

## SUMMARY and FISCAL NOTE\*

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
Office of Housing	Emily Alvarado/4-3727	Waslala Miranda/3-5044

*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

### **1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to low-income housing; modifying the 2016 Housing Levy Acquisition and Preservation Program as described in Ordinance 125028; amending the Administrative and Financial Plan for the 2016 Housing Levy and the Housing Funding Policies for the 2016 Housing Levy and other fund sources, each as adopted by Ordinance 125308; amending Ordinance 125493, which amended the 2018 Budget (Ordinance 125475), by revising Budget Summary Level Purpose Statements; authorizing the Director of Housing to use 2016 Housing Levy funds to acquire options; and ratifying and confirming certain prior acts.

#### **Summary and background of the Legislation:**

This amendment to the Housing Funding Policies allows for strategic acquisition, including acquiring options, by the Office of Housing for future affordable housing development. Specifically, it authorizes the Office of Housing to use Acquisition and Preservation program resources to purchase property and secure it for critical long-term affordable housing development opportunities. Most immediately, this amendment is necessary to facilitate acquisition of two Seattle City Light-owned substations by the Office of Housing for future affordable housing development. Strategic acquisition helps fulfill multiple policy goals: increasing affordable housing in locations with major transit investments expected; increasing access to neighborhoods with little existing affordable housing; promoting anti-displacement and stabilization goals, including targeting of sites of important cultural significance that can accommodate affordable housing and cultural, commercial, or community anchor tenants; and pursuing site assembly that leverages existing public property. The Housing Levy Oversight Committee was briefed on the legislation and members expressed their support.

This legislation also amends the Office of Housing's Budget Summary Level Purpose statements to reflect the change.

### **2. CAPITAL IMPROVEMENT PROGRAM**

- a. Does this legislation create, fund, or amend a CIP Project? \_\_\_ Yes  No

### **3. SUMMARY OF FINANCIAL IMPLICATIONS**

- a. Does this legislation amend the Adopted Budget?  Yes No

The 2018 adopted budget is amended to provide specific authorization in each of the

relevant OH BSL's to invest in the acquisition and development of low income housing (rental and homeownership). This just clarifies that acquisition, as well as development, is a permitted use of the funds in each of the BSLs.

**b. Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?**

The legislation modifies the Office of Housing's Acquisition & Preservation Program to enable strategic acquisition by OH of property for low-income housing preservation and development using funding not yet needed for other Housing Levy programs. Existing OH resources can be used for site acquisition after changes to the Housing Funding Policies are enacted. The scale of opportunities for this strategy will be directly related to the ongoing availability of OH revenue sources.

**c. Is there financial cost or other impacts of *not* implementing the legislation?**

OH will not have the authority to acquire certain Seattle City Light properties that have been identified as opportunities for affordable homeownership. The City may miss opportunities to proactively acquire sites that otherwise could benefit vulnerable populations through anti-displacement and stabilization, access to major transit investments and/or high-opportunity neighborhoods, or permanent supportive housing development. Absent the legislation, the City may miss opportunities to unlock the potential of publicly owned sites by pursuing site assembly.

#### **4. OTHER IMPLICATIONS**

**a. Does this legislation affect any departments besides the originating department?**

No

**b. Is a public hearing required for this legislation?**

No

**c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**

No

**d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

No

**e. Does this legislation affect a piece of property?**

No

**f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**

City-funded affordable housing disproportionately serves vulnerable and historically

disadvantaged communities. This proposal provides the City another way to secure sites that present unique opportunities to meet specific strategic housing and community objectives.

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).**

This legislation includes amendments to the Housing Levy Administrative & Financial (A&F) Plan to allow the Office of Housing to use 2016 Housing Levy funds from the acquisition and preservation program to acquire properties for eventual development as low income housing. In addition, the A&F Plan polices would require the Office of Housing to include the following in each annual report: identification of all properties acquired using Acquisition & Preservation Program funding, along with the funding amounts approved and due dates or expected timing for repayment of funds, as applicable, the amount and source of funding repaid, and projected units to be produced and preserved.

**List attachments/exhibits below:**