

CITY OF SEATTLE
RESOLUTION 31546

1
2
3
4 A RESOLUTION concerning the development of a Seattle Housing Affordability and Livability
5 Agenda and calling for establishment of a Seattle Housing Affordability and Livability
6 Agenda Advisory Committee to be jointly convened by the Mayor and Council.

7 WHEREAS, ensuring a diversity of housing types at a broad range of prices is integral to the
8 health and well-being of Seattle residents and to the economic vitality and social vibrancy
9 of the City; and

10 WHEREAS, the City is experiencing strong economic growth fueling demand for rental and
11 homeownership housing for households of all income levels; and

12 WHEREAS, the Mayor and Council desire to ensure that the Seattle's growth translates into
13 quality housing options for new and existing residents; and

14 WHEREAS, average apartment rents in Seattle increased 5.6% from Spring 2011 to Spring
15 2012, 9.3% from Spring 2012 to Spring 2013, and 8.8% from Spring 2013 to Spring
16 2014, according to Dupree + Scott Apartment Advisors Annual Apartment Reports; and

17 WHEREAS, the City continues to lose units affordable to low- and moderate-income households
18 due to building sales, renovation, redevelopment, and other market factors that lead to
19 rent increases;

20 WHEREAS, according to 2007-2011 American Community Survey (ACS) Comprehensive
21 Housing Affordability Strategy (CHAS) data, 43% of Seattle renter households are
22 burdened by housing costs and 21% of Seattle renter households are severely burdened
23 by housing costs meaning they pay more than one-half of their household incomes for
24 rent; and

25 WHEREAS, according to the 2007 – 2011 ACS CHAS data, more than 76% of Seattle renter
26 households with incomes of 30 percent of area median or less are severely burdened by
27 housing costs; and

28 WHEREAS, the number of unsheltered homeless in Seattle continues to increase as reported by
the "One Night Count:" 1,898 on January 27, 2012, 1,989 on January 25, 2013, and 2,303
on January 24, 2014; and

1 WHEREAS, a severe shortage of very low- and low-income housing poses a significant barrier
2 to the Committee to End Homelessness' work to end homelessness for all homeless men,
women, families, and youth in King County; and

3 WHEREAS, Seattle, in collaboration with King County and other jurisdictions assumes an active
4 role in the Committee to End Homelessness' regional efforts to prevent homelessness and
to help people move quickly to stable and supportive housing; and

5 WHEREAS, the lack of affordable housing has significant race and social justice implications as
6 low income persons of color are disproportionately at risk of displacement; and

7 WHEREAS, the City's Race and Social Justice Initiative seeks to eliminate racial and social
8 disparities by implementing policies and programs to achieve racial and social equity in
areas including employment, education, and housing; and

9 WHEREAS, there are currently 325,000 housing units in the City, and the City is planning for
10 70,000 new households over the next 20 years; and

11 WHEREAS, the City will be adopting goals and policies aimed to address both supply and
12 demand for housing over the 20 years, as estimated by a housing needs analysis as part of
the Comprehensive Plan process; and

13 WHEREAS, the City has a variety of existing programs and policies that assist in providing
14 housing affordable to households at or below 80% of area median income including the
15 Rental Housing Production and Preservation program; down payment assistance; rental
16 assistance programs; Multi-Family Tax Exemption (MFTE), incentive zoning, and
others; and

17 WHEREAS, these existing programs and policies alone are unlikely to provide and preserve the
18 number of affordable units that will be required to meet the future affordable housing
19 needs of households across the City; and

20 WHEREAS, Seattle continues to lose existing affordable units to housing cycle changes that can
21 include subsidized housing conversion, condominium conversions, demolition, and rent
increases; and

22 WHEREAS, Seattle has a strong non-profit and for-profit housing development community that
23 wants to participate in discussions about how to provide housing for a diversity of
24 household types and incomes; and

1 WHEREAS, Washington State law, including RCW 35.21.830, currently preempts jurisdictions
2 including Seattle from instituting rent-stabilization policies to mitigate rent increases
causing the City to consider other means to achieve housing affordability; and

3 WHEREAS, in 2013 the Council adopted Resolution 31444 that set out a work program for
4 reviewing affordable housing programs and policies, including incentive zoning; and

5 WHEREAS, pursuant to Resolution 31444, the Council commissioned reports examining
6 national best practices for increasing the availability of affordable housing in order to
identify new strategies for Seattle; and

7 WHEREAS, as a result of this work, the Council intends to make policy decisions in the Fall of
8 2014 regarding incentive zoning and other affordable housing programs that will be
9 incorporated in the proposed Seattle Housing Affordability and Livability Agenda
described in Section 2 of this resolution and

10 WHEREAS, the City is in the process of reviewing and updating the Comprehensive Plan,
11 including the Housing Element that will include a goal for very low-, low-, and moderate-
income housing in Seattle for the next 20 years; and

