



2014 Report of Accomplishments



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City of Seattle Housing Levy Oversight Committee

We are pleased to present this 2014 Report of Accomplishments for the Seattle Housing Levy.

The report demonstrates the impact that Housing Levy programs have on the lives of lower income residents of Seattle. The Levy funds construction and preservation of affordable apartments, short-term rental assistance to prevent homelessness, and loans for first-time homebuyers. The funding Seattle voters approved in 2009 is being used efficiently and effectively. Each of the Housing Levy programs is on track to meet or exceed performance goals by the end of the seven-year levy in 2016.

This year the Housing Levy met a major milestone: funds were provided over the past five years for construction or preservation of thirty-one projects with a total of 1,971 affordable apartments, exceeding the seven-year levy goal. In addition, essential repairs and upgrades will be made to five buildings that have received funding previously, protecting this resource and making the affordable housing available for more years to come.

In spite of this accomplishment, housing affordability continues to be a critical challenge for our community. Over 26,000 families and individuals in Seattle pay more than half their income for housing. Rents are rising rapidly in spite of record levels of new construction. People in our community who earn low or moderate wages are struggling to find places to live near their jobs. This year's count of unsheltered homeless people found a heartbreaking 3,772 people on the street in King County, a 21% increase from just last year.

These challenging circumstances serve to underscore the essential role of the Seattle Housing Levy. Over the past five years City-funded housing programs have adapted to dramatic changes in the housing market and funding environment. Rents and home prices dipped in the Great Recession and then rebounded to unaffordable levels. Key state and federal funding sources like the State Housing Trust Fund were cut severely. Financing reforms were enacted that make both rental and homeownership housing more difficult to finance. Levy-funded programs and housing providers have weathered these changes and continued to deliver the housing promised to Seattle voters.

The learnings from this turbulent period help set the stage for planning for levy renewal in 2016. The following elements are especially important:

- *Levy funding helps ensure that Seattle grows equitably.* The diverse resident population of Levy-funded housing demonstrates the Levy's contribution to making Seattle an economically and racially diverse community. As affordable housing is constructed and preserved throughout the city, residents have opportunities and choices of where to live – near jobs, transit, schools, and cultural communities. The Levy also generates economic opportunity for local workers and businesses.

- *Funding for building operations and maintenance and on-site services makes housing available for people with special needs.* Serving the most vulnerable people in our community has always been a priority for the Housing Levy and our community has pioneered housing models, such as Housing First, that have been emulated across the country. Because rental income is too low to support operation of these buildings, projects rely on ongoing subsidies. These subsidies are generally flat or shrinking so expanding resources is essential to sustain and grow these housing opportunities.
- *Protecting our subsidized housing yields significant benefits.* Over 12,000 City-funded affordable apartments are now available, each a tribute to Seattle's voters' commitment to assisting their neighbors in need. Some of these developments involved acquisition of older buildings that now require energy efficiency upgrades and other rehabilitation to reduce operating costs and improve the residents' living environment. These investments increase the number of years these affordable homes will be available for Seattle residents.
- *Homeownership opportunities must be affordable and sustainable.* Levy-funded homebuyer assistance has demonstrated success in helping people both attain homeownership and avoid the abusive lending practices that took a toll on lower-income owners and communities of color across the country. Since then homeownership has been challenged by the impact of Great Recession on household incomes, home values, lending standards and available subsidies. Going forward, stiff competition for resources and escalating home prices means that programs must continue to adapt and new strategies will be needed.
- *Our community's ability to leverage other housing investment is a key to success.* Local funding enables our community to leverage other public, private and philanthropic capital investment – \$3 for each City dollar – to meet high priority needs. Due to strategic alignment of public resources and broad support generated by community-based housing organizations, Levy programs are exceeding production goals. Capital resources are limited, however, and competition is growing. Ongoing advocacy for new and expanded resources, and flexible program design, will be a key to continued success.

As this Report of Accomplishments shows, the Housing Levy creates critically needed affordable homes that benefit Seattle residents, neighborhoods, and the city as a whole for decades to come. The Housing Levy Oversight Committee appreciates the opportunity to serve the City and help guide this invaluable housing resource.

Sincerely,

A handwritten signature in black ink, appearing to read 'Maiko Winkler-Chin', written in a cursive style.

