AGENDA

CLALLAM COUNTY
HOUSING SOLUTIONS COMMITTEE

223 East 4th Street, Room 160
Port Angeles, Washington
August 5, 2022 – 9 a.m.

Housing Solutions Committee meetings will also be available virtually at:

If you would like to participate in the meeting via Zoom audio only, call 253-215-8782 and use meeting ID: 875 561 7844 and passcode: 12345

If you would like to participate in the meeting via Zoom video conference, visit https://zoom.us/j/8755617844 and use meeting ID: 875 561 7844 and passcode: 12345

This meeting can be viewed on a live stream at this link: http://www.clallam.net/features/meetings.html

Public comment and questions can be directed to the Clerk of the Board at 360-417-2256 or agores@co.clallam.wa.us.

CALL TO ORDER, PLEDGE OF ALLEGIANCE, ROLL CALL

REQUEST FOR MODIFICATIONS/APPROVAL OF AGENDA

PUBLIC COMMENT – Please limit comments to three minutes

APPROVAL OF MINUTES
- Minutes – July 1, 2022

BUSINESS ITEMS
- Housing Solutions Committee Roles and Responsibilities Purpose Review

REPORTS AND PRESENTATIONS
- University of Washington Housing Affordability Index
- Target Wage for affordable housing
- Owner Occupant Ratio in Clallam County

PUBLIC COMMENT – Please limit comments to three minutes

NEXT MEETING DATE – September 2, 2022 at 9 a.m.

ADJOURNMENT

Housing Solutions Committee

Draft Minutes

July 1, 2022

CLALLAM COUNTY
HOUSING SOLUTIONS COMMITTEE
MINUTES of July 1, 2022

MEETING OF THE HOUSING SOLUTIONS COMMITTEE

Chair Christy Smith called the meeting to order at 9 a.m., July 1, 2022. Also present were Donella Clark, Lowell Rathbun, Gregory McCarry, Shawn McCourt, Shawn Washburn, Sarah Martinez, Colleen Robinson, Nathan West, Kathy Morgan, Colleen McAleer, Glenn Ellis, Michael Sivia, Leslie Bond, Wendy Sisk, Caleb McMahon, Sharon Maggard and Cheri Tinker. Randy Johnson and Rod Fleck were excused.

CALL TO ORDER, PLEDGE OF ALLEGIANCE, ROLL CALL

REQUEST FOR MODIFICATIONS/APPROVAL OF AGENDA

ACTION TAKEN: McCarry moved to approve the agenda as presented, McAleer seconded, motion carried

APPROVAL OF MINUTES

- Minutes – June 3, 2022

ACTION TAKEN: McCarry moved to approve the minutes as presented, West seconded, motion carried

REPORTS AND PRESENTATIONS

REPORTS AND PRESENTATIONS

- Multifamily from builders perspective - Greg McCarry – Westerra Homes
  - Property
  - Financing
  - Cost to build & impediments
  - 4plex example

McCarry provided a presentation regarding property, financing, and cost to build/impediments. HSC Members held discussion.

BUSINESS ITEMS

- Discussion on HSC subcommittees
  - Review of housing blueprint recommendations

Smith briefed the HSC Members on the Clallam County Housing Blueprint HB 1590/1070. Martinez noted the document was created in 2021. Smith noted there are subcommittees listed in the document and proposed using it to structure the subcommittees. HSC Members held discussion on how to proceed with subcommittees.
HSC Members held discussion regarding support staff for the Housing Solutions Committee.
ACTION TAKEN: McAleer moved to recommend to the Board of County Commissioners to hire a fulltime Housing Solutions support staff, McCarry seconded motion, motion carried

- Bylaw review and motion to approve

ACTION TAKEN: West moved to approve the bylaws, Robinson seconded motion, motion carried

PUBLIC COMMENT

- Colleen McAleer, Sequim, commented on Opportunity Funds, North Olympic Legislative Alliance Meeting
- Lindsey Schromen-Wawrin, Port Angeles, commented on how to support different kinds of housing
- Steve Workman, Port Angeles, commented on short term rentals

NEXT MEETING DATE

- August 5, 2022 at 9 a.m.

