REDMOND PLANNING COMMISSION MINUTES

March 21, 2012

COMMISSIONERS PRESENT: Chairman Hinman, Vice Chair Gregory, Commissioners

Biethan, Miller, and Murray

COMMISSIONERS EXCUSED: Commissioners Chandorkar and O'Hara

STAFF PRESENT: Sarah Stiteler, Redmond Planning Department

RECORDING SECRETARY: Lady of Letters, Inc.

CALL TO ORDER

The meeting was called to order at 7:00 p.m. by Chairman Hinman in the Council Chambers at City Hall.

APPROVAL OF THE AGENDA:

There were no changes to the agenda.

APPROVAL OF MEETING SUMMARY:

Chairman Hinman found one correction on the March 14, 2012 meeting summary, in that Commissioner Murray should be listed as Dr. Murray, not Mr. Murray. Staff apologized and Commissioner Murray accepted. No other changes were noted, and the summary was approved.

ITEMS FROM THE AUDIENCE:

There were no items from the audience.

PUBLIC HEARING AND STUDY SESSION, Housing Strategy Plan, presented by Sarah Stiteler, City of Redmond Planning Department.

No members of the public were in the audience to testify, but Chairman Hinman noted that there were two written comments. One comment came from the Housing Development Consortium regarding the Housing Plan, largely on Part 2, Strategies 2, 3, and 4. Another comment came from Friends of Youth, regarding homelessness, which the Commission will address as well. Chairman Hinman opened the public hearing at this point, and reiterated that no one from the public was at the meeting. He asked if there was any chance the Commission would receive any more comments if the public hearing was left open for another week. Ms. Stiteler said she has not heard from organizations that wanted to provide comment but did not have the opportunity. However, she said that was always a possibility.

Commissioner Gregory said he was inclined to close the public meeting due to the Commission's schedule of prioritization to get report approval in a timely way for the City Council. He moved to close the written portion of the public hearing, but Chairman Hinman said that was not formally necessary. Chairman Hinman queried the Commission, and found there was no objection to closing the written as well as the oral portion of the public hearing. He closed the public hearing and moved to the study session component of the Housing Strategy Plan.

Commissioner Gregory is the lead on this issue, and at this point took control of this agenda item from Chairman Hinman.

Ms. Stiteler said staff was appreciative of the public comments received, and thought they were thorough. The comments commended the City on a variety of things the City has done over the years and pinpointed some issues on which to focus. Commissioner Gregory noted that there might be room during the discussion of homelessness to include the comments of the Friends of Youth. He added that staff has done a good job in presenting a roadmap to the Commission to help sort through the many issues surrounding the Housing Strategy Plan.

Commissioner Murray said the comments were appropriately incorporated from last week's meeting and said most of the comments have been accomplished. Chairman Hinman had one comment in regard to the order of the entry of topics, specifically with the issue of reducing the cost of housing. He noted that just above paragraph D on page eight there is an item four about promoting programs and retrofitting existing houses for energy efficiency. He recommended putting this item in Section D, perhaps as a new D3. Chairman Hinman's intent was to look at this in terms of reducing the cost of operating houses as well as purchasing houses. Commissioner Biethan clarified with Commissioner Gregory that the discussion of homelessness would come up later in the meeting.

Noting that the comments made by the Commission last week were incorporated in the Strategy Plan revisions, Commissioner Gregory talked about ranking the issues presented. He asked Commissioners, in the prioritization process, to consider the timing of a strategy and when it could be implemented as well as the relative payoff on the investment of money or effort. Ms. Stiteler invited Arthur Sullivan from ARCH, A Regional Coalition for Housing, to participate in the discussion, as well. He has had experience with other cities working through Housing Strategy Plans.

Commissioner Gregory directed staff to approach the prioritization process by going with the categories and then highlighting or breaking out the bullets that might require special prioritization. He asked Mr. Sullivan and Ms. Stitler to review the new items presented, in particular. Chairman Hinman noted that the Commission will have to determine if bullets or numbers are used. Commissioner Gregory said there will be some flexibility on that issue, in that either system could be used depending on the criticality of the items.

