

# **A G E N D A**

## **WALLA WALLA COUNTY BOARD OF COMMISSIONERS**

**WEDNESDAY, JULY 6, 2016**

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**9:30**

### **COUNTY COMMISSIONERS**

**Chairman Johnson**

- a)** Roll call and establish a quorum
- b)** Declarations re: conflict of interest
- c)** Pledge of Allegiance

**9:30**

**DEPARTMENT OF COMMUNITY HEALTH**

**Meghan DeBolt**

(NOTE: Times provided below are approximate.)

- a)** Workshop on Environmental Health  
Fees (9:30 – 9:45)

# **2016 Workshop on Environmental Health Fees**

## **Overview**

- In 2012 we changed the method used food service fees are determined.
- Permit fees are based on time spent at the inspection. Does not include travel time, preparation time or time spend in the office doing follow-up work.
- Food Service Fee have not been increased since 2012

# Overview Continued

- Since 2012 our administrative overhead has remained constant at 14.5%
- Every year there is about a 3% increase in expense due to inflation. That has not been accounted for since 2012.
- We currently collect \$130,546.00 in permit fees. This has remained fairly constant since 2012.
- Currently Environmental Health is about 70% fee supported.

# Changes to fee Ordinance

- Need to modify the grading system for food service permits (Ordinance # 8.32.035)(A) adding “specialized processes”.
- Increase the amount we charge for a second follow-up inspections & Plan Reviews to \$100.00. This will be more consistent with other per hour fees (Ordinance # 8.32.032)(J)(7)&(8). Add a new permit category for Catering(Ordinance # 8.32.040)

# **Changes to Fee Ordinance Continued**

- Looking to change how we handle the 25% discount incentive discount, (Ordinance # 8.32.032(J)(10)).
- Recommend increasing food service fees by 10%

# Summary of fee Increases

Fee Type	Current fee	10%	15%	20%
Category 3 Grocery*	\$1150.00/ \$750	\$825	\$860	\$900
Category 3 Restaurant	\$750.00	\$825	\$860	\$900
Category 3 Mobile	\$500.00	\$550	\$575	\$600
Second Follow up Inspection **	\$60.00	\$100	\$100	\$100
Plan Review **	\$70.00	\$100	\$100	\$100

\* Category 3 Grocery permit will be lowered to match Category 3 Restaurant fee

\*\* Are being adjusted to match other per hour rates in the ordinance

10% increase would put us at 85% fee supported

15% increase would put us at about 90% fee supported

20% increase would put us at 100% fee supported for about 3 years then slowly taper off.

## **Next Steps**

- We will send out a notification letter to the food service operators informing them of the fee increase.
- We will also hold a workshop where operators can come and voice their opinions on the increase at least two weeks before the public hearing.



## DEPARTMENT OF COMMUNITY HEALTH

- b)** Presentation re Walla Walla County  
Affordable Housing funding options  
(9:45 – 10:45)



## WALLA WALLA COUNTY DEPARTMENT OF COMMUNITY HEALTH

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314 West Main Street • P.O. Box 1753 • Walla Walla, WA 99362

Main Telephone: (509) 524-2650 • Confidential Fax: (509) 524-2642 • Main Fax: (509) 524-2678

### Walla Walla County Affordable Housing Funding Options Commissioners Workshop June 6, 2016

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#### MEMORANDUM

To: The Walla Walla County Board of County Commissioners

From: Debbie Dumont  
Human Services/Contracts Manager, Community Health

Date: June 6, 2016

Subject: Affordable Housing Funding Opportunities

Walla Walla County continues to see increasingly visible evidence of homelessness in our community. The Washington State Department of Commerce (Commerce), in the 2015 Washington State Housing Needs Assessment, noted that Walla Walla has fewer available affordable housing units for extremely low income households than any other county in the State of Washington. The gaps in affordable housing are not projected to decrease significantly in the coming years as outlined in the Walla Walla County data report attached for reference.

