City Council
Regular Meeting
March 3, 2025 - 7:00 PM
City Hall Council Chambers

AGENDA

CALL TO ORDER

LAND ACKNOWLEDGEMENT

We would like to acknowledge the Federally Recognized Muckleshoot Indian Tribe, the ancestral keepers of the land we are gathered on today. We thank them for their immense contributions to our state and local history, culture, economy, and identity as Washingtonians.

PUBLIC PARTICIPATION

A. The Auburn City Council Meeting scheduled for Monday, March 3, 2025 at 7:00 p.m. will be held in person and virtually.

Virtual Participation Link:
To view the meeting virtually please click the below link, or call into the meeting at the phone number listed below. The link to the Virtual Meeting is:
https://www.youtube.com/user/watchauburn/live/?nomobile=1

To listen to the meeting by phone or Zoom, please call the number below or click the link:

Telephone: 253 215 8782
Toll Free: 877 853 5257
Zoom: https://us06web.zoom.us/j/87896123391

PLEDGE OF ALLEGIANCE

ROLL CALL

ANNOUNCEMENTS, MAYOR'S PROCLAMATIONS, AND PRESENTATIONS

AGENDA MODIFICATIONS

AUDIENCE PARTICIPATION

This is the place on the agenda where the public is invited to speak to the City Council on any issue.

A. The public can participate in-person or submit written comments in advance.

Participants can submit written comments via mail, fax, or email. All written comments must be received prior to 5:00 p.m. on the day of the scheduled meeting and must be 350 words or less.

Please mail written comments to:
City of Auburn
Attn: Shawn Campbell, City Clerk
25 W Main St
Auburn, WA 98001

Please fax written comments to:
Attn: Shawn Campbell, City Clerk
Fax number: 253-804-3116

Email written comments to: publiccomment@auburnwa.gov

If an individual requires accommodation to allow for remote oral comment because of a difficulty attending a meeting of the governing body, the City requests notice of the need for accommodation by 5:00 p.m. on the day of the scheduled meeting. Participants can request accommodation to be able to provide a remote oral comment by contacting the City Clerk's Office in person, by phone (253) 931-3039, or by email (publiccomment@auburnwa.gov).

CORRESPONDENCE

CONSENT AGENDA

All matters listed on the Consent Agenda are considered by the City Council to be routine and will be enacted by one motion in the form listed.

A. Minutes from the February 18, 2025, City Council Meeting

B. Minutes from the February 24, 2025, Study Session Meeting

C. Claims Vouchers (Thomas)
Claims voucher list dated February 26, 2025 which includes voucher numbers 479056 through voucher 479149, in the amount of $4,256,031.31, four electronic fund transfers in the amount of $6,768.79 and two wire transfers in the amount of $712,185.29

D. Payroll Voucher (Thomas)
Payroll check numbers 539655 through 539657 in the amount of $685,659.31, electronic deposit transmissions in the amount of $2,601,823.16, also a special payroll for a severance payment with an electronic deposit transmission in the amount of $14,427.11, for a grand total of $3,301,909.58 for the period covering February 13, 2025 to February 26, 2025

(RECOMMENDED ACTION: Move to approve the Consent Agenda.)

UNFINISHED BUSINESS

NEW BUSINESS

RESOLUTIONS

A. Resolution No. 5804 (Krum)
A Resolution authorizing the duly-appointed administering agency for the South King Housing and Homelessness Partners to execute all documents necessary to enter into

agreements for the funding of Affordable Housing Projects, as recommended by the SKHHP Executive Board, utilizing funds contributed by the City to the SKHHP Housing Capital Fund

(RECOMMENDED ACTION: Move to adopt Resolution No. 5804.)

B. Resolution No. 5815 (Krum)
A Resolution relating to the endorsement of the Kent Valley Economic Development Air and Space Manufacturing Roundtable

(RECOMMENDED ACTION: Move to adopt Resolution No. 5815.)

MAYOR AND COUNCILMEMBER REPORTS

At this time the Mayor and City Council may report on significant items associated with their appointed positions on federal, state, regional and local organizations.

A. From the Council

B. From the Mayor

ADJOURNMENT

Agendas and minutes are available to the public at the City Clerk's Office and on the City website (http://www.auburnwa.gov).

AGENDA BILL APPROVAL FORM

Agenda Subject:
Minutes from the February 18, 2025, City Council Meeting

Meeting Date:
March 3, 2025

Department:
City Council

Attachments:
02-18-2025 Minutes

Budget Impact:

Administrative Recommendation:

Background for Motion:

Background Summary:

Councilmember:

Staff:

CITY OF AUBURN WASHINGTON

City Council
Regular Meeting
February 18, 2025 - 7:00 PM
City Hall Council Chambers

MINUTES

CALL TO ORDER

Mayor Nancy Backus called the meeting to order at 7:00 p.m. in the Council Chambers of Auburn City Hall, 25 West Main Street.

LAND ACKNOWLEDGEMENT

Mayor Backus acknowledged the Federally Recognized Muckleshoot Indian Tribe as the ancestral keepers of the land we are gathered on today.

PUBLIC PARTICIPATION

The City Council Meeting was held in person and virtually.

PLEDGE OF ALLEGIANCE

Mayor Backus led those in attendance in the Pledge of Allegiance.

ROLL CALL

Councilmembers present: Deputy Mayor Cheryl Rakes, Hanan Amer, Kate Baldwin, Clinton Taylor, Tracy Taylor, and Yolanda Trout-Manuel. Councilmember Larry Brown was excused.

Mayor Nancy Backus and the following staff members present included: Senior City Staff Attorney Taryn Jones, Chief of Police Mark Caillier, Director of Community Development Jason Krum, Director of Finance Jamie Thomas, and City Clerk Shawn Campbell.

ANNOUNCEMENTS, MAYOR'S PROCLAMATIONS, AND PRESENTATIONS

Mayor Backus read a statement from Councilmember Larry Brown announcing he is resigning from his role as a City of Auburn Councilmember.

Mayor Backus spoke about Councilmember Brown's history of his time on the Council and outside organizations. She announced that the Council will invoke Section 13 of Council Rules of Procedure and begin the process of filling the vacant position.

APPOINTMENTS

A. Auburn Lodging Tax Advisory Committee
City Council to approve the reappointment of Elizabeth Burton to the Auburn Lodging Tax Advisory Committee for a three-year term expiring December 31, 2027

Deputy Mayor Rakes moved and Councilmember Trout-Manuel seconded to approve the reappointment of Elizabeth Burton to the Auburn Lodging Tax Advisory Committee for a three-year term expiring December 31, 2027.

MOTION CARRIED UNANIMOUSLY. 6-0

B. Business Improvement Area (BIA) Committee
City Council to approve the appointments of Rachel Perry and Trevor Schneckloth to the BIA Committee for a three-year term expiring December 31, 2027

Deputy Mayor Rakes moved and Councilmember Amer seconded to approve the appointments of Rachel Perry and Trevor Schneckloth to the BIA Committee for a three-year term expiring December 31, 2027.

MOTION CARRIED UNANIMOUSLY. 6-0

C. Cemetary Board
City Council to approve the appointment of Bridget Jones to the Cemetery Board for a three-year term expiring December 31, 2027

Councilmember Baldwin moved and Councilmember Amer seconded to approve the appointment of Bridget Jones to the Cemetery Board for a three-year term expiring December 31, 2027.

MOTION CARRIED UNANIMOUSLY. 6-0

D. Parks & Recreation Board
City Council to approve the appointment of John Boatman to the Parks & Recreation Board for a three-year term expiring December 31, 2027

Councilmember Baldwin moved and Councilmember Trout-Manuel seconded to approve the appointment of John Boatman to the Parks & Recreation Board for a three-year term expiring December 31, 2027.

MOTION CARRIED UNANIMOUSLY. 6-0

AGENDA MODIFICATIONS

There were no modifications to the agenda.

AUDIENCE PARTICIPATION

<u>Written Comments:</u>

April Lewis, Auburn WA
April provided comments regarding their positive experiences working with the Auburn Valley Humane Society (AVHS), and the management/staff.

Linnea Thorpe
Linnea expressed their concerns regarding AVHS and the safety of staff.

<u>In-Person Comments:</u>

Elder Montague, Auburn WA
Elder requested a Resolution to recognize Spirit Fest.

Josie Hunter, Auburn WA
Josie expressed concerns about federal funding.

Virginia Haugen, Auburn, WA
Virginia expressed concerns regarding Resolution No. 5811, the Mayor's salary, the cost of the new Auburn Theater, and Ordinance No. 6968.

CORRESPONDENCE

There was no correspondence for Council to review.

CONSENT AGENDA

A. Minutes from the February 3, 2025, City Council Meeting

B. Minutes of the February 10, 2025, Study Session Meeting

C. Claims Vouchers (Thomas)
Claims voucher list dated February 12, 2025 which includes voucher numbers 478948 through voucher 478948, in the amount of $11,741.00

   Claims voucher list dated February 12, 2025 which includes voucher numbers 478949 through voucher 479055, in the amount of $3,474,771.99, 20 electronic fund transfers in the amount of $31,561.30 and two wire transfers in the amount of $809,995.94

D. Payroll Voucher (Thomas)
Payroll check numbers 539647 through 539654 in the amount of $108,068.21, electronic deposit transmissions in the amount of $2,869,056.90 for a grand total of $2,977,125.11 for the period covering January 30, 2025, to February 12, 2025

Deputy Mayor Rakes moved and Councilmember C. Taylor seconded to approve the consent agenda.

MOTION CARRIED UNANIMOUSLY. 6-0

UNFINISHED BUSINESS

A. Council Rules of Procedure Ad Hoc Committee Selection

Deputy Mayor Rakes reminded Council that Councilmembers Baldwin and C. Taylor expressed interest in being on the Council Rules of Procedure Ad Hoc Committee.

Councilmember Baldwin moved to appoint herself and Councilmember C. Taylor to the Council Rules of Procedure Ad Hoc Committee and Councilmember Trout-Manuel seconded.

Councilmember T. Taylor moved to amend the motion to include herself and Councilmember Amer seconded.

Council discussed the purpose of the Ad Hoc Committee.

Council voted on the amendment. Motion failed 3-3.

Council voted on main motion. Motion carried 4-2; Councilmembers Amer and T. Taylor voted no.

Councilmembers Baldwin and C. Taylor will serve on the Council Rules of Procedure Ad Hoc Committee.

NEW BUSINESS

There was no new business.

ORDINANCES

A. Ordinance No. 6963 (Thomas)
An Ordinance amending Sections 3.53.120, 3.54.030, 3.54.060, 3.54.070, 3.54.080, 3.54.140, 3.54.155, and 3.54.210 of the Auburn City Code (ACC) relating to the imposition and administration of the City Business & Occupation (B&O) Tax

Councilmember Baldwin moved and Deputy Mayor Rakes seconded to approve Ordinance No. 6963.

MOTION CARRIED UNANIMOUSLY. 6-0

B. Ordinance No. 6964 (Thomas)
An Ordinance amending Auburn City Code Chapter 3.41 related to the Administration of City's Solid Waste Garbage Utility Tax and Chapter 3.62 Administrative City Code related to Utilities, Admissions, and Gambling Tax

Councilmember Baldwin moved and Councilmember C. Taylor seconded to approve Ordinance No. 6964.

MOTION CARRIED UNANIMOUSLY. 6-0

C. Ordinance No. 6967 (Thomas)
An Ordinance amending Auburn City Code (ACC) Chapter 3.52 related to the Administration of City Admission Tax

Councilmember Baldwin moved and Councilmember C. Taylor seconded to approve Ordinance No. 6967.

