



Planning and Economic Development Committee Agenda REGULAR MEETING

September 19, 2024

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 James Lovell, Chair
Councilmember Jake Simpson
Mayor Mohamed Egal

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 will also provide 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 08/15/2024 regular meeting	Review and approve	Committee	4:05 (5 min)
4	TDDP Implementation & Lodging Tax funding recommendations: 2025-2026	Informational Briefing	Maria Langbauer / Aleksandr	4:10 (30 min)

	overview		Yeremeyev	
5	Director's Report <ul style="list-style-type: none"> • Housing Opportunity Trust Fund • SKHHP Quarterly Report • Permit Fee Study • Broker Services RFQ • Human Services Strategic Plan 	Informational Briefing	Evan Maxim	4:40 (20 min)
6	Adjourn		Chair	5:00



Planning & Economic Development Committee Minutes

Thursday, August 15, 2024

4:00 PM – 5:30 PM

* Hybrid Meeting *

Commenced: 4:04 pm

Adjourned: 5:47 pm

Committee Members:	Present	Absent	Excused	Unexcused
James Lovell , Chair	X			
Joe Vinson , Councilmember	X			
Mohamed Egal , Mayor		X	X	
Jake Simpson , Councilmember		X	X	

Other Councilmembers: **CM Joe Vinson sitting in per Chair's approval.**

Staff & Presenters: *Deputy City Manager Gwen Voelpel, CED Director Evan Maxim, Principal Planner Kate Kaehny, Administrative Assistant Barb Mailo*

1. Call to Order	<i>Chair Lovell</i> called the meeting to order at 4:04 pm and roll call.
2. Public Comments	Written comments: None Remote comments: None In-person comments: None
3. Minutes of the 7/18/24 regular meeting	Review and Approve <ul style="list-style-type: none"> <i>Chair Lovell</i> indicated that due to absent committee members, the 7/18/24 meeting minutes will be reviewed and approved at the next PED meeting. Minutes Passed: 0-0
4. Envision 2044: Project Update	Informational Briefing Presented by <i>Principal Planner Kaehny</i> . Discussion commenced with <i>Councilmember Vinson, Principal Planner Kaehny, and Chair Lovell</i> .

5. CRF24-03: Housing Opportunity Fund	<p>Discussion</p> <p>Presented by <i>CED Director Maxim</i>.</p> <p>Discussion commenced with <i>Chair Lovell</i>, <i>CED Director Maxim</i>, and <i>Councilmember Vinson</i>.</p> <p>(5:25 pm) <i>Chair Lovell</i> extended the meeting to 5:45 pm to allow time to continue the current discussion and to cover the other Agenda item - Director's report.</p>
6. Director's Report	<p>Informational Briefing</p> <p>Report by <i>CED Director Maxim</i>.</p> <ul style="list-style-type: none"> • Comprehensive Plan Update Envision 2024 – community meeting last night, good turnout, some skeptics, • Another meeting scheduled next week for the South portion of the city • Planning Commission review draft mid Sept (16th) and public hearing on October 1st • May have a briefing around the Public Review Draft around September • Aiming for adoption date for the end of the year as mandated by State • Schedule one on one meetings • Small Business Capital Access Program – released the RFQ for community engagement partners, did not hear a lot of response, know of a consultant that may be interested in doing community outreach in the city
7. Adjourn	<ul style="list-style-type: none"> • <i>Chair Lovell</i> adjourned the meeting at 5:47 pm

Date: 9/19/2024
To: Planning and Economic Development Committee
From: Maria Langbauer, Senior Economic Development Strategist
Subject: Tourism Destination Development Plan (TDDP) & Lodging Tax Applications Update

Summary

On January 23rd, the City Council formally adopted the SeaTac Tourism Destination Development Plan (TDDP). This memo is designed to offer the Planning and Economic Development Committee members an update on the TDDP, associated budget and programming information. The memo highlights the ongoing TDDP projects and the funding applications by the Hotel/Motel Advisory Committee (HMAC) for City Council approval.

