

**FIRCREST CITY COUNCIL
STUDY SESSION AGENDA**

**MONDAY, APRIL 19, 2021
6:00 P.M.**

**COUNCIL CHAMBERS
FIRCREST CITY HALL, 115 RAMSDELL STREET**

- 1. Call to Order**
- 2. Pledge of Allegiance**
- 3. Roll Call**
- 4. Agenda Modifications**
- 5. [South Sound Housing Affordability Partners \(SSHAP\) Presentation](#)**
- 6. Action Item: Playgrounds Operations**
- 7. Adjournment**

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SOUTH SOUND HOUSING AFFORDABILITY PARTNERS

Shaping Pierce County's Future by Creating Access to Affordable and Attainable Housing

March 26, 2021

Dear City Manager Pingel,

As you know, for the past two years we have been working on an exciting initiative to create more housing that is accessible, affordable, and attainable for all Pierce County resident – the South Sound Housing Affordability Partners (SSHA³P). We are very pleased to send you a draft Intergovernmental Agreement (IGA) for your city's review and comment.

The IGA will create a new formal collaboration among Pierce County cities, towns, tribes and the county to work together on housing issues and projects. We know that housing needs and solutions vary from one community to the next, so we have worked to create a structure that can meet the unique needs of each of our communities. The IGA spells out the purpose, proposed structure, and framework for operating this new collaborative structure.

We want to thank the Fircrest Council for taking the time to receive a briefing on SSHA³P last month. Many elected officials from across the region have been involved in the meetings and discussions that have shaped this attached draft agreement.

Our hope is to have governments decide whether they want to participate in SSHA³P (and if so, approve the intergovernmental agreement) by the end of June of this year so that we can get to work creating this structure in the second half of 2021. In order to meet that schedule we are **asking all interested governments to provide us with any comments or questions on the draft IGA by April 23.** That will provide enough time to make final changes to the document and send it back to you for final review and approval.

We are sending a similar letter to all Mayors, Council Chairs/Deputy Mayors/Mayor Pro Tems, and City Managers, Administrators or Clerks in the county. We will keep you informed about the reactions we receive from those governments. Based on discussions we've been having we are hopefully that many governments across the county will join SSHA³P.

Please send any comments or questions about the IGA to either Bryan Schmid at bryan.schmid@piercecountywa.gov or John Howell at john@cedarrivergroup.com.

Sincerely

Members of the SSHA³P Steering Committee

Mayor Don Anderson
City of Lakewood

Mayor Nancy Backus
City of Auburn

Council Member Annette Bryan
Puyallup Tribe

Executive Bruce Dammeier
Pierce County

Mayor Julie Door
City of Puyallup

Mayor Kit Kuhn
City of Gig Harbor

Council Member Ryan Mello
Pierce County

Mayor Josh Penner
City of Orting

Mayor Kim Roscoe
City of Fife

Mayor Victoria Woodards
City of Tacoma



**Intergovernmental Agreement for SSHA³P
South Sound Housing Affordability Partners**

(Effective Date: **Date of Execution**)

This Intergovernmental Agreement ("Agreement") is entered into by and between the Cities of **??**, Pierce County (each municipal corporations and political subdivisions of the State of Washington), and the Puyallup Tribe of Indians, a **federally-recognized Indian tribe** (the Tribe) Individually each member of SSHA³P is a "Party" and collectively, the "Parties". This Agreement relates to the creation and operation of a joint undertaking among the Parties hereto to be known as the South Sound Housing Affordability Partners ("SSHA³P"). This Agreement is made pursuant to the Intergovernmental Cooperation Act, chapter 39.34 RCW, and has been authorized by the legislative body of each government.

WHEREAS, the recent increases in the cost to purchase or rent housing in Pierce County has resulted in more than one-third of all households in the county considered cost-burdened, paying more than 30% of their income for housing costs; and

WHEREAS, in the past decade increases in Pierce County median home sales prices (108%) and rental rates (78%) have dramatically outpaced the increases in median household incomes (10%); and

WHEREAS, the recent global pandemic has placed new pressures on the housing market, with the economic downturn resulting in many households unable to afford rent or mortgage payments, anticipated increases in the number of evictions and foreclosures (including among those small rental property owners who have not been receiving rental payments), and at the same time increased demand for purchasing homes due to historically low interest rates and the large increase in the number of those now working remotely; and

WHEREAS, the Parties have a common goal to ensure the availability of housing that meets the needs of residents and workers at all income levels in Pierce County; and

WHEREAS, the Parties share a common goal to eliminate housing inequities for all races, ethnicities and other vulnerable or marginalized communities and geographic locations in Pierce County; and

WHEREAS, the Parties wish to provide a sound base of housing policies and programs in Pierce County and to complement the efforts of local governments and existing public and private organizations to address housing needs in Pierce County; and

WHEREAS, the Parties wish to act cooperatively to formulate policies that create access to affordable/attainable housing policies and strategies that address housing stability, ensure an ample housing supply that remains affordable for all income levels, provide incentives for affordable/attainable housing for lower and middle income households, foster efforts to preserve and provide access to affordable/attainable housing by combining public funding with private-sector resources, and support implementation of the goals of the Washington State (the "State") Growth Management Act, related countywide planning policies, and other local policies and programs relating to providing access to affordable and attainable housing, and to do so efficiently and expeditiously; and

WHEREAS, the Parties have determined that the most efficient and effective way for the Parties to address access to affordable and attainable housing needs in Pierce County is through cooperative action and pooling their resources to create a larger scale of activities than any one Party could accomplish on their own, achieve economies of scale, and leverage other public and private resources; and

WHEREAS, the intent of this cooperative undertaking is not to duplicate efforts of non-profit corporations and other entities already providing affordable/attainable-housing-related services; and

WHEREAS, a cooperative work plan with a primary focus on the production and preservation of affordable/attainable housing, is needed because the lack of access to affordable/attainable housing is one of the key contributors to homelessness;

NOW, THEREFORE, in consideration of the mutual promises, benefits and covenants contained in this Agreement and other valuable consideration, the sufficiency of which is acknowledged, the Parties agree to the above Recitals and the following terms and conditions:

1. DEFINITIONS. The following terms used in this Agreement are defined as follows:

a. *Administering Agency* - One or more of the Parties that will provide administrative support services on behalf of SSHA³P. The role of the Administering Agency will be to serve as the fiscal agent for SSHA³P, in accordance with the requirements of chapter 39.34 RCW, and provide space and administrative support for the SSHA³P staff. These roles could be provided by one Party or the roles could be split and provided by two Parties.

b. *Advisory Board* - A board consisting of 15 to 20 community members and/or key stakeholders appointed by the Executive Board to provide advice and recommendations to the Executive Board on policy needs related to housing stability, program design and development, land and/or funding resource allocation for enhancing access to affordable/attainable housing projects, and other immediate affordable/attainable housing needs, and to provide public education and community outreach support.

c. *Area of Activity* - The area in Pierce County where SSHA³P is expected to conduct its work, and where future expansion of SSHA³P membership could occur, as further described in Exhibit A.

d. *Executive Board* - The governing board for SSHA³P comprised of members as provided herein, which will act on behalf of all Parties and as may be in the best interest of SSHA³P in order to carry out the purposes of this Agreement.

e. *SSHA³P Fund* - A special fund established by the Administering Agency, as authorized by RCW 39.34.030, to be known as the "Operating Fund of the SSHA³P Executive Board". Within the SSHA³P Fund may be established various accounts and subaccounts including but not limited to a "SSHA³P Operating Account" and a "Housing Capital Funds Account".

i. *SSHA³P Operating Account* - An account created by the Administering Agency for the receipt of contributions from the Parties and other private or public entities, for the purpose of paying for the operations of and supporting the SSHA³P annual budget.

ii. *Housing Capital Funds Account* - An account established by the Administering Agency within the SSHA³P Fund for the purpose of administering the voluntary contributions of Parties, or other public or private entities, to affordable/attainable housing projects and programs, to be known as the SSHA³P Housing Capital Funds Account. The amounts in the Housing Capital Funds Account will be held and disbursed by the

Administering Agency.

iii. *Individual Account(s)* - One or more subaccounts established within the Housing Capital Funds Account for each Party to this Agreement that chooses to contribute to the Housing Capital Funds Account. Contributions to an Individual Account from a Party may be released only upon, and in accordance with, the written direction of that Party.

f. *SSHA^{3P} Executive Manager* - The managing lead staff for SSHA^{3P}, reporting to the Executive Board, responsible for carrying out the SSHA^{3P} annual work plan and other terms of this Agreement.

g. *SSHA^{3P} Staff* - The full-time and part-time staff hired or assigned with the responsibility for carrying out the SSHA^{3P} work plan, under the direction of the SSHA^{3P} Executive Manager.

2. PURPOSE. All Parties to this Agreement have responsibility for local, regional and tribal planning for the provision of housing affordable to residents that work and/or live in Pierce County. The Parties agree to act cooperatively to formulate housing policies that address access to affordable/attainable housing, housing stability and to foster efforts to preserve and create affordable/attainable housing by combining public funding or other resources with private-sector resources. In order to accomplish the purposes of this Agreement, the Parties agree to create a joint and cooperative undertaking responsible for administering the activities described herein. The cooperative undertaking among the Parties will be called the South Sound Housing Affordability Partners ("SSHA^{3P}"). The Parties further intend that this Agreement serve as a framework for all participating municipalities within the broader SSHA^{3P} Area of Activity to do the aforementioned work. The Parties encourage other cities and tribes and other public and private entities in Pierce County within the SSHA^{3P} Area of Activity to join the Parties in this endeavor.

