



SEATTLE CITY COUNCIL
CENTRAL STAFF

Homelessness & Housing: Revenues & Costs

Progressive Revenue Task Force | February 1, 2018

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LEGISLATIVE ANALYSTS

2016 Housing Levy Funding

Program	Annual/7-year Spending	Annual Production Target	7-year Goal
Rental Production and Preservation Program Serves Households ≤ 60% AMI	\$28.7 million / \$201 million	307 new units 50 reinvestment units	2150 new units 350 reinvestment units
Operating and Maintenance Program Serves Households ≤ 30% AMI	\$6 million/ \$42 million	72 units	510 new units TBD subsidy extension for existing units

Emergency Services: Shelter

Cost per bed: \$5,597 (Basic) | \$14,873 (Enhanced)

2017 Homeless Investments RFP: Emergency Services

- **50 applications (\$34,089,807)**
- **Criteria for selection**
 - Services – Enhanced Shelter model
 - Performance – Exits to Permanent Housing
 - Budget
 - Race and Social Justice
- **27 projects recommended (\$14,813,276)**
 - 20.5k households served
 - 2k households to permanent housing

Transitional Housing

Cost per Unit : \$6,120

2017 Homeless Investment RFP

- **20 projects recommended (\$7,590,865)**
- **200 households to permanent housing**
- **340 households served**
- **7 projects (\$1,897,325)**
 - 310 beds
 - 20.5k households served
 - 2k households to PH

Permanent Supportive Housing Project

- Capital cost per unit = \$312,000
- City covers entire cost; leverage sources fully utilized with Housing Levy
- 80 to 100 unit building = \$25 million to \$31.2 million capital only (one-time)
- Operating and Services cost per unit = \$17k per unit, *per year for 20 years in addition to one-time capital costs*
- City covers entire cost; leverage sources fully utilized with Housing Levy
- 80 to 100 unit building = \$1.3 million to \$1.7 million (+ 4% year inflation) *per year for 20 years for ongoing operations and services*
- Building provides services to support the most significantly impacted homeless individuals

Prevention

Prevention – help households maintain permanent housing through financial assistance and case management

Cost per Household = \$3,500

2017 Homeless Investment RFP: Nine projects (\$2,492,578) recommended for funding.

- 681 households to maintain permanent housing
- At least 40% of funding for rental subsidies

Mixed-Income Building with 30% & 60% AMI Units

Capital cost per unit = \$312,000 per unit

City funds could leverage 4% tax credits

Total City cost \$170,000 per unit or \$17 million for one - 100 unit building

Building includes 30 units serving those $\leq 30\%$ Area Median Income (AMI) and 70 units of $\leq 60\%$ AMI in each building

Housing would serve those households with $\leq 30\%$ of AMI and $\leq 60\%$ AMI

No services or operating support provided, assumes tenants pay appropriate rent that support building operations

Potential Uses (\$10 million)

	Prevention (Households)	Basic Shelter (Beds)	Enhanced Shelter (Beds)	Transitional Housing (Units)	Permanent Supportive Housing		Mixed-Income Housing
					Capital (Units) one-time	Operations and Services (Units)	Capital (Units), one-time
Rate	\$3,500	\$5,597	\$14,873	\$6,120	\$312,000	\$17,000 +	\$170,000
<i>Annual Revenue</i> \$10,000,000	2,857	1,787	672	1,634	32	588	58