

MASON COUNTY

WORKFORCE HOUSING SUMMIT REPORT



2019

HOSTED BY PENINSULA CREDIT UNION

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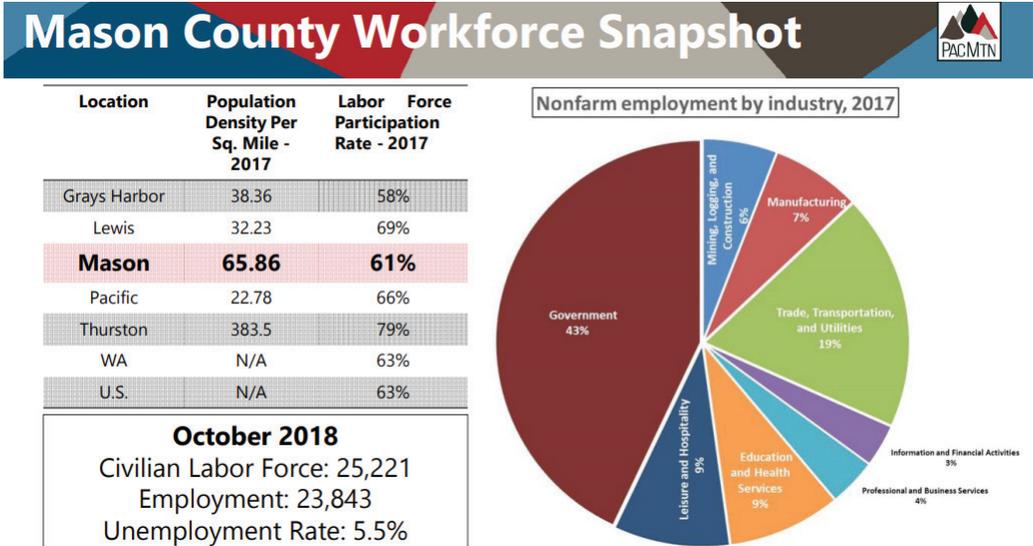


PURPOSE OF THE WORKFORCE SUMMIT

Context

It is no secret that affordable housing options are dwindling, and housing costs continue to rise in Washington State. Rural Mason County is no exception and fares worse for affordability than almost every other county in the state. With rising building costs and a severe labor shortage, the supply cannot meet the increasing demand. According to the Washington Office of Financial Management, in Mason County from 2010 to 2016, only 54 homes were built for every 100 homes needed. The end result is that residents cannot afford the rising rental costs or save the income required to ensure a healthy path to homeownership.

For Mason County’s workforce, housing needs have long been neglected. The area median income (AMI) in Mason County is \$51,764. Workforce households earn between 60% and 140% of the AMI yet still struggle to compete in the rental and homeownership market, making it difficult for families to work and live in the community. In Mason County, there are employees and residents who are earning between \$31,058 and \$72,469 a year. This would include local teachers, nurses, security guards, and civil engineers.



Housing Budget Available at 30% of Gross Income

Yearly Income	Area Median Income (AMI)	Monthly Housing Budget
\$31,058	60% AMI	\$776
<i>Career Examples: Security Guard, Preschool Teacher, Janitor</i>		
\$51,749	AMI	\$1,294
<i>Career Examples: Licensed Practical Nurse, Sales Representative</i>		
\$72,465	140% AMI	\$1,812
<i>Career Example: Civil Engineer, Financial Manager, Radiologic Tech.</i>		

Affordable housing is not exclusively a social service issue and should be looked at as a driver for economic growth as affordable housing can both retain as well as attract employees. Up to 80% of job growth comes from existing businesses and they need more employees who can live near where they work. The more households spend on housing the less they have to spend on everything else, but as rental rates increased 20% in the last 5 years, wages have only increased by 7%. This leaves families very little income to spend in the community to build a thriving economy. Though the Summit focused on workforce housing needs, solving the challenge of affordable housing for all was implied and many solutions were discussed.

Approach

Over 100 community representatives attended the Workforce Housing Summit to share an understanding of Mason County’s workforce housing needs. There were keynote presentations, breakout sessions, and lots of round table discussion. The attendees included current residents, non-profits, government officials, employers, and conscientious developers struggling with the effects of rising housing costs.

Goal

Though many different groups are working on the issue of housing affordability, the ultimate goal is the same - to preserve and increase affordable workforce housing stock for rental and homeownership. This Affordable Workforce Housing Summit report provides a summation of recommendations gathered as a result of this productive event. This report also summarizes each of the speaker presentations as well as community representative feedback. Feedback was collected in the form of question/answer sessions, comment cards at each breakout session, and ‘spark cards’ of ideas generated throughout the day.





SUMMARY OF RECOMMENDATIONS

Build & Expand

1. Expand Mason County's diversity of housing options for the workforce (ideally, with attractive designs and quality place-making).
2. Create a public-private workgroup/consortium to document business barriers and solutions to entice developers building to expand the "missing middle" multi-development units in Mason County. Share findings with Governor Inslee's Affordable Housing Affordable Housing Advisory Board to advise the state's future incentives to be of utility to rural communities in ways previous incentives have not been successful.
3. Accelerate projects and reduce expenses with pre-approved housing stock plans.
4. Increase buildable lots by prioritizing critical infrastructure investment including public sewer systems, water, roads, etc. This is essential to level the playing field between rural and urban development opportunities competing to attract developers/projects. Consider issuing bonds.
5. Implement innovative solutions to increase housing stock that overcome the critical shortage of skilled construction labor. Ideally Mason County would have success building more "Missing Middle" housing, however other solutions are needed. Rural America's housing challenge is compounded by developers' focus on projects with greater profitability in urban areas, including Seattle. It is recommended that solutions like high quality prefabricated houses be considered, because on-site installation by the manufacturer overcomes the skilled labor shortage preventing new construction starts. This is a potential solution in other rural regions of the state as well.
6. Consider increasing workforce housing stock rentals by encouraging the construction of accessory dwelling units (ADUs) on existing parcels and new construction with zoning, fee, and permitting waivers exclusively tied to deed restrictions requiring a) long-term rentals for b) households earning 80% of Area Median Income, and c) residents working in Mason County.
7. Leverage regional and national best practices to solve housing stock shortages.
8. Leverage public-private partnerships to build the strength of future grant applications, including CDFI, NWCUF, and NCUA grants to design and imple-

ment a model project, share best practices, and encourage replication in other rural markets.

Flexibility & Efficiency

1. Work with state, municipal and county government to remove legislative barriers in the land code. Consider a cost-benefit analysis of revising zoning regulations and enhancing policies that encourage sustainable growth. This could include: reducing lot size requirements, leveraging deed restrictions, increasing zoning density to allow more multi-family units on previously single-family zoned properties and coding supporting of ADUs as part of an affordable housing strategic plan.
2. Offer a user-friendly code that is both clear and less restrictive. Consider, where possible, aligning zoning changes at the city and county level to be identical, especially for any new zoning of ADUs. Appropriately staff offices that provide customers the service to do projects and provide permitting efficiently with reasonable fees.
3. Ensure clear and early communication to the community about up-zoning to overcome any possible opposition.

Partnership & Incentives

1. Encourage, facilitate and support regional public/private conversations like the Affordable Workforce Housing Summit. It is critical to continue momentum with continued conversations leading to collaborations and solutions.
2. Develop an Affordable Workforce Housing Coalition to collaboratively drive public-private partnerships and solutions with state, county, and municipal efforts. The public/private sectors on their own can only take us so far in really meeting workforce housing needs.
3. Eliminate or reduce fees for nonprofits and others building affordable housing, like Habitat for Humanity. Their capacity to address the crisis is limited by liquidity, as well as fees that drive the cost outside of the range of affordability. Every family served with permanent affordable housing reduces reliance on other city and county housing services. A value assessment could be conducted to document the offset benefiting city/county budgets.
4. Encourage partnerships with non-profits such as Habitat for Humanity, lending agencies such as Peninsula Credit Union, and real estate agencies/bodies such as Washington State Realtors.
5. Increase incentives to developers such as gifting land, tax flexibility and/or abatement, and other incentive models suggested by developers to improve

the financial feasibility of building affordable housing units. These are not just incentives for larger developers, but also for smaller builders and smaller multi-family property development concepts that are feasible in a shorter period of time.

6. Improve communications offered to developers about current development opportunities and tax incentives. Create a toolkit for developers.

Policy and Economy

1. Reform: Be open to significantly rethinking current housing policy.
2. Develop housing policies and actions driven by Economic and Community Development Strategy.
3. Leverage the business plan of a CDFI to document private investment to apply for increased levels of CDBG funding.
4. Develop a comprehensive policy framework and a comprehensive plan that aligns with strategic planning priorities and housing needs assessments.
5. Look at what can be done to attract businesses to the community and provide opportunities for jobs and economic growth. Be open to new business models and keep engaging current employers around workforce housing solutions growing the earning gap. If more people have affordable housing, they have more money to spend in the community.

Education & Training

1. Critical to solving the challenge of the severe labor shortage is investing in vocational education at the college and high school levels. Offer more training courses for increasing the skills of current and future laborers in the market. Possible partners could be discussed with Choice Alternative School Carpenters' Union and Olympic Community College and the local Native community.
2. Employers consider taking more responsibility in training & development and working with educational partners to provide training and apprenticeships.
3. Promote the field of construction with better marketing of the need and value of the trade.
4. Develop innovative ways to fund vocational education such as student aid, workforce apprenticeships, and other means of work exchange to support the costs of education.

Grant & Funding Opportunities

1. Look to Opportunity Zones: If stewarded appropriately in Mason County, it could be a source of new capital for distressed areas. There are two zones in Mason County.
2. Connect CDFI resources to reduce the financial feasibility barriers of constructing affordable workforce housing.
3. Utilize subsidies and infrastructure assistance such as tax credits, land banks and land trusts, Housing Trust Program, USDA.
4. Support government maintenance of federal programs that are successful - like FHA and VA funding, Section 515 Rural Rental Housing program, Community Development Block Grants (CDBG), and HUD - which are all seeing funding cuts.

Research & Community Action

1. Create a Workforce Housing Coalition to identify strategies and make recommendations to tackle the workforce housing shortage.
2. Advocate for change at the local, state, and national levels. Support broad-based brainstorming about local, state, and national regulations that constrain housing innovation & affordability. Work as a concerted effort to change those regulations.
3. Collect more data and research about workforce and low-income resident housing needs.
4. Community Action Councils are an important part of preserving housing with weatherization programs and repair programs.
5. Continue to track and evaluate local real estate market trends and disseminate information to key partners and stakeholders.

Environment & Social Impacts

1. Utilize lending credits and other available financing for multi-family housing or for infrastructure that has measurable environmental/social impacts.
2. Allow use of alternative technology such as use of composting toilets with a smaller drain field for gray water vs. a septic system. Promote cisterns, rain barrels, and use greywater. Make building codes more flexible and science-based on what is really necessary for health and safety.



INTRODUCTIONS

Jim Morrell, President/CEO, Peninsula Credit Union

Morrell opened the session with an overview of affordability in Mason County. He used affordability as defined by HUD. HUD sets the following standard: households are **cost burdened** when they spend more than 30% of their income on housing. Households are severely cost burdened when they spend more than 50% of their income on housing. Jim then gave an affordability snapshot of Mason County (see Market Analysis section for statistics).

Peninsula Credit Union is certified by the US Treasury as a Community Development Financial Institution. It received this designation as a result of its mission to improve economic conditions in Mason County. Low-income people represent 74.5% of Peninsula Credit Union's customer base, with 28.3 % having very low-income and 15.9% extremely low-income. Peninsula Credit Union convened the Workforce Housing Summit for the purpose of creating solutions to the affordable housing crisis in the region.

Honorable Denny Heck, US Representative, 10th District

While being sworn into the 116th Congress, a prerecorded video of Rep. Heck welcomed guests by introducing the report, *Missing Millions of Homes: Preliminary Findings of the New Democrat Coalition Housing Task Force*.

Findings in that report:

Housing is increasingly unaffordable because prices and rents are rising faster than wages and construction is not keeping up with demand. The high cost of shelter is the single biggest squeeze on household budgets and a significant drag on the economy. It is forcing Americans to live on the street, reducing GDP by trillions of dollars, substantially reducing Americans' retirement savings, and undermining our ability to recover from the recession.

What we think is causing a crisis in the housing ecosystem:

The construction shortfall is too big to be fully explained by any one of the causes below, but significant factors include:

- Zoning and land-use regulations are slowing and restricting building of housing.
- The shortage of walkable transit-served urban areas.
- Construction funding is less available in the aftermath of the financial crisis.
- Construction labor is not getting more productive and the labor pool is not increasing.

Solution:

They are still continuing to develop policy recommendations for the full report, but the goal is clear: we need to build millions more housing units. To do this, we will have to overcome significant obstacles. Power is fragmented across federal, state, and local governments and housing programs are very siloed. Nobody is looking at the ecosystem as a whole. But the work is critically important to America's economy and America's families.

OPENING KEYNOTE SESSION: MISSING MILLIONS OF HOMES

Mike Kingsella, Executive Director, Up for Growth National Coalition

Up for Growth is a nonprofit forum formed in 2018 with the vision that communities should grow for the benefit of every person. It is a coalition with 60 members ranging from housing developers to environmental organizations to lenders. Without affordable workforce housing it is extremely difficult for a community to grow its workforce. The forum's mission is to improve the quality of life for working families and create communities that are accessible and affordable for all by promoting more housing close to jobs, efficient transportation, and desirable local amenities. Lack of housing affordability is creating a whole range of adverse outcomes to the health of communities such as household instability, economic displacement, and more cars on the road with increased consumption of gas and levels of Co2. Up for Growth is different from many other organizations - it sees that the national housing crisis is not just urban; it is rural, too.

Up for Growth focuses on three key areas: enabling housing products that meet 21st-century demand, producing innovative finance models to build communities, and streamlining the land use process that in many cases hinders smart and rational growth. Up for Growth's state-specific research focused on housing underproduction in Washington State and the economic and fiscal impacts of enabling compact livable communities to address Washington's housing affordability challenge.