Maiko Winkler-Chin
Chair

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REPORT SUMMARY

Housing Levy Funding in 2014

In November 2009, Seattle voters passed a seven-year, \$145 million property tax levy to provide affordable housing opportunities for low-income Seattle residents. In 2014, the fifth year of the current Housing Levy, four programs awarded funding:

- **Rental Housing Program** funds new construction or acquisition/rehabilitation to preserve housing, and the housing serves eligible residents for a minimum of 50 years. The Program awarded \$11.6 million in Levy funding to four housing projects that will develop 315 affordable apartments. An additional \$3.7 million in Levy funding will fund critical building improvements in two existing buildings with 130 affordable apartments. These six projects also received \$9.35 million in other City housing funds. Each dollar of City investment leverages at least three dollars from other public, private and philanthropic capital funding.
- **Operating & Maintenance Program** provides annual subsidies for buildings that serve extremely low-income residents who pay very low rents that are insufficient to support building operations. The Program awarded funds to Interbay Supportive Housing, which will provide 97 units of housing with on-site services for chronically homeless, mentally ill residents. Funding will total approximately \$6.7 million over 20 years. The City's capital funding and 20-year O & M commitment to the Interbay project leverages over \$940,000 annually in federal funding for this supportive housing.
- **Rental Assistance Program** provides short term assistance to families and individuals who are at risk of homelessness or experiencing homelessness. The Program funded seven community-based organizations that assisted 596 households to prevent eviction or transition from homelessness to housing. This short term assistance provides lasting results: 83% of households were in stable housing six months after rent assistance ended.
- **Homebuyer Program** creates affordable homeownership opportunities through low-interest deferred loans to first-time homebuyers and loans to nonprofits for affordable developments. The Program committed \$1.33 million in Levy funding to two lending programs that will assist approximately 42 first-time home buyers over the next 12 to 18 months. City funds will be pooled with State dollars to provide deferred loans, which will be repaid upon sale or refinance of the home and made available for future homebuyer purchases.

Acquisition & Opportunity Loans were offered in the first three years of the 2009 Housing Levy to take advantage of strategic site acquisitions during the economic downturn. Acquisition loans continue to be available on a limited basis through the Rental Housing and Homebuyer programs.

Housing Levy Cumulative Funding and Production – 2010 to 2014

The 2009 Housing Levy ordinance established performance goals for each program. With this year's funding the Rental Production & Preservation Program now exceeds its seven-year goal with 31 housing projects containing 1,971 units funded. These projects include both new construction and acquisition/rehabilitation of existing buildings. In addition, the program provided funds for repairs in five buildings with 410 units that had previously received City funding. This funding helps protect the City's investment by extending the useful life of the building and improving operating efficiency, and will provide additional years of affordable housing for low-income residents.

In just the first five years of the current Housing Levy, more than \$543 million has been invested in 36 low-income rental housing projects -- over \$3 in other public, private and philanthropic funds for each City dollar invested. This investment creates jobs, business opportunity, and local and state revenues.

Each of the other Housing Levy programs is on track to meet performance goals by the end of the levy in 2016. For the Rental Assistance Program, which began in 2012, funding and performance reflect three years of operation. The Acquisition & Opportunity Loan program was a short-term loan program that is now completed, after securing sites for development of 234 rental and ownership units.

Levy Program	Funding		Housing Produced	
	Total Levy Funding 2010-2016	Funding Committed 2010-2014	Levy Goals 2010-2016	Housing Outcomes 2010-2014
Rental Production & Preservation	\$104 M	\$75.4 M	1,670 rental units	1,971 units added 410 units rehabilitated
Acquisition & Opportunity Loans¹	\$6.5 M	\$7.9 M	175 housing units	234
Operating & Maintenance	\$14.4 M	\$12 M	220 rental units	207
Rental Assistance/ Homelessness Prevention	\$4.25 M	\$2.4 M	3,025 households (2012-2016)	1,882 (2012-2014)
Homebuyer Assistance	\$9.1 M	\$6 M	180 home purchases	148

¹ Acquisition & Opportunity Loans are short-term loans made with other 2009 Levy program funds that are not yet expended. The program stopped making new loans at the end of 2012; two loans are still outstanding. All A & O projects have now received permanent financing through the Levy Rental Production & Preservation or Homebuyer program. The units are shown as production for both the A & O Loan and the permanent funding program.

ABOUT THE 2009 SEATTLE HOUSING LEVY

An opportunity to live in a safe, affordable home

In November 2009, Seattle voters passed a \$145 million property tax levy to provide affordable housing opportunities for low-income Seattle residents. The levy provides funding for seven years, 2010 to 2016.

Housing Levy programs create and preserve affordable rental housing, assist first-time homebuyers to purchase a home, and provide emergency rent assistance to prevent homelessness. This funding directly assists some of the most vulnerable people in our community as well as people working for low wages who struggle to make ends meet. Seattle voters approved the first housing bond for senior housing in 1981, and four subsequent levies to renew and grow these critical programs. There are now over 12,000 City-funded homes for lower-income Seattle residents where rent is kept affordable for 50 years or more. In addition, over 800 homebuyers purchased their first home with affordable City-funded loans.

