

REDMOND CITY COUNCIL STUDY SESSION SUMMARY

February 26, 2019

Mayor

John Marchione *(Not in attendance)*

Members of the Council

Angela Birney, President

David Carson, Vice-President

Jeralee Anderson

Steve Fields

Hank Margeson

Hank Myers

Tanika Padhye

Staff

Maxine Whattam, Chief Operating Officer

Sarah Stiteler, Senior Planner

Erika Vandenbrande, Director of Planning and
Community Development

Jae Hill, Planning Manager

Judy Fani, Senior Planner

Michelle Hart, MMC, City Clerk

Convened: 7:30 p.m.

Adjourned: 11:22 p.m.

Council President Birney opened the meeting and overviewed the agenda.

Affordable Housing and 2019 ARCH Work Plan and Budget

Ms. Sarah Stiteler, Senior Planner, presented information regarding affordable housing and the 2019 ARCH work plan and budget; framework in which we do housing planning, and tools to increase housing supply. Ms. Lindsay Masters was introduced as the new Director of ARCH. She presented “need” data and information on the proposed 2019 work program and budget.

- overviewed the State Growth Management Act and its housing goals;
- creating a variety of housing types;
- targets established in the Countywide Planning Policies;
- implementation of affordable housing should be based on local conditions and supportive of preservation or new construction depending upon what is appropriate for that local jurisdiction;
- the City’s Comprehensive Plan established an overall goal of increased housing supply and diversity, and spoke to increased housing opportunities for all demographics;
- Housing Strategy Plan adopted by the Council in 2012 to identify priority action strategies for the newly updated Comprehensive Plan, and was updated in 2014 and 2016 when the City was looking at the multi-family tax exemption program;
- tools the City has used over the years to increase housing supply;
- inclusionary policy has increased housing supply the most over the years;
- close to 700 contracted affordable units at the City to-date; and
- as a result of putting in place the multi-family tax exemption program in 2017, close to 20 percent of affordable units are at 50 to 60 percent of area median income;

Ms. Masters presented regarding:

- the threshold of affordable housing is that it costs no more than 30 percent of household income;

- programs try to focus on different income levels to be served;
- percent of area median income;
- housing costs being experienced by those living in the community;
- homelessness is another important indicator of affordable housing, and the One Night Count is a big measure of this;
- there was a 23 percent increase in homelessness from last count, and there are 389 homeless students in Lake Washington School District.
- employment demographics and the housing needs of local workers;
- percent of workers commuting from outside of the City to Redmond is also an indicator;
- 85 percent of the workforce is coming into Redmond from elsewhere;
- home ownership requires a significant amount of income in Redmond, as opposed to renting; and
- the amount of affordable housing that is needed today and in the future.

General discussion ensued regarding using King County numbers instead of the numbers for Redmond's AMI; bridging the increasing gap; cost burden of transportation and commuting; setting the threshold of AMI; and determining success.

Ms. Masters provided an overview of ARCH: it is an interlocal agency created by agreement of multiple jurisdictions, including 15 cities in East King County, as well as the County itself; collaborative framework for cities to work together to provide affordable housing; how they are organized and governed; pooling capital funds regionally to invest in projects; how ARCH works with its members; support educational events and activities and interface with members of the community who are seeking affordable housing; housing trust fund investments have created over 3,600 units; map of where those projects have been located; 1,000 units of the 3,600 units are in Redmond; ARCH 2019 Work Program – looking at strengthening program administration and monitoring programs, maintain staffing, looking at opportunities to take advantage of public land near transit; identifying potential revenue sources that can be dedicated to affordable housing; who is benefitting from the program; and the City of Redmond work program activities.

General discussion ensued regarding who is paying for this; calculating the costs and where the money comes from; working with Habitat for Humanity; currently there are 3,500 households on the application list for getting into an ARCH sponsored unit; expanding MFTE to all neighborhoods, as opposed to targeted areas; the cost of transportation and housing; persons not using the homes as their principle residences; covenants associated with home ownership; reviewing the program overall; and an audit is being conducted of every unit in the program.

(Recessed at 8:34 p.m. reconvened at 8:41 p.m.)

OneRedmond Workforce Housing Initiative

Councilmember Padhye lead this discussion.

Mr. Robert Pantley and Ms. Angela Rozmyn provided a presentation regarding the report from the Workforce Housing Working Group:

- housing is too expensive in Redmond;
- goal is keeping workers living in the City;

- King County Housing Task Force states we are short 156,000 affordable units now in the county;
- the cost of a long commute, how do we reduce the flow/traffic on the freeways/giving them an option to live close so we are not constantly losing our trained resources to other cities;
- 10-minute communities;
- preserving existing housing;
- the financial problem of workforce housing creation, and new incentives are needed;
- requires thoughtful collaboration;
- everything that raises the cost of housing should be challenged and justified;
- blend workforce housing with market rate – do not separate them;
- holistic approach and building green and walkable communities;
- can incentivize where half of the units can be affordable, not just 10 percent;
- hold the line on impact fees;
- extending MFTE from 12 years to 20 years;
- programmatic SEPA review – blanket, not for each project;
- parking ratios – get impact fees in balance with walkable communities;
- sustainability – helps affordability and lowers costs; and
- Redmond would be the first in the nation to go to 50/50 and to implement this holistic approach.

General discussion ensued regarding increasing density in Redmond; getting a third-party audit of the proposed plan; changing permitting fees; what will the additional eight years on the MFTE affect; no mechanism at the City for prioritizing affordable housing; 1,000 units in the next five years; and discussing the incentive overlay code for affordable housing at the Council retreat.

(Recessed at 9:50 p.m., reconvened at 9:58 p.m.)

2018 – 2019 Comprehensive Plan Amendment Docket

Mr. Jae Hill, Planning Manager, and Ms. Judy Fani, Senior Planner, discussed the 2018 – 2019 Comprehensive Plan Amendment Docket:

- process to amend the Comprehensive Plan, threshold criteria, and previous questions from the Council;
- Comprehensive Plan cycle;
- insurances with the amendment process;
- master periodic update process map that feeds into the Comprehensive Plan cycle;
- annual update process is the discussion tonight – docket period and review all applications against threshold criteria;
- currently reviewing the scope of the proposed docket;
- March 19, 2019 is scheduled for adoption of the ordinance, which sets up the workplan for the City;
- approval of the docket allows study of the amendments moving forward;
- previous touches of the docket process;
- the Planning Commission recommendation is summarized in the staff report;
- privately initiated proposals that were not recommended to go forward (3 rejected; 1 approved);

- specifically addresses Education Hill Comprehensive Plan amendment;
- time-related factors, the two-year timeline is addressed;
- applying the RZC criteria;
- docketing the Bear Creek corridor to relook at zoning;
- if the City has capacity and budget to consider the docketing of the Bear Creek corridor;
- policy changes that would be necessary to look at the proposal; and
- Issues Matrix items are closed.

In reference to the Education Hill proposal, Councilmember Carson stated: that discrepancies show it in the Bear Creek neighborhood; the property was annexed into the City and the zoning never changed; there is multi-family to the north off of Avondale; feels major inconsistencies on how the City treated this proposal; and the LU36 policy doesn't apply to properties developed prior to 2006.

Staff stated that taking up an item rejected by the Planning Commission would require an additional public hearing.

Council Talk Time

Councilmember Birney stated that the Council retreat is March 7, 2019, and overviewed the agenda for the March 5, 2019, regular business meeting.