

## Minutes: Seattle Housing Levy Oversight Committee Meeting

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**March 20, 2024, 2:00 pm – 3:30 pm (Virtual via Microsoft Teams)**

**Committee Members Present:** Ann Melone (Chair), Cara Kadoshima Vallier, Febbe Fekadu, Dan Wise, James Lovell, Noah Fay, Patience Malaba, Paul Park, Sunaree Marshall

**Other City Staff Present:** Erika Malone, Jennifer LaBrecque, Jessica Gomez, Kelli Larsen, Laurie Olson, Maiko Winkler-Chin, Maria DeWees, Nathan Antonio, Rosey Zhou

**Guest Presenters:** None

**Committee Members not Present:** Andrea Caupain Sanderson, Denise Rodriguez, Joel Ing, Traci Ratzliff

**Members of the Public Present:** None

Chair Ann Melone called the meeting to order at 2:04 pm.

### 1. Welcome and Committee Business

- Director Maiko Winkler-Chin offered a welcome to the group, acknowledging that it was the first meeting of the Housing Levy Oversight Committee (HLOC) established for the recently passed 2023 Seattle Housing Levy. Director Winkler-Chin shared her gratitude to the members for stepping up to serve on the committee and as well as for their work on process of establishing the Levy itself.
- Chair Ann Melone greeted everyone, thanked them for serving, and offered some guidance for new members, letting them know that they should feel free to ask for clarification and information about topics and terms they might be unfamiliar with. She then prompted everyone in attendance to introduce themselves, which all did.
- Approval of Meeting Minutes – Dan moved to approve the minutes of the December 13, 2023 meeting. Febbe seconded. The minutes were approved unanimously.

### 2. Introduction and Orientation to the Housing Levy Oversight Committee

- Kelli took the floor to welcome the members and shared her appreciation to them for serving. She briefly overviewed the membership of the committee and spoke to the benefits of the breadth of sectoral representation the members provide. She explained the statutory responsibilities of the committee, the attendance requirements and key dates for the committee, including meeting dates, reporting due dates, and legislative deadlines.
- Dir Winkler-Chin returned to talk about the Office of Housing's (OH) mission and vision and general organizational ethos.
  - Mission: The Office of Housing partners in creating affordable housing, equitably investing to prevent displacement and increase opportunities for people to live in Seattle.
  - Vision: All people have a safe, affordable home.
- Kelli then discussed OH's charter responsibilities to develop new permanent housing, leveraging other public funds and preserve existing permanent housing. She also overviewed OH's \$339 million 2024 budget at a very high level, speaking mostly to the sources of funding. Finally she spoke about the principle activities and programs occurring under three main categories of work at OH: producing and

preserving affordable housing, offering programs for low-income homeowners, and policy and planning work.

- A committee member asked a question about fund sources of OH's budget and the committee's related responsibility. Kelli explained that activities supported by the Housing Levy are the statutory purview of the committee, but that because fund sources are often mixed in OH programs, it's not always possible or helpful to try to distinguish between what is a Levy activity or not. However, because the Levy is the primary responsibility committee, not other sources, staff would work to make clear what the committee needs to focus on at any given time.

