

**CITY COUNCIL STUDY SESSION****Update on Regional Affordable Housing Task Force Five-Year Action Plan**

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**DIRECTION NEEDED FROM COUNCIL****INFORMATION  
ONLY**

Kelly Rider, Housing Policy Manager in the King County Department of Community and Human Services, and Alison Mendiola, King County Council Housing Coordinator, will provide an overview of the work of the Regional Affordable Housing Task Force (RAHTF) and its Five-Year Action Plan. The Action Plan establishes a framework for regional coordination to address affordable housing needs across King County. The recommendations contained in the Action Plan are not structured as mandates for cities, but rather as a menu of policy options. The Action Plan also recommends establishing a standing Affordable Housing Subcommittee of the King County Growth Management Planning Council to guide implementation of the recommended strategies. The final meeting of the RAHTF is scheduled on December 7, and it is anticipated that the group will adopt the Action Plan. Tonight's briefing is an opportunity for Council to learn more about the Action Plan, ask questions and provide feedback. No formal Council action is required.

**RECOMMENDATION**

N/A

**BACKGROUND & ANALYSIS**

The King County Regional Affordable Housing Task Force (RAHTF) began meeting in July 2017 with the intent of developing a countywide affordable housing strategy to recommend to the King County Executive and the King County Council by December 2018. The RAHTF members are:

- King County Councilmember Claudia Balducci, Co-Chair
- Kenmore Mayor David Baker, Co-Chair, representing the Sound Cities Association (SCA) north end cities
- King County Executive Dow Constantine
- King County Councilmembers Jeanne Kohl-Welles, Larry Gossett, Rod Dembowski and Pete von Reichbauer
- Seattle Mayor Jenny Durkan

- Seattle Councilmember Rob Johnson
- Bellevue Councilmember John Stokes, representing SCA Eastside cities
- North Bend Mayor Ken Hearing, representing SCA cities in the rural area
- Renton Councilmember Ryan McIrvine, representing SCA south end cities

A Standing Advisory Panel has been advising the RAHTF. It is made up of housing stakeholders, such as the housing authorities in King County, Seattle and Renton; nonprofit and for-profit housing developers and advocates; tenant advocates and representatives from communities of color.

Several SCA member cities have adopted affordable housing strategies, including Bellevue. Bellevue's Affordable Housing Strategy was adopted by Council in 2017, and Councilmember Stokes and City staff shared strategies and recommendations from Bellevue's strategy to help inform the development of the regional Action Plan.

### **Five-Year Action Plan**

The Five-Year Action Plan contains seven goals with associated strategies and actions for each goal. The Action Plan states that the recommendations are not mandates and are not intended to limit local control. Instead, it recognizes that the housing market in different parts of the county will require different solutions to most effectively preserve and increase the supply of affordable housing. The SCA representatives on the RAHTF have emphasized the need for technical assistance, shared information, and recommended strategies that will support cities in their efforts to address the housing crisis.

In addition to recommending strategies, the Action Plan calls for establishing a framework for ongoing collaboration among cities and King County to support implementation and monitoring results. The proposal would create a standing subcommittee of the Growth Management Planning Council (GMPC). The GMPC is the body in King County that develops and updates the King County Countywide Planning Policies in the areas of housing, transportation, development patterns, the environment, the economy, public facilities and services. Members of the GMPC include King County, Seattle, Bellevue and SCA. Bellevue Councilmember Jennifer Robertson represents Bellevue on the GMPC.

The most recent draft of the Five-Year Action Plan is included as **Attachment A**.

### **Overview of Plan Recommendations**

#### **1. Establish a standing Affordable Housing Subcommittee of the King County Growth Management Planning Council**

The new subcommittee will serve as a framework for ongoing collaboration and support for implementation of the Plan's strategies and monitoring results. The subcommittee is proposed to be comprised of approximately 20 members representing an equal balance of both governmental and nongovernmental organizations.

Page 3 of the Action Plan lists the roles of the subcommittee, including "funding/pursuing new and innovative financing strategies to significantly address the affordable housing need in King County

for adoption by jurisdictions and/or voters in 2020.” In addition, the subcommittee will review and recommend land use policies and state legislative agenda items.

In addition to the new subcommittee, the Action Plan encourages and supports the creation of new regional collaborations in King County and the framework of existing collaborations such as A Regional Coalition for Housing (ARCH).

2. *Set a goal for building or preserving 44,000 units of affordable housing in the next five years to serve people earning less than 50% of Area Median Income (AMI)*

Data presented to the RAHTF identified that there are currently more than 122,000 households in King County earning less than 50% of AMI that are cost-burdened or spending more than 30% of their income on housing. People whose housing costs exceed the 30% threshold are more likely to lose housing because of increases in housing costs, unexpected expenses, sudden loss of income, and other factors.

In the past five years, the region has invested roughly \$384 million per year (about \$1.9 billion in total) in affordable housing from federal, state, and local sources. These investments have produced or permanently preserved an average of 2,500 homes per year. The goal set by the RAHTF will serve as the basis for measuring results of the Action Plan in terms of overall unit production and assessing the level of funding that would be anticipated to be needed to meet that goal. At the request of the SCA representatives, the RAHTF added language to the Action Plan on page 4 that recognizes the limitations of local government revenue streams but also asks cities and the County to explore unused authority to raise revenue.

3. *Prioritize Affordable Housing Near High-Capacity Transit*

The Action Plan recommendations include establishing regional targets for affordable housing that should be preserved and developed within a half-mile walkshed of high-capacity transit stations; implementing incentives for private development of affordable housing near existing and planned frequent transit routes; and for the County to consider bonding against a portion of future Lodging Tax revenues to promote affordable housing near transit, including setting aside a portion of this funding for city incentives.

4. *Improve Tenant Protections*

Recommended strategies in the Action Plan include collaborating to implement more consistent tenant protections to address just cause eviction, notice of rent increases, and tenant relocation assistance; seeking ways to expand support for low-income renters; and adopting local programs to improve the quality of existing affordable housing. The Action Plan envisions ongoing collaboration to more closely align regulations across jurisdictions. Cities and the County could work together to identify and implement best practices and share model programs.

5. *Protect Communities of Color and Low-Income Communities from Displacement*

Recommended strategies in the Action Plan include improving engagement with communities of color and low-income communities in the development of affordable housing plans and policies, and

implementing programs and policies that serve those at risk of displacement. Actions to implement this goal include working collaboratively to develop a toolkit for community engagement to help engage communities in local policy-making decisions.

6. *Promote Overall Housing Growth and Diversity of Housing Types*

Recommended strategies in the Action Plan include updating zoning and land use regulations to encourage the development of a more diverse housing supply; exempting certain affordable housing development from utility connection and impact fees; and incentivizing affordable housing development by expanding tools for investments in local infrastructure tied to affordability. The Action Plan envisions these efforts being supported through sharing of model policies, consistent monitoring of countywide affordable housing supply, and jointly advocating for support from the state legislature for condominium liability reform and infrastructure financing tools connected to affordable housing outcomes.

7. *Improve Community Engagement*

Recommended strategies in the Action Plan include improving engagement with neighborhoods and residents in planning for affordable housing and improved coordination with the philanthropic, business, and faith communities. The Action Plan envisions a collaborative effort to develop tools and strategies to engage local communities to assist with implementation of affordable housing plans and land use changes. In addition, the Action Plan recommends creating a stakeholder partnership with the private sector and faith communities to encourage their investment in affordable housing and communicating the need for affordable housing to the broader public.

## **POLICY & FISCAL IMPACTS**

### **Key Issues**

- The Action Plan sets a goal of building or preserving 44,000 units of affordable housing to serve people earning less than 50% AMI over the next five years. This production goal is three and one-half times what the region produced in the last five years. Although not all the funding will need to be raised locally, local contributions may increase disproportionately if leveraged, non-local funding sources (e.g. state and federal funding) do not increase.
- Bellevue supports regional efforts that bring additional support to actions identified in Bellevue's Affordable Housing Strategy, adopted by Council in 2017. This includes: increasing housing that serves households earning less than 50% of the AMI; prioritizing affordable housing near high capacity transit; promoting overall housing growth and diversity of housing types; and improving community engagement. The Action Plan includes other recommended actions that are not identified in Bellevue's Affordable Housing Strategy, and these options may need additional review. Examples includes increased tenant protections and proactive rental inspections.
- A comparison of actions recommended in the regional Action Plan and Bellevue's Affordable Housing Strategy is included as **Attachment B**.

### Bellevue's Affordable Housing Strategy

Council adopted Bellevue's Affordable Housing Strategy in 2017 in order to improve affordable housing opportunities across the City. Additionally, policies in the City's Comprehensive Plan support actions that:

- Address the entire spectrum of housing needs, including the need for affordable housing for very low, low and moderate-income households;
- Promote regional cooperation to create affordable housing;
- Provide funding to support housing needs, especially for low and very low-income households; and
- Partner with not-for-profit agencies to provide permanent low-and moderate-income housing.

Bellevue's Affordable Housing Strategy consists of five interrelated strategies and a set of actions for each that are designed to address key aspects of housing affordability:

- Help people stay in existing affordable housing
- Create a variety of housing choices
- Create more affordable housing
- Unlock housing supply by making it easier to build
- Prioritize state, county and local funding for affordable housing

### Fiscal Impact

There is no fiscal impact from the RAHTF Five-Year Action Plan at this time. The City's proposed 2019-2020 Operating Budget and the 2019-2023 CIP Budget include substantial resources to implement Bellevue's affordable housing goals. The City's 2019-2020 proposed Operating Budget includes \$412,000 for Bellevue's Housing Fund and \$193,989 for ARCH operations and administration, for a total of \$605,989 for operations and affordable housing opportunities. In addition, the proposed 2019-2023 CIP affordable housing contingency fund contribution would increase by \$1.5 million a year. Combined with funding already approved in the contingency fund, a total of \$11 million would be available for affordable housing purposes.

### **OPTIONS**

N/A

### **ATTACHMENTS & AVAILABLE DOCUMENTS**

- A. Regional Affordable Housing Task Force Five-Year Action Plan (11-6-2018 Draft)
- B. Comparison of key strategies: Regional Plan and Bellevue's Affordable Housing Strategy

### **AVAILABLE IN COUNCIL LIBRARY**

N/A