3. STRUCTURE; CREATION OF JOINT BOARD. By executing this Agreement, the Parties hereto create a joint board pursuant to RCW 39.34.030(4) to govern SSHA^{3P}. The joint board created by this Agreement will be called the "Executive Board" and will be composed of members as provided for in Section 5.a of this Agreement. The Joint Board created in this Agreement is not a separate legal or administrative entity within the meaning of RCW 39.34.030(3). The Executive Board will act on behalf of all Parties and as may be in

the best interest of SSHA³P in order to carry out the purposes of this Agreement. The Executive Board is not authorized to own assets or have employees.

4. RESPONSIBILITIES AND AUTHORITY. In order to carry out the purposes of SSHA³P and this Agreement, the Executive Board will have the responsibility and authority to:

a. Create and implement an annual work plan approved by the Executive Board to guide the work of SSHA³P Staff. The work plan will include activities that may benefit multiple participating jurisdictions or individual jurisdictions. The work plan activities will be consistent with the purpose described in this Agreement.

b. Make decisions regarding the allocation of public and private funding deposited into the SSHA³P Housing Capital Funds Account for the purpose of enhancing access to affordable/attainable housing.

c. Direct the Administering Agency to enter into agreements with third parties for the use and application of public and private funds contributed by individual Parties to the SSHA³P Fund, including the Housing Capital Funds Account established in Section 14, under terms and conditions as may be agreed by the individual contributing Parties, as further described in Section 14. At least annually, report to the Parties on the geographic distribution of all housing capital funds as recommended by the SSHA³P Executive Board.

d. Guide the SSHA³P Staff in the performance of the following duties:

- i. Provide recommendations to the Parties regarding local and regional policies to improve access to affordable/attainable housing. SSHA³P Staff may assist the Parties in developing strategies and programs to achieve State Growth Management Act housing goals, growth targets, local Comprehensive Plan Housing Element goals, and local housing strategy plans, as appropriate.
- ii. SSHA³P Staff may provide technical assistance as requested to any Party considering adoption of land use incentives or requirements, or programs to enhance access to affordable/attainable housing. SSHA³P Staff may research model programs, develop

draft legislation, prepare briefing materials and make presentations to planning commissions and councils on request by a Party. SSHA³P Staff may assist Parties in developing strategies and programs to implement county-wide affordable/attainable housing policies to meet State Growth Management Act objectives, growth targets, local Comprehensive Plan Housing Element goals, and local housing strategy plans for an equitable and rational distribution of low- and moderate-income housing.

- iii. Facilitate cooperation between the private and public sector with regard to the provision of and access to affordable/attainable housing. SSHA³P Staff may communicate directly with private developers, financial institutions, non-profit corporations and other public entities to assist in the implementation of affordable/attainable housing projects. SSHA³P Staff may work directly with any Party to provide technical assistance with regard to the public funding of affordable/attainable housing projects and the implementation of affordable/attainable housing regulatory agreements for private developments.
- iv. SSHA³P Staff may also identify public and private sites that are available for affordable/attainable housing and develop housing alternatives for such sites.
- v. After the Housing Capital Fund is created, develop standard regulatory agreements acceptable to private and public financial institutions to facilitate the availability of funding for private and public projects containing affordable/attainable housing, and other documents and procedures as appropriate.
- vi. Provide other technical advice to any Party upon request and to enter into agreements to provide technical assistance to other public entities on a reimbursable basis.
- vii. Provide support and educational activities and to monitor legislative and regulatory activities and proposed policy changes related to enhancing access

to affordable/ attainable housing at the county, state and federal levels. Ensure that the Parties to this Agreement have a strong Pierce County voice in federal, state and regional decision making regarding affordable/attainable housing programs, policy and funding.

- viii. After the Housing Capital Fund is created, develop and carry out procedures for monitoring of affordable/attainable units and to administer direct service housing programs on behalf of any Party. Such direct service housing programs may include but are not limited to relocation assistance programs, rent voucher and/or deposit loan programs.
- ix. Work directly with other public and private entities for the development of affordable/attainable housing policies and encourage the provision and preservation of affordable/attainable housing.
- x. Work with the Advisory Board appointed under this Agreement and Pierce County agencies and organizations working on regional housing stability and access to affordable and attainable housing, identify trends and promising practices, and mobilize those agencies and organizations to support Pierce County positions in regional, state and federal decision-making forums.
- xi. Support public and private fundraising efforts of public and private entities (including non-profit corporations) to raise funds to carry out the purposes of this Agreement. Enter into agreements with those entities for the use of such funds in order to carry out the purposes of this Agreement.
- xii. As directed by the Executive Board, accept public and private funding, invest those funds in accordance with State law, and take other appropriate and necessary action to carry out the purposes of this Agreement.

5. EXECUTIVE BOARD.

a. Membership. SSHA³P will be governed by an Executive Board composed of individuals who have authority to make decisions on the Board on behalf of their governments.

- For cities/towns: Members will either be Mayors or, as designated by the Mayor, Council members or a City Manager/Administrator.
- For tribes: Members will be the Tribal Council Chair or a member of the Tribal Council as designated by the Chair.
- For the county: Members will be the County Executive, and the County Council Chair (or their designee).

Each Party will have one vote on the Executive Board.

Municipalities, local governments, tribes and public agencies within the Area of Activity may become Parties to this Agreement with representation on the Executive Board described in this Section 5, upon satisfaction of the requirements of Section 20.

The Executive Board will administer this cooperative undertaking under the terms of this Agreement and under any procedures adopted by the Executive Board.

b. Officers. The Chair and Vice Chair of the Executive Board will be elected by the members of the Board from the Board membership. The Chair, or in their absence the Vice Chair, will preside over all meetings of the Executive Board; and will, in the absence of an Executive Manager provided for in Section 6 of this Agreement, process issues, organize meetings and provide for administrative support as required by the Executive Board. The Chair will serve a one-year term, but may be reelected by the Executive Board for one additional term.

c. Alternate Member. Each member of the Executive Board may designate one alternate member who will serve in the place of the member on the Executive Board during the member's absence from a meeting. Notice of the designation will be provided to the Chair of the Executive Board. An alternate member may only vote on behalf of the Party if the Chair has received written notice of the alternate's appointment. It is not intended that alternates will serve on the Board in an ongoing capacity.

d. Powers. It is intended that the Executive Board will serve as a decision-making body for SSHA³P. The Executive Board will have the power to (1) develop and approve an annual budget and annual work plan for SSHA³P and oversee the management of the SSHA³P Fund; (2) adopt procedures for the administration of

SSHA³P (including securing any necessary legal counsel as needed) and for the conduct of meetings; (3) make recommendations to the Parties concerning planning, policy, programs and the funding of projects to enhance access to affordable/attainable housing; (4) establish policies for the expenditure of SSHA³P budgeted items; (5) work with the designated Administering Agency (see Section 6) to carry out the terms of this Agreement; (6) establish a special fund with the Administering Agency as authorized by RCW 39.34.030, to be known as the "Operating Fund of the SSHA³P Executive Board" ("SSHA³P Fund") within which Fund may be established various accounts and subaccounts including but not limited to a "SSHA³P Operating Account" (into which will be deposited funding for the SSHA³P operating budget) and a "Housing Capital Funds Account"; (7) hold regular meetings on those dates and at those places as the Executive Board may designate; (8) direct the Administering Agency to enter into contracts and agreements for the provision of personnel and other necessary services to SSHA³P, including accounting and legal services and the purchase of insurance, and authorize the Administering Agency to execute such other contracts, agreements or other legal documents necessary with public and private entities for SSHA³P to carry out its purposes; (9) establish the responsibilities for the SSHA³P Executive Manager, direct and oversee the Administering Agency in the hiring process and performance review for that position and direct and oversee the activities of the SSHA³P Executive Manager; (10) create a recruitment process and appoint members of the Advisory Board; (11) assist with incorporating and/or work with a non-profit corporation to accept grants, donations and other funds on behalf of SSHA³P and direct the Administering Agency to enter into contracts or other agreements with such agency for the use of those funds to carry out the purposes of this Agreement; and (12) take whatever other action is necessary to carry out the purposes of this Agreement.

6. ADMINISTRATION AND OVERSIGHT. The Executive Board will have final decision-making authority on behalf of SSHA³P over all legislative and administrative matters within the scope of this Agreement. The Executive Board may delegate responsibility for general oversight of the operations of SSHA³P to an Executive Manager. The SSHA³P Executive Manager will submit quarterly budget performance and progress reports on the status of the work program elements to the Executive Board and annually to the legislative body of each Party. The reports and their contents will be in a form acceptable to the Executive Board.

Pierce County will be the SSHA³P Administering Agency serving as the fiscal agent (in accordance with the requirements of chapter

39.34 RCW) and providing administrative support services. To change the Administering Agency, the Executive Board will, by two-thirds supermajority vote, designate one or more of the Parties to serve as the Administering Agency. Each Party that serves in the capacity of Administering Agency hereby agrees to comply with the terms of this Agreement applicable to the Administering Agency in order to permit SSHA³P to carry out its purposes. SSHA³P will be staffed with personnel funded by the Parties and/or independent contractors contracting with the Administering Agency on behalf of SSHA³P.

Any Party providing personnel to SSHA³P will remain solely responsible for the continued payment of all compensation and benefits to those personnel as well as for any worker's compensation claims. All Parties will cooperate fully in assisting SSHA³P to provide the services authorized in this Agreement.

