



STEPPING FORWARD
to opportunity and self-sufficiency

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**A PROPOSAL BY
SEATTLE HOUSING AUTHORITY**

FALL 2014

Mission

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The mission of the Seattle Housing Authority is to enhance the Seattle community by creating and sustaining decent, safe and affordable living environments that foster stability and increase self-sufficiency for people with low incomes.

Context

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- 13,000+ households currently served through Public Housing and Housing Choice Voucher programs in Seattle*
- 65% of households are elderly/disabled
- More than 9,000 households on Public Housing waiting lists
- Housing Choice Voucher waiting list closed. In 2013, 24,000 households vied for 2,000 spots on the Voucher waiting list
- Federal funding cut:
 - \$16.3 million loss in program budget and staffing reduced 18% between 2012 and 2014
 - Long term outlook is for flat or reduced program subsidies from HUD
 - Capital backlog is bad and getting worse – projected to grow by \$9+ million annually

*Excludes about 3,000 households served by SHA which are comprised mostly of voucher holders that have moved out of Seattle, special purpose voucher holders, and SSHP residents.

Our Path Here – Board Discussions

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- Rent policy goals developed
 - Provide more people and families access to safe, decent, affordable housing.
 - Encourage and support economic self-sufficiency for work-able adults.
 - Create a rent policy that is simple, fair and equitable.
- Variety of options explored including a higher percentage of income for rent, flat rents, time limits, escalating rents
- Decision to focus on non-elderly, non-disabled households
- Self-sufficiency approaches including discussions with workforce and education providers

Our Path Here – Planning and Research

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- Other agencies and programs (interviews, reports...)
- Focus groups (residents/participants, waiting list, general public)
- Stakeholder interviews and meetings (housing providers, legal aid, service providers, landlords...)
- Staff engagement (all staff meeting, work group, on-line discussion forum)
- Modeling (applying concepts to existing tenant data)

Target Households

Households participating in Public housing or Housing Choice Voucher program with 1 or more non-elderly adult 24-61 not receiving disability income from the State or Social Security (19-23 year olds included for workforce assessment and plan, but would not impact family's rent policy).

7,100 work-able adults
(including 1,300 19-23 year olds)
in 4,600 households

Data excludes Voucher participants living in other jurisdictions (Port Outs)

- **Bedroom Size Distribution**

Bedrooms	0	1	2	3	4+
%	10%	9%	37%	33%	11%

- **Wages & Income**

Working Households	61%
Average Income of Working Households	\$22,050
Average Income of All Household	\$15,800
Households Receiving TANF	10%

- **Length of Stay**

Avg # Years	>10 Years
8	26%

- **Demographics**

Single-Parent Households	51%
Non-Citizen Households	26%

STEPPING FORWARD Proposal

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Stepped Rent Policy

- Rents based on unit size and length of participation
- Subsidy decreases and tenant contribution increases over time
- Rents remain below market for low-income households
- Tenants save additional income

Workforce Opportunity System

- Workforce and education assessments and planning for all work-able adults
- Groundbreaking partnerships
 - Workforce Development Council, Seattle College District
 - Chamber, Seattle Jobs Initiative, Financial Empowerment Network, DSHS, City's Office of Economic Development, Seattle Foundation, Chase Foundation

The Workforce Opportunities System

SHA Prescreens and refers tenants for self-sufficiency assessment and plan

Opportunity Week – Seattle Colleges

- Enroll in College
- Earn 1-2 College Credits
- Gain college campus experience
- Connect with Industry professionals from chosen field

Job Readiness – WorkSource Sites

- Employment Readiness Skills
- Job Search Skills
- Assessment Tools
- Career Planning Tools
- Connection to hiring managers

Services Available To All Tenants Include

- Basic Skills and English as a Second Language Assessments
- Labor Market Orientation
- Opportunities for subsidy and tuition assistance
- Career Development Supports
 - o Job Search Assistance
 - o Resume Writing
 - o Online Application Assistance
- Career Development Planning
- Referrals to high demand sector training and employment
- Wrap-Around Services (e.g. child care)
- Small Business Assistance
- Referrals to Workforce Opportunity System Partner Resources
- Specialized accommodations as needed to assess learning or physical disabilities
- Follow-up, engaging participants in next step training, employment, or needed services until they enter living wage employment and/or exit housing

Stepped Rents for Work-Able Households

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Sample rents:

Step	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom	% AMI
A: Year 1	\$130	\$140	\$160	\$170	\$180	10%
B: Years 2 & 3	\$290	\$310	\$360	\$400	\$420	20%
C: Years 4 & 5	\$440	\$480	\$560	\$630	\$680	30%
D: Years 6-?	\$680	\$720	\$850	\$970	\$1,060	45%
Additional Step?	?	?	?	?	?	<=60%

- Tenants pay applicable heat and electricity. Alternative table for households paying own water/sewer.
- Steps generally reflect affordability at Area Median Incomes (AMI) of 10%, 20%, 30%, and 45%.
- Tables adjusted annually based on LIHTC rent tables and most recent HCV utility estimates + rounded + adjusted to reflect higher rent for larger bedroom.
- “Year” = household tenure in subsidized housing
- HCV participants renting above the Voucher Payment Standard will continue to pay the difference.
- “Additional Step?” - SHA is exploring the possibility of a fifth step that would reduce the gap between Step D and market rents.

