

SSHA³P

South Sound Housing Affordability Partners Executive Board Meeting Minutes

May 5, 2023

8:30 – 9:51 a.m.

Executive Board: Mayor Nancy Backus, City of Auburn – present
Councilmember Kevin Ballard, City of DuPont – present
Deputy Mayor Mike Winkler, City of DuPont - present
Mayor Daryl Eidinger, City of Edgewood – present
Councilmember Christi Keith, City of Edgewood (alternate) - present
Mayor Kim Roscoe, City of Fife – present
Councilmember Doug Fagundes, City of Fife - present
Councilmember Hunter George, City of Fircrest – present
Mayor Pro Tempore Joe Barrentine, City of Fircrest - excused
Mayor Tracie Markley, City of Gig Harbor – present
Councilmember Mike Brandstetter, (alternate) City of Lakewood – present
Councilmember Paul Bocchi, City of Lakewood - absent
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 – absent
Mayor Dick Muri, Town of Steilacoom – present
Councilmember Nancy Henderson, Town of Steilacoom, (alternate) - present
Councilmember Charla Neuman, City of Sumner – absent
Chair, Mayor Victoria Woodards, City of Tacoma – present
Councilmember Kristina Walker, City of Tacoma (alternate) - excused
Councilmember Stan Flemming, City of University Place – present

Staff: Jason Gauthier, SSHA³P Manager
Mary Connolly, Program Specialist
Becki Foutz, Administrative Assistant

Guests: Nick Federici, Trish Crocker, Kenneth George, Bryan Schmid, PCHA, Taylor Jones, Ryan Windish, Katie Baker, John Howell, LeighBeth Merrick, Tiffany Speir, Patti Spaulding-Klewin, Alex Harrington, Liz Crouse

MINUTES

TOPIC/ WHO	DISCUSSION	ACTION
Call to Order	Chair George called the meeting to order at 8:34. SSHA ³ P Manager Gauthier called roll, per above; a quorum was present.	Welcome!
Consent Agenda	Any modifications to the agenda? None. Councilmember Flemming moved to approve the consent agenda. Mayor Backus seconded. The group voted to approve the consent agenda; none opposed.	The agenda was approved.

TOPIC/WHO	DISCUSSION	ACTION
Public Comment	Chair George invited the public to comment. None.	
2023 Legislative Session Briefing Nick Federici	<p>Session started out with high expectations; affordable housing didn't get as much money as first hoped, but did get over \$700M: \$163.6M for competitive buckets, \$95M for permanent supportive housing, \$40M for home ownership projects, \$25M for housing persons with disabilities, \$25M for preservation of existing affordable housing and \$6M for mobile homes. These figures are all unprecedentedly large commitments that were granted unanimously from both houses.</p> <p>\$45.3M was provided for specific projects, including several in Pierce County \$400M for state housing trust fund. Additional funding was provided for specific projects, especially for homeless youth, and \$40M for land acquisition. Microsoft pledged \$50M and challenged the legislature to match it. Many projects fall apart because the land becomes too expensive; this will level the playing field a bit.</p> <p>\$60M was provided for the CHIP program (connecting programs with infrastructure). \$50M for transitory development (\$25M is state funds and \$25 anticipated from private donors such as Amazon.)</p> <p>Lots of good news in the operating budget! \$560M or \$704M for weatherization, half a billion dollars in investments for affordable housing to assist clients with supportive services, grants to local jurisdictions and state funding. Since real estate transactions are decreasing, \$48M for the state and \$18M for local cities and counties were provided as a one-time stop gap in hopes the housing market rebounds.</p> <p>\$150M was provided for the Right of Way program to relocate residents and clean up state-owned lands like WSDOT and state parks. There have been some great success stories in which these dollars have been quite helpful.</p> <p>Through HB1474, \$150M was provided for first-time home ownership for families who have historically been discriminated against.</p> <p>Nick opened for questions. None.</p> <p>The capital budget included major investments for projects in many jurisdictions, including \$14M for Habitat for Humanity to acquire properties currently owned by PCHA, to prevent people from being displaced.</p> <p>The budget is a policy document, not just words but deeds, funding what the legislature's prioritized. Realtors, home builders, developers, banks, affordable housing advocates, and everyone in between came together around the need to increase the supply of affordable housing in WA!</p>	Informational