The Challenges

Shortage of homes:

Nationally there is a shortage of 7.3 million homes. The current trajectory of the trend is expected to get worse, not better. As a result, there have been 7.3 million houses under-produced between 2010-2015. Washington State has lagged in the production of 225,262 needed homes, which is between 5.1-10% of the total needed nationally. There is also a sharp price elasticity of supply: Washington State is at .87, trailing California at .47 and Oregon at .77. This is measured by the percentage of supply divided by the percentage of the change in price.

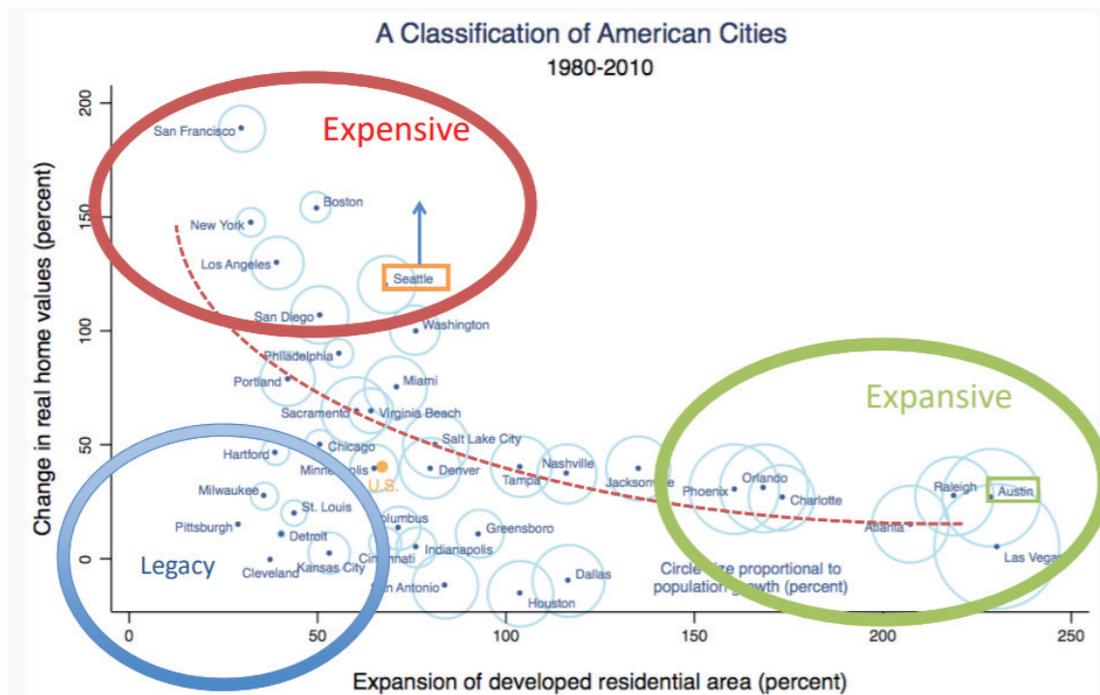
Housing starts simply haven't kept up with household formation. Since 1960, there have been 1.11 housing units produced per US household, but from 2010-2016, this dropped to a significant national average of only .72 units per 1 household. In Washington, from 2010-2016, .75 units were produced for every 1 household needing a home, leaving consumers displaced. More locally, Mason County only produced .54

new houses for each household. This means that for every 10 new families, only 5 houses were built.

Expense of homes:

There are three major types of city growth patterns – legacy, expansive, and expensive. In legacy cities, the population grew only slightly or even decreased. Expansive cities that increase their footprint or expand outwards are more likely to keep housing affordable, even when populations dramatically increase. In cities like Seattle where there has been very little outward expansion, there has been a major constraint in housing supply as the population has greatly increased, making these cities a very expensive place to live. The chart below demonstrates that, with the exception of legacy cities, housing price growth is inversely related to cities’ outward expansion.

Policy Tradeoff -- Expensive vs. Expansive Cities



The research demonstrates that across Washington, people are cost burdened, particularly in Western Washington. In Mason County, cost-burdening increased from 36% to 41% between 2010-2017 (Census, ACS). Dramatically increasing rents and home prices make the Northwest a very expensive place to live. Rising rent is the strongest predictor of homelessness with Seattle Metro having the 4th Highest Rate of Homelessness in the US (ECONorthwest).

Rural Challenges:

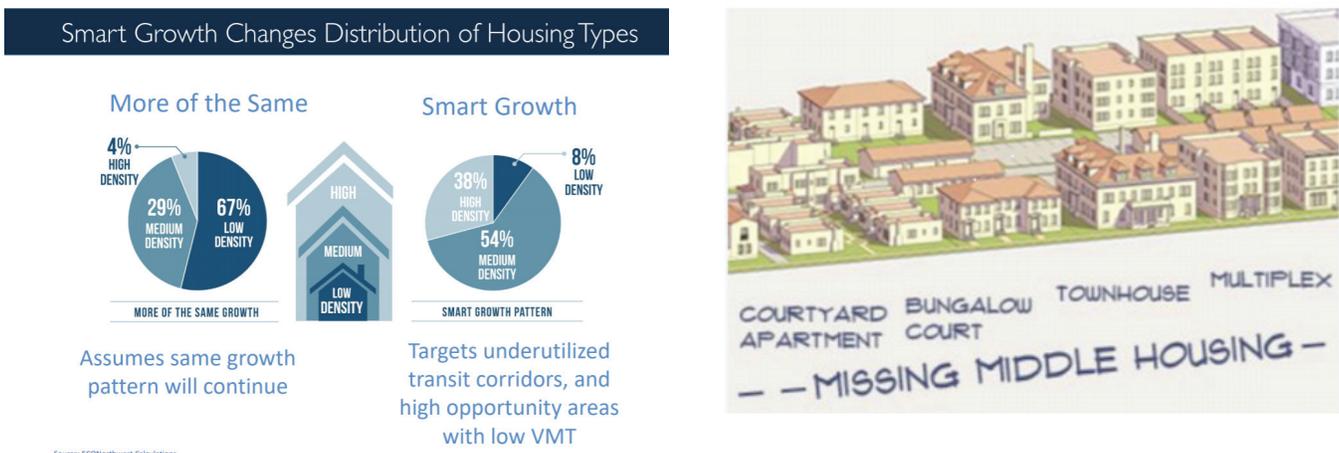
For housing in rural America, we have a general lack of land and financial feasibility for housing projects. Incomes are lower in rural areas than urban, but the housing cost to construct is not dissimilar. The cost to build is excessive in relation to the rents that owners can make, stacking the deck against rural communities compared to demand. USDA Rural Housing program is also shrinking. Therefore, there is not enough financing available to support much-needed housing development.

Solution - The Missing Middle:

To get out of this housing crisis we must look to the missing middle and identify different ways to construct the approximately 225,000 missing homes in Washington State.

The predominant building types we see today are low/single family (5 units per acre), tower/high rise (240 units per acre), and median density (120 units per acre). What is missing in this current building trend is townhomes, multiplexes, bungalow court, and courtyard apartments.

The current distribution of these building types is: 4% high rises, 29% medium density, and 67% single family. More of the current scenario is not fiscally achievable. Smart Growth change in distribution of housing types would be: 8% low-density, 54% medium density, 38% high-density.



The report, Housing Underproduction in Washington (to be published by Up for Growth in Spring 2019) found that a smarter approach to housing policy can create up to 70,000 jobs in the state each year over a 20-year period. Smart Growth generates an additional \$25 billion in gross state product (GSP) distributed throughout Washington, also over 20 years.

Mission bottom line is we create more housing close to jobs, close to transportation, and desirable amenities. In order to achieve this, we need new models of public/private partnerships to fill the gap of this middle housing supply.

Question/Answer Session

Question: Why hasn't production followed demand? Why is construction not happening?

Answer: Financial feasibility. Investment capital is looking for a yield. The yield is a function of how much a rental property will generate compared to the cost of delivering the housing. The urban and rural crisis is related. In urban areas costs are going up, so people are moving further into rural areas and commuting. If stewarded appropriately, the opportunity zone program in Mason County could be a source of new capital.

Question: What is the impact of Airbnb and VRBO on communities like Mason County which has a tremendous recreation economy?

Answer: We have not delved into that question, but are very interested in the impact to rural communities.

Question: Does your organization do research into zoning laws and restrictions on ADUs to rent out short-term and long-term?

Answer: Yes, changing the model around housing and alternative property types is critical. Our next study is on economic models of the impact on rent and purchase price by removing arbitrary barriers. This includes permit delays and zoning.

Question: In emphasizing medium housing in your presentation, have you looked at the negative impact of high-density housing on the educational performance of children?

Answer: The missing middle is a core part of the solution. It's easier to build and has a lower barrier to maintenance and affordability. High-density is critical in urban cores. It is not appropriate for everyone.

KEYNOTE 2: WORKFORCE HOUSING IN WASHINGTON STATE

Emily Grossman, Policy and Strategy Advisor, Community Services and Housing Division, Washington State Department of Commerce and staff liaison to Governor Inslee's Affordable Housing Advisory Board

Overview

For the Mason County Household Affordability Index (HAI), any number above 100 is standard to purchase a home. It means that a family has 100% of the income they need to purchase a home. Mason County First-time HAI is only 38. Only one county in Washington State is lower. Assuming 20% is a standard down payment on a 30-year mortgage and Mason County's median sales price for a single-family home is \$240,000, that means Mason County residents only have 38% of what they would need for that \$48,000 down payment. Mason County median family income is \$64,600. Mason County median household income is \$25,661 (Median family income is typically higher than median household income because of the composition of households. Family households tend to have more people, and more of those members are in their prime earning years) So what is the problem?

Labor shortage:

The current market has led to an inefficient allocation of resources with a huge labor shortage in the construction market. With rapid economic and population growth, the capital and builders are being drawn to work in the high demand and fast-growing urban markets such as Seattle. There is very high competition for builders and currently there are not enough young workers going into the field of construction. The recession also closed many construction businesses and workers went into other fields. Construction as a field has not been well advertised as a good opportunity. As a result, rural areas cannot keep pace with the demand for housing.

Lack of rural market incentives:

The market serves one part of the population, but not another. Only 30% of housing built in the last 5 years has been multifamily housing. With the rising costs of land and construction, large units and homes for high wealth households are the main types of housing being built, leaving a gap in affordable housing. Builders want to construct expensive single family and high-density units, which are extremely profitable. When rural communities must compete for builders, they just can't win. The profit margin of construction isn't enough to build homes for the missing middle.

Land use - regulatory barriers in land-use and zoning:

There is a lack of rural market incentives for builders. Not all are applicable as some incentives are tied to density and based on property taxes. In rural Mason County,

the incentives are not as enticing to developers as they are in urban centers. There are often restrictive zoning requirements and limited developable land within urban growth areas.

Lack of financing:

Banks can be choosier about who they give loans to when there is limited housing stock. Also, banks are under-valuing houses. Banks won't give a mortgage to middle and low-income housing because the product at the end of the day has less value than the cost of constructing it, creating a lack of construction financing for much needed workforce housing.

Other Challenges:

- Financial barriers for low-income households to entry/down payment
- Projects infrastructure such as local streets and sidewalks, sewer and water system connections costs/upgrades
- Community opposition



- **Mason County median sales price for a single-family home \$240,000**
- **Mason County median family income \$64,600**
- **Mason County median household income \$25,661**
- **Mason County HAI: 135**
- **Mason County First Time HAI: 38**
- **Mason County single-family inventory:**
 - 2012: 22,425 units**
 - 2017: 23,138 units**
- **Mason County multifamily housing inventory:**
 - 2012: 7,662 units**
 - 2017: 7,681 units**

Solutions:

We need to provide more affordable housing for folks and learn from best practice in measures being done to solve this “missing middle” nationwide. We should also take advantage of any and all tools for the missing middle in workforce housing such as:

Affordable Housing Incentive Programs: Programs in Washington State such as the Housing Trust Program which funds 80% or lower for low-income households should be maintained.

Subsidies and Tax Credits, Land Trusts: There is a multi-family housing tax exception (JLARK) and the only county that qualified for it was Mason County, yet no developers have built multifamily housing in Mason County since the Legislature approved the preference in 2014. It ends in 2020. The primary reason they believe it didn't work was the lack of familiarity. “The preference has not stimulated multifamily housing construction in Mason County as intended”.

Up-zoning communication: This should increase to overcome community opposition and maximize individual projects that have a shorter time to start.

Infrastructure Assistance: Local government tax-exempt bonds, USDA

Training in Construction: Develop a Vocational Center for Excellence in the field of construction and brainstorm how to better market the field to young people and make the jobs better so they want to go into this industry. Governor Inslee is looking into the modular housing industry as a solution. Housing is built in a centralized area off-site and moved to the land.

To summarize, building affordable housing is truly a public-private partnership and the private only takes you so far. The primary cause of homelessness for people at 60-80% of the poverty level is that there are no solutions at the public or private level. The focus is on serving the needs of those at 80-100% of the poverty level.

BREAKOUT SESSION 1: OPPORTUNITIES PURSUED LOCALLY FOR AFFORDABLE WORKFORCE HOUSING

Trudy Soucoup, CEO, Homes First

Overview

Homes First is focused on creating homes, supporting tenants, and building a safe community. It was founded in 1990 when we were faced with the same situation we are now of a deficit of housing construction. It was founded by Associated Ministries, which also formed the Community Action Council. For 30 years, Homes First has been working at creating and maintaining housing stock to maintain safe housing and to put houses back into usefulness. They buy pre-existing houses, but generally don't build. If land has been donated, they will construct home for the developmentally disabled. They also do permanent supportive housing and are a landlord to provide services though not all of their tenants need services. Some of their clients need a place to get back on their feet again. They do a lot of shared housing for the developmentally disabled, clean and sober living, and the formerly incarcerated through Oxford House. Oxford House International provides the program and Homes First provides the home and management of the home.

Thurston Mason Behavioral Health supports people exiting Western State Hospital. People who are ready to exit are often unable to do so because there is nowhere for them to go. Homes First see a need here and has one property in Lacey but would like to do more. Homes First is not always the service provider or the landlord; rather they work in tandem with partners to mitigate common tenant problems as they arise. Tenants served are at 30% of median income. Everyone has to pay rent, be respectful to neighbors, and take care of the home. Thurston Mason does the hand-holding needed to make sure the tenants can stay and has an annual turnover rate of only 1.3%. Once tenants move in there are not a lot of choices for them to live anywhere else. There is no judgment of our tenants for the worthiness of a home. When a new single home is purchased Homes First goes to the shelters to determine who is ready to move into a home.

