

# SSHA<sup>3</sup>P

## South Sound Housing Affordability Partners Executive Board Meeting Minutes

July 7, 2023

8:30 – 9:46 a.m.

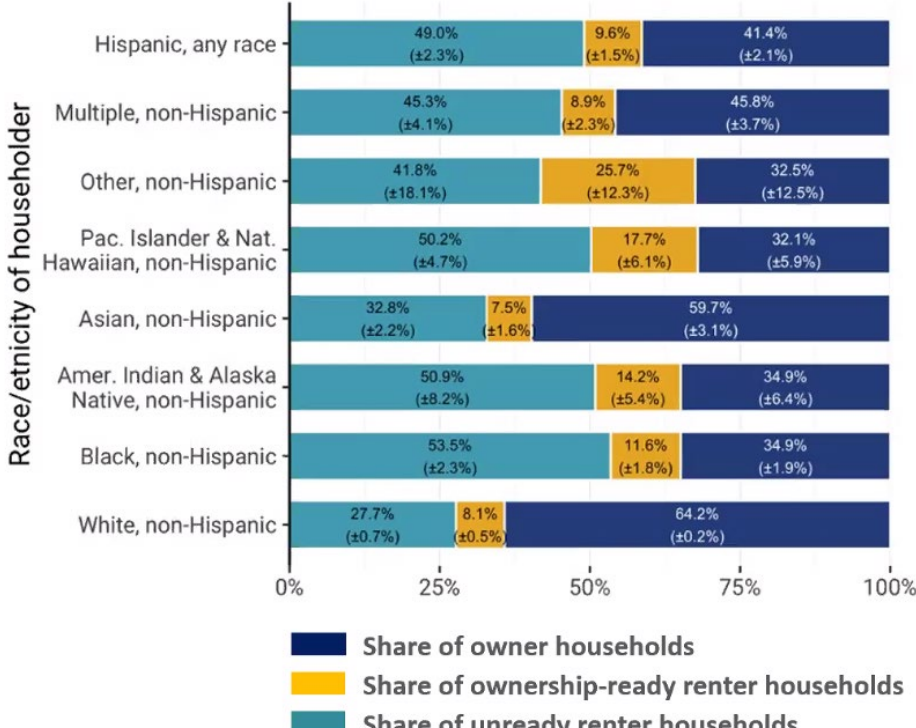
**Executive Board:** Mayor Nancy Backus, City of Auburn – present  
 Councilmember Kevin Ballard, City of DuPont – present  
 Deputy Mayor Mike Winkler, City of DuPont - present  
 Mayor Daryl Eiding, City of Edgewood – present  
 Councilmember Christi Keith, City of Edgewood (alternate) - excused  
 Mayor Kim Roscoe, City of Fife – present  
 Councilmember Doug Fagundes, City of Fife – present (partial)  
 Councilmember Hunter George, City of Fircrest – present  
 Mayor Pro Tempore Joe Barrentine, City of Fircrest - present  
 Mayor Tracie Markley, City of Gig Harbor – present  
 Councilmember Mike Brandstetter, (alternate) City of Lakewood – excused  
 Councilmember Paul Bocchi, 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 – 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 – excused  
 Deputy Mayor Kristina Walker, City of Tacoma (alternate) - present  
 Councilmember Stan Flemming, City of University Place – excused

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

**Guests:** Marty Kooistra, Ted Richardson, Ryan Windish-Sumner, Riley Guerrero, LeighBeth Merrick, Tiffany Speir, Cynthia Stewart, John Howell, Alex Harrington, Adam Reichenberger, Taylor Jones

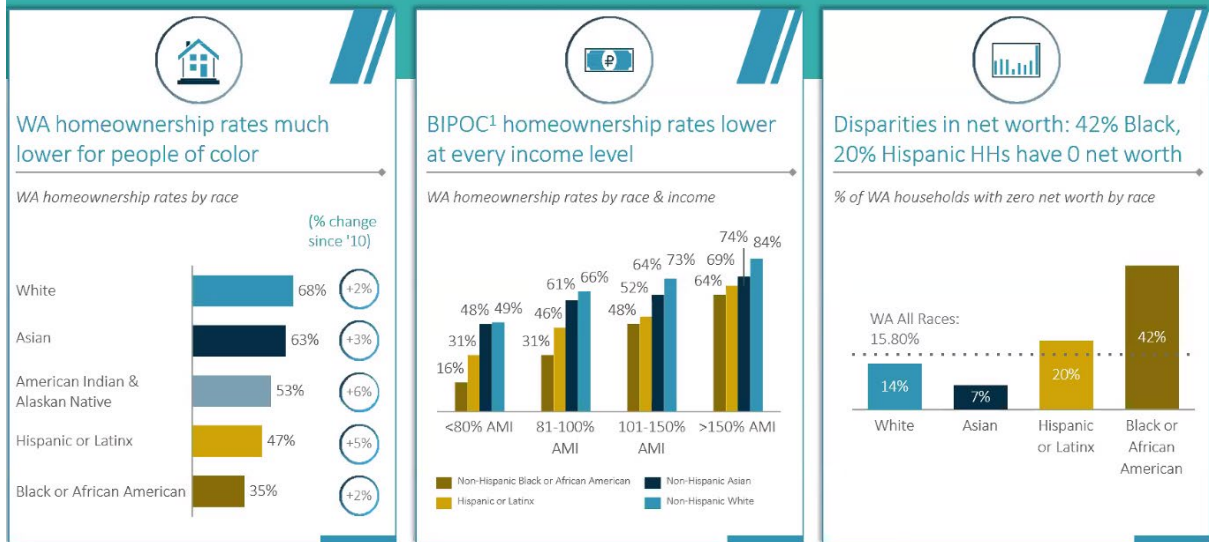
### MINUTES

TOPIC/ WHO	DISCUSSION	ACTION
<b>Call to Order</b>	Chair George called the meeting to order at 8:33 a.m. SSHA <sup>3</sup> P Manager Gauthier called roll, per above; a quorum was present.	Wel- come!
<b>Consent Agenda</b>	Any modifications to the agenda? None. Councilmember Mello moved to approve the agenda. Mayor Markley seconded. Vote was taken, none opposed.	Agenda was ap- proved.