ADJOURNMENT

Meeting concluded at 10:05 a.m.

Housing Solutions Committee

Business Item

Roles and Responsibilities
Purpose Review

Housing Solutions Roles & Responsibilities Purpose Review

On March 15, 2022, the Clallam County Board of Commissioners established the Housing Solutions Committee to be responsible for:

A. Developing programs to promote housing solutions in Clallam County.

B. Making recommendations to the Board of Clallam County Commissioners and the Opportunity Fund Board for expenditures of 1406 funds, American Rescue Plan Act Funding related to housing solutions, Opportunity Fund infrastructure for housing and other funds that can be used for affordable housing.

Members

- Designated – County Commissioner
- Designated - County DCD
- Designated – City of Forks
- Designated – City of Port Angeles
- Designated - City of Sequim
- Designated – Peninsula Housing Authority
- Designated - Peninsula Behavioral Health
- Designated – OlyCap
- Designated – Port of Port Angeles
- Designated – Economic Development Council
- Designated – Tribal Governments
- Designated – Habitat for Humanity
- Designated - NORVHN
- Designated – Serenity House
- Designated – Healthy Families
- Designated – United Way
- Representatives for Three Year Term-
    - North Peninsula Builders Association
    - Sequim Realtors Association
    - Port Angeles Realtors Association
    - At Large Representitive

As such, the following topics are foundational to this purpose:

A.Assessing and prioritizing affordable housing projects and recommending funding award amounts to those projects using reasonably equitable distribution of funding to cities (table lists potential projects previously identified).

B.Understanding local barriers to private development *of all levels of housing supply* and developing potential solutions to address barriers. Examples could include:

- Lack of local workforce in targeted construction sectors
- City and/or county zoning and/or building code requirements that create barriers without an associated value to offset the barrier
- City and/or county fee structures that create financial burdens without an associated value to offset the barrier

C.Understanding state barriers to private and public housing development of all levels to coordinate and provide guidance for advocacy for state level changes with partner advocacy groups such as NOLA, WSAC, AWC.

D.Develop Key Performance Indicators (KPIs) to understand the current conditions of housing supply available for our local population that requires affordable and workforce housing for long term housing. Examples could include:

- Owner occupancy rates in the cities and unincorporated county
- Median *Home Sale* Prices in cities and unincorporated county over time
- Median *Assessed* Values of Single-Family Residences over time
- Lease Rates for Single Family Residences
- Housing Affordability Index of Clallam County
- Number of developments and multi-family housing projects developed over time and in development currently
- Number of short-term rentals of homes located in each city and county
- Other

E.Consideration of coordinated city/county policies regarding short term rentals

2.Reports by Committee Members

A.Presentation by Clallam EDC: Housing Affordability Index of Clallam County & Owner Occupancy Information created through Assessor data.

FOUR NEAR-TERM PRIORITY PROJECT PROJECTS* AND NINE ENVISIONED

Project	# of Units	Residents Lease or Own?	Population Served	Approximate Project Cost	Current Shortfall	Other Revenues	Coordinated By	Time Frame
* All View Motel Project - Convert 20 unit motel into new low income housing	27	Lease	Individuals and Veterans engaged in behavioral health treatment with priority given to homeless. Income limits will apply as this is low income, affordable housing.	$2,700,000	$2,100,000	Contribution of $25k for each unit from local governments (City and County sharing this cost). Anticipate Commerce HTF Grant for $2.1M. Ongoing costs will be managed from collected rents and housing subsidies as available.	Peninsula Behavioral Health with consultation support from Peninsula Housing Authority	2022
* Miller Road Property in Sequim, WA – purchase of 4.5 acres, closing date 10/29	40	Homeownership	Families Workforce/ affordable housing	$3,200,000	$2,645,000	Currently $550,000 in funding is secured. Other grant/foundation requests are pending, potentially $300k. At this time we anticipate initiating a Capital Campaign launching in early 2022 to raise funds to fill the gap. Plus use of USDA 502 program low interest mortgages.	Habitat for Humanity	2024
* Group Home in Sequim	7	Rent	Homeless and disabled Veterans	$1,300,000	$350,000	Senator Murray appropriation has been applied for and is expected to receive first of 2022, $20k already secured from Clallam County 2060 funds	NORVHN	2022
* Mt. Angeles View Senior Housing	32	Multifamily rental	Seniors	$9,000,000.00	$9,000,000.00	Waiting for HUD 202 NOFA	PHA	2024