Affordable Rental Housing

More than half the Levy's Rental Production & Preservation Program funding is dedicated to serving households earning below 30% of the median income, up to \$18,550 for a single person or \$23,850 for a three-person family. This housing serves our neighbors with the fewest resources – seniors and people with disabilities who live on social security alone, parents with children working in low wage jobs, and those unable to find full-time work. This housing also assists people experiencing the crisis of homelessness – families facing economic hardship or domestic violence, and people with physical and mental disabilities. The Levy Operating & Maintenance Program, and Section 8 vouchers from the Seattle Housing Authority, ensures this housing is financially feasible and well maintained.

The rest of the Rental Production & Preservation funding provides affordable housing for people earning up to 60% of median income, about \$37,080 for a single person or \$47,640 for a family of three. People in this income bracket provide valuable everyday services to Seattle residents and visitors – food service workers, retail sales persons, social services providers, and office support staff. Still, they have difficulty finding affordable rents near their jobs.

Preventing Homelessness

Rental Assistance Program funding helps individuals and families manage short-term economic crises to prevent homelessness. For those who have become homeless, rental assistance helps them to rapidly regain stable housing. Households with incomes up to 50% of median income are eligible for assistance; the vast majority of assisted residents have incomes below 30% of median. The program tracks housing stability at program exit and six month after rent assistance ends, demonstrating that a small amount of financial help can make a huge impact.

Homeownership Opportunities

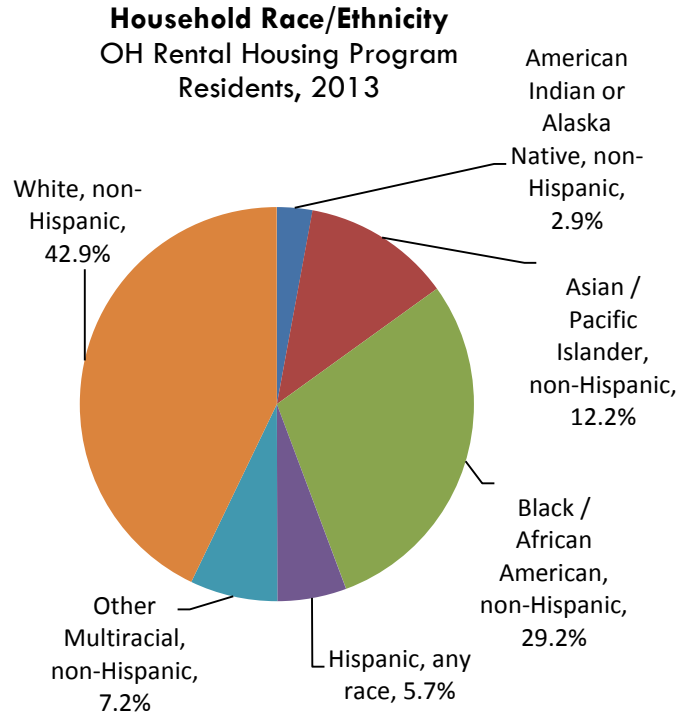
The Homebuyer Program provides affordable loans to first-time buyers earning up to 80% of area median income, up to \$44,750 for a single person and \$57,550 for a three-person family, giving them an opportunity to live close to where they work. These families include a variety of moderate-income workers, such as hotel, office and retail workers, teacher's aides and other school employees, people working in health care, and people providing technology support.

Meeting the Needs of a Diverse City

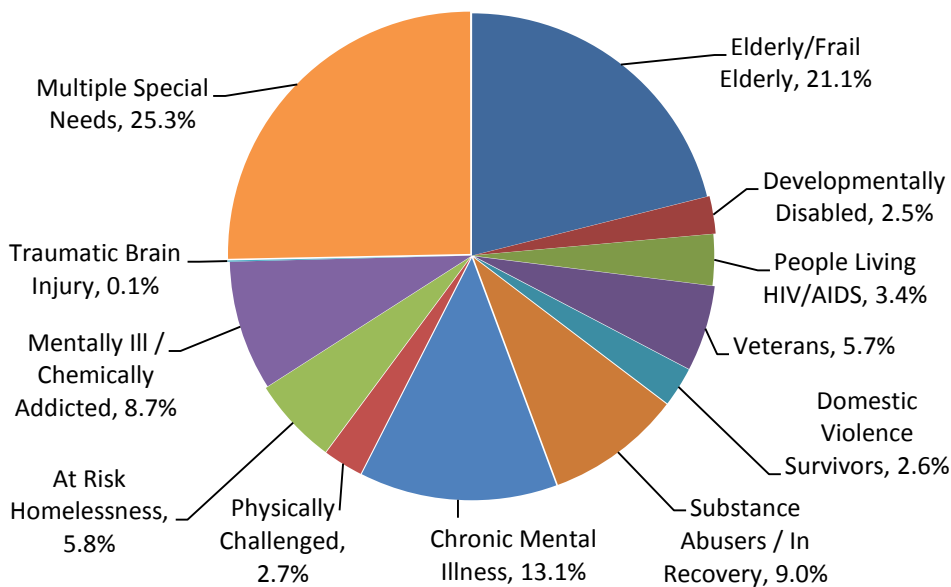
Community-based housing providers operate affordable housing throughout Seattle. Each year, as part of project compliance monitoring, demographic data is collected for rental housing residents in all properties that have been in operation for a year or more. In 2013, the most recent available data, about 13,700 households were served in 10,850 housing units.

