

September 24, 2021 Affordable Housing Meeting Questions and Answers		
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	answers	
Mira Steinbrecher	Please define “affordable” as it applies to this event. Work force? Subsidized? Homeless? Something else?	
	<p>Based upon the research done for the first community meeting held on May 24th, the Langley AHWG prepared the City of Langley Affordable Housing Challenges report to identify the current and anticipated shortage of affordable housing in the City, to analyze and the continuum of housing needs based on income and household characteristics. The report recommends:</p> <ol style="list-style-type: none"> 1. Langley should pursue a wide range of options to address housing affordability including land use and development policies, financing options and sources, and partnerships with other public agencies in order to maximize resources available to address affordability challenges. 2. Langley should address a range of need categories in relation to household characteristics and income levels, specifically prioritizing: <ul style="list-style-type: none"> • Small households in rental units with income levels below 80% of area median income. • Larger households in rental units with income levels below 100% AMI for first time buyers and 120% for move-up buyers. 	
Barbara Schaetti	In what ways is Langley (and the PAB) working with Goosefoot’s housing initiative? Seems coordination of some kind could be mutually helpful and to the whole south end?	Rhonda/Rose

	Langley and Goosefoot are sharing information about housing in a spirit of common concern, but have no formal relationship because Goosefoot's properties all lay outside of Langley city limits. Goosefoot is a member of the Bayview Vision Steering Committee, which consists of some of the institutional property owners on the north side of the Bayview RAID (Rural Area of more Intensive Development): Legacy Family Tree LLC (Henny family), Island County, Island Senior Resources, WhidbeyHealth, State Dept. of Transportation, and Goosefoot. That steering committee has been exploring the feasibility of multifamily housing in Bayview, which is outside of Langley's jurisdiction (in unincorporated Island County.) Since Spring 2021, Rose Hughes has been working with both the steering committee and on Langley's Affordable Housing Work Group, and has served as a conduit for information-sharing. Goosefoot boardmembers have also presented about Bayview Vision at Langley Council meetings, just to keep them apprised, and Goosefoot board and staff have attended Langley's affordable housing events.	
Vicki Robin	Does mfta only apply to new construction or does it include turning a single family home into a duplex or triplex?	Carl
	The Multifamily Tax Exemption applies to new construction or substantial rehabilitation of multifamily projects with four or more units.	Greg
Craig Cyr	When did the window close on the local sales tax option?	Carl
	There is no window for city or county adoption of the .1% sales tax under HB1590. However, the City can only impose the tax if the County hasn't imposed it by September 30, 2020. As of Sept. 30, 2020 cities become eliglble to enaact this tax if a county did not. If a county subsequently adopts the tax, it must provide a credit agains the city portion. This leaves the effective tax to the consumer the same.	Greg
Vicki Robin	are there any common tools to put higher tax on short term vacation rentals, excluding owner occupied homes where owners need the income.	Carl
	Charges for lodging for a continuous period of less than one month are subject to retail sales tax and local lodging tax. The City also charges an annual fees for registered short-term rentals. There is no provision in state statures for further taxes on short-term rentals. SB5012 proposed to create an up to 10% excise tax on STR but it did not pass. There are some oppourtunities with B&O taxation and lodging taxes that can be utilized for housing purposes.	Greg
Paul Schissler	What if upzoning "single family neighborhoods" could only happen if the added homes are permanently affordable for people with low- to moderate-income?	Carl