Homes First's business model is one that takes public funds plus private mortgages, donations, and grants for property development funding. All operational funding is covered by rental income, making for a sustainable business model. Homes First takes the risk of running the properties forever and all mortgages are through Olympia Federal Bank.

New program:

Homes First 2.0 manages properties for tenants in partnership with Prime Location. Homes First works with tenants and Prime Location manages the back-end. Only two properties are in Mason County:

1. Duplex for Veterans
2. Property beside it still being evaluated on how to use

Rent is based on what qualifies as affordable housing.

Marty Crow, ED, Habitat for Humanity of Mason County**Overview**

Habitat for Humanity of Mason County is a faith-based housing ministry with a commitment to improve, maintain, and build housing for those in need, to enhance lives and help the environment. Habitat Mason was founded in 1996, and is building homes (29), remodeling (4), and planning (31). This year will be the first time that Habitat places three families in a year.

How to get involved

- Donate: Encourage everyone to donate furniture, materials and building supplies
- Shop: 80% of financial support in Mason County is generated by the two Habitat Stores.
- Volunteer: approximately 80 volunteers

Question: Do you do multi-residential?

Answer: We've evaluated doing condos, but we traditionally build on lots not raw property. We need sewer and utilities connected already. Our model is 3-bedroom houses. Each year we receive applications from 30-50 families. They have to apply and attend an orientation. Some applicants fail to attend, so total applications drops to approximately 20. Habitat Mason serves residents at 40-50% of AMI. There is a family selection committee. Our second homeowner paid off her house, full-term.

Question: What unique challenges do you see in Mason County?

Answer: Other Habitat community constraints are the costs of construction and land. Mason County struggles are more around having enough volunteers. The more volunteers we get the more we can build.

Question: Liquidity - Is this an issue like it is with other Habitat for Humanities?

Answer: There are nineteen outstanding mortgages for a total of \$1 million. There is a line of credit, but it isn't used.

Question: How long are applicants on the waiting list?

Answer: Two years from application to placement. The review cycle for the family is around 6 months.

Erin Hall, Government Affairs Director, Olympia Master Builders

Overview

Housing is a community investment but with the labor shortage and cost of building is challenging community development. Erin reviewed how in Mason County right now they are working with the county on a permitting system. They have seen this software before and seen the problems with it in other districts. Olympia Master Builders help them to get in front of the problems of the system and shorten the permitting process which impacts the housing cost. They are an organization that shows up at City Council meetings to say that the number of housing permits allocated need to align to the market need. They put real numbers to what may be perceived as a moderate increase on the impact to low-income home buyers and have insight into what makes a project go smoothly from permitting to shovel in the ground. They share with non-profit partners to get the public-private partnership looking at housing as an investment.

Three Tiers of Community Benefits:

- Personal - Financial, Health, and Social
- Direct economic impact from construction
- Long-term housing spending potential. Wealth accumulation. Getting people into a home prevents rental cost increasing

What are the financial benefits of homeownership?:

- Wealth Accumulation: equity, investment diversification, shield from rental inflation
- Labor Market Outcomes: less likely to be unemployed, less time unemployed if job is lost
- Neighborhood Benefits: increased property values in high owner neighborhoods, increased public amenities, and reduced crime

What are the social benefits of homeownership?:

- Mental & Physical Health: longer life expectancy, higher levels of life satisfaction & self-esteem, increased community involvement
- Benefits to Children: improved school performance, increased graduation rates, lower rates of teen pregnancy, learned financial and job market skills
- Benefits to Seniors: increased financial health, less likely to require long term care in a nursing home, and if needed, are more likely to exit such facilities

The estimated one-year direct local impacts of building 1,000 single-family homes in our region include:

- \$256.4 million in total local income
- \$74.4 million in local business owners' income
- \$182 million in local wages and salaries

- \$44.2 million in taxes and other revenue for local governments
- 3,885 local jobs

The estimated ongoing annual impacts of building 1,000 single-family homes include:

- \$39.7 million in local income
- \$9.1 million in taxes and other revenue for local governments
- 733 local jobs

Ongoing, annual local impacts result from the new homes becoming occupied, and the occupants paying taxes and otherwise participating in the local economy year after year.

Measuring the impact of cost reduction: If we save families money on housing the result is that they spend \$.98 of the savings back into the community from every dollar.

Multi-family housing construction is not occurring in Mason County due to the timing of construction and the cost. Assets in Mason County: Lower cost of land acquisition, lower cost of living, accessible permitting staff willing to work one on one to get to “yes”.

Breakout #1 Attendee Feedback

Ideas and Roadblocks

- Incentives for developers to improve the financial feasibility
- Incentives for small builders!
- Making low-income housing aesthetically pleasing/place-making community setting
- Setting standards and stock plans to make permitting planning easier
- Compatibility in the community
- Legislation and regulations
- Gathering and dismantling data
- Better infrastructure - Sewer system
- Reduce government legislation restrictions. (Permit time, resistance)
- Better training for government - so many people hold different ideas and opinions
- Public/Private partnership - pro forma shows ability to find financial solutions
- Find the areas of mutual benefit for municipalities, local economy, families & communities, environment
- Multifamily development occurring in Mason County. What can we do to make it happen?
- Use Growth Management Act

Take-Aways

- Need to remodel and repair homes
- More awareness of new non profits
- School district offer new trades
- Partnerships collaborate more
- Buildup organizations that are already in Mason County
- Look at what properties are held as tax title by Mason County that may be available for low-income housing
- Enabling affordable housing to pencil in for the builders? County/city
- Public/private partnerships for multi-unit dwellings
- Impact fees of a new home vs sale of home
- Incentivize builders especially smaller companies
- Growth Management Act - give more authority to local government to make changes
- Zoning changes
- Allow ADU's
- Upfront infrastructure inhibits construction
- Foreclosure property used for affordable housing
- Recruit Employers - Economic/job development
- Utility fees on vacant homes
- Workforce development dedicated to keeping workers here
- Take advantage of: Lower cost of living, lower land cost, accessibility to permit staff, easy access to work, housing costs lower than surrounding counties

Session 1- Additional Questions

- Role of CDFI in bridging financial feasibility gap?
- How can you balance housing with other priorities of government, including junior taxing districts?

BREAKOUT SESSION 2: LEVERAGING DATA TO UNDERSTAND WORKFORCE HOUSING OPPORTUNITIES

Cheryl Campbell, CEO Workforce Transitions in Mason County Pacific Mountain Workforce Development Council

Overview

Sheryl's breakout looked at how we bring new employees and business to the region. First discussed was a labor market demo of the demographic already in Mason County. Next, she touched on the migration and commuting, occupational incomes, and allocated housing budgets and offered time for local workforce wonderings. Stating she had nothing absolute or conclusive to argue, she simply is trying to share what they see in the changing of the workforce that might advise and be helpful.

Mason County is an urbanizing area with a labor force participation rate of 61%. Government is a big sector, growing from 30% to 42% in last 7 years. Trade transportation and the utilities make up 19% of the industries here.

Mason County lags behind the state in the amount of residents with BA or higher, but is above the average in residents with some college and AA degrees, and the workforce is growing older. Ages 35-44 are considered high production years in the labor force, and this segment has seen a drop between 2000 and 2017. More people in Mason are at the tail end of their career and are retiring here.

What is happening: In-Migration is fueling Mason County's population growth and many residents are working outside of Mason County. In 1980, 28% worked elsewhere, but in 2016, 43% were working out of the county. The percentage of earnings from jobs in the county that are going to workers living outside the county is fairly flat at 20.2% in 1990, up to 24.4% in 2016.

Local workforce wonderings:

If housing needs/wants of workers are changing, what is the right mix of housing types? Is it owner-occupied, rental, single-family, and multifamily? What is the connection between in-county living wage jobs and housing availability and affordability?



Housing Budget Available at 30% of Gross Income

Yearly Income	Area Median Income (AMI)	Monthly Housing Budget
\$31,058	60% AMI	\$776
<i>Career Examples: Security Guard, Preschool Teacher, Janitor</i>		
\$51,749	AMI	\$1,294
<i>Career Examples: Licensed Practical Nurse, Sales Representative</i>		
\$72,465	140% AMI	\$1,812
<i>Career Example: Civil Engineer, Financial Manager, Radiologic Tech.</i>		

AMI = Area Median Income for FY 2018 as determined by the U.S. Department of Housing and Urban Development
Occupational income examples from 2018 Occupational Employment Survey for Southwest WA NMA, U.S. Department of Labor

9

Question/Answer:

Question: Why are people leaving every day to work elsewhere?

Answer: State government is a strong pull, but the community character will make a big impact on whom it attracts. The quality of life factors for workers is huge – they want time, they want community. It has an impact on what the mix is.

Question: Outmigration of our workforce has been an issue for a long time, but it seems to be slowing... why?

Answer: Only a very little bit of slowing, not sure what that is related to and need more time to go deeper and more time to get a good sense about that.

Andy Conklin, Windermere Certified Residential Specialist

Overview

As a real estate specialist, Andy offered a review of the current Mason County housing market. First, he addressed housing affordability and how well the median income supports the median sale price and gave a snapshot of what the houses actually look like within a specific income range and what they can afford.

First example: Assumes a buyer has 20% down payment and only 30% of their income goes to housing costs. With a median income of \$51,764 it means their monthly income is \$4,313. Assuming a maximum of 30% goes towards housing costs, then a buyer has \$1,294 per month to property (principle, interest, taxes, insurance) and can afford a loan of \$241,048/purchase price of \$301,310, with the 20% down payment. As an example, this amount would get the buyer a home built in 2004; 2306 square feet just outside the city, 3 bed, 2.5 bath.

Second example: For a buyer at 60% median income of Mason County (\$31,047)) they make \$2,587 monthly and can afford \$777 towards housing. The loan would be

\$144,590 and with 20% down, could afford a home priced at \$180,000. This would get the buyer a home 20 minutes outside the city in Shelton, built in 1996; 1040 sq. ft., 3 bed, 1.5 bath. These homes are not being built outside of the city limits anymore. There are not enough of these houses for this income range.

Third Example: For a buyer at 140% median income of Mason County (\$72,444), they are more able to get a home for \$420,000 built in 1995, 2400 sq. ft. and right in Union which is highly sought after.

Number of Home sales within the workforce affordability bracket:

- 63% of overall sales were \$180,000 - \$421,000
- 25% were under \$180,000
- 12% were \$421,000

Conclusion: There just simply are not enough homes available.

Zach Kosturos, President of Prime Locations

Overview of Regional Housing

The Problem:

Household size is getting smaller, requiring more units than before and over the last six years we've been short by an average of 600 units per year county-wide. Recent population growth equates to the need for more than 2,000 new housing units per year. This shortage has led to vacancy rates below 3% for several years (many vacant units aren't rent ready, shrinking supply even further). This leads to wealth destruction (people spending too much on housing) and increased homelessness, etc. Bringing on new supply is expensive, leading to little to no new development (supply) for the lower end of the market. Too much demand & not enough supply means increased prices and public & non-profits can't build enough units to come close to solving the problem.

Regional Housing - What's really going on?

More affordable units are simply not being built and therefore we are not getting enough supply. Need more data and more incentives. Suggested that it would be great to do a model project and more will follow.

Regional Housing Moving Forward:

What we're doing isn't working and we must innovate and work together. This is a transparent "Housing Affordability Model" that outlines how we can incentivize the building of more affordable housing.

Regional Housing: What's Really Going On?

 Why aren't we getting enough supply?

 Why aren't more affordable units being built?

 There's a simple explanation

 New housing development in five steps



New housing development in five steps:

1. Development Cost

- Soft costs, fees, & taxes
- Hard construction cost
- Land acquisition & development
- Debt financing & equity cost

2. Income/Price

- Rent, reimbursements & fees minus vacancy, delinquency, etc.

3. Expense/Cost

- Utilities
- Taxes & insurance
- Repairs, maintenance, & reserves
- Payroll, management, & admin

4. Return

- Income
- Expenses
- Debt service (mortgage)
- Cash flow & equity

5. Risk

- Is it worth it (personal guarantee)?
- What could go wrong?
- Is the money better invested elsewhere?
- Decision

Example: Risk Factors

- Interest Rate Increases
- Vacancy Expense
- Inflation
- Rent Stagnation
- Construction Cost Increases
- Longer Timeline To Stabilization

Price inflation MUST be passed on to the consumer or projects can't be financed. If revenue decreases and returns decreased, projects can't be financed, and the reward isn't worth the risk. This model demonstrates that by reducing costs on housing, tenants are then spending that extra cash, most likely within the community.

Identified Needs:

- Technical training in construction
- Better incentives for developers
- More supply on housing/rental market will bring down rents – don't need to do subsidized housing, then, if there is enough supply.
- Do we want to rezone properties? Instantly rezone through a title process – less regulation.
- Capital funding into the city, i.e. for aging sewer.
- Really need to consider if we want our focus being on more places to rent being built or more focus on people of lower/middle income owning homes?

Potential Solutions:

- Expedite permitting & up-zone properties. Incentivize (and make it possible for) the private market to build affordable units (including ADUs)
- Mitigate fees (permit, impact, hookup, etc.)
- Tax flexibility (property, sales, B&O)
- Need better planning and partnerships among the government, private, and non-profit sectors. Make use of a citizens planning advisory commission. All are obligated to be good planners and provide predictability and stability. Open communication from the government to support to the community and potential investors when navigating permit and fee structures.
- Have a conversation with people who want to move here, people who just moved here, and people who want to buy or have more rental units.
- Tap into Opportunity Zones: Mason County being on the forefront of that. Shelton is slightly different than Mason County – lower end of the average. High water and sewer rates.
- Improve access to critical workforce development: skilled labor
- Clear Communication about building codes & permitting: might not all agree, but at least all know
- Partner more with the county. People are coming from outside the county to Shelton for jobs
- Development: provide capital provider (builder) with a more flexible vision about what a house looks like with regulation and sharing property like ADUs

equals more affordable homes to rent or buy.

- More awareness-raising about financial literacy around renting and homeownership.
- Apply for grants: try for those in partnership with private developers.
- ADUs are great to increase the rental market, which would lower prices, and then allow builders to build affordable homes. So show the builders there is the demand and value in building here - marketing to those companies.

Question/Answer

Question: What can schools be doing to help populations to be workforce ready?

