



Planning and Economic Development Committee Agenda REGULAR MEETING

September 21, 2023

4:00 pm–5:30 pm

Hybrid Meeting

This meeting will be conducted in a hybrid format with in-person and remote options for public participation. The meeting will be broadcast on SeaTV Government Access Comcast Channel 21 and live streamed on the City’s website <https://seatacwa.gov/seatvlive> and click the “live” channel 1 grey box.

A quorum of the Council may be present.

Committee Members: Councilmember Mohammed Egal, Chair
Councilmember Peter Kwon
Mayor Jake Simpson

Staff Coordinator: Evan Maxim, CED Director

ITEM	TOPIC	PROCESS	WHO	TIME
1	Call to Order		Chair	4:00
2	<p>PUBLIC COMMENTS: The committee will hear in-person public comments and is also providing remote oral and written public comment opportunities. All comments shall be respectful in tone and content. Providing written comments and registering for oral comments must be done by 2:00 pm the day of the meeting. Registration is required for remote comments and encouraged for in-person comments. Any requests to speak or provide written public comments which are not submitted following the instructions provided or by the deadline will not be included as part of the record.</p> <ul style="list-style-type: none"> • Instructions for registering to providing oral public comments are located at the following link: Registration for Oral Public Comments - Council Committees and Citizen Advisory Committees • Submit email/text public comments to pedpubliccomment@seatacwa.gov. The comment will be mentioned by name and subject and then placed in the committee handout packet posted to the website. 		Chair	4:00 (5 min)
3	Minutes of 8/17/2023 regular meeting	Review and approve	Committee	4:05 (5 min)
4	South King County Housing and Homelessness Partners (SKHHP)	Informational Briefing / Guidance	Evan Maxim / Claire Goodwin	4:10 (50 min)

5	Small Business Development Center Briefing	Informational Briefing	Aleksandr Yermeyev / Rich Shockley / Andrew Powers	5:00 (25 min)
6	Adjourn		Chair	5:25



Planning & Economic Development Committee Minutes

Thursday August 17, 2023
4:00 PM - 5:30 PM

* Hybrid Meeting *

Commence: 4:08 pm

Adjourn: 4:53 pm

Committee Members:

	Present	Excused	Unexcused
Mohamed Egal, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jake Simpson, Mayor	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Peter Kwon, Councilmember	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Other Councilmembers: None

Staff & Presenters: Evan Maxim - CED Director; Gillian Sayer – Admin 2; Jenn Kester – Planning Manager, Kate Kaehny – Principal Planner, Zack Shields – Senior Planner

1. Call to Order	Chair Egal called the meeting to order at 4:08 pm and roll call.
2. Public Comments	<ul style="list-style-type: none"> Written comments: None Remote comments: None In-person comments: None
3. Minutes of 7/20/23 regular meeting	<p>Review and Approve</p> <p>Motion--- Chair Egal made a motion to approve the minutes, Council Member Kwon seconded the motion.</p> <p>Minutes Passed: 2-0</p>
4. Planning the City Together: Briefing on Major Planning Projects – Kate Kaehny and Zack Shields	<p>Informational Briefing</p> <ul style="list-style-type: none"> Envision SeaTac 2024 Transportation Master Plan City Center/Airport District Subarea Plan Project <p>Discussion commenced between Councilmember Kwon, Shields, and Chair Egal.</p>

5. CED Director's Update – Evan Maxim	Informational <ul style="list-style-type: none">• Calling out a couple of items happening within the next 12-18 months. Two specifically:<ul style="list-style-type: none">○ Memo item 11 - South King County Homelessness and Housing Partners○ Memo items 13 & 14 - ARPA funds Discussion commenced between Chair Egal and Maxim.
6. Adjourn	Chair Egal adjourned the meeting at 4:53 pm.



TO: City of SeaTac – Planning and Economic Development Committee

FROM: Claire V. Goodwin, SKHHP Executive Manager

CC: Carl Cole, City Manager; Evan Maxim, Community and Economic Development Director;

Kristina Gregg, City Clerk

September 21, 2023

Summary: The South King Housing and Homelessness Partners (SKHHP) will present an introduction to the organization and answer questions from the Committee. This is a preliminary discussion to help inform the City of SeaTac’s decision on the possibility of becoming SKHHP’s newest member.

Background: Formed in 2019 by an Interlocal Agreement, SKHHP is a collaboration between ten South King County cities and King County united under the common goal to ensure the availability of housing for all income levels of residents in South King County. SKHHP achieves this through a focus on the production and preservation of affordable housing, partnership with public and private organizations, pooling and sharing resources, and advancing housing policies. SKHHP member cities include the cities of Auburn, Burien, Covington, Des Moines, Federal Way, Kent, Maple Valley, Normandy Park, Renton, and Tukwila.

SKHHP member cities pool funds to support the production and preservation of affordable housing in South King County through the SKHHP Housing Capital Fund. Funding supports the needs of low-income households earning up to 60% of area median income. Funding priorities include projects that advance homeownership, racial equity, geographic equity, economic opportunity, preservation of affordable housing, transit-oriented development, and support extremely low-income households including permanent supportive housing. To date, 109 units of affordable housing in South King County have been supported by SKHHP and over \$7 million has been pooled by SKHHP members. Annual funding guidelines are adopted by the Executive Board which establish the funding priorities for the funding round, application requirements and eligibility, and the evaluation criteria for projects, in addition to serving as the notice of funding available (NOFA). The 2023 Housing Capital Fund Guidelines are attached for the Committee’s awareness.

SKHHP is governed by a joint board, referred to as the Executive Board. Each SKHHP member jurisdiction appoints an elected official, administrator, or director to serve as their representative to guide the work of SKHHP staff. The Executive Board sets SKHHP’s workplan and budget and makes final recommendations on Housing Capital Fund projects. An advisory board made up of members of the community and local housing organizations provides guidance to the Executive Board and informs the selection of Housing Capital Fund projects. The Advisory Board ensures that diverse community voices of South King County are represented in SKHHP’s decision making processes.

An annual work plan and budget are adopted each year. The 2024 SKHHP work plan includes four goals with corresponding actions and indicators of success and is attached for the Committee’s review. The four goals are: 1) Fund the expansion and preservation of affordable housing; 2) Develop policies to expand and preserve affordable housing; 3) Serve as advocate for South King County; and 4) Manage operations and administration. The 2024 adopted annual operating budget of SKHHP is \$419,158. This funds the salaries and benefits of two FTEs, a 10% administration fee to the administering agency, IT services, professional services, and advisory board compensation for those who qualify.



SOUTH KING HOUSING AND HOMELESSNESS PARTNERS Housing Capital Fund – 2023 Funding Guidelines

INTRODUCTION AND PURPOSE

The Cities of Auburn, Burien, Covington, Des Moines, Federal Way, Kent, Maple Valley, Normandy Park, Renton, and Tukwila, and King County have entered into an interlocal agreement to cooperatively plan for and provide affordable housing in South King County through an organization called the South King Housing and Homelessness Partners (SKHHP).

To accomplish this, SKHHP member cities provide funding to affordable housing projects through the SKHHP Housing Capital Fund. The general purpose of the Housing Capital Fund is to create and preserve affordable housing that meets the needs of low-income households earning up to 60% of area median income (AMI).

SKHHP welcomes all groups or agencies considering preserving or adding to inventory of affordable housing available to low-income households. We encourage interested parties to contact SKHHP as early in the process as possible. SKHHP welcomes all inquiries, and our goal is to help project proponents connect to partners and leverage funding to move forward in as coordinated an approach as possible.

AVAILABLE FUNDING

Approximately **\$6 million** in total funding is anticipated to be available for the 2023 application round. This total is comprised of revenue collected from SKHHP member city sales and/or use taxes authorized by [RCW 82.14.530](#) from House Bill (HB) 1590, [RCW 82.14.540](#) from Substitute House Bill (SHB) 1406, corresponding local enacting legislation, and pooled as authorized by RCW 82.14.540(10) and the SKHHP pooling interlocal agreement.

Table 1: Available Funding Amount by Source

Revenue Source	Amount
RCW 82.14.540 (SHB 1406)	\$1,060,000
RCW 82.14.530 (HB 1590)	\$4,970,000
Total	\$6,030,000

FUNDING PRIORITIES

SKHHP has established the following priorities for the Housing Capital Fund in 2023:

Collaboration. Project sponsors working in collaboration/partnership with local community-based organizations are a high priority.

Community Connections and Engagement. Project sponsors that demonstrate connections and direct experience with populations they are proposing to serve, and proven success in community engagement and involvement in decision-making are a high priority.

Disproportionate Impact. Projects that ensure housing proactively meets the needs of and is available to populations most disproportionately impacted by housing costs while complying with applicable tax revenue restrictions and with relevant federal, state, and local fair housing laws.

Economic Opportunity. Projects that support the advancement of economic opportunity are a high priority. This includes proximity to transit, commercial cores, and connections to workforce development and other services that promote upward mobility, including, but not limited to child care centers, higher education institutions, and libraries.

Extremely Low Income and Supportive Housing. Proposals that provide rental housing for individuals and families earning 0-30% AMI and proposals that incorporate supportive services are a high priority.

