

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	Executive Contact/Phone:
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** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

- a. Legislation Title:** AN ORDINANCE relating to housing for low-income households; adopting the Housing Levy Administrative and Financial Plan for program years 2017-2018; adopting Housing Funding Policies for the 2016 Housing Levy and other fund sources; authorizing actions by the Housing Director regarding past and future housing loans and contracts; and ratifying and confirming certain prior acts.
- b. Summary and background of the Legislation:** The 2016 Housing Levy, approved by voters in August 2016, authorizes property tax levies for seven years, 2017 through 2023. The Office of Housing (OH) administers four levy programs that produce and preserve rental housing, provide operating subsidy for rental housing, and assist low-income home buyers and homeowners. The Human Services Department (HSD) administers the levy program that provides short-term assistance to prevent homelessness and help homeless individuals and families achieve stable housing.

Ordinance 125028, passed by City Council on May 2, 2016, placed the levy on the August ballot and directed OH to prepare an Administrative and Financial Plan (A&F Plan) every two years beginning in 2017.

The A&F Plan contains an annual funding plan for the levy, annual reporting requirements, and policies for each levy program. The A&F Plan incorporates policies for the Homelessness Prevention and Housing Stability Services Program that were adopted in November 2016 (Ordinance 125217) to allow HSD to proceed with contracting in early 2017. The A&F Plan also incorporates Housing Funding Policies, which are appended to the plan. The Housing Funding Policies apply to levy funds and other housing funds administered by OH as specified for each program.

2. CAPITAL IMPROVEMENT PROGRAM

- a. Does this legislation create, fund, or amend a CIP Project?** ___ Yes ___ X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

- a. Does this legislation amend the Adopted Budget?** ___ Yes ___ X No
- b. Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?**

This A&F Plan is related to a new seven-year, \$290-million housing levy for 2017 through 2023, which was approved by voters in August 2016. The levy will help produce affordable housing for seniors, people with disabilities, low-wage workers, and people experiencing homelessness. The levy replaces the 2009 Housing Levy which expired at the end of 2016.

c. Is there financial cost or other impacts of *not* implementing the legislation?

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

The A&F Plan incorporates previously adopted policies (Ordinance 125217) for the Housing Levy Homelessness Prevention and Housing Stability Services Program administered by the HSD.

b. Is a public hearing required for this legislation?

No

c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

No

d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No

e. Does this legislation affect a piece of property?

No

f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?

The Housing Levy and other housing funds administered by OH serve low income individuals and families, who are disproportionately people of color. Annual reports from OH-funded rental housing consistently demonstrate that marginalized groups – people of color, homeless, people with disabilities – are served at a higher proportion than their proportion in the general low-income population. Homeowner assistance programs also serve high proportions of people of color, particularly seniors needing home repairs to remain safely in their homes.

In addition, location priorities for new housing projects are consistent with local, state and federal policies to affirmatively further fair housing. Levy and other funding supports production and preservation of low-income housing in low-income communities of color facing rising rents and potential displacement, as well as in higher cost

neighborhoods that provide access to jobs and services and have relatively few affordable housing choices.

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).**

The A&F Plan establishes funding policies to implement the seven-year \$290 million Housing Levy. The levy funds four programs, each with measurable goals consistent with Ordinance 125028:

- Rental Production and Preservation Program, \$201 million: Produce or preserve 2,150 affordable apartments and reinvest in 350 affordable units
- Operating and Maintenance Program, \$42 million: Support operations for 510 affordable apartments
- Homelessness Prevention and Housing Stability Services Program, \$11.5 million: Assist 4,500 individuals and families
- Homeownership Program, \$9.5 million: 280 households assisted to purchase their first home or remain in stable housing.

Ordinance 125028 also creates an Acquisition and Preservation Program that is not separately funded and does not have a separate production goal. Consistent with that legislation, the A&F Plan authorizes up to \$30 million in short-term lending for rental or ownership development using levy fund balances.

The legislation includes monitoring requirements for project-level performance and overall reporting requirements for Housing Levy programs. The Housing Levy Oversight Committee reports to the Mayor, City Council, and the public on Housing Levy performance relative to adopted goals.

h. Other Issues:

List attachments/exhibits below: