

Seattle Housing Levy Overview

Office of Housing Presentation to Seattle Planning Commission
December 8, 2022



Seattle
Office of Housing

What are we talking about today?

1. What is the Seattle Housing Levy?
2. What is the process and timeline for renewing the Seattle Housing Levy?
3. What is happening now?

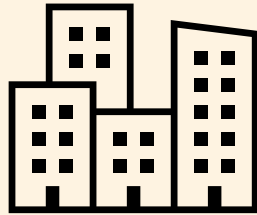
Please feel free to ask questions throughout our presentation!

What is the Seattle Housing Levy?

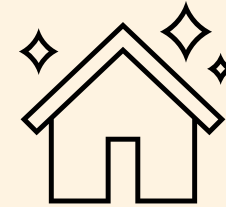
- Voter-approved property tax, 7-year period
- Housing Levy dollars work with other local funds to address needs across the entire affordable housing ecosystem



Housing Levy Production Since 1986

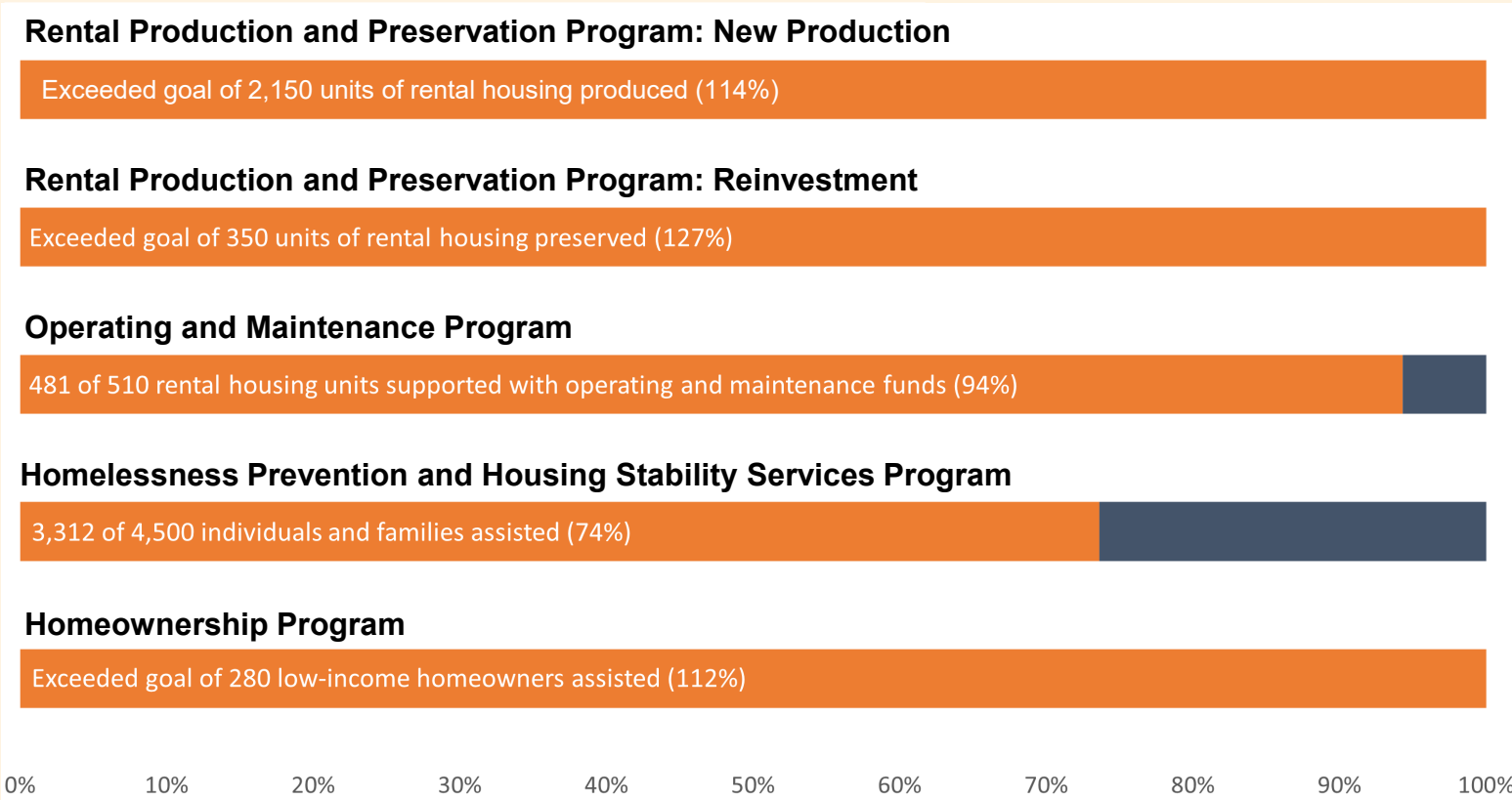


**15,000 affordable
rental homes**
created or
preserved



**1,000 affordable
homeownership**
opportunities created
or preserved

2016 Housing Levy Outcomes (2017-2021)



2016 Housing Levy Outcomes (2017-2021)

Levy Program	Funding		Housing Outcomes	
	7-year Funds Allocated 2017-23	5-year Funds Committed 2017-21	7-year Goals 2017-23	5-year Outcomes 2017-21
Rental Housing Production	\$201 M	\$152.2 M	2,150 homes added	2,460 homes added
Rental Housing Preservation			350 homes preserved	445 homes preserved
Operating and Maintenance	\$42 M	\$35.4 M	510 homes	481 homes
Homelessness Prevention / Housing Stability Services	\$11.5 M	\$7.5 M	4,500 households	3,312 households
Homeownership	\$14.3 M	\$16.4 M	280 homeownership opportunities added or maintained	314 homeownership opportunities added or maintained