Geographic Equity. The SKHHP Housing Capital Fund has a long term objective to produce housing across SKHHP member jurisdictions through the creation of a broad distribution in the location of all types of affordable housing over time to maximize choice for individuals and families seeking affordable homes within SKHHP's geographic purview.

Homeownership. Projects that are able to provide homeownership opportunities for individuals and families earning up to 60% AMI.

Leverage of Private and Public Investment. SKHHP encourages project sponsors to pursue private and public investment that provides maximum leverage of local resources. Projects that already have funding secured and/or leverage private and public investment are a high priority.

Preservation. Projects that preserve housing at risk of conversion to market-rate housing are a high priority. This includes housing units with expiring affordability requirements or preservation of residential rental properties that are affordable to households earning up to 60% AMI, but do not have affordability requirements.

Racial Equity. SKHHP encourages proposals that advance racial equity through strategies that intentionally dismantle the racially disparate impacts of our current housing system and that interrupt cyclical generational poverty. Strategies may include, but are not limited to: preserving communities at risk of displacement; creating project partnerships that give voice and ownership to communities of color; affirmatively marketing new housing opportunities to populations disproportionately

experiencing cost burden and housing insecurity; and addressing historic inequities in access to homeownership.

Transit-Oriented Development. Projects located within ½ mile of an existing or planned high capacity transit station, defined as fixed rail (light rail or Sounder train), bus rapid transit, or other high frequency bus stop are a high priority. Transit-oriented development is designed to support dense, walkable communities that increase access to employment, services, and other opportunities.

SCHEDULE

The following schedule is anticipated for the 2023 Housing Capital Fund application round:

July 2023	Application package available
By August 7, 2023	Provide intent to apply statement (<i>optional</i>)
Prior to application submittal	Pre-funding application meeting (<i>mandatory</i>)
September 15, 2023	Applications due by 5pm
November 2023	SKHHP makes funding recommendations
January – March 2024	SKHHP recommendation reviewed by City Councils

NOTICE OF INTENT TO APPLY

Proponents of affordable housing projects within South King County who are planning a development and are interested in benefitting from coordinated funding are asked to submit a notice of intent to apply. **Notice of intent forms are optional, but strongly encouraged and are due by Monday, August 7, 2023.** Please submit your intent to apply as early as possible. A pre-application meeting is required in order to be eligible to apply to the funding round.

PRE-APPLICATION MEETING

Applicants are required to schedule a Pre-Funding Application Meeting to identify and discuss potential issues prior to submitting an application for funding. Pre-Funding Application Meetings will include SKHHP staff as well as staff from the jurisdiction where the project is proposed to be located. First-time applicants will benefit from meeting early and often with SKHHP. Applicants should be prepared to provide a project description identifying the population to be served, approximate number of units, income and affordability, type of construction (rehabilitation or new), neighborhood issues, whether relocation or displacement will be required, team members (developer, architect, property manager), likely funding sources, and demonstration of how the proposed project meets SKHHP’s goals and priorities.

Staff from the project location jurisdiction shall notify the respective SKHHP Executive Board member and administration of the applicant’s intent to apply and may consult with their legislative body on the project proposal. Within two weeks of the pre-application meeting, a jurisdiction may submit a statement on the project proposal to SKHHP staff as part of the project’s Housing Capital Fund

application. Should the jurisdiction not be supportive, the proposal shall not move forward for consideration in the current funding cycle.

Pre-Funding Application Meetings will likely be held between July 31 and August 18, 2023. To set up a Pre-Funding Application Meeting, email Dorsol Plants at dplants@skhhp.org.

ELIGIBLE APPLICANTS

Housing Capital Funds may be applied for by applicants or a group of applicants that are:

- Non-profit organizations
- Private for-profit organizations
- Public housing authorities
- Public development authorities
- Units of local government

Partnerships involving combinations of the above groups are encouraged, especially in the case where a private for-profit organization and/or applicants with less experience looking to build affordable housing development skills and abilities applies for funding. Partnerships are seen as opportunities to build organizational capacity, achieve community outcomes, and reduce investment risk for Housing Capital Funds.

ELIGIBLE BENEFICIARIES

The general purpose of the Housing Capital Fund is to create and preserve affordable housing that meets the needs of low-income households earning up to 60% of AMI. SKHHP uses the United States Department of Housing and Urban Development income limits and rent limits developed for the Seattle-Bellevue Metro Area.

2023 Income and Rent Limits – King County AMI \$146,500

Table 2: Maximum 2023 Household Income for Multifamily Rental Properties¹

% of AMI	Household Size							
	1-person	2-person	3-person	4-person	5-person	6-person	7-person	8-person
20%	\$19,180	\$21,920	\$24,660	\$27,400	\$29,600	\$31,800	\$33,980	\$36,180
30%	\$28,800	\$32,900	\$37,000	\$41,100	\$44,400	\$47,700	\$51,000	\$54,300
35%	\$33,565	\$38,360	\$43,155	\$47,950	\$51,800	\$55,650	\$59,465	\$63,315
40%	\$38,360	\$43,840	\$49,320	\$54,800	\$59,200	\$63,600	\$67,960	\$72,360
45%	\$43,155	\$49,320	\$55,485	\$61,650	\$66,600	\$71,550	\$76,455	\$81,405
50%	\$47,950	\$54,800	\$61,650	\$68,500	\$74,000	\$79,500	\$84,950	\$90,450
60%	\$57,540	\$65,760	\$73,980	\$82,200	\$88,800	\$95,400	\$101,940	\$108,540

¹ <https://www.huduser.gov/portal/datasets/mtsp.html> and <https://www.huduser.gov/portal/datasets/il/il23/Section8-IncomeLimits-FY23.pdf>

Table 3: Maximum Rent and Utilities for Projects Based on Unit Size*

% of AMI	Number of Bedrooms					
	Studio	1-bedroom	2-bedroom	3-bedroom	4-bedroom	5-bedroom
20%	\$479	\$513	\$616	\$712	\$795	\$877
30%	\$720	\$771	\$925	\$1,068	\$1,192	\$1,316
35%	\$839	\$899	\$1,078	\$1,246	\$1,391	\$1,534
40%	\$959	\$1,027	\$1,233	\$1,425	\$1,590	\$1,754
45%	\$1,078	\$1,155	\$1,387	\$1,603	\$1,788	\$1,973
50%	\$1,198	\$1,284	\$1,541	\$1,781	\$1,987	\$2,192
60%	\$1,438	\$1,541	\$1,849	\$2,137	\$2,385	\$2,631

*Maximum rent and utilities for projects based on unit size includes the cost of basic utilities paid by resident. Unless the property pays ALL utilities, property must allow for the estimated amount the resident pays for utilities when calculating rent charges, so that both together do not exceed the rent limits. Most properties use public housing authority utility allowances. [King County Housing Authority energy assistance supplements \(formerly called utility allowances\)](#).

Funds sourced from and authorized under [RCW 82.14.530](#) must support at least one of the following population groups whose income is at or below 60% of AMI:

- Persons with behavioral health disabilities
- Veterans
- Seniors
- Persons who are homeless or at-risk of being homeless², including families with children
- Unaccompanied homeless youth or young adults
- Persons with disabilities
- Survivors of domestic violence

ELIGIBLE ACTIVITIES

SKHHP funds provided from RCW 82.14.540 (SHB 1406) may be used for the following activities:

- Acquisition, and related costs such as appraisals, financing costs, and transaction costs
- Rehabilitation and new construction costs, including construction site development and off-site development if necessary to ensure utility service to the project site
- Mixed-income projects so long as Housing Capital Fund dollars only assist units affordable at or below 60% of AMI

SKHHP funds provided from RCW 82.14.530 (HB 1590) may be used for the following activities:

- Construction or acquisition of affordable housing, which may include supportive housing and new units of affordable housing within an existing structure
- Acquisition of land for affordable housing

² At-risk of being homeless defined by HUD as earning less than 30% AMI with other conditions:
https://files.hudexchange.info/resources/documents/AtRiskofHomelessnessDefinition_Criteria.pdf

At this time, SKHHP does not have funds to support early technical assistance or predevelopment costs. Applicants in very preliminary stages are encouraged to apply to [Impact Capital](#) for predevelopment funding.

SKHHP member cities understand that certain County, State, and Federal housing programs require some level of matching by local resources. The SKHHP Housing Capital Fund is encouraged to be used as a local match for these programs.

INELIGIBLE ACTIVITIES

Housing Capital Funds may **NOT** be used for:

- The development of any non-residential use. Housing capital funds may be used in a mixed use development only for that portion of the development that is specific to the residential use. This restriction also applies to site development and off-site development costs for non-residential uses.
- The cost of any program operating expenses
- The cost of any political or lobbying activities or materials
- Rehabilitation of single-family housing units in a manner that would duplicate participating jurisdictions' housing repair assistance programs
- Uses that are public capital facilities such as correctional facilities or inpatient treatment facilities
- Construction or acquisition of behavioral health-related facilities, or acquiring land for these purposes
- Funding the operations and maintenance costs of new units of affordable housing and facilities where housing-related programs are provided, or newly constructed evaluation and treatment centers
- Operation, delivery, or evaluation of behavioral health treatment programs and services or housing-related services

PROJECT LOCATION

All projects funded under this program must be located within the SKHHP sphere of influence (**see ATTACHMENT A**).

LOAN AND REGULATORY TERMS

Housing Capital Fund dollars will be made available as either secured grants or loans. SKHHP has flexible terms designed to accommodate a range of projects and loan terms will vary based on the financial needs of the project. Applicants should indicate in the application whether they are applying for a grant or loan, and what loan terms are proposed for the project. Loan applicants will not receive priority over grant applicants.

PERIOD OF AFFORDABILITY

SKHHP expects that projects will commit to providing long-term affordability in the form of a 50-year regulatory agreement. A covenant will be recorded against the property that requires continued use of the property for low-income housing for the period of affordability. During this period the owner or property manager will be required to do annual reporting of tenant incomes and rents to ensure that affordability requirements are met, and SKHHP will monitor those reports to ensure compliance. If the project is converted to an alternative use or is otherwise not meeting the agreed upon terms in the regulatory agreement any time during the project's agreed-to term of affordability, the SKHHP Housing Capital Fund contribution to the project will be subject to immediate repayment, and potentially a proportionate share of appreciation.

OTHER AWARD TERMS/REPORTING REQUIREMENTS

Additional funding conditions will be spelled out in an award letter to successful applicants. At a minimum, the following reporting requirements shall apply during development and occupancy:

Quarterly Status Reports

Quarterly status reports are required from all Housing Capital Fund funded projects during the development stage (from the time funds are awarded until completion and occupancy of the project). The quarterly reports will minimally include the status of funds expended and progress to date. A final budget must be prepared and submitted at the time of construction start and project completion. SKHHP will rely on the quarterly reports to determine if satisfactory progress is being made on the project. Additionally, SKHHP staff will inspect the project site at least once during the development/construction stage.

Ongoing Monitoring

After occupancy, the project sponsor or manager will submit an annual report to SKHHP summarizing the number of project beneficiaries, housing expenses for the target population, and the proportion of those beneficiaries that are low- and/or moderate-income, and that meet other eligibility criteria established in the SKHHP regulatory agreement. In addition, for projects with loan payments, financial information must be reported annually which will be used for assessing contingent loan payments and project health. All projects will also be evaluated periodically for long term sustainability. The annual reports will be required for the full duration of affordability.

APPLICATION CONTENTS

SKHHP uses the [Combined Funders Application forms](#), developed jointly with other public funders including the State of Washington Department of Commerce and King County. The Combined Funders Application forms, SKHHP application addendum, and SKHHP notice of intent to apply are available on SKHHP's website at: <http://skhhp.org/home/housing-capital-fund/>

Letter of consistency

Projects that are selected for funding have to demonstrate consistency with community priorities and plans. Applicants must include a letter of consistency from the jurisdiction where the project is located affirming the project is consistent with the Consolidated Plan, local comprehensive plan, and its housing element, and any local housing action plans. The jurisdiction will be provided a template from SKHHP which can be used to provide the needed information to the applicant.

Letter of community support

Projects that are selected for funding must demonstrate community support. Applicants must include at least one letter of support from a community organization, faith-based institution, community center, or school that serves the community where the project is proposed to be located.

The following materials are to be submitted for each application:

1. A letter of consistency from the jurisdiction where the project is proposed (PDF format)
2. A letter of community support (PDF format)
3. SKHHP Addendum with narrative responses (Word format)
4. Combined Funders Application that meets the following:
 - Attachments under each Tab should be placed in a separate folder labeled with the Tab number.
 - The Project Workbook must be in Excel format with linked sheets unlocked and formulas visible.

To submit an application please send an email with a link from OneDrive, Dropbox, Google Drive, or other file sharing services to Dorsol Plants, SKHHP Program Coordinator, at dplants@skhhp.org no later than 5pm Pacific Standard Time on Friday, September 15, 2023.

Please note, if you have already received funding through SKHHP in a previous funding round and are seeking other public funds, (e.g. King County, Washington State Department of Commerce, Washington Housing Finance Commission), you must provide SKHHP with electronic copies of applications submitted to other funders.

If you have any questions about application requirements, please contact Claire Vanessa Goodwin, SKHHP Executive Manager, at (253) 931-3042 or email cvgoodwin@skhhp.org.

REVIEW PROCESS

Proposals will be reviewed using the following process:

Step 1. An initial screening will be conducted by SKHHP staff and staff of the jurisdiction where the project is proposed to be located to determine the completeness of each application. Staff reserves the right to deny applications that are incomplete.

Step 2. SKHHP will evaluate the applications and develop a recommendation to the respective City Councils. SKHHP's recommendation will be made by its Advisory Board and approved by its Executive Board.

Step 3. SKHHP member City Councils that have contributed funding will review and approve the funding recommendation submitted by SKHHP, or will return the recommendation, with comments, for further investigation before a final decision is made. SKHHP member jurisdictions where the project is proposed to be located that have NOT contributed funding to the project via the SKHHP Housing Capital Fund will be asked for a letter of support prior to a final funding decision being made.

EVALUATION CRITERIA

General

Evaluation of applications will focus on an overall evaluation of all of the following key areas:

- **Advancing the goals of equity**, including the extent that projects are community-driven and/or reduce or undo disproportionate harm to communities most impacted by historic injustice and displacement, including extremely low-income households with incomes at or below 30 percent of AMI and Black, Indigenous, and People of Color (BIPOC) communities.
- **Feasibility, timeliness, and cost effectiveness** (i.e., SKHHP Housing Capital Fund award per unit/square feet, total development cost per unit/square feet, reasonableness of schedule, budgets, and proforma, adequacy of resources and ongoing sustainability, and site control to ensure timely completion).
- **Relevance of the project to local housing needs and funding priorities**, including the extent to which the project is consistent with the local plans (e.g., Consolidated Plan, Housing Element, or area plans), and the extent to which housing need will be met and help to achieve SKHHP's stated priorities.
- **Suitability of the project sponsor and development team**, including any track record and/or housing development for success, adequacy of management plans, duration of affordability, ongoing sustainability, adequacy of support services, and firmness of financial commitments or likelihood of receiving those commitments.

Specific

The following specific information areas will be evaluated for data to support the key focus areas described above.

A. Development and Operating Budgets

Projects will be evaluated for cost effectiveness on a per unit and per square foot basis. Higher up-front development costs may be justified to create long-term operational efficiencies (e.g., through use of high-efficiency building systems), provided that those increased costs have a relatively short payback period. Higher land costs may be justified to account for strategic location such as proximity to transit or other local amenities. SKHHP may use third party reviewers to evaluate estimated construction costs. Development and operating budget forms should provide detailed explanation to support estimated expenses. If support services are identified as an integral part of the project, a detailed services budget must also be submitted. Proposed financing will be evaluated for feasibility based on expressed interest from lenders and investors, and applicant (or applicant team, including more-experienced consultants and partners) should have experience in obtaining financing, and other competitive criteria (e.g., estimated tax credit score if LIHTC equity is proposed).

B. Project Readiness

Projects will be evaluated for their readiness to proceed. Applicants should demonstrate full site control. Applicants should have a “letter of consistency” from the jurisdiction where the project will be located affirming the project is consistent with the Consolidated Plan, local comprehensive plan and its housing element, and any local housing action plans. Projects that propose significant fundraising should demonstrate steps taken to prepare for and implement a capital campaign, including a plan and timeline for the proposed capital fundraising and, preferably, a track record of past or current capital fundraising ability. Projects that will rely on public funding to cover the costs of ongoing operations or services should identify and describe the availability of such funding, and report on the project’s competitiveness for such funds based on discussions with likely funders.

C. Development Team Track Record

Project review will take into consideration how well experienced development teams have performed on previously funded projects and, in the interest in increasing the diversity of housing and community developers, how less experienced developers (or partners/consultants on their team) demonstrate an understanding of the steps and structures needed for success. When there is an applicable track record (for the applicant or partner/consultants), the application should identify lessons learned from those projects and describe how performance/actions have been modified as a result.

D. Property and Asset Management Capacity

The proposed property and asset management entities will be evaluated on their experience, performance, or developing capacity in managing comparable developments. Successful asset managers will have a detailed understanding of the physical and financial condition of their properties, regularly updated capital needs assessments, and thoughtful policies for balancing the objective of maintaining affordable rents and planning for healthy reserves and operating income to cover current and future expenses. If a project is in its preliminary stages, a boiler plate management plan may be submitted with the application. A final management plan will be required prior to contracting.

A successful management plan will include the following information:

- **Occupancy:** Information in the occupancy management plan must include lease information (length, tenant eligibility and selection standards, standards for termination of lease, eviction, lease renewal) and marketing strategies including local outreach.
- **Facility:** The facility management plan should include provisions for both routine and long-term building maintenance.
- **Supportive Services:** If applicable, the applicant must describe how any supportive services identified as an integral part of the project will be provided, either directly or through linkages with an existing network of service agencies and describe how those services will be in accordance with best practices for the intended population.

E. Displacement and Relocation

Any activity which would result in the displacement of existing residents, especially low- and/or moderate-income residents and/or BIPOC residents is discouraged. If displacement may occur, the applicant must submit, as part of the application for capital funds, a plan for providing relocation assistance to the displaced residents. If relocation may occur, the applicant is strongly encouraged to contact the King County Housing Finance Program to discuss what relocation assistance may be available. Relocation costs should be included in the project budget. Projects funded with federal dollars (e.g., CDBG funds) must meet all applicable federal relocation requirements.

F. Supporting Equity

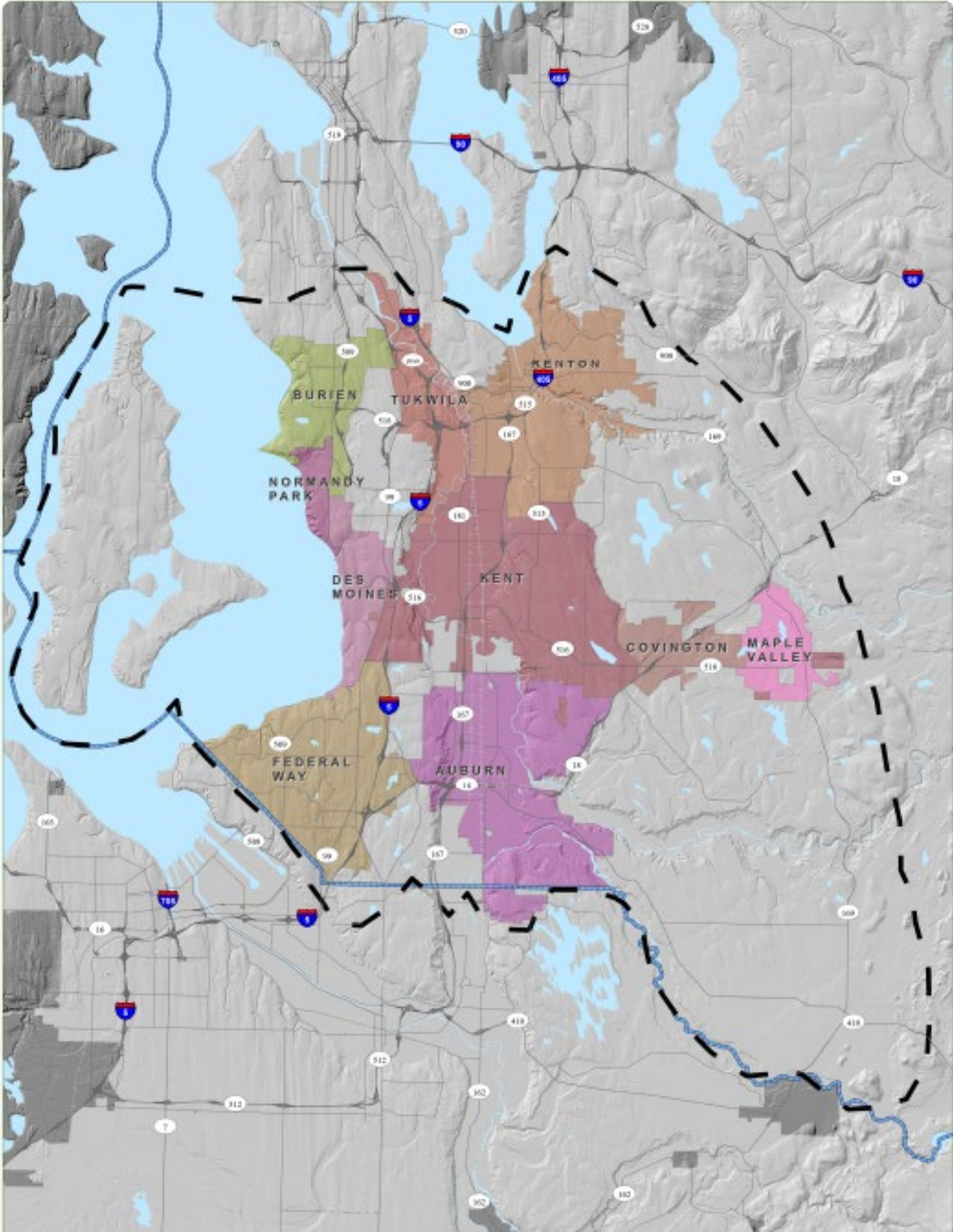
The proposed project will be evaluated based on whether the development will advance SKHHP's goals of equity, including preserving existing communities at risk of displacement (which includes manufactured housing communities); increasing opportunities for extremely low-income households (households with incomes at or below 30 percent of AMI); creating meaningful project partnerships (including with BIPOC-lead organizations) that give voice and ownership to residents and communities of color; affirmatively marketing new housing opportunities to communities less likely to access opportunities in South King County; providing affordable housing as a public investment – and potential catalyst – in areas that have traditionally received less services and/or public investments; and addressing historic inequities in access to homeownership.

G. Nature of Location

As part of the decision process, reviewers will want to understand how the proposed development fits into the neighborhood and would help further any number of public policy goals. Examples of furthering public policy goals could include:

- Locating in a “high opportunity” location, with proximity to or easy access to jobs, grocery stores, pharmacies, schools/childcare, transportation, and community or cultural centers.
- Providing affordable housing in areas at high-risk of displacement or experiencing a loss of naturally occurring affordable housing.
- Investing public dollars in areas traditionally/historically underserved or as a catalyst for further investments and development.

ATTACHMENT A: SKHHP SPHERE OF INFLUENCE



RESOLUTION NO. 2023-01

A RESOLUTION OF THE EXECUTIVE BOARD OF THE SOUTH KING HOUSING AND HOMELESSNESS PARTNERS (SKHHP), ADOPTING THE 2024 SKHHP WORK PLAN AND OPERATING BUDGET

WHEREAS, pursuant to the Interlocal Agreement, the SKHHP Executive Board approves an annual work plan and budget each year to guide the work of SKHHP staff; and

WHEREAS, pursuant to the Interlocal Agreement, the annual budget includes an itemization of all categories of budgeted expenses and itemization of each Party's contribution, including in-kind services; and

WHEREAS, upon adoption by the Executive Board, the annual work plan and budget will be transmitted to each participating jurisdiction for approval by their legislative body; and

WHEREAS, the budget will not become effective until approved by the legislative body of each jurisdiction and adopted by the SKHHP Executive Board; and

WHEREAS, if a party does not approve the work plan or budget in a timely manner, the Executive Board may adopt the budget and work plan with a two-thirds majority vote; and

WHEREAS, the purpose of the annual work plan and budget is to provide management and budget guidance, and implement the overarching SKHHP mission to work together and share resources to increase the available options for South King County residents to access affordable housing and to preserve the existing affordable housing stock; and

WHEREAS, the 2024 work plan includes four goals with corresponding action items that further SKHHP's mission.

NOW, THEREFORE, THE EXECUTIVE BOARD RESOLVES as follows:

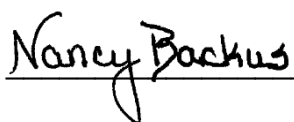
Section 1. The Executive Board adopts the 2024 SKHHP Work Plan in Attachment A.

Section 2. The Executive Board adopts the 2024 SKHHP Operating Budget in Attachment B.

Section 3. Each party's contribution to SKHHP's operating budget will be transmitted on an annual basis during the first quarter of the calendar year.

Section 4. This Resolution will take effect and be in full force upon approval by the legislative body of each participating jurisdiction.

Dated and Signed this 22nd day of May, 2023



NANCY BACKUS, CHAIR, SOUTH KING HOUSING AND HOMELESSNESS PARTNERS

RESOLUTION 2023-01 – ATTACHMENT A

SKHHP 2024 WORK PLAN

PURPOSE

Establish a 2024 SKHHP work plan and budget that is guided by Executive Board priorities, is consistent with the SKHHP Interlocal Agreement, and furthers SKHHP’s mission.

BACKGROUND

Established by an interlocal agreement, SKHHP jurisdictions work together and share resources to increase options for South King County residents to access affordable housing and preserve existing affordable housing. The 2024 SKHHP work plan builds on work done in previous years and was developed in collaboration with the Executive Board, Advisory Board, and staff work group.

The work plan is organized into four goals with corresponding objectives and action items. Each action is identified by priority as follows:

- Higher – Identified as higher priority by Executive Board or is necessary to carry out the Interlocal Agreements
- Medium – Identified as mid-level priority
- Lower – Identified as lower priority

Quarterly budget and progress reports on the status of the work plan elements will be submitted to the SKHHP Executive Board and the legislative body of each member jurisdiction as follows:

Quarter 1: May | **Quarter 2:** August | **Quarter 3:** November | **Quarter 4:** February

In accordance with the Interlocal Agreement, the 2024 SKHHP work plan and budget will be approved by the SKHHP Executive Board and the legislative body of each member jurisdiction.

SKHHP MISSION

South King County jurisdictions working together and sharing resources to create a coordinated, comprehensive, and equitable approach to increasing housing stability, reducing homelessness, and producing and preserving quality affordable housing in South King County.

GOALS & OBJECTIVES

Number	Goal	Objective
1	Fund the expansion and preservation of affordable housing.	Coordinate public resources to attract greater private and public investment for affordable housing in South King County.
2	Develop policies to expand and preserve affordable housing.	Share technical information and resources to promote sound housing policy.
3	Serve as advocate for South King County.	Provide a unified voice to advocate for South King County needs at a local, regional, and state level.
4	Manage operations and administration.	Sustain operational commitments and Interlocal Agreement requirements.



Goal 1

Fund the expansion and preservation of affordable housing.

