

**DRAFT**

**CITY OF SHORELINE**  
**SHORELINE CITY COUNCIL**  
**SUMMARY MINUTES OF HOUSING WORKSHOP**

Thursday, January 19, 2006  
1:00 p.m.

Shoreline Fire Department Headquarters  
17525 Aurora Avenue N

PRESENT: Mayor Ransom, Deputy Mayor Fimia, Councilmembers Gustafson, McGlashan, and Way

STAFF:

Julie Modrzejewski, Assistant City Manager; Rob Beem, Human Services Manager; George Smith, Human Services Planner; Paul Cohen, Planner; Nora Smith, Neighborhoods Coordinator; Ray Allshouse, Building Official; Joyce Nichols, Communications and Intergovernmental Relations Director; Steve Szafran, Planner; Debbie Tarry, Finance Director; Bethany Wolbrecht-Dunn, Grants Specialist; Joe Tovar, Planning and Development Services Director; and Scott Passey, City Clerk

PANEL MEMBERS:

Andrew Brand, Housing Developer, Lutheran Alliance to Create Housing (LATCH)  
Robin Amadon, Senior Housing Developer, Low Income Housing Institute (LIHI)  
Deborah Gooden, King County Housing Authority, General Manager of Greenbridge Redevelopment Project  
Allan Johnson, Affordable Housing Planner, King County  
Arthur Sullivan, Director, A Regional Coalition for Housing (ARCH)  
Jan Dickerman, Director of Housing and Child Development, Hopelink

1. WELCOME AND PURPOSE

At 1:15 p.m., Ms. Modrzejewski welcomed attendees and reviewed the purpose of the meeting, which is to explore what can be done in Shoreline to meet the housing needs for people with limited incomes. She said this meeting is an opportunity to educate City staff and the Council as they approach the City's goal-setting process.

2. WORKSHOP FORMAT AND INTRODUCTION OF PANEL

Mr. Beem elaborated on the purpose of the meeting and urged attendees to share their recommendations on how the City can maximize its efforts in low-income housing.

Participants then introduced themselves, providing their backgrounds and experience in the area of affordable/low-income housing.

3. REVIEW OF CURRENT HOUSING SITUATION FOR PEOPLE WITH LIMITED INCOMES

Mr. Smith reviewed the current housing situation in Shoreline as provided on the blue handout. He noted that one in five Shoreline residents live at or below the 50% of median income level (the King County average is 22%). He pointed out that people 65 and older make up 14% of the City's population, yet they comprise 43% of the households having less than 30% of median income. He emphasized that the elderly, who play an important role in the functioning of the community, are overrepresented in these figures.

4. DISCUSSION WITH PANEL AND ATTENDEES OF THREE KEY ISSUES

Mr. Beem then led a group discussion focusing on the following questions:

- a) Is Shoreline's situation mostly the same or different from the housing situation of other smaller cities in an urbanized county? If you have attempted a project in Shoreline, were you successful? What, if any, obstacles did you encounter and could the city have done anything differently to assist?
- b) We have developed a list of strategies – based on your experience, which ones are most likely to produce the most units of housing? Have we missed any options?
- c) What's needed to implement these strategies in Shoreline?

Panelists and participants shared the following points:

- 1) According to census figures, household size continues to decrease, as do the number of school enrollments (G. Smith).
- 2) Higher enrollment levels at private schools may partially account for the decrease in public school enrollments. Some figures suggest that 25% of school-age children in Shoreline attend private schools (Ransom).
- 3) There are a number of federal housing options available, such as HUD Section 202 for senior housing. Housing built by non-profit developers can free-up existing housing stock for others. Shoreline could consider the option of accessory dwelling units (ADUs) (Amadon).
- 4) The City of Shoreline allows ADUs; about 14 ADUs have been built in Shoreline in the past five years. Detached ADUs are only allowed on lots in excess of 10,000 square feet, otherwise an ADU must be attached to the principal residence (Cohen).

- 5) Shoreline is a community that is fairly well developed; therefore, Shoreline's GMA growth targets are relatively small compared to existing housing stock and other jurisdictions. However, owner occupancy is relatively high. Shoreline has a high percentage of single family housing (74%), versus 57% for King County and 50% for Seattle. The difference between 74% single family and 68% owner occupied would indicate some single-family stock is rental housing. The data also shows that Shoreline is apt to have a higher percentage of its rental housing in single-family units as opposed to multi-family units. The statistics should influence the policy decisions about strategies for redevelopment and increasing density (Sullivan).
- 6) As median home prices increase, housing choices for the less-than 30% of median income residents decrease (Dickerson).
- 7) Shoreline is similar to King County in terms of percentage of people below 50% of median income, but housing and zoning are different. Shoreline is not really a small city; it is the fifth largest in King County. The housing mix affects perception. Affordability disappears as home prices increase. It is advisable to try to make multi-family housing work in Shoreline (Johnson).
- 8) All communities need more information on housing condition and land availability for new development. It is important to really know the dynamics of your housing market. Jurisdictions need interest, political will, knowledge of zoning, and a strong focus on strategy and planning. Shoreline should commit to a 5-year action plan that communicates its priorities. This should not be outlined in its Comprehensive Plan, but it should be detailed elsewhere (Gooden).
- 9) Shoreline housing is relatively affordable, but there is a possibility of market-rate inflation problems in the future. As the value of single-family housing increases, the private market will shift these units from the relatively lower-cost rentals to higher-cost owner-occupied. Shoreline must take a close look at its rental housing stock. Shoreline has a disproportionate amount of single-family zoning. Shoreline could consider higher-density development in the Aurora Corridor. Cottage housing is controversial because it is difficult to predict where it can be built (Brand).
- 10) Shoreline is somewhat different in its mix of housing types and ownership profiles. The stated goal is housing strategies that meet the need of households with less-than 50% of median income (Beem).
- 11) Meeting housing needs can benefit the community by ensuring youth have a stable housing situation; academic achievement is compromised when students have to move frequently. It is less expensive to build multi-family housing on the east side of Shoreline. Demographic data suggests more emphasis should be placed on the needs of the elderly (Ransom).

