

**AGENDA
AFFORDABLE HOUSING COMMISSION
Regular Meeting**

January 3, 2024, 4:30 pm

In Person or via Zoom



Members of the public who wish to participate in this meeting may do so either in-person or remotely via video conferencing by joining at the following link:

<https://us02web.zoom.us/j/89181074283?pwd=bkYvaUprbHRsM0JCTXpWUjc4YVFHQQT09>

Meeting ID: 891 8107 4283

Passcode: 967492

Phone participation is also available by calling **1-253-215-8782**,
and entering webinar ID: **891 8107 8314**
When prompted, the password is: **967492**

**AGENDA OF THE REGULAR MEETING OF THE
ELLENSBURG AFFORDABLE HOUSING COMMISSION
January 3, 2024 4:30 pm**

- 1) CALL TO ORDER AND ROLL CALL OF MEMBERS
- 2) APPROVAL OF THE AGENDA
- 3) APPROVAL OF MINUTES –
 - a. December 6, 2023 Meeting Minutes
- 4) NEW BUSINESS –
 - a. Establish AHC Chair and Vice Chair positions for 2024.
 - b. Establish subcommittee to interview commission applicants.
 - c. Annual review 2023.
 - d. Review work priorities and learning agenda for 2024.
- 5) UNFINISHED BUSINESS
 - a. Update on Catherine Park site preparation.
 - b. Update on 1st and Pine Request for Proposal (RFP) development.
- 6) CITIZEN COMMENT
- 7) STAFF UPDATE/DISCUSSION ITEM
- 8) COMMISSION REPRESENTATIVE UPDATE
- 9) ADJOURNMENT



For more information on the Affordable Housing Commission, contact the Community Development office at 509-962-7653

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CITY OF ELLENSBURG

Minutes of Affordable Housing Commission, Regular Meeting

Date of Meeting

December 6, 2023

Time of Meeting

4:30 PM

Place of Meeting

**Council Chambers
501 North Anderson Street
Ellensburg, WA 98926
And remotely via Zoom**

1. Call to Order and Roll Call of Members

Chair Bedsaul called the meeting to order at 4:31 p.m.

Present: Sarah Bedsaul, John Perrie, Courtney Garzone, Dan Witkowski, Kim Funston (4:32 p.m.), Sarah Beauchamp (4:34 p.m.)

Absent: Jordan Ruhle

Others Present: Jeremy Johnston-Community Development Planning Manager; Kathy Boots-Planning Technician; Dan Carlson-Community Development Director; Terry Weiner-City Attorney; Heidi Behrends Cerniwey-City Manager; Lily Frey-Housing & Grants Administrator

2. Approval of Agenda

Commissioner Garzone motioned to approve the agenda as presented. Motion passed 4-0

3. Approval of Minutes

a. November 1, 2023 Meeting Minutes

Commissioner Perrie motioned to approve the regular meeting minutes from November 1, 2023. Motion passed 4-0.

4. New Business

a. New Staff Introductions

Lily Frey; Community Development Housing & Grants Administrator, was introduced.

b. EcoNorthwest Sleep Center Presentation

EcoNorthwest gave a presentation to the Commission regarding their research regarding a sleep center. They researched different sites where it could be located, taking into consideration buffering options, access to public transit, access to general services, and City of Ellensburg land use code. They projected costs such as staff, security, utilities, fencing, building, and landscaping. The housing options that were considered were 25 pallet shelters or retro-fit Tuff Sheds that could be leased or owned by the City. There would be a building

that housed an office, common area for meals, storage, and bathrooms. Costs for yearly maintenance of the shelters and possible future expansion were considered. Moses Lake was consulted to get feedback on their shelters, and it was learned that they had some rot in their shelters. The City Manager stated there have been presentations to the Planning Commission, City Council, and open houses. Dave Sturgill stated the Kittitas County Homeless Committee has been part of this process and Kittitas County receives taxes that will be used to assist in funding this project. The amount of acreage needed was discussed. The operation of the facility will be decided through an RFP process.

5. Unfinished Business

a. Affordable Housing Joint Study Session Guidance

The guidance document was approved by City Council and will be included as part of the RFP application. A site plan is being worked on to help possible developers see the potential and limitations of the site.

6. Citizen Comment

None

7. Staff Update/Discussion Items

None

8. Commission Representative Update

Commissioner Ruhle has resigned from the Commission. The vacancy will be advertised.

9. Adjournment

The meeting was adjourned at 5:18 p.m.