TOPIC/WHO	DISCUSSION	ACTION
<p>2023 Legislative Session Briefing continued</p>	<p>There's a perception that not all local jurisdictions have been positive partners in developing affordable housing and some feel that their authority should be taken away.</p> <p>Two major zoning bills:</p> <p>HB1110 (middle housing) requiring more multi-unit development such as duplexes, six-plexes (passed, taking away local discretion)</p> <p>SB5466 transitory development – around transit stations which we'll eventually get here in Pierce County. Increases affordability and density in specific neighborhoods. (did <u>not</u> pass)</p> <p>There were dozens of other bills intended to help with supply introduced, such as 1337, and 5290, putting in place new requirements for local processes.</p> <p>Some landlord-tenant laws and stabilization bills were introduced and did not pass.</p> <p>Nick opened for questions. Chair George asked about 1110 – is there a sense that duplex requirements will lead to six plex requirements? There's always fervor but Nick feels that they'll wait to see how the law works – will it create supply and increase affordability? Only \$2M was provided to help with planning, all from Commerce. Local jurisdictions were not given funds to comply with the new and complex regulations.</p> <p>Councilmember Flemming expressed concern about local jurisdictions being perceived as hostile towards the state. What can we do to mitigate that? Nick said that wasn't a universal mentality, but a disturbingly strong narrative that he's not buying into. AWC created a policy explaining that they understand that supply and density needs to be increased, and they're willing to accommodate if it's done in a less disruptive way. This doesn't necessarily reflect unanimity within the housing community, but does indicate that jurisdictions want to cooperate.</p> <p>Chair George thanked members of the group who were actively testifying in Olympia. University Place is building an incredible number of units!</p> <p>Councilmember Brandstetter noted that several bills essentially promoted not letting environmental protection issues get in the way of developing affordable housing. On the other hand, another set of bills passionately protects the climate and environment. How do we balance that, moving forward? Nick noted we're trying to find a middle ground and balance those issues. The perception is that there's been litigation around SEPA and other environmental legislation intended to delay and/or increase costs of development.</p>	<p>Analysis of 5466</p>

TOPIC/WHO	DISCUSSION	ACTION
<p>2023 Legislative Session Briefing continued</p>	<p>Seattle has a lot of construction going on right now, with little or none of it affordable. The people we're trying to serve are being priced out of the market. Commerce conducted a study to see what will be needed, and over half of the units will need to be affordable. This is a conundrum that did not get solved this year. There's hope that 1110 will expand affordability. There wasn't agreement, but hopefully public policies and intentional specific use of state funds and state policy will be done in a way to serve the most vulnerable.</p> <p>Mayor Markley noted that we have so many fractured pieces – how do we get the right people in the room to solve this massive, complex issue? Does Nick have any ideas what we can do between now and the next legislative session? Nick feels that we've taken the first steps. No one has figured this out. The West coast has more of a problem than many regions. Step one is collective action and decision-making. He advises his clients to do the hard things; don't just go for the lowest common denominator. What moves the needle is using state grants, pass-throughs, etc. It's crucial to find the right people to have in the room to come to a positive conclusion. Hiring Jason was a great step!!</p> <p>Chair George pointed out that this was an extraordinary session! We're taking big bites out of the elephant. Maureen Fife from Habitat for Humanity sent a thank you letter to Mayor Markley and Chair George, thanking SSHA^{3P} for putting their \$14M dollar request for home ownership partnership on the legislative agenda. Maureen specifically expressed her gratitude for Jason. This will result in 80 new permanently affordable units! Jason clarified that Pierce County got the request on the agenda.</p>	<p>Great job Jason!!</p> <p>Thank you, Nick!</p>
<p>Temporary Increase in Staff Hours Jason Gauthier</p>	<p>Jason referenced the memorandum shared with the group a couple of weeks ago, proposing a temporary increase in Program Specialist Mary Connolly's hours, from 20 to 36 hours a week, beginning May 8. The current pace of spending will end FY 23 with approximately \$105,000 left to spend. The memorandum lays out plans for the position. There's no policy in place regarding operation fund expenditure authorization. This increase in hours doesn't necessarily require Board approval or authorization, but staff wants to ensure trust, collaboration, and transparency.</p> <p>Mayor Muri said there was a bit of pushback regarding the 20% increase in SSHA^{3P} dues. If we must raise dues to increase the hours, SSHA^{3P} might lose Steilacoom. Councilmember Brandstetter noted that the memorandum lists the increase as temporary and within the 2023 budget, however, the list of additional tasks that the position would take on seems contrary to making this a temporary increase. Will this become a new baseline?</p>	<p>Discussion</p>

