Kitsap Regional Coordinating Council

Kitsap Regional Coordinating Council (KRCC)
Affordable Housing Task Force (AHTF) Meeting Agenda (v.5-10-19)
May 16, 2019 |10:15 a.m. – 12:15 p.m. | Kitsap Transit, 60 Washington Ave. Bremerton, WA
3rd Floor Conference Room

Purposes

- Follow up on the homework assignments from the March 21 AHTF meeting, including the Housing Policy Tools Matrix and the lack of Community Development Block Grant (CDBG) funded projects for new rental units.
- Discuss the barriers to affordable housing and possible solutions for overcoming these barriers.

1. Welcome and Business (5")

    a. Chair's Comments
    b. AHTF Terminology for reference only (packet pg. 2)
    c. Approve March 21 AHTF meeting summary (packet pg. 3)

2. Review of Affordable Housing Homework from 3/21 AHTF Meeting (35")

    a. Review existing affordable housing tools homework. (See printed versions at meeting)
        i. **Discussion question:** Are these tools being used and are they working?
        ii. **Note:** The Puget Sound Regional Council (PSRC) is also collecting data regarding affordable housing policies and will build from Kitsap's affordable housing policy tools matrices.
    b. Update on outreach to better understand the lack of CDBG-funded projects for new rental units in Kitsap.

3. Education and Dialogue: Affordable Housing Panel (70")

    a. Chair Erickson will moderate the following panel (in alphabetical order):
        i. Phedra Elliot, Executive Director, Housing Resources Bainbridge
        ii. Stuart Grogan, Executive Director, Housing Kitsap
        iii. Russ Shiplet, Executive Officer Kitsap Building Association
        iv. Bonnie Tufts, Block Grant Manager, Kitsap County Dept of Human Services
        v. Kurt Wiest, Executive Director, Bremerton Housing Authority
    b. Dialogue, questions, and answers with AHTF members.

4. Public Comments (5")
5. AHTF Questions, Concerns, and Announcements (5")
6. Adjourn

The next meeting is scheduled for July 18, 2019 at Kitsap Transit. Topics include financing tools and a possible countywide emergency declaration for affordable housing.

Parking Lot for Future Research Topics:

- Current public money used for affordable housing countywide.
- Use of surplus public land for affordable housing.

DEFINING AFFORDABILITY 1

What does affordability really mean? What makes a house affordable, and why? What does it really cost to live in Washington today?

The Housing Needs Assessment describes factors that determine whether or not housing is affordable, to whom it is affordable and what places are more affordable than others.

Income Bands

A number of terms are used consistently throughout this report to refer to specific housing concepts.

» *Housing costs:* Homeownership costs include mortgage principal and interest, taxes, insurance and utilities. Rental costs include rent and utilities.

» *Affordability:* Housing is affordable if a household pays 30 percent or less of their income for all housing costs.

» *Median family income*: Incomes published by HUD for states, counties and large urban areas that are adjusted for household size. For Washington in 2012, this number was $72,900 per year. for a four-person household.

» *Area median income*: Some analyses use the median income for a given geographic area as a reference point. This income is not adjusted for household size like the median family income, and so is usually a smaller number.

» *Extremely low-income:* 30% or less of the median family income.

» *Very low-income:* 30% to 50% of the median family income.

» *Low-income:* 50% to 80% of the median family income. "Low-income" can also be used as a catch-all term for any household making 80 percent or less of the median family income.

» *Moderate-income:* 80% to 100% of the median family income.

» *Poverty:* The federal poverty threshold for a family of four in 2012 was $23,050 per year. This was about 32 percent of Washington's median family income.

» *Cost burden:* HUD defines any household paying more than 30 percent of household income on housing expenses as "cost-burdened." For example, a household earning $100,000 per year but spending more than $30,000 for housing is cost-burdened.

» *Severe cost burden:* Any household paying more than 50 percent of household income on housing expenses.