	<p>State law (RCW 36.70A.540) provides authority for Growth Management Act (GMA) cities and counties to establish mandatory requirements for the inclusion of affordable housing under certain circumstances. That statute allows a GMA city or county to require a minimum number of affordable housing units that must be provided by all residential developments in areas where the city or county decides to increase residential capacity. Before establishing such a requirement, a city or county must determine that such a zone change would further local growth management and housing policies. The pros and cons of inclusionary zoning should be carefully reviewed before implementing such a program. But, if your community has an affordable housing problem and strong demand for market-rate housing, it is a regulatory tool that should be considered. The City of Renton has partnered with a land trust in the region to pursue something similar, providing density bonuses within single family neighborhoods in exchange for permanently affordable home ownership constructions.</p>	Greg
JR Fulton	<p>Which of Carl's opportunities will the City be considering or lobbying for? Such as, exempt housing from SEPA/reduce water and sewer participation fees/ 12 year property tax exemption/ create a 0.01% sales tax/ create a property tax levy?</p>	Rhonda/Meredith/group?
	<p>The affordable housing working group is developing a report outlining different strategies and funding sources that may work for the City of Langley. These will be presented at a future council meeting.</p>	
Paul Schissler	<p>There's another local sales tax option. Maybe Island County could do what Whatcom and Skagit are doing - paying for public utility hookup charges and any city impact fees with the special sales tax collected under RCW 82.14.370? This local option sales tax revenue functions as another layer of subsidy that creates permanent affordability. It's revenue neutral for the taxpayer as the sales tax rate does not change.</p>	Joanne
	<p>Neither the County nor the City charge impact fees. The County does not have public utilities. Development in the county is on private wells and water systems and septic systems. From reading the RCW, it is intended to be used for Economic Development. Would have to look closer at what Whatcom and Skagit are doing.</p>	Meredith
Bfyetal@whidbey.com	<p>Island County Housing has several managed complexes on South Whidbey much newer than Brookhaven or Manchester Way. How do we get new complexes nearer Langley?</p>	Teri Anaia - ED of IC Housing Authority/Rose

	<p>ICHA's most recent new development is the Sunny View Townhouses in Freeland, which has 26 units put in service in 2015. The project took many years to develop and leveraged a number of public funding sources. One of the sources was Island County funds (the ICHA is not a County department -- it is a non-profit that serves the county territory.) Those County funds build up over time, and are currently being devoted to the housing being developed near the new Stabilization Center in Oak Harbor. That said, the County will receive significant funds from the ARPA (America Recovery Plan Act of 2021) federal grant program, which might open up new possibilities for publicly-subsidized low income housing.</p>	
	<p>A lot of the work done by Island County focuses on the unincorporated areas. How will Langley be assured that its interests are represented, particularly as its the only incorporated jurisdiction on South Whidbey.</p>	Joanne
	<p>The broad answer would be thru the Council of Government (COG) meetings and more specifically thru representation on the Housing Advisory Board.</p>	
	<p>Are terms of reference being developed for how funds from HB1406 will be spent? How will Langley be involved in this process?</p>	Joanne
	<p>There is an existing interlocal agreement between County, City of Oak Harbor, Town of Coupeville and City of Langley that governs the administration and use of these funds. Island County Housing Advisory Board with county staff review any applications and make recommendations to BOCC. 1406 revenue is being collected and held in an account for future deployment. At some point, we will work on a plan for how these funds will be deployed along with any new funding in the future.</p>	
Chan Ye	<p>Are any of the state and federal funds the county has acquired of benefit to affordable/worker housing within the city limits of Langley?</p>	Joanne
	<p>First, I would need to know what Area Median Income we are talking about. Workforce housing typically can go up to 80% AMI for rental housing.</p> <p>The only funds we have right now that could be used for housing in Langley would come from the 1406 Funds (60% AMI and below) or Affordable Housing Fund (50% AMI) and below.</p> <p>None of our regular funding comes from the Federal Government.</p> <p>However, during COVID, we have received over \$10,000,000 of various Federal funds all for rent, utility and mortgage assistance and two other grants for small homeless housing programs.</p> <p>As mentioned in my presentation, HB1590 is being discussed and if County Commissioners would choose to pass it councilmatically, the annual revenue would be approximately \$1,100,000.00. If this passes, we will work on a "Framework For Funding" Plan that would include policy on how and where funds would be disbursed and likely include the 1406 funds in that planning.</p>	