Analysis

Background on the development of the SeaTac Tourism Destination Development Plan (TDDP)

The TDDP offers SeaTac's first strategic, holistic road map for coordinating lodging tax allocations and implementing the Council's Tourism and Travel Policies from the Comprehensive Plan. Developed with input from Councilmembers, stakeholders, committees, and in coordination with the Explore Seattle Southside Regional Tourism Authority, it was adopted by the City Council on January 23rd, 2024.

Strategic Planning and Stakeholder Engagement for the 2024 Work Plan

The TDDP has developed a Strategy Flowchart that outlines five key areas, each of which encompasses five pillars with related strategic initiatives. The pillars are:

1. Optimize the SeaTac Angle Lake Station Area's Cultural Assets and Highlight Community-based Experiences
2. Develop Tukwila International Boulevard Station Area as a Grand Entrance to "SeaTac North" and North SeaTac Park
3. Activate the Three Light Rail Stations as Experience Platforms to Showcase Local and Regional Culture
4. International Boulevard Visitor Experience: Beautify, Brand, and Enhance Mobility and Transportation Infrastructure
5. Develop and Build Out an Entertainment and Events Mixed-Use District near SeaTac/Airport Station

Based on those initiatives, staff has developed a Workplan for initiatives implementation.

The strategic initiatives outlined in the 2024 Work Plan, including the SeaTac Culinary Tourism Program and Placemaking & Activation efforts, are all aimed at significantly improving the traveler experience, increasing the number of travelers to SeaTac, and ensuring the city is well-prepared for

major events like FIFA 2026. The SeaTac Culinary & Cultural Tour, with its focus on showcasing the city's rich cultural diversity and unique culinary offerings, is expected to draw both visitors and residents to local markets and restaurants. This program, along with the city's collaboration with Project for Public Spaces (PPS) and the planned community market activations, will enhance SeaTac's appeal as a vibrant cultural destination. Additionally, the Station Domination project and efforts to beautify and support local businesses through mural programs and the Restaurant Accelerator initiative are crucial steps in creating a welcoming environment that highlights SeaTac's assets. Together, these initiatives not only elevate the city's profile but also contribute to sustainable economic growth by attracting a diverse and global audience to SeaTac.

TDDP Workplan Implementation

As part of our ongoing commitment to enhancing SeaTac's appeal, increasing the number of travelers, capturing traveler spending, and ensuring readiness for future opportunities, staff has been diligently working on several key initiatives outlined in the 2024 Working Plan:

- **SeaTac Culinary Tourism Program**

The SeaTac Culinary & Cultural Tour is designed to showcase the city's rich cultural diversity and unique culinary offerings by guiding visitors through its ethnic markets and restaurants. Managed by the Explore Seattle Southside Regional Tourism Authority (RTA), the project will feature eight curated tours throughout 2024, highlighting local spots like Tawakal Grocery Market and Zain's Restaurant and Bakery Café. These tours aim to elevate SeaTac's profile as a vibrant cultural destination, supported by a \$24,000 budget. The first tour, occurred on August 17, has already garnered significant interest, with 163 people attempting to register for just 10 available spots. The second tour was fully booked with 12 attendees from throughout the Puget Sound region.

Culture Generation is collaborating with local small businesses in SeaTac to enhance service quality, culinary techniques, and presentation. Through workforce training with local restaurants, the initiative aims not only to better serve the SeaTac community but also to attract a diverse clientele, including tourists in a competitive manner. The next tour dates are September 14th and 18th with focus on Peruvian / South American cuisine. These tours are already fully booked with waiting lists for future dates.

- **Placemaking & Activation**

SeaTac is strategically positioning itself to be a vibrant, welcoming destination as the city prepares for the influx of visitors during FIFA 2026. The collaboration with Project for Public Spaces (PPS) and the series of community micro markets activations are key components in this preparation, ensuring that SeaTac will offer a dynamic and engaging environment for both residents and tourists.