For more information about income in Washington and the median incomes for each county, see *Appendix C* and the *Housing Need Geographic Profiles.*

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Draft Affordable Housing Task Force Meeting Summary
March 21, 2019 | 10:15 AM – 12:15 PM
Norm Dicks Government Center, Bremerton, WA
v.5-10-19

Actions	Who?	Status
Draft the March 21 Affordable Housing Task Force (AHTF) meeting summary.	KRCC staff	Ongoing
Follow up with Kitsap County staff to obtain area median income (AMI) information at the County level.	KRCC Staff	Complete
Post January 10 meeting summary to KRCC website.	KRCC Staff	Complete
Distribute the Affordable Housing Policy Tool matrix to KRCC AHTF members to review work between March and May meetings.	KRCC Staff	Complete
Distribute meeting materials from the City of Bremerton Stakeholders meeting.	KRCC Staff	Complete
Reach out to housing experts to participate in affordable housing panel at the next meeting.	KRCC Staff	Complete

1. WELCOME AND INTRODUCTIONS

Chair Erickson welcomed participants to the meeting (see Attachment A: KRCC Board Members in Attendance, and Attachment B: Members of the Public in Attendance). All participants introduced themselves.

2. FOUNDATIONS OF THE TASKFORCE WORK

The Taskforce discussed the draft norms and expectations, the draft meeting plan, and affordable housing terminology. Chair Erickson explained that the draft norms and expectations outline the purposes of the Taskforce, decision-making guidelines, meeting structure, and general media policy.

Chair Erickson reviewed the tentative 2019 Taskforce meeting schedule. She noted that three additional meetings will be held on the following dates: May 16, July 19, and September 18.

The Taskforce discussed affordable housing terminology based on U.S. Department of Housing and Urban Development (HUD) definitions. The affordable housing terminology will be used to guide the work of the Taskforce and determine which segments of the affordability spectrum the Taskforce will focus on. As part of this discussion Chair Erickson invited members of the public to share their thoughts about affordability. Their comments were as follows:

- **C1:** The HUD definition of affordability is defined in relation to area median income (AMI). Typically, 30% AMI is used when affordable housing units are being built.
- **C2:** The funding that can be provided for affordable housing by both the state and federal government is also connected to AMI definitions of affordability.

3. EXISTING CONDITIONS

Chair Erickson led the Taskforce through a review of affordable housing data, specific to Kitsap County. The data was compiled as part of the Washington State Housing Needs Assessment created by the Department of Commerce in 2015. The data includes information about affordable and available housing units for every 100 households, housing stock, cost burden for renter and homeowner households, and subsidized housing inventory. After reviewing the data, Taskforce members suggested the information could be used to explain the extent of housing needs in Kitsap County.

4. AFFORDABLE HOUSING POLICY TOOLS

The Taskforce reviewed existing housing policy tools as described in the Housing Innovations Program (HIP). In addition to the housing policy tools, the Taskforce completed the draft policy tool matrix accounting for each of the jurisdictions. The affordable housing policy tool matrix was designed to determine which policy tools are currently in place, which policy tools have recently been recommended, which policy tools are in the process of being developed, and which policy tools could potentially be applied at a Countywide level.

The Taskforce discussed the policy tools and approaches to link them to affordable housing incentives and outcomes. Chair Erickson requested that the Taskforce complete a more detailed review of the affordable housing policy tool matrix for each respective jurisdiction. As part of the review, the Taskforce members were asked to complete a new matrix that covered the following:

- Confirm which policy tools your jurisdiction has.
- Discern which the policy tools can be tied to housing affordability.
- Estimate the number of affordable units produced through the application of a policy tool.

5. EXPLORE POSSIBILITY OF AN EMERGENCY DECLARATION FOR AFFORDABLE HOUSING

KRCC Staff presented a summary of RCW 84.52.105, a copy of Jefferson County's State of Emergency, and a copy of the City of Bellingham's State of Emergency to guide the discussion about a potential emergency declaration for affordable housing. The Taskforce reviewed the emergency declaration resources and noted an emergency declaration was one potential avenue to secure funding for affordable housing.