Acquisition and Preservation	N/A	\$77.7 M total / \$20.5 M loans repaid	N/A	1,802 added or preserved



Planning for 2023

Our Starting Point(s)

1. **We are producing more affordable housing than ever AND the need for affordable housing is greater than ever.**
2. It's very expensive to purchase land and build new affordable housing.
3. We need to invest in our existing affordable housing, including our workforce, so we don't lose ground.
4. We must continue to center equity in our programs and investments.

Seattle Housing Needs

**30,000
HOMES**

Estimated shortage of affordable and available homes for households at the lowest incomes (\$45,300 for a one-person household or \$64,700 for a four-person household).

Sources: ¹City of Seattle, Market Rate Housing Needs and Supply Analysis, conducted by BERK Consulting. Published April 23, 2021.
²City of Seattle, 2022 Income Rent Limits for City-Funded Affordable Rental Housing. Published May 2022.

76%

Portion of renter households at the lowest incomes **who pay more than 50% of their income on rent.**

That's **46,385** cost-burdened renter households.

[“AT THE LOWEST INCOMES” = **\$45,300** FOR A ONE-PERSON HOUSEHOLD OR **\$64,700** FOR A FOUR-PERSON HOUSEHOLD.]

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²City of Seattle, 2022 Income Rent Limits for City-Funded Affordable Rental Housing. Published May 2022.

Our Starting Point(s)