Ms. Stiteler first reviewed the statutory program for multi-family tax exemption, or MFTE. This program has been instituted by state law and says that cities over 5,000 residents in population have the opportunity to waive or exempt property tax from multi-family projects in designated areas. The tax exemption covers only the residential portion of the multi-family project. The areas in which these projects are located are typically in urban centers or areas in which more housing is designed, or as a boost to development in specific areas, or just as a way to encourage overall development. Commissioner Gregory said this would be best placed under B, affordable housing, item number three, which speaks to the idea of evaluating tax relief programs, including multi-family property tax exemptions. Chairman Hinman observed that this is one of the provisions that the Housing Development Consortium (HDC) thought was worth of priority treatment.

Commissioner Biethan asked if this item was an exchange for affordable housing or if that would be used to direct development in a certain area. Mr. Sullivan said, in this case, there is a requirement for public benefit. There are also two time periods that can be used; one is eight years, one is twelve years. In the eight-year plan, there is a broader allowance as to how public benefit is defined. For some jurisdictions, where builders are having a hard time developing any, enabling development may be seen as part of the public benefit. In the twelve-year provision, affordable housing must be included as part of the public benefit. Commissioner Biethan asked if the eight-year plan could be used to direct building toward an area with blight, for example. Mr. Sullivan said that was indeed the case, and said the program began as a redevelopment assistance tool. It has been expanding over the years to encourage affordable housing. It is a tool created by the state for cities to use if they wish. Mr. Sullivan said the main trade-off is that a development does not pay property taxes, which would prevent an increase in tax revenue for a jurisdiction. Tax would still be paid for the non-residential portion of a development, as well as on the land.

Ms. Stiteler referred to the ARCH work program for 2012, one item of which speaks to the idea of assisting City Staff and City Council with *evaluating*, *and if appropriate*, *implementing a tax incentive program for affordable housing as allowed under RCW 84.14*, which is the program mentioned in this item. Chairman Hinman noted that the City has considered affordable housing as an important issue for some time. Commissioner Miller asked if these types of programs might be applied to hotter real-estate areas, such as spots around a transit center station. He asked if there could be any fine-tuning on this program such that it could create the maximum effect. Mr. Sullivan noted that it is up to each jurisdiction as to what areas would be the targeted areas. Those areas must have mixed uses. He said that Kirkland has this program in almost all of its multi-family zones that are near commercial or mixed-used zones, such as Totem Lake or Juanita. So, a city can be as broad or fine as it wants, as long as the area in question meets the broad definition described. Thus far, this program has not been used in Redmond.

Commissioner Murray noted that some of the language in this item included verbs such as *explore*, *encourage* and *review*, which are not very concrete. He said all of the answers did not need to be known right away, because that is what the plan is set to accomplish. Commissioner Gregory urged the Commission to evaluate whether tax incentives are necessary in some instances, especially in hot areas. Some of those incentives could be construed as *giveaways* in areas where they are not needed, even though public benefit is created. Commissioner Gregory said a high priority should be put on that evaluation process. Commissioner Murray said there was little cost, but high benefit to doing this, which would move it up in the rankings. He said the list of priorities could be re-set in the future. Commissioner Gregory queried the table to rank this item in terms of importance, as high, medium, or low.

Commissioner Biethan noted that it was difficult to rank any of these items as low. He said he was having a hard time doing these rankings, because he does not have a strong housing background. Commissioner Gregory said the whole Commission was struggling with that ranking concept, but noted that the Commission was charged with that duty. He added that these rankings could be reviewed. Commissioner Murray asked if there was a way to break down the rankings within each category. Ms. Stiteler said that Commissioner Murray's idea was a good suggestion, and noted that the new items should be considered along with the continuing items. Ms. Stiteler said that a contextual discussion of these items is important, but she questioned whether the ongoing or periodic items should receive the highest amounts of resources.

Commissioner Murray said it would be important to reconsider the older items in context with the new ones, in that the old ones may not be as pertinent as the new.

Chairman Hinman suggested a hybrid approach. He asked if the Commission could study each of the new items and then come back and consider rankings. Commissioner Gregory agreed with that approach, in that these items should be considered section by section. The discussion should not end with the assignment of a priority, necessarily. Chairman Hinman said, however, it would be useful to highlight the new items during the process. Ms. Stiteler confirmed that she would briefly describe each item and clarify them as the process moved forward.

