excluded with a documented infrastructure deficiency

**OR**

- **B.** 75% of residential lots in a city must allow at least three units per lot, in any configuration, by permitted use. Cities may otherwise regulate through local development standards.

# Package components: Regulatory streamlining

- Exempt residential development from SEPA if consistent with comprehensive plans
- Eliminate external design review boards but allow administrative review of design standards.
- Provide state funding assistance for voluntary code audits and to develop more online and streamlined permitting systems.
- Changes to the state building code to facilitate middle housing

# Package components: Infrastructure Funding

## **Infrastructure investments to support housing**

- Restore revenues to the Public Works Assistance Account to ensure infrastructure funding for capacity increases is available.
- Enhance Connecting Housing and Infrastructure Program

# Package components: Direct Housing Funding

- Increase funding for low-income housing by at least \$1 billion per year. Building on historic recent investments.
- Provide new .25% councilmanic local option REET that can be used to fund affordable rentals, affordable home ownership, and infrastructure to support housing. Allow cities to convert local REET taxes to “progressive tiers” mirroring the state.
- Provide additional flexibility for use of lodging taxes for affordable housing.
- Increase funding for cities to plan for housing and density increases.

# Briefing on AWC Housing Solutions Group Process





# What were our goals?



Identify policy solutions that cities broadly support that will result in creating more housing availability and affordability.



Ensure proposals are scoped to the true size of the challenge and the true barriers



Demonstrate cities commitment to identifying solutions to impact housing availability and affordability.



Identify areas of middle ground to inform AWC's approach to develop a package and advocacy strategy for 2023.

# Housing Solutions Stakeholder Process

- Hired BDS Planning to provide facilitator services and data via ECONorthwest
- City stakeholder group (4 meetings)
  - One meeting included Governor Inslee
- External stakeholder group (2 meetings) Included Sightline, Futurewise, Low Income Housing Alliance, Master Builders, NAIOP, BIAW, REALTORS, Governor's office, legislators
- Additional “extra meetings” with city officials and legislators
- Began work in August and ran through November

# Solutions Group Members

BRETT LUCAS  
SENIOR PLANNER  
CHENEY, DISTRICT 1

ADAM LINCOLN  
DEPUTY CITY MANAGER  
PASCO, DISTRICT 2

CARL FLOREA  
MAYOR  
LEAVENWORTH, DISTRICT 3

STEVE STUART  
CITY MANAGER  
RIDGEFIELD, DISTRICT 5

TY STOBER  
MAYOR PRO TEM  
VANCOUVER, DISTRICT 5

LEONARD BAUER  
COMMUNITY DEVELOPMENT DIRECTOR  
OLYMPIA, DISTRICT 6

ANGELA BIRNEY  
MAYOR  
REDMOND, DISTRICT 7

EMIL KING  
PLANNING DIRECTOR  
BELLEVUE, DISTRICT 8

KYOKO MATSUMOTO-WRIGHT  
MAYOR  
MOUNTLAKE TERRACE, DISTRICT 8

BETSY WILKERSON  
COUNCILMEMBER  
SPOKANE, DISTRICT 9

JOHN HINES  
COUNCILMEMBER  
TACOMA, DISTRICT 10

DAN STRAUSS  
COUNCILMEMBER  
SEATTLE, DISTRICT 11

ROB PUTAANSUU  
MAYOR  
PORT ORCHARD, DISTRICT 12

ALLAN EKBERG  
MAYOR  
TUKWILA, DISTRICT 13

RYAN WALTERS  
COUNCILMEMBER  
ANACORTES, DISTRICT 14

# State action on land use and housing in the last 5 years

## 2017

- **SB 5254** – Adequacy of buildable lands and zoning in UGA; funding for low-income/homeless housing

## 2019

- **HB 1219** – REET 2 for affordable housing and homelessness
- **HB 1377** – Increased density requirement for religious property
- **HB 1406** – Encouraging investments in affordable and supportive housing (sales tax credit)
- **HB 1923** – Incentivized increasing urban residential building capacity (i.e. density); parking reductions near transit for low-income housing

## 2020

- **HB 2950** – MFTE extension
- **HB 2673** – SEPA exemption for infill

- **SB 6617** – ADU parking restrictions
- **HB 2343** – Extended and expanded HB 1923; adding parking restrictions near transit for market rate multifamily housing
- **HB 1590** – Councilmanic sales and use tax for housing