Race/Ethnicity: City-funded housing serves a higher proportion of people of color than Seattle’s low-income renter population as a whole (defined here as renters below 80% of median income). Black/African American households make up 29% of residents in City-funded housing, compared to 12% of low-income Seattle renters. Multi-racial residents, Hispanic residents, and American Indian/Alaska Native residents are all served at somewhat higher rates in City-funded housing, while Asian/Pacific Islander households are served at a similar proportion to low-income Seattle renters overall. In City-funded housing 43% of residents are White, compared with 62% of low-income renters in Seattle.

Special Needs Residents: Just over half of resident households in 2013 were identified as having special needs. The largest categories were elderly and multiple special needs. Some but not all of these households were residing in housing with on-site services that is reserved for that resident population.



Special Needs Households
OH Rental Housing Program Residents, 2013



RENTAL PRODUCTION & PRESERVATION PROGRAM

The largest Levy program provides approximately \$14.7 million annually in capital funds to support development of affordable rental housing. Levy funds serve vulnerable people in communities throughout the city, and leverage other public and private investment for housing development and operations.

- The program funds new construction or acquisition/rehabilitation to preserve housing, and the housing serves eligible residents for a minimum of 50 years. A large proportion of housing provides supportive services for residents with special needs.
- Physical inspections and annual compliance reporting ensures that the housing is well maintained, serves the intended resident population, and is financially viable.

2014 Funding Summary

The Rental Housing Program awarded \$15.3 million in Housing Levy funds and \$9.4 million in other City-administered housing funds in 2014. Levy funding will support four housing developments with 315 affordable rental units. Levy funding will also support extensive rehabilitation of two existing affordable housing projects, adding years of affordability to 130 apartments serving formerly homeless individuals.

Project Sponsor <i>Project Name</i> Location	Project Description	Levy Units	Capital Funding	
			Levy \$	Other City \$
Low Income Housing Institute <i>University Commons</i> 5019 Roosevelt Way NE	Construction of studio apartments for homeless young adults aged 18-24 and low-wage workers entering the workforce. YouthCare and Ryther will provide services for the 15 homeless young adults. The University District Food Bank and a café will occupy the first floor.	48	\$0.4 m	\$2.5 m
Mercy Housing Northwest <i>Mercy Othello Plaza</i> 6940 MLK Jr Way S	Construction of apartments affordable to individuals and families up to 60% AMI; over half with two or three bedrooms. Energy efficient, pedestrian oriented design at a light rail station area. Ground floor commercial space and large community room and landscaped courtyard.	108	\$4.57 m	\$3.9 m
Plymouth Housing Group <i>7th and Cherry Apartments</i> 710 Cherry Street	Construction of supportive housing for chronically homeless individuals, with substance abuse and mental health services provided on site. Location near First Hill medical centers provides health care access for medically frail residents.	77	\$5.35 m	\$2.1 m
Seattle Housing Authority <i>Raven Terrace</i> 820 Yesler Way	Construction of mixed-income apartment building with 50 replacement housing units affordable at 30% AMI that will be first offered to Yesler Terrace residents who must relocate due to redevelopment. The remaining units are affordable for families and individuals earning up to 60% AMI.	82	\$1.3 m	\$0.5 m
Total - New Development		315	\$11.6 m	\$9.1 m

Rehabilitation of Existing City-Subsidized Housing (units not counted toward Levy production goal)				
Catholic Housing Services <i>Aloha Inn</i> 1911 Aurora Ave	Rehabilitation of transitional housing for formerly homeless individuals. Repairs include upgrades of building exterior, common spaces, plumbing, heating and other building systems. The term of affordability will be extended.	66	\$1.5 m	
Downtown Emergency Service Center <i>Lyon Building</i> 607 Third Ave	Rehabilitation of historic 1910 building in the Downtown core which has served homeless people with HIV/AIDS, mental illness and chemical dependency since 1995. Repairs include windows, roof, insulation and masonry. The term of affordability will be extended.	64	\$2.2 m	\$0.3 m
Total - Rehabilitation		130	\$3.7 m	\$0.3 m

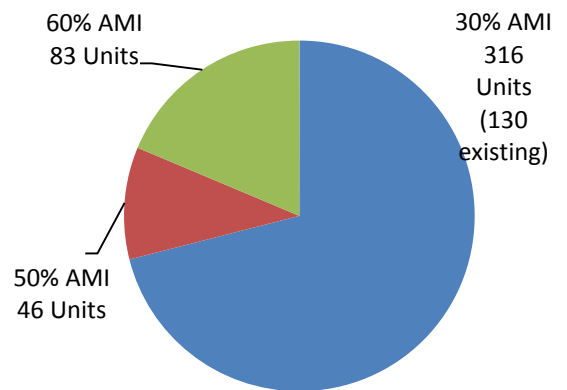
Housing Affordability

Of the housing funded in 2014, 316 of the apartment units will serve extremely low-income households up to 30% of area median income (AMI); 130 of these are in existing City-funded buildings that will be rehabilitated. The balance will serve individuals and families up to 50% and 60% AMI who have low wages and cannot afford market rents.