- **Project for Public Spaces (PPS)**

SeaTac is engaging PPS to help elevate the city by transforming it into a vibrant destination. PPS's nationally renowned expertise in placemaking, demonstrated through their "Power of Ten" concept and successful projects including the likes of Tukwila Plaza, makes them well-suited to guide SeaTac in creating multifunctional spaces that enhance community vitality, attract visitors, and boost local businesses. This engagement aims to strategically develop key sites in SeaTac, making the city more appealing to both residents and tourists, ultimately driving sustainable economic growth.

The "Power of Ten" concept directly relates to economic development and tourism by creating vibrant, multifunctional spaces that attract visitors and encourage spending. By offering diverse activities and amenities, these places become more appealing to both residents and tourists, boosting local businesses and enhancing the overall economic vitality of the community. This approach fosters a strong sense of place, which is crucial for tourism as it draws people to visit, stay longer, and return, driving sustainable economic growth. PPS is currently beginning work on a vision for SeaTac, focusing on 2 to 3 key areas. Their process involves gathering information, conducting site visits, and holding interviews and focus groups with key stakeholders. The deliverables will include materials for these activities, a summary of findings, a public spaces analysis, and recommendations for short-term activation and long-term strategy. PPS's site visit and focus groups on SeaTac are scheduled for the week of September 23rd.

- **Community Markets Pop-up Activations at Angle Lake Station (Roadhouse)**

SeaTac, in partnership with Growing Contigo and Roadhouse, is thrilled to present a series of four community markets at Angle Lake Station. Following the Hispanic Heritage Month MicroMercado on September 21st, the second event in the series will be a Day of the Dead-themed market on October 26th. The series will continue with two additional markets planned for November. These events are designed to celebrate community, culture, and local entrepreneurship. Each market will offer unique experiences, bringing together diverse vendors and cultural performances in a lively and welcoming environment.

- **Station Domination**

The 2024 Station Domination project for the SeaTac and Angle Lake Light Rail Stations aims to increase awareness among regional visitors and commuters that they are in the City of SeaTac and to highlight the city's businesses and amenities. This marketing initiative will leverage the high visibility of these stations, especially given the substantial ridership (about 3 million boardings at the two stations in 2023), to invite travelers to explore and engage with SeaTac. With a budget of \$122,123, this effort includes creative design, media production, and installation, ensuring that passengers are consistently exposed to vibrant, enticing messages about what SeaTac has to offer.

As part of our ongoing efforts to enhance the community and support local businesses, staff is also exploring the possibility of developing a mural program to assist local restaurants and businesses with their beautification efforts. This initiative aligns with our broader goals of creating vibrant, attractive spaces that reflect the unique character of SeaTac.

In addition to these beautification efforts, staff is collaborating with the Chamber to develop a Restaurant Accelerator program. This program is designed to improve service quality and competitiveness of the local small businesses while exploring opportunities to provide digital literacy resources, such as website development services, to local restaurants. These initiatives are crucial in ensuring that our local businesses are well-equipped to thrive in an increasingly competitive and digital marketplace, further preparing our city to welcome global visitors during FIFA 2026.

Lodging Tax Application Update

Based on the 2024-2026 SeaTac Lodging Tax Funding Request Summary, several projects have been recommended for funding across different years. These projects are focused on enhancing cultural,

tourism, and community initiatives within SeaTac. Below is a list of projects that have been recommended for funding:

Projects Recommended for Funding:

1. **NW Symphony (addendum)** - Funded in 2025 and 2026.
2. **BMX - Capital Projects** - Funded in 2025 and 2026.
3. **BMX - Programming** - Funded in 2025 and 2026.
4. **Seattle Southside Regional Tourism Authority - Various Initiatives** - Funded in 2025 and 2026. Includes the continuation of the Shuttle program and attraction of meetings/conventions/sports events.
5. **SeaTac TDDP Implementation** - Funded in 2025 and 2026.
6. **Channel A TV event** - Funded in 2024.
7. **Museum of Flight** - Funded in 2025 and 2026.
8. **The RoadHouse** - Funded in 2025 and 2026.
9. **Highline Botanical Garden** - Funded in 2025 and 2026.
10. **WA Brewers Guild** - Funded in 2024, 2025, and 2026.

These projects were reviewed by the Hotel Motel Advisory Committee and are strategically recommended for funding to support SeaTac's vision of becoming a vibrant cultural destination and to ensure that the city is well-prepared for upcoming opportunities, including increased tourism and major events like FIFA 2026.

Next Steps

The Economic Development Staff is continuing with managing projects in 2024 and preparing the initiatives in 2025 and 2026. The HMAAC made recommendation of approval for the lodging tax funding applications, which is included for review by the Council during the budget review process.

2024-2026 SeaTac Lodging Tax Funding Request Summary Sheet May 22, 2024 and June 24, 2024 - page 1

Applications Received	2024 Funding	2025 Funding	2026 Funding	Total 2025-2026	Project Summary	Notes	Funded Amount 2024	Funded Amount 2025	Funded Amount 2026
NW Symphony (addendum)		\$ 15,000	\$ 15,000	\$ 30,000	The NW Symphony will use Lodging Tax Fund for a variety of advertising and marketing options. These include mailings/ flyers for concert and events, and digital marketing such as Facebook, numerous blogs, websites, Youtube, eblasts. Funding will also be used to advertise on the radio with Classic King-FM radio, and for our Music from Latin America concerts, El Rey 130 radio.	Updated per 5/22 HMAC recommendation for funding at increased amount		Yes	Yes
Highline Heritage Museum-SeaTac Tours	\$ 150,000			\$ 150,000	SEATAC Tours is a new project designed to create tours for visitors exploring the area surrounding the Seattle-Tacoma International Airport. The project aims to highlight the unique stories and landmarks of the community, promoting a deeper understanding of SeaTac's history and culture.	2024 was Recommended Funding, 2025 & 2026 was not recommended funding	Yes	No	No
Highline Heritage Museum- FIFA World Cup and American Z50 Initiatives	\$ -			\$ -	The project is proposing to celebrate America 250 + World Cup 2026 in the SeaTac and the region! The Highline Museum is planning a series of civic and cultural events and programs. In collaboration with hotels, local businesses, Highline College, and community organizations, these initiatives aim to enrich the visitor experience and foster a stronger sense of community.	2025 & 2026 was not recommended funding		No	No
BMX- Capital Projects	\$ -	\$ 285,000	\$ 260,000	\$ 545,000	To strategically manage the capital improvements at SeaTac BMX and ensure efficient use of funds while maximizing the potential for attracting overnight visitors, we propose a two-year funding strategy that aligns with major events planned for 2025 and 2026. This approach will stage the improvements to enhance visitor experiences and facility capabilities in a phased manner. Year 1 (2025): Focused on Visitor Amenities and Historical Engagement Total Budget: \$285,000	2025 & 2026 was recommended funding		Yes	Yes
BMX- Programming	\$ -	\$ 200,000	\$ 175,000	\$ 375,000	To maximize the impact of programming at SeaTac BMX and ensure effective use of Lodging Tax funds, we propose a strategic allocation that emphasizes continuous development and enhancement of our programming. This strategy is designed to attract more overnight visitors by offering high-quality, professionally managed BMX programs that cater to families, competitive riders, and new entrants to the sport. Our approach aligns with the TDDP by promoting SeaTac as a destination for organized sports and family-friendly	2025 & 2026 was recommended funding		Yes	Yes
Seattle Southside Regional Tourism Authority- SeaTac Shuttle program	\$ -	\$ 309,280	\$ 324,244	\$ 633,524	Pay the 3rd party provider of the shuttle service	2025 & 2026 was recommended funding		Yes	Yes
Seattle Southside Regional Tourism Authority- Meetings Incentives	\$ -	\$ 150,000	\$ 250,000	\$ 400,000	Incentive program to make SeaTac hotels more competitive.	2025 & 2026 was recommended funding		Yes	Yes
Seattle Southside Regional Tourism Authority- BMX Incentives	\$ -	\$ 50,000	\$ 50,000	\$ 100,000	\$30,000 of the funds will allow for a premier sponsorship of a SeaTac BMX's National Championship event. SeaTac BMX will use the funds for events logistics. \$20,000 of the funds will allow for a venue sponsorship with USA BMX.	2025 & 2026 was recommended funding		Yes	Yes
SeaTac TDDP Implementation	\$ -	\$ 2,388,439	\$ 2,982,531	\$ 5,370,970	City of SeaTac Economic Development program to implement the TDDP	2025 & 2026 was recommended funding		Yes	Yes
Channel A TV	\$ 35,000			\$ 35,000	Proposes to host the African Achievement Awards (AAA) at The DoubleTree Hotel in SeaTac from December 13th to December 15th, 2024.	2024 was Recommended Funding, 2025 & 2026 was not recommended funding	Yes	No	No
HIGHSCHOLGS				\$ -	Develop a set of events in SeaTac. The strategy is to invest them in comprehensive marketing, promotional efforts and community-centric programming that will directly drive overnight visitors to SeaTac for the Great Mindset Summit and ENLIVEN events.	2025 & 2026 was not recommended funding		No	No
Requested Funding On 6/12/24	\$ 185,000	\$ 3,397,719	\$ 4,056,775	\$ 7,639,494					
Year	2024	2025	2026	Requested for Funding 2024-2026					
Recommended by HMAc for Funding On 5/22/24									
Museum of Flight	\$ -	\$ 100,000	\$ 100,000	\$ 200,000	The requested funding will strengthen the museum overall tourism marketing efforts and support the operations of Museum special events which draw visitors from across the Pacific Northwest.	Recommended Funding		Yes	Yes
The RoadHouse	\$ -	\$ 355,376	\$ 339,243	\$ 694,619	Start aims to integrate arts into transit facilities, creating cultural connections with the community. The Roadhouse, funded by 1% from transit construction budgets, currently plans four marquee and up to 12 smaller events for 2024, with funding extending until 2026. Lodging Tax funds would enhance The Roadhouse's capacity, support program longevity, and enable new programs and events, including three annual paid events with headliner artists. These funds would also boost marketing efforts and event visibility. Additionally, planned capital upgrades, like a catering kitchen, would improve audience engagement and provide amenities for space rentals.	Recommended Funding		Yes	Yes