Vicki Robin	How are you accounting for the anticipated pressure of climate refugees coming to our area. of can that not be planned for?	Meredith
	Local Comprehensive Plans must plan for 20 years of expected population growth and they are required to be updated on an 8-year cycle. Prior to the 8-year periodic review, the state Office of Financial Management provides each County with a range of population growth estimates. These take into account historical growth and migration rates, but also factors affecting the economy, and attractiveness of the area. The next periodic update is due in 2025	
Bfyetal@whidbey.com	What is square footage of the Housing Lopez project homes shown?	Melora
	843 SF two bedroom homes for rent	
Wendy Schneider	On the Lopez Island housing project, who were your community and strategic partners?	Melora
	Our main community partner is the Lopez Island Family Resource Center that initially identified the unmet needs and convened the group of people needed to take action. They continue to support our work and we communicate closely to learn more about housing needs they identify through their direct service work with the Island community.	
Raleigh Hamilton	In regards to 17.03.060 Rural R Zones such as in Clinton, is there any consideration being given to change the zoning that only allows for parcels of 5 acres or more / only one dwelling unit per 5 gross acres?	Meredith
	Although there is no bright-line, the Growth Management Hearings Board has generally found densities greater than 1 dwelling unit per 5 acres, to be inconsistent with Rural Development. The Growth Management Act encourages growth and development to occur within Urban Growth Areas where infrastructure and services are available, while conserving the rural areas for open space, resource use, and recreation. Under ICC 17.03.180.E, the County does allow for some density bonuses in the rural areas where lots are clustered and open space is set aside. Based on the goals of the Growth Management Act and the Island County Comprehensive Plan, the County is not considering increasing densities in the rural areas.	
Mike Clyburn	What is the ami% limit for the HB1590 funds?	Brigid

	These funds may only be used by the following population whose income is at or below 60% of the County AMI. Persons with behavioral health disabilities; veterans; senior citizens; homeless or at risk of being homeless, families with children; unaccompanied homeless youth or young adults; persons with disabilities; or domestic violence survivors.	
Sarah Birger	What is the AMI currently in Island County? in Langley? Who determines AMI and what is it based upon? Get hyperlink	Rose
	Area median income or AMI is calculated every year by the US Department of Housing and Development (HUD). It is the combined average household income for the specific area and family size. You can find Island County's AMI through this HUD portal: https://www.huduser.gov/portal/datasets/il/il2021/2021MedCalc.odn	
Sunny Fitzgerald	Have any of the CLT's developed any co-op housing?	Kim
	The question about Co-ops and CLTs: YES! Lopez is all limited equity (LEQ) co-ops, and Kulshan is involved with one. The takeout financing for the buyers is difficult to get-- the NW CLT Coalition is planning to have a LEQ Co-op lender presentation in the next few months.	
Gabby Guidry	There is a lot of talk of new construction, but contractors are years out right now. How can we encourage existing landlords and property owners to offer affordable housing? Tax incentives for listing rentals at x % of median income?	Carl
	There are no current tax incentives under state law to encourage existiiing landlords and property owners to provide affordable housing.	
Irene Vernon	For all panelists: How have issues of equity been included in your work on affordable housing?	Melora MichaelOrin Joanne Kim

	<p>For Housing Lopez I would say that equity has not been a focus to date. More recently the Board has been discussing it more deeply and with more specifics of how we can engage different portions of the community that are present here (LatinX and LGBTQ) more directly. The Family Resource Center just received a grant from the Group Health Foundation to help get these communities engaged in determining needs and appropriate programs and services for their communities as well as bringing them into setting priorities.</p>	Melora
	<p>HB1220 adopted by the State legislature in 2021 amended the requirements for the housing element of 20-year Comprehensive Plans developed under the Growth Management Act. The bill requires local governments to adopt comprehensive plans that contain a housing element that, among other things: e) identifies local policies and regulations that result in racial disparate impacts, displacement, and exclusion in housing, including: i) zoning that may have a discriminatory effect; (ii) disinvestment; and (iii) infrastructure availability; f) identifies and implements policies and regulations to address and begin to undo racially disparate impacts, displacement, and exclusion in housing caused by local policies, plans, and actions; g) identifies areas that may be at higher risk of displacement from market forces that occur with changes in zoning development regulations and capital investments; and h) establishes antidisplacement policies, with consideration given to the preservation of historical and cultural communities as well as investments in low, very low, extremely low, and moderate income housing; equitable development initiatives; inclusionary zoning, community planning requirements; tenant protections; land disposition policies; and consideration of land that may be used for affordable housing.</p>	Carl/State
	<p>The equity question-- attached please find our Homebuyer Selection policy and our Board Reimbursement stipend policy. Both go a long way towards prioritizing diverse community engagement as well as facilitating access to decision-making roles. We are currently partnered with Everett Housing Authority, Housing Hope and Millenia Ministries to provide preparatory homeownership classes. We are also working on a 1st right of refusal agreement with the Tulalip Tribes. All of our marketing is directed at organizations that serve people at or below 80% Area Median Income; we look to forge partnerships with other community groups so that our homebuyers are reflective of the diversity of the area. (2 policy documents)</p>	Kim

