

Countywide Housing Affordability Taskforce (CHAT)

June 15, 2007

Meeting Notes

*(*copies of all handouts/draft reports are available at cob.org)*

Member Names: Seth Fleetwood Co-Chair, Terry Bornemann Co-Chair, Bob Bromley, Charlotte Eastman-Pros, Derek Long, John Shorthill, Hart Hodges, Larry West, Nancy Larsen, Roger Roosendaal, Ted Mischaikov, Jon Soine, Paul Schissler, Barbara Brenner, Don Gischer, Ralph Black, Gail de Hoog, John Harmon

Members Absent: Terry Bornemann, Don Gischer

Officials/Staff Names: Tim Douglas, Pete Kremen, Dave Cahill, Greg Aucutt, Shannon Victoria, Preston Burris, Samya Lutz, Gary Williams,

Officials/Staff Absent: Tim Douglas, Pete Kremen, Preston Burris

Introductions

Seth Fleetwood chaired the meeting. Introductions were made around the table.

There were approximately 10 members of the public present. Tom Beckwith joined the group as well as Steve Price, Kelly Baxter, Bill Schenkin and Susan Burke, members of the consulting team.

1. Approval of June 8, 2007 Notes

Notes were not prepared for approval at this time.

2. Statistical Update/Workshops Update

Kelly Baxter said she hopes to have the statistical data compiled into one report by mid-July.

Steve Price gave an update on the workshops and interviews. The workshops are complete. Steve said there was a lot of repetition throughout the different groups. There was a universal feeling that homeownership is not possible for anyone at 80% or below median income with the exception of a few condo buildings. Land cost is a major contributor to the inflated cost of housing. Other issues identified were governmental regulatory requirements, permit fees and permit review. There was also a major concern the wages are not keeping in step with the inflation of housing costs in Whatcom County. There was a feeling from the workshop participants that there are conflicting public priorities. It is challenging for the communities to overcome conflict regarding density and lot size reduction without knowing the priorities of the governing entities.

Steve said there were a number of references to a land trust in the future. It was also thought that a more aggressive marketing effort could be made to introduce people to alternative housing options. There was an overall feeling that the traditional approach is old thinking. Whatever approach is used, it is felt it needs to be countywide so the separate jurisdictions aren't competing. Members of the workshops would like to see smaller housing units, green building materials and energy efficient construction. Lastly it was very important to the groups that the Taskforce produces a doable product. There was a strong feeling that monitoring of the final product is essential.

Steve said he should be able to provide a complete report of the workshops and interviews in the next couple of weeks. Steve will provide a copy to Shannon once complete.

Tom Beckwith reviewed the Taskforce calendar. He pointed out there are a lot of tools to be reviewed in June and July. Typically these meetings will last two hours.

The remainder of the meeting, Tom read through one by one each housing tool outlined on the Housing Tools document dated June 12, 2007. (Document is available on cob.org website)

The list was broken into the following categories:

NEW CONSTRUCTION-REDUCING LAND AND PREPARATION COSTS -

Zoning/Density Measures, Infrastructure Development, Property Ownership, Construction

NEW CONSTRUCTION-REDUCING MATERIALS AND OPERATIONAL COSTS –

Building Codes / Green Requirements

NEW CONSTRUCTION – REDUCING PROCESSING REQUIREMENTS

Regulatory Requirements

RETAINING THE INVENTORY – Rehabilitation Programs

INTERVENING IN THE MARKETPLACE – Bonus and/or Quota Systems, Packaging, Company Holdings

INCREASING INCOME AND PURCHASING POWER- Education, Living Wage Job Production, Financing Techniques – State Programs, Financing Techniques – Local Incentives

MEETING SPECIAL NEEDS-Homelessness/Special Needs

IMPLEMENTING THE HOUSING ACTION PLAN – Management Entity

The Taskforce made several questions and comments regarding the different tools.

- Wetlands and Buffer requirements make Cluster Development challenging.
- Clustering should allow developers to transfer all density to other parcels, regardless of wetlands.
- Builders have mentioned they have not been allowed to build to density.
- The fact that a project cost 10% less to build doesn't mean it is 10% less for the consumer. The market determines the prices.
- When cottage housing was introduced, the homes were affordable to build but they sold for twice the amount it cost to build them.
- Stormwater/buffer requirements on site are becoming a problem. The stormwater pond reduces the property size significantly thus shrinking the area that can be developed.
- Low Impact Development (LID) techniques should be implemented more frequently.
- Is there a cost savings for LID. Tom said if a tool gives more developable land, this will save money.
- Development that doesn't utilize LID techniques is often more expensive than when LID techniques are used.
- Developers bypass sites that are difficult to build on.
- Infill is a less expensive way to develop because infrastructure is already in place.
- Affordable Housing Districts – This is an option for developers to build higher or build elsewhere if affordable housing is included in the development – Is this fair to developers who develop under the old rules?
- Community Drain Field – Cluster homes around an open space where group septic is created. Issue was raised of how the public defines the standards for a community drain field.
- Transfer of Development rights allows developer to transfer affordable housing to other sites – Where are those sites and what happens if it becomes a “ghetto”?
- Financing is difficult for manufactured housing. Modular homes are easier to finance.
- Pre-approved building plans could be a tool to cut down cost by limiting processing time.

- Waiving of impact fees depletes the Governments General Fund. What is another solution for waiving fees?

It was asked, will the tools work to create affordability?

In response, Tom said creativity will be necessary. When he begins showing examples, the Taskforce will see, that it is often times a combination of tools that makes affordability successful.

Tom highlighted Greenbriar a project in Woodinville. It utilized small lots, small lot district, performance based zoning and cottage housing. By using all these tools the project was able to achieve affordability with rents ranging from \$379 for a one bedroom to \$978 for a four bedroom. The purchasing price ranged from \$115,000 to \$189,000. Roger Roosendaal was curious as to how affordability was impacted by the resale of these homes.

Ralph Black has prepared a list of code changes that would be necessary to assist in the possibility of affordable development. He felt there will need to be some significant code changes. Roger commented that time is money for builders/developers and they can't afford to have their projects tied up for a long period of time. The builders/developers have limited power to change policies. Barbara said that is why the Taskforce was formed, to implement change.

Gary Williams said establishing a process will be doable. He said some processes may need to change after the initial experimentation phase.

There is public concern that the labor of the Taskforce will not ever evolve into something realistic.

Tom said it is important to keep in mind the tools selected need to meet everyone's needs.

Tom continued showing additional examples of housing tools that have been implemented elsewhere.

Madison Avenue – Bainbridge Island

This project started out as affordable. There are 16 units ranging from \$160,000 to \$195,000. Now these units are valued much higher. People found these places desirable and convenient for commuting to and from Seattle.

Taluswood Townhomes – Redmond

The City acquired ten acres from the US Coast Guard. This project has a cluster of 85 townhouses. It is an example of a public / private partnership. It provides both transitional housing and first time home ownership. There was an RFP process to hire the developer. Prices range from \$199,000 to \$225,000. The larger units are approximately 1650 square feet. As part of RFP, the developer had to show mix of affordable housing. The developer also paid for infrastructure.

Cambridge Court - Bellevue

This project has 20 units of senior rental housing on land owned by a church. Units are small. There is shared parking with the church.

This discussion will resume next week.

Adjourn.