What will it take to pay these rents?

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Step	Employment Levels Needed¹ to Support Sample 2 and 3 Bedroom Unit Rents²
A: Year 1	Less than Half-Time at \$9.32/hour ³
B: Years 2 & 3	Less than Full-Time at \$9.32/hour ³
C: Years 4 & 5	Full-Time at \$11-\$12/hour
D: Years 6-?	Full-Time at \$16-19/hour
?: Years ?-?	Up to Full-Time at \$22-26/hour

¹Assumes wages from only one work-able adult in household.

²70% of affected households live in 2 or 3 bedroom units.

³2014 Washington State Minimum Wage = \$9.32/hour.

Additional Participant/Resident Supports

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- Support for households experiencing unforeseen hardship and at risk of losing housing
- Specialized services and hardship for undocumented disabilities preventing/limiting employment
- Possible targeted incentives through specific programs (e.g. FSS, Savings Incentive Program)

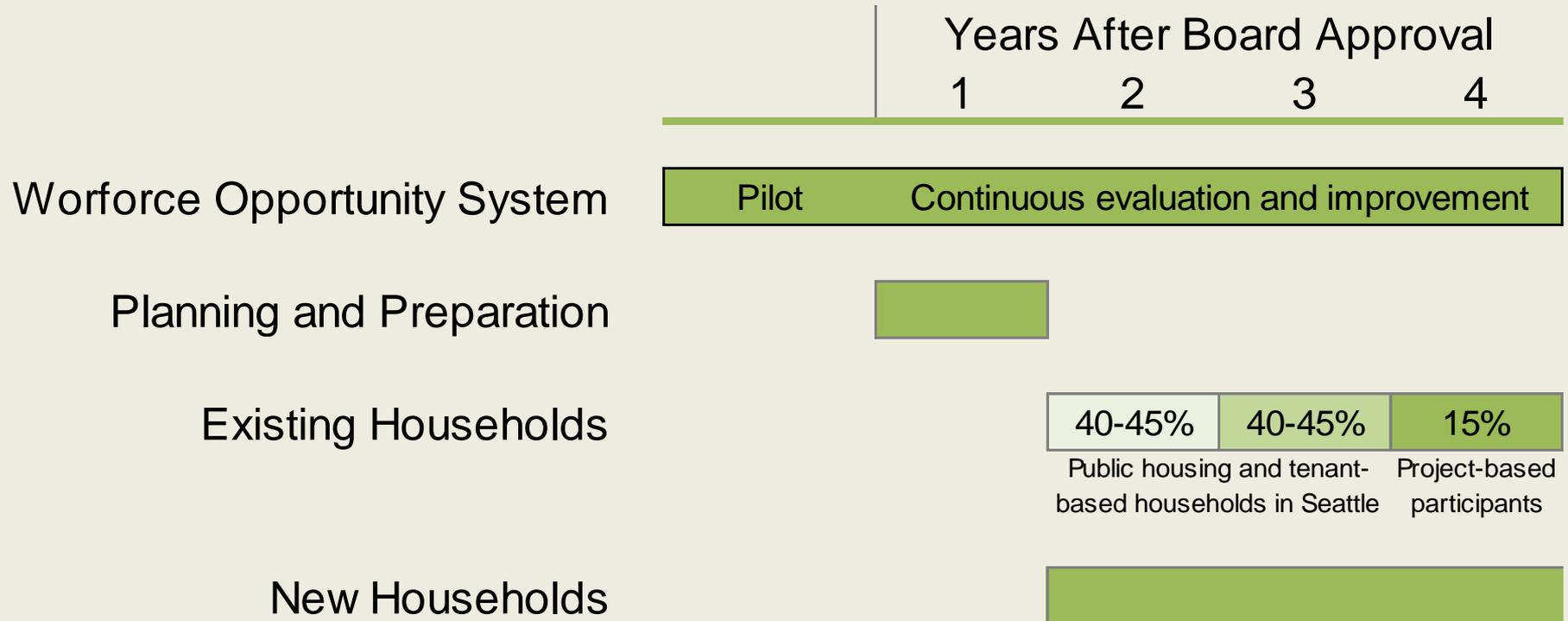
Next Steps

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- Gather input and hear concerns
 - Reach out to low-income community
 - Hold forums with residents
 - Discuss proposal with stakeholders
- Workforce pilot beginning late 2014
- Revise proposal
- New public comment period on revised proposal
- Provide recommendation to Board of Commissioners
- Implementation
 - Would be phased in and take about 4 years from Board approval to reach full implementation
 - Rent changes no earlier than 2016

Draft Implementation Timeline

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Questions? More information?



WEBSITE

WWW.SEATTLEHOUSING.ORG

STEPPING FORWARD HOTLINE

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COMMUNITY MEETINGS

SEPTEMBER 16, 17, 22, 23, & 29