Highline Botanical Garden	\$ -	\$ 112,373	\$ 115,744	\$ 228,117	The Highline Botanical Garden Foundation (HBGF) will use Lodging Tax funding to cover wages for key staff, including a part-time Executive Director, Events Coordinator, and Volunteer/Tour Coordinators. Funds will be allocated to marketing and programming expenses to enhance promotional activities and advertising. Overall, these enhancements will improve the garden's appeal and support its role as a significant tourist destination in SeaTac. (Original application budget requested-\$286,105.85 for 2025 and \$294,689.03 for 2026 totaling: \$580,794.88). Revised budget on 5/21/24 included:\$112,373 for 2025 and \$115,744.19 for 2026 totaling: \$228,117.19 amount	Recommended Funding Revised 5/21/24 budget totaling: \$228,117.19		Yes	Yes
WA Brewers Guild	\$ 107,000	\$ 107,000	\$ 112,000	\$ 326,000	Showcase Washington's craft brewing culture and innovation by bringing the Washington Craft Beer Summit and Washington Beer Awards to be hosted in SeaTac.	Recommended Funding	Yes	Yes	Yes
TOTAL Recommended for Funding on 5/22/24	\$ 107,000	\$ 674,749	\$ 666,987	\$ 1,448,736					
Year	2024	2025	206	Total					
Grand Total from 5/22/24 and 6/12/24	\$ 292,000	\$ 4,072,468	\$ 4,723,762	\$ 9,088,230					

	2024	2025	2026	Total
Revenue	\$ 2,200,000	\$ 2,200,000	\$ 2,200,000	\$ 6,600,000
Current 2024 Starting Balance est.	\$ 12,900,000			
Estimated Ending Fund Balance at end of 2026 if all are funded				\$ 8,611,770

Notes

These are estimates

Estimate based on if all of the applied for funds are recommended for funding, Council approval, expending of all funds and submittal of all invoices.