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<b>Public Comment</b>	Chair George invited the public to comment. None.																																					
<b>Resolution 2023-05</b> Jason Gauthier	Resolution 2023-05 adopts the 2024 SSHA <sup>3</sup> P Work Plan; Jason provided an overview. The plan's four focus areas are: Facilitate the Development of Affordable Housing; Support Policy & Planning Efforts; Information & Engagement; and Governance & Administration. Deputy Mayor Walker moved, and Mayor Roscoe seconded to approve the Resolution. Mayor Roscoe moved, and Mayor Markley seconded to amend the date in the heading of the Resolution from 2022 to 2023. Votes were taken; none opposed.	Resolution 2023-05, was adopted.																																				
<b>Black Home Initiative (BHI) Presentation</b> Marty Kooistra	Jason introduced Marty Kooistra and noted that one of the questions he'll have for the Executive Board is for them to consider signing on as a partner to support BHI's work, as the Pierce County Council recently did. Marty congratulated the group for designing SSHA <sup>3</sup> P and making it a reality. In March of 2021, he gathered about 52 bankers together virtually to discuss addressing the intergenerational wealth gap. They held a summit of 140 people and afterward created a Seven Point Plan. The Center for Community Investment selected Civic Commons to convene a three-year greater Seattle effort. (Seattle is one of five cities around the country to do this, with initial seed money from JP Morgan Chase. BHI is implementing the Plan in South Seattle, South King County, and North Pierce County.	Informational																																				
	 <p>The chart displays the distribution of household types across various racial and ethnic groups. The categories are: Share of owner households (dark blue), Share of ownership-ready renter households (yellow), and Share of unready renter households (teal). Error bars represent standard deviation.</p> <table border="1"> <thead> <tr> <th>Race/ethnicity of householder</th> <th>Share of unready renter households</th> <th>Share of ownership-ready renter households</th> <th>Share of owner households</th> </tr> </thead> <tbody> <tr> <td>Hispanic, any race</td> <td>49.0% (±2.3%)</td> <td>9.6% (±1.5%)</td> <td>41.4% (±2.1%)</td> </tr> <tr> <td>Multiple, non-Hispanic</td> <td>45.3% (±4.1%)</td> <td>8.9% (±2.3%)</td> <td>45.8% (±3.7%)</td> </tr> <tr> <td>Other, non-Hispanic</td> <td>41.8% (±18.1%)</td> <td>25.7% (±12.3%)</td> <td>32.5% (±12.5%)</td> </tr> <tr> <td>Pac. Islander &amp; Nat. Hawaiian, non-Hispanic</td> <td>50.2% (±4.7%)</td> <td>17.7% (±6.1%)</td> <td>32.1% (±5.9%)</td> </tr> <tr> <td>Asian, non-Hispanic</td> <td>32.8% (±2.2%)</td> <td>7.5% (±1.6%)</td> <td>59.7% (±3.1%)</td> </tr> <tr> <td>Amer. Indian &amp; Alaska Native, non-Hispanic</td> <td>50.9% (±8.2%)</td> <td>14.2% (±5.4%)</td> <td>34.9% (±6.4%)</td> </tr> <tr> <td>Black, non-Hispanic</td> <td>53.5% (±2.3%)</td> <td>11.6% (±1.8%)</td> <td>34.9% (±1.9%)</td> </tr> <tr> <td>White, non-Hispanic</td> <td>27.7% (±0.7%)</td> <td>8.1% (±0.5%)</td> <td>64.2% (±0.2%)</td> </tr> </tbody> </table>	Race/ethnicity of householder	Share of unready renter households	Share of ownership-ready renter households	Share of owner households	Hispanic, any race	49.0% (±2.3%)	9.6% (±1.5%)	41.4% (±2.1%)	Multiple, non-Hispanic	45.3% (±4.1%)	8.9% (±2.3%)	45.8% (±3.7%)	Other, non-Hispanic	41.8% (±18.1%)	25.7% (±12.3%)	32.5% (±12.5%)	Pac. Islander & Nat. Hawaiian, non-Hispanic	50.2% (±4.7%)	17.7% (±6.1%)	32.1% (±5.9%)	Asian, non-Hispanic	32.8% (±2.2%)	7.5% (±1.6%)	59.7% (±3.1%)	Amer. Indian & Alaska Native, non-Hispanic	50.9% (±8.2%)	14.2% (±5.4%)	34.9% (±6.4%)	Black, non-Hispanic	53.5% (±2.3%)	11.6% (±1.8%)	34.9% (±1.9%)	White, non-Hispanic	27.7% (±0.7%)	8.1% (±0.5%)	64.2% (±0.2%)	
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<p><b>Black Home Initiative (BHI) Presentation continued</b></p>	<p>There's a nasty downward trend in Black homeownership in Tacoma. Black households are declined for credit at a far higher rate than white households.</p>	<p>Informational</p>
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These disparities create a negative, reinforcing cycle<sup>2</sup>

	<p>Shared Priority is their North Star that guides community collaborative work. Pipeline: a set of deals and projects that help achieve the shared priority. Enabling Environment: setting in which community investment occurs.</p> <p>Ultimate desired impact: <i>The reduction of racial inequity and an increase in intergenerational Black household wealth.</i></p>	
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## BHI Shared Priority and Line of Sight (cont.)





