

# Housing Levy Comment Letter

Staff Draft Discussion

April 27, 2023

|  | Mayor's Levy Proposal<br>(March 2023)                                     | OH's Draft Proposal<br>(November 2022)                        | 2016 Housing Levy  |
|--|---|---|--|
| <b>Total Levy Amount</b>   | <b>\$970 Million</b><br><br>(Tax rate: \$383/year on average)             | <b>\$840 Million</b><br><br>(Tax rate: \$342/year on average) | <b>\$290 Million</b><br><br>(Tax rate: \$122/year on average)                    |
| <b>Produce &amp; Preserve Rental Housing</b>   | \$707 Million<br>Produce 2,881<br>Preserve 635                            | \$640 Million<br>Produce 2,672<br>Preserve 587                | \$201 Million<br>Produce & preserve 2,150<br>(Actual production closer to 2,800) |
| <b>Affordable Homeownership</b><br><br>(production, repair grants, & downpayment assistance) | \$51 Million<br>(367 households)  | \$51 Million<br>(367 households)                              | \$9.5 Million<br>(280 households)  |
| <b>Prevention &amp; housing stability</b>  | \$30 Million<br>(4,500 households)  | \$30 Million<br>(4,500 households)                            | \$11.5 Million<br>(4,500 households)   |
| <b>Operation, maintenance and services</b>   | \$122 Million<br>(Creates new wage stabilization fund for workers in PSH) | \$63 Million<br>(510 units)                                   | \$42 Million<br>(510 units)  |
| <b>Program Administration</b>  | \$60 Million  | \$57 Million  | \$26 Million   |

# Rental Production & Preservation Program

**\$707 million for new and preserved homes**

At least 60% of combined Rental Production and OMS funding will support housing affordable to households at 0-30% AMI

Levy per-home contribution:  
~\$217,000

Total per-home cost:  
~\$539,000

## PROGRAM GOALS

**New production**  
2,881 homes



North Star (DESC)

## ASSUMPTIONS

### Cost to build

|                 |           |
|-----------------|-----------|
| Studio:         | \$363,693 |
| 1-bedroom:      | \$415,909 |
| 2-bedroom:      | \$493,805 |
| 3-bedroom:      | \$629,374 |
| Land cost/home: | \$45,000  |

|                    |     |
|--------------------|-----|
| 0-30% AMI homes:   | 67% |
| 31-50% AMI homes:  | 20% |
| 51%-60% AMI homes: | 14% |

### Size of home

|            |     |
|------------|-----|
| Studio:    | 50% |
| 1-bedroom: | 28% |
| 2-bedroom: | 14% |
| 3-bedroom: | 8%  |

# Housing Levy Comment Letter Staff Draft Outline

- Opening remarks & Kudos
- A strong housing levy is an important piece of meeting Seattle's affordable housing needs
- The housing levy continues to be a solid investment for Seattle
- Highlights from the Mayor's proposal and Commission recommendations

# Individual Review Time

5 Minutes....