Notes	Funded Amount 2021	Funded Amount 2022	Funded Amount 2022

Tourism Development Plan (TDDP) 2024 Work Plan Update/Look into 2025- 2026

Presented by: Maria Langbauer, Senior Economic Development Strategist



Background on the TDDP

- Adopted by the City Council on January 23, 2024
- Update on 2024 Work Plan
- HMAC recommended programming for 2025-2026



TDDP Strategic Framework

Overview of the Strategy Flowchart

Five key areas with associated pillars:

- 1. Optimize cultural assets
- 2. Develop entrance areas
- 3. Activate rail stations
- 4. Enhance visitor experience/placemaking
- 5. Build mixed-use districts



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2024 Work Plan Highlights

Projects and programs planned/underway for 2024:

- Culinary Tourism Program
- Placemaking & Activation Efforts
- Community Pop-up Markets
- SeaTac Businesses Digital Presence - tourism



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SeaTac Culinary Tourism Program

- Description and goals of the program
- Budget: \$24,000
- Upcoming tours highlight local restaurants/retail
- Significant interest with over 163 registrations for initial tours



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Placemaking and Activation

- Collaboration with Project for Public Spaces (PPS)
- Community market activations at Angle Lake Station
- Station Domination project to increase awareness
- International Boulevard Street Trees Light project



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Economic and Community Impact

- Enhancing SeaTac's appeal as a cultural destination
- Community engagement and support for local businesses
- Estimated economic benefits from initiatives



Lodging Tax Application Update

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Funding summary for 2024-2026

Projects recommended for funding:

- Various cultural and tourism projects
- Support for local businesses and events
- Preparation for 2026 FIFA WORLD CUP



Lodging Tax Application Update

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Lodging Tax Application Update

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Next Steps

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- Upcoming project milestones
- Planned updates for committees
- Ongoing evaluation and revisions of the Work Plan



Questions?





2024 Quarter 2 Progress Report (April-June). Quarter 2 was a time of action to adopt the 2025 SKHHP Work Plan and Budget and the 2024 Housing Capital Fund Guidelines, as well as receiving concurrence from all participating member city councils for the 2023 Housing Capital Fund allocations.

WHO WE ARE

Formed in 2019 by an Interlocal Agreement, we are a collaboration between 11 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. We achieve 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.

PURPOSE

Create a coordinated, comprehensive, and equitable approach to increasing housing stability, reducing homelessness, and producing and preserving quality affordable housing in South King County.

CONTACT

Claire Vanessa Goodwin
Executive Manager

Website:

<http://skhhp.org>

Phone:

(253) 931-3042

Email:

info@skhhp.org



GOAL 1. Fund the expansion and preservation of affordable housing.

2024 Housing Capital Fund – The SKHHP Executive Board adopted the 2024 Housing Capital Fund Guidelines and made \$4.1 million available for eligible applicants to construct, acquire, or preserve affordable housing in South King County. One pre-application meeting occurred in Q2 with applications due September 13.

2023 Housing Capital Fund – Received concurrence from all City Councils who funded the 2023 Housing Capital Fund on the Executive Board’s recommendation to support four affordable housing projects in the subregion.

Contracts – Advanced draft Housing Capital Fund contracts and funding documents on two projects.



GOAL 2. Develop policies to expand and preserve affordable housing.

Subregional Affordable Housing Preservation Strategies – Hosted South King County long-range planners (SoKiHo) at the SKHHP Executive Board meeting on April 19, 2024 to present on the collaborative approach to developing the South King County Affordable Housing Preservation Strategies available [here](#).

South King County Joint Planners and Developers – Facilitated a discussion on faith-based partnerships supporting the development of Affordable Housing including a panel of faith-based leaders to 7 developers and 14 planners and a recording is available [here](#).

