

## **Summary Key Themes: 9% Program Policy Geographic Pool Engagement Sessions**

**May 15, 2026**

### **1. Flexibility was broadly supported**

Across the meetings, participants generally responded positively to the idea of creating more flexible affordability and priority population pathways. Several comments suggested that the current structure limits the number of doors projects can enter through to score competitively, especially because only a few existing options are commonly used.

### **2. Deep affordability remains a shared goal, but 30% AMI units are difficult without subsidies.**

A major theme across all meetings was the tension between policy goals around deeper affordability and the financial reality of operating 30% AMI units. Participants recognized the importance of reducing rent burden and serving extremely low-income households, but repeatedly noted that 30% AMI units often require vouchers, operating subsidy, or other rental assistance to be viable. Several comments raised concerns that investors are increasingly unwilling to underwrite income from unsubsidized homeless or deeply affordable units, which forces projects to carry larger reserves or depend on subsidy sources that may not be stable.

### **3. Average Income Test generated mixed opinions.**

King County stakeholders seemed especially interested in AIT as a tool for targeting overall project affordability and potentially supporting preservation deals with over-income households. Non-metro participants, however, were more cautious, noting that AIT could still require deeper low-income targeting that may be hard to lease in low-income counties. Smaller agencies also raised concerns about compliance capacity, even while some participants with experience using AIT in other states described it as manageable with the right tools. There was an acknowledgement that AIT may not work in every community; specifically, there was concern that there may not be enough of a gap in market rents and higher AMI rents to make AIT feasible, particularly in the Metro pool.

#### **4. Stakeholders want scoring to reflect local housing need, not just statewide policy priorities.**

In King County, stakeholders emphasized PSH, family-sized units, and deeper affordability, while also questioning whether very high PSH concentrations remain realistic. In non-metro communities, participants emphasized senior housing, farmworker housing, small-community flexibility, and the fact that need may be spread across multiple populations rather than concentrated in one category. Multiple comments suggested that a rigid 20%, 25%, 50%, or 75% threshold may not fit smaller communities where projects need to serve a broader general low-income population.

#### **5. Partners want priority population scoring to be reconsidered, especially for PSH, large households, seniors, and farmworker housing.**

Across the meetings, there was support for continuing to prioritize PSH, but also concern that high PSH thresholds are increasingly difficult because of operating subsidy, service funding, and investor concerns. King County participants wanted family-sized housing to receive stronger recognition but also warned that defining large households only through three bedroom units can unintentionally eliminate needed two bedroom units. Non-metro participants emphasized that senior housing and farmworker housing may be disadvantaged if scoring is too centered on 30% AMI, PSH, or large-bedroom assumptions.

### **Meeting-Specific Themes**

#### **Metro**

Key Themes: flexibility, underwriting realities, and the limits of deep affordability without subsidy

Stakeholders raised concerns about declining subsidies, rising costs, reserve requirements, investor reluctance to count rental income from unsubsidized homeless units, and credit prices potentially falling. They emphasized that any scoring model that pushes more deeply affordable units must also account for operating subsidy, rental assistance, and investor underwriting standards.

Priority population comments in this meeting focused heavily on the need for smaller-community flexibility, and that pool coordination and more recent changes lowering threshold requirements have mostly allowed communities to prioritize projects.

Participants noted that PSH, farmworker housing, large families, and general low-income households may overlap in need, but not always in a way that fits formal set-aside categories. There was concern that small communities may not have enough households in a single priority population to sustain a high set-aside, even when they clearly have housing need.

### **King County / HDC Affinity Tax Group**

Key themes: deep affordability, PSH calibration, and family-sized housing design

Participants asked whether 40% AMI should be more directly incentivized and whether households slightly above 30% AMI could be served through rent structures such as 30% rents with 35% income limits.

A theme was that PSH remains important, but high PSH concentrations may no longer be realistic. Participants specifically questioned whether 75% or 100% PSH is feasible in the current environment and suggested that lower PSH thresholds, such as 25%, 40%, or 50%, may better match investor, operating, and community realities. This was not framed as opposition to PSH, but rather as a concern that the scoring system should recognize sustainable PSH models.

Stakeholders supported family-sized housing, but several warned that a strong three-bedroom incentive can result in projects with too few two-bedroom units. Participants suggested broadening the category to include “family-sized” two- and three-bedroom units, potentially with a minimum share of each.

### **Non-Metro**

Key themes: rural fit, AMI mismatch, senior housing, farmworker housing, and administrative feasibility

Participants expressed concerns on increasing the emphasis on 30% AMI households. Several noted that in lower-income counties, 30% AMI levels can be extremely low and may not align with local workers, farmworker households, or people who are rent burdened but slightly over income. Comments raised concerns that strict AMI

targeting can force property managers to skip eligible households on waitlists because the available income slots do not match the applicants in need.

Participants argued that AMI levels mean different things across counties, and that a 30% AMI household in one county may look very different from a 30% or 50% AMI household in King or Snohomish. Because of this, several participants suggested aligning non-metro policies more closely with Housing Trust Fund rural AMI approaches or decoupling income and rent limits.

Multiple participants described a large unmet need for elderly housing, including rising senior homelessness and seniors being pushed out of housing. There was concern that senior projects could be placed at a disadvantage if they receive too few points compared with other priority populations, especially because senior projects may require more community space and could need a TDC or credit limit adjustment.

Participants described other scoring categories such as Transit Oriented Development and Job Centers as poorly matched to rural conditions, where transit may be limited, communities remain car-dependent, and additional building or energy requirements can add cost without necessarily reflecting local housing need.