12 WHEREAS, the City submits annually to the U.S. Department of Housing and Urban
13 Development a Consolidated Plan that outlines how federal funding will be allocated to
14 meet Seattle's affordable housing needs; and

15 WHEREAS, the Planning Commission produced a white paper in 2013 entitled "Family-Sized
16 Housing: An Essential Ingredient to Attract and Retain Families with Children in Seattle"
detailing needs and potential solutions for family housing; and

17 WHEREAS, the City will soon begin planning efforts for a proposed voter-renewal of a housing
18 levy, historically the City's most significant and successful tool for funding the
19 preservation and production of affordable housing, anticipated to be put on the ballot in
2016; and

20 WHEREAS, the City should refer to existing housing plans and initiatives when developing the
21 Seattle Housing Affordability and Livability Agenda that will: include systematic data
22 collection and tracking methods; clearly identify current and projected affordable housing
23 needs over the next ten years; gauge the ability of the City's existing programs and
24 policies to meet those needs; make recommendations for new or revised programs and
25 policies designed to meet the City's projected housing needs; and estimate gaps in
26 meeting housing needs that may remain. NOW, THEREFORE,

1 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE**
2 **MAYOR CONCURRING, THAT:**

3 Section 1. The Council and Mayor propose to work collaboratively to develop a Seattle
4 Housing Affordability and Livability Agenda that will seek to support development and
5 preservation of a diversity of housing types and rents/prices for the residents of the City over the
6 next ten years.

7 Section 2. The Council and Mayor propose that a Seattle Housing Affordability and
8 Livability Agenda Advisory Committee be jointly convened by the Council and Mayor to
9 evaluate potential housing strategies. The advisory committee will be supported by staff of the
10 Office of Housing, Department of Planning and Development, Office of Policy and Innovation
11 and other city agencies as appropriate, and by an outside consultant to assist with public
12 involvement, additional research, and facilitation. The work of the advisory committee should
13 be informed by Council-appointed consultants' report findings and studies other jurisdictions
14 have done or commissioned related to affordable housing strategies.

15 Section 3. At a minimum the agenda should include:

- 16 • Current and estimated needs for affordable rental and homeownership housing
17 according to household size and income, as follows: up to 30% AMI, greater than
18 30% of AMI to 60% AMI, greater than 60% of AMI to 80% AMI, and, if data is
19 available, greater than 80% of AMI based on reliable data sources including the
20 United States Census Bureau and U.S. Department of Housing and Urban
21 Development (HUD);
22 • Current and estimated housing development, both income/rent-restricted and market-
23 rate;

- 1 • Current and estimated funding for affordable housing in Seattle and estimated net-
2 new affordable housing and populations served by household income level as a result
3 of such funding;
- 4 • Recommendations concerning new programs or policies targeted to market-rate
5 housing development and projected impact on housing affordability and expected
6 availability of housing from such recommendations;
- 7 • Recommendations concerning new funding, programs, or policies for affordable
8 housing production and preservation;
- 9 • Recommendations for preserving existing affordable housing, subsidized by any
10 source or naturally occurring; and
- 11 • Recommendations regarding increasing access to permanent housing for people who
12 are currently homeless.

13 Section 4. The Seattle Housing Affordability and Livability Agenda Advisory
14 Committee should complete its work and issue a report to the Mayor and Council by May 30,
15 2015.

16 Section 5. Nothing in this Resolution is meant to preclude the Council or Mayor from
17 proposing or adopting policies sooner in order to preserve and increase affordable housing
18 opportunities.

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Legislative	Traci Ratzliff/4-8153	Lisa Mueller/Leslie Price/386 - 9136

Legislation Title:

A RESOLUTION concerning the development of a Seattle Housing Affordability and Livability Agenda and calling for establishment of a Seattle Housing Affordability and Livability Agenda Advisory Committee to be jointly convened by the Mayor and Council.

Summary of the Legislation:

The Council and Executive will work collaboratively on the development of a Seattle Housing Affordability and Livability Agenda that supports the development of a diversity of housing types affordable to residents at different income levels over the next ten (10) years.

A Seattle Housing Affordability and Livability Agenda Advisory Committee will be jointly convened by the Mayor and Council, to evaluate housing strategies to be included in the Agenda. A report will be provided by the Advisory Committee by May 30, 2015. At a minimum the report will include:

- Current and estimated needs for affordable rental and homeownership housing according to household size and income level (0 – 80% of AMI) and if data is available greater than 80% of AMI;
- Current and estimated housing development, for income/rent-restricted and market-rate units;
- Current and estimated funding for affordable housing in Seattle and estimated new affordable housing and populations served (by household income level) as a result of such funding;
- Recommendations concerning new programs or policies targeted to market-rate housing development and projected impact on housing affordability;
- Recommendations concerning new funding, programs, or policies for affordable housing production and preservation of existing affordable housing and non-subsidized affordable housing;
- Recommendations regarding increasing access to permanent housing for people who are currently homeless;

Background:

In May of 2013, the Council adopted Resolution 31444, calling for a review of national best practices in affordable housing programs and policies, focused on creating affordable Workforce Housing defined as rental housing affordable to households earning 60% to 80% of Area Median Income (AMI) and homeownership housing affordable to households earning 80% to 100% of AMI.