Eklund Heights Self-Help Phase 3	12	Homeownership	Under 80% of AMI	$500,000.00	$500,000.00		Peninsula Housing Authority (PHA)	2023
Eklund Heights Phase 4	25	Multifamily rental	Seniors/Vets/ Singles	$4,500,000.00	$4,500,000.00		PHA	2022-2023
Owen Crossing Self Help	24	Homeownership	Under 80% of AMI	$750,000.00	$750,000.00		PHA	2026-2027
Shane Place Self Help	12	Homeownership	Under 80% of AMI	$150,000.00	$0.00	City of PA grant	PHA	2024
Mt. Angeles View Family	152	Multifamily rental	Disabled/Vets/ Homeless/Seniors	$40,000,000.00	$40,000,000.00	Will apply for LIHTC	PHA	2023-2025
Mt. Angeles View Self-Help	17	Homeownership	Under 80% of AMI	$100,000.00	$100,000.00		PHA	2025-2026
Apartment Complex in Pt. Angeles	15	Rent	Homeless Veterans	$2,500,000	$2,500,000		NORVHN	dependent on funding
Apartment Complex in Forks	15	Rent	Homeless Veterans	$2,500,000	$2,500,000		NORVHN	dependent on funding
Apartment Complex in Forks	15	Rent	Homeless Veterans	$2,500,000	$2,500,000		NORVHN	dependent on funding

Housing Solutions Committee

Business Item
Prosperity for Working people in Clallam County
Presentation
Daniel A. Underwood
Olympus Consulting

Prosperity For Working People in Clallam County

Some Analytical Background On Affordable Housing And Wages For Prosperity

EDC

CLALLAM COUNTY ECONOMIC DEVELOPMENT COUNCIL

OLYMPUS CONSULTING

Daniel A. Underwood; August 5, 2022

Thinking About "Affordable Housing"

Housing Affordability Index
Washington Center for Real Estate Research, UW

Assumptions

Median priced home (Q1, 2022) was $430,400; first home at 85 percent, or $365,840.

10% down ($36,584), 6% interest, 30-year conventional loan on $329,256.

Add 0.25% for mortgage insurance.

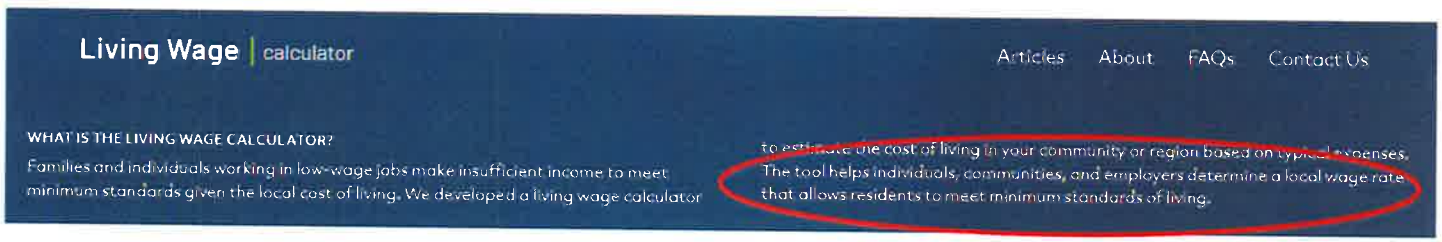
Monthly payment of $2,027.

Qualifying Income is $2,027 x 12 x 4 = $97,296.

Property taxes $260 month plus $100 for insurance.

Thinking About A "Living Wage"

"The living wage is the *minimum* income standard that, if met, draws a fine line between the financial independence of the working poor and the need to seek out public assistance or suffer consistent and severe housing and food insecurity."
***MIT Living Wage Calculator: User Guide/Technical Notes*, p. 3**



[Living Wage Calculator (mit.edu)](https://livingwage.mit.edu)

MIT Living Wage Expenses: 2022

Typical Expenses

These figures show the individual expenses that went into the living wage estimate. Their values vary by family size, composition, and the current location.