The allowable incomes and rents are indexed by household size and adjusted annually. The 2014 income guidelines are:

- 30% AMI:** \$18,550 for a single person, \$23,850 for a three-person family
- 50% AMI:** \$30,900 for a single person, \$39,700 for a three-person family
- 60% AMI:** \$37,080 for a single person, \$47,640 for a three-person family

Unit Affordability
 Levy Rental Projects
 Funded in 2014
 445 Levy Units / 6 Projects



Levy Affordability Policy

Funding awarded to date (2010 through 2014) meets the affordability requirements established in the Levy ordinance. At least 60% of program funding must support housing that will serve extremely low-income households at or below 30% of median income. No more than 10% of funding may serve households at 60% to 80% of median income. The remaining funding must support housing serving households at 30% to 60% of median income.

Affordability Level	Affordability Policy % of Funds	Funds Awarded 2010-2014	Percent of Funds Awarded
0 - 30% AMI	At least 60%	\$ 47.3 million	62.7%
31 - 60% AMI	Up to 40%	\$ 28.1 million	37.3%
61 - 80% AMI	Up to 10%		0%

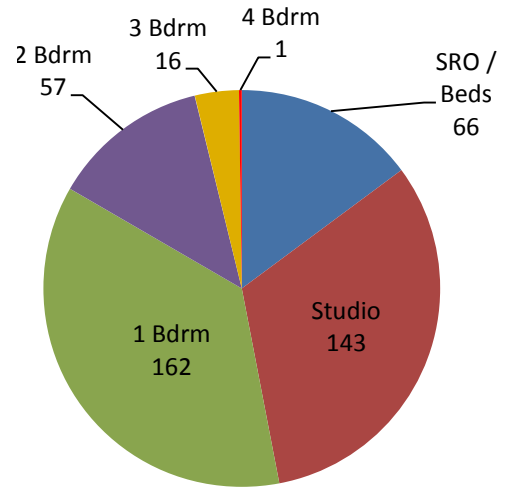
Housing Project Location, Size and Unit Mix

The new housing developments funded this year include two Downtown sites, one in Southeast Seattle and one in Northeast Seattle. Two existing buildings located Downtown and on Aurora Avenue received rehabilitation funding. The projects serving homeless residents contained primarily small units: single room occupancy (SRO) units at the Aloha Inn, studios at University Commons and 7th and Cherry Apartments, and studio and one-bedroom units at the Lyon Building. Mercy Othello Plaza and Raven Terrace also include larger units for families.