- 12) Can Section 8 and voucher programs benefit both landlord and tenant in terms of market value and affordability? (McGlashan)
- 13) Section 8 and voucher programs are constantly changing and under attack. Landlords generally cannot get highest market value. Landlords get a stable, predictable, flow of rents. Landlord philanthropy can make a difference (Gooden).
- 14) Section 8 programs benefit landlords in term of consistency of payments. The City might explore ways to administer such programs on a local level (Amadon).

Mr. Beem posed the question of how some specific targets can be established and met.

- 15) GMA targets can be achieved through multi-family density (Johnson).
- 16) Low-income earners are surviving in a very unstable situation and pay a large portion of their income for housing. This results in high rates of turnover and neighborhood instability. Preserving existing rental stock will create stability and decrease the likelihood of rent increases due to redevelopment. Acquisition and rehabilitation have been used effectively in Bellevue to address this situation. Section 8 programs also create stability (Sullivan).
- 17) Preserving existing housing stock essentially “takes a market-rate unit out of the game” and maintains that unit at a relatively more affordable level (G. Smith).
- 18) Preserving existing housing is a good strategy but it probably requires a change in ownership to maintain an income-restricted situation (Amadon).
- 19) Shoreline should analyze all the relevant information (zoning, ownership, demographics, etc.) while focusing on the most critical needs, and then air the options politically. Create a constituency around affordable development. It is important to engage your community and then start your first development within the community’s “comfort zone.” Some areas of Aurora Avenue might be more suitable for housing (Gooden).

Mr. Beem asked for feedback on effective strategies.

- 20) Shoreline should explore partnerships between families who have been previously homeless and developers to create a tiered system that addresses their particular needs (Dickerson).
- 21) Density bonuses can be a volatile concept in suburban areas. The City should consider gifting permit fees to provide incentives to developers. The City could also income-restrict a certain number of units in a market-rate development (Amadon).

- 22) Expedited permit processing and other incentives can make a big difference. If this is an issue, the City should explore new approaches to permitting (Gooden).
- 23) There are ways to make density bonuses work, such as linking the bonus to the size/scale of the house, parking considerations, etc. Density bonuses offered as a package are proven to more effective (Johnson).
- 24) There are a number of incentives available, but affordable housing incentives are generally the last alternative that private developers choose (Sullivan).
- 25) What is the right combination of the things we want, and how do we proceed without degrading quality? There are distinctions between the east side and west side of Shoreline (Way).
- 26) A key question is how to provide housing that is compatible with community values (Beem).
- 27) Seattle and other jurisdictions have neighborhood design review boards, which address the compatibility question. The quality of affordable housing is actually higher than market-rate housing due to higher investment in design (Amadon).
- 28) There are places in Shoreline, such as Aurora Avenue, where housing would be a better use than the current use. Some housing is strategically placed to “build the community.” Housing should be built not only to meet the immediate need but also for community development. Public funding shows a commitment and can often leverage 5-15 times the original investment (Gooden).
- 29) Compatibility is not just a design issue. The community’s “buy-in” should be sought for an overall strategy on compatibility (Tovar).
- 30) Shoreline should have an inventory of surplus sites and consider the potential to co-locate housing with other uses, such as Echo Lake and Aurora Avenue (Johnson).
- 31) The community should be polled on who it thinks needs housing the most, as well as what the housing should look like. There are ways to achieve multi-family housing in single-family zones if there is community will. The City should try to understand the “why” (Sullivan).
- 32) The City should start with a needs-based analysis first, but the concept of neighborhood design review might also be effective (Gooden).
- 33) The public wants predictability, and a community conversation about target groups (seniors, homeless, previously homeless) should lead that effort. The City should also consider its position in the region (Cohen).

- 34) Kirkland and Redmond have been successful at cottage housing because they began with demonstration (study area) projects. A discussion of the process can help make the product successful. It's also what's happening around you that affects housing prices. Note the Crossroads development in Bellevue as a good example of a successful housing project (Sullivan).
- 35) There has been a stigma surrounding affordable housing; the City should inform and educate the community (Brand).
- 36) Noticing can be "the seed of either a good process or a bad process." When neighbors are adequately notified of potential development, they are more likely to support them (Way).
- 37) The City should consider creative ways to co-locate housing. The King County Library System is considering ways to incorporate housing in their future designs (Dickerson).
- 38) Shoreline should look at target groups and effective strategies, but it should not discount the density bonus entirely. In order to ensure healthy market cycles, housing should be viewed holistically. The City should explore ADUs and the land-trust system, where the trust owns the land but the individual owns the unit (Johnson).
- 39) Shoreline should consider how the potential redevelopment of the Fircrest property might help address low-income housing needs in the future (Fimia).
- 40) King County increased the loan amount for ADUs; Shoreline now has 50 units of transitional housing (G. Smith).

## 5. WRAP UP AND SUMMARY

Mr. Beem provided a summary of the dialogue and thanked panelists and attendees for their participation. The meeting concluded at 3:30 p.m.

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Scott Passey, City Clerk