

### **Kitsap Regional Coordinating Council**

#### **Kitsap Regional Coordinating Council (KRCC)**

Ad-Hoc Affordable Housing Committee

DRAFT Agenda – Kick-Off Meeting

January 8, 2019

10:15 a.m. – 12:15 p.m.

v.1-2-19

#### **Purpose**

- Orient committee members to the larger context of affordable housing and development
- Identify current challenges developing affordable housing in Kitsap County jurisdictions
- Confirm and discuss committee membership, norms, and expectations
- Define and agree on committee goals

#### 1. Welcome and Introductions

#### 2. Chair's Comments

#### 3. Participation Confirmation

• Confirm membership in and roles for the Affordable Housing Committee

#### 4. Meeting Schedule

- Establish meeting schedule for 2019
- Discuss Meeting Plan for Affordable Housing Committee (see template in packet, pg. 2)

#### 5. Review of Background Materials

 Review and discuss <u>background materials</u> (see attached summary in meeting packet, pg.4; for full readings access PDF in separate attachment)

#### 6. Information Sharing and Discussion

Each jurisdiction share information about:

- Current affordable housing policy efforts and/or initiatives
- Housing sections of respective Comprehensive Plans
- Q&A Guided by KRCC Board Chair Erickson

#### 7. Wrap Up, Next Steps

#### 8. Adjourn

Next meeting to be scheduled during January 8<sup>th</sup> meeting.



### **Kitsap Regional Coordinating Council**

# Kitsap Regional Coordinating Council (KRCC) Affordable Housing Committee (AHC) Draft Meeting Plan

Draft v.1-2-19

**Purpose:** The purpose of this document is to outline the meetings, activities and tasks the Kitsap Regional Coordinating Council's (KRCC) Ad-Hoc Affordable Housing Committee will cover in 2019 including:

- Researching new funding mechanisms to support affordable housing in Kitsap County.
- Identifying new policy alternatives to support affordable housing in and across Kitsap jurisdictions.

Meeting #1: January 8, 2019 – Kick-Off	
<ul> <li>Agenda Topics:</li> <li>Welcome and Introductions</li> <li>Chair's Comments</li> <li>Participation Confirmation</li> <li>Meeting Schedule</li> <li>Review of Background Materials</li> <li>Information Sharing and Discussion</li> <li>Confirm meeting schedule through 2019</li> </ul>	Date/Time/Location Tuesday, January 8 <sup>th</sup> 2019 10:15 a.m. – 12:15 a.m. Norm Dicks Government Center, 345 6 <sup>th</sup> St, Bremerton WA 98337  Meeting Materials  1/8/19 Proposed Agenda Housing Resource Guide Draft Meeting Plan Background Reading
Meeting #2: March 2019 – Housing Policies	
Agenda Topics:  ● Housing Policy Alternatives	Date/Time/Location (TBD)  Meeting Materials TBD

Meeting #3: May 2019 – Funding Mechanisms	
Agenda Topics:  • Funding Mechanisms to support Affordable Housing	Date/Time/Location (TBD)  Meeting Materials (TBD)
Meeting #4: July 2019 – Discuss Alternatives and Interlocal Agreement (ILA)	
Agenda Topics:     Discuss Policy Alternatives and Funding Mechanisms	Date/Time/Location (TBD)
Discuss Interlocal Agreement (ILA)	Meeting Materials (TBD)
Meeting #5: September 2019 – Wrap Up	
<ul> <li>Agenda Topics:</li> <li>Wrap Up</li> <li>Confirm Affordable Housing Committee (AHC) actions moving forward</li> </ul>	Date/Time/Location (TBD)  Meeting Materials (TBD)



#### **Kitsap Regional Coordinating Council**

#### Kitsap Regional Coordinating Council Affordable Housing Committee (AHC)

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#### 6 Must-Have Housing Resources to Understand Affordable Housing in Washington State

