

Date

Honorable Councilmember Tim Burgess  
Seattle City Council  
*via e-mail*

FROM: Seattle Planning Commission

RE: 2016 Seattle Housing Levy

Dear Councilmember Burgess,

The Planning Commission appreciates the opportunity to provide the City Council with comments regarding the 2016 Housing Levy. Housing affordability is one of the most pressing needs for our city. Maintaining City leadership and commitment to affordable housing is a key policy in Seattle's Comprehensive Plan. The Commission strongly supports replacement and expansion of the Housing Levy to a level of \$290 million to build more affordable homes for low-income families, preserve the affordable housing we have, and keep people from falling into homelessness. We believe that the levy is a critical tool to support affordability for seniors, low- and moderate-wage workers, people with disabilities, and people experiencing homelessness.

The Planning Commission released its "*Affordable Housing Action Agenda*" in February 2008 and voiced our support for the renewal of Seattle's Housing Levy in 2009. Since then, we have produced a number of other publications that support affordable housing, including "*Housing Seattle*" in 2011 and the "*Family-Sized Housing Action Agenda*" in 2014. We reiterate our strong support for the vital work the levy enables in reducing housing costs for low-income residents. In the last 30 years, the levy has successfully created and preserved more than 12,500 affordable homes throughout the city, helped 800 families purchase their first home, and provided emergency rental assistance for 6,500 households.

As Seattle continues its rapid growth, the Housing Levy is an increasingly important tool to work towards an equitable city. The Planning Commission understands that doubling the size of the 2009 Housing Levy is necessary to begin to meet the housing needs of low-income people in this increasingly expensive city. We also understand that the Levy funds are not enough to produce housing for extremely low income and formerly homeless residents. We support increasing the size of the Housing Levy and offer the following recommendations in pursuit of creating affordable and equitable housing opportunities for the lowest income Seattle residents.

***Focus Majority of Levy Assistance at Extremely Low Income Levels***

We support the Mayor's proposal to commit 60 percent of the Rental Production and Preservation Program (\$144 million) specifically to those who are currently experiencing homelessness and those with incomes up to 30 percent of area median income (AMI), which is the equivalent of \$24,250 for a family of three. This commitment of levy resources is consistent with Comprehensive Plan policies that emphasize assisting those households most in need. We also commend the Mayor's proposal to allocate the remainder of the Rental Production and Preservation funds (\$57 million) to assist lower-wage workers who earn less than 60 percent of AMI, the equivalent of \$48,420 for a family of three.

*3/17/16 staff **draft** for Commission review and discussion*

### ***Provide Assistance to Low-Income Homeowners and First-Time Home Buyers***

The Mayor's proposal includes \$129.5 million for an expanded homeownership program that would help current low-income homeowners stay in their home and provide first-time home buyers the assistance they need to find a stable and affordable home for their family. The Planning Commission supports the addition of a new Homeowner Stability Assistance program for low-income homeowners to the 2016 levy. This innovative program is designed to assist low-income homeowners prevent loss of housing through small emergency grants to make critical home repairs that address imminent threats to health and safety. ~~The program will also provide one-time mortgage rescue loans for low-income homeowners who face loss of housing due to medical condition, job loss, or other short-term financial crisis.~~ We commend the inclusion of this new levy allocation modeled on successful funding programs in King County ~~and piloted during the foreclosure crisis.~~

The Home Buyer Assistance program has enabled more than 800 low-income home buyers to purchase their first home through partnerships with local nonprofits and lending institutions. We support the Mayor's proposal to continue this successful program that will provide homeownership opportunities for 180 first-time buyers up to 80% of median income through down-payment assistance loans. These deferred loans will be repaid to assist future borrowers or to purchase homes that will be held as affordable in perpetuity. Continuing this program will allow additional low- and moderate-wage workers to responsibly purchase a home, secure an important source of financial stability for their family, and vacate rental units that will then become available for other households. Improving access to homeownership is also important for social equity.

### ***Prioritize Investments to Integrate with Transportation and Community Planning Goals***

Affordable housing is integral to good planning and essential to creating vibrant and livable neighborhoods. For the new levy to provide maximum benefit to both the households it assists and the larger community, it should be implemented in ways that are sensitive to household transportation costs and to larger transportation and community planning efforts. The Planning Commission recommends that implementation of the levy prioritizes opportunities for affordable rental and ownership housing within walking distance of transit services, light rail stations, and transit hubs. We also emphasize that implementation of the levy programs prioritize investments in larger housing units to serve families, consistent with Comprehensive Plan policies for attracting and accommodating a broad range of household types.

### ***Assist Those with Imminent Risk of Potential Homelessness***

We commend the Mayor's proposal for allocating \$11.5 million in the levy for homelessness prevention. These funds will provide short-term rental assistance and stability services for 4,500 low-income families and individuals who are at imminent risk of eviction and potential homelessness. These households are often paying a high portion of their income for housing, and then fall into a crisis due to job loss or reduced work hours, a rent increase that is more than they can afford, a medical emergency, or some other type of destabilizing event. This important funding allocation will assist a wide range of vulnerable families and individuals, including extremely low-income households, single parents with children, disabled persons, immigrants and refugees, to stay in their current living situation or move to a more affordable location.

We appreciate your interest in our feedback on the 2016 Housing Levy. The Planning Commission would be happy to discuss our recommendations and/or provide additional comments in support of

this important levy proposal. If you have any questions, please do not hesitate to contact me or our Executive Director, Vanessa Murdock, at 733-9271.

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