The concept of partnership housing created in 1968 by Millard and Linda Fuller was born from a collaboration with Clarence Jordan who, in 1942 founded Koinonia Farm, an interracial community outside Americus, Georgia. Koinonia Farm was a place where all people were treated equally, resources and responsibilities were shared. Habitat for Humanity recognized very early that access to affordable housing, access to credit, and the opportunity to gain generational wealth through homeownership has been denied to communities of color. Habitat for Humanity of Island County along with over 1,200 affiliates in the U.S. continue to identify these limitations and work toward solutions. Diversity, equity, and inclusion (DEI) is a strategic priority for Habitat for Humanity International and an ongoing journey in partnership with the affiliate organizations. As an affiliate, Habitat for Humanity of Island County, takes full advantage of the training and materials provided by Habitat for Humanity International in our ongoing quest to better connect to underserved communities. Using this information, Habitat for Humanity of Island County is developing strategies to better reach people of color and other affected communities in the areas of access to homeownership and home repair, volunteer opportunities, employment opportunities, and board membership. These efforts include racial and ethnic minorities, immigrants and refugees, individuals with disabilities, LGBTQIA+ youth and adults, and people with limited English proficiency. In 2019 we joined the Cost of Home Campaign launched by Habitat International to increase the supply and preservation of affordable homes, equitably increase access to credit, optimize land use for affordable housing and ensuring access to, and development of, communities of opportunity. Last legislative session Habitat Island County along with other Washington State Habitat affiliates, under the Habitat for Humanity of Washington State Affiliate State Support Organization, led the way to passage of a Homeownership Disparities Work Group. The Legislature recognizes that the State of Washington has faced a growing crisis in housing that pushes people out of their homes and from their communities, and further creates racial disparity in housing. Thus, The Office of Equity shall convene a workgroup to develop budgetary, administrative policy, and legislative recommendations regarding strategies to reduce racial disparities in Washington state homeownership rates.

Orin

	<p>Grants coming from State require performance measures or require partnership by and for organizations that are run by 'underserved' populations. For ex. Rental assistance is federal \$\$ thru the state. IC Housing Services has partnered with a church in Oak Harbor with a large African American representation. We have rented space and work out of that space regularly to make connections to the congregation. We have received a new grant and are working with another pastor of a church with a large LatinX population to ensure marketing tools are translated and getting out to that population.</p>	Joanne
Barry Van Gerbig	<p>Michael. Interested about the finalized costs, per unit, of some of the lower income units. Hard/Soft Costs. The smaller, 6 unit complex still came to nearly \$400K/unit, nearly \$500/sq.ft. Certainly there are scales of economy for larger developments.</p> <p>Are there any developers/monetary institutions focusing on trying to build for the most reasonable price possible & then offering them for sale at a built in, reasonable profit?</p> <p>I think a major goal should be “ownership,” a basic stake in the community. And by this I also mean “workforce housing,” for cops, nurses, firefighters, vets, teachers, tradespeople, etc. Obviously “low income” units are vital, but housing inflation has effected the buying power of the Middle Class/Workforce Americans. I know there is a modular builder called Blokable, in Vancouver, WA looking to solve the housing problem through vertically integrated modular construction, in a plug & play design. The cost for a ONE bedroom is coming in at approx. \$60K. Thanks...</p>	Michael

