ITEM 3: Approval of the July Meeting Minutes
Approval of the June 2022 Executive Board Meeting minutes

Attachments
A. Summary Minutes to Executive Board Meeting (July 14, 2022)
1. CALL TO ORDER

Mr. Triplett called the meeting to order at 9:03 a.m.

2. APPROVAL OF THE AGENDA

Mr. Triplett asked for any changes to the agenda. Ms. Masters stated that due to changes to the Open Public Meetings Act, this meeting will have an open public comment period and future ARCH Executive Board Meetings will be adding an open public comment period when action items are being considered.

Mr. Greenwood moved that the agenda be approved. Seconded by Ms. Carlson. Approved 7–0.

3. APPROVAL OF THE MINUTES

Mr. Triplett asked if there were any changes to the meeting minutes of June 9, 2022.

Ms. Carlson moved that the minutes be approved. Seconded by Mr. Greenwood. Approved 7 – 0.
At this time Mr. Karlinsey joined the Executive Board Meeting.

Mr. Triplett then opened the meeting for public testimony, there was none.

4) Reports / Action Items

4a) City of Bellevue Housing Stability Program

Ms. Masters introduced Mr. King and Ms. Esparza who presented on the framework for Bellevue Housing Stability Program. Mr. King stated that this program, previously labeled the 1590 program, uses the 0.1% sales tax that Bellevue chose to start collecting locally in 2021 to meet local needs in the Bellevue community. The program requires interdepartmental coordination and coordination with ARCH staff to deliver results effectively and efficiently, and it delivers housing and needed services to Bellevue's most vulnerable residents. The program received council approval July 5th, 2022 for the ongoing program framework which will be discussed in the presentation.

Mr. King discussed the relationship between the Housing Stability Program and affordable housing strategy. The Housing Stability Program brings additional revenue to meet critical housing needs for vulnerable populations, advances the continuum of affordable housing strategies, and enhances housing for diverse income levels and service needs. Additionally, Mr. King presented key dates and actions in the program’s implementation and provided a recap of the state enabling legislation and its requirements. Ms. Esparza presented on the lessons learned during year one of the program. Mr. King then provided an overview of the approved program framework, which is described in the meeting packet, and covered the next steps for the program. Mr. King then opened the discussion for questions or comments from the Executive Board.

No further action required from the Executive Board at this time.

4b) Rent Limit Calculations – Board Members Report

Ms. Masters mentioned the previous discussions that have taken place in Executive Board meetings regarding the current year's rent limit calculations and the significant rent increases expected to be imposed on tenants in the ARCH Rental Program due to a steep rise in the national and local median income. Ms. Masters stated that this meeting will be chance for Executive Board members to share the direction from their individual jurisdiction on the method for calculating income and rent limits, and to discuss any needed communications or other plans to prepare for the release of new rent limits.

At this time Ms. VanGorp joined the Executive Board Meeting.

Mr. Triplett shared that Kirkland City Council did have a robust discussion regarding rent limit calculations but decided that they did not want to propose a change in practice at this time. However, the City would want to discuss changing covenants and codes moving forward in order to avoid this situation in the future.

Ms. Carlson stated that the City of Bellevue will do the same, however, the City Council was interested in doing outreach to properties to discuss voluntary mitigation of the significant rent increases and getting information out to tenants about available resources.
Mr. Karlinsey said that the City of Kenmore would also stay with the current method for calculating rent limits. However, there was a discussion to possibly add language in future contracts and covenants to pick the lesser of the HUD index or straight calculation.

Mr. Stannert stated that the City of Bothell has been working with ARCH to update code language, and that they are interested in maintaining a level of balance for tenants going forward but are also concerned about administrative complexity.

Ms. Helland stated that City of Redmond staff will contact properties and discuss moderating the current year’s rent increase. Additionally, ARCH may be able to assist jurisdictions in the process of developing standardized alternative code language and helping with the stakeholder process.

Ms. Rider added that King County will also stay with the prior practice for calculating rent limits and is looking at possible change to contracts in the future.

Mr. Karlinsey asked Ms. Masters if ARCH could include a few sentences in the updated rent limits notification email about a property's option to voluntarily moderate their individual rent increases. Ms. Masters replied that ARCH could do this and would be open to further input from board members on this matter. Ms. Carlson then asked Ms. Masters if a draft of the email could be sent to board members for approval before it is sent out and Ms. Masters agreed that it could.

Mr. Triplett summarized that, based on feedback from the Executive Board members, the recommendation is for ARCH to post the updated rent limits consistent with its current practices.

**No further action required from the Executive Board at this time.**

**4c) Rent Increase Policy Development**

Ms. Masters stated that she will present how ARCH is initially thinking of developing some policy options to bring back to the Executive Board. The Executive Board can discuss and ideally provide direction and/or make a recommendation(s) regarding rent increase policy development and approve the process and some goals throughout.

Ms. Masters presented on topics including: the overarching goal of consistent regulations across jurisdictions; key policy objectives; current policy and possible alternatives; and a plan for soliciting stakeholder feedback. Ms. Masters then asked for feedback and direction affirming the proposed policy objectives and stakeholder process.

Ms. Carlson stated that she believes it is important to consider the timing in talking to the Bellevue City Council and that City of Bellevue staff would like to be involved in the stakeholder outreach process. Also, it should be clear in the messaging that this policy development is future-facing and not looking backwards. Ms. Carlson also clarified that she would prefer that Executive Board members discuss this with their jurisdiction’s city councils before making a recommendation during the Executive Board meeting.

Mr. Karlinsey suggested the possibility of introducing a cap of 5-6%, for example, to the current practice ARCH uses for generating annual rent and income limits.
Ms. Helland articulated the importance of the stakeholder engagement process and to consider the differences in structures of government ARCH member jurisdictions have during the rent increase policy development process.

Mr. Triplett proposed the ARCH Executive Board approve a one-page problem statement or letter, written by Mr. Triplett and Ms. Masters, about the rent increase issue, how the current practices for generating rent limits has resulted in a 16% increase in 2022, and the process moving forward. Ms. Carlson proposed that this letter be a memo to Executive Board members that could then be shared with individual jurisdiction’s city councils.

**No further action required from the Executive Board.**

### 5. OTHER BUSINESS

Ms. Masters spoke about the upcoming ARCH Revenue Focus Group involving members’ elected officials, and further outreach needed to confirm who the participants should be in each jurisdiction.

Ms. Masters then discussed the fact that it is ARCH’s thirty-year anniversary and opened the discussion to the Executive Board for how that could be recognized. Ms. Helland suggested creating a mention of the 30-year anniversary in ARCH’s letterhead. Mr. Triplett suggested an event take place to mark the anniversary.

Ms. Masters opened the discussion to hear any updates from Executive Board members regarding the tenant protections discussion in their individual jurisdictions.

Ms. Helland shared that the City of Redmond introduced tenant protections to City Council in June 2022 and had continued to discuss the proposed tenant protections. At this time, the ordinance closely reflects the ARCH model ordinance and Ms. Helland stated she anticipates the City Council will take final action on July 19th, 2022.

Mr. Karlinsey stated that the City of Kenmore had passed tenant protections in March 2022 which included rent increase written notice guidelines, a cap in late fees, cap on move-in fees, right to a payment plan on move-in costs, barring discrimination based on resident status or having a social security number, and that a rent due date may be altered due to a tenant’s fixed income.

Mr. Triplett updated that the City of Kirkland City Council asked staff to conduct landlord stakeholder outreach and tenant advocacy stakeholder outreach and they will consider those results and vote on tenant protections August 3rd, 2022.

Ms. Masters then shared that ARCH had published the 2022 Trust Fund Guidelines, which mark the start of the annual funding round, and have begun preapplication meetings.

Ms. Masters added that five ARCH member jurisdictions had applied to the Department of Commerce for housing grants to support “Middle Housing”, and ARCH is discussing opportunities for coordination.

### 6. ADJOURNMENT

Meeting was adjourned at 10:37 a.m.