Answer: Chicken / Egg - where are there jobs and to share those with students. Get children attached to the labor market, great learning opportunities. Help learners to understand that it is about a journey.

Question: What can we do to create more demand to live here?

Answer: People don't move here to live in an apartment complex. Demand might increase the need for tiny home units, but the developers are not ready to take the risk. Also, need to look at impact fees of the GMA - comparing counties in the GMA vs. those not - the ones in are developing less housing. Also, consider community character, adequate childcare, transportation to jobs, housing, etc.

Question: Can you give some examples of a recent developer incentive to build?

Answer: If we got the land for free in exchange for reduced rents.

Breakout #2 Attendee Feedback

Ideas and Roadblocks

- Rural communities have limited incentives - their tool belt is missing tools available to urban communities.
- Overall economic development role in housing - are wages rising with or above housing costs? Can infrastructure development pay for itself?
- Considerations might be different for North Mason vs South Mason.
- Zach's model may be more easily replicated in a real project in Mason County since it may only be a small development that makes a larger relative impact. Supply/demand is relatively lower in Mason vs other counties.
- How do developers engage in the middle space of private and public markets? Are they considered B Corp status? How are they reconsidering their models to match the need? Sustainable need.

- Less appealing core of the county
- Construction costs
- Need more economic development - jobs
- Three tier construction costs to developers based on rental charges (Zach).
- Inconsistent definition of “vacancy rate” “affordable income” “income” (not a half curve)
- Inconsistent data definition - afford-

ability and housing need - snow birding/VRBO (worsen circumstances and underestimate of need)

- AMI
- Bell curve misnomer
- Create the vision of the want/demand
- Not financially viable
- Over-regulation, permit fees
- Wages

Take-Aways

- A better understanding of local data (vacation/2nd homes vs actual vacancy)
- Analyze migration data to better understand demographics of who is coming in to be less reactive to growth and more proactive on having housing available and ready for incoming growth.
- Understand who is left out of these numbers - seniors, migrant workers, seasonal residents, and other disenfranchised workers.
- Impact fees
- Utility hookup fees
- Economic Development
- Senior Housing
- Correct messaging to developers - why they should come to Mason County
- Focus Groups - Different groups (in government) to see what they can focus on together to eliminate fees or incentivize builders
- Inconsistent definitions
- Toolkit for developers and incentives
- Need to work hard with developers on what to do with employers about coming to Mason County.
- State/local regulations need to be changed to allow much wider range of options, e.g. homes on wheels, ADU, tiny home communities, much smaller homes.
- Local taskforce - set definitions
- Shorten permit time
- Incentives
- Reducing permit fees

Session 2 - Additional Questions

- How do we talk to the demographic that needs housing?
- How can we legalize permanent residence in home on wheels/RV?
- How do you determine “want” for the current/future workforce?

LUNCH SESSION: LEGISLATIVE PANEL

All speakers were presented the question: What are things the government can do to impact affordable housing? Responses were as follows:

Honorable Derek Kilmer, US Representative 6th District

1. Maintain federal programs that are successful like FHA and VA funding, Community Development Block Grants and HUD which are all seeing funding cut.
2. Technical training and the trades
3. Adequate access to capital
4. Infrastructure matters: water and road infrastructure are critical to rural development.
5. Grow economic opportunity. Incomes are lower in rural communities. When more people make a decent living, more people can afford housing.

Representative Drew MacEwen, 35th Legislative District

The question isn't so much what government can do, but what can government stop doing. How can we eliminate government inefficiencies and barriers to creating affordable housing?

It should be easier to rezone properties. There is a property on here that has 80 acres; it is zoned for only four houses. That does not equate to affordability. I support putting more in the state budget for infrastructure, like extending Mason sewer.

Kevin Shetty, Mason County Commissioner

1. Planning and partnerships: Public-private partnerships.
2. Obligation to be good planners: Citizen Advisory Commission makes recommendations to County Commissioners. There will be ideas to come out of session today.
3. Predictability and financial stability: Appropriately staffed offices that provide you (our customers) the service to do projects and provide permitting efficiently with reasonable fees.
4. Infrastructure investment: Critical to leveling the playing field between rural and urban development opportunities to attract developers/projects.
5. Land use, zoning regulations, and policy for sensible and sustainable growth: User-friendly code has been established.

The best ideas do not originate in the commissioner chamber in Shelton. They come from people in the community. As of yesterday, Mason County is beginning online permitting. We will have growing pains and hiccups along the way. The ability to track and know where you are in the process, when to schedule an inspection, the status of your permit are all things that reduce the cost to developers due to a reduction in lag time. Opportunity zones can be a game changer. This is a good bipartisan solution. These will change the face of development in Mason County. As this program comes online, it will attract funding into the zones

Bob Rogers, Mayor, City of Shelton

Housing is a critical issue. All council members are equal, including me, the Mayor. This is pertinent in discussing what I can do and what the city can do. In Shelton, we see a lot of data for Mason County. Shelton is on the lower end of the Mason County average. The city is sole provider of infrastructure/utilities. In other communities they are provided by other agencies and private companies.

In Shelton, we have moderate to high water and sewer rates. Part of the ongoing monthly cost includes sewer, water, and garbage expenses. We must make wise use of government dollars and ratepayer funds. Our latest sewer project was 100% grant funded so it had no impact on consumer sewer rates. On new construction, I must reserve judgment on reducing fees for building permits. The fees are related to our Enterprise Funds to replace our sewer, water assets to prevent ratepayers to pay more in the future.

Incentives, I must reserve judgment. We are not Seattle. It is my opinion that we don't have average homes. There is no population that could pay more to subsidize workforce housing. There are not high wealth homeowners in Mason County. One big solution to workforce housing is a workforce that transitions to better jobs.

Question/Answer:

Question: Drew, when you create ADU legislation can it be friendly to smaller towns?

Answer: Drew's response: Yes, I will work with you on that.

Question: What are the next steps? Where do we go from here?

Answer: Mayor's response:

- Critical workforce development in skilled labor
- Shelton and the county are linked for development
- Funding

Answer: County Commissioner Kevin Shutty:

- Behavioral health task force of county, city, non-profit, citizen collaboration to evaluate
- Partnering w/Department of Commerce
- Address student loan debt

Answer: Representative Drew MacEwen:
Collaborate on building predictability and open to strategies.

Question: If Peninsula secures CDFI Funding and can dedicate a set amount like \$10 million to affordable housing are the city and county willing to make exemptions on permitting and zoning costs, other costs for a larger project? (Innovation in neighboring Thurston, leveraging Prime Location breakdown.)

Answer: Yes, city and county open to it.

Question: What about funding for IDA- Homeless to Homeowner from car refinancing? CDBG funding collaborative match CDFI US Treasury Fund Resources?

Answer: Yes, all are open to talking about it.

BREAKOUT SESSION 3: NEIGHBORING AFFORDABLE WORKFORCE HOUSING EFFORTS

Nick Bond, Development Director, City of Port Orchard

Port Orchard is located in Kitsap County with a population of 14,160 (OFM 2018) The town is 10 square miles with growth via annexation and new development. The Median Family Income is \$82,600.

Affordable Housing Rent: \$1,652- \$2,478 per month including utilities. Current Market Rate Apartment Rent: \$1,000-\$1,695 1br-3br.

Local Challenges:

- Vacancy rate fell to 3% in 2015, driving up housing costs.
- The market responded, but didn't produce much diversity in housing types; 2018 vacancy rates near 5%.
- Large single-family residential homes - 3,500-4,500 square feet, 4 bed+
- Current zoning code shaped by maximum density limits.
- No downtown projects near Foot Ferry
- No new townhomes, duplexes, condos, mixed use buildings, backyard cottages, or four-plexes
- While there's plenty of affordable housing, there is a lack of low-income housing.

Opportunities:

- Multi-Family Tax Exemption
- Opportunity Zones Program to defer and discharge capital gains tax liabilities and raise capital in distressed areas. Two zones in Port Orchard
- Form-Based Code and Design Guidelines: We adopted easy to read design standards.
 - » Tcon designed by HUD. Whole code is color coded. It addresses the problem we seek to solve.
 - » Conclusion we've come to is different standards for different building types.

An example in Port Orchard is the Downtown Redevelopment Proposal which capitalizes on the Opportunity Zone, Multifamily Tax Exemption, and mixed-use pilot program. Includes proposed community center partially funded by Kitsap Public Facilities District. Will have 200+ housing units; 60,000 sq.ft. Commercial office and retail; 20,000 sq. ft. Community Center; 300+ parking stalls

Port Orchard is aiming to:

- Increase housing supply and diversity
- Focus new affordable housing near transit and services
- Provide predictability to developers
- Encourage transit-oriented downtown development.
- Evaluate opportunities to encourage the creation of housing affordable to households earning less than 80% of the median household income.

Suggestion - Mason County should layer incentives with its Opportunity Zones. Opportunity Zones is a program created as part of 2017 Tax Cuts and Jobs Act (Federal) and Port Orchard has 2 of 3 designated opportunity zones in Kitsap County to defer and discharge capital gains tax liabilities and raise capital in distressed areas.

Ryan Andrews, Planning Manager, City of Lacey

Local Challenges:

- Shortage of skilled workers
- Cost of building materials has risen
- Developable land has become scarcer
- Local zoning, land use regulations, and fees

Buyers are coming from more expensive areas. 62% are coming from Thurston County. Our population is not growing because of families having more kids. It is growing from people moving here from more expensive areas.

Housing prices to income comparison/ housing increase to wage increase:

Income Lagging Behind Housing Prices

HOUSING PRICES TO INCOME COMPARISON Thurston County, WA			
	2000	2016	% Increase
Median Housing Price	\$160,606	\$283,272	76%
Median Income	\$48,457	\$63,286	31%
House/Income %	331%	448%	35%



The bulk of jobs in Lacey are in the low-income occupations. Unfortunately, local housing stock does not match. Approximately half of all single household earners cannot afford a one-bedroom apartment (\$1,000). Approximately two-thirds cannot afford a two-bedroom apartment alone (\$1,475).

Lacey's market needs homes for one to two people households, more than four-person households. Sixty three percent of households are 1 or 2 people; 20% are married couple with children; 17% are single parent with children.

The city doesn't build housing, but we are partnering. Lacey has an Affordable Housing Strategy; a report identifying the problems and ways that the city can encourage six overarching policies:

1. Help people stay in affordable housing
2. Create a variety of housing choice
3. Create more affordable housing
4. Unlock housing supply by making it easier to build
5. Prioritize state, county, and local funding for affordable housing
6. Support homeless services regionally

Council will prioritize these policies and the potential actions:

- Reduce fees, tax exemptions in more areas
- Zoning changes

- Create new revenue source for housing
- Permit streamlining
- Protective covenants and deed restrictions

Worth noting: Are going to have 4 pre-permitted plans for ADUs.

Steve Zets, City Planner, City of Prosser

The perception for low-income housing is “not in my back yard.” It’s an ugly truth. Look at how much private development in Prosser, yet there was \$0 for low-income housing. We started asking the question, What is it people don’t like?

- Poor design
- Concentrated property
- Loss of identity (nostalgia)
- Perceptions and myths

Addressed:

Change design with tenants taking more ownership
 Focus on what is not changing; making new memories
 Study and data helpful but not the answers. Find the flaw in the myth.

What Prosser did:

Removed the barrier to high-density housing by removing high-density as a land use designation.

Follow up:

Changing zoning codes to reflect new comprehensive policies.
 How do you get private for-profit developers to the table: To achieve inclusionary housing we reduced deed restriction to 20 years.

What we hope to achieve in the next 24-36 months:

- Mixed development - both multi-family and multi-income
- End poverty concentrations
- Address housing affordability

A true one community approach!

David Timmons, City Manager, City of Port Townsend

Remoteness is both a benefit and curse. We are an engaged and progressive community. We are a little left of the left, more like Burlington, Vermont.

Built a comprehensive policy framework:

- Housing needs assessment
- Comprehensive Plan Policies
- Strategic Planning Priorities

Some of the things we have been doing:

- Incentives
 - » Fee waivers and deferrals
- Housing Trust Fund established
 - » Sponsored with CDBG grant to the city, loaned to the project.
- City land available for eligible affordable housing projects
 - » Inventoried all city-owned land. State regulation is that we need to survey and justify why we maintain properties instead of selling as surplus.
- Allow a variety of housing types and densities
- Accessory dwelling unit (ADU)
- Provide infrastructure
 - » Issued bonds. We took heat. Leveraged \$30 million in other capital to match \$11 million in infrastructure. It was good for us.
- Provide space for “other homeless”
 - » People living in RVs, couch surfers
- Provide family-wage jobs
 - » Maritime sector
 - » Tourism industry which has low wages. During the recession, we lost 1500 jobs. When we married that to census data our population didn’t change. As a result, we found out that the 1500 job loss was by younger people. Retirees moved into rental inventory. We have no inventory for rental property now. The retirees didn’t leave and now young people are back.
- Obtain grants
 - » Created a Lifelong Learning Center. Got it in the black within one year. Brings in 1 million people a year.
 - » Mostly on economic development
- Provide sufficient land supply
 - » Purposefully negotiated to be under a fish and wildlife sanction for water/sewer. That put us first in line for grants for \$25 million project to improve sewage infrastructure and expand.

Margins are so tight in the housing industry no one is going to take a risk with projects in rural isolated areas. Why doesn't the city build housing? Taxable Bond on a 20-year term and we are loaning it to our housing trust on a 40-year term to fund our project.

Breakout #3 Attendee Feedback

Ideas and Roadblocks

- Appropriate inventory for a broad range of incomes and lifestyles.
- Need more affordable and available rentals.
- Aversion to density for some. Elbow room, available property for appropriate building sites.
- Inventory
- Availability
- Lifestyle
- SMA
- UGA
- No one is in the "know"
- How to create opportunities to live here
- Want to live here? Better schools, yes if housing is a better choice of good housing
- Roadblock: Inventory at the lower end and at the higher end (physicians surprised at how expensive it is)
- Planning/permit departments can't keep up with demand
- Could there be a reemergence of the "company housing" concept in a new way?
- Incentivize "first responder" type to live in the community
- If a studio or 1-bedroom unit were available within a short distance of your facility - would that help employees? Yes
- If 1/3 of homes in Mason County are vacant if they put an ADV in - provides house without using their own house as a rental.
- Develop the workforce
- Get the word out for jobs in the region
- Can housing authorities build more?