In-depth analysis by Commerce has identified three major drivers of homeless in the state; housing affordability, inadequate behavioral health supports and stagnant federal housing investment.

Walla Walla County has seen significant increase in behavioral health supports through the 2012 implementation of the 0.1% mental health and chemical dependency sales tax. Recent local meetings with Senator Maria Cantwell provided encouragement in the area of federal housing investment as our Senator is sponsoring legislation to increase federal investment in affordable housing.

The Walla Walla County 5 Year Homeless Housing Plan identifies a critical objective to "Provide rapid re-housing and accompanying case management services for all non-chronically homeless households." Within this objective is identified the Strategy 5: "Increase affordable housing for the non-chronically homeless by initiating a vote for a one-tenth of one percent sales tax allowable per ESHB 2263 and as passed by the Washington State Legislature in June of 2015".

The Walla Walla Council on Homeless has designated an Affordable Housing Committee who have been investigating the available funding opportunities and Walla Walla County has an opportunity to send to a vote of the electorate, one of several local funding opportunities to increase affordable housing provided by statute as outlined by the



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Washington Low Income Housing Alliance in the document: Local Affordable Housing Funding Options in Washington State effective 2016, attached.

The Affordable Housing Committee has obtained consultation from the Center for Community Change, a national non-profit entity, who through their Housing Trust Fund Project, is able to support local, sustainable efforts to increase affordable housing opportunities. The Center for Community Change has been in consultation with other Washington Counties who have implemented or are exploring implementation of one of the available affordable housing options and are available to help support the efforts of Walla Walla County in this pursuit as well.

The options are presented for your review and consideration:

### Alternatives:

1. Do nothing
2. Ask for a Local Option 0.1% Sales Tax as provided by ESHB 2263 of the 2015-16 Washington Legislature.
3. Ask for a Regular Housing Levy for low income affordable Housing as provided in RCW 84.55
4. Declare a state of emergency regarding affordable housing availability and ask for an Emergency Housing Levy for very low income affordable housing as provided in RCW 84.52.105

### Risks:

1. Alternative 1.
  - a. Continues the precipitous decline in the availability of affordable low income housing in Walla Walla County
2. Alternative 2.
  - a. Requires a vote of the electorate.
  - b. Brings sales tax up to 9%, creating a psychological barrier to passage.
  - c. Less potential income than Alternatives 3 and 4.
3. Alternative 3.
  - a. Requires a vote of the electorate.
  - b. Seven (7) year levy.
  - c. Counts against the property tax levy lid, reducing available funds for other uses.
  - d. Specific use requirements.
4. Alternative 4.
  - a. Requires a vote of the electorate
  - b. Ten (10) year levy.



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- c. Requires the declaration of a Housing Emergency.
- d. Requires development of an affordable housing financing plan prior to Levy.
- e. Fewer individuals eligible for financing.
- f. Specific use requirements.

### Benefits:

- 1. Alternative 1. No action required.
- 2. Alternative 2.
  - a. Provides bondable funds, approximately \$10,000,000 over a 10-year period, to develop low to moderate-income housing and support services.
  - b. Very flexible, 60% to be used for construction. Use determined locally for housing, mental health, and behavioral health facilities or services.
- 3. Alternative 3.
  - a. Potentially greater income than Alternative 2.
  - b. Allows up to \$0.50/\$1,000 assessed value or potentially \$2.9 million annually
  - c. Financing for construction, operations and maintenance of housing for individuals with income up to 80% of area median income
- 4. Alternative 4.
  - a. Potentially greater income than Alternative 2 or 3.
  - b. Focused and well planned.
  - c. Allows up to \$0.50/\$1,000 assessed value or potentially \$2.9 million annually
  - d. Financing for construction, operations and maintenance of housing for individuals below 50% of area median income.
  - e. Does not apply to property tax levy lid.