Executive Board Briefings – Coordinated two presentations to the Executive Board including an introduction to the South King County developer, Mercy Housing Northwest through SKHHP’s ‘Meet the Developer’ series and “How Affordable Housing Gets Financed” by Beacon Development Group.



GOAL 3. Serve as an advocate for South King County.

South King County Advocacy – Informed statewide leaders about South King County efforts to advance affordable housing in the subregion at the Housing Development Consortium’s Annual Affordable Housing Celebration on April 17. Spoke on a public funders panel on June 14 to inform the housing development community of SKHHP’s available funds for 2024.

Participation in Local Meetings and Forums – Represented SKHHP at 65 regional meetings representing 23 unique groups. Attended the Affordable Housing Week kick-off event, an Affordable Housing Workshop sponsored by University of Washington-Tacoma, and .



GOAL 4. Manage operations and administration.

2025 SKHHP Work Plan and Budget – The Executive Board adopted the 2025 SKHHP Work Plan and Budget on April 19. Prepared Council materials for Staff Work Group members to present to member City Councils for approval per the SKHHP ILA requirements.

Parental Leave – Successfully transitioned executive staff coverage to Interim SKHHP Executive Support in May and shall continue through September 2024.

**South King Housing and Homelessness Partners
Fund Status as of June 30, 2024**

REVENUES	OPERATING ACTUAL	HOUSING CAPITAL FUND CONTRIBUTIONS 2024
Auburn	\$ 39,543	\$ 135,475
Burien	22,814	64,623
Covington	11,407	213,657
Des Moines	11,407	34,012
Federal Way	51,710	131,715
Kent	51,710	2,256,716
Maple Valley	11,407	500,000
Normandy Park	6,084	5,426
Renton	51,710	228,107
SeaTac	10,456	300,000
Tukwila	11,407	89,289
King County	51,710	-
King County additional contribution	23,290	-
INTEREST EARNINGS	136,834	-
Total	\$ 389,103	\$ 3,959,020
EXPENDITURES	OPERATING ACTUAL	HOUSING CAPITAL FUND ACTUAL
SKHHP Cost Reimbursement	144,736	-
Administration Fee	8,600	-
Total	153,363	-
Beginning Fund Balance – January 1, 2024	7,670,194	7,292,705
Estimated net change in fund balance – June 30, 2024	4,297,146	3,959,020
Estimated Ending Fund Balance – June 30, 2024	11,967,340	11,251,725

SKHHP Cost Reimbursement Detail	
EXPENDITURES	
Wages	88,757
Benefits	23,927
Supplies	28
Professional Services	21,551
Interfund Allocations	10,500
Administrative fee	8,600
Total	153,363

EXHIBIT A

CITY OF SEATAC

LAND USE REVIEW AND CONSTRUCTION PERMIT FEE STUDY

Project Approach

The permitting of development activity is a regulatory function of the City. These functions are paid for through user fees from the permit applicant. RCW 82.02.020, previous case law and direction from the Washington State Auditor and Washington State Attorney General specifies that only certain costs can be recovered as part of the development related regulatory review process. These include:

- Costs that are necessary for the direct review and adjudication of a permit. For example, staff time, including related expenses and travel time to and from the job site, is spent in the direct review of a permit.
- Supportive costs that are borne by staff for the necessary review and adjudication of a permit. For example, time spent in staff and management meetings reviewing permit projects and workload, staff attendance at industry trainings to maintain their professional skills, and staff attendance at the permit counter to answer questions from prospective permit applicants.
- Reasonable share of overhead and administrative costs.

Conversely, certain costs may not be recovered through permit fees. Non-recoverable costs generally fall into the following categories:

- Costs that are related to the overall governance of the organization. For example, staff attendance at Council meetings and Planning Commission meetings.
- Costs that are for the benefit of the broader community. For example, comprehensive planning, long-range planning, and code enforcement. Within this category, it is important to note that if development of comprehensive plan policies results in a new regulatory requirement, then the cost of enforcing that new regulatory requirement becomes recoverable.
- Costs that are related to broad social goals. For example, establishing green energy goals or funding of low-income or homeless housing programs.

Based upon the above guiding legal framework, FCS GROUP proposes the following task plan to assist the City in determining its costs that can be recovered from regulatory permit fees and recommend appropriate revisions to these fees.

TASK PLAN

Task 1 | Project Initiation Meeting

A common understanding of the study's objectives and expectations is critical to a successful study process. At the beginning of the study, FCS GROUP will facilitate a virtual 60-minute kick-off meeting with the City's project team to introduce the project team members, discuss the study goals, and review methodology, scope, expectations, schedule, and any specific concerns and issues the City wishes to investigate further.

Task 2 | Data Collection and Validation

Prior to the kick-off meeting, we will provide an initial data request identifying financial budget and actual data and historical permit volumes. We will work with the City's project team to determine staff fee-time information. Staffing time records play a critical role in the fee study. They form the basis for determining the hourly rates for City staff to provide full cost-based fee services.

Task 3 | Identify Cost of Service

Fee services will be itemized into direct, indirect, and overhead cost components to ensure transparency in evaluating costs and their drivers. The total recoverable costs will then be divided by total staff labor hours spent on recoverable activities. This calculation will determine a loaded hourly rate for City-identified divisions, such as Building Services, and program areas within Building Services.

Task 4 | Cost Recovery Analysis and Comparative Survey

After completing the cost-of-service analysis, we will conduct a cost recovery analysis by comparing the costs of providing services in each division or department with either the budgeted or actual revenues supporting the same service.

The calculated cost of service fees will also serve as a basis comparing up to five neighboring jurisdictions. We will collaborate with City staff to select the fees and jurisdictions for comparison. Additionally, we will develop a customized fee tool to provide City staff with another point of reference for making equitable policy decisions concerning fee schedule update.

Task 5 | Credit Card Fee Policy Analysis

FCS GROUP will conduct a thorough analysis of current credit card fee policies, evaluating their impact on financial performance and customer satisfaction. We will provide recommendations for optimizing policies to enhance revenue generation and operational efficiency, as well as address any City specific needs such as overall fee policy and refund policy.

Task 6 | Technology Fee Update

FCS GROUP will review and update current technology fees, considering industry standards and organizational needs. We will develop recommendations for optimizing fee structures to align with technological advancements and enhance cost-effectiveness.

Task 7 | Review Preliminary Results with City's Project Team

We will facilitate up to three (3) 60-minute virtual meetings to review the preliminary study results with the City's project team. This meeting will include reviewing the study results, answering any questions about the methodology, and identifying the full cost of providing fee services. If necessary, we will suggest changes to existing city policies that would be required to implement recommendations from this study.

TASK 8 | Review Preliminary Results with City Management Team

We will facilitate a presentation to the City Management team to review the preliminary study results. This virtual meeting will include reviewing the study results, discussing policy considerations when establishing the cost of service-based fees, and seeking direction for any changes or refinements to FCS GROUP's analysis.

TASK 9 | Review Results with City Council

We will facilitate one virtual presentation to the City Council to review the study results. This meeting will include an overview of the study methodology and approach, review the study results, review policy considerations, and seek direction for any changes or refinements to FCS GROUP's analysis.

TASK 10 | draft and Final Report

We will memorialize our work with a draft and final report, documenting key findings and recommendations on cost-of- service based fee revisions. The draft report will be prepared and presented to the City's project team. A final report will be produced after the Council presentation and, if necessary, include reference to any final Council directives or actions taken to finalize the proposed cost-of-service adjustment to fees.

TASK 11 | PROJECT ADMINISTRATION (INCLUDING BI-MONTHLY PROJECT CHECK-INS)

This task includes the various administrative efforts that will take place during the study and includes the following:

- Providing summaries or e-mails outlining follow up items, assigned tasks, and schedule milestones.
- Preparing a monthly invoice with a progress report on the activities performed during the billing period.

FCS GROUP will facilitate a bi-monthly (twice per month) 30-minute remote project check-in. This check-in will include sharing the status of current and upcoming analytic activities, discussing, and sharing deliverables.