Ms. Stiteler then spoke regarding the second bullet point in this section, which is to do an inventory and evaluate surplus land for opportunities for housing. She said this is something the Commission has done periodically, but the emphasis with this point is more getting down to each parcel and evaluating it carefully for opportunities, including looking at existing churches as housing areas, for example. Commissioner Biethan confirmed this was an appraisal of public and private land. Surplus and underutilized land could be considered. Mr. Sullivan noted that the term *surplus* would mean the land is not needed any longer for the public purpose it served in the past, which could mean an old school building, for example. Commissioner Miller confirmed that available undeveloped property would not be included in this consideration. Mr. Sullivan gave an example of an underutilized site, such as a large park and ride where there are a surplus of parking spaces.

Commissioner Gregory noted there should be a distinction between inventorying existing stock and making an inventory of available land. Commissioner Biethan pointed out that a lot of private developers and public entities do this already when seeking opportunities in a hot market. He noted that the City might not get a lot from this effort in cases where there are competing developers. Chairman Hinman asked if the priorities would change on public versus private land. Mr. Sullivan said the intent in finding these opportunities is to link them to affordability, which is not something the market rate developers would likely seek out.

Commissioner Gregory next brought up the item of dedicated funding sources. Mr. Sullivan said ARCH worked on this four years ago, bringing together City Council members, senior staff, non-profits, and private developers for three nights to talk about housing strategies, in order to create the biggest impact in East King County. Several items were developed in those meetings, including the concept of a dedicated funding source. The cities have been contributing to the ARCH Housing Trust Fund for years, primarily through general fund dollars. That resource has been flat for the past ten years, yet housing costs and needs are rising and going unmet. Thus, the question was posed, and it was agreed that cities could look into other options rather than just using the general fund.

As an example, one idea was to require that if an existing house was torn down, an impact fee would be paid. Another idea would be looking at revenue associated with housing development, such as construction sales tax, and allocating a portion to go towards affordable housing. The real estate excise tax cannot be split in this way, according to state law, but some cities have talked about that as well. The basic idea is that when the market is hot, some of the revenue from developers could go to affordable housing. Seattle has gone to the voters, and a voter-approved property tax levy on all real estate in that city does now go to affordable housing.

Commissioner Gregory asked if the funds raised would go to programs, or bricks and mortar. Mr. Sullivan said in the Seattle case, for example, most of the money is going to bricks and mortar, but some money goes to operations and support. In the Redmond case, most of the money in the trust fund has gone to bricks and mortar, but that would be a good question going forward.

The Commission moved on to look at the next items, evaluating opportunities for infill. Ms. Stiteler said the idea was to look at areas within the City that appropriate amounts of additional density could be feasible and desirable, such as looking at places where multiplexes might fit into neighborhoods along arterials, for example. Commissioner Biethan said mixed use with commercial uses underneath would be one option. Ms. Stiteler said the City has been working on this item already through neighborhood planning processes, and would agree that this item is not new, but more a question of emphasis.

The next item considered was participating in regional initiatives and programs. Mr. Sullivan gave an example of this as being involved with the Committee to End Homelessness, which is a partnership between the public, private entities, and agencies to come up with solutions to address homelessness. That committee is the prime example, but there have been other groups over the years getting together to look at funding questions. The sustainability issue, addressed in the Growing Transit Communities project, is another cooperative effort going from PSRC down to cities and outside players. Commissioner Gregory said this item would be a high priority for him, because he would like Redmond to be a strong voice in these types of regional discussions. Chairman Hinman said this is also an opportunity to see best practices from around the region.

Next up was an item discussing the diversity of housing stock. Ms. Stiteler said this was an example of making sure the City has housing in urban areas, but also other locations that speak to specific needs in terms of housing type. Special needs housing and housing for seniors are two examples.

Mr. Sullivan noted there are some new items added in terms of activity, such as the idea to encourage employer assistance for employee housing, creating user's guides to assist users in understanding affordable housing requirements, and helping consumers. Commissioner Gregory asked if encouraging employer-assisted housing really spoke to the diversity of the housing stock, or if it spoke to affordability and assistance to find housing. Chairman Hinman said that this item regarding employers is part of the Commission's overall strategy in terms of housing, and it could be considered under the effort to reduce housing costs. Mr. Sullivan said cities around the country are working on this issue, as employers can more easily recruit and retain employees through such efforts. Some local dollars can help leverage funds from employers in cases like this. Commissioner Gregory confirmed that this concept did not speak to the architectural diversity, but rather, a diversity of ownership. Ms. Stiteler confirmed that architectural diversity is appreciated as well, but noted that housing for a diverse population is an important part of the discussion.

