## REVISED STAFF REPORT

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| **Agenda Item:** |  | **Name:** | Jenny Ngo & Sahar Fathi |
| **Proposed No**.: | 2019-0011 | **Date:** | March 19, 2019 |

**COMMITTEE ACTION**

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| ***Proposed Substitute Motion 2019-0011.3 accepting the Regional Affordable Housing Task Force final report and recommendations and declaring the recommendations represents the policy of the council, passed out of committee on March 19, 2019, without recommendation. The Motion was amended in committee with Amendment 1, modifies the report and recommendations to include Action 3.A.iv and Strategy 4.D and its actions, which are included in the Five Year Action Plan in Appendix B, to the Five Year Action Plan matrices in the body of the report.*** |

**SUBJECT**

Proposed Motion 2019-0011 would accept the final report and recommendations of the Regional Affordable Housing Taskforce (RAHTF).

**SUMMARY**

The King County Council passed Motion 14754 and Motion 14873[[1]](#footnote-1) in 2016 and 2017, respectively, expressing its support for regional planning, coordination and funding efforts to address the challenges of homelessness and housing in King County. Motion 14873 created a Regional Affordable Housing Taskforce (RAHTF) and accompanying advisory panel to provide a recommended regional affordable housing strategy to the Executive and Council, including recommendations for action, no later than December 2018.

As directed, the RAHTF worked from mid-2017 through the end of 2018 to develop a final report and Five-Year Action Plan, which is attached to Proposed Motion 2019-0011. The recommendations include a snapshot of the challenge and existing efforts, as well as seven goals in its action plan. Each of the seven goals has accompanying strategies and specific action items to implement the work as quickly and efficiently as possible. The plan also creates a structure for ongoing collaborative work to continue the Five-Year Action Plan.

Proposed Substitute Motion 2019-0011 would accept the final report and recommendations of the Regional Affordable Housing Taskforce (RAHTF). This proposed motion was also referred to the Regional Policy Committee, where it was heard before the committee on February 27, 2019. The motion was amended by the Regional Policy Committee at this meeting. The Committee adopted amendments that revised the motion to show that the Council would “accept” rather than “adopt” the report.[[2]](#footnote-2) In addition, the adopted amendment declares, using the terminology of the Charter regarding motions, that the recommendations of the Regional Affordable Housing Taskforce (in its December 2018 final report) represent the policy of the King County Council.

**BACKGROUND**

**Motion 14754 (November 2016) expresses support for regional efforts to address homelessness and housing affordability**

In late 2016, the King County Council passed Motion 14754, expressing support for regional planning, coordination and funding efforts to address the challenges of homelessness and housing affordability in King County. The motion identified significant increases in both home prices and rents in King County between 2015 and 2016, as well as the large number of households who pay more than 30 percent of their income for housing. The motion summarized the region’s homelessness crisis and the efforts of King County, All Home, local jurisdictions, private and nonprofit partners, and philanthropic organizations to address the challenge of homelessness.[[3]](#footnote-3)

Motion 14754 requested the County Council and County Executive convene a regional planning effort during 2017 that included cities, nonprofit agencies, and private partners to develop a regional plan for affordable housing. This regional planning effort was to include identification of the roles of participating partners and others, data collection efforts, funding needs, strategies, recommendations for action, and examination of housing sales tax authority provided through RCW 82.14.530. The motion concluded with a request that the Executive transmit a report on the status of the regional affordable housing effort by March 31, 2017.

**Motion 14783 (May 2017) creates Regional Affordable Housing Task Force**

Motion 14873, which the King County Council passed in late May 2017, describes the need for a Regional Affordable Housing task force, by noting the significant increase in housing costs in the region, and makes the connection between housing costs and homelessness. The motion outlines a number of existing regional efforts and funding sources that have been implemented to address homelessness and housing affordability. The motion established a 12-member Regional Affordable Housing Task Force[[4]](#footnote-4) And a nonvoting advisory panel to advise the RAHTF and include members from diverse and disadvantaged communities.[[5]](#footnote-5) The duties of the RAHTF were be to: assess the current state of housing affordability; develop a recommended statement of intent; identify collective tools and actions, including funding strategies; develop a state legislative strategy; and develop a dashboard to display regional progress in meeting the Countywide Planning Policies. Motion 14754 also noted that the task force was to develop a proposed work plan by October 31, 2017 and a regional affordable housing strategy by December 31, 2018, which were completed and transmitted on time.

Since the delivery of the proposed work plan, the Health, Housing and Human Services Committee was briefed in June 2018 with an update on the RAHTF and the Regional Policy Committee was briefed in October of 2018 with an update on the RAHTF.[[6]](#footnote-6)

**ANALYSIS**

**Requirements of Regional Affordable Housing Task Force (Motion 14873)**

The report and its recommendations were received by Council on December 21, 2018 meeting the timing requirement in Motion 14873 for receipt by December 2018.The objectives of the RAHTF as laid out in Motion 14873 are noted below in Table 1.