7. MEETINGS OF EXECUTIVE BOARD.

a. Frequency. The Executive Board will meet as often as it deems necessary, but not less often than quarterly.

b. Quorum. A quorum at any meeting of the Executive Board will consist of the Board members (or alternates) who represent a simple majority of the Board's membership. Executive Board members (or alternates) may participate in any meeting by phone and/or video conferencing for all purposes, including but not limited to voting and establishing a quorum.

c. Action. No action may be taken except at a meeting where a quorum exists. Action by the Executive Board requires an affirmative vote by a majority of the Board's membership, provided however, that a supermajority (two-thirds of Board members) will be required to change the Administering Agency, or to modify the proposed contribution methodology for dues and assessments (see Section 15). Official action by the Executive Board may be conducted by motion, resolution, declaration, or such means as determined to be necessary by the Executive Board in their procedures for conducting meetings (referred to in 5.d above), provided however, changing the Administering Agency or Agencies shall be completed by resolution. All official action of the Executive Board shall be recorded in its official minutes. Each Executive Board member, or his or her alternate, will have one vote on any proposed action; except that shared member voting shall be in accordance with the Executive Board's approval under Section 5 (a). Proxy voting will not be allowed. To the extent applicable to meetings of the Executive Board, the Executive Board will comply

with applicable requirements of the Washington State Open Public Meetings Act (chapter 42.30 RCW).

8. ADVISORY BOARD.

a. Purpose and Role. The Executive Board will create an Advisory Board to provide advice and recommendations on the work of SSHAP. Specific objectives shall be to advise the Executive Board regarding: assessment of affordable/attainable housing needs for different populations in Pierce County; the development of policies and/or funding resources to meet those needs; the priorities for allocation of future SSHAP capital resources to create or preserve access to affordable/attainable housing; input on program design and development related to housing affordability and stability; suggested approaches to federal, state and regional legislative advocacy; and providing support for public education and community outreach activities. The Advisory Board will be created before the end of the first year of SSHAP operations (with the start of the year defined as the hiring of the SSHAP Executive Manager).

b. Membership. The Advisory Board will consist of not more than twenty (20) and not less than fifteen (15) community members and/or key stakeholders. The Executive Board will appoint members to the Advisory Board. Appointed members must have knowledge and understanding of affordable/attainable housing and be committed to the furtherance of improving access to affordable/attainable housing for all in Pierce County. Membership should reflect a geographic diversity of Pierce County cities, towns, tribes and unincorporated areas. Membership will reflect one-third consumers of affordable/attainable housing (rental and ownership housing), one-third developers, designers, planners of affordable/attainable housing, and one-third advocates and advisors who work on land use and housing issues.

c. Terms. Appointments will be for a three-year term with service limited to a total of two consecutive terms. When the Advisory Board is created, the initial terms of members shall be staggered as follows:

- One-third shall be appointed for a one-year term
- One-third shall be appointed for a two-year term
- One-third shall be appointed for a three-year term

The membership categories of the Advisory Board, described in section 8.b above, will be evenly distributed across the three initial terms.

d. Recruitment and Termination. The Executive Board will adopt procedures for the recruiting, convening and administration of the Advisory Board. A member may be removed from the Advisory Board by the Executive Board with or without cause on a majority vote of membership of the Executive Board.

e. Officers. When the Advisory Board has been duly created, the members shall elect a Chair and Vice Chair, who will be responsible for working with the SSHA^{3P} Executive Manager to set agendas and facilitate meetings.

f. Conflict of Interest. No member of the Advisory Board may vote on a Board recommendation if the result would financially benefit an agency or organization of which the Member is a decision-making officer, or is in a position of authority or responsibility. It is the responsibility of each Board Member to declare potential conflicts of interest. The Chair shall be responsible for mediating differences of opinion on these matters as they may arise.

9. MEETINGS OF ADVISORY BOARD.

a. Frequency. The Advisory Board will meet as often as it deems necessary, but not less often than quarterly.

b. Quorum. A quorum at any meeting of the Advisory Board will consist of the Board members who represent a simple majority of the Board's membership. Advisory Board members may participate in any meeting by phone and/or video conferencing for all purposes, including but not limited to voting and establishing a quorum.

c. Action. No action may be taken except at a meeting where a quorum exists. Action by the Advisory Board requires an affirmative vote by a majority of those members attending a Board meeting where a quorum exists. Official action by the Advisory Board may be conducted by motion, resolution, declaration, or other means as determined to be necessary by the Advisory Board. Proxy voting is not allowed. To the extent applicable to meetings of the Advisory Board, the Advisory Board will comply with applicable requirements of the Washington State Open Public Meetings Act (chapter 42.30 RCW).

10. AGREEMENT DURATION. This Agreement will be in full force and effect for a period commencing as provided in Section 34, and ending December 31, 2023. This Agreement will automatically renew

for successive two-year terms, unless sooner terminated under the provisions of this Agreement.

11. TERMINATION OF AGREEMENT. This Agreement may be terminated at any time by affirmative vote of a majority of the legislative bodies of the Parties to this Agreement.

Upon termination of this Agreement, all property acquired during the life of the Agreement will be disposed of in the following manner:

a. all property contributed without charge by any Party will revert to the contributing Party;

b. all property purchased on behalf of SSHA³P after the effective date of this Agreement will be distributed to the Parties based on each Party's pro rata contribution to the overall budget at the time the property was purchased;

c. except as provided in Subsection d. below, all unexpended or reserve funds will be distributed to the Parties based on each Party's pro rata contribution to the overall budget in effect at the time the Agreement is terminated;

d. all uncommitted monies in the Housing Capital Funds Account will be distributed to the Parties by remitting the total uncommitted amounts remaining in each Party's Individual Account (as described in Section 14) to that Party; and

e. each Party that has funded a project through the Housing Capital Funds Account will be substituted for the Administering Agency with regard to all project financing documents, and the Administering Agency will be released from further obligations with respect thereto.

12. WITHDRAWAL. If a Party wishes to withdraw from participation in this Agreement, it may do so after the initial term if it first gives six months advance written notice to the Executive Board of its intention to withdraw, which notice will be due on or before June 30, 2022. If notice of an intent to withdraw is timely received, withdrawal will be effective as of 11:59 p.m. on December 31, 2023. The initial members of SSHA³P agree they will participate for at least through the first full term of the collaboration.

After December 31, 2023, an opportunity is provided once per year for a Party to withdraw from this Agreement. Under this provision, advance written notice must be provided to the Executive Board on

or before June 30, of its intention to withdraw from participation in the Agreement, effective as of 11:59 p.m. on December 31st of that current year.

Any Party withdrawing from this Agreement will remain legally and financially responsible for any obligation incurred by the Party pursuant to the terms of this Agreement, including but not limited to any project financing documents executed by the Administering Agency on behalf of that Party, during the time the withdrawing Party was a member of SSHA³P. A notice of withdrawal may be revoked by the Party that submitted the notice only by approval of a majority of the Executive Board to accept the revocation. Any Party that provides written notice of its intent to withdraw may continue to vote on all matters before the Executive Board prior to the effective date of its withdrawal, except the budget and work plan for the following year.

13. BUDGET. The fiscal year for SSHA³P will be January 1 to December 31 of any year. The first year budget and anticipated second year budget for SSHA³P are attached to this Agreement as Exhibit B and incorporated herein by this reference. Approval of this Agreement by the legislative body of each Party includes approval of the SSHA³P budgets through the first full term of the agreement. For subsequent years, on or before July 1st of each year, a recommended operating budget for SSHA³P for the following budget year will be prepared, reviewed and recommended by the Executive Board and transmitted to each Party. The recommended operating budget will contain an itemization of all categories of budgeted expenses and will contain an itemization of the amount of each Party's contribution, including in-kind services, toward that budget. Contributions to the SSHA³P annual budget may also come from other public or private entities. The Executive Board will approve acceptance of those contributions.

a. No recommended budget will become effective until approved by the legislative body of each Party and adopted by the Executive Board, except for SSHA³P's first full term (2021, 2022 and 2023). Once the legislative body of each Party has approved its contribution to SSHA³P, either separately or through its budget process, and the SSHA³P budget has been adopted by the Executive Board, each Party will be obligated to make whatever contribution(s) is budgeted for that Party. If a Party does not approve the budget in a timely manner, the Executive Board may adopt the annual budget and work plan with a two-thirds majority vote.

b. Each Party's contribution(s) will be transmitted to SSHA³P on an annual basis no later than the end of the first quarter of each calendar year, unless otherwise provided in the budget document. Each Party will specify the amount of its contribution to be deposited by the Administering Agency into the SSHA³P Operating Account, as well as the amount, *if any*, to be deposited into the Party's Individual Account within the SSHA³P Housing Capital Funds Account established by Section 14.

c. If any Party is delinquent by more than three months in the payment of its approved operating budget contribution to the SSHA³P Operating Account, that Party will not be entitled to vote on matters before the Executive Board until the delinquency has been paid. A Party's decision not to contribute funds to its Individual Account, or its delinquency in funding the same will not affect that Party's voting rights on the Executive Board.