Commissioner Murray said he had prioritized each item within this section as the discussion was occurring, and asked if all the Commission members might offer their suggestions as an efficient way to go forward. On the first item, housing choice, Commissioner Murray put this as the highest priority, in that he found this as an actionable item that could be taken care of quickly. He pointed out that three of the five items in Section One use language like *evaluate* and

develop, which will take time. He would like to see something accomplished quickly, which is why he placed housing choice as the top priority. Commissioner Biethan asked about those terms used. Mr. Sullivan noted they were more stylistic in some cases, but intentional in others. Commissioner Biethan said the Commission should be careful with that terminology.

Commissioner Murray said the verbs chosen could have an influence on rankings, and he might change his rankings. Ms. Stiteler pointed out that these are items the City already does, and *evaluate* may not be the right term. Mr. Sullivan noted that in some cases, these items could be marked as "done," which could lower their priority and turn them into items that the Commission could simply monitor as working or not working. Commissioner Murray said the strategy and wording of some items should be changed to assess the effectiveness of a program. Commissioner Biethan said he liked items one and five regarding housing choice, and said these would be the most effective in creating more affordable housing. He said manufactured housing would be a low priority for him. Commissioner Murray agreed with that idea, and said his earlier opinion was based on simply getting something done.

Commissioner Gregory said items one and five would be the high priorities for him, as well, in terms of housing types. Ms. Stitler said that manufactured homes are allowed on any single-family property, just like a site-built home, although there has not been a lot of demand for that. Commissioner Murray suggested putting items two and three in the medium priority category. Chairman Hinman said that both items two and three deal with monitoring quality as well as the regulations and the process components. There are no new items in this section, Chairman Hinman noted. Mr. Sullivan asked the Commissioners and staff to consider the bullet points under these items with regard to where more work might need to be done. Staff could help screen those items, and Commissioner Miller said that could be handled at a future meeting. Commissioner Murray said he would support seeing a staff recommendation of high, medium, and low designations on the bullet items.

Commissioner Gregory noted that the Commission did not have enough information to make an analysis of all these items, but said looking at the items and seeing what stood out as low or high priorities could be a point of discussion. He looked forward to recommendations from staff in terms of how these items could be grouped. Commissioner Biethan made a point about transfer of development rights and residential density incentives, in that both items are a shared process between the government and the developer. He said that type of partnership, involving flexibility and allowing for market forces to work, is good.

Moving to Section B, Commissioner Murray said that the fourth item was more of a value rather than an actionable item. Promoting fair and equal housing to all persons should be a given, Commissioner Gregory added. Chairman Hinman said that HDC had emphasized that point, but noted that creating a preamble with that statement might be considered. Commissioner Biethan asked about item one, with required affordable housing. He liked that Redmond had an affordable housing requirement in all classes of multi-family housing, but he wanted to make sure that the language of item one would be applied to a broad classification. He did not like spot requirements or one particular zone requirement. The City has a responsibility to the community and those who are investing in the community. Mr. Sullivan offered a counter to that perspective. Developers actually prefer the spot changes to certain properties, in some cases. Commissioner Biethan said that concept was fine with him; he wanted to make sure the overall policy of the City regarding this issue was clear.

Commissioner Murray said based on the written comment to the Commission and his own personal thoughts, he ranked item two as high priority. Commissioner Gregory agreed, and noted that reducing housing costs is the number one priority under affordable housing. He noted that these items reflect back on the City's Comprehensive Plan. Commissioner Miller put items one and two as high priority, but wanted to make sure that the cost savings on a project are reflected on the back end of it, when people are actually paying for them. He wanted to make sure there was a link between reduced development costs and actual housing costs. Shifting the title of this item to reduced development cost could make it clearer, many Commissioners said. Commissioner Gregory said he would still rank this item high, and said it would be followed by density incentives. He would lower the priority of the item concerning public-private partnerships for the use of surplus lands. The Commission members supported that move. Item four was a value statement, as discussed earlier, and might be considered as a preamble. Chairman Hinman said that item four should come off of the list.