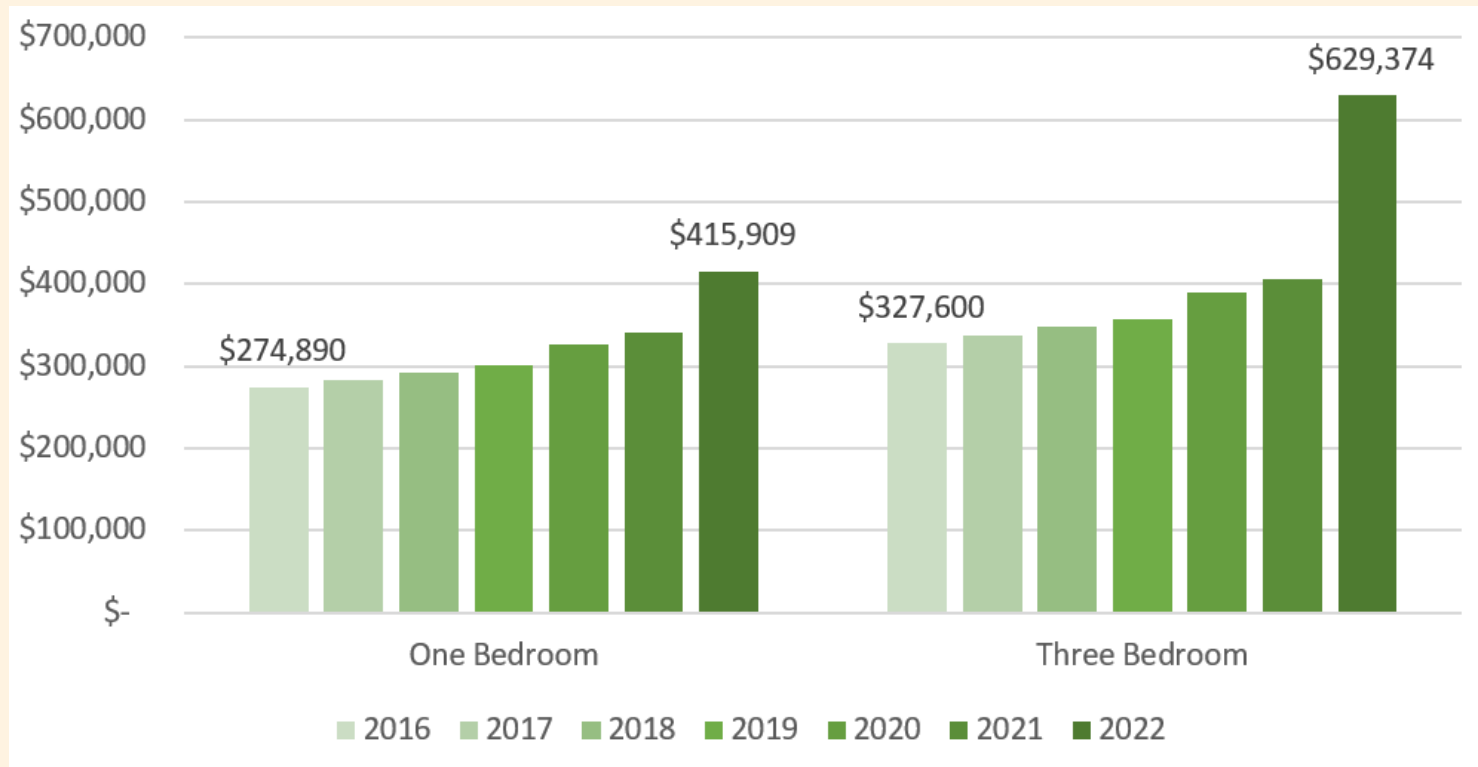
1. We are producing more affordable housing than ever AND the need for affordable housing is greater than ever.
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Increasing Costs of Development

WSHFC cost limits have steadily increased with a large jump in 2022 due to inflation.

Land and construction material costs are continuing to rise.

WSHFC Total Development Cost Limits, per unit, 2016 - 2022



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Operating, Maintenance & Services (OMS)



Existing housing: 25 contracts (333 homes) expire in 2023.
Without Housing Levy, these homes will lose funding.

New housing: All new PSH developments require operational support to recruit and retain critical frontline workers.



Process & Timeline



Community Engagement & Decision-Making Process



Information Gathering (Jan – Jul 2022)

By the numbers

48 ORGANIZATIONS
at
**13 STAKEHOLDER
MEETINGS**
informed
THE LEVY PROPOSAL



6 MEETINGS PLANNED FOR PUBLIC FEEDBACK ON THE HOUSING LEVY PROPOSAL

What's happening now? (Oct 2022 –Jan 2023)

Technical Advisory Committee (TAC)

- October 28, 1-3pm | Initial Proposal presented
- November 18, 1-3pm | Revised Proposal presented
- December 16, 1-3pm

Public Comment Period

Public comments will be accepted via e-mail, at TAC public meetings, and Open House events through January 13, 2023.

What's happening now? (Oct 2022 –Jan 2023)

Open House events

- December 6, 3-6pm at DESC's Hobson Place II
- December 14, 3-6pm at Northaven Senior Living's Northaven West
- January 5, 4-6pm, Virtual Open House



What we've heard from stakeholders

- **Significant increase in resources** is needed to meet community needs across the entire affordable housing ecosystem
- **Costs of new development** have increased and **long-term maintenance needs** of existing City-funded affordable housing need to be addressed
- There are needs and opportunities for **targeted equity investments and support** for organizations rooted in BIPOC communities
- Both **workers and residents of affordable housing need more support** to sustain and maintain buildings, and to grow over time

OH Revised Proposal



OH Revised Housing Levy Proposal

\$840 M over seven years

\$0.37 tax rate, **\$348** annual impact to the owner of a median value home

3,626 homes created or preserved

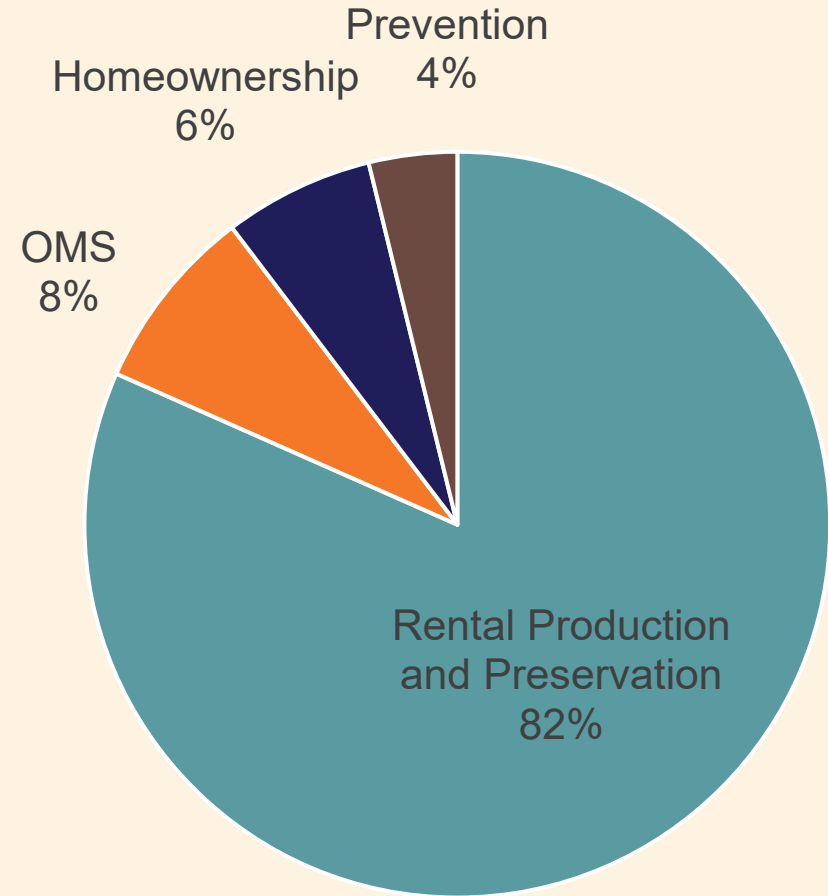
\$640 M Rental Production and Preservation

\$63 M Operating, Maintenance, Services (OMS)

\$51 M Homeownership

\$30 M Prevention

\$57 M Administration



Updated 11/15/2022

Changes from Initial Proposal

1. Increased Housing Levy size overall to meet rising needs
2. Scaled up production of permanent housing, a proven strategy to address homelessness
3. Emphasized support for high quality workforce, services, and programs across all available local fund sources
4. Increased production of family-size homes
5. Increased accessibility to homeowner stabilization programs

What questions do you have?

