

**TUMWATER CITY COUNCIL WORKSESSION
MINUTES OF MEETING
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CONVENE: 5:34 p.m.

PRESENT: Mayor Pete Kmet, Councilmembers Joan Cathey, Michael Althaus, Eileen Swarthout, Neil McClanahan, Debbie Sullivan, and Tom Oliva.

Staff: City Administrator John Doan, City Attorney Karen Kirkpatrick, Assistant City Administrator Heidi Behrends Cerniwey, Community Development Director Michael Matlock, Fire Chief Scott LaVielle, Police Chief Jon Weiks, Planning Manager Brad Medrud, Communications Manager Ann Cook, and Recording Secretary Valerie Gow.

**AFFORDABLE
HOUSING &
HOMELESSNESS
DISCUSSION #1:**

City consultant Paul Knight reported the first worksession on affordable housing and homelessness is intended to provide fundamental awareness and understanding of the topic, available data, and lack of data. The panel presentation included Mr. Knight and Theresa Slusher, Washington State Department of Social and Health Services (DSHS), and Schelli Slaughter, Thurston County Public Health and Social Services.

During the discussion, each panel member shared information on their professional experience and background surrounding affordable housing and homelessness.

Mr. Knight reported the planning process begins with defining and examining homeless and housing affordability issues and challenges in Tumwater, developing a common understanding and consensus among City leadership about the problem, and Tumwater's range of possible roles. Phase 1 of the process from January through March includes worksessions and optional lunch/after work learning sessions. Phase II from April through June will generate options and recommendations for solutions moving forward.

During the February 27 worksession, local leaders from non-profits will participate in a panel discussion on local service resources. The March 27 worksession is tentatively scheduled to include a regional discussion on homelessness on what is working and what is not working. The April 24 worksession will explore possible actions and recommendation and a review of affordable housing and homeless issues within the region.

The Council discussed the importance of the process of identifying leaders in the Legislature who are leading the affordable housing discussion in both the House and Senate, as well as funding options.

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Mr. Knight reported he attended a City Management Team meeting to ascertain management's experience and perceptions of homelessness in the City. City management identified a number of issues and offered suggestions on where the direction of the City should focus.

Councilmember Cathey advocated for inclusion of affordable housing in any discussion surrounding homelessness because the lack of affordable housing only increases the population of homeless people. Mr. Knight affirmed the importance and cited how service providers not only focus on the homeless but most providers also focus on housing affordability.

Mayor Kmet commented on recent statistics citing how the rising cost of high-end housing is pushing people to purchase lower cost homes displacing people in the lower tiers making housing for low-income households no longer available.

Mr. Knight shared a video describing how the lack of homes increases the cost of housing.

Mr. Knight commented on how the recession impacted the housing industry. Housing has not kept pace with the recovering economy and growth, with most homes built today at the higher end. Housing is considered affordable if the cost of all housing costs consume 30% or less of a household's income. An estimated 14,000 Thurston County renter households are cost-burdened while an estimated 20,000 Thurston County homeowners are cost-burdened. The forecasted gap for low income (under 30% median income) housing units is growing as builders create higher end homes.

Mr. Knight shared information on homelessness. Homelessness challenges have generally grown in the Thurston County region in recent years. Tumwater-only census on the homeless is not available. Homelessness is widespread. An array of organizations, resources, and techniques has developed to meet challenges; however, the region and cities are overwhelmed because of the cost and social issues generated because of the increase in homelessness.

Ms. Slusher reported she is a Housing Stability Manager with DSHS's Economic Services Administration (ESA). Her position focuses on the role and impact the work of ESA has on clients through a housing stability lens. She shared information on the drivers of homelessness. Public benefits have not kept pace with the cost of housing.

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Homelessness is largely an income versus a housing cost problem.

The Council discussed how TANF grants have not kept pace and are lower than in 2011. TANF has a number of requirements recipients are required to fulfill. TANF grants are only available to individuals with a child or children.

