

# **Initiative 135 Seattle Social Housing Developer**

ESTHER HANDY, DIRECTOR

SEATTLE CITY COUNCIL MARCH 10, 2023

#### Initiative Measure 135 (I-135): Developing and maintaining affordable social housing in Seattle

- Approved by voters at the February 14, 2023, special election, I-135 became effective upon the Mayor's proclamation certifying the results of the election on March 1, 2023.
- Establishes the Seattle Social Housing Developer Public Development Authority (PDA) to develop, own, and maintain publicly financed mixed-income social housing developments
- Social Housing defined in I-135 as follows:
  - Owned by the PDA
  - Mixed income affordable to households earning 0% to 120% of Area Median Income
  - Allows tenants to remain in housing even if household income changes
  - Rental rates set based on operations, maintenance, and loan service on the building
  - Residents allowed opportunities for restorative justice conflict resolution prior to eviction proceedings
  - Cannot be sold or transferred to a private entity or public-private partnership
  - Residents have opportunities to participate in decision making
  - New developments built to passive housing standards

# I-135 (cnt'd)

#### **Additional Provisions**

- Creates 13-member PDA Governing Board
- Initial board will be appointed by Seattle Renters Commission (7), MLK Jr County Labor Council (1), El Centro de la Raza (1), City Council (2), Mayor's Office (1) and Green New Deal Oversight Board (1)
- After initial appointments, half of board members would be residents of PDA housing
- Each multi-family development will have a governance council to serve as a conduit for communicating residents' perspectives and have a say in some financial matters, such as determining how the budget for common spaces and social events will be spent and approving renovation projects
- PDA required to use union labor to the extent possible

## **I-135 City Obligations**

- 1. City Council, Mayor, Renters Commission, and Green New Deal Oversight Board make initial appointments for the Social Housing PDA Governing Board within 60 days.
- 2. City Council calls the first meeting of the board within 30 days after confirming appointments.
- 3. Fund the salary and benefits of the Chief Executive Officer (CEO) and Chief Financial Officer. (CFO) for 18 months along with limited in-kind support
  - I-135 does not require additional City funding, but does not prohibit it
- 4. Conduct a feasibility study whenever considering the sale or gift of public land.
  - Current City Council policy (Resolutions 31829 and 31837), and the City's procedures for evaluation of reuse and disposal of the City's real property require the prioritization of affordable housing development when disposing of surplus City property
  - City will modify these procedures to be consistent with the provisions of I-135.

## Social Housing PDA Board: Initial Board Membership

Appointing Authority	#	Requirements
Seattle Renters' Commission	7	1 member who has experienced housing insecurity; at least 1 member who has experienced financial eviction; and at least 1 member who has been displaced  In addition, they shall represent a range of incomes, including 3 members living at 0-50% AMI; 2 members living at 50-80% AMI; 2 members living at 80-100% AMI
Martin Luther King, Jr. County Labor Council	1	Rank-and-file union member
El Centro De La Raza	1	Leader from a community organization that provides housing to marginalized communities
City Council	2	Of the members appointed by the Mayor and City Council, there must be members with expertise in public housing finance, urban planning, and nonprofit housing development
Mayor	1	
Green New Deal Oversight Board	1	Member with expertise in green development appointed by the Green New Deal Oversight

#### **Estimated Timeline for Council Actions**

- April 14, Neighborhoods, Education, Civil Rights and Culture Committee: Discussion of Council's proposed appointments
- April 25, City Council: Final action on Council's two appointments to the PDA Board
- By April 30<sup>th</sup>: Appointment packets for all 13 PDA Board seats filed with the City Clerk
- **No later than May 30, 2023:** City Council calls first meeting of the PDA Board

  Assumes all appointments to the PDA board are finalized on April 30th and no sooner. I-135 requires City

  Council to call the first meeting within thirty (30) days after selection of the PDA Board
- Future Actions (timeline TBD)
  - Modifications to align City's procedures for evaluation of reuse and disposal of the City's real property ("surplus property") with the provisions of I-135
  - Fund the salary and benefits of the PDA's CEO and CFO for 18 months along with limited in-kind support

# Questions?