To summarize, the final ranking for this section was item two as high, item one as medium, then three would be low. Or, Commissioner Gregory said, in order to not bog down the rankings, that items one and two would be high, and three would be medium or low. Mr. Sullivan pointed out that item one was something Redmond has done a lot on. Item three, with the second bullet offered, especially with the rail issue involved, could involve the creation of units near transit areas that the Commission should consider, in Mr. Sullivan's opinion. Commissioner Murray noted that these were recommendations, and said that in the future, if the City Council is presented with an opportunity, one of these items can be moved up the list as needed. Chairman Hinman asked how the items should be ranked; Commissioner Gregory reiterated the idea of high, medium, or low.

Section C dealt with special needs and senior housing. Commissioner Murray asked if this was a good place to insert youth and homelessness issues. Commissioner Gregory said those issues were noted in item three. He said that the homeless issue could stand on its own. Commissioner Biethan said he would like to see a differentiation between the needs of homeless youth and homeless adults. Commissioner Gregory said he would like to see an item that specifically talks about shelter, rather than affordable housing for young people. Commissioner Biethan disagreed, and noted that the Commission should be sensitive to the needs of youth. He added that shelter on immediate need is not a housing issue. Commissioner Miller asked if situations like the YWCA, which offers transitional housing, should be considered in this discussion. He added that there are other special needs groups, including women and domestic abuse victims. Commissioner Gregory said that one way to note those groups would be in the section that speaks to making provisions for special needs housing, where a list of groups might be added. Commissioner Biethan said having that list would be helpful in keeping the door open.

Chairman Hinman asked if a third bullet point could be added speaking specifically to transitional housing. Mr. Sullivan said that transitional housing was passé in terms of dealing with the homeless. Temporary housing and permanent housing are the kinds of housing that serve the homeless. He asked if the list Commissioner Gregory noted could be added, but perhaps in a different section. Chairman Hinman noted that this item and the related policy, HO-28, was fairly general, in that it asks the City to work with other jurisdictions and health and social service organizations to develop a coordinated regional approach to homelessness. Commissioner Murray suggested a phrase that would talk about reviewing provisions for

homeless persons, including but not limited to the categories stated in the letter received by the Commission on this topic. Mr. Sullivan suggested using the three categories of homeless populations listed in the regional ten-year plan on homelessness. Those categories include youth and young adults, single adults, and families. The Commission agreed to that designation.

The Commission tackled the idea of finding high, low, and medium priorities in Section C. Commissioner Murray said he would have a hard time figuring out which groups should be ranked higher among special needs people, seniors, and the homeless. Commissioner Biethan said all the groups should be ranked high and the City Council should handle this issue. Commissioner Gregory said every point under item two, which deals with senior housing and recognizing smaller household sizes would be a high priority. The ongoing programs to provide affordable housing and helping special needs people could be a medium priority. The third item, dealing with temporary housing, would be difficult to prioritize. Chairman Hinman said from a demographic standpoint the senior population is growing quickly and might need to be emphasized.

Ms. Stiteler said that if the Commission believes all the priorities are high, she would not have an issue with that. Staff could look at the bullet points under the items and identify where more work needs to be done. Commissioner Gregory said he would then rank items one and two high, but he is still uncertain about item three. The Commission finally agreed that all three of the items in Section C were of high priority, but staff will go back and see if there are ways to help prioritize with different bullet points.

Staff noted the time, and asked if the process underway was a good one. Chairman Hinman replied that this was the only item on the agenda, and noted that this was a rich discussion. The Commission moved to Section D. Commissioner Miller said many of these items have been discussed by the Commission in the past. He said that item one could be of low priority, and item two would be just a little above that, for the same reason. Commissioner Murray asked about existing neighborhoods. Commissioner Miller said that was a high priority, in that it was the most relevant of the three topics and would continue to come back to the board. Commissioner Gregory agreed, in that the element is creating and preserving neighborhood quality, which addresses a number of concerns. Confirming the rankings in Section D, Commissioner Murray noted that item three is high priority; items one and two are low.

Chairman Hinman asked about why the terms *all neighborhoods* and *existing neighborhoods* were deleted from this section. Mr. Sullivan said that the items in this section do not specifically promote low and moderate-income housing. Commissioner Gregory reminded the Commission that housing strategies are not only directed at affordable and moderate or low-income housing. There are policies for market rate homes as well. Chairman Hinman said that he just wanted to point out the phrases that would be removed. The Commission took a ten-minute break at this point.