### Recommendations:

- 1. The Walla Walla County Board of County Commissions declare a housing emergency.
- 2. The Walla Walla County Board of County Commissioners direct the Walla Walla County Department of Community Health, in conjunction with housing providers, other interested parties, and other municipalities, to develop an Affordable Housing Financing Plan (AHFP).
- 3. The Walla Walla County Board of County Commissioners, once the AHFP is completed, place for a vote of the electorate an Emergency Housing Levy of \$0.50 per \$1,000 of assessed property value.



## Local Affordable Housing Funding Options In Washington State

Current as of 2016

Regular Housing Levy	
RCW:	84.55
Maximum Statutory Levy Rate:	\$0.50/\$1,000 Assessed Value
Voter Approval Required:	Yes
Governing Body:	City and/or County
Time Period:	7 Years
Purpose:	Finance affordable housing and O&M for low-income (80% AMI) households.
Potential Stakeholders:	Affordable housing/homelessness advocates, nonprofit development corporations, architects, banks and other financial institutions, community groups and organizations including faith groups, labor groups, and school organizations.

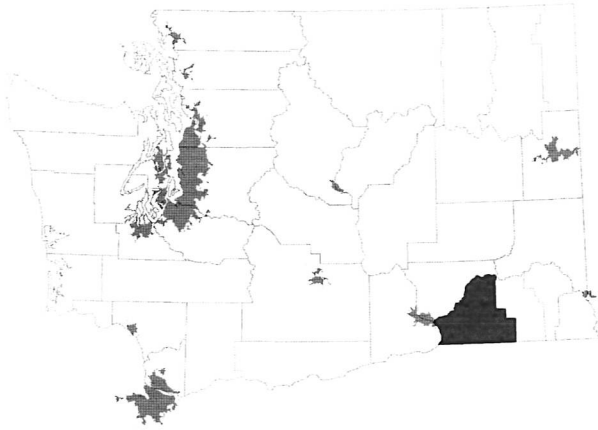
Specialized Housing Levy	
RCW:	84.52.105
Maximum Statutory Levy Rate:	\$0.50/\$1,000 Assessed Value
Voter Approval Required:	Yes
Governing Body:	City and/or County
Time Period:	10 Years
Purpose:	Finance affordable housing and O&M for very low-income (50% AMI) households.
Note:	This amount can exceed the levy lid/aggregate limit of \$5.90
Potential Stakeholders:	Same as the regular housing levy.

Mental Health Levy	
RCW:	82.14.460
Maximum Rate:	1/10 <sup>th</sup> of 1% of sales tax
Voter Approval Required:	No
Governing Body:	Counties and Cities
Time Period:	N/A
Purpose:	Operation or delivery of chemical dependency or mental health treatment programs and services and for the operation or delivery of therapeutic court programs and services. "Programs and services," includes, but is not limited to, treatment services, case management, and housing that are a component of a coordinated chemical dependency or mental health treatment program or service.

H. 2269 - Affordable Sales Tax	
RCW:	82.14
Maximum Rate:	1/10 <sup>th</sup> of 1% of sales tax
Voter Approval Required:	Yes
Governing Body:	Counties have first option to implement. Cities outside of King County will have the option as of 10/9/2017 if the county hasn't utilized it and cities in King County will have the option as of 10/9/2018 if King County hasn't utilized it.
Time Period:	Not restricted by statute.
Purpose:	At least 60% of the funds must be used for capital costs of affordable housing; mental health facilities; and/or O&M. Must serve 60% AMI or below within certain population groups.  Remaining funds could be used for behavioral health treatment programs and services, or housing-related services.
Potential Stakeholders:	Same as for the regular and emergency housing levies. Because of the mental health linkages, mental health service providers and constituencies that advocate for mental health could be particularly key stakeholders.