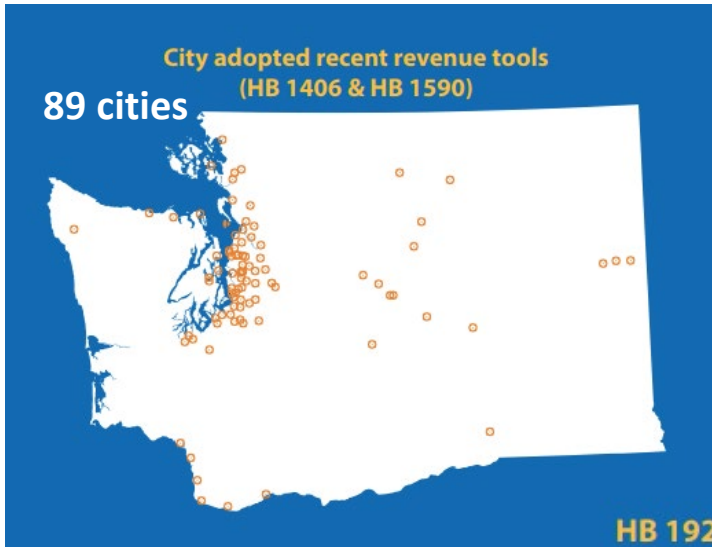
## 2021

- **HB 1220** – Zoning mandate for shelters and supportive housing; expanded GMA Housing Element requirements for increased density, low-income housing, barriers/gaps, and displacement evaluation (unfunded)
- **SB 5287** – MFTE reform

## 2022

- **SB 5818** – SEPA exemptions for development capacity increases and more

# How have cities responded?



## HB 1923 & HB 2343 – Incentivized increasing urban residential building capacity and parking restrictions near transit (2019 & 2020)

These bills encouraged cities to adopt new development regulations to increase density and to adopt housing action plans by offering up to \$100,000 in planning funds

88 cities  
responded –  
representing

**79%**

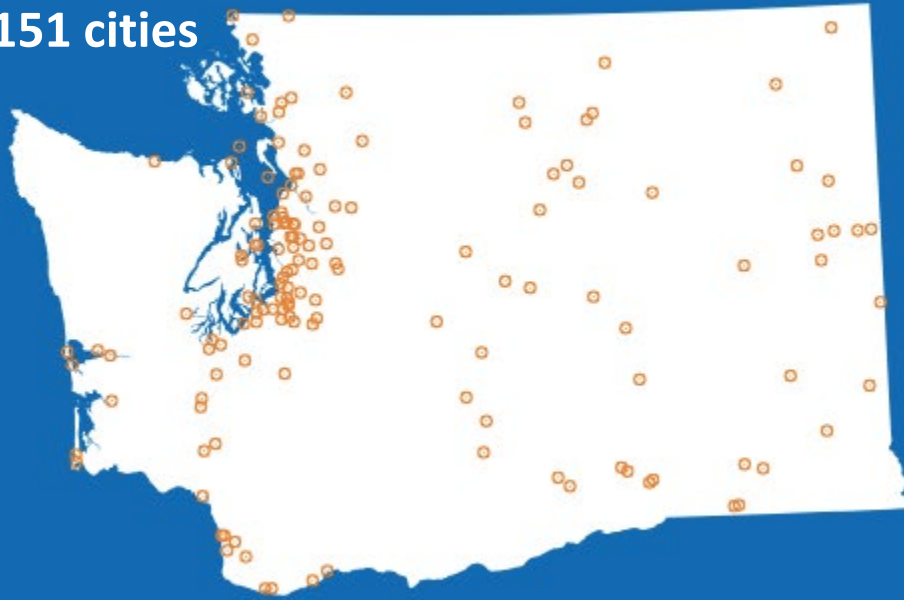
of the state's  
incorporated  
population

- Still in progress in some cases
- Grants for implementation were announced this spring

