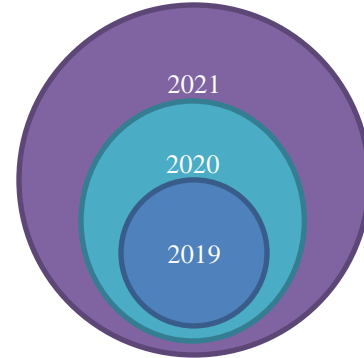




SEATTLE CITY COUNCIL | POSITION 8

COUNCILMEMBER TERESA MOSQUEDA

Date: October 8, 2018
To: Councilmember Mosqueda
From: Michael Maddux
Subject: Funding Options Identified in the Green Memo



Funding to address the housing “crisis” will require immediate and long-term revenue options. This cover memo serves as a summary of possible funding options to consider over the next three years.

2019 Funding Sources

- \$70-80 million from Housing Levy, IZ, MHA, and other sources (capital)
- \$100 million from King County bond against lodging tax (capital)*

Potential Funding Sources

- ~\$40-60 million from Mercer Megablock (capital)
- ~\$20-65 million from bond against STR revenue (capital; part of the EDI component)

2020 Funding Sources

- \$70-80 million from Housing Levy, IZ, MHA, and other sources (capital)

Potential Funding Sources (currently authorized)

- Up to \$500 million bonding against \$0.1% sales tax (county-wide; capital; requires voter approval)
- Up to \$75 million against future STR lodging tax (county-wide; capital)
- Document Recording Fee (services)

2021 Funding Sources

- \$70-80 million from Housing Levy, IZ, MHA, and other sources (capital)

Potential Funding Sources (requires or may require state authority)

- Up to \$200 million from the State Sales Tax Credit (HB 2437) for housing and services (county-wide; capital and services; requires state authority)
- Variable capital funding from REET III at 0.25% dedicated to housing production (capital; requires state authority)
- Variable capital funding from a Capital Gains tax on high-value property transfers (capital; requires state authority)
- Creating a bonding option to bond against rents (impact investing) for either capital and/or cross-subsidy opportunities for workforce housing (capital; services; may require state authority)