**Table 1: Response to Motion 14873 Requirements**

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| **Motion Requirement** | **RAHTF response** |
| Assess the current state of regional housing affordability in King County, including ongoing efforts by jurisdiction. | A summary of “Understanding the Challenge” and “Existing Efforts” can be found in pages 11-21 of the final report. Current estimates show a need for 244,000 additional, affordable homes in King County by 2040 so that no household earning 80 percent of Area Median Income (AMI)[[7]](#footnote-7) and below is cost burdened.  |
| Develop a recommended statement of intent to address the regional affordable housing crisis in King County.  | A statement of intent[[8]](#footnote-8) was developed and adopted in April 2018. It commits the RAHTF to actionable and sustainable recommendations toward meeting the projected need for households with incomes at 80 percent or less of Area Median Income (AMI) by building, preserving, or subsidizing 244,000 net new health homes countywide by 2040. |
| Identify collective tools and actions that can be taken at the regional level to create more affordable options where needed and preserve affordable housing where it exists today, which could include a recommended plan for new partnerships, local strategies, regulator reform, and funding approaches that could include, but is not limited to, evaluating a countywide sales tax levy under RCW 82.14.530. | Recommendations that take into account these tools can be found below in the staff report under “Summary of Report Recommendations.”  |
| Develop a recommended state legislative strategy to address issues relating to affordable housing and homelessness. | This strategy is continued in the recommendations under the goal to “Create and support an ongoing structure for regional collaboration,” on page 24 of the final report. |
| Develop a dashboard for displaying region-wide progress in meeting the Countywide Planning Policies.  | This has not been developed at this time.  |

**Summary of RAHTF Report Recommendations**

The RAHTF has developed a Five-Year Action Plan that identifies seven goals, with strategies to achieve the goals, and actions that can be taken in the near term to implement the strategies. The Action Plan sets a countywide goal of producing 44,000 homes affordable for people earning 50 percent of Area Median Income[[9]](#footnote-9) and below by 2024. The Action Plan recommends creating an ongoing Affordable Housing Committee within the Growth Management Planning Council (GMPC) to support ongoing regional collaboration. Creation of this committee is currently underway by the GMPC and will be responsible for tracking progress toward that collective goal and serve as a place for coordination and cooperation among cities and the County.

The seven goals with their strategies are listed below:

1. Create and support an ongoing structure for regional collaboration

This goal includes two strategies: (1) create an Affordable Housing Committee of the Growth Management Planning Council, and (2) support the creation and operation of sub-regional collaborations to increase and preserve affordable housing. In addition, specific actions listed are coordinating legislative items (both state legislation and federal funding) and providing technical support for new and existing sub-regional collaborations.

1. Increase construction and preservation of affordable homes for households earning less than 50% area median income.

This goal includes three strategies: (1) the Affordable Housing Committee will work with cities and the County to identify and prioritize new resources to build or preserve 44,000 units in the next five years and track progress toward the goal, (2) make available at no cost, at deep discount, or for long term lease, under-utilized property from State, County, cities and non-profit/faith communities; and (3) develop a short-term acquisition loan fund to enable rapid response to preserve affordable housing developments when they are put on the market for sale. In addition, specific actions listed include collective advocacy for more resources, expanding coordination, measuring progress on various programs and inventorying all large privately owned affordable multifamily properties at risk of redevelopment or rapid rent escalation.

1. Prioritize affordability accessible within a half mile walkshed of existing and planned frequent transit service, with a particular priority for high-capacity transit stations.

This goal includes three strategies: (1) implement comprehensive inclusionary/incentive housing policies in all existing and planned frequent transit service to achieve the deepest affordability possible through land use incentives to be identified by local jurisdictions, (2) maximize resources available for transit oriented development in the near term, and (3) create and implement regional land acquisition and development strategy. Specific actions listed include technical assistance, evaluation and funding capital construction and land acquisition.

1. Preserve access to affordable homes for renters by supporting tenant protections to increase housing stability and reduce risk of homelessness.

This goal includes four strategies: (1) propose and support legislation and statewide policies related to tenant protection to ease implementation and provide consistency for landlords, (2) strive to more widely adopt model, expanded tenant protection ordinances countywide and provide implementation support, (3) expand support for low-income renters and people with disabilities. Specific actions include expanding civil legal aid support, developing tools for landlords and other jurisdictions (i.e. model ordinances), expanded education around rights and responsibilities, increasing deep rental subsidies and funding for both emergency rental assistance and for services to address barriers to housing, (4) adopt programs and policies to improve the quality of housing in conjunction with necessary tenant protections.

