

HALA

HOUSING AFFORDABILITY
AND LIVABILITY AGENDA



January 2016 Update

www.Seattle.gov/HALA

What is the Housing Affordability and Livability Agenda?



BACKGROUND

In September 2014, Mayor Murray and the City Council called together leaders in our community to help develop a bold agenda for increasing the affordability of housing in our city by convening a Housing Affordability and Livability Advisory Committee. The twenty-eight member Advisory Committee included renters and homeowners, for-profit and non-profit developers and other local housing experts. After months of deliberation, they reached consensus and published a report with over 60 recommendations to consider.

THE 10-YEAR GOAL

HALA is guided by an ambitious 10-year goal for producing both market rate and guaranteed affordable housing. It will take a multi-pronged approach to meet the goal.

30,000

These will be market rate housing units that add to the overall supply of housing in the city, providing more housing choices and options.



20,000

These will be new or preserved affordable housing units reserved for low income households. To create this many affordable units we will have to triple the historical yearly production of affordable housing.

Why do we need HALA?

RESPONDING TO A CRITICAL NEED

- 45,000 Seattle lower-income families spend more than half their income on housing.
- 2,800 people are sleeping on the streets.
- Rents are beyond the reach of many working families. Fewer homes are for sale today than at any time in the last 10 years.
- Even with a new \$15 minimum wage, the average rent for a one-bedroom apartment is out of reach for a single household minimum wage worker.



When a household must pay more than half of its income on housing it leaves little left over for other basic necessities like food and transportation.

What's been accomplished so far?

FIRST STEPS

Since the release of the Mayor's Action Plan in July, City staff and the City Council have laid the groundwork for implementing HALA. While these are important steps, much of the work lies ahead.

- In September 2015, City Council passed Resolution 31609 setting a work plan and directing City Departments to implement HALA recommendations.
- In October 2015, City Council passed Ordinance 118505 renewing and expanding the Multi Family Tax Exemption (MFTE) program. MFTE incentivizes builders to set aside 20% of housing units in a new building as rent-restricted.
- In October 2015, City Council passed Ordinance 124882 strengthening regulations for assistance to displaced tenants.

What's happening now?

UPCOMING ACTIONS

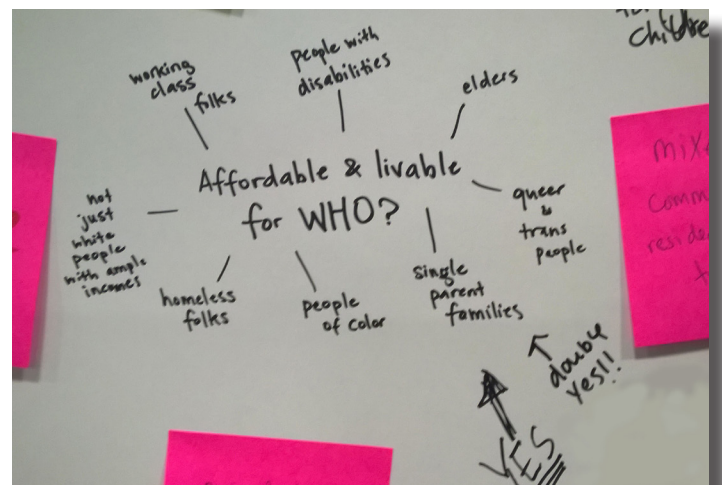
Right now, we are reviewing the many HALA recommendations and discussing them with the broader community. There are at least six upcoming action items we're working on now where we need your input: *(See the next pages for information about these actions.)*

- Prevent source of income discrimination
- Strengthen tenant protections
- Renew and increase the Seattle Housing Levy
- Pass a Mandatory Housing Affordability (MHA) program for new development
- Advance State legislation for a new housing preservation tax incentive program
- Create the Fair Chance housing program

Community Engagement Launch

WE NEED YOUR HELP

In January 2016, an extensive public engagement process is beginning so the community at large can weigh in on the Housing Affordability and Livability Agenda. To address the housing crisis, stakeholders from all corners of our community will need to pitch in. We need your input and are looking for creative suggestions on how the HALA recommendations should be implemented. Page 6 summarizes the HALA engagement plan. The process launches in January 2016 and will last over a year. There are many options for how residents can give input on HALA. Your input will shape how HALA recommendations are implemented, especially in neighborhood areas.