14. HOUSING CAPITAL FUNDS ACCOUNT ESTABLISHED; PROCEDURES FOR ADMINISTERING HOUSING CAPITAL FUNDS ACCOUNT CONTRIBUTIONS. If authorized by resolution of the Executive Board, the Administering Agency may establish and maintain an account within the SSHA³P Fund for the purpose of administering the contributions of Parties, or other public or private entities, to affordable/attainable housing projects and programs, to be known as the SSHA³P Housing Capital Funds Account. The amounts in the Housing Capital Funds Account will be held and disbursed by the Administering Agency as described in this Agreement.

a. Within the Housing Capital Funds Account, a sub-account will be established for each Party to this Agreement that chooses to contribute to the Housing Capital Funds Account. Such sub-accounts are collectively referred to as the "Individual Accounts." Contributions to an Individual Account from a Party may be released only upon, and in accordance with, the written direction of that Party.

b. A subaccount will be established within each Individual Account for each project or program funded in whole or part by a Party from its Individual Account. Such sub-accounts are referred to as "Project Accounts."

c. The Administering Agency will maintain records sufficient to separately track the deposits, withdrawals and interest earnings, within each Individual Account and each Project Account, and will provide quarterly reports to all Parties as to the status of funds in each Individual Account and Project Account. The Administering Agency's responsibilities under this Section may

be delegated to the SSHA^{3P} Executive Manager to the extent consistent with applicable law and as the Administering Agency and Executive Board may agree.

d. Funds transmitted to SSHA^{3P} for deposit in the Housing Capital Funds Account will be held by the Administering Agency on behalf of SSHA^{3P} until directed for application by the contributing Party (as described in 14.a. above). Uncommitted funds in an Individual Account will be remitted to the contributing Party within 45 days of receipt of written request from the Party signed by its chief executive officer, or upon the Party's withdrawal from SSHA^{3P} in accordance with the terms of Section 12, or on the dissolution of SSHA^{3P} per Section 11.

e. Funds held by the Administering Agency on behalf of SSHA^{3P} will be subject to laws applicable to public funds, including but not limited to limitations on investments for public funds as provided in State law and the State constitutional limitations on the gifting of public funds. Investment earnings will be credited to each Individual Account and Subaccount on a pro rata basis.

f. The Executive Board will develop standard forms of approvals and agreements to be used in the application of funds contributed to the Housing Capital Funds Account (collectively referred to as "project financing documents"), consistent with the following goals and procedures:

- i. The SSHA^{3P} Executive Board will authorize the application of specified amounts of Individual Account monies to projects or programs consistent with the purpose of the SSHA^{3P} Capital Fund, and will authorize and direct the SSHA^{3P} Executive Manager, and the Administering Agency to take such actions as necessary to accomplish this. At least two weeks prior to the Executive Board action they will notify the individual parties whose funds will be used for such projects or programs of the various terms to accompany their authorizations, and will at a minimum include terms related to:
 1. amount of funds allocated;
 2. project description, including minimum affordability requirements, if any;
 3. nature of the funding commitment (loan, grant, or other);
 4. in the event the funding commitment is provided as a loan, the general repayment terms including

- but not limited to the term of the loan and applicable, interest rate(s); and
5. a general description of the security interests, if any, to be recorded in favor of the Party.
- ii. For each individual housing project or program to be funded through the Housing Capital Funds Account, the developer, owner or administrator of such project or program (generally referred to as the "developer"), will enter into the necessary set of agreements (project financing documents) with the Administering Agency. The project financing documents will specify that the Administering Agency is acting as administering agency on behalf of each Party that is providing Housing Capital Funds Account funding to the project or program pursuant to this Agreement and RCW 39.34.030(4), and will identify each participating funding Party. The project financing documents will be consistent with general forms of agreement approved by the Executive Board and the terms and conditions approved by the legislative bodies of the funding Parties. To the extent permitted by law, the project financing agreements will incorporate all terms and conditions relative to the use and (if applicable) repayment of such funds, and provide for transfer of the Housing Capital Funds Account monies from the funding Parties to the developer.
 - iii. Funding contributions to, and repayments (if any) from, specific projects and programs will be recorded by the Administering Agency, including recording of monies deposited and withdrawn from each Party's Individual Account and Project Accounts. Repayments (if any) under any project financing agreement will be applied *pro rata* to the funding Parties' Individual Accounts based on the ratio of funding contributed to the project by each Party, unless the funding Parties otherwise agree.
 - iv. Unless the Parties funding a project or program through the Housing Capital Funds Account otherwise agree, a default, termination or other action against a developer or other third party may be declared only after securing approval in writing of the chief executive officers of funding Parties which together have contributed not less than 51%

of the total SSHA^{3P} member funding to the project. The Administering Agency will provide reasonable notice and information regarding the status of projects as necessary to each funding Party's chief executive officer to allow them to make a timely decision in this regard. Funding Parties not consenting to such default, termination or other action will be bound by the decision of the majority. All funding Parties will be obligated on a pro rata basis (based on their contributions to the project) to pay to the Administering Agency its reasonable costs and expenses incurred as a result of declaring a default, terminating an agreement or taking other action against a developer or other third party. Any funds recovered through such enforcement proceedings will be allocated to the funding Parties Individual Accounts pro rata based on their respective funding contributions to a project.

- v. The Executive Board may from time to time authorize the Administering Agency to administer housing project agreements entered into before the effective date of this Agreement, upon terms consistent with this Agreement and subject to the consent of the Administering Agency and the Parties to such agreements.

15. DUES, ASSESSMENTS AND BUDGET AMENDMENTS. Contributions to the SSHA^{3P} Operating fund will be based on groupings of like-sized cities (based on population), or whatever contribution methodology is approved by a two-thirds majority of the Executive Board. Funding for the activities of SSHA^{3P} will be provided solely through the budgetary process. Unless otherwise specified in this Agreement, no dues, charges or assessments will be imposed or required of the Parties except upon unanimous vote of the membership of the Executive Board and ratification by the legislative body of each Party subject to the dues, charges or assessments. An approved budget (the overall revenues and expenditures) will not be modified until approved by the legislative body of each Party and finally adopted by the Executive Board. If a Party agrees to totally fund an additional task to the work program, not currently approved in the budget, the task may be added to the work plan and the budget amended to reflect the funding of the total cost of such task by the requesting Party, upon approval by a majority of the membership of the Executive Board without approval by the individual Parties. Notwithstanding

the foregoing, contributions by a Party to its Individual Account within the Housing Capital Funds Account will be solely within the discretion of that Party and are not considered "dues or assessments."

16. PUBLIC RECORDS REQUESTS. Records of SSHA³P will be held by the Administering Agency, in addition to any records the Parties themselves may retain concerning their participation in SSHA³P. These records may include meeting agendas, meeting summaries, reports, plans, budgets, and other documents.

When a Party receives a request for records that may be held by the Administering Agency, the Party will refer the request to its own Executive Board member. The Party's Executive Board member will then work with the Administering Agency to gather all responsive records. The Party receiving the request should work with its own public records staff (if any) to describe the request with sufficient specificity to allow the Administrative Agency to identify and provide the records being sought. If any clarification of the request is required, the Party receiving the request will obtain that clarification from the requester. All communication with the requester will be by the Party to whom the request was submitted.

In consultation with the Administering Agency, it will be the responsibility of the Party to whom the request for records was made to estimate the time it will need to produce responsive records, determine which records are responsive to the request, and address any redactions permitted by law. The Party that receives the request will bear the responsibility of complying with the Public Records Act in relation to its public records.

Nothing in this Section is intended to require a Party to collect or produce records that are not prepared, owned, used, or retained by that Party as contemplated by the Public Records Act.

17. INDEMNIFICATION AND HOLD HARMLESS.

a. Each Party will indemnify, defend and hold other Parties (including without limitation the Party serving as, and acting in its capacity as, SSHA³P's Administering Agency), their officers, officials, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of that Party's wrongful acts or omissions in connection with the performance of its obligations under this Agreement, except to the extent the injuries or damages are caused by another Party. If there is any recovery under this Section, the

Party responsible for any wrongful acts or omissions will pay any judgment or lien arising from the acts or omissions, including all costs and other Parties' reasonable attorney's fees. If more than one Party is held to be at fault, the obligation to indemnify and to pay costs and attorney's fees, will be only to the extent of the percentage of fault allocated to each respective Party by a final judgment of the court.

b. If a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of a Party (including without limitation the Party serving as, and acting in its capacity as, SSHA³P's Administering Agency), its officers, officials, employees, and volunteers, the Party's liability hereunder will be only to the extent of the Party's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Party's waiver of immunity under Industrial Insurance Title 51 RCW, solely for the purpose of this indemnification. This waiver has been mutually negotiated by the Parties. The provisions of this Section will survive the expiration or termination of this Agreement.

c. Each Party (including without limitation the Party serving as, and acting in its capacity as, SSHA³P's Administering Agency) will give the other Parties proper notice of any claim or suit coming within the purview of these indemnities.

18. INSURANCE. The Executive Board, SSHA³P Executive Manager and the Administering Agency will take such steps as are reasonably practicable to minimize the liability of the Parties associated with their participation in this Agreement, including but not limited to the utilization of sound business practice. The Executive Board will determine which, if any, insurance policies may be reasonably practicably acquired to cover the operations of SSHA³P and the activities of the Parties pursuant to this Agreement (which may include general liability, errors and omissions, fiduciary, crime and fidelity insurance), and will direct the acquisition of same.

19. AMENDMENTS. Any amendments to this Agreement must be in writing. This Agreement may be amended upon approval of at least two-thirds of the legislative bodies of all Parties to this Agreement, evidenced by the authorized signatures of those Parties as of the effective date of the amendment. However, any amendment to this Agreement affecting the terms and conditions of membership

on the Executive Board, powers of the Executive Board, voting rights of Executive Board members, Party contribution responsibilities, hold harmless and indemnification requirements, provisions regarding duration, termination or withdrawal, or the conditions of this Section will require consent of the legislative authorities of all Parties. This Section will not be construed to require amendment of this Agreement for the addition of a new Party contemplated under Section 20 or for any related revision to Executive Board membership authorized in Section 5(a) or Advisory Board membership in Section 8(b). The Executive Board will review this Agreement, no less than every five years, to determine if any amendments or modifications are needed.

