



## Whatcom County Housing Advisory Committee MEETING AGENDA

Thursday June 8, 2023 8:30-10:00 AM

Hybrid: Civic Building 1<sup>st</sup> Floor Conference Room,  
322 N Commercial St & Zoom

Agenda Items		Time
1.	Call to order, introductions and roll call of members present (Brien)	5 min
2.	Action item: Approval of April 2023 minutes (Brien)	
3.	Agenda review (Brien)	
4.	Funding for services (Chris)	10 min
5.	Point-in-Time Count update (Chris/Teri)	10 min
6.	Justice Project Implementation Plan update (Chris)	10 min
7.	Affordable housing development fund allocation approach (Chris)	35 min
9.	City of Bellingham update (Samya)	5 min
10.	Whatcom Homeless Service Center update (Teri)	5 min
11.	County update (County staff)	5 min
12.	Public Comment (2 minutes per person)	5 min
13.	Adjourn (Brien)	

Next meeting: Thursday, August 10, 2023, 8:30-10:00 AM

*Community members who require special assistance to participate in a committee meeting are asked to contact the meeting facilitator at least 4 business days in advance.*  
[ageleyns@co.whatcom.wa.us](mailto:ageleyns@co.whatcom.wa.us)





# Whatcom County Housing Advisory Committee

## Meeting Minutes

**Meeting Date/Time/Location:** 4/13/2023 / 8:30-10:00am / Hybrid: Civic 1<sup>st</sup> Floor Conference Room & Zoom

**Committee Members Present:** Adrienne Renz, Ashley Thomasson, Brien Thane, Bruce Bosch, Dan Dunne, Dean Fearing, Diana Phair, Kayla Schott-Bresler, Samya Lutz, Tara Sundin, Teri Bryant, Von Ochoa

**Committee Members Absent:** Ann Beck, Dawna Morse

**WCHCS Staff/Guests:** Ashley Geleynse, Chris D'Onofrio / Katie, Helen Campbell, Debbie Paton, Marcelo Pratesi, Paul Schissler

Agenda Item	Report/Discussion	Action/Who
1. Call to order, introductions, and roll call	Introductions commenced and quorum present.	Brien
2. New member: Adrienne Renz	Chris introduced new member Adrienne Renz, Executive Director of Domestic Violence & Sexual Assault Services (DVSAS). Adrienne shared about her background in social services.	Chris/Adrienne
3. Approval of February 2023 minutes	Samya moved that the minutes from the February 2023 meeting be approved, Ashley T. seconded the motion. Teri abstained. The motion passed.	Brien Yes: 11 No: 0 Abstain: 1
4. Agenda review	There were no suggested changes to the agenda.	Brien
5. Stakeholder Advisory Committee recommendations for housing services	Kayla provided an update on the Justice Center planning process that's been occurring through the Stakeholder Advisory Committee and Incarceration Prevention & Reduction Task Force. The needs assessment has been completed and approved by County Council. Next steps are working on an implementation plan to build a new jail that includes behavioral health services, but also broader supportive services to prevent incarceration and to reduce the revolving door of people going in and out of the jail. Housing recommendations that may come forward are 1) to adequately fund permanent supportive housing services for existing projects 2) to expand permanent supportive housing for justice involved individuals 3) to provide recovery housing, specialty shelter, and smaller permanent supportive housing/rental assistance models for justice involved individuals, 4) to advocate for	Kayla presented, Committee discussed



	<p>relief from HUD's (US Department of Housing &amp; Urban Development) chronically homeless definition which prevents incarcerated individuals for qualifying as homeless in order to receive housing services. Kayla acknowledged that there's more conversation to be had around the availability of local 1406 and 1590 funds, whether we need to be looking at entirely new resources to fund these strategies, and where unit or bed priority for this population fits into the coordinated entry system.</p> <p>Committee members offered the following feedback:</p> <ul style="list-style-type: none"> <li>• There aren't enough local resources to fully operate permanent supportive housing programs and more resources are needed from and initiative/levy and the state.</li> <li>• It could be beneficial to add language around prioritizing specific populations (i.e. families with children) and advocate for the state legislature to more thoroughly fund permanent supportive housing services for those populations.</li> <li>• Suggestion to look at where this population overlaps with other priority populations (i.e. families, seniors, disabilities), create synergy between those priorities, and get specific about the needs that justice involved folks have.</li> <li>• If HUD were to bend chronic homelessness rule, could use Shelter Plus Care rental assistance that would get sent back to HUD by getting match for case management. BHA will continue to have discussions on this topic with the Stakeholder Advisory Committee.</li> <li>• Include the justice involved population in broader conversations about the Coordinated Entry prioritization process (i.e. how does being justice involved intersect with unsheltered and chronic homelessness?)</li> </ul>	
<p><b>6.</b> Habitat for Humanity memo</p>	<p>Habitat for Humanity sent a memo to the Housing Advisory Committee requesting the use 1406 and 1590 funds for homeownership, including the rehabilitation of existing homes and down payment assistance. Habitat for Humanity and Kulshan Community Land Trust staff responded to questions about screening potential homebuyers because there has been a barrier getting families through the Habitat for Humanity process in the past. Habitat does complete background checks on potential homebuyers, Kulshan does not. This relates to conversations the committee has been having about the local development fund allocation approach. There are also actions being taken at the state level to address wealth inequities as it relates to homeownership. This conversation will be continued later on in the meeting and at future meetings.</p>	<p>Chris presented, Committee discussed</p>
<p><b>7.</b> Skagit HOME Consortium plan update</p>	<p>The Skagit HOME Consortium includes Skagit, Island, and Whatcom Counties, excluding the City of Bellingham, and funds have not been used much in Whatcom County to-date. Chris reviewed a few</p>	<p>Chris presented, Committee discussed/</p>