# How have cities responded?

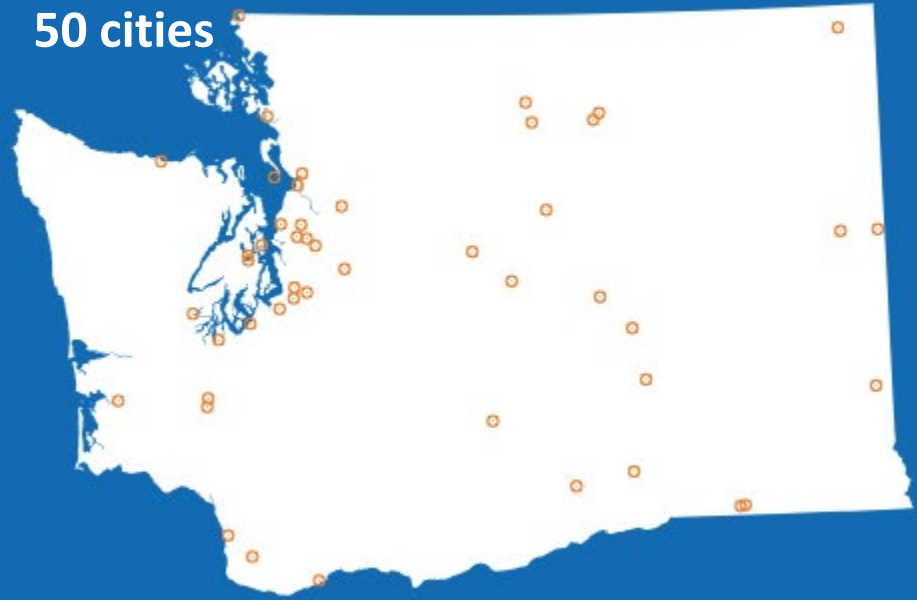
City allows middle housing in single-family zones