Chair Erickson opened the conversation to all participants in the room to share their comments regarding ideas, concerns, and needs on affordable housing in Kitsap County. The following comments were made:

- **C1:** The 4-step process includes issuing a state of emergency; creating a financing plan; having a levy for affordable housing; and then a ballot initiative.
- **C2:** There needs to be more facts to explain the need before issuing a state of emergency.
- **C3:** There are nonprofit developers who build affordable housing and are not currently building in Kitsap County. It would be interesting to understand why they are not building in Kitsap County.
- **C4:** There must be a clear understanding of how much money is currently being spent on affordable housing before asking the public to support more spending on affordable housing.

- **C5:** The resolution is a statement of a need for affordability and is the first step. Following this step, funding from a property tax or a sales tax levy could be used.
- **C6:** The Taskforce needs to fully understand what the issues are and what the gaps are in the policies to support affordable housing.

6.TASKFORCE QUESTIONS, CONCERNS, AND ANNOUNCEMENTS

Chair Erickson asked the Taskforce and members of the public to provide final comments about the discussion on affordable housing in Kitsap County. There were no further comments from the Taskforce and members of the pubic.

Chair Erickson suggested a panel of housing experts be arranged to discuss barriers and solutions to affordable housing with the Taskforce at the May 16 meeting. The Taskforce supported the idea of a panel at the next meeting. KRCC Staff will work to arrange a panel of housing experts for the May 16 AHTF meeting.

7. PUBLIC COMMENTS

Roger Gay stated that, as a taxpayer, there needs to be justification for increasing funding for affordable housing in Kitsap County.

Ed Stern stated that the first objective of economic development is business retention. One must take stock of what already exists in affordable housing. Therefore, it might be worth looking at what exists while planning for what will be.

8. ADJOURN

The meeting adjourned at 12:15 p.m.

Kitsap Regional Coordinating Council

ATTACHMENT A – BOARD MEMBERS IN ATTENDANCE

Board Member	Jurisdiction	In Attendance?
Ashby, Bek	City of Port Orchard	-✓
Clauson, John	Kitsap Transit	✓
Daugs, Leslie	City of Bremerton	✓
Erickson, Becky	City of Poulsbo	✓
Forsman, Leonard	Suquamish Tribe	- - -
Garrido, Charlotte	Kitsap County	- - -
Gelder, Robert	Kitsap County	- - -
Medina, Kol	Bainbridge Island	✓
Mills, Luther "Jay"	Suquamish Tribe	✓
Nystul, Gary	City of Poulsbo	- - -
Placentia, Chris	Port Gamble S'Klallam Tribe	- - -
Purser, Rob	Suquamish Tribe	- - -
Putaansuu, Rob	City of Port Orchard	✓
Rosapepe, Jay	City of Port Orchard	✓
Schrader, Alan	Naval Base Kitsap	- - -
Stern, Ed	City of Poulsbo	- - -
Stokes, Larry	Port of Bremerton	- - -
Strakeljahn, Axel	Port of Bremerton	✓
Sullivan, Jeromy	Port Gamble S'Klallam Tribe	- - -
Tirman, Matthew	City of Bainbridge Island	✓
Wall, Lynn	Naval Base Kitsap	✓
Wheeler, Greg	City of Bremerton	✓
Wolfe, Ed	Kitsap County	- - -

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ATTACHMENT B – MEMBERS OF THE PUBLIC

Name	Affiliation
Non-Members	
Roger Gay	South Kitsap Taxpayer
Ed Stern	City of Poulsbo
Stuart Grogran	Housing Kitsap
Kirsten Jewell	Kitsap County
Bonnie Tufts	Kitsap County
KRCC Facilitation Team	
Sophie Glass	KRCC Land Use and Transportation Program Manager
Kizz Prusia	KRCC Land Use Coordination Lead