20. ADDITIONAL PARTIES. Municipalities, local governments, tribes, and public agencies within the SSHA³P Area of Activity may, on execution of the Agreement and approval of the budget and work plan by its legislative body, become a Party to this Agreement on affirmative vote of at least fifty percent of the Executive Board. The Executive Board will determine by a vote of at least fifty percent of its membership what, if any, funding obligations the additional Party will commit to as a condition of becoming a Party to this Agreement.

21. SEVERABILITY. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Agreement, will not affect the validity of the remaining provisions of the Agreement.

22. CONFLICT RESOLUTION. Whenever any dispute arises between the Parties or between a Party or Parties, the Executive Board, or the Administering Agency (referred to collectively in this Section as the "Parties") under this Agreement which is not resolved by routine meetings or communications, the parties agree to seek resolution of such dispute in good faith by meeting, as soon as feasible. The meeting will include the Chair of the Executive Board, the SSHA³P Executive Manager, and the representative(s) of the Parties involved in the dispute. If the parties do not come to an agreement on the dispute, any party may pursue mediation through a process to be mutually agreed to in good faith between the parties within 30 days, which may include binding or nonbinding decisions or recommendations. The mediator(s) will be individuals skilled in the legal and business aspects of the subject matter of this Agreement. The parties to the dispute will share equally the costs of mediation and assume their own costs.

23. SURVIVABILITY. Notwithstanding any provision in this Agreement to the contrary, the provisions of Section 10 (Agreement

Duration), Section 11 (Termination of Agreement), Section 12 (Withdrawal), Section 16 (Public Records Requests), and Section 17 (Indemnification and Hold Harmless) will remain operative and in full force and effect, regardless of the withdrawal or termination of any Party or the termination of this Agreement.

24. WAIVER. No term or provision of this Agreement will be deemed waived and no breach excused unless that waiver or consent is in writing and signed by the Party claimed to have waived or consented.

25. SUBSEQUENT BREACH. Waiver of any default will not be deemed a waiver of any subsequent default. Waiver of breach of any provision of this Agreement will not be deemed to be a waiver of any other or subsequent breach and will not be construed to be a modification of the terms of the Agreement unless stated to be such through written approval of all Parties.

26. NOTICE. Any notice to the Executive Board will be in writing and will be addressed to the Chair of the Executive Board and to the SSHA^{3P} Executive Manager. In the absence of a SSHA^{3P} Executive Manager, notice will be given to the chief executive officer of the Administering Agency. Any notice to an Officer or Party will be sent, to the address specified by the chief executive officer of the Party.

27. ASSIGNMENT. No Party may sell, transfer or assign any of its rights or benefits under this Agreement without Executive Board approval.

28. APPLICABLE LAW AND VENUE. This Agreement and any rights, remedies, or obligations provided for in this Agreement will be governed, construed, and enforced in accordance with the substantive and procedural laws of the State. The Parties agree that the venue for any legal action under this Agreement is in the County in which a project is located, provided that the venue for any legal action against Pierce County may be filed in accordance with RCW 36.01.050.

29. RETAINED RESPONSIBILITY AND AUTHORITY. Parties retain the responsibility and authority for managing and maintaining their own internal systems and programs related to affordable/attainable housing activities.

30. INDEPENDENT CONTRACTORS. Each Party to this Agreement is an independent contractor with respect to the subject matter of this Agreement. No joint venture or partnership is formed as a

result of this Agreement.

Nothing in this Agreement will make any employee of one Party an employee of another party for any purpose, including, but not limited to, for withholding of taxes, payment of benefits, worker's compensation pursuant to Title 51 RCW, or any other rights or privileges accorded by virtue of their employment. No Party assumes any responsibility for the payment of any compensation, fees, wages, benefits or taxes to or on behalf of any other Party's employees. No employees or agents of one Party will be deemed, or represent themselves to be, employees of another Party.

31. NO THIRD PARTY BENEFICIARIES. This Agreement is for the benefit of the Parties only, and no third party will have any rights under this agreement.

32. NONDISCRIMINATION. The Parties will comply with the nondiscrimination requirements of applicable federal, state and local statutes and regulations.

33. COUNTERPARTS. This Agreement may be signed in counterparts and, if so signed, will be deemed one integrated Agreement.

34. FILING AND EFFECTIVE DATE; PRIOR AGREEMENTS. This Agreement will become effective (Date of Execution), subject to its approval by the legislative bodies of all jurisdictions who are members of SSHA^{3P} as of (Date of Execution), and, pursuant to RCW 39.34.040, upon recording this Agreement or posting this Agreement on a Party's web site or other electronically retrievable public source. Although this Agreement may be approved and signed by a Party after the Agreement's effective date, all acts consistent with the authority of this Agreement that occur on or after , (Date of Execution), are hereby ratified and affirmed, and the terms of this Agreement will be deemed to have applied.

(Signature Page Follows)

Approved and executed this _____ day of _____, 2019.

Name of Party: _____ Approved as to form

By: _____ City Attorney
Its: _____

Exhibit A - SSHA³P Area of Activity (Map)



NOTE: Per Steering Committee recommendation Area of Activity should be the entire county. Final IGA will include clearer map.

NOTE: The following budgets are draft and won't be finalized until the final number of member governments are identified. The numbers may also change depending the amount of outside revenue raised.

The following provides draft budgets for years 1 (6 months of operations) 2 and 3. There are two scenarios: one in which ten governments participate and the other in which 14 governments participate. If a government is not listed on the draft budgets the annual dues can be estimated based on the dues for another government with a similar population.

DRAFT BUDGET PROPOSAL (10 Governments)

YEAR 1 (2021) - 1 FTE

Funding for 6 Months Operations

Annual Expense Budget

| | | |
|---|-----------|----------------|
| Full-time manager with salary/taxes/benefits | \$ | 154,000 |
| Administrative & policy support with salary/taxes/benefits (3 months) | \$ | - |
| Expenses - travel, phone, postage | \$ | 12,000 |
| Space | \$ | 12,000 |
| SubTotal | \$ | 178,000 |
| <i>10% Overhead/Administration Fee</i> | <i>\$</i> | <i>17,800</i> |
| TOTAL | \$ | 195,800 |
| Cost for 6 months of Operations: | \$ | 97,900 |

Revenue Budget

| | | |
|--|-----------|---------------|
| Outside sources* (Philanthropy, aligned organizations) | \$ | 7,500 |
| Office Space (in-kind donation) [Pro-rated] | \$ | 6,000 |
| Shared among participating governments (see below) | \$ | 84,400 |
| TOTAL | \$ | 97,900 |

Shares for participating governments:

| | Population (OFM 2020 est) | % of Population | Grouped by Population Size |
|---------------------------------|------------------------------|-----------------|-------------------------------|
| Auburn | 9,980 | 1% | \$ 1,750 |
| Fife | 10,200 | 1% | \$ 1,750 |
| Gig Harbor | 11,240 | 1% | \$ 1,750 |
| Lakewood | 60,030 | 8% | \$ 8,000 |
| Puyallup | 42,700 | 5% | \$ 6,000 |
| Puyallup Tribe | 6,000 | 1% | \$ 1,000 |
| Steilacoom | 6,505 | 1% | \$ 1,000 |
| Sumner | 10,360 | 1% | \$ 1,750 |
| Tacoma | 213,300 | 27% | \$ 20,000 |
| Unincorporated Pierce Co | 426,200 | 54% | \$ 42,500 |
| TOTAL | 796,515 | | \$ 85,500 |

DRAFT STRAW PROPOSAL (10.26.20)

YEAR 2 (2022) - 1.5 FTE

10 Governments Providing Full Year of Operations Funding

Annual Expense Budget

| | | |
|---|-----------|----------------|
| Full-time manager with salary/taxes/benefits/inflation for 2nd year | \$ | 159,390 |
| Administrative & policy support with salary/taxes/benefits/inflation 2nd yr | \$ | 67,636 |
| Expenses - travel, phone, postage | \$ | 12,000 |
| Space | \$ | 12,000 |
| SubTotal | \$ | 251,026 |
| <i>10% Overhead/Administration Fee</i> | <i>\$</i> | <i>25,103</i> |
| TOTAL | \$ | 276,128 |

Revenue Budget

| | | |
|---|-----------|----------------|
| Outside sources (Philanthropy, aligned organizations) | \$ | 15,000 |
| Office Space (in-kind donation) | \$ | 12,000 |
| Shared among participating governments (see below) | \$ | 249,128 |
| TOTAL | \$ | 276,128 |

Shares for participating governments:

| | Population (OFM 2020 est) | % of Population | Grouped by Population Size |
|---------------------------------|------------------------------|-----------------|-------------------------------|
| Auburn | 9,980 | 1% | \$ 4,500 |
| Fife | 10,200 | 1% | \$ 4,500 |
| Gig Harbor | 11,240 | 1% | \$ 4,500 |
| Lakewood | 60,030 | 8% | \$ 20,000 |
| Puyallup | 42,700 | 5% | \$ 15,000 |
| Puyallup Tribe | 6,000 | 1% | \$ 3,000 |
| Steilacoom | 6,505 | 1% | \$ 3,000 |
| Sumner | 10,360 | 1% | \$ 4,500 |
| Tacoma | 213,300 | 27% | \$ 65,000 |
| Unincorporated Pierce Co | 426,200 | 54% | \$ 130,000 |
| TOTAL | 796,515 | | \$ 254,000 |