#### Housing Innovations Program (HIP) Complete Housing Toolkit - Puget Sound Regional Council (PSRC)

The Housing Innovations Program (HIP) is a collection of planning resources that local governments in the central Puget Sound region can use to promote housing affordability and smart growth in their communities. Many different housing strategies are described in the toolkit. Eight of the housing strategies in the toolkit are highlighted as particularly effective strategies for promoting housing affordability in a range of local communities and housing markets. These featured tools include additional details on implementation, model policies, and case studies. The eight featured tools are:

- Accessory Dwelling Units
- Community Outreach Plans
- Density Bonuses
- Design Guidelines
- Multifamily Tax Exemption
- Parking Reductions
- Small Lot Development
- Transit Oriented Development Overlays

#### 2. Heading Home: Kitsap Homeless Crisis Response and Housing Plan – 2018 Update

This resource is a summary of the housing problems being faced locally in Kitsap County. While this document concentrates on homelessness, it also shows the dynamics of housing in Kitsap and some very helpful local data.

Per the report, the past decade has been challenging for many Kitsap County citizens, as the value of their wages has diminished, the number of households living in poverty has risen, and the lack of affordable housing has affected many households, resulting in housing instability and homelessness. Although Kitsap's economy is recovering, mirroring positive economic forecasts around the state, those households at the lowest income levels are still struggling to find and maintain stable housing. The gap between incomes and the cost of available housing pushes many people into homelessness, particularly in a market like Kitsap where housing prices rise faster than incomes.

Research conducted by the Washington State Department of Commerce shows that increasing rents is the largest driver of homelessness in Washington State. National research indicates that every \$100 increase in rent is associated with an increase in homelessness of 6% in metro areas and 32% in non-metro areas - Kitsap County includes both. The Eviction Lab at Princeton University recently released data showing that Kitsap County had about one eviction per day in 2016 (357 evictions), a 1.09% eviction rate, nearly double the .58% eviction rate in 2014 (187 evictions). As rents increase and households are unable to keep up with the cost of housing, evictions are an inevitable result.

The most cost-effective way to decrease homelessness is to intervene before individuals and families lose their housing. The plan suggests that Kitsap County organizations and jurisdictions encourage development of affordable housing and alternative housing models through incentives and policy changes.

#### 3. Affordable Housing Task Force Final Report

This report from the City of Bainbridge Island highlights a local city's response to the affordable housing crisis in the county. The Task Force identifies five Priority Recommendations, five Quick Wins that can be implemented immediately, and additional strategies to be explored. These recommendations are specific to Bainbridge Island's unique circumstances, which include historically high housing prices, historically low inventory, and a development market focused on building large homes.

#### Priority Recommendations:

- Draft and adopt code changes to encourage infill in the Designated Centers, with the assistance and advice of ECONorthwest.
- Pursue opportunities to partner with the private and nonprofit sectors to build affordable housing on public lands.
- Adopt procedures to encourage Accessory Dwelling Units.
- Adopt an "Innovations Program" that allows staff to permit experimental affordable housing projects, on a limited basis, that are not currently allowed by code.
- Create a permanent affordable housing committee and designate a City employee who will spend at least halftime on affordable housing strategies.

#### Quick Wins:

- Adopt more generous policies to allow the maximum number of liveaboard boats in the marina.
- Adopt vacation rental ordinance.
- Institute permit processing fast-track and reduced permit fees for all affordable housing applications.
- Review and improve the Housing Trust Fund process and award these grants annually.
- Adopt Cottage Housing Ordinance.

The AHTF finds that affordability may be achieved by a combination of factors, including:

- Affordability by size: Creating smaller units for singles, couples and seniors, in both the rental market and the ownership market.
- Affordability by subsidy: Provide financial incentives through tax abatement to subsidize
  affordable units, or through such incentives as increased density, lower parking requirements, or
  fewer required amenities.
- Affordability by location: Eliminating or reducing the cost of a car and related parking.
- Affordability by increased supply: Incentivize both small size and rental housing.

#### 4. Vision 2050. Housing Background Paper – Puget Sound Regional Council (PSRC)

This paper seeks to quantify through data analysis what many residents experience daily – the housing market is becoming increasingly unaffordable. Rents and home prices are rising quickly, making it challenging to find affordable homes close to jobs. This paper also reviews current policy frameworks, recent housing initiatives, and a range of housing tools as PSRC looks to update the region's growth, economic and transportation strategy, and extend the plan to the year 2050.

This background paper delves into market trends, demand-side data, and explores some housing policies and strategies to support affordable housing in the categories of:

- Housing Supply
- Incentives for Affordable Housing
- Funding and Financing
- Displacement and Preservation
- Tenant Protections
- Assessment, Monitoring and Reporting

## 5. Homelessness and Housing Toolkit for Cities – Association of Washington Cities (AWC) and Municipal Research and Services Center (MRSC)

This report provides tools and resources to address homelessness and affordable housing. The content is based on real case studies from cities across Washington State. The report offers descriptions of a variety of tools and programs. For each article you will find a brief description of the topic and information on where to access additional resources.

#### Funding:

• Homelessness and affordable housing funds in Washington

#### Homelessness

- Compass Crossing & low cost, modular micro-units
- Emergency rental assistance programs
- Long-term "master leasing" program: San Francisco case study
- The Housing First Model
- Tiny house villages in Washington and Oregon
- Local governments' winter shelter programs

#### Affordable Housing

- Revising city regulations to encourage accessory dwelling units
- A Regional Coalition for Housing (ARCH) in east King County
- The City of Bellingham housing levy
- Community Land Trusts in the Pacific Northwest and nationwide
- Mandatory inclusionary zoning programs
- Multifamily tax exemption: An incentive to help create affordable housing
- "Tiny homes" as permanent housing zoning and code limitations

#### **Tenant Protections**

- Rental housing inspection programs
- City of Vancouver's tenant protection ordinances

#### **Innovative Collaboration**

- Addressing chronic homelessness in Everett with CHART & Housing First
- Lakewood nonprofits & government tackle affordability and homelessness together
- Wenatchee coordinates homeless programs for two counties

## 6. Housing Affordability Response Team (HART) Recommendations 2017, Affordable Housing Advisory Board – Department of Commerce

The Washington State Department of Commerce (Commerce) is the lead state agency that focuses on enhancing and promoting sustainable communities and economic vitality in Washington State. Commerce supports the state's Affordable Housing Advisory Board (AHAB). AHAB was requested to form a working group in early 2017 to:

- Examine existing systems that contribute to the state's housing stock.
- Examine how zoning & planning, permitting, development & financing, and construction processes can be improved to open increased opportunities for additional housing.
- Define where barriers exist and provide recommendations on how to remove barriers.
- Explore other areas that provide further insight on how to increase the affordable housing stock.

The result of the working groups' effort is the HART report. The report includes seven recommendations from the HART team, each of which focus on solutions that local governments can use to make a difference in affordable housing. The recommendations include:

- Provide funding and support to local governments to plan for housing at every income level, especially for lower-income levels.
- Provide funding to local governments to assess land capacity through "buildable lands" reports.
- Provide broad-based education to encourage communities to facilitate the development of more affordable housing.
- Seek responsible changes to development-related statutes and regulations to facilitate housing development. Small changes to statutes such as the Project Review Act, Subdivision Act, the State Building Code, impact fees, multifamily tax exemptions, community revitalization financing, and prevailing wage determinations could add up to make a difference.
- Provide stable and dependable state funding for housing by providing predictable funding to the Housing Trust Fund, making document-recording fees permanent, and encouraging local adoption of local housing levies.
- Encourage public agencies to consider underutilized publicly owned property as an opportunity for affordable housing.
- Continue this work into the future by finding opportunities to collaborate with existing work groups and projects to carry these ideas forward.

In addition to these recommendations, the report discusses GMA requirements affecting plans for housing, housing supply, Countywide Planning Policies (CPPs), and barriers to implementing affordable housing that exist at the local and state level. Each recommendation is supported by the belief that housing, transportation, and infrastructure must be addressed together to plan for affordable housing.