MOTION CARRIED UNANIMOUSLY. 6-0

D. Ordinance No. 6968 (Thomas)
An Ordinance establishing the Local Sales and Use Tax Rate for Local Revitalization Financing for 2025

Councilmember Baldwin moved and Deputy Mayor Rakes seconded to approve Ordinance No. 6968.

MOTION CARRIED UNANIMOUSLY. 6-0

E. Ordinance No. 6969 (Whalen)
An Ordinance relating to Appeal Procedures, and amending Sections 2.46.035, 2.46.160, 5.15.070, 5.22.070, 5.22.090, and 15.76.040 of the Auburn City Code

Deputy Mayor Rakes moved and Councilmember Amer seconded to approve Ordinance No. 6969.

MOTION CARRIED UNANIMOUSLY. 6-0

RESOLUTIONS

A. Resolution No. 5811 (Krum)
A Resolution authorizing the Mayor to execute an agreement between the City of Auburn and Segale Properties LLC and Otak Inc for Consulting Services related to the Stuck River Road and Mount Rainier Vista Special Planning Areas

Councilmember T. Taylor moved and Councilmember Baldwin seconded to adopt Resolution No. 5811.

Council discussed the extension of the scoping phase.

MOTION CARRIED UNANIMOUSLY. 6-0

MAYOR AND COUNCILMEMBER REPORTS

A. From the Council

Deputy Mayor Rakes reported she attended a fundraiser at the Senior Center for the Auburn Respite Center Care Program.

Councilmember Amer reported she attended the Water Resource Inventory Area (WRIA) 9 meeting, and thanked Councilmember Brown for his time on the Council.

Councilmember Baldwin reported she attended a luncheon with the Lakota Chapter of the Daughters of the American Revolution, and the orientation for the new appointees Seattle Education Association (SEA) 2025 Boards and Committees.

Councilmember T. Taylor reported she attended the Green River College Development Committee meeting, Valley Regional Fire Authority (VRFA) Board meeting, Green River Handford Award Committee meeting, Seattle Animal Foundation Board meeting, Sound Cities Association meeting, and the I Adore Body Sculpting Ribbon Cutting event. She also thanked Councilmember Brown for his time on the Council.

Councilmember Trout-Manuel thanked Councilmember Brown for his service on the Council.

B. From the Mayor

Mayor Backus reported she hosted the last meeting of the Safe Auburn Series, MC'd for the Miss Auburn Scholarship program, attended Mayor Jim Ferrell's State of the City address for the City of Federal Way, and reminded everyone about the City of Auburn State of the City address at the Muckleshoot Casino Resort.

ADJOURNMENT

There being no further business to come before the Council, the meeting was adjourned at 7:53 p.m.

APPROVED this 3rd day of March 2025.

NANCY BACKUS, MAYOR	Shawn Campbell, City Clerk

CITY OF AUBURN WASHINGTON

AGENDA BILL APPROVAL FORM

Agenda Subject:
Minutes from the February 24, 2025, Study Session Meeting

Meeting Date:
March 3, 2025

Department:
City Council

Attachments:
02-24-2025 Minutes

Budget Impact:

Administrative Recommendation:

Background for Motion:

Background Summary:

Councilmember:

Staff:

City Council
Study Session
Community Wellness SFA
February 24, 2025 - 5:30 PM
City Hall Council Chambers

MINUTES

CALL TO ORDER

Deputy Mayor Cheryl Rakes called the meeting to order at 5:30 p.m. in the Council Chambers of Auburn City Hall, 25 West Main Street.

PUBLIC PARTICIPATION

The Study Session Meeting was held in person and virtually.

ROLL CALL

Councilmembers present: Deputy Mayor Cheryl Rakes, Hanan Amer, Clinton Taylor, Tracy Taylor, and Yolanda Trout-Manuel. Councilmember Kate Baldwin was excused.

Mayor Nancy Backus and the following staff members present included: City Attorney Jason Whalen, Assistant Chief of Police Samuel Betz, Director of Community Development Jason Krum, Director of Public Works Ingrid Gaub, SKHHP Executive Manager Claire Goodwin, SKHHP Program Coordinator Dorsol Plants, Transportation Planner Veronica Bean, and City Clerk Shawn Campbell.

AGENDA MODIFICATIONS

The Council Vacancy Appointment Discussion was added to announcements, reports, and presentations.

ANNOUNCEMENTS, REPORTS, AND PRESENTATIONS

A. Council Vacancy Appointment Discussion

Council discussed options for nominees, suspending the rules, the previous appointment of a vacant position, selecting a caretaker to the position, and offering the position to a previous Councilmember.

AGENDA ITEMS FOR COUNCIL DISCUSSION

A. King County Metro South Link Connections Project Update (20 Minutes) (Gaub)

Planner Bean introduced Nicole Aguirre and Cristina Gonzalez with King County Metro and provided Council with a presentation on the South Link Connections Mobility Project, including the project background, scope, engagement timeline, implementation, and Network Tradeoffs. They also discussed the impacts to the City of Auburn, community engagement, partnerships, and goals.

Council discussed increasing the frequency of buses on the weekends, members and the make-up of the King County Mobility Board, Metro Flex, Micro Transit, equitable transit access, community-based organizations in Auburn, and increased routes on West Hill.

COMMUNITY WELLNESS DISCUSSION ITEMS

A. Resolution No. 5804 (10 Minutes) (Krum)
A Resolution authorizing the duly-appointed administering agency for the South King Housing and Homelessness Partners to execute all documents necessary to enter into agreements for the funding of Affordable Housing Projects, as recommended by the SKHHP Executive Board, utilizing funds contributed by the City to the SKHHP Housing Capital Fund

Councilmember Trout-Manuel, Chair of the Community Wellness Special Focus Area, chaired this portion of the meeting.

Executive Manager Goodwin and Program Coordinator Plants provided Council with a presentation on the SKHHP Housing Capital Fund Recommendations, including jurisdiction members, review process, recommended projects, and recommended funding sources.

Council discussed the amount Auburn is contributing, and ensuring that funding comes to Auburn.

ADJOURNMENT

There being no further business to come before the Council, the meeting was adjourned at 6:24 p.m.

APPROVED this 3rd day of March 2025.

____
CHERYL RAKES, DEPUTY MAYOR

____
Shawn Campbell, City Clerk

AGENDA BILL APPROVAL FORM

Agenda Subject:
Claims Vouchers (Thomas)
Claims voucher list dated February 26, 2025 which includes voucher numbers 479056 through voucher 479149, in the amount of $4,256,031.31, four electronic fund transfers in the amount of $6,768.79 and two wire transfers in the amount of $712,185.29

Meeting Date:
March 3, 2025

Department:

Attachments:
None

Budget Impact:

Administrative Recommendation:
City Council to approve Claim Vouchers.

Background for Motion:

Background Summary:
Claims voucher list dated February 26, 2025 which includes voucher numbers 479056 through voucher 479149, in the amount of $4,256,031.31, four electronic fund transfers in the amount of $6,768.79 and two wire transfers in the amount of $712,185.29.

Councilmember: Kate Baldwin

Staff: Jamie Thomas

AGENDA BILL APPROVAL FORM

Agenda Subject:
Payroll Voucher (Thomas)
Payroll check numbers 539655 through 539657 in the amount of $685,659.31, electronic deposit transmissions in the amount of $2,601,823.16, also a special payroll for a severance payment with an electronic deposit transmission in the amount of $14,427.11, for a grand total of $3,301,909.58 for the period covering February 13, 2025 to February 26, 2025

Meeting Date:
March 3, 2025

(RECOMMENDED ACTION: Move to approve the Consent Agenda.)

Department:	**Attachments:**	**Budget Impact:**
	None	

Administrative Recommendation:
City Council to approve Payroll Vouchers.

Background for Motion:

Background Summary:
Payroll check numbers 539655 through 539657 in the amount of $685,659.31, electronic deposit transmissions in the amount of $2,601,823.16, also a special payroll for a severance payment with an electronic deposit transmission in the amount of $14,427.11, for a grand total of $3,301,909.58 for the period covering February 13, 2025 to February 26, 2025.

Councilmember: Kate Baldwin **Staff:** Jamie Thomas

CITY OF AUBURN WASHINGTON

AGENDA BILL APPROVAL FORM

Agenda Subject:	**Meeting Date:**
Resolution No. 5804 (Krum) A Resolution authorizing the duly-appointed administering agency for the South King Housing and Homelessness Partners to execute all documents necessary to enter into agreements for the funding of Affordable Housing Projects, as recommended by the SKHHP Executive Board, utilizing funds contributed by the City to the SKHHP Housing Capital Fund	March 3, 2025

(RECOMMENDED ACTION: Move to adopt Resolution No. 5804.)

Department:	**Attachments:**	**Budget Impact:**
Community Development	Resolution No. 5804, Res 5804 - Exhibit A SKHHP Executive Board Recommendation	

Administrative Recommendation:
City Council to adopt Resolution No. 5804.

Background for Motion:
Per the 2021 Interlocal Agreement between the City of Auburn and South King County Housing and Homelessness Partners (SKHHP), Auburn has contributed funding to the SKHHP Housing Capital Fund for the purpose of supporting regional affordable housing projects. Approval of this Resolution would authorize the allocation of those funds to the projects recommended by the SKHHP Executive Board.

Background Summary:
South King County Housing and Homelessness Partners (SKHHP) was established in 2019 through an Interlocal Agreement (Establishing ILA) and is a unified, coordinated, and collaborative coalition funding the construction and preservation of affordable housing in South King County. SKHHP currently has 12 member jurisdictions, including the cities of Auburn, Burien, Covington, Des Moines, Federal Way, Kent, Maple Valley, Normandy Park, Renton, SeaTac, and Tukwila, plus King County. SKHHP provides a meaningful opportunity to pool funds together with neighboring cities to collaboratively make an impact on the subregion’s affordable housing shortage. To date, SKHHP has pooled over $11.2 million to house our low-income neighbors or rehabilitate deteriorating multifamily buildings.

In 2019, RCW 82.14.540 (SHB 1406) became law allowing jurisdictions to enact a local sales and use tax for the purpose of supporting affordable housing. In 2021, eight of the nine SKHHP member cities entered into a second interlocal agreement for purposes of pooling sales tax receipts authorized by

RCW 82.14.540 with SKHHP to create the Housing Capital Fund (Pooling ILA – SHB 1406).

In 2023, two of the four SKHHP member cities who are able to collect RCW 82.14.530 (HB 1590) revenues desired to pool a portion of those funds with SKHHP for the 2023 funding round of the Housing Capital Fund to add to existing SHB 1406 pooled revenue and entered into an additional Interlocal Agreement (Pooling ILA – HB 1590). In 2024, an additional member city entered into the Pooling ILA – HB 1590.

The Establishing ILA and Pooling ILAs established the SKHHP Housing Capital Fund, set parameters for the process for the selection of awards involving pooled funds, and determined the approval process. Pursuant to the ILAs, the SKHHP Executive Board recommends allocations for funding affordable housing projects to the participating City Councils. Even though the Council has already contributed funds to the 2024 Housing Capital Fund funding round, Council approval is needed to authorize the allocation of funds to specific projects.

The SKHHP Executive Board adopts annual funding guidelines and priorities for each funding round. The SKHHP Advisory Board subsequently reviewed applications and provided a funding recommendation based on adopted priorities to the SKHHP Executive Board. The SKHHP Executive Board concurred with the SKHHP Advisory Board's recommendation and recommends funding four projects totaling $4,100,000 as described in the 2024 SKHHP Housing Capital Fund Recommendation memo dated January 23, 2025 (Exhibit A).