YEAR 3 (2023) - 1.5 FTE
10 Governments Providing Full Year of Operations Funding

Annual Expense Budget

| | | |
|---|-----------|----------------|
| Full-time manager with salary/taxes/benefits/inflation for 3rd year | \$ | 164,969 |
| Administrative & policy support with salary/taxes/benefits/inflation 3rd yr | \$ | 70,003 |
| Expenses - travel, phone, postage | \$ | 12,000 |
| Space | \$ | 12,000 |
| SubTotal | \$ | 258,972 |
| <i>10% Overhead/Administration Fee</i> | <i>\$</i> | <i>25,897</i> |
| TOTAL | \$ | 284,869 |

Revenue Budget

| | | |
|---|-----------|----------------|
| Outside sources (Philanthropy, aligned organizations) | \$ | 15,000 |
| Office Space (in-kind donation) | \$ | 12,000 |
| Shared among participating governments (see below) | \$ | 257,869 |
| TOTAL | \$ | 284,869 |

Shares for participating governments:

| | Population (OFM 2020 est) | % of Population | Grouped by Population Size |
|---------------------------------|------------------------------|-----------------|-------------------------------|
| Auburn | 9,980 | 1% | \$ 4,658 |
| Fife | 10,200 | 1% | \$ 4,658 |
| Gig Harbor | 11,240 | 1% | \$ 4,658 |
| Lakewood | 60,030 | 8% | \$ 20,700 |
| Puyallup | 42,700 | 5% | \$ 15,525 |
| Puyallup Tribe | 6,000 | 1% | \$ 3,105 |
| Steilacoom | 6,505 | 1% | \$ 3,105 |
| Sumner | 10,360 | 1% | \$ 4,658 |
| Tacoma | 213,300 | 27% | \$ 67,275 |
| Unincorporated Pierce Co | 426,200 | 54% | \$ 134,550 |
| TOTAL | 796,515 | | \$ 262,890 |

DRAFT BUDGET PROPOSAL (14 Governments)
YEAR 1 (2021) - 1 FTE
Funding for 6 Months Operations

Annual Expense Budget

| | | |
|---|-----------|----------------|
| Full-time manager with salary/taxes/benefits | \$ | 154,000 |
| Administrative & policy support with salary/taxes/benefits (3 months) | \$ | - |
| Expenses - travel, phone, postage | \$ | 12,000 |
| Space | \$ | 12,000 |
| SubTotal | \$ | 178,000 |
| <i>10% Overhead/Administration Fee</i> | <i>\$</i> | <i>17,800</i> |
| TOTAL | \$ | 195,800 |
| Cost for 6 months of Operations: | \$ | 97,900 |

Revenue Budget

| | | |
|--|-----------|---------------|
| Outside sources* (Philanthropy, aligned organizations) | \$ | 7,500 |
| Office Space (in-kind donation) [Pro-rated] | \$ | 6,000 |
| Shared among participating governments (see below) | \$ | 84,400 |
| TOTAL | \$ | 97,900 |

Shares for participating governments:

| | Population (OFM 2020 est) | % of Population | Grouped by Population Size |
|--------------------------|------------------------------|-----------------|-------------------------------|
| Auburn | 9,980 | 1% | \$ 1,500 |
| Bonney Lake | 21,390 | 2% | \$ 3,000 |
| Edgewood | 12,070 | 1% | \$ 1,500 |
| Fife | 10,200 | 1% | \$ 1,500 |
| Gig Harbor | 11,240 | 1% | \$ 1,500 |
| Lakewood | 60,030 | 7% | \$ 7,000 |
| Orting | 8,635 | 1% | \$ 1,500 |
| Puyallup | 42,700 | 5% | \$ 5,000 |
| Puyallup Tribe | 6,000 | 1% | \$ 500 |
| Steilacoom | 6,505 | 1% | \$ 500 |
| Sumner | 10,360 | 1% | \$ 1,500 |
| Tacoma | 213,300 | 24% | \$ 18,500 |
| University Place | 33,310 | 4% | \$ 5,000 |
| Unincorporated Pierce Co | 426,200 | 49% | \$ 37,500 |
| TOTAL | 871,920 | | \$ 86,000 |

YEAR 2 (2022) - 1.5 FTE
14 Governments Providing Full Year of Operations Funding

Annual Expense Budget

| | | |
|---|-----------|----------------|
| Full-time manager with salary/taxes/benefits/inflation for 2nd year | \$ | 159,390 |
| Administrative & policy support with salary/taxes/benefits/inflation for 2nd year | \$ | 67,636 |
| Expenses - travel, phone, postage | \$ | 12,000 |
| Space | \$ | 12,000 |
| SubTotal | \$ | 251,026 |
| <i>10% Overhead/Administration Fee</i> | <i>\$</i> | <i>25,103</i> |
| TOTAL | \$ | 276,128 |

Revenue Budget

| | | |
|---|-----------|----------------|
| Outside sources (Philanthropy, aligned organizations) | \$ | 15,000 |
| Office Space (in-kind donation) | \$ | 12,000 |
| Shared among participating governments (see below) | \$ | 249,128 |
| TOTAL | \$ | 276,128 |

Shares for participating governments:

| | Population (OFM 2020 est) | % of Population | Grouped by population size |
|---------------------------------|------------------------------|-----------------|-------------------------------|
| Auburn | 9,980 | 1% | \$ 4,000 |
| Bonney Lake | 21,390 | 2% | \$ 7,000 |
| Edgewood | 12,070 | 1% | \$ 4,000 |
| Fife | 10,200 | 1% | \$ 4,000 |
| Gig Harbor | 11,240 | 1% | \$ 4,000 |
| Lakewood | 60,030 | 7% | \$ 18,000 |
| Orting | 8,635 | 1% | \$ 4,000 |
| Puyallup | 42,700 | 5% | \$ 11,000 |
| Puyallup Tribe | 6,000 | 1% | \$ 2,000 |
| Steilacoom | 6,505 | 1% | \$ 2,000 |
| Sumner | 10,360 | 1% | \$ 4,000 |
| Tacoma | 213,300 | 24% | \$ 58,000 |
| University Place | 33,310 | 4% | \$ 11,000 |
| Unincorporated Pierce Co | 426,200 | 49% | \$ 118,000 |
| TOTAL | 871,920 | | \$ 251,000 |

YEAR 3 (2023) - 1.5 FTE
14 Governments Providing Full Year of Operations Funding

Annual Expense Budget

| | | |
|---|-----------|----------------|
| Full-time manager with salary/taxes/benefits/inflation for 3rd year | \$ | 164,969 |
| Administrative & policy support with salary/taxes/benefits/inflation for 3rd year | \$ | 70,003 |
| Expenses - travel, phone, postage | \$ | 12,000 |
| Space | \$ | 12,000 |
| SubTotal | \$ | 258,972 |
| <i>10% Overhead/Administration Fee</i> | <i>\$</i> | <i>25,897</i> |
| TOTAL | \$ | 284,869 |

Revenue Budget

| | | |
|---|-----------|----------------|
| Outside sources (Philanthropy, aligned organizations) | \$ | 15,000 |
| Office Space (in-kind donation) | \$ | 12,000 |
| Shared among participating governments (see below) | \$ | 257,869 |
| TOTAL | \$ | 284,869 |

Shares for participating governments:

| | Population (OFM 2020 est) | % of Population | Grouped by population size |
|---------------------------------|------------------------------|-----------------|-------------------------------|
| Auburn | 9,980 | 1% | \$ 4,140 |
| Bonney Lake | 21,390 | 2% | \$ 7,245 |
| Edgewood | 12,070 | 1% | \$ 4,140 |
| Fife | 10,200 | 1% | \$ 4,140 |
| Gig Harbor | 11,240 | 1% | \$ 4,140 |
| Lakewood | 60,030 | 7% | \$ 18,630 |
| Orting | 8,635 | 1% | \$ 4,140 |
| Puyallup | 42,700 | 5% | \$ 11,385 |
| Puyallup Tribe | 6,000 | 1% | \$ 2,070 |
| Steilacoom | 6,505 | 1% | \$ 2,070 |
| Sumner | 10,360 | 1% | \$ 4,140 |
| Tacoma | 213,300 | 24% | \$ 60,030 |
| University Place | 33,310 | 4% | \$ 11,385 |
| Unincorporated Pierce Co | 426,200 | 49% | \$ 122,130 |
| TOTAL | 871,920 | | \$ 259,785 |

Presentation for Fircrest City Council

SOUTH SOUND HOUSING AFFORDABILITY PARTNERS

APRIL 19, 2021

BRUCE DAMMEIER - PIERCE COUNTY EXECUTIVE

VICTORIA WOODARDS - TACOMA MAYOR

JOHN HOWELL & MARTY KOOISTRA - CEDAR RIVER GROUP



SOUTH SOUND HOUSING AFFORDABILITY PARTNERS

Shaping Pierce County's Future by Creating Access to Affordable and Attainable Housing

What We Will Cover Today:

How Did We Get Here?

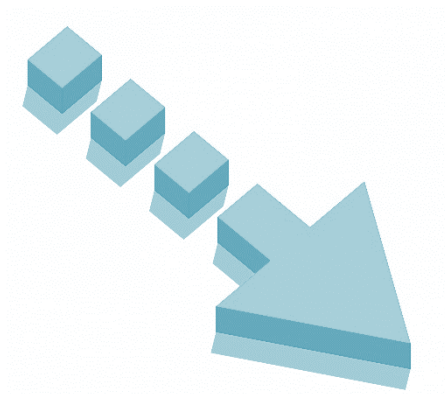
What Would SSHA³P Do and What is its Value?