Annual Review 2023

Affordable Housing Commission

Jan 4, 2024

Affordable Housing Commission duties and responsibilities

- C. At the end of each fiscal year, conduct a review of the revenue allocation framework as originally developed by the ad hoc affordable housing advisory committee.
- F. At the end of each fiscal year, conduct a review of affordable housing needs.
- G. At the end of each fiscal year, provide an annual report on the affordable housing revenue collection and activities undertaken with affordable housing funds.

C. Revenue Allocation Framework

- 5% administrative costs,
- 5% kept in reserve,
- 40% for operations and maintenance, and
- 50% used for repayment of general obligation bonds

Housing Funds Reminders

- Two revenue components (detail on next slides):
 - Voter-passed Housing & Related Services sales tax (0.1%)
 - Affordable and Supportive Housing Sales & Use Tax (0.0146%) – credit from State 6.5% sales tax
- Council has budget authority - expenditures must be in City budget or supplemental appropriation
- Affordable Housing Commission makes recommendations to City Council

Housing & Related Services Sales Tax

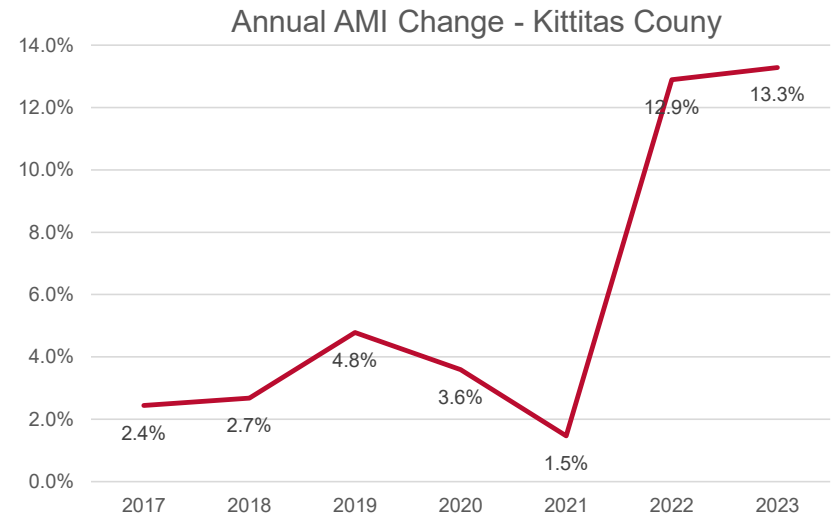
- **0.1% Sales Tax** - approved by Ellensburg voters in 2017; does not expire
- At least 60% of the revenue must be used for constructing or acquiring affordable housing, constructing or acquiring behavioral health-related facilities, acquiring land for those purposes, or funding the operation and maintenance costs of new affordable housing units and facilities within which housing-related programs are provided.
- Housing and facilities may only be provided to below population groups whose income is at or below 60% of the **county** median income:
 - People with disabilities or behavioral health disabilities,
 - Veterans,
 - Senior citizens,
 - People who are homeless or at-risk of being homeless, including families with children,
 - Unaccompanied homeless youth or young adult, or
 - Domestic violence survivors.
- Remaining funds must be used for the operation, delivery, or evaluation of behavioral health treatment programs and services or housing-related services.
- Up to 50% of proceeds may be used for repayments of bonds for the above purposes

Affordable Housing Sales Tax Credit

- Established in 2019. Our 2017 sales tax enabled Ellensburg to access “full share” or 0.0146% as a credit from state sales taxes* (6.5%)
- May be used for persons whose income is at or below 60% of the **city** median income:
 - Acquiring, rehabilitating, or constructing affordable housing, which may include new units within an existing structure or facilities providing supportive housing services
 - Operations and maintenance costs of new units of affordable or supportive housing;
 - Loans or grants to nonprofit organizations or public housing authorities;
 - Repayment of bonds;
 - Rental assistance to tenants who are at or below 60% of the jurisdiction's median income; and
 - Administrative costs, not to exceed 10% of the annual tax distribution.
- Expires in 2039