Commissioner Gregory then moved the discussion to Section II, direct and indirect forms of assistance, starting with Section A, housing choice. Commissioner Murray noted that the Commission was not promoting innovative and affordable housing design concepts, but rather affordable and innovative housing. The Commission agreed with that clarification, and staff agreed to make the change. Chairman Hinman said one item included involves evaluating the effectiveness of investment strategies for urban centers, which highlights the potential for public-

private partnerships. Commissioner Murray asked for an example of an investment strategy. Mr. Sullivan said a joint stormwater provision, as in the Overlake neighborhood, would be a recent example. The idea is to work with the private sector to handle an issue jointly that is normally done site by site. Commissioner Murray asked if this would be evaluating current or future strategies. Mr. Sullivan said both. Ms. Stiteler agreed but said the emphasis was on the future.

Chairman Hinman pointed out that the bullets in this section were individually evaluated. Commissioner Murray asked if staff could help with that prioritization process. Commissioner Miller said that it was difficult to give an item like considering investment strategies a high priority, in that the City is doing it already. Chairman Hinman asked if these items would be of medium priority rather than high, and asked how items could be cross-prioritized between different sections. Mr. Sullivan said item one in this section is very close to what Redmond has already been pushing in the Sustainable Communities effort, in creating public-private partnerships. Chairman Hinman agreed. Commissioner Gregory said this idea is fundamental, echoing Commissioner Miller's earlier point.

Commissioner Gregory said the idea of public-private partnerships, with respect to infrastructure and encouraging mixed use and mixed-income neighborhoods, is an overall strategy for the City. He considered it a high priority, but also a fundamental or mainstay. Commissioner Miller suggested perhaps flipping the bullet points. Chairman Hinman suggested a redraft that would include the public-private partnership in the line item itself regarding the evaluation of investment strategies. Commissioner Gregory said the semantics that the Commission was getting hung up on was the phrase, *evaluating the effectiveness of*. He said the item is really trying to say that the City should create investment strategies, *including the following*. This feels like an action item to Commissioner Gregory rather than a review item.

Mr. Sullivan summarized the discussion, in that the public-private partnership part of this section should be up in the text, removing the bullet. Words like *create* and *develop* should be used rather than *evaluate effectiveness*. The Commission agreed with that, and recommended a high ranking on this section. Item two in this section, regarding design concepts, could remain intact as a way to promote and communicate what affordable housing looks like. Commissioner Murray had suggested removing the words *design concepts*, but Chairman Hinman suggested moving this item to the area in the text where user guides and other educational materials are discussed. Commissioner Murray accepted that change, but said design concepts could also be reintroduced where Commissioner Gregory suggested. Commissioner Murray said that education and marketing are important, and would recommend making this a medium priority. The Commission agreed to that designation regarding design concepts.

The Commission moved to Section D on affordable housing. Items two, three, and four were called out by HDC in their communication to the Commission as top priorities. Commissioner Biethan pointed out that the phrase *as needed* was used in item two, and wondered if enough of an incentive to developers was offered with that language. Chairman Hinman said the City has three different tools: permit and impact fees, tax relief programs, and revenue sources. He asked which one would be the highest priority. Commissioner Gregory said tax relief might be the highest priority, in that this section deals with forms of assistance. The potential for more dedicated revenue would be a high priority in order to meet the goals of direct and indirect forms of assistance for affordable housing. Commissioner Murray noted that there were actions to be taken here for the City's benefit, for the developers' benefit, and the homeowners' benefit, which

are distinct populations. He would have a difficult time prioritizing those populations. Direct help to individuals who need relocation assistance would be tough to compare with indirect tax relief to developers.

Chairman Hinman asked if the relocation assistance element might be put in a reduced cost of housing section. Ms. Stiteler noted that she has not seen this type of assistance situation in her history with the City. Mr. Sullivan noted that state law does cover relocation assistance in some cases of change of use with a building, for example. Ms. Stiteler said it was important for the City to have a policy speaking to this issue, even though Redmond has not had much experience with it. Commissioner Murray asked why this point would be considered in the Strategy Plan if the City already has a policy to address this point. Mr. Sullivan noted that including this item in the Plan allows it to also be a scorecard of what the City has done. Commissioner Miller said the senior ADUs were a low priority for him. Commissioner Murray supported putting both items five and six in low categories. Commissioner Gregory supported that as well.