	<p>Yes, but they are a rare*. Developers and monetary institutions are rarely willing or able to sell "at a loss" compared to what other willing buyers will pay. It's rare that a home or apartment complex will be sold for less than the property is worth unless a community-based nonprofit is involved. Monetary institutions like banks and investment funds are rarely willing to earn less interest and fees than the prevailing rates unless a community-based nonprofit is involved; in those cases, the banks and investment funds may lower the interest rates or offer deferred loans, deferred interest, recoverable grants, fee waivers, or other concessions as long as the concessions result in a lower monthly price for the homes' occupants for a long period of time; ideally, permanently affordable compared to the market price of a similar home.</p> <p>* The rare exceptions are organizations like (a) public housing authorities, (b) private nonprofit agencies that develop, own, and/or manage homes that are more affordable than market price (some might say "rented at a loss, compared to market rents"), and several types of homeownership assistance nonprofits like (c) private nonprofits that operate as a community land trust, (d) nonprofit affiliates of Habitat for Humanity International, (e) mutual self-help programs like those that use USDA Rural Development grants, and (f) other nonprofits that offer assistance to homebuyers who cannot afford the market price of a home.</p>	Paul Schissler
Sunny Fitzgerald	Do you know if Lopez acted as the developer of the co-op? Are they now managing?	Melora
	I'm not sure what co-op is being referenced. Our model is strictly rental housing that we will manage. The Lopez Community Land Trust uses a limited equity coop model for their homeownership communities. Lopez Community Land Trust https://www.lopezclt.org	
Kurt Muller	I would like to invest in local real estate and be part of the solution for affordable rental housing in the process. Is it generally permissible to rent rooms individually in the city of Langley or Island County in general? There are models evolving such as Padsplit.com that facilitate co-housing in existing homes and I am wondering if this is a possibility here? It seems like this could be a rapidly scalable solution. https://www.padsplit.com	Brigid
	There is no restrictions on people renting a house together in the City provided the rental term is more than 30 days. Any less and it's considered a short term rental. Langley's zoning code currently permits Boarding houses. See section 18.22.280 of the Langley Code. The Code was amended in 2018 to make it easier for people to do this.	

Brian Keeler	Can funding sources be directed to Habitat program?	Orin
	Yes, funding or donations can be restricted to a specific program. This includes are repair program, new construction program etc. They can also be directed to a specific build or repair if desired. Funds can also be directed to a specific aspect of a build or repair if desired and all donations are tracked with an accounting trail to show where they were spent if the donor wishes to access that information.	
Bfyetal@whidbey.com	Who finances HabForHumanity home mortgages?	Orin
	Habitat for Humanity of Island County uses third party lenders for our mortgages. Currently we primarily use the USDA 502 direct program but have also used HomeSight Mortgage. Both of these lenders offer programs specific to affordable housing and each offer options for qualified homebuyers. We are always looking for other lending options but since the lending approach is different than a traditional mortgage it can be challenging to find lending partners. Both USDA and HomeSight's mission statement is specific to offering programs to first time low income home buyers with little to no down payment required. The first 12 homes Habitat for Humanity of Island County built and sold were self-funded. In the mid 2000's we transitioned to a third party lender which allowed us to recapture the funds at the time of sale. This allowed us to increase the amount of homes we build per year due to access to working capital. I do see an advantage to offering an in-house finance option for income qualified homebuyers that are ready for homeownership but do not quit check all the "boxes" that a third party lender requires, but that would require community partners to create a fund dedicated to this program.	
	What are the experiences from other communities around inclusionary zoning success and challenges stories.	Carl
	According to a study by Grounded Solutions Network in 2016, 886 communities across the country have developed inclusionary housing policies. The same study states references a survey of over 373 inclusionary programs across the country has produced more than 173,707 units since adoption. The study finds that mandatory programs are more successful than voluntary programs and they tend to have longer affordability terms.	Brigid
	https://www.lincolinst.edu/sites/default/files/pubfiles/inclusionary-housing-full_0.pdf	
	https://mrsc.org/Home/Explore-Topics/Planning/Housing/Affordable-Housing-Techniques-and-Incentives.aspx#inclusionary-zoning	

https://groundedsolutions.org/sites/default/files/2021-01/Grounded%20Solutions%20Network_IH_Policy_Highlight_January_2018.pdf	
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HAB one seat for each jurisdiction and other seats are general. Board is full now except for one seat for Langley. Send email to Joanne to be considered for a seat on the board and they go to BOCC.