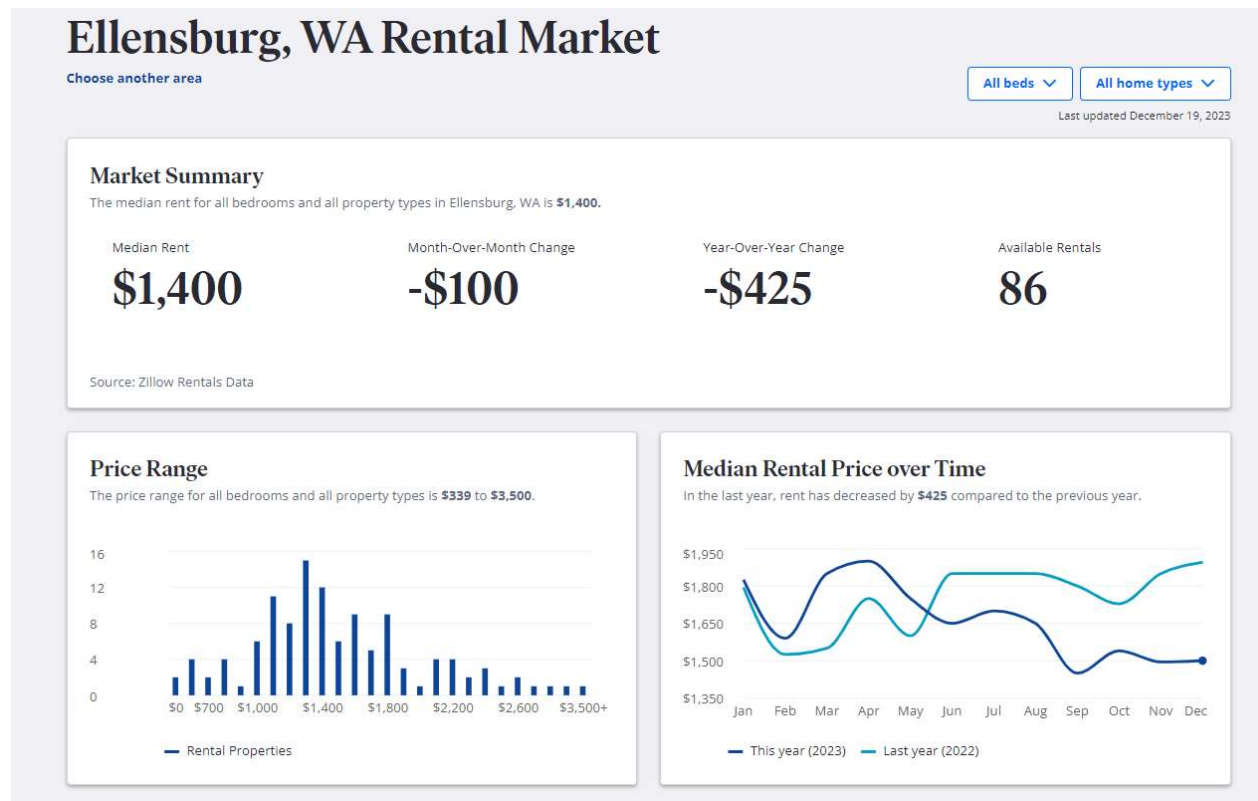
F. Affordable Housing Needs

- Slightly lower than anticipated population growth
 - WA Office of Financial Management (OFM) Ellensburg population estimate 2023 = 20,900
 - 2020 Census = 20,797
- HUD median income
 - Based on family size of four people
 - \$76,000 in 2021
 - \$97,200 in 2023 (28% increase)