Seattle Housing Levy
2014 Projects



Unit Types
Levy Rental Projects
Funded in 2014
445 Levy Units / 6 Projects

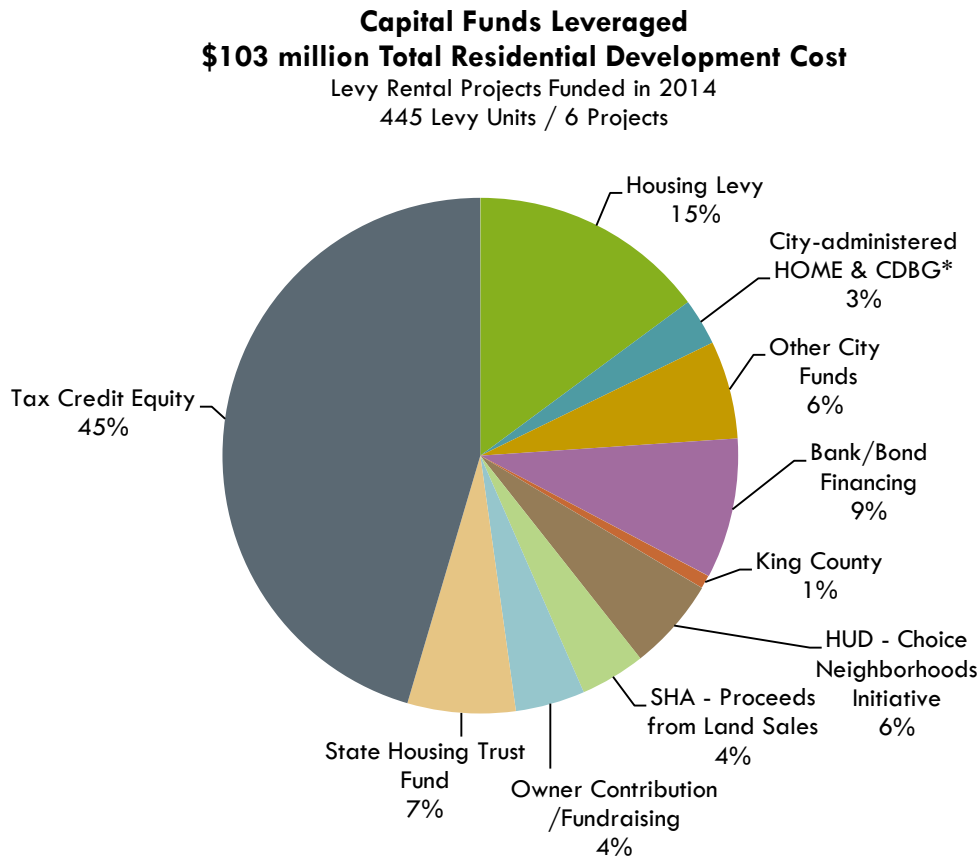


Capital Funds Leveraged

The success of the Rental Housing Program depends on leverage of other public and private funds. Securing other capital sources continues to be challenging, and City staff works closely with Washington State, King County, the State Housing Finance Commission and other funding partners to align funding priorities whenever possible.

The \$24.7 million in City funding awarded to six housing developments in 2014 will secure an estimated \$78.5 million in non-City capital sources – resulting in over \$103.2 million in total capital investment in low-income housing construction and rehabilitation. This investment creates construction jobs and ongoing employment, and generates State and local revenue. Based on economic modeling by the National Association of Home Builders, the four new construction projects will result in \$24.9 million in income for construction workers and local businesses, \$2.6 million in local government revenue, and 384 jobs. The recurring economic impact of these four projects include \$7.25 million in business and employment income annually, \$1.2 million in local government revenue annually, and 95 ongoing jobs.

The following chart shows the major sources of capital funds. Tax credit equity investment by private sector investors continues to be the largest source of funding by far, and is particularly critical to housing serving extremely low income residents. In addition, private sector lending is a significant source for housing developments that are able to support mortgage debt. The State Housing Trust Fund, which had limited funds available in 2014, continued to be an important resource.



*Federal funds administered by the Office of Housing

ACQUISITION & OPPORTUNITY LOANS

Acquisition & Opportunity (A & O) Loans were designed to respond to opportunities in a slower economic environment in the first years of the levy. They provided short-term financing for strategic acquisition of sites for low-income rental or homeownership housing development. The loans are repaid with permanent project financing, using City and non-City sources, producing housing with long-term affordability.

- Funding was prioritized for projects with a low acquisition cost and/or projects expected to leverage significant capital, operating or services funding. Acquisition financing was critical to achieving cost savings or leverage.
- Preference was given to development in high-capacity transit station areas and acquisition/rehabilitation of existing buildings.

Available Funding

The Levy authorized up to \$6.5 million for A & O Loans, using funds from other levy programs not yet needed for planned projects. In addition, the City Council authorized up to \$5 million in short-term lending using the fund balance of the Operating & Maintenance (O & M) Program from prior housing levies. Loans were made throughout the year to enable sponsors to acquire properties when they became available.

Program Completion in 2012

Over three years, the A & O Loan program provided short-term acquisition loans for nine projects -- seven rental housing developments and two homeownership projects. By 2012, the A & O Loans program had achieved its goals and OH recommended that funds revolve back to Levy programs to be used for permanent financing. City Council authorized the Rental Housing and Homebuyer programs to continue provide short-term acquisition loans on a limited basis using Levy O & M Program funds.

Of the nine A & O Loans, seven have been repaid and the projects are completed. Two loans are outstanding. One is the Low Income Housing Institute's Jackson Workforce Housing, which received permanent financing from OH in 2013. The project was delayed and is now expected to repay the \$821,000 A & O Loan and proceed in 2015. The second is \$1.2 million in A & O Loan funds made available to Homestead Community Land Trust to purchase vacant foreclosed homes, make repairs, and sell to qualified buyers. The use of these funds has been extended to 2016. To date, seven homes have been sold to qualified buyers, two homes are in the process of being repaired and sold, and \$372,937 in A & O Loan funds is currently outstanding.

Summary of Levy A & O and Bridge Lending 2010 - 2012

Year	Projects/Units	A&O Loans (2009 Levy)	Bridge Loans (Levy O&M)
2010	4 projects/212 units	\$2.3 million	\$1.6 million
2011	1 project/66 units		\$800,000
2012	4 projects/172 units	\$5.6 million	
Total		\$7.9 million	\$2.4 million

OPERATING & MAINTENANCE PROGRAM

The Operating & Maintenance (O & M) Program provides annual subsidies for buildings that serve extremely low-income residents who pay very low rents that are insufficient to support building operations. Levy funds provide supplemental operating income to ensure that the City-assisted housing is well maintained and financially viable.

