

VMCC Affordable Housing Committee

Draft Minutes 11/14/2022, 7:00 pm – 8:30 pm, Zoom

[Video Recording and Chat log available here](#), Passcode: G4+^?2#1

In attendance:

Morgan Brown, chair	Evy Horton
Chris Bric, guest speaker	Armen Yousoufian
Jason Johnson, ED Vashon Household	Suzanne Moore
David Vogel	Chuck Weinstock
Terry Sullivan	Saul Fortunoff
Amy Drayer	Weslie Rodgers
Jessica Kennan	Virginia Harriman

Reviewed and approved agenda emailed prior to meeting.

Agenda:

1. Brief review of proposed Town zoning changes as part of current King County [Vashon Subarea Plan revisions](#) (main topic of next meeting 12/12/22)
2. Guest Speaker: Chris Bric of [Shelter America Group](#) with an update on Creekside Village, a 40-unit Affordable Housing development planned for Gorsuch Road, just north of Town.

Notes from Chris' talk and Q&A discussion

- Chris' Shelter America Group started working on Creekside Village at the property owner's request back in 2015.
- When the property owner came to the top of the Water District 19 wait list, he approached us and we arranged financing for water shares to accommodate 40 units. With our water conservation plans, that came out to 31 water shares. The water shares dictated the units. Zoning would accommodate more units.
- Much of the delay since then has been the result of a more competitive situation for public funding of affordable housing projects. We get points against us on the tax credit program. We've had trouble competing against larger "vertically oriented" developers doing big projects in and around Seattle. We can't be as efficient with our costs/size on Vashon.
- A funding source required a Community Based Organization (CBO) involvement, so we partnered with Vashon Youth and Family Services. We're working with VYFS now. They've been very supportive and we're excited about the collaboration.
- Representatives Joe McDermott (County), Joe Fitzgibbons (WA Rep) and Joe Nguyen (WA Sen) have been very supportive.
- The project site is a 7.26 ac parcel with the buildings limited to a 2 ac portion in the NE corner because of the wetlands associated with the creek.
- We hope to include a trail across the creek to improve on walkability to Town and the Transit Oriented Development (TOD) nature of the project.
- The project will have 40 income-restricted affordable housing units for rent of 1, 2, and 3 bedrooms. Three buildings with 29 ft elevation and first and second floor units, not town homes. There will be a 1,888 sf Community Building.
- There will be a relocation program for folks living there now in the trailer homes. They'll have priority and relocation finances. Our rental rates will have to be higher, significantly higher.

- Existing homeowner has been very generous. Shows how committed he is to affordable housing, he cares about those people and lives there himself.
- Expectation now is for a 6 – 8 month permitting process and a 3Q23 construction start. With 12 - 14 months for construction, units could be available to occupy by end of 2024. We'll do everything to expedite the process. Yes, 6 – 8 months may be optimistic, but we're talking with Permitting. Initially they said 12 months. But we're talking with them now and we've done two pre-application meetings with them. The second one was easier because we had conditional approval. Construction would ideally be 12 months, but obviously it can stretch, 14 months easy. So 4Q24 is best case.
- Q: Jason Johnson (Vashon Household) expressed support for the Workforce Housing focus and asked about the AMI mix (average median income level to qualify). A: We're at 50% AMI for half and 60% AMI for the other half. We were asked by some of the funders if we wanted to go to 80%, but we wanted to keep it as affordable as possible. We wanted stay at no more than 50%. Originally, we were going to do just 2 and 3 bdr. VYFS suggested also the 1 Bdr – for divorced, seniors, singles, with lower price point. So we have that now. But most units are 2 Bdr.
- Q: Armen Yousoufian asked about developer fee. A: We've been a sponsor, developer, owner. But not property manager. Total costs are of a \$20M venture. Everything we can do to hold it at that. Don't have final budget I can share yet. \$14M hard costs. Our fees will be less than normal. For the development fee, not have we only come down, from normal of 12 to 15 %, we're way, way below that. Just hoping that we cover our costs and some of the risk for \$20M of our money. We'll be happy with 5% at this point, similar to a RE commission and we've done a lot more work. Biggest challenge for Vashon is securing rights to water. Probably why SDO isn't working yet either. Don't have the water. That's the most distinguishing and challenging aspect. What can you do without water. You have the site, the people, but need WD19.
- Q: Chuck Weinstock commented that it's incredibly difficult to get builders on the Island. We're affected by Seattle prices and having to compete for housing with Island economy incomes.
- Q: Will the project be "green". A: Yes, in addition to the water efficiency, there are State and County requirement that including Energy Star efficiency and a green building standard (didn't catch which standard).
- Q: David Vogel asked about Vashon Household as potentially being the property manager for Creekside Village (others agreed with the suggestion). Chris responded that Shelter America Group is the sponsor, developer, owner, but not the property manager. We're open to working with Vashon Household to see if they want to do that. We want excellent management and we have relationships with folks who can do that. But we're open to discussing.
- Saul Fortunoff commented that they are generally supportive of Affordable Housing and this project, but not at that location. Further information on their concerns can be found at the following Facebook group:
<https://www.facebook.com/groups/573554433073281>

1. **Next meeting Mon, 12/12/22, 7pm - 8:30pm.** Continuation of discussion of King County's proposed zoning changes for Vashon Town as part of their Vashon Subarea Plan work plans (see Committee's Minutes for 2022.10.10 for further information).