1. Protect existing communities of color and low-income communities from displacement in gentrifying communities.

This goal includes two strategies: (1) authentically engage communities of color and low-income communities in affordable housing development and policy decisions and (2) increase investments in communities of color and low-income communities by developing programs and policies that serve individuals and families at risk of displacement. In addition, specific actions listed include capacity building grants, toolkit development for community engagement, encouraging home ownership and strategizing around equitable development and equitable Opportunity Zone investments.

1. Promote greater housing growth and diversity to achieve a variety of housing types at a range of affordability and improve jobs/housing connections throughout King County.

This goal includes four strategies: (1) update zoning and land use regulations (including in single-family low-rise zones) to increase and diversify housing choices, (2) decrease costs to build and operate housing affordable to low-income households, (3) Incentivize growth and affordability goals by expanding tools for investments in local infrastructure and (4) expand and preserve homeownership opportunities for low-income households. Specific action items include incentivizing cities to adopt strategies to lower housing gap, evaluation and exploration of incentivizing innovative housing in industrial zones, and reducing various fees for affordable housing. In addition there are action items to expand foreclosure prevention, support alternative homeownership models and provide technical assistance to low income homeowners.

1. Better engage local communities and other partners in addressing the urgent need for and benefits of affordable housing.

There are two strategies in this goal: (1) support engagement of local communities and residents in planning efforts to achieve more affordable housing and (2) expand engagement of non-governmental partners (philanthropy, employers, investors, private developers and faith communities) to support efforts to build and site more affordable housing. Action items include developing toolkits and data and encouraging community engagement as well as building stakeholder partnerships across sectors.

**AMENDMENTS**

Amendment 1 modifies the Regional Affordable Housing Task Force report and recommendations to include Action 3.A.iv and Strategy 4.D and its actions, which are included in the Five Year Action Plan in Appendix B, to the Five Year Action Plan matrices in the body of the report.

1. Motion 14873 was a dual referral. [↑](#footnote-ref-1)
2. Motions do not have the force of law and therefore actions under a motion are not adopted. [↑](#footnote-ref-2)
3. The motion outlined recent investments made by King County to provide affordable housing opportunities and supportive services, including $87 million in transit-oriented development bond financing backed by lodging taxes; the $3.5 million invested by King County in the Regional Equitable Development Initiative (REDI) Fund; the $19 million Youth and Family Homelessness Prevention Initiative incorporated into the voter-approved Best Starts for Kids levy; the renewal of the Mental Illness and Drug Dependency (MIDD) levy, the potential renewal of the Veterans and Human Services levy; and the investments made in the County’s 2017-2018 budget to provide emergency shelter and services to those experiencing homelessness. [↑](#footnote-ref-3)
4. The RAHTF has 12 elected officials from King County and Cities, as well as the King County Department of Community and Human Services Director as an ex officio member. Specifically: the chair of the King County Council Committee of the Whole as of May 2017, the chair of the King County Council Health, Housing and Human Services committee as of May 2017, the chair of the King County Council Transportation, Economy and the Environment Committee, as of May 2017, the chair of the King County Council Government Accountability and Oversight Committee as of May 2017, the chair of the King County Council Law and Justice committee as of May 2017, the King County Executive, one representative from North King County, one representative from East King County, one representative from South King County, one representative from a city in the rural area, the Mayor of Seattle and one City of Seattle Councilmember. One member representing King County and one member representing the cities are co-chairs the taskforce. [↑](#footnote-ref-4)
5. The advisory panel has the following representation: three representatives from housing authorities located within King County, one representative from a nonprofit housing developer, one representative from a for-profit housing developer, one representative from an organization representing tenants or that advocates for tenants, one representative from an organization representing homeowners or that advocates for homeowners, one representative from an organization representing landlords, one representative representing unincorporated housing issues, one representative from an affordable housing advocacy group, and two representatives from organizations that represent communities of color or that advocate for communities of color. [↑](#footnote-ref-5)
6. The Sound Cities Association Public Issues Committee also received a briefing in December 2018 on the RAHTF Action Plan. [↑](#footnote-ref-6)
7. The Area Median Income (AMI) is the midpoint of a region’s income distribution – half of families in a region earn more than the median and half earn less than the median. In 2018 the Federal Department of Housing and Urban Development (HUD) defined AMI for a family of four in King and Snohomish counties as earning an annual income of $103,400. A family of four earning 80 percent AMI in these two counties has an annual income of $82,720. [↑](#footnote-ref-7)
8. Statement of intent can be found both in the final RAHTF report on page 22 and at: https://www.kingcounty.gov/~/media/initiatives/affordablehousing/documents/Meetings/april25/SOIadopted4-19-18.ashx [↑](#footnote-ref-8)
9. A family of four earning 50 percent AMI in 2018 has an annual income of $51,700. [↑](#footnote-ref-9)