Take-Aways

- Warehousing opportunities
- Neighboring overflow both housing and business
- AWC- Amex without a local referendum
- Rural Diversification - land for commercial development - overflow solution to urban pinch on available housing and commercial
- Diligence on policies that may restrict or direct development - GMA Flexibility - local options

- More staffing/expansion with permitting – good but need more peeps process city & county. Capacity issue
- A lot of retirees moving here
- Education of how the system works – developer – mortgages
- Website good
- Maybe first-time builders
- Financial literacy
- Education & communication regarding the possibility
- What's next – Government (city and county) to meet with building industry and employees to understand how to allow higher density housing more quickly and affordably.
- Military needs rentals
- Zoning needs to be changed to allow multiple rentals & smaller units.
- Could youth help build homes?
- Model “depression-era projects”
- Advanced manufacturing academy
- New tech high school – show students there are jobs.
- Prioritize apartment building – Incentivize them to get them built
- Keep the workforce moving to the greatest match in housing.
- Build the relationships for shared risk
- Need availability of affordable housing
- Trade schools?/Vocational
- Upper education opportunity? Access to higher level of vocational training
- Poll people on why they don't live here
- Helpful data for decisions on new programs, etc.

Session 3 – Additional Questions

- Shelton does not believe in itself. Community self- esteem programs.

BREAKOUT SESSION 4: AFFORDABLE WORKFORCE HOUSING BUSINESS BENEFITS

Eric Moll, CEO Mason General Hospital

Overview

Mason General is located in the City of Shelton, WA, serving majority of residents in Mason County and is the only acute-care hospital operating in the county. The hospital is designated as a critical access hospital; 8 Rural Health Clinics; 2 Provider Based Clinics. Hospital has more than 150 active physicians on staff with 17 specialties; over 50 employed providers; close to 700 employees and 70 volunteers serving the community. Mason General is uniquely positioned to provide comprehensive, well-coordinated, and integrated care within Mason County. In addition to providing vital health services for local residents, the hospital is an important bridge to specialized care provided outside this community.

For governance, the hospital has a Board of Commissioners elected by the residents of the District for 6-year terms. It is a long tenure board with experience in business ownership, local government, and banking industry. Board committees include finance, audit, investment, and retirement plan. The two nearest competitors are Providence St. Peter Hospital and Capital Medical Center, both located in Olympia, WA, but they actually maintain a very collaborative relationship with both as each hospital has its niche. MGH has 34% of the market share – focus on basic acute inpatient care and then send patients with a need for a higher level of care to the other two hospitals.

Strategic focus for the hospital is to implement the “Mason Leadership System” using the Baldrige Framework which is an integrated approach to how strategy is developed and executed, including workforce, patient engagement, and performance improvement. The district is working with the Virginia Mason Institute to develop a culture of lean management. With the expected growth, there is a focus on primary care and key specialties to meet current and future patient access needs based on campus master planning process. They are working on provider workforce planning, recruitment and retention strategies, including a new provider governance model to increase provider leadership engagement.

Economic and Population Trends:

The major employers in the district are diverse, comprising a variety of industries including gambling/hotel services, state corrections facilities, education, shellfish, government, health, timber harvesting, and retail. Estimated 2017 population of Mason County, WA, is 63,190 residents. The workforce has increased and is projected to continue. The civilian labor force increased by 3.5% between 2015 and

2017, with a 34% estimated increase in Mason County's PSA population from 2015 to 2040. More building is occurring with new privately-owned residential building permits increasing from 111 in 2015, to 166 in 2016. District's assessed value for property taxes is anticipated to increase from \$5.4B in 2017, to \$5.9B in 2018, and the county unemployment rate has dropped from 7.9% in 2015, to 6.5% in 2017.

Challenges:

The hospital has 564 District full-time employees (up from 513 in 2015) of which 467 live in Mason County. Ten percent of patients are estimated to be homeless and 30% of patients are estimated to be in substandard living conditions.

It is hard to get enough qualified staff. There is currently a health science academy to get more workforce locally to stay here, but affordable housing is needed to align with that segment of the workforce. A lot of the physicians have a hard time getting permits to build homes. Overall, limited housing options deter medical professionals from staying and coming to work here.

Dana Rosenbach, North Mason School District

How does the availability of Affordable Housing affect the District?

The Problem:

Affordable housing has such an impact on students, their families, and the district's employees. For both families and staff, future lifetime income is reduced because of moving. As for the students, children who move multiple times between the ages of 6-10 will have decreased academic performance and academic attainment. The family will have a 44% decrease in income if they move, and if moved more than 3 times, an additional 28% decrease in income. If you are a military family with a student with severe special education needs, you get to stay in the school system. But more stress is put on the school system with more students with higher special needs and medical special needs.

Housing instability can jeopardize children's performance and success in school, leading to achievement gaps, while a stable environment contributes to improved educational outcomes (Garrison, 2014). High residential mobility and poor housing conditions (such as overcrowding, and exposure to lead paint hazards) are associated with significant deficits in educational achievement (Agnew, 2018). Students of highest need are often impacted by homelessness or by moving a lot. More children in poverty and more stress means more is going wrong and more has to be done in the school where systems to help are not in place. For example, building partnerships with the Boys and Girls Club and health clinic, and providing universal preschool are desirable, but still have to find additional grant funding to do this or manipulate current funding.

As for employees, they leave because there is more affordable housing in neighboring communities. They are trained and then they leave, so the school system loses all that they invested. Forty percent of the staff are struggling; 32% of staff are bur-

dened; 80% of non-teaching staff are part-time employees. Their workday doesn't make it easy to get a second job, or they are parents and that limits choices, too.

In 1998, a teacher was making just over \$20,000. Now a beginning teacher is making \$51,000. They still can't afford a house or the lack of housing is a challenge. Teachers have to drive in from somewhere else. Food service worker earn \$14/hour and work only 3 hours a day. All employees at least get benefits. In a year from now, the benefits structure will change and families will be burdened by out of pocket required contributions which currently they are not paying.

Daniel White, Superintendent, Department of Corrections

Overview

Number of Staff Employed:

Washington Corrections Center: 637

Mission Creek Corrections Center for Women: 117

Staff Residing in Mason County:

Washington Corrections Center: 289

Mission Creek Corrections Center for Women: 40

Washington Corrections Center

Correctional Officer Salary: \$51,635

All Positions Salary Average: \$58,913

Mission Creek Corrections Center for Women

Correctional Officer Salary: \$49,167

All Positions Salary Average \$57,716

Average Salary for Both Prisons, All Positions: \$58,728

Community Custody Shelton Field Office:

Number of Staff Employed: 12

Number Living Within Mason County: 7

Average Salary: \$59,413

1700 inmates. Motel 6 of prison. Light is always on – never say no, so sometimes our population exceeds our capacity. 300 on floors last summer!

Challenges:

Increasingly youthful staff. Lots of recruiting of new people into the workforce. One of the challenges is they are coming from out of the area and are commuting to work (one all the way from Puyallup). They cannot live where they work. They work 16 hour shifts and then have to drive home, so they are exhausted. We would like to change that. 637 staff WCC and 117 at MCCCW. 289 and 40 live in Mason County.

Most employees earn between \$49,000 - \$57,000, including many overtime hours. Daniel himself lives in an apartment in West Olympia but would rather live in similar housing here in Shelton. Many families of incarcerated individuals would live here if they could find somewhere to live.

Lisa Perry, Community Relations Manager, Sierra Pacific Industries

Snapshot: Current Crew Count:

270 Mason county residents

Other (Lewis, Pierce, other) - 6%

Previous Waterfront employers 50-60%

68% of staff lives in the county.

14% in Thurston, 12% in Grays Harbor, 6% others (including Lewis and Pierce).

Largest lumber producer in Washington. Interesting when visiting schools, kids have no idea what the mill does. Have about 300,000 acres of forest land, 2 million acres if include California. Stud mill running at 80% capacity – high production. There are advanced manufacturing jobs and they need new labor trained.

Mason County; Highly “suggest” that crew lives in community, especially managers and supervisors and want them to be active in the community. It helps to keep employees longer. People living in the community invest in the community and want to stay – good for employers. Most of those staff wouldn’t live elsewhere if they could have found housing here in Mason. We have shifts – we need them rested. They would like to see more housing available in Mason County!

Breakout Conversation Summary:

There was a conversation around permitting which highlighted that we need more resources in permitting to be able to do it more quickly. The process is good and the office is a good partner doing their best, but just need more resources. More retirees are moving here and people from Thurston because it is cheaper. There may be a gap in education for permit/building.

Vocational Education was also discussed. Hospital is working with schools and education for entry level medical jobs, but there is a lack of affordable housing for them to be able to live in the county. Therefore, they are trained and then they apply for better paying jobs out the county and leave. Highly competitive and highly mobile workforce. Could possibly use more training academies to get students into needed fields and ways to incentivize them not to leave (such as paying towards education costs in exchange for a period of loyalty at the company)

Breakout #4 Attendee Feedback

Ideas and Roadblocks

- Form-based codes – already available and simplifies the process
- Bring developers into conversation – what’s preventing you from taking advantage of incentives?
- No density requirements – residential is residential
- Housing Trust Fund – Revolving loan seeded by state trust fund
- Allow multifamily in single family zone

- Struck by how willing people were to look at zoning.
- I like the idea of removing zoning restrictions
- Having an open mind to solutions
- Have a discussion with your businesses over affordable housing options
- If you are in retail you need low-income housing
- ADU's - preapproved vs pre-fab, vacant or vacation rental the variances to affordability
- Having hurt as property manager - eligible for tax benefits as donation to charity
- Manufactured home parks
- Connection fees - 15-year deferral for habitat projects
- Opportunity zones partnered with MFTE
- Find the flaws in the myth - make the issue more personal
- Got to do it together - partnerships
- Not having to recreate the wheel. Use resources already created by other entities.
- Roadblocks - Time consuming - required concerted effort by city/county & community to get started

Take-Aways

- There isn't a lot of options to eat and live - Vetting of 20-year camp, plan with high school students
- Semi-retired moving here
- Open up zoning for multi family
- Have ground that is project-ready
- Invest in infrastructure
- Creative financial opportunities for projects - developer projects
- No silver bullet - take small bites
- Pre-permitted plans
- Residential zones - inclusive
- Infrastructure in place or planning

Session 4 - Additional Questions

- Washington doesn't allow gifts of public funds. How do you get around that?

ATTENDEE INVITES: SPARK CARDS

Community representative attendees were invited to write on the “Spark Cards” provided on the tables. Summary of the responses below:

Challenges/Needs

- Run the calculation on value proposition for economy/region to better understand VRBO. Better use of housing and rates for VRBO, understanding VRBO works not for the local economy.
- 43% of residents are working outside the community at Pac Mtn. We need to really look at what we can do to attract business to the community to provide opportunity for jobs and growth. We need business taxes to help create infrastructure. Revisit land use regulations.
- Time is money – if a jurisdiction can’t afford incentives, what can be done to streamline the process or move affordable housing projects up in priority?
- Need housing for people of SSI or SSDI. How are people on an income of about \$700 a month supposed to live? This sub-population needs to be prioritized for subsidized housing. We are not seeing a prioritization for Sec 8 vouchers, for example.
- Need for Senior Housing (not necessarily assisted living) - would free up existing housing for workforce housing. Zoning needs will change.
- How can we capture what people who have recently moved here are needing/wanting in relation to housing? Apartments? Tiny homes? Own small lot/house? Who is interviewing younger families, young people, and lower/middle class in Mason County to figure what they see as the local concerns and could help them make the next step into homeownership?
- The main problem with workforce housing affordability is the law of supply and demand. We have restricted the locations housing is allowed due to the failure of the GMA. It has severely limited where housing is allowed. This is a direct contributor to the cost of housing restricted supply = increased prices. My biggest fear is the legislature “reforming” GMA – if their past track record is any indicator, they will increase restrictions, resulting in even higher prices – not solving the problem but making it worse. Multi-family housing can help, but the legislature has made building multi-family financially unfeasible due to potential legal liabilities.

Ideas/Solutions

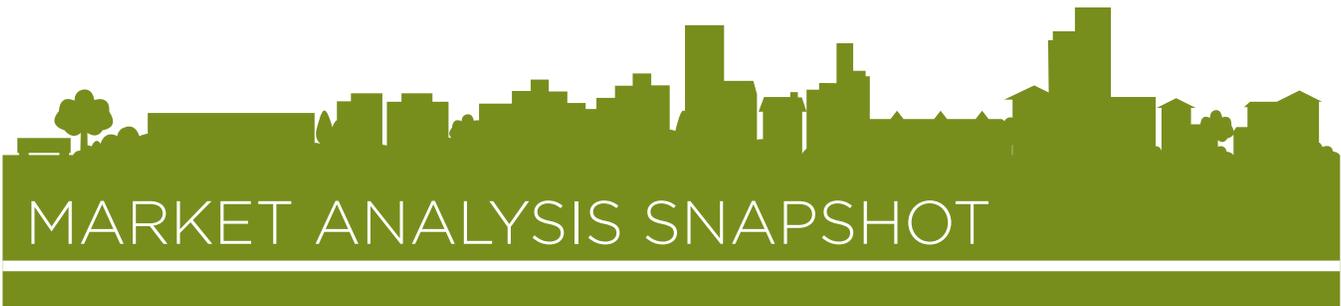
- City, county, lending facilities; builder/developer must work together to make this work.
- Could we give a sales tax break to a builder of multi-family units for the materials they buy for the project?
- Allowing use of alternative technology, e.g. use of composting toilets with a smaller drain field for gray water vs. a \$15,000-\$20,000 septic system. Make building codes more flexible and science-based on what is really necessary for health and safety.
- Organize a summit/workshop on innovations in housing and pinpoint state/local regulations that make these and other innovations difficult or impossible. That is, identify specific regulations that need to be changed.
- Could we do a mailing or an advertising campaign geared towards telling the general public that they could make a difference by donating land or homes to this cause?
- Bring the Washington State Realtors (and National Assoc. of Realtors) into the conversation. They are committed (& financed) to address this problem.
- Need to free up foreclosure property for affordable housing. Give 1st right of refusal to affordable housing use.
- Broad-based brainstorming about state regulations that constrain housing innovation & affordability (specific regs, not e.g. "GMA") and work as a concerted effort to change those regs.
- Connect with Choice Alt School. Education builds motivation & confidence. Building confidence in Shelton via schools is important.
- City and county elected officials to prioritize and collaborate to develop strategies to better support workforce housing development.
- "Company Housing" concept on a modern scale. Allowing a large parcel of property to encompass multiple "NCF" modules, living units.
- Tell elected officials to listen to their planners.
- Connect CDFI resources to reduce the financial feasibility barriers to constructing affordable workforce housing.
- Get super involved with GMA rewrite!
- Create a communitywide housing taskforce to develop recommendations.