<p><b>December 2032:</b> <i>What we hope to celebrate (outcomes)</i></p>	<ul style="list-style-type: none"> <li>3,000 new Black LMI homeowners (with homes, mortgages, and locations as noted above).</li> <li>Sustained and meaningful progress along a trajectory that leads to the elimination of: <ul style="list-style-type: none"> <li>disproportionality in homeownership rate between Black and white households</li> <li>systemic barriers, including lending underwriting and real estate practices, that have impeded Black household access to homeownership.</li> </ul> </li> </ul>
<p><b>December 2027:</b> <i>What we hope to celebrate (outcomes)</i></p>	<ul style="list-style-type: none"> <li>1,500 new first time Black LMI homeowners (note, independent of sustaining existing buyers)</li> <li>All systems that have impeded access to Black homeownership have been clearly defined and some have been transformed.</li> </ul>
<p><b>July 2024:</b> <i>Progress made towards those outcomes</i></p>	<ul style="list-style-type: none"> <li>We are a strongly aligned impact network delivering on the shared priority and outcomes.</li> <li>New products—including loans, housing, programs, and resources—are underway.</li> <li>At least one policy win.</li> <li>Strategies to sustain existing buyers are implemented.</li> </ul>
<p><b>In place :</b> <i>Progress is being made towards those outcomes</i></p>	<ul style="list-style-type: none"> <li>Strong Core Team and group of advisors (Full Team) are in place, and they: <ul style="list-style-type: none"> <li>demonstrate trusting relationships with each other,</li> <li>are connected to the community, and</li> <li>have honed the project focus, mapped and aligned existing actions, and affirmed the community's shared priorities and developed a workplan.</li> </ul> </li> <li>A policy framework is mapped and enables the shared vision.</li> </ul>

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<p><b>Black Home Initiative (BHI) Presentation continued</b></p>	<p><b>The Comprehensive Focus:</b> <b>BHI's Issue Tree</b></p> <p><b>How can we significantly scale the number of Black homeowners in order to achieve our shared priority?</b></p> <p><b>Pipeline: Supply and Demand</b></p> <p><b>Enabling Environment</b></p> <p><b>Aligned capacity and actions</b></p>	<p>Informational</p>
	<p>How is BHI's Plan different than past efforts? They're changing the entire outreach strategy by approaching people who may not even think that homeownership is a possibility for them. They're creating down payment assistance programs, and working with five Black developers in Tacoma, getting them capacity-building resources and a fund they can access. They're also working with philanthropy. They'd like to bump up the DRF to create \$100M annually that those who've been negatively impacted by restrictive covenants in the past can access. They're investing in network mindset, and bringing together all players and sectors to learn and co-create together.</p> <p>Homeownership is not an event; it's a journey. 71 entities have signed on to partner with BHI thus far. Success will rely on changing systems that are long overdue for change.</p> <p>Back in 1976, one household was able to buy a home in Seattle; another was not – there's now a \$507,000 difference in wealth between those two households.</p> <p>Chair George expressed how impressed he was with Marty's work. Marty worked with John Howell to establish SSHA<sup>3</sup>P. Executive Dammeier reported that the percentage of Black home ownership in Pierce County is now half of what it was back when redlining was legal. In the past, qualifying people who weren't ready didn't. How will we know whether the Initiative is accomplishing its goal?</p>	

TOPIC/WHO	DISCUSSION	ACTION
<p><b>Black Home Initiative (BHI) Presentation continued</b></p>	<p>1500 (the goal for new first-time Black homeowners by December, 2027) was broken out by quarters in terms of buyers and supply. Marty believes that 1000 new units will need to be produced for the 1500. Data on buyers and product performance will be the key metrics. Marty also wants to track how much of the resources gets into the hands of Black developers and BIPOC-led organizations. The hardest part is the hole that's been created, following generations of no wealth.</p> <p>Down payment assistance is key. The Federal government has awakened and begun a special assistance credit program. A number of others are also working on programs targeting funds towards populations who historically have had restricted access to homeownership.</p> <p>What's SSHA<sup>3</sup>P's role? Does the group want to formally sign on to the BHI pledge as a body? Do we create tools within our individual governments?</p> <p>Paul thanked Marty for the presentation. He noted that people, often minorities, find themselves with "toxic mortgages," with bad terms. How is BHI helping to ensure that targeted groups will get standard mortgage products? Marty said they're building a portal at the WA Homeownership Resource Center, embedding loaners who've done DEI work. They're also working closely with Umpqua and Chase who've hired Black community lending officers. People will not be forced or encouraged into properties or terms they can't afford. They're working carefully to not do any harm. Current property taxes work against sustained homeownership.</p> <p>Councilmember Mello explained why the Council enthusiastically signed on; there's no financial commitment, yet there's fantastic potential with all working together, especially with the recent passing of the Maureen Howard dedicated revenue stream to address the wealth gap. Working with for-profit, private coalitions to leverage our limited tax dollars is of keen interest to Pierce County. Getting ready for homeownership is different for every family. It'll be valuable to access the toolkit. Mello wholeheartedly supports SSHA<sup>3</sup>P committing to partnership with BHI. Chair George agreed.</p> <p>Jason shared that SSHA<sup>3</sup>P doesn't have a policy for making proclamations at this time; he noted that the PSRC considered passing a proclamation but ultimately decided that was not their function. There's no timeframe in which to sign on as a partner. Jason suggested that staff could work with sister organizations on a potential policy for partnering on other efforts, and report back at a future meeting.</p> <p>Executive Dammeier said that we've been using affordability as a proxy for disadvantage; it would be good to collect demographics to better understand the outcomes of the housing units we initiate/support/create. Mayor Markley agreed, and thanked Marty for his presentation, bringing this to SSHA<sup>3</sup>P's attention.</p>	<p>Discus- sion</p>

TOPIC/WHO	DISCUSSION	ACTION
<p><b>Black Home Initiative (BHI) Presentation continued</b></p>	<p>Deputy Mayor Walker expressed her support for SSHA<sup>3</sup>P partnering with BHI. She shared that the City of Tacoma conducted a disparity study about a year and a half ago that really helped them to invest in Black home ownership.</p> <p>Marty told the group that Tacoma and Pierce County are ripe for the opportunity to do something significant in this area. Money from Chase has been used to establish the Black Ownership Legacy fund, a capacity building fund, at the Greater Tacoma Community Foundation. It will be an incumbent upon Seattle-based organizations to apply through the Tacoma foundation in order to get resources for this effort. A second fund, the Field Order 15 Fund is being set up at the Statewide Home Ownership Center for pre-development funding, grants, and loans for developers to provide home ownership opportunities. A third fund, for debt alleviation, will be announced in a few months. BHI's completely enthusiastic at what they're seeing right now in Pierce County.</p> <p>Chair George thanked Marty.</p>	<p>Discussion</p>
<p><b>2023 Executive Board Scheduling Update</b> Jason Gauthier</p>	<p>Jason told the Board what's planned for future 2023 meetings.</p> <p>August: Presentations on the 1590 Expenditure Plan and Middle Housing Grant Deliverables. One of the new requirements is a racial equity analysis. Changes will be discussed on moving the timing of elections of Chair and Vice Chair, and revising the process for presenting Resolutions.</p> <p>In September there will be presentations on Affordable Housing on Religious Owned Property, Draft 2024 State and Federal legislative priorities, and the draft Advisory Board Work Plan.</p> <p>October – SSHA<sup>3</sup>P will meet in person at Fircrest City Hall. The plan is for SSHA<sup>3</sup>P to meet in person annually, in the current Chair's city. Members of the legislative delegation will be invited for a Meet &amp; Greet.</p> <p>November – Presentation on Resident Owned Manufactured Home Communities. A Resolution to adopt the 2023-2024 Advisory Board work plan will be presented.</p> <p>December Election of Chair and Vice Chair (assuming the above-mentioned change is adopted), 2024 legislative preview. Resolutions to adopt policies related to the SSHA<sup>3</sup>P operating fund, to adopt 2024 operating budget, to establish a SSHA<sup>3</sup>P Housing Capital Fund and rules and procedures around that fund.</p> <p>Any specific presentations the group's interested in hearing? None expressed.</p>	<p>Informational</p>

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<p><b>SSHA<sup>3</sup>P Manager Report</b> Jason Gauthier &amp; Mary Connolly</p>	<p>At the June meeting the Advisory Board adopted Bylaws, a regular meeting date, and began working on their Work Plan. They elected their executive team with Adria Buchanan as Chair and Rian Booker and Judson Willis as Vice Chairs.</p> <p>Mary shared and explained the financially attainable graphics; an example is below.</p>	<p>Informational</p>												
	<div style="text-align: center;"> <h3>How financially attainable is the housing in Auburn?</h3> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">If your household earns...</th> <th style="width: 15%;">\$33,780 / year <small>(30% Area Median Income)</small></th> <th style="width: 15%;">\$56,300 / year <small>(50% Area Median Income)</small></th> <th style="width: 15%;">\$90,080 / year <small>(80% Area Median Income)</small></th> <th style="width: 15%;">\$112,600 / year <small>(100% Area Median Income)</small></th> <th style="width: 15%;">\$135,120 / year <small>(120% Area Median Income)</small></th> </tr> </thead> <tbody> <tr> <td>Then you can afford...</td> <td>\$840 monthly rent or \$140,000 home sale price</td> <td>\$1410 monthly rent or \$235,000 home sale price</td> <td>\$2250 monthly rent or \$370,000 home sale price</td> <td>\$2820 monthly rent or \$465,000 home sale price</td> <td>\$3380 monthly rent or \$555,000 home sale price</td> </tr> </tbody> </table> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="text-align: center;">   <b>Retail Salesperson</b>  <small>\$38,792 yearly income</small> </div> <div style="text-align: center;">   <b>Elementary School Teacher</b>  <small>\$86,470 yearly income</small> </div> <div style="text-align: center;">   <b>Registered Nurse</b>  <small>\$99,310 yearly income</small> </div> <div style="text-align: center;">   <b>Construction Manager</b>  <small>\$116,800 yearly income</small> </div> </div> <div style="margin-top: 10px; text-align: center;"> <p>★ Auburn Average Rent: \$1,660      ★ Auburn Median Home Sale Price: \$582,475</p> </div> <div style="border: 2px solid blue; padding: 5px; margin-top: 10px; text-align: center;"> <p><b>To afford the median home sale price of \$582,475, a household needs to earn \$139,320 per year.</b></p> </div> </div>	If your household earns...	\$33,780 / year <small>(30% Area Median Income)</small>	\$56,300 / year <small>(50% Area Median Income)</small>	\$90,080 / year <small>(80% Area Median Income)</small>	\$112,600 / year <small>(100% Area Median Income)</small>	\$135,120 / year <small>(120% Area Median Income)</small>	Then you can afford...	\$840 monthly rent or \$140,000 home sale price	\$1410 monthly rent or \$235,000 home sale price	\$2250 monthly rent or \$370,000 home sale price	\$2820 monthly rent or \$465,000 home sale price	\$3380 monthly rent or \$555,000 home sale price	
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<p><b>Executive Board Updates/Comments</b></p>	<p>Chair George invited Executive Board members to provide updates and/or comments. Councilmember Mello brought to everyone's attention an email invite that he shared last night, to the July 19 groundbreaking of a new 256-unit project in Spanaway. This development is the first County investment using the Maureen Howard Affordable Housing Tax. Councilmember Mello encouraged SSHA<sup>3</sup>P Board members to attend if their calendars permit.</p>													
<p><b>Adjournment</b></p>	<p>Mayor Markley moved to adjourn; Deputy Mayor Walker seconded. The meeting adjourned at 9:46 a.m.</p>	<p>Meeting adjourned!</p>												

The next SSHA<sup>3</sup>P Executive Board meeting is scheduled for Friday, August 4, at 8:30 a.m. via Zoom.

Respectfully submitted,

Becki Foutz, Administrative Assistant