

Office of Housing

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Department Description

The mission of the Office of Housing (OH) is to invest in, and promote, the development and preservation of affordable housing that offers the opportunity for our city to thrive. In order to accomplish this mission, OH has established four lines of business, including:

- The Multi-family Production & Preservation program, which develops, rehabilitates, and maintains affordable multi-family rental housing facilities.
- The Homeownership & Sustainability program, which provides services and resources for low-income Seattle residents so that they can become homeowners. The program also provides home repair and energy conservation/weatherization measures to existing low-income homeowners, including seniors, to assist them in the preservation and improvement of their current homes.
- The Community Development program, which provides strategic planning, program development, and disposition of vacant land for redevelopment purposes to increase housing opportunities for Seattle residents.
- The Administration & Management program, which provides centralized leadership, coordination, technology, contracting, and financial management services to Office of Housing programs and capital projects.

Policy and Program Changes

With the passage of the 2002 Housing Levy, the 2003 Adopted and 2004 Endorsed Budget increases spending on the development of housing for low-income residents by roughly \$2.6 million in 2003 and \$3.8 million in 2004, compared to the City's 2002 Adopted Budget. The 2002 Housing Levy will provide \$12 million annually to support OH affordable housing programs.

The 2003 Adopted and 2004 Endorsed Budget also includes reductions in support from General Subfund and Community Development Block Grant resources. Many of the reductions are focused on planning and administrative staff in order to maintain core program staff strength. Reductions in the Homeownership & Sustainability program affect program staff levels and direct program funding, requiring a simplification of home repair loan activities.

Another change includes a technical adjustment to the manner in which Community Development Block Grant (CDBG) is displayed. Specifically, OH's share of the City's CDBG monies, which includes \$1.3 million annually for program delivery costs and \$2.1 million annually for housing construction, is displayed only in the CDBG portion of the 2003 Adopted and 2004 Endorsed Budget. In previous years' budgets, OH's share of these resources was displayed in both the CDBG portion as well as OH's portion of the budget. This change for 2003 Adopted and 2004 Endorsed Budget has no effect on OH's access to CDBG monies.

The 2003 Adopted Budget provides up to \$2,000,000 in funding for the Holly Park Phase III project from Housing Fund 16400. This disbursement is contingent upon further review and action by City Council.

Housing

City Council Budget Changes and Provisos

The City Council increased the CDBG appropriation for the Office of Housing budget control level by \$28,000 in 2003 and 2004 to be used for homebuyer education and counseling services. This appropriation is displayed in the CDBG portion of the 2003 Adopted and 2004 Endorsed Budget.

The City Council also adopted the following budget provisos:

Of the appropriation for 2003 for the Office of Housing, Housing Fund 16400 Budget Control Level, \$940,000 is appropriated solely for capital loans for the single family rehabilitation program (HomeWise) and may be spent for no other purpose.

In addition, of the appropriation for 2003 for the Office of Housing, Housing Fund 16400 Budget Control Level, \$36,000 is appropriated solely to provide funding to hire a consultant to evaluate and determine the appropriate program structure, staffing, and policies for the HomeWise rehabilitation program and may be spent for no other purpose.

None of the money appropriated for 2003 for the Office of Housing can be spent to pay for anyone filling two currently-vacant positions (Strategic Advisor 3 and Community Development Spec. Sr.) unless and until the Council explicitly authorizes filling these positions by Ordinance. Such authorization by Council will not occur until after the City Auditor submits its report and recommendations regarding the appropriate staffing and structure of the Office of Housing to the Council. This report is expected to be submitted to the Council by the end of January, 2003. This report shall come before the Housing, Human Services and Economic Development Committee at the first meeting of the Committee in February 2003.

Of the appropriation for 2003 for the Office of Housing, 16400 Budget Control Level, \$163,000 is appropriated solely to provide funding to the Sand Point Community Housing Association (CHA) and may be spent for no other purpose.

Resources	Summit Code	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Housing Fund 16400 Budget Control Level					
Administration & Management		1,271,475	0	0	0
Community Development		3,090	0	0	0
Homeownership and Sustainability		2,377,492	5,907,635	6,683,602	6,276,051
Multi-Family Production and Preservation		14,537,376	20,616,945	24,920,332	26,672,773
Appropriation	XZ4xx	18,189,433	26,524,580	31,603,934	32,948,824
Housing Fund 16600 Budget Control Level					
Administration & Management		2,391,079	2,323,836	1,322,628	1,416,206
Community Development		853,608	812,410	274,622	190,588
Homeownership and Sustainability		2,460,098	1,095,156	626,035	650,562
Multi-Family Production and Preservation		1,037,144	1,012,556	889,389	921,760
Appropriation	XZ600	6,741,929	5,243,958	3,112,674	3,179,116
Housing Fund 17820 Budget Control Level					
Homeownership and Sustainability		0	0	0	0
Multi-Family Production and Preservation		(8,706)	750,000	450,000	250,000
Appropriation	6XZ82	(8,706)	750,000	450,000	250,000