- The state needs to dramatically change laws, regulations, rules that restrict building and utilizing existing inexpensive housing. Allow wheeled housing (tiny homes on wheels, RVs, etc.) to be permanent living sites. Allow composting toilet and French drain combinations in place of septic. Promote cisterns, rain barrels, and use of greywater.
- We need a consistent definition for the state and cities, counties (maybe through the GMA & explicitly stated). “Affordable housing” – What is included in that. Is it only rent, mortgage payment and insurance? What about basic utilities, maintenance allowance? All should be included for a true picture of needed housing.
- Solutions need to make affordable housing an economically viable option for the private sector and small investors. Multiple small investors building 1-4 family housing units is healthier and more sustainable than targeting a few large projects. Incentives need to be long term and feasible for small investors. More government regulation and penalties does not foster a positive working environment.
- Job development is key in rural communities. Employers need to get back to investing in employees for specific job functions. Too many times now I hear from employers they can’t find qualified employees; the shift is too much reliance on schools (K-12) and colleges to prepare. Core preparation is needed, but we can’t expect it for the diversity of skills needed. Employers need to take more responsibility in training & development. Example – When Olympia Panel shut down, a high percentage of employees didn’t have a GED or diploma! A business will only be stronger if it invests in its employees. Potential partnerships/collaboration with tribes – key economic drivers & employers in Mason County.
- Explore potential funding partnerships to address Shelton’s infrastructure and resulting rate costs (similar to Shelton 3 project).
- Community Action Councils are an important part of preserving workforce housing with weatherization and repair programs.
- Shelton should explore/consider (they may have already done so) form-based codes.
- If PCFCU gets CDFI fund using Zach’s model it should happen! Seems like great opportunity to test the model while lowering risks to city!
- Recognize the correlation between gauging personal income growth and increasing housing costs (2.4% increase vs 7.8% increase in rental costs – in real terms) and the need to focus on growing the earning (GAP), rather than cutting permitting costs/property taxes that fund public health and safety services.

- Create a housing index – Homeownership – we watch like unemployment rate. Without a measurable index, how do we know if our policies & programs are having any real impact? Is our society’s goal homeownership or to keep people in rental situations or a mortgage? Refinance, buy a larger home, take out a HELOC, etc. Messages are keep people (paying) making payments. Until this is fixed, affordable housing on a massive scale will remain a dream. Is the financial and real estate industry prepared to make this happen? When so many people, including legislators, make money on housing, the conversation can only go so far. Unfortunately, not far enough to actually solve the affordability problem.
- The ticket out of poverty is EDUCATION. Having spent 20 years in education, I feel I can speak on the need to put more accountability on public schools to produce graduates who are college and career ready. Pass rates on AP exams & state tests, (eng, math, science) are pathetic. About 28% of college students take remedial classes that result in no college credit but costs \$7 billion nationwide.
- A large part of housing affordability is utilities, maintenance, insurance, and property taxes. * Better regulation of utilities and property tax to normalize between cities & counties. It may be less expensive to buy a home in Mason County than Thurston, but it costs more to live in Shelton due to higher utility and property tax rates.
- Legislature needs to allow permit fees to be used for long-range planning costs for local governments. Out-migration of the workforce has only increased by 1% in last 10 years. Is the out-migration slowing down or steady-ing? Put together a focus group to discuss market demand for various housing products.
- Identify new businesses which would/could provide higher paying jobs. Communication to inform residents of telecommute jobs which may be higher pay. Allow/incent small multi-family or generational housing with 4-10 units or even 10-20 units. Building department needs to be educated in a way that provides consistent information to builders and other ways to make the permitting process more streamlined.
- ADU- Allowed to be built on private property and lots could be used for rental units. Government rules/regulations/zonal restrictions could be relaxed to allow. Financing options for ADUs. Speeding up time for permitting would allow lower costs of building and speed up the rate of available housing.
- The Legislature is supposed to take up CMA “reform” this session. In the past that has meant tightening up regulations – which already add 27% to the cost of a home. How will this be different and not make the housing problem worse instead of better?

General Questions/Statements/Feedback

- Basically, you're asking cities and counties to subsidize affordable housing. Other than increased sales tax, created by homeowners having more money to spend due to smaller mortgages, what else is in it for the cities?
- Does AMI change based on the size of the household? I.e. family of four, two children.
- With the update to the GMA coming, does Mason County have an opportunity to withdraw?
- What is the impact of the increasing recreational markets - Airbnb, VRBO, etc. on the current housing availability? Are short-term rentals removing affordable workforce housing stock?



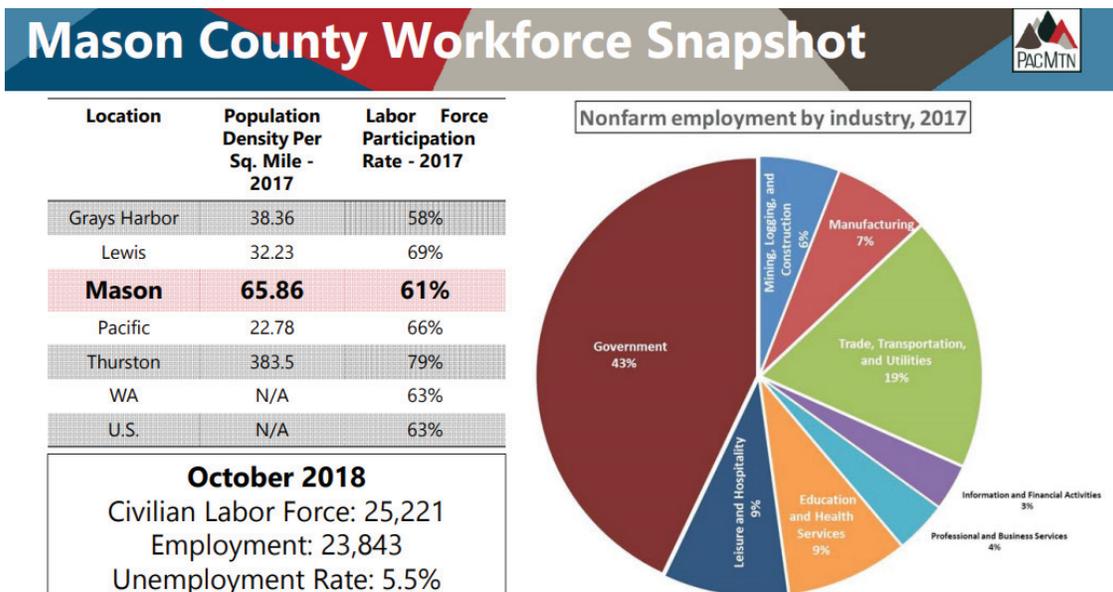
MARKET ANALYSIS SNAPSHOT

Mason County Affordability Overview

- Average Median Income (AMI) is \$51,764 (Census, ACS, 2016).
- 32% Cost Burdened in Mason County (Census, ACS, 2016)
- 88% increase in median home value and homeownership costs in last 20 years. (Zillow, 2018)
- Zero Low-income Apartments in Allyn, Grapeview, Hoodspout, Skokomish and Union. (Zillow, 2018)
- 20% increase in Rents 2012-2017, but only a 7% increase in Wages (Zillow)
- 100% housing burdened (HUD)
- 28% of residents rent (HUD)

Mason County Median Housing Snapshot

- Mason County median sales price for a single-family home is \$240,000.
- Mason County median family income is \$64,600 (Census, ACS, 2016).
- Mason County median household income is \$25,661.
- Workforce Housing would target an AMI that is between \$31,058 to \$72,469 (Census, ACS, 2016)





LESSONS FOR COMMUNITIES SERVED BY CREDIT UNIONS

Credit unions are not-for-profit financial cooperatives owned by the people who use its products and services. As a result of their unique structure, their business models and operations more closely resemble service organizations than banks, which operate as for-profit.

Not-for-profit credit unions collaborate with state, municipal, and county government agencies, non-profits, and social service agencies across the country.

Cooperative Difference

Credit unions share best practice policies and products, where for-profit financial institutions closely guard innovation, underwriting criteria, and product specifications. As a result, when credit unions create solutions, the best practices are widely shared and come to scale nationally. Credit unions were the first financial institutions to lend to women in their own names in the 1960s. They also established the first online banking platform and full-service ATM network.

Grants to Expand Services to Communities

Credit unions often leverage access to federal, public, and private grant services to increase access to financial services of underserved, minority, and otherwise marginalized consumers. Grant funds are leveraged for the credit unions in several ways.

Leveraging Grant Funds

- **Loan Loss Reserves:** To protect the credit union members from losses that could occur from testing a new product that could be of great service to the community but carry higher risk.
- **Development Services:** To develop borrowers or support the community in implementing programs to increase access to affordable financial solutions.
- **Financial Products:** To develop and implement innovative products to increase access to financial products.
- **Financial Services:** To develop and implement innovative products to increase access to financial services.
- **Technical Assistance:** To increase the capacity and sophistication of the credit union as it progresses to implement larger scale projects.

Grant Sources

- CDFI Fund
- NCUA CDRLF
- NWCUF and its sister state credit union association foundations
- The Ford Foundation
- The National Credit Union Foundation
- Greater Community Foundations
- The United Way
- Subgrantees of CDBG funds

Existing Best Practices

Credit unions are already creating innovative best practices to address the affordable workforce housing crisis.

Examples

- **Alternative Down Payment Mortgages:** Reduce barriers to mortgages by eliminating down payment restrictions.
- **Mortgage Readiness Loan Programs:** Preparing borrowers for mortgage eligibility by eliminating/refinancing high interest debt, offering credit building products, and through financial counseling.
- **ADU Loans:** By financing non-traditional products with unusual terms, credit unions create access to income generation for homeowners that also has the potential to add rental housing stock.
- **Financial Inclusion Mortgages:** Leverage flexible underwriting including alternative credit scores, allowing for low or no minimum loans, and alternative sources of down payment.
- **Cooperative Mortgages:** Specifically used to finance the purchase of “COOP shares” to “own” the COOP apartment.

Partnerships

The following are examples of credit unions working with partners to address affordable workforce housing:

Habitat for Humanity

Habitat for Humanity affiliates across the country work with CDFI certified and low-income designated credit unions to move families off of lengthy waiting lists. The not-for-profit credit unions with the unique certifications documenting service to

distressed communities and low-income people overcome the barrier that many families would not be approved for loans by other mainstream financial institutions. Traditional credit unions provide liquidity solutions.

Housing Authorities

Housing authorities are working with credit unions on mortgage readiness counseling and credit building, along with self-sufficiency programs to create a pathway off of public assistance. This includes providing non-traditional loans for technical certificates to increase incomes.



Accessory Dwelling Unit (ADU): A dwelling unit located on the same lot as a single-family housing unit, duplex, triplex, townhome, or other housing unit.

Affordable Housing: Housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities. Please note that some jurisdictions may define affordable housing based on other, locally determined criteria, and that this definition is intended solely as an approximate guideline or general rule of thumb.

ALICE: A term defined by a signature research program of the United Way, ALICE is an acronym for Asset Limited, Income Constrained, Employed. It is a new way of defining and understanding the struggles of households that earn above the Federal Poverty Level, but not enough to get by on a household survival budget. Forty-three percent of households in the US are ALICE households.

Area Median Income (AMI): Is the midpoint of a region's income distribution – half of families in a region earn more than the median and half earn less than the median. For housing policy, income thresholds set relative to the area median income—such as 50% of the area median income—identify households eligible to live in income-restricted housing units and the affordability of housing units to low-income households.

Community Development Block Grant (CDBG): The Community Development Block Grant (CDBG) program is a flexible program that provides communities with resources to address a wide range of unique community development needs. Beginning in 1974, the CDBG program is one of the longest continuously run programs at HUD. The CDBG program provides annual grants on a formula basis to 1209 general units of local government and States.

CDFI Fund: It is a division of the US Department of the Treasury which was established by the Riegle Community Development and Regulatory Improvement Act of 1994. The CDFI Fund's purpose is to promote economic revitalization and community development in low to moderate income communities through investment in and assistance to CDFIs. The CDFI Fund plays an important role in generating economic growth and opportunity in some of our nation's most distressed communities.

CDFI Financial Assistance (FA) Awards: Financial Assistance awards are made in the form of loans, grants, equity investments, deposits, and credit union shares, which CDFIs are required to match dollar-for-dollar with non-federal funds. This requirement enables CDFIs to multiply the impact of federal investment to meet the demand for affordable financial products in economically distressed communities. These awards empower CDFIs to contribute to the creation of economic opportunities and revitalization of the communities they serve. Credit unions predominantly leverage the awards as loan loss reserves to develop and implement innovative lending programs benefiting the community that no other financial institutions are willing to provide. As a result, it is common for nonprofits, social service agencies, municipalities, counties, and state government offices and elected officials to partner with CDFIs on the development and implementation of FA Awards.

Community Development Financial Institution (CDFI): Is a designation given by the CDFI Fund to specialized organizations that provide financial services in low-income communities and to people who lack access to financing. CDFIs include regulated institutions such as community development banks and credit unions, and non-regulated institutions like loan and venture capital funds. By building the capacity of a nationwide network of CDFIs, the CDFI Fund works to empower low-income and underserved people and communities to enter the financial mainstream. Certified CDFIs are eligible to apply for awards through programs offered by the CDFI Fund. These awards enable CDFIs to finance a wide range of activities—including mortgage lending for first-time homebuyers, flexible underwriting for community facilities, and commercial loans for businesses in low-income areas. Through varying strategies, each CDFI contributes to the cultivation of a healthy and stable local economy.

Cost Burdened: HUD defines cost-burdened families as those “who pay more than 30 percent of their income for housing” and “may have difficulty affording necessities such as food, clothing, transportation, and medical care.”