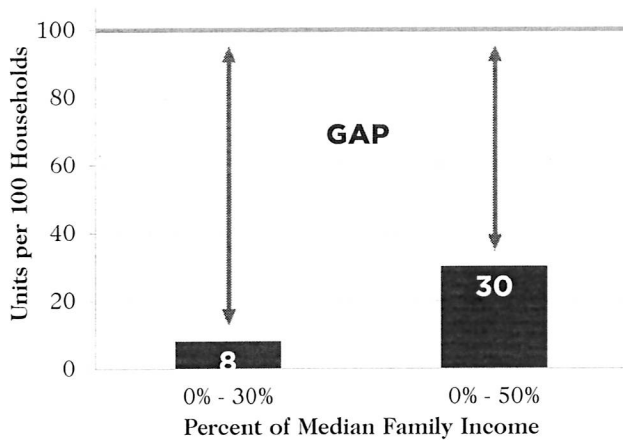
# WALLA WALLA COUNTY



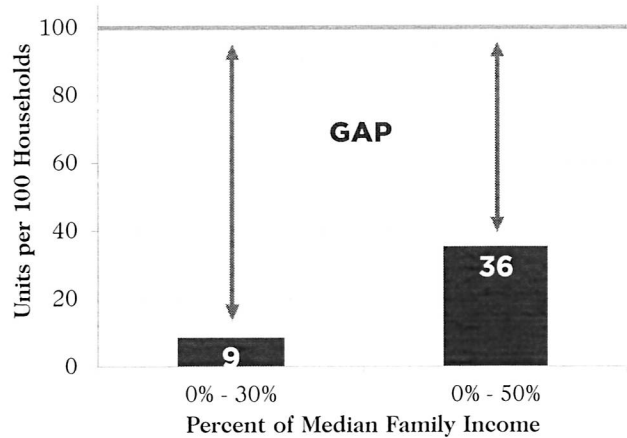
- Population: 58,643
- Area: 1,300 miles<sup>2</sup>
- Households: 21,497
- Median Family Income: \$58,100
- Low-income Renter Households: 5,325
- Subsidized Housing Units: 1,474

## Affordable Housing Gap

*Affordable and Available Housing Units for Every 100 Households*



*Forecasted Affordable and Available Housing Units for Every 100 Households in 2019*



## Housing Market

*How Much of the Median Family Income (MFI) Must a Household Earn to Afford Rent?*

**4 people / 3 bedrooms**

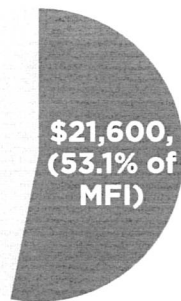
Fair Market Rent: \$1,025

**1 person / 1 bedroom**

Fair Market Rent: \$540



■ required income



■ required income

*How Much of the Housing Stock Can the Median Family Income Afford to Buy?*

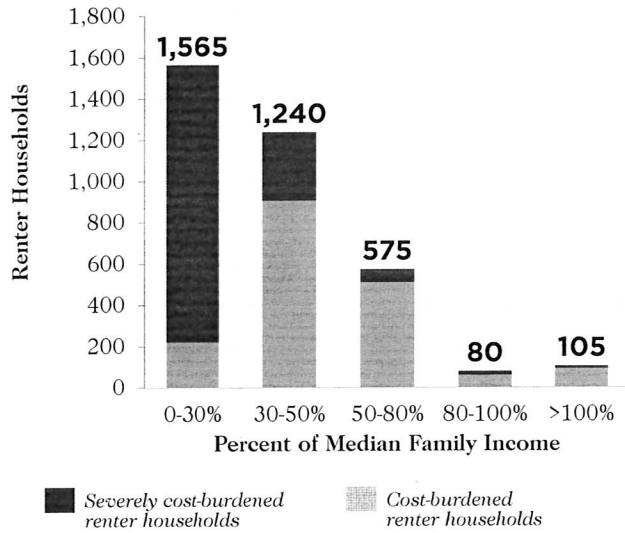
Maximum Affordable Home Value: \$226,666



