



Kitsap Regional Coordinating Council

Kitsap Regional Coordinating Council (KRCC) Affordable Housing Taskforce (AHTF) Meeting Summary

July 18, 2019, | 10:15 AM – 12:15 PM Kitsap Transit, 60 Washington Ave. Bremerton, WA,
3rd Floor Conference Room
v.8-8-19

Key Decisions		
<ul style="list-style-type: none">Recommend a motion to the KRCC Board regarding each jurisdiction taking action for affordable housing.Recommend a motion to the KRCC Board regarding a resolution for each jurisdiction to independently implement HB 1406.		
Actions	Person Responsible	Status
Upload the approved May 16 Affordable Housing Taskforce meeting summary to the KRCC website.	KRCC Staff	Complete
Recommend to the AHTF updated language for the Affordable Housing Taskforce charter regarding a minimum of 30% area median income and a focus on the “missing middle”.	KRCC Staff	Ongoing
Upload the Affordable Housing Developer Outreach Summary to the KRCC website.	KRCC Staff	Ongoing
Distribute the Department of Commerce’s affordable housing memo.	KRCC	Complete
Distribute information regarding HB 1923.	KRCC Staff	Complete
Distribute the Association of Washington Cities (AWC) HB 1406 handout on its own for reference.	KRCC Staff	Complete
Distribute the Kitsap County Affordable Housing Homeless Plan (AHHP)	KRCC Staff	Ongoing
Distribute information on what is considered “affordable” rent for different segments of Area Median Income (AMI) in Kitsap.	KRCC Staff	Complete
Arrange an educational presentation with Kitsap County staff regarding the Coordinated Grant Process	KRCC Staff	Ongoing

1. CHAIR’S WELCOME

Chair Erickson welcomed participants to the meeting (see Attachment A: Affordable Housing Taskforce Members in Attendance, and Attachment B: Members of the Public in Attendance). Taskforce members and members of the public introduced themselves.



Kitsap Regional Coordinating Council

Chair Erickson introduced the topic of funding for affordable housing as the meeting's focus. Chair Erickson clarified that the Taskforce would be discussing House Bill 1406 to determine interest in exploring the bill on a countywide basis.

Chair Erickson provided a reminder that the Puget Sound Regional Council (PSRC) has released a housing survey that will be open from July 1, 2019, until August 30, 2019. The housing survey was distributed by PSRC to planning staff from each of the jurisdictions.

Chair Erickson also noted that the Washington State Department of Commerce released a [Housing Memorandum](#) called "Issues Affecting Housing Availability and Affordability". The housing memo includes a section devoted to the "Missing Middle" housing.

2. COMMITTEE UPDATES AND ACTION ITEMS

Review AHTF Terminology: Chair Erickson briefly reviewed the affordable housing terminology that was included as reference material with the meeting packet. Taskforce members requested information about what is considered "affordable" rent for different levels of area median income (AMI) in Kitsap.

Review and Approve the May 16 Meeting Summary: The Taskforce reviewed and approved the May 16, 2019 AHTF meeting summary without opposition and two abstentions.

Review the updated AHTF Charter: The Taskforce reviewed the updated AHTF charter with a revised purpose statement. Members of the Taskforce discussed the focus on building affordable housing for the workforce between 30-50% AMI. Several Taskforce members expressed that having a floor of 30% was useful, while other Taskforce members expressed reluctance in having a target of any AMI at all. The Taskforce agreed to have KRCC staff propose an updated purpose statement to review during the September AHTF meeting.

KRCC Staff Report Out: KRCC staff provided a brief report out on topics from the May 16 meeting. KRCC staff explained that an emergency declaration is not required to implement inclusionary zoning for individual jurisdictions, and on a countywide basis. KRCC staff also presented the Affordable Housing Developer Outreach summary based on the May 16 meeting.

Motion: Chair Erickson requested a motion from the Taskforce to the KRCC Board in support of affordable housing. Mayor Medina made a motion for the Affordable Housing Taskforce to make a recommendation to the KRCC Board to approve a resolution in which all KRCC Board members acknowledge affordable housing is important in the community and agree to take some action to support affordable housing with the consent from their legislative bodies. Commissioner Strakeljahn seconded the motion. The motion carried without opposition and two abstentions.



Kitsap Regional Coordinating Council

3. NEW BUSINESS

Education and Dialogue HB 1406: Chair Erickson introduced Carl Schroeder, Government Relations Advocate with the Association of Washington Cities (AWC) to discuss HB 1406. Carl explained that HB 1406 was approved in the 2019 legislative session and authorizes a local revenue sharing program for local governments. Carl stated that HB 1406 provides up to a 0.0146% local sales and use tax credited against the state sales tax for housing investments. Funding from HB 1406 can be used for the operation and maintenance of affordable housing, and for rental assistance in smaller jurisdictions.

Carl also explained the critical steps necessary to be eligible for funding through HB 1406. A resolution of intent to impose the tax credit must be adopted between July 28, 2019, and January 31, 2020. An ordinance to levy the tax credit must be completed by July 27, 2020. Jurisdictions interested in securing the full 0.0146% of the tax credit must adopt a “qualifying local tax” by July 31, 2020.