Ms. Slusher reviewed a series of graphs on drivers that led to the increase in homelessness in the state beginning in 2013. The information depicts how the state's economy is growing, more people are working, education attainment is increasing, reading and math skills remain stable, rates of domestic violence rates are declining, and the state's mental health budget increased from 2013 to 2015. Rents are growing with the economy, but middle and low income growth lags. The information reflects that housing affordability is a driver of homelessness. For every \$100 increase in rent, there is a 6% increase in homelessness in metro areas and a 32% increase in homelessness in non-metro areas. In August, across the state, the average rent for a one-bedroom apartment was \$1,800 per month. Rent continues to increase at a higher rate than income.

Ms. Slusher shared information on tracking mechanisms to account for the four different categories of homelessness in Thurston County. She cited Tumwater's statistics reflecting 122 children were couch surfing or staying with family or friends, 20 children were living in a motel/hotel, 25 children were living in a shelter, and 18 children were unsheltered over the course of a school year. The statistics do not account for younger siblings who are not in school. The annual Point in Time Homeless Count reflects a homeless count of 534 individuals who were sheltered or receiving some kind of housing assistance but were homeless and 124 individuals living outside in a car or camping.

Ms. Slusher addressed questions on how data is obtained.

Councilmember Cathey noted that the Tumwater School District Superintendent shared information on the number of homeless children in the school district this year. This year, that number is over 200 students. Additionally, the homeless count has been negatively impacted because of the immigrant issue and people concerned about their respective status and possible deportation.

Ms. Slusher reported the overall goal is for all people to afford either renting or buying a home on the market. The average rental rates for all types of housing in Tumwater and Olympia is \$1,597. The City of

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Lacey's rate is less at \$1,515 followed by the City of Yelm at \$1,488. Affordable housing is a type of housing restricted by deed at acquisition or construction with rents set at rates that are affordable for a specific income level. Subsidized housing rental amounts are based on income. Mr. Knight noted that in Thurston County, there are approximately 1,300 Section 8 vouchers.

Ms. Slusher noted that some individuals living in affordable housing have applied for Section 8 housing assistance because they cannot afford the monthly rent.

Discussion followed about the difficulty many people with Section 8 vouchers have in locating housing. Councilmember Althaus commented on some of the inherent problems as landlords are prohibited from discriminating against a person with a Section 8 voucher. Many landlords develop income policies that block many recipients. The City of Vancouver has adopted a policy in its municipal code governing Section 8 or other benefits as counting towards the income amount.

Ms. Slaughter shared information on the Local Fair Housing Plan recently adopted by Thurston County that includes techniques for reducing discrimination in affordable housing within the region, as well as some landlord policy recommendations. The plan was a requirement by HUD for local communities. However, following adoption of the plan, the Trump Administration canceled the program and HUD is no longer accepting the plan. However, the plan can be implemented by local communities.

Ms. Slusher reported the Coordinated Entry System was designed to assist the homeless to secure housing. Coordinated Entry is the newest tool in the homeless toolkit and is a coordinated intake process providing a system of referral for sheltering or providing a combination of rental assistance and services, or supportive housing. Approximately 80% of the people who become homeless need to secure housing with some support to avoid becoming homeless again while 20% of the homeless will need long-term support because they may have a combination of mental illness, substance abuse, or chronic physical illness. The average age of a homeless person seeking shelter through Interfaith Works was 55. Many elderly people living on social security are experiencing difficulty in maintaining their homes and often receive food assistance and visit the food bank regularly.

Ms. Slusher recommended communities should prioritize resources

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for those individuals who are living unsheltered, add resources, support, and consult with Coordinated Entry whenever possible, and consider supporting current legislation eliminating the sunset of the document recording fees and encouraging Thurston County to use the authority to increase the fee locally. Other actions include using multi-family tax exemption, explore conversion of single-family homes to multi-family home, consider endorsing the Home Fund, and consider levies and taxes (examples include Ellensburg's Proposition 1, Bellingham, Vancouver, & Seattle).

