



AFFORDABLE MIDDLE- INCOME HOUSING ADVISORY COUNCIL

Monday, May 20, 2019 | 1:30-4:30 PM

Seattle City Hall | Norm B Rice Conference Room, 7th Floor

MEETING #4

- Objectives:**
- Review MFTE program and discuss opportunities for its upcoming renewal.
 - Continue workgroup discussions of Financing and Investment Strategies and Cost and Regulations Strategies.

Advance Attachment A: MFTE 2018 Annual Report

Materials: Attachment B: Housing Choices *Draft* Report

Agenda: **1:30-1:35 | Introduction and Overview. Robert Feldstein.**

1:35-1:45 | Updates to AMIHAC Workplan, Timeline, Workgroups. Sara Maxana.

Summary: Per the April meeting and subsequent discussions with the Advisory Council co-chairs, the Advisory Council will include two standing workgroups (Financing and Investment Strategies Workgroup and Cost and Regulations Strategies Workgroup) that will develop recommendations for the final report in late 2019. The Advisory Council will also convene two ad hoc workgroups (Opportunity Zones Strategies and MFTE Renewal) that will meet one or two times in the coming months to inform City policies that must move forward on faster timeline. See Page 3 of this Agenda for suggested work group assignments.

1:45-2:45 | MFTE Renewal.

Advance Materials: See *Attachment A: MFTE 2018 Report*. Attention to following sections:

- **Program 5** is the program that has been in place since program renewal in 2016. A brief description is at the bottom of page 2. The full ordinance is available here: <https://seattle.legistar.com/View.ashx?M=F&ID=4076180&GUID=06D52309-8BD0-4227-9DA7-3E25F42D62F3>
- Production by **Number of Bedrooms**, Page 5-6
- Production by **Income Level**, Page 8
- Production by **Location**, Pages 11-13 plus maps in attachments B.1 and B.2
- Program **Tax Impacts**, Page 17-18

Summary: The Office of Housing will present data on the MFTE program and start a conversation with Council members on program renewal this Fall. Discussion questions:

1. MFTE program is critical tool to produce affordable moderate-income housing, but also results in both forgone tax revenue and shifted tax burden. How can the City best balance public benefit and cost from the MFTE program?
2. How have 2015 program changes impacted participation and production?
3. How might we approach adjustments to median income and rents to create predictability for participants?
4. What additional data do Council members need to inform the City's renewal proposal?
5. Which Council members want to participate on ad hoc workgroup on MFTE renewal?

2:45-3:00 | Break

3:00-4:30 | CONCURRENT WORKGROUPS: Following the break, Council members will break into two concurrent workgroups for the remainder of the meeting.

Financing and Investment Strategies Work Group. Discussion questions:

1. What are the financing shortfalls that exist today in order to be able to achieve affordable rents?
2. What are subsidy opportunities—those that exist today and other possibilities that may not exist today?
3. What creative financing options that would result in affordable rent? What are the roles for credit enhancement, social impact investment, and other strategies?
4. What ownership models could create more opportunity for entry-level ownership to middle-class households? What role should cooperatives and land trusts play?
5. Which are we able to affect and how immediate would the impact be?
6. What are the strategies the City can prepare for further refinement in June-July?

Cost and Regulations Work Group. See *Attachment B: Housing Choices Background Report.*

1. What are we trying to build (size, typology, price, rental vs. sale, number of units)?
2. What are the key drivers of cost for those types of construction?
3. How do we affect change in these costs and what will make construction of middle-income housing more affordable?
4. What are the strategies the City can prepare for further refinement in June-July?

4:30 | Adjourn

Next Meeting | Monday, June 10, 2019, 1:30-4:30 | Norm B. Rice Conference Room, City Hall

Workgroup assignments.

Standing workgroups. All Advisory Council members are asked to participate in one of the two standing workgroups. These suggested assignments are based on the April Advisory Council meeting and subsequent discussions. **If you are assigned to one workgroup and wish to participate in the other, please contact staff!**

- Financing and Investment Strategies Workgroup.

Advisory Council Members: Ada Healey, Vulcan
 Governor Gary Locke
 Bruce Brooks, Craft3
 Mark Dean, Citibank
 David Della, Green Shoots Consulting
 Greg Gorder, Gaard Development
 Gabe Grant, Spectrum Development Solutions
 Julie Howe, Urban Evolution
 Amy King, Square Peg Construction
 Doris Koo, Yesler Community Collaborative
 Tony Mestres, Seattle Foundation
 Nate Miles, Eli Lilly
 Faith Pettis, Pacifica Law Group
 Brad Reisinger, LMC
 Joe Schocken, Broadmark Capital
 Theresa Whitmarsh, WA State Investment Board

Staff Members: Leslie Brinson, Mayor's Office
 Julie Dingley, City Budget Office
 Jen LeBrecque, Office of Housing

- Cost and Regulations Strategies Workgroup.

Advisory Council Members: Larry Brown, State Labor Council
 Ezra Teshome, Community Member
 Maria Barrientos, barrientos RYAN
 Lisa Bogardus, Seattle Building Trades
 Dan Duffus, Blueprint Capital
 Aaron Fairchild, Green Canopy Homes
 Joe Ferguson, Lake Union Partners
 John Hempelmann, Cairncross & Hempelmann
 Paul Purcell, Beacon Development Group
 Kathleen (Kat) Sims, Master Builders

Staff Members: Sara Maxana, Mayor's Office
 Kiersten Grove, Mayor's Office
 Brennon Staley, Office of Planning and Community Development

Ad hoc workgroups. All Advisory Council members are invited to participate in either or both the two ad hoc workgroups. These suggested assignments are based on the April Advisory Council meeting and subsequent discussions. **If you wish to participate in one or both of the ad hoc workgroups, please let staff know!**

- Opportunity Zones Strategies.

Advisory Council Members: David Della, Green Shoots Consulting
Greg Gorder, Gaard Development
John Hempelmann, Cairncross & Hempelmann
Doris Koo, Yesler Community Collaborative
Nate Miles, Eli Lilly
Brad Reisinger, LMC

Staff Members: Katya Sienkiewicz, Mayor's Office

- MFTE Renewal.

Advisory Council Members: TBD at May 20th Meeting

Staff Members: Leslie Brinson, Mayor's Office
Emily Alvarado, Office of Housing