Actions	Priority of Actions ●●● = Higher ●● = Medium ● = Lower
1. Develop a long-term funding strategy for the Housing Capital Fund and facilitate conversations with member jurisdictions to identify and explore dedicated sources of revenue for affordable housing at the local and regional level.	●●●
2. Pool resources from member jurisdictions for the Housing Capital Fund, including SHB 1406 and HB 1590 funds.	●●●
3. Manage 2023 Housing Capital Fund funding round including facilitating approval from participating Councils and preparing contract documents.	●●●
4. Manage 2024 Housing Capital Fund funding round including adopting annual guidelines, updating application materials, soliciting proposals, and facilitating project selection.	●●●
5. Encourage investment by private investors, lenders, and philanthropies.	●●●
6. Work with member cities and project sponsors to start developing a pipeline of projects to be funded over the next five years.	●●
Indicators	
○ Number of housing units or number of projects funded with financial support from SKHHP	
○ Number of housing units preserved with financial support from SKHHP	
○ Total dollar amount pooled by member jurisdictions for Housing Capital Fund	
○ Total dollar amount from new sources of revenue added to the Housing Capital Fund	
○ Geographic diversity of applications received for annual Housing Capital Fund funding round	



Goal 2

Develop policies to expand and preserve affordable housing.

Actions	Priority of Actions ●●● = Higher ●● = Medium ● = Lower
7. Develop subregional housing preservation strategies and facilitate implementation.	●●●
8. Facilitate technical assistance and updates to the Affordable Housing Inventory Dashboard.	●●●
9. Build relationships with developers to learn from their perspective the ways to encourage housing development, especially affordable housing.	●●
10. Continue to refine and update housing policy matrix.	●
11. Convene land use planners to increase coordination and collaboration on housing policy and planning.	●
12. Develop SKHHP Executive Board briefings on key housing and homelessness topics, especially as they relate to the goals of the work plan.	●
Indicators	
○ Number of preservation policies explored with members of the Executive Board	
○ Successful update of data and deployment of the Affordable Housing Inventory Dashboard	
○ Number of relationships built with developers	
○ Number of Executive Board briefings on key housing and homelessness topics	



Goal 3

Serve as advocate for South King County.

Actions	Priority of Actions ●●● = Higher ●● = Medium ● = Lower
13. Coordinate with the Advisory Board in collaboration with housing organizations and stakeholder groups to provide education and engagement opportunities for elected officials and community members.	●●
14. Work collaboratively with public funders at the state and local levels to promote shared affordable housing goals and equitable geographic distribution of resources.	●●
15. Produce public-facing communications content that highlights South King County through social media and newsletters.	●
16. Represent SKHHP at relevant local and regional meetings and forums that help advance SKHHP’s mission and provide a voice for increasing access to safe, healthy, and affordable housing in South King County.	●
Indicators	
○ Number of events or engagement opportunities Advisory Board members organize or support	
○ Number of communications published	
○ Number of meetings, forums, or events attended that advance SKHHP's mission	



Goal 4

Manage operations and administration.

Actions	Priority of Actions ●●● = Higher ●● = Medium ● = Lower
17. Develop annual work plan and budget.	●●●
18. Generate and distribute quarterly progress reports to SKHHP Executive Board and member jurisdictions.	●●●
19. Work with administering agency to maintain records and produce regular financial reports for the SKHHP Housing Capital Fund and SKHHP Operating Account.	●●●
20. Organize and host monthly Executive and Advisory Board public meetings.	●●●
21. Manage the Affordable Housing Inventory Dashboard contract.	●●●
22. Maintain and update the SKHHP website.	●●
23. Advance work on SKHHP Foundation efforts to establish logistics, administration, and pursue federal nonprofit status.	●●
Indicators	
○ Work plan and budget adopted	
○ Quarterly progress reports prepared and presented to Executive Board	
○ Financial reports and public records maintained	
○ Commitments of the Affordable Housing Inventory Dashboard contract fulfilled	
○ Website maintained	
○ Application submitted for SKHHP Foundation 501c3 status	

RESOLUTION 2023-01 – ATTACHMENT B

2024 SKHHP Operating Budget

Estimated beginning fund balance - January 1, 2024	\$ 205,736
Estimated ending fund balance -December 31, 2024	\$ 144,877

REVENUES

Auburn	\$ 39,543
Burien	\$ 22,814
Covington	\$ 11,407
Des Moines	\$ 11,407
Federal Way	\$ 51,710
Kent	\$ 51,710
Maple Valley	\$ 11,407
Normandy Park	\$ 6,084
Renton	\$ 51,710
Tukwila	\$ 11,407
King County*	\$ 51,710
Additional King County*	\$ 23,290
Interest earnings	\$ 2,100
Office space (in-kind donation)	\$ 12,000
TOTAL REVENUES	\$ 358,299
Spend down balance	\$ 60,859
TOTAL	\$ 419,158

EXPENSES

Salaries and benefits	\$ 305,344
Interfund IT	\$ 31,500
Advisory Board compensation	\$ 14,400
Office space (in-kind donation)	\$ 12,000
Other professional services/Misc.	\$ 6,400
Travel	\$ 5,250
Professional development	\$ 5,250
Supplies	\$ 2,000
Subtotal	\$ 382,144
Administering agency - 10% admin fee**	\$ 37,014
TOTAL	\$ 419,158

*King County contribution based on the population of unincorporated King County is shown as increasing at the same rate as other partner jurisdictions and the additional allocation decreasing to maintain a total contribution of \$75,000 per year.

**10% administrative fee is calculated as a percentage of operating costs which excludes in-kind donations and carry-forwards.

South King Housing and Homelessness Partners (SKHHP) An Introduction

Claire V. Goodwin, SKHHP Executive Manager

September 21, 2023

City of SeaTac Planning and Economic Development Committee





About SKHHP

- 2019: SKHHP was formed via an Interlocal Agreement

- Eleven member jurisdictions include:
 - Auburn
 - Burien
 - Covington
 - Des Moines
 - Federal Way
 - Kent
 - Maple Valley
 - Normandy Park
 - Renton
 - Tukwila
 - King County

- Governing structure:
 - Executive Board
 - Advisory Board
 - Staff Work Group

- Staff: 2 FTEs

SKHHP Mission

- South King County jurisdictions working together and sharing resources to create a coordinated, comprehensive, and equitable approach to increasing housing stability, reducing homelessness, and producing and preserving quality affordable housing in South King County.



Interlocal Agreement - Whereas

- “common goal to ensure the availability of housing that meets the needs of all income levels in SKC”
- “parties wish to provide a sound base of housing policies and programs in SKC and to complement the efforts of existing public and private organizations to address housing needs in SKC”
- “parties wish to act cooperatively to formulate affordable housing policies and strategies that address housing stability, to foster efforts to preserve and provide affordable housing by combining public funding with private sector resources, to support the implementation of the goals of the GMA, related countywide planning policies and other local policies and programs relating to affordable housing”
- “parties have determined that the most efficient and expeditious way for the parties to address affordable housing needs in SKC is through cooperative action and pooling public and private resources”
- “not to duplicate efforts of non-profit corporations and other entities already providing affordable housing related services”
- “a cooperative work plan with a primary focus on the production and preservation of affordable housing is needed because the lack of access to affordable housing is one of the key contributors to homelessness”
- “workplan activities will be consistent with the purpose described in this agreement”

Interlocal Agreement - Purpose

- “All parties to this agreement have a responsibility for local and regional planning for the provision of housing affordable to residents that work and/or live in SKC. The parties agree to act cooperatively to formulate affordable housing policies that address housing stability and to foster efforts to preserve and provide affordable housing by combining public funding with private-sector resources.”



Why Affordable Housing?

Ability to accommodate members of the community

- Seniors on fixed incomes
- Local restaurant, retail, grocery, and other service sector workers
- Teachers (first year teachers make ~\$60k)
- Young adults
- Future generations from the community
- Vulnerable populations