### **3. Report on 2023 Notice of Funds Available (NOFA) Results**

- 2023 Rental Housing NOFA: Rosey presented about the 2023 NOFA applications and results. She reported that 22 applications were received requesting more than \$373 million in total. In the end, four awards were made for \$53 million. She then spoke briefly about each award:
  - Bryant Manor Phase II by the First AME Housing Association, 149 affordable homes in the Central district, but not awarded any Levy funds.
  - DESC Lake City by DESC, a PSH building with 120 affordable homes in Lake City that is receiving Levy funds.
  - LIHI 125<sup>th</sup> and Aurora by LIHI, the first of two phases bringing 90 affordable homes to the Bitter Lake Neighborhood, receiving Levy as well as HUD 202 funds, which include rental subsidies for older adults, and 68 units set aside for formerly homeless households.
  - Beacon Hill TOD by El Centro de la Raza and Edge Developers, adding 84 affordable homes in the Beacon Hill neighborhood, not receiving Levy funding.
- 2023 Homeownership Development Subsidy NOFA: Erika presented on the results of the 2023 Homeownership NOFA, which totaled \$13.4 million in four awards:
  - Yarrow Cottage by Habitat for Humanity, an acquisition of a permitted development with foundations already in place, bringing 26 affordable homes to the South Park neighborhood.
  - West Seattle's North Admiral in partnership with Homestead Community Land trust and the Admiral United Church of Christ, adding 11 affordable homes in the Admiral neighborhood.
  - Licton Springs and North Beach both by Homestead Community Land Trust, two "gentle infill" developments that add two and one unit respectively to lots that currently have only 1 single family home each.

### **4. Update on Public Site RFPs**

- Homeownership: Erika segued into this topic and also explained that, in addition to awarding funds for new construction, acquisition, and preservation, OH also comes into possession of public properties which they then offer for development via a process called a Request for Proposals (RFP). Erika explained that 10 sites in the Rainier Valley were received from Sound Transit for Homeownership development. Three sites were awarded before 2023. Four more were awarded in 2023 totaling 72 affordable homes. Of the four, three are a partnership between Habitat for Humanity and African Housing and Community Development, which is a particularly exciting development as it will result in expanding the pool of developers working in the permanently affordable homeownership space.
- Rental: Jessica very quickly ran down the list of public sites in the process of being awarded for rental

development.

- Mt. Baker: Up to 400 affordable homes on a complicated site and an Equitable Transit Oriented Development (ETOD). Three proposals currently under review with an announcement anticipated in the Summer.
- U-District Sound Transit: Up to 260 affordable homes. Multiple proposals also under review and hoping to announce in April.
- Lake City Community Center: A mixed use development that will go up on the site of the burned down former Lake City Community Center with approximately 100 affordable Homes. A Request for Qualifications (RFQ) is planned in the Spring followed by an RFP in the Fall.
- Henderson St. (South Park): Up to 120 affordable homes with an RFQ and RFP anticipated in 2025.
- Ft. Lawton (Magnolia): Up to 500 affordable homes. Potential predevelopment to begin in 2026, but Jessica noted that because it is such a complicated site, the date may shift.

## **5. Housing Levy Administrative and Financial Plan and Housing Funding Policies Updates**

- Kelli introduced this topic explaining that the process for updating policies actually began back in 2022 as the Housing Levy renewal work was underway. Throughout the Technical Advisory Committee and other input processes, staff collected ideas and suggestions from stakeholders about potential changes to policy. In addition, broad stakeholder engagement was conducted in November of 2023 on specific topics and some oversight committee members participated.
- Nathan took the floor and gave further detail about the history of the policy documents and the internal processes that played out over many months to result in the creation of the draft documents shared with the committee. He also talked about the public comment period currently underway until April 9 and opportunities for committee members and the public to engage.
- Kelli returned to explain that most of the big changes have been in response to the Housing Levy legislation, both from the Levy proposal itself and from the resolution by Councilmembers. Kelli summarized the changes in four broad buckets and went into some detail on each: Supporting housing providers and workers; Advancing racial equity and increasing access to affordable housing; Improving data and reporting; and Other modernization updates.
- Committee members offered comments and questions:
  - A member of the committee commended the work of staff and the intentional engagement of providers and the public to create the draft policies.
  - Another member offered support for the work in policy to scale current-to-proposed operating support, particularly through the creation of the Workforce Stabilization Fund program.
  - A committee member commented about their interest in the overlap of advancing racial equity and improving data, elaborating that a more data-informed understanding of how investments are impacting households and communities economically, in terms of housing stability and true housing affordability, and with regard to racial equity.

## **6. Adjourn Meeting**

- Chair Melone thanked everyone and commended the group for a constructive first meeting.
- Sunaree moved to adjourn. James seconded the motion. All concurred and the meeting was adjourned at 3:20 pm.