



**COMMUNITY DEVELOPMENT DEPARTMENT  
501 North Anderson Street, Ellensburg WA 98926**

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**MINUTES OF ELLENSBURG CITY AFFORDABLE HOUSING COMMISSION**

**Date and Time:** Affordable Housing Commission meeting, October 6, 2021 - 4:30 p.m.

**Place of Meeting:** Remote meeting held via Zoom

**Present (in-person):**

**Present (virtual):** Bruce Tabb, Sarah Bedsaul, John Perrie, Charli Sorenson, Dolores Gonzalez, Hannah Tower, Hongtao Dang

**Absent:**

**Others Present:** Planning Manager, Jamey Ayling; Community Development Director, Kirsten Sackett; Kelle Vandenberg

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**1. CALL TO ORDER**

Chair Tabb called the meeting to order at 4:30 pm.

**2. APPROVAL OF THE AGENDA**

Commissioner Bedsaul made a motion to approve the agenda as presented. Commissioner Perrie seconded. **All in favor, motion passed.**

**3. APPROVAL OF MINUTES OF SEPTEMBER 1, 2021**

Commissioner Gonzalez moved to approve the September 1, 2021 minutes. Commissioner Perrie seconded. **All in favor, motion passed.**

**4. NEW BUSINESS**

**a. Review Multi Family Tax Exemption Program**

Chair Tabb said that some information about the MFTE program had been sent, with code from the RCW and City Code. Fundamentally, the MFTE program allows developers to have an exemption on the improvements made to the property. Currently the program is only applicable in the C-C zone, and there are two options available – 8 year and 12 year for affordable housing. He said that the 8-year program has been used 5 times in the City, including projects developed by Tyler Glahn and Milt Johnson. Tabb said that he has talked with both developers and they both said there has been real value in utilizing the MFTE program.

He said that staff has previously posed to City Council the idea of expanding the area in which MFTE is applicable.

Planning Manager Ayling said as part of the agenda packet he sent out the two pertinent sections of city code that rolled into this conversation about the MFTE program – the purpose statement and the definition of the “residential targeted area” or RTA. He said that term is a key component of the program. The RTA needs to be specifically identified, and the RCW does provide the criteria by which the RTA can be set or expanded. The area should be within an urban center, which can be defined by the governing authority (city council), and the urban center has to have a lack of housing options. He said that the area doesn’t necessarily have to align with the boundaries of a zoning district, but it could just be a delineated area. Staff has found that staying with a zoning district has proved a useful tool, as some developers have been able to rezone property from CC-II into CC and then take advantage of the MFTE.

Planner Ayling said that this process is done by resolution, and the Council would need to hold a public hearing in order to define a new residential target area with notice requirements. He said the City already has the MFTE program in place, and we already have an application form. He said the state has recently offered up in addition to the 8 and 12 year programs a 20-year program. To qualify there are three requirements. 1. The jurisdiction has to have an inclusionary zoning ordinance that includes requirements for affordable housing. 2. The RTA needs to be within proximity of rapid transit, which it could be argued that we do not offer. Our transit at this time does not have enough frequency to meet the requirements. 3. The jurisdiction needs to be under 65,000 people. The city meets 1 out of 3. Chair Tabb also mentioned that the transit could almost be considered rapid or it could be adjusted to be considered rapid transit.

Chair Tabb asked Commissioner Perrie if he recalled why the CC zone had previously been identified as the RTA. Commissioner Perrie’s recollection was that the program was initiated because a developer with an interest brought it forward.

Kelle Vandenberg of Habitat for Humanity asked a question to understand how the MFTE program ties into affordable housing. Ayling said it can tie into affordable housing as an incentive if a developer chooses to pursue the 12-year program, which is allowed only with affordable housing projects, versus the 8-year.

Planner Ayling said that based on the discussion of the residential targeted area being tied to the CC zone, staff would like to pursue the idea of expanding it to include the CC-II zone. He said that in the time he has been here, he has had inquiries for development of three different properties in the CC-II zone that had wanted to know if their property qualified for MFTE.

Commissioner Gonzalez asked about inclusionary zoning required for the 20-year program. Planner Ayling provided an explanation of how inclusionary zoning requires a certain percentage of new development be set aside for affordable housing. Chair Tabb said that the RCW also required that the inclusionary zoning program be in place by July of 2021, and then any developer who took advantage of it would be required to keep the housing as affordable for 99 years.

Chair Tabb said that even though we don’t qualify for the 20-year program, the existing 8 and 12 year programs are still in effect. He said that is the only incentive that has been utilized by the development community.

Commissioner Bedsaul said that she supports the expansion of the MFTE Residential Targeted Area into the C-CII zone. Commissioner Sorenson said she also supports expansion of the RTA into C-CII. Commissioner Dang asked questions about whether the commission had opportunities to recommend changes to zoning that more easily allows for affordable housing. Ayling responded

that there is but the commission need to note that in the CC and CC-II zones the use is permitted so there is no change needed. Chair Tabb said that the strategies that Council recommended begin to address those gaps. This will ultimately part of the conversation. Director Sackett provided some information about how zoning changes and added flexibility in the code would lead to more density, which allows construction costs to be consolidated, which ideally leads to lower construction costs.

Planner Ayling explained that defining the targeted area can be done by resolution, but then an ordinance amendment will also need to be done to amend the code section that lines out the changes.

Commissioner Tower made a motion to recommend expansion of the MFTE program from the CC to the CC-II zone. Commissioner Perrie seconded. There was no more discussion. All in favor; motion passed.

## **5. OLD BUSINESS**

## **6. CITIZEN COMMENT**

## **7. STAFF UPDATE/DISCUSSION ITEMS**

### **a. Update on Affordable Housing Projects**

Planner Ayling said that a pre-application meeting was held for the Addison Place 5-unit project for senior affordable housing. They already have a contract in place with the City, and they are poised to be able to submit for a building permit. They are just trying to determine if they want to save a tree on the property

The preliminary plat was approved for the Habitat for Humanity project. Civils have been submitted to the City for review. The contract is down to two red-lined items under review by the attorneys and will likely go to Council

The 1<sup>st</sup> and Pine property is scheduled to go to City Council on October 18 to surplus the property for affordable housing use.

Commissioner Sorenson asked about the polling of the HAP strategies, and Sackett stated that there were two strategies that received the most support - #6 and #7.

### **b. Monthly Budget Report**

Planning Manager Ayling reviewed the budget numbers, he noted that the City has not received any requests for funding besides the three that have already come before the Commission.

## **8. COMMISSION REPRESENTATIVE UPDATE**

Chair Tabb said he was asked by AWC to do a presentation on October 20. He asked if the Commissioners had any thoughts on what he should emphasize. He said the commission could email their ideas to Planning Manager Ayling. He said he wants to share progress, but also discuss some of the barriers that are created by the legislation. Some of the control seems to be taken away from the local jurisdictions. Projects don't move forward when decision-making is removed from the local authority. A cookie cutter approach may be appropriate for a larger

community but not helpful for smaller communities.

Kelle Vandenberg said she supports that message to the state, noting that it is very difficult for our community when the emphasis of the legislature is so focused on homelessness.

## **9. ADJOURNMENT**

Mayor Tabb adjourned the meeting at 5:20 pm.