Affordable housing deficit disproportionately impacts communities of color

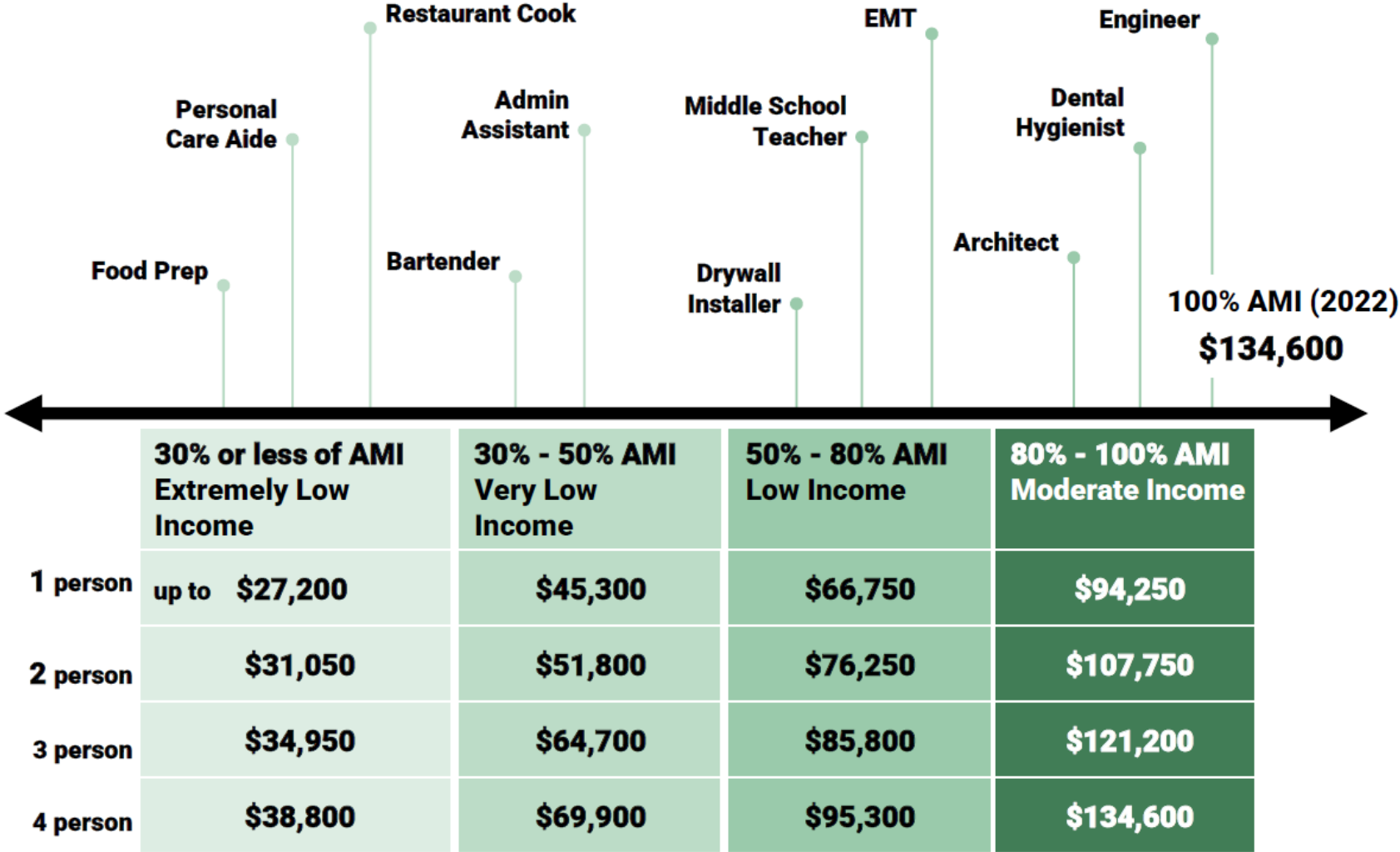
The lack of access to affordable housing is a key contributor to homelessness

Housing needs outpace supply

- King County needs 309k new units of housing by 2044
- 63% for households earning less than 80% AMI



Household Income



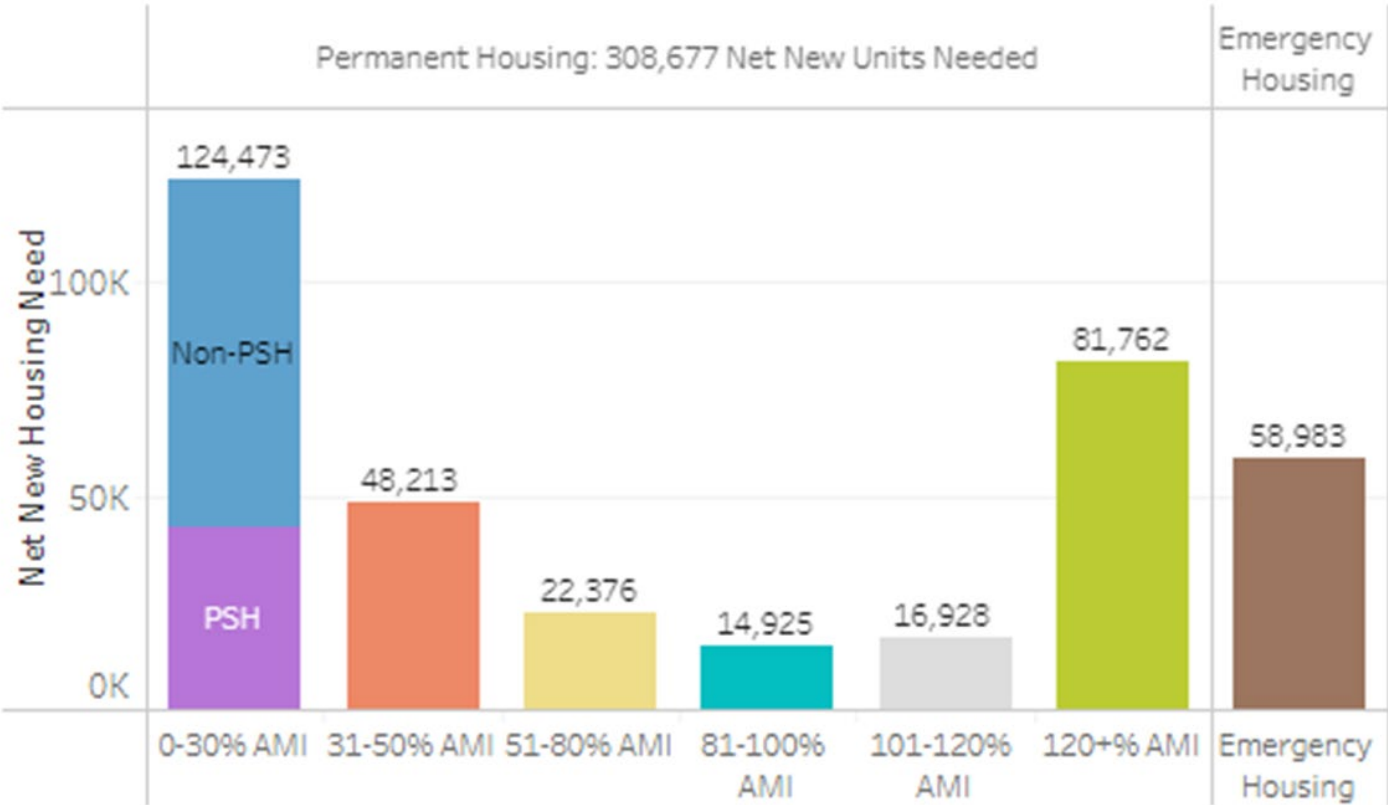
HUD 2022

Source: City of Renton Housing Action Plan presentation to the SKHHP Advisory Board, August 3, 2023: <https://skhhp.org/wp-content/uploads/2023/09/08.03.23-Advisory-Board-Agenda-1.pdf>



Why Affordable Housing?

Countywide Net New Housing Needed: 2019-2044*



*King County Countywide Housing Needs Projections:
<https://tableaupub.kingcounty.gov/t/Public/views/AllocationMethodComparisonsUpdated/AllocationsStory?%3Aembed=y&%3Aiid=1&%3AisGuestRedirectFromVizportal=y>



Major Projects

- SKHHP Housing Capital Fund
 - Facilitating annual contributions from member jurisdictions
 - Developing funding guidelines for approval by the Board
 - Soliciting applications from project sponsors
 - Facilitating review of proposals and recommendations from Advisory and Executive Boards
 - Seeking concurrence from all funding member City Councils on recommended projects
 - Awarding funding and developing contracts for awarded projects
 - Monitoring contracts

- Subregional affordable housing preservation strategies
- Affordable Housing Inventory Dashboard
- South King County planners monthly meeting
- Executive and Advisory Board monthly meetings



2022 Awarded Projects

- Habitat for Humanity Seattle-King and Kittitas Counties: Burien
 - Homeownership project, Phase 1 construction of 20 three-bedroom townhouses
 - Average 50% of Area Median Income (AMI)
 - \$300,000

- Mercy Housing Northwest: Burien Family Housing
 - 89-unit multifamily affordable rental housing development
 - Mixed income: 0-30%, 30-50%, and up to 60% of AMI
 - Includes 20% set aside for households with a disability and 40% set aside for households experiencing homelessness
 - \$1,093,308



2024 Annual Work Plan Goals

1. Fund the expansion and preservation of affordable housing.
2. Develop policies to expand and preserve affordable housing.
3. Serve as advocate for South King County.
4. Manage operations and administration.