What Is The Current Status?

What Happens Next?

What Will We Need To Decide?

Discussion and Questions



How Did We Get Here?

The Pierce County Housing Reality



June 15, 2017

We're growing faster than King County — and our rents prove it

Oct 1, 2018

Tacoma's median rent for a two-bedroom apartment matches D.C.'s

The Pierce County Housing Reality (cont.)

Dec 8, 2020

Organizers of a recent forum for the Pacific NorthWest Economic Region (PNWER) said the rise of virtual platforms like Zoom has prompted knowledge workers to flock to “Zoom towns.”

Dec 28, 2020

“Spanaway tops list of toughest places in the US to buy a home.”

Seattle Times

Rent Changes in 2020

As the pandemic drew renters away from central city neighborhoods, rents fell across the Seattle area in 2020. But in some outlying areas, like Puyallup, Federal Way and Auburn, rents rose instead. The prices below are average asking rents for all sizes of apartments.

| AREA | ASKING RENT PER UNIT | YEAR CHANGE |
|-------------------|----------------------|-------------|
| Lake Union | \$2,076 | -14.2% |
| Downtown Seattle | \$2,175 | -12.7% |
| Central Seattle | \$1,670 | -6.8% |
| Ballard | \$1,709 | -6.3% |
| West Seattle | \$1,555 | -6.2% |
| Redmond | \$1,954 | -6% |
| Bellevue | \$2,160 | -5.5% |
| Queen Anne | \$1,728 | -5% |
| Kirkland | \$1,921 | -3.2% |
| South Seattle | \$1,510 | -2.7% |
| Northeast Seattle | \$1,625 | 2.3% |
| North Seattle | \$1,449 | -2.3% |
| Issaquah | \$2,100 | 0.2% |
| Bothell/Kenmore | \$1,833 | 0.3% |
| Lynnwood | \$1,550 | 0.3% |

| AREA | ASKING RENT PER UNIT | YEAR CHANGE |
|--------------------------|----------------------|-------------|
| Renton/Tukwila | \$1,623 | 0.7% |
| Burien/Des Moines/SeaTac | \$1,395 | 1.0% |
| Shoreline | \$1,574 | 1.1% |
| Kent | \$1,543 | 1.3% |
| Everett | \$1,451 | 1.4% |
| Snohomish County | \$1,614 | 3.2% |
| Eastern King County | \$1,920 | 3.3% |
| Federal Way | \$1,447 | 3.5% |
| McChord | \$1,285 | 3.6% |
| Auburn | \$1,419 | 3.8% |
| Gig Harbor | \$1,655 | 3.9% |
| Tacoma | \$1,275 | 4.3% |
| Outlying Pierce County | \$1,611 | 4.9% |
| Puyallup | \$1,439 | 5.7% |

Source: CoStar

MARK NOWLIN / THE SEATTLE TIMES

Home Prices Continue to Rise

Across King, Pierce and Snohomish counties, **Pierce County continues to see the most dramatic price hikes, according to January 2021 data provided by Zillow.**

Prices were up compared to last year,

19.2% in Parkland

17.5% in Tacoma

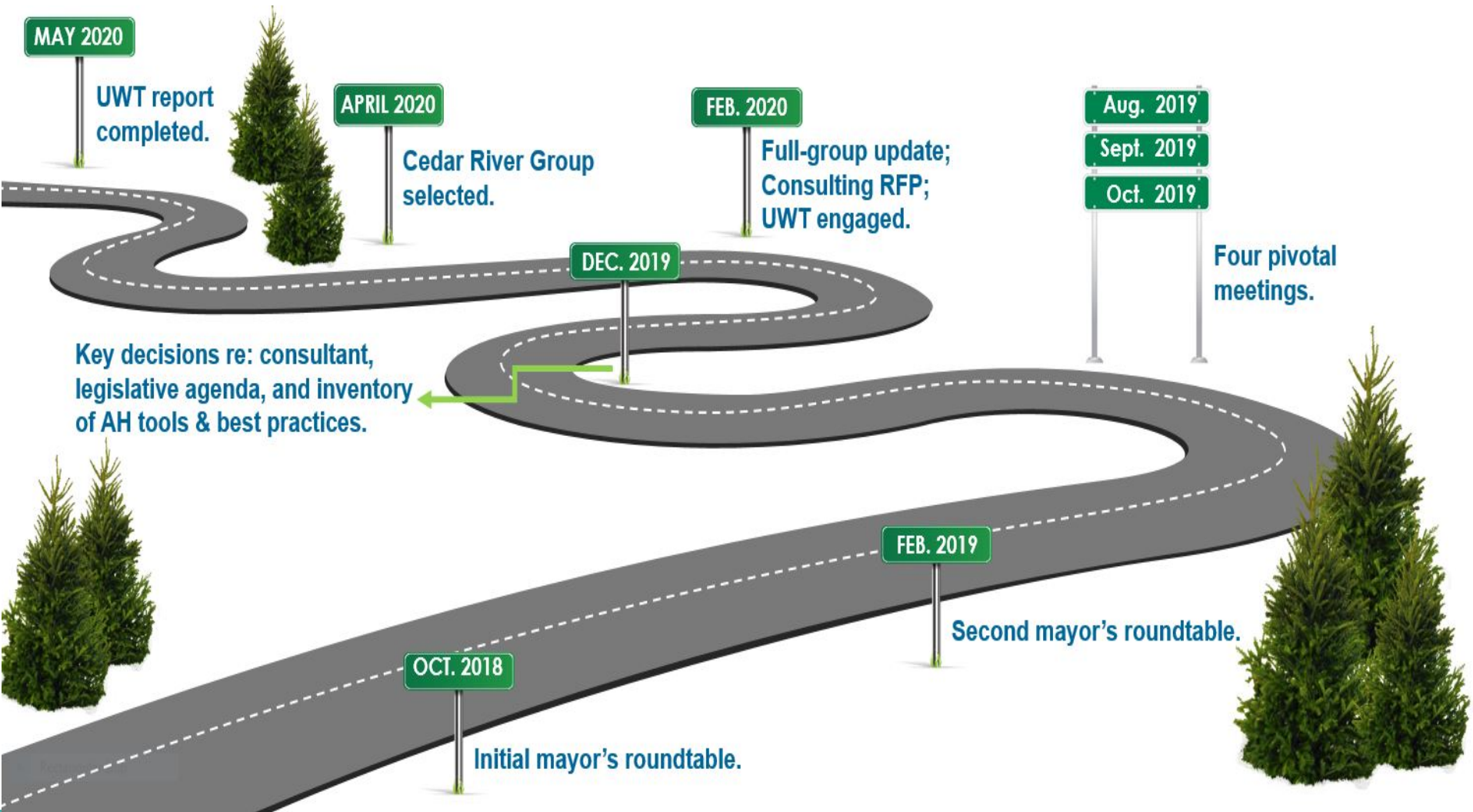
16.9% in Spanaway.



For comparison, increases in home prices in Seattle were 8.7% and about 13% for the surrounding cities of Bothell, Kent and Lynwood.

For the 12th month in a row, only Phoenix outpaced the Seattle area for year-over-year home price growth in January, according to the S&P CoreLogic Case-Shiller Home Price Index released March 30, 2021.

The SSHA³P Journey



Fircrest's Involvement with SSHA³P

- Mayor George has participated in some SSHA³P Full Group meetings in past two years.
- Council briefed by Executive Dammeier about SSHA³P on December 8, 2020.



What Would SSHA³P Do and What is its Value?

The Value of SSHA³P - The Basic Idea

- Creating accessible, affordable and attainable housing is a regional challenge. We have to address this issue across our boundaries.
- We will have more impact on these issues by working closely together.
- By pooling resources we can accomplish much more than any single jurisdiction can accomplish on its own. Proven elsewhere.
- We will have a stronger voice on housing - in Olympia and elsewhere - if we collaborate.

The Value of SSHA³P - Based on a Proven Model

- ARCH - East King County (27 yrs)
 - ❖ Created nearly 8,000 units using capital fund and policy work; \$80 million raised
- AHA - Snohomish County (8 yrs)
 - ❖ Secured capital grant; assist with code changes; research and data support; liaison w/ developers
- SKHHP - South King County (1yr)
 - ❖ Decision to pool 1406 \$; Creating 501c3 to help secure philanthropic support for housing

Options for What SSHA³P Might Do - A Menu!

Work with individual SSHA³P members to:

- Provide solutions to stave off displacement of low-income households and sustain existing homeowners at risk.
- Develop and implement locally supported policies and programs that accelerate access to affordable/attainable housing.
- Design and establish SSHA³P “Housing Capital Fund” to enable development and preservation of affordable/attainable housing.
- Represent governments in Pierce County and their unique housing needs at all applicable “decision tables” and coordinate activities to define a WA State legislative housing agenda.

What SSHA³P Might Do - Some Specific Examples

Help member governments:

- **Create housing units**. Provide resources to build or renovate housing - ongoing program or pilot.
- Research and implement (as approved by local Councils) strategies in their **Housing Action Plans** (i.e. small lot development, fee waivers, ADU's, zoning, etc.)
- Evaluate regulatory framework to create a more **streamlined permitting** process that would make housing development more predictable.
- **Secure grants** for development or rehabilitation of affordable/attainable housing.

What SSHA³P Might Do (cont.)

