

Seattle Housing Levy Administrative & Financial (A&F) Plan and Housing Funding Policies Update

Housing, Health, Energy & Workers' Rights
Committee Briefing

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A&F Plan and Housing Funding Policies

Administrative and Financial (A&F) Plan

- Two-year funding plan for the Housing Levy
- General policies for each Office of Housing (OH) Levy program

Housing Funding Policies

- Apply to Levy and other housing fund sources administered by OH
- Designed to achieve adopted production goals and affordability levels
- Focus on providing clear policy direction to borrowers and flexibility for implementation in changing market and funding environment
- Policies reflected in Notice of Funding Availability (NOFA) and OH-executed loan agreements

Current Housing Funding Policies

Continued priority for investments to serve range of populations across Seattle

Resident Populations

- Low-income seniors and people with disabilities
- Homeless adults, families, and youth/young adults
- Low-wage working people and their families

Locations – citywide, provide choice

- High-cost areas, frequent transit service
- Communities at high risk of displacement
- Publicly owned sites, achieve broad City and community priorities



Funding Policies Update: Community Engagement

November 2018

- Community meeting – discuss initial policy scoping

February 2019

- Mayor Durkan's Executive Order 2019-02 to include community preference and other anti-displacement policies in update
- Community meeting – review draft policies
- Additional community meetings – discuss specific policy issues

March 2019

- Office of Housing website – policy papers and draft changes published, comments accepted

April 2019

- Housing Levy Oversight Committee review and recommendation

Funding Policies Update: Major Themes

- Anti-Displacement
- Strategic Acquisition & Preservation/ Publicly Owned Sites
- Sustainable Homeownership
- Facilitating More Effective Program Administration
- Advancing Racial and Social Equity



Funding Policies Update: Community Preference

- Proposed change allows housing developments to prioritize certain applicants when leasing or selling units in communities at high risk of displacement
- Office of Housing is working with Office for Civil Rights to develop guideline
 - Ensure consistency with requirements to affirmatively further fair housing
 - Compile best practices from other municipalities
 - Engage stakeholders later this year

Funding Policies Update: Affirmative Marketing

- Proposed change defines the required elements of an affirmative marketing plan, emphasizing outreach through community-based organizations
- Expanded guideline in Housing Funding Policies
 - Promote robust affirmative marketing
 - Clarify expectations for housing providers and community members

Funding Policies Update: Changes to Provide Clarity on Policy Priorities

Development on Publicly Owned Sites

- Encourage partnership with culturally competent and historically rooted nonprofits
- Allow higher per unit funding for homeownership projects

Acquisition and Preservation (A&P) Program

- Allow A&P loans to total \$30 million outstanding at any time
- Focus on partnerships with Seattle Housing Authority and other publicly owned land opportunities

Homeownership—home repair for low-income owners

- Charge 0% interest for all loans to reduce complexity and increase affordability
- Allow funds to support improved or increased habitable space

Funding Policies Update: Changes to Facilitate Program Administration

Community Relations

- Clarify timing and purposes of OH-required community notification and outreach

Requirements for Open Bedrooms

- Allow OH to create parameters for how it sets rent and sales price restrictions for open bedrooms
- Establish restrictions via Director's Rule

Rental Housing Serving Extremely Low-Income (ELI) Residents

- Identify new criteria for approving projects in locations near existing ELI housing, consistent with affirmatively furthering fair housing
- Allow tenant-paid rents up to the published rent limit, when only the limited operating subsidy from the Levy Operating & Maintenance Program is available