Membership

- Seat at SKHHP Executive Board table
 - Provide direction about SKHHP's work
 - Making funding decisions on affordable housing projects
 - Part of the South King County unified coalition to address the affordable housing deficit
- SeaTac staff formally integrated into South King County planners (SoKiHo) and staff work group communities
- Resource and information sharing
- Annual membership contributions for operating budget and Housing Capital Fund



How SKHHP Is Funded - Operating

- SKHHP operations funded by annual member contributions
- Calculated based on population
- Policy adopted by Board to increase contributions by 15% each year through 2026
- SeaTac est. population in 2023: 31,740*

Member Jurisdiction Population Tier	2023 Contribution	2024 Contribution	2025 Contribution	2026 Contribution
<10,000	\$5,290	\$6,084	\$6,996	\$8,045
10,001 – 35,000	\$9,919	\$11,407	\$13,118	\$15,085
35,001 – 65,000	\$19,838	\$22,814	\$26,236	\$30,172
65,000 – 100,000	\$34,385	\$39,543	\$45,474	\$52,295
100,000+	\$44,965	\$51,710	\$59,466	\$68,386

*Office of Financial Management (OFM) estimate:
https://ofm.wa.gov/sites/default/files/public/dataresearch/pop/april1/ofm_april1_population_final.pdf



How SKHHP Is Funded - Capital

- SKHHP member cities pool resources to fund affordable housing projects, including preservation projects in South King County
- Current sources:
 - SHB 1406
 - HB 1590 (an option for only four SKHHP cities)
 - King County funds projects directly

Jurisdiction	SHB 1406	HB 1590
Auburn	100% (King County portion)	---
Burien	100%	---
Covington	0%	50% of capital portion (\$438k)
Des Moines	100%	---
Federal Way	100%	---
Kent	100%	100% of capital portion (\$4.5M)
Maple Valley	0%	Currently under consideration
Normandy Park	100%	---
Renton	100%	Possible next year
Tukwila	70%	---
King County	---	---



Becoming a SKHHP Member

1. SKHHP presentation to SeaTac City Council
2. SeaTac City Council adopts the following:
 - a. SKHHP Interlocal Agreement as a Companion Agreement
 - b. 2024 SKHHP work plan and budget
 - c. Allocated amount for operational contributions – this would be pro-rated depending on when membership begins
 - d. Resolution/Ordinance on intent to pool funds annually to support Housing Capital Fund
3. SKHHP Executive Board passes a Resolution and approves the ILA with SeaTac
4. SeaTac formally joins as a member and representative attends monthly Board meeting
5. SKHHP invoices for operational and capital contributions
6. Annual presentations to Council on Housing Capital Fund

Thank you!

Claire V. Goodwin, SKHHP Executive Manager

September 21, 2023

South King County Housing and Homelessness Partners (SKHHP)

September 18, 2023



PURPOSE OF PRESENTATION

In the 2023-2024 Biennial Budget, the City Council budgeted for the City to join the South King County Housing and Homelessness Partners (SKHHP). The purpose of this presentation is to introduce SKHHP and begin City Council discussion on SeaTac's contribution to the SKHHP Capital Trust Fund.

WHY IS THIS ISSUE IMPORTANT?

1. SKHHP is a partnership formed by eleven cities through an Interlocal Agreement; to join SKHHP the SeaTac City Council will need to join the Interlocal Agreement (ILA).
2. SKHHP enables a coordinated response in South King County to housing and homelessness needs.
3. Staff are seeking guidance from the PED committee on providing funding to the SKHHP Capital Trust Fund (CTF), which funds the creation and preservation of affordable housing.
4. Staff anticipate City Council action to join SKHHP in late 2023 / early 2024.



POTENTIAL COMMITTEE ACTION

COMMITTEE ACTION REQUESTED

- Informational Briefing from SKHHP
- Provide guidance regarding the preferred approach to funding the Capital Trust Fund

STAFF RECOMMENDATION

- 2024: Capital Trust Fund contribution from the General Fund
- 2025-2026: Capital Trust Fund contribution determined as part of the biennial budget process (next spring)

REVIEWS TO DATE

- PED: 09/21/2023 (Today)

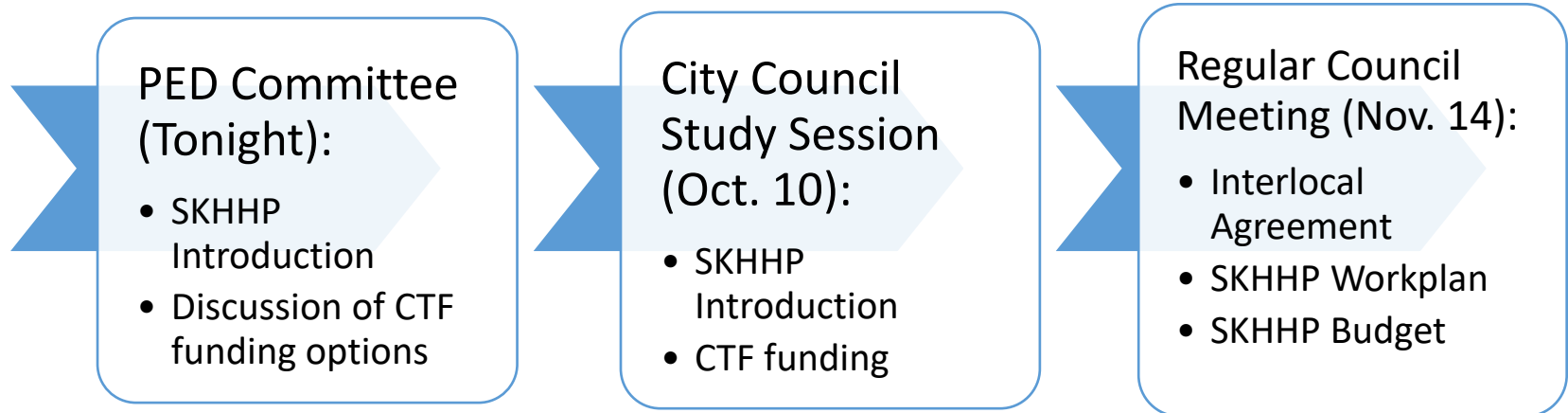


Presentation by Claire V. Goodwin



SKHHP – Proposed Timeline

Anticipated City Council Review & Action



SKHHP Operations & Capital Trust Fund

- The 2023-2024 budget includes funding for SKHHP Operations in 2024 (\$11,407)
- The 2023-2024 does **not** include funding for the SKHHP Capital Trust Fund (CTF)
- For 2024, staff recommends a one-time budget amendment by the City Council to fund the CTF
- For the 2025-2026 budget, staff will present a decision card to provide CTF funding



SKHHP Capital Trust Fund Contribution Options

- 2024 – Options:
 1. Use a portion of currently budgeted 1.5% Human Services general fund money to contribute to SKHHP. Approximately \$330,000 of this money is currently unallocated in the current biennial budget.
 2. Direct staff to prepare a standalone budget amendment to contribute general fund money to SKHHP.
 3. Direct staff to reallocate unused HB 1406 money from rental assistance to SKHHP. Replace rental assistance funding with 1.5% Human Services general fund money.
- Staff recommends option 1 or 2 for 2024.
- For the 2025-2026 budget, staff will present a decision card to provide CTF funding



POTENTIAL COMMITTEE ACTION

COMMITTEE ACTION REQUESTED

- Informational Briefing from SKHHP
- Provide guidance regarding the preferred approach to funding the Capital Trust Fund

STAFF RECOMMENDATION

- 2024: Capital Trust Fund contribution from the General Fund
- 2025-2026: Capital Trust Fund contribution determined as part of the budget process

REVIEWS TO DATE

- PED: 09/21/2023 (Today)



Washington SBDC

(Small Business Development Center)



Washington SBDC Locations



Legend for SBDC locations:

- AMERICA'S SBDC WASHINGTON (Washington SBDC Network Headquarters)
- WASHINGTON STATE UNIVERSITY
- Economic Alliance
- Green River College
- HIGHLINE COLLEGE
- South Puget Sound
- WESTERN UNIVERSITY
- OneRedmond
- CIE CENTER FOR INCLUSIVE ENTREPRENEURSHIP

WHO IS THE SBDC

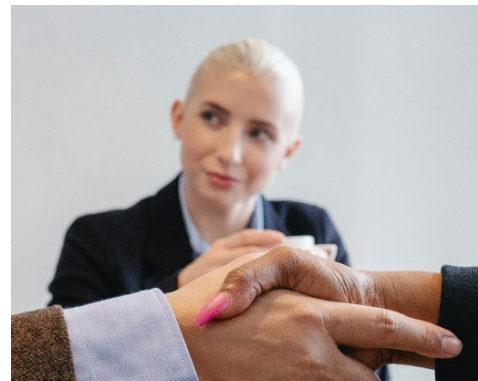
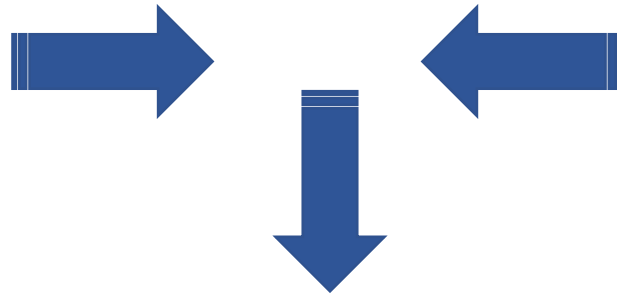
Established in 1980 through the Small Business Development Act

We partner with the U.S. Small Business Administration

Funded partly through a cooperative agreement with the U.S. Small Business Administration

Matching funds from local cities, economic development agencies and colleges

How Are We Funded



**No Cost Business
Support**

What We Do

We provide no-cost, confidential, one-on-one, advising to help businesses make informed business decisions.

- Planning or growing your business
- Analyzing financial statements
- Acquiring capital and managing cash flow
- Buying or selling businesses
- Exporting to markets around the world
- Marketing and market research
- Business systems and record keeping
- Getting and keeping customers
- Cost-cutting strategies
- Finding and keeping qualified employees



Low or No-Cost Training Services

Participants can access on-demand webinars at their convenience or attend a live webinar on topics of interest; such as Profit Mastery, SBDC Grow Smart and co-sponsored training events. All webinars are facilitated by SBDC advisors with first-hand experience and expertise.





