

Date

Honorable Councilmember Tim Burgess  
Seattle City Council  
*via e-mail*

FROM: Seattle Planning Commission

RE: 2016 Seattle Housing Levy

Dear Councilmember Burgess,

The Planning Commission appreciates the opportunity to provide the City Council with comments regarding the 2016 Housing Levy. Seattle is in the middle of an unprecedented period of growth and continues to be one of the fastest growing cities in the U.S. With this rapid growth comes new and increasing demands on both our city's infrastructure and ability to ensure that we grow in an equitable manner. Maintaining City leadership and commitment to affordable housing is a key policy in Seattle's Comprehensive Plan. The Planning Commission believes that renewal and expansion of the Seattle Housing Levy is instrumental to addressing our ongoing need for affordable housing and implementing the equitable growth strategies outlined in the Seattle 2035 Comprehensive Plan.

The Planning Commission released its "*Affordable Housing Action Agenda*" in February 2008 and voiced our support for the renewal of Seattle's Housing Levy in 2009. Since then, we have produced a number of other publications that support affordable housing, including "*Housing Seattle*" in 2011 and the "*Family-Sized Housing Action Agenda*" in 2014. We reiterate our strong support for the vital work the Levy enables in reducing housing costs for low-income residents. We believe that the Levy is a critical tool in our increasingly expensive city to support affordability for seniors, low- and moderate-wage workers, people with disabilities, and people at risk of becoming homeless.

Seattle is experiencing both an affordable housing crisis as well as a homelessness emergency. The Commission strongly supports renewal and expansion of the Housing Levy to a level of \$290 million to build more affordable homes for low-income families, preserve the affordable housing we have, and keep people from falling into homelessness. We would like to remind the Council that the Levy renewal is only one, albeit essential, component to addressing the production and operation of affordable housing. The Levy funds alone are not enough to produce housing for people with extremely low incomes and those experiencing or at risk for homelessness. The Levy will only be effective to the extent it is implemented in conjunction with the other initiatives being considered by the Mayor and Council this year. With our support for the renewal and expansion of the Housing Levy, we also strongly encourage the City Council to explore other options for addressing the increasing crisis of homelessness in Seattle.

***Focus Majority of Levy Assistance at Extremely Low Income Levels***

We support the Mayor's proposal to commit at least 60 percent of the Rental Production and Preservation Program and Operating & Maintenance Program funding (\$145.8 million) specifically to those who are currently experiencing homelessness and extremely low income residents earning less than 30 percent of area median income (AMI), which is the equivalent of \$24,250 for a family of

three. This commitment of Levy resources is consistent with Comprehensive Plan policies that emphasize assisting those households most in need. We also commend the Mayor's proposal to allocate the remainder of the Rental Production and Preservation funds (up to \$97.2 million) to assist lower-wage workers who earn less than 60 percent of AMI, the equivalent of \$48,420 for a family of three.

***Leverage Levy Dollars and Incentivize Partnerships to Produce Affordable Housing***

The recent rapid growth in Seattle has also resulted in both increased development and operating costs for projects. This effectively means that the Levy dollars do not go nearly as far as they once did. The Mayor, in collaboration with the City Council, has laid out an ambitious housing agenda to produce 50,000 housing units over the next ten years, 40 percent of which (20,000) are intended to be affordable. This plan will require that we triple the current rate of production for affordable housing on an annual basis. In order to achieve this goal, it is essential that we rethink how the Housing Levy dollars are leveraged and maximized with not only other types of financing, but with new and innovative approaches to public, private, and non-profit partnerships, as well as changes to our building codes. We encourage the application of innovative green building techniques and passive house design standards to create long-lasting, healthy, and environmentally-friendly affordable housing units. Building to these higher standards will reduce energy consumption and other long-term operating and maintenance costs.

***Provide Assistance to Low-Income Homeowners and First-Time Home Buyers***

The Planning Commission supports expansion of the Levy's homeownership program to not only provide assistance to first-time home buyers, but to also help current low-income homeowners stay in their home. Improving access to homeownership is important for social equity. Continuing the successful Home Buyer Assistance program will allow additional low- and moderate-wage workers to responsibly purchase a home, secure an important source of financial stability for their family, and vacate rental units that will then become available for other households. We commend the inclusion of a new Homeowner Stability Assistance program to provide small emergency grants for critical home repairs that address imminent threats to health and safety and potential loss of housing.

***Prioritize Investments to Integrate with Transportation and Community Planning Goals***

Affordable housing is integral to good planning and essential to creating vibrant and livable neighborhoods. For the new Levy to provide maximum benefit to both the households it assists and the larger community, it should be implemented in ways that are sensitive to household transportation costs and to larger transportation and community planning efforts. The Planning Commission recommends that implementation of the Levy prioritizes opportunities for affordable rental and ownership housing within walking distance of transit services, light rail stations, and transit hubs where public investment has already been made. We also emphasize that implementation of the Levy programs should prioritize investments in larger housing units to serve families, consistent with Comprehensive Plan policies for attracting and accommodating a broad range of household types.

***Assist Those with Imminent Risk of Potential Homelessness***

Seattle is experiencing an increasing crisis of homelessness. Although there is a much greater need for funding and attention to this issue, we commend the Mayor's proposal for allocating \$11.5 million in the Levy for homelessness prevention. This important funding allocation will help a wide range of vulnerable families and individuals avoid imminent risk of eviction and potential

homelessness by providing short-term rental assistance and stability services that will allow them to stay in their current living situation or move to a more affordable location.

We appreciate your interest in our feedback on the 2016 Housing Levy. The Planning Commission would be happy to discuss our recommendations and/or provide additional comments in support of this important levy proposal. If you have any questions, please do not hesitate to contact me or our Executive Director, Vanessa Murdock, at 733-9271.

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