Resources	Summit Code	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Housing Fund 33010 Budget Control Level					
Multi-Family Production and Preservation		608,000	0	0	0
Appropriation	2XZ33	608,000	0	0	0
Housing Fund 33020 Budget Control Level					
Multi-Family Production and Preservation		(45,846)	0	0	0
Appropriation	2XZ30	(45,846)	0	0	0
Department Total		25,484,810	32,518,538	35,166,608	36,377,940
Department Full-time Equivalents Total*		57.25	57.25	43.50	42.50

*The department FTE total is provided for information only. All authorized positions are listed in Appendix A.

Selected Mid-year Performance Measures

Provides funds to develop, rehabilitate, and maintain affordable multifamily rental housing to increase the supply of housing for Seattle residents, and to maintain the affordability

Number of new affordable housing units funded

2001 Year End Actuals: 740 units funded

2002 Midyear Actuals: 170 units funded

2002 Year End Projection: 320 units funded. There were fewer units funded due to reduced amount of funds available for award in the current Notice of Funding Available (NOFA) period.

Number of housing projects and units applying for participation in the Tax Exemption Program

2001 Year End Actuals: 1 project with 32 units submitting applications

2002 Midyear Actuals: 3 projects with 179 units submitting applications

2002 Year End Projection: 6 housing projects with 325 units submitting applications

Housing units preserved through Transferable Developers Rights (TDR) sales, and units funded through the housing bonus program

2001 Year End Actuals: 137 TDR units and 99 bonus units

2002 Midyear Actuals: 0 units due to changed market conditions

2002 Year End Projection: 75 TDR units and 60 bonus units

Acquisition and rehabilitation of existing rental housing to preserve it as livable, subsidized units

2001 Year End Actuals: 329 units funded

2002 Midyear Actuals: 94 units funded

2002 Year End Projection: 224 preservation units funded. Fewer units funded due to reduced amount of funds available for award in the current Notice of Funding Available (NOFA) period.

Housing

Provides resources for Seattle residents to become homeowners and/or to preserve and improve their current home

Low-income homeowners receiving minor home repairs to their home

2001 Year End Actuals: 1,123 households received 4,237 minor repairs

2002 Midyear Actuals: 751 households received 1,871 minor repairs

2002 Year End Projection: 1,164 households receive 3,660 minor repairs

Housing units that receive rehabilitation and/or energy conservation weatherization services

2001 Year End Actuals: 698 units served

2002 Midyear Actuals: 788 units served

2002 Year End Projection: 1200 units served

Households participating in homeownership assistance program that will become homeowners

2001 Year End Actuals: 181 households to become homeowners

2002 Midyear Actuals: 0 households (Funding delayed until Fall 2002)

2002 Year End Projection: 60 households participating in homeownership assistance will become homeowners

Provides strategic planning, program development, and promotes redevelopment of vacant and surplus public land and other key sites to increase housing opportunities for Seattle residents

Secure additional resources to support new and existing housing programs

2001 Year End Actuals: \$12,625,000 of additional resources provided

2002 Midyear Actuals: \$800,000 of new resources identified

2002 Year End Projection: \$2.5-5 million of additional resources provided

Households that purchase homes through the Employer Assisted Program

2001 Year End Actuals: 287 households purchased homes

2002 Midyear Actuals: 151 households purchased homes

2002 Year End Projection: 200 households purchase homes. The actual production of units is significantly higher than the original goal because mortgage interest rates are much lower than originally anticipated, which means that more individuals are qualifying for loans.

Summary by Program

	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Administration & Management				
General Subfund	428,311	439,841	0	0
Housing Fund 16400	1,271,475	0	0	0
Housing Fund 16600	1,962,768	1,883,995	1,322,628	1,416,206
Program Subtotal	3,662,554	2,323,836	1,322,628	1,416,206
Community Development				
General Subfund	76,656	96,451	0	0
Housing Fund 16600	776,952	715,959	274,622	190,588
Housing Fund 16400	3,090	0	0	0
Program Subtotal	856,698	812,410	274,622	190,588
Homeownership and Sustainability				
Housing Fund 16600	2,460,098	1,095,156	626,035	650,562
Housing Fund 16400	2,377,492	5,907,635	6,683,602	6,276,051
Program Subtotal	4,837,590	7,002,791	7,309,637	6,926,613
Multi-Family Production and Preservation				
General Subfund	40,045	770,617	0	0
Housing Fund 16400	14,537,376	19,866,945	24,920,332	26,672,773
Housing Fund 33010	608,000	0	0	0
Housing Fund 17820	(8,706)	750,000	450,000	250,000
Housing Fund 16600	997,099	991,939	889,389	921,760
Housing Fund 33020	(45,846)	0	0	0
Program Subtotal	16,127,968	22,379,501	26,259,721	27,844,533
Department Total	25,484,810	32,518,538	35,166,608	36,377,940

Housing

Administration & Management

Purpose Statement

The purpose of the Administration & Management program is to provide centralized leadership, coordination, technology, contracting, and financial management services to Office of Housing programs and capital projects to facilitate the production of affordable housing for Seattle residents.