Source: HUD

Zillow Rental Market Snapshot – Dec 2023



Source: Zillow

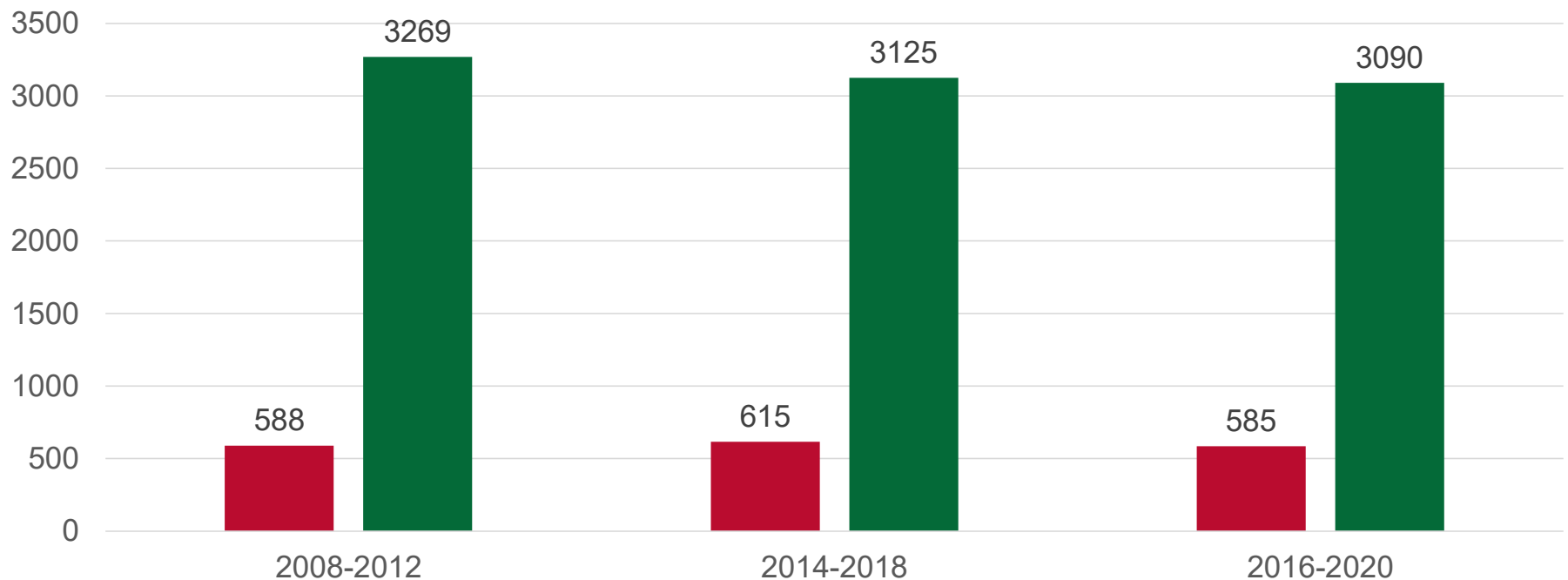
Ellensburg Home Values – Dec 2023



- Median home value = \$450,000
- 1.2% increase since Dec 2022

Source: Zillow

Cost-burdened households, slight decline



■ Owner households ■ Renter households

Source: HUD Comprehensive Housing Affordability Strategy (CHAS) based on American Community Survey (ACS) data

Recent & Ongoing Affordable Housing Development

Name	Developer / Owner	Units	Occupied
Spurling Court	HopeSource	49	2021
Pine Place	HopeSource	19	2023
Stuart Meadows	Habitat	18	Future
Nites Inn / Pathways	HopeSource	16	Future

G. Affordable Housing Revenues and Activities

Item	Revenue	Expenditures	Total
Balance from 2022			2,448,164
Housing & Related Services (0.1%)	668,952		
Affordable & Supportive Housing (0.0146%)	73,058		
Interest	100,064		
Stuart Meadows – City disbursement 1		59,014	
Stuart Meadows – City disbursement 2		447,220	
Professional services (ECONW)		55,052	
Totals end of 2023*			2,728,952
Stuart Meadows – Remaining allocation**		228,766	
Total available			2,500,186

2023 Highlights

- Applications and partner selection for Catherine Park property
- Reviewed middle housing design standards
- Canceled contract First & Pine enabling new RFP process; with Council, established new selection criteria
- Reviewed Sleep Center report from ECONorthwest

Looking Ahead 2024

- RFP for First & Pine
- Proposed pipe of irrigation ditch and monitor wetland at Catherine Park site
- Support Council & County to establish emergency shelter
- Outreach to potential applicants and review of affordable housing sales tax applications
- Continue Housing Action Plan implementation

Ellensburg Affordable Housing Commission – Jan 3, 2024

Learning Agenda & Presentation Options

Commissioner _____

This sheet asks commissioners to identify their interest level in various research or presentation topics to be included in future meetings in 2024. Additional suggestions can be added to the blank lines along with any suggested speakers or invitees to share their expertise.

Very	A little	Not	Topic	Invitation suggestion
☐	☐	☐	Affordability preservation	Housing Authority
☐	☐	☐	ADU models and choices + HB 1337	_____
☐	☐	☐	Manufactured & mobile home preservation	Nonprofit partner
☐	☐	☐	Funding for affordable housing projects	ORFH (Yakima)
☐	☐	☐	Housing grant opportunities	_____
☐	☐	☐	Home ownership / downpayment assistance	_____
☐	☐	☐	Community Land Trust models	Habitat/nonprofit
☐	☐	☐	Climate plan & role of housing	_____
☐	☐	☐	Middle housing & model ordinance (with Planning)	_____
☐	☐	☐	_____	_____
☐	☐	☐	_____	_____
☐	☐	☐	_____	_____