

Countywide Housing Affordability Taskforce (CHAT)

October 26, 2007

Meeting Notes

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

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

Members Absent: Derek Long; Hart Hodges, Mayor Bromley, Barbara Brenner; and Don Gischer.

Staff Present: Dave Cahill, Heather Aven, Gary Williams.

Guests: Tom Beckwith and Bill Schenkin were representing the consulting team.

Seth Fleetwood chaired the meeting. The meeting was called to order at 9:05 a.m.

1. Approval of October 12, 2007 notes

Ralph Black moved to approve the minutes with corrections. Jon Harmon seconded. **ALL AYES.**

2. Review of CHAT Schedule

Tom Beckwith went over the draft schedule for the remainder of the year and what should be covered at each meeting to ensure completion. Meeting dates in November: 9th, 16th, and 30th. Meeting dates in December: 14th.

3. Discussion (continued) on Inclusionary Zoning and offset cost and impacts

Tom referenced the spreadsheet he prepared that provided various scenarios based on John Harmon's sites (Laurel Village and Meadow Wood), which are subsidized projects, not private sector. This spreadsheet, although it did not cover all the adjustments, helped to show where offsets can happen to lower development costs. He pointed out that if there are offsets that happened, such as the \$20,000.00 gap, it has to be made up in another manner without using federal or state money. Other scenarios included decreasing the unit size, bringing in pre-manufactured components, decreasing the unit size, and removing the cost of land.

Some discussion took place around the quality of pre-manufactured units. One point was made that time is saved, not necessarily money. One disadvantage to this system is the large number of identical units that must be produced to realize the savings. Ralph mentioned that construction costs are dynamic and different components can change drastically from one site to another.

Discussion also took place in regard to sales tax. It was suggested that the State might be able to allow a change at the local level that would allow a portion of the tax to be adjusted. It was decided that this be revisited in 2 weeks to discuss how it can help reduce development costs.

Tom asked those members of the taskforce in the private sector to send him some of their development numbers so there can be a comparison to the housing authority numbers. Tom requested numbers based on a finished project, not speculation.

Target population is 11,000 – 6,000 inside Bellingham and 5,000 outside of the City. Tom stated that consideration should be made to the type of home that is going to be built prior to deciding where it will be placed.

Ralph mentioned that before leaving the Inclusionary Zoning issue, the issues need to be gone through one by one and notate mandatory / voluntary / or incentive.

4. Deliverables

Ralph, Ted, and Gary, will send their development data to staff, and it will be forwarded to Tom for consolidation.

Next Action

- Update on revenue and target projections, and follow up on the spreadsheets.
- Draft recommendation and work on survey that will go to the public.
- Walk through original toolkit and confirm support / don't support.

Next Steps

Meeting on the 9th -

- Projections
- Revenues
- Rental Purchasing Model

Meeting on the 16th –

- Begin drafting the survey

Goals for November –

- Survey will receive public comment
- Make recommendation to Councils in late November or early December

Goals for December –

- An update has been given to both City and County Councils.