	1 ADULT				2 ADULTS (1 WORKING)				2 ADULTS (BOTH WORKING)			
	0 Children	1 Child	2 Children	3 Children	0 Children	1 Child	2 Children	3 Children	0 Children	1 Child	2 Children	3 Chil
Food	$3,999	$5,893	$8,853	$11,742	$7,332	[illegible]	[illegible]	$14,321	$7,332	$9,124	$11,764	$14,3
Child Care	$0	$8,647	$17,294	$25,941	$0	$0	$0	$0	$0	$8,647	$17,294	$25,9
Medical	$2,178	$6,521	$6,308	$6,618	$5,449	[illegible]	[illegible]	$6,407	$5,449	$6,308	$6,618	$6,4
Housing	$8,881	$13,451	$13,451	$19,061	$10,205	$13,451	$13,451	$19,061	$10,205	$13,451	$13,451	$19,0
Transportation	$4,938	$8,762	$11,391	$13,456	$8,762	$11,391	$13,456	$14,613	$8,762	$11,391	$13,456	$14,6
Civic	$2,581	$4,144	$5,120	$6,686	$4,144	$5,120	$6,686	$5,314	$4,144	$5,120	$6,686	$5,3
Other	$4,748	$7,080	$6,477	$9,424	$7,080	$6,477	$9,424	$9,115	[illegible]	[illegible]	[illegible]	$9,1
Required annual income after taxes	$27,448	$54,622	$69,018	$93,049	$43,096	$51,995	$61,521	$68,954	[illegible]	[illegible]	[illegible]	$94,8
Annual taxes	$4,450	$8,855	$11,189	$15,085	$6,986	$8,429	$9,973	$11,178	$6,986	$9,831	$12,777	$15,3
Required annual income before taxes	$31,898	$63,478	$80,207	$108,134	$50,082	$60,425	$71,494	$80,132	$50,082	$70,474	$91,592	$110,

$721 Monthly

$1,121 Monthly

Towards Finding A Target Wage

We learned from the Community Survey that finding affordable housing is the top ranked challenge for residents of Clallam County.

The studies we looked at underestimate the cost of child care and housing.

Home ownership is a major component of household wealth.

We also learned from the Community Survey that many working residents are financially challenged and do not have a job that meets their basic financial needs.

Therefore, we are designing a target wage that allows homeownership and the accumulation of wealth to promote economic prosperity.

Operational Principle – Economic Prosperity For Working Families

Assumptions

Household composition: 2 adults, both work, with one child.

One adult has a median wage job: annual income is $42,346 (ESD 2019, 2021$).

Median priced home (Q1, 2022) was $430,400; first home at 85 percent, or $365,840.

10% down ($36,584), 6.25% interest, 30-year conventional loan: payment of $2,027.

Property taxes $260 month plus $100 for insurance.

Saving for down payment ($36,584): $610 monthly for 5 years. This amount could be used for other purposes such as an emergency fund, travel fund etc.
Saving for the future: 15% of total gross income.

Cost of child care, $836 monthly or $10,032 annually.

Estimating the Target Wage

MIT Living Wage Calculator Indicates Before Tax Income of $70,474.

Add $13,477 Housing plus $1,385 Child Care which equals $14,862.

Add Property Taxes $260 x 12 plus Insurance $100 x 12 which equals $4,320.

Add annual saving for a down payment: $7,327.

All of this tallies to $96,983.

Add saving 15% for the future, or $14,548 annually equals $111,531.

Target Wage = $111,531 - $42,346 (average private sector wage) = $69,185.

What Will It Take To For A Working Family To Prosper?

One adult earning a median wage of $42,346.

One adult earning an EDC Target Wage of $69,185.