The SKHHP Executive Board requests approval to use $161,487 of the total $135,475 contributed funds from 2024 and $26,819 of the carry-over from 2023 from the City of Auburn for the following recommended projects:

Project Sponsor and Project Name	Location	# of Units	Total Development Cost	2024 SKHHP Contribution	2024 City Contribution
Mercy Housing NW – Burien Family Housing	Burien	91	$58,048,463	$2,000,000	$0
TWG – Pandion at Star Lake	Kent	251	$126,720,200	$770,000	$0
Multi-Service Center – White River Apartments	Auburn	24	$975,939	$775,000	$121,507
Habitat for Humanity – Burien Miller Creek	Burien	40	$26,193,686	$555,000	$39,980

As outlined in the attached memo (Exhibit A), sales and use tax receipts from your jurisdiction have already been contributed to SKHHP's 2024 Housing Capital Fund, and with this Council approval, $161,487 of those funds may be allocated to the projects recommended by the SKHHP Executive Board. Detailed descriptions of the projects, funding requests, rationale, and recommended conditions of funding for projects by the SKHHP Executive Board are included in the attached memo (Exhibit A).

If not approved, SKHHP will not have Auburn’s funds to contribute to the regional efforts to advance affordable housing projects that meet urgent local needs and priorities.

Councilmember: Yolanda Trout-Manuel **Staff:** Jason Krum

RESOLUTION NO. 5804

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, AUTHORIZING THE DULY-APPOINTED ADMINISTERING AGENCY FOR THE SOUTH KING HOUSING AND HOMELESSNESS PARTNERS TO EXECUTE ALL DOCUMENTS NECESSARY TO ENTER INTO AGREEMENTS FOR THE FUNDING OF AFFORDABLE HOUSING PROJECTS, AS RECOMMENDED BY THE SKHHP EXECUTIVE BOARD, UTILIZING FUNDS CONTRIBUTED BY THE CITY TO THE SKHHP HOUSING CAPITAL FUND

WHEREAS, on February 19, 2019 the City of Auburn enacted an interlocal agreement to form the South King Housing and Homelessness Partners (SKHHP) to help coordinate the efforts of South King County cities to provide affordable housing; and

WHEREAS, on February 22, 2021 the City of Auburn enacted an interlocal agreement for the purposes of pooling sales tax receipts with SKHHP to administer funds through the SKHHP Housing Capital Fund; and

WHEREAS, the SKHHP Executive Board has recommended that the City of Auburn participate in the funding of certain affordable housing projects and programs hereinafter described; and

WHEREAS, the SKHHP Executive Board has developed recommended conditions to ensure that the City's affordable housing funds are used for their intended purpose and that projects maintain their affordability over time; and

WHEREAS, pursuant to the SKHHP formation Interlocal Agreement, each legislative body participating in funding a project or program through SKHHP's Housing Capital Fund must authorize the application of a specific amount of the City funds contributed to the SKHHP Housing Capital Fund to a specific project or program; and

WHEREAS, the City Council desires to use $161,487 from funds contributed to the SKHHP Housing Capital Fund as designated below to finance the projects recommended by the SKHHP Executive Board.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, RESOLVES as follows:

Section 1. Pursuant to the Interlocal Agreement, the City Council authorizes the duly-appointed administering agency of SKHHP to execute all documents and take all necessary actions to enter into agreements on behalf of the City to fund the rehabilitation of the Multi-Service Center's White River Apartments and supporting the development of Habitat for Humanity's Burien Miller Creek and to use $161,487 from the City's SHB 1406 contribution.

Section 2. The agreements entered into pursuant to Section 1 of this Resolution shall include terms and conditions to ensure that the City's funds are used for their intended purpose and that the projects maintain affordability over time. In determining what conditions should be included in the agreements, the duly-appointed administering agency of SKHHP shall be guided by the recommendations set forth in the SKHHP Executive Board's Memorandum dated January 23, 2025, a copy of which is attached as Exhibit A.

Section 3. This Resolution will take effect and be in full force on passage and signatures.

Dated and Signed: ______________________

CITY OF AUBURN

____
NANCY BACKUS, MAYOR

ATTEST:

____
Shawn Campbell, MMC, City Clerk

APPROVED AS TO FORM:

____
Jason Whalen, City Attorney

Memorandum

South King Housing and Homelessness Partners

TO: City of Auburn City Council
City of Burien City Council
City of Covington City Council
City of Des Moines City Council
City of Federal Way City Council
City of Kent City Council
City of Maple Valley City Council
City of Normandy Park City Council
City of Renton City Council
City of SeaTac City Council
City of Tukwila City Council

FROM: SKHHP Executive Board

DATE: January 23, 2025

RE: 2024 SKHHP Housing Capital Fund Recommendation

OVERVIEW

2024 was the third annual funding round of the SKHHP Housing Capital Fund made possible by pooling resources among SKHHP member jurisdictions. 2024 was the first year every member city contributed pooled funds towards the Housing Capital Fund and contributions totaled $3,959,020. With the remaining unused funds from the 2023 funding round, SKHHP made $4,100,000 available in the 2024 funding round. SKHHP received six applications for funding representing over $9.2 million in requests to develop or preserve 431 units of housing. The SKHHP Executive Board recommends funding four projects totaling $4,100,000 (see Table 1). Of this total, the Executive Board recommends using $1,030,000 of the total $1,035,141 sourced from SHB 1406 revenue contributions for one homeownership and one preservation project; $2,770,000 of the total $2,775,969 sourced from HB 1590 revenue contributions for two new construction projects; and $300,000 of the total $300,000 sourced from general funds to be applied to the homeownership project. This recommendation leaves a balance of $5,141 in SHB 1406 funds and $5,969 in HB 1590 funds in the Housing Capital Fund that will rollover into the next funding round in 2025 (see Tables 2 and 3). A summary of the recommended projects, funding rationale, and the conditions for funding are described in this memo. Included as attachments are the economic summaries of the recommended projects, summary changes of previously awarded projects that reapplied and are recommended for funding, and standard conditions for funding.

Table 1: Recommended Projects and Recommended Funding Level

Project sponsor and name	Location	# of units	Project type	Amount Requested	Recommended Funding – HB 1590	Recommended Funding – SHB 1406 & GF
Mercy Housing NW – Burien Family Housing	Burien	91	New Construction Rental	$2,000,000	$2,000,000	--
TWG – Pandion at Star Lake	Kent	251	New Construction Rental	$2,000,000	$770,000	--
Multi-Service Center – White River Apts.	Auburn	24	Preservation Rental	$975,939	--	$775,000
Habitat for Humanity – Burien Miller Creek	Burien	40	New Construction Homeownership	$1,300,000	--	$300,000-GF $255,000-SHB 1406
TOTAL	**--**	**406**	**--**	**--**	**$2,770,000**	**$1,330,000**

Table 2: Proposed HB 1590 Allocations by Jurisdiction for Recommended Projects

Jurisdiction	1. Mercy Housing-Burien Family	2. TWG-Pandion	Total Contributed in 2024	Carry-Over from 2023	Unallocated
Covington	$ 153,964	$ 59,276	$ 213,657	$ 43	$ 460
Kent	$ 1,485,801	$ 572,034	$ 2,061,827	$ 442	$ 4,434
Maple Valley	$ 360,235	$ 138,690	$ 500,000	$ -	$ 1,075
Total	**$ 2,000,000**	**$ 770,000**	**$ 2,775,484**	**$ 485**	**$ 5,969**

Table 3: Proposed SHB 1406 Allocations by Jurisdiction for Recommended Projects

Jurisdiction	3. MSC-White River	4. Habitat-Miller Creek	Total Contributed in 2024	Carry-Over from 2023	Unallocated
Auburn	$ 121,507	$ 39,980	$ 135,475	$ 26,819	$ 807
Burien	$ 57,595	$ 18,950	$ 64,623	$ 12,304	$ 382
Des Moines	$ 29,955	$ 9,856	$ 34,012	$ 5,998	$ 199
Federal Way	$ 116,047	$ 38,184	$ 131,715	$ 23,286	$ 770
Kent	$ 173,408	$ 57,057	$ 194,889	$ 36,726	$ 1,150
Normandy Park	$ 4,930	$ 1,622	$ 5,426	$ 1,158	$ 32
Renton	$ 202,461	$ 66,616	$ 228,107	$ 42,313	$ 1,343
Tukwila	$ 69,097	$ 22,735	$ 89,289	$ 3,002	$ 459
Total	**$ 775,000**	**$ 255,000**	**$ 883,536**	**$ 151,606**	**$ 5,142**

Table 4: Proposed Unrestricted/General Fund Allocations by Jurisdiction for Recommended Projects

Jurisdiction	3. Habitat-Miller Creek	Total Contributed in 2024	Unallocated
SeaTac	$ 300,000	$ 300,000	$ -
Total	$ 300,000	$ 300,000	$ -

BACKGROUND

The SKHHP Advisory Board met on October 3, 2024 and November 7, 2024 to review each project application and develop a funding recommendation for the SKHHP Executive Board's consideration. The SKHHP Executive Board met on October 18, 2024 and November 15, 2024 to review each project and consider the recommendations of the Advisory Board. The Advisory Board adopted its recommendation on November 7, 2024 and the Executive Board took final action on November 15, 2024.

Of the six applications received, two are located in Renton and both project applications are eligible to receive HB 1590 funds. The City of Renton collects HB 1590 funds but does not currently pool those funds with SKHHP. SKHHP pools HB 1590 funds from three of the four South King County cities that collect it. Because of this, the City of Renton plans to directly financially support these two projects. These projects include Homestead Community Land Trust's Willowcrest II and St. Stephen Housing Association & Way Back Inn's Steele House.

These two projects were removed from SKHHP's competitive list of projects under consideration prior to the Advisory Board and Executive Board making their funding recommendation.

PROCESS

Advisory Board recommendation (November 7, 2024) → Executive Board finalizes recommendation (November 15, 2024) → Member Councils approve funding recommendation (January-March 2025)

ATTACHMENTS

1. Economic summaires of recommended projects
2. Summary changes of previously awarded projects that reapplied
3. Standard conditions for funding

1. Mercy Housing Northwest - Burien Family Housing

Funding request: $2,000,000

Executive Board recommendation: $2,000,000 (forgivable loan)

Address: 12845 Ambaum Blvd SW Burien, WA 98146

PROJECT SUMMARY

Burien Family Housing is a new multifamily 91-unit rental project located near high frequency transit in Burien. The project will support households earning between 30% area median income (AMI) and 60% AMI with a focus on households with children, including 34 units set-aside for families with children exiting homelessness and 18 units set-aside for households with a physical disability.

The project includes the redevelopment of a 4.23 acre site currently owned by Mary's Place which operates an emergency shelter on-site. Mary's Place will be donating 2-acres of the project site to Mercy Housing Northwest for the development of new affordable housing, while retaining 1.31 acres of the site for the development of a new shelter to replace the existing one. The project will be four stories in size. The development is comprised of a mix of one-, two-, three-, and four-bedroom units. 52% of the units are family-sized two-, three-, and four-bedroom units.

This project received a financial award from SKHHP during the 2022 funding round and secured funding from King County, the Washington State Department of Commerce, the 9% Low Income Housing Tax Credit (LIHTC) program, and the Amazon Housing Equity Fund (HEF) program over the course of 2023 and 2024. The project is a combination 4% and 9% LIHTC project. The project also secured 34 project-based vouchers from the King County Housing Authority and a Resident Services award from King County to support the families exiting homelessness.

PROJECT SCHEDULE

Activity	Date
Purchase and Sales Agreement	8/29/2022
Zoning Approval	2/1/2024
Site Plan Approval	8/18/2022
Building Permits Issued	2/25/2025
Begin Construction	4/1/2025
Begin Lease-up	6/1/2026
Issued Certificate of Occupancy	8/1/2026

FUNDING RATIONALE

The Executive Board supports the intent of this application for the following reasons:

- The project has been awarded significant financial contributions from King County, State Department of Commerce (Housing Trust Fund), Amazon, and was awarded $1,093,308 from SKHHP in the 2022 funding round. Additionally, the project received a 9% bond allocation in the 2024 funding round through the Washington State Housing Finance Commission.
- The project is ready to begin construction in the first half of 2025.

- The sponsor's partnership with Mary's Place demonstrates a commitment to serving households experiencing homelessness and will develop a pipeline of permanent housing for Mary's Place clients.
- Project-based vouchers have been secured which increases the financial stability of the project.
- 75% of the units will be constructed using advanced universal design principals.
- The project includes set-asides for four-bedroom units which are greatly needed to serve larger families.
- The project strongly aligns with SKHHP Housing Capital Fund adopted priorities including: collaboration with local community-based organizations, connections and direct experience with populations the project is proposing to serve, addressing the needs of populations most disproportionately impacted by housing costs, advancing economic opportunity due to its proximity to transit and other amenities, providing rental housing for individuals and families earning 0-30% AMI and incorporating supportive services, and the leverage of private and public investment.
- The site has convenient access to transit, shopping, and services.

PROPOSED CONDITIONS

Standard conditions apply to all projects and are included as Attachment 3 at the end of this memo.

Special Conditions

1. SKHHP will provide project funds to the Contractor in the form of a **deferred, contingent, forgivable loan**. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by SKHHP staff. The loan will be secured by a deed of trust recorded against the development property to ensure that Contractor maintains the project's affordability and target population. Contractor shall not be required to repay the loan so long as it maintains these project requirements.

2. Timeframe for funding commitment. The funding commitment continues for **thirty-six (36) months from the date of Council approval of original award** and shall expire thereafter if all conditions are not satisfied. An extension may be requested to SKHHP staff no later than sixty (60) days prior to the expiration date. At that time, the Contractor will provide a status report on progress to date and expected schedule for start of construction and project completion. The SKHHP Executive Board will consider a twelve-month extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the Contractor will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable period of time.

3. Project description of original award from 2022 funding round will be replaced by current description of the project. Previous funding award shall be combined with current recommended award but will retain eligibility of use under RCW. 82.14.540.

4. At least 34 of the housing units shall be set-aside for families with children exiting homelessness who earn no more than 60% AMI and 18 of the housing units shall be set-aside for households with a physical disability who earn no more that 60% AMI. Use of funds and population eligibility must be in-alignment with RCW 82.14.530 for 2024 award.

5. SKHHP funds shall be used solely for new construction, unless otherwise approved by SKHHP staff.

6. A covenant is recorded ensuring affordability for at least 50 years with size and affordability distribution per the following table. Changes may be considered based on reasonable justification as approved by SKHHP.

AMI	1-bedroom	2-bedroom	3-bedroom	4-bedroom	Total Units
30%	6	14	5	3	28
50%	30	11	7	--	48
60%	7	4	3	--	14
Manager Units	1	--	--	--	1
Total Units	44	29	15	3	91

2. **TWG Development - Pandion at Star Lake**

Funding request: $2,000,000

Executive Board recommendation: $770,000 (loan)

Address: 2526 S 272nd St., Kent, WA 98032

PROJECT SUMMARY

Pandion at Star Lake is a 251-unit multifamily, mixed-use rental project in Kent located adjacent to the Kent/Star Lake Link light rail station. The project will support households earning between 30% AMI and 80% AMI. 47 units will support households up to 80% AMI. The project has been proposed as a 4% Low Income Housing Tax Credit (LIHTC) development. The project secured an award from SKHHP in the 2023 Housing Capital Fund funding round totaling $1,170,000, although the project was modified for the 2024 funding round. The project did not secure the needed public and private funds in 2024 to move forward towards beginning construction. The timeline for beginning construction has been moved out until funds can be secured to fill a $30 million gap. SKHHP's awards will assist the project in future applications to funders.

This transit-oriented development (TOD) project will provide a mix of studio, one-, two-, and three-bedroom units. The project will include ground floor commercial space consisting of a K-12 learning center for low-income children operated by the Renton-based STEM Paths Innovation Network (SPIN). The property was purchased by the developer in December 2022. The project is a six-story building with five stories of affordable housing over one story of commercial space which also includes ten units of housing at the residential lobby level, plus basement level parking.

The 251 units includes 163 units for the general population, 59 units for families with children, and 29 units for families with children that require permanent supportive services and are at-risk of being homeless. 24 units would be accessible units. The project includes 92 studios, 71 1-bedrooms, 36 2-bedrooms, and 52 3-bedrooms.

29 units of the project are eligible for HB 1590 funds which includes those units for families with children at-risk of homelessness and require permanent supportive services who earn up to 30% AMI. Those units would be served by Vision House which would provide on-site supportive services. Of the 29-units, 20-units would be 2-bedroom units and 9-units would be 3-bedroom units to accommodate families.

FUNDING RATIONALE

The Executive Board supports the intent of this application for the following reasons:

- The project secured a prior funding award from SKHHP and additional funds will assist the project to leverage other funding sources.
- The project is located adjacent to the future Kent/Star Lake Link light rail station and has convenient access to transit, schools, grocery stores, and services.
- The construction start date is anticipated farther out than other projects and the sponsor may have more time to secure the additional funds than other recommended projects prior to beginning construction.

- The project has strong partnerships with Vision House who will provide on-site supportive services for 29 families with children and SPIN who will operate a K-12 learning center in the commercial space.
- The project will support 29 families with children at-risk of homelessness.
- The project is large and will provide a high number of affordable units near areas with high displacement risk potential.
- The project sponsor has been in close communication with the City of Kent on project feasibility and zoning requirements since the property was purchased in December 2022.
- The project sponsor has agreed to voluntarily meet the design standards for properties zoned as 'Midway Transit Community,' which is a higher degree of development than what is required under general mixed-use commercial standards for the City of Kent.
- The project strongly aligns with SKHHP Housing Capital Fund adopted priorities including: being a transit-oriented development (TOD) project, collaboration with local community-based organizations, addressing the needs of populations most disproportionately impacted by housing costs, advancing economic opportunity due to its proximity to the future Link light rail station and other amenities, and providing rental housing for individuals and families earning 0-30% AMI and incorporating supportive services.

PROPOSED CONDITIONS

Standard conditions apply to all projects and are included as Attachment 3 at the end of this memo.

Special Conditions

1. SKHHP will provide project funds to the Contractor in the form of a **deferred, 1% interest, non-forgivable loan to the LIHTC partnership**. The form of the funds are subject to change, but shall be agreed upon prior to contract execution. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by SKHHP staff. The loan will be secured by a deed of trust recorded against the development property to ensure that Contractor maintains the project's affordability and target population.

2. Timeframe for funding commitment. The funding commitment continues for **thirty-six (36) months from the date of Council approval of original award** and shall expire thereafter if all conditions are not satisfied. An extension may be requested to SKHHP staff no later than sixty (60) days prior to the expiration date. At that time, the Contractor will provide a status report on progress to date and expected schedule for start of construction and project completion. The SKHHP Executive Board will consider a twelve-month extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the Contractor will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable period of time.

3. Project description of original award from 2023 funding round will be replaced by current description of the project. Previous funding award shall be combined with current recommended award.

4. At least 29 housing units of the total shall be set-aside for families with children at-risk of homelessness who earn no more than 30% AMI per the requirements of RCW 82.14.530 and the U.S. Department of Housing and Urban Development's definition of "at-risk of homelessness."

5. SKHHP funds shall be used solely for new construction, unless otherwise approved by SKHHP staff.

6. A covenant is recorded ensuring affordability for at least 50 years with size and affordability distribution per the following table. Changes may be considered based on reasonable justification as approved by SKHHP.

AMI	Studio	1-bedroom	2-bedroom	3-bedroom	Total Units
30%	--	--	20	9	29
50%	52	41	1	20	114
60%	23	17	8	13	61
80%	17	13	7	10	47
Total Units	92	71	36	52	251

3. Multi-Service Center - White River Apartments

Funding request: $975,939

Executive Board recommendation: $775,000 (grant)

Address: 1301 31st St SE, Auburn, WA

PROJECT SUMMARY

The White River Apartments is a multifamily, preservation and rehabilitation 24-unit rental project in Auburn. The building was constructed in 1978 and the nonprofit Multi-Service Center took over ownership in 2000. The project consists of 24 two-bedroom, one-bathroom units in active use which includes three units serving households earning up to 30% AMI, sixteen units at 45% AMI, and five units at 80% AMI. The 80% AMI units are currently occupied by households earning less than 60% AMI and those units would shift to income restricted up to 60% AMI once funding is awarded. The project would not displace current residents.

SKHHP funds are requested to support the rehabilitation of the 24 units including: siding replacement, site lighting, parking lot improvements including curbs and seal coating, replacing domestic hot water tanks in all units, re-grading areas adjacent to siding and replacement of exterior entry doors. This project previously applied to SKHHP's 2023 funding round.

The project is located within walking distance of a bus route that connects to the Auburn Transit Center and Sounder Commuter Rail Station. South Auburn Elementary School, Game Farm Park, and Ballard Park are within 0.5 mile of the project. A grocery store is located one mile from the project.

PROJECT SCHEDULE

Activity	Date
Site Control	1/1/1996
Building Permit Issued	End of 2025
Begin Rehabilitation and Renovation	End of 2025
End Rehabilitation and Renovation	End of 2025

FUNDING RATIONALE

The Executive Board supports the intent of this application for the following reasons:

- The property is in need of rehabilitation to support the health and safety of the residents.
- The project is made up of 2-bedroom units to support larger household sizes.
- 79% of the households at White River Apartments earn no more than 45% AMI.
- The property is close to parks, an elementary school, and transit access to the Auburn Transit Center and the Auburn Sounder train station.
- The project includes a fenced play area with an accessible ramp into the play yard with recently installed play equipment.
- Limited SKHHP funds available this funding round required a partial award which will still allow most of the residential building rehabilitation to move forward.

- There are limited funding sources available for preservation and rehabilitation – SKHHP is the only funder on this project. The focus for larger public funders has historically been on creating new units of affordable housing. Smaller preservation projects like this one are not as competitive against larger preservation projects competing for the same funds. The project applied for funding in early 2024 to the State Department of Commerce Housing Trust Fund and SKHHP provided a letter of support, but was not successful in securing funding at that time.
- The rehabilitation will not displace current residents.
- Preservation and rehabilitation of affordable housing is a high-priority for SKHHP.
- The project strongly aligns with SKHHP Housing Capital Fund adopted priorities including: the project sponsor's community connection and engagement with the populations they intend to serve, advancing racial equity, addressing the needs of populations most disproportionately impacted by housing costs, advancing geographic equity of the Housing Capital Fund, providing rental housing for extremely-low income households, and preservation.
- Multi-Service Center is a well-established South King County-based nonprofit that owns and operates over 650 units of affordable housing.
- Multi-Service Center's housing programs have a history of serving BIPOC community members with 45% of residents of Multi-Service Center properties identifying as BIPOC.

PROPOSED CONDITIONS

Standard conditions apply to all projects and are included as Attachment 3 at the end of this memo.