Community member comments from a HALA Open House meeting in November 2014.

Preventing Source-of-Income Discrimination

Renters who receive income from Social Security, veteran's benefits, child support, Supplemental Security Income (SSI) and Section 8 vouchers should not face barriers to housing based on their income type. It is currently illegal under City law to discriminate against a tenant based on the use of a Section 8 voucher. The City will introduce legislation that expands anti-discrimination laws to include other sources of income.

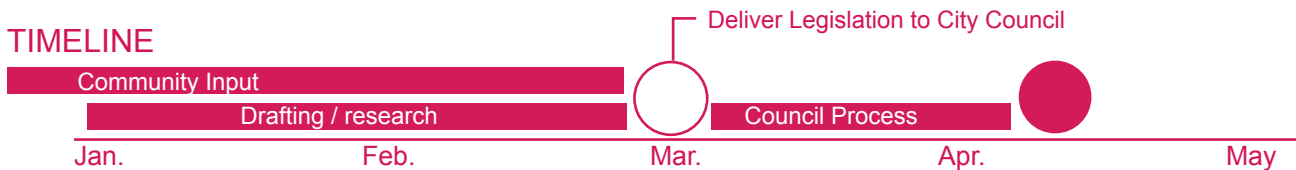
The Seattle Office for Civil Rights has convened diverse stakeholders to provide input on a legislative strategy to address barriers currently faced by low-income people while also balancing business concerns.

Contact: Brenda.Anibarro@Seattle.gov



Legislation would ensure landlords can't discriminate against tenants based on the source of their income.

TIMELINE



Strengthening Tenant Protections

The Mayor and Council are working together to strengthen protections for renter households that live in substandard dwelling units and/or experience other prohibited landlord-led actions, including:

- Prohibit landlords from increasing rents for substandard units until the deficiencies are corrected.
- Enhance protections for tenants against prohibited landlord-led actions (e.g. retaliation for complaints).
- Transfer primary City responsibility for enforcing against prohibited acts by landlords and tenants from the Seattle Police Department (SPD) to SDCI.
- Enable enforcement action against landlords that do not provide 60 days notice before applying a rent increase of 10% or more.
- Streamline the penalty structure for violations of the Housing Code.

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Legislation would protect tenants from rent increases without adequate notice.

TIMELINE



Seattle Housing Levy

RENEW AND INCREASE THE HOUSING LEVY

This innovative property tax levy has been approved five times by Seattle voters and is hailed as a national model. The Housing Levy has a 30-year track record of creating affordable housing with services to support at-risk families, seniors, and people with disabilities, providing rental assistance to prevent homelessness, and preserving housing to prevent displacement of long-term residents. The Housing Levy is up for renewal in 2016, and we are exploring an increase to \$290 million, or about twice its current size. This will build and preserve thousands of quality, affordable homes for the most vulnerable families and individuals in our community and for low-wage workers.

Contact: Lindsay.Masters@Seattle.gov



In 2015, the Office of Housing awarded a record \$54 million that will enable over 900 new affordable units for low-income households.

TIMELINE



Mandatory Housing Affordability (MHA)

BUILDING AFFORDABILITY AS WE GROW

The proposed Mandatory Housing Affordability (MHA) program would ensure that new commercial and multi-family residential developments either include affordable housing units in the building or pay into a fund to provide housing affordable to low-income households, in exchange for increases in development capacity. MHA is part of the Grand Bargain struck in July of 2015.

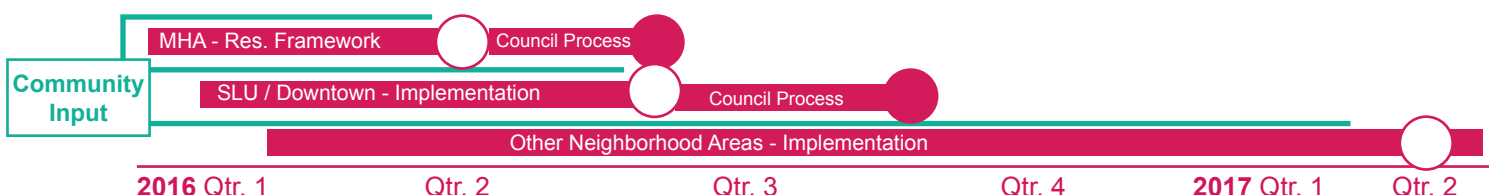
- The City Council adopted a framework for the MHA-Commercial program in November 2015.
- We are now working to develop a framework for the MHA-Residential program (see below).