- Funds are awarded to housing that has received 2009 Levy capital funds and will serve extremely low income and/or homeless residents below 30% of median income. Funding is typically provided one or two years after capital funding.
- Projects receive a 20-year operating support commitment. Funds are allocated each year to fill the gap between project income and expenses, up to a maximum of \$2,500 per unit per year, with future adjustments for inflation.
- Projects are reviewed in coordination with other funders through the King County Operating, Rent Assistance and Services (ORS) funding round, which allows strategic allocation of federal and local sources as projects come on-line.

Additional Operating Support Using Seattle Housing Authority Section 8 Vouchers

Projects that receive capital funding through the Levy may apply for project-based Section 8 vouchers when the project is under construction and ready for occupancy within a year. The Seattle Housing Authority committed 500 Section 8 vouchers over the seven-year term of the Housing Levy, depending on availability of federal funds. As with the Levy O & M funding, housing with Section 8 vouchers must serve households with incomes below 30% of median income. Voucher awards are subject to the approval of the Seattle Housing Authority Director.

To date, 274 Section 8 vouchers have been committed to projects receiving capital funding in the current Housing Levy. SHA is allocating additional vouchers to Levy-funded replacement housing at Yesler Terrace.

Levy Funding Commitments

In 2014, O & M funds were awarded to **Downtown Emergency Service Center's Interbay Supportive Housing**. This new construction project, which received Levy capital funding in 2013, will provide 97 units of supportive housing with on-site services for chronically homeless, mentally ill residents. The O & M funds serve as the required local matching funds for federal McKinney bonus funds to support building operating costs, including on-site property management and services staffing. O & M funding is estimated at \$215,825 for the first year, and \$6.7 million over the 20-year contract term. The City's capital funding and 20-year O & M commitment to the Interbay project will leverage over \$940,000 annually in federal funding for permanent supportive housing in our community.

With this award, \$2.4 million remains in O & M Program funding to support one additional project in the current housing Levy. With a total of 207 units funded to date, the program is on track to meet its performance goal of operating support for 220 housing units.

RENTAL ASSISTANCE PROGRAM

Rental Assistance Program funding serves families and individuals who are at risk of homelessness or experiencing homelessness. The funds are administered by the Seattle Human Services Department (HSD) through its homeless prevention and stabilization programs. Levy funding began in 2012, with approximately \$850,000 available annually. The program goal is to assist 605 households annually and evaluate their housing stability six months after rental assistance ends.

- The program provides short-term (one to three months) or medium-term (up to six months) rental assistance for households with incomes up to 50% Area Median Income (AMI) who are at imminent risk of homelessness.
- Levy funding is used for rent assistance, security and/or utility deposits, move in costs, and rental and utility arrears.
- Program activity and performance are monitored with the region's Homelessness Management Information System, Safe Harbors.

2014 Funding Summary

Homelessness Prevention and Rapid Rehousing provider agencies offer rich culturally and linguistically relevant services, target services to underserved communities and communities with emerging needs, and provide specialized programs for a range of household types, including young adults, families with children, and single adults.

HSD awarded Levy funds totaling \$802,042 to seven community-based nonprofit agencies to provide rental assistance through eight unique programs. The participating agencies are Interim Community Development Association, Muslim Housing Services, Neighborhood House, Solid Ground, Wellspring Family Services, YMCA of Greater Seattle, and YWCA Seattle-King-Snohomish Counties. The agency staff came together for quarterly provider meetings to exchange ideas, information and best practices.

In 2014, the programs achieved these milestones:

- 596 households received at least one form of financial assistance, including 337 households with children. Financial assistance included emergency rent and utility assistance needed to prevent evictions as well as security deposit and credit check fees to help homeless families transition into housing. Levy-funded assistance averaged \$1,346 per household.
- 513 households received eviction prevention assistance, and 69 homeless households received rapid rehousing assistance to transition into housing after living in their car or on the street.¹
- 541 households exited the program in 2014. Of these households 524 households or 96% successfully averted eviction or achieved stable housing at program exit.
- Of the households eligible for the six-month housing stability follow-up in 2014, 83% were in stable housing six months after rent assistance ended.²

¹ Fourteen households were in other situations or data was missing.

² Based on 730 households eligible for the six-month housing stability follow up during 2014. Agencies were able to contact and confirm housing stability of 611 households.

Households Receiving Financial Assistance to Prevent Eviction or Enter Housing, 2014

596 Households with 1,455 Individuals

Client Characteristics	Households / Individuals	Percent of Total
Extremely low-income household (below 30% of median)	495 households	83%
Household with children 0-17 years	337 households	57%
Single parent households with children 0-17 years	197 households	33%
People of color/ethnic minority individuals	1,192 individuals	82%
Disabled individuals	204 individuals	14%
Refugee/immigrant individuals ¹	234 individuals	31%

¹Data were available on immigrant/refugee status for 750 of 1,455 individuals. Of the 750 with known status, 31% were immigrants or refugees.