TOPIC/WHO	DISCUSSION	ACTION
<p>Temporary Increase in Staff Hours continued</p>	<p>Jason doesn't know the path forward on the budget yet. As SSHA³P work has increased, especially in comprehensive plan elements, we want to serve members better. Jason will be scheduling one-on-one meetings with Board members to see what they'd like to see in 2024, and to review the budget. Staff does take members' concerns seriously regarding the dues increase. Members will receive a draft budget next month.</p> <p>Councilmember Brandstetter doesn't want to do the extra work for nine months and then drop it. Jason looks forward to discussing this further with Councilmembers Brandstetter and Bocchi.</p> <p>Chair George said that the increase is truly temporary, due to County HR regulations. We should decide whether this position should be full-time or accept this "burst of activity" and then scale back. Mary's been quite flexible.</p> <p>Councilmember Flemming shares the concerns that Councilmember Brandstetter and Mayor Muri have raised, however he looks forward to the dialogue with Jason to get clarity.</p>	<p>Jason will send a follow-up email, including an easy link to schedule meetings with him.</p>
<p>SSHA³P Manager Report Jason Gauthier</p>	<p>Quick updates: Jason referenced the quarterly budget performance report included in the meeting packet. Members will receive invoices in Q2. SSHA³P is here to create and preserve affordable housing; Jason's working with the affordable housing community to push projects forward. The Frederickson property acquisition will result in 25 new units. He had a productive conversation with Pierce Transit about surplus property at 72nd and Portland Avenue. This could be the site for hundreds of units of senior housing! More meetings to follow with a large regional affordable housing developer to expedite this.</p> <p>Mary reported that the Advisory Board's first meeting is scheduled for Monday, May 22 from 6:00 to 8:00 p.m. At this meeting the Board will set their meeting schedule, adopt rules and procedures, and provide feedback on SSHA³P's work plan and budget.</p> <p>Gig Harbor asked for SSHA³P's help with their comprehensive plan. The memorandum is included in the meeting packet. Community engagement is an essential aspect of creating a comprehensive plan.</p> <p>Chair George opened for questions: none.</p>	<p>Informational</p>

TOPIC/WHO	DISCUSSION	ACTION
Executive Board Updates/Comments	<p>Chair George invited members to report. Chair George reported that 290 units are being created in Fircrest! They ran into some sewer connection issues which the City of Tacoma and Pierce County are helping them through.</p> <p>Mayor Muri said that Steilacoom's Old Mill property is buildable. They've had homeless encampments and fires, but in a couple of years he foresees that there will be middle housing developed there.</p> <p>Councilmember Mello noted that the County Council is beginning its legislative process this next week to consider one of the items in the SSHA³P policy toolkit, SEPA reform to increase the number of lots exempted from SEPA. This should make housing development a little less expensive.</p>	<p>SEPA Categorical Exemptions</p>
Good of the Order/Adjournment	<p>The meeting adjourned at 9:51 a.m.</p>	<p>Meeting adjourned!</p>

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

Respectfully submitted,

Becki Foutz
Administrative Assistant