Carl also clarified several parts of HB 1406 after receiving questions from the Taskforce, including:

- Jurisdictions are authorized to levy the funding respectively and pass the funding on to an organizing sponsor.
- Jurisdictions can create an Interlocal Agreement (ILA) to determine how to manage funding with the County.
- All projects must serve households with incomes at or below 60% AMI.
- The maximum amount of tax credit will be limited by the amount of sales tax based on the state fiscal year 2019 sales.

Following the question and answer portion with Carl, the Taskforce discussed opportunities to secure funding through HB 1406. Jurisdictions decided to pursue funding from HB 1406 individually, rather than on a countywide basis.

Education and Dialogue Coordinated Grant Process: The Taskforce briefly discussed the Coordinated Grant Process. Chair Erickson explained the City of Poulsbo’s effort to request a set-aside for a portion of the funding from the Coordinated Grant Process. The Kitsap County Commissioners did not accept Poulsbo’s proposal for a set-aside. The Taskforce suggested having an educational presentation from Kitsap County staff on the Coordinated Grant Process at the September 19 AHTF meeting.

4. ADMINISTRATIVE AGENDA

The next meeting is tentatively scheduled for September 19, 2019, at Kitsap Transit. The Taskforce discussed potential AHTF priorities for the last meeting of the year in September



Kitsap Regional Coordinating Council

including community land trusts, the multifamily tax exemption (MFTE), publicly owned land, and plans to continue work of the Taskforce in 2020.

5. WRAP UP

KRCC staff reviewed and confirmed the key decisions, action items, and topics for future research. The key decisions and action items from the July 18 meeting are listed in the table at the top of the summary. The topics for future research include publicly owned land for affordable housing, area median income (AMI) percentages expressed in dollar amounts for rent and income in Kitsap County and [A Regional Coalition for Housing \(ARCH\)](#) partnership between King County and East King County Cities.

6. PUBLIC COMMENTS

Tom Pinkham, Kitsap resident, presented research regarding RV parks in Kitsap County and the use of land in Kitsap County. Tom also suggested a new affordable zone as a zoning designation for jurisdictions.

Roger Gay, Kitsap resident, asked about the number of affordable units that are included in new and nearby developments.

Mary Gleysteen, Kingston Affordable Housing Work Group, noted the efficacy of the use of inclusionary zoning as a tool to increase affordable housing and asked if the Taskforce would take action regarding inclusionary zoning.

Bill Paine, Kingston Affordable Housing Work Group, suggested that more attention be given to those with an income below 30% of the area median income (AMI) level since there are not enough programs for those living below 30% AMI.

Jennifer Sutton, Bainbridge Island, stated that it would be useful to post resources from the meetings on the KRCC website under the Affordable Housing Taskforce page. Jennifer also suggested that the Taskforce continue to meet until Kitsap County has completed the results of the Housing Needs Assessment.

7. ADJOURN

The meeting adjourned at 12:20 p.m.



Kitsap Regional Coordinating Council

ATTACHMENT A – AHTF MEMBERS IN ATTENDANCE (NOTE – MEMBERS IN ATTENDANCE ARE ARRANGED IN ALPHABETICAL ORDER BY JURISDICTION)

Board Member	Jurisdiction	In Attendance?
Medina, Kol	City of Bainbridge Island	✓
Tirman, Matthew	City of Bainbridge Island	✓
Daug, Leslie	City of Bremerton	✓
Wheeler, Greg	City of Bremerton	✓
Ashby, Bek	City of Port Orchard	✓
Putansuu, Rob	City of Port Orchard	✓
Erickson, Becky	City of Poulsbo	✓
Musgrove, David	City of Poulsbo	✓
Garrido, Charlotte	Kitsap County	✓
Gelder, Rob	Kitsap County	✓
Clauson, John	Kitsap Transit	✓
Gustafson, Ellen	Kitsap Transit	✓
Schrader, Alan	Naval Base Kitsap	---
Wall, Lynn	Naval Base Kitsap	---
Placentia, Chris	Port Gamble S'Klallam Tribe	---
Sullivan, Jeromy	Port Gamble S'Klallam Tribe	---
Bozeman, Cary	Port of Bremerton	---
Strakeljahn, Axel	Port of Bremerton	✓
Mills, Luther "Jay"	Suquamish Tribe	---



Kitsap Regional Coordinating Council

ATTACHMENT B – MEMBERS OF THE PUBLIC (NOTE – MEMBERS OF THE PUBLIC ARE ARRANGED IN ALPHABETICAL ORDER BY AFFILIATION).

Name	Affiliation
Non-Members	
Kurt Wiest	Bremerton Housing Authority
Jennifer Sutton	City of Bainbridge Island
Ed Stern	City of Poulsbo
Heather Wegan	Community Frameworks
Tom Pinkham	Saint Francis Center
Stuart Grogran	Housing Kitsap
Phedra Elliot	Housing Resources Bainbridge
Anthony Oddo	Housing Resources Bainbridge
Mary Gleysteen	Kingston Affordable Housing Work Group
Bill Paine	Kingston Affordable Housing Work Group
Bonnie Tufts	Kitsap County
Shannon Bauman	Kitsap County
Robert Contreras	Kitsap County Association of Realtors
Roger Gay	South Kitsap Taxpayer
KRCC Facilitation Team	
Sophie Glass	KRCC Land Use and Transportation Program Manager
Kizz Prusia	KRCC Land Use Coordination Lead