- SSHA³P members (through the Executive Board) will decide what the annual work plan will be. The possibilities will exceed capacity so a targeted workplan will be created each year.
- The workplan will include a combination of actions that address housing needs for individual members and other tasks that will be applicable for multiple members.
- SSHA³P staff will create service and support plans with each participating government designed around their unique needs.

What SSHA³P Will *Not* Do

- Usurp any government's land use authority
- Duplicate the work already being done by other government or quasi-governmental entities such as PCRC or PSRC
- Become another layer of bureaucracy adding new regulations on affordable/attainable housing development

Each
Government
Is Welcome
To Join

Participation in SSHA³P is
totally **voluntary** (A Coalition
of the Willing)



Process and expectations to
be part of SSHA³P will
reviewed in subsequent
slides



What Is The Current Status?

Governments Considering IGA

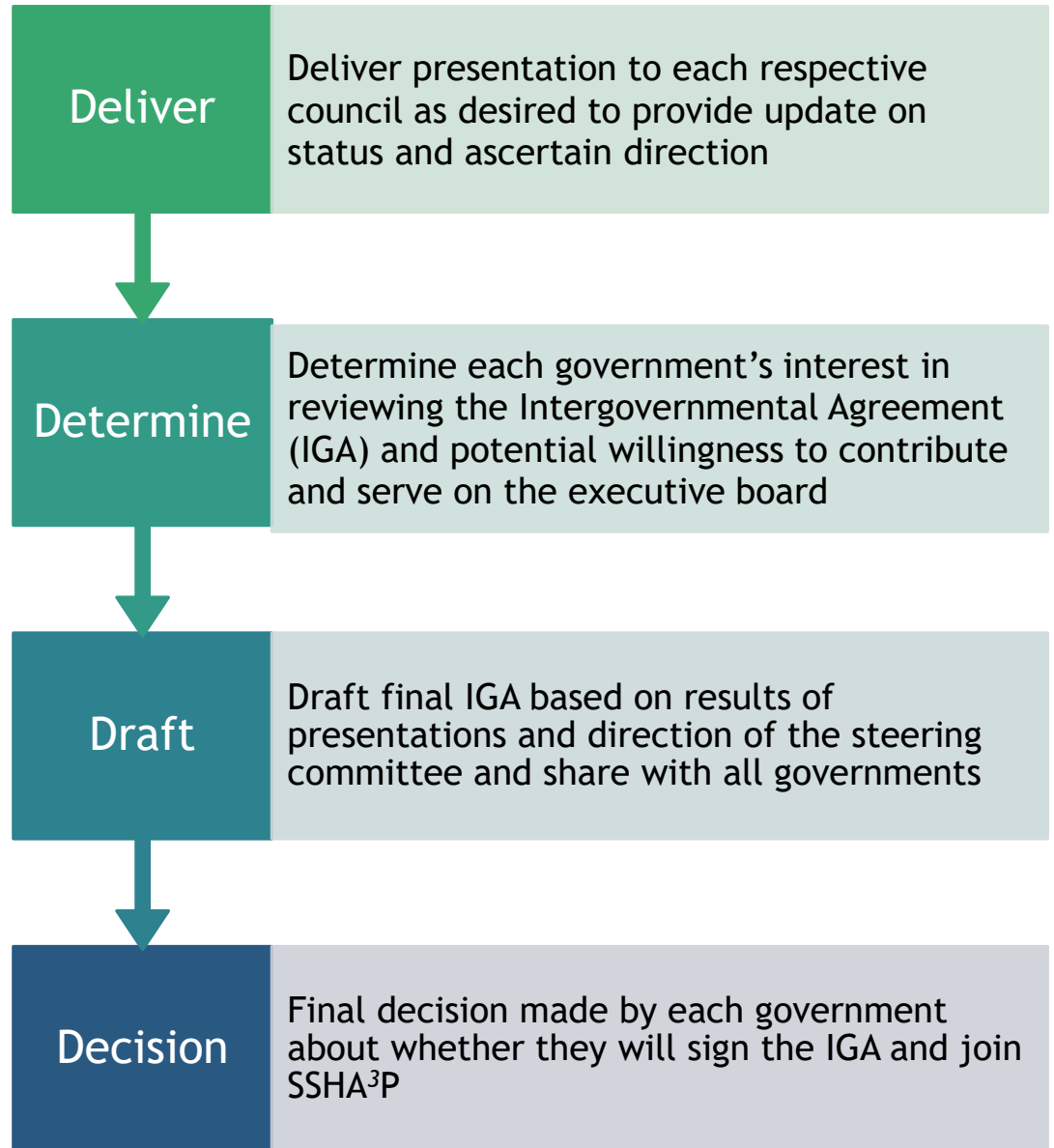
*Logos indicate governments supportive of proceeding to review IGA. Those **without logos** are undecided.*

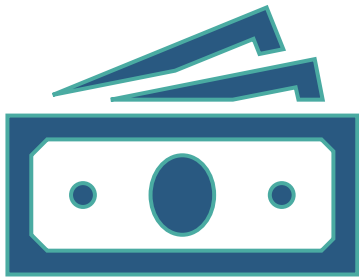
| | | | | |
|--|---|--|---------------------|---|
|  | Bonney Lake | Buckley | Carbonado | Dupont |
| Eatonville |  |  | Fircrest |  |
|  | Milton |  | Pacific |  |
|  |  PUYALLUP TRIBE OF INDIANS | Roy | Ruston | South Prairie |
| Steilacoom |  |  | University Place | Wilkeson |



What Happens Next?

Priority Next Steps





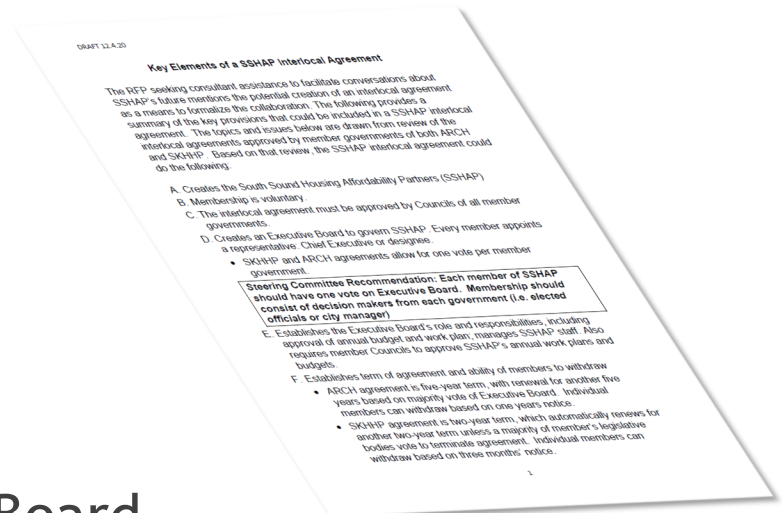
What Will We Need To Decide?

1) Specifics of Intergovernmental Agreement

Details such as:

- Governance
- Voting Rights
- Term of agreement
- Creation of operating fund
- Administrative Agency Role
- Creation of Community Advisory Board
- Potential for a capital fund

**Each government will decide whether to sign the final version.*



2) Financial Commitment

Based on preliminary budget scenarios the annual contribution from Fircrest could be approximately:

\$2,000 to \$3,100

depending on how many governments participate.

Would support SSHA³P staff of 1.5 FTE

DRAFT STRAW PROPOSAL OPTION 1 (11.04.20)

YEAR 1
1 FTE w/ 6 Months Providing 2020 Funding
6 months of Operations 1 FTE

| Shares for participating cities: | Population (OFM 2020 est) | % of Population | Option A: Strict Population | Option B: Grouped by asset |
|----------------------------------|---------------------------|-----------------|-----------------------------|----------------------------|
| Auburn | 9,980 | 1% | 1,057 | 1,750 |
| Elle | 10,255 | 1% | 1,081 | 1,754 |
| Gig Harbor | 11,240 | 1% | 1,191 | 1,750 |
| Lakewood | 60,090 | 6% | 6,361 | 8,000 |
| Puyallup | 42,700 | 4% | 4,525 | 6,000 |
| Puyallup Tribe | 6,000 | 0% | 638 | 1,000 |
| Steilacoom | 10,360 | 1% | 1,098 | 1,750 |
| Sumner | 213,300 | 2% | 22,582 | 29,000 |
| Tacoma | 426,200 | 4% | 45,161 | 62,500 |
| Unincorporated Pierce Co | 796,515 | 8% | 84,020 | 105,000 |
| TOTAL | | | 149,034 | 200,000 |

YEAR 2
Gov'ts Providing 2020 Funding, Full Year of Operations 1 FTE

| Shares for participating cities: | Population (OFM 2020 est) | % of Population | Option A: Strict Population | Option B: Grouped by asset |
|----------------------------------|---------------------------|-----------------|-----------------------------|----------------------------|
| Auburn | 9,980 | 1% | 1,057 | 1,750 |
| Elle | 10,255 | 1% | 1,081 | 1,754 |
| Gig Harbor | 11,240 | 1% | 1,191 | 1,750 |
| Lakewood | 60,090 | 6% | 6,361 | 8,000 |
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| Unincorporated Pierce Co | 796,515 | 8% | 84,020 | 105,000 |
| TOTAL | | | 149,034 | 200,000 |

We Want More of This...

MLK Senior Housing:
Hilltop neighborhood, Tacoma
(Mercy Housing NW)



The Woods at Golden Given:
Midland, unincorporated Pierce Co.
(Tacoma/Pierce Co. Habitat for Humanity)



Gateway by Vintage:
Spanaway
(Vintage Housing)



Windom Oaks:
Lakewood
(Sager Family Homes)





Discussion and Questions

Thank you!