Commissioner Gregory said, in terms of strategy and actions, the tax relief noted in item three is a strategy that needs a lot of work when it comes to costs and benefits. As an action step, he would like to explore whether more dedicated revenues could be found to assist in affordable housing. Commissioner Murray summarized that items three and four in this section would be of high priority; items one and two would be medium. Chairman Hinman went along with that assessment, but said that item two would be ahead of item one. Ms. Stiteler noted the category is affordable housing, under section two, direct and indirect forms of assistance are noted. The first item listed is, *continue to participate in local inter-jurisdictional programs, such as ARCH Housing Trust Fund.* She pointed out that ARCH is the main force behind creating affordable housing in East King County, which is an important message that a high priority designation could convey. Mr. Sullivan noted that Redmond has been doing this work for fifteen years, and he did not have a problem with a medium rank on item one. He said items three and four are new, and they could actually give more tools and resources to Redmond to do some direct assist housing. Commissioner Gregory said that he felt item one was a given rather than a new strategy.

The Commission next moved to the section regarding the preservation of existing housing stock. Commissioner Miller considered item three to be a high priority on the conversion issue. He likes the creation of new units, but would like to prevent a third of what has been created from vanishing as a way to be sustainable, which is a high cost-benefit. Commissioner Gregory said all of the priorities listed here are relatively high. He would put repair and rehabilitation of existing stock as a high priority, in particular. In a poor economy, that has proven to be an important issue. Commissioner Gregory would like to assign a high priority to partnering with organizations like King County Housing Repair and Rehabilitation to assist low-income residents. Without maintenance and repair, a neighborhood goes downhill. Commissioner Murray suggested putting item one in a high priority category, and then asked to encourage staff during its review to offer more suggestions on higher bullets. Ms. Stiteler noted that Redmond does refer people to King County for housing repair.

Commissioner Miller asked for some interpretation on the intent of item number two. He asked if this item dealt with neighborhoods outside of the homes, inclusive of home preservation and maintenance. Ms. Stiteler said this item is talking about not only the home itself. The first set of bullets deals with the actual structure. The second set is more about the community. If that is the case, Commissioner Miller said he would put one above two. Chairman Hinman would put three

above two. He would rank the items as one, three, and two. Commissioner Miller agreed. Commissioner Biethan asked about item three, the offset of the loss of housing through conversion. He asked if this item burdens the private sector or if it were a public program. Commissioner Miller said initially he considered this a public program. Elsewhere, this is referred to as relocation assistance when units are *lost*.

Commissioner Miller noted that the Commission might consider that when conversion occurs, there might be some funding set aside to cover relocation costs or support development of new units. Commissioner Biethan said that these are much broader policy issues. Chairman Hinman asked if the language needed to be more specific regarding the loss of housing. Commissioner Miller pointed out this issue affects a lot of people. Commissioner Biethan said this was a philosophical issue. He noted that neighborhoods grow and change and that growth should be allowed to happen. He reiterated his concern that the Commission may be making a policy statement in the Housing Strategy Plan without a lot of discussion. Commissioner Miller said the statement does not preclude a change in the neighborhood, but noted that the word *impacts* might be missing to address the impacts of the loss of housing through conversion. Regarding the overall rankings of the items in Section C, Commissioner Miller summarized that the ranks were item one, item three, and item two, with item four shifting down into Section D.

On the second bullet, Commissioner Murray had asked before this meeting if the word *support* was the best solution. Chairman Hinman suggested the language should read *review the City's programs supporting neighborhood groups including programs such as*; Commissioner Murray suggested *review the City's programmatic support* as an option. Summarizing these items once again, Commissioner Murray expressed the overall opinion of the Commission that item one was of high priority. Item three was of high priority as well. Item two was of low priority, from a strategic point of view.

On Section D, reducing housing costs, Commissioner Murray said the language was very soft, in terms of *encouraging* and other verbs used. He liked number four, which was moved from the section above, because it promotes a different element within the Comprehensive Plan of the natural environment and improving energy efficiency. Items one, two, and three are unclear to him. Chairman Hinman asked for the Commission's comments on homebuyer assistance programs and energy efficiency. Commissioner Biethan noted that the City is not doing those things. Commissioner Gregory said these items were part of the direct or indirect assistance element. He said there was no more direct assistance than a homebuyer down payment assistance program. Commissioner Murray asked what the City was doing to promote that.