Special Conditions

1. SKHHP will provide project funds to the Contractor in the form of a **secured grant with no repayment.** Final Contract terms shall be determined prior to release of funds and must be approved by SKHHP staff. The grant will be secured by a deed of trust recorded against the property to ensure that Contractor maintains the project's affordability and target population. Contractor shall not be required to repay the grant so long as it maintains these project requirements.

2. Timeframe for funding commitment. The funding commitment continues for **thirty-six (36) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to SKHHP staff no later than sixty (60) days prior to the expiration date. At that time, the Contractor will provide a status report on progress to date and expected schedule for start of construction and project completion. The SKHHP Executive Board will consider a twelve-month extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the Contractor will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable period of time.

3. SKHHP funds shall be used solely for the rehabilitation of the property and may include the following, unless otherwise approved by SKHHP staff:

    a. Landscaping improvements
    b. Seal coating and restriping the parking lot

c. Site lighting improvements
d. Recoating breezeways and replacing railings
e. New siding
f. Exterior paint
g. Replacing gutters and downspouts
h. Replacing unit entry doors and install metal screen doors
i. Replace in-unit and laundry water heaters

4. SKHHP funds shall be prioritized to support building improvements - parking lot improvements shall not be funded in favor of residential building rehabilitation.

5. SKHHP and Contractor shall agree to the specifics on what will be funded prior to executing a contract to ensure eligibility of expenses in alignment with RCW 82.14.540 and to mitigate cost-overruns.

6. A covenant is recorded ensuring affordability for at least 50 years with size and affordability distribution per the following table. Changes may be considered based on reasonable justification as approved by SKHHP.

AMI	**2-bedroom units**	**Total Units**
30%	3	3
45%	16	16
60%	5	5
Total Units	24	24

7. Should cost overruns occur that require funds above SKHHP's contribution, sponsor will work towards filling the funding need through their capital budget process or seeking funds through other sources.

4. **Habitat for Humanity Seattle-King & Kittitas Counties - Burien Miller Creek**

Funding request: $1,300,000

Executive Board recommendation: $555,000 (grant)

Address: 511 S 136th St Burien, WA 98168

PROJECT SUMMARY

Burien Miller Creek is a 40-unit homeownership project in Burien. The project is comprised of three- and four-bedroom homes for purchase: 20 units for households earning an average 50% AMI and 20 units for households earning up to 80% AMI. The project is currently under construction and SKHHP awarded the project $300,000 in the 2022 funding round which has been requested to support the construction of five units for households earning an average of 50% AMI not to exceed 60% AMI. All homebuyers must have lived in King County for a least one year and 25% of the homes are reserved for households with a connection to the community – being defined as within two miles from the project.

The project will provide permanent affordability through the execution of a ground lease upon sale of the home. Habitat will have the Right of First Option to buy the home at an appreciated rate of 1.5% per year. When the home is resold, the price is set at the cost of acquisition and any rehab needed, allowing the home to be affordable to low- and moderate-income buyers in perpetuity. Habitat requires that the home must be the buyer's primary residence and must be owner occupied for the life of the home. The buyer's housing costs will be kept at or below 35% of gross household income.

The project has secured awards totaling $23 million and reports a funding gap of $3.3 million. The funding gap is due to increased construction costs, higher interest rates on construction loans, and lower mortgage revenue due to Habitat's commitment to serve families at lower AMIs in this development.

PROJECT SCHEDULE

Activity	Date
Site Control	3/26/2021
Building Permit Issued	3/24/2023
Begin Construction	11/08/2022
End Construction	2/1/2026
Full Occupancy	6/30/2026

FUNDING RATIONALE

The Executive Board supports the intent of this application for the following reasons:

- Homeownership is a high priority for SKHHP.
- Over $7 million has been invested in the site and over $23 million has been committed.
- Historically, out of the total number of households the sponsor has served, 65% identify as BIPOC families.
- Habitat has implemented a community preference policy to help guide homeowner selection. All applicants must have been residents of King County in the past year and 25% of the homes

are reserved for those with a connection to the community (being defined as within a 2-mile radius of the project site).

- The project began vertical construction in October 2024 and is fully permitted.
- Every homebuyer will have a sale price and mortgage set at no more than 35% of their household income based on household size.
- Limited funds available from SKHHP required a partial award to be made to balance the need of other priority projects with consideration of geographic equity.
- SKHHP awarded this project $300,000 in the 2022 funding round. Habitat reports a funding gap due to construction cost overruns and interest rates impacting the mortgages at the AMI levels they wanted to serve. SKHHP funds will help the project close the gap and enable them to serve the lower AMI households they have committed to serve.
- The 32 3-bedrooms and 8 4-bedrooms spread across 10 buildings will provide badly needed larger, family sized homes.
- The project was approved for participation in the City of Burien affordable housing demonstration program.
- The project strongly aligns with SKHHP Housing Capital Fund adopted priorities including: the project sponsor's community connection and engagement with the populations they intend to serve, advancing racial equity, addressing the needs of populations most disproportionately impacted by housing costs, leverage of public and private funds, and homeownership.

PROPOSED CONDITIONS

Standard conditions apply to all projects and are included as Attachment 3 at the end of this memo.

Special Conditions

1. SKHHP will provide project funds to the Contractor in the form of a **secured grant with no repayment.** Final Contract terms shall be determined prior to release of funds and must be approved by SKHHP staff. The grant will be secured by a deed of trust recorded against the property to ensure that Contractor maintains the project's affordability and target population. Contractor shall not be required to repay the grant so long as it maintains these project requirements.

2. Timeframe for funding commitment. The funding commitment continues for **thirty-six (36) months from the date of Council approval of original award** and shall expire thereafter if all conditions are not satisfied. An extension may be requested to SKHHP staff no later than sixty (60) days prior to the expiration date. At that time, the Contractor will provide a status report on progress to date and expected schedule for start of construction and project completion. The SKHHP Executive Board will consider a twelve-month extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the Contractor will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable period of time.

3. Project description of original award from 2022 funding round will be replaced by current description of the project. Previous funding award shall be combined with current recommended award.

4. The recommended $300,000 (2024) from general fund contributions shall support the development of five (5) housing units at an average 50% AMI on initial sale (among the 20 units with an average 50% AMI restriction) and be permanently restricted at 70% AMI upon resale.

5. The recommended $255,000 (2024) and the previously awarded $300,000 (2022) shall support the development of five (5) units at an average 50% AMI on initial sale (among the 20 units with an average 50% AMI restriction) and be permanently restricted not to exceed 60% AMI upon resale.

6. SKHHP funds shall be used solely for new construction, soft costs, or other development costs, unless otherwise approved by SKHHP staff.

ATTACHMENT 1: Economic Summaires of Recommended Projects

Project: Mercy Housing Northwest - Burien Family Housing

Proposed Funding Sources by Amounts and Status

Funding source	Proposed Amount	Status
SKHHP (2024)	$2,000,000	Recommended
SKHHP (2022)	$1,093,308	Committed
4% LIHTC Equity	$9,405,093	Committed
9% LIHTC Equity	$13,446,619	Committed
State HTF	$4,000,000	Committed
King County (2023)	$6,000,000	Committed
Permanent Amortizing Loan	$5,892,060	Committed
Amazon HEF Loan	$9,500,000	Committed
Mercy Loan Fund	$999,999	Committed
Land Contribution	$1,800,000	Committed
Deferred Developer Fee	$1,011,384	Committed
National Housing Trust Fund	$1,000,000	Committed
King County 2024/CHIP Pass Thru	$1,900,000	Committed
TOTAL	$58,048,463	

Proposed Use of Funds and Total Residential Cost Per Unit

Proposed use	Amount	Per Unit
Acquisition	$1,820,000	--
Construction	$42,217,570	--
Soft Costs	$8,634,716	--
Other Development Costs	$5,376,177	--
TOTAL	$58,048,463	$637,895

Residential Cost Per Square Foot

Item	Amount
Residential square footage	86,543
Residential development cost	$58,048,463
Cost per square foot	$670.75

Residential Cost Per Unit Based on Unit Size

Unit Size	Number of Units	Unit Square Footage	Cost per Unit
Average 1-bedroom	44	526	$352,813
Average 2-bedroom	29	788	$528,549
Average 3-bedroom	15	1062	$712,333
Average 4-bedroom	3	1291	$865,934
Common area and other residential spaces, including parking	--	20,380	$13,669,825

Project: TWG – Pandion at Star Lake

Proposed Use of Funds and Total Residential Cost Per Unit

Proposed use	Amount	Per Unit
Acquisition	$6,207,361	--
Construction	$87,306,025	--
Soft Costs	$15,032,371	--
Construction Financing	$9,298,009	--
Other Development Costs	$8,876,434	--
TOTAL	$126,720,200	--
TOTAL NON-RESIDENTIAL	$4,413,357	--
TOTAL RESIDENTIAL (includes common areas)	$122,306,843	$487,278

Residential Cost Per Square Foot

Item	Amount
Residential square footage	278,255
Residential development cost	$122,306,843
Cost per square foot	$439.55

Residential Cost Per Unit Based on Unit Size

Unit Size	Number of Units	Unit Square Footage	Cost per Unit
Average Studio	92	415	$182,413
Average 1-bedroom	71	650	$285,707
Average 2-bedroom	36	926	$407,023
Average 3-bedroom	52	1,139	$500,647
Common area and other residential spaces, including parking	--	107,767	$47,368,930

Project: Multi-Service Center – White River Apartments

Proposed Funding Sources by Amounts and Status

Funding source	Proposed Amount	Status
SKHHP (2024)	$975,939	Recommended
TOTAL		

Proposed Use of Funds and Total Residential Cost Per Unit

Proposed use	Amount	Per Unit
Rehabilitation	$747,939	--
Rehabilitation Contingency	$150,000	--
Soft Costs	$50,000	--
Other Development Costs	$28,000	--
TOTAL	$975,939	$40,664

Project: Habitat for Humanity Seattle-King & Kittitas Counties - Burien Miller Creek

Proposed Funding Sources by Amounts and Status

Funding source	Proposed Amount	Status
SKHHP (2022)	$300,000	Committed
SKHHP (2024)	$550,000	Recommended
King County	$3,547,282	Committed
HTF	$3,125,000	Committed
CHIP	$1,934,500	Committed
HUD	$850,000	Committed
HTF Unit Subsidy (2024)	$1,000,000	Committed
Construction Financing	$12,562,607	Committed
Habitat for Humanity	$2,324,297	Committed
TOTAL	$26,193,686	

Proposed Use of Funds and Total Residential Cost Per Unit

Proposed use	Amount	Per Unit
Acquisition	$2,086,758	$52,169
Construction	$20,931,597	$523,290
Soft Costs	$1,906,163	$47,654
Other Development Costs	$1,269,168	$31,729
TOTAL	$26,193,686	$654,842

Residential Cost Per Square Foot

Item	Amount
Residential square footage	54,662
Residential development cost	$26,193,686
Cost per square foot	$479.19

ATTACHMENT 2: Summary Changes of SKHHP Awarded Projects that Reapplied

Project: Mercy Housing Northwest - Burien Family Housing

Project changes between the awarded project from the 2022 SKHHP funding round and the 2024 application are as follows:

	2024	**2022**	**Changes**
Populations served	34 – families with children exiting homelessness 16 – families with children 18 – households with a physical disability 22 – general population	35 – families with children exiting homelessness 54 – families with children	• Fewer units for families with children • Added units for households with a disability and general population
Total units	91	89	• One unit added for an on-site manager • One additional affordable unit
AMI	0-60%	0-60%	• No change
AMI/unit count	0-30% - 28 30-50% - 48 50-60% - 14	0-30% - 35 30-50% - 28 50-60% - 26	• More 50% units and fewer 30% and 60% units
LIHTC	4%/9%	4%	• Added 9% LIHTC
Cost	$59.7m	$47.4m	• Higher budget