Housing Solutions Committee

Business Item
Prosperity for Working people in Clallam County
Presentation
Colleen McAleer - EDC

EDC

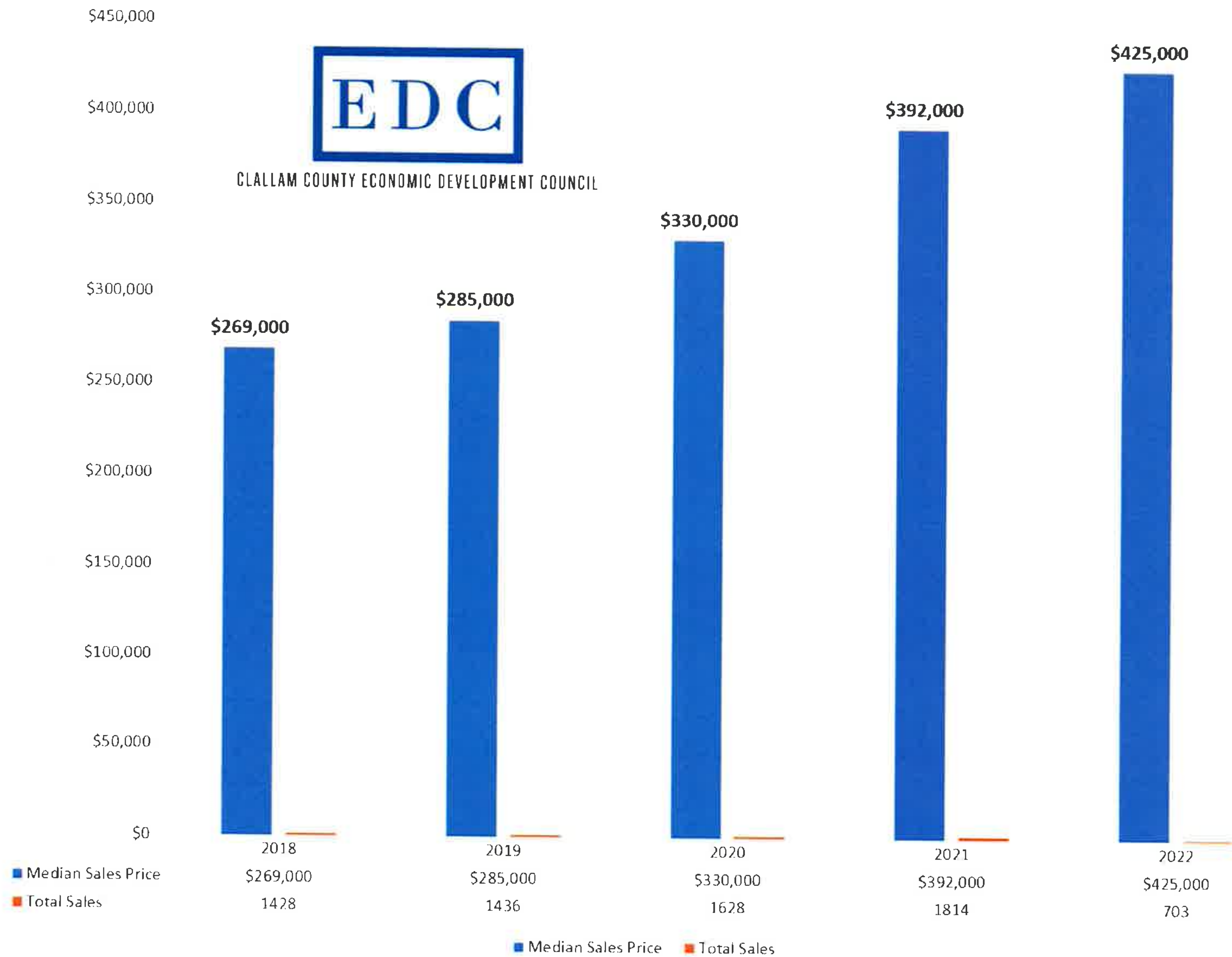
CLALLAM COUNTY ECONOMIC DEVELOPMENT COUNCIL

Residential Analysis

	Unincorp County	Port Angeles	Sequim	Forks	All
Site Built SFR	13,477	6,705	2,147	720	23,049
Manuf Homes (Real)	3,890	217	80	172	4,359
Duplexes - Fourplexes	84	140	107	32	363
Condominiums	435	147	482	0	1,064
Cabins Real <400sf	388	5	7	0	400
All residential - Total	**18,274**	**7,214**	**2,823**	**924**	**29,241**
Manufactured Homes (Personal)	1,082	120	504	295	2001