Ms. Stiteler pointed out the City is funding those programs. Mr. Sullivan added that items one or two in this section are programs that exist already. But, he noted that the employer-assisted housing item is new, and it has been very effective in other parts of the country to create a direct benefit of affordable housing. Commissioner Biethan said item three, the employer-assisted housing issue, could be of high priority. Commissioner Murray said that the other two items should be at low priority, in that he would like staff to direct energies to item three rather than the other two. Commissioner Gregory asked if there would be a conflict with employer-assisted housing and the idea of converting older buildings into homes. Commissioner Miller said this item dealt more with offering individual support to employees to help them gain permanent ownership in the communities where they work. Commissioner Gregory summarized that item

three was of high priority; the other two items would be of low priority because they were ongoing. The energy efficiency retrofit issue would be of medium priority.

Moving on, Commissioner Gregory said all of the items in Section E were of high priority. The Commission agreed, in that all of the items were good operating practices. Chairman Hinman asked if item four fit in that same mold, and the Commission said it did. Commissioner Gregory said all the items in this section were fundamental to strategizing.

Heading to Section F, Commissioner Murray said all these items could be of high priority as well. The items here deal with implementation and monitoring, from surveying, inventorying, and completing a housing strategy plan with regular updates. He said that was a high priority. Commissioner Murray noted that some of these items were periodic, not a weekly activity. Mr. Sullivan noted that a number of these items are ongoing and sometimes opportunity-based. He would consider the first items in this section as perhaps of a lower priority than the high designation discussed by the Commission. Commissioner Murray asked if some of these items should move from a strategy plan and become part of a normal operational plan, as people would expect certain things to be done. He said, in the future, that distinction would be important. Mr. Sullivan asked for some rankings to help distinguish this section from the others. Commissioner Gregory asked to clarify who the *users* were noted in item five, which speaks to the user guide. Mr. Sullivan said primarily builders were the users in question. Commissioner Gregory suggested collapsing items five and six and consolidating. Staff agreed with that change.

Commissioner Miller suggested that item four was rather existential. Commissioner Gregory said his top priority in this section would be the consumer guide. Commissioner Murray said that the consumer guide would be very helpful, in that people who move to the area should have an understanding of where certain housing is available. Commissioner Gregory said that type of user guide would have a big payoff. Commissioner Murray said this user guide might not be of the highest priority. Commissioner Gregory said investing in this item would not be too expensive. In looking at Section F, Chairman Hinman suggested that item five, the user guide proposal, would be the high priority. Commissioner Gregory agreed. Commissioner Biethan said item three, regarding inventorying every parcel in the City and determining what is surplus seemed like a lot of work. He said putting this item as low priority would make sense to him. Mr. Sullivan pointed out that this was an inventory of public lands, and Commissioner Biethan withdrew his suggestion.

Commissioner Murray offered that item three and the consumer item moved from the other section should be of medium priority. He liked the idea of inventorying public lands, in particular. Ms. Stiteler noted that items five and six were the work program items identified by the Code Rewrite Commission and subsequently the City Council. Commissioner Murray said those items should be considered as high priority. Commissioner Gregory summarized that in Section F, items one and two are ongoing and thus of low priority. Item three would be of medium priority. Item four is ongoing, and he suggested removing it. Items five and six, combined, would be of high priority. The consumer item pulled down to this section, Commissioner Murray clarified, would be of medium priority. Chairman Hinman noted that if item four is removed, it would take away a statement of something the City has done.

Commissioner Gregory said he felt good about the process the Commission engaged in with these sections and items, and he found the discussion fruitful. He confirmed with Ms. Stiteler,

and Mr. Sullivan said they had enough information to provide a good report from the Planning Commission. Commissioner Gregory thanked Commissioner Murray for deviating from the original plan, which helped the Commission progress on this agenda item. Ms. Stiteler thanked the Commission for their good ideas, and she believed she could create a good product out of this discussion.

REPORTS/SCHEDULING/TOPICS FOR NEXT MEETING(S):

Chairman Hinman noted that at the next meeting the Commission would review the revised matrix and the draft report to Council. There were no other reports or scheduling items from staff. Staff anticipates the report approval as scheduled on the extended agenda. Work is continuing in earnest on the Transportation Master Plan (TMP), but there is no planned initial study session date yet. Chairman Hinman anticipated wrapping up the Housing Strategy Plan at the Commission's next meeting.

ADJOURN

Chairman Hinman adjourned the meeting at approximately 9:21 p.m.	
Minutes Approved On:	Planning Commission Chair