Panel members and the Council discussed the 20% of the homeless population who require more assistance to transition to supportive housing. Mr. Knight noted the housing shortage has contributed to the problem. Funding mechanisms at the county level include an assortment of housing assistance options. The county has limited resources for supportive housing.

Mayor Kmet commented on some challenges for conversion of single-family homes to multi-family in some neighborhoods because of covenants that prohibit conversions.

Commissioner Sullivan pointed out another option of the City revising its accessory dwelling codes to allow tiny houses that have recently entered the marketplace. The City's ordinances should not exclude newer housing options.

Ms. Slaughter reported she is responsible for overseeing Thurston County's affordable housing and homeless dollars, and programs and policies. She described her extensive experience and background helping and advocating for the homeless.

Ms. Slaughter reported the county experienced a substantial increase in the homeless in 2010. Today, the county continues to deal with the impacts caused by both the homeless population increase and housing decrease with funding remaining relatively flat. The county receives approximately \$4.6 million annually from various sources to address homelessness.

On a whiteboard, Ms. Slaughter diagramed the source of those funds, how the funds are distributed, and how the funds can be spent Between HOME dollars and 2060 dollars; Thurston County has approximately \$750,000 each year. To meet the homeless need, Thurston County needs to double the number of affordable housing units (10,000 units) requiring better and creative ways to invest in

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resources to leverage bigger outcomes. Some of the best practical strategies include rapid rehousing, rental assistance, and innovative approaches to attract different types of affordable housing. The state's Housing Trust Fund funds are awarded to organizations that apply for the funds. Those dollars require a local match by the organization.

Ms. Slaughter noted that Community Development Block Grant (CDBG) funds are not included in the federal budget at this time. The county is dependent upon extremely limited federal dollars for any type of housing development project. The 2063 and 2060 funds are from document recording fees. Ms. Slaughter noted that 40% of the funds are allocated to the Department of Commerce, which funds individuals with temporary disabilities.

Mayor Kmet noted CDBG funds of approximately \$750,000 each year are distributed and shared between Lacey, Tumwater, and Thurston County. Each year, CDBG funds rotate to each of the participating jurisdictions. This year, Tumwater is scheduled to receive CDBG funds. CDBG funds can be used for different purposes in the community.

Ms. Slaughter reported that Tumwater's share of the homeless population based on the Point in Time Homeless Count is 3% of the total point in time population. However, the homeless population in Tumwater is likely undercounted. This year, the county contracted with the City of Olympia to conduct the Point in Time Homeless Count scheduled for Thursday, January 26.

Ms. Slaughter reviewed Thurston Thrives' Housing and Health Strategy Map. The Housing Action Team invites everyone to attend meetings. Goals and objectives are achieved through collaborative efforts of the public, private, and non-profit sectors. The team has developed many strategies focusing on affordable housing and homelessness. The team also developed the Homeless Housing Five-Year Plan required by the state and federal government to end homelessness.

Mayor Kmet commented on the loss of family support structures because of today's mobile society. Additional complications of drugs, alcohol, and behaviors contribute to the problem as many of those individuals staying with families and friends are asked to leave and contribute to the increase in the number of homeless. The role of the Council is to determine what the City could pursue to help reduce the number of homeless individuals.

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Mr. Knight reminded the Council to read their copy of “Evicted.”

**MAYOR/CITY
ADMINISTRATOR’S
REPORT:**

City Administrator Doan reminded the Council of the Open Government Public Records Public Meeting training session on Tuesday, January 30.

The City is participating in the homeless count on Thursday, January 25.

Two Tumwater Firefighter/Paramedics assisted a young man in the recent Amtrak accident. The young man is paralyzed from the neck down. The individual was transported to Denver to receive specialized care. He spoke to the two paramedics who saved his life. The meeting was covered by KOMO TV earlier in the day.

ADJOURNMENT:

With there being no further business, Mayor Kmet adjourned the meeting at 7:41 p.m.

Prepared by Puget Sound Meeting Services, psmsoly@earthlink.net