Project: TWG – Pandion at Star Lake

Project changes between the 2023 awarded project and the 2024 application are as follows:

	2024	2023	Changes
Number of buildings	1	2	• Modified from 2 buildings to 1
Populations served	163 units - general population 59 units - families with children 29 units - families with children that require permanent supportive services and are at-risk of being homeless	Building 1: 109 units - general population 30 units - families with children 25 units - families with children that require permanent supportive services and who are transitioning out of homelessness or are at-risk of homelessness 4 units - households with I/DD Building 2: 173 units – seniors earning 80-100% AMI	• No seniors at 80-100% AMI • No families that are transitioning out of homelessness • No IDD units • Larger number of general population units in lower income building • More units for families with children
Total units	251	341 (168 and 173)	• 90 fewer units
AMI	0-80%	0-100%	• No 80-100% AMI units
AMI/unit count	0-30% - 29 30-50% - 114 50-60% - 61 60-80% - 47	0-30% - 29 30-50% - 97 50-60% - 42 80-100% - 173	• Number of 0-30% units unchanged • More 30-60% units • Added 80% units • Removed 80-100% units
LIHTC	4%	4%/9%	• Not applying for 9% LIHTC

Project: Habitat for Humanity Seattle-King & Kittitas Counties - Burien Miller Creek

Project changes between the awarded project from the 2022 SKHHP funding round and the 2024 application are as follows:

	2024	2022	Changes
Number of buildings	10	10	• No change
Populations served	Homebuyers with connection to the community	Homebuyers with connection to the community	• No change
Total units	40	Phase 1 – 20 units Phase 2 – 20 units	• Removed Phase 1 and 2 and are considering the project a single project.
AMI	20 units - average of 50% AMI 20 units - 80% AMI	Phase 1 (20 units) – up to 50% AMI Phase 2 (20 units) – 80% AMI	• Changed from 20 units at 50% AMI to an average 50% AMI
Cost	$26.2m	$8.4m (First 20 units only)	• Higher development cost
SKHHP funding request	Request: $1.3m for 20 units at average 50% AMI. Recommended: Partial award of $300,000 (GF) for 5 units at average 50% AMI with resale up to 70% AMI & $255,000 for 5 units at average 50% AMI with resale up to 60% AMI	$300k applied to 20 units up to 50% AMI > $300k applied to 20 units at average 50% AMI > $300,000 applied to 5 units at average 50% AMI	• Request to fund fewer of the 20 total units. Total project units unchanged.

ATTACHMENT 3: Standard Conditions for Funding

1. Contractor shall provide SKHHP with development and operating budgets based upon actual funding commitments for approval by SKHHP staff. Contractor must notify SKHHP staff immediately if it is unable to adhere to these budgets and must submit new budget(s) to SKHHP staff for approval. SKHHP staff shall not unreasonably withhold its approval of these budget(s), so long as they do not materially or adversely change the Project. This shall be a continuing obligation of the Contractor, and shall survive the transfer or assignment of the Contract. Contractor's failure to adhere to budgets (either original or new/amended) may result in SKHHP's withdrawal of its funding commitment. Contractor must prepare and submit final budgets to SKHHP at the time it starts project construction and at the project's completion.

2. Contractor shall submit to SKHHP evidence of funding commitments from all proposed public and private funding sources. If Contractor cannot secure an identified commitment within an application's time frame, Contractor shall immediately notify SKHHP staff and describe its anticipated actions and time frame for securing alternative funding.

3. Contractor shall use SKHHP provided funds toward specific project costs as included in the Contract and consistent with RCW 82.14.540 and/or 82.14.530, as applicable. Contractor may not use SKHHP funds for any other purpose unless SKHHP staff authorizes such alternate use in writing. If budget line items with unexpended balances exist after completion of the project, SKHHP and other public funders shall approve adjustments to the project capital sources (including potential reductions in public fund loan balances).

4. Contractor shall evaluate and consider maximizing sustainability features for the Project (such as an efficient building envelope and heat pumps) and shall propose a plan to maximize the Project's sustainability.

5. Contractor shall use and document an open and competitive bidding process (consisting of at least three bids) for construction and related consultant services associated with the project, regardless of the source of funds used to pay their costs. Contractor shall pay RCW 39.12 prevailing wages in all projects funded by SKHHP that include construction activities, unless federal funds awarded to the project mandate use of federal prevailing wage rates.

6. If Contractor uses federal funds toward the Project, it must meet applicable federal guidelines, including but not limited to: contractor solicitation; bidding and selection; wage rates; and federal laws and regulations.

7. Contractor shall maintain documentation of any necessary land use approvals, permits, and licenses required by the jurisdiction in which the project is located.

8. Contractor shall submit to SKHHP project monitoring reports quarterly through its completion of the project, and annually thereafter. Contractor shall submit a final

budget to SKHHP upon project completion. If applicable, Contractor shall submit initial tenant information as required by SKHHP.

9. Contractor is required to provide SKHHP with quarterly status reports for projects funded through SKHHP's Housing Capital Fund during the project's development stage (from the time funds are awarded until the project's completion and occupancy). These quarterly reports must include at a minimum the status of funds expended and progress to date. SKHHP will rely on these quarterly reports to determine whether Contractor is making satisfactory progress on the project.

10. SKHHP may inspect the project site during the project's construction.

11. After occupancy, the Contractor will submit annual reports to SKHHP summarizing the number of project beneficiaries, housing expenses for the target population, and the proportion of those beneficiaries that are low- and/or moderate-income and that meet other eligibility criteria established in the Contract. In addition, the Annual Report shall include certifications to SKHHP that it is in compliance with the Covenant, which shall include the most current occupancy information, rent schedule (showing which Units are in each income class), a calculation justifying any increases in rents from the previous rent schedule, consistent with the Covenant and the Contract, and the actual rents being charged to each unit. SKHHP shall have the right to review rents for compliance and approve or disapprove them every year. In the event the Contractor submits annual certifications to satisfy the reporting requirements of multiple funders, Contractor will designate and report all units at the income class required by the most restrictive funder as well as the classification for purposes of the Covenant and this Contract. The Contractor shall also include with such certification any changes in the management policies for the Property and such other information covering the prior calendar year as SKHHP may request by notice at least ninety (90) days in advance of the due date, and with such accompanying documentation as SKHHP may request. The Annual Reports shall be submitted by June 30 of each year and will be required for the full duration of the Affordability Period. SKHHP will also periodically evaluate all projects for long term sustainability.

12. For rental projects, Contractor shall maintain the project in good and habitable condition for the duration of its affordability term.

13. SKHHP shall reimburse the Contractor for satisfactory completion of the requirements specified in the Contract and upon Contractor's submission to SKHHP of invoices and supporting documentation of eligible expenses.

14. SKHHP shall retain 5% of the funding award ("retention") and shall release the retention only after construction is complete and all other obligations outlined in the contract have been satisfied.

15. A covenant is recorded ensuring affordability for at least 50 years, with unit size, number of units, and affordability distribution established prior to executing Contract.

AGENDA BILL APPROVAL FORM

Agenda Subject:
Resolution No. 5815 (Krum)
A Resolution relating to the endorsement of the Kent Valley Economic Development Air and Space Manufacturing Roundtable

Meeting Date:
March 3, 2025

(RECOMMENDED ACTION: Move to adopt Resolution No. 5815.)

Department:
Community Development

Attachments:
Resolution No. 5815, Exhibit A - Air and Space Background Information

Budget Impact:

Administrative Recommendation:
City Council to adopt Resolution No. 5815.

Background for Motion:
Kent Valley Air and Space Manufacturing Roundtable, inspired by the proven success of the Next Generation Sector Partnerships model, aims to unite C-Suite leaders and key partners to tackle pressing challenges and develop actionable strategies that will keep our region's primary industries competitive and thriving.

Background Summary:
Neighboring agencies, including other cities, school districts, and educational institutions are working together to support the establishment of the Kent Valley Air and Space Manufacturing Roundtable, aiming to foster collaboration among industry leaders, educators, and public sector representatives to address workforce development, drive legislative agendas, and promote economic sustainability within the aerospace industry. The support of Kent and other agencies emphasizes the importance of partnerships between K-12 education, higher education institutions, and the aerospace sector to align training programs with industry needs. C-suite executives from aerospace employers are invited to participate in the Roundtable's initiatives and commit to ongoing collaboration between educational institutions, city leaders, and industry partners to ensure the success of this strategic initiative.

The Economic and Community Development Department is in communication with other agencies regarding a memorandum of understanding that will be signed by the Mayor expressing these sentiments.

Councilmember: Tracy Taylor

Staff: Jason Krum

RESOLUTION NO. 5815

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, RELATING TO THE ENDORSEMENT OF THE KENT VALLEY ECONOMIC DEVELOPMENT AIR AND SPACE MANUFACTURING ROUNDTABLE

WHEREAS, Green River College and Renton Technical College, as mission driven institutions of higher education and talent development, recognize the value of strong collaboration between aerospace leaders and the alignment of training and programs with industry growth;

WHEREAS, The Auburn, Kent, and Renton School Districts are the starting point for student career exploration and contribute to the development of workforce education programs by fostering career connections between K-12 education, postsecondary pathways, and the aerospace industry;

WHEREAS, The public sector leaders representing the cities of Auburn, Kent, Tukwila, and Renton, along with Kent Valley education leaders, recognize the need for a strategic initiative aimed at addressing challenges and opportunities within Kent Valley's aerospace industry;

WHEREAS, The Next Generation Sector Partnerships model has demonstrated success in facilitating collaboration between business leaders, educators, and government entities to address industry challenges and promote economic vitality and sustainability;

WHEREAS, The creation of the Kent Valley Air and Space Manufacturing Roundtable provides an efficient platform for industry leaders to collectively address workforce and talent development, drive legislative agendas, and promote economic vitality and sustainability within the aerospace industry;

WHEREAS, Participation from industry leaders is essential for success of the Kent Valley Air and Space Manufacturing Roundtable as Kent Valley employers are creating the jobs of the future and their guidance is critical to shaping the aerospace industry's talent pipeline.

Now, therefore, be it resolved, that Green River and Renton Technical Colleges, and the Auburn, Kent and Renton School Districts hereby invite establishment of the Kent Valley Air and Space Manufacturing Roundtable to build stronger partnerships, foster collaboration, and expand equitable access to our region's best jobs;

Be it further resolved that Kent Valley employers represented by C-suite executives, were invited to join the Kent Valley Air and Space Manufacturing Roundtable, and participate in the inaugural launch meeting held in October 2024, as well as subsequent biannual meetings and Action Teams;

Be it further resolved that the cities of Auburn, Kent, Renton, and Tukwila express their support for the establishment of the Kent Valley Air and Space Manufacturing Roundtable and commit to working collaboratively with the Auburn, Kent and Renton School Districts, as well as Green River and Renton Technical Colleges, and industry partners to ensure its success;

Be it further resolved that the Auburn, Kent and Renton School Districts, Green River, and Renton Technical Colleges, along with the city mayors, extend their sincere appreciation to Kent Valley Air and Space Industry employers for considering this opportunity to collaborate and shape the future of the air and space manufacturing industry and region.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, RESOLVES as follows:

Section 1. The Mayor is authorized to implement those administrative procedures necessary to carry out the directives of this Resolution.

Section 2. This Resolution will take effect and be in full force on passage and signatures.