Source: Safe Harbors HMIS

HOMEBUYER PROGRAM

The Homebuyer Program creates affordable homeownership opportunities through low-interest deferred loans to first-time homebuyers and loans to nonprofits. Eligible homebuyers may purchase a single family home, townhome or condominium anywhere in Seattle. Approximately \$1.3 million in new funding is available annually, plus any loan repayments from the current or prior housing levies.

- Homebuyers with income up to 80% of median income may apply for assistance through nonprofit housing agencies, participating lenders, and housing developers that have received an allocation of City funds.
- The program provides deferred loans up to \$55,000, depending on each borrower's need. Borrowers may receive larger loans, up to \$70,000, if City funds are pooled with other subsidies and the average City subsidy is no greater than \$45,000 per buyer.
- Loans are repaid upon resale or refinancing, providing revolving funds for additional homebuyer loans, or are invested in homes that will remain affordable in perpetuity.

2014 Funding Commitments

The Office of Housing awarded \$1.33 million in Levy funds and \$123,500 in other OH-administered funds to two lending programs in 2014. The two lending programs will assist approximately 45 homebuyers over the next 12 to 18 months. Levy funding will support approximately 42 of the loans.

- HomeSight:** \$576,500 Levy, \$123,500 in other OH funds. HomeSight will assist approximately 20 homebuyers to purchase homes that will be maintained as permanently affordable. HomeSight will administer a loan pool using City funds and State Housing Trust Funds. City-funded loans will be matched with State and other-funded loans for purchases in Seattle, to make an average City assistance amount of \$45,000 per buyer.
- Washington State Housing Finance Commission:** \$750,000 Levy. The Commission will assist up to 25 homebuyers, providing up to \$15,000 per buyer of the Commission's House Key Plus Seattle down payment assistance to match City funds.

2014 Home Purchases

In 2014, 23 buyers purchased their first home using Levy funds awarded in 2013 or prior years, including Levy program income from prior loan repayments. The average Levy loan amount was \$33,513. Four of these buyers had household incomes below 50% of AMI, 3 buyers had incomes 51-60% of AMI, and the remaining 16 buyers had incomes 61-80% of AMI.

LEVY FUNDING POLICIES

Administrative & Financial Plan

Housing Levy programs are guided by policies in the Levy Administrative & Financial Plan adopted by the City Council every two years. The plan is prepared by the Seattle Office of Housing, with the participation of the Seattle Department of Human Services, the Housing Levy Oversight Committee, and the involvement of community members and stakeholders for each of the five Levy programs.

Allocation of Levy Funds

All Levy programs award funds through a competitive application process. The Rental Production & Preservation funds are made available via a Notice of Fund Availability (NOFA) along with other housing funds administered by the Office of Housing, in coordination with other local and statewide funders. Applicants are typically nonprofit housing developers, sometimes in partnership with agencies that provide supportive services. Organizations that receive Levy funds commit to provide below-market-rate housing to low-income households for at least 50 years.

Acquisition & Opportunity Loans were available in 2010 through 2012. Unlike other Levy programs, applicants submitted project proposals on a rolling basis rather than a set deadline, enabling project sponsors to take advantage of market opportunities. This highly competitive program required that applicants and projects meet additional selection criteria. As these short term loans are repaid, funds are made available as permanent financing via the other Levy programs. Short-term acquisition funding continues to be available through the Rental Housing and Homebuyer programs on a limited basis.

Levy Operating & Maintenance Funds are made available in a combined NOFA with other sources that support building operations, rental assistance, housing-based services and other housing assistance. This coordinated funding approach helps to maximize the operating and services funding that can be secured, enabling Levy-funded housing to serve extremely low-income and homeless people.

Rental Assistance funds are administered by the Seattle Human Services Department, which selects service providers via a Request for Investment process. These agencies assist eligible households by making rent assistance payments directly to the housing owners.

Levy Homebuyer funds are awarded through a competitive process to housing development projects and/or mortgage lending programs. First-time homebuyers apply for purchase assistance loans through the selected lenders and nonprofit partners. Loans are made directly to homebuyers by OH or the State Housing Finance Commission.

Housing Levy Oversight Committee

A Housing Levy Oversight Committee is appointed by the Mayor and City Council to monitor the progress of Levy programs. The Oversight Committee reports to the Mayor and City Council on program accomplishments and makes recommendations for policy changes in the Administrative & Financial Plan. The Oversight Committee typically meets quarterly and is staffed by the Office of Housing.

MORE INFORMATION

For more information about the Seattle Housing Levy, contact the City of Seattle Office of Housing or visit www.seattle.gov/housing/levy.

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