

HALA Community Focus Groups Medium Density Urban Village Focus Group | Meeting #3 Thursday, July 28, 6:00 - 8:00 p.m. Seattle City Hall, Room L280

Meeting Summary

Opening Remarks and Introductions

Susan Hayman, facilitator, reviewed the ground rules, schedule, and goals for the Housing Affordability and Livability Agenda (HALA) Community Focus Group process and provided members with an overview of the agenda and the objectives for the Medium Density Urban Village Focus Group's third meeting. She also introduced a Focus Group member attending from the HUB group – Melissa Lurch.

Reflection on MHA Implementation Principles Feedback

Nick Welch, Seattle Office of Planning and Community Development (OPCD), provided an overview of the draft summary of Focus Group feedback on the Mandatory Housing Affordability (MHA) implementation principles that had recently been shared with the City Council members and the Mayor. Nick said that the draft summary document indicated areas of general agreement, areas where opinions diverged, and areas of special interest for particular Focus Groups.

Nick encouraged members to review the draft summary document and submit questions, comments, or concerns to OPCD before the Focus Group's next meeting on August 25.

Focus Group members had the following questions and comments:

- Please email the Focus Group members with the document attached, asking for their edits.
- Will the group discuss Councilmember O'Brien's proposals to change the MHA?

Open House

Nick encouraged Focus Group members to browse two sets of informational boards set up throughout the meeting space. The boards provided:

- I. Information on how MHA would create affordable housing
- 2. Example illustrations of development in various zones under MHA

As additional context for the boards, Nick invited a representative from the Seattle Office of Housing (OH) and a representative from Capitol Hill Housing, a local non-profit affordable housing developer, to provide an overview of how the agency and the organization work together to develop and operate affordable housing in Seattle.

Miriam Ruskin, OH, noted the following key information:

- OH has many responsibilities—chief among them is awarding funding for the production of affordable housing. The funding for affordable housing comes from the Seattle Housing Levy and the existing voluntary incentive zoning program. OH also monitors affordable housing development over a 50-year term to ensure that income and rent restrictions are enforced and that residents receive quality amenities.
- OH, itself, does not develop affordable housing. Rather, it distributes Requests for Proposals (RFP) for affordable housing development. Interest in these RFPs often substantially exceeds available annual funding. OH then evaluates proposals based on sustainability, cost effectiveness, proximity to amenities, location, and need.
- For every dollar that the City invests in affordable housing, developers are able to leverage approximately three additional dollars of private and public funding.

Walter Zisette, Capitol Hill Housing, added a non-profit affordable housing developer's perspective, highlighting the following points:

- Capitol Hill Housing has been around 40 years and owns and operates 1,500 units in 48 properties in Seattle. Most properties are in the Capitol Hill area, with others in Fremont, White Center, and other neighborhoods.
- In the 1970s, Capitol Hill Housing's goal was to assist low-income Capitol Hill residents in maintaining their homes. Later, Capitol Hill Housing sought to preserve historic housing in Capitol Hill so that it could last for another 50 years. The organization's current goal is preservation along with community and transit-oriented development.
- The recently opened 12th Avenue Arts, a mixed-use project with 88 units of affordable housing above retail, office space, and a performance art center.

Focus Group members reviewed informational boards and engaged with City staff and the Capitol Hill Housing representative during an open house.

Focus Group members had the following questions and comments:

- Do the 12th/Pine units include MFTE? How many of them will age out?
- What is the nonprofit's role as a voice for those who are lower income?
- How are applications evaluated? From a developer standpoint, what are the standards?

Large Group Discussion

The group reconvened after the open house and Susan presented several discussion questions. Focus group members responded with their perspectives:

- One board highlighted criteria that the City uses when choosing where to locate affordable housing. Are there additional criteria that the City could add to this selection process?
 - The existing housing stock should be taken into consideration. If there are no family-size homes in an area, then developers should build more family-size housing there.

- $\circ~$ Be careful to not make assumptions about lower-income communities and where they want to live.
- Should there be any changes to the proposed structure for the implementation of MHA payment or performance throughout the city?
 - Are the MHA payment numbers fixed or is there some flexibility for those numbers to adjust over time?
 - A requirement that larger projects set aside 7% of units as affordable would integrate not only neighborhoods around the city but also structures.
 - \circ Is there an option to spread out the payment option over time?
 - What is the fear around incentivizing performance or requiring performance?
 - Integration of buildings is important. It feels like the presentations focus on density and concentration in certain areas, which feels like repeating mistakes by creating dense pockets of isolated low-income populations.
- What types of affordable housing development would you like to see more of? Less?
 - As discussed in other meetings, it is important to increase the array so there is more family-friendly housing.
 - Can single-family homeowners participate in MHA or contribute to affordable housing? What does that look like?
 - If someone demolishes a duplex and builds a single-family home in its place, would they have to pay for the unit that is taken away?
 - HALA needs to look at Commercial I and Commercial 2 zones, not just single-family zones.
 - There need to be incentives for larger units. The current zoning code incentives smaller units.
 - The city needs more affordable senior housing. It is the largest growing demographic. The city does not need more microhousing (i.e., small efficiency dwelling units).
 - A worthwhile demographic is LGBT seniors, especially in the context of Capitol Hill.
 - The City needs to set aside a certain number of Section 8 voucher units in a building. This is something that could be done now – guarantee a certain number of units in each building for that.
 - The city needs more microhousing.
 - The city needs more disability accessible housing.
 - The city needs more intergenerational housing.

- Are the provided example renderings of what MHA development could look like in different zoning areas an appropriate tradeoff for increased affordable housing?
 - What are the ramifications of having one AMI for all of Seattle, knowing that some neighborhoods have been wealth excluded? There should be cost flow benefits of having it being related to the neighborhood.

Observer Comment

Susan invited the observers to share brief comments with the group:

- One observer said that when developers raise the height of a building but do not increase the floor area ratio (FAR), there is no increase in the number of housing units.
- One observer commented that the only family housing being created is in luxury apartment buildings. Developers go after single-family houses but are not proposing replacing them with family housing. Most new apartments are studio and one-bedroom units. How can MHA get more family housing built? The Focus Groups are not discussing the MHA amendments that the City Council is voting on Tuesday, August 2.

Next Steps

Susan thanked the group for their participation and discussion. She reminded participants that the next Medium Density Community Focus Group meeting would be held on August 25 at City Hall. She shared that the City will look into holding time for Focus Group members to discuss other housing topics that are not included in MHA. She also shared that the City has heard interest from members about bringing together all of the Focus Groups for a meeting. Susan told the group that they could vote on this in a survey.

Susan reminded Focus Group members to submit any additional comments on the draft summary of Focus Group input on the MHA implementation principle before this next meeting.

Susan also shared that she had heard from some focus group members that they did not receive the July meeting's agenda until the day before the meeting.

Susan closed by encouraging Focus Group members to continue using the online HALA Consider.It tool (<u>http://hala.consider.it</u>) to provide additional thoughts on planning for housing affordability in Seattle.

Focus Group members had the following questions and comments:

• What are these amendments? Please forward these on to us along with their background information.

<u>Attendees</u>

Focus Group members:

- Andrea Akita
- Brie Gyncild
- David Osaki
- Denechia Powell
- Diane Rose Vincent
- Hendrik de Kock
- Jin Lee
- Jon Jurich
- Kara Luckey
- Kate Dunphy

- Lynn Sereda
- Matt Hutchins
- Maureen Cartano
- Melissa Bailey
- Melissa Lerch (Hub)

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- Michael Lanthier
- Nathan Thomas
- Peter Amos

Observers

- Paul Cesmat
- Sachin Kukreja

- Peter Hornyack
- Rokea Jones
- Ryna DiRaimo
- Karen Dalton
- Miranda Berner

Project team and other City staff:

- Nick Welch, Office of Planning and Community Development
- Miriam Ruskin, Office of Housing
- Walter Zisette, Capitol Hill Housing
- Susan Hayman, Envirolssues
- Jentien Pan, Envirolssues

- Shanna Alvarez
- Tiffany Chan
- Toby Thaler
- Susan Collins