Credit Union: A not-for-profit cooperative financial institution owned by members of the community it serves. Credit unions operate with the mission of “people helping people to help themselves” with operating principled driven by the philosophy, “not for profit, not for charity, but for service.” Credit union international code of operating principles include: “social responsibility” also known as “concern for community”, “ongoing education”, “equal distribution to members”, “democratic control,” “autonomy with open and voluntary membership”, “non-discrimination” and “cooperation among credit unions.” As a result of these principles credit unions invented most of the mainstream products in the financial marketplace today including direct deposit, character based personal loans, the first full-service ATM network, online banking, and loans to women in their own names.

Growth Management Act (GMA): The Washington State Growth Management Act (GMA) is a Washington State law that requires state and local governments to manage Washington’s growth by identifying and protecting critical areas and natural resource lands, designating urban growth areas, preparing comprehensive plans and implementing them through capital investments and development regulations.

Household: A member of a household is defined by state and federal laws, which varies by jurisdiction. The Internal Revenue Service (IRS) defines a member of household as a person who is related to you or lives with you for the entire year as a member of your household. A family cannot comprise more than one household; a household, however, can contain more than one family, or one or more families together with one or more non-related persons, or it can consist entirely of non-related persons.

Missing Middle Housing: Missing Middle is a range of multi-unit or clustered housing types compatible in scale with single-family homes that help meet the growing demand for walkable urban living. Examples of these are: duplex, triplex, bungalow court, courtyard apartments, townhome, multiplex, live and work spaces.

Opportunity Zone: Opportunity Zones are census tracts generally composed of economically distressed communities that qualify for the Opportunity Zone program, according to criteria outlined in 2017’s Tax Cuts and Jobs Act.

Opportunity Zone Program: The Opportunity Zone program was created to stimulate private investment in Opportunity Zone communities in exchange for capital gain tax incentives. The program aims to stimulate investment in low income communities by stimulating the investment of unrealized capital gains held by US households. In exchange for investing in communities within Qualified Opportunity Zones, investors can access capital gains tax incentives both immediately and over the long term.

Permanent Modular Buildings: Are built to meet or exceed the same building codes and standards as site-built structures and the same architect-specified materials used in conventionally constructed buildings are used in modular construction projects. Permanent modular buildings can have as many stories as building codes allow. Unlike relocatable buildings, permanent modular buildings structures are intended to remain in one location for the duration of their useful life.

Prefabricated Housing: Also known as modular, is a construction method that involves constructing sections away from the building site, then delivering and installing on-site. Prefabricated sections are sometimes placed using a crane. The modules can be placed side-by-side, end-to-end, or stacked, allowing a variety of configurations and styles. Proponents of modular buildings, also called prefabricated homes or precision-built homes, cite the building standards as equal to or higher than traditional construction on-site. The building method is referred to as permanent modular construction.

Severely Cost Burdened: HUD defines severely cost-burdened families as those “who pay more than 50 percent of their income for housing” and “may have difficulty affording necessities such as food, clothing, transportation, and medical care.”

Workforce Housing: The term “workforce” is meant to connote those who are gainfully employed, a group of people who are not typically understood to be the target of affordable housing program. Workforce housing is housing that is affordable to workers and close to their jobs. It is homeownership, as well as rental housing, that can be reasonably afforded by a moderate to middle income, critical workforce and located in acceptable proximity to workforce centers. Workforce housing was thought of as housing for public employees – teachers, police officers, firefighters, and others like healthcare workers who are integral to a community, yet who often cannot afford to live in the communities they serve. However, workforce housing also includes housing for young professionals, workers in the construction trades, retail salespeople, office workers, and service workers.



ADDITIONAL RESEARCH

Missing Millions of Homes https://newdemocratcoalition-himes.house.gov/sites/newdemocratcoalition.house.gov/files/documents/NDC%20Missing%20Millions%20of%20Homes_Housing%20TF%20Findings%20Report_June%202018.pdf

Underproduction in Washington State by Up for Growth: <https://www.upforgrowth.org/research> Date of publication TBD, but look for it April/May 2019 on this website.

Roadmap to Washington's Future: Recommendations on how statutory framework could be changed to reach goals - how to get more built, how to bring down housing costs. Meeting with communities all across the state. Recommendations will be made June 30, 2019. <https://ruckelshauscenter.wsu.edu/a-roadmap-to-washingtons-future/>

Housing Recommendations by Washington JLARC <http://leg.wa.gov/jlarc/reports/2018/LIH/p/default.html>

2017 Affordable Housing Update (published February 2018)
https://app.leg.wa.gov/ReportsToTheLegislature/Home/GetPDF?fileName=Commerce-AHAB-annual-report-2018_0fe5c4e4-7c44-4032-845e-9cf53a41d18b.pdf

Affordable Housing Strategy, City of Lacey
http://www.ci.lacey.wa.us/Portals/0/docs/community_development/Affordable%20Housing%20Strategy/Affordable%20Housing%20Strategy%20Document%20-%20reduced%20file%20size.pdf



APPENDIX A: COMMUNITY REPRESENTATIVE ATTENDEES

Awnaroll Painting

Jeff Selby, Owner

Black Star

Justin Baze, Owner

Boys & Girls Clubs of S. Puget Sound

Carrie Holden, CEO

Katie Hopkins, Director of Philanthropy

City of Port Townsend

David Timmons, City Manager

Marilyn Vogler

City of Lacey

Ryan Andrews, Planning Manager

City of Port Orchard

Nick Bond, Community Development Director

City of Prosser

Steve Zetz, Planning & Economic Development Director

City of Shelton

Bob Rogers, Mayor

Joe Schmit, Councilmember

Mark Ziegler, Community Development Director

Kevin Dorcy, Councilmember

Cogent Construction

Will Johnson, Owner

Community Lifeline

Barb Weza, Executive Director

Credit Union Strategic Planning

Jamie Strayer, Founding Partner

Lara Allan, Researcher

Economic Development Council of Mason County

Jennifer Baria, Executive Director

Dale Knudsen, Telecommunications Manager

Karin Leaf, Business Outreach Manager

Flippin Awesome Renovations

Jim Boad, Managing Member

Nikki Boad

Garage Sale Maniacs

Ray Frederick, Owner

Green Diamond Resource Co.

Eric Schallon

Rick Schmeling, Timberland Services Manager

Habitat for Humanity

Marty Crow, Executive Director

Heritage Bank

Donna Moir, VP Commercial Lending

Homes First

Trudy Soucoup, CEO

Hood Canal School District

Shawn Batstone, Superintendent

Hood Canal Vacation Rentals

Greg Oldham

iFiber One News Radio

Jeff Slakey, Station Manager

John L Scott

Rob Drexler, Broker

Jamie Mell, Realtor

John L Scott/Port of Shelton

Kristy Buck, Realtor/Commissioner

Kitsap Sun

Arla Shepard, Reporter

Little Creek Casino Resort

Mark West, CEO

Mason County

Lydia Buchiet, Community & Family Health Manager

Terri Drexler, Commissioner

Lisa Frazier, Treasurer

Mason County

Randy Neatherlin, Commissioner

Todd Parker, Program Coordinator

Kevin Shutt, Commissioner

Dave Windom, Director of Community Services

Mason County PUD #1

Kristin Masteller, General Manager

Mason County PUD #3

Lynn Eaton, Asst. Public Information & Government Relations Manager

Justin Holzgrove, Energy Conservation Manager

Joel Myer, Government Relations Manager

Mason General Hospital

Eric Moll, CEO

MasonWebTV.com

Dedrick Allen, Owner

Modern Shed

Tim Vack, General Manager

North Mason Chamber

Patti Kleist, Board Member

Stephanie Rowland, Executive Director

North Mason School District

Caroline Nicol, Human Resources Director

Lisa Roberts, Executive Director of Curriculum & Instruction

Dana Rosenbach, Superintendent

Our Community Credit Union

Darren Eisele, Marketing Manager

Olympia Federal Savings

Ryan Betz, AVP/Marketing & Public Relations Manager

Olympia Master Builders

Erin Hall, Government Affairs Director

Andrew Spear, Andrew Spear Construction

Angela White, Executive Officer

Olympic College

Allison Smith, Campus Administrator

Pacific Mountain Workforce

Cheryl Fambles, Executive Director

Peninsula Credit Union

Jim Morrell, CEO

Sue Barnard, Board Director

John Bolender, Board Director

Kathy Haigh, Board Director

Kimberly Ingham, VP Member Engagement

Chris Kirkley, Lending Director

Kris Kord, Member Relationship Consultant

Teresa Miller, AVP

Jennifer Owens, Shelton Branch Manager

Leah Pokraka, Belfair Branch Manager

Kirk Smith, Marketing Manager

Port of Allyn

Scott Cooper, Commissioner

Lary Coppola, Executive Director

Port of Shelton

Kristy Buck, Commissioner
Sue Patterson, Commissioner
Dick Taylor, Commissioner

Prime Locations

Zach Kosturous, President

Shelton School District

Brenda Trogstad, Executive Director of
Business & Operations
Don Welander, Director of Career Con-
nected Learning

**Shelton-Mason Chamber of Com-
merce**

Deidre Peterson, Deputy Mayor
Heidi McCutcheon, Executive Director
Dylan Parker, Office Manager

Shelton-Mason County Journal

Dana Kampa, Reporter
John Lester, General Manager
Adam Rudnick, Editor

Sierra Pacific Industries

Lisa Perry, Community Relations Manager

Smoking Mo's

Tom Beben, Owner

South Sound YMCA

Kyle Cronk, CEO

State Farm Insurance

Melanie Bakala, Agent

State of Washington

Dan Griffey, Representative
Drew MacEwen, Representative

**The Conklin Team at Winder-
mere**

Andy Conklin, Certified Residential Spe-
cialist
Jef Conklin, Realtor

The Hardware Distillery Co.

Jan Morris, Owner

Thermedia Corp.

James Thomas, Owner

Windermere/Himlie, Inc.

Keith Fuller, Real Estate Agent
Jill Himlie, Owner / Designated Broker

Up for Growth

Mike Kingsella, Executive Director

University of Washington

Randy Roland, Public Address Announcer

Washington Correction Center

Dan White, Superintendent

**Washington State Department of
Commerce**

Emily Grossman, Policy and Strategy Advi-
sor

**United States House of Representa-
tives**

Rob Richards, District Representative for
US Rep. Derek Kilmer

District Representative for US

Dallas Roberts (Rep. Denny Heck)



APPENDIX B: SPEAKER BIOGRAPHIES AND EMAIL LIST

Congressman Denny Heck

Contact: (Via Dallas Roberts) Dallas.Roberts@mail.house.gov

In 2012, the residents of Washington's new 10th Congressional District elected Denny Heck to be the district's first member of the United States House of Representatives. Congressman Heck serves on the House Permanent Select Committee on Intelligence, and is the only Member of Congress from the Pacific Northwest who serves on the House Financial Services Committee.

At the start of 2017, Congressman Heck announced the formation of the New Democrat Coalition Housing Task Force. In June 2018, Congressman Heck and the other Housing Task Force members released a preliminary findings report on America's Housing Crisis. As Congress begins its 116th session, the report will be used to inform policy recommendations and legislative proposals to address the nation's housing crisis.

Mr. Mike Kingsella, Executive Director

Up for Growth National Coalition

Contact: MKingsella@upforgrowth.org

Mike Kingsella is the Executive Director of Up for Growth National Coalition, a diverse coalition of affordable housing and social justice advocates, environmental organizations, housing producers, major employers, urbanists, and transit associations who have joined forces to address our nationwide housing shortage.

Prior to launching Up for Growth National Coalition, Mike led the formation and served as Executive Director of Oregon Smart Growth, the first statewide affiliate of Smart Growth America's LOCUS coalition of responsible developers and investors. Over the past two years, Oregon Smart Growth has grown to be an advocacy organization with over 30 developers, investors, and development industry firms that support state and local policy that enable and promote the development of dense, walkable neighborhoods throughout the State of Oregon that are economically, socially and environmentally sustainable.

Mike is a published author and speaker on urban development and housing policy, and has over 15 years of experience in housing policy, commercial real estate investment, capital markets, and asset management. He has a Bachelor of Science in

Community Development and Real Estate Development, cum laude, from the Toulan School of Urban Studies and Planning at Portland State University in Portland, Oregon. He is a Full Member of the Urban Land Institute (ULI), where he is a member of the national Transit Oriented Development Product Council. Mike also serves on the Workforce and Affordability Committee for the National Multifamily Housing Council.

Ms. Emily Grossman

Policy and Strategy Advisor, Community Services and Housing Division
Washington State Department of Commerce
Contact: Emily.Grossman@commerce.wa.gov

Emily Grossman is the Policy and Strategy Advisor for the Community Services and Housing Division at the Washington State Department of Commerce. She has worked in the areas of homelessness and housing policy development for over ten years. In her current role, she works to align housing policy throughout the agency, provides policy recommendations related to affordable housing development and preservation, and serves as the staff liaison to Governor Inslee's Affordable Housing Advisory Board. She has been with the Department of Commerce since April 2016. Emily has a B.A. from the University of Washington and a J.D. from Seattle University School of Law.

Kyle Cronk, CEO

South Sound YMCA
Contact: CronkK@ssymaca.net

Kyle has over 20 years as a professional in the global YMCA movement, with positions in Seattle and as CEO at the Olympia Peninsula YMCA, and now as President/CEO with the South Sound YMCA located in Olympia, Washington. In his YMCA career, he has been recognized as National thought-leader as an Inaugural member of YMCA of the USA's the Leadership Symposium Network.

He has served the national YMCA movement by participating with the YMCA national board in the selection of YUSA's President and CEO, provided strategic leadership on major national initiatives such as Advancing Our Cause Task force, Activate America and getting out the Vote program designed to better service local YMCAs across the county. He's also received recognition as Outstanding Community Leadership and Service to Young People by the Washington Association of School Administrators. Currently, Kyle is leading the South Sound YMCA in an ambitious growth of facilities and programs to include a new YMCA serving Shelton/Mason County and the implementation of an innovative achievement gap program geared to ensure economically disadvantaged youth succeed academically!