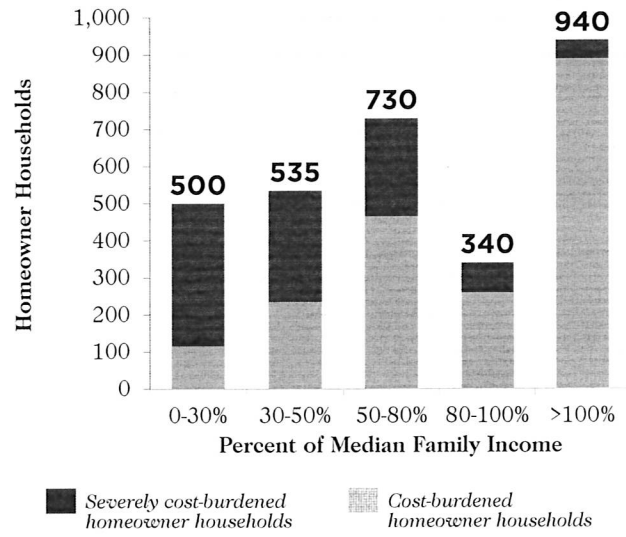
■ % of owner-occupied homes that are affordable

## Cost Burden

### Cost-Burdened *Renter* Households



### Cost-Burdened *Homeowner* Households



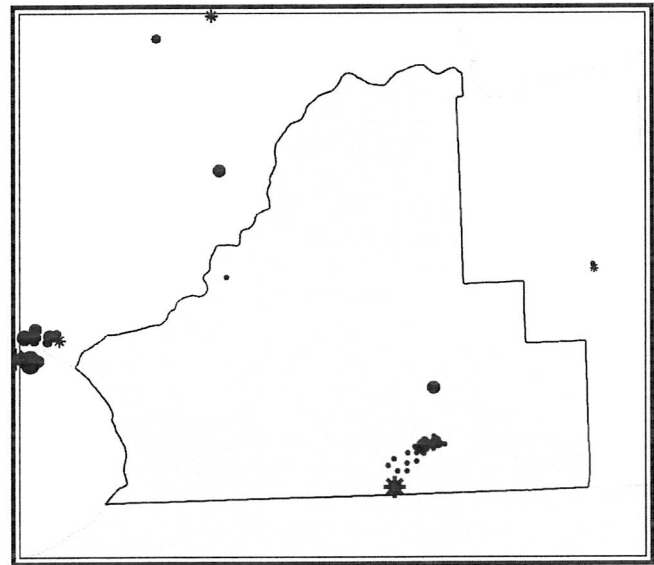
## Subsidized Housing Inventory

### Subsidized Housing Units, Including Those That Are Scheduled to Expire by 2017

- Subsidized unit
- \* Expiring Section 8 or Section 515 unit
- 25 or fewer units
- \* • 26-50
- \* • 51-100
- \* • 101-150
- \* • 151 or more units

### Subsidized Inventory Characteristics

- Sites: 40
- Units: 1,474
- Section 8/Section 515 units set to expire by 2017: 150



### Are There Enough Subsidized Units for Eligible Renter Households at Different Income Thresholds?

% of Median Family Income	Renter Households	Subsidized Units for Which They Are Eligible*		Units per 100 Households
		#	%	
0% - 30%	1,860	807	100.0%	43
30% - 50%	1,810	506	62.7%	28
50% - 80%	1,655	87	10.8%	5
80% - 100%	945	43	5.3%	5

\* Income eligibility was not available for all units in the inventory



10:45

**COUNTY COMMISSIONERS**

- a) Report on Data-Driven Justice Initiative Community Workshop sponsored by The White House, Office of Social Innovation, Office of National Drug Control Policy, and the National Association of Counties
  - Michael Bates, County Corrections Director, and Debbie Dumont, Department of Community Health
- b) Miscellaneous or unfinished business to come before the Board

**- A D J O U R N -**

*Walla Walla County is ADA compliant. Please contact TTY: (800) 833-6384 or 7-1-1 or the Commissioners' Office at 509/524-2505 three (3) days in advance if you need any language, hearing, or physical accommodation.*

*Please note that the agenda is tentative only. The Board may add, delete, or postpone items and may take action on an item not on the agenda.*