	<p>proposed changes to the next five-year plan and requested feedback. Proposed changes include: 1) eliminating the CHDO operations budget and adding that to the general development bucket 2) reducing tenant-based rental assistance (TBRA). Samya and Debbie Paton, Opportunity Council Community Services Manager, whose team distributes TBRA, cautioned against reducing TBRA over the five-year period. They instead suggested to increase the allocation because of the demonstrated need for rental assistance and the fact the other sources of rental assistance are set to expire. The committee discussed advocating for using unspent development funds for down payment assistance, ensuring that the resale policy is compatible with all stakeholders.</p>	<p>provided feedback</p>
<p><b>8. Memo to EDI Board re: affordable workforce housing</b></p>	<p>Paul gave an overview of the County's Economic Development Investment (EDI) fund, which brings in almost \$6M per year. The fund can be used for a limited number of purposes related to economic investment and public facilities, including affordable workforce housing. Paul proposed that there are two other uses this fund could be used for: 1) land banking, 2) predevelopment expenses (personnel). The committee discussed the proposal, including the potential legal complications with using EDI funds for affordable housing. Dan motioned to request that the EDI Board consider using EDI funds for land banking and personnel expenses for affordable housing, if it's legal. Dean seconded the motion. Kayla abstained. The motion passed.</p>	<p>Paul presented, Committee discussed</p> <p>Yes: 11 No: 0 Abstain: 1</p>
<p><b>9. Development fund allocation approach</b></p>	<p>Chris presented development fund allocation approach consisting of three buckets: 1) housing services, permanent supportive housing operations and maintenance, and/or rental assistance 2) small development and remodels 3) LIHTC leverage. The following schedule for small development and LIHTC projects seeking funding to leverage was proposed. This schedule aligns with the City of Bellingham's NOFA schedule: have a draft NOFA for committee review in August, release the NOFA in January, create a review committee in February, being cautious of potential conflicts of interest, and announcing awards in April 2024. Tara suggested assessing the need and being flexible with targets for small and large development on an annual basis because it will change year to year and some larger projects will require a couple years of banking. Members of the committee generally supported the approach and there will be follow up at future meetings.</p>	<p>Chris presented, Committee discussed</p>
<p><b>10. WCHCS Update</b></p>	<p>A job posting was created for a Capital Projects Manager that will focus on affordable housing and childcare facility development.</p>	<p>Chris</p>



11. City of Bellingham update	Samya thanked Brien and the folks at Mercy Housing for speaking to the City Council about affordable housing. The public comment period for the City of Bellingham's Consolidated plan is closed and the report will be published in May	Samya
12. WHSC update	Teri shared the following updates: <ul style="list-style-type: none"> <li>• The Whatcom Homeless Service Center is fully staffed.</li> <li>• The Point in Time Count report is expected to be released some time in May.</li> <li>• Outreach is supporting Public Works by working with Honey Bucket to pump out RVs that are leaking sewage into waterways.</li> </ul>	Teri
13. Public Comment	Diana sent an invitation through the chat to the Sch'lang'en Crossroads Halfway Homes Grand Opening on April 26.  There was no other public comment.	Brien
13. Adjourn	The meeting was adjourned.	Brien

**Next Meeting:** Thursday, June 8, 2023, 8:30-10:00am





**Whatcom County Housing Advisory Committee  
Discussion Form**

6/8/2023

---

**AGENDA ITEM #:** 7

**PRESENTER:** Chris D'Onofrio

**BOARD ACTION:** Action Item                      X Discussion                       FYI - Only

---

***SIGNIFICANT POINTS OR EXECUTIVE SUMMARY***

A draft of the framework for funding low-income housing developments with 1406 and/or 1590 funding was last updated in August 2021. At the April 2023 meeting, Chris presented a draft development fund allocation approach, which committee members informally consented to. WCHCS housing program staff are in the beginning stages of planning for the release of an RFP for development, acquisition and rehabilitation projects in January 2024. In preparation for the June 8 WCHAC meeting, housing program staff reviewed the framework and made some initial improvements.

***BOARD ROLE / ACTION REQUESTED***

WCHCS housing staff are seeking feedback on the framework for funding low-income housing developments, acquisition and rehabilitation projects with 1406 and/or 1590 funding. The framework will inform application materials and scoring rubrics for local funds for affordable housing.