Trudy Soucoup, Chief Executive Officer

Homes First
Contact: ceo@homesfirst.org

Trudy joined Homes First as Chief Executive on November 1st, 2011, and began lead-

ing the organization into its third decade of creating safe, healthy, and affordable rental housing in the South Puget Sound region. Trudy came to Homes First from Community Youth Services where she served as Manager of Organizational Development. She has over 30 years' experience working in nonprofits around the world. Trudy volunteers her time with many mission-driven organizations that include being a member of the Board for the Washington State Employees Credit Union and Washington Nonprofits. A 2008 graduate of Lead Thurston County, Trudy's passion is for working with staff and leaders to grow nonprofits and plan for their future so that our community members can have better, healthier lives.

Marty Crow, Executive Director/COO

Habitat for Humanity of Mason County

Contact: MartyC@havitatmasonwa.org

Marty joined Habitat for Humanity of Mason County as the Executive Director/COO in 2015. Marty also serves as a board member of the Shelton Mason County Chamber of Commerce, board member and secretary for Exceptional Foresters Inc., board member Skookum Rotary Foundation, member of the Olympic College business management advisory committee, and the Choice High School community advisory committee.

Before joining Habitat, Marty spent most of his time helping manufacturing companies grow and achieve operational excellence. His most recent focus has been developing and supporting Manufacturing, Engineering, Quality, and Supply Chain teams. Marty works with organizations to create vision, define operational objectives, identify and leverage organizational strengths to reach those objectives. Marty is an enthusiastic servant leader who understands people are the greatest asset of any organization.

Erin Hall, Government Affairs Director

Olympia Master Builders

Contact: Erin@omb.org

Erin Hall is the Government Affairs Director for Olympia Master Builders. In her position, she works with county and city governments to develop and refine building code, land use policy, and permitting processes in order to support home building in our region. She has a B.A. in Political Science from WSU and a M.A. in International Relations from North Carolina State University. After living in Abu Dhabi for 18 months, Erin returned to Olympia in March 2017, and worked with the homeless veteran population before joining OMB.

Cheryl Fambles, Executive Director

Pacific Mountain Workforce Development Council

Contact: Cheryl@pacmtn.org

Cheryl Batalon Fambles has served as Chief Executive Officer of Pacific Mountain Workforce Development Council (PacMtn) since 2012. Cheryl previously held execu-

tive and senior positions in the Washington Workforce Association and in local government agencies including King County, Thurston County, the City of Issaquah, and the Skokomish Tribal Nation. Her consulting work has been diverse and includes community, organizational, and infrastructure projects. She completed a master's degree in public administration from City University of New York, and is a graduate of the Senior Executives in Local Government Program JFK School of Public Service at Harvard. She received her undergraduate degree from The Evergreen State College.

In January 2017, Cheryl was appointed as a Board Director for the Seattle Branch of the San Francisco Reserve Bank. She serves on the Thurston County Chamber and the Governor's WA Military Transition Council. Cheryl is an articulate advocate for rural communities, issues of poverty and inequity, and the redemptive power of work and quality employment. Beginning in February 2018, she joined the Board of Trustees of the Capital Medical Center where she helps oversee and advise the hospital administration to ensure hospital and medical staff can continue to provide quality medical care to meet the healthcare needs of the regional community.

Andy Conklin, Realtor

The Conklin Team, Windermere Real Estate

Contact: Conklin@hcc.net

Andy Conklin is a Real Estate Broker with The Conklin Team at Windermere Real Estate in Shelton. The National Association of Realtors has issued him the designation of "Certified Residential Specialist." Only 3% of the Realtors in the country hold this designation. Andy is a 5th generation, lifetime resident of Mason County, and has been officially in the Real Estate Business since he turned 18 over 26 years ago. More accurately, he has been in real estate his entire life, having grown up helping his father run property lines on the weekends and sitting in the truck while his father showed houses to potential buyers.

Andy loves Mason County and all it has to offer. He spends his free time with his wife Cicely and their 2 dogs. He also enjoys hiking in the Olympic Mountains and steel-head fishing the many rivers in the area. Andy coaches multiple sports at both the Youth and High School levels.

Zach Kosturos, CEO

Prime Locations

Contact: Zach@primelocations.com

Zach Kosturos is the President and Owner of Prime Locations, Inc. and Monolith Properties. His companies develop, sell, lease, and manage and own commercial and multi-family investment properties throughout the South Sound. For the last several years, Zach has been intricately involved in the discussion around housing and, specifically, housing affordability. He sits on the Thurston Thrives Incentivized Housing Committee which looks at how private, non-profit, and government entities can partner in solving the affordable housing crisis currently being faced by our communities and others across the country.

As part of his work on the committee, Zach developed a financial model that allows governments to see how, by incentivizing private development of affordable housing, we can begin to make progress toward a long-term solution to this problem. Currently, several of our local governments and associations are using the model to explore options for incentivizing affordable development.

Representative Drew MacEwen

35th Legislative District
Washington State Legislature
Contact: Drew.MacEwen@leg.wa.gov

Drew MacEwen was first elected to the House in 2012, and quickly emerged as a leader on issues including tax reform and education funding reform. Drew has brought a bold agenda to the Legislature, rooted in his experiences as both a business and civic leader in his community.

Drew is on the House Republican leadership team, currently serving as assistant floor leader. He is also the assistant ranking member on the House Appropriations Committee, and also serves on the House Capital Budget and Health Care and Wellness committees.

Additionally, he serves as the Co-Chair of the Joint Committee on Veterans' and Military Affairs and the Joint Task Force on Economic Resilience of Maritime and Manufacturing in Washington. He is also an ex-officio member of the Washington Wildlife Recreation Coalition.

Kevin Shutty

Mason County Commissioner
Contact: KShutty@co.mason.wa.us

Kevin Shutty is serving his first term as Mason County Commissioner, and currently serves on a variety of regional planning, environmental, and public safety committees. In 2017, Kevin was appointed to the State Building Code Council by Gov. Jay Inslee. Prior to serving on the BOCC, Kevin worked as a Public Information Officer and Outreach Coordinator for the Washington State House of Representatives, where he also previously served as a Legislative Assistant. Kevin has served as a member of the Mason County Planning Advisory Commission, Vice Chair of the North Mason Chamber of Commerce Government Affairs Committee, and is currently Vice Chair of the Great Bend Center for Music Board of Directors. He holds a Bachelor of Science in Secondary Education and a Masters in Community and Economic Development, both from Penn State University. Kevin and his wife Catherine reside in Union, Washington.

Bob Rogers

Mayor, City of Shelton

Contact: Bob.Rogers@sheltonwa.gov

Bob was elected to the Shelton City Council in the spring 2018 special election, following the change to the council-manager form of government. He was appointed, by the council, as mayor in May. Prior to running for office, he recently retired after working 45 years in the forest industry. Forest management experience includes 12 years in northeast Washington as a forester and silviculturist, and another 25 years in Shelton as an inventory forester and manager of forest inventory and geographical information systems (GIS) for Green Diamond Resource Company. In between, he spent about 6 years as an accountant in the sawmill and timberland businesses. He has been treasurer for the Bordeaux PTSO, Shelton High School Band Boosters, and Mt Olive Lutheran Church, currently Finance Chair at Mt Olive, and member of Shelton Centennial Lions Club.

Eric Moll, CEO

Mason General Hospital and Family of Clinics

Contact: EMoll@masongeneral.com

Eric Moll is the Chief Executive Officer for Mason General Hospital & Family of Clinics. Prior to serving as CEO, Eric held the positions of Chief Administrative Officer and Chief Financial Officer. Eric has been with MGH&FC since 2004.

Mr. Moll received a B.A. in Business Administration from the University of Washington and an MBA from the Wharton School at the University of Pennsylvania, graduating with honors. He is a Certified Public Account licensed to practice in the State of Washington.

Dana Rosenbach, Superintendent

North Mason School District

Contact: DRosenbach@northmasonschoools.org

Dana Rosenbach has been in education for almost 30 years. She began as an elementary teacher in nearby Central Kitsap and has had the opportunity to serve children, their families and their communities throughout the United States, in Northeast Florida, Virginia, Central and Southern California, Eastern and Western Washington. Throughout her career she has gravitated toward underserved communities, including stints teaching English Language Learners, Special Education, and At-Risk students. She has been a middle school principal and central office administrator.

In 2014, the North Mason School Board appointed Dana Rosenbach as superintendent of NMSD. During her tenure NMSD has expanded student learning programs including developing a focus on meeting the needs of the Whole Child, Whole School, and Whole Community.

Lisa Perry, Washington Public Relations Manager

Sierra Pacific Industries

Contact: LPerry@spi-ind.com

Lisa Perry is the Community Relations Manager for Sierra Pacific Industries (SPI) in Washington. She is based in Shelton, Washington, but covers SPI properties from the northern end of Clark County to the Canadian border.

She currently serves as Chair of the Board for the Pacific Education Institute, is incoming Chair for the Shelton-Mason County Chamber of Commerce and has been appointed to the Future of Workforce Taskforce that was formed from by SB6544 in the last session.

Previous to her employment at SPI she worked on workforce and employment recruitment in the Natural Resource fields for both Humboldt State University and the California Forest Products Commission. She earned a B.S. in Social Science and a California Teaching Credential from Sacramento State University. As a native Oregonian she is glad to be back in the Pacific Northwest.

Nick Bond, Development Director

City of Port Orchard

Contact: Nbond@cityofportorchard.us

Nick was hired as the Community Development Director for the City of Port Orchard in 2013. Prior to that he was employed as the Town Planner for Eatonville, WA, from 2005-2013. Nick holds a Master of Urban Planning degree from the University of Washington and a Bachelor of Arts in Planning and Environmental Policy from Western Washington University. Nick spent the first half of his life in St. Louis, MO, and has lived in Washington since 1999.

Ryan Andrews, Planning Manager

City of Lacey

Contact: RAndrews@ci.lacey.wa.us

Ryan is the Planning Manager for the City of Lacey where he has been for over 13 years. In that time, he has worked on a variety of long-range planning issues including comprehensive planning, regulation and code development, and sub-area planning including project management on the City's Woodland District Strategic Plan which won a Governor's Smart Communities Award. Ryan also manages Lacey's permit counter which gives him a unique connection between policy and implementation. He brings to his position experience in county and small-town planning in western Washington, having previously worked for Thurston County and the City of Westport. Ryan is a graduate of Washington State University with a degree in landscape architecture.

Steve Zetz, City Planner

City of Prosser

Contact: SZetz@ci.lacey.wa.us

Steve attended Stanislaus State University, joined the Army and became a Patriot Missile Operator. He spent many years in Law Enforcement as a Dispatcher and Officer and began his planning career in 2006, with the City of Prosser. Steve has been married 21 years and has two great kids and two cats.

David Timmons, City Manager

City of Port Townsend

Contact: DTimmons@cityofpt.us

David Timmons began his career as a City Manager in Michigan in 1977. He also was a Manager in Vermont for 14 years before coming to Washington. Since 1999, David Timmons has served as the City of Port Townsend's first City Manager. His entire career has focused on community economic development and housing. He holds degrees from Northwestern Michigan College and Michigan State University with majors in Parks and Recreation and Community Development and minors in Criminal Justice and Economics.

David has been a long-standing member of the International City Management Association. He served on many professional committees, most notably as a member of the International City Managers Association (ICMA) International Committee for three, three-year terms. He was also engaged by USAID to act as an advisor with coastal communities in Croatia. He has also attended more than a dozen ICMA International Conferences held around the world. In 2008, he was awarded a Fellowship by the Japan Council of Local Authorities in International Relations (CLAIR).

Under David's administration, the City of Port Townsend is actively redeveloping its infrastructure with a highlight on developing three economic "anchors" sub-areas. He also leads the effort to establish affordable housing within the City. David was recently awarded the 2018 Award of Excellence by his state professional association.

Randy Rowland

Public Address Announcer, Seattle Seahawks

Husky Marching Band Announcer

Contact: RLRowland@comcast.net

Dr. Randy L. Rowland is a Northwest Native. He was ordained in the Presbyterian Church PC (USA) in 1990, and has served in one large University Church and two Seattle area church plants. He is currently the pastor of Sanctuary CRC and CEO of the Green Bean Coffee House, which with Sanctuary, serves the Greenwood neighborhood of Northwest Seattle.

He grew up in a suburb of Tacoma, Washington. He received a B.F.A. in Communication Arts from Pacific Lutheran University (1975), a Th.B. from People's Bible Institute

(1976), and M.Div. and D.Min. Degrees from Fuller Theological Seminary (1987/1991). He is author of three books and numerous articles in *Worship Leader*, *Leadership*, and *RE:News* magazines. He has taught for A.W. Tozer School of Theology, Graduate Theological Union (Berkeley), Fuller Theological Seminary, Bakke Graduate University, Dominion College, Seattle Pacific University and Seattle School of Theology and Psychology.

ABOUT THE AUTHORS

Jamie Strayer

jamie@creditunionstrategicplanning.com

Jamie Strayer is the founder of CU Strategic Planning, a leading consultancy to not-for-profit credit unions with the mission to increase economic opportunity through community development. The firm assists credit unions with regulatory affairs, issues-based and localized research, product development, policy guidance, and partnership establishment. It has authored a cumulative \$103 million in CDFI grants for 78 credit unions in 32 states/US Territories and developed over 100 unique products to increase financial inclusion. As a result of these awards and products, credit unions are investing over \$1 billion in loans to working-class people and distressed communities. Jamie earned the rare, prestigious international (iCUDE) designation for representing the World Trade Center in a goodwill mission to study community development in Mali, West Africa (2006); and agricultural community development in Indonesia for the National Cooperative Business Association (2013). She leverages these experiences to develop innovative products and programs for U.S. credit unions.

Lara Allan

Lara@creditunionstrategicplanning.com

Lara Allan has a Masters in Cultural Policy and Management from Goldsmiths University in London. In the genesis of her career she managed programs and grants for the Kennedy Center of the Performing Arts in their International Department. Her work for the prestigious British Council transitioned her focus to community development. She built grant programs to support the diplomatic sharing of best practices in vocational education between the UK and their international educational partners. In the United States she developed a reputation for program building and was the founder of the State of Washington's chapter of Northwest International Cultural Exchange (NICE) and its first Regional Manager. She applies her expertise in program building, policy navigation, and best practice exchange to her work with CU Strategic Planning. Lara is CU Strategic Planning's research lead to affordable housing, household stability, and vocational education programs.



creditunionstrategicplanning.com