Program Summary

Eliminate support from the General Subfund to this program and reallocate Community Development Block Grant resources to other programs, resulting in a reduction in staff. These reductions may diminish OH's public outreach and marketing efforts.

Resources	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
General Subfund	428,311	439,841	0	0
Housing Fund 16400	1,271,475	0	0	0
Housing Fund 16600	1,962,768	1,883,995	1,322,628	1,416,206
Program Subtotal	3,662,554	2,323,836	1,322,628	1,416,206
Full-time Equivalents Total*	22.25	22.25	15.00	15.00

**The program FTE total is provided for information only. All authorized positions are listed in Appendix A.*

Community Development

Purpose Statement

The purpose of the Community Development program is to provide strategic planning, program development, and vacant land redevelopment services to increase housing opportunities for Seattle residents.

Program Summary

Eliminate General Subfund support to this program and reduce support from CDBG resources, resulting in reduction of staff in 2003 and 2004. The CDBG resources available to this program appear only in the CDBG portion of the Proposed Budget, not in OH's section of the Budget. This, however, has no effect on OH's ability to access CDBG resources.

Resources	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
General Subfund	76,656	96,451	0	0
Housing Fund 16600	776,952	715,959	274,622	190,588
Housing Fund 16400	3,090	0	0	0
Program Subtotal	856,698	812,410	274,622	190,588
Full-time Equivalents Total*	9.00	9.00	6.00	5.00

**The program FTE total is provided for information only. All authorized positions are listed in Appendix A.*

Homeownership and Sustainability

Purpose Statement

The purpose of the Homeownership & Sustainability program is to provide services and resources for low-income Seattle residents, including seniors, so that they can become homeowners and/or to assist existing low-income homeowners in preserving and improving their homes.

Program Summary

Reduce support from the City's Community Development Block Grant (CDBG) monies and eliminate support from the General Subfund, resulting in reductions in staff. Reduce funding for the senior minor home repair and HomeWise single family rehabilitation programs. These changes will necessitate a simplification of the single family rehab program to make smaller loans only for emergency repairs and repairs associated with weatherization measures. These reductions are made in order align CDBG resources with community development priorities.

The CDBG resources available to this program appear only in the CDBG portion of the Proposed Budget, not in OH's section of the Budget. This, however, has no effect on OH's ability to access these resources.

Resources	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Housing Fund 16600	2,460,098	1,095,156	626,035	650,562
Housing Fund 16400	2,377,492	5,907,635	6,683,602	6,276,051
Program Subtotal	4,837,590	7,002,791	7,309,637	6,926,613
Full-time Equivalents Total*	16.00	15.00	11.00	11.00

**The program FTE total is provided for information only. All authorized positions are listed in Appendix A.*

Housing

Multi-Family Production and Preservation

Purpose Statement

The purpose of the Multi-Family Production & Preservation program is to acquire, develop, rehabilitate, and maintain affordable multi-family rental housing so that the supply of housing for Seattle residents is increased and affordability remains sustainable.

Program Summary

Increase resources to this program from approximately \$24 million in the 2002 Adopted Budget to roughly \$28.5 million annually. A large portion of this increase results from the anticipation of the passage of the 2002 Housing Levy. Other new resources in the Proposed Budget include \$2.25 million for the South Lake Union project in 2003 and a large increase in repayments from OH lending programs in 2004.

Decrease the share of the City's Community Development Block Grant (CDBG) monies. Reduce support for non-profit development services contracts by approximately 50%. These reductions are made in order align CDBG resources with community development priorities. Eliminates support from the General Subfund for the Growth Fund component of this program.

Resources	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
General Subfund	40,045	770,617	0	0
Housing Fund 16400	14,537,376	19,866,945	24,920,332	26,672,773
Housing Fund 33010	608,000	0	0	0
Housing Fund 17820	(8,706)	750,000	450,000	250,000
Housing Fund 16600	997,099	991,939	889,389	921,760
Housing Fund 33020	(45,846)	0	0	0
Program Subtotal	16,127,968	22,379,501	26,259,721	27,844,533
Full-time Equivalents Total*	10.00	11.00	11.50	11.50

**The program FTE total is provided for information only. All authorized positions are listed in Appendix A.*