Dated and Signed: ______________________

CITY OF AUBURN

____
NANCY BACKUS, MAYOR

ATTEST:

____
Shawn Campbell, MMC, City Clerk

APPROVED AS TO FORM:

____
Jason Whalen, City Attorney

Kent Valley Air and Space Manufacturing Roundtable
Memorandum of Understanding

Subject: Establishment of the Kent Valley Air and Space Manufacturing Roundtable

Whereas, Green River College and Renton Technical College, as mission driven institutions of higher education and talent development, recognize the value of strong collaboration between aerospace leaders and the alignment of training and programs with industry growth;

Whereas, The Auburn, Kent, and Renton School Districts are the starting point for student career exploration and contribute to the development of workforce education programs by fostering career connections between K-12 education, post-secondary pathways, and the aerospace industry;

Whereas, The public sector leaders representing the cities of Auburn, Kent, Tukwila, and Renton, along with Kent Valley education leaders, recognize the need for a strategic initiative aimed at addressing challenges and opportunities within Kent Valley's aerospace industry;

Whereas, The Next Generation Sector Partnerships model has demonstrated success in facilitating collaboration between business leaders, educators, and government entities to address industry challenges and promote economic vitality and sustainability;

Whereas, The creation of the Kent Valley Air and Space Manufacturing Roundtable provides an efficient platform for industry leaders to collectively address workforce and talent development, drive legislative agendas, and promote economic vitality and sustainability within the aerospace industry;

Whereas, Participation from industry leaders is essential for success of the Kent Valley Air and Space Manufacturing Roundtable as Kent Valley employers are creating the jobs of the future and their guidance is critical to shaping the aerospace industry's talent pipeline.

Now, therefore, be it resolved, that Green River and Renton Technical Colleges, and the Auburn, Kent and Renton School Districts hereby invite establishment of the Kent Valley Air and Space Manufacturing Roundtable to build stronger partnerships, foster collaboration, and expand equitable access to our region’s best jobs;

Be it further resolved that Kent Valley employers represented by C-suite executives, are invited to join the Kent Valley Air and Space Manufacturing Roundtable, and participate in the inaugural launch meeting scheduled for late October 2024, as well as subsequent biannual meetings and Action Teams;

Be it further resolved that the cities of Auburn, Kent, Renton, and Tukwila express their support for the establishment of the Kent Valley Air and Space Manufacturing Roundtable and commit to working collaboratively with the Auburn, Kent and Renton School Districts, as well as Green River and Renton Technical Colleges, and industry partners to ensure its success;

Be it further resolved that the Auburn, Kent and Renton School Districts, Green River, and Renton Technical Colleges, along with the city mayors, extend their sincere appreciation to Kent Valley Air and Space Industry employers for considering this opportunity to collaborate and shape the future of the air and space manufacturing industry and region.

Signed:

Dr. Suzanne Johnson, President
Green River College
Date:

Nancy Backus, Mayor
City of Auburn
Date:

Dr. Yoshiko Harden, President
Renton Technical College
Date:

Dana Ralph, Mayor
City of Kent
Date:

Dr. Alan Spicciati, Superintendent
Auburn School District
Date:

Armondo Pavone, Mayor
City of Renton
Date:

Israel Vela, Superintendent
Kent School District
Date:

Thomas McLeod, Mayor
City of Tukwila
Date:

Dr. Damien Pattenaude, Superintendent
Renton School District
Date:

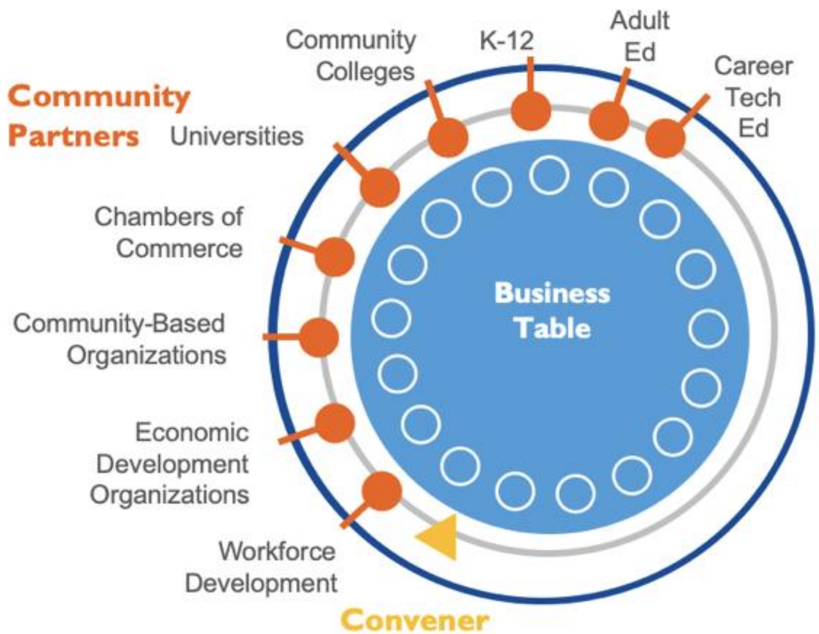
For Conversation—Sample Recruitment Explanatory Document

What's the Employer Table of Kent Valley?

Employer Table for the Kent Valley

What is this Industry Table and why is it unique?

The industry advisory table is modeled after a national model of industry partnership, called [Next Gen Sector Partnerships]. They bring together C-Suite business leaders from a single industry in the same region to collaborate in making their industry more competitive. They tackle a range of issues including improving the workforce pipeline, aligning training with industry needs, improving infrastructure, addressing regulatory barriers or facilitating business-to-business networking.



The agenda is defined by business leaders, addressing the pre-competitive issues related to education that matter most to their industry in their region and issues that no single company can tackle on its own.

They are strongly rooted in the region their companies call home in south King County/Kent Valley. That means their agenda is grounded not only in what their companies need to thrive, but what the communities in their shared region need, too.

The Industry Advisory Table of Kent Valley is a forum for employers:

- Create and drive a shared agenda that supports ongoing and mutual economic stability and opportunity for their industry and the people and communities in our region.
- Cultivate high quality connections, networking, information and idea sharing on issues most relevant to their mutual needs.
- Step in and step up to the forefront in new ways that co-invest, support and implement shared workforce strategies.
- Develop and demonstrate a shared commitment to diversity and inclusion through hiring and investments, directly relevant to populations here in our region.

- Help push and create coordinated action around shared issues by the many otherwise siloed public partners in education, workforce and economic development, including the shared curation of resources and investments that solve persistent problems.

How is this different from past or other industry advisory initiatives?

It's different in five ways:

1. **Commitment of leaders drawn from two colleges and a school district:** The Industry Table will have import above and beyond other industry advisory offerings, and seeks to avoid duplication in south King County. The Table will help steward taxpayer monies within education and workforce development in south King County towards greater efficacy for businesses and students by being better positioned to connect dots and contextualize programs to a larger strategy of shared prosperity and economic development for south King County residents.
2. **It relies on private sector pull vs. public program push**: Our state and our region have hundreds of public programs that support, directly or indirectly, the needs of manufacturers. Some are right on point; others miss the mark; few are truly coordinated together for bigger impact. All want manufacturers to know about their programs. The Industry Table is an organizing mechanism: it centers the manufacturers voice in a way that acts as a gravitational pull for the many public programs to get and stay on point in a coordinated way.
3. **It's a shared table vs. creating another organization or initiative:** This is not another organization or initiative. It's a single, shared table of employers with intention and care to diverse representation of both businesses large and small that can help guide public resources better and increase coordination and articulation between higher education and local school districts. It's a big tent that leverages and knits together existing efforts, with a bias toward action for highest shared priorities.
4. **Coordinated responses and solutions vs. one-off solutions**: The Industry Table helps sort and sift business and emerging technology trends for colleges and schools and aim areas of strategic investment for state (and particularly federal) funding, while convening staff help provide concise briefings on the dozens (or hundreds) of programs and resources in education, workforce development.
5. **Employers invested for the long haul vs. short term initiatives:** The Industry Table is not a focus group, input session, trade association, or traditionally understood incumbent advisory council. It is an action-oriented collection of local business leaders with an eye on long-run advantages conferred on the community by support for educational institutions at the cutting edge.

What's the Commitment?

- **A 2-hour "Launch".** During the "Launch" meeting, you will convene with fellow employer executives to identify opportunities within the region and subsequent action items. The Launch will be professionally facilitated, in-person, targeting September 2021.
- **Appropriate delegation of yourself or company personnel (with decision making authority) to top priority "action team(s)" coming out of the "Launch" meeting** (expect 3-5 priority areas, likely focused on workforce needs, supply chain connections, infrastructure, policy changes, etc.—subject areas are more wide ranging than just curriculum development, instructional quality, and student recruitment to anticipate needs for facilities and equipment and wider context of what's occurring in local economy).
- As a rule of thumb, **these types of partnerships usually meet quarterly for 90 minutes.**

- **“Action team” work occurs in between quarterly meetings**, made up by employers and relevant public partners’ staff. Action teams need your expertise, voice and time. Public support partners help coordinate, facilitate and keep trains moving toward solutions.
- **These partnerships also typically maintain a “leadership team” of some sort, including business “chairs”.** These may or may not be the same as the “initial” leadership team. You personally decide as the Partnership gets up and running.

What does it mean to be an initial Champ?

- **It means you’ve been identified as a natural leader**, someone who combines the attributes of a successful business executive and a civic entrepreneur. You care about your company, about manufacturing, and about communities in our region.
- **It also means you’re willing to:**
  - **Co-sign an invite letter with other execs that indicates that you think the Industry Table is indeed a value-add** and good idea for the region, for employers and for your company.
  - **Join a 30-minute prep call** with other C-suite champs that make up the initial Leadership team prior to the Industry Table “Launch” meeting.
  - **Make opening remarks at the Launch meeting** about why the Industry Table is important and a priority for your company.

For Conversation—Sample Guidebook Components, Basic Facts

Recommendation: Six advisory committee meetings per year with a minimum quorum of 60% of the voting members present at each meeting. Ten or Twelve table members (not counting colleges, district, and city staffers.
Question: Board of trustee, district board, Council approvals?
Question: Employers only, or include workforce development allies, such as Aerospace Joint Apprenticeship Committee, WABS, etc?

Traditional Roles of an Advisory Committee

(To discuss difference or relatedness to shared Industry Table)

Career and Technical Education Advisory committees perform five major roles. They:
1. Provide information which will update, modify, expand, and improve the quality of the program.
2. Support and strengthen the partnership between education, business, labor, and the community
3. Make recommendations that will strengthen and expand the Career and Technical curriculum and provide assistance in implementing their recommendations.
4. Identify and validate academic and occupational competencies and industry standards, determine priorities, review, and evaluate programs.
5. Articulate long-term goals and objectives of the career and technical programs to students, employers, and the community.

Advisory Committees are only as effective as their individual members. We urge members to:

- Understand the importance of their roles
- Attend and actively participate in all meetings
- Suggest and develop agenda items for meetings
- Help determine committee goals
- Become familiar with the colleges and district, and how its programs fit into the overall educational structure
- Communicate openly with other committee members and program instructors and administrators.
- Accept committee responsibilities

Advisory committees develop an annual program of work that reflects consensus on the needs of the program and the requirements of the occupation. In developing a program of work, members combine information provided to them by instructors and administers about the program with their knowledge about the requirements of the occupation. A written plan is preferred…Members are appointed for terms of up to three years and may be re-appointed at the end of their terms. To maintain fresh ideas members complete their terms. The recommended minimum committee size is … The chairperson of the committee shall be elected annually from among the members.

Ethical Conduct

Washington Ethics Law, Revised Code of Washington Chapter 42.52 and the GRC Ethics Poilcy…

[Is there a conduct statement we can create in common? Updates to values above and beyond ethics policies to promotion of these values common to our institutions? New writing assignment here to discuss in our leadership convenings]

Areas of Consultation/Leadership

- Review labor market information to ensure occupational program areas in demand, produce living wages, and vacancies exist so as to provide for high probability for future employment of successful students
- Develop an assertive agenda for moving the needle on recruitment to both high-paying careers found in abundance in the local industries of host communities as well as to enrollment where the colleges where students are found
- Implement and steer these student recruitment efforts
- Review summaries of program content and respective courses across the two colleges and school district
- Advise colleges and schools on not just industry standards or certifications required by occupational areas—but help anticipate those that must be developed going forward with an aim of cultivating national excellence in target fields in curriculum, instruction quality, and facilities to help 'future proof' instruction from changes in market conditions, technologies, and employment needs

- Advise in development of plans for new construction or remodeling of existing facilities, or funding requests to effectuate
- Recommend procedures for developing, implementing, and evaluating work-based learning experience programs

ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT
Kurt Hanson, AICP, EDFP

220 Fourth Avenue South
Kent, WA 98032
253-856-5454

DATE: September 17, 2024

TO: Kent City Council - Committee of the Whole

SUBJECT: **Motion in Support of the Establishment of the Kent Valley Air and Space Manufacturing Roundtable**

MOTION: I move to express the City Council's support for the establishment of the Kent Valley Air and Space Manufacturing Roundtable and invite the participation of local aerospace industry representatives.

SUMMARY: Neighboring agencies, including other cities, school districts, and educational institutions are working together to support the establishment of the Kent Valley Air and Space Manufacturing Roundtable, aiming to foster collaboration among industry leaders, educators, and public sector representatives to address workforce development, drive legislative agendas, and promote economic sustainability within the aerospace industry. The support of Kent and other agencies emphasizes the importance of partnerships between K-12 education, higher education institutions, and the aerospace sector to align training programs with industry needs. C-suite executives from aerospace employers are invited to participate in the Roundtable's initiatives and commit to ongoing collaboration between educational institutions, city leaders, and industry partners to ensure the success of this strategic initiative.

The Economic and Community Development Department is in communication with other agencies regarding a memorandum of understanding that will be signed by the Mayor expressing these sentiments.

This motion in support of the establishment of the Kent Valley Air and Space Manufacturing Roundtable will both be presented to the Committee of the Whole and placed on the City Council consent agenda on September 17, 2024.

BUDGET IMPACT:

SUPPORTS STRATEGIC PLAN GOAL:

Innovative Government - *Delivering outstanding customer service, developing leaders, and fostering innovation.*

Thriving City - *Creating safe neighborhoods, healthy people, vibrant commercial districts, and inviting parks and recreation.*

Sustainable Services - *Providing quality services through responsible financial management, economic growth, and partnerships.*

Inclusive Community - *Embracing our diversity and advancing equity through genuine community engagement.*

ATTACHMENTS:

1. Kent Valley Air Space Roundtable MOU (PDF)

AB - 3690

City Council Regular Meeting - 21 Oct 2024

SUBJECT/TITLE:	**MOU - Kent Valley Air and Space Manufacturing Roundtable**
RECOMMENDED ACTION:	Council Concur
DEPARTMENT:	Community & Economic Development Department
STAFF CONTACT:	Amanda Free, Economic Development Acting Director
EXT.:	7369

FISCAL IMPACT SUMMARY:

No fiscal impact.

SUMMARY OF ACTION:

City to engage in a Memorandum of Understanding to show support for the establishment of the Kent Valley Air and Space Manufacturing Roundtable

EXHIBITS:

A. Issue Paper

B. MOU

STAFF RECOMMENDATION:

Mayor to sign a Memorandum of Understanding to show support for the establishment of the Kent Valley Air and Space Manufacturing Roundtable

Department of Community & Economic Development Memorandum

DATE:	October 14,2024
TO:	Ed Prince, Council President Members of Renton City Council
CC:	Armondo Pavone, Mayor Ed VanValey, Chief Administrative Officer
FROM:	Gina Estep, CED Administrator
STAFF CONTACT:	Amanda Free, Economic Development Acting Director
SUBJECT:	**Memorandum of Understanding for Kent Valley Air and Space Manufacturing Roundtable**

ISSUE

Should Council authorize the mayor to sign a Memorandum of Understanding to show support for the establishment of the Kent Valley Air and Space Manufacturing Roundtable?

RECOMMENDATION

Staff recommends approval to request the mayor signature on the Memorandum of Understanding to show support for the establishment of the Kent Valley Air and Space Manufacturing Roundtable.

BACKGROUND SUMMARY

Neighboring agencies, including other cities, school districts, and educational institutions are working together to support the establishment of the Kent Valley Air and Space Manufacturing Roundtable, aiming to foster collaboration among industry leaders, educators, and public sector representatives to address workforce development, drive legislative agendas, and promote economic sustainability within the aerospace industry. The support of Renton and the other agencies emphasizes the importance of partnerships between K-12 education, higher education institutions, and the aerospace sector to align training programs with industry needs. C-suite executives from aerospace employers will be invited to participate in the Roundtable's initiatives and commit to ongoing collaboration between educational institutions, city leaders, and industry partners to ensure the success of this strategic initiative.

DETAILED SUMMARY OF ROUNDTABLE

The City of Kent Economic Development team presented the Roundtable and the Memorandum of Understanding to the Kent Council on September 17, 2024 and was unanimously approved.

Below is the summary the Kent Council was provided:

Context and Industry Challenges

The aerospace and space industries in South King County are at a pivotal moment:
- These industries contribute $13.6 billion to our region's GDP and support over 60,000 jobs.
- However, the industry is experiencing rapid changes driven by technological advancements, workforce shifts, and increasing global competition.

Kent Valley, long a hub for these industries, must evolve to ensure continued success and growth. We've discussed the concept of focused industry collaboration, and now is the ideal time to come together to address these challenges.

Purpose of the Roundtable

This initiative was first introduced at our joint meeting with the Kent School Board last spring. The Kent Valley Air and Space Manufacturing Roundtable will serve as a collaborative platform where:

- Industry leaders, educators, and government representatives can align educational programs with industry needs.
- We can work together to ensure workforce development and drive economic vitality in our region.
- We will be guided by the Next Generation Sector Partnerships model, which has a proven track record of facilitating effective collaboration between these critical stakeholders.

Strong Support from Key Stakeholders

I'm pleased to share that we've already garnered significant support for this initiative:

- We have a national expert with local ties on Next Generation Industry Partnerships on board to facilitate the establishment of the Roundtable.
- Superintendent Vela and the college presidents of Green River and Renton Technical Colleges are actively pursuing approvals from the Auburn and Renton School Districts.

- Mayor Ralph has already secured committed support from the Mayors of Auburn and Renton, and Tukwila is close behind.

Briefings and Stakeholder Engagement

To ensure all key stakeholders are fully engaged:

- Briefings with air and space industry C-suite executives are planned for the end of this month.
- Separate briefings for our largest employers, education partners, and industry organizations will take place between late September and the second week of October.

What's in it for City Partners?

The Kent Valley Air and Space Manufacturing Roundtable offers significant benefits for our city partners:

- It provides a unique platform for focused collaboration on pre-competitive challenges that require collective action.
- The Roundtable helps us understand and share the strengths, trends, and opportunities of existing companies in our region, which is crucial for informing our shared retention, growth, and attraction strategies.
- This partnership also offers a meaningful venue for working with workforce development and education sectors around the complex needs of the aerospace industry, aligning these efforts with our broader regional economic growth goals.

The Role of the City Council

Your support is crucial for the success of this initiative. As public sector leaders, your endorsement will:

- Help solidify partnerships across the region.
- Demonstrate a unified commitment to strengthening the aerospace industry right here in Kent Valley.

Economic Impact

The Roundtable is more than just a forum—it's a pathway to:
- Job creation in the aerospace sector.
- Talent development that meets the needs of our local industry.
- Sustained economic growth that will keep Kent Valley at the forefront of air and space manufacturing.

Next Steps

Looking ahead:

- We are planning an inaugural launch meeting in late October 2024. This meeting will bring together key stakeholders, including C-suite executives from Kent Valley employers, to officially kickstart the Roundtable.
- We're committed to holding biannual meetings and forming Action Teams to ensure continuous progress and success.

City of Tukwila

Planning and Community Development Committee

- **Dennis Martinez, Chair**
- **Tosh Sharp**
- **Armen Papyan**

Distribution:
D. Martinez
T. Sharp
A. Papyan
Mayor McLeod
M. Wine
A. Youn
L. Humphrey

AGENDA

MONDAY, OCTOBER 14, 2024 – 5:30 PM

ON-SITE PRESENCE:	REMOTE PARTICIPATION FOR THE PUBLIC:
TUKWILA CITY HALL DUWAMISH CONFERENCE ROOM 6300 SOUTHCENTER BOULEVARD	1-253-292-9750, ACCESS CODE: 866559860# Click here to: Join Microsoft Teams Meeting For Technical Support: 1-206-433-7155

Item	Recommended Action	Page
1. BUSINESS AGENDA		
a. Kent Valley Air & Space Manufacturing Roundtable Memorandum of Understanding. *Derek Speck, Economic Development Administrator*	a. Forward to 10/21 Regular Meeting Consent Agenda	**Pg.1**
2. MISCELLANEOUS		

Next Scheduled Meeting: *December 09, 2024*

The City of Tukwila strives to accommodate individuals with disabilities.
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City of Tukwila

Thomas McLeod, Mayor

INFORMATIONAL MEMORANDUM

TO: **Planning and Community Development Committee**

FROM: **Derek Speck, Economic Development Administrator**

CC: **Thomas McLeod**

DATE: **October 7, 2024**

SUBJECT: **Kent Valley Air and Space Manufacturing Roundtable**

ISSUE

The Council is being requested to approve a Memorandum of Understanding expressing support to establish the Kent Valley Air and Space Manufacturing Roundtable.

BACKGROUND

The City of Kent has invited cities, educational institutions, and manufacturers in the air and space industries to form a strategic initiative called the Kent Valley Air and Space Manufacturing Roundtable. The purpose of the Roundtable is for Kent Valley C-level executives, educational institutions, and public sector representatives to collaborate and guide workforce development, public policy, and economic sustainability to retain and attract air and space manufacturing businesses.

On September 17, 2024 the Kent City Council passed a motion expressing support for the Roundtable and approving a Memorandum of Understanding (MOU). The MOU is now being routed to the other cities and educational institutions for signatures. A copy is attached for Council's consideration.

DISCUSSION

According to a 2022 analysis by the Puget Sound Regional Council, Washington state is well positioned to compete in a growing commercial space economy. The air and space industry is already vital to our regional economy and presents an important opportunity for the City of Tukwila. Attracting and retaining advanced manufacturing and aerospace business is included in Strategy 1A in the City's Economic Development Strategy.

Staff believes the Roundtable has the potential to be an effective way to support our air and space economy. Tukwila's role would be to support the Roundtable by collaborating. The City of Kent would take the lead to facilitate the work and there would be no financial contribution from Tukwila.

FINANCIAL IMPACT

This item has no financial or budgetary impact.

RECOMMENDATION

The Council is being asked to approve a motion expressing support and authorizing the Mayor to sign the Memorandum of Understanding at the October 21, 2024 Regular Meeting.

ATTACHMENTS

Memorandum of Understanding