Apartments & Hotels Analysis

	Unincorp County	Port Angeles	Sequim	Forks	Total
Apartments (Assessor Code 1300)	13	88	30	7	**138**
Hotels & Motels (Assessor Code 1600)	37	34	18	15	**104**



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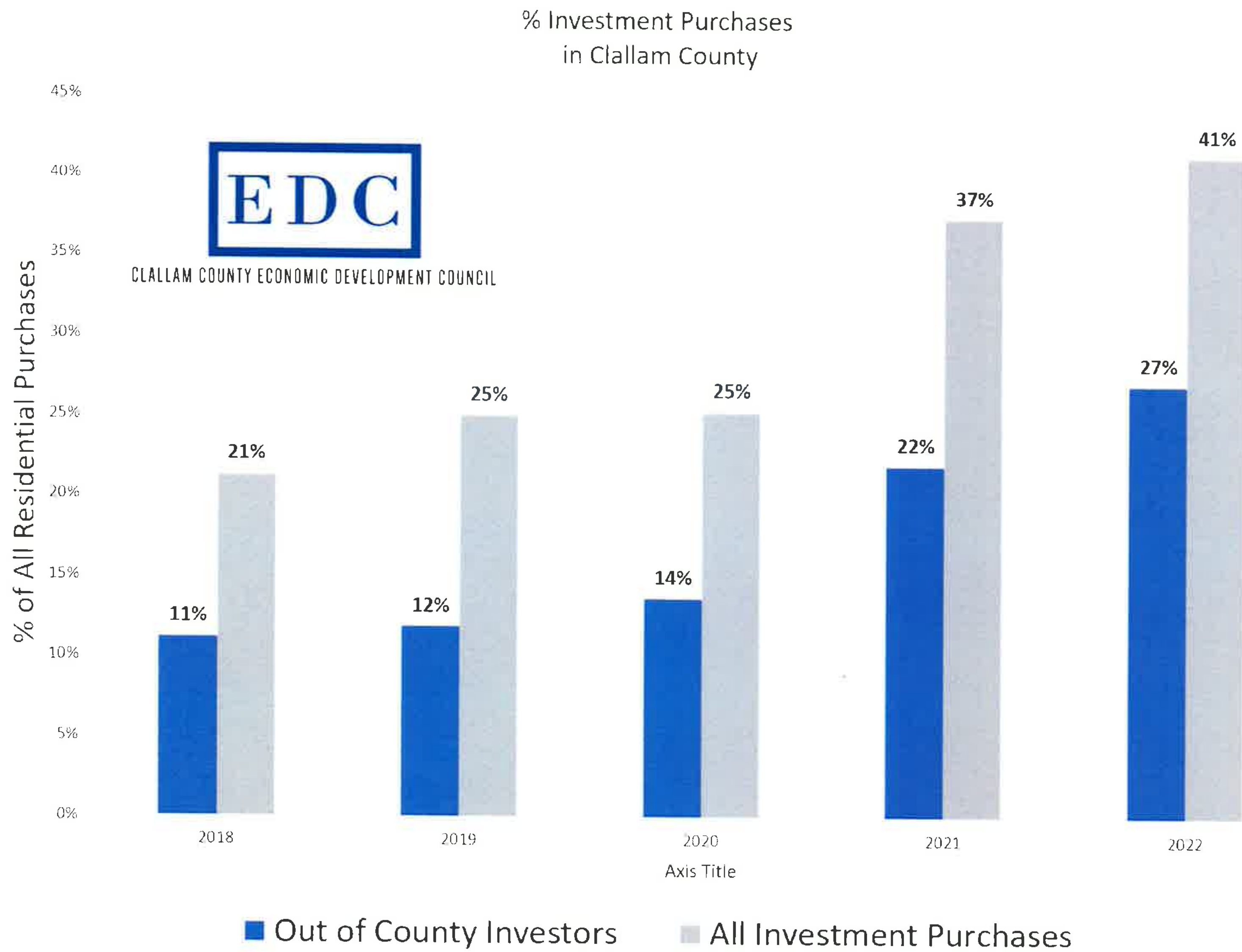

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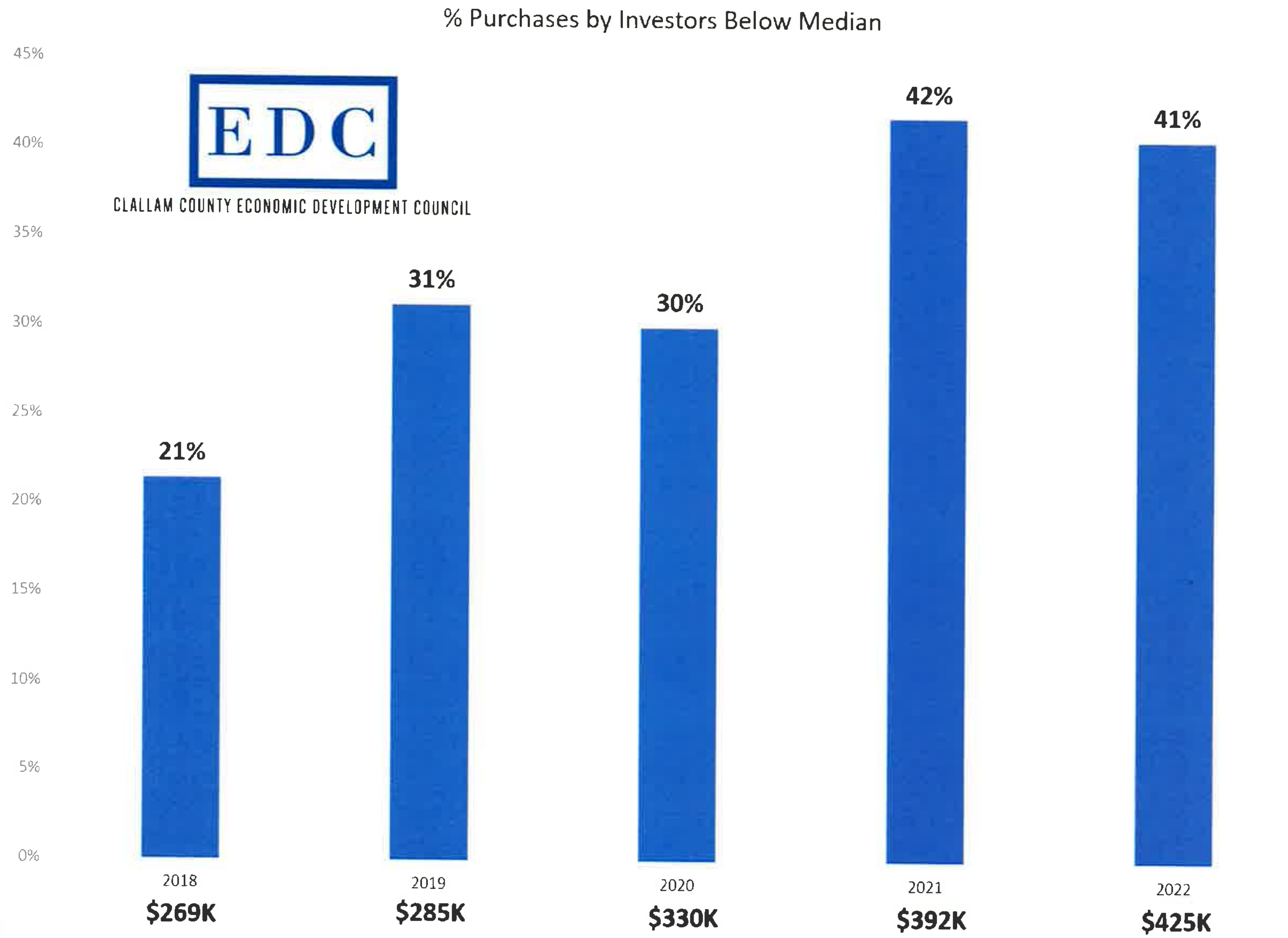

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