



Office of Housing

Steve Walker, Director



2019-2020 Proposed Budget Overview

Thursday, September 27, 2018

1. Primary Services & Performance Measurement

I. Affordable Housing Production	2018 Goal	Status as of August	Proj. 2018 Performance	2019 Goal
Funding Awards for New Homes (Rental and For-Sale)	700 new units	TBD*	800 new units	560 new units
Market-Driven Production	500 new units	378 new units	600 new units	TBD

**awards will be made in December*

2. Weatherization and Home Repair	2018 Goal	Status as of August	Proj. 2018 Performance	2019 Goal
Weatherization	750 homes	719 homes	1,782 homes	430 homes
Home Repair	50 loans or grants	38 loans or grants	48 loans or grants	50 loans or grants

2. Strategic Priorities for 2019

- ▶ Fort Lawton Redevelopment Plan and U.S. Army Property Disposition
- ▶ Public Land Utilization
 - Three RFPs in process
- ▶ MFTE Reauthorization
- ▶ Racial Equity Policy
 - Community preference policy and other equity-based policy actions via A&F Plan renewal
 - Homeownership investment building on 2018 capacity-building contracts
- ▶ Evaluation of New Housing Production and Delivery Models
 - Financial and procurement innovations
 - Technological and manufacturing opportunities

3. Budget Summary 2016 – 2020

	2016 Actual (\$000s)	2017 Actual (\$000s)	2018 Adopted (\$000s)	2019 Proposed (\$000s)	2020 Proposed (\$000s)
Appropriation (GF)	\$416,385	\$532,251	\$469,000	\$576,068	\$555,025
Change Year to Year (in \$, %)	-	\$115,866 28%	(\$63,251) -12%	\$107,068 23%	(\$21,043) -4%
Appropriation (Other)	\$39,656,929	\$64,564,840	\$68,579,000	\$68,557,360	\$68,594,049
Change Year to Year (\$, %)	-	\$24,907,910 63%	\$4,014,160 6%	(\$21,640) 0%	\$36,689 0%
Employment (FTEs)	43.5	42.5	44.5	45.0	45.0
Change Year to Year (Count, %)	-	(1.0) -2%	2.0 5%	0.5 1%	-

4. Legislative & Policy Framework

Year	Change	Reference	Effects
2018	Low Income Housing Tax Credit (LIHTC) – Increases LIHTC (9% credit) by 12.5% over the next 4 years.	HB 1625 Federal	Provides additional resources for affordable housing development serving extremely low-income people.
2018	Document Recording Fees – Makes fees for homelessness and housing services permanent; increases fees by \$14 million, generating \$15 million more in King County; creates a state property owner mitigation fund; and includes bonding authority for counties for affordable housing development.	SB 5493 State	Creates additional permanent resources for housing and homelessness services and capital.

4. Legislative & Policy Framework, continued

Year	Change	Reference	Effects
2018	Use of Surplus Public Property for Public Benefit – Allows state and local governments to transfer surplus public property for affordable housing development at no or reduced cost.	HB 1570 State	May reduce affordable housing development costs through reduced land costs.
2018	Prevailing Wage Increase – Directs State L&I to use union collective bargaining agreements as primary means to set prevailing wage.	HB 2382 State	Increases costs to develop affordable housing and perform weatherization.

5. OH Budget Overview

The Seattle Housing Levy is the foundation of OH’s budget. Between 2017 and 2023 the Levy funds the following programs:

Program	Total Funding (7 Years)	Result
Rental Production and Preservation	\$201,000,000	2,150 units produced or preserved 350 units reinvested
Operating and Maintenance	\$42,000,000	510 units supported
Homelessness Prevention and Housing Stability Services	\$11,500,000	4,500 households assisted
Homeownership	\$9,500,000	280 households assisted
Acquisition and Preservation	Up to \$30,000,000 (using Levy proceeds not yet needed for other Levy programs)	
Administration	\$26,000,000	

5. OH Budget Overview, continued

- ▶ **Non-levy fund sources fluctuate.** Capital funding for rental housing production may include developer payments (e.g., MHA and incentive zoning), federal grants, and one-time sources (e.g., bonds, convention center, mitigation payments).
- ▶ Complementary sources substantially **extend each City dollar's purchasing power.**
- ▶ Annual capital funding for **weatherization** derives from Seattle City Light conservation program and federal and state grants (together about \$4 million annually).
- ▶ City housing expenditures deliver a **broad range of community benefits** such as support for cultural spaces, environmental sustainability, job creation, and anti-displacement outcomes.