Typical SBDC business advisor profile:







- Small Business ownership or management experience
- MBA or equivalent
- Prior consulting/counseling experience
- Proven financial analysis and communication skills

Washington SBDC Differential Advantages

- Full time network of advisors
- Certified Business Advisor (CBA) process
- Continuing education requirement (32 hrs./year)
- Outcome orientation – client/stakeholder focus
- America's SBDC Accreditation review
- External financial & programmatic audits
- Annual independent economic impact study
- Proprietary client activity database

Economic Impact 2022 by the Numbers

SBDC ADVISORS MAKE A DIFFERENCE

	2022	2013 - 2022
 Served by the SBDC CLIENTS	3,038	17,558
 Start New BUSINESSES	177	1,626
 Created & Saved JOBS	3,094	19,925
 Change in SALES	\$122,140,880	\$709,077,471
 Change in Sales EXPORT	\$1,239,331	\$94,688,766
 Access Investment CAPITAL	\$115,846,868	\$836,252,937

Client reported economic impacts

STATEWIDE IMPACT

Compared to average Washington businesses, Washington SBDC clients increased revenue and created jobs at significantly greater rates than other Washington businesses.

+ JOB GROWTH +
11.6% average SBDC client **2.3%** Washington average

↑ SALES GROWTH ↑
70.5% average SBDC client **11.3%** Washington average



For every **\$1** invested in Washington SBDC counseling, our clients generated **\$5.07** in incremental tax revenue.



95% of our clients say they would recommend SBDC services to others.

The "Economic Impact of SBDC Counseling Activities in Washington: 2020-2021,"
by Dr. James Chrisman of Mississippi State University



Highline College SBDC & StartZone Team

Meet the Team

Njambi Gishuru, Microenterprise Specialist - English and Swahili

Veronica Ochoa, Associate Business Advisor - English and Spanish

Andrew Powers, Business Advisor – English

Rich Shockley, Director, Certified Business Advisor – English

Carolyn Sinay, Administrative Assistant

Phon Sivongxay, StartZone Program Manager,
Certified Business Advisor, English and Thai



Highline College SBDC Results 2022 and 2023 YTD

How Are We Doing

Highline College Economic Development (SBDC & StartZone) 2022 & 2023 YTD	Clients Meetings	Unique Clients	Hours of Service	Loans & Capital Investment
SeaTac 2022	146	40	202	\$202,500
SeaTac 2023 YTD	56	25	70	\$150,000



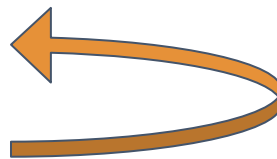
Working With Our Clients

Faulty Assumption

Two legs of a stool is
enough.

- Retention / Expansion
- Attraction
-

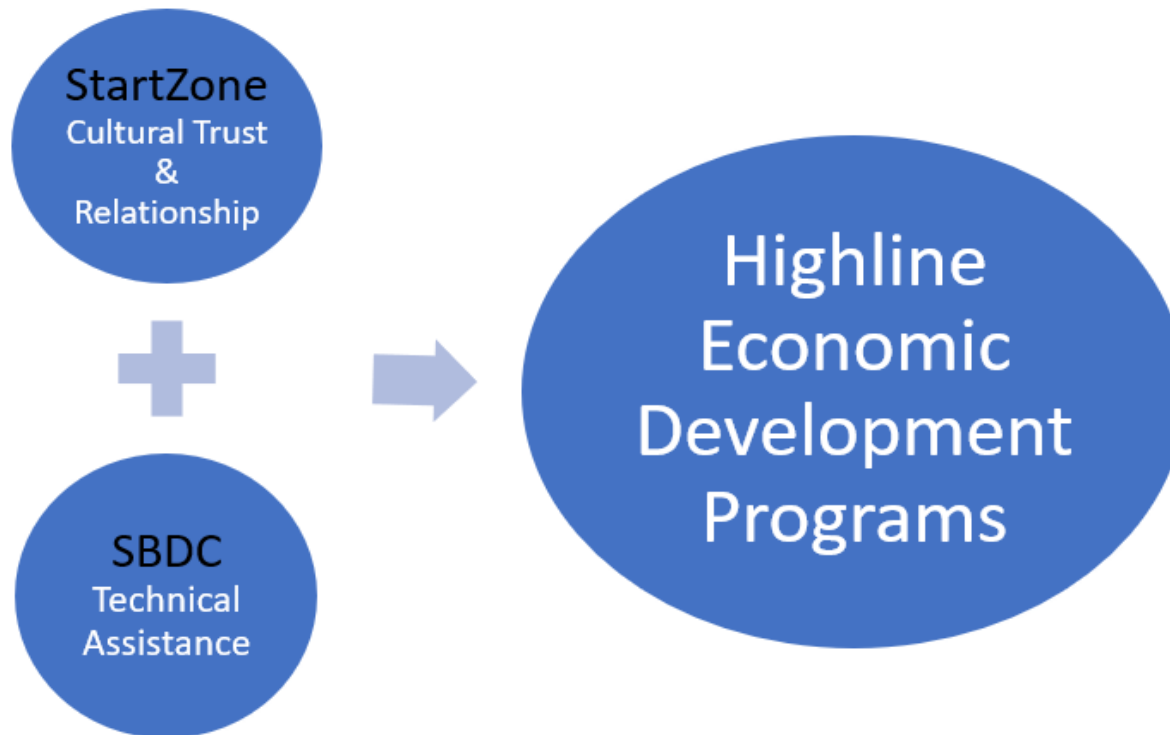
3rd Leg: Entrepreneur
Development System



How We Work



Our Business Model



What Are People Asking About in South King County

- How do I find employees
- I need help marketing my business to get new customers
- How do I start a business (full time and side hustle)
- I'm purchasing a business what is its value
- Can you help me prepare a loan package
- My bank asked me to forecasting revenue and expenses, can you help
- How should I structure my business to provide equity to key employees
- I'm looking for a referral (App Developer, CPA, Attorney)

Our Services & Who We Serve

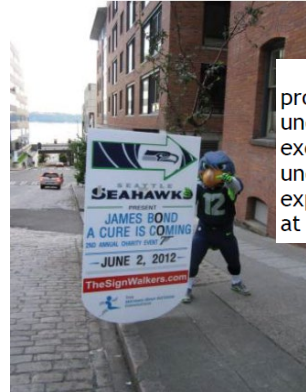


Our Services & Who We Serve



"They (SBDC advisors) are everything you would want when you need advice, are trying to grow your business, or are applying for a loan."

Danny House, Owner
Dan the Sausageman



Verjee, a 2009 graduate of the entrepreneurship program at Babson College in Massachusetts, said he understands business plans and scalability and executing a good idea to its fullest potential. He also understands the value of the good advice and an experienced sounding board, both of which he found at the Washington SBDC.



"Shockley helped... "This is where we are now, this is where we want to be. How do we get there?"

Grant Jones, co-owner
KuKuRuZa Gourmet Popcorn, Seattle, WA

Grant Jones, owner KuKuRuZa



Three Trees Yoga owners: Jeni Martinez, Suzy Green and Karen Schwisow

"We never leave our advisor's office without at least three great ideas, three action items and renewed focus and energy for our business."

Suzy Green, Co-Founder
Three Trees Yoga, Federal Way, WA



Jack Walsh, owner
Sub Zero Ice Cream

"Rich gave advice and feedback and helped us significantly," Walsh said.

Jack Walsh, owner
Sub Zero, Federal Way, WA

Client Examples - 1

Business - Retail property tenant, established less than < 1 year

- Seeking funding to build out TI's (\$100,000)
- Needed Sharia compliant funding

Action –

- Worked with lenders toward Sharia compliant lending (Business Impact NW, Craft3 & IRC)
- Business narrative assistance
- Gather financial documents
- Prepare forecast 12-24 months of revenue based off of financial assumptions
- Calls with potential funders for next steps

Outcome – Ongoing to seek funding and develop marketing plan

Client Examples - 2

Business - Catering company, established 2021

- Seeking assistance with loan application for PPP and EIDL COVID-19 Funding

Action –

- Review tax return for Schedule C filer
- Determine how owner paid themselves to determine if they qualify
- Client chose to pay themselves low rate & expense personal items to reduce business income
- Bookkeeping and payroll methods limit ability to borrow
- Completed PPP and EIDL by way of FaceTime. Client did not have a computer to assess loan applications

Outcome – Client secured funding but very low amount given the way they paid themselves. Worked with client to understand financials and bookkeeping

Client Examples - 3

Business - Technology manufacturer – satellite and space, established 2016

- From startup to established

Action –

- Market analysis and demand
- Business and operational planning
- Company structure and funding
- Ownership options for employees
- Sales and growth strategies
- Cyber Security training
- Financial training (Profit Mastery, Understanding Financial Statements)

Outcome – Client self fund company, 4 employees, profitable and growing at comfortable pace. Seeking to purchase a building.

Highline College SBDC & StartZone

sbdc@highline.edu / startzone@highline.edu

206-592-4150 / 206-592-3388.

sbdc.highline.edu / startzone.highline.edu

Washington SBDC Contact Information:

washington@wsbdc.org

(833) 492-7232

www.wsbdc.org



The Washington SBDC network, hosted by Washington State University, is an accredited member of America's SBDC. Funded in part through a cooperative agreement with the U.S. Small Business Administration, institutions of higher education, economic development organizations and other public and private funding partners.