New development would be required to provide or help pay for affordable housing.

These frameworks only enable MHA — they do not implement the program. Over the next year, the City will craft zoning changes to implement MHA across the city. There will be extensive engagement with communities before any such changes go into effect. South Lake Union and Downtown areas are the first expected to have MHA. MHA is not expected for other neighborhood areas until 2017, after the engagement process.

TIMELINE



Housing Preservation Incentive

STATE LEGISLATIVE AGENDA

City staff are working with State Legislators on a bipartisan plan to enact a local-option property tax exemption for existing rental homes, to preserve lower rents and prevent the displacement of long-time tenants, even as landlords seek to make building improvements. On January 11, 2016, the Preservation Tax Exemption proposal sponsored by Sen. Joe Fain (R-Auburn) and Sen. David Frocht (D-Seattle) was introduced. It has support from property owners, tenants, and a dozen mayors across the region. If enacted, the bill would encourage property owners to set aside a percentage of housing units in existing older buildings as affordable when they upgrade the building in exchange for a tax exemption.

Contact: Robin.Koskey@Seattle.gov



The Preservation Tax Exemption proposal would give cities a new tool to encourage preservation of affordable housing in existing older buildings.

TIMELINE



Fair Chance Housing

ENSURING FAIR ACCESS TO HOUSING

An estimated one in every three adults in the United States has a criminal record, and nearly half of all children in the U.S. have one parent with a criminal record. Due to a rise in the use of criminal background checks during the tenant screening process, people with arrest and conviction records face major barriers to housing.

The Seattle Office for Civil Rights is bringing together a diverse set of stakeholders to provide input on a legislative strategy to address barriers faced by people with arrest and conviction records while balancing business and safety concerns.



Contact: Brenda.Anibarro@Seattle.gov

TIMELINE - Fair Chance Housing



HALA Community Engagement Plan

This is an overview of how the community can give input on HALA over the next year. Other ideas for how to provide input are welcome.



Ways to participate include:

- January 26 **Seattle at Work** Event
- Telephone Town Halls
- New HALA website
- Direct mail
- Large summit style meeting
- Neighborhood blogs
- Social media
- E-mail newsletter
- Town hall style meetings
- Online surveys
- E-mail newsletter
- Others TBD...
- Neighborhood Night Out blitz
- Neighborhood blogs
- E-mail newsletter
- Others TBD
- Large summit style meeting
- E-mail newsletter
- Others TBD...



Citywide Conversations

At these times we will focus on reaching out to a broad public audience through a variety of tools. Citywide conversations are meant to:

- Get the word out about HALA
- Update the community at large on HALA progress and next steps
- Highlight current issues we are working on
- Listen to feedback from a broad public audience that will shape HALA actions



Neighborhood Meetings

Neighborhood meetings are existing meetings of local community organizations and groups. City staff will attend groups' regular meetings throughout the year in between citywide conversations. City staff will respond to requests for neighborhood meetings to the extent possible, and make efforts to reach areas throughout the city. The purpose of HALA participation at neighborhood meetings is to:

- Update local neighborhood areas on HALA progress and next steps
- Listen to feedback from local groups that will shape HALA actions
- Consider neighborhood preferences for how HALA actions fit local conditions



Community Working Groups

Community Focus Groups will consist of several representatives from each neighborhood area. The groups are a sounding board to give the focused feedback - particularly on how the MHA program would be applied in neighborhood areas. Although details of focus groups are still being worked out we expect the Focus Groups to:

- Reflect a broad range of perspectives
- Number 4-5 depending on community interest and preferences
- Be facilitated by an independent third party
- Conduct a detailed review of land use changes to implement Mandatory Housing Affordability
- Be transparent and open to the public
- Allow focus group participants to relay information to their home neighborhoods

Please see the Focus Group application form for more information and to participate!