

## Minutes: Seattle Housing Levy Oversight Committee

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### Meeting of April 18, 2022, 3:00 pm – 4:30 pm (Virtual)

**Committee Members Present:** Ann Melone (Chair), Damien James, Denise Rodriguez, Vallerie Fisher, Joel Ing, Traci Ratzliff, Cara Vallier, Dan Wise, Patience Malaba, Erin Ishizaki

**Other City Staff Present:**

- Office of Housing: Maiko Winkler-Chin (Director OH), Kelli Larsen, Dori Cho, Laurie Olson, Dan Foley, Jen LaBrecque, Stephanie Velasco

**Committee Members not Present:** Pradeepta Upadhyay, Beth Boram, Colin Morgan-Cross

**Members of the Public Present:** None

Kelli Larsen opened meeting at 3:08 p.m.

#### 1. Welcome and Committee Business

- Kelli provided an overview of the role of the Committee. The Seattle Housing Levy established an oversight committee to track levy progress and outcomes, and to ensure proper stewardship of this critical resource in our community.
- As the OH team is working to produce and preserve affordable housing and homeownership opportunities in Seattle, this committee is asked to provide feedback on the ongoing administration of Housing Levy programs.
- This committee is asked to review OH and Housing Levy progress in meeting goals. One primary way this is done is by reviewing and approving the Annual Report.
- Introduction of OH Director Maiko Winkler-Chin and new committee members.
- Approval of Meeting Minutes. Traci moved to approve the minutes of the May 24, 2021, meeting. Vallerie seconded. There were 4 votes for approval and 5 abstentions.
- Kelli reviewed upcoming committee meeting schedule. Goal to meet in June, September, November, January. Kelli will send out meeting dates.

#### 2. Briefing: 2021 Annual Investments Report (Office of Housing)

- Annual report is the primary method for this committee to review and offer feedback. Letter proceeding report will be from Chair Ann and will be updated but tone will be similar.
- Overview: OH Staff reviewed highlights from the 2021 Annual Report
- Home Ownership and Home Repair Programs
  - Jen LaBrecque filled in for Erika Malone to review the programs. Both programs are exceeding goals. Homeownership program exceeded goal of 280 and assisted 323 homeowners.



## Seattle Office of Housing

- Programs included purchase assistance, investment in permanently affordable homes, home repair grant programs, foreclosure prevention.
- Funded 33 new permanently affordable units, when these units are sold, they will resell as affordable housing.
- 23 home repairs, 3 foreclosure loans, 19-unit project in Phinney Ridge, Habitat for Humanity received funds to build 12 cottage homes – all evidence of the mix of homes and expansion of programs.
- Over the course of the 2016 Housing Levy, homeownership groups have developed a pipeline to justify increased levy support for homeownership projects
- Questions:
  - In response to committee member question of what was learned in the program areas and if any areas should be revised, Jen shared that the Home Repair grant program applications have demonstrated significant need, and there are many needs we can't meet. Foreclosure numbers continue to be small, and the program would need to evaluate the right size, based on experience.
  - Down Payment Assistance (DPA), the number is small due to the realities of the Seattle market and there are questions around what the role of DPA is in a market like Seattle.
  - Success with homeownership programs. OH has acquired a number of parcels from Sound Transit for Permanent Affordable Housing.
  - Kelli shared that the cap was increased for OH investment to support homeownership projects, in order to account for increased project costs, and to support projects to completion.
- Rental Production & Preservation Program
  - Laurie Olson shared that the program is exceeding goals.
  - Advanced one year of levy investment to launch Permanent Supportive Housing pilot, with the goal of scaling Permanent Supportive Housing with a cost target of \$250K per unit excluding land and reserve. Construction tended to be stick frame construction.
    - In effort to innovate development, OH worked with Sustainable Living Innovations, which is building with new technology, including steel panels. We have learned lessons around financing and timing, and will consider this product going forward, as it does show promise.
- Operation & Maintenance (O&M) Program
  - Dan Foley reported that the program has supported 481 rental housing units out of a goal of 510, providing service and operating dollars to support a building for 50 years. OH has been investing deeper in projects as federal and other local resources have decreased over time.
- Homeless Prevention & Housing Stability Services Program
  - Kelli reported that this category is in a bit of a transition. Funds have been approved to be handed off from Human Services Department (HSD) to King County Regional Homelessness Authority (KCRHA). The contract has not yet been finalized.
  - Program is still on track to meet goals and is expected to see better outcomes this year.
  - Once the change in funds has been officially made, a KCRHA representative will be invited to provide the committee with a report on status and plans to meet goals.

- Acquisition & Preservation Program
  - This program is authorized to spend up to \$30 million to acquire building sites.
  - The Levy O&M program is the primary source of funds for this program.
  - Three acquisitions were completed this year:
    - Thunderbird site which is near Rainier Beach light rail station.
    - Clay Apartments was a rapid acquisition of a newly constructed multifamily residential serving veterans and individuals experiencing homelessness. This project was the launchpad for the broader rapid acquisition movement.
    - Aurora Heights Housing acquired in Bitter Lake for large scale development opportunity.
- Questions:
  - In response to committee member question regarding the annual loan amount not to exceed, Laurie stated program cannot exceed \$30 million but OH Director has authority to allow for loan to exceed \$30 million in special circumstances, where there is additional permanent financing available, and for other unique situations.

### **3. Briefing: Housing Levy Renewal Efforts (Office of Housing)**

- Housing Levy is scheduled to be considered for renewal by the voters in 2023. Planning conversations have begun internally at OH and with a small group of key stakeholders.
  - Communications will highlight current and past levy successes to bring community together to pass levy and support the cause of affordable housing.
  - Equity is a component of every levy investment category and in this next levy conversation equity will continue to be centered.
  - Providers have shared concerns around workforce sustainability issues, particularly in PSH.
  - Permanent Supportive Housing (PSH) is an evidenced based approach to ending chronic homelessness. Most PSH in our state is built in Seattle and funded by OH.
  - Stephanie Velasco reviewed preliminary housing needs data. Data will be updated in coming months.
  - Homelessness impacts, homeownership, and renter cost burden data reflect disproportionate impacts based on race. People of color, especially Black or African American and Native American populations, experience homelessness at much greater rates than other groups.
  - Cost analysis shows that costs have increased significantly, which will inform the investment needed to sustain the current levy production goals.
  - 1986 and 1995 O&M contracts are facing a funding cliff and we will be discussing O&M for both expiring projects and new projects.
  - We also anticipate increased investments in the Homeownership program.
  - Kelli reviewed the Housing Levy renewal schedule. The City is coordinating with King County and the Veterans, Seniors, & Human Services Levy (VSHSL) which is also up for renewal. There is yet to be a decision about which ballot each of these levies will appear.
  - Very first focus group will happen in next 2 weeks starting with homeownership. May meetings will include Equity and Capital/O&M stakeholders.
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- Questions:



- In response to committee member question regarding how information is being disseminated to community stakeholders and community members, Kelli stated OH is working with coalitions and public meetings will be held. Stephanie added that additional public meetings will be hosted for broader community participation in the later part of summer and fall, and OH will conduct community outreach through neighborhood-based media outlets.

**5. Final Announcements and Meeting Adjourned**

- Vallerie motioned to adjourn the meeting, Joel seconded, and all approved to adjourn at 4:32 p.m.