151 cities

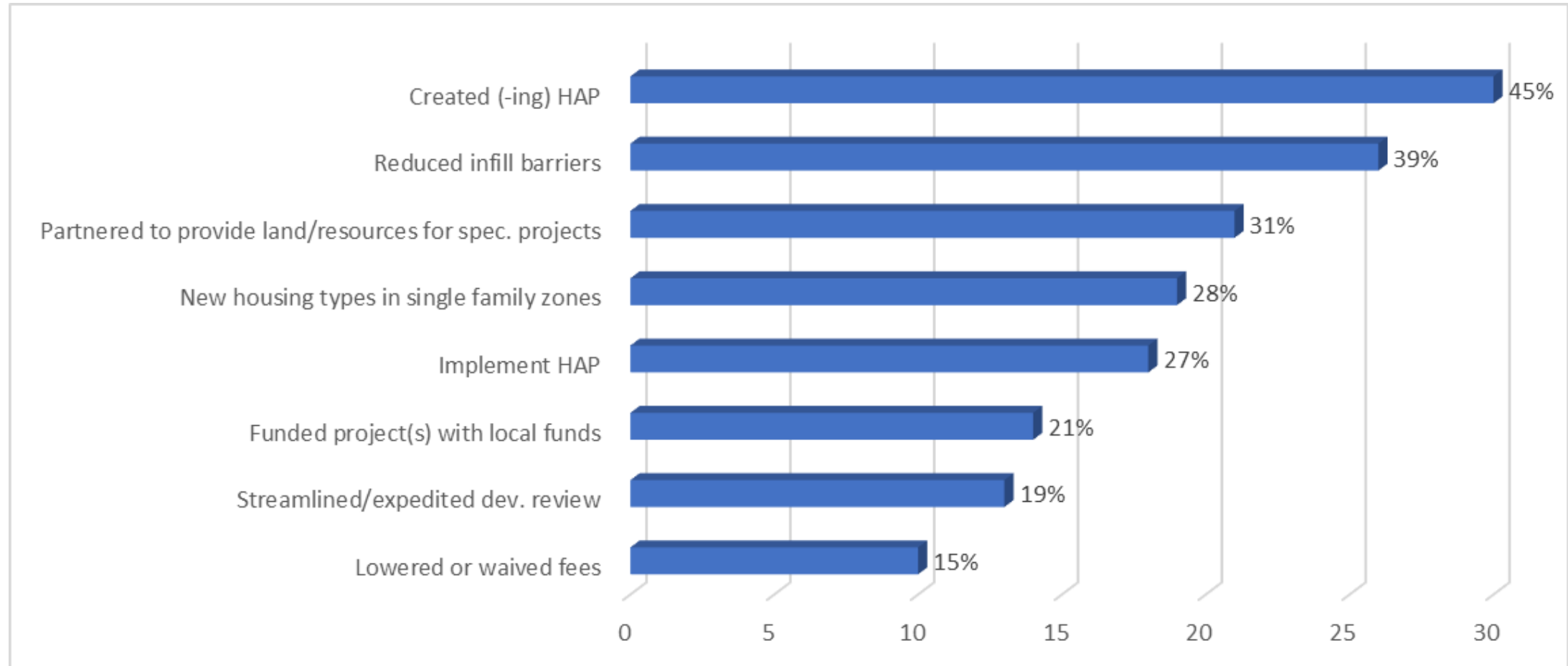


City has upzoned 75% single-family land base

50 cities



# City actions taken in the last year (67 cities reporting)



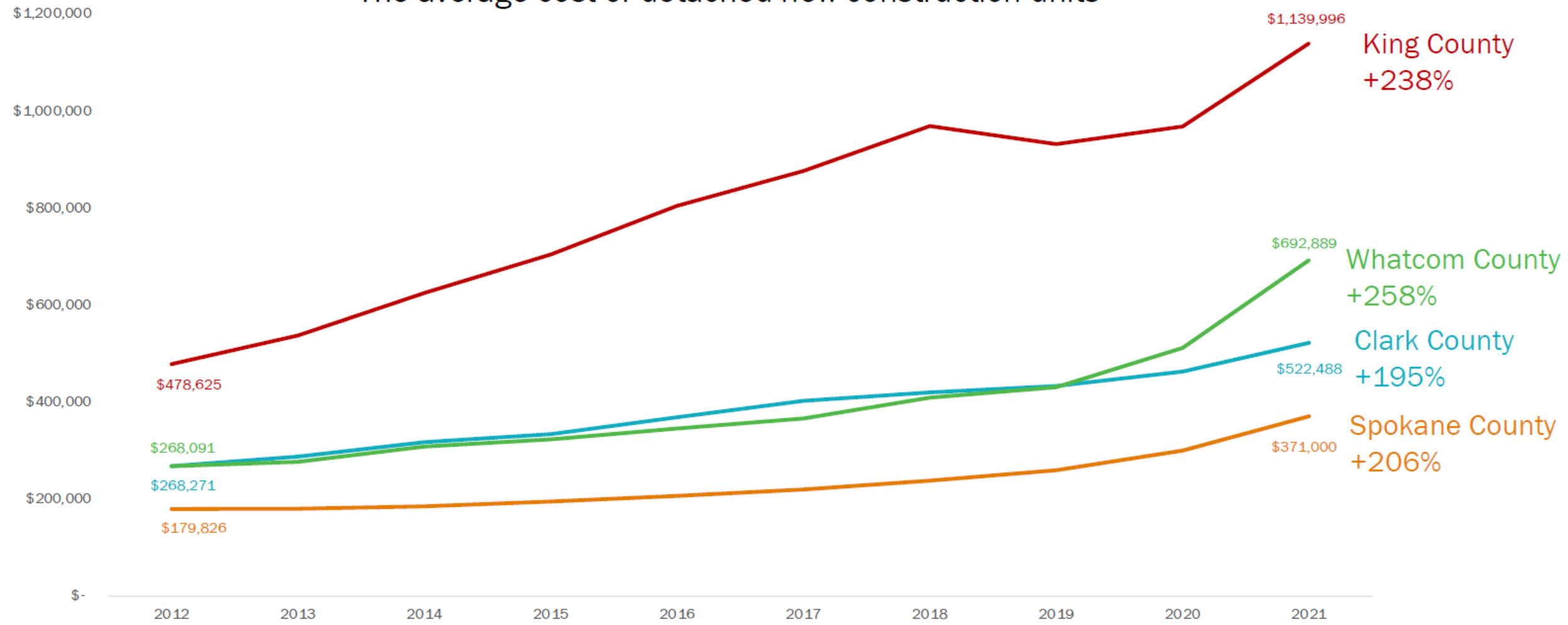
# What have we seen in the housing market?

- Declining share of detached housing being built for nearly 20 years
- More multifamily being built than single family for first time ever
- Increasing rent levels, increased home sale prices
- Increasing cost of new construction for both rentals and home ownership over time
- Limited availability of residential construction workforce to meet need



# Since 2012, the average cost of new construction doubled everywhere statewide

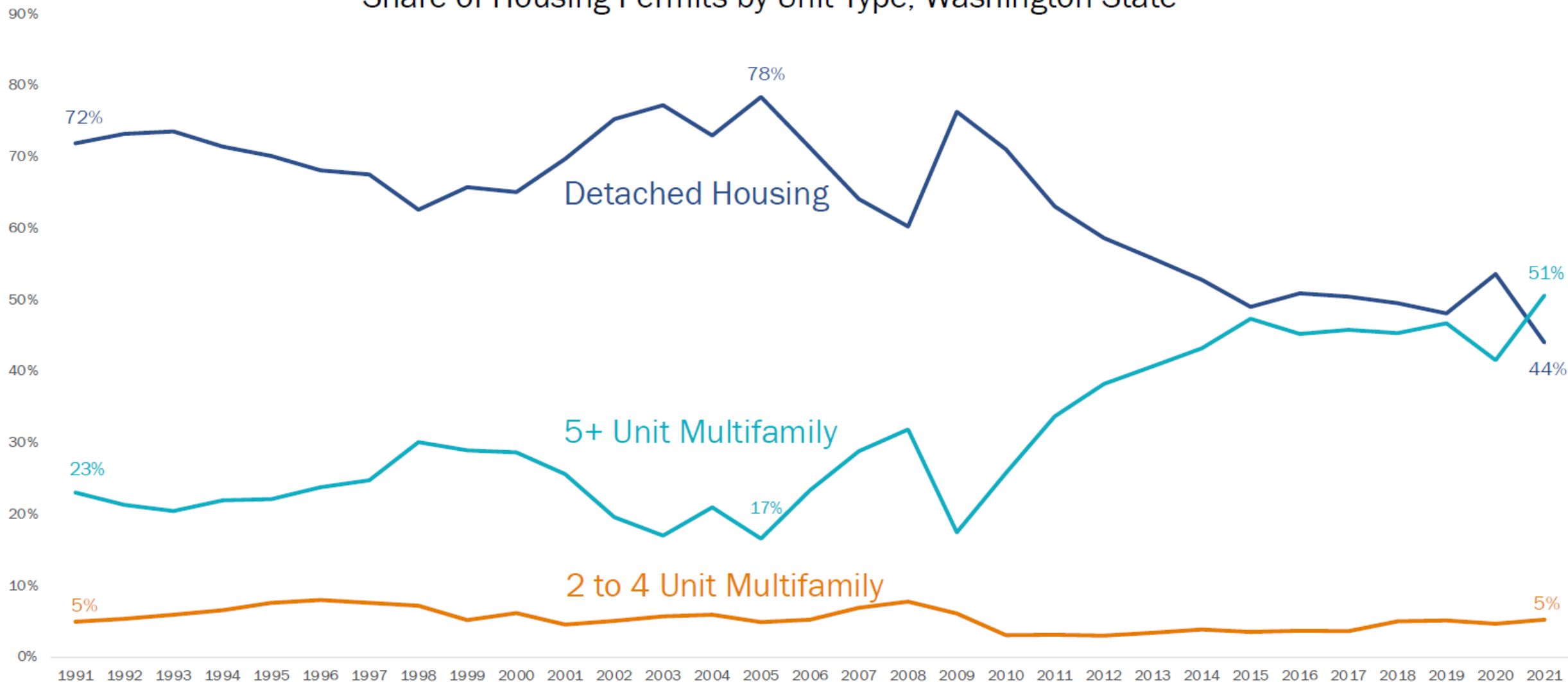
## The average cost of detached new construction units



Source: Zillow and AEI; ECONorthwest

# For the first time in WA history, more 5+ unit structures permitted than detached

## Share of Housing Permits by Unit Type, Washington State



# Availability of workforce in residential construction limiting production

- In order to tackle housing underproduction, would need to produce an additional 11,700 units per year for 20 years statewide
- Assuming every 100 additional workers can produce 132 units of housing per year, would need to add an additional 8,900 workers, a 25% increase over current levels

# Themes that guided our discussions:

- Cities play an important role in promoting housing development, particularly in terms of development authority and permitting, and infrastructure provision. Increasingly accessing revenue tools.
- Cities want everyone to do their part, but flexibility on how.
- Cities do not build housing and do not fully control when and where building occurs.
- Any successful package of proposals that will meaningfully improve our housing availability and affordability must involve more than just zoned capacity and supply-side trickle-down solutions.
- There is a need for significantly more investment in housing for people at income levels that the market cannot and will never serve.

# Why won't market-only solutions work?

The housing need is greatest at the lowest income levels

Snohomish County		Projected Countywide Needs Based on User Inputs						
Scenario: PSRC Vision 2050 (2044)		Total	0-30%	30-50%	50-80%	80-100%	100-120%	120%+
Total Future Housing (2044)	475,513	48,915	65,483	83,979	76,233	65,821	135,082	
Baseline Housing Supply (2020)	317,348	10,998	42,985	67,180	62,562	49,788	83,835	
Net New Housing Needed (2020-2044)	158,165	37,917	22,498	16,799	13,672	16,034	51,247	

King County		Projected Countywide Needs Based on User Inputs						
Scenario: PSRC Vision 2050 (2044)		Total	0-30%	30-50%	50-80%	80-100%	100-120%	120%+
Total Future Housing (2044)	1,290,335	172,833	141,775	178,759	196,918	137,179	462,871	
Baseline Housing Supply (2020)	960,951	38,381	91,505	155,214	181,009	119,133	375,709	
Net New Housing Needed (2020-2044)	329,384	134,453	50,270	23,544	15,909	18,046	87,162	

Pierce County		Projected Countywide Needs Based on User Inputs						
Scenario: PSRC Vision 2050 (2044)		Total	0-30%	30-50%	50-80%	80-100%	100-120%	120%+
Total Future Housing (2044)	493,590	43,171	59,767	133,822	82,744	55,499	118,587	
Baseline Housing Supply (2020)	355,799	10,127	36,738	112,533	72,435	46,088	77,878	
Net New Housing Needed (2020-2044)	137,791	33,044	23,029	21,290	10,308	9,411	40,709	

Kitsap County		Projected Countywide Needs Based on User Inputs						
Scenario: PSRC Vision 2050 (2044)		Total	0-30%	30-50%	50-80%	80-100%	100-120%	120%+
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# ADVISORY BOARD RECRUITMENT & APPOINTMENT

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SSHA<sup>3</sup>P EXECUTIVE BOARD REGUAR MEETING

JANUARY 6, 2023

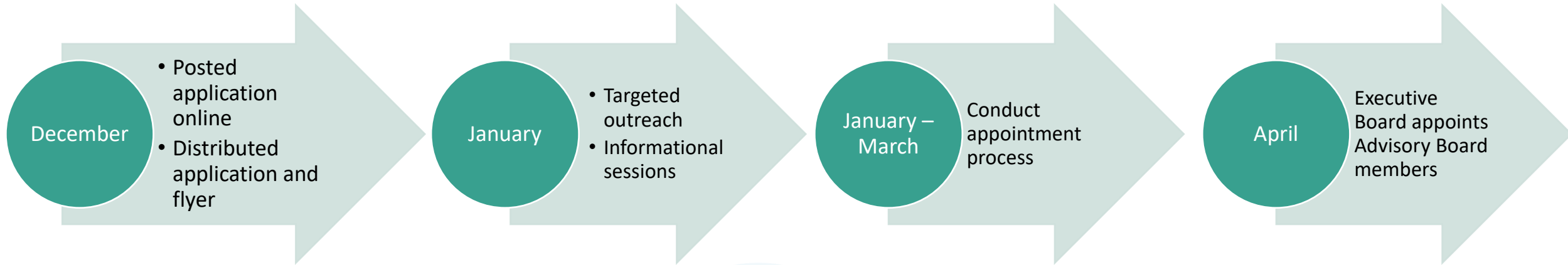
MARY CONNOLLY, SSHA<sup>3</sup>P PROGRAM SPECIALIST 2

# AGENDA

- Recruitment and Appointment Timeline
- Appointment Process
  - Option 1
  - Option 2
  - Option 3
  - Option 4
- Summary



# RECRUITMENT & APPOINTMENT TIMELINE



# APPOINTMENT PROCESS

STEP	DETAILS
1. Initial application review	Mary and Jason review application.
2. Phone screening interview	Mary conducts a brief phone screening interview.
3. Interview	Options presented for the Executive Board's direction.
4. Recommendation	Options presented for the Executive Board's direction.
5. Appointment	The Executive Board appoints Advisory Board members at the April 7 Executive Board meeting.



# OPTION 1

STEP	DETAILS
3. Interview	Interviews conducted by Mary, Jason and 1 staff workgroup member.
4. Recommendation	15-20 recommended applicants are presented to the Board for appointment at the April 7 Executive Board meeting.



# OPTION 2

STEP	DETAILS
3. Interview	Interviews conducted by Mary, Jason, 1 staff workgroup member, and 1 Executive Board member.
4. Recommendation	15-20 recommended applicants are presented to the Board for appointment at the April 7 Executive Board meeting.



# OPTION 3

STEP	DETAILS
3. Interview	Interviews conducted by Mary, Jason and 1 staff workgroup member.
4. Recommendation	Executive Board Subcommittee reviews qualified applicants and recommends 15-20 applicants for Board appointment at the April 7 Executive Board meeting. <i>*Executive Board would appoint a Subcommittee of no more than 7 members at Feb or March meeting. The Subcommittee would meet 2-3 weeks before the April Board meeting to review and discuss applicants for appointment.</i>

# OPTION 4

STEP	DETAILS
3a. Staff interview	Interviews conducted by Mary, Jason, and 1 staff workgroup member.
3b. Executive Board interview	Interviews conducted by members of an Executive Board Subcommittee. <i>*Executive Board would put together a Subcommittee of no more than 7 members at Feb meeting.</i>
4. Recommendation	Executive Board Subcommittee recommends 15-20 applicants for Board appointment at the April 7 Executive Board meeting. <i>*The Subcommittee would meet 2-3 weeks before the April Board meeting to review and discuss applicants for appointment.</i>

# SUMMARY

#	1 Board member involved in each interview	Additional interview conducted by Subcommittee members	Subcommittee makes final recommendations
Option 1			
Option 2	✓		
Option 3			✓
Option 4		✓	✓



# ADVISORY BOARD RECRUITMENT & APPOINTMENT

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SSHA<sup>3</sup>P EXECUTIVE BOARD REGUAR MEETING

JANUARY 6, 2023

MARY CONNOLLY, SSHA<sup>3</sup>P PROGRAM SPECIALIST 2

## JOIN THE ADVISORY BOARD!

### *SOUTH SOUND HOUSING AFFORDABILITY PARTNERS*



#### **ABOUT SSHA<sup>3</sup>P**

Established in 2021, the South Sound Housing Affordability Partners (SSHA<sup>3</sup>P) is an intergovernmental collaboration between Pierce County, the Puyallup Tribe of Indians, and 13 cities and towns across Pierce County, working together to create and preserve affordable, attainable, and accessible housing throughout our communities.



#### **LEARN MORE**

Virtual Q&A sessions will be held Tuesday, January 17. Click below to register:

- 11 a.m. - Noon
- 6 - 7 p.m.



#### **BOARD MEMBERSHIP**

We seek applicants who reflect the geographic and demographic diversity of the Pierce County community and who represent one of the following categories:

- People with experience living in Affordable housing
- Developers, designers, planners, builders, or managers of housing development projects
- Advocates and/or advisors on land use and housing issues

Members will be asked to complete a one-, two-, or three-year term and attend regular meetings, occurring approximately every other month on weekday evenings.

The 15 member Advisory Board will advise and provide recommendations to the SSHA<sup>3</sup>P Executive Board on the annual SSHA<sup>3</sup>P work plan and budget, federal and state legislative priorities, and housing policies and programs.



#### **EASILY APPLY ONLINE**

Submit your application by January 27 to be considered for the first round of interviews. To ask questions contact Mary Connolly at 253-625-4153.

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**TO:** SSHA<sup>3</sup>P Executive Board  
**FROM:** Jason Gauthier, SSHA<sup>3</sup>P Manager  
**COPY:** SSHA<sup>3</sup>P Member Government Staff Work Group  
**SUBJECT:** State Legislative Advocacy Support  
**DATE:** December 22, 2022

## BACKGROUND

January 9, 2023 is the start of the 2023 Washington State Legislative session. The 120-day session is driven by the creation and adoption of a 2023-205 biennial budget. Housing related issues have been identified as a priority area by the Governor and Senate and House majorities for work in this upcoming session.

