At approximately 4:00 p.m. **CHAIRMAN CRANKOVICH** opened the public hearing to hear Public Testimony on the use of specific funds in pursuit of increased affordable housing in Kittitas County.

**DAVID STANBAUH, HOPESOURCE** reviewed a staff report and indicated that affordable housing is a continuing and well recognized issue in Kittitas County. He stated that HopeSource has remained committed to being a moving force in creating additional affordable/attainable housing opportunities for the residents of Kittitas County, specifically low-income households and those households at risk of becoming low-income households. He indicated that HopeSource is the General Partner in a 24-unit affordable housing, tax credit complex in Cle Elum, Westview Villa, built in 2002. HopeSource is currently pursuing three affordable housing complexes in Kittitas County (two in Lower County and one in Upper County) with the development group Shelter Resources Inc. (SRI) that has a long history and excellent reputation in tax credit housing. SRI has and currently partners with respected Community Action Agencies (CAA) in Washington and has used the same financing and management firms that HopeSource partners with for Westview Villa. While these three properties do not add to the finite number of affordable units, they do improve the probability that an increased number of individuals and families in these properties will improve their standard of living and ultimately move into permanent, market-rate housing.

Mr. Stanbaugh indicated that if the application for the three properties is successful, HopeSource can increase the value of the affordable/attainable housing proposition in Kittitas County, preserve and upgrade the quality of the present locations, and keep in the County renovation construction costs in excess of $1,400,000.00 and permit fees of approximately $10,000.00 He
indicated the State of Washington Housing Finance Commission (HFC) and Housing Trust Fund (HTF), when it appraises the tax credit applications for award each year, looks for a demonstration by the local governing bodies of support for the application through commitment of at least a minimal level of funds. He indicated that applications are appraised on a system of points, and one of the ways to increase the points on any property and thus improve the potential for a successful application, is to secure a commitment by local governing bodies in the form of funds. He indicated that examples could be provided upon request from other counties in the State that have partnered with their local Community Action Agency in this manner, and that have specifically committed SHB 2060 funds to the application. He explained that a successful application now for tax credit affordable/attainable housing properties by HopeSource will, in the future, increase the probability of impacting actual numbers of affordable & attainable units through new construction projects that come through the same HFC and HTF process. In closing Mr. Stanbaugh indicated that the primary focus for today’s meeting was because HopeSource felt without local support, HopeSource may not have sufficient funds for an application award from the HFC and HTF. He indicated that if the County demonstrates a willingness to participate in the project it will enhance the chances of obtaining the contracts from the State.

THOSE PRESENT AND TESTIFYING:

PERRY ROWE spoke in support of the request, and indicated that we are very short on affordable housing.

ROGER WILSON indicated that he was a resident at Hampton Court and expressed concern with utilities.

THERE BEING NO FURTHER PUBLIC TESTIMONY THE PUBLIC PORTION WAS CLOSED.

COMMISSIONER McCLAIN moved to approve the request to commit $30,000.00 dollars of 2060 funds if HopeSource is awarded the project. CHAIRMAN CRANKOVICH seconded. Motion carried 2-0.

Meeting adjourned at 4:49 p.m.