Development fund allocation approach

	Bucket One		Bucket Two	Bucket Three
	Housing Services	PSH O&M and/or Rental Assistance	Small Development & Remodels	Tax Credit Leverage
1406	0	60%	40%	0
1590	40%	0%	20%	40%

	Est. Revenue (annual)	Housing Services	PSH O&M and/or Rental Assistance	Small Development & Remodels	Tax Credit Leverage	Total
1406	656,271	0	393,763	262,508	0	656,271
1590	2,500,000	1,000,000	-	500,000	1,000,000	2,500,000
	<b>3,170,000</b>	<b>1,000,000</b>	<b>393,763</b>	<b>762,508</b>	<b>1,000,000</b>	<b>3,156,271</b>

Current Balance	Q1 2023 Uncommitted (approx)
1406	\$ 1,500,000
1590 Development	\$ 2,000,000



## Framework for funding low-income housing developments, acquisition and rehabilitation with 1406 and/or 1590 funding

### Goals and principals:

- Funds may be requested for capital development of new housing, or acquisition of existing housing with or without the need of substantial rehabilitation.<sup>1</sup> Capital development may include land, infrastructure, predevelopment, soft costs, and housing construction costs typically associated with housing development.
- Funds may be used for projects that serve households earning 60% AMI and below, or in proportion to the number of units in the project serving that population.
- Affordable rents (inclusive of all housing costs, such as utilities, etc.) must be targeted to no more than 30% of gross household income for households earning 60% of area median income; these requirements will be in place for 30 years from initial occupancy. Owners and property managers will abide by fair housing and related requirements.
- The majority of locally-generated, county-wide funding sources for capital should support projects located outside the City of Bellingham city limits.
- Project proponents will participate in collaborative efforts to build and coordinate a pipeline of capital projects throughout the county, reflected primarily through participation in the Affordable Housing Planning Group and submission of Declaration of Interest, Statement of Intent, and other requested, timely steps along the County's approval process for project prioritization (for Low-Income Housing Tax Credit projects only).
- Project proponents must address priorities in the Whatcom County [Strategic Plan to End Homelessness](#), and demonstrate consistency with the Plan in materials submitted.
- Applications with higher proportions of leverage will receive higher scores when determining funding awards. Funding from 1406 and 1590 together will be capped at 50% of total development costs (TDC).

### Approach:

- Project leverage adequacy will consider the following:
  - Project proponents are urged to apply for 9% or 4% Low Income Housing Tax Credits, and describe the feasibility of these sources of funding to the project in materials submitted, if appropriate for the project's funding strategy.
  - Project proponents will make application to [WA State Housing Trust Fund](#) for funding, if eligible, and appropriate for project's funding strategy.
  - Project proponents outside the City of Bellingham will make application to the Skagit HOME Consortium, if eligible and appropriate for the project's funding

---

<sup>1</sup> Acquisition and acquisition/rehab projects may be subject to relocation and anti-displacement rules and requirements



- strategy; and inside the City of Bellingham will respond to the City's annual Notice of Funding Availability, when appropriate.
- Project proponents will consider utilization of philanthropic support, appropriate to the target populations served and their level of need.
  - Project proponents will work with the local jurisdiction to request fee waivers of up to 80% for any system development charges and impact fees, and apply to the Housing Affordable for the Workforce (EDI) for fees not waived, if appropriate.
  - Project proponents are expected to utilize other financing appropriate to the proportion of need-based units delivered (e.g. fewer % of need-based units = more private financing expected). Consider the proportion of <60% AMI units, the proportion of units serving even lower income levels (<50% and <30% AMI levels), and the services tied to the project.
  - The following projects are expected to reflect a higher degree of leveraging (i.e. request a smaller percentage of county-wide funding proportional to total project costs):
    - Projects within the Bellingham City Limits (~20% max?)
    - Projects serving incomes above 50% AMI
  - The following projects may request a waiver of the % leverage:
    - Projects reserving at least 25% of units for homeless-on-entry households through Coordinated Entry
- Project proponents will make application to the County utilizing the **Combined Funders Application**.
  - An application scoring process will be created, with a minimum threshold score developed and/or a maximum per-unit funding amount commensurate with the score achieved.
  - Funding repayment expectations will be dependent on the project, with the County reserving the right to negotiate fully amortized loans, cash-flow dependent loans, deferred loans, or grants. Generally, projects should expect to grant a restricted use covenant on the property based on loan terms.

Commented [AG1]: Ask WCHAC for feedback

**Questions or issues:**

- *For projects that don't have the oversight of larger funding partners, such as the Department of Commerce, how will underwriting and monitoring be provided, and which fund sources will be used to sponsor those activities?*
- *Will 1406/1590 funds require ESDS or other existing standards, or will alternate design standards be factored into funding awards when other funding sources do not require them? How will these standards be determined, measured, and monitored?*
- *Who will score the applications, and how will the review and approval process work post-scoring for final recommendations of funding?*