SSHA<sup>3</sup>P has been working to coordinate with in-house government affairs staff and contract lobbyists from member governments to identify areas of common interest and avoid duplication, while collaborating and supporting our aligned work. For our members without in-house or contract government affairs representation, SSHA<sup>3</sup>P staff has established working relationships with staff and Executive Board members that will allow us to communicate on issues of aligned interest and support advocacy efforts.

In October 2022 the Executive Board passed Resolution No. 2022-06, adopting SSHA<sup>3</sup>P's [2023 State Legislative Agenda](#). SSHA<sup>3</sup>P has been working with legislators, member governments, and stakeholders to identify opportunities to advance the priorities outlined in SSHA<sup>3</sup>P's legislative agenda.

## ONGOING SSHA<sup>3</sup>P LEGISLATIVE SUPPORT

SSHA<sup>3</sup>P staff has identified the following tasks, which may vary from week-to-week, that will be conducted during the legislative session:

- monitoring committees of jurisdiction
- tracking and analyzing specific legislation;
- producing and distributing legislative hot-sheets, tracking policy and budget developments;
- identifying opportunities for SSHA<sup>3</sup>P members to provide public testimony on specific legislation;
- meeting with legislators, either solely or in conjunction with appropriate member government staff members;
- coordinating activities with allied interests;
- providing monthly legislative briefing during Executive Board meeting; and
- attending ad-hoc work groups with coalitions and stakeholder groups.

## SSHA<sup>3</sup>P LEGISLATIVE SUPPORT MENU

SSHA<sup>3</sup>P's staff has also identified the following tasks that can be conducted at the request of member governments:

- assisting Executive Board members and/or member government staff in producing talking points and testimony to advance shared priorities;
- providing one-on-one or group legislative briefings;
- scheduling meeting with legislators on issues of aligned interest; and/or
- producing legislative analysis specific to requesting government





**TO:** SSHA<sup>3</sup>P Executive Board  
**FROM:** Jason Gauthier, SSHA<sup>3</sup>P Manager  
**COPY:** Mary Connolly, SSHA<sup>3</sup>P Program Specialist II  
**SUBJECT:** 2022 Washington State Affordable Housing Awards  
**DATE:** December 22, 2022

On December 21, 2022, the Washington State Department Commerce announced 2022 affordable housing awards in four funding categories:

1. 2022 Cottage Awards (\$8,593,414)
2. 2022 HOME & NHTF Awards (\$6,711,445)
3. 2022 Rapid Capital Housing Acquisition (RCHA) - Funding GAP Awards (\$4,828,482)
4. 2022 Housing Trust Fund (HTF) Traditional Awards (\$57,234,090)

The amount of funding available for multi-family rental, homeless shelter, and permanent supportive housing projects was unprecedented for a supplemental budget year and didn't include an additional \$25 million which was included in a separate Housing Trust Fund Notice of Funding Availability (NOFA), responses due on January 19, 2023.

Pierce County projects received five awards totaling \$10,189,537, two additional projects made the Housing Trust Fund waitlist, and one project application was declined.

Awarded Projects						
Applicant Name	Project Name	City	Total Low Income	Units/Beds for Homeless	Award Amount	Funding Category
Asia Pacific Cultural Center	Lincoln District Senior Housing	Tacoma	77	39	\$4,917,789	HOME & NHTF
Parkview Services	Parkview Homes XIX - Group Training Home	Graham	6		\$1,234,466	HTF Traditional
Parkview Services	Parkview Homes XXI - New Construction	Graham	4		\$1,634,435	HTF Traditional
Parkview Services	Parkview Homes XXI - Graham Rehab	Graham	4		\$802,847	HTF Traditional
Low Income Housing Institute	Comfort Inn	Tacoma	120	120	\$1,600,000	RCHA GAP Funding
Waitlisted Projects						
Applicant Name	Project Name	City	Total Low Income	Units/Beds for Homeless	Requested Amount	Funding Category
LASA	Gravelly Lake Commons	Lakewood	25		\$4,412,469	HTF Traditional
Tacoma Rescue Mission	TRM Shelter Expansion	Tacoma	210	210	\$5,000,000	HTF Traditional
Declined Applications						
Applicant Name	Project Name	City	Income Housing	Units/Beds for Homeless	Requested Amount	Funding Category
LASA	Flett Meadow Rehabilitation	Lakewood	13		\$344,400	HTF Traditional