The Council contracted with Otak and Penninger Consulting to conduct this review and the consultants have now submitted a report entitled "Seattle Workforce Housing Programs and Policies Related to Meeting Workforce Housing Needs in Seattle: A Survey and Analysis of Best Practices in Comparative Jurisdictions".

This report included a number of potential policies/programs that could be implemented to increase the supply of affordable housing. Additionally, other reports have been done looking at different strategies for developing/preserving affordable housing.

The Council and Mayor desire to develop a Seattle Housing Affordability and Livability Agenda that includes implementable strategies to increase the development and preservation of affordable housing in the City over the next 10 years. An Advisory Committee will be jointly convened to assist in the development of the Agenda.

(Include a brief description of the purpose and context of legislation and include record of previous legislation and funding history, if applicable.)

Please check one of the following:

This legislation does not have any financial implications.
 (Please skip to "Other Implications" section at the end of the document and answer questions a-h. Earlier sections that are left blank should be deleted. Please delete the instructions provided in parentheses at the end of each question.)

This legislation has financial implications.
 (If the legislation has direct fiscal impacts (e.g., appropriations, revenue, positions), fill out the relevant sections below. If the financial implications are indirect or longer-term, describe them in narrative in the "Other Implications" Section. Please delete the instructions provided in parentheses at the end of each title and question.)

Appropriations:

(This table should reflect appropriations that are a direct result of this legislation. In the event that the project/programs associated with this ordinance had, or will have, appropriations in other legislation please provide details in the Appropriation Notes section below. If the appropriation is not supported by revenue/reimbursements, please confirm that there is available fund balance to cover this appropriation in the note section.)

Fund Name and Number	Department	Budget Control Level*	2014 Appropriation	2015 Anticipated Appropriation
TOTAL				

**See budget book to obtain the appropriate Budget Control Level for your department.*

Appropriations Notes:

Anticipated Revenue/Reimbursement Resulting from this Legislation:

(This table should reflect revenues/reimbursements that are a direct result of this legislation. In the event that the issues/projects associated with this ordinance/resolution have revenues or reimbursements that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below the table.)

Fund Name and Number	Department	Revenue Source	2014 Revenue	2015 Revenue
TOTAL				

Revenue/Reimbursement Notes:

Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:

(This table should only reflect the actual number of positions affected by this legislation. In the event that positions have been, or will be, created as a result of other legislation, please provide details in the Notes section below the table.)

Position Title and Department	Position # for Existing Positions	Fund Name & #	PT/FT	2014 Positions	2014 FTE	2015 Positions*	2015 FTE*
TOTAL							

** 2015 positions and FTE are total 2015 position changes resulting from this legislation, not incremental changes. Therefore, under 2015, please be sure to include any continuing positions from 2014.*

Position Notes:

Do positions sunset in the future?

(If yes, identify sunset date)

Spending/Cash Flow:

(This table should be completed only in those cases where part or all of the funds authorized by this legislation will be spent in a different year than when they were appropriated (e.g., as in the case of certain grants and capital projects). Details surrounding spending that will occur in future years should be provided in the Notes section below the table.)

Fund Name & #	Department	Budget Control	2014	2015 Anticipated
---------------	------------	----------------	------	------------------

		Level*	Expenditures	Expenditures
TOTAL				

* See budget book to obtain the appropriate Budget Control Level for your department.

Spending/Cash Flow Notes:

Other Implications:

a) Does the legislation have indirect financial implications, or long-term implications?

(If yes, explain them here.)

No

b) What is the financial cost of not implementing the legislation?

(Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs.)

N/A

c) Does this legislation affect any departments besides the originating department?

(If so, please list the affected department(s), the nature of the impact (financial, operational, etc), and indicate which staff members in the other department(s) are aware of the proposed legislation.)

N/A

d) What are the possible alternatives to the legislation that could achieve the same or similar objectives? (Include any potential alternatives to the proposed legislation, such as reducing fee-supported activities, identifying outside funding sources for fee-supported activities, etc.)

N/A

e) Is a public hearing required for this legislation?

(If yes, what public hearing(s) have been held to date, and/or what public hearing(s) are planned for the future?)

No

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

(For example, legislation related to sale of surplus property, condemnation, or certain capital projects with private partners may require publication of notice. If you aren't sure, please check with your lawyer. If publication of notice is required, describe any steps taken to comply with that requirement.)

No

g) Does this legislation affect a piece of property?

(If yes, and if a map or other visual representation of the property is not already included as an exhibit or attachment to the legislation itself, then you must include a map and/or other visual representation of the property and its location as an attachment to the fiscal note. Place a note on the map attached to the fiscal note that indicates the map is intended for illustrative or informational purposes only and is not intended to modify anything in the legislation.)

No

h) Other Issues:

List attachments to the fiscal note below: