



SEATTLE CITY COUNCIL

Housing and Human Services Committee

Agenda

Wednesday, February 26, 2025

9:30 AM

Council Chamber, City Hall
600 4th Avenue
Seattle, WA 98104

Cathy Moore, Chair
Mark Solomon, Vice-Chair
Sara Nelson, Member
Alexis Mercedes Rinck, Member
Rob Saka, Member

Chair Info: 206-684-8805; Cathy.Moore@seattle.gov

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Council Chamber Listen Line: 206-684-8566

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SEATTLE CITY COUNCIL
Housing and Human Services Committee
Agenda
February 26, 2025 - 9:30 AM

Meeting Location:

Council Chamber, City Hall , 600 4th Avenue , Seattle, WA 98104

Committee Website:

<https://seattle.gov/council/committees/housing-and-human-services-x154115>

This meeting also constitutes a meeting of the City Council, provided that the meeting shall be conducted as a committee meeting under the Council Rules and Procedures, and Council action shall be limited to committee business.

Members of the public may register for remote or in-person Public Comment to address the Council. Details on how to provide Public Comment are listed below:

Remote Public Comment - Register online to speak during the Public Comment period at the meeting at

<https://www.seattle.gov/council/committees/public-comment>

Online registration to speak will begin one hour before the meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair

In-Person Public Comment - Register to speak on the Public Comment sign-up sheet located inside Council Chambers at least 15 minutes prior to the meeting start time. Registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

Pursuant to Council Rule VI.C.10, members of the public providing public comment in Chambers will be broadcast via Seattle Channel.

Please submit written comments to all Councilmembers four hours prior to the meeting at Council@seattle.gov or at Seattle City Hall, Attn: Council Public Comment, 600 4th Ave., Floor 2, Seattle, WA 98104.

Please Note: Times listed are estimated

A. Call To Order

B. Approval of the Agenda

C. Public Comment

D. Items of Business

1. [Appt 03081](#) **Appointment of Trevor Duston as member, Seattle Human Rights Commission, for a term to July 22, 2025.**

Attachments: [Appointment Packet](#)

Briefing, Discussion, and Possible Vote

Presenter: Chair Moore

2. [Appt 03082](#) **Appointment of Gwen McCullough as member, Seattle Human Rights Commission, for a term to July 22, 2025.**

Attachments: [Appointment Packet](#)

Briefing, Discussion, and Possible Vote

Presenter: Chair Moore

3. [Appt 03083](#) **Appointment of Kyle Tibbs as member, Seattle Human Rights Commission, for a term to January 22, 2026.**

Attachments: [Appointment Packet](#)

Briefing, Discussion, and Possible Vote

Presenter: Chair Moore

4. [Appt 03084](#) **Appointment of Diana Ortega-Chance as member, Seattle Human Rights Commission, for a term to January 22, 2026.**

Attachments: [Appointment Packet](#)

Briefing, Discussion, and Possible Vote

Presenter: Chair Moore

5. [Appt 03085](#) **Appointment of Chris Curia as member, Seattle LGBTQ Commission, for a term to October 31, 2025.**

Attachments: [Appointment Packet](#)

Briefing, Discussion, and Possible Vote

Presenter: Chair Moore

6. [Appt 03086](#) **Appointment of Jessa Gavrielle Davis as member, Seattle LGBTQ Commission, for a term to April 30, 2025.**

Attachments: [Appointment Packet](#)

Briefing, Discussion, and Possible Vote

Presenter: Chair Moore

7. [Appt 03087](#) **Appointment of Landon Labosky as member, Seattle LGBTQ Commission, for a term to October 31, 2026.**

Attachments: [Appointment Packet](#)

Briefing, Discussion, and Possible Vote

Presenter: Chair Moore

8. [Appt 03088](#) **Appointment of Maha Roy as member, Seattle LGBTQ Commission, for a term to April 30, 2026.**
- Attachments:* [Appointment Packet](#)
- Briefing, Discussion, and Possible Vote**
- Presenter:** Chair Moore
9. [Appt 03089](#) **Appointment of Theresa Smith as member, Seattle LGBTQ Commission, for a term to April 30, 2026.**
- Attachments:* [Appointment Packet](#)
- Briefing, Discussion, and Possible Vote**
- Presenter:** Chair Moore
10. [Appt 03091](#) **Appointment of Bianca Gallegos as member, Seattle Disability Commission, for a term to October 31, 2026.**
- Attachments:* [Appointment Packet](#)
- Briefing, Discussion, and Possible Vote**
- Presenter:** Chair Moore
11. [Appt 03092](#) **Appointment of Jessica Jensen as member, Seattle Disability Commission, for a term to October 31, 2026.**
- Attachments:* [Appointment Packet](#)
- Briefing, Discussion, and Possible Vote**
- Presenter:** Chair Moore

12. [Appt 03093](#) **Reappointment of Kaitlin Skilton as member, Seattle Disability Commission, for a term to October 31, 2026.**

Attachments: [Appointment Packet](#)

Briefing, Discussion, and Possible Vote

Presenter: Chair Moore

13. [CB 120943](#) **AN ORDINANCE relating to the Multifamily Housing Property Tax Exemption Program; allowing partial property tax exemptions for commercial to multifamily housing conversion projects; allowing the property tax exemption period to be extended to 24 years for properties with Multifamily Housing Property Tax Exemption expiring end of 2025; changing the MFTE Program's sunset date to September 10, 2025; and amending Sections 5.73.010, 5.73.020, 5.73.040, 5.73.050, 5.73.070, 5.73.090, and 5.73.120 of the Seattle Municipal Code.**

Supporting Documents:

[Summary and Fiscal Note](#)

[Summary Att A - UW MFTE Evaluation Final Report for City of Seattle](#)

[Presentation](#)

[UW MFTE Report](#)

Briefing, Discussion, and Possible Vote

Presenters: Maiko Winkler-Chin, Director, and Kelli Larsen, Seattle Office of Housing

14. **Results of Homelessness Outreach RFQ (Request for Qualifications)**

Supporting Documents:

[Presentation](#)

Briefing and Discussion

Presenters: Tanya Kim, Director, Chris Klaeyesen, and Christina Korpi, Seattle Human Services Department

E. Adjournment



Legislation Text


File #: Appt 03081, **Version:** 1

Appointment of Trevor Duston as member, Seattle Human Rights Commission, for a term to July 22, 2025.

The Appointment Packet is provided as an attachment.



City of Seattle Boards & Commissions Notice of Appointment

Appointee Name: <i>Trevor Duston</i>		
Board/Commission Name: <i>Seattle Human Rights Commission</i>		Position Title: <i>Member</i>
<input checked="" type="checkbox"/> Appointment OR <input type="checkbox"/> Reappointment	City Council Confirmation required? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Appointing Authority: <input type="checkbox"/> City Council <input checked="" type="checkbox"/> Mayor <input type="checkbox"/> Other: <i>Fill in appointing authority</i>	Term of Position: * <i>7/23/2023</i> to <i>7/22/2025</i> <input checked="" type="checkbox"/> <i>Serving remaining term of a vacant position</i>	
Residential Neighborhood: <i>West Seattle</i>	Zip Code: <i>98136</i>	Contact Phone No.: <i>Business phone # - NOT personal phone #</i>
Background: <i>Trevor strongly believes that serving and volunteering is very important to him. He is a critical thinker with a range of research interests and an educational background in sociology, equity, including coursework in social justice. He says, "If I am to call on my students to serve their communities, I must first serve myself."</i>		
Authorizing Signature (original signature):  Date Signed (appointed): February 13th, 2025	Appointing Signature <i>Bruce A. Harrell</i> <i>Mayor of Seattle</i>	

Term begin and end date is fixed and tied to the position and not the appointment date.

Trevor Duston

CERTIFICATIONS

AWS Certified Cloud Practitioner

Amazon 2022-2026

Quantum Computing

IBM QXQ • 2021

Certified in emerging AI and data analytics technologies.

Google Data Analytics Specialization

Coursera • 2021

Google Project Management Specialization

Coursera • 2021

PMI Membership

Project Management Institute 2021- Present

PMP Certification Preparation

Coursera 2021

Change Management Foundations

LinkedIn 2019

Gameification of Learning

LinkedIn 2019

EDUCATION

Bachelors of Arts in English Literature

Eastern Washington University • Cheney, WA • 2011 • 3.7

Master of Arts in Teaching ESL and Literature

Minor in Sociolinguistics • Eastern Washington University • Cheney, WA • 2013 • 3.9

PhD in English focusing in Writing, Rhetorics and Literacies

Minor in Literacy and Learning • Arizona State University • Tempe, AZ • 2023 • 3.9

EXPERIENCE

Professor

Grand Canyon University, Arizona State University, Glendale Community College, Eastern Washington University August 2013 - Present, Phoenix AZ

- Develop and deliver course material and evaluate between 300-500 students per term.
- Drive improvements in curriculum design and implementation for 2 on-ground courses
- 2-5% above average on instructional metrics including instructor engagement and expertise.
- Work cross functionally with Learning Management Tech team and the English Department to improve UI/UX course designs.
- Utilize appropriate technologies to design learning experiences including Camtasia, Captivate, and Adobe Creative Suite

Board Member

Phoenix RPGs

February 2022 - Present, Phoenix AZ

- Establish and own processes for diverse events with multiple purposes for events that thousands of people attend.
- Develop engaging learning experiences for volunteers and participants of all ages.
- Create scalable solutions for revenue development and community engagement.
- Manage communication between stakeholders and event management.

Educational Volunteer

Heifer International

May 2019 - August 2019, Perryville, AR

- Successfully offset program costs with the development of new courses and educational materials; monetized assets on the farm with new service-learning opportunities.
 - Collaborated with stakeholder groups to streamline communication and organization for programming.
 - Recognized as subject matter expert by non-profit leadership team in learning and curricular development
 - Increased participant engagement by approximately 10%.
-

PROJECTS

'22 Convention Season Phoenix RPGs

Phoenix, AZ • August 2018-2023

- Collaborate with a dispersed team to manage event schedules for thousands of visitors to annual conventions.
- Collect and utilize data to refine programming for future events.
- Develop Training materials and programs for new members of the community.
- Develop and Diversify revenue streams and chair of the Fund Development Committee.

Analysis of Training Mechanisms at ASU for Graduate Student Instructors

Phoenix, AZ • August 2023

- Conduct focus groups with participants to understand their training experience.
- Qualitative and Quantitative analysis of participant utterances to develop themes of process impediments and efficiencies.
- 150 page analysis of the history of training instructors and current trends in training.
- Proposed solutions at various stakeholder levels to improve the efficiency and quality of training

Analysis of Sexism at MAYO clinic Grand Rounds training sessions

Phoenix, AZ • August 2019

- Developed coding schema for data analysis, including safety mechanisms for verifying data and trained coding teams.
- Devised communication mechanisms for more than 10 stakeholders at locations in 3 states.
- Oversaw 3 separate coding teams of 2 individuals coding more than 100 hours of videos.
- Study published in the Journal of Women's Health.

Grant Research for Refugee Health Initiatives

Phoenix, AZ • August 2014

- Conduct independent research and provide notes to supervisory researchers
- Developed database for researchers to access for grant writing
- Led meeting to convey information to a cross-functional team of researchers to identify themes in the literature for grant writing.

Analysis of International Student Engagement and Societal Conditions

Cheney, WA • August 2013

- Designed and collected survey responses for students from all continents on the globe.
- Qualitative analysis of written submissions to develop relationships between social conditions of learners and their attitudes towards learning.
- Propose solutions to overcome the social impediments and foster more inclusive learning environments to further learning outcomes.

SKILLS

Curriculum Design / Development • Instructional Design • Curriculum Development • E-Learning Methodologies • Learning and Teaching in Multiple Modalities • Adult Learning Theory • Basic understanding of HTML, CSS and Javascript

Seattle Human Rights Commission

February 2025

21 Members: Pursuant to SMC 3.14.920, all members subject to City Council confirmation, 2-year terms, except for the Get Engaged member which will be a 1-year term per SMC 3.51

- 8 City Council-appointed
- 9 Mayor-appointed (includes 1 Get-engaged Mayor position)
- 4 Other Appointing Authority-appointed: Commission-appointed

Roster:

*D	**G	RD	Position No.	Position Title	Name	Term Begin Date	Term End Date	Term #	Appointed By
	F		1.	Member	Bryennah Quander	7/23/23	7/22/25	1	City Council
	M		2.	Member	Trevor Duston	7/23/23	7/22/25	1	Mayor
	F		3.	Member	Amy Bailey	7/23/23	7/22/25	1	City Council
	F		4.	Member	Gwen McCullough	7/23/23	7/22/25	1	Mayor
	M		5.	Member	James Munger	7/23/23	7/22/25	1	City Council
	M		6.	Member	Kyle Tibbs	1/23/24	1/22/26	1	Mayor
	F		7.	Member	Mariam Sulayman Koss	1/23/24	1/22/26	1	City Council
	F		8.	Member	Fathiya Abdi	1/23/24	1/22/26	1	Commission
			9.	Member		7/23/24	7/22/26	1	Mayor
	F		10.	Member	Koumudi Phadake	7/23/24	7/22/26	1	City Council
	F		11.	Member	Radhika Joshi	7/23/24	7/22/26	1	Mayor
	F		12.	Member	Anika Khan	7/23/24	7/22/26	1	City Council
	F		13.	Member	Kristina Sawyckyj	1/23/24	1/22/26	1	Mayor
	M		14.	Member	Ali Khan	1/23/24	1/22/26	1	City Council
	F		15.	Member	Diana Ortega-Chance	1/23/24	1/22/26	1	Mayor
	M		16.	Get Engaged	Avery Hultgren	9/1/24	8/31/25	1	Mayor
	M		17.	Member	Phillip Lewis	7/23/24	7/22/26	1	City Council
	F		18.	Member		1/23/24	1/22/26	3	Mayor
	M		19.	Member	Goutham Putta	7/23/24	7/22/26	1	Commission
	M		20.	Member	Nicholas Leydon	1/23/24	1/22/26	1	Commission
	F		21.	Member	Miranda Catsambas	7/23/24	7/22/26	1	Commission

SELF-IDENTIFIED DIVERSITY CHART

	SELF-IDENTIFIED DIVERSITY CHART		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)		
	Male	Female	Transgender	NB/ O/U	Asian	Black/ African American	Hispanic/ Latino	American Indian/ Alaska Native	Other	Caucasian/ Non-Hispanic	Pacific Islander	Middle Eastern	Multiracial
Mayor	3	4											
Council	3	5											
Comm	2	2											
Total	19												

Key: *D List the corresponding Diversity Chart number (1 through 9)

**G List gender, M= Male, F= Female, T= Transgender, NB= Non-Binary O= Other U= Unknown Residential Council District number 1 through 7 or N/A -Diversity info is self-identified and

**RD voluntary.



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Appointment of Gwen McCullough as member, Seattle Human Rights Commission, for a term to July 22, 2025.

The Appointment Packet is provided as an attachment.



City of Seattle Boards & Commissions Notice of Appointment

Appointee Name: <i>Gwen McCullough</i>		
Board/Commission Name: <i>Seattle Human Rights Commission</i>		Position Title: <i>Member</i>
<input checked="" type="checkbox"/> Appointment OR <input type="checkbox"/> Reappointment	City Council Confirmation required? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Appointing Authority: <input type="checkbox"/> City Council <input checked="" type="checkbox"/> Mayor <input type="checkbox"/> Other: <i>Fill in appointing authority</i>	Term of Position: * <i>7/23/2023</i> to <i>7/22/2025</i> <input checked="" type="checkbox"/> <i>Serving remaining term of a vacant position</i>	
Residential Neighborhood: <i>Ballard</i>	Zip Code: <i>98107</i>	Contact Phone No.: <i>Business phone # - NOT personal phone #</i>
Background: <i>Gwen wants to collaborate with community and empower diverse perspectives to share unique needs and their wealth of ideas and tolls to endeavor taking apart oppressive structures and rebalancing access to power and governance with those who have been historically excluded.</i>		
Authorizing Signature (original signature):  Date Signed (appointed): February 13, 2025	Appointing Signatory: <i>Bruce A. Harrell</i> <i>Mayor of Seattle</i>	

Term begin and end date is fixed and tied to the position and not the appointment date.

Career Overview

- Over 15 years of public service as critical thought partner and leader, creating strategic plans and implementation approaches and workplans that make processes and programs more inclusive and result in improved equity outcomes, through curiosity and tailoring programming to meet the needs of those we aim to serve.
- Strong relationship builder, driven equity change management champion, & skilled influencer; Collaborative skills for creating feelings of belonging with various communities through active listening. Implementing flexible methodologies to operationalize equity in procedures and best practices aligned organizational antiracism goals and objectives. Trusted mentor, coach, and advisor for peers, leaders and students.
- Listening to and empowering collectives and resource/affinity groups and scaling mechanisms to embed anti bias and antiracist values, aligning programmatic work with transformational goals, including qualitative and quantitative data analysis and reporting to adaptively achieve objectives in creation of improved outcomes.
- Capacity builder developing and communicating long term vision and planning, responsibly managing resources, formulating training programs, policies, procedures, and best practices via intentional human centered design to attract, retain and develop diverse talent and maintain inclusive organizational culture.
- Center lived experience of Black and Brown people to optimize program effectiveness, applying tools and frameworks to increase participation and engagement of diverse groups to build collaborative and adaptive systems that are continuously improved, and evidence based.

Professional Experience

Diversity Equity Inclusion & Culture (DEI&C) Change Agent

Sound Transit

- Define, launch and drive change initiatives using equity methodologies and frameworks fulfilling organizational, department, division and group goals, creating a culture of psychological safety and inclusion within project teams.
- University of Washington Evan's School, Leading Public Innovation Graduate Certificate program, equipping accomplished leaders with the experience, tools and resources to strategically navigate complex environments, & make strategic policy and tactical procedure changes that advance equity and inclusion.
- Lead DEI&C Equity Change Management working group, providing evaluation frameworks and approaches to facilitate change initiatives that incorporate equitable methods into project management, educating teams on critical differences between compliance and building equitable change, and incorporating equity reporting into existing Board of Directors staff report templates for decision making.
- Co-lead Equitable Improvements in Procurement & Contracting work group with aims to not only improve use of underutilized S/DBE firms, but also to promote best practices for increasing diversity of private industry proposal team members in key roles, the performance of minority firm mentoring and development roles.
- Talent Champion- Improvements in Equitable Recruiting, candidate experience, job description improvement.
- Racial Equity Toolkit Evaluation of Performance Management– Facilitate and engage in racial equity tool evaluation of performance management process for equity improvements, via learning circles and focus group feedback and collaboration with HR and learning and development staff for agency wide improvement, training and implementation.
- Trainer- Diversity Equity & Inclusion, Unpacking Psychological Safety and Power in the workplace, Equity Choice Point Methodology for process improvement, Equity Data in Decision-Making, Applying Equity Methodology in Project Development and Implementation.

Director of Capital Project Development (CPD) Programs – Capital Delivery Dept (CDD)

Sound Transit: September 2022 - Present.

- Assign work activities and coordinate schedules, projects, and programs. Provide regular constructive feedback suggestions and recommendations in review and evaluation of work. Lead CPD in the development of scalable, more equitable strategy and workplans.
- Lead the development of CPD equity updates to policy, equity goal setting, working group process, and equity improvement implementation planning. Maintain effective and collaborative relationships with other internal

department and program leaders, external agencies, regulators, and local jurisdictions and facilitate negotiation and problem-solving solutions to issues with internal and public stakeholders.

- Coach, and mentor and counsel staff in support of professional developmental work planning, providing training and other educational opportunities related to anti racism and dismantling institutional and systemic inequities. Manage employee relations, establishing psychologically safe environment, establishing trustful relations and facilitating difficult conversations. Clarify priority workflow and report progression against schedule and budget milestones for executive level awareness and understanding.
- Plan, direct, manage and supervise the evaluative activities of CPD including assigned project and program staff from various functional portfolio areas with matrixed consultant resources for current planning/land use, system implementation and agreements, and permitting.
- Providing review and assessment of drafted capital project delivery organizational structure and recommendations for efficiency improvements to staffing, governance and project management processing. Supporting parallel efforts in enhanced management guidelines and resourcing to unify approach and automate process for improved reporting and accountability.
- Participate in agency efforts to respond to Technical Advisory Group improvement recommendations. Lead capital project entitlements policy and procedural working group efforts to improve project certainty in cost and schedule and best manage third party relations throughout project lifecycle.
- Serve on Agency Goal Team 2.3 Diversifying the Workforce, Equity Methodology Working Group lead, BEST ERG co-chair, Women Empowering Sound Transit ERG, South Corridor Equity and Inclusion Initiative.

Governance Framework Development Lead – Portfolio Services Office

Sound Transit: October 2021 – March 2022.

- Lead and direct agency-wide process to evolve, shape and scale a more equitable, sustainable, unified internal governance framework structure for improved decision-making and prioritized cross-departmental investment.
- Develop phased approach and lead collaborative interdepartmental stakeholder workshops during visioning and workgroup formation.
- Research, fact find and solicit feedback to plan change management milestones, establish current state, identify areas of opportunity for improvement and to set strategic goals for efficient decision-making, equity improvements and timely reporting of material impacts.
- Process includes governing state-of-good repair projects on existing transit facilities based on customer service surveys from historically excluded people and communities, along with stakeholder interviews.
- Draft streamlined internal governance framework for presentation to the Board of Directors outlining internal decision-making, governing principles, and timelines for the work to come.
- Coordinate assigned activities with other programs, divisions, departments/offices.

City of Seattle Senior Program Administrator

City Purchasing and Contracting Services, Finance and Administrative Services: March 2014 – March 2015.

- Technical expert for legally complex and controversial programs including alternate construction approaches (Design Build, GC/CM, Job Order Contracting) requiring cultural mindset shift to succeed. Coordinate RFQs/RFP process using best practices to optimize contract best value.
- Program lead on major capital development projects, guiding performance-based specification development, management of due diligence investigations and reporting, development of programmatic policy/process updates. Present sensitive and technical information to variety of stakeholder audiences.
- Ensure City public works are consistent with current social Equity programs such as Equal benefits, Disadvantaged Business Enterprise, Apprenticeship, Prevailing Wage, Federal Woman and Minority Inclusion Programs.

Education

State University of New York at Buffalo, Bachelor of Science, Biology 1995

Certifications

University of Washington Evans School, Leading Public Innovation Graduate Certificate, 2024
Diversity and Inclusion for HR Certificate, 2021, eCornell
Certified Change Management Professional, 2020, Association of Change Management Professionals
Envision Sustainability Professional Certification, 2016, Institute for Sustainable Infrastructure
Designated Design-Build Professional Certification, 2015, Design-Build Institute of America
Project Management Certification, 2005, University of Washington Extension Program

Women in Transportation

WTS Puget Sound Chapter Programs Committee Chair 2024
Diversity, Equity and Inclusion Committee Chair 2022-2023
Mentoring Program 2014 to 2022
Present on The Value of Inclusion at 2022 ACEC/WSDOT International Conference, at the WSDOT NW Regional Diversity Advisory Group meeting, and at the Intelligent Transit Systems Washington 2022 Annual Conference and Expo.
Present Equitable Methodology in Project Development and Implementation at The Pacific Northwest Transportation Consortium (PacTrans) Region 10 University Transportation Conference, 2023.
Present Operationalizing Equity in Project Development at APTA Mobility Conference, 2024.

Training, Technical Skills & Abilities

Instructor- Diversity Equity & Inclusion Workshop, UW School of Medicine Business Unit Fall Retreat, 2023
Present - Unpacking Psychological Safety & Power, Sound Transit Black History Month Lunch and Learn, 2023
Race Forward – Building Racial Equity and Organizing Racial Equity
Undoing Racism
Diversity & Inclusion Training, Inclusion 101 and 102 Trainings
Performance and Development Planning, Coaching, Facilitation
Mentoring Program
LEAD Program
Talent Champion/Hiring for Success
Values Champion
Eno Transportation Mid Manager I and II

Seattle Human Rights Commission

February 2025

21 Members: Pursuant to SMC 3.14.920, all members subject to City Council confirmation, 2-year terms, except for the Get Engaged member which will be a 1-year term per SMC 3.51

- 8 City Council-appointed
- 9 Mayor-appointed (includes 1 Get-engaged Mayor position)
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	M		6.	Member	Kyle Tibbs	1/23/24	1/22/26	1	Mayor
	F		7.	Member	Mariam Sulayman Koss	1/23/24	1/22/26	1	City Council
	F		8.	Member	Fathiya Abdi	1/23/24	1/22/26	1	Commission
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	M		14.	Member	Ali Khan	1/23/24	1/22/26	1	City Council
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	M		16.	Get Engaged	Avery Hultgren	9/1/24	8/31/25	1	Mayor
	M		17.	Member	Phillip Lewis	7/23/24	7/22/26	1	City Council
	F		18.	Member		1/23/24	1/22/26	3	Mayor
	M		19.	Member	Goutham Putta	7/23/24	7/22/26	1	Commission
	M		20.	Member	Nicholas Leydon	1/23/24	1/22/26	1	Commission
	F		21.	Member	Miranda Catsambas	7/23/24	7/22/26	1	Commission

SELF-IDENTIFIED DIVERSITY CHART

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)		
	Male	Female	Transgender	NB/ O/U	Asian	Black/ African American	Hispanic/ Latino	American Indian/ Alaska Native	Other	Caucasian/ Non-Hispanic	Pacific Islander	Middle Eastern	Multiracial
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Board/Commission Name: <i>Seattle Human Rights Commission</i>		Position Title: <i>Member</i>
<input checked="" type="checkbox"/> Appointment OR <input type="checkbox"/> Reappointment	City Council Confirmation required? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Appointing Authority: <input type="checkbox"/> City Council <input checked="" type="checkbox"/> Mayor <input type="checkbox"/> Other: <i>Fill in appointing authority</i>	Term of Position: * 1/23/24 to 1/22/26 <input checked="" type="checkbox"/> <i>Serving remaining term of a vacant position</i>	
Residential Neighborhood: <i>South Lake Union</i>	Zip Code: <i>98121</i>	Contact Phone No.: <i>Business phone # - NOT personal phone #</i>
Background: Kyle believes government works best when residents participate in the process of governing on any level available to them. It is a responsibility of everyone to be involved and care about what happens at the local level. He firmly believes that while the national government receives a majority of media interest, however, it is local government that has the most impact to daily human life. His background in government and non-profit management has led me to want to better the community in-which I live. It is his honor to submit himself as a candidate and work to make Seattle the best city in America.		
Authorizing Signature (original signature):  Date Signed (appointed): February 13th, 2025	Appointing Signatory: Bruce A. Harrell Mayor of Seattle	

Term begin and end date is fixed and tied to the position and not the appointment date.

Kyle Tibbs

LINKS

LinkedIn


PROFILE

Experienced professional with a demonstrated history of success managing stakeholder focused functions and programs. Recently named the Washington Society for Association Excellence (WSAE) Rising Star Awardee. Specialized in organizational development, operational efficiency, public policy, and mission driven collaboration through strategic planning. Adept in making key decisions and working with stakeholders to achieve goals and solve problems. Bachelor degree in Political Science, and a Master's in Public Administration. SHRM-CP certified, ADA certified, with nearly a decade of government and association experience.

EMPLOYMENT HISTORY

Nov 2022 — Present

Executive Director, Washington State Community Associations Institute (WSCAI)

- Developed & implement new policy and advocacy initiatives resulting in over 700 members responding to legislative call-to-actions in 2023.
- Membership growth of 12.3% over the last 12 months.
- 14 new programs launched in first 14 months, with member participation up 27% since date.
- Managed 15 volunteer committees, with a total of 135 volunteers.
- Led board through strategic planning and implementation process in 2024.
- Managed over a dozen large scale events with attendance between 200 and 750.
- Developed & implemented new budgeting procedures, resulting in an increase of revenue by 21% for a total budget of 900k annually, including Legislative Action Committee (LAC).
- Produced monthly, quarterly, and annual financial, membership, and strategic goal reports for the board.
- Increased member awareness of legislative goals, while raising additional funds for lobbying efforts.
- Expanded association offerings to reach members not based in the Puget Sound area, resulting in an increase of over 100 new members outside the Puget Sound region.

Jan 2018 — Sep 2022

SMACNA (Multiple offices)

Executive Vice President/Executive Director, (Missouri Region)

- Negotiated Collective Bargaining Agreements as lead negotiator for St. Louis and Springfield offices.
- Increased overall membership in the St. Louis office by 20% within 2 years.
- Developed and implemented 5-year strategic plan in collaboration with members and Board of Directors.
- Developed and implemented a new rebate processing program, which reduced program cost by 125K annually.
- Investigated EEOC complaints, ADA requests and complaints, discrimination, and other HR related matters.
- Organized and managed over 15 annual training programs for members annually.
- Managed Local Joint Adjustment Board process and administration (dispute/arbitration process).
- Completed monthly, quarterly, and annual financial reports.
- Developed and managed organization budgets totaling \$3m.
- Responsible for implementation and management of Collective Bargaining Agreements and processes.
- Represented association/member(s) at various quasi- judicial agencies related to CBA.

Manager-Marketing & Recruitment

(Mid-Atlantic Region- DC, MD, VA, WV)

- Launched recruitment campaign "Choose Bigger".
- Managed HR related systems: ADP and QuickBooks.
- Managed grievance process between employer and employee(s) through collective bargaining requirements and processes.
- Assisted in negotiating collective bargaining agreement as second chair- 43 businesses, 1,500 union members. (3 contracts)
- Investigated ADA, discrimination, and other HR related matters per CBA.
- Developed and managed budget of \$800k.

Oct 2016 — Dec 2017

Community Relations Specialist, City of Annapolis- Mayor's Office

- Processed volunteer applications for over 40 boards and commissions.
- Led applicants through Mayoral interviews, City Council Committee hearings, and full council meeting for confirmation of appointment to boards/commissions.
- Worked with over 100 community groups, organizations, and HOAs on various city projects, grants, economic development opportunities, and community investigations.
- Processed and investigated all ADA/Fair Housing violations with employers, businesses, community organizations, and rental companies as required by federal law.
- Successfully served as a representative on the following boards & commissions: Civil Service Board (staff advisor), Commission on Aging (Liaison), Education Commission (Liaison), Human Relations Commission (staff advisor), and the Annapolis Housing Authority.
- Successfully re-established six city boards/commissions.

Aug 2015 — Oct 2016

City Administrator/Manager, City of Woodbine,GA

- Direct all day-to-day government functions and department heads.
- Develop and manage annual city budget, including sewer/water department.
- Implemented 20% savings measures to reduce liability and decrease property taxes.
- Stabilized water/sewer rates through strategic planning and budgeting, without rate increases.
- Wrote and received solar grant for wastewater treatment facility, reducing operational expenses by 20% over 10-years.

EDUCATION

Bachelor of Political Science, Marshall University

Master of Public Administration , Pennsylvania State University

SKILLS

- | | |
|---------------------------|-----------------------|
| Ability to Work in a Team | Employee Relations |
| Strategic Planning | Operations Collective |
| Communication Skills | Bargaining |
| Leadership | QuickBooks |
| Microsoft Office | Management |
| American Disabilities Act | Public Policy |
| Certified Professional | Membership Growth |
| Revenue Growth | |

REFERENCES

Andrea Goodmansen- WSCAI Immediate Past President

Owner- McLeod Construction
[REDACTED]

Katlyn Chuchiak

HR Manager - Nationwide Energy Partners
[REDACTED]

Tom Spalding- Former SMACNA STL Counsel

Partner, Spalding Partnership
[REDACTED]

Seattle Human Rights Commission

February 2025

21 Members: Pursuant to SMC 3.14.920, all members subject to City Council confirmation, 2-year terms, except for the Get Engaged member which will be a 1-year term per SMC 3.51

- 8 City Council-appointed
- 9 Mayor-appointed (includes 1 Get-engaged Mayor position)
- 4 Other Appointing Authority-appointed: Commission-appointed

Roster:

*D	**G	RD	Position No.	Position Title	Name	Term Begin Date	Term End Date	Term #	Appointed By
	F		1.	Member	Bryennah Quander	7/23/23	7/22/25	1	City Council
	M		2.	Member	Trevor Duston	7/23/23	7/22/25	1	Mayor
	F		3.	Member	Amy Bailey	7/23/23	7/22/25	1	City Council
	F		4.	Member	Gwen McCullough	7/23/23	7/22/25	1	Mayor
	M		5.	Member	James Munger	7/23/23	7/22/25	1	City Council
	M		6.	Member	Kyle Tibbs	1/23/24	1/22/26	1	Mayor
	F		7.	Member	Mariam Sulayman Koss	1/23/24	1/22/26	1	City Council
	F		8.	Member	Fathiya Abdi	1/23/24	1/22/26	1	Commission
			9.	Member		7/23/24	7/22/26	1	Mayor
	F		10.	Member	Koumudi Phadake	7/23/24	7/22/26	1	City Council
	F		11.	Member	Radhika Joshi	7/23/24	7/22/26	1	Mayor
	F		12.	Member	Anika Khan	7/23/24	7/22/26	1	City Council
	F		13.	Member	Kristina Sawyckyj	1/23/24	1/22/26	1	Mayor
	M		14.	Member	Ali Khan	1/23/24	1/22/26	1	City Council
	F		15.	Member	Diana Ortega-Chance	1/23/24	1/22/26	1	Mayor
	M		16.	Get Engaged	Avery Hultgren	9/1/24	8/31/25	1	Mayor
	M		17.	Member	Phillip Lewis	7/23/24	7/22/26	1	City Council
	F		18.	Member		1/23/24	1/22/26	3	Mayor
	M		19.	Member	Goutham Putta	7/23/24	7/22/26	1	Commission
	M		20.	Member	Nicholas Leydon	1/23/24	1/22/26	1	Commission
	F		21.	Member	Miranda Catsambas	7/23/24	7/22/26	1	Commission

SELF-IDENTIFIED DIVERSITY CHART

	SELF-IDENTIFIED DIVERSITY CHART													
			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)			
	Male	Female	Transgender	NB/ O/U	Asian	Black/ African American	Hispanic/ Latino	American Indian/ Alaska Native	Other	Caucasian/ Non-Hispanic	Pacific Islander	Middle Eastern	Multiracial	
Mayor	3	4												
Council	3	5												
Comm	2	2												
Total	19													

Key: *D List the corresponding Diversity Chart number (1 through 9)

**G List gender, M= Male, F= Female, T= Transgender, NB= Non-Binary O= Other U= Unknown
Residential Council District number 1 through 7 or N/A - Diversity info is self-identified and

**RD voluntary.



Legislation Text


File #: Appt 03084, **Version:** 1

Appointment of Diana Ortega-Chance as member, Seattle Human Rights Commission, for a term to January 22, 2026.

The Appointment Packet is provided as an attachment.



City of Seattle Boards & Commissions Notice of Appointment

Appointee Name: <i>Diana Ortega-Chance</i>		
Board/Commission Name: <i>Seattle Human Rights Commission</i>		Position Title: <i>Member</i>
<input checked="" type="checkbox"/> Appointment OR <input type="checkbox"/> Reappointment	City Council Confirmation required? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Appointing Authority: <input type="checkbox"/> City Council <input checked="" type="checkbox"/> Mayor <input type="checkbox"/> Other: <i>Fill in appointing authority</i>	Term of Position: * 1/23/2024 to 1/22/2026 <input checked="" type="checkbox"/> <i>Serving remaining term of a vacant position</i>	
Residential Neighborhood: <i>Belltown</i>	Zip Code: <i>98121</i>	Contact Phone No.: <i>Business phone # - NOT personal phone #</i>
Background: <i>Diana believes that civic engagement is one of the most vital tools in addressing inequities in our society. As the daughter of immigrants, I know firsthand the importance of having representation in the rooms where decisions are made. I have dedicated my life to breaking down systemic barriers through both direct service and policy work. My career includes advocating for public health programing in our BIPOC communities as they pertain to mental health, housing, criminal justice reform arts access, education, women and children and creative economics.</i>		
Authorizing Signature (original signature):  Date Signed (appointed): February 13th, 2025	Appointing Signatory: <i>Mayor Bruce Harrell</i> <i>City of Seattle Mayor</i>	

Term begin and end date is fixed and tied to the position and not the appointment date.

Diana Ortega-Chance

Summary: Experienced nonprofit and government senior leader with a strong background in public policy as it pertains to arts, public health, education, community engagement/civic engagement, and organizational development. Successfully managed teams, secured funding, and led strategic planning initiatives to expand programming and increase impact. Expertise includes fostering inclusive organizational cultures and driving mission-aligned growth. Affiliations and memberships include; Latino Community Fund Board of Directors, National Urban Fellows Alumni Chapter, Dual Language Advisory Board, Edmonds School District, and Washington Arts Alliance Presenter Conexiones,

Highlighted Achievements

Development and Programming: Developed Indianapolis’s **first Public Music Therapy Program** and the expansion of Indiana Health and Hospital Corporation’s public arts concert programming. Fundraising \$112,000 for the new bedside music program and an additional \$70,000 for the implementation of live concert and workshops. Over 1,000,000 Indiana residents received free arts access in public hospitals, clinics and community centers from 2017 to 2020.

Community Engagement: Led strategic communications that resulted in 95% of 2024/2025 educational matinees selling out pre-season—a 40% increase—making us the only Puget Sound venue to do so post-COVID and drove a 44% rise in pre-season sales. Securing \$27,000 in revenues and providing more than 50% of seating for arts access free ticketing.

Fostering Inclusive Communities and Leadership Development: Championed the Anchor Revitalization Housing Project, addressing the impact of housing covenants on BIPOC homeowners. This initiative showcases my commitment to strengthening communities and building new collaborations, driving policy and system changes for broadly shared prosperity and well-being.

Implemented Policy Recommendations: Researched and recommended several of Indianapolis’s public health programs: (1) Mobile Crisis Assistance Team (MCAT), an interdisciplinary team consisting of a police officer, EMT, and a social worker; which respond to reported overdoses. (2) Wrap Around Services and arts intervention at the Ruben Engagement Center, a facility for detoxification. (3) Submitted research on jail diversion models to lower recidivism.

Management: Led a cross-departmental team of 80 members, including volunteers and staff, during a critical period transition of ECA’s Executive Director. Unified efforts across departments to ensure a seamless transition and maintain organizational stability.

Arts Access Expansion: Expanded Arts in Health programming throughout Washington State, providing marginalized nursing homes and families access to music therapy and concerts within five months of being hired at Edmonds Center for the Arts.

Professional Experience

Director of Education and Community Engagement

Edmonds Center for the Arts/Edmonds Public Facilities District

March 2022- Current

Edmonds, Washington

Leads the strategic execution of intergenerational community engagement programming at Snohomish County’s largest performing arts institution, overseeing more than 100 annual events.

Development and Community Programming:

- Cultivated key development leads, securing \$120,000 in annual support for educational programming.
- Generated over \$500,000 from educational programming stories, which are used to secure major gifts and sponsorships.

- Increased free and reduced event programming by 16% over 10 months allowing for 4,177 intergenerational learners in Snohomish County to access the arts in the 23/24 season.
- Expanded Arts in Health programming across Washington State, securing \$80,000 in federal funding from CMS to provide a music therapy and concerts model of care to marginalized nursing homes and families.
- Led the successful expansion of creative aging programs by securing a grant from Verdant Public Health. Identified the funding opportunity, authored the grant proposal, and achieved funding to support free arts in health classes for 20 caregivers and individuals experiencing memory loss.
- Designed and implemented studies using innovative evaluation tools to measure the impact of a diverse range of programs including student matinees, senior care initiatives, festivals, professional development, pre-show talks, community workshops, and internal staff events.
- Implemented A/B testing to optimize marketing strategies by measuring the performance of different versions based on specific metrics such as click-through rates, conversion rates, engagement levels, and sales. By analyzing these metrics, identified the most effective version and made data-driven decisions.

Strategic Planning:

- Served on the Leadership Transition Team for the Edmonds Public Facilities District, guiding the hiring of the first BIPOC Executive Director and contributing to the initial phases of the 3-year strategic plan development.
- Led strategic planning for Edmonds Center for the Arts' new arts campus in partnership with the Boys and Girls Club and advocated for Creative District funding in its preliminary phases from 2022-2023.

Change Management:

- Led a community engagement curriculum overhaul initiative, integrating diverse perspectives and teaching methods across 7 community engagement programs, which included attaining consensus across departments and aligning educators and staff on new processes.
- Single-threaded owner for ECA's largest community family festival event, attracting 2,500 attendees from a 145mile radius. Successfully managed and unified the team during ECA's leadership transition, resulting in increased team collaborations and a 20% rise in programmatic engagement.
- Spearheaded and developed companywide;
 - o Child Protection Policies, modules, and training sessions for 80 person staff and volunteers
 - o First Aid and Crowd Control Training Certification
- Led process improvement efforts that streamlined box office invoicing and district payments.
- Redesigned community engagement programs to better reflect diverse community needs, and training staff to manage these changes effectively.
- Implemented a new stakeholder communication strategy to ensure greater transparency and collaboration, enhancing community involvement in decision-making processes.
- Revamped hiring practices to prioritize diversity and inclusion, and training hiring managers on inclusive interviewing techniques.
- Spearheaded bias and cultural competency training initiative across the organization, fostering a more inclusive workplace culture and addressing unconscious biases.
- Led a culture transformation initiative, redefining company values, changing leadership styles, and introducing new recognition and reward systems to reinforce desired behaviors.

Budgeting:

- Managed 60% operational increase in the annual music program budget within 10 months of hire.
- Created annual fiscal year budgets for the education department. Leveraged historical data and actuals to make precise forecasts for seasonal arts programming, facilitating effective resource allocation.

Special Assistant to the President and CEO
Health and Hospital Corporation of Marion County

July 2016- October 2020
Indianapolis, IN

Hired to revitalize the city of Indianapolis through Arts in Community Health programming at Indiana's largest public hospital agency consisting of 10,000+ employee with 12 locations serving 1,032,929 people per year.

- Implemented Indianapolis's first public music therapy department, serving Eskenazi Hospital and other HHC facilities. Served patients throughout COVID-19 lock down, disbursed over \$100,000 in artists contracts during the pandemic.
- Directed 105 campus music events and supervised production staff. Responsible for creative vision and execution of daily programming.
- Developed the Indiana Legacy Series, a monthly community heritage programming concert that preserves African American jazz culture of the 1950's, and spotlights the eight living jazz legends of what was once the jazz hub of the Midwest.
- Commissioned and collaborated with Ball State University to conduct a multi-phase economic impact study that evaluated Health and Hospital Corporations' economic impact on the city, state, and nation.
- Increased hiring of 50% black and brown artists and female representation, prioritizing inclusivity and equity.
- Managed 68% operational increase in the annual music program budget from 2019 through philanthropy and internal fundraising, maximizing resources for community benefit.
- Integrated Classroom Programming: Developed and coordinated educational outreach concerts where students meet artists, toured hospital, learned nutrition on sky farm and met physicians to destigmatize the hospital experience and create culture of preventative care.
- Curated hospital books share library to include books, braille, and sheet music of BIPOC talent.
- Identified female artists in Indianapolis to create database that increased awareness for employment opportunities.
- Developed internship opportunity for visually impaired student and implemented recommendations to overhaul hospital music channel to include close captioning and sign language.
- Championed the provision of arts engagement strategies while leveraging, cultivating, and collaborating with inter-agency stakeholders at Health and Hospital Corporations to support the administration's Live, Work, Play economic development strategic planning.

Music Program Specialist- Program Developer

Nov 2013 – May 2016

Children's Aid Society

Bronx, NY

Developed and led community outreach music programming for parents, teachers, community leaders, and students for an organization with 75 locations serving 200,000 people annually.

- Developed and implemented the music department at Children's Aid Society Community School 61 in the Bronx, NY. Taught "El Sistema" band for grades 2-5 for 150 after school students. Facilitated monthly arts integration workshops for 10 classroom teachers.

Leader-Teaching Artist

Nov 2012 – May 2016

The Leadership Program

New York, NY

- Training in social work practices to facilitate arts integrated leadership workshops and conflict management (Violence Prevention Programming) lessons for inner-city public schools grade K-12

Education

Financial Success for Non-Profits Certificate | Cornell University

Ithaca, NY, June

Master of Public Administration | Baruch College

New York, NY, July

Course Work | Indiana University | Jacob School of Music

Bloomington, Indiana, July

Bachelor of Music | New England Conservatory

Boston, MA, May

Pre-College | Juilliard School

New York, NY, June

Seattle Human Rights Commission

February 2025

21 Members: Pursuant to SMC 3.14.920, all members subject to City Council confirmation, 2-year terms, except for the Get Engaged member which will be a 1-year term per SMC 3.51

- 8 City Council-appointed
- 9 Mayor-appointed (includes 1 Get-engaged Mayor position)
- 4 Other Appointing Authority-appointed: Commission-appointed

Roster:

*D	**G	RD	Position No.	Position Title	Name	Term Begin Date	Term End Date	Term #	Appointed By
	F		1.	Member	Bryennah Quander	7/23/23	7/22/25	1	City Council
	M		2.	Member	Trevor Duston	7/23/23	7/22/25	1	Mayor
	F		3.	Member	Amy Bailey	7/23/23	7/22/25	1	City Council
	F		4.	Member	Gwen McCullough	7/23/23	7/22/25	1	Mayor
	M		5.	Member	James Munger	7/23/23	7/22/25	1	City Council
	M		6.	Member	Kyle Tibbs	1/23/24	1/22/26	1	Mayor
	F		7.	Member	Mariam Sulayman Koss	1/23/24	1/22/26	1	City Council
	F		8.	Member	Fathiya Abdi	1/23/24	1/22/26	1	Commission
			9.	Member		7/23/24	7/22/26	1	Mayor
	F		10.	Member	Koumudi Phadake	7/23/24	7/22/26	1	City Council
	F		11.	Member	Radhika Joshi	7/23/24	7/22/26	1	Mayor
	F		12.	Member	Anika Khan	7/23/24	7/22/26	1	City Council
	F		13.	Member	Kristina Sawyckyj	1/23/24	1/22/26	1	Mayor
	M		14.	Member	Ali Khan	1/23/24	1/22/26	1	City Council
	F		15.	Member	Diana Ortega-Chance	1/23/24	1/22/26	1	Mayor
	M		16.	Get Engaged	Avery Hultgren	9/1/24	8/31/25	1	Mayor
	M		17.	Member	Phillip Lewis	7/23/24	7/22/26	1	City Council
	F		18.	Member		1/23/24	1/22/26	3	Mayor
	M		19.	Member	Goutham Putta	7/23/24	7/22/26	1	Commission
	M		20.	Member	Nicholas Leydon	1/23/24	1/22/26	1	Commission
	F		21.	Member	Miranda Catsambas	7/23/24	7/22/26	1	Commission

SELF-IDENTIFIED DIVERSITY CHART

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)		
	Male	Female	Transgender	NB/ O/U	Asian	Black/ African American	Hispanic/ Latino	American Indian/ Alaska Native	Other	Caucasian/ Non-Hispanic	Pacific Islander	Middle Eastern	Multiracial
Mayor	3	4											
Council	3	5											
Comm	2	2											
Total	19												

Key: *D List the corresponding Diversity Chart number (1 through 9)

**G List gender, M= Male, F= Female, T= Transgender, NB= Non-Binary O= Other U= Unknown Residential Council District number 1 through 7 or N/A -Diversity info is self-identified and

**RD voluntary.



Legislation Text

File #: Appt 03085, **Version:** 1

Appointment of Chris Curia as member, Seattle LGBTQ Commission, for a term to October 31, 2025.

The Appointment Packet is provided as an attachment.



City of Seattle Boards & Commissions Notice of Appointment

Appointee Name: Chris Curia		
Board/Commission Name: Seattle LGBTQ Commission		Position Title: Member
<input checked="" type="checkbox"/> Appointment OR <input type="checkbox"/> Reappointment		Council Confirmation required? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Appointing Authority: <input type="checkbox"/> Council <input type="checkbox"/> Mayor <input checked="" type="checkbox"/> Other: <i>Seattle LGBTQ Commission</i>	Date Appointed:	Term of Position: * 11/1/2023 to 10/31/2025 <input checked="" type="checkbox"/> <i>Serving remaining term of a vacant position</i>
Residential Neighborhood: <i>Pioneer Square</i>	Zip Code: <i>98104</i>	Contact Phone No.:
Background: <i>Chris Curia, MA, LMHCA (he/they) is a Seattle-based mental health counselor. Chris holds two degrees in counseling psychology and community development from The Seattle School, a small, psychoanalytic graduate institution based downtown, where Chris works as an Instructional Assistant. Chris' graduate research addressed mental health disparities through trauma-informed, community-centered care initiatives and proposed innovative partnerships between private and public sectors. As a commissioner, he plans to recommend policies and legislation in partnership with public officials to make Seattle more equitable for his clients and those who will never have access to equitable mental healthcare or sufficient social services. He looks forward to lending his clinical training and field experience to the public sector in his ability to listen, provide constructive feedback, and facilitate thoughtful decision-making towards actionable outcomes.</i>		
Authorizing Signature (original signature):  Date Signed (appointed): 12-17-24		Appointing Signatory: <i>Brett Pepowski,</i> <i>Seattle LGBTQ Co-chair</i>

**Term begin and end date is fixed and tied to the position and not the appointment date.*

Chris Curia (he/they), MA, LMHCA

Curriculum Vitae

Personal Statement

Community leader, mental health counselor, and researcher gaining experience in Washington mental healthcare by providing equitable, person-centered, queer-informed, relationally-driven therapeutic care.

Professional Experience

Mental Health Counselor

Pacific Mental Health • 2022-present

Earned direct client contact hours in a ten-month internship, including supervision and group consultation, according to licensure requirements outlined by The Seattle School of Theology & Psychology following Washington State Department of Health requirements. Transitioned into a full-time position based at the Pioneer Square clinic.

Barista

Cloud City Coffee • 2021–2023

Pilgrim Coffeehouse • January 2021–December 2021

Rotated shifts between register and cash flow, kitchen operations, lobby oversight, and preparing espresso drinks. Managed online customer service.

Missional Community Intern

Bellevue First United Methodist Church (FUMCB) • 2021-2022

Catalyzed deeper exploration of FUMCB's vision and values by providing opportunities for deeper community fellowship and engagement. Oversight of Spiritual Formation via curating an online video catalog throughout a year-long internship. FUMCB is a historic, progressive, open-and-affirming faith community in downtown Bellevue, WA.

Director of Youth Ministries

Fairway Church • 2017–2020

Oversight of student ministries in a faith community in greater Grand Rapids, Michigan. Led an outreach ministry chapter at a public high school. Provided care and training for students, families, and volunteer leaders. Developed regular content for youth gatherings, teachings, and community events and participated in community leadership. Coordinated efforts to minimize carbon footprint.

Education

M.A. Counseling Psychology (MACP)

M.A. Community Development (MATC-CD)

The Seattle School of Theology & Psychology • 2020–present

MACP Graduation: June 2023; MATC-CD Anticipated Graduation: June 2024

Relevant Coursework: Psychopathology: Assessment, Appraisal, Diagnosis; Social & Cultural Diversities; God, Gender, & Sexuality; Therapy: Interpersonal Theory and the Practice of Therapy; Theories of Change; Critical Social Theory; Collaborative Community Development.

Research: Feminism and sociopolitical conservatism; ACT therapy and mindfulness fostering psychological flexibility; accountable leadership in communal fragmentation; spirituality and psychodynamic theory; Internal Family Systems and queer theory; achieving mental health equity among marginalized population through liberation and community psychological frameworks.

B.A. Film & Media

Calvin University • 2013-2017

Concentrations: Ministry Leadership, Spanish

Additional Experience

Documentary Filmmaker

Jubileo (2020) • City of Light Films

Crowdfunded and produced an award-winning documentary.

Student Leadership

Student Council, Engaging TSS • 2021-2023

Participated in and facilitated various student groups and student-led initiatives at The Seattle School. Promoted institutional change through community organizing, dialogical facilitation, and policymaking to prioritize learning equity among underrepresented students.

DoBetterYoungLife Regional Council

Young Life Western Great Lakes Region • 2020

Served on a team of current and former Young Life staff formed to guide a regional response to the national DoBetterYoungLife movement. Developed and compiled results for a staff survey administered to help staff and volunteers engage in conversations around religion and sexuality.

Ethics and Religion Talk

The Rapidian • 2019-2020

Published a weekly column on ethics and religion from a multi-faith perspective on a panel of nine faith leaders representing various religious traditions in Grand Rapids, Michigan.

Climate Witness Partner

Christian Reformed Church of North America (CRC) • 2019-2020

Generated awareness about climate change and energy stewardship through advocacy and education as a Climate Witness Partner. Met with local faith leaders and elected officials in a conservative political climate to advocate for sustainable environmental policies and practices.

Seattle Lesbian, Gay, Bisexual, Transgender and Queer Commission January 2025

Members: Pursuant to *SMC 3.14.920*, all members subject to City Council confirmation, 2-year terms, except the Get Engaged member who will serve a 1-year term pursuant to SMC 3.51.

- 8 City Council-appointed
- 9 Mayor-appointed

Roster: 4 Other Appointing Authority-appointed: Commission-appointed

*D	**G	RD	Position No.	Position Title	Name	Term Begin Date	Term End Date	Term #	Appointed By
		4	1.	Member	Jessa Gavrielle Davis	5/1/23	4/30/25	1	City Council
			2.	Member	VACANT	5/1/23	4/30/25	1	Mayor
		3	3.	Member	Ry Armstrong	5/1/23	4/30/25	1	City Council
		7	4.	Member	VACANT	5/1/23	4/30/25	1	Mayor
		3	5.	Member	Jeremy Erdman	5/1/23	4/30/25	1	City Council
			6.	Member	VACANT	11/1/23	10/31/25	1	Mayor
			7.	Member	Kody Allen	11/1/23	10/31/25	1	Commission
		6	8.	Member	Steven Pray	11/1/23	10/31/25	2	Mayor
		4	9.	Member	Maha Roy	5/1/24	4/30/26	1	City Council
			10.	Member	Jason Self	5/1/24	4/30/26	1	Mayor
		5	11.	Member	Theresa Smith	5/1/24	4/30/26	1	City Council
		3	12.	Member	Brett Pepowski	5/1/24	4/30/26	2	Mayor
		3	13.	Member	Landon Labosky	11/1/24	10/31/26	1	City Council
			14.	Member	Barry Fuentes	11/1/24	10/31/26	1	Mayor
		5	15.	Member	Christina Pizaña	11/1/23	10/31/25	1	City Council
			16.	Get Engaged	Scott Beck	9/1/24	8/31/25	1	Mayor
			17.	Member	Ashley E. Ford	5/1/24	4/30/26	1	City Council
			18.	Member	VACANT	11/1/23	10/31/25	1	Mayor
			19.	Member	Chris Curia	11/1/23	10/31/25	1	Commission
		3	20.	Member	Andrew Ashiofu	5/1/24	4/30/26	2	Commission
		7	21.	Member	Amari Leach	5/1/24	4/30/26	1	Commission

SELF-IDENTIFIED DIVERSITY CHART				(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
	Men	Women	Transgender	Unknown	Asian	Black/ African American	Hispanic/ Latino	American Indian/ Alaska Native	Other	Caucasian/ Non- Hispanic	Pacific Islander	Middle Eastern	Multiracial
Mayor							1	1		1			
Council						1			2				
Comm							1				1		
Total													

Key:

- *D List the corresponding Diversity Chart number (1 through 9)
- **G List gender, M = Male, F = Female, T = Transgender, U = Unknown
- RD Residential Council District number 1 through 7 or N/A

Diversity information is self-identified and is voluntary.



Legislation Text


File #: Appt 03086, **Version:** 1

Appointment of Jessa Gavrielle Davis as member, Seattle LGBTQ Commission, for a term to April 30, 2025.

The Appointment Packet is provided as an attachment.



City of Seattle Boards & Commissions Notice of Appointment

Appointee Name: <i>Jessa Gavrielle Davis</i>		
Board/Commission Name: <i>Seattle LGBTQ Commission</i>		Position Title: <i>Member</i>
<input checked="" type="checkbox"/> Appointment OR <input type="checkbox"/> Reappointment	City Council Confirmation required? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Appointing Authority: <input checked="" type="checkbox"/> City Council <input type="checkbox"/> Mayor <input type="checkbox"/> Other: <i>Fill in appointing authority</i>	Term of Position: * 5/1/2023 to 4/30/2025 <input checked="" type="checkbox"/> <i>Serving remaining term of a vacant position</i>	
Residential Neighborhood: <i>Belltown</i>	Zip Code: <i>98121</i>	Contact Phone No.:
Background: <i>Jessa Gavrielle Davis (she/her) was born and raised in Scranton/Wilkes-Barre, PA and has chosen to make her home in Seattle after establishing her career as an engineer and technology consultant. She currently works as a cybersecurity consultant for a large global consulting firm and is preparing to begin a doctoral program at the City University of Seattle. In addition to living and working across the US, she has spent several years in Eastern Europe, the Caribbean, and South Asia working to support humanitarian causes, including volunteering with non-profits, collaborating with teams at innovation labs, and most recently working as a project manager and software developer with the United Nations Office for Project Services. Jessa continues to volunteer in her local community to advocate for LGBTQ+ issues; and she also works with regional and national organizations to empower local communities in upholding and expanding civil rights and social justice for all. She currently serves as the Co-Chair of Social Media and Digital Engagement on the Seattle Human Rights Campaign Steering Committee.</i>		
Authorizing Signature (original signature):  Date Signed (appointed): 01/08/25		Appointing Signatory: <i>Councilmember Cathy Moore</i> <i>Seattle City Council</i>

*Term begin and end date is fixed and tied to the position and not the appointment date.

Jessa Gavrielle Davis (she/her)

Security Consulting Manager | OT SecOps | Cyber-Physical Security

Objective

- To continue to build my career as a leader and a cybersecurity practitioner, applying my background in Cyber-Physical Systems and Operational Technology to solving DER cybersecurity risks and supporting smart grid cyber resilience strategies.

Qualifications

- 15+ years' experience working in the oil and gas and electric utilities industries.
- Accomplished technology manager, cybersecurity consultant, and project manager; team lead, mentor, and trainer in a variety of roles and contexts.
- Specialist in cyber-physical systems (CPS), operational technology (OT) and industrial control systems (ICS), including distributed control systems (DCS), supervisory control and data acquisition (SCADA), distributed energy resources (DERs), and industrial internet of things (IIoT).

Education

- **City University of Seattle**, *September 2025 (Start date)*
 - Doctor of Information Technology, Cybersecurity
 - Research project designed to investigate and provide solutions for integrating electric vehicles (EVs) and EV charging infrastructure into smart grid environments, with a focus on supporting grid stability, cybersecurity best practices, and cyber resilience strategies.
- **Maryville University**, *May 2023 – May 2025 (Planned)*
 - Master of Science, Cybersecurity
 - Graduate Certificate, Cybersecurity Penetration Testing
 - Graduate Certificate, Cybersecurity Incident Response
- **University of California San Diego Extension**, *January 2023 – March 2024*
 - Certificate, Communications Software Development for Distributed Energy Resources
- **University of Texas at Austin**, *November 2020 – June 2021*
 - Certificate, Cybersecurity
- **Southern New Hampshire University**, *August 2014 – December 2017*
 - Bachelor of Science, Information Technology (Robotics & Artificial Intelligence)
 - President's List
 - Graduated with honors, Summa Cum Laude
- **Western Wyoming Community College**, *August 2010 – July 2012*
 - Associate of Applied Science, Electrical and Instrumentation Technology
 - President's Honor Roll
 - Questar Automation Scholarship

Certifications

- **CompTIA:** Security+
- **International Society of Automation:** ISA/IEC 62443 Cybersecurity Fundamentals Specialist
- **Microsoft:** Azure (AZ-900); Security, Compliance, and Identity (SC-900)
- **Nozomi:** Nozomi Networks Certified Engineer (NNCE)
- **DevOps Institute:** DevOps Foundation (DOFD); DevSecOps Foundation (DSOF)
- **Blockchain Council:** Certified Blockchain Security Professional (CBSP)

**Term begin and end date is fixed and tied to the position and not the appointment date.*

Media, Articles, & Publications

- [Securing OT Networks: Safeguarding Identity & Remote Access | LinkedIn](#)
- [On the Regulation of Gender, Sexuality, and Individual Liberty in Red States | by Jessa Gavrielle Davis | Medium](#)
- [Sikka: Working at the intersection of blockchain and humanitarian innovation | by Jessa Gavrielle Davis | Medium](#)

Conferences & Speaking Engagements

- Cal Poly Pomona Cybersecurity & Awareness Fair,
 - “Exploring Blockchain and Cybersecurity Solutions for the Internet of Energy.”
- Executive Women’s Forum (EWF) WA Regional event,
 - “Does AI Dream of Electric Substations? Generative AI and the Frontiers of AI Safety Principles for Critical Infrastructure Systems.”
- International Society of Automation (ISA) Automation Summit and Expo,
 - “Does AI Dream of Electric Substations? Generative AI and the Frontiers of AI Safety Principles for Critical Infrastructure Systems” [Updated and expanded content].
- South Puget Sound Community College, “Bridges to Employment” Cybersecurity, Computer Science, and Software Development Career Pathways event,
 - Keynote Address
 - Discussion Panel, IT Workforce and Industry Trends

Volunteering & Activism

- Human Rights Campaign Seattle:
 - Steering Committee Member
 - Digital Engagement & Social Media Chair
- Accenture:
 - US Pride ERG National Events & Programming Co-Lead
 - US Pride ERG Trans+ & Gender Non-Conforming People Subgroup Steering Committee member
 - Pacific Northwest Inclusion Ambassador
- Out in West Texas:
 - Board Member
 - IT System Administrator

Work Experience

- **Security Consulting Manager, Accenture Security**
 - *Seattle, Washington, USA: October 2021 – Present*
 - OT Security Architect: Review and design security architecture, focused on containerized applications, microservices and DevSecOps best practices, perform threat modelling, and define and evaluate site acceptance testing procedures, as part of a grid modernization and DER integration initiative for a large electric utility in the US.
 - Project Manager and Assessor: Managed workflows for a NERC CIP cybersecurity vulnerability assessment at a large electric utility in the US.
 - Project Manager: Managed multiple workstreams to remediate findings of a penetration test for a large international oil and gas producer’s IT network.
 - OT Security Architect: Performed security architecture assessment on a privileged access management (PAM) solution for a major refined products pipeline in the US and aligned recommended processes and procedures to TSA Security Directive Pipeline-2021-02.

**Term begin and end date is fixed and tied to the position and not the appointment date.*

- **Senior Controls Specialist, Kinder Morgan**
 - *Odessa, Texas, USA: May 2019 – October 2021*
 - Provided field engineering support for OT/ICS/SCADA systems for pipeline compression facilities in Texas, New Mexico, and Oklahoma, including new construction projects and controls upgrades on legacy systems.
 - Create, modify, and maintain PLC, RTU and HMI programs, maintain SQL databases, and configure network devices for plant DCS and SCADA systems.
 - Configure, maintain, and troubleshoot LAN network devices within DCS, including switches, routers, and cellular modems for SCADA networks.
 - Participated in PSSR and commissioning of the Gulf Coast Express and Permian Highway Pipeline projects in west Texas 2019-2021; and continued to provide on-going field support on both projects to ensure operational safety and reliability.

- **Automation Technician Supervisor, Keane Group**
 - *Odessa, Texas, USA: January 2019 – May 2019*
 - Managed a geographically dispersed team of field technicians, trained new employees, and supported field operations as an SME in ICS maintenance and troubleshooting.
 - Responsible for continual operational readiness of OT/ICS/SCADA systems, including end devices, user interfaces, processors, servers, and networking and telecommunications devices, for heavy duty equipment used in upstream oilfield completions operations.
 - Configure, maintain, and troubleshoot LAN network devices within DCS, including switches, routers, and VSAT for SCADA networks.

- **Blockchain Support Analyst, United Nations Office for Project Services**
 - *Kathmandu, Nepal: December 2017 – December 2018.*
 - Devised technical specifications, developed software, and managed blockchain integration projects to support the mission of UNOPS in South Asia and with global partners.
 - Provided consultation and project management services for technological solutions in humanitarian and disaster response fields, managed a remote team of developers, and delivered training on the application of emerging technologies such as IoT, blockchain, and data analytics.
 - Blockchain advisor and Solidity developer on Sikka project (www.sikka.me) at World Vision International Nepal.

- **Volunteer, Nepal Innovation Lab (World Vision International Nepal)**
 - *Kathmandu, Nepal: January 2017 – December 2017.*
 - Collaborated with innovation lab staff and volunteers to devise technical solutions to programs and initiatives under World Vision International's earthquake and disaster response programs in Nepal and South Asia.
 - Provided expertise in developing code in Java, Node, and Python for APIs, microservices and containerized applications, and developed Solidity smart contracts on the Ethereum blockchain for development, testing, and analysis of blockchain-based solutions for humanitarian relief programs and development aid projects.

- **Automation Technician Supervisor, Liberty Oilfield Services**
 - *Denver, Colorado, USA: January 2014 – June 2015.*
 - Managed a geographically dispersed team of field technicians, trained new employees, and supported field operations as an SME in ICS maintenance and troubleshooting.
 - Responsible for continual operational readiness of OT/ICS/SCADA systems, including end devices, user interfaces, processors, servers, and networking and telecommunications devices, for heavy duty equipment used in upstream oilfield completions operations.

**Term begin and end date is fixed and tied to the position and not the appointment date.*

- Configure, maintain, and troubleshoot LAN network devices within DCS, including switches, routers, and VSAT for SCADA networks.
 - Radiation Safety Officer: Devised and implemented policies and procedures for storage, transportation, and use of radioactive isotopes in compliance with state and federal regulations.
- **Automation Technician, Halliburton Energy Services**
 - *Hobbs, New Mexico, USA: January 2013 – January 2014.*
 - Responsible for continual operational readiness of OT/ICS/SCADA systems, including end devices, user interfaces, processors, servers, and networking and telecommunications equipment, for heavy duty equipment used in upstream oilfield completions operations.
 - Configure, maintain, and troubleshoot LAN network devices within DCS, including switches, routers, and VSAT for SCADA networks.
- **Automation Technician, Nabors Industries**
 - *Rock Springs, Wyoming, USA: August 2012 – January 2013.*
 - Responsible for continual operational readiness of OT/ICS/SCADA systems, including end devices, user interfaces, processors, servers, and networking and telecommunications equipment, for heavy duty equipment used in upstream oilfield completions operations.
 - Configure, maintain, and troubleshoot LAN network devices within DCS, including switches, routers, and VSAT for SCADA networks.
- **SCADA Automation Technician, QEP Energy Company**
 - *Rock Springs, Wyoming, USA: October 2011 – August 2012.*
 - Responsible for installation, configuration, maintenance and troubleshooting of OT end devices, user interfaces, processors, and networking and telecommunications equipment on upstream oil and gas facilities, including wells, field compressors, and gas plants.
 - Played a key role in the upgrade of over 1,000 RTUs, including commissioning controls system and adding devices to SCADA network.

**Term begin and end date is fixed and tied to the position and not the appointment date.*

Seattle Lesbian, Gay, Bisexual, Transgender and Queer Commission January 2025

Members: Pursuant to **SMC 3.14.920**, **all** members subject to City Council confirmation, 2-year terms, except the Get Engaged member who will serve a 1-year term pursuant to SMC 3.51.

- 8 City Council-appointed
- 9 Mayor-appointed

Roster: 4 Other Appointing Authority-appointed: Commission-appointed

*D	**G	RD	Position No.	Position Title	Name	Term Begin Date	Term End Date	Term #	Appointed By
		4	1.	Member	Jessa Gavrielle Davis	5/1/23	4/30/25	1	City Council
			2.	Member	VACANT	5/1/23	4/30/25	1	Mayor
		3	3.	Member	Ry Armstrong	5/1/23	4/30/25	1	City Council
		7	4.	Member	VACANT	5/1/23	4/30/25	1	Mayor
		3	5.	Member	Jeremy Erdman	5/1/23	4/30/25	1	City Council
			6.	Member	VACANT	11/1/23	10/31/25	1	Mayor
			7.	Member	Kody Allen	11/1/23	10/31/25	1	Commission
		6	8.	Member	Steven Pray	11/1/23	10/31/25	2	Mayor
		4	9.	Member	Maha Roy	5/1/24	4/30/26	1	City Council
			10.	Member	Jason Self	5/1/24	4/30/26	1	Mayor
		5	11.	Member	Theresa Smith	5/1/24	4/30/26	1	City Council
		3	12.	Member	Brett Pepowski	5/1/24	4/30/26	2	Mayor
		3	13.	Member	Landon Labosky	11/1/24	10/31/26	1	City Council
			14.	Member	Barry Fuentes	11/1/24	10/31/26	1	Mayor
		5	15.	Member	Christina Pizaña	11/1/23	10/31/25	1	City Council
			16.	Get Engaged	Scott Beck	9/1/24	8/31/25	1	Mayor
			17.	Member	Ashley E. Ford	5/1/24	4/30/26	1	City Council
			18.	Member	VACANT	11/1/23	10/31/25	1	Mayor
			19.	Member	Chris Curia	11/1/23	10/31/25	1	Commission
		3	20.	Member	Andrew Ashiofu	5/1/24	4/30/26	2	Commission
		7	21.	Member	Amari Leach	5/1/24	4/30/26	1	Commission

SELF-IDENTIFIED DIVERSITY CHART					(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Men	Women	Transgender	Unknown	Asian	Black/ African American	Hispanic/ Latino	American Indian/ Alaska Native	Other	Caucasian/ Non- Hispanic	Pacific Islander	Middle Eastern	Multiracial
Mayor							1	1		1			
Council						1	3		2				
Comen							1				1		
Total													

Key:

- *D List the corresponding Diversity Chart number (1 through 9)
- **G List gender, M = Male, F = Female, T = Transgender, U = Unknown
- RD Residential Council District number 1 through 7 or N/A

Diversity information is self-identified and is voluntary.



Legislation Text

File #: Appt 03087, **Version:** 1

Appointment of Landon Labosky as member, Seattle LGBTQ Commission, for a term to October 31, 2026.

The Appointment Packet is provided as an attachment.



City of Seattle Boards & Commissions Notice of Appointment

Appointee Name: <i>Landon Labosky</i>		
Board/Commission Name: <i>Seattle LGBTQ Commission</i>		Position Title: <i>Member</i>
<input checked="" type="checkbox"/> Appointment OR <input type="checkbox"/> Reappointment		Council Confirmation required? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Appointing Authority: <input checked="" type="checkbox"/> Council <input type="checkbox"/> Mayor <input type="checkbox"/> Other:	Date Appointed:	Term of Position: * 11/1/2024 to 10/31/2026 <input type="checkbox"/> <i>Serving remaining term of a vacant position</i>
Residential Neighborhood: <i>Capitol Hill</i>	Zip Code: <i>98122</i>	Contact Phone No.:
Background: <i>Landon Labosky holds a Masters in Public Administration with an emphasis in State and Local Policy. He also has experience serving as a Fellow with Conservation Voters for Idaho; Diversity, Equity and Inclusion Chair for USA Swimming; DEI Chair, Aquatics for the National Recreation and Parks Association; and most recently, Chair of the Washington Recreation and Parks Association, Aquatics. As a member of the LGBTQ Commission, he hopes to continue to work alongside fellow commissioners to help advance productive policy and legislation that directly impact the LGBTQ community as well as the entire community of Seattle; they go hand in hand. He hopes to directly connect with people in neighborhoods, hear their stories, and advocate for their wants from the government that serves them. Seattle can and will be at the forefront of huge solutions affecting the quality of life of all people who reside in its city boundaries, but it will take collective action to get the correct policies in place.</i>		
Authorizing Signature (original signature): <i>Cathy Moore</i>		Appointing Signatory: <i>Councilmember Cathy Moore</i> <i>Seattle City Council</i>
Date Signed (appointed): 01/08/25		

**Term begin and end date is fixed and tied to the position and not the appointment date.*

LANDON LABOSKY, MPA, CPRP

**Term begin and end date is fixed and tied to the position and not the appointment date.*

SUMMARY

I am a community minded manager, people leader, and organizer, with over nine years of direct management and professional coaching experience. I am passionate regarding diversity and inclusion and thrive in environments where culture, creativity, and individual performance are paramount. I bring a multifaceted organizational skill set to the table, along with the ability to manage multi-million-dollar budgets, large projects, and data. I am comfortable in the driver's seat of organizations and excel in culture and people development.

SKILL SETS

- People management
- Conflict management
- Employee development
- Client relations
- Public relations
- ESRI/ArcGIS
- Hiring
- Communication
- Team Leadership
- MS Suite
- Culture development
- Training
- Data management
- Cross-functional leadership
- Diversity and Inclusion

EXPERIENCE

Aquatics Manager | *City of Covington* **January 2022 – Current**

- Lead and direct all aquatic staff consisting of 5 full-time and 60+ part-time members
- Develop, administer, and manage a \$1.9M budget, including grant management and reporting
- Create and update existing standard operating procedures and manage asset inventory lifespan
- Hire personnel, execute staff meetings, establish, and teach professional development
- Identify areas for improvement and work with key stakeholders to generate positive outcomes for the community
- Develop and maintain positive relationships with groups utilizing city services
- Create a supportive, dynamic, and healthy work environment for staff members to thrive in

Consultant | *Labosky LLC* **August 2019 - Current**

- Work as a project manager to help organizations restructure job descriptions, teams and processes for better effectiveness
- Create and implement goals, standards and procedures with executive leadership and drive accountability efforts
- Develop methods for assessment as it relates to productivity for current and future performance

Assistant Director | *River Way Ranch Camp* | *Sanger, CA* **May 2013 – August 2019**

- Lead and directed all camp leadership consisting of 5 managers and over 100 staff members
- Implemented and managed safety protocols camp wide to ensure individual participant safety and to manage liability
- Developed interviewing and hiring standards to recruit the right type of leaders and evaluated performance post hire

EDUCATION & COMMUNITY INVOLVEMENT

Master's Degree in Public Administration and Policy | *Boise State University* | *Boise, ID* **December 2021**

Bachelor of Arts in Communication | *Boise State University* | *Boise, ID* **August 2020**

Diversity and Inclusion Chair | *National Recreation and Parks Association, Aquatics* **August 2022 – October 2023**

Fellow | *Conservation Voters for Idaho* **January 2021 – August 2021**

- Part of the inaugural class for DEI within the organization
- Tasked to teach members of the community how to include diversity and inclusion within their spheres of influence
- Met with community leaders, CEO, legislators, and other government officials to drive visibility

Diversity, Equity, and Inclusion Chair | *USA Swimming* **October 2019 – October 2021**

Swim Coach | *Boise Swim Coach* **January 2015 – December 2021**

- Coached approx. 35 intermediate swimmers (ages 8 – 18) to develop a well-rounded approach to competition and their lives
- Led training on diversity, equity, and inclusion for the entire region and facilitated an open culture where all are included equally

**Term begin and end date is fixed and tied to the position and not the appointment date.*

Seattle Lesbian, Gay, Bisexual, Transgender and Queer Commission January 2025

Members: Pursuant to **SMC 3.14.920**, **all** members subject to City Council confirmation, 2-year terms, except the Get Engaged member who will serve a 1-year term pursuant to SMC 3.51.

- 8 City Council-appointed
- 9 Mayor-appointed

Roster: 4 Other Appointing Authority-appointed: Commission-appointed

*D	**G	RD	Position No.	Position Title	Name	Term Begin Date	Term End Date	Term #	Appointed By
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		3	3.	Member	Ry Armstrong	5/1/23	4/30/25	1	City Council
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		3	5.	Member	Jeremy Erdman	5/1/23	4/30/25	1	City Council
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			7.	Member	Kody Allen	11/1/23	10/31/25	1	Commission
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		4	9.	Member	Maha Roy	5/1/24	4/30/26	1	City Council
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SELF-IDENTIFIED DIVERSITY CHART				(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
	Men	Women	Transgender	Unknown	Asian	Black/ African American	Hispanic/ Latino	American Indian/ Alaska Native	Other	Caucasian/ Non- Hispanic	Pacific Islander	Middle Eastern	Multiracial
Mayor							1	1		1			
Council						1	3		2				
Comen							1				1		
Total													

Key:

- *D List the corresponding Diversity Chart number (1 through 9)
- **G List gender, M = Male, F = Female, T = Transgender, U = Unknown
- RD Residential Council District number 1 through 7 or N/A

Diversity information is self-identified and is voluntary.



Legislation Text


File #: Appt 03088, **Version:** 1

Appointment of Maha Roy as member, Seattle LGBTQ Commission, for a term to April 30, 2026.

The Appointment Packet is provided as an attachment.



City of Seattle Boards & Commissions Notice of Appointment

Appointee Name: <i>Maha Roy</i>		
Board/Commission Name: <i>Seattle LGBTQ Commission</i>		Position Title: <i>Member</i>
<input checked="" type="checkbox"/> Appointment OR <input type="checkbox"/> Reappointment	City Council Confirmation required? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Appointing Authority: <input checked="" type="checkbox"/> City Council <input type="checkbox"/> Mayor <input type="checkbox"/> Other: <i>Fill in appointing authority</i>	Term of Position: * 5/1/2024 to 4/30/2026 <input checked="" type="checkbox"/> <i>Serving remaining term of a vacant position</i>	
Residential Neighborhood: <i>University District</i>	Zip Code: <i>98105</i>	Contact Phone No.:
Background: <i>Maha Roy, born into a political family advocating for justice and equity in South Asia, has dedicated his life to advancing the rights of marginalized communities. With a history of impactful advocacy for tribal, minority, and persecuted groups, Maha has worked across state senates, international government relations, and the United Nations to promote transparency and inclusivity. As a member of the LGBTQ Commission, he aims to use his lived experience and advocacy expertise to create meaningful, systemic change. He hopes to advance policies that protect LGBTQ individuals from discrimination, promote equitable access to healthcare and housing, and foster community dialogue to challenge prejudice by amplifying the voices of vulnerable populations and bridging gaps between policymakers and those they serve.</i>		
Authorizing Signature (original signature):  Date Signed (appointed): 01/08/25	Appointing Signatory: <i>Councilmember Cathy Moore</i> <i>Seattle City Council</i>	

*Term begin and end date is fixed and tied to the position and not the appointment date.

Maha Roy

Dedicated and results-driven international human rights advocate with a proven track record of advancing social justice and humanitarian issues. Extensive experience in legislative processes, policy development, and political outreach across prominent platforms, including the Washington State Senate, the U.S. Congress, the United Nations, and the private sector.

PROFESSIONAL EXPERIENCE

INTERN | STATE SENATOR MANKA DHINGRA | OLYMPIA, WA | FEB 2023 – JUL 2024

- **Policy Development:** Spearheaded the creation of progressive policies, securing endorsements from over 200 stakeholders and delivering compelling pitches for 12 sponsored bills.
- **Advocacy:** Collaborated with key figures, including Washington Secretary of Transportation Roger Millar and Sen. Nguyen, to address transportation challenges for low-income families and students.
- **Research & Analysis:** Conducted thorough analysis of student transportation concerns for SB5174, integrating legislative feedback to enhance the bill's provisions.
- **Legislative Support:** Provided comprehensive policy research on local codes, motions, and financial implications, supporting initiatives in law enforcement, mental health, and survivor aid.

INDEPENDENT LOBBYIST | WASHINGTON STATE CAPITOL | OLYMPIA, WA | SEP 2022 – JUN 2024

- **Legislative Advocacy:** Championed the My Health, My Data Act, sharing personal narratives to secure support in over 10 senators' offices, and contributing to landmark legislation protecting women's health data.
- **Strategic Lobbying:** Successfully lobbied for 36 bills, executing strategic advocacy plans and fostering collaborations with stakeholders and advocacy groups.
- **Relationship Building:** Cultivated strong relationships with local and national legislators, advocating for immigration justice and human rights.
- **Team Leadership:** Fostered teamwork and inclusivity among diverse groups, promoting collaborative and inclusive policy development.

COMMUNICATION DIRECTOR | TRINAMOOOL YOUTH CONGRESS | WEST BENGAL, INDIA | JAN 2017 – JUL 2022

- **Tribal Liaison:** Bridged the gap between 246,000 underrepresented voices and government policymakers, advocating for equitable policies.
- **Community Coordination:** Partnered with community and religious leaders to advance peace and development initiatives.
- **Budget Management:** Oversaw a \$2 million budget, ensuring effective resource allocation and financial oversight.
- **Advocacy & Research:** Led research efforts to promote equity and justice amidst a dynamic political landscape.

FOUNDER/COO | RAINBOW YUVA | WEST BENGAL, INDIA | OCT 2018 – JUL 2022

- **Program Management:** Directed six annual advocacy programs against Indian Penal Code § 377, supporting LGBTIQ+ community rights.
- **Diplomatic Engagement:** Engaged in political dialogues with politicians and youth groups to drive policy changes.

**Term begin and end date is fixed and tied to the position and not the appointment date.*

- **Health Initiatives:** Established reproductive health programs for women farmers, fisherwomen, and human trafficking survivors.
- **Educational Advocacy:** Implemented educational programs promoting racial justice, political advocacy, and non-violence across 30 villages.

COMMUNITY FUNDRAISER | NALUAPARA COMMUNITY CENTER, INDIA | APR 2016 – MAR 2019

- **Donor Development:** Designed and executed donor plans, leading grassroots campaigns to secure donations.
- **Data Management:** Maintained comprehensive donor records to support strategic planning and fundraising efforts.
- **Grant Writing:** Authored successful grant applications, fundraising proposals, reports, and press releases.

INTERN | TRINAMOOL YOUTH CONGRESS | WEST BENGAL, INDIA | DEC 2014 – JUN 2016

- **Research & Policy:** Conducted research and drafted policy papers for political campaigns.
- **Legislative Communication:** Drafted constituent letters, legislation, and community communications.
- **Committee Involvement:** Attended committee hearings, contributing to legislative discussions.

EDUCATION

University of Washington, Bothell | OCT 2022 – JUN 2026

Bachelor of Arts in Law, Economics, and Public Policy | Minor: Human Rights

HUMAN RIGHTS ADVOCACY EXPERIENCE

- **United Nations:** Facilitated high-level discussions with US Ambassador Chris Lu and Nobel Peace Prize Laureates on global solutions to combat poverty, discrimination, and violence.
- **Washington State:** Engaged in continuous policy development discussions with Lt. Governor Denny Heck and State Treasurer Mike Pellicciotti to improve economic opportunities for marginalized communities.
- **International Labour Organisation & National Labor Union:** Moderated pivotal discussions with Kevin Cassidy and Kalpona Akhter, focusing on securing livable wages for women workers in Eastern Washington and Bangladeshi garment factories.
- **International Diplomacy:** Engage with ambassadors to address global humanitarian crises.

AWARDS AND RECOGNITIONS

- Indian Women's Olympic Association (2022) for Gender Equity
- WAC Global Human Rights Foundation and World Against Corruption People's Council (2021)
- Council for Media and Satellite Broadcasting, India (CMSB) (2020)
- Delgon Technologies (2020) for Promoting Education in Rural Areas

SKILLS

- Policy Analysis
- Public Speaking
- Project Management
- Coaching
- Political Outreach

**Term begin and end date is fixed and tied to the position and not the appointment date.*

Seattle Lesbian, Gay, Bisexual, Transgender and Queer Commission January 2025

Members: Pursuant to **SMC 3.14.920**, **all** members subject to City Council confirmation, 2-year terms, except the Get Engaged member who will serve a 1-year term pursuant to SMC 3.51.

- 8 City Council-appointed
- 9 Mayor-appointed

Roster: 4 Other Appointing Authority-appointed: Commission-appointed

*D	**G	RD	Position No.	Position Title	Name	Term Begin Date	Term End Date	Term #	Appointed By
		4	1.	Member	Jessa Gavrielle Davis	5/1/23	4/30/25	1	City Council
			2.	Member	VACANT	5/1/23	4/30/25	1	Mayor
		3	3.	Member	Ry Armstrong	5/1/23	4/30/25	1	City Council
		7	4.	Member	VACANT	5/1/23	4/30/25	1	Mayor
		3	5.	Member	Jeremy Erdman	5/1/23	4/30/25	1	City Council
			6.	Member	VACANT	11/1/23	10/31/25	1	Mayor
			7.	Member	Kody Allen	11/1/23	10/31/25	1	Commission
		6	8.	Member	Steven Pray	11/1/23	10/31/25	2	Mayor
		4	9.	Member	Maha Roy	5/1/24	4/30/26	1	City Council
			10.	Member	Jason Self	5/1/24	4/30/26	1	Mayor
		5	11.	Member	Theresa Smith	5/1/24	4/30/26	1	City Council
		3	12.	Member	Brett Pepowski	5/1/24	4/30/26	2	Mayor
		3	13.	Member	Landon Labosky	11/1/24	10/31/26	1	City Council
			14.	Member	Barry Fuentes	11/1/24	10/31/26	1	Mayor
		5	15.	Member	Christina Pizaña	11/1/23	10/31/25	1	City Council
			16.	Get Engaged	Scott Beck	9/1/24	8/31/25	1	Mayor
			17.	Member	Ashley E. Ford	5/1/24	4/30/26	1	City Council
			18.	Member	VACANT	11/1/23	10/31/25	1	Mayor
			19.	Member	Chris Curia	11/1/23	10/31/25	1	Commission
		3	20.	Member	Andrew Ashiofu	5/1/24	4/30/26	2	Commission
		7	21.	Member	Amari Leach	5/1/24	4/30/26	1	Commission

SELF-IDENTIFIED DIVERSITY CHART					(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Men	Women	Transgender	Unknown	Asian	Black/ African American	Hispanic/ Latino	American Indian/ Alaska Native	Other	Caucasian/ Non- Hispanic	Pacific Islander	Middle Eastern	Multiracial
Mayor							1	1		1			
Council						1	3		2				
Comen							1				1		
Total													

Key:

- *D List the corresponding Diversity Chart number (1 through 9)
- **G List gender, M = Male, F = Female, T = Transgender, U = Unknown
- RD Residential Council District number 1 through 7 or N/A

Diversity information is self-identified and is voluntary.



Legislation Text


File #: Appt 03089, **Version:** 1

Appointment of Theresa Smith as member, Seattle LGBTQ Commission, for a term to April 30, 2026.

The Appointment Packet is provided as an attachment.



City of Seattle Boards & Commissions Notice of Appointment

Appointee Name: <i>Theresa Smith</i>		
Board/Commission Name: <i>Seattle LGBTQ Commission</i>		Position Title: <i>Member</i>
<input checked="" type="checkbox"/> Appointment OR <input type="checkbox"/> Reappointment	City Council Confirmation required? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Appointing Authority: <input checked="" type="checkbox"/> City Council <input type="checkbox"/> Mayor <input type="checkbox"/> Other: <i>Fill in appointing authority</i>	Term of Position: * 5/1/2024 to 4/30/2026 <input checked="" type="checkbox"/> <i>Serving remaining term of a vacant position</i>	
Residential Neighborhood: <i>Northgate</i>	Zip Code: <i>98125</i>	Contact Phone No.:
Background: <i>Theresa is a queer philanthropy professional with more than 30 years' experience attracting financial and human resources toward mission-driven nonprofits. She brings a passion for strategic planning and building organizational architecture that centers lived experiences. She sits on the boards of Camp Ten Trees and Teen Feed. Her expertise and experience intersect with the thorniest issues facing Seattle. The stage was set for her future activism and advocacy during the emergence of the HIV/AIDS epidemic in the eighties.</i>		
Authorizing Signature (original signature):  Date Signed (appointed): 01/08/25	Appointing Signatory: <i>Councilmember Cathy Moore</i> <i>Seattle City Council</i>	

*Term begin and end date is fixed and tied to the position and not the appointment date.

THERESA SMITH

SUMMARY Excellent Written and Oral Communication.
Expert in Strategic Thinking and Facilitation of Alignment.
Strong Collaboration with Internal and External Stakeholders.
Ability to Create and Understand Budgets and Financial Reporting.
Proven Production of Results in Resource Development.
Experience in Donor and Grantmaker Databases and Database Management.
Proficient in Research, Analysis, and Application of New Material to Existing Projects.

EXPERIENCE **EVERGREEN BUSINESS CAPITAL COMMUNITY FINANCE SEATTLE, WA.** **2018 - PRESENT**
VICE PRESIDENT AND CDFI PROGRAMS MANAGER

- Responsible for meeting CDFI impact goals.
- Responsible for city, county, state, and federal proposals/RFPs.
- Responsible for developing impact capital.
- Responsible for managing city, state, and federal funding for CDFI lending.
- Responsible for evaluation and reporting on all existing sources of revenue.
- Responsible for development and implementation of new product initiatives.
- Responsible for managing CDFI staff to deliverables.
- Member of the Executive Management Team.

CARSON HARPER, SEATTLE, WA **2014 - 2018**
PRINCIPAL RESOURCE DEVELOPER

- Developed grantsmanship programs for 15 agencies.
- Developed sustainability programs with diversified revenue streams for 12 nonprofits.
- Provided oversight for brand integration and usage for 5 agencies.
- Led 4 agencies through the start-up phase of fundraising and board development.

Key clients: Bright New Day, Boys & Girls Clubs of Snohomish County, Cancer Pathways, Capitol Hill Housing Foundation, Chinese Information and Service Center, Community for Youth, Community Schools Collaboration, Friends of Renton Schools, Highline School District, Naselle – Grays River Valley School District, Northwest Folklife, Path with Art, PONCHO, Refugee Women’s Alliance, Team Survivor Northwest, Teen Feed, Tukwila School District, Vancouver Public Schools, Vashon Youth and Family Services, and Washington Coalition of Sexual Assault Programs.

CHILDREN’S INSTITUTE, MERCER ISLAND, WA.
DEPUTY DIRECTOR **2009 – 2011**
DIRECTOR OF ORGANIZATIONAL DEVELOPMENT **2008 – 2009**
RESOURCE DEVELOPMENT CONSULTANT (CONTRACT) **2006 – 2008**

- Initially hired as resource development consultant focused on grantsmanship with an emphasis on gap analysis, systems design and cultivating philanthropy resources.
- Hired as full-time senior staff to lead organizational development.
- Promoted to Deputy Director responsible for overseeing the Development, Finance, Human Resources, and IT departments.

*Term begin and end date is fixed and tied to the position and not the appointment date.

- Served as Interim Executive Director for three months during Executive Director's bereavement leave including building approved budget for the next annual budget. Responsible for 50+ employees as Interim Executive Director including administration staff, K-12 teaching staff, and clinical providers.

VOLUTE, INC., SEATTLE, WA.

1998-2004

CO-OWNER, PRESIDENT, SENIOR CONSULTANT

- Led organizational development strategies for 6 start-up nonprofits.
- Developed grantsmanship programs for 27 agencies.
- Provided board training and development for 16 agencies.
- Hired, managed, motivated, empowered and evaluated staff and contractors.

Key clients: Blueprint Research and Design, Boomtown Café, Centerstone, Chaya, Encompass, George Pocock Rowing Foundation, Giddens School, OneAmerica, L'Arche Noah Sealth, Multifith Works, Multiple Sclerosis Association, The Packard Center for ALS Research at Johns Hopkins University, Pacific Northwest Ballet – Second Stage Program, Polyclinic Community Health Foundation, Samaritan Center of Puget Sound, Seattle Girls' School, Seattle Treatment Education Project, Society of Counsel Representing Accused Persons, Technology Access Foundation, Tukwila Community Schools Collaboration, Washington State Court Appointed Special Advocates, among others.

INDEPENDENT CONSULTANT, SEATTLE, WA.

1995 - 1998

- Provided fundraising, outreach, communications, and marketing support to nonprofits.
- Served on team for Executive Director search and onboarding for 5 organizations.
- Provided board training and development to support succession planning.

Key clients: Washington Works, Apprenticeship and Nontraditional Employment for Women, Seattle Jobs Initiative, Seattle Community for Youth at Risk, The Children's Project and the Washington State Child Care Resource and Referral Network, among others.

WASHINGTON WORKS, SEATTLE, WA.

1992 – 1995

CO-FOUNDER, DEVELOPMENT DIRECTOR

- Developed resources for a nationally recognized nonprofit welfare-to-work program.
- Researched, designed, and developed a model that served 200+ women per year to secure the life skills, training and job search support they needed to earn a living wage.
- Directed fundraising, volunteer programs, agency-wide brand management and external communications.

**Term begin and end date is fixed and tied to the position and not the appointment date.*

Seattle Lesbian, Gay, Bisexual, Transgender and Queer Commission January 2025

Members: Pursuant to **SMC 3.14.920**, **all** members subject to City Council confirmation, 2-year terms, except the Get Engaged member who will serve a 1-year term pursuant to SMC 3.51.

- 8 City Council-appointed
- 9 Mayor-appointed

Roster: 4 Other Appointing Authority-appointed: Commission-appointed

*D	**G	RD	Position No.	Position Title	Name	Term Begin Date	Term End Date	Term #	Appointed By
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SELF-IDENTIFIED DIVERSITY CHART					(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Men	Women	Transgender	Unknown	Asian	Black/ African American	Hispanic/ Latino	American Indian/ Alaska Native	Other	Caucasian/ Non- Hispanic	Pacific Islander	Middle Eastern	Multiracial
Mayor							1	1		1			
Council						1	3		2				
Comen							1				1		
Total													

Key:

- *D List the corresponding Diversity Chart number (1 through 9)
- **G List gender, M = Male, F = Female, T = Transgender, U = Unknown
- RD Residential Council District number 1 through 7 or N/A

Diversity information is self-identified and is voluntary.



Legislation Text


File #: Appt 03091, **Version:** 1

Appointment of Bianca Gallegos as member, Seattle Disability Commission, for a term to October 31, 2026.

The Appointment Packet is provided as an attachment.



City of Seattle Boards & Commissions Notice of Appointment

Appointee Name: <i>Bianca Gallegos</i>		
Board/Commission Name: <i>Seattle Disability Commission</i>		Position Title: <i>Member</i>
<input checked="" type="checkbox"/> Appointment OR <input type="checkbox"/> Reappointment	City Council Confirmation required? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Appointing Authority: <input checked="" type="checkbox"/> City Council <input type="checkbox"/> Mayor <input type="checkbox"/> Other: <i>Fill in appointing authority</i>	Term of Position: * 11/1/2024 to 10/31/2026 <input checked="" type="checkbox"/> <i>Serving remaining term of a vacant position</i>	
Residential Neighborhood: <i>Downtown Seattle</i>	Zip Code: <i>98104</i>	Contact Phone No.:
Background: <i>Bianca Gallegos currently serves as Labor organizer in making newly unionized workers inclusive of people with disabilities. She has most recently been a Criminal Justice and Mental Health Ambassador for the most chronically and systemically marginalized community members living in California. She has enjoyed co-chairing for a subcommittee for Los Angeles County Department of Mental Health and know this too will be a great place where she can be of service to the City of Seattle. As a commissioner she hopes to continue building relationships with other professionals in the disability space who equally care about making every space in our community more accessible and inclusive.</i>		
Authorizing Signature (original signature):  Date Signed (appointed): 01/08/25	Appointing Signatory: <i>Councilmember Cathy Moore</i> <i>Seattle City Council</i>	

*Term begin and end date is fixed and tied to the position and not the appointment date.

Bianca Gallegos

Relevant Work Experience

Labor Organizer, SEIU Healthcare Union/ Property Services
November 2023 to Present
Seattle, WA

- Organized 1k hospital workers to join the healthcare union including behavioral health workers.
- Organizing Airport workers in SeaTac just in time for influx of tourist visiting for the FIFA games.
- Organizing 550 Stadium workers at Lumen Stadium.
- Utilized VAN software to keep track of data on each of our workers during GOTV.
- Created digital charts and paper charts to keep track of data on union support from all workers.
- Translated scripts, notes, and conversations for monolingual Spanish speakers for campaigns.
- On a daily basis, had 1:1 conversation with health workers on improving working conditions.

Organizer, Latin Mental Health Task Force
July 2023 to Present
Los Angeles County Department of Mental Health

- Introduced the Mental Health for Latinos Act of 2023 in collaboration with California Senator Alex Padilla and local level government entities focused in centering the wellbeing of Latinos. The 1-million-dollar Bill will provide for a behavioral and mental outreach and education strategy to reduce stigma associated with mental health among the Hispanic and Latino population, and for other purposes.
- Currently in the beginning stages of identifying organizations with a Latino/a focus throughout LA County who will benefit from the yearly 400 million Mental Health Services Act Funding the Los Angeles County Department of Mental Health distributes.

Campaign Member, Kenneth Mejia for City Controller
2022 to November 2022
Los Angeles, CA

August

- Knocked on doors to inform the community about Kenneth Mejia running for city controller for the city of Los Angeles, becoming the lead if not, the only Spanish speaking campaign member.
- Canvassed throughout the city in collaboration with other progressive members who were also running for public office.
- Took part in a grassroots political campaign where the candidate did not take any corporate donations.

**Term begin and end date is fixed and tied to the position and not the appointment date.*

- Translated the message Kenneth Mejia had for his voters into Spanish to help increase voter turnout among the Latin population.
- Leveraged my connections to the press, and experience working as a newspaper journalist to communicate with political reporters.

Shop Steward, Pavilions West Hollywood Store—UFCW 770
 May 2021 to July 2022
 Los Angeles, CA

- Leveraged my union member status while hired for the most profitable corporate food market in the nation to organize my co-workers. Had our Pavilion store members sign the petition for our 5 requests for a better contract.
- Took part in the first Food Contract Campaign 2022 rally in Albertsons Crenshaw that set off 6 additional organized protests in front of stores.
- Increased UFCW 770 union membership at the Pavilions West Hollywood store union membership by targeting the new hires.
- Organized social media campaigns such as the “Do Better Pavilions” button. A button labor workers worn in solidarity to show support for a better contract.
- Kept my co-workers abreast on the latest developments at the bargaining table through quick highlights.
- Made a public statement before the Mental Health Commission Board on the negative effects it had of store closures on workers who got displaced at the peak of the COVID-19 pandemic.

Contract Action Team, United Corporate Food Workers 770 January 2022 to July 2022
 Los Angeles, CA

- Bargained for a historic contract for the 31,000 members strong Southern California Corporate Food Workers.
- Made historic gains in wages, safety, healthcare, and protecting pension by sitting at the bargaining table with corporate leaders from Vons, Albertsons, and Ralphs stores.
- I was a zealous advocate for my peer’s mental health wellbeing during a traumatic COVID-19 pandemic through collective action—and government—legislative and political action.
- Uprooted structural racism by advocating for representation of marginalized groups, as identified by the Los Angeles County Department of Mental Health, to be present at the bargaining table.
- Foster relationships with high level leaders in progressive organizations to continue to support the work the Contract Action Team will continue for the upcoming 2025 contract re-negotiations.

Campaign Member, Keep Our Ralphs Stores Open
 March 2021 to Pause
 Los Angeles, CA

**Term begin and end date is fixed and tied to the position and not the appointment date.*

- As the only Spanish speaking advocate, I talked to the Latin press on the consequences Kroger will have on the community if the closure of 3 LA-area stores takes place in retaliation to the LA City hazard pay mandate.
- Through fact-based rhetoric, I influenced the Latin community to support a social determinant of health causes intersection the low wage workers, immigrant workers, and the LGBT community.
- Anti-store closure advocate, and Ralphs worker became homeless due to the closure of her store during the middle of the pandemic.
- I advocated for the homeless and former Ralphs worker who at one point ended up in the psychiatric hospital. This is was an example of micro advocacy versus larger scale coalition type.
- UFCW 770 advocacy efforts caught the attention of Santa Monica Mayor and Civil Rights lawyer and is interested in collaborating with UFCW on creating policy around store closures.

Campaign Member, Hazard Pay for Essential Workers
2021 to March 2021
West Hollywood, CA

February

- Successfully advocated in favor of the \$5 dollar Pandemic Hazard Pay for the city of West Hollywood.
- Increased minimum wage pay to \$19.08 from \$14.60 in the city of West Hollywood through coalition work.
- Successfully made West Hollywood the highest minimum wage pay City in the nation.
- Won the OUTreach scholarship for my successful advocacy work for the LGBT community.
- to attend the National New Orleans conference to learn about ways we can continue to mobilize for social justice issues affecting the LGBT community.
- Advocated for the LGBT and immigrant community at mental health commission meetings due to the high volume of LGBT and immigrant food workers at my store.

Mental Health Ambassador, CalVoices ACCESS
September 2018 to Present
Los Angeles, CA

- Conduct county and state level advocacy, representing the collective interests of clients receiving public mental health services in California interested in changing policy.
- Organize with advocates and engage in grassroots advocacy and civic engagement.
- As an ambassador I serve as an advocate for the funding of and support of mental health programs already established through proposition 63 passed in 2004.
- I stay current on services and policy changes related to mental health in the state.
- Comply with ongoing training to stay current on the ongoing changing needs of the mental health community.

**Term begin and end date is fixed and tied to the position and not the appointment date.*

- Contracted with the Council on Criminal Justice and Behavioral Health for advocacy purposes and to give input on how to develop policies in California that will actually rehabilitate the mental health community and not expand incarceration systems.

Co-Chair Latino Underserved Cultural Communities, LACDMH February
2020 to February 2022
LA County, California

- Secured a one-time 30 million FEMA grant during the COVID-19 pandemic to help curve suicide rates in the Latin community.
- Provide Community-Driven and Culturally specific capacity building project recommendations to the Los Angeles County Department of Mental Health and/or project concepts for implementation to increase mental health access, awareness, promotion, and decrease stigma with the ultimate goal to reduce cultural and ethnic disparities in access to care and service delivery.
- The Latino UsCC subcommittee was established under the Mental Health Services Act for the purpose of increasing mental health access and to produce stakeholder priorities which will advise DMH's action planning toward development and improvement of its services and partnerships to better engage underserved, marginalized, cultural and ethnic communities in Los Angeles County.
- Lead monthly meetings with all other identified chronically marginalized group leaders to share the latest trends.

Medical Scribe Ophthalmology, UCLA July
2012 to June 2019
Los Angeles, California

- Interview the patient in-person for the purpose of properly recording a complete medical, and surgical history.
- As an Epic Super User, I assisted with launching the electronic medical record system in the department of Ophthalmology at UCLA. Provided at-the-elbow support for users within the practice.
- Identify glitches with the new electronic medical system, deal effectively with people and elicit support from other department areas, vendors, and customers.

AmeriCorps Member - YPI Domestic Service September 2009 to
September 2010
Los Angeles, California

- Mentored at risk students at a mental health facility. I was their peer with lived experience. Taught the students how to apply for college and showed them a better life.
- Tutored 2nd grade students at Pacoima with reading comprehension.
- Had extensive training on how to create a lesson plan and be an effective tutor.
- I assisted YPI as a volunteer at their Saturday family health fairs.
- Tutored AVID Middle School students in Algebra and Pre-Algebra.
- Updated counselors and staff on behavioral changes or barriers the students I worked with was facing.
- Advocated for a student trying to meet the judge's orders to get off house arrest.

**Term begin and end date is fixed and tied to the position and not the appointment date.*

Journalist, Los Angeles Times-La Canada Valley Sun
2006 to July 2007
La Canada, CA

March

- Covered City Council meetings and political events. I informed the community on happenings in the neighborhood.
- Interviewed people of all age groups for news to help advocate their needs, or share their accomplishments.
- Wrote about high-profile fundraising events. Managed high profile visual projects such as the Pasadena Rose Parade.
- Wrote about community events such as free events hosted and funded by city council.

Journalist, Napa Valley Register Newspaper
October 2005 to January 2006
Napa Valley, CA

- General assignment reporter. On deadline wrote about the historic Napa Valley floods and how it disproportionately affected the Latin community.
- Wrote the first story on Napa Valley's Latino Chamber of Commerce.
- Served as a voice for charter schools that had to be shut down due to the historical floods.
- Gained knowledge on laws, regulations related to confidentiality.

State Senate Intern, State Senator Jack Scott 21st District
2002 to September 2005
Pasadena, CA

July

- Took part in outreach and engagement activities. Participated in outreach fairs with district representatives.
- Wrote, translated, & interpreted materials for the Spanish Speaking Latino communities. Executed clerical duties.
- Was exposed to legislation, and gained first-hand experience in public service.
- Organized fundraising events from concept to action with Field Organizers.
- Tabled at LGBTQ events and Latino/a events with Field Organizers to increase voter contact.

Education and Relevant Training

2020-2021 **The Coelho Center for Disability Law, Policy and Innovation**
Los Angeles, CA

- One-week summer intensive disability rights law course.
- One-year meeting discussions on laws pertaining to disabilities.
- Attend yearly Alumni conference with legal workshops.

2006-2012 **California State University Northridge**
Northridge, CA

Major: Journalism

Minor: Spanish Language Media

Multimedia Projects

2022 **Pescetarian.org** is one of my favorite multimedia hobbies where I get to review fish-based restaurants.

It also serves as a space to discuss how Critical Environmental Justice intersects the food industry.

2022 **ReportsSocialCredit.com** is Critical Race Justice website. I use it as a space to write about the racial disparities in mental health services, and criminal system spaces.

Professional Associations

2021-Present **Diversity Equity & Inclusion Committee Member** at The Journalism Association & Women Symposium. We developed diverse programming for our yearly women conference for women journalist and advocates.

2021-Present **Run-Women-Run**. Inspires, recruits, trains, and supports pro-choice women for elected and appointed office.

2021- Present **Los Angeles County Anti-Racism, Diversity, and Inclusion (ARDI)**. A government funded organization and space to continue policy changes on more long-term systemic changes that need to be made such as the low wages among the BIPOC community, unfair treatment of undocumented workers at food markets, and the effects of store closures during the pandemic.

**Term begin and end date is fixed and tied to the position and not the appointment date.*

Seattle Disability Commission

January 2025

21 Members: Pursuant to SMC 3.14.920, all members subject to City Council confirmation, 2-year terms except for the Get Engaged member who will serve a 1-year term pursuant to SMC 3.51:

- 8 City Council-appointed
- 9 Mayor-appointed (includes 1 Get-engaged Mayor position)
- 4 Other Appointing Authority-appointed (specify): Commission-appointed

Roster:

*D	**G	RD	Position No.	Position Title	Name	Term Begin Date	Term End Date	Term #	Appointed By
			1.	Member	VACANT	5/01/23	4/30/25	1	Mayor
			2.	Member	VACANT	5/01/23	4/30/25	1	City Council
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			10.	Member	VACANT	5/01/24	4/30/26	1	Mayor
			11.	Member	VACANT	5/01/24	4/30/26	1	City Council
	F		12.	Member	Jacqueline Peguero	5/01/24	4/30/26	1	Mayor
3	F	7	13.	Member	Bianca Gallegos	11/1/24	10/31/26	1	City Council
			14.	Member	VACANT	11/1/24	10/31/26	1	Mayor
6	F	7	15.	Member	Jessica Jensen	11/1/24	10/31/26	1	City Council
			16.	Get Engaged	VACANT	9/1/24	8/31/25	1	Mayor
1	F	4	17.	Member	Jessica Lo	5/01/24	4/30/26	2	City Council
			18.	Member	VACANT	11/1/24	10/31/26	1	Mayor
6	F	7	19.	Member	Shelby Dey	5/01/24	4/30/26	2	Commission
			20.	Member	VACANT	11/1/24	10/31/26	1	Commission
6	F	1	21.	Member	Kaitlin Skilton	11/1/24	10/31/26	3	Commission

SELF-IDENTIFIED DIVERSITY CHART

	(1)		(2)		(3)		(4)		(5)		(6)		(7)		(8)		(9)	
	Male	Female	Transgender	NB/O/U	Asian	Black/African American	Hispanic / Latino	American Indian/Alaska Native	Other	Caucasian/Non-Hispanic	Pacific Islander	Middle Eastern	Multiracial					
Mayor		1																
Council		3			1													
Other		2								2								
Total		6			1					2								

Key:

*D List the corresponding Diversity Chart number (1 through 9)

**G List gender, M= Male, F= Female, T= Transgender, NB= Non-Binary O= Other U= Unknown

RD Residential Council District number 1 through 7 or N/A

Diversity information is self-identified and is voluntary.



Legislation Text


File #: Appt 03092, **Version:** 1

Appointment of Jessica Jensen as member, Seattle Disability Commission, for a term to October 31, 2026.

The Appointment Packet is provided as an attachment.



City of Seattle Boards & Commissions Notice of Appointment

Appointee Name: <i>Jessica Jensen</i>		
Board/Commission Name: <i>Seattle Disability Commission</i>		Position Title: <i>Member</i>
<input checked="" type="checkbox"/> Appointment OR <input type="checkbox"/> Reappointment	City Council Confirmation required? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Appointing Authority: <input checked="" type="checkbox"/> City Council <input type="checkbox"/> Mayor <input type="checkbox"/> Other: <i>Fill in appointing authority</i>	Term of Position: * 11/1/2024 to 10/31/2026 <input checked="" type="checkbox"/> <i>Serving remaining term of a vacant position</i>	
Residential Neighborhood: <i>Downtown Seattle</i>	Zip Code: <i>98109</i>	Contact Phone No.:
Background: <i>Jessica Jensen has had the opportunity to live, work, travel, and volunteer abroad, serving LGBTQIA+ communities, supporting youth development and education programs, and interacting with diverse communities. With an MA in Educational/Developmental Psychology, her focus was on the development of the individual and on mental health conditions, sometimes called "invisible disabilities". With her range of experience, she would like to focus on the intersectionality of marginalization, understanding that there are many factors and contributors to this marginalization. As a commissioner, she would focus on connecting to communities in Seattle with disabled populations, highlighting their voices and advocating for the changes they need. With her connections in the blind community and neurodiverse community, she would call upon those connections while reaching out to other communities to ensure diverse voices and representation.</i>		
Authorizing Signature (original signature):  Date Signed (appointed): 01/08/25		Appointing Signatory: <i>Councilmember Cathy Moore</i> <i>Seattle City Council</i>

*Term begin and end date is fixed and tied to the position and not the appointment date.

JESSICA JENSEN (JJ)

PROFILE

An experienced administrative professional looking to utilize strong communication, organizational, and cross-cultural skills in a remote working environment at an organization that aligns with personal values.

EXPERIENCE

ADMINISTRATIVE ASSISTANT

Washington Talking Book & Braille Library / 2023- Present

- Act as credit card custodian, reconciling purchases, creating POs for purchases, managing supply orders and purchase accounts, and overseeing supply needs
- Receive, process, log, and deposit all donations, and prepare acknowledgment letters for signature and mailing, track donor information and enter data and financial records into multiple databases; participate in planning and implementation of fundraising campaigns including taking the lead on annual Give Big fundraising campaign
- Monitor building maintenance contracts and key vendors, communicate with vendors, schedule maintenance/ repairs, monitor building contract status and renewal needs, and create POs for vendor payments
- Act as the travel expert, review and submit travel reimbursements in TEMS system, assist staff and PAC members by making travel arrangements including flights, hotel, and rental cars
- Use Enterprise Systems for monthly budget monitoring and entering of expenditures on QBR spreadsheets, run reports and verifying expenditures and vendor reports for tracking and projection purposes
- Act as Assistant Treasurer for 9th & Lenora Condominium Owner's Association and do monthly monitoring of Condo related contracts and vendors and monthly balance sheet, prepare treasures report
- Manage the publication of the WTBBL quarterly newsletter, Reading Matters, and work with the director and the outreach librarian through the process of finalizing each issue, propose ideas for creative content to keep issues fresh
- Supervise the WTBBL Receptionist and continue to develop a welcoming and safe public space
- Act as primary IT response for technical problems that arise before contacting State IT staff

**Term begin and end date is fixed and tied to the position and not the appointment date.*

JESSICA JENSEN (JJ)

EXPERIENCE CONTINUED

ENGLISH LANGUAGE INSTRUCTOR YBM Korea / 2018-2019; 2020-2023

- Youth leadership, support, and education in the classroom, including online and in-person classes
- Curriculum development, implementation, and facilitation
- Train new instructors, create progress checks and bi-annual learning goals for students in the classroom and at the grade level
- Communicate with parents and instructors of varying levels of English comprehension
- Maintain classroom inventory, create supply orders, act as technical support for IT problems that arise

VOLUNTEERING

- Lambert House LGBTQIA+ Youth Center: Drop-In Center Volunteer (2024)
- ThriveSeed India: English Curriculum Developer (2019)
- Re-Thinking Community: Online Content Creator (2021-2023)
- Gold Ribbon Rescue: Foster Care and Intake Evaluator (2009-2015)

SKILLS

- Korean Proficiency
- Event Management
- Community Engagement
- Training
- Outreach Projects
- MOS Certification
- Raiser's Edge Trainings
- Content Creation

EDUCATION

MA EDUCATIONAL PSYCHOLOGY
Summa Cum Laude

BA ENGLISH
Magna Cum Laude

**Term begin and end date is fixed and tied to the position and not the appointment date.*

Seattle Disability Commission

January 2025

21 Members: Pursuant to SMC 3.14.920, all members subject to City Council confirmation, 2-year terms except for the Get Engaged member who will serve a 1-year term pursuant to SMC 3.51:

- 8 City Council-appointed
- 9 Mayor-appointed (includes 1 Get-engaged Mayor position)
- 4 Other Appointing Authority-appointed (specify): Commission-appointed

Roster:

*D	**G	RD	Position No.	Position Title	Name	Term Begin Date	Term End Date	Term #	Appointed By
			1.	Member	VACANT	5/01/23	4/30/25	1	Mayor
			2.	Member	VACANT	5/01/23	4/30/25	1	City Council
			3.	Member	VACANT	5/01/23	4/30/25	1	Mayor
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			11.	Member	VACANT	5/01/24	4/30/26	1	City Council
	F		12.	Member	Jacqueline Peguero	5/01/24	4/30/26	1	Mayor
3	F	7	13.	Member	Bianca Gallegos	11/1/24	10/31/26	1	City Council
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			20.	Member	VACANT	11/1/24	10/31/26	1	Commission
6	F	1	21.	Member	Kaitlin Skilton	11/1/24	10/31/26	3	Commission

SELF-IDENTIFIED DIVERSITY CHART

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RD Residential Council District number 1 through 7 or N/A

Diversity information is self-identified and is voluntary.



Legislation Text

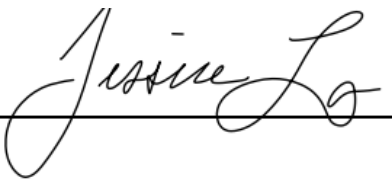
File #: Appt 03093, **Version:** 1

Reappointment of Kaitlin Skilton as member, Seattle Disability Commission, for a term to October 31, 2026.

The Appointment Packet is provided as an attachment.



City of Seattle Boards & Commissions Notice of Appointment

Appointee Name: <i>Kaitlin Skilton</i>		
Board/Commission Name: <i>Seattle Disability Commission</i>		Position Title: <i>Member</i>
<input type="checkbox"/> Appointment OR <input checked="" type="checkbox"/> Reappointment		Council Confirmation required? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Appointing Authority: <input type="checkbox"/> Council <input type="checkbox"/> Mayor <input checked="" type="checkbox"/> Other: Commission	Date Appointed:	Term of Position: * 11/1/2024 to 10/31/2026 <input type="checkbox"/> <i>Serving remaining term of a vacant position</i>
Residential Neighborhood: <i>West Seattle</i>	Zip Code: <i>98126</i>	Contact Phone No.:
Background: <i>Kaitlin Skilton is known for being the prior titleholder for Ms. Wheelchair Washington-America and has worked with RAW Artists Seattle in numerous showcases. She has served on the Seattle Disability Commission since 2020 and as an interim co-chair in 2022. Kaitlin is a true advocate for accessibility and safety for the disabled community. She looks forward to volunteering an additional term with her fellow commissioners focusing on transportation accessibility. In her free time, Kaitlin enjoys photography.</i>		
Authorizing Signature (original signature):  Date Signed (appointed): 11-28-24		Appointing Signatory: <i>Jessica Lo,</i> <i>Seattle Disability Commission, Co-Chair</i>

**Term begin and end date is fixed and tied to the position and not the appointment date.*

Kaitlin Skilton

Seattle, WA

Education:

South Seattle College
Seattle, WA 98106

Careerlink High School
Seattle, WA 98106

Work Experience:

In Home Nanny
Cindy Sandino Chang

Duties: assistance with bathroom needs, Children's laundry when needed, meal prep, arranging indoor/outdoor activities, occasionally walking to the park, Help with homework, Light housekeeping

Volunteer experience:

City of Seattle, Seattle Disability Commissioner since 2020
Volunteer Teaching Assistant
Bayview Learning Center

Duties: monitoring activities, assist children when needed, hanging/laminating artwork, reading to/with children, guiding activities while the teacher is otherwise occupied, acts as an extra eye for teachers so that they may complete paperwork

Activities:

Ms. Wheelchair Washington
Photography
Seattle adaptive sports
Office mom's and dad's

Seattle Disability Commission

January 2025

21 Members: Pursuant to SMC 3.14.920, all members subject to City Council confirmation, 2-year terms except for the Get Engaged member who will serve a 1-year term pursuant to SMC 3.51:

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			20.	Member	VACANT	11/1/24	10/31/26	1	Commission
6	F	1	21.	Member	Kaitlin Skilton	11/1/24	10/31/26	3	Commission

SELF-IDENTIFIED DIVERSITY CHART

	(1)		(2)		(3)		(4)		(5)		(6)		(7)		(8)		(9)	
	Male	Female	Transgender	NB/O/U	Asian	Black/African American	Hispanic / Latino	American Indian/Alaska Native	Other	Caucasian/Non-Hispanic	Pacific Islander	Middle Eastern	Multiracial					
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RD Residential Council District number 1 through 7 or N/A

Diversity information is self-identified and is voluntary.



Legislation Text

File #: CB 120943, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the Multifamily Housing Property Tax Exemption Program; allowing partial property tax exemptions for commercial to multifamily housing conversion projects; allowing the property tax exemption period to be extended to 24 years for properties with Multifamily Housing Property Tax Exemption expiring end of 2025; changing the MFTE Program’s sunset date to September 10, 2025; and amending Sections 5.73.010, 5.73.020, 5.73.040, 5.73.050, 5.73.070, 5.73.090, and 5.73.120 of the Seattle Municipal Code.

WHEREAS, chapter 84.14 RCW authorizes local jurisdictions to provide 12-year (or 24-year if extended at initial expiration) multifamily property tax exemptions if, at a minimum, the owner agrees to meet the locally adopted affordability requirements for new projects, consistent with chapter 84.14 RCW, as applicable at the time of application for an exemption; and

WHEREAS, Chapter 5.73 of the Seattle Municipal Code, 2004 Multifamily Housing Property Tax Exemption Program (“MFTE Program” or “MFTE”), was adopted by Ordinance 121415 and amended by Ordinances 121700, 121915, 122730, 123550, 123727, 124724, 124877, 124919, 125932, 126278, 126392, 126443, 126792, 127016, 127084, 127108, and 127145; and

WHEREAS, unless extended by the City Council by ordinance, the MFTE Program sunsets on March 31, 2025; and

WHEREAS, using MFTE to help encourage the conversion of commercial buildings to multifamily housing will provide additional housing opportunities, including affordable housing, in Seattle; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 5.73.010 of the Seattle Municipal Code, last amended by Ordinance 126443, is amended as follows:

5.73.010 Purpose

The purpose of this Chapter 5.73 is to increase ~~((and maintain))~~ affordable multifamily housing opportunities ~~((in new and existing multifamily housing, including through rehabilitation of vacant buildings, within the city of))~~ , both through new construction and conversion of commercial buildings, for households who cannot afford market-rate housing in Seattle. To achieve these purposes, this Chapter 5.73 provides for special valuations of eligible improvements in ~~((areas zoned for multifamily developments))~~ designated residential target areas. In addition to increasing ~~((affordable))~~ the supply and affordability of housing, this Chapter 5.73 seeks to affirmatively further fair housing as Seattle grows. Chapter 5.73 is intended to and should be interpreted and construed to comply with chapter 84.14 RCW.

Section 2. Section 5.73.020 of the Seattle Municipal Code, last amended by Ordinance 127108, is amended as follows:

5.73.020 Definitions

* * *

"Multifamily housing" means ~~((the))~~ residential ~~((uses in a))~~ improvements in a project that is either new construction of multifamily housing or conversion of a commercial structure to multifamily housing and that may be eligible for a property tax exemption according to this Chapter 5.73. Multifamily housing must be either multifamily rental housing or multifamily ownership housing.

* * *

~~(("Rehabilitation improvements" means the creation of at least four net new residential units through either: (1) substantial improvements to a building that fails to comply with one or more applicable Seattle Building Code standards according to Title 22, the residential portion of which has been vacant for at least 24 months prior to issuance of the first building permit; or (2) substantial improvements to a building that contains~~

~~occupied residential units, provided the project causes no "displacement" as defined in subsection 22.210.030.E.))~~

* * *

~~((**"Substantial compliance"** means compliance with Title 22 building and construction codes applicable to rehabilitation improvements.~~

~~**"Substantial improvement"** is defined according to the Seattle Existing Building Code, Chapter 2.))~~

Section 3. Section 5.73.040 of the Seattle Municipal Code, last amended by Ordinance 126443, is amended as follows:

5.73.040 Eligibility

A. Eligibility of multifamily housing for exemption from property taxation is conditioned on compliance with this Chapter 5.73, including applicable requirements of this Section 5.73.040, for the duration of the compliance period:

1. The multifamily housing must be located in a residential targeted area.
2. A minimum of 50 percent of the gross floor area in each building that includes multifamily housing shall be for permanent residential occupancy.
3. If at any time during the 18 months prior to application for the land use permit for the project or, if a land use permit is not required, prior to application for the building permit for the project, any dwelling unit in a building containing four or more dwelling units on the project site is occupied by a tenant or tenants receiving or eligible to receive a tenant relocation assistance payment under Chapter 22.210, and such building has been or will be demolished, the Owner shall agree, on terms and conditions satisfactory to the Director, to provide replacement dwelling units equal to the number of tenants receiving or eligible to receive a tenant relocation assistance payment under Chapter 22.210(~~(;))~~) subject to the following requirements:

a. For the duration of the tax exemption under this Chapter 5.73, replacement dwelling units shall be leased at affordable rents to households with annual incomes at or below 50 percent of median

income.

b. Replacement dwelling units may be provided as part of the multifamily housing, or at another location through new construction of multifamily housing or through substantial improvements to vacant multifamily housing, or through the preservation of multifamily housing that is leased at the date of application for a land use permit for the project or, if a land use permit is not required, at the date of application for the building permit for the project, to tenants with household annual incomes at or below 50 percent of median income.

c. A temporary certificate of occupancy shall be issued, or if no temporary certificate of occupancy is required a permanent certificate of occupancy shall be issued, or if no certificate of occupancy is required a final building permit inspection shall be completed, for the replacement dwelling units within three years of the date of the MFTE application according to subsection 5.73.050.E.

4. The owner shall obtain a certificate of approval, permit, or other approval under Chapter 25.12, Landmarks Preservation Ordinance; Chapter 23.66, Special Review Districts; or those provisions of Chapter 25.16, Chapter 25.20, Chapter 25.22, Chapter 25.24, and Chapter 25.28 that relate to Landmark or Historical Districts, if such certificate of approval, permit, or other approval is required under those chapters.

5. The Multifamily Housing must comply with all applicable zoning requirements, land use regulations, and building and housing code requirements contained or incorporated in Titles 22, 23, and 25.

6. For the duration of the exemption granted under this Chapter 5.73, the multifamily housing and the property on which it is located shall have no violation of applicable zoning requirements, land use regulations, and building and housing code requirements contained or incorporated in Titles 22, 23, and 25 issued by SDCI that is not resolved by a certificate of compliance, certificate of release, or withdrawal within the time period for compliance provided in such notice of violation or as extended by the Director of SDCI.

7. The multifamily housing must be complete, as documented by a temporary certificate of occupancy, or if no temporary certificate of occupancy is required a permanent certificate of occupancy, or if no

certificate of occupancy is required a SDCI final building permit inspection, within three years of the date of the MFTE application according to subsection 5.73.050.E.

~~((8. Substantial compliance for rehabilitation improvements must be achieved within three years of the date of the MFTE application according to subsection 5.73.050.E.))~~

* * *

Section 4. Section 5.73.050 of the Seattle Municipal Code, last amended by Ordinance 125932, is amended as follows:

5.73.050 MFTE application procedure-Fee

A. The owner shall submit a complete MFTE application, verified by oath or affirmation, to the Director, on a form provided by the Office of Housing. The application shall contain such information as the Director may deem necessary or useful to evaluate eligibility of the multifamily housing for a tax exemption under this Chapter 5.73, including:

1. A brief written description of the project and a plan set that includes gross floor area by use, schematic site plan, and standard floor plans for the dwelling units, SEDUs, and congregate residence sleeping rooms, including proposed MFTE units;

2. A statement from the owner acknowledging the potential tax liability of the multifamily housing;

3. The ~~((Owner's))~~ owner's proposal for compliance with the requirements in Section 5.73.040, as applicable; and

~~((4. If the project includes rehabilitation improvements, an affidavit from the owner verifying that the residential portion of the building was vacant for a period of at least 24 months prior to issuance of the first building permit; and~~

~~5.))~~ 4. A recent title report that confirms the legal description and ownership of the property that includes the multifamily housing; documentation satisfactory to the Director of the type and organizational

structure of the owner; a sample signature block for the owner; and evidence satisfactory to the Director of authority of the owner representative that signed the MFTE application.

* * *

D. ~~((In the case of new multifamily housing, the))~~ The owner must submit a complete MFTE application to the Office of Housing at least 180 days prior to the date of the temporary certificate of occupancy or permanent certificate of occupancy if no temporary certificate is issued, for the multifamily housing. ~~((In the case of rehabilitation improvements, the owner must submit a complete MFTE application and secure from SDCI verification of property noncompliance with applicable building and housing codes at least 180 days prior to issuance of the first building permit for the multifamily housing.))~~

* * *

Section 5. Section 5.73.070 of the Seattle Municipal Code, last amended by Ordinance 126392, is amended as follows:

5.73.070 Extension of Conditional Certificate

A. The expiration date of the Conditional Certificate may be extended by the Director by up to 24 months provided the owner submits to the Director a written request, stating the grounds for the extension, at least 60 days prior to expiration of the Conditional Certificate according to subsection 5.73.060.D, together with a fee of \$500 for the City's administrative cost to process the request. The Director may grant an extension if the Director determines that:

1. The anticipated failure to complete ~~((new))~~ the multifamily housing ~~((or rehabilitation improvements))~~ within the required time period is due to circumstances beyond the control of the owner; and
2. The owner has been acting and could reasonably be expected to continue to act in good faith and with due diligence; and
3. All the conditions of the contract will be satisfied upon completion of the project.

* * *

Section 6. Section 5.73.090 of the Seattle Municipal Code, last amended by Ordinance 127016, is amended as follows:

5.73.090 Exemption-Duration-Limits

* * *

D. Extended property tax exemption

1. As authorized by RCW 84.14.020(6), the Director may approve an extended exemption of the value of renter-occupied multifamily housing qualifying under this Chapter 5.73 from ad valorem property taxation for up to a total of 12 successive years beginning January 1 of the year immediately following the calendar year that the original 12-year exemption expires according to subsection 5.73.090.A if the owner is in compliance with the MFTE agreement for the property's initial 12-year exemption from property taxes for the multifamily housing according to subsection 5.73.090.A and that exemption expires on ~~((December 31, 2024))~~ December 31, 2025, provided that:

a. A written request for an extended exemption is received by the Office of Housing no later than ~~((July 31, 2024))~~ May 1, 2025; and

b. The written request includes:

1) A brief written description of the project and a plan set that includes gross floor area by use, site plan, and standard floor plans for units in the multifamily housing;

2) For each residential unit in the multifamily housing, the unit number, floor plan, net unit area measured in square feet, location by floor level, location by building if the multifamily housing consists of multiple structures, status as either a market-rate unit or MFTE unit, occupancy status, and current rent (according to the lease if occupied or asking rent if vacant), all in a form as prescribed by the Office of Housing;

3) A copy of the current rent roll for the multifamily housing;

4) A statement from the owner acknowledging the potential tax liability of the

multifamily housing;

5) A recent title report documenting the legal description and ownership of the property that includes the multifamily housing, documentation satisfactory to the Director of the type and organizational structure of the owner, a sample signature block for the owner, and evidence satisfactory to the Director of authority of the owner representative that signed the MFTE extension request; and

6) A non-refundable check payable to The City of Seattle in the amount of \$10,000 if fewer than 75 percent of the total residential units in the multifamily housing are rent- and income-restricted, or \$4,500 if at least 75 percent of the total residential units in the multifamily housing are rent- and income-restricted.

2. A new contract shall be executed on the title of the property that includes the multifamily housing committing the owner to requirements according to this Chapter 5.73, except that:

a. MFTE units shall be promptly leased at affordable rents to eligible households with annual incomes at or below 30 percent of median income for compact units in multifamily housing that also includes units larger than compact units, at or below 40 percent of median income for compact units in multifamily housing with no units larger than compact units, at or below 50 percent of median income for studio units, at or below 60 percent of median income for one-bedroom units, at or below 75 percent of median income for two-bedroom units, and at or below 80 percent of median income for three-bedroom and larger units.

b. The contract shall allow multifamily housing to transition to compliance with subsection 5.73.090.D.2.a, consistent with subsection 5.73.090.D.6.

3. For properties with 12-year exemptions scheduled to expire on (~~December 31, 2024~~) December 31, 2025, the owner shall:

a. No later than (~~July 31, 2024~~) May 1, 2025, provide written notice to all tenants of MFTE units of owner's intent to pursue a 12-year extension of the property tax exemption;

b. For each MFTE unit tenant household without an annual income certification in the calendar year the exemption is set to expire, initiate income verification no later than ~~((July 31, 2024))~~ May 1, 2025; and

c. Provide to the Office of Housing verification of the annual income of the tenant household for each MFTE unit according to Section 5.73.105 by ~~((October 31, 2024))~~ September 30, 2025.

4. The minimum number of MFTE units as a share of total residential units in the multifamily housing shall be the same as according to the property's initial MFTE agreement (i.e., 20 percent or 25 percent).

5. Upon approval of an extended tax exemption according to this Chapter 5.73, the Director shall file a Final Certificate with the Assessor. The owner shall be responsible for any administrative fees charged by the Assessor.

6. To allow ongoing occupancy of MFTE units by existing tenants who, while they qualify as eligible households under pre-extension contracts, do not qualify as eligible households according to subsection 5.73.090.D.2.a, and to steadily transition multifamily housing to full compliance with extended exemption requirements, the following provisions apply:

a. For each MFTE unit, the affordable rent according to the current tenant's lease agreement as of January 1 of the calendar year subsequent to expiration of the initial 12-year property tax exemption and thereafter shall be:

1) No greater than according to subsection 5.73.090.D.2.a if the annual income of the tenant household, as verified according to Section 5.73.105, is less than one and one-half times the limit for the MFTE unit according to subsection 5.73.090.D.2.a; or

2) No greater than 65 percent of median income for compact units and studio units, no greater than 75 percent of median income for one-bedroom units, and no greater than 85 percent of median income for two-bedroom and larger units, provided the annual income of the tenant household, as verified according to Section 5.73.105, is less than one and one-half times 65, 75, or 85 percent of median

income depending on the MFTE unit type, as applicable, and at least one and one-half times the limit for the MFTE unit according to subsection 5.73.090.D.2.a; or

3) According to subsection 5.73.105.B if the annual income of the tenant household, as verified according to Section 5.73.105, equals or exceeds one and one-half times 65 percent of median income for compact units and studio units, one and one-half times 75 percent of median income for one-bedroom units, or one and one-half times 85 percent of median income for two-bedroom and larger units.

b. Each vacant MFTE unit shall be promptly leased at an affordable rent to an eligible household according to subsection 5.73.090.D.2.a.

c. From the date an MFTE unit first satisfies requirements for an extended exemption under subsection 5.73.090.D.2.a until the end of the compliance period, requirements according to subsection 5.73.090.D.2.a shall apply.

E. The property tax exemption for multifamily housing does not apply to:

1. The value of land or to the value of non-residential improvements or to the value of other improvements not qualifying under this Chapter 5.73;
2. Increases in assessed valuation of land and non-qualifying improvements; or
3. Increases, made by lawful order of the King County Board of Equalization, the Washington State Department of Revenue, State Board of Tax Appeals, or King County, to a class of property throughout the county or a specific area of the county to achieve uniformity of assessment or appraisal as required by law((;)) :

~~((4. For rehabilitation improvements, the value of any improvements constructed on the property prior to the date the Office of Housing receives the application for the project according to Section 5.73.050.))~~

* * *

Section 7. Section 5.73.120 of the Seattle Municipal Code, last amended by Ordinance 127084, is amended as follows:

5.73.120 Expiration of program

Except for extension of property tax exemptions as authorized in subsection 5.73.090.D, the tax exemption program established by this Chapter 5.73 shall sunset on ((~~March 31, 2025~~)) September 10, 2025 unless extended by the City Council by ordinance. After the program sunsets, no new MFTE applications under Section 5.73.050 shall be accepted. Pending Conditional Certificates and Final Certificates shall be processed as provided according to this Chapter 5.73.

Section 8. This ordinance shall take effect as provided by Seattle Municipal Code Sections 1.04.020 and 1.04.070.

Passed by the City Council the _____ day of _____, 2025, and signed by me in open session in authentication of its passage this _____ day of _____, 2025.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2025.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2025.

Scheereen Dedman, City Clerk

(Seal)

SUMMARY and FISCAL NOTE

Department:	Dept. Contact:	CBO Contact:
Office of Housing	Kelli Larsen	Nick Tucker

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to the Multifamily Housing Property Tax Exemption Program; allowing partial property tax exemptions for commercial to multifamily housing conversion projects; allowing the property tax exemption period to be extended to 24 years for properties with Multifamily Housing Property Tax Exemption expiring end of 2025; changing the MFTE Program’s sunset date to September 10, 2025; and amending Sections 5.73.010, 5.73.020, 5.73.040, 5.73.050, 5.73.070, 5.73.090, and 5.73.120 of the Seattle Municipal Code.

Summary and Background of the Legislation:

This legislation changes the sunset date for the City of Seattle’s Multifamily Housing Property Tax Exemption program (“MFTE program” or “MFTE”) to September 10, 2025. Absent adoption of this ordinance, the Office of Housing would not be authorized to accept additional MFTE P6 applications from developers for full exemption of residential improvements from property taxes between April 1st and the effective date of future MFTE P7 reauthorization legislation. The legislation also amends SMC Chapter 5.73 to: (1) streamline MFTE rehabilitation requirements to incentivize commercial to multifamily housing conversion projects, which was newly authorized as an MFTE eligible project type with the State legislature’s passage of SB 6175 in 2024; and (2) allow an additional 12 years of tax-exempt status for multifamily properties with MFTE scheduled to expire on December 31, 2025.

The City of Seattle’s MFTE program provides property tax exemptions to owners of multifamily rental properties where housing costs for a share (20% or 25%) of the apartments are limited for income-qualified tenant households. MFTE also provides property tax exemptions to income-eligible buyers of affordable homes with long-term resale restrictions.

This legislation enables the City to increase its volume of P6 multifamily tax exemption applications beyond March 31st rather than pausing application intake for part of the year. In 2024, the Office of Housing gathered feedback from MFTE property developers, investors, managers, and renters, contracted researchers at the University of Washington to conduct a program evaluation, analyzed MFTE portfolio and market data, and worked closely with program staff to develop proposals for the next iteration of Seattle’s MFTE program, commonly referred to as P7. That process of evaluating and recalibrating program costs and benefits, improving administrative processes, and tailoring MFTE requirements to respond more effectively to housing needs and market conditions will be ongoing in 2025.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation have financial impacts to the City? Yes No

3.d. Other Impacts

Does the legislation have other financial impacts to The City of Seattle, including direct or indirect, one-time or ongoing costs, that are not included in Sections 3.a through 3.c? If so, please describe these financial impacts.

The MFTE program creates two primary costs to the City of Seattle and its taxpayers: forgone revenue and shifted taxes.

While this legislation will not affect 2025 adopted revenues, the way properties are assessed results in some amount of foregone revenue. The King County Assessor does not add 100% of MFTE properties' new construction value to the City's property tax levy amount and the exclusion of that value causes ongoing and compounding revenue losses for the City and other local, county, and state taxing jurisdictions for the duration of the exemption. The current assessment approach is dictated by Chapter 84.14 RCW and would require changes by the State legislature.

In 2024, \$4.1 billion of new construction value was excluded from the City's property tax levy growth. This meant that Seattle's MFTE program resulted in forgone taxes of approximately \$39.4 million for taxing jurisdictions in 2024. The City of Seattle alone lost about \$11.8 million of that amount. Seattle's MFTE program-related revenue losses total \$330.3 million to date.

Shifted taxes are the MFTE program's second category of costs. Shifted taxes have no effect on total receipts of the City of Seattle and are not in any way related or sensitive to the revenue losses described above. Non-exempt property owners must pay the taxes on Seattle's MFTE properties' residential improvements (e.g., apartments, structured parking, and amenities like gyms and community rooms), which are currently assessed at almost \$9 billion. This means that non-exempt taxpayers have a higher tax burden than they otherwise would absent the MFTE exemptions.

The Office of Housing must also pay for the majority of staffing costs to administer the MFTE program.

If the legislation has costs, but they can be absorbed within existing operations, please describe how those costs can be absorbed. The description should clearly describe if the absorbed costs are achievable because the department had excess resources within their existing budget or if by absorbing these costs the department is deprioritizing other work

that would have used these resources.

While MFTE forgone revenue represents actual lost revenue potential for the City and other taxing jurisdictions, it does not impact the Adopted Budget because it is not included in current revenue projections.

Please describe any financial costs or other impacts of *not* implementing the legislation.

There are no financial costs of not implementing the legislation.

4. OTHER IMPLICATIONS

- a. Please describe how this legislation may affect any departments besides the originating department.** MFTE reduces and shifts property taxes, and any forgone taxes reduce City General Fund revenue.
- b. Does this legislation affect a piece of property? If yes, please attach a map and explain any impacts on the property. Please attach any Environmental Impact Statements, Determinations of Non-Significance, or other reports generated for this property.**
No.
- c. Please describe any perceived implication for the principles of the Race and Social Justice Initiative.**

How does this legislation impact vulnerable or historically disadvantaged communities? How did you arrive at this conclusion? In your response please consider impacts within City government (employees, internal programs) as well as in the broader community. In November, University of Washington (UW) professor, Gregg Colburn, and two PhD students finalized an evaluation of Seattle’s MFTE program. That report includes a section focusing on MFTE’s stated purpose to affirmatively further fair housing (“AFFH”). Per the U.S. Department of Housing and Urban Development, AFFH requires communities to take meaningful actions to overcome patterns of segregation and foster inclusive communities. The UW report notes that the City’s zoning code ultimately determines where multifamily development can be built in Seattle, limiting the City’s ability to use MFTE to affirmatively further fair housing. Regarding displacement, the UW documents that many MFTE projects are in areas of high displacement risk. However, there is significant correlation between zoning, land values, and displacement risk and they point out that underlying market fundamentals make development more attractive in areas of high displacement risk. Demographic data for MFTE renter households are collected inconsistently (the Office of Housing received demographic information for approximately 60% of MFTE renter households in 2023). For that reason, the UW was unable to draw conclusions about benefits of MFTE for historically disadvantaged populations. The Office of Housing estimates that, based on the limited demographic data provided for heads of households living in MFTE apartments in 2023, roughly one-half are persons of color. (Of *all* renter households in Seattle, based on available data, approximately 44 percent have a household head

MFTE Evaluation Final Report to City of Seattle, Office of Housing

November 22, 2024

Prepared by Gregg Colburn, Devin Collins, and Eric Wang



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INTRODUCTION

A team of researchers from the University of Washington (UW) entered a contract with the City of Seattle Office of Housing (OH) to quantitatively and qualitatively assess whether Seattle's Multifamily Tax Exemption (MFTE) program is meeting the program purposes established in the Seattle Municipal Code (SMC) to increase and maintain affordable housing opportunities in new and existing multifamily housing. In addition, the UW team assessed whether Seattle's MFTE program is meeting the purpose established by Washington State Law to increase affordable housing opportunities and stimulate multifamily housing through new construction, rehabilitation of vacant buildings, or conversion of non-residential uses in urban centers.

The UW research team explored this primary research question: Is Seattle's MFTE program a cost-effective method for increasing and maintaining affordable multifamily housing opportunities in Seattle? To answer this question, the UW team assessed the quantified public benefits and fiscal costs of the program and sought to better understand how the design and implementation of Seattle's MFTE policy affect results of the program.

Key Findings

- *Benefits of MFTE*
 - Housing Production
 - Over the lifetime of the program, 303 market-only rental properties have participated in MFTE, corresponding to 33,956 total housing units, 7,047 of which are income-restricted. As of the time of this writing, there are 6,636 income-restricted MFTE units across 286 buildings active in Seattle.
 - The overall supply impact of the MFTE program is difficult to quantify, as is the counterfactual (what housing would have been built if MFTE did not exist). But given the analysis in this report and the information gleaned from qualitative interviews, we believe that MFTE has had a stimulative effect on housing production, particularly for smaller units.
 - MFTE has disproportionately produced 0 and 1-bedroom units, despite programmatic reforms designed to incentivize more family-sized units.
 - Vacancy rates in income-restricted MFTE units are, in general, close to vacancy rates in unrestricted MFTE units.

- Housing Affordability
 - In all submarkets and unit-types, average income-restricted MFTE rents are lower than market-rate rents in MFTE properties. The rent discount provided by MFTE tends to be greater in parts of the city with higher market rents. Rent discounts tend to be greater in larger units, though there are fewer of these in the MFTE portfolio.
 - When compared to the general rental market, income-restricted MFTE rents may only represent a modest discount. In lower-cost neighborhoods and for certain unit-types, average income-restricted MFTE rents exceed average market-rate rents.
 - The vast majority (85%) of tenants in income-restricted MFTE units with income documentation are housing cost burdened, defined as spending 30% or more of annual income on housing. Nearly a quarter are severely housing cost burdened, defined as spending 50% or more of annual income on housing.
- Other Benefits
 - MFTE projects are distributed throughout the city, though they are restricted by regulatory restraints (zoning rules) and market dynamics.
 - There are other benefits of the MFTE program that are not quantified in this report, including the taxes that are generated from the production of new housing.
- *Costs of MFTE*
 - There are two primary costs of the MFTE program: foregone and shifted taxes.
 - Foregone taxes represent lost tax revenue due to the way in which MFTE properties are assessed; fixing the assessment procedures would eliminate foregone taxes.
 - Total foregone taxes attributed to Seattle projects was roughly \$35 million in 2023 of which greater than \$9 million was lost specifically by the City of Seattle.
 - Shifted taxes are the second category of costs of the MFTE program. When projects are granted an exemption from property taxes pursuant to MFTE, those taxes are shifted to the other taxpayers in the city. Shifted taxes have no effect on total receipts of the City of Seattle.
 - In 2024, almost \$80 million of taxes were shifted from MFTE projects to non-exempt property owners.
- *Cost / Benefit Relationship*
 - Because a number of the benefits of the program are not detailed in this study, the comparison of costs and benefits is limited to those that are quantified.

- We compare the value of the tax exemption to the amount of rent discount provided by the MFTE units. From the perspective of the City of Seattle, roughly half of the exemption (cost of the program) is returned in the form of discounted rents in MFTE units, until the most recent program iteration.
- The relationship between costs and benefits changed dramatically in P6 given the deeper affordability requirements associated with that iteration of the program.
- *Program Challenges and Reauthorization Considerations*
 - Tenant certification and unit comparability place significant administrative costs on both city and developers, which can deter program participation, particularly in difficult market conditions.
 - Key informant interviews revealed significant ongoing tensions between city staff and the developer community related to MFTE, attributable to changing program requirements, difficult market conditions, and ambiguous goals of the MFTE program.
 - The City of Seattle has a difficult responsibility to calibrate the relationship between the costs of the program (benefit to developers) and the public benefits it delivers (more affordable housing). As the City pushes for greater public benefits, the program becomes less attractive to developers. This is the central tension.

PROGRAM BACKGROUND

The Multifamily Tax Exemption (MFTE) is a statute that allows eligible Washington jurisdictions to target geographic regions for multifamily housing development by offering a time-limited property tax exemption for owners of multifamily rental properties and buyers of homes in multifamily developments. Seattle's MFTE typically provides a property tax exemption for 12 years in exchange for limiting housing costs in a proportion of units. For rental properties, property owners must set aside at least 20% of units as income-restricted to qualify for the MFTE. For properties that are for-sale (condominiums), the tax exemption "accrues to the eligible buyer of each income- and price-restricted home."¹ Rent and income limits are based on area median income (AMI) and adjusted for household size.

The MFTE tax preference was enacted in Washington State in 1995 and adopted by the Seattle City Council in 1998.² Initially designed to address problems related to urban sprawl and encourage residential development in urban centers, MFTE was amended in 2007 to include a 12-year program to promote increased affordability.³ The 2007 amendments introduced the 12-year affordable housing exemption for developers who set aside at least 20% of units as income-restricted. In Seattle, MFTE has been reauthorized five times and the program is currently in its sixth iteration ("P6"). The state-level statute provides the base requirements for MFTE, but individual cities and jurisdictions can layer additional requirements and/or restrictions (which Seattle has done). In Seattle, MFTE is codified in SMC Chapter 5.73.⁴ The chapter states the goals of MFTE are to "increase and maintain affordable housing" and to "affirmatively further fair housing as Seattle grows."

At the state level, MFTE is codified in Chapter 84.14 RCW⁵, which defines the goals of the program as incentivizing urban housing development, including affordable housing, and encouraging urban development and density. RCW 84.14 defines "affordable housing" as "residential housing that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed thirty percent of the household's monthly income." RCW 84.14 states that local governments can provide exemptions for new construction, conversion, and rehabilitation of multifamily residential improvements with at least four units. Property owners that receive MFTE are exempt only from property taxes and are

¹https://www.seattle.gov/documents/Departments/Housing/Reports/MFTEReports/2023_OH_MFTEAnnualReport.pdf

² https://leg.wa.gov/jlarc/taxReports/2019/MFTE/f_ii/print.pdf

³ https://app.leg.wa.gov/ReportsToTheLegislature/Home/GetPDF?fileName=CommerceReports_MFTE%20Legislative%20Report_Final_0234d374-14e8-48b9-b4d2-14510446e01d.pdf

⁴ https://library.municode.com/wa/seattle/codes/municipal_code?nodeId=TIT5REFITA_SUBTITLE_IITA_CH5.732004MUHOPRTAEXPR

⁵ <https://apps.leg.wa.gov/RCW/default.aspx?cite=84.14&full=true>

not exempt from taxes on land and improvements for non-residential portions of mixed-use buildings.⁶

Throughout its existence, Seattle's MFTE program has gone through significant changes. For example, when MFTE was up for its third reauthorization in 2011 ("P4"), some Seattle decisionmakers expressed concerns about the program, "including that tax-breaks had been awarded to undeserving developers."⁷ The 2011 reauthorization⁸ amended MFTE by lowering affordability thresholds (65%/75%/85% AMI for 0-BR/1-BR/2-BR rental units; and 100%/120% AMI for for-sale units) and requiring OH to submit annual reports by March 30 each year.⁹ Also in 2011, Seattle city councilmembers requested a performance audit of the MFTE program to better understand the fiscal impacts of the program and how much affordable housing the program was producing.¹⁰ That audit, released in 2012, revealed that "8 of the 16 properties it reviewed were not renting the required number of affordable units, and 9 of the 9 properties it reviewed had inconsistencies between their annual property certification reports and the documents used to assess renters' income."¹¹ The 2012 city audit made 19 recommendations to improve the program, including increased goal clarity and performance measurement, more routine monitoring of tenant eligibility, and regular reporting of tax impacts by the Office of Housing (OH) to City Council.¹²

During committee reviews of the program in 2013, councilmembers requested additional clarity on the tax impacts of MFTE.¹³ In late 2013, OH concluded that the tax burden for the majority of the exempted amount is *shifted* to other taxpayers, while a small amount of tax revenue is uncollected or *foregone*.¹⁴ This distinction is discussed in more detail below.

In February 2015, additional amendments were made to P4 regarding affordability concerns. One major change was the inclusion of a special distinction for small efficiency dwelling units (SEDUs). Before this change, SEDUs were treated as studios and were income-restricted at 65% AMI (\$1,004/month in 2015). As a result,

⁶https://app.leg.wa.gov/ReportsToTheLegislature/Home/GetPDF?fileName=CommerceReports_MFTE%20Legislative%20Report_Final_0234d374-14e8-48b9-b4d2-14510446e01d.pdf

⁷<https://www.capitolhillseattle.com/2013/09/council-to-be-briefed-on-tax-breaks-for-developers/>

⁸ <https://clerk.seattle.gov/search/ordinances/123550>

⁹ https://clerk.seattle.gov/~CFS/CF_312942.pdf

¹⁰ <https://council.seattle.gov/2012/09/19/new-audit-on-mfte-program-released-today/>

¹¹ https://leg.wa.gov/jlarc/taxReports/2019/MFTE/f_ii/print.pdf

¹²<https://www.seattle.gov/documents/Departments/CityAuditor/auditreports/20130207FINALREPORTREQREP OST20140428.pdf>

¹³<https://council.seattle.gov/2013/04/10/2012-mfte-annual-report-reveals-possible-negative-general-fund-impact/>

¹⁴ <https://www.capitolhillseattle.com/2013/09/council-to-be-briefed-on-tax-breaks-for-developers/>

developers receiving MFTE were able to charge maximum income-restricted rents very close to or more than market-rate SEDU rents. Councilmembers lowered the affordability threshold to 40% AMI for SEDUs (\$618/month in 2015). The P4 amendments also increased the number of required affordable units in a SEDU development to 25%.¹⁵

In late 2015, the council considered the fourth reauthorization of MFTE (“P5”), and made further changes to the program. First, two tiers were introduced based on project size. Projects with less than 8% 2+BR units were to abide by “Small Unit Program” rules, while projects with more than 8% 2+BR units were to abide by “Family Sized Unit Program” rules. Projects within the Small Unit Program have a higher affordable set aside requirement (from 20% to 25%), while projects within the Family Size Unit Program would remain at the 20% set-aside rate. Family Sized Unit Program participants would also need to set-aside a proportional share of total 2+BR units as income-restricted. These changes were implemented to encourage the development of affordable family-sized housing as opposed to studios and 1-BRs, which made up approximately 80% of new MFTEs coming online in 2016.¹⁶ P5 also introduced new unit type designations (congregate and 3+BR) and expanded the eligibility boundary in Seattle to any land zoned for multifamily housing, overriding mapped boundaries of MFTE Residential Targeted Areas.¹⁷

During the latter half of the 2010s, a challenge for the MFTE program in Seattle was the rapidly increasing household incomes in the region. As average median income increased, the rents that could be charged pursuant to MFTE also increased; from 2015 to 2019, for instance, MFTE’s maximum rents increased by 6.8% per annum.¹⁸ In response, some councilmembers discussed pegging rent increases to the Consumer Price Index (CPI) rather than AMI to moderate rent increases. In 2019, an Office of Housing proposal to cap increases in annual rent thresholds by 4.5% was included in the MFTE P6 legislation adopted by City Council.¹⁹ Although the cap helped moderate steep annual increases in HUD’s estimated median family income for properties with P6 MFTE agreements, it did not preclude rent increases at the unit level of greater than 4.5% if prior rents were below the threshold.

In 2019, Washington State’s Joint Legislative Audit and Review Committee (JLARC) released a statewide evaluation of MFTE.²⁰ JLARC reported 424 developments received MFTE statewide since its inception, corresponding to 34,885 housing units, 21% of which were set aside as affordable. The topline conclusion of the JLARC

¹⁵ <https://www.theurbanist.org/2015/02/24/seattle-city-council-votes-for-microhousing-mfte-changes/>

¹⁶ <https://www.theurbanist.org/2016/07/01/mfte-program-progress-report-first-trimester-2016/>

¹⁷ <https://www.theurbanist.org/2015/09/29/seattle-city-council-notes-hala-work-plan-mfte-extens>

¹⁸ <https://www.theurbanist.org/2017/07/19/mfte-provides-tons-affordable-apartments-use-tweaks/>

¹⁹ <https://publicola.com/2019/07/26/unanswered-questions-from-durkans-housing-announcement/>

²⁰ https://leg.wa.gov/jlarc/taxReports/2019/MFTE/f_ii/print.pdf

report was that while developers have created housing using MFTE, it is “inconclusive” whether this use represents a net increase in developments statewide. The report found that over 80% of MFTE development was in Seattle, Tacoma, Spokane and Renton, and that 75% of units created statewide between 2007-2018 were 0-BR or 1-BR.

In addition, the JLARC report found that the statutory maximum rental prices may be higher than median market rents for particular neighborhoods. In King County, for instance, JLARC found that the statutory maximum rental price for income-restricted units exceeded market rent in *all targeted areas* except for downtown Seattle, downtown Tacoma, and Mercer Island. Finally, the JLARC report found that the amount of total tax savings shifted to other taxpayers statewide could not be determined due to data limitations.

In 2019, the Seattle MFTE program was reauthorized for a fifth time (“P6”). 2019 also marked the adoption of Mandatory Housing Affordability (MHA) in Seattle. Importantly, the city does not permit “double counting” between the programs; MFTE units may not be used to count toward MHA requirements when affordable housing is provided on-site.²¹ P6 was further amended by affected state and city-level policy changes in 2021. At the state-level, Senate Bill 5287²² allowed program participants within 18 months of expiration to extend their exemption for an additional 12-year period, to prevent the loss of affordable housing. In addition, SB 5287 provided a 20-year exemption option for permanently-affordable homeownership projects. At the city level, these changes were implemented in Ordinance 126443.²³

SB 5287 also required the Washington State Department of Commerce to adopt and implement a program to effectively audit or review that the owner of each certified tax exempt property was offering the number of units at rents committed to in approved applications. As a result, a State Commerce study was released in 2023 assessing MFTE programs and their tax impacts.²⁴ The study found that MFTE was effective at incentivizing housing production, that Seattle is the dominant user of MFTE, and that many communities should more regularly monitor their programs for compliance. In addition, the 2023 Commerce report estimated that 27,869 total units were constructed pursuant to MFTE statewide between 2017 and 2021, 14,773

²¹https://app.leg.wa.gov/ReportsToTheLegislature/Home/GetPDF?fileName=CommerceReports_MFTE%20Legislative%20Report_Final_0234d374-14e8-48b9-b4d2-14510446e01d.pdf

²²<https://apps.leg.wa.gov/documents/billdocs/2021-22/Pdf/Bill%20Reports/Senate/5287-S2.E%20SBR%20FBR%2021.pdf>

²³<http://seattle.legistar.com/LegislationDetail.aspx?ID=5086382&GUID=2FA9A40B-CB00-4764-89D9-27266C7F5147&Options=ID|Text|&Search=126443>

²⁴https://app.leg.wa.gov/ReportsToTheLegislature/Home/GetPDF?fileName=CommerceReports_MFTE%20Legislative%20Report_Final_0234d374-14e8-48b9-b4d2-14510446e01d.pdf

of which were in Seattle. Of those units, 5,050 were income-restricted statewide and 3,133 in Seattle. Like the JLARC study, the 2023 Commerce Study found that market rate rents were very close to restricted MFTE levels in certain locations.

OH's 2023 MFTE Annual Report²⁵ was released in June 2024, and provides the most recent analysis of MFTE performance in Seattle (reporting period through December 31, 2023). At the time of that report, OH reported 352 total rental projects in the city with approved applications over the lifetime of the program, of which 286 were in active service, 49 were in pipeline, and 17 had expired or opted out. In the rental portfolio, there were 6,636 income-restricted MFTE units in service. Over its history, MFTE has produced far more studio and one bedroom units than larger units, and OH reports that 38% of MFTE rental units are 0-BR, 49% are 1-BR, 13% are 2-BR, and less than 1% are 3-BR.

As discussed earlier in this section, the affordability requirement under Seattle's MFTE program has changed over time. Table 1 below highlights the AMI rent thresholds over the six program iterations since the beginning of the MFTE program in Seattle.

²⁵https://www.seattle.gov/documents/Departments/Housing/Reports/MFTEReports/2023_OH_MFTEAnnualReport.pdf

Table 1. AMI Limits by Unit Type Across Seattle MFTE Programs

	P3 (2008- 2010)	P4 (2011- 2015)*	P5 (2015- 2019)	P6 (2019- Present)	P6 Extension (2021-present)
Congregate Residences		40% AMI	40% AMI	40% AMI	30% AMI
SEDU (if in building with mix of unit types)		40% AMI	40% AMI	40% AMI	30% AMI
SEDU (if in building 100% SEDU)		40% AMI	40% AMI	50% AMI	40% AMI
0-BR	80% AMI	65% AMI	65% AMI	60% AMI	50% AMI
1-BR	80% AMI	75% AMI	75% AMI	70% AMI	60% AMI
2-BR	90% AMI	85% AMI	85% AMI	85% AMI	75% AMI
3+BR	90% AMI	85% AMI	90% AMI	90% AMI	80% AMI

Note: Prior to Program 3, AMI limits were not determined by unit-type. P1 (1998-2002) required 80% AMI for all income-restricted MFTE units (except for those in Pike-Pine urban center village, which required 60% AMI). P2 (2004-2008) required 60% AMI for all unit types if 20% of units were set aside as income-restricted; 65% AMI if 25% of units were set aside, and 70% AMI if 30% of units were set aside.
* AMI designations for SEDUs and congregate residences (P4.3) were implemented just months prior to adoption of P5 MFTE legislation in 2015 and applied to just one P4 SEDU project

Table 2 below provides a more detailed analysis of the 2024 rent and income limits under the City’s MFTE P6.²⁶ The contrast between the affordability requirements between larger and smaller units is conspicuous, and reflects the city’s intention to incentivize the production of affordable family-size housing. For example, a couple with one child living in a two bedroom apartment could earn up to \$101,012.

²⁶ Calculated from 2024 Income and Rent Limits (https://www.seattle.gov/documents/Departments/Housing/PropertyManagers/IncomeRentLimits/2024/2024_RentIncomeLimits_5.28.24.pdf) and P6 requirements as described in 2023 OH Annual Report

Table 2. 2024 Rent and Income Limits for MFTE (P6)

Apartment Size	AMI Limit	Max. Monthly Rent (Incl. Fees and Basic Utilities)	Household Size	Annual Max. Household Income
Congregate Residence in Sleeping Room	40% AMI	\$924	1 person	\$36,968
SEDU (if in building with mix of unit types)	40% AMI	\$924	1 person	\$36,968
SEDU (if in building with 100% SEDUs)	50% AMI	\$1,155	1 person	\$46,210
0-BR	60% AMI	\$1,386	1 person	\$55,452
1-BR	70% AMI	\$1,732	1 person	\$64,694
			2 people	\$73,940
2-BR	85% AMI	\$2,525	2 people	\$89,784
			3 people	\$101,012
3-BR	90% AMI	\$3,089	3 people	\$106,954
			4 people	\$118,823
4-BR	90% AMI	\$3,445	4 people	\$118,823
			5 people	\$128,341
			6 people	\$137,840

The fiscal impacts of MFTE have been a concern to policymakers throughout its history. Seattle’s MFTE has two distinct types of tax impact: tax shifts and foregone taxes.

The 2023 MFTE Commerce Study estimates that in King County as a whole, the total increase in property taxes for typical homeowners as a result of MFTE is approximately \$30–40, “substantially lower than other property tax components.”²⁷ The 2023 Seattle Office of Housing report estimated that the exempt assessed value of properties that currently have MFTE in Seattle totals \$8.8B. The value is not subject to property taxes and therefore those amounts are shifted to non-exempt taxpayers. OH estimates a total tax shift in Seattle of \$71.4 million in 2023 alone. This corresponds to roughly \$130 in additional property taxes for an owner of a median value home in Seattle. OH also notes that this estimate is likely conservative as it

²⁷https://app.leg.wa.gov/ReportsToTheLegislature/Home/GetPDF?fileName=CommerceReports_MFTE%20Legislative%20Report_Final_0234d374-14e8-48b9-b4d2-14510446e01d.pdf

does not account for additional taxes paid by non-exempt property owners due to tax shift impacts from non-Seattle King County MFTE programs.

In their 2023 Annual Report²⁸, OH estimated that the King County Assessor had deferred \$3.7B in new construction value for Seattle's MFTE rental properties that were active in 2023 (properties where MFTE started between 2012-2023), resulting in approximately \$271M in property tax revenue loss during that 12-year period. This figure excludes lost revenue related to properties that have opted out of MFTE or for which exemptions have expired. The amount of foregone revenue in 2023 alone was estimated to be \$38.3M.

²⁸https://www.seattle.gov/documents/Departments/Housing/Reports/MFTEReports/2023_OH_MFTEAnnualReport.pdf

DATA & METHODS

In this study, we seek to quantitatively and qualitatively assess whether Seattle's MFTE program is meeting the program purpose established in the Seattle Municipal Code to increase and maintain affordable housing opportunities in new and existing multifamily housing. In addition, we assess whether Seattle's MFTE program is meeting the purpose established by Washington State Law to increase affordable housing opportunities and stimulate multifamily housing development. Of note, our study focuses only on market-rate MFTE rental properties—that is, MFTE properties for which MFTE is the only public subsidy. Owner-occupied MFTE housing and other MFTE properties that are city-funded and/or Low-Income Housing Tax Credit/bond-financed ("low-income housing") are excluded from consideration.

Our study is guided by the following primary research question: Is Seattle's MFTE program a cost-effective method for increasing and maintaining affordable multifamily housing opportunities in Seattle?

To answer this question, we pursued a mixed methods approach assessing the fiscal costs and public benefits of MFTE. The following program benefits are explored in this report: (1) total and income-restricted MFTE-related multifamily housing production over the life of the program; (2) average rent savings in income-restricted MFTE units, relative both to unrestricted units in MFTE properties and surrounding market-rate rents; and (3) lease-up and vacancy rates in income-restricted MFTE units, relative to comparable unrestricted units in MFTE-participating buildings. We assess these benefits geographically, temporally (across years and program iterations), and by unit-type (number of bedrooms and square footage).

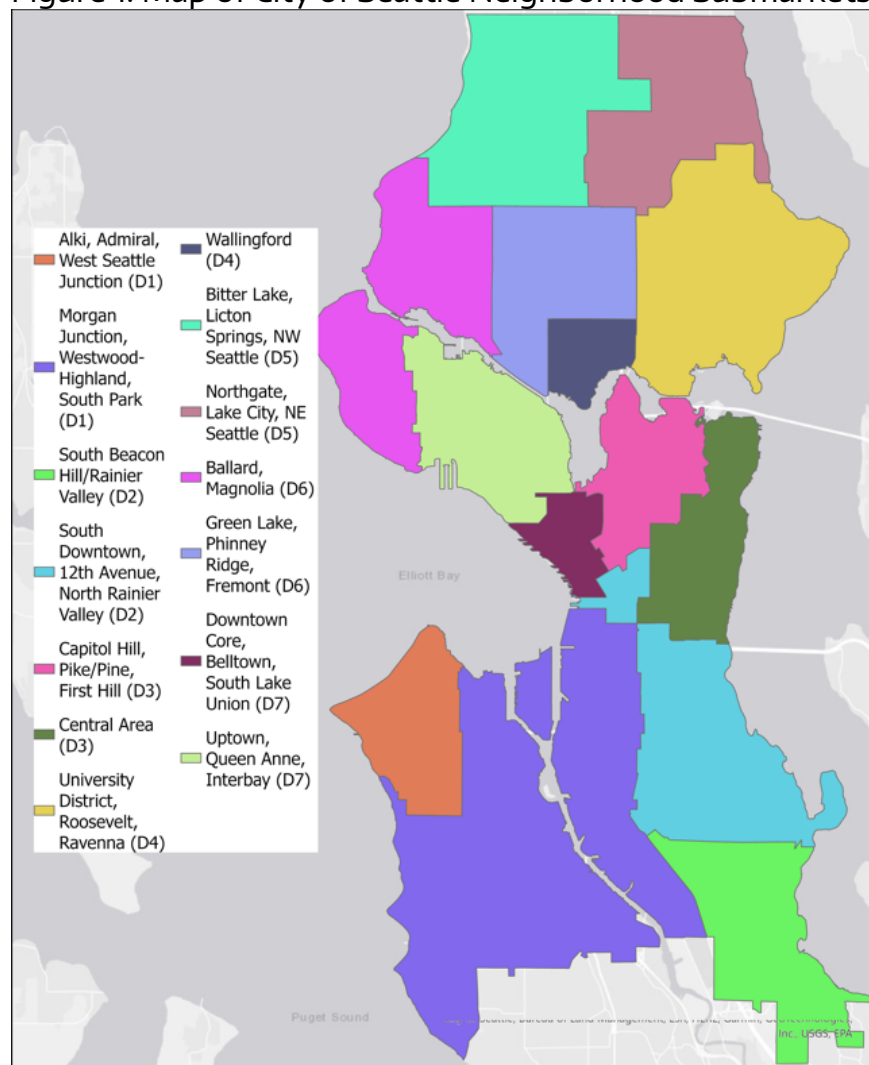
Second, we address the public costs of MFTE, defined as shifted and foregone tax revenues attributable to the program. We use deferred new construction values of MFTE properties to calculate yearly foregone taxes and project these costs into the future. We estimate shifted taxes from yearly assessed property values, broken down by program and project type.

Third, we provide a cost-benefit analysis by property based on the quantified benefits and costs outlined in the study. For each property, we estimate rent savings by matching MFTE units with comparable market-rate units with the same number of bedrooms, bedroom type, and square footage. We then sum these unit-level rent discounts and compare them to exempted property taxes. We further break this down by program iteration and geography.

Quantitative analyses rely on a range of administrative data sources, and are largely descriptive. Data on MFTE properties, unit production, unit characteristics, and

tenant income were provided by the Office of Housing. Data on neighborhood market-rate rents came from CoStar and were assembled by Office of Housing and Office of Planning and Community Development staff. Socio-demographic neighborhood characteristics were pulled from the 2022 5-year American Community Survey (ACS) estimates. Property assessment values, city and total levy rates, and exempt new construction values came from the King County Assessor. Our team worked collaboratively to clean, filter, and merge these various data sources to assess the public costs and benefits of MFTE. Descriptive analyses and figures were produced using R and Stata statistical software, and GIS spatial analyses were conducted in ArcMap Desktop. Neighborhood submarkets were constructed with assistance from city staff. Contiguous census tracts within voting districts were combined to generate two submarkets for each district, producing fourteen unique submarket areas within the city.

Figure 1. Map of City of Seattle Neighborhood Submarkets



We complement our quantitative analysis with data generated from focus groups with City of Seattle staff and one-on-one interviews with developers, operators, and investors who have participated in the MFTE program. We conducted seven semi-structured key informant interviews with housing developers and operators. We also conducted two focus group interviews with teams from the City of Seattle Office of Housing that are responsible for implementing and monitoring MFTE. Interviews and focus groups each lasted one hour, and were recorded and transcribed for qualitative analysis.

The UW research team analyzed the transcribed interviews to generate initial codes and key themes. Where relevant, findings from the qualitative interviews are used to supplement or complement results from the quantitative analysis. Consistent with a mixed methods approach to research, the two sources of data and findings were brought together to generate a deeper understanding of the program, how it is structured, its costs, and the outcomes it produces. Additionally, we conclude our findings with a standalone section from our qualitative interviews, which articulate respondents' perspectives on the goals of MFTE, perceived challenges of the program, and considerations for MFTE reform.

Data limitations prevent us from providing a definitive answer to the principal research question. To fully understand whether MFTE is a cost-effective method for producing and maintaining affordable housing, one would need to understand the housing supply impact attributable to MFTE and the impact on rents from that additional housing production. In addition, there are other benefits, such as the taxes generated from housing production, that should be considered in a comprehensive cost/benefit analysis.

Finally, it is important to note that much of the analysis in this study is based on the post-Covid 19 period which has been highly unusual. During this period, interest rates rose dramatically, building costs rose significantly, and market vacancy rates rose. As a result, all readers of this report should digest these findings with an appreciation for this broader economic and market context.

FINDINGS

In this section, we present findings on the benefits and costs of the program and then discuss ways in which these factors can be compared. Where relevant, we include findings from the qualitative interviews to corroborate (or contradict) evidence generated from the quantitative data. We conclude the analysis with results of the qualitative interviews that provide further feedback about the program and its design and implementation.

Benefits of the MFTE Program

The logic of the MFTE program is that jurisdictions will bear a cost to taxpayers in exchange for the public benefits of additional housing production, and particularly affordable housing. Calculating these benefits is a challenge given that some of the benefits are quantifiable while others are less tangible—but no less beneficial. In this section, we seek to highlight the various benefits of the program. According to the City of Seattle code, Chapter 5.73, the purpose of the MFTE program is to “increase and maintain affordable housing opportunities in new and existing multifamily housing, including through rehabilitation of vacant buildings, within the city of Seattle...In addition to increasing affordable housing [MFTE] seeks to affirmatively further fair housing as Seattle grows.” We analyze the benefits of the program with this stated purpose in mind.

Housing Units

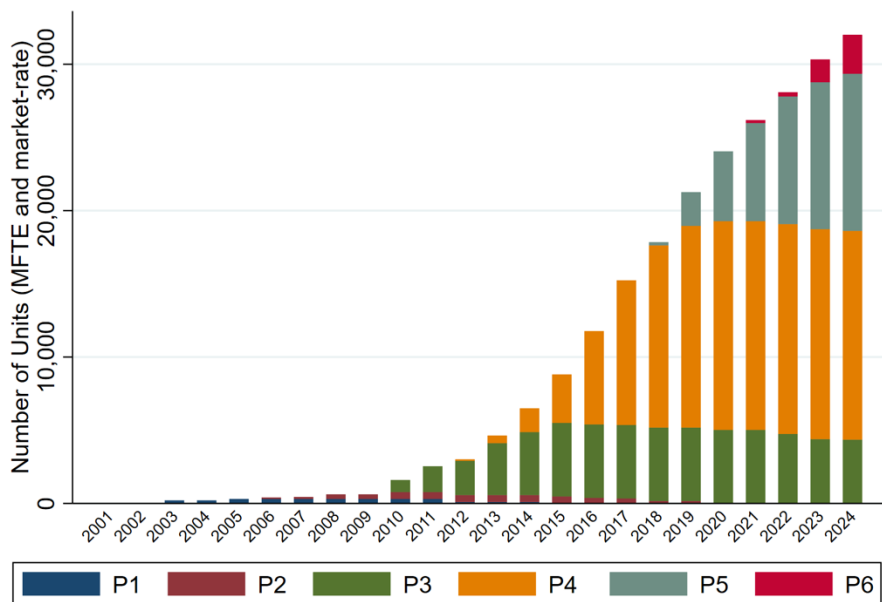
The purpose of the original MFTE law was to stimulate the production of multifamily housing in the State of Washington; affordable production was not the sole focus of the program. That changed in 2007 when the 12-year program was established which created a longer exemption in exchange for dedicated affordable units. In this first section, we analyze total housing production under the City of Seattle’s MFTE program.

Given the clear empirical evidence about the relationship between housing production and affordability, one of the conspicuous benefits of the MFTE program has been the housing that has been constructed under the program, which includes both income-restricted and unrestricted units. Since inception, developers have completed a total of 303 projects under MFTE which included a total of 33,956 units.²⁹ Figure 2 provides a summary of the total number of active units of housing that exist in projects that have received the MFTE exemption. As of the time of this

²⁹ This estimate is only for “market-rate” MFTE rental properties, that is, properties for which MFTE is the only public subsidy. MFTE ownership properties and other low-income housing projects that are City-funded and/or Low-Income Housing Tax Credit/bond-financed are excluded.

writing, the total number of active units in MFTE-participating properties is 32,207. As is clear from the graphic, P4 and P5 played a significant role in the production of housing.

Figure 2. Total Active Housing Units in MFTE Buildings by Program Type



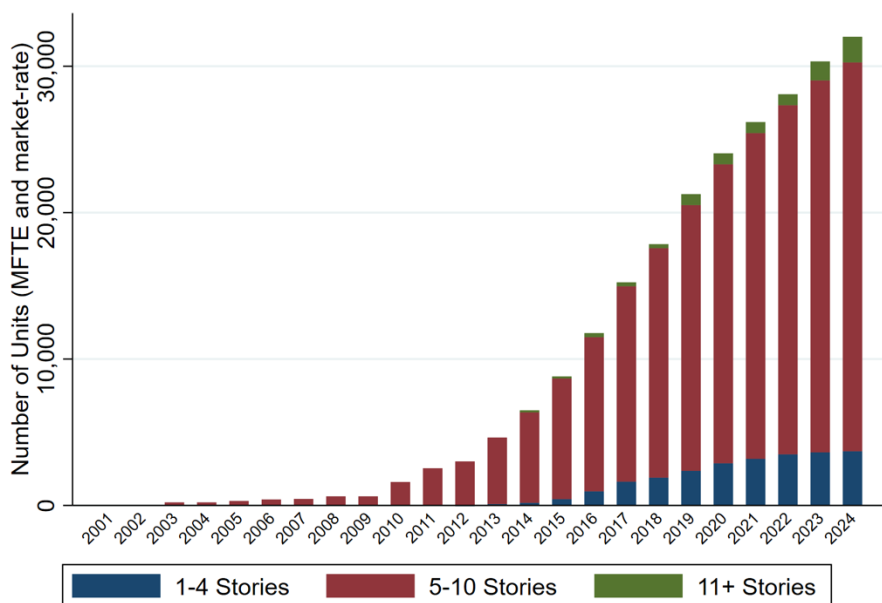
Source: King County Assessor

It is also important to highlight the types of projects developed under MFTE. In Figure 3 below, we break down the total number of active units in projects that receive the MFTE. It is clear that the vast majority of the development activity has been in buildings with 5 to 10 stories. Consistent with feedback from our developer interviews, the MFTE program primarily works for mid-rise projects. The economics do not support the development of low- or high-rise buildings. The City issued a Director’s Rule in 2021 that attempted to make MFTE more appealing for high-rise development³⁰, but the impact has been negligible. These sentiments were expressed by a developer in our interviews, ***“MFTE works for our podium projects... wood frame, generally seven, now more recently eight story buildings over parking. Generally in the urban core or the peripheral areas... up until recently... we were not able to make MFTE work in our high-rise projects... we’ve done a number of high-rises, every one of them, we’ve looked at the MFTE program and it has not worked. Most recently, with the director’s rule that came out in 2021, allowing a different distribution of units within the building, we were then able to make it pencil and convince our equity partners it was good to do MFTE in high-rises as well.”*** This developer

³⁰https://www.seattle.gov/documents/Departments/Housing/HousingDevelopers/MultifamilyTaxExemption/MFTE_DirectorsRule_2021-02_UnitDistribution.pdf

was in the minority in our interviews as the others we spoke to all suggested that MFTE does not work for high-rise projects, “***We have never been able to make a high-rise pencil in this market, MFTE or no.... We just flat out, haven’t found the rents justify the additional costs.***” Another developer made a similar argument, “***Basically MFTE works really well for mid-rise, market-rate projects. It doesn’t work very well for high-rise projects.***” In our interviews with Office of Housing staff, they underscored that MFTE appeared to work best for mid-rise projects.

Figure 3. Total Active Housing Units in MFTE Buildings by Building Type

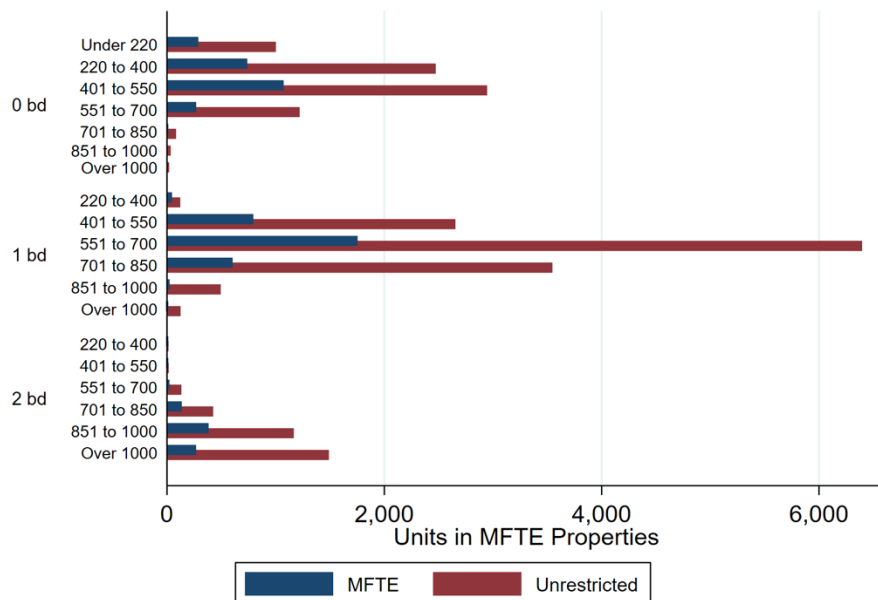


Source: King County Assessor

Figure 4 below highlights the breakdown of units in MFTE buildings that were active in 2023. The figure shows both MFTE income-restricted units (in blue) and the unrestricted units (in red). Consistent with what we observe in other data, this figure highlights that the vast majority of units built with the support of MFTE have been one bedrooms and studios. Throughout our interviews with developers, we heard that MFTE has been a program that was ideally suited for constructing one bedroom units, “***[MFTE] is a big economic development boost for one bedroom units, like the rent that’s asked in Seattle relative to the market rate is pretty much on par. So if you develop a building of all one bedroom units, you get significant property tax relief. You give away little or no rent off market rate, and so it should be a significant boost.***” Multiple developers noted that rule changes adopted in P5 and P6 made using MFTE for small efficiency dwelling units (SEDUs) and congregate housing much more difficult. As one developer expressed, “***[OH] really turned the screws on the small use kind, they reversed it so hard that all of a sudden it became impossible for people developing those things***

to participate in ways that made any economic sense. And so they sort of went from a huge giveaway to no one in that space participating.

Figure 4. Unit Breakdown in MFTE Properties Active in 2023



Source: 2023 Annual MILU Certification Query

The lack of production of two bedroom units under MFTE is not a coincidence. Although MFTE AMI thresholds are highest for family-sized units, developers expressed that the structure of the program did not work well for two bedroom and larger units, and as a result, very few have been built. As noted by a developer, the size of two bedrooms creates an economic challenge, ***“Project budgeting is all based on square foot. So if you have a thousand square foot unit, it’s like costing you almost twice as much as a 500 square foot unit, and you need almost twice as much rent for that thousand square foot unit as you do for the studio... the AMIs are calibrated, for whatever reason, at 65% for a studio which is pretty close to what you need for market in a mid-rise building. For a two-bedroom, the AMI at 85% isn’t enough. Market rent has to be so much higher... Whereas the studios, you know, 65%, 70% is still fine.”*** We heard similar comments from staff members from the Office of Housing who noted, ***“There could be a deeper, stronger incentive to bring [family-sized] units to market, because it doesn’t feel like it’s working.”***

It is important to note that attributing this production solely to MFTE would be an incorrect conclusion. Some of these projects may well have been constructed in the absence of the program, but estimating what would have happened in the absence of MFTE is very difficult. In our interviews, developers articulated that MFTE has been important for many projects and some of these projects ***“would not have***

penciled” were it not for MFTE. As one developer noted, ***“I think the good thing about MFTE is, a lot of the mid-rise projects in particular don’t pencil without it. So the important thing to keep in mind is that it’s not just generating these rent-restricted units. It’s generating the other [market-rate] units.”*** All we can say is that there is a positive, yet difficult to quantify, impact on the Seattle housing supply from the MFTE program. Developers expressed support for MFTE (especially in its earlier iteration) as a valuable tool to promote housing production in Seattle: ***“MFTE overall is a fabulous solution, because at least I can’t define it as actually costing anything. And it does promote the behavior it’s intended to do from that standpoint. I actually think it’s been fairly well conceived... [Without MFTE] I think that the few projects that are moving forward would just simply vanish.”***

To generate a deeper understanding of this dynamic, we solicited feedback on the issue of MFTE’s impact on housing production from two developers. The following three hypothetical outcomes were presented:

1. The benefit associated with MFTE was integral to the development of a lot of multifamily housing in Seattle over the last 15 years. In the absence of MFTE, housing production would have been much lower.
2. All of this housing would have been built independent of MFTE. MFTE just made the development more profitable.
3. MFTE doesn’t change the build/not build decision because the benefits (abatement) are closely calibrated with the costs (affordability requirements). Without MFTE, you get the same amount of production, you just wouldn’t have the affordable units that came with the MFTE program.

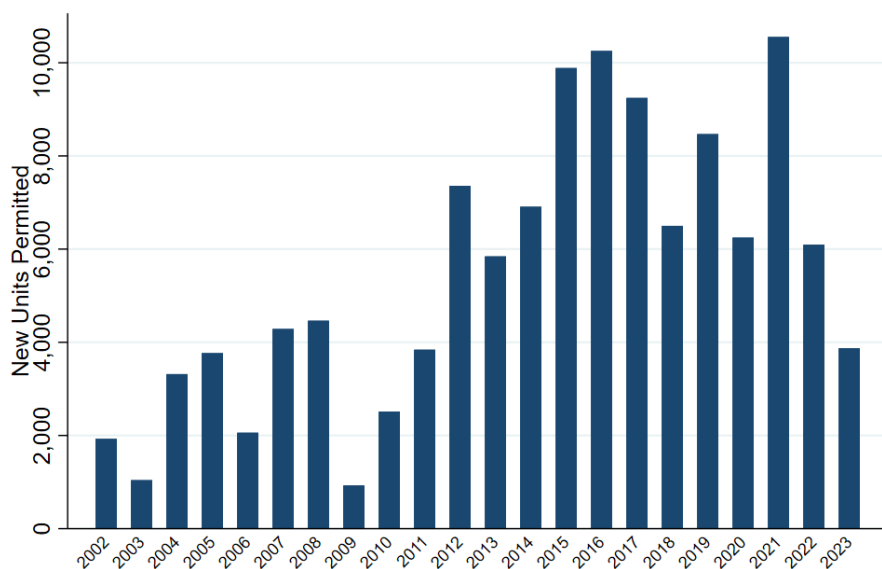
The response from one developer was that if you were to poll the entire development community, you would get all three responses, with option three getting the most responses. We also understand option three to be increasingly relevant as the affordability requirements of the program have increased. As the costs of the MFTE program for a developer (affordability requirements) are more closely aligned to the benefits of the program (the tax exemption), the program becomes less advantageous and may no longer serve as key factor in the decision of a developer to build a project or not. It becomes an issue for the developer, once they decide to develop a project, whether to apply for MFTE or not.

A second developer took a different tack in answering this hypothetical. They indicated that it depends on the size of the projects/units. For smaller units, MFTE had a clear impact on housing supply, not just income-restricted supply, ***“In that category of small apartments, MFTE produced a massive boom of housing, such that the rents in that area have fallen sharply since 2019, even before adjusting for inflation. While this is painful for speculative developers, I think it’s hard not to count this as a policy win.”*** In responding to the build / don’t build

question, this developer suggested that one cannot provide a blanket response. Rather, ***“there is probably a marginal project out there where its exactly calibrated, maybe around a 400sf 1BR project...But for smaller product types it’s a win, for larger it’s a loss.”***

Before presenting the data on the production of MFTE, it is important to provide context on the overall level of housing production in the City of Seattle over the last 20 years. Figure 5 shows permit activity and highlights that there was a boom in residential construction during the decade of the 2010s. It is important to note that a permit precedes the completion of a housing development by a couple of years. This is why we observe a significant decrease in permit activity in 2023—this reduction will produce a fall in new unit deliveries in the years to come.

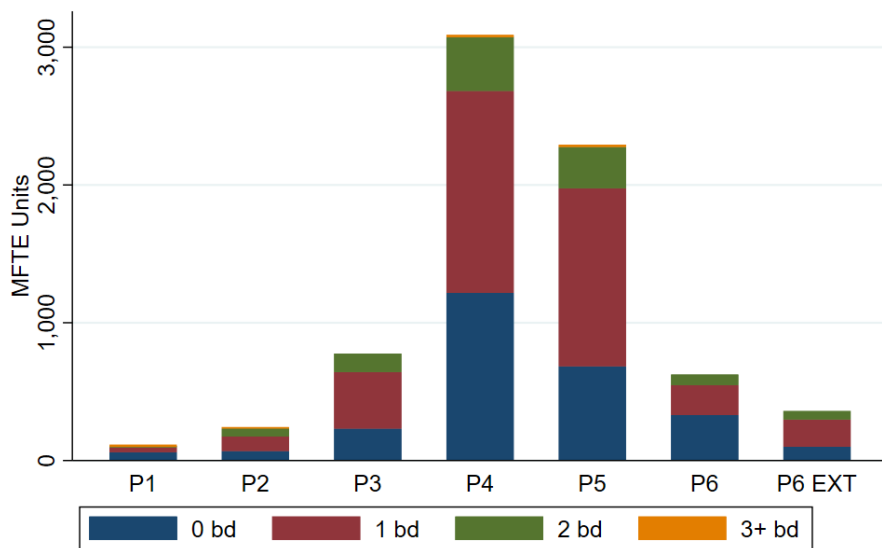
Figure 5. New Multifamily Housing Permits Issued by Year



Source: Permit data assembled by Office of Planning & Community Development and Office of Housing Staff. Annual sums include new permits for apartment; congregate housing; multifamily non-ground level dwelling; and small efficiency dwelling categories. Annual sums include MFTE-related development.

Under the MFTE program, a portion of the units in projects that receive the MFTE must be affordable pursuant to certain income restrictions (as described earlier in this report). These units are a clear benefit of the MFTE program—they would not exist were it not for the presence of the program. Figure 6 highlights the number of income-restricted units produced under each iteration of the program. P4 and P5 have had a disproportionate impact on MFTE housing production, but these programs also coincided with Seattle’s residential development boom. Over the life of MFTE, 7,047 total income-restricted units have been produced in the City of Seattle.

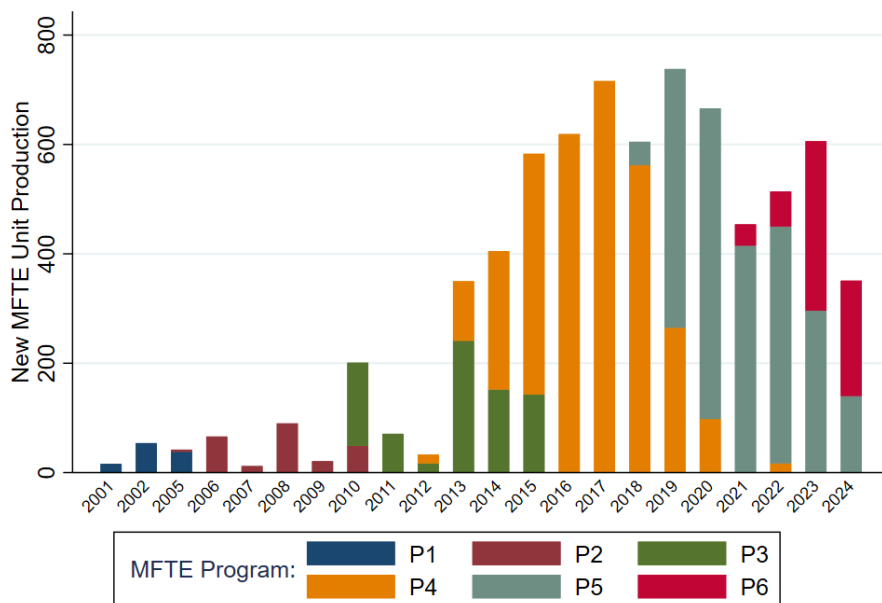
Figure 6. Total Income-Restricted Housing Production Under MFTE By Program



Source: Seattle OH Project Tracking
 Under 400, SEDU, and congregate started to be tracked separately by OH in 2015
 P6 EXT are 12-yr extensions to P3, not new production, subject to new affordability
 0 bedrooms include SEDU, Congregate, Under 400 sq ft., which are subject to different AMI limits

Figure 7 highlights the annual production of income-restricted units under the program. It is important to note that new projects take time to complete. Therefore, completions in 2024 were started years earlier (and therefore come from different program iterations). There is a reduction in production in 2024, but this is based on partial year data. But we know from our interviews, that the challenging market conditions evident in the post-Covid era (higher interest rates and construction costs) will lead to significantly lower completions in the years to come. This decline in production is not yet evident in the data given the lag between project start and completion. But one should expect dramatically lower completions and deliveries over the next three to four years.

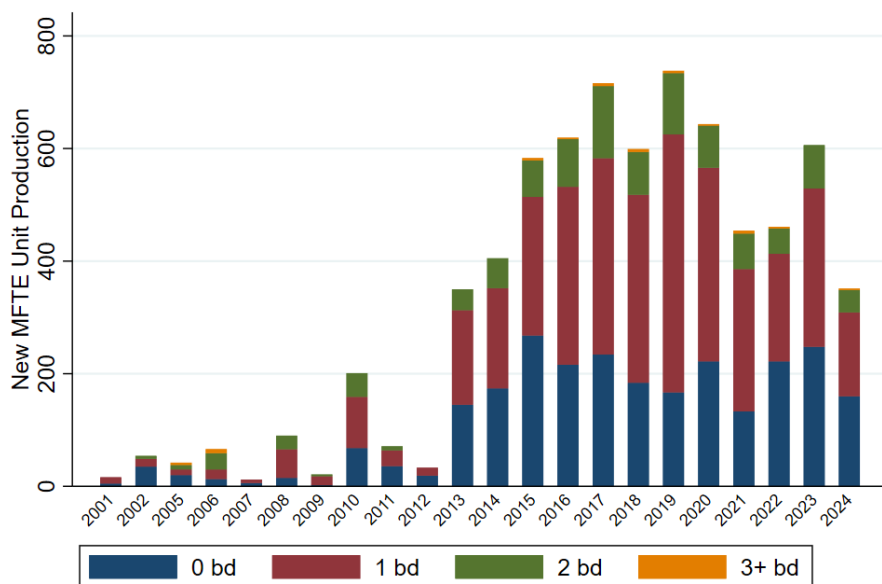
Figure 7. Yearly New Income-Restricted Unit Production by Program



Source: Seattle OH Project Tracking, units assumed produced in the first year of the exemption

In Figure 8, the same annual production numbers that were presented in Figure 7 are broken down by unit type. The figure demonstrates, consistent with other data and the feedback from developers, that MFTE projects have disproportionately created zero and one bedroom income-restricted units.

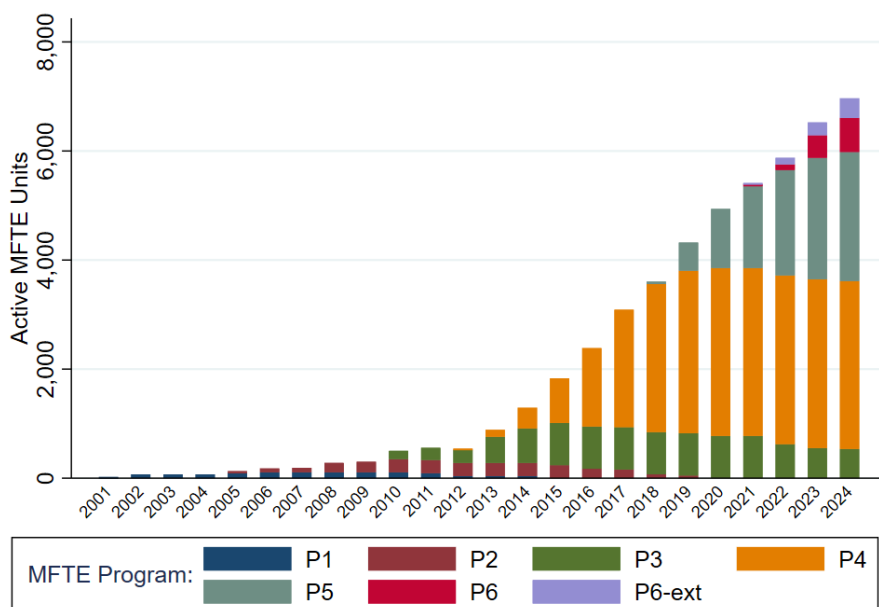
Figure 8. Yearly New Income-Restricted Unit Production by Unit Type



Source: Seattle OH Project Tracking, units assumed produced in the first year of the exemption
0 bedrooms include SEDU, Congregate, and Under 400 sq ft. categories

Because the tax exemption is granted for only 12 years, some MFTE units exit the pool of income restricted units upon expiry of the tax exemption. Therefore, once the program reaches maturity, each year there are units added to the pool due to completions of new projects, while other units are lost due to projects reaching the end of the exemption period. In addition to focusing on total production (as we do in the figures presented above) we also focus on the total number of units that are active in any given year. Figure 9 below presents the number of active MFTE units in any given year over time broken down by program. As of the time of this writing, there are 6,636 active income-restricted units in the City of Seattle’s market-rate MFTE rental portfolio.

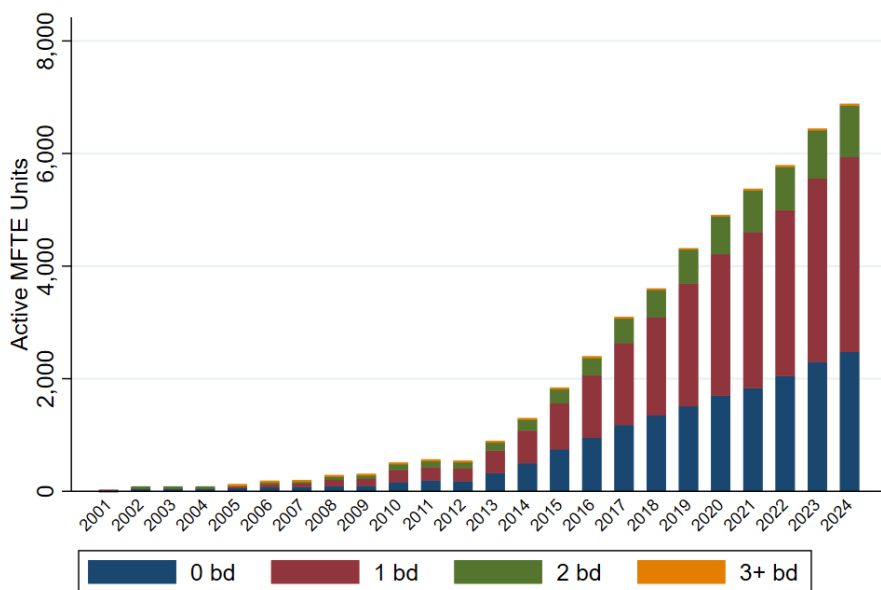
Figure 9. Annual Active Income-Restricted Units by Program



Source: Seattle OH Project Tracking, units assumed active through exemption lifetime

Figure 10 presents the yearly active MFTE portfolio of income-restricted units broken down by unit type. As the figure highlights, the MFTE program has disproportionately produced studio and one bedroom units. There have been a modest number of two and three bedroom units produced, but those represent a small minority of total production. Our interviews with developers underscored that the economics of development under MFTE made studios and one bedrooms the only type of units that made financial sense.

Figure 10. Annual Active Income-Restricted Units by Unit Type



Source: Seattle OH Project Tracking, units assumed active through exemption lifetime
0 bedrooms include SEDU, Congregate, and Under 400 sq ft. categories

In sum, 303 market-rate multifamily projects built with the support of MFTE have created 33,956 total housing units over the life of the program, of which 7,047 of those units are income- and rent-restricted pursuant to program rules. In 2024, there were 6,636 units of income-restricted housing in 286 MFTE buildings. These unit counts are an important benefit of the MFTE program.

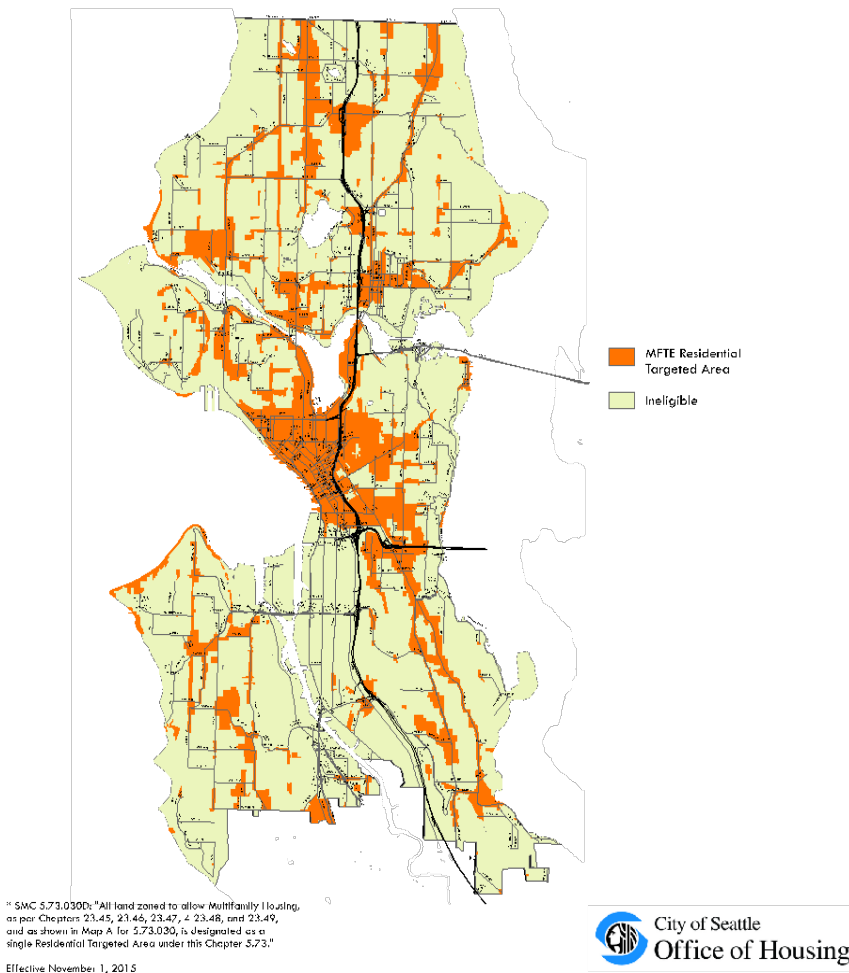
Affirmatively Furthering Fair Housing

As noted in the City’s municipal code, a second goal of the program is to affirmatively further fair housing (AFFH). Per the U.S. Department of Housing and Urban Development, AFFH requires communities to “take meaningful actions to overcome patterns of segregation and foster inclusive communities.”³¹ Therefore, it is important to understand where MFTE units are being constructed.

The first step in this analysis is to understand where these MFTE projects have been constructed. Before presenting maps of the location of MFTE projects, it is important to understand the regulatory context in which these projects are developed. Projects using MFTE may only be developed in locations that are considered a Residential Targeted Area (RTA). In 2015, under P5, the City of Seattle expanded the RTA from primarily urban centers and villages to allow MFTE development in any location zoned for multifamily housing (as of 2015). Figure 11 below shows the current RTA map in Seattle, which has been in effect since 2015.

³¹ <https://www.hud.gov/AFFH>

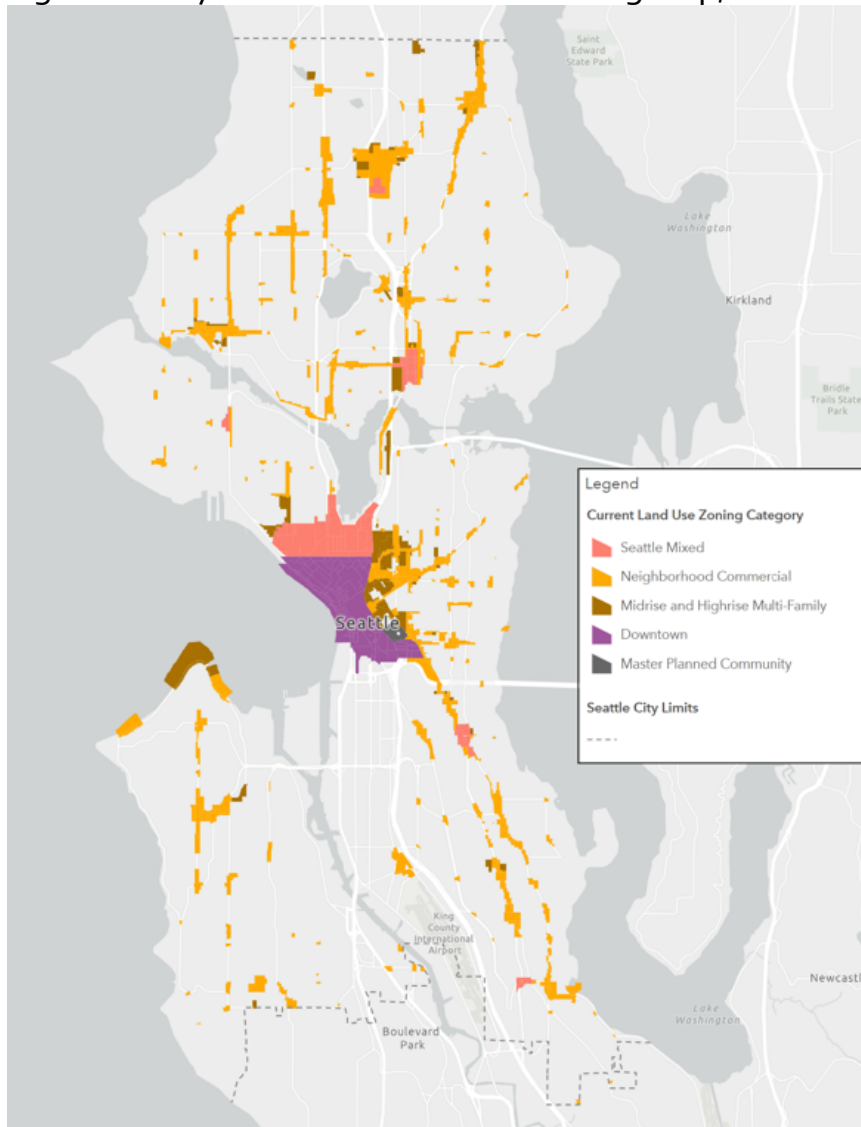
Figure 11. City of Seattle Map of Residential Targeted Areas, Pursuant to SMC 5.73.030³²



There is a significant overlap between the RTA map and the City of Seattle's current multifamily zoning. However, they are not identical, as MFTE development is not permitted in areas of the city that have been upzoned since 2015. Figure 12 is the most recent zoning map published by the City of Seattle.

³²https://www.seattle.gov/documents/Departments/Housing/HousingDevelopers/MultifamilyTaxExemption/MFTE_RTMap.pdf

Figure 12. City of Seattle Residential Zoning Map, 2022³³



The location of MFTE units is driven by both regulatory constraints (RTA) as well as market dynamics. Based on our interviews, market conditions across the city have a significant impact on the spatial distribution of MFTE units. A city staff member summarized these dynamics: ***“Everything that’s in the MFTE program will be on the RTA, [but] you still see somewhat of a like, market-driven consolidation. Like this program operates very much within the market. So where buildings are already feasible to build is where you see the most MFTE activity. From my perspective, it doesn’t necessarily shift where development happens.”***

With these regulatory and market contexts in mind, Figures 13 through 17 depict the location of active (in 2023) MFTE projects by each program iteration. As these

³³ <https://seattle.gov/dpd/research/GIS/webplots/Smallzonemap.pdf>

figures demonstrate, there is a fair amount of spatial consistency in MFTE development across programs.

Figure 13. Location of Active P3 MFTE Properties

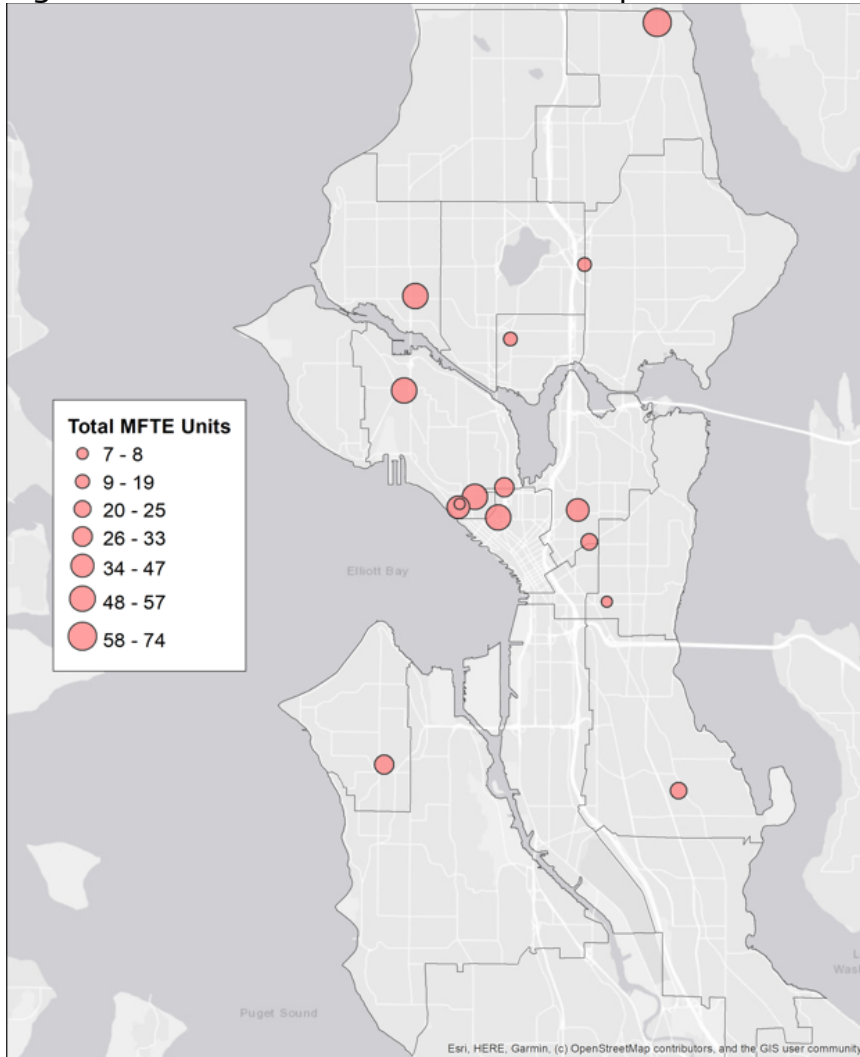


Figure 14. Location of Active P4 MFTE Properties

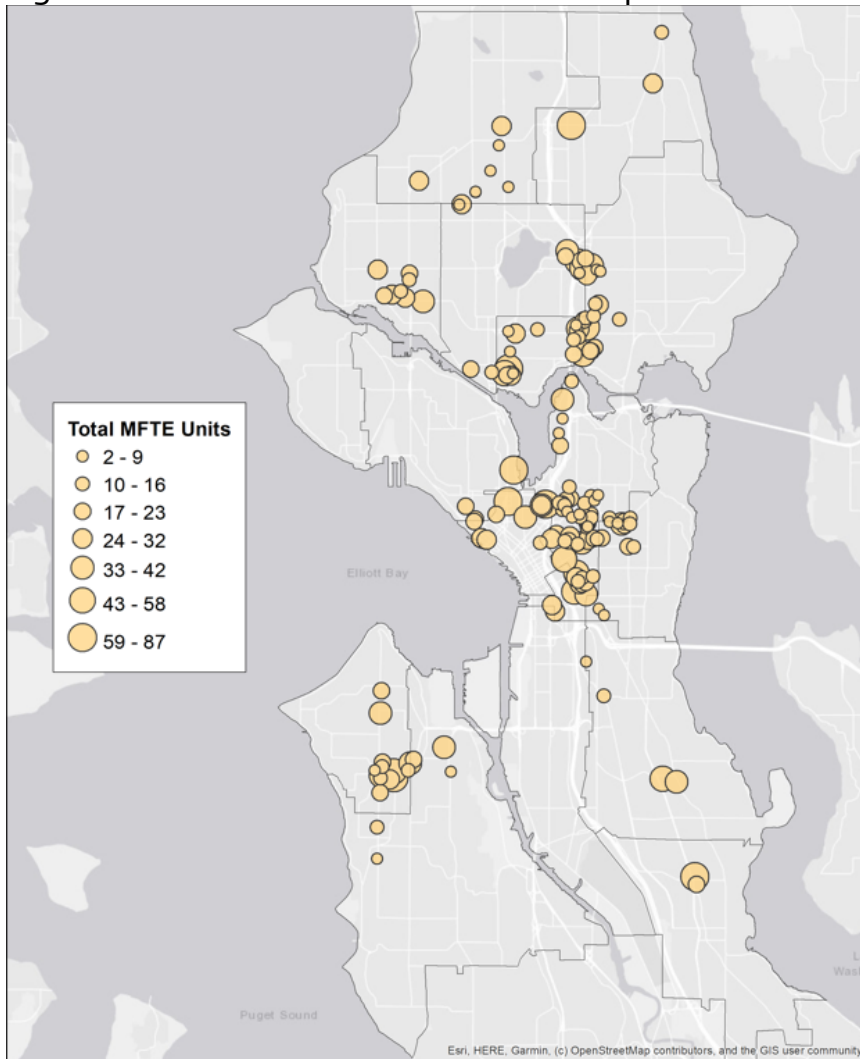


Figure 15. Location of Active P5 MFTE Properties

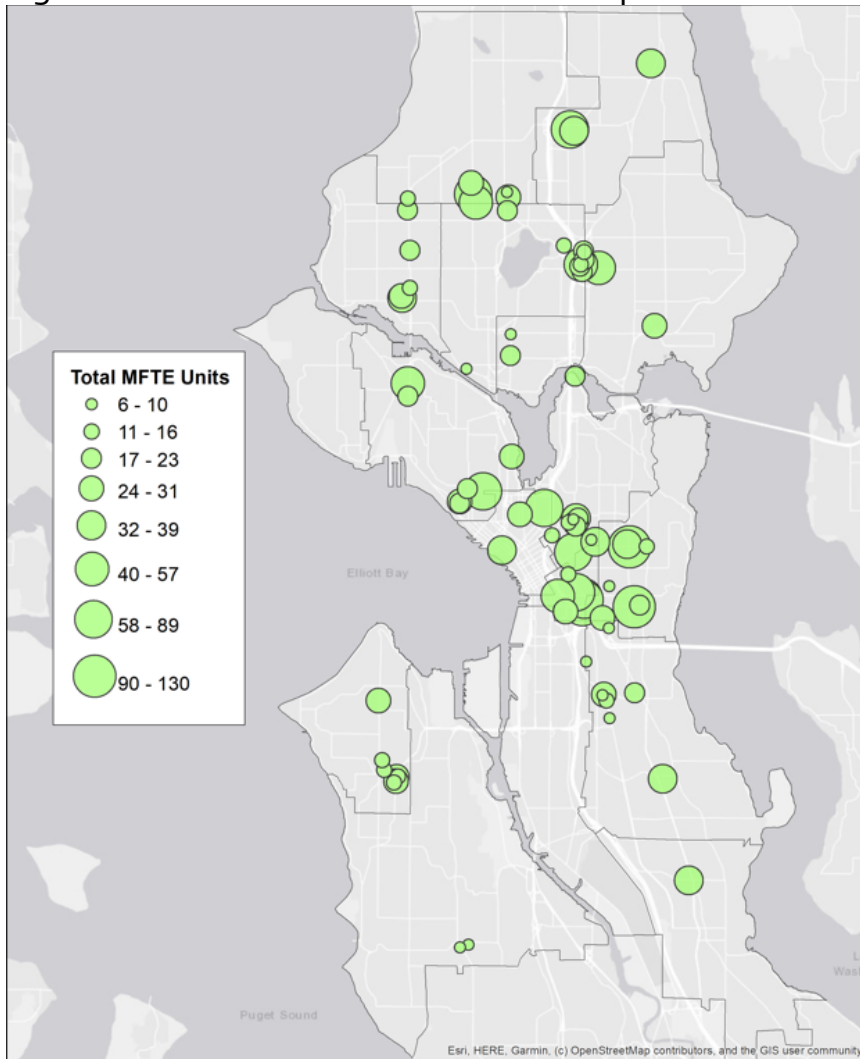


Figure 16. Location of Active P6 MFTE Properties

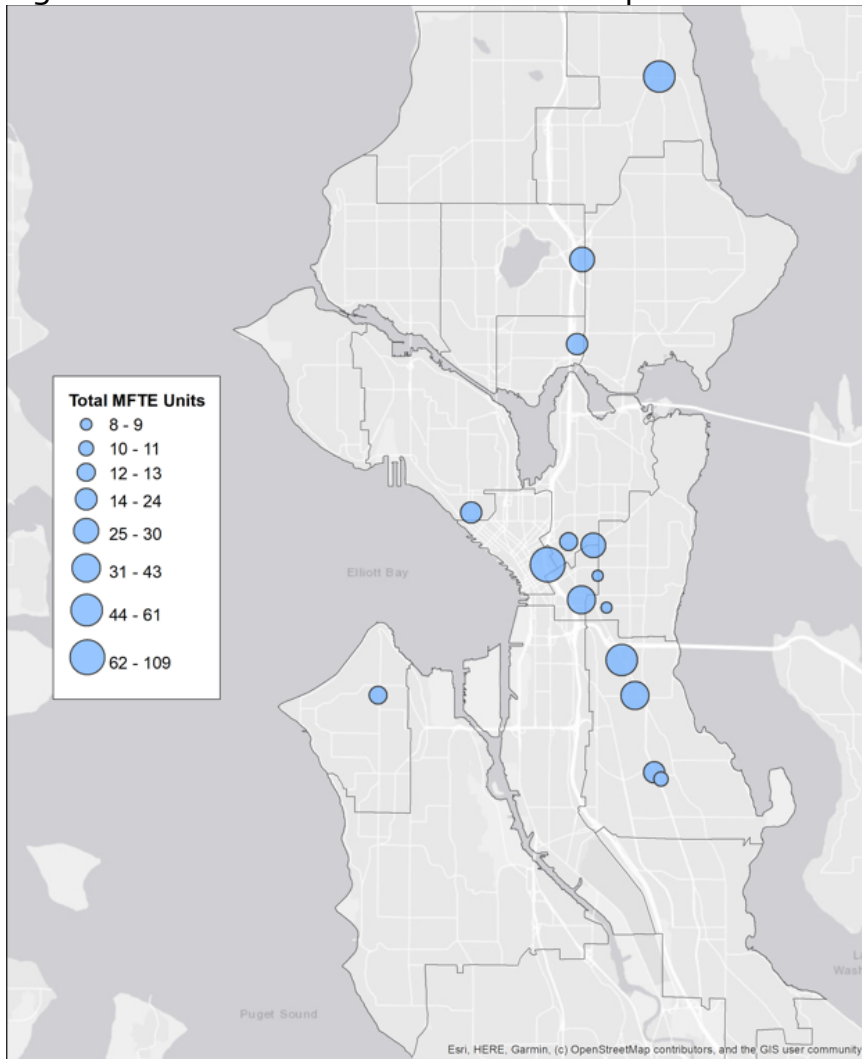
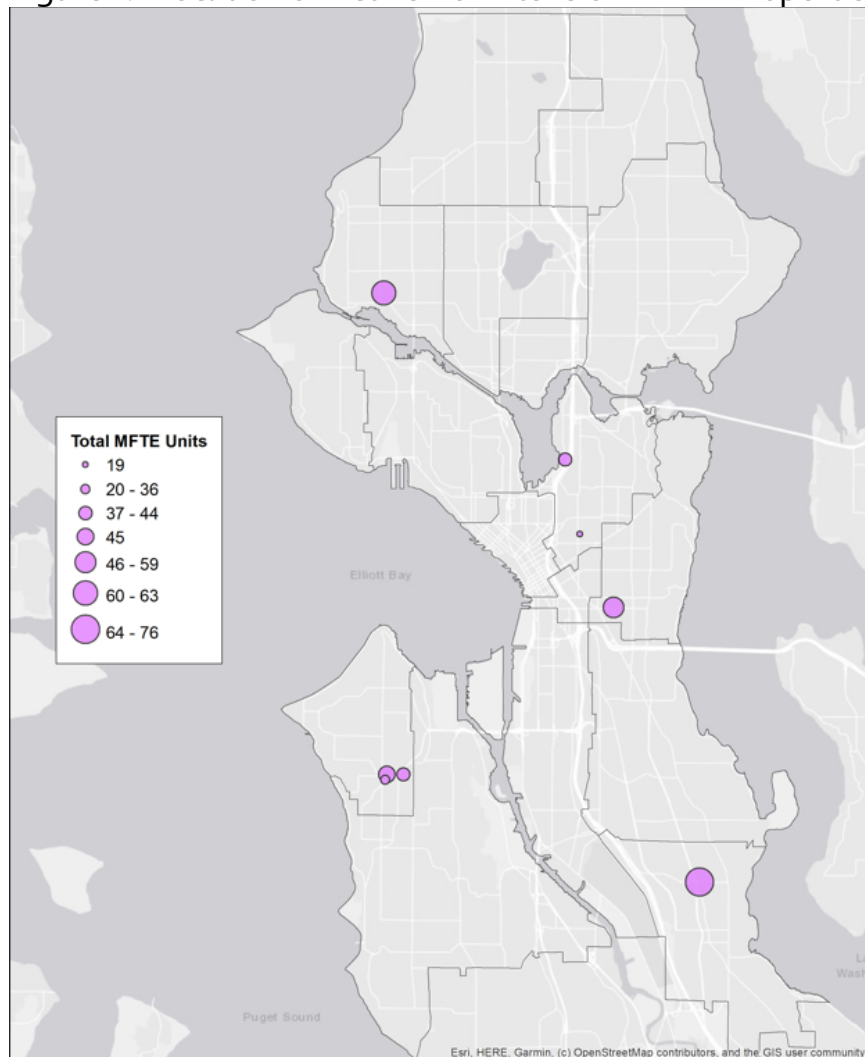


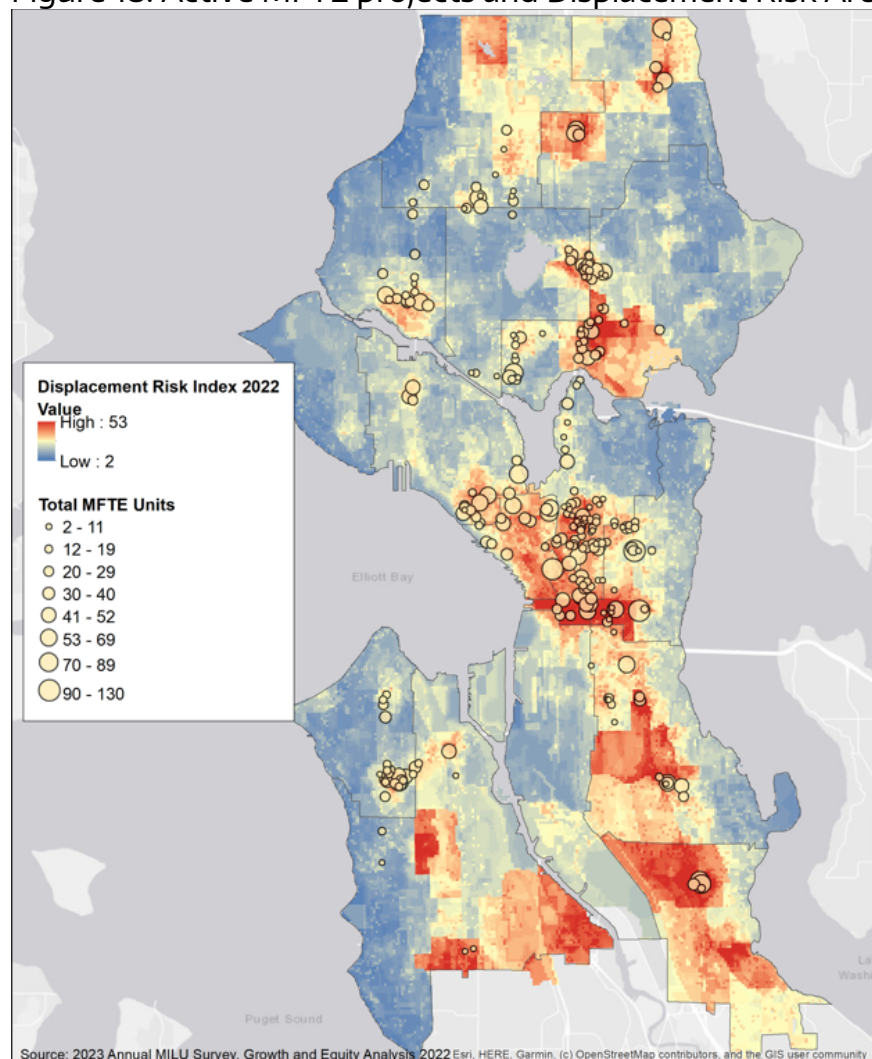
Figure 17. Location of Active P6 Extension MFTE Properties



Another concern in the City of Seattle is the risk of displacement. In Figure 18, we place active MFTE projects on the city's map of displacement risk (as described in the Seattle Office of Planning & Community Development Comprehensive Plan).³⁴ The figure clearly demonstrates that many of the MFTE projects are located in areas with high displacement risk. One could argue that this is negative (potentially adding to displacement risk where new MFTE development is occurring) or positive (creating more housing supply in locations where scarcity is driving displacement). It is important to note that there is significant correlation between zoning, land values, and displacement risk. It is not a coincidence that a lot of residential construction occurs in areas with high displacement risk due to the underlying market fundamentals in those locations that makes development more attractive.

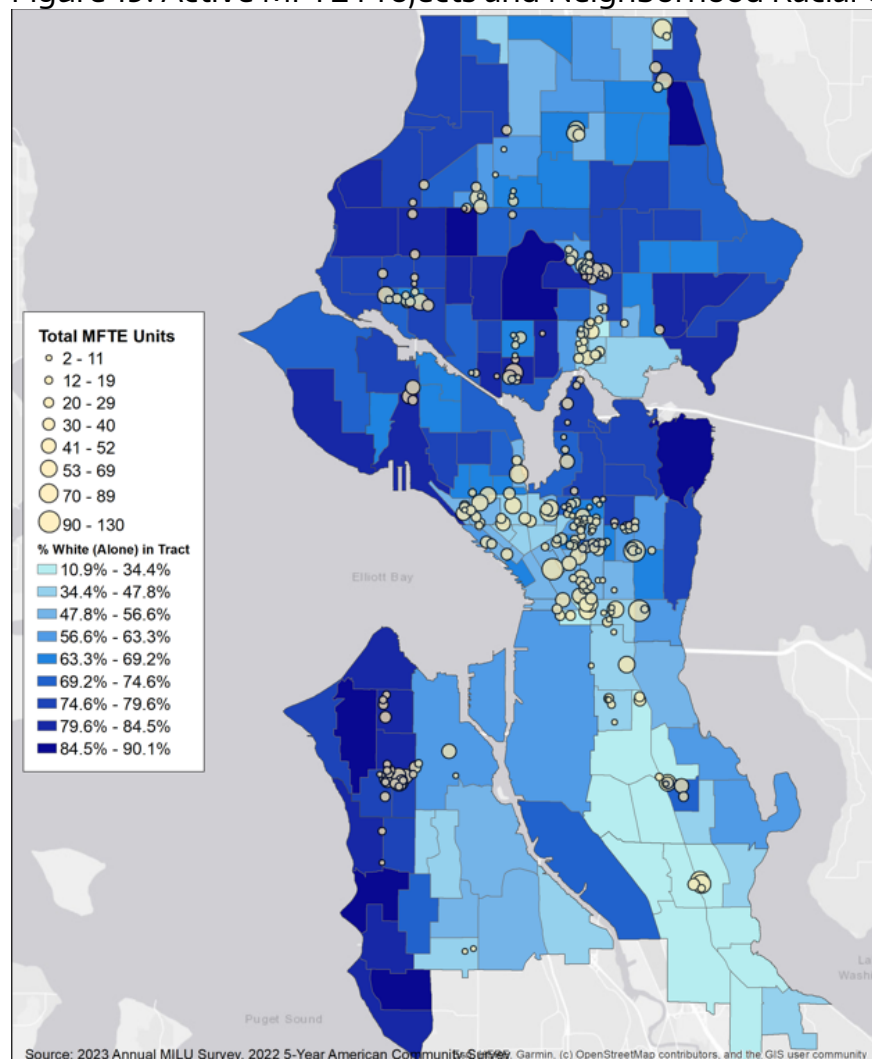
³⁴<https://www.seattle.gov/documents/Departments/OPCD/SeattlePlan/OneSeattlePlanAntiDisplacementFramework.pdf>

Figure 18. Active MFTE projects and Displacement Risk Areas



Next, we analyze the demographic composition of census tracts in which MFTE projects have been built. First, we consider racial composition. Figure 19 depicts the percent of households in a tract that are white. The figure shows that MFTE units tend to be located in neighborhoods that are not disproportionately white. This is likely more a function of zoning rather than the spatial decisions of MFTE developers. Many of the whitest neighborhoods in Seattle are zoned single-family and therefore multi-family construction—and MFTE units by extension—are not permissible. We also observe that the neighborhoods with the lowest percentage of white households are also not home to many MFTE units.

Figure 19. Active MFTE Projects and Neighborhood Racial Composition

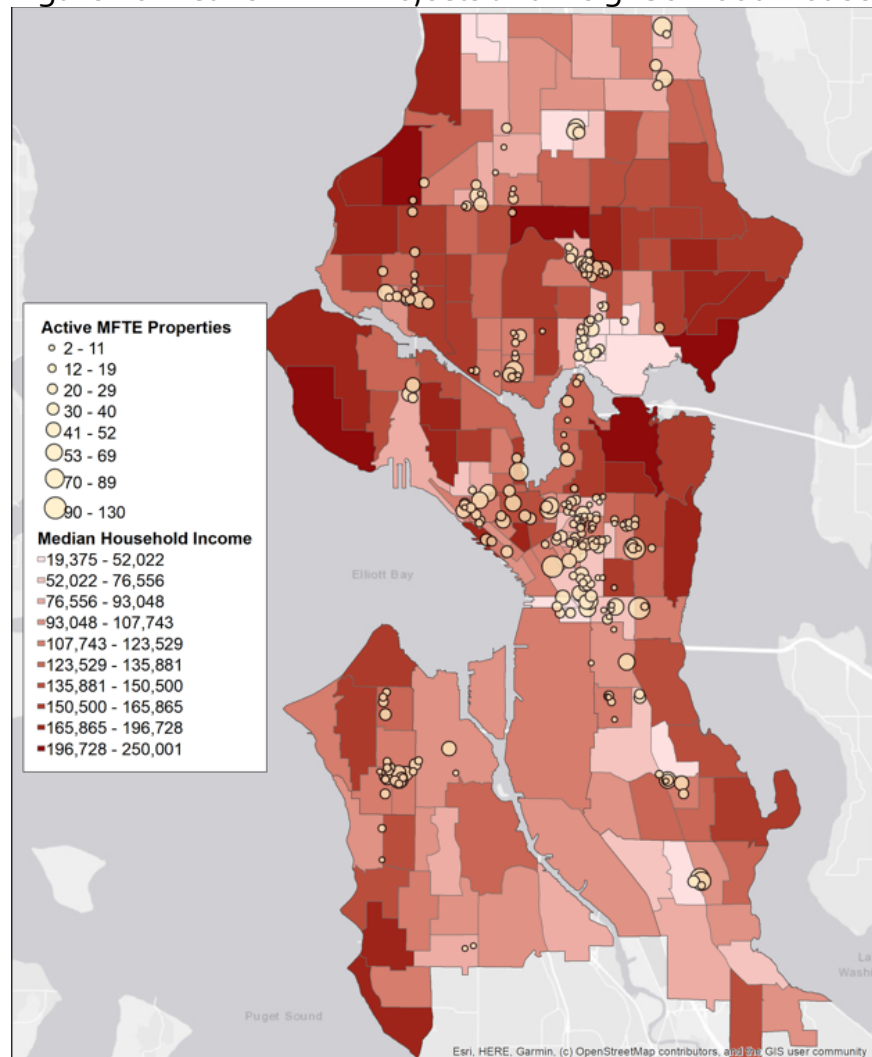


In Figure 20, we map MFTE units and the median household income across census tracts in the City of Seattle. The story is similar to what was observed in Figure 18. Some of the wealthiest neighborhoods in the city are zoned single-family and therefore not open to MFTE development. Developers also have not focused MFTE construction in the poorest neighborhoods in the city due to the less favorable market dynamics in those locations.

Throughout our interviews, there was extensive discussion about the location of MFTE projects in the city. Both city staff and developers noted that there are significant gaps between market and MFTE rents in higher cost neighborhoods such as South Lake Union and Downtown, while in lower cost locations, market rents are very close to the rents that can be charged in MFTE units. A city staff member noted this discrepancy and argued that this should make development in lower cost locations of the city more attractive for developers, "***There are several areas in the***

city where MFTE rents are market rent. So Rainier Beach and parts of Rainier Valley, parts of Lake City, you know, if you compare some of these rents, there's really no difference. So there's no public benefit being provided at all. Zero, zero, zero. So why not do MFTE? It's a no-brainer." But we heard from developers that even though the rent discount is limited—or non-existent—in lower cost areas, the overall market fundamentals don't provide the economics needed to pursue these projects. As one developer explained, **"At a certain point it becomes very difficult to use MFTE in a lower-income area. Like you're in Rainier Beach, the overall project is going to be very difficult to pencil, because the market rents aren't there, so you might have a very narrow gap between market and affordable rents that would make that MFTE incentive very accretive. At the same time, the market rents aren't high enough to justify the project."**

Figure 20. Active MFTE Projects and Neighborhood Household Income



AFFH has its origins in Title VIII of the Civil Rights Act of 1968 (the Fair Housing Act). HUD currently defines AFFH as the use of funds to combat discrimination, overcome patterns of segregation, and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics such as race, national origin, sex, and religion.³⁵ Yet, as described above, MFTE is limited by regulatory (i.e., zoning) considerations which restrict multifamily development of any kind in many of Seattle's most affluent neighborhoods. Moreover, assessing the extent to which MFTE affirmatively furthers fair housing would require a consideration of the sociodemographic characteristics of residents in income-restricted units. Unfortunately, city-provided tenant-level data has a high degree of missingness—for instance, race and ethnicity data are missing for nearly 40% of MFTE tenants in 2023. In the absence of better tenant-level sociodemographic data, we can only speak to the location of MFTE units and the characteristics of those neighborhoods.

Rental Affordability

As clearly articulated in the City statute, creating more affordable housing is a primary goal of the city's program. Therefore, it is important to understand the scope and depth of affordability provided by the MFTE program. Based on our analysis and interviews with developers and city staff, there is an open question of whether MFTE can deliver the level of affordability that is desired. One developer noted in our interview, "***[MFTE] doesn't solve the problems of low-income housing, it solves a problem of middle-income housing. Which we still need. And I think that's a very important issue that people forget.***" Corroborating this point, the city estimates an overall need of 112,000 new housing units—at varying levels of affordability—by 2044.³⁶ There is an open question of whether the program as structured can deliver deep affordability. Another developer noted, "***What are we trying to accomplish here? What's the number? One goal in the city is we need housing. We need housing of all income levels... MFTE is not the lowest income level, but it's important workforce housing... it's been successful in producing that middle-income housing... You've got to set what is the objective here, and quit worrying about all the little details.***"

We begin the analysis of affordability by comparing the rents of income-restricted MFTE units to the rents of unrestricted units in the same buildings. We prefer this comparison because it compares units in the same buildings, which all tend to be relatively new and of similar quality. One of the threats to this comparison is that

³⁵ <https://www.hud.gov/AFFH>

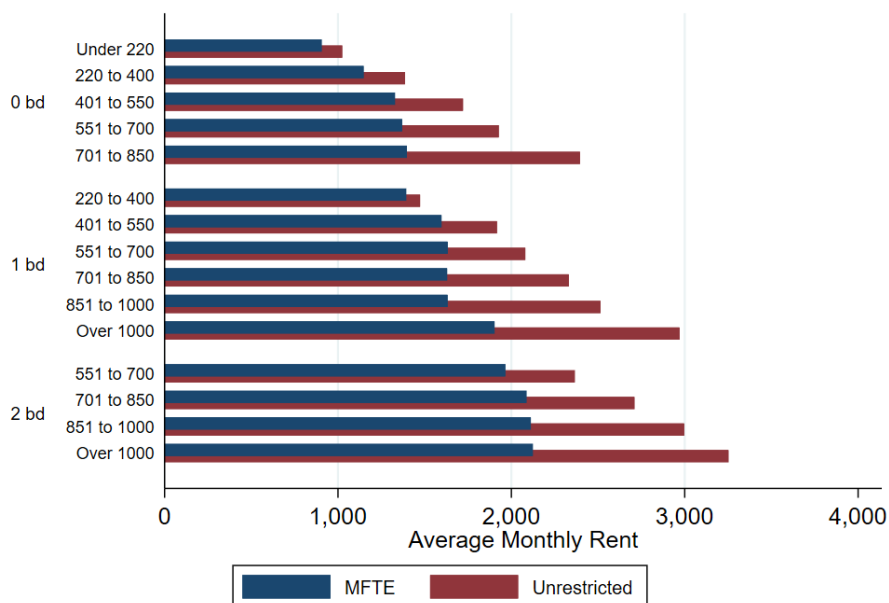
³⁶ https://cdn.kingcounty.gov/-/media/king-county/depts/executive/performance-strategy-budget/regional-planning/cpps/kc_2021_cpps_ord_19660_113021.pdf?rev=dc68c4a4ea67465c8c79de0869fcb867&hash=A3EB1B05E22148F999802F018F0827B3

not all MFTE units are perfectly comparable to the unrestricted units in the same building. Over time, the city has established stronger comparability standards, but there are frequently differences which may, in part, explain some of the price difference. Units may differ based on different views, location in the building, or amenities, or configuration. Units may also differ in terms of whether utilities are fully or partially included in the rent. Despite these challenges, we find this comparison to be more compelling than comparisons to all rental housing given the dramatic differences in the size, quality, and age of rental units that can have significant impacts on prices. We provide a comparison to the general market later in this section.

A second challenge of this analysis is the treatment of utilities in the published rent figures. For both restricted and unrestricted units, there is a mix of approaches: some landlords publish rents inclusive of utilities, while others exclude those costs. Creating a clean comparison is difficult. Among units in MFTE buildings, nearly 87% of unrestricted units have no utilities included, while for restricted units that number is 42%. As a result, the rental gaps observed in the following analyses are likely underestimated given the different treatment of rents between restricted and unrestricted units.

In the first analysis, we compare average MFTE (restricted) rents to average unrestricted rents in buildings built with MFTE and were active in 2023. Figure 21 provides this summary broken down by unit characteristics. Consistent with intuition, rents increase with unit size and MFTE units are cheaper than unrestricted units in the same building.

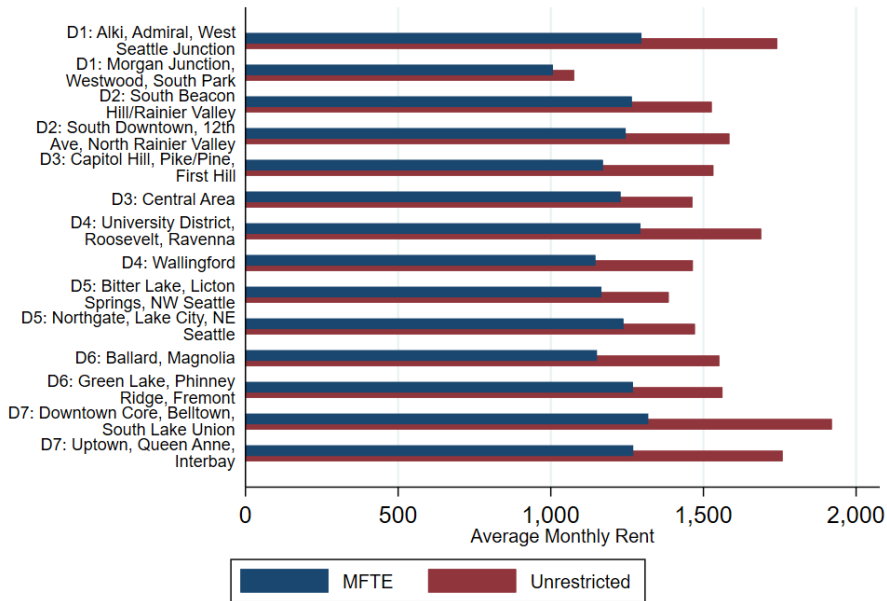
Figure 21. Average Monthly Rent in MFTE Properties by Unit Type



Source: 2023 Annual MILU Certification Query, only categories with 50+ units citywide

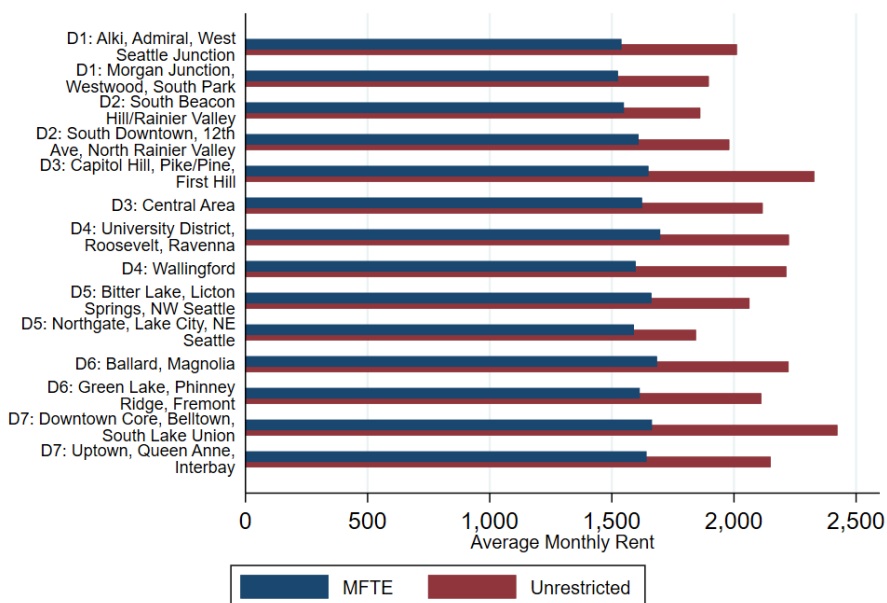
We continue this analysis by breaking down the rent comparison by neighborhood. Figures 22– 24 provide a rent summary for units in developments that used MFTE. The greatest variation exists among market rents depending on the prevailing conditions in each neighborhood submarket, while MFTE rents are more consistent given the MFTE payment thresholds that apply equally throughout the city. An obvious implication of these dynamics is that the rent discount provided by MFTE tends to be greater in parts of the city with higher market rents. It also means that in certain lower rent locations, there may be negligible differences between the rents of restricted and unrestricted units.

Figure 22. Average Monthly Rent in MFTE Properties, 0 Bedroom



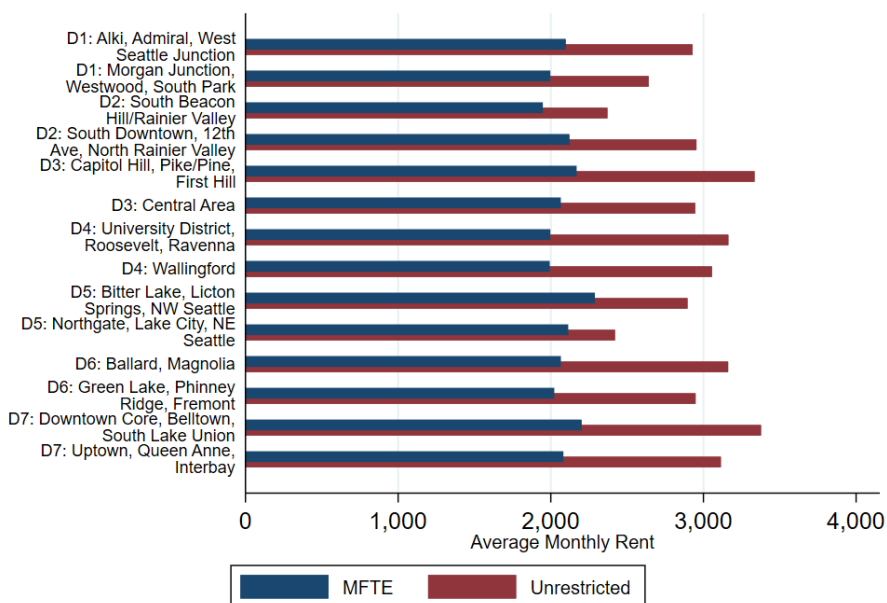
Source: 2023 Annual MILU Certification Query

Figure 23. Average Monthly Rent in MFTE Properties, 1 Bedroom



Source: 2023 Annual MILU Certification Query

Figure 24. Average Monthly Rent in MFTE Properties, 2 Bedroom



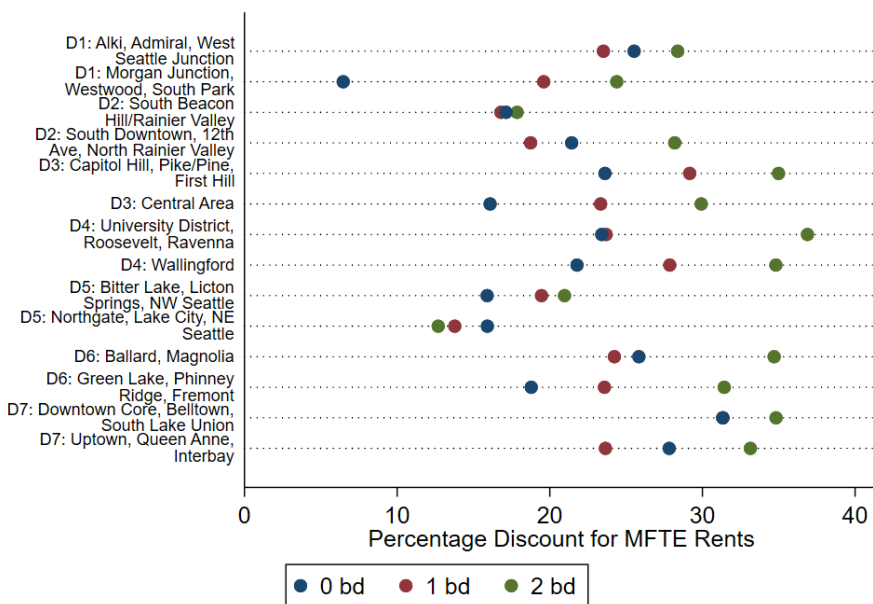
Source: 2023 Annual MILU Certification Query

The analysis of rents in MFTE properties yields a few important takeaways. Regardless of the number of bedrooms, MFTE units provide a relatively consistent discount to the rents charged for unrestricted units. The discounts tend to be larger in higher rent locations such as South Lake Union and Downtown. Such a finding is

consistent with intuition since the MFTE payment standard is constant throughout the city, while unrestricted market rents vary by location.

In Figure 25, rent differentials by unit type are depicted across the 14 neighborhood sub-markets. These dots represent the percentage discount provided by MFTE units relative to unrestricted units of the same type in the same location. The MFTE discounts tend to be greater in larger units and in certain higher rent locations. In general, for 0 and 1 bedroom units, the level of discount ranges between 15 and 30 percent.

Figure 25. Summary of MFTE Rent Differentials in MFTE Properties



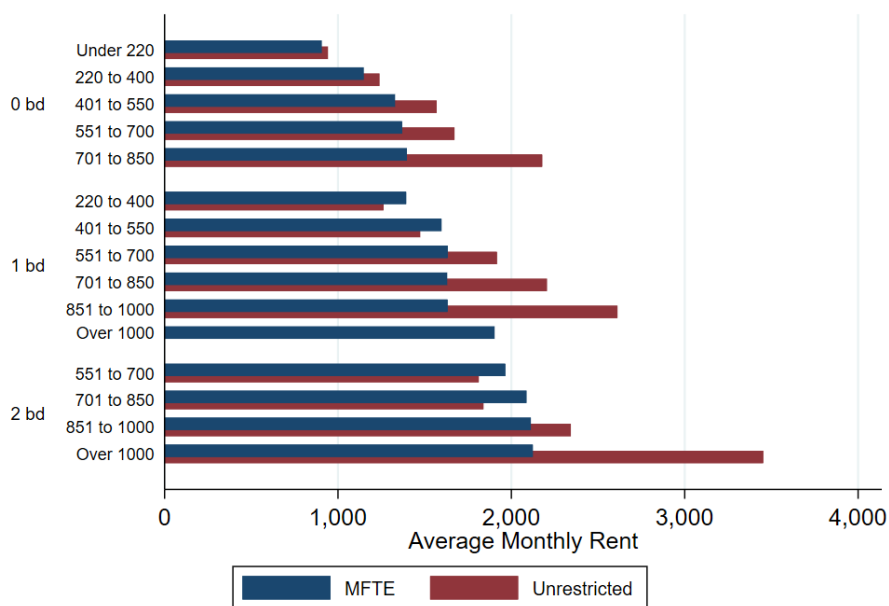
Source: 2023 Annual MILU Certification Query, calculated as (Unrestricted - MFTE)/Unrestricted

A second way to assess affordability is to compare MFTE units to all unrestricted units in a specific geography. The data on the unrestricted market units comes from CoStar, which provides a point-in-time estimate of average rents charged in market-rate properties for specific geographies and unit types. CoStar rent estimates were prepared on September 28, 2023. There is some missingness in the CoStar market-rate rent estimates for particular geographies, especially the South Beacon Hill / Rainier Valley submarket. MFTE contract rents were provided by the Office of Housing, and our comparison includes only MFTE income-restricted units occupied on September 28, 2023 (n=5,561 units).

We believe that this comparison offers less utility, because the universe of unrestricted units is no longer restricted to comparable buildings that have used MFTE. Therefore, many of these unrestricted units may be located in buildings that are older and of poorer quality than the MFTE units, which have all been built

relatively recently. Again, like in the prior rent comparison, units may also differ based on how utility payments are reflected in contract rents.³⁷ But, the comparison has salience because tenants searching for housing presumably compare all of the options in the market, not just those buildings that have been built with MFTE. Figures 26 through 32 summarize this comparison. For the succeeding figures, the blue represents average contract rents charged on income-restricted units in MFTE buildings and the red represents average market-rate rents according to data from CoStar.

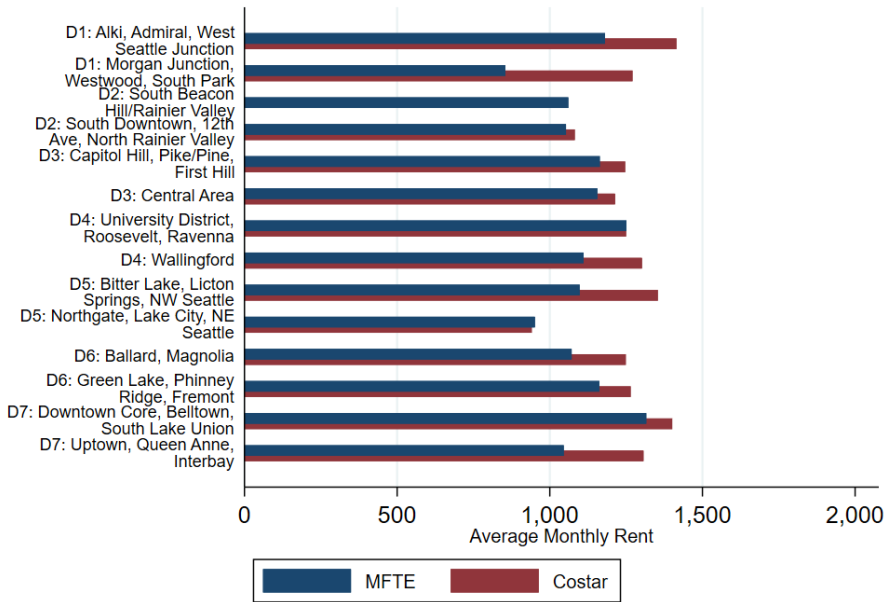
Figure 26. Average Monthly Rent for MFTE Units Compared to All Unrestricted Units by Type



Source: 2023 Annual MILU Certification Query and CoStar, only categories with 50+ units citywide

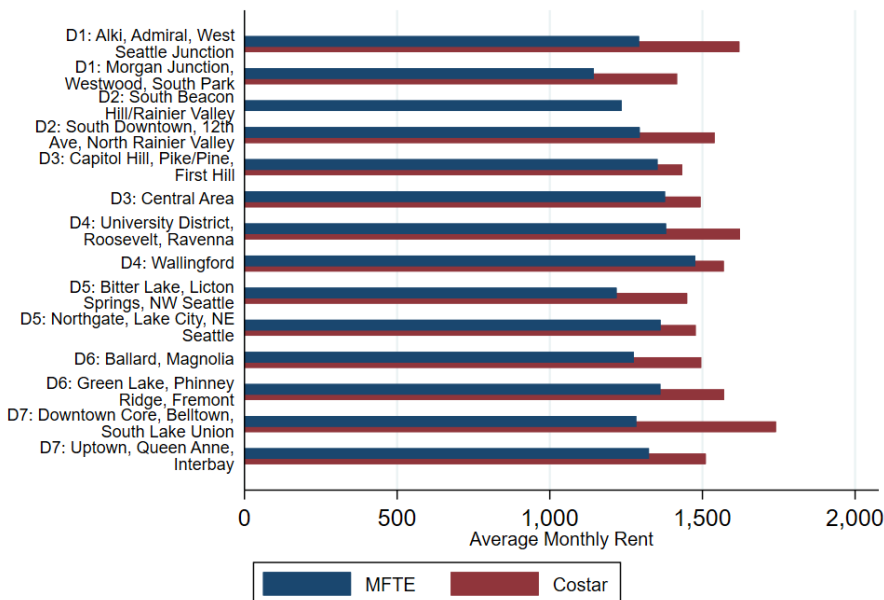
³⁷ Both rent comparisons performed in this study, 1) restricted versus unrestricted units in MFTE buildings, and 2) restricted MFTE units to the general market (CoStar) face comparability challenges due to different approaches to utility payments. In the CoStar market sample, we rely on the contract or effective rent variable which excludes utility payments paid directly by the tenant. But, contract or effective rent may include utility payments that are paid by the landlord. While it is likely that the CoStar sample includes a mix of utility payment approaches, we cannot quantify those details. Of the restricted units in the MFTE sample, 42% of units had no utilities included, while for unrestricted units it was 87%. Among the restricted MFTE sample, it was more common for utility payments to be included in contract rents for smaller and 0-bedroom units. As a result, all rent comparisons should be understood within the context of unit comparability that may vary based on a variety of different variables, including utility payments.

Figure 27. Average Monthly Rent Comparison, 220 to 400 sq ft. 0 bedroom by Neighborhood



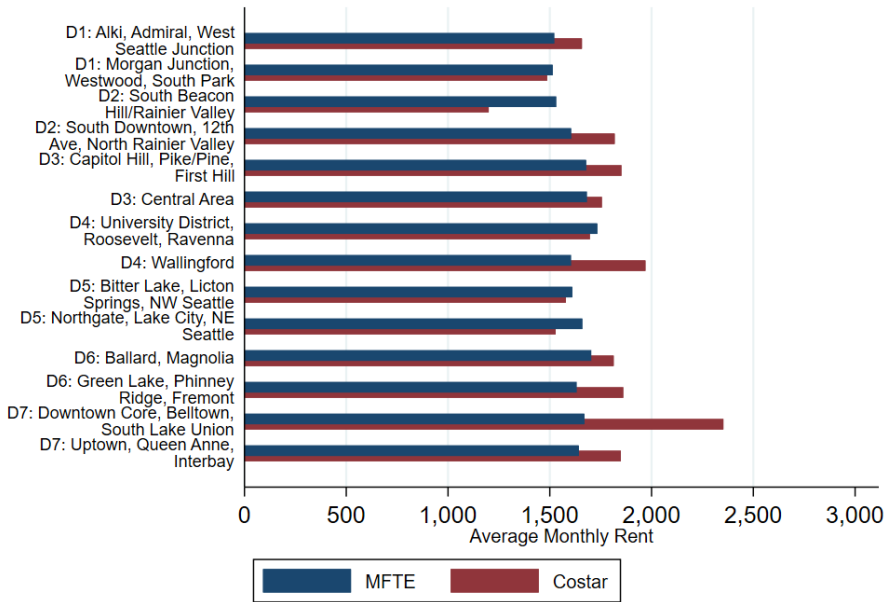
Source: 2023 Annual MILU Certification Query and CoStar, 621 MFTE units

Figure 28. Average Monthly Rent Comparison, 401 to 550 sq ft. 0 bedroom by Neighborhood



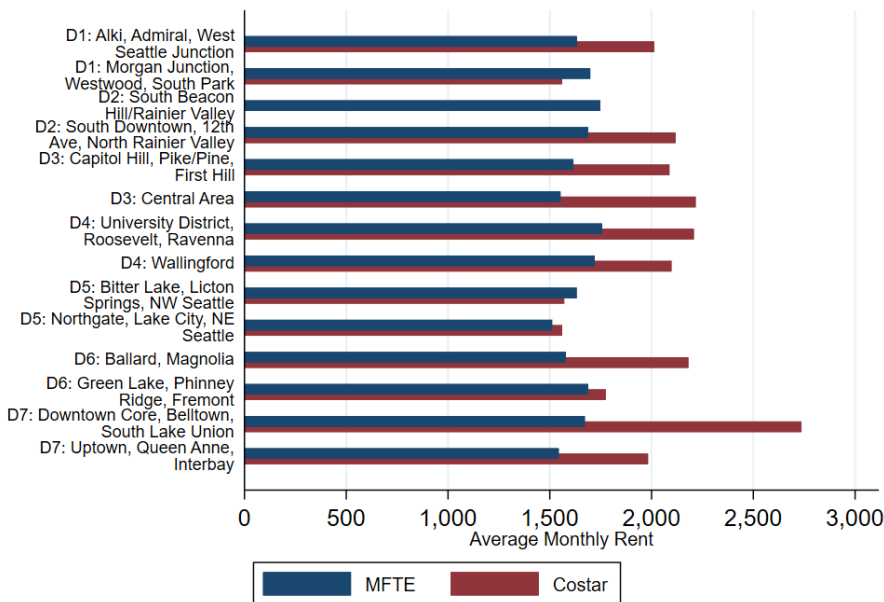
Source: 2023 Annual MILU Certification Query and CoStar, 940 MFTE units

Figure 29. Average Monthly Rent Comparison, 551 to 700 sq ft. 1 bedroom by Neighborhood



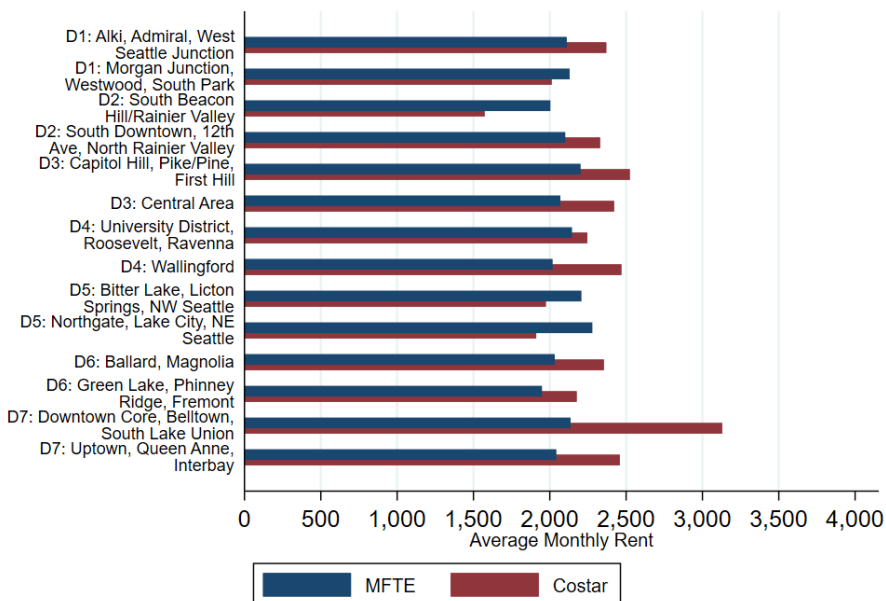
Source: 2023 Annual MILU Certification Query and CoStar, 1520 MFTE units

Figure 30. Average Monthly Rent Comparison, 701 to 850 sq ft. 1 bedroom by Neighborhood



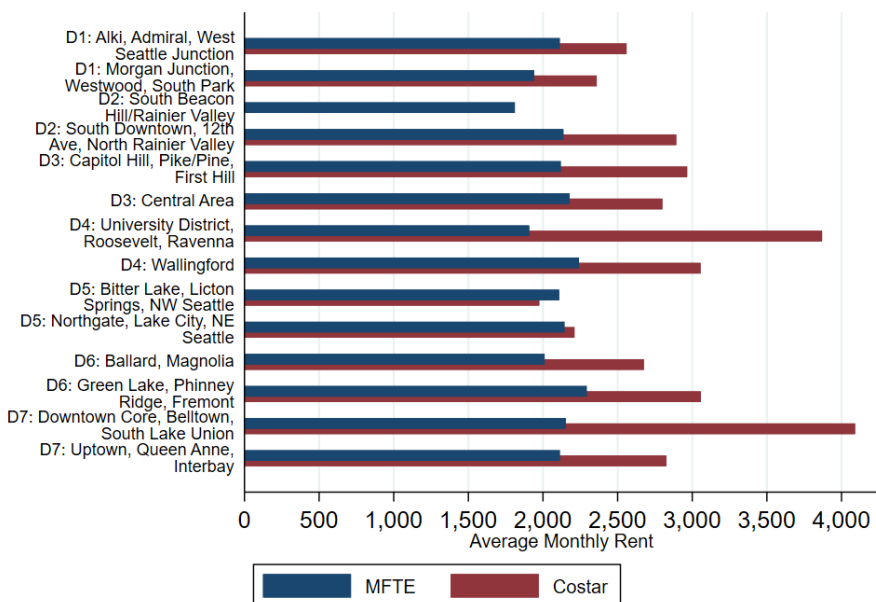
Source: 2023 Annual MILU Certification Query and CoStar, 545 MFTE units

Figure 31. Average Monthly Rent Comparison, 851 to 1000 sq ft. 2 bedroom by Neighborhood



Source: 2023 Annual MILU Certification Query and CoStar, 329 MFTE units

Figure 32. Average Monthly Rent Comparison, Over 1000 sq ft. 2 bedroom by Neighborhood



Source: 2023 Annual MILU Certification Query and CoStar, 228 MFTE units

The findings of the comparison between MFTE units and the broader market provide a couple of key takeaways. First, MFTE rent discounts are not as great as

they were when we restricted the comparison sample to MFTE buildings, because the general market sample includes more lower priced units found in older buildings with fewer amenities. As a result, new income-restricted MFTE units may only represent a modest discount to the general rental market. Second, there is significant variation in the rent spread based on location. In lower cost locations, average MFTE rents may actually be greater than average market-rate rents. This can create a challenge to lease up MFTE units in certain locations. On the other hand, there can be dramatic differences in rents in high cost locations such as the Downtown Core, Belltown, and South Lake Union submarkets. Finally, the discounts provided by MFTE are more significant for larger units. In sum, whether the MFTE program provides significant affordability depends on the type of unit and its location.

Finally, we consider housing cost burden as a measure of affordability. Due to data limitations, housing cost burden estimates should be interpreted with caution. There are many MFTE households for which we lack occupant income data. For example, about 10 percent of the sample report \$0 household income according to data from the 2023 Annual Certification Query submitted to the Office of Housing. To estimate housing cost burden, we eliminate a number of households (those with zero income, older households of retirement age, and students) from this analysis in an effort to capture housing cost burdens amongst households likely to be earning wage income. The filtered sample includes 4,761 households that reside in income-restricted MFTE units. Because residents of many MFTE units report very low annual incomes (even after filtering the sample), the average housing cost burden is less meaningful, as outliers produce very high average cost burdens. The median cost burden among MFTE renters is 38.5 percent, meaning the median MFTE household in our sample spends 38.5% of their annual income on housing (rent and utilities). This clearly exceeds HUD's 30 percent threshold to determine whether a household is housing cost burdened. At least in part, residents of MFTE units are cost-burdened because of the income and rent limits that determine eligibility (see Table 2). Households must qualify, based on income, to reside in restricted units, and rents are based on a payment standard which sets maximum rents at ~30% of maximum household income. In other words, as MFTE rent and income thresholds are currently structured, households making the maximum allowable income and paying the maximum allowable rent will, by definition, spend approximately 30% of their income on housing. Therefore, tenants making below the maximum allowable income and being charged maximum allowable rent will, by definition, be cost burdened. And the lower the income (below the threshold) the greater the cost burden. In the sample, 85 percent of households living in MFTE units are housing cost burdened, which is far higher than the national average which is close to 50 percent. Nearly a quarter of the sample (23%) are *severely* cost burdened, which occurs when housing costs exceed half of household income. A City of Seattle Office of Planning & Community Development report using 2015-2019 data found 40% of

renter households in Seattle were cost burdened and 19% were severely cost burdened.³⁸ What is clear is that reduced rents offered by MFTE do not prevent tenants in income-restricted units from experiencing housing cost burdens.

Vacancy

The final topic to consider when summarizing the benefits of the MFTE program is vacancy. The existence of affordable housing units is a clear benefit of the program, but if those units sit empty, that reduces the value of that benefit. We therefore conclude this section with an analysis of vacancies in MFTE units. One can think about vacancy as a contra-benefit—vacancies reduce the overall benefit of the program.

No topic received as much attention in our interviews as the topic of vacancy. It was also the topic in which we found the most contradictions. There was inconsistent evidence about the level of vacancies and what was causing them. Staff from the Office of Housing expressed concerns about the high level of vacancies, which would reduce the overall public benefit of the MFTE program. OH staff cited a number of different potential explanations for high vacancies including: limited desire to lease MFTE units, concerns about potential non-payment from tenants of income-restricted units, market dynamics in lower cost neighborhoods that make MFTE units less attractive, the lack of affirmative marketing for MFTE units, and landlords that prioritize market rent units when demand is lower.

Developers had a much different perspective on vacancies in MFTE buildings. A number indicated that they have had little issue with vacancies, “**We generally, over time, have not seen much vacancy in the MFTE homes. And once people move in, in our data, they tend to stay about twice as long as market-rate residents.**” The developers also underscored the fact that they had no incentive to leave units vacant; all developers expressed a desire to fill their MFTE units. Developers did acknowledge that vacancies increased during the pandemic and in the succeeding years. Like in the interviews with OH staff, developers provided a range of different explanations for higher vacancies.

A common explanation was that vacancies tend to be higher in lower cost areas of the city because MFTE rents do not provide a significant discount to market rents, “**As a general rule, the lower your average market rents, the harder it is to lease the MFTE units... in some cases we have to discount our MFTE rents in order to lease those spaces, as compared to putting them in a high-rise in the middle of downtown in the nicest new building, and they lease up in 60 days or less.**” Developers also suggested that because of the additional administrative

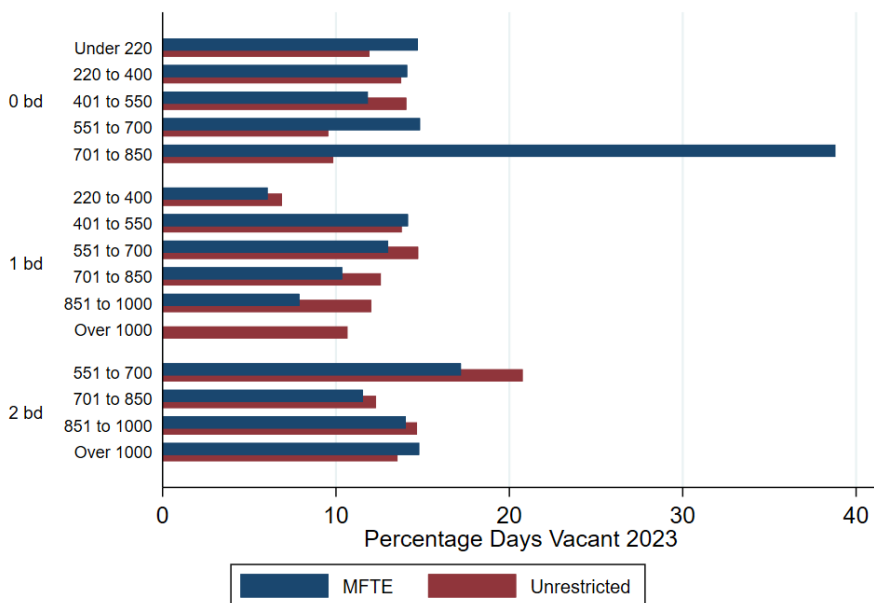
³⁸<https://www.seattle.gov/documents/Departments/OPCD/SeattlePlan/OneSeattlePlanDraftHousingAppendix.pdf>

burden associated with MFTE, potential tenants have little motivation to lease an MFTE unit if there is an equivalent unrestricted unit that they can rent for a similar price, “***There have been times in certain sub-markets where you’ll see, maybe in Columbia City or something, if the MFTE rent is close to the market rent, the resident is going to choose the market rate, especially if they can get a concession on top of that... just because they don’t have to go through the application process.***” In the current soft market, we heard that concessions were a common tool for developers to use to entice new renters to lease vacant units, both restricted and unrestricted. Another developer shared a similar story, “***Your income-restricted units, if they get a little bit too close to market rents, the market will lower itself... if you’re trying to keep the building full with MFTE, at some point the market rent might jump below that... an MFTE resident could say, well, I could go through all this red tape and hassle of doing the income documentation and the 40-page application... or I could just take this market-rate rent... they’ll take the market-rate unit because it’s less hassle.***”

Additional explanations for vacancies according to developers were: a lack of renters at the income threshold in certain neighborhoods, a lack of an effective marketing plan for MFTE units, and a lack of expertise to market and process MFTE applications. To address these concerns, the Office of Housing has published affirmative marketing guidelines to help property owners create marketing plans with wide reach. Finally, some developers noted a challenging relationship with city regulations. Because of the difficulty to evict problematic tenants, some suggested that could serve as a deterrent to renting to lower-income tenants. Finally, one additional reason for vacancy is that developers might be reluctant to lower the price on MFTE units. Instead, developers try to use concessions to get the units filled. Developers cited the difficulty in raising rents due to city regulations as a reason for their reluctance to meaningfully reduce rents to get them filled, “***We would generally use concessions rather than cutting rents... part of that is also because of Seattle’s rent increase notification requirements, if you increase more than 10%, you have to offer relocation, those sorts of things. So we’d rather use a temporary concession if we needed to.***” A different operator made the same argument, “***In Seattle you’ve now got the 9.9% rule where you want to try to keep your rents high so you don’t have to increase your rent by more than 10% ever, because now you have this big penalty if you do... once you get your rent below the maximum amount, it’s hard to increase them back up again.***”

We began the quantitative analysis by calculating the total number of vacant days for units in MFTE buildings.³⁹ This provides a strong comparison because all of the units are in buildings of comparable quality and location. In general, the level of vacancies are fairly consistent. As shown in Figure 33, in studio apartments, restricted vacancies tend to be a bit higher than those that are unrestricted. The 701 to 850 square foot category for 0 bedroom units has a very small sample size with very high vacancies, which resulted in a meaningfully high vacancy figure.

Figure 33. Percent Days Vacant in MFTE Properties By Unit Type

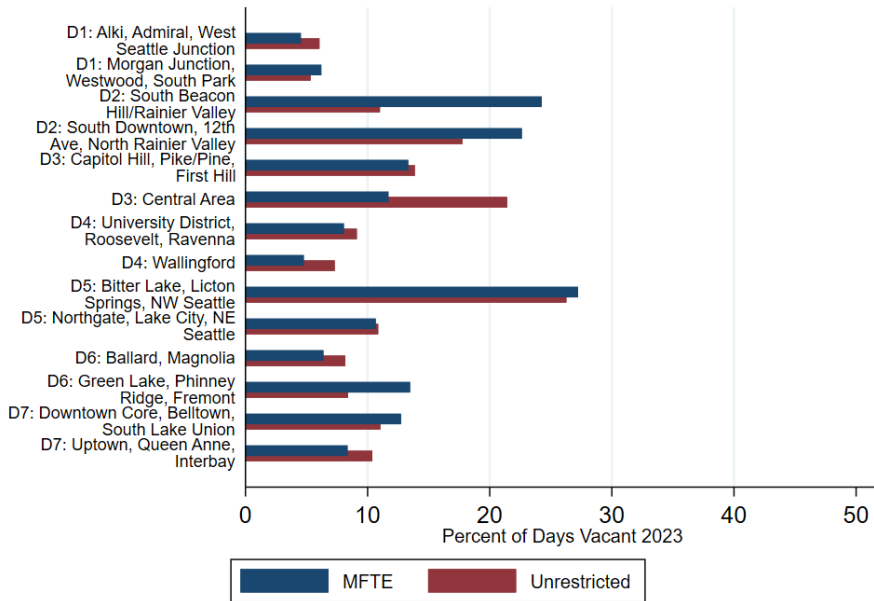


Source: 2023 Annual MILU Certification Query, only categories with 50+ units citywide

We continue the analysis by considering how vacancy varies by location and by unit type. In Figure 34, the vacancies for studio apartments in MFTE buildings are broken down by the 14 neighborhood districts in Seattle. The major takeaway from this analysis is that there are locations where MFTE vacancies are much higher than what we observe in unrestricted units, particularly in lower cost locations like Rainier Valley and South Park. Elsewhere, the levels are fairly consistent.

³⁹ Vacancy rates come from the 2023 Annual Certification unit-level data. Average vacancy rates at the building level were calculated by (1) removing all duplicate unit-rows, (2) grouping observations by property, and (3) estimating average vacancy rates for MFTE income-restricted units and unrestricted units in each building.

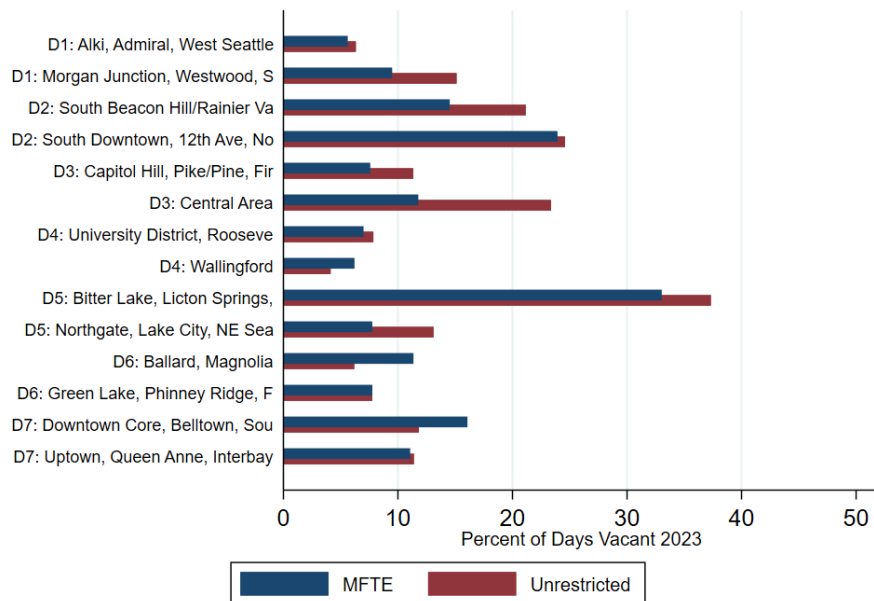
Figure 34. Percent Days Vacant in MFTE Properties, 0 Bedroom



Source: 2023 Annual MILU Certification Query

For one bedroom units in MFTE buildings, there is little difference in vacancy rates and there is no discernable pattern by geography. Unlike for studios, there are higher cost locations (Ballard and Downtown) where MFTE units have higher vacancies than the unrestricted units.

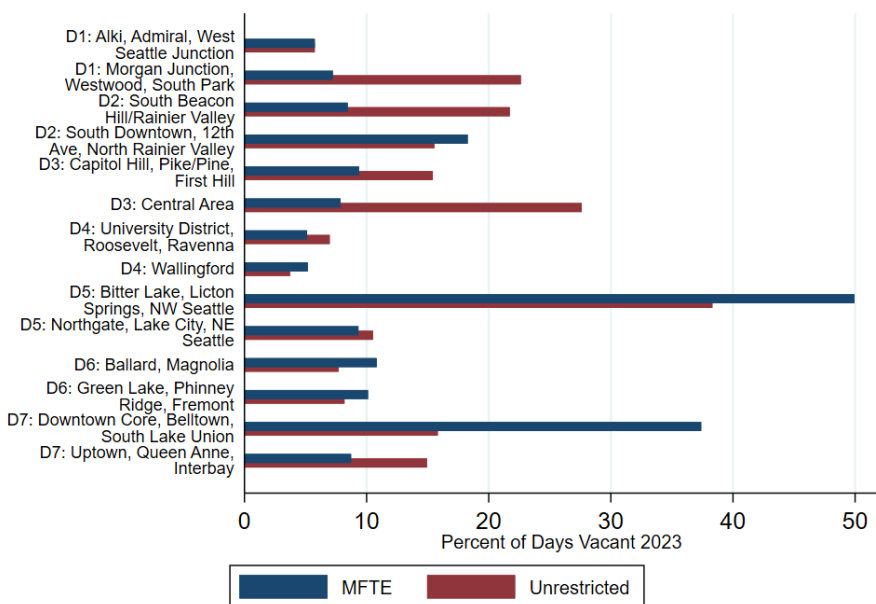
Figure 35. Percent Days Vacant in MFTE Properties, 1 Bedroom



Source: 2023 Annual MILU Certification Query

The data for two bedrooms is a bit more random because there are so few two bedroom projects that have been built pursuant to MFTE. As a result, the findings of the vacancy analysis have more variation and less importance. As Figure 36 highlights, there are certain locations in the city, such as Bitter Lake, Licton Springs, and NW Seattle, with very high levels of vacancy, for both MFTE and unrestricted units alike.

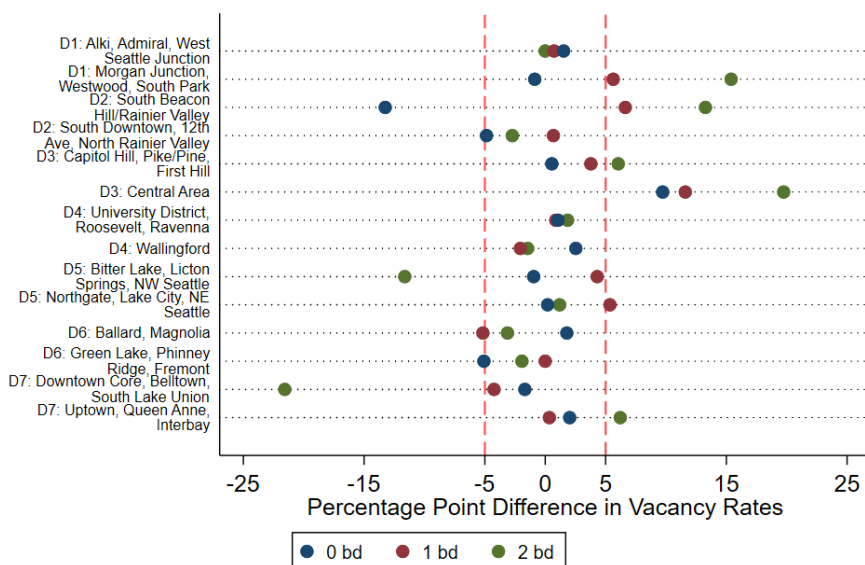
Figure 36. Percent Days Vacant in MFTE Properties, 2 Bedroom



Source: 2023 Annual MILU Certification Query

Figure 37 provides a summary of the difference in vacancy rates by location and by unit type. The results suggest that the vast majority of MFTE units have vacancy rates within 10 percentage points of their unrestricted peers. There are outliers in both directions, but generally the results cluster between -5 percentage points (where MFTE vacancies are higher) and +5 (where MFTE vacancies are lower). Despite this overall finding, there are still instances of buildings with very high vacancy rates—both for restricted and unrestricted units. Across all MFTE properties active in 2023, the average vacancy rate for MFTE income-restricted units was 11.1%, and the average vacancy rate for unrestricted units was 11.9%. In 2023, 31 properties (about 11% of all MFTE-participating properties) reported an average vacancy rate of 20% or more for their income-restricted units; the average vacancy rate among this subset of buildings was 42%. The unrestricted units in these buildings had average vacancy rates of 33%. Three properties reported near 100% vacancy in 2023, for both income-restricted and unrestricted units. Addressing abnormally high vacancies in specific buildings is an area for focus for both developers and the city as persistently high vacancies reduce the benefit of the program.

Figure 37. Percentage Point Difference in Vacancy Rates By Unit Type



Source: 2023 Annual MILU Certification Query, (Unrestricted percentage - MFTE percentage)
negative = higher MFTE vacancy; positive = higher unrestricted vacancy
77% of units are in properties with <5% difference between MFTE and market-rate vacancy

The vacancy analysis suggests that there are vacancies in MFTE units, but it does not appear to be disproportionate relative to unrestricted units in the same buildings. There are certain locations with much higher levels of vacancy (i.e. Bitter Lake) which may be due to timing of completion (new buildings may have higher vacancies) or something specific to local market dynamics. But these higher levels exist for both MFTE and unrestricted units. Generally, the smaller units tend to have higher vacancy rates which is likely due to the fact that the market has produced far more studio and one bedroom units over the last five years which has dramatically increased the supply of these smaller units. According to one developer, ***“The program is almost entirely used by studio and small apartment builders where the gap between market and affordable is smallest, right, like the rent loss is smallest for the same tax benefit. And that particular product class had a huge boom and is now totally overbuilt... market rate is now 50-60% AMI threshold rent which is causing huge problems for the affordable housing community... they have a vacancy problem, because they can’t compete with private sector in this particular segment.”*** The same has not occurred for two bedroom and larger units and vacancies overall tend to be lower in these larger units. In sum, vacancy is certainly a concern, especially in locations with limited housing supply, but there does not appear to be systematic vacancies in MFTE units in the 2023 data that we analyzed.

During interviews with Office of Housing staff, they highlighted proposals to address high rates of vacancy in MFTE units. ***“If you have a unit that remains vacant for 30 days, [MFTE participants should have to] lower the rent. If it***

remains vacant another 30 days, you lower the rents some more, and you lower that until it gets leased. Because either the rent is too high or there's something in the market... I really think that we, as a program, should just say 'Hey, guess what, you have a vacant unit after 30 days? Tell us. After 30 more days, you start lowering that 5% or whatever, right? Until that gets leased. Because you are receiving a tax exemption, and you need to start providing that public benefit for it.' The challenge around vacancy provides multiple examples of the tensions that exist between the city and its desire to maximize public benefit and developers who see such efforts as limiting the benefit of the program.

Costs of the MFTE Program

Property taxes are a significant source of revenue for the City of Seattle. In 2001, Washington voters approved Initiative 747 which called for a one percent cap on regular property tax increases from year to year. After a court battle, the cap was signed into law in 2007. Because of the one percent rule, the amount of money that the City can raise from property taxes can only increase by one percent per annum. So a jurisdiction will set the amount of tax receipts it intends to collect and divides that value by the total tax base (the sum of all assessed property values) to determine the tax levy rate. In a very simple example, if the tax base grows at a rate faster than one percent, the levy rate will fall in order to prevent total receipts from growing by more than the one percent growth cap. The one percent rule excludes sources of tax revenue including new construction. Therefore the property taxes associated with the new developments can still be collected even if it results in total tax receipts that exceed the one percent cap. The structure of tax receipts is important context when analyzing the two cost elements of the MFTE program: foregone taxes and shifted taxes. We rely on data from the city and the county to calculate foregone and shifted taxes and we follow the approach developed by The City of Seattle Office of Housing, City Budget Office, and the King County Assessor's Office to generate these estimates.

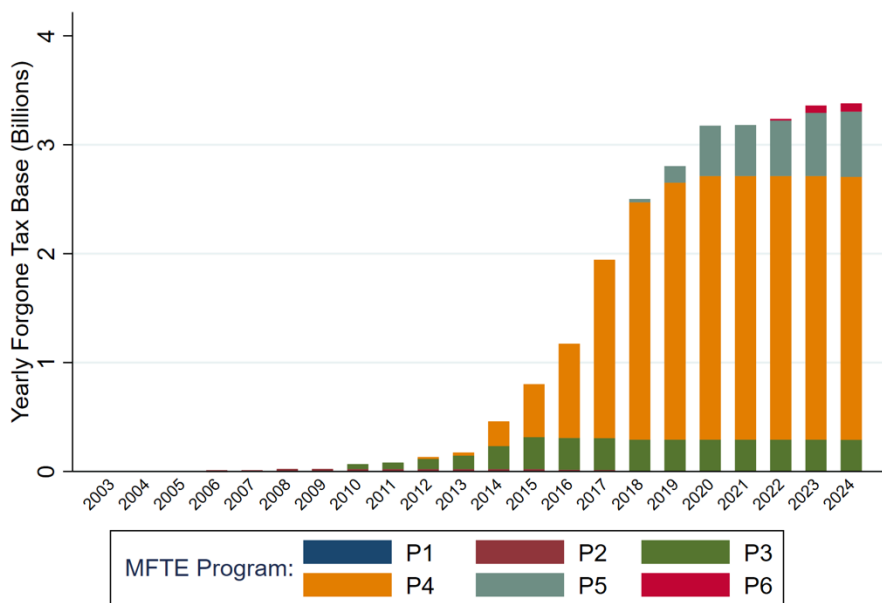
Foregone Taxes

Foregone taxes result in a loss of tax collections for the City of Seattle (and King County). Were it not for MFTE, new construction would be assessed upon completion at full value and the taxes associated with this new construction would be collected (new construction is not subject to the one percent property tax growth threshold). Foregone taxes occur due to the way in which MFTE properties are assessed. Because MFTE properties are assessed prior to the completion of a project, in some cases, only a portion of the project's total value is captured in the official assessed value. Due to state law, the project is not re-assessed (for these purposes) until expiry of the MFTE exemption period—twelve years or twenty-four

year. As a result, there is additional assessed value that is not reflected on the assessors' books for MFTE projects. The end result is that the tax levy rate is applied to a smaller tax base (assessed value) which results in taxes that are *foregone*.

Figure 38 below depicts the amount of tax base that is deferred or foregone in each year. That deferred tax base will be captured at the conclusion of the MFTE exemption period. As described above, the City of Seattle MFTE program has had six different iterations, beginning with P1 (program one) which was established in 1998 to P6 which is currently in operation. Since 2020, the total amount of deferred tax base associated with the MFTE program is just over \$3 billion per annum. Much of that deferral is due to P4 which produced the most units of any of the MFTE programs. The level of deferred tax base is a function of development volume and construction costs, so a reduction in new project deliveries (which is expected in the next couple of years due to challenging market environments) will result in lower levels of deferred tax base.

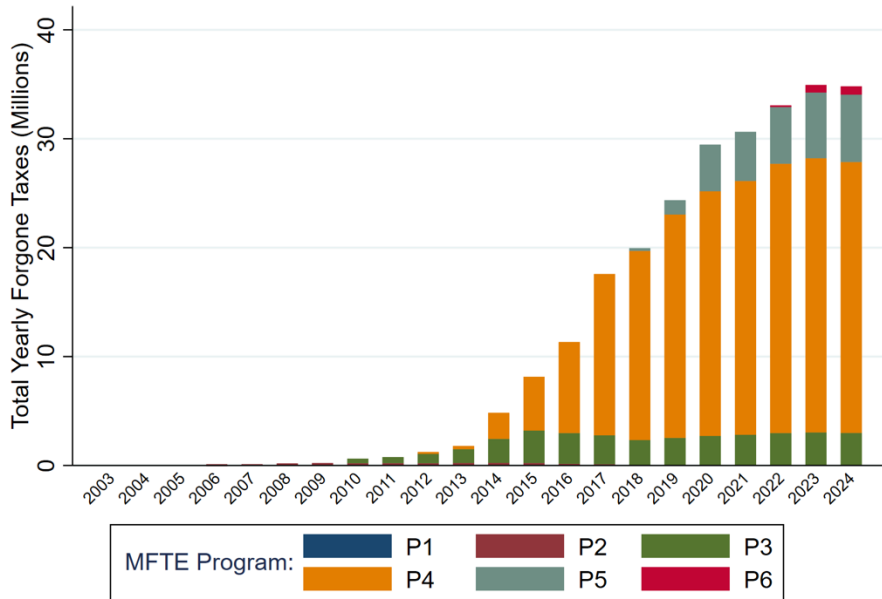
Figure 38. Yearly Foregone Tax Base by MFTE Program



Source: King County Assessor, 2024 incomplete, assumed no assessed value growth

Given the reduced tax base—due to deferred new construction values associated with exempted MFTE projects—tax receipts fall. These collections are lower due to the deferred tax base presented above. Figure 39 highlights the total annual foregone taxes. The cost is roughly \$30 million per annum and, again, P4 projects represent a disproportionate percentage of that foregone tax revenue. Property tax collections from projects located in the City of Seattle are split between the city and King County. The city receives roughly a quarter of the total collections.

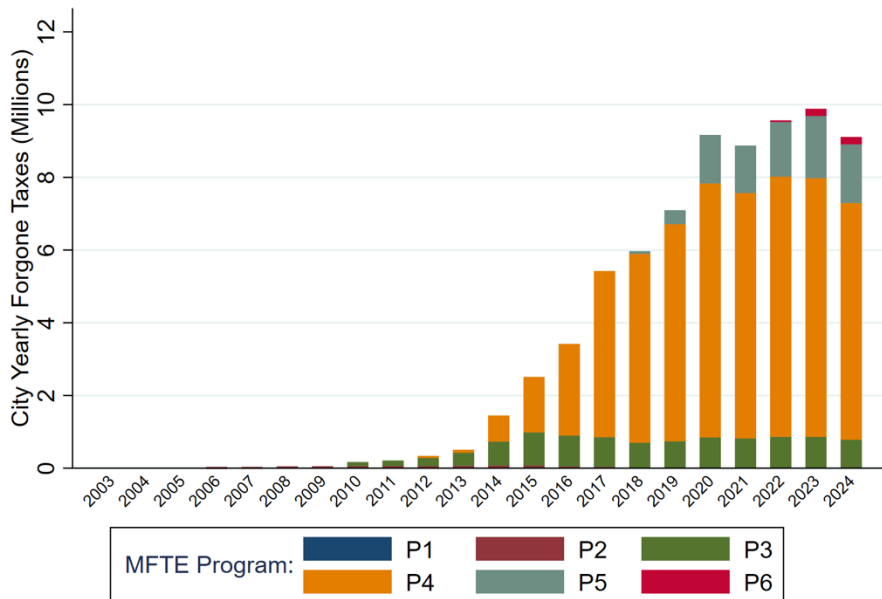
Figure 39. Yearly Total Foregone Tax Collections by Program



Source: King County Assessor, 2024 incomplete, assumed no assessed value growth

Figure 40 further breaks down this amount and shows the allocation of foregone taxes attributed to the City of Seattle. In 2024, that amount is roughly \$9 million. The remainder of the foregone taxes would have been collected by other entities, such as King County.

Figure 40. Yearly Foregone Tax Collections by Program for City of Seattle



Source: King County Assessor, 2024 incomplete, assumed no assessed value growth

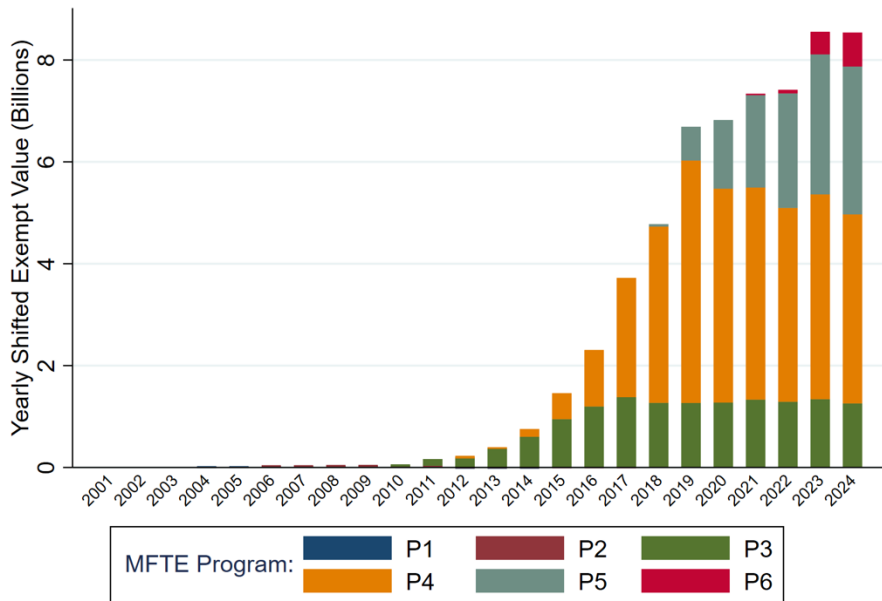
It is important to underscore that foregone taxes are not necessary or inevitable. Changes to the law that dictate how MFTE properties are assessed could reduce—or eliminate—foregone taxes. Aligning the assessment procedures for MFTE properties with the ways in which non-MFTE properties are assessed would eliminate all foregone taxes and limit the costs of the MFTE program for jurisdictions like the City of Seattle.

Shifted Taxes

The second tax impact—or cost—of the MFTE program is the tax obligation that is shifted from MFTE property owners to non-MFTE property owners within a given jurisdiction. This impact is at the heart of the MFTE program. The purpose of the program is to provide developers of housing an exemption from property taxes in exchange for constructing housing. Importantly, this exemption does not reduce the tax collections of the city, rather it shifts that tax obligation to the rest of the taxpayers in that jurisdiction. Fundamental to the concept of a shift in taxes is the idea that when total levy collections remain constant, the tax exemption for some property owners results in an increase tax burden for non-exempt property owners. Therefore, the more properties that the city exempts, the greater the tax obligation that is shifted to non-exempt properties. It is our perception that many people do not understand that this is the primary tax impact of the MFTE program. From a purely financial standpoint, the City of Seattle experiences no budget impact from the taxes that are shifted pursuant to MFTE, but there are concerns about the allocation of taxes across taxpayers within the city.

We begin the analysis of shifted taxes by highlighting the amount of tax base that is associated with the MFTE program. It is important to note that the tax base—or assessed value—used in the analysis of shifted taxes is different than what is used to calculate foregone taxes. These should be viewed as separate and distinct analyses. Figure 41 estimates the total amount of tax base (assessed value) that is associated with the MFTE program. The amount has grown dramatically over the past decade and it surpassed \$8 billion in 2023. Like we observed in the foregone tax analysis, P4 has had a disproportionate effect on shifted tax base associated with MFTE projects.

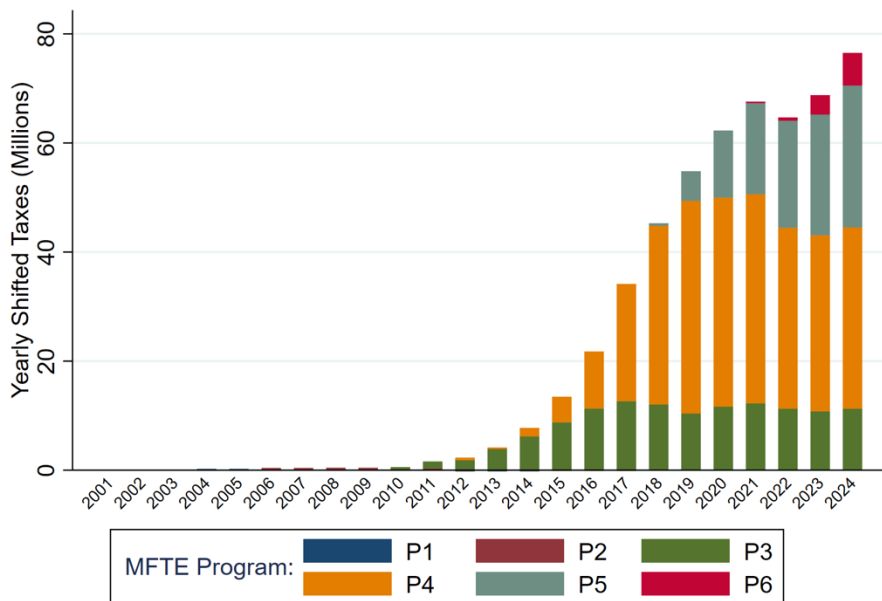
Figure 41. Yearly Shifted Tax Base by Program



Source: King County Assessor

In Figure 42, we convert the exempt tax base to the amount of taxes that were shifted from MFTE projects to non-exempt property owners. By 2024, the annual amount approached \$80 million. While this is a “cost” of the program, it is really a cost to property owners who do not participate in the MFTE program.

Figure 42. Yearly Shifted Taxes By Program

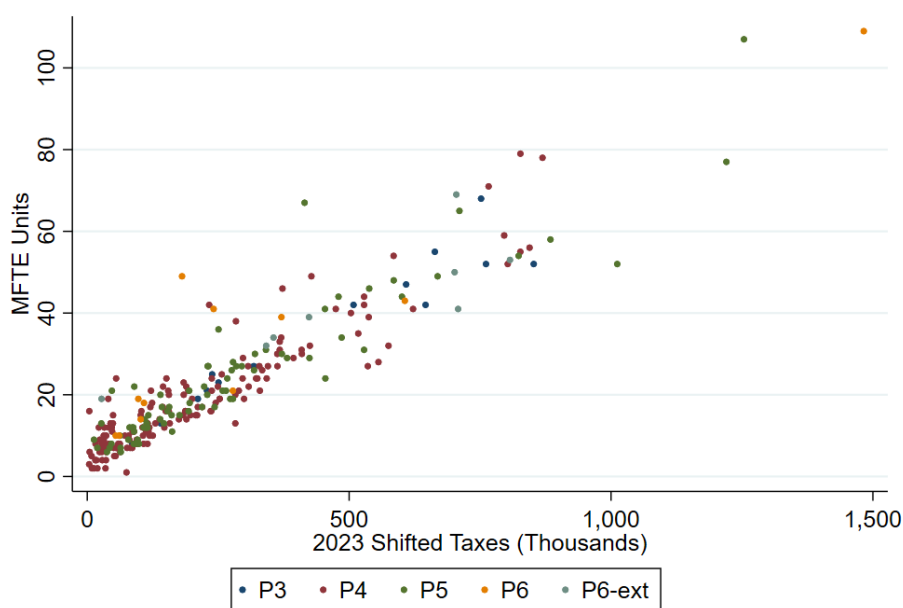


Source: King County Assessor, counter factual levy rates are drawn from the CBO shifted tax model

Comparison of Costs and Benefits

We now attempt to compare costs and benefits of the program for the City of Seattle. It is important to note that many of the benefits of the program, such as the housing production impact of the program and taxes associated with new housing construction, are difficult to quantify so this is a fairly simplistic, and incomplete, analysis. We calculate a program cost-benefit by comparing shifted tax costs to the rent benefits. The calculations are completed at the building level and then summed. Figure 43 below plots all MFTE properties, by the amount of tax exemption they received in 2023 (shifted taxes) and the number of MFTE units, broken up by program. As expected, properties that received larger tax exemptions (as larger properties) provided more MFTE units in their buildings. The relatively linear relationship suggests that there are not outliers of buildings that received disproportionate benefits relative to the MFTE units that they constructed.

Figure 43. Comparison of Shifted Taxes to MFTE Units by Building



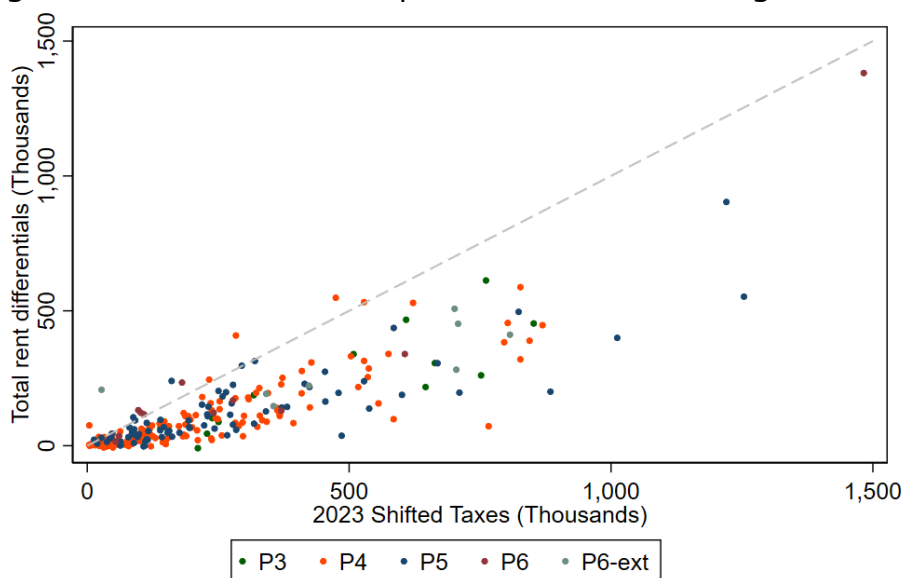
Source: Annual MILU Certification Query

Next, we examine the amount of public benefit—in the form of rent discount—that each property provides. For each MFTE unit, we find the average rent for comparable market-rate units in the same building, with the same number of bedrooms, bedroom type (open or standard), and square footage (within 50 square feet). We then take the difference between MFTE and market-rate rent and multiply by 12 for a yearly rent benefit of MFTE. Figures are presented here without incorporating vacancy rates, as they do not substantively change the analysis (especially given the lack of vacancy rate differences between MFTE and market-rate units as discussed earlier).

Figure 44 plots all properties based on their total shifted tax (costs) and total rent discount (benefits). In this figure, properties closer to (or above) the 45 degree line can be interpreted as providing more public benefits relative to the tax benefit that they received. Generally, as property value (and therefore MFTE costs) rise, the amount of rent benefits also increases. The properties cluster below the 45 degree line because developers will only apply for MFTE if it provides an economic benefit. Observations above the 45 degree line would indicate that property owner is giving up more in rent than they receive in tax benefits. This circumstance will be rare. It is also important to note that there are other costs borne by the developers that are not reflected in this simplistic analysis.

There are other key takeaways from this figure. First, there is substantial variation in the cost-benefit relationship between properties. For example, properties receiving an exemption from property taxes of about \$500,000 provide rent benefits ranging from around \$40,000 to \$550,000. These properties provide a radically different “public benefit” for the same level of tax exemption. Second, there is a relationship between program rules and the cost-benefit relationship. The stronger affordability requirements of P6 have a direct bearing on this relationship. We observe P6 properties much closer to the 45 degree line (breakeven) than the properties developed under P4 and P5. This is consistent with the feedback from developers that the rules of P6 have made the MFTE program less accretive, or favorable, for developers.

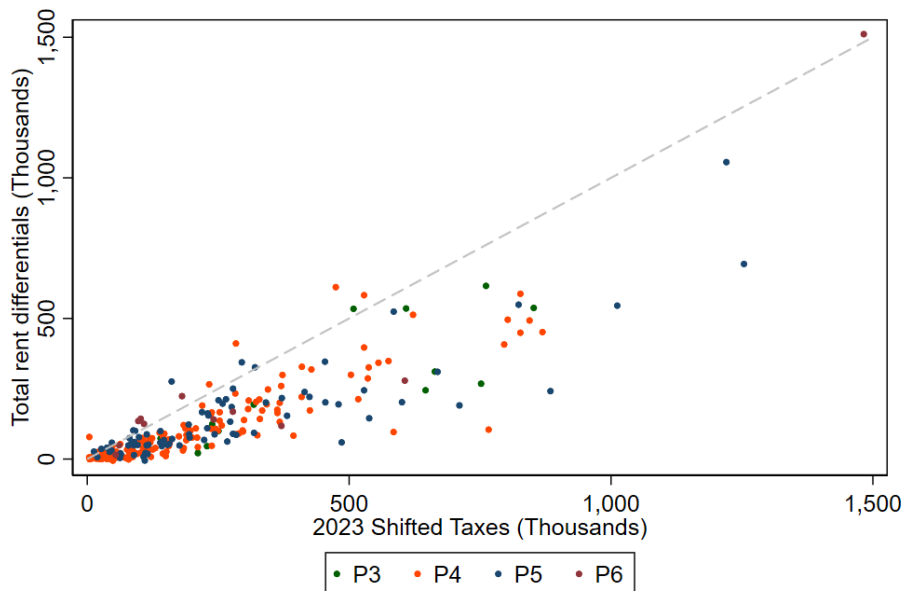
Figure 44. Cost-Benefit Comparison – Strict Matching



Source: Annual MILU Certification Query.
Each MFTE unit is matched to comparable units based on unit type (dwelling/SEDU/sleeping room), # of bedrooms, bedroom type (open/standard), and within 50 sq ft

Figure 45 depicts the results with a more relaxed matching criteria in which MFTE units are matched to unrestricted units based solely on the number of bedrooms. The result of this analysis is there is greater public benefit in the form of larger rent differentials. We believe that the stricter approach (presented in Figure 45) is a better estimate, but we share the more lax match for completeness.

Figure 45. Cost-Benefit Comparison – Lax Matching



Source: 2023 Annual MILU Certification Query.
Each MFTE unit is matched to comparable units based solely on # of bedrooms

Finally, we outline the cost benefit by program iteration for 2023. In Table 3, we calculate the benefit using both the stricter and more lax matching techniques described in Figures 45 and 46 above. As Table 3 below highlights, the calculated benefit is greater when using the less strict approach to matching, but we believe that the stricter method is a better estimate.

A key takeaway from this analysis is how the cost-benefit relationship has changed over time. Outlined below is the more significant public benefits produced in P6. The stricter rent requirements produced greater public benefit for each dollar of tax exemption than did prior program iterations. The stricter comparability standards also contributed to the greater benefit achieved in P6. From the perspective of the City of Seattle, the program changes implemented in P6 “worked” if the measure of success is greater public benefit for each dollar of exemption. A potential consequence of such changes could be less MFTE uptake by developers.

Table 3. 2023 Cost-Benefit by Program

MFTE Program Iteration	Total Units	MFTE Units	2023 Exemption Amount	Strict Match		Lax Match	
				Total Rent Benefits (matched on bedrooms, type, sq. ft)	Benefit / Cost	Total Rent Benefits (matched on bedrooms only)	Benefit / Cost
3	2,478	494	6,266,030	3,154,140	50.3%	3,635,894	58.0%
4	14,101	3,000	32,348,240	14,869,814	46.0%	17,293,099	53.5%
5	9,218	1,882	21,435,230	10,037,562	46.8%	11,665,819	54.4%
6	1,558	373	3,583,568	2,797,565	78.1%	2,908,622	81.2%
P6 Ext.	1,685	337	4,069,542	2,422,687	59.5%	2,656,263	65.3%
Total	29,040	6,086	67,702,609	33,281,768	49.2%	38,159,697	56.4%

Qualitative Findings

The qualitative interviews provided valuable feedback on a range of issues related to the MFTE program. Key themes that emerged from the analysis are presented below.

Developers' Decision to Apply for MFTE is Solely Economic

Repeatedly throughout the interviews, developers noted that the decision to participate in MFTE was solely an economic decision. One developer described the decision-making process, "***The decision to use [MFTE] is a fairly straightforward economic analysis, we're just looking at the lost rent relative to the tax abatement.***" Another noted, "***It's basically just a math equation.***" Developers were also clear about the relationship between the developer of a project and the investors that provide the capital. A developer can't simply decide to make less money on a project because if the return of the project doesn't work for their capital source, the deal won't be financed, "***It's not like we can go tell investors and lenders, 'Hey, you should accept a lower yield on this so we can participate in this program.' They just think well, no, that's not what we're in the business of doing. So it's not really about just giving up a little bit in profit.***"

MFTE Has Been a Catalyst for Housing Production

Developers we interviewed stated that the MFTE program has clearly been a catalyst for some projects. The benefits associated with MFTE (property tax relief) helped some projects get across the finish line. Especially given the current

challenging market environment, MFTE provides an opportunity to get deals done. As one developer put it, ***“MFTE is like, the last breath of oxygen that is really, that makes it possible to do projects, or less impossible. Right now there are so many market fundamentals that are just flipped upside-down that there’s almost no new market rate multifamily housing development getting built. And that’s going to be a real problem in a few years.”*** In addition, MFTE is clearly a critical tool to get affordable or workforce housing built, ***“All of our folks that are developing workforce housing are pretty much depending upon MFTE to make their pro formas work at this point... they sort of ran out of gas with current construction costs and land costs and rent structures a long time ago, and basically optimizing the program for MFTE is the only thing they have left to hold onto viability.”***

Program Changes Impact Desire to Use MFTE

Throughout our interviews, developers noted that programmatic changes have made the MFTE program less attractive. As the program mandates greater affordability and greater administrative burden, the benefits of the program (the tax abatement) are no longer clearly greater than its associated costs. As one developer explained, ***“Program 6 is getting really really close to the not accretive side of the equation.”*** Developers expressed concerns that stricter AMI limits and/or increases in programmatic costs could result in lower program participation.

Some interviewees focused on rent side of the equation, ***“60% AMI is really where things end for me. I can’t make projects pencil.”*** And another noted, ***“[OH] is going to have to revisit AMI levels, as painful as that may be for them to consider that, the problem is there because we’re gonna have a dearth of production. For the next 2-3 years, MFTE is gonna be rolling off quicker than they can possibly refill it. So if you care about the portfolio size of MFTE and expanding that, you need to turn the knobs to make P7 a little bit more accretive, maybe even more than P5. Start encouraging people to get into the program.”*** In sum, one developer summed up what we heard from many developers that the current program is not providing much benefit, but it could if program rules were relaxed to what existed in prior iterations, ***“I don’t know if [MFTE] is a material benefit in Seattle because they’ve cut it pretty close to the bone. But it could have a stimulating effect, and into getting projects underway that have been languishing for a while. That’s certainly possible.”***

Developers Perceived Increased Administrative Burdens Associated with MFTE

Developers across the board reported a perception that MFTE-related administrative burdens had increased in recent years. Administrative burdens

manifested in two program requirements: tenant income verification and unit comparability. Developers suggested that greater administrative burdens—especially when combined with stricter AMI thresholds and generally unfavorable market conditions—diminished the attractiveness of MFTE.

First, tenant income verification refers to the process by which potential or actual tenants are screened and deemed eligible for income-restricted MFTE units. OH staff reported that income verification is an important component of the program, crucial for ensuring that “**the folks that are applying for these units are indeed the folks that we’re targeting... folks that do need affordable housing.**” OH staff described instances of non-compliance as the motivation for strict income verification. For instance, one OH staff member described an MFTE applicant who was discovered to have “**a million dollars worth of assets.**” Developers too recalled instances of MFTE residents “**gaming the system**” by “**trying to run Airbnbs through multiple MFTE units.**” OH staff stated that some property managers have been “**negligent**” in terms of income verification and “**just moving in anyone who can pay rent**” regardless of actual income. As a result, OH staff perceived that “**the tenants who are in some of these buildings, a lot of them should never have been moved in, and a lot of that is due to a lack of client standards that owners were not willing to invest in.**”

Developers, however, felt that the level of income documentation required for potential MFTE units was onerous, both for residents and property managers. For instance, one developer expressed that “**The information [tenants] have to provide from every single source of income they might have is ridiculous... it scares some people away. They just say forget it, you know? It’s not worth it to me. It’s a lot of time for our leasing staff.**” Developers described tenant verification as a “**very paperwork-heavy and documentation-heavy process, closer to what you do when you apply for a loan at the bank.**” Several developers called out reporting Venmo transactions as an example of unnecessary burden.

Developers suggested that income verification requirements was a disincentive for tenants to apply to MFTE units, potentially contributing to higher MFTE vacancy rates and longer lease-up periods. As one developer explained, “**When [MFTE units] do go vacant, they’re vacant for longer, because it takes so much longer to qualify someone.**” Developers we spoke with also reasoned that potential tenants are likely to opt for non-MFTE units and avoid income certification paperwork in areas of the city where MFTE and market-rate rents are close together.

Developers also highlighted the “**economic loss**” associated with the current income verification process. Developers reported hiring third-party verification

companies or additional staff to process MFTE applications, which comes with increased administrative costs. Some developers suggested that heightened administrative costs and longer lease-up periods associated with income documentation were “**starting to factor into our underwriting,**” and that “**lenders are starting to catch on as well because they see it in the numbers.**”

To mitigate these challenges, developers suggested that the Office of Housing rely on income tax filings as means of verifying tenant income. Developers highlighted that the risk to the city is that more relaxed income-verification criteria would, at worst, result in an income-restricted MFTE unit being rented “**to somebody who is slightly less poor.**”

Both developers and city staff highlighted potential changes to address these challenges. Developers proposed an MFTE prequalification program so that qualified tenants could apply to several MFTE units without needing to resubmit income verification paperwork multiple times. City staff members suggested that managers of MFTE-buildings be required to complete trainings on income verification, similar to those required by city-funded nonprofit housing providers.

Second, developers frequently highlighted the increased burden associated with the unit comparability processes. Unit comparability refers to the requirement that income-restricted units be comparable (in terms of square footage, unit type, and amenities) to the unrestricted units in an MFTE building. OH staff stated that unit comparability requirements were important to ensure that income-restricted units are not disproportionately smaller, or that “**all the MFTE units [aren't] back by the alley with the garbage.**” OH staff also stressed the importance of unit comparability for health, safety, and quality of life reasons—for instance, that residents in income-restricted units are not denied air conditioning. Finally, OH staff expressed a commitment to unit comparability to facilitate an accurate estimation of public costs and benefits. However, staff also stated that developers often resist unit comparability rules, and that a few “**bad apples**”—that is, developers who do not adhere to compliance requirements or “**push the envelope on comparability criteria**”—place additional burdens on OH staff managing MFTE compliance.

Across the board, developers expressed frustration around comparability rules, which they perceived to be overly restrictive and/or inconsistently applied by OH. As one developer put it, “**we have this massive spreadsheet, there's so many variables. We need 20% of patios, balconies, a guardrail, you know, do you have kitchen islands? Do you have lighted mirrors in every home? Which direction does it face? You need to evenly distribute that, evenly distribute the floor, evenly distribute amongst floor plan, type, square footage... We submitted in January and we're still arguing with OH...**”

Developers also stated that comparability requirements had become stricter over time, and expressed a desire for greater transparency in comparability requirements. Several developers expressed a sense that there was now “**more subjectivity**” in determining comparability, and that the rules were “**not written anywhere.**”

Developers also stated that comparability requirements had “**imposed a huge amount of burden and risk on developers**”, particularly because OH staff assesses comparability late in the development process. As one developer explained, “**[OH comes] in at the end, after you invested all your money, and they take issue with the unit on this floor vs. that floor... there's just not enough clarity...**” One developer stated that their future decisions around applying for MFTE were “**going to have a lot to do with how [OH] deal with those very strict [comparability] requirements.**”

OH staff also acknowledged that they “**spend a lot of time arguing**” with developers about comparability. However, they also reiterated the need for strict unit comparability. As one staff member explained, “**the only way I know how to even measure public benefit and private benefit is to make sure there's an apples-to-apples measurement.**”

In addition to greater standardization and transparency, developers suggested more lax unit comparison rules. As one developer opined, “**[OH] needs to get much more realistic... it's OK to have an apartment unit facing an alley instead of facing the water and have that be the more affordable unit. Give the developers more latitude in getting these projects off the ground and running affordable units that are not as attractive as the market-rate units, but still provide a home.**”

There are Significant Concerns About the Coming Shortage of Housing

The market conditions of the last couple of years have had a chilling effect on housing production in Seattle. This is not an MFTE-specific issue, rather these are factors that have limited housing production of all types over the last couple of years. The impact of this slowdown has not yet been felt, but will over the next couple of years. There are projects that are currently being completed, but the slowdown will hit in the next two to three years. There is a concern among developers that rents will increase dramatically in a couple of years once the economy stabilizes, hiring continues to accelerate, but there is limited new housing. One developer summed up the challenge:

Today we're in a pickle, because nobody can build anything, because the interest rates are more than twice as much as they were before COVID. Cap rates are higher, which is bad, and we're not making the returns we need initially to get the project started. So the return on

cost is not penciling out because we still have high construction costs from the run-up prior to COVID, continuing inflation, rates haven't come down. So we're not able to get the return. Some products are still even a negative return today... it's gonna be a while before production is gonna start up again, there's gonna be a period where we're not gonna have many new starts, which will put the rental market under pressure.

Uncertainty About the Goals of MFTE

Our interviews with city staff and developers/operators of multifamily highlighted open questions about the purpose and goals of the program. One developer highlighted this challenge, "***[OH] is focused on one thing, which is the production of deeply affordable housing. That was never what MFTE was meant to be, right? The goal of MFTE was for, firstly, a workforce housing program, and as an economic development program to attract capital into the city... So I think the yardstick here should not be like, is it being used begrudgingly and have you made it just not shitty enough so people are using it. The yardstick should be, what is the potential for making this reach its actual goals in the long run.***" Office of Housing staff also noted that there are multiple goals of the program, "***[MFTE's goals] are twofold generally: it's to create affordable housing for Seattle. Right now, it's largely functioning as a way for, especially new projects that are soon to be completed, a way for them to pencil financially, because many of them are underwater. And we understand that. So it's really a development subsidy for them.***"

Given the competing goals and interest, one developer made an argument that the goals of MFTE program should be more clearly articulated:

Every time [MFTE] comes up for renewal, I ask this simple question: What is your goal for this program? What do you want to get out of it? Is it so many units of production? Is it a certain percentage of all new projects being delivered? Is it so many units in a certain window of time? Usually when this tool has been used... [it's] to encourage production in the urban core... as a stimulus tool to get housing to start where it hadn't really taken off... [In Seattle] we're not using it as a stimulus tool. We're using this as an affordability tool... if the city had one goal, that's what I think the elected should really do, because it gives everyone some political cover to adjust goals if it's not working out. MFTE is a series of knobs. The AMI knob, the unit selection knob, the set-aside percentage, and you can adjust those knobs to create the outcome you need. But I think the city would be better served, and the development community, if it set goals and said, 'Okay, this program is

going to be for three years, we want this amount of production.'... have a periodic review of those variables and adjust it in real time.

Another developer highlighted the tension between the limits of the MFTE program and the desire for it to produce greater affordability and public benefit. ***“The private sector is never going to be able to provide [0-30% AMI] housing... it’s not an economic activity... So if we take one step back and say, what is the solution to our city’s housing issues, I would say, let the private sector handle anything that is 60% AMI with tax incentives that don’t require a penny of public funding and get out of the way on zoning, get out of the way on energy code, just figure out how to get permits issued in six months and go build the housing, do to one and two bedrooms what we did to studios over the last 5 years and make them cheap... then all those billions of dollars of OH funding, take all that and put it to work creating 0-30% spaces that we can actually use to address our most vulnerable people.”*** The same developer concluded with a proposal to expand MFTE to include a more limited exemption without an affordability requirement, ***“I would bring back the 8-year MFTE, which doesn’t require any affordability requirement whatsoever. And just as a pure economic development play: we want more housing, we want more building, we want more B&O taxes, we want more sales tax, we want more jobs, like, just please come build housing in Seattle. That would be an extremely powerful tool to continue to attract investment into Seattle... I would use the 12-year to incentivize family construction, which is harder to do and harder to pencil.”***

Interaction Between MFTE and MHA

As described in the introduction of this report, Seattle (unlike other jurisdictions) does not allow “double-counting” of MHA and MFTE income-restricted units. As a result, developers told us that the dual requirements of MHA and MFTE made “performance” on MHA difficult. Performance is when the developer provides units in the building, rather than paying the fee. As one developer explained, ***“[MFTE] discourages doing performance on your MHA units because you can’t have that many subsidized units and still have a viable project... in most cases we pay the fee.”*** Similarly, another developer stated, ***“[In Seattle there is] no stacking... and your on-site [MHA] requirement is 9%, MFTE is 20%. You have to get 29% of your units as restricted... that’s a huge financial difference... And the 71% [unrestricted units] just don’t generate enough revenue for me to make the project pencil.”***

Relationship Between OH and Developer Community

As alluded to in the preceding sections, a confluence of factors have strained the relationship between OH and the developer community when it comes to MFTE. The program is a public-private partnership that, in theory, provides benefit to both parties. However, respondents on both sides indicated that the relationship has deteriorated over time. Part of this challenge stems from the fact that the MFTE program—as designed in the City of Seattle—seeks to provide affordable rents and fair housing while using for-profit development as a delivery mechanism. The City of Seattle feels a sense of obligation to deliver “public benefit” in exchange for the tax exemption that is being provided. The City takes this responsibility seriously and is evident in their work and program design. Developers, on the other hand, seemed pleased to help deliver affordable housing, but need to do so within the constraints of the return expectations of their financing partners. This context helps to explain the nature of the relationship between the city and developers in this section.

Developers perceived a “**hostility**” and “**lack of trust**” between OH and the developer community, in part related to stricter program requirements such as income verification and unit comparability. For instance, one developer felt that income verification requirements “**assume bad intentions from everybody along the way.**” Another developer stated that annual recertification is “**really punitive**” and communicates “**disdain for private sector housing developers.**” Developers also felt that OH “**look at us as greedy**” and endeavor to make MFTE “**as difficult as possible.**”

Importantly, changing market conditions which have made housing development more difficult across the board have compounded tensions between developers and the city. While MFTE seemed to be mutually beneficial in the pre-COVID era, stricter P6 MFTE requirements (combined with MHA requirements) arrived at a time that “**nothing is penciling**” for developers. As one developer explained, “**If we’ve got to pay MHA and deal with all this other stuff still, and deal with the new construction costs and higher interest rates, the current [MFTE] AMIs don’t work.**” While developers routinely warned that they may soon be unable to continue participating in MFTE, they also expressed a desire to participate in the program if the economics makes sense. As stated above, developers framed MFTE as “**the last breath of oxygen that really makes it possible to do projects, or less impossible.**” Thus, some developer frustration came from a sense that they could neither live “with” nor “without” MFTE in the current market environment. Resultantly, developers expressed their desire that MFTE be made more generous for developers by raising AMI thresholds and relaxing comparability and income requirements. One developer went as far as to suggest that “**there should be no affordability requirement**” for workforce housing and family-size units.

Finally, goal ambiguity in the MFTE program may be partially responsible for some of these tensions. As described in the previous subsection, there is a lack of widespread agreement on the goals and purpose of MFTE. While OH is committed to affordability, fair housing, and comparability between income-restricted and market-rate units, developers were more likely to frame MFTE as an economic development stimulus tool that facilitates the production of housing and neighborhood renewal. Developers repeatedly expressed their sense that MFTE was not an appropriate tool for providing housing for “***the lowest income level.***”

Therefore, getting developers and OH on the same page about the intent and desired outcomes of MFTE may help alleviate some of the tensions we encountered in our interviews. As one developer put it, “***if the city had a goal... it gives everyone some political cover... The city and the development community would be better served if [the city] set goals and said, OK, this program is going to be for three years, we want this amount of production, and if we're not getting that, we need to adjust... especially when you're going through downturns like this.***”

Finally, one developer highlighted their hope for the reauthorization process that is currently underway, “***[MFTE reauthorization] should be a fairly straightforward process. If it were, I think we could all stop arguing about it, and then just sort of set, you know, set the numbers and say 'The goal is that you should get this much economic benefit for the developer and this much economic benefit for the renter.' And just basically publish the math behind it.***”

CONCLUSION AND DISCUSSION

In this closing section, we highlight key takeaways from the study and areas of focus as the city considers reauthorization.

Summary of Benefits and Costs

There are two categories of benefits associated with the MFTE program. First, and most obviously, are the 7,047 income restricted units that have been constructed pursuant to the program. The current stock of income-restricted is over 6,600 units. The program has disproportionately produced smaller (0 and 1 bedroom) units. The analysis of rents highlights that in all submarkets and across all unit types, income restricted MFTE units are lower than the rents of unrestricted units in the same buildings. The rent discount tends to be greater in locations with higher market rents. When compared to the general rental market, average rents in MFTE restricted units in certain lower cost neighborhoods are similar to—or in some cases lower than—average market rents. In higher cost locations, MFTE units still represent a discount to market rents.

A second, and more uncertain, benefit of the MFTE program is the addition of new housing supply to the market. Since inception, 303 developments have been constructed with the support of the MFTE program producing 33,956 total housing units. In a city that faces a housing shortage, this housing production is of significant value. The question, though, is whether that construction should be attributed to the MFTE program, or if that production would have occurred (absent the income restricted units) without MFTE. Assessing this counterfactual state is necessary to determine whether MFTE stimulates housing production. In this study, we are unable to estimate the counterfactual, therefore we do not opine on whether this additional production is a true benefit of the program. In our interviews, developers told us that MFTE did help some projects “pencil” and that housing would not have been built without it. But that is clearly not the case for all projects. In particular, MFTE appeared to stimulate construction of small units, which led to price decreases in this category of housing due to increased supply. Our assessment is that there is a positive, yet indeterminate, supply benefit of the MFTE program.

The costs of the MFTE program are foregone and shifted taxes. Our analysis estimates annual foregone taxes of \$35 million, of which \$9 million was foregone by the City of Seattle. Foregone taxes reduce potential collections of the City. The other cost is taxes that are shifted from exempted taxpayers (owners of MFTE projects) to nonexempt taxpayers (owners of commercial and residential property in the city). In 2024, almost \$80 million of taxes were shifted to nonexempt taxpayers.

The comparison of costs and benefits must be assessed by the City of Seattle. Are the additional units of income restricted housing (and greater production of housing) sufficient to justify the costs of the program? In a simple analysis comparing benefits of the program (rent discounts) to its costs (shifted taxes), we found that the changing affordability requirements of the program have increased the ratio of benefits to costs (see Table 3).

Goal Clarity

Is the purpose of the MFTE program to create affordable units or to stimulate housing production? These goals need not be mutually exclusive, but being clear about the stated goal is an important first step. All stakeholders can then work together to ensure that the program is designed to achieve the stated goals. Fundamental to this exercise is for the city to consider whether the only public benefit of the program is income-restricted units, or whether greater housing production, generally, also can be considered a public benefit of the program. The answer to that question will help to clarify the goals of MFTE and determine how the program should be structured.

The analysis of the cost-benefit of the MFTE program highlights how program rules can affect the attractiveness of the program for developers. P6 provided—by far—the best cost benefit relationship for the city, but it also led to significant pushback from the developer community. Finding the appropriate balance between encouraging development and delivering public benefit—in the form of affordable rents—is a significant challenge for the city.

A byproduct of greater goal clarity would be an improvement in the relationship between the city and developers. Clear goals with consistent administration would be valued by the developer community, and developers would know the areas of focus that are most important to the city. This won't eliminate the tension in the program, but it might lead to a more productive working relationship that could result in greater production of housing units with the support of MFTE.

The Swinging Pendulum of Administrative Oversight

We learned from both developers and city staff that the way the MFTE program has been administered has changed over time. On issues of unit comparability and income verification, the process was less burdensome 5-10 years ago and has become increasingly strict over time. There is a clear benefit (and public benefit) from greater unit comparability and effective income verification procedures. The tension arises when the costs (financial and operational) of these administrative rules are incorporated into the developers' decision-making process. Developers made a very vocal case that these rules are decreasing the attractiveness of the

MFTE program, by slowing lease-up of income-restricted units and increasing frustration with the program overall. The City, by comparison, highlighted instances of “bad apples” that have failed to comply with program rules. Given the obligation the City has to the public, they do not feel that they can allow noncompliance to proceed without corrective action. For the City, the shift of taxes from exempt to non-exempt taxpayers demands attention to ensure that the public benefit is sufficient to justify this shift. This sense of obligation to City of Seattle taxpayers motivates the City in its oversight of this program. An added focus of the City is consistency, but the push for consistency certainly leads to increased rules and oversight. Finding the right blend between these competing interests will be important as the program moves forward.

Coming Shortage of Housing, Especially Two Bedrooms

We heard repeatedly that there is great concern about the coming shortage of multifamily housing in Seattle. Due to the challenging market conditions of the past few years few multifamily projects have started. As a result, we should expect a dramatic decrease in deliveries over the next two to four years, potentially exacerbating the rental housing affordability crisis in Seattle. These macro forces are having a global impact on housing development so Seattle is not alone in this challenge. The question becomes what should the city do to respond? Given the substantial addition to the stock of studio apartments in Seattle over the past few years, there appears to be adequate supply for the near term. The question is whether additional emphasis should be placed toward the development of family-sized units in Seattle, and how MFTE could be used to achieve that goal.

Improved Data

The two goals of the MFTE program are to encourage affordability and to affirmatively further fair housing. In both of these cases, the administrative data at the city’s disposal is limited. There is extensive household level data that is missing, including household income and race and demographic attributes. One of the stated goals of the City of Seattle’s MFTE program is to affirmatively further fair housing. Determining success in this effort is challenging, but it is particularly difficult given the current quality of data. It is important to note that better data collection will likely necessitate some level of administrative burden. For example, enhanced data collection would allow us to assess who (in a demographic sense) is living in MFTE units and how that compares with the racial makeup of a neighborhood. Currently, race and ethnicity is missing for 40% of household observations. This case highlights how improved data would facilitate analyses that are fundamental to understanding the outcomes and effectiveness of the MFTE program.

MFTE P6.7 Amendments to SMC Chapter 5.73

Office of Housing

Housing & Human Services Committee

February 26, 2025



Seattle's MFTE Program (SMC Chapter 5.73)

- Provides a 12-year tax exemption on the residential portion of a building if 20% to 25% of the apartments are reserved for income-qualified renters.
- Since 1998, the Seattle City Council has reauthorized the MFTE program six times (every 4-5 years). The program sunsets on March 31, 2025.
- Seattle has over 7,400 MFTE apartments in service in ~ 300 market-rate, multifamily rental properties.

MFTE P6.7 Legislation

- Changes the MFTE sunset date from March 31, 2025, to September 10, 2025.
- Allows option for additional 12 years of property tax exemption for 18 buildings with 405 restricted MFTE units. In return for the 12-year extension, building owners agree to reduced rent and income limits.
- Streamlines requirements to incentivize commercial to multifamily housing conversion projects (authorized by SB 6175).

P6 Affordability Limits

Unit Type	P6 New Construction Limit	P6 Extension Limit
2-Bedroom	85% of AMI	75% of AMI
1-Bedroom	70% of AMI	60% of AMI
0-Bedroom (standard studios)	60% of AMI	50% of AMI
0-Bedroom (buildings with SEDUs only)	50% of AMI	40% of AMI
0-Bedroom (congregate sleeping rooms and SEDUs in buildings with mix of unit types)	40% of AMI	30% of AMI

MFTE Extensions

- In 2021, State law changes allow jurisdictions to extend MFTE expiration date, providing tax-exempt status for up to 24 years.
- City Council authorized a 12-year extension option for properties with MFTE expiring in 2021 thru 2024.
- Owners of 13 of 29 MFTE properties opted to extend their property tax exemptions.

Properties with MFTE Expiring 12/31/2025

Property	Submarket	Total MFTE Units
Footprint Delridge	D1 Morgan Junction, Westwood Highland, South Park	4
Youngstown Flats	D1 Morgan Junction, Westwood Highland, South Park	39
Alder Flats	D3 Capitol Hill, Pike Pine, First Hill	19
Anew 422 11th	D3 Capitol Hill, Pike Pine, First Hill	11
Boxcar	D3 Capitol Hill, Pike Pine, First Hill	29
Cortena	D3 Capitol Hill, Pike Pine, First Hill	7
Local 418	D3 Capitol Hill, Pike Pine, First Hill	10
OneOne6	D3 Capitol Hill, Pike Pine, First Hill	12
Pine + Minor	D3 Capitol Hill, Pike Pine, First Hill	23
Stack House	D3 Capitol Hill, Pike Pine, First Hill	56
Kavela	D4 University District, Roosevelt, Ravenna	13
Venetia	D4 University District, Roosevelt, Ravenna	10
Wallingford Studios	D4 Wallingford	8
Wally Apts	D4 Wallingford	6
AVA Ballard	D6 Ballard, Magnolia	52
Koi	D6 Ballard, Magnolia	31
Joseph Arnold Lofts	D7 Uptown, Queen Anne, Interbay	27
Slate Apts.	D7 Uptown, Queen Anne, Interbay	48

Extension Affordability Comparison to P3 and P4 MFTE Rent Limits (2024)

Unit Type	P3 Rent Limit	P4 Rent Limit	P6 Extension Rent Limit
2-Bedroom	90% of AMI \$3,051	85% of AMI \$2,881	75% of AMI \$2,228
1-Bedroom	80% of AMI \$2,259	75% of AMI \$2,117	60% of AMI \$1,386
0-Bedroom (Standard studio)	80% of AMI \$2,108	65% of AMI \$1,712	50% of AMI \$1,115
0-Bedroom (SEDU)	80% of AMI \$2,108	65% of AMI \$1,712	40% of AMI \$924 (if all SEDUs)
0-Bedroom (congregate)	80% of AMI \$2,108	65% of AMI \$1,712	30% of AMI \$693

Supporting Tenant Stability

- Starting January 1, 2026, owners reduce tenants' rents to within P6 extension limits unless their income is more than 1-½ times the new income limit.
- Tenants' rents stay within current P4 limits if their income is between 1-½ times the new income limit and 1-½ times the P4 income limit.
- When MFTE units turn over, the lower P6 extension limits apply.

Simplifying administrative requirements

Applicants may now:

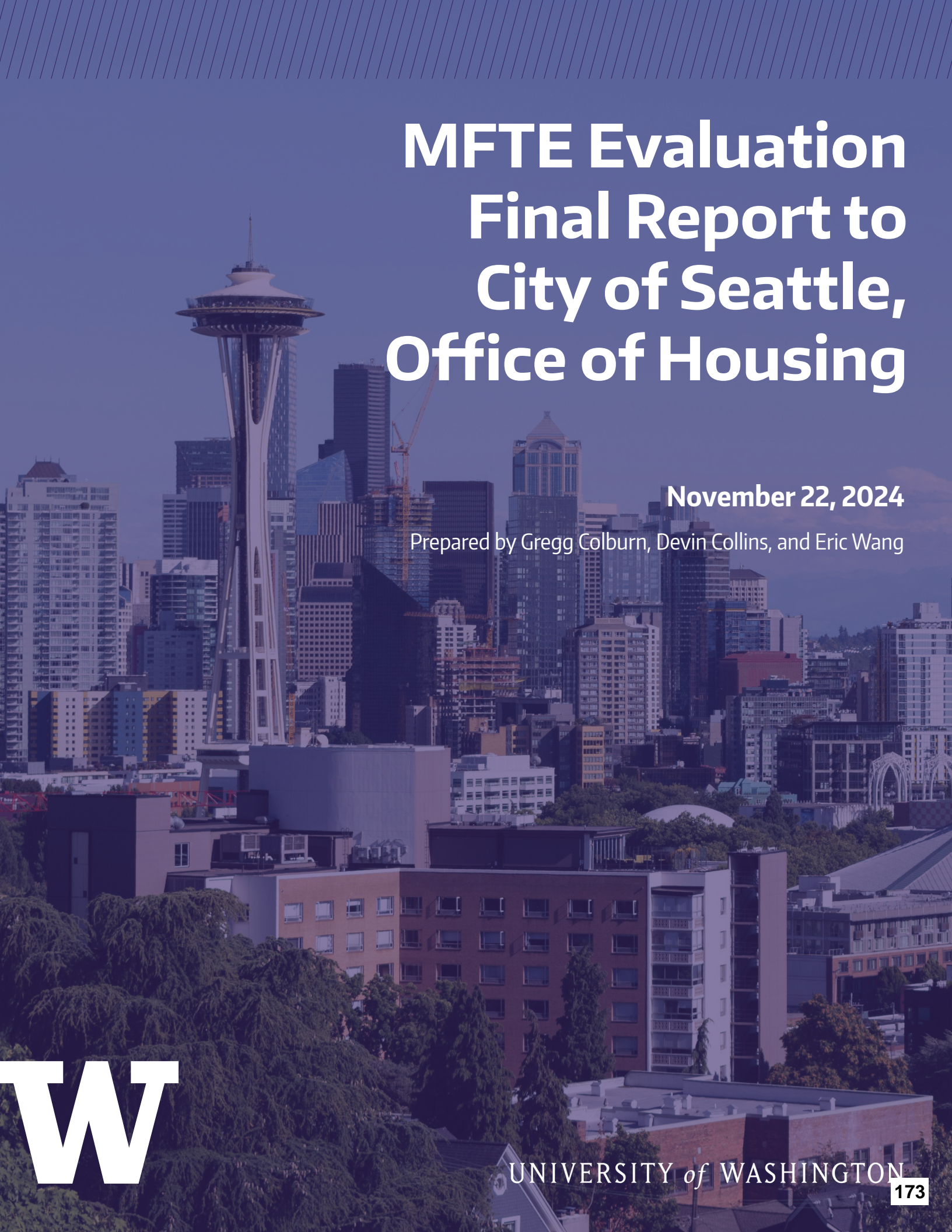
Verify their income using:

- ✓ Third-party verification forms, or
- ✓ Paystubs and other documents, or
- ✓ Income verification software

Use digital signatures on forms.

Program Reauthorization Legislation

- The Mayor's Office will work with OH on a proposal for reauthorization of the current MFTE Program.
- The [University of Washington report](#) and feedback from key stakeholders will help inform the proposal.
- We aim to transmit legislation this summer.



MFTE Evaluation Final Report to City of Seattle, Office of Housing

November 22, 2024

Prepared by Gregg Colburn, Devin Collins, and Eric Wang

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INTRODUCTION

A team of researchers from the University of Washington (UW) entered a contract with the City of Seattle Office of Housing (OH) to quantitatively and qualitatively assess whether Seattle's Multifamily Tax Exemption (MFTE) program is meeting the program purposes established in the Seattle Municipal Code (SMC) to increase and maintain affordable housing opportunities in new and existing multifamily housing. In addition, the UW team assessed whether Seattle's MFTE program is meeting the purpose established by Washington State Law to increase affordable housing opportunities and stimulate multifamily housing through new construction, rehabilitation of vacant buildings, or conversion of non-residential uses in urban centers.

The UW research team explored this primary research question: Is Seattle's MFTE program a cost-effective method for increasing and maintaining affordable multifamily housing opportunities in Seattle? To answer this question, the UW team assessed the quantified public benefits and fiscal costs of the program and sought to better understand how the design and implementation of Seattle's MFTE policy affect results of the program.

Key Findings

- *Benefits of MFTE*
 - Housing Production
 - Over the lifetime of the program, 303 market-only rental properties have participated in MFTE, corresponding to 33,956 total housing units, 7,047 of which are income-restricted. As of the time of this writing, there are 6,636 income-restricted MFTE units across 286 buildings active in Seattle.
 - The overall supply impact of the MFTE program is difficult to quantify, as is the counterfactual (what housing would have been built if MFTE did not exist). But given the analysis in this report and the information gleaned from qualitative interviews, we believe that MFTE has had a stimulative effect on housing production, particularly for smaller units.
 - MFTE has disproportionately produced 0 and 1-bedroom units, despite programmatic reforms designed to incentivize more family-sized units.
 - Vacancy rates in income-restricted MFTE units are, in general, close to vacancy rates in unrestricted MFTE units.

- Housing Affordability
 - In all submarkets and unit-types, average income-restricted MFTE rents are lower than market-rate rents in MFTE properties. The rent discount provided by MFTE tends to be greater in parts of the city with higher market rents. Rent discounts tend to be greater in larger units, though there are fewer of these in the MFTE portfolio.
 - When compared to the general rental market, income-restricted MFTE rents may only represent a modest discount. In lower-cost neighborhoods and for certain unit-types, average income-restricted MFTE rents exceed average market-rate rents.
 - The vast majority (85%) of tenants in income-restricted MFTE units with income documentation are housing cost burdened, defined as spending 30% or more of annual income on housing. Nearly a quarter are severely housing cost burdened, defined as spending 50% or more of annual income on housing.
- Other Benefits
 - MFTE projects are distributed throughout the city, though they are restricted by regulatory restraints (zoning rules) and market dynamics.
 - There are other benefits of the MFTE program that are not quantified in this report, including the taxes that are generated from the production of new housing.
- *Costs of MFTE*
 - There are two primary costs of the MFTE program: foregone and shifted taxes.
 - Foregone taxes represent lost tax revenue due to the way in which MFTE properties are assessed; fixing the assessment procedures would eliminate foregone taxes.
 - Total foregone taxes attributed to Seattle projects was roughly \$35 million in 2023 of which greater than \$9 million was lost specifically by the City of Seattle.
 - Shifted taxes are the second category of costs of the MFTE program. When projects are granted an exemption from property taxes pursuant to MFTE, those taxes are shifted to the other taxpayers in the city. Shifted taxes have no effect on total receipts of the City of Seattle.
 - In 2024, almost \$80 million of taxes were shifted from MFTE projects to non-exempt property owners.
- *Cost / Benefit Relationship*
 - Because a number of the benefits of the program are not detailed in this study, the comparison of costs and benefits is limited to those that are quantified.

- We compare the value of the tax exemption to the amount of rent discount provided by the MFTE units. From the perspective of the City of Seattle, roughly half of the exemption (cost of the program) is returned in the form of discounted rents in MFTE units, until the most recent program iteration.
- The relationship between costs and benefits changed dramatically in P6 given the deeper affordability requirements associated with that iteration of the program.
- *Program Challenges and Reauthorization Considerations*
 - Tenant certification and unit comparability place significant administrative costs on both city and developers, which can deter program participation, particularly in difficult market conditions.
 - Key informant interviews revealed significant ongoing tensions between city staff and the developer community related to MFTE, attributable to changing program requirements, difficult market conditions, and ambiguous goals of the MFTE program.
 - The City of Seattle has a difficult responsibility to calibrate the relationship between the costs of the program (benefit to developers) and the public benefits it delivers (more affordable housing). As the City pushes for greater public benefits, the program becomes less attractive to developers. This is the central tension.

PROGRAM BACKGROUND

The Multifamily Tax Exemption (MFTE) is a statute that allows eligible Washington jurisdictions to target geographic regions for multifamily housing development by offering a time-limited property tax exemption for owners of multifamily rental properties and buyers of homes in multifamily developments. Seattle's MFTE typically provides a property tax exemption for 12 years in exchange for limiting housing costs in a proportion of units. For rental properties, property owners must set aside at least 20% of units as income-restricted to qualify for the MFTE. For properties that are for-sale (condominiums), the tax exemption "accrues to the eligible buyer of each income- and price-restricted home."¹ Rent and income limits are based on area median income (AMI) and adjusted for household size.

The MFTE tax preference was enacted in Washington State in 1995 and adopted by the Seattle City Council in 1998.² Initially designed to address problems related to urban sprawl and encourage residential development in urban centers, MFTE was amended in 2007 to include a 12-year program to promote increased affordability.³ The 2007 amendments introduced the 12-year affordable housing exemption for developers who set aside at least 20% of units as income-restricted. In Seattle, MFTE has been reauthorized five times and the program is currently in its sixth iteration ("P6"). The state-level statute provides the base requirements for MFTE, but individual cities and jurisdictions can layer additional requirements and/or restrictions (which Seattle has done). In Seattle, MFTE is codified in SMC Chapter 5.73.⁴ The chapter states the goals of MFTE are to "increase and maintain affordable housing" and to "affirmatively further fair housing as Seattle grows."

At the state level, MFTE is codified in Chapter 84.14 RCW⁵, which defines the goals of the program as incentivizing urban housing development, including affordable housing, and encouraging urban development and density. RCW 84.14 defines "affordable housing" as "residential housing that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed thirty percent of the household's monthly income." RCW 84.14 states that local governments can provide exemptions for new construction, conversion, and rehabilitation of multifamily residential improvements with at least four units. Property owners that receive MFTE are exempt only from property taxes and are

¹https://www.seattle.gov/documents/Departments/Housing/Reports/MFTEReports/2023_OH_MFTEAnnualReport.pdf

² https://leg.wa.gov/jlarc/taxReports/2019/MFTE/f_ii/print.pdf

³ https://app.leg.wa.gov/ReportsToTheLegislature/Home/GetPDF?fileName=CommerceReports_MFTE%20Legislative%20Report_Final_0234d374-14e8-48b9-b4d2-14510446e01d.pdf

⁴ https://library.municode.com/wa/seattle/codes/municipal_code?nodeId=TIT5REFITA_SUBTITLE_IITA_CH5.732004MUHOPRTAEXPR

⁵ <https://apps.leg.wa.gov/RCW/default.aspx?cite=84.14&full=true>

not exempt from taxes on land and improvements for non-residential portions of mixed-use buildings.⁶

Throughout its existence, Seattle's MFTE program has gone through significant changes. For example, when MFTE was up for its third reauthorization in 2011 ("P4"), some Seattle decisionmakers expressed concerns about the program, "including that tax-breaks had been awarded to undeserving developers."⁷ The 2011 reauthorization⁸ amended MFTE by lowering affordability thresholds (65%/75%/85% AMI for 0-BR/1-BR/2-BR rental units; and 100%/120% AMI for for-sale units) and requiring OH to submit annual reports by March 30 each year.⁹ Also in 2011, Seattle city councilmembers requested a performance audit of the MFTE program to better understand the fiscal impacts of the program and how much affordable housing the program was producing.¹⁰ That audit, released in 2012, revealed that "8 of the 16 properties it reviewed were not renting the required number of affordable units, and 9 of the 9 properties it reviewed had inconsistencies between their annual property certification reports and the documents used to assess renters' income."¹¹ The 2012 city audit made 19 recommendations to improve the program, including increased goal clarity and performance measurement, more routine monitoring of tenant eligibility, and regular reporting of tax impacts by the Office of Housing (OH) to City Council.¹²

During committee reviews of the program in 2013, councilmembers requested additional clarity on the tax impacts of MFTE.¹³ In late 2013, OH concluded that the tax burden for the majority of the exempted amount is *shifted* to other taxpayers, while a small amount of tax revenue is uncollected or *foregone*.¹⁴ This distinction is discussed in more detail below.

In February 2015, additional amendments were made to P4 regarding affordability concerns. One major change was the inclusion of a special distinction for small efficiency dwelling units (SEDUs). Before this change, SEDUs were treated as studios and were income-restricted at 65% AMI (\$1,004/month in 2015). As a result,

⁶https://app.leg.wa.gov/ReportsToTheLegislature/Home/GetPDF?fileName=CommerceReports_MFTE%20Legislative%20Report_Final_0234d374-14e8-48b9-b4d2-14510446e01d.pdf

⁷<https://www.capitolhillseattle.com/2013/09/council-to-be-briefed-on-tax-breaks-for-developers/>

⁸ <https://clerk.seattle.gov/search/ordinances/123550>

⁹ https://clerk.seattle.gov/~CFS/CF_312942.pdf

¹⁰ <https://council.seattle.gov/2012/09/19/new-audit-on-mfte-program-released-today/>

¹¹ https://leg.wa.gov/jlarc/taxReports/2019/MFTE/f_ii/print.pdf

¹²<https://www.seattle.gov/documents/Departments/CityAuditor/auditreports/20130207FINALREPORTREQREP OST20140428.pdf>

¹³<https://council.seattle.gov/2013/04/10/2012-mfte-annual-report-reveals-possible-negative-general-fund-impact/>

¹⁴ <https://www.capitolhillseattle.com/2013/09/council-to-be-briefed-on-tax-breaks-for-developers/>

developers receiving MFTE were able to charge maximum income-restricted rents very close to or more than market-rate SEDU rents. Councilmembers lowered the affordability threshold to 40% AMI for SEDUs (\$618/month in 2015). The P4 amendments also increased the number of required affordable units in a SEDU development to 25%.¹⁵

In late 2015, the council considered the fourth reauthorization of MFTE (“P5”), and made further changes to the program. First, two tiers were introduced based on project size. Projects with less than 8% 2+BR units were to abide by “Small Unit Program” rules, while projects with more than 8% 2+BR units were to abide by “Family Sized Unit Program” rules. Projects within the Small Unit Program have a higher affordable set aside requirement (from 20% to 25%), while projects within the Family Size Unit Program would remain at the 20% set-aside rate. Family Sized Unit Program participants would also need to set-aside a proportional share of total 2+BR units as income-restricted. These changes were implemented to encourage the development of affordable family-sized housing as opposed to studios and 1-BRs, which made up approximately 80% of new MFTEs coming online in 2016.¹⁶ P5 also introduced new unit type designations (congregate and 3+BR) and expanded the eligibility boundary in Seattle to any land zoned for multifamily housing, overriding mapped boundaries of MFTE Residential Targeted Areas.¹⁷

During the latter half of the 2010s, a challenge for the MFTE program in Seattle was the rapidly increasing household incomes in the region. As average median income increased, the rents that could be charged pursuant to MFTE also increased; from 2015 to 2019, for instance, MFTE’s maximum rents increased by 6.8% per annum.¹⁸ In response, some councilmembers discussed pegging rent increases to the Consumer Price Index (CPI) rather than AMI to moderate rent increases. In 2019, an Office of Housing proposal to cap increases in annual rent thresholds by 4.5% was included in the MFTE P6 legislation adopted by City Council.¹⁹ Although the cap helped moderate steep annual increases in HUD’s estimated median family income for properties with P6 MFTE agreements, it did not preclude rent increases at the unit level of greater than 4.5% if prior rents were below the threshold.

In 2019, Washington State’s Joint Legislative Audit and Review Committee (JLARC) released a statewide evaluation of MFTE.²⁰ JLARC reported 424 developments received MFTE statewide since its inception, corresponding to 34,885 housing units, 21% of which were set aside as affordable. The topline conclusion of the JLARC

¹⁵ <https://www.theurbanist.org/2015/02/24/seattle-city-council-votes-for-microhousing-mfte-changes/>

¹⁶ <https://www.theurbanist.org/2016/07/01/mfte-program-progress-report-first-trimester-2016/>

¹⁷ <https://www.theurbanist.org/2015/09/29/seattle-city-council-notes-hala-work-plan-mfte-extens>

¹⁸ <https://www.theurbanist.org/2017/07/19/mfte-provides-tons-affordable-apartments-use-tweaks/>

¹⁹ <https://publicola.com/2019/07/26/unanswered-questions-from-durkans-housing-announcement/>

²⁰ https://leg.wa.gov/jlarc/taxReports/2019/MFTE/f_ii/print.pdf

report was that while developers have created housing using MFTE, it is “inconclusive” whether this use represents a net increase in developments statewide. The report found that over 80% of MFTE development was in Seattle, Tacoma, Spokane and Renton, and that 75% of units created statewide between 2007-2018 were 0-BR or 1-BR.

In addition, the JLARC report found that the statutory maximum rental prices may be higher than median market rents for particular neighborhoods. In King County, for instance, JLARC found that the statutory maximum rental price for income-restricted units exceeded market rent in *all targeted areas* except for downtown Seattle, downtown Tacoma, and Mercer Island. Finally, the JLARC report found that the amount of total tax savings shifted to other taxpayers statewide could not be determined due to data limitations.

In 2019, the Seattle MFTE program was reauthorized for a fifth time (“P6”). 2019 also marked the adoption of Mandatory Housing Affordability (MHA) in Seattle. Importantly, the city does not permit “double counting” between the programs; MFTE units may not be used to count toward MHA requirements when affordable housing is provided on-site.²¹ P6 was further amended by affected state and city-level policy changes in 2021. At the state-level, Senate Bill 5287²² allowed program participants within 18 months of expiration to extend their exemption for an additional 12-year period, to prevent the loss of affordable housing. In addition, SB 5287 provided a 20-year exemption option for permanently-affordable homeownership projects. At the city level, these changes were implemented in Ordinance 126443.²³

SB 5287 also required the Washington State Department of Commerce to adopt and implement a program to effectively audit or review that the owner of each certified tax exempt property was offering the number of units at rents committed to in approved applications. As a result, a State Commerce study was released in 2023 assessing MFTE programs and their tax impacts.²⁴ The study found that MFTE was effective at incentivizing housing production, that Seattle is the dominant user of MFTE, and that many communities should more regularly monitor their programs for compliance. In addition, the 2023 Commerce report estimated that 27,869 total units were constructed pursuant to MFTE statewide between 2017 and 2021, 14,773

²¹https://app.leg.wa.gov/ReportsToTheLegislature/Home/GetPDF?fileName=CommerceReports_MFTE%20Legislative%20Report_Final_0234d374-14e8-48b9-b4d2-14510446e01d.pdf

²²<https://apps.leg.wa.gov/documents/billdocs/2021-22/Pdf/Bill%20Reports/Senate/5287-S2.E%20SBR%20FBR%2021.pdf>

²³<http://seattle.legistar.com/LegislationDetail.aspx?ID=5086382&GUID=2FA9A40B-CB00-4764-89D9-27266C7F5147&Options=ID|Text|&Search=126443>

²⁴https://app.leg.wa.gov/ReportsToTheLegislature/Home/GetPDF?fileName=CommerceReports_MFTE%20Legislative%20Report_Final_0234d374-14e8-48b9-b4d2-14510446e01d.pdf

of which were in Seattle. Of those units, 5,050 were income-restricted statewide and 3,133 in Seattle. Like the JLARC study, the 2023 Commerce Study found that market rate rents were very close to restricted MFTE levels in certain locations.

OH's 2023 MFTE Annual Report²⁵ was released in June 2024, and provides the most recent analysis of MFTE performance in Seattle (reporting period through December 31, 2023). At the time of that report, OH reported 352 total rental projects in the city with approved applications over the lifetime of the program, of which 286 were in active service, 49 were in pipeline, and 17 had expired or opted out. In the rental portfolio, there were 6,636 income-restricted MFTE units in service. Over its history, MFTE has produced far more studio and one bedroom units than larger units, and OH reports that 38% of MFTE rental units are 0-BR, 49% are 1-BR, 13% are 2-BR, and less than 1% are 3-BR.

As discussed earlier in this section, the affordability requirement under Seattle's MFTE program has changed over time. Table 1 below highlights the AMI rent thresholds over the six program iterations since the beginning of the MFTE program in Seattle.

²⁵https://www.seattle.gov/documents/Departments/Housing/Reports/MFTEReports/2023_OH_MFTEAnnualReport.pdf

Table 1. AMI Limits by Unit Type Across Seattle MFTE Programs

	P3 (2008- 2010)	P4 (2011- 2015)*	P5 (2015- 2019)	P6 (2019- Present)	P6 Extension (2021-present)
Congregate Residences		40% AMI	40% AMI	40% AMI	30% AMI
SEDU (if in building with mix of unit types)		40% AMI	40% AMI	40% AMI	30% AMI
SEDU (if in building 100% SEDU)		40% AMI	40% AMI	50% AMI	40% AMI
0-BR	80% AMI	65% AMI	65% AMI	60% AMI	50% AMI
1-BR	80% AMI	75% AMI	75% AMI	70% AMI	60% AMI
2-BR	90% AMI	85% AMI	85% AMI	85% AMI	75% AMI
3+BR	90% AMI	85% AMI	90% AMI	90% AMI	80% AMI

Note: Prior to Program 3, AMI limits were not determined by unit-type. P1 (1998-2002) required 80% AMI for all income-restricted MFTE units (except for those in Pike-Pine urban center village, which required 60% AMI). P2 (2004-2008) required 60% AMI for all unit types if 20% of units were set aside as income-restricted; 65% AMI if 25% of units were set aside, and 70% AMI if 30% of units were set aside.
 * AMI designations for SEDUs and congregate residences (P4.3) were implemented just months prior to adoption of P5 MFTE legislation in 2015 and applied to just one P4 SEDU project

Table 2 below provides a more detailed analysis of the 2024 rent and income limits under the City’s MFTE P6.²⁶ The contrast between the affordability requirements between larger and smaller units is conspicuous, and reflects the city’s intention to incentivize the production of affordable family-size housing. For example, a couple with one child living in a two bedroom apartment could earn up to \$101,012.

²⁶ Calculated from 2024 Income and Rent Limits (https://www.seattle.gov/documents/Departments/Housing/PropertyManagers/IncomeRentLimits/2024/2024RentIncomeLimits_5.28.24.pdf) and P6 requirements as described in 2023 OH Annual Report

Table 2. 2024 Rent and Income Limits for MFTE (P6)

Apartment Size	AMI Limit	Max. Monthly Rent (Incl. Fees and Basic Utilities)	Household Size	Annual Max. Household Income
Congregate Residence in Sleeping Room	40% AMI	\$924	1 person	\$36,968
SEDU (if in building with mix of unit types)	40% AMI	\$924	1 person	\$36,968
SEDU (if in building with 100% SEDUs)	50% AMI	\$1,155	1 person	\$46,210
0-BR	60% AMI	\$1,386	1 person	\$55,452
1-BR	70% AMI	\$1,732	1 person	\$64,694
			2 people	\$73,940
2-BR	85% AMI	\$2,525	2 people	\$89,784
			3 people	\$101,012
3-BR	90% AMI	\$3,089	3 people	\$106,954
			4 people	\$118,823
4-BR	90% AMI	\$3,445	4 people	\$118,823
			5 people	\$128,341
			6 people	\$137,840

The fiscal impacts of MFTE have been a concern to policymakers throughout its history. Seattle’s MFTE has two distinct types of tax impact: tax shifts and foregone taxes.

The 2023 MFTE Commerce Study estimates that in King County as a whole, the total increase in property taxes for typical homeowners as a result of MFTE is approximately \$30–40, “substantially lower than other property tax components.”²⁷ The 2023 Seattle Office of Housing report estimated that the exempt assessed value of properties that currently have MFTE in Seattle totals \$8.8B. The value is not subject to property taxes and therefore those amounts are shifted to non-exempt taxpayers. OH estimates a total tax shift in Seattle of \$71.4 million in 2023 alone. This corresponds to roughly \$130 in additional property taxes for an owner of a median value home in Seattle. OH also notes that this estimate is likely conservative as it

²⁷https://app.leg.wa.gov/ReportsToTheLegislature/Home/GetPDF?fileName=CommerceReports_MFTE%20Legislative%20Report_Final_0234d374-14e8-48b9-b4d2-14510446e01d.pdf

does not account for additional taxes paid by non-exempt property owners due to tax shift impacts from non-Seattle King County MFTE programs.

In their 2023 Annual Report²⁸, OH estimated that the King County Assessor had deferred \$3.7B in new construction value for Seattle's MFTE rental properties that were active in 2023 (properties where MFTE started between 2012-2023), resulting in approximately \$271M in property tax revenue loss during that 12-year period. This figure excludes lost revenue related to properties that have opted out of MFTE or for which exemptions have expired. The amount of foregone revenue in 2023 alone was estimated to be \$38.3M.

²⁸https://www.seattle.gov/documents/Departments/Housing/Reports/MFTEReports/2023_OH_MFTEAnnualReport.pdf

DATA & METHODS

In this study, we seek to quantitatively and qualitatively assess whether Seattle’s MFTE program is meeting the program purpose established in the Seattle Municipal Code to increase and maintain affordable housing opportunities in new and existing multifamily housing. In addition, we assess whether Seattle’s MFTE program is meeting the purpose established by Washington State Law to increase affordable housing opportunities and stimulate multifamily housing development. Of note, our study focuses only on market-rate MFTE rental properties—that is, MFTE properties for which MFTE is the only public subsidy. Owner-occupied MFTE housing and other MFTE properties that are city-funded and/or Low-Income Housing Tax Credit/bond-financed (“low-income housing”) are excluded from consideration.

Our study is guided by the following primary research question: Is Seattle’s MFTE program a cost-effective method for increasing and maintaining affordable multifamily housing opportunities in Seattle?

To answer this question, we pursued a mixed methods approach assessing the fiscal costs and public benefits of MFTE. The following program benefits are explored in this report: (1) total and income-restricted MFTE-related multifamily housing production over the life of the program; (2) average rent savings in income-restricted MFTE units, relative both to unrestricted units in MFTE properties and surrounding market-rate rents; and (3) lease-up and vacancy rates in income-restricted MFTE units, relative to comparable unrestricted units in MFTE-participating buildings. We assess these benefits geographically, temporally (across years and program iterations), and by unit-type (number of bedrooms and square footage).

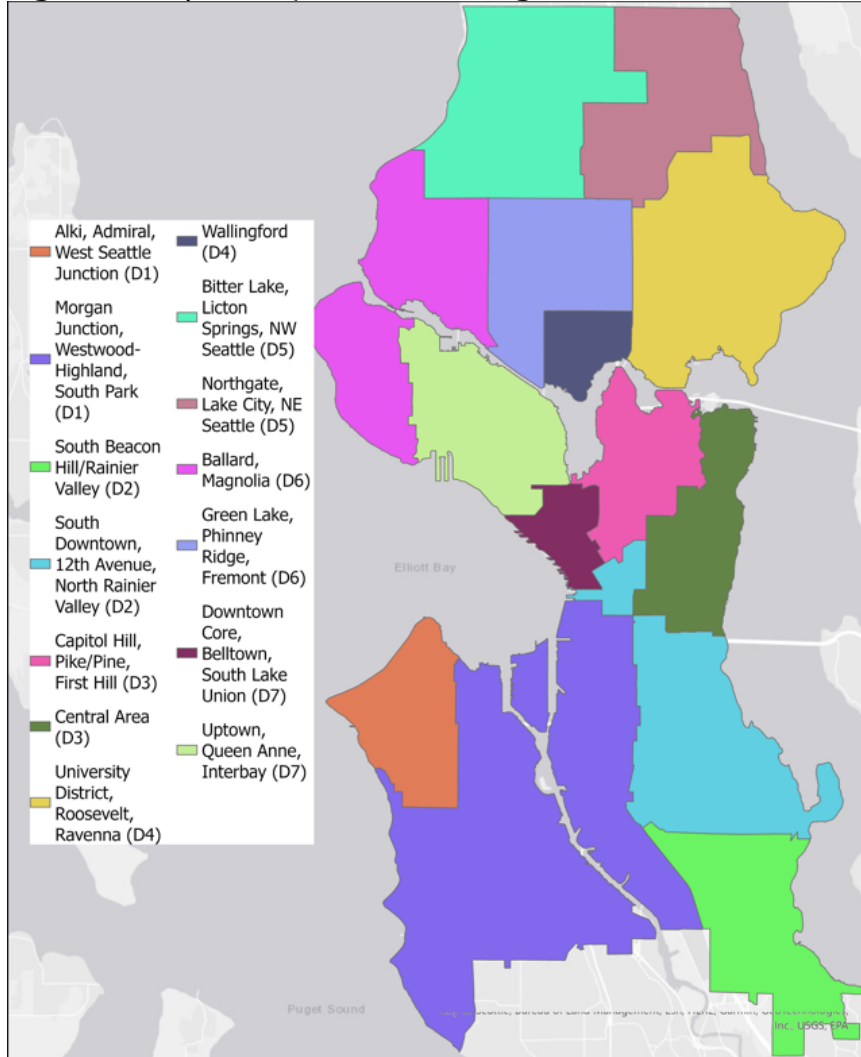
Second, we address the public costs of MFTE, defined as shifted and foregone tax revenues attributable to the program. We use deferred new construction values of MFTE properties to calculate yearly foregone taxes and project these costs into the future. We estimate shifted taxes from yearly assessed property values, broken down by program and project type.

Third, we provide a cost-benefit analysis by property based on the quantified benefits and costs outlined in the study. For each property, we estimate rent savings by matching MFTE units with comparable market-rate units with the same number of bedrooms, bedroom type, and square footage. We then sum these unit-level rent discounts and compare them to exempted property taxes. We further break this down by program iteration and geography.

Quantitative analyses rely on a range of administrative data sources, and are largely descriptive. Data on MFTE properties, unit production, unit characteristics, and

tenant income were provided by the Office of Housing. Data on neighborhood market-rate rents came from CoStar and were assembled by Office of Housing and Office of Planning and Community Development staff. Socio-demographic neighborhood characteristics were pulled from the 2022 5-year American Community Survey (ACS) estimates. Property assessment values, city and total levy rates, and exempt new construction values came from the King County Assessor. Our team worked collaboratively to clean, filter, and merge these various data sources to assess the public costs and benefits of MFTE. Descriptive analyses and figures were produced using R and Stata statistical software, and GIS spatial analyses were conducted in ArcMap Desktop. Neighborhood submarkets were constructed with assistance from city staff. Contiguous census tracts within voting districts were combined to generate two submarkets for each district, producing fourteen unique submarket areas within the city.

Figure 1. Map of City of Seattle Neighborhood Submarkets



We complement our quantitative analysis with data generated from focus groups with City of Seattle staff and one-on-one interviews with developers, operators, and investors who have participated in the MFTE program. We conducted seven semi-structured key informant interviews with housing developers and operators. We also conducted two focus group interviews with teams from the City of Seattle Office of Housing that are responsible for implementing and monitoring MFTE. Interviews and focus groups each lasted one hour, and were recorded and transcribed for qualitative analysis.

The UW research team analyzed the transcribed interviews to generate initial codes and key themes. Where relevant, findings from the qualitative interviews are used to supplement or complement results from the quantitative analysis. Consistent with a mixed methods approach to research, the two sources of data and findings were brought together to generate a deeper understanding of the program, how it is structured, its costs, and the outcomes it produces. Additionally, we conclude our findings with a standalone section from our qualitative interviews, which articulate respondents' perspectives on the goals of MFTE, perceived challenges of the program, and considerations for MFTE reform.

Data limitations prevent us from providing a definitive answer to the principal research question. To fully understand whether MFTE is a cost-effective method for producing and maintaining affordable housing, one would need to understand the housing supply impact attributable to MFTE and the impact on rents from that additional housing production. In addition, there are other benefits, such as the taxes generated from housing production, that should be considered in a comprehensive cost/benefit analysis.

Finally, it is important to note that much of the analysis in this study is based on the post-Covid 19 period which has been highly unusual. During this period, interest rates rose dramatically, building costs rose significantly, and market vacancy rates rose. As a result, all readers of this report should digest these findings with an appreciation for this broader economic and market context.

FINDINGS

In this section, we present findings on the benefits and costs of the program and then discuss ways in which these factors can be compared. Where relevant, we include findings from the qualitative interviews to corroborate (or contradict) evidence generated from the quantitative data. We conclude the analysis with results of the qualitative interviews that provide further feedback about the program and its design and implementation.

Benefits of the MFTE Program

The logic of the MFTE program is that jurisdictions will bear a cost to taxpayers in exchange for the public benefits of additional housing production, and particularly affordable housing. Calculating these benefits is a challenge given that some of the benefits are quantifiable while others are less tangible—but no less beneficial. In this section, we seek to highlight the various benefits of the program. According to the City of Seattle code, Chapter 5.73, the purpose of the MFTE program is to “increase and maintain affordable housing opportunities in new and existing multifamily housing, including through rehabilitation of vacant buildings, within the city of Seattle...In addition to increasing affordable housing [MFTE] seeks to affirmatively further fair housing as Seattle grows.” We analyze the benefits of the program with this stated purpose in mind.

Housing Units

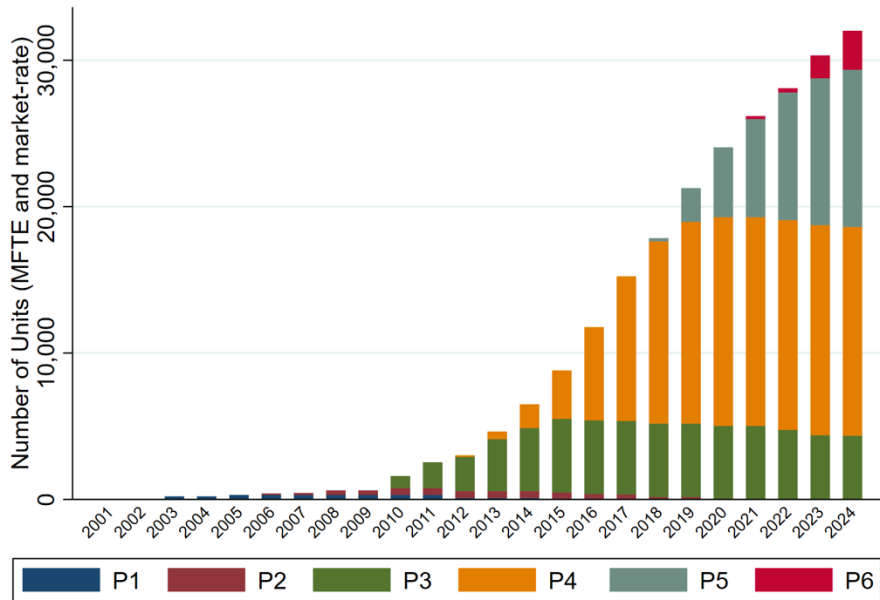
The purpose of the original MFTE law was to stimulate the production of multifamily housing in the State of Washington; affordable production was not the sole focus of the program. That changed in 2007 when the 12-year program was established which created a longer exemption in exchange for dedicated affordable units. In this first section, we analyze total housing production under the City of Seattle’s MFTE program.

Given the clear empirical evidence about the relationship between housing production and affordability, one of the conspicuous benefits of the MFTE program has been the housing that has been constructed under the program, which includes both income-restricted and unrestricted units. Since inception, developers have completed a total of 303 projects under MFTE which included a total of 33,956 units.²⁹ Figure 2 provides a summary of the total number of active units of housing that exist in projects that have received the MFTE exemption. As of the time of this

²⁹ This estimate is only for “market-rate” MFTE rental properties, that is, properties for which MFTE is the only public subsidy. MFTE ownership properties and other low-income housing projects that are City-funded and/or Low-Income Housing Tax Credit/bond-financed are excluded.

writing, the total number of active units in MFTE-participating properties is 32,207. As is clear from the graphic, P4 and P5 played a significant role in the production of housing.

Figure 2. Total Active Housing Units in MFTE Buildings by Program Type



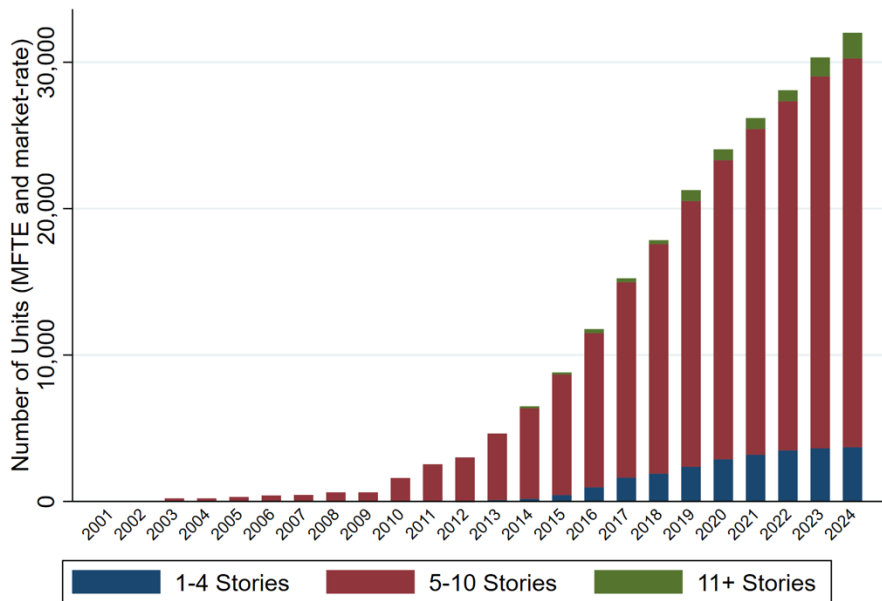
Source: King County Assessor

It is also important to highlight the types of projects developed under MFTE. In Figure 3 below, we break down the total number of active units in projects that receive the MFTE. It is clear that the vast majority of the development activity has been in buildings with 5 to 10 stories. Consistent with feedback from our developer interviews, the MFTE program primarily works for mid-rise projects. The economics do not support the development of low- or high-rise buildings. The City issued a Director’s Rule in 2021 that attempted to make MFTE more appealing for high-rise development³⁰, but the impact has been negligible. These sentiments were expressed by a developer in our interviews, “***MFTE works for our podium projects... wood frame, generally seven, now more recently eight story buildings over parking. Generally in the urban core or the peripheral areas... up until recently... we were not able to make MFTE work in our high-rise projects... we’ve done a number of high-rises, every one of them, we’ve looked at the MFTE program and it has not worked. Most recently, with the director’s rule that came out in 2021, allowing a different distribution of units within the building, we were then able to make it pencil and convince our equity partners it was good to do MFTE in high-rises as well.***” This developer

³⁰https://www.seattle.gov/documents/Departments/Housing/HousingDevelopers/MultifamilyTaxExemption/MFTE_DirectorsRule_2021-02_UnitDistribution.pdf

was in the minority in our interviews as the others we spoke to all suggested that MFTE does not work for high-rise projects, “***We have never been able to make a high-rise pencil in this market, MFTE or no.... We just flat out, haven’t found the rents justify the additional costs.***” Another developer made a similar argument, “***Basically MFTE works really well for mid-rise, market-rate projects. It doesn’t work very well for high-rise projects.***” In our interviews with Office of Housing staff, they underscored that MFTE appeared to work best for mid-rise projects.

Figure 3. Total Active Housing Units in MFTE Buildings by Building Type

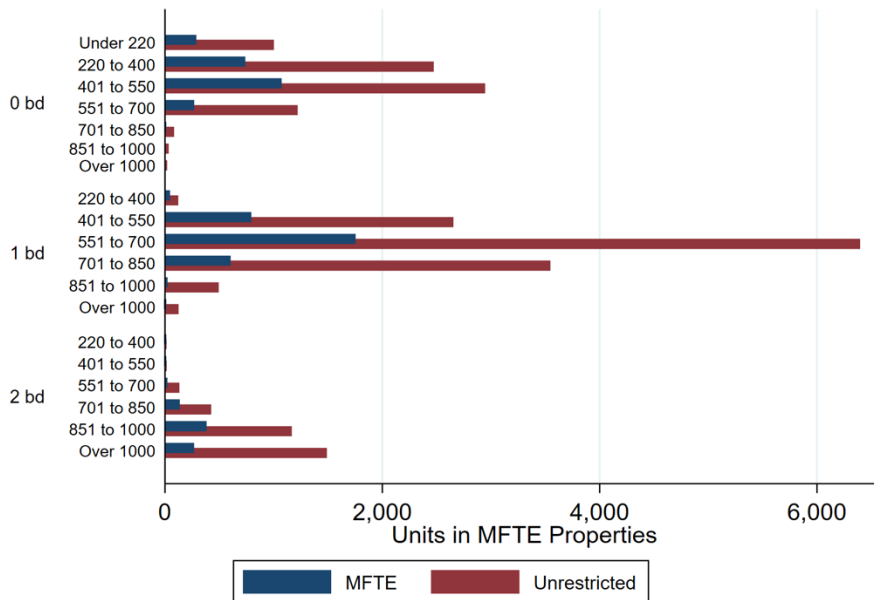


Source: King County Assessor

Figure 4 below highlights the breakdown of units in MFTE buildings that were active in 2023. The figure shows both MFTE income-restricted units (in blue) and the unrestricted units (in red). Consistent with what we observe in other data, this figure highlights that the vast majority of units built with the support of MFTE have been one bedrooms and studios. Throughout our interviews with developers, we heard that MFTE has been a program that was ideally suited for constructing one bedroom units, “***[MFTE] is a big economic development boost for one bedroom units, like the rent that’s asked in Seattle relative to the market rate is pretty much on par. So if you develop a building of all one bedroom units, you get significant property tax relief. You give away little or no rent off market rate, and so it should be a significant boost.***” Multiple developers noted that rule changes adopted in P5 and P6 made using MFTE for small efficiency dwelling units (SEDUs) and congregate housing much more difficult. As one developer expressed, “***[OH] really turned the screws on the small use kind, they reversed it so hard that all of a sudden it became impossible for people developing those things***

to participate in ways that made any economic sense. And so they sort of went from a huge giveaway to no one in that space participating.”

Figure 4. Unit Breakdown in MFTE Properties Active in 2023



Source: 2023 Annual MILU Certification Query

The lack of production of two bedroom units under MFTE is not a coincidence. Although MFTE AMI thresholds are highest for family-sized units, developers expressed that the structure of the program did not work well for two bedroom and larger units, and as a result, very few have been built. As noted by a developer, the size of two bedrooms creates an economic challenge, **“Project budgeting is all based on square foot. So if you have a thousand square foot unit, it’s like costing you almost twice as much as a 500 square foot unit, and you need almost twice as much rent for that thousand square foot unit as you do for the studio... the AMIs are calibrated, for whatever reason, at 65% for a studio which is pretty close to what you need for market in a mid-rise building. For a two-bedroom, the AMI at 85% isn’t enough. Market rent has to be so much higher... Whereas the studios, you know, 65%, 70% is still fine.”** We heard similar comments from staff members from the Office of Housing who noted, **“There could be a deeper, stronger incentive to bring [family-sized] units to market, because it doesn’t feel like it’s working.”**

It is important to note that attributing this production solely to MFTE would be an incorrect conclusion. Some of these projects may well have been constructed in the absence of the program, but estimating what would have happened in the absence of MFTE is very difficult. In our interviews, developers articulated that MFTE has been important for many projects and some of these projects **“would not have**

penciled” were it not for MFTE. As one developer noted, **“I think the good thing about MFTE is, a lot of the mid-rise projects in particular don’t pencil without it. So the important thing to keep in mind is that it’s not just generating these rent-restricted units. It’s generating the other [market-rate] units.”** All we can say is that there is a positive, yet difficult to quantify, impact on the Seattle housing supply from the MFTE program. Developers expressed support for MFTE (especially in its earlier iteration) as a valuable tool to promote housing production in Seattle: **“MFTE overall is a fabulous solution, because at least I can’t define it as actually costing anything. And it does promote the behavior it’s intended to do from that standpoint. I actually think it’s been fairly well conceived... [Without MFTE] I think that the few projects that are moving forward would just simply vanish.”**

To generate a deeper understanding of this dynamic, we solicited feedback on the issue of MFTE’s impact on housing production from two developers. The following three hypothetical outcomes were presented:

1. The benefit associated with MFTE was integral to the development of a lot of multifamily housing in Seattle over the last 15 years. In the absence of MFTE, housing production would have been much lower.
2. All of this housing would have been built independent of MFTE. MFTE just made the development more profitable.
3. MFTE doesn’t change the build/not build decision because the benefits (abatement) are closely calibrated with the costs (affordability requirements). Without MFTE, you get the same amount of production, you just wouldn’t have the affordable units that came with the MFTE program.

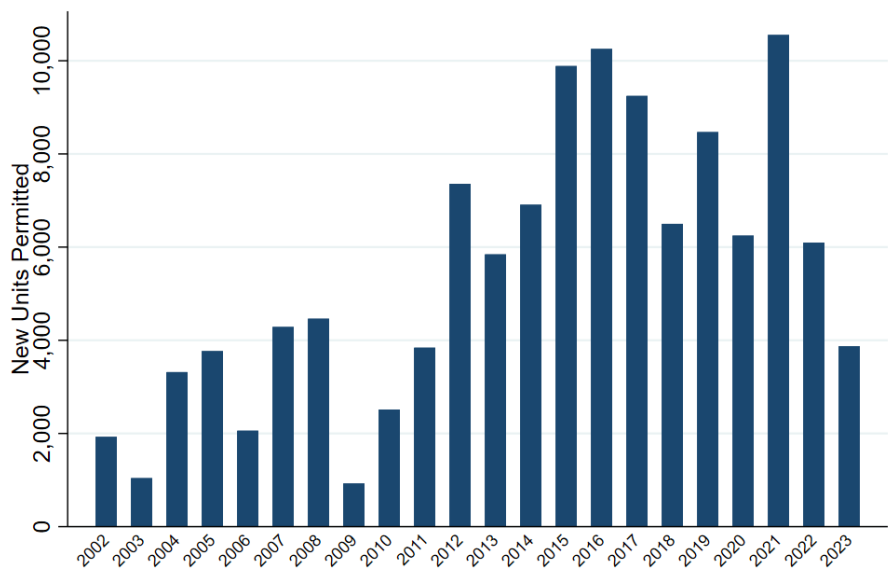
The response from one developer was that if you were to poll the entire development community, you would get all three responses, with option three getting the most responses. We also understand option three to be increasingly relevant as the affordability requirements of the program have increased. As the costs of the MFTE program for a developer (affordability requirements) are more closely aligned to the benefits of the program (the tax exemption), the program becomes less advantageous and may no longer serve as key factor in the decision of a developer to build a project or not. It becomes an issue for the developer, once they decide to develop a project, whether to apply for MFTE or not.

A second developer took a different tack in answering this hypothetical. They indicated that it depends on the size of the projects/units. For smaller units, MFTE had a clear impact on housing supply, not just income-restricted supply, **“In that category of small apartments, MFTE produced a massive boom of housing, such that the rents in that area have fallen sharply since 2019, even before adjusting for inflation. While this is painful for speculative developers, I think it’s hard not to count this as a policy win.”** In responding to the build / don’t build

question, this developer suggested that one cannot provide a blanket response. Rather, ***“there is probably a marginal project out there where its exactly calibrated, maybe around a 400sf 1BR project...But for smaller product types it’s a win, for larger it’s a loss.”***

Before presenting the data on the production of MFTE, it is important to provide context on the overall level of housing production in the City of Seattle over the last 20 years. Figure 5 shows permit activity and highlights that there was a boom in residential construction during the decade of the 2010s. It is important to note that a permit precedes the completion of a housing development by a couple of years. This is why we observe a significant decrease in permit activity in 2023—this reduction will produce a fall in new unit deliveries in the years to come.

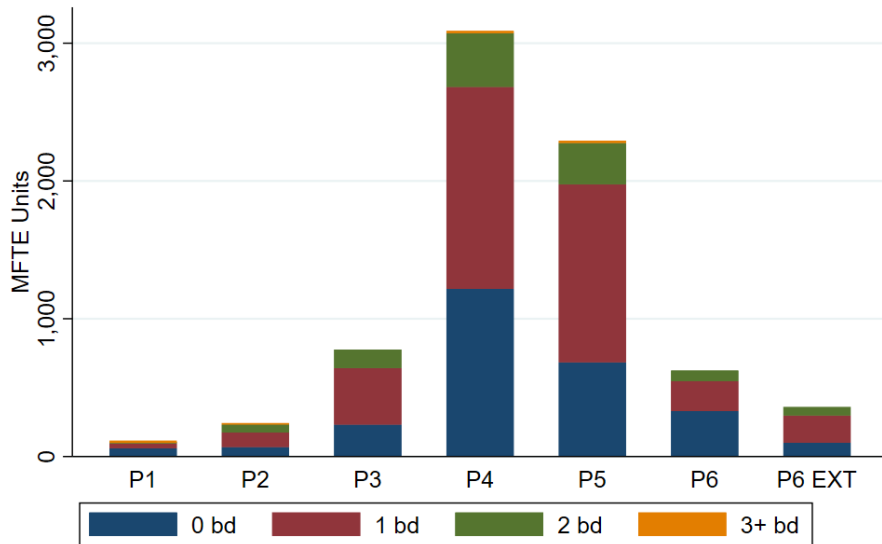
Figure 5. New Multifamily Housing Permits Issued by Year



Source: Permit data assembled by Office of Planning & Community Development and Office of Housing Staff. Annual sums include new permits for apartment; congregate housing; multifamily non-ground level dwelling; and small efficiency dwelling categories. Annual sums include MFTE-related development.

Under the MFTE program, a portion of the units in projects that receive the MFTE must be affordable pursuant to certain income restrictions (as described earlier in this report). These units are a clear benefit of the MFTE program—they would not exist were it not for the presence of the program. Figure 6 highlights the number of income-restricted units produced under each iteration of the program. P4 and P5 have had a disproportionate impact on MFTE housing production, but these programs also coincided with Seattle’s residential development boom. Over the life of MFTE, 7,047 total income-restricted units have been produced in the City of Seattle.

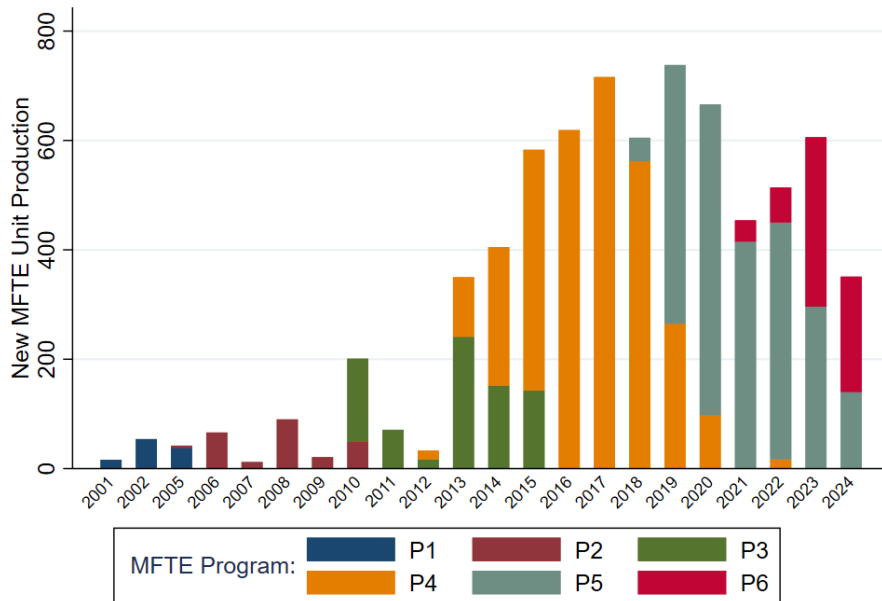
Figure 6. Total Income-Restricted Housing Production Under MFTE By Program



Source: Seattle OH Project Tracking
 Under 400, SEDU, and congregate started to be tracked separately by OH in 2015
 P6 EXT are 12-yr extensions to P3, not new production, subject to new affordability
 0 bedrooms include SEDU, Congregate, Under 400 sq ft., which are subject to different AMI limits

Figure 7 highlights the annual production of income-restricted units under the program. It is important to note that new projects take time to complete. Therefore, completions in 2024 were started years earlier (and therefore come from different program iterations). There is a reduction in production in 2024, but this is based on partial year data. But we know from our interviews, that the challenging market conditions evident in the post-Covid era (higher interest rates and construction costs) will lead to significantly lower completions in the years to come. This decline in production is not yet evident in the data given the lag between project start and completion. But one should expect dramatically lower completions and deliveries over the next three to four years.

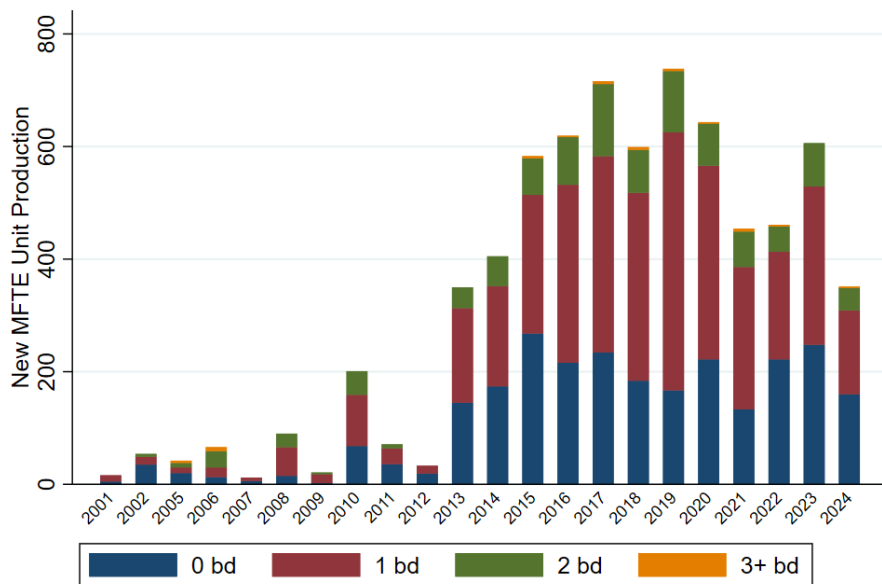
Figure 7. Yearly New Income-Restricted Unit Production by Program



Source: Seattle OH Project Tracking, units assumed produced in the first year of the exemption

In Figure 8, the same annual production numbers that were presented in Figure 7 are broken down by unit type. The figure demonstrates, consistent with other data and the feedback from developers, that MFTE projects have disproportionately created zero and one bedroom income-restricted units.

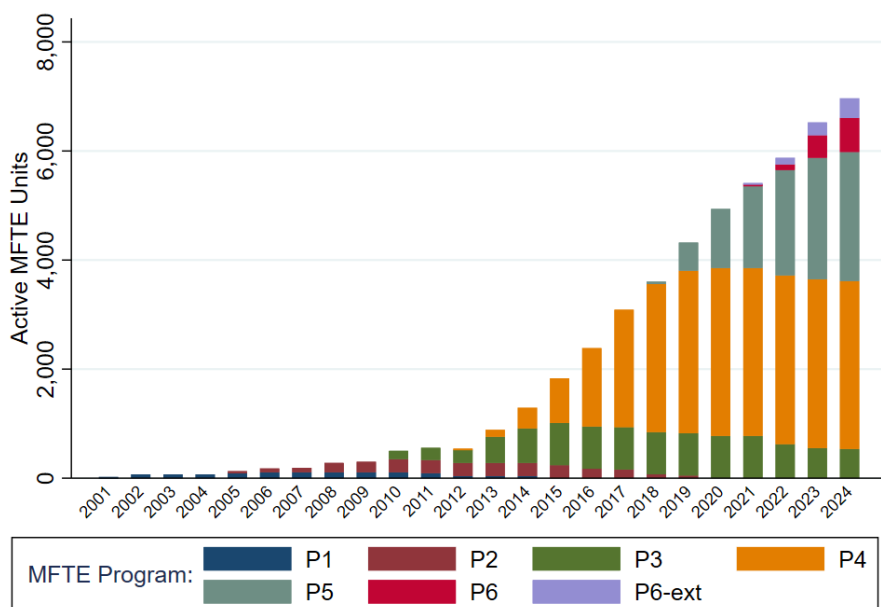
Figure 8. Yearly New Income-Restricted Unit Production by Unit Type



Source: Seattle OH Project Tracking, units assumed produced in the first year of the exemption
0 bedrooms include SEDU, Congregate, and Under 400 sq ft. categories

Because the tax exemption is granted for only 12 years, some MFTE units exit the pool of income restricted units upon expiry of the tax exemption. Therefore, once the program reaches maturity, each year there are units added to the pool due to completions of new projects, while other units are lost due to projects reaching the end of the exemption period. In addition to focusing on total production (as we do in the figures presented above) we also focus on the total number of units that are active in any given year. Figure 9 below presents the number of active MFTE units in any given year over time broken down by program. As of the time of this writing, there are 6,636 active income-restricted units in the City of Seattle’s market-rate MFTE rental portfolio.

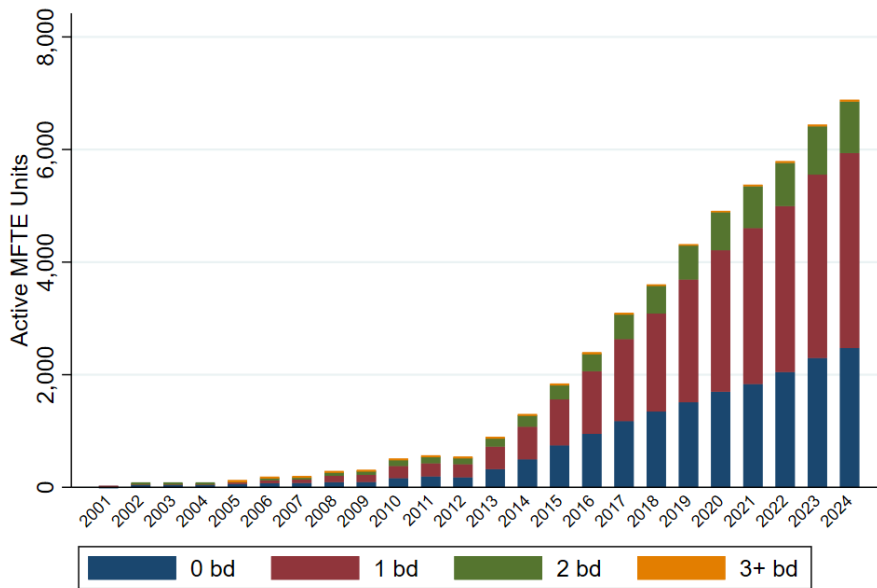
Figure 9. Annual Active Income-Restricted Units by Program



Source: Seattle OH Project Tracking, units assumed active through exemption lifetime

Figure 10 presents the yearly active MFTE portfolio of income-restricted units broken down by unit type. As the figure highlights, the MFTE program has disproportionately produced studio and one bedroom units. There have been a modest number of two and three bedroom units produced, but those represent a small minority of total production. Our interviews with developers underscored that the economics of development under MFTE made studios and one bedrooms the only type of units that made financial sense.

Figure 10. Annual Active Income-Restricted Units by Unit Type



Source: Seattle OH Project Tracking, units assumed active through exemption lifetime
 0 bedrooms include SEDU, Congregate, and Under 400 sq ft. categories

In sum, 303 market-rate multifamily projects built with the support of MFTE have created 33,956 total housing units over the life of the program, of which 7,047 of those units are income- and rent-restricted pursuant to program rules. In 2024, there were 6,636 units of income-restricted housing in 286 MFTE buildings. These unit counts are an important benefit of the MFTE program.

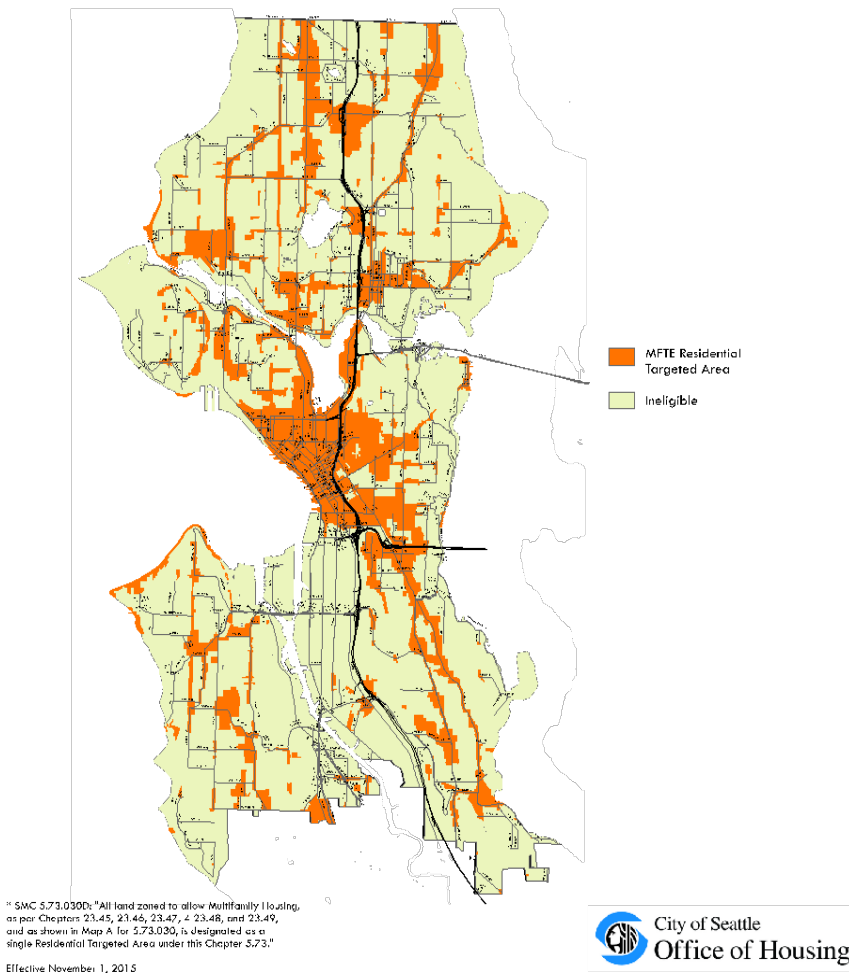
Affirmatively Furthering Fair Housing

As noted in the City’s municipal code, a second goal of the program is to affirmatively further fair housing (AFFH). Per the U.S. Department of Housing and Urban Development, AFFH requires communities to “take meaningful actions to overcome patterns of segregation and foster inclusive communities.”³¹ Therefore, it is important to understand where MFTE units are being constructed.

The first step in this analysis is to understand where these MFTE projects have been constructed. Before presenting maps of the location of MFTE projects, it is important to understand the regulatory context in which these projects are developed. Projects using MFTE may only be developed in locations that are considered a Residential Targeted Area (RTA). In 2015, under P5, the City of Seattle expanded the RTA from primarily urban centers and villages to allow MFTE development in any location zoned for multifamily housing (as of 2015). Figure 11 below shows the current RTA map in Seattle, which has been in effect since 2015.

³¹ <https://www.hud.gov/AFFH>

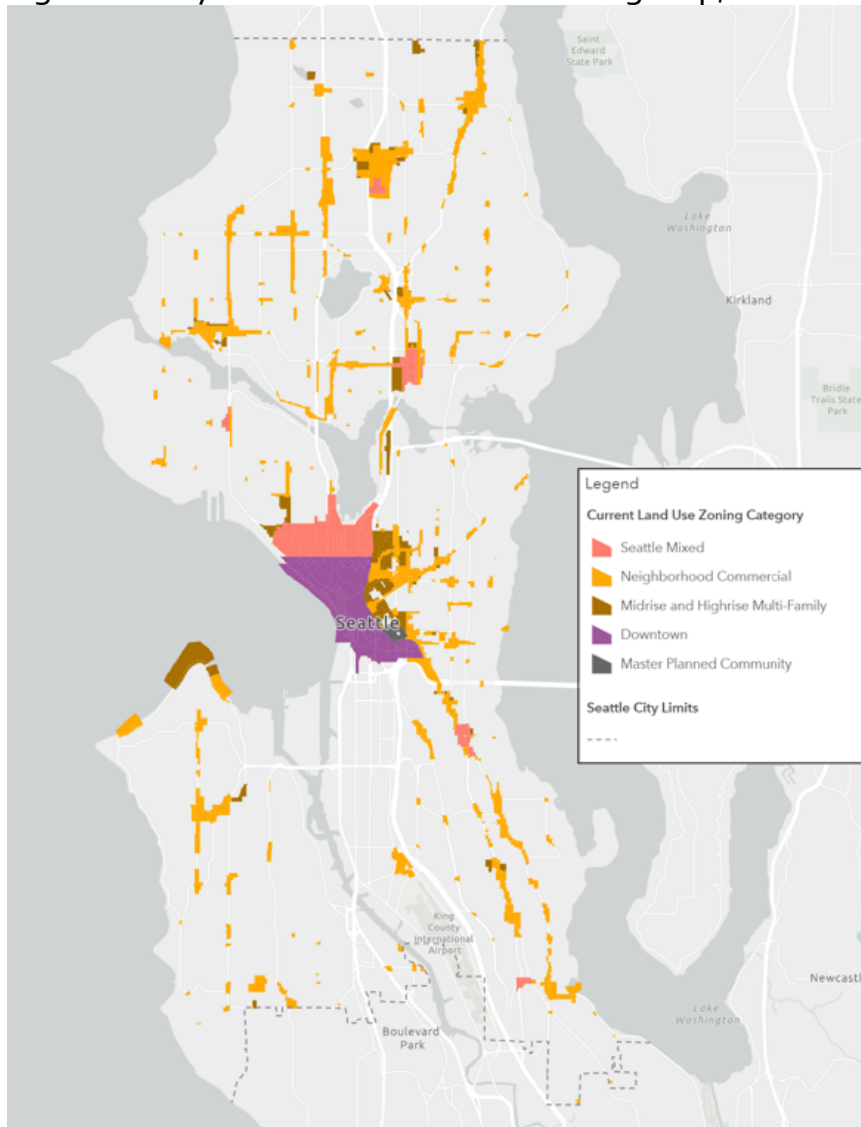
Figure 11. City of Seattle Map of Residential Targeted Areas, Pursuant to SMC 5.73.030³²



There is a significant overlap between the RTA map and the City of Seattle's current multifamily zoning. However, they are not identical, as MFTE development is not permitted in areas of the city that have been upzoned since 2015. Figure 12 is the most recent zoning map published by the City of Seattle.

³²https://www.seattle.gov/documents/Departments/Housing/HousingDevelopers/MultifamilyTaxExemption/MFTE_RTMap.pdf

Figure 12. City of Seattle Residential Zoning Map, 2022³³



The location of MFTE units is driven by both regulatory constraints (RTA) as well as market dynamics. Based on our interviews, market conditions across the city have a significant impact on the spatial distribution of MFTE units. A city staff member summarized these dynamics: ***“Everything that’s in the MFTE program will be on the RTA, [but] you still see somewhat of a like, market-driven consolidation. Like this program operates very much within the market. So where buildings are already feasible to build is where you see the most MFTE activity. From my perspective, it doesn’t necessarily shift where development happens.”***

With these regulatory and market contexts in mind, Figures 13 through 17 depict the location of active (in 2023) MFTE projects by each program iteration. As these

³³ <https://seattle.gov/dpd/research/GIS/webplots/Smallzonemap.pdf>

figures demonstrate, there is a fair amount of spatial consistency in MFTE development across programs.

Figure 13. Location of Active P3 MFTE Properties

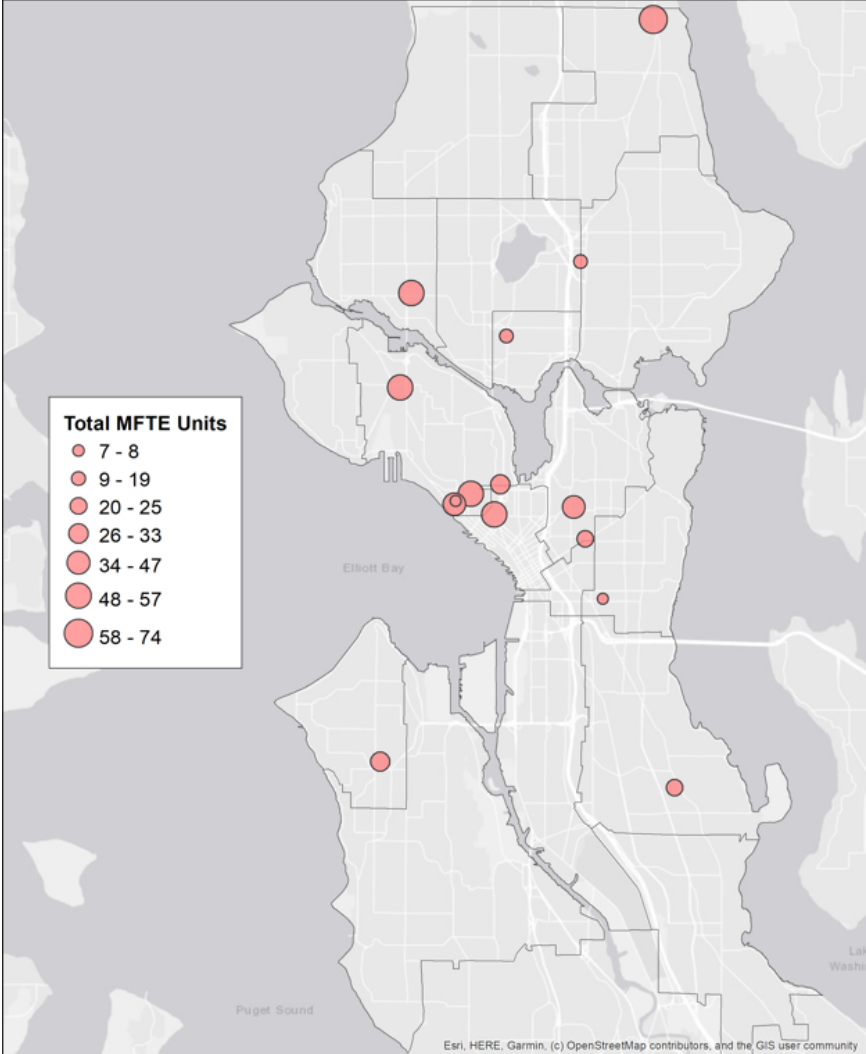


Figure 14. Location of Active P4 MFTE Properties

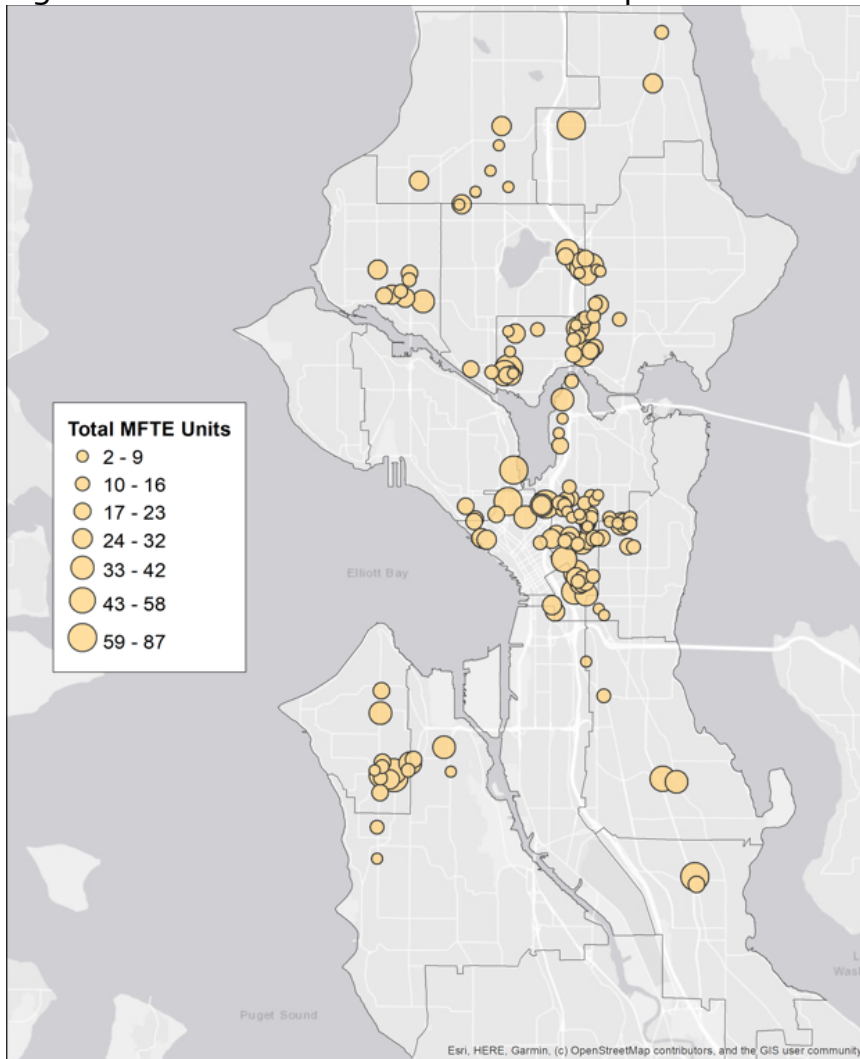


Figure 15. Location of Active P5 MFTE Properties

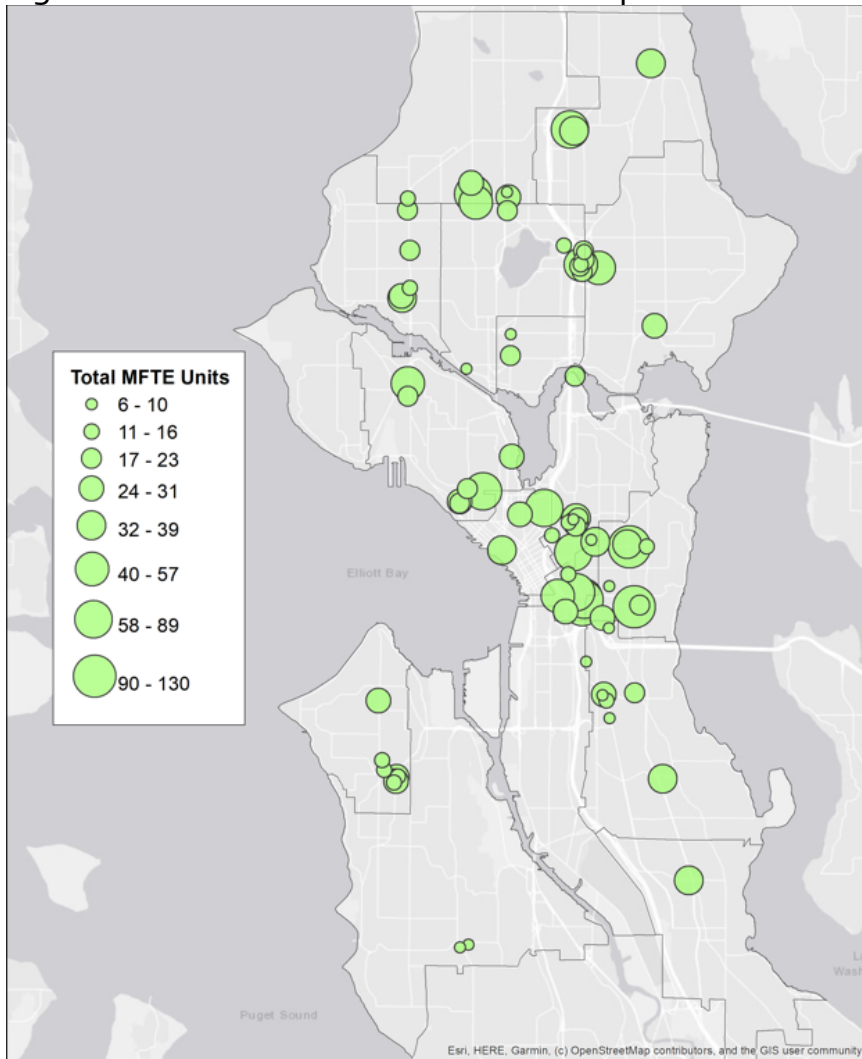


Figure 16. Location of Active P6 MFTE Properties

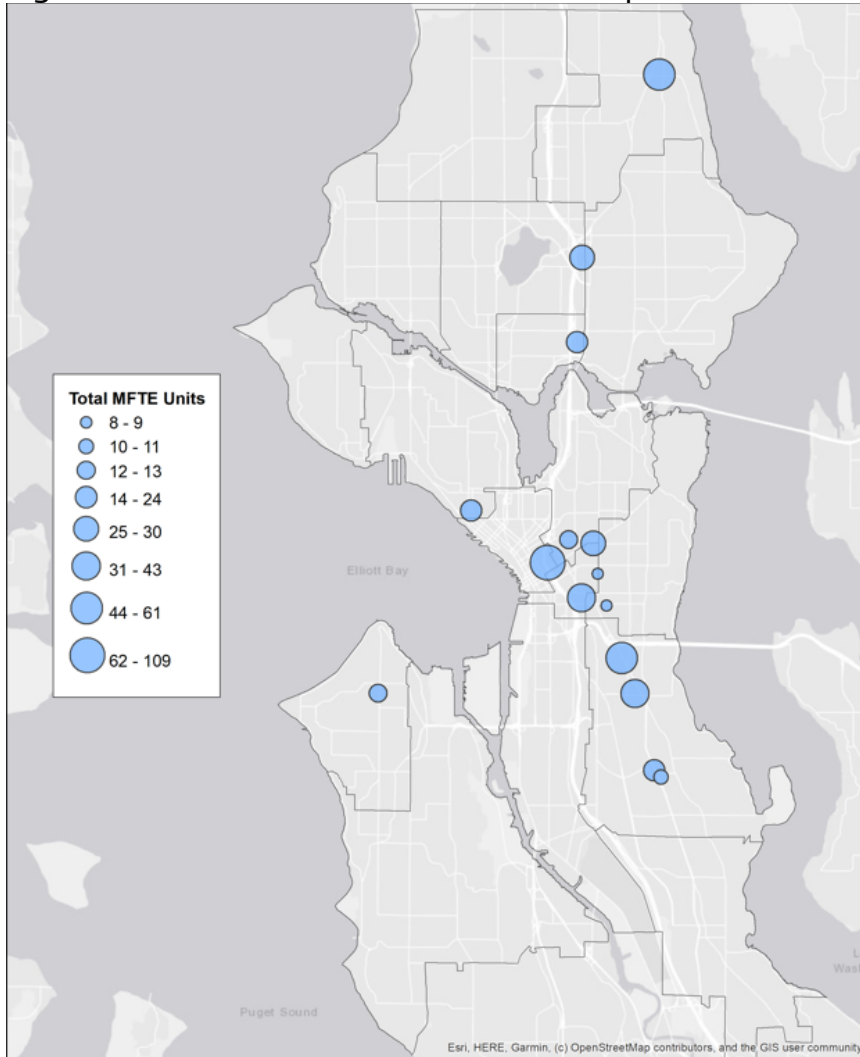
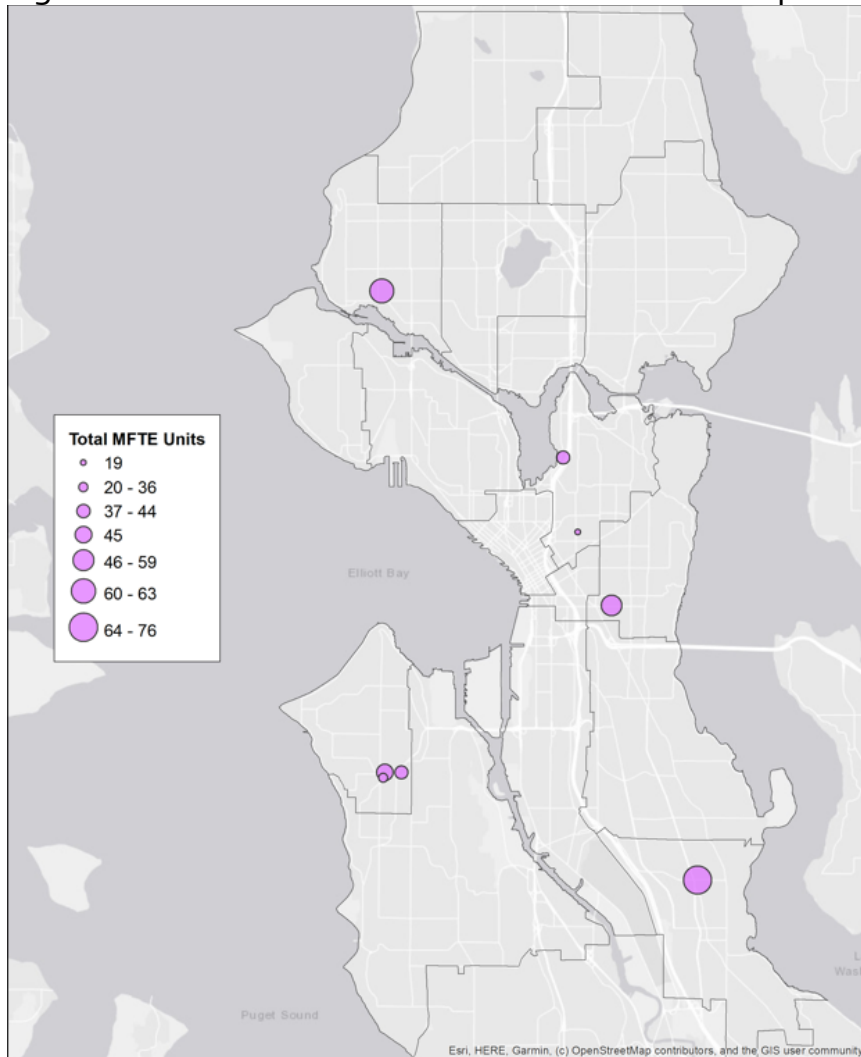


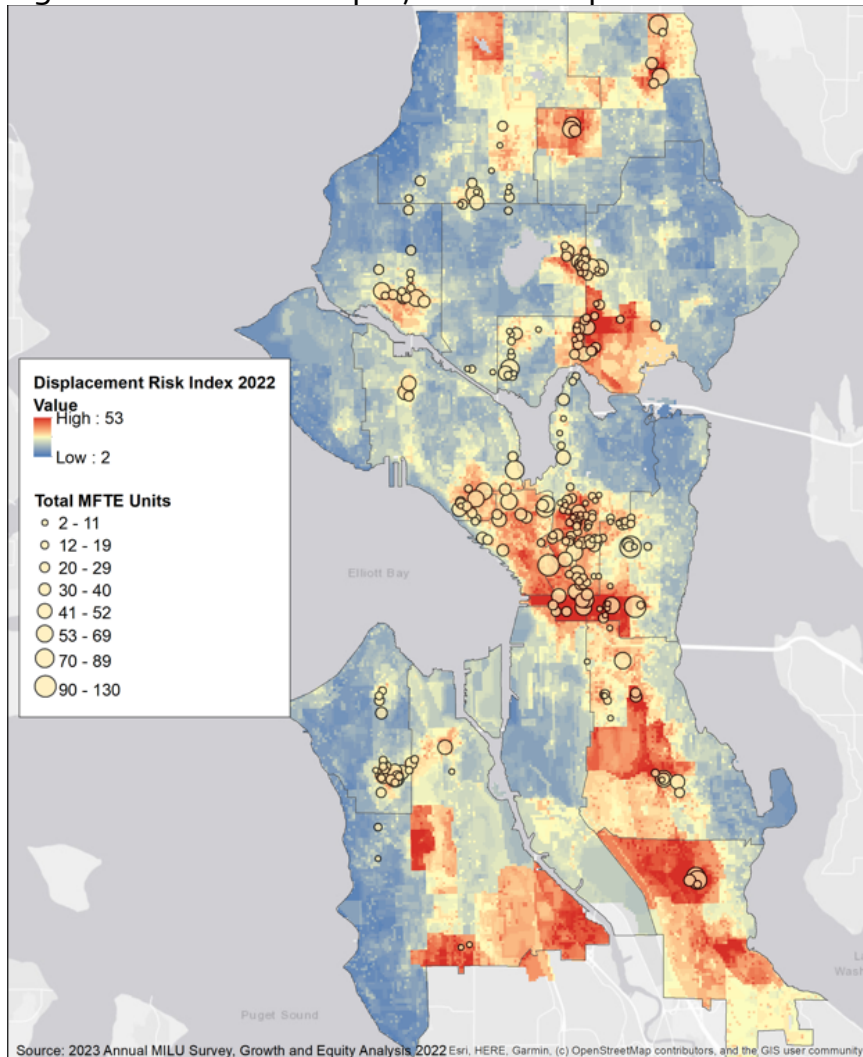
Figure 17. Location of Active P6 Extension MFTE Properties



Another concern in the City of Seattle is the risk of displacement. In Figure 18, we place active MFTE projects on the city's map of displacement risk (as described in the Seattle Office of Planning & Community Development Comprehensive Plan).³⁴ The figure clearly demonstrates that many of the MFTE projects are located in areas with high displacement risk. One could argue that this is negative (potentially adding to displacement risk where new MFTE development is occurring) or positive (creating more housing supply in locations where scarcity is driving displacement). It is important to note that there is significant correlation between zoning, land values, and displacement risk. It is not a coincidence that a lot of residential construction occurs in areas with high displacement risk due to the underlying market fundamentals in those locations that makes development more attractive.

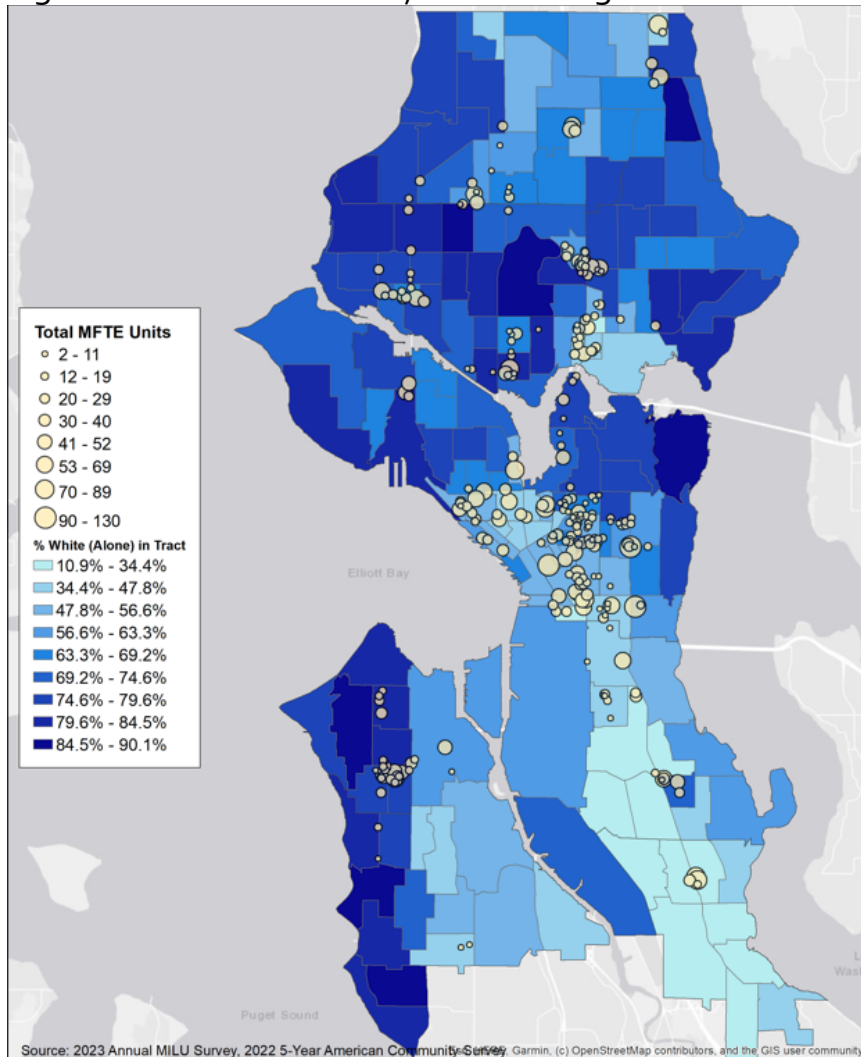
³⁴<https://www.seattle.gov/documents/Departments/OPCD/SeattlePlan/OneSeattlePlanAntiDisplacementFramework.pdf>

Figure 18. Active MFTE projects and Displacement Risk Areas



Next, we analyze the demographic composition of census tracts in which MFTE projects have been built. First, we consider racial composition. Figure 19 depicts the percent of households in a tract that are white. The figure shows that MFTE units tend to be located in neighborhoods that are not disproportionately white. This is likely more a function of zoning rather than the spatial decisions of MFTE developers. Many of the whitest neighborhoods in Seattle are zoned single-family and therefore multi-family construction—and MFTE units by extension—are not permissible. We also observe that the neighborhoods with the lowest percentage of white households are also not home to many MFTE units.

Figure 19. Active MFTE Projects and Neighborhood Racial Composition

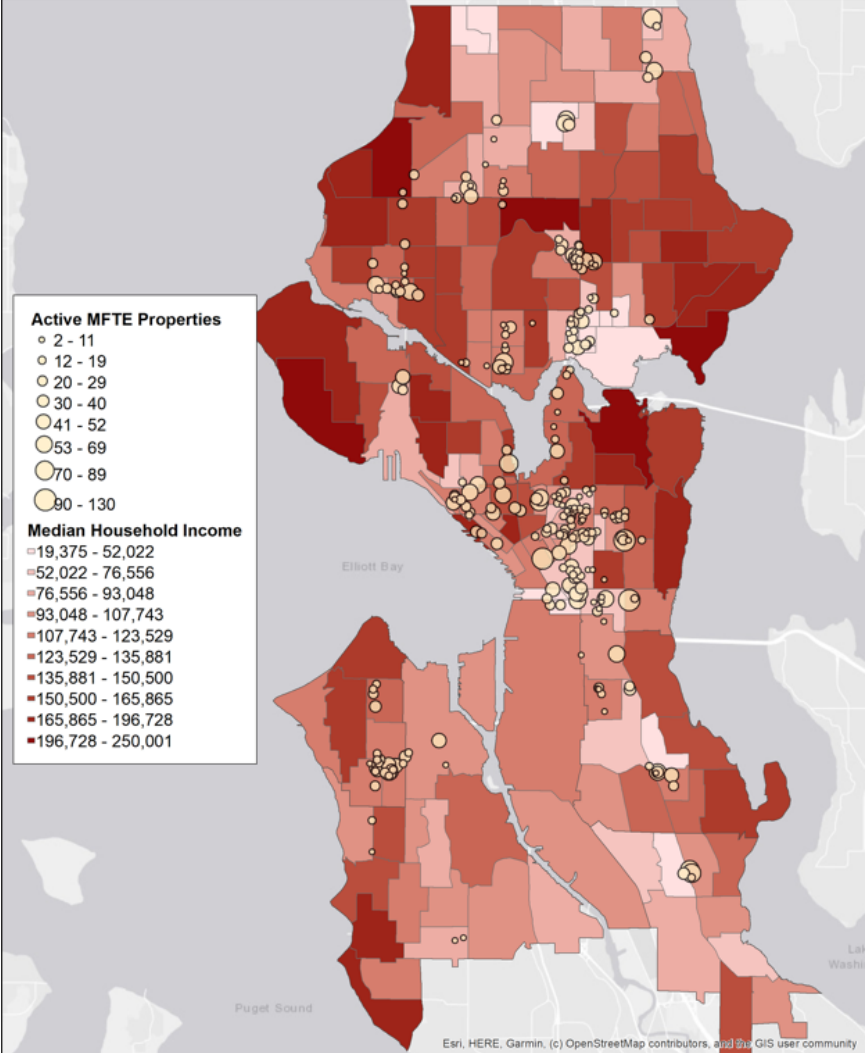


In Figure 20, we map MFTE units and the median household income across census tracts in the City of Seattle. The story is similar to what was observed in Figure 18. Some of the wealthiest neighborhoods in the city are zoned single-family and therefore not open to MFTE development. Developers also have not focused MFTE construction in the poorest neighborhoods in the city due to the less favorable market dynamics in those locations.

Throughout our interviews, there was extensive discussion about the location of MFTE projects in the city. Both city staff and developers noted that there are significant gaps between market and MFTE rents in higher cost neighborhoods such as South Lake Union and Downtown, while in lower cost locations, market rents are very close to the rents that can be charged in MFTE units. A city staff member noted this discrepancy and argued that this should make development in lower cost locations of the city more attractive for developers, “***There are several areas in the***

city where MFTE rents are market rent. So Rainier Beach and parts of Rainier Valley, parts of Lake City, you know, if you compare some of these rents, there's really no difference. So there's no public benefit being provided at all. Zero, zero, zero. So why not do MFTE? It's a no-brainer." But we heard from developers that even though the rent discount is limited—or non-existent—in lower cost areas, the overall market fundamentals don't provide the economics needed to pursue these projects. As one developer explained, *"At a certain point it becomes very difficult to use MFTE in a lower-income area. Like you're in Rainier Beach, the overall project is going to be very difficult to pencil, because the market rents aren't there, so you might have a very narrow gap between market and affordable rents that would make that MFTE incentive very accretive. At the same time, the market rents aren't high enough to justify the project."*

Figure 20. Active MFTE Projects and Neighborhood Household Income



AFFH has its origins in Title VIII of the Civil Rights Act of 1968 (the Fair Housing Act). HUD currently defines AFFH as the use of funds to combat discrimination, overcome patterns of segregation, and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics such as race, national origin, sex, and religion.³⁵ Yet, as described above, MFTE is limited by regulatory (i.e., zoning) considerations which restrict multifamily development of any kind in many of Seattle’s most affluent neighborhoods. Moreover, assessing the extent to which MFTE affirmatively furthers fair housing would require a consideration of the sociodemographic characteristics of residents in income-restricted units. Unfortunately, city-provided tenant-level data has a high degree of missingness—for instance, race and ethnicity data are missing for nearly 40% of MFTE tenants in 2023. In the absence of better tenant-level sociodemographic data, we can only speak to the location of MFTE units and the characteristics of those neighborhoods.

Rental Affordability

As clearly articulated in the City statute, creating more affordable housing is a primary goal of the city’s program. Therefore, it is important to understand the scope and depth of affordability provided by the MFTE program. Based on our analysis and interviews with developers and city staff, there is an open question of whether MFTE can deliver the level of affordability that is desired. One developer noted in our interview, “***[MFTE] doesn’t solve the problems of low-income housing, it solves a problem of middle-income housing. Which we still need. And I think that’s a very important issue that people forget.***” Corroborating this point, the city estimates an overall need of 112,000 new housing units—at varying levels of affordability—by 2044.³⁶ There is an open question of whether the program as structured can deliver deep affordability. Another developer noted, “***What are we trying to accomplish here? What’s the number? One goal in the city is we need housing. We need housing of all income levels... MFTE is not the lowest income level, but it’s important workforce housing... it’s been successful in producing that middle-income housing... You’ve got to set what is the objective here, and quit worrying about all the little details.***”

We begin the analysis of affordability by comparing the rents of income-restricted MFTE units to the rents of unrestricted units in the same buildings. We prefer this comparison because it compares units in the same buildings, which all tend to be relatively new and of similar quality. One of the threats to this comparison is that

³⁵ <https://www.hud.gov/AFFH>

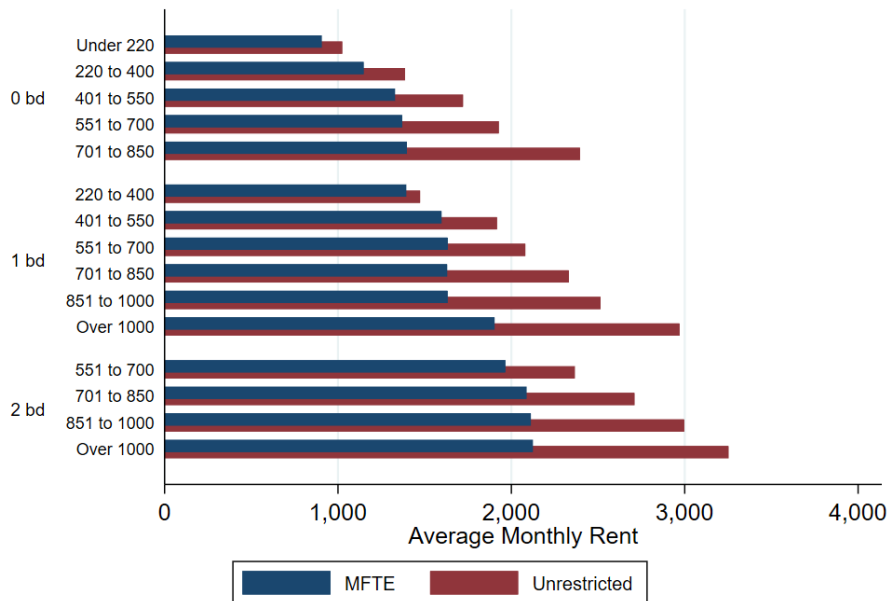
³⁶ https://cdn.kingcounty.gov/-/media/king-county/depts/executive/performance-strategy-budget/regional-planning/cpps/kc_2021_cpps_ord_19660_113021.pdf?rev=dc68c4a4ea67465c8c79de0869fcb867&hash=A3EB1B05E22148F999802F018F0827B3

not all MFTE units are perfectly comparable to the unrestricted units in the same building. Over time, the city has established stronger comparability standards, but there are frequently differences which may, in part, explain some of the price difference. Units may differ based on different views, location in the building, or amenities, or configuration. Units may also differ in terms of whether utilities are fully or partially included in the rent. Despite these challenges, we find this comparison to be more compelling than comparisons to all rental housing given the dramatic differences in the size, quality, and age of rental units that can have significant impacts on prices. We provide a comparison to the general market later in this section.

A second challenge of this analysis is the treatment of utilities in the published rent figures. For both restricted and unrestricted units, there is a mix of approaches: some landlords publish rents inclusive of utilities, while others exclude those costs. Creating a clean comparison is difficult. Among units in MFTE buildings, nearly 87% of unrestricted units have no utilities included, while for restricted units that number is 42%. As a result, the rental gaps observed in the following analyses are likely underestimated given the different treatment of rents between restricted and unrestricted units.

In the first analysis, we compare average MFTE (restricted) rents to average unrestricted rents in buildings built with MFTE and were active in 2023. Figure 21 provides this summary broken down by unit characteristics. Consistent with intuition, rents increase with unit size and MFTE units are cheaper than unrestricted units in the same building.

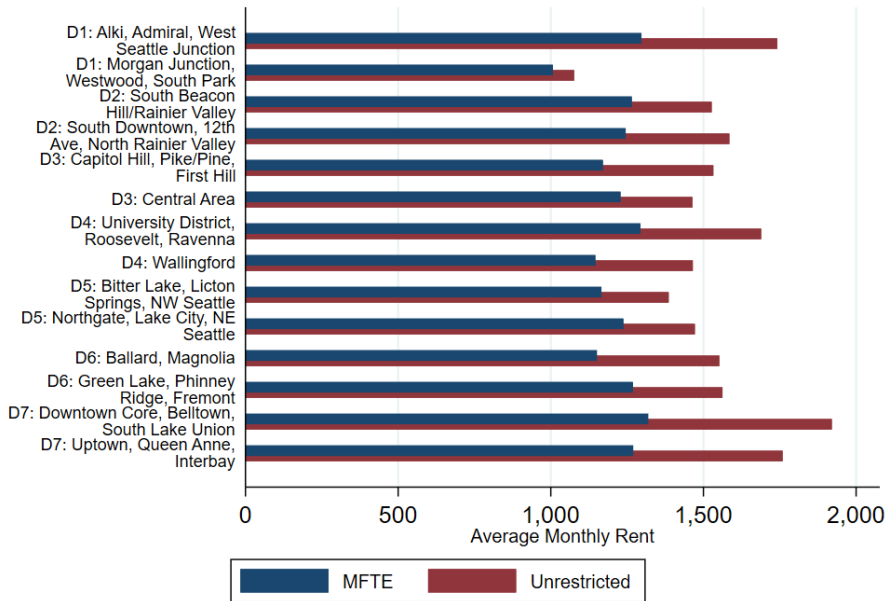
Figure 21. Average Monthly Rent in MFTE Properties by Unit Type



Source: 2023 Annual MILU Certification Query, only categories with 50+ units citywide

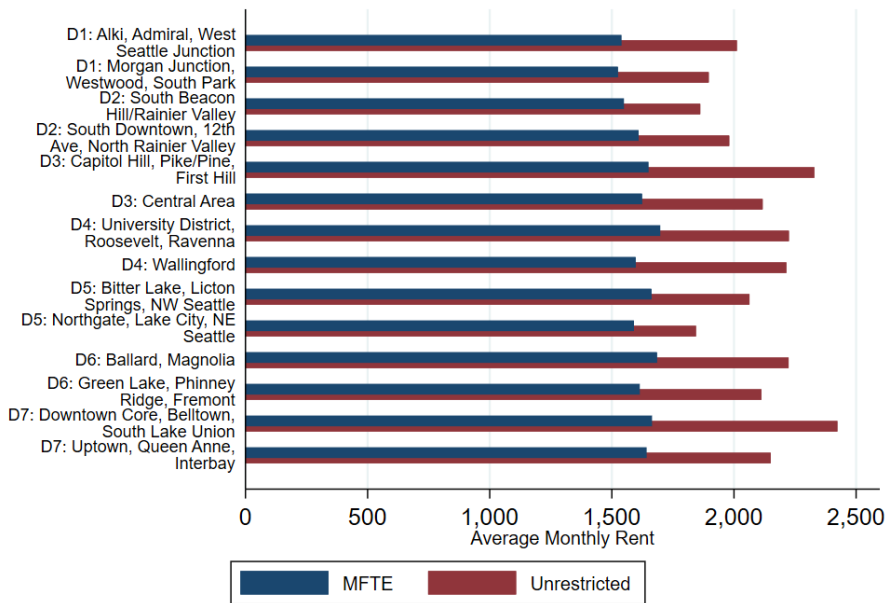
We continue this analysis by breaking down the rent comparison by neighborhood. Figures 22– 24 provide a rent summary for units in developments that used MFTE. The greatest variation exists among market rents depending on the prevailing conditions in each neighborhood submarket, while MFTE rents are more consistent given the MFTE payment thresholds that apply equally throughout the city. An obvious implication of these dynamics is that the rent discount provided by MFTE tends to be greater in parts of the city with higher market rents. It also means that in certain lower rent locations, there may be negligible differences between the rents of restricted and unrestricted units.

Figure 22. Average Monthly Rent in MFTE Properties, 0 Bedroom



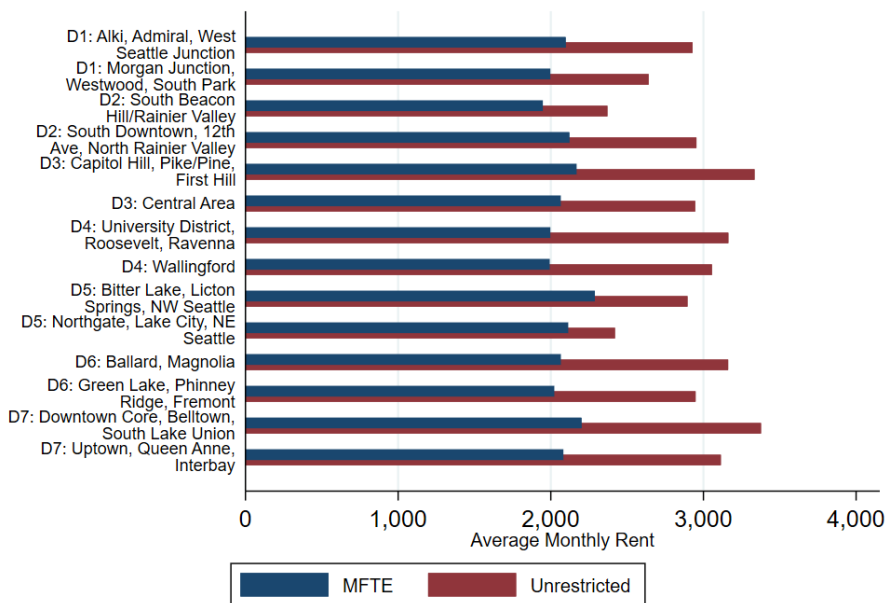
Source: 2023 Annual MILU Certification Query

Figure 23. Average Monthly Rent in MFTE Properties, 1 Bedroom



Source: 2023 Annual MILU Certification Query

Figure 24. Average Monthly Rent in MFTE Properties, 2 Bedroom



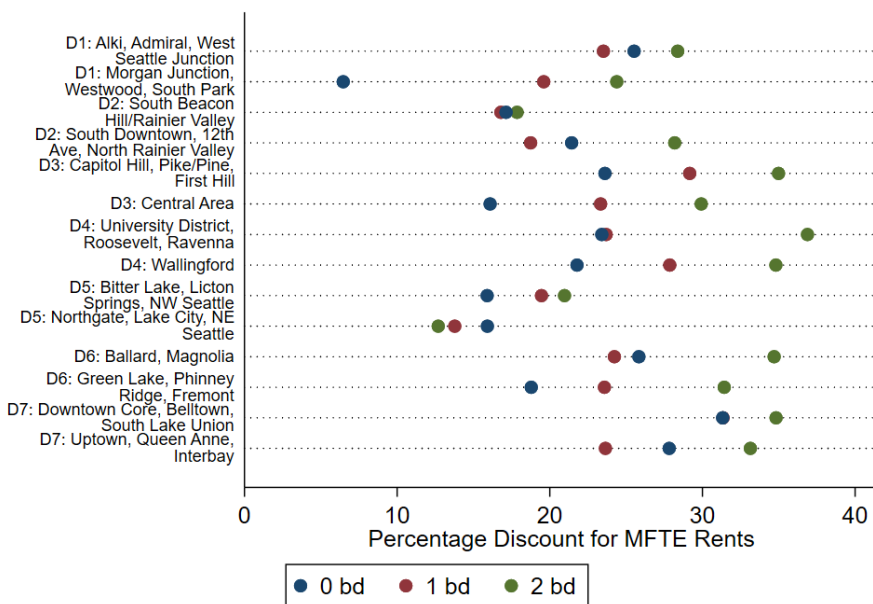
Source: 2023 Annual MILU Certification Query

The analysis of rents in MFTE properties yields a few important takeaways. Regardless of the number of bedrooms, MFTE units provide a relatively consistent discount to the rents charged for unrestricted units. The discounts tend to be larger in higher rent locations such as South Lake Union and Downtown. Such a finding is

consistent with intuition since the MFTE payment standard is constant throughout the city, while unrestricted market rents vary by location.

In Figure 25, rent differentials by unit type are depicted across the 14 neighborhood sub-markets. These dots represent the percentage discount provided by MFTE units relative to unrestricted units of the same type in the same location. The MFTE discounts tend to be greater in larger units and in certain higher rent locations. In general, for 0 and 1 bedroom units, the level of discount ranges between 15 and 30 percent.

Figure 25. Summary of MFTE Rent Differentials in MFTE Properties



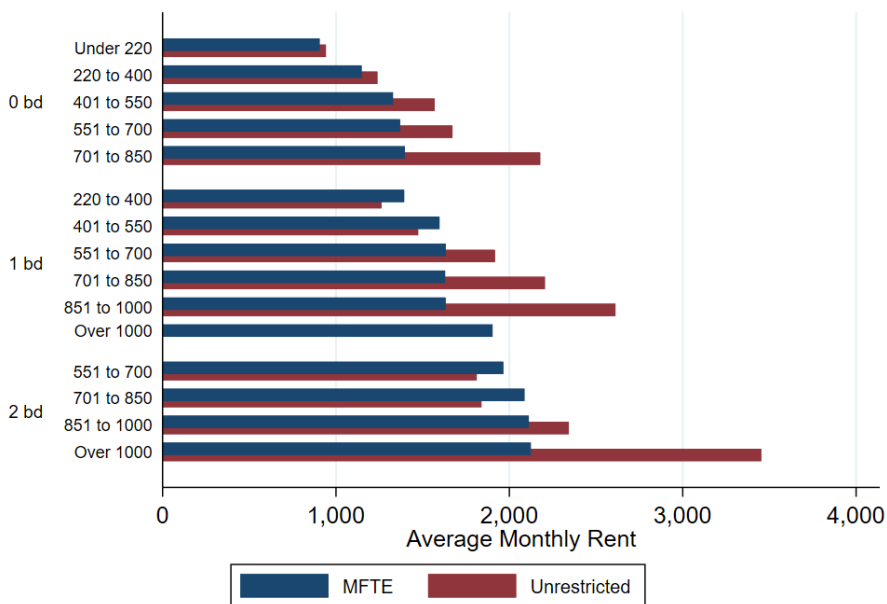
Source: 2023 Annual MILU Certification Query, calculated as (Unrestricted - MFTE)/Unrestricted

A second way to assess affordability is to compare MFTE units to all unrestricted units in a specific geography. The data on the unrestricted market units comes from CoStar, which provides a point-in-time estimate of average rents charged in market-rate properties for specific geographies and unit types. CoStar rent estimates were prepared on September 28, 2023. There is some missingness in the CoStar market-rate rent estimates for particular geographies, especially the South Beacon Hill / Rainier Valley submarket. MFTE contract rents were provided by the Office of Housing, and our comparison includes only MFTE income-restricted units occupied on September 28, 2023 (n=5,561 units).

We believe that this comparison offers less utility, because the universe of unrestricted units is no longer restricted to comparable buildings that have used MFTE. Therefore, many of these unrestricted units may be located in buildings that are older and of poorer quality than the MFTE units, which have all been built

relatively recently. Again, like in the prior rent comparison, units may also differ based on how utility payments are reflected in contract rents.³⁷ But, the comparison has salience because tenants searching for housing presumably compare all of the options in the market, not just those buildings that have been built with MFTE. Figures 26 through 32 summarize this comparison. For the succeeding figures, the blue represents average contract rents charged on income-restricted units in MFTE buildings and the red represents average market-rate rents according to data from CoStar.

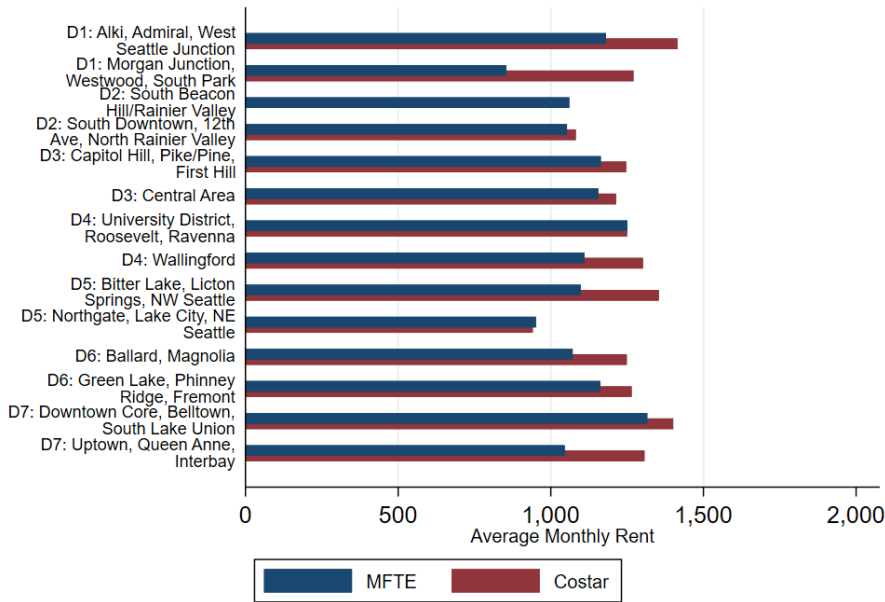
Figure 26. Average Monthly Rent for MFTE Units Compared to All Unrestricted Units by Type



Source: 2023 Annual MILU Certification Query and CoStar, only categories with 50+ units citywide

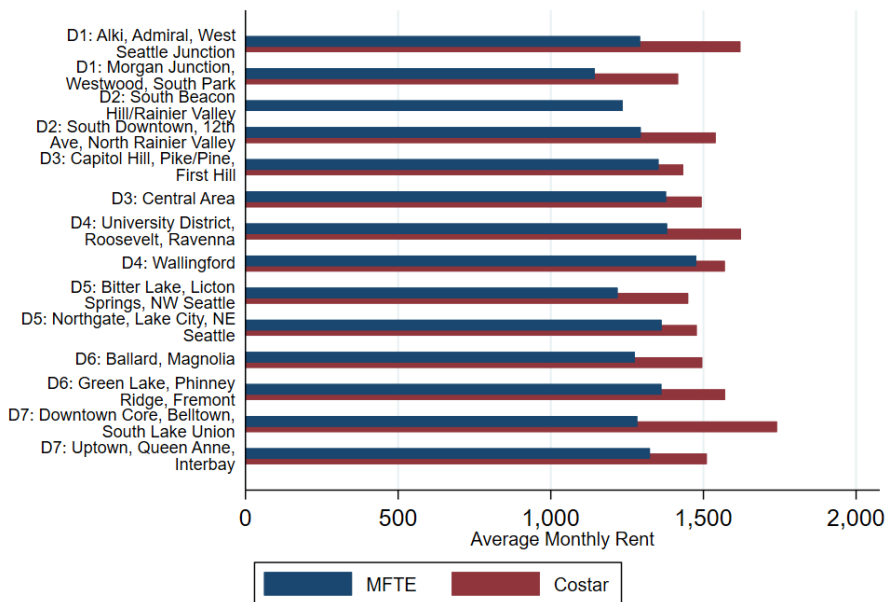
³⁷ Both rent comparisons performed in this study, 1) restricted versus unrestricted units in MFTE buildings, and 2) restricted MFTE units to the general market (CoStar) face comparability challenges due to different approaches to utility payments. In the CoStar market sample, we rely on the contract or effective rent variable which excludes utility payments paid directly by the tenant. But, contract or effective rent may include utility payments that are paid by the landlord. While it is likely that the CoStar sample includes a mix of utility payment approaches, we cannot quantify those details. Of the restricted units in the MFTE sample, 42% of units had no utilities included, while for unrestricted units it was 87%. Among the restricted MFTE sample, it was more common for utility payments to be included in contract rents for smaller and 0-bedroom units. As a result, all rent comparisons should be understood within the context of unit comparability that may vary based on a variety of different variables, including utility payments.

Figure 27. Average Monthly Rent Comparison, 220 to 400 sq ft. 0 bedroom by Neighborhood



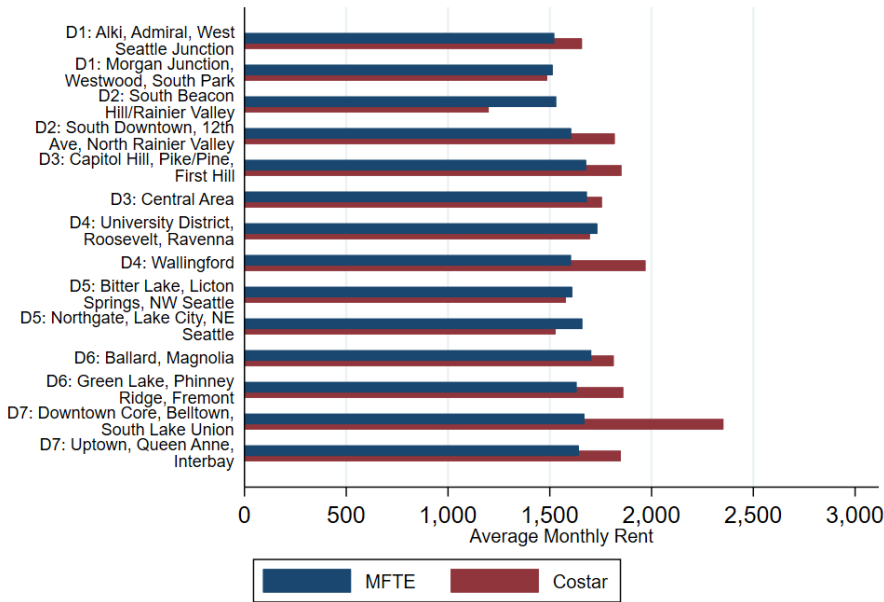
Source: 2023 Annual MILU Certification Query and CoStar, 621 MFTE units

Figure 28. Average Monthly Rent Comparison, 401 to 550 sq ft. 0 bedroom by Neighborhood



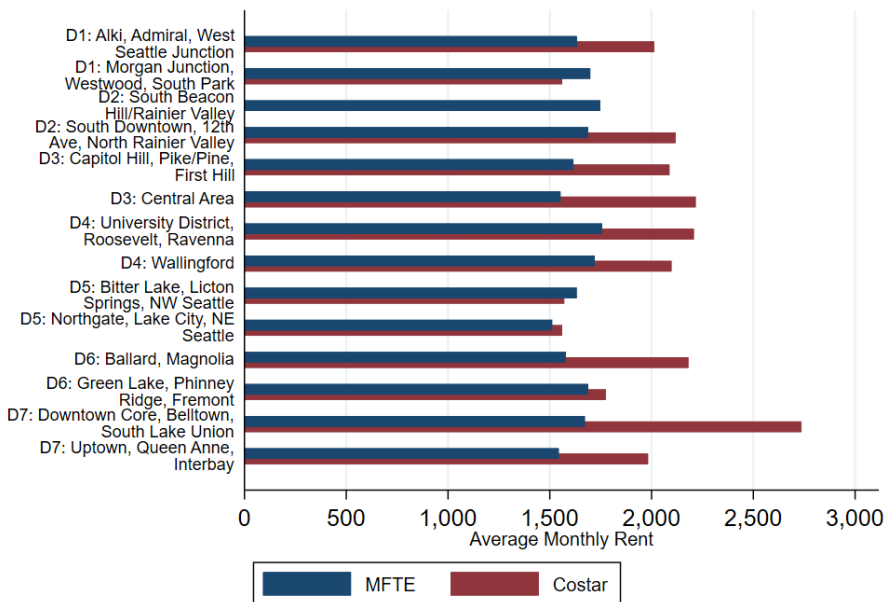
Source: 2023 Annual MILU Certification Query and CoStar, 940 MFTE units

Figure 29. Average Monthly Rent Comparison, 551 to 700 sq ft. 1 bedroom by Neighborhood



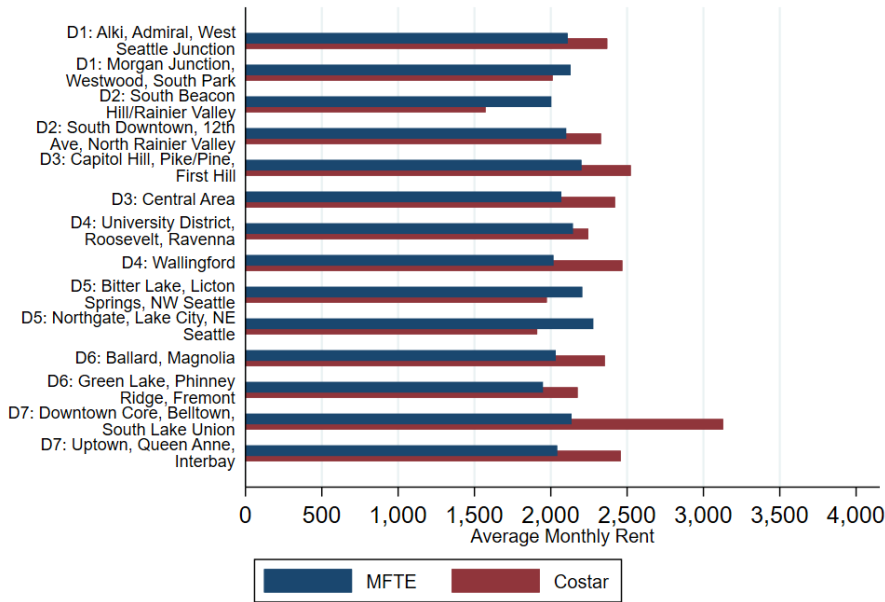
Source: 2023 Annual MILU Certification Query and CoStar, 1520 MFTE units

Figure 30. Average Monthly Rent Comparison, 701 to 850 sq ft. 1 bedroom by Neighborhood



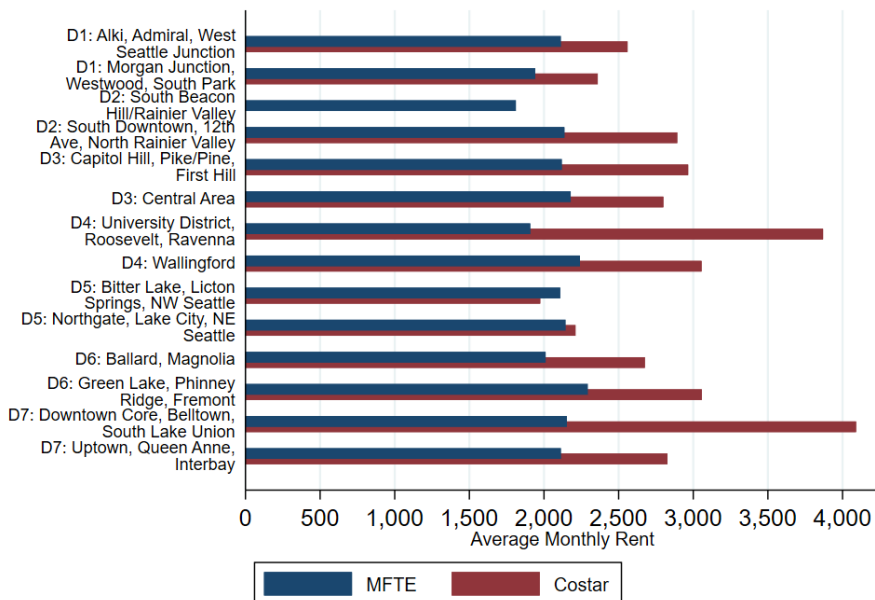
Source: 2023 Annual MILU Certification Query and CoStar, 545 MFTE units

Figure 31. Average Monthly Rent Comparison, 851 to 1000 sq ft. 2 bedroom by Neighborhood



Source: 2023 Annual MILU Certification Query and CoStar, 329 MFTE units

Figure 32. Average Monthly Rent Comparison, Over 1000 sq ft. 2 bedroom by Neighborhood



Source: 2023 Annual MILU Certification Query and CoStar, 228 MFTE units

The findings of the comparison between MFTE units and the broader market provide a couple of key takeaways. First, MFTE rent discounts are not as great as

they were when we restricted the comparison sample to MFTE buildings, because the general market sample includes more lower priced units found in older buildings with fewer amenities. As a result, new income-restricted MFTE units may only represent a modest discount to the general rental market. Second, there is significant variation in the rent spread based on location. In lower cost locations, average MFTE rents may actually be greater than average market-rate rents. This can create a challenge to lease up MFTE units in certain locations. On the other hand, there can be dramatic differences in rents in high cost locations such as the Downtown Core, Belltown, and South Lake Union submarkets. Finally, the discounts provided by MFTE are more significant for larger units. In sum, whether the MFTE program provides significant affordability depends on the type of unit and its location.

Finally, we consider housing cost burden as a measure of affordability. Due to data limitations, housing cost burden estimates should be interpreted with caution. There are many MFTE households for which we lack occupant income data. For example, about 10 percent of the sample report \$0 household income according to data from the 2023 Annual Certification Query submitted to the Office of Housing. To estimate housing cost burden, we eliminate a number of households (those with zero income, older households of retirement age, and students) from this analysis in an effort to capture housing cost burdens amongst households likely to be earning wage income. The filtered sample includes 4,761 households that reside in income-restricted MFTE units. Because residents of many MFTE units report very low annual incomes (even after filtering the sample), the average housing cost burden is less meaningful, as outliers produce very high average cost burdens. The median cost burden among MFTE renters is 38.5 percent, meaning the median MFTE household in our sample spends 38.5% of their annual income on housing (rent and utilities). This clearly exceeds HUD's 30 percent threshold to determine whether a household is housing cost burdened. At least in part, residents of MFTE units are cost-burdened because of the income and rent limits that determine eligibility (see Table 2). Households must qualify, based on income, to reside in restricted units, and rents are based on a payment standard which sets maximum rents at ~30% of maximum household income. In other words, as MFTE rent and income thresholds are currently structured, households making the maximum allowable income and paying the maximum allowable rent will, by definition, spend approximately 30% of their income on housing. Therefore, tenants making below the maximum allowable income and being charged maximum allowable rent will, by definition, be cost burdened. And the lower the income (below the threshold) the greater the cost burden. In the sample, 85 percent of households living in MFTE units are housing cost burdened, which is far higher than the national average which is close to 50 percent. Nearly a quarter of the sample (23%) are *severely* cost burdened, which occurs when housing costs exceed half of household income. A City of Seattle Office of Planning & Community Development report using 2015-2019 data found 40% of

renter households in Seattle were cost burdened and 19% were severely cost burdened.³⁸ What is clear is that reduced rents offered by MFTE do not prevent tenants in income-restricted units from experiencing housing cost burdens.

Vacancy

The final topic to consider when summarizing the benefits of the MFTE program is vacancy. The existence of affordable housing units is a clear benefit of the program, but if those units sit empty, that reduces the value of that benefit. We therefore conclude this section with an analysis of vacancies in MFTE units. One can think about vacancy as a contra-benefit—vacancies reduce the overall benefit of the program.

No topic received as much attention in our interviews as the topic of vacancy. It was also the topic in which we found the most contradictions. There was inconsistent evidence about the level of vacancies and what was causing them. Staff from the Office of Housing expressed concerns about the high level of vacancies, which would reduce the overall public benefit of the MFTE program. OH staff cited a number of different potential explanations for high vacancies including: limited desire to lease MFTE units, concerns about potential non-payment from tenants of income-restricted units, market dynamics in lower cost neighborhoods that make MFTE units less attractive, the lack of affirmative marketing for MFTE units, and landlords that prioritize market rent units when demand is lower.

Developers had a much different perspective on vacancies in MFTE buildings. A number indicated that they have had little issue with vacancies, “**We generally, over time, have not seen much vacancy in the MFTE homes. And once people move in, in our data, they tend to stay about twice as long as market-rate residents.**” The developers also underscored the fact that they had no incentive to leave units vacant; all developers expressed a desire to fill their MFTE units. Developers did acknowledge that vacancies increased during the pandemic and in the succeeding years. Like in the interviews with OH staff, developers provided a range of different explanations for higher vacancies.

A common explanation was that vacancies tend to be higher in lower cost areas of the city because MFTE rents do not provide a significant discount to market rents, “**As a general rule, the lower your average market rents, the harder it is to lease the MFTE units... in some cases we have to discount our MFTE rents in order to lease those spaces, as compared to putting them in a high-rise in the middle of downtown in the nicest new building, and they lease up in 60 days or less.**” Developers also suggested that because of the additional administrative

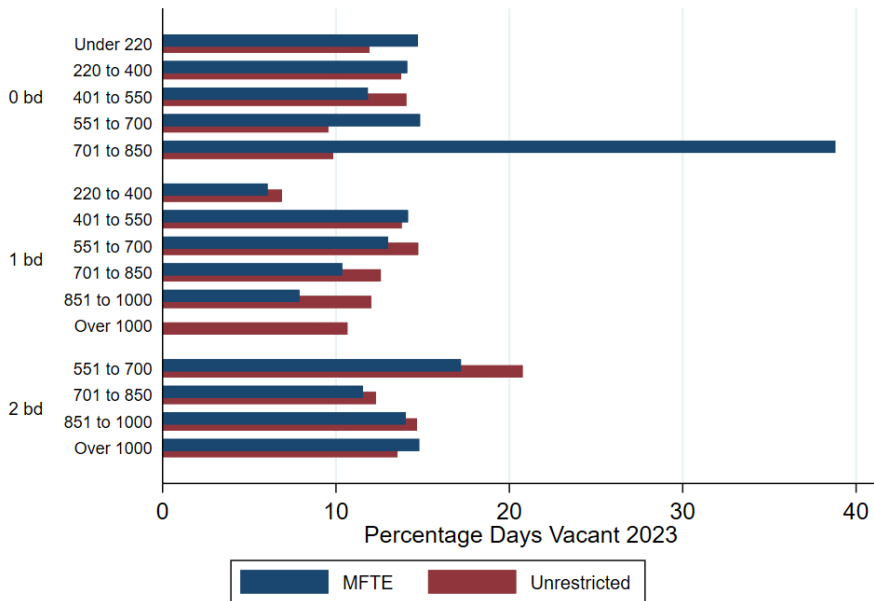
³⁸<https://www.seattle.gov/documents/Departments/OPCD/SeattlePlan/OneSeattlePlanDraftHousingAppendix.pdf>

burden associated with MFTE, potential tenants have little motivation to lease an MFTE unit if there is an equivalent unrestricted unit that they can rent for a similar price, “***There have been times in certain sub-markets where you’ll see, maybe in Columbia City or something, if the MFTE rent is close to the market rent, the resident is going to choose the market rate, especially if they can get a concession on top of that... just because they don’t have to go through the application process.***” In the current soft market, we heard that concessions were a common tool for developers to use to entice new renters to lease vacant units, both restricted and unrestricted. Another developer shared a similar story, “***Your income-restricted units, if they get a little bit too close to market rents, the market will lower itself... if you’re trying to keep the building full with MFTE, at some point the market rent might jump below that... an MFTE resident could say, well, I could go through all this red tape and hassle of doing the income documentation and the 40-page application... or I could just take this market-rate rent... they’ll take the market-rate unit because it’s less hassle.***”

Additional explanations for vacancies according to developers were: a lack of renters at the income threshold in certain neighborhoods, a lack of an effective marketing plan for MFTE units, and a lack of expertise to market and process MFTE applications. To address these concerns, the Office of Housing has published affirmative marketing guidelines to help property owners create marketing plans with wide reach. Finally, some developers noted a challenging relationship with city regulations. Because of the difficulty to evict problematic tenants, some suggested that could serve as a deterrent to renting to lower-income tenants. Finally, one additional reason for vacancy is that developers might be reluctant to lower the price on MFTE units. Instead, developers try to use concessions to get the units filled. Developers cited the difficulty in raising rents due to city regulations as a reason for their reluctance to meaningfully reduce rents to get them filled, “***We would generally use concessions rather than cutting rents... part of that is also because of Seattle’s rent increase notification requirements, if you increase more than 10%, you have to offer relocation, those sorts of things. So we’d rather use a temporary concession if we needed to.***” A different operator made the same argument, “***In Seattle you’ve now got the 9.9% rule where you want to try to keep your rents high so you don’t have to increase your rent by more than 10% ever, because now you have this big penalty if you do... once you get your rent below the maximum amount, it’s hard to increase them back up again.***”

We began the quantitative analysis by calculating the total number of vacant days for units in MFTE buildings.³⁹ This provides a strong comparison because all of the units are in buildings of comparable quality and location. In general, the level of vacancies are fairly consistent. As shown in Figure 33, in studio apartments, restricted vacancies tend to be a bit higher than those that are unrestricted. The 701 to 850 square foot category for 0 bedroom units has a very small sample size with very high vacancies, which resulted in a meaningfully high vacancy figure.

Figure 33. Percent Days Vacant in MFTE Properties By Unit Type

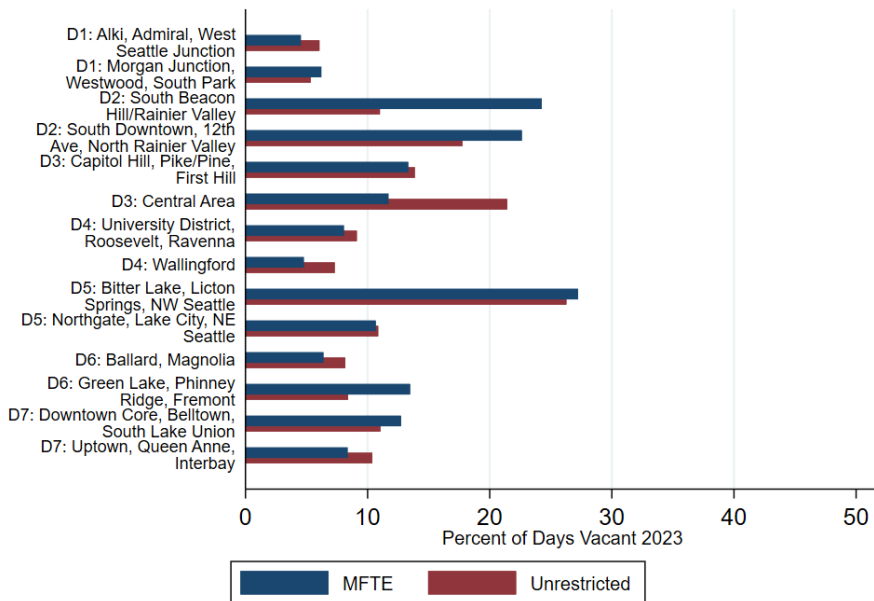


Source: 2023 Annual MILU Certification Query, only categories with 50+ units citywide

We continue the analysis by considering how vacancy varies by location and by unit type. In Figure 34, the vacancies for studio apartments in MFTE buildings are broken down by the 14 neighborhood districts in Seattle. The major takeaway from this analysis is that there are locations where MFTE vacancies are much higher than what we observe in unrestricted units, particularly in lower cost locations like Rainier Valley and South Park. Elsewhere, the levels are fairly consistent.

³⁹ Vacancy rates come from the 2023 Annual Certification unit-level data. Average vacancy rates at the building level were calculated by (1) removing all duplicate unit-rows, (2) grouping observations by property, and (3) estimating average vacancy rates for MFTE income-restricted units and unrestricted units in each building.

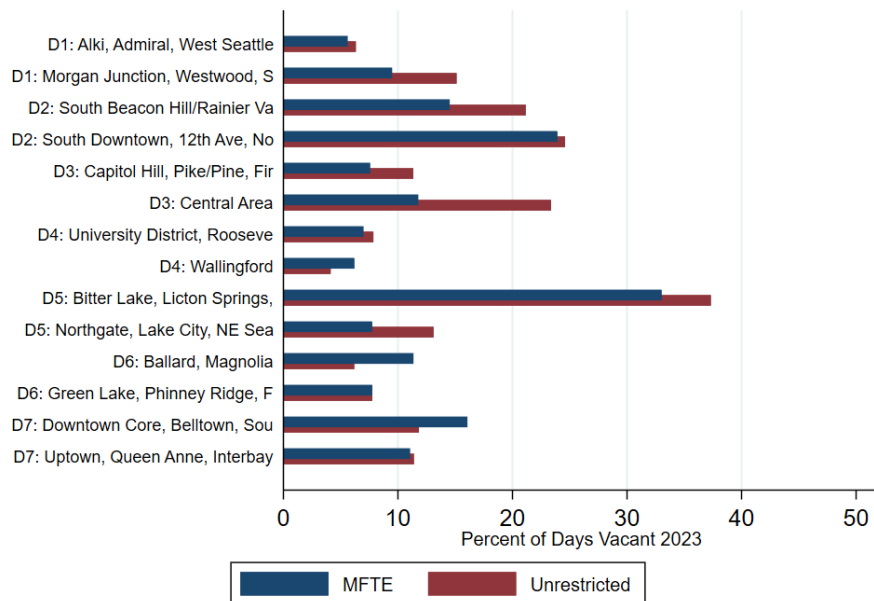
Figure 34. Percent Days Vacant in MFTE Properties, 0 Bedroom



Source: 2023 Annual MILU Certification Query

For one bedroom units in MFTE buildings, there is little difference in vacancy rates and there is no discernable pattern by geography. Unlike for studios, there are higher cost locations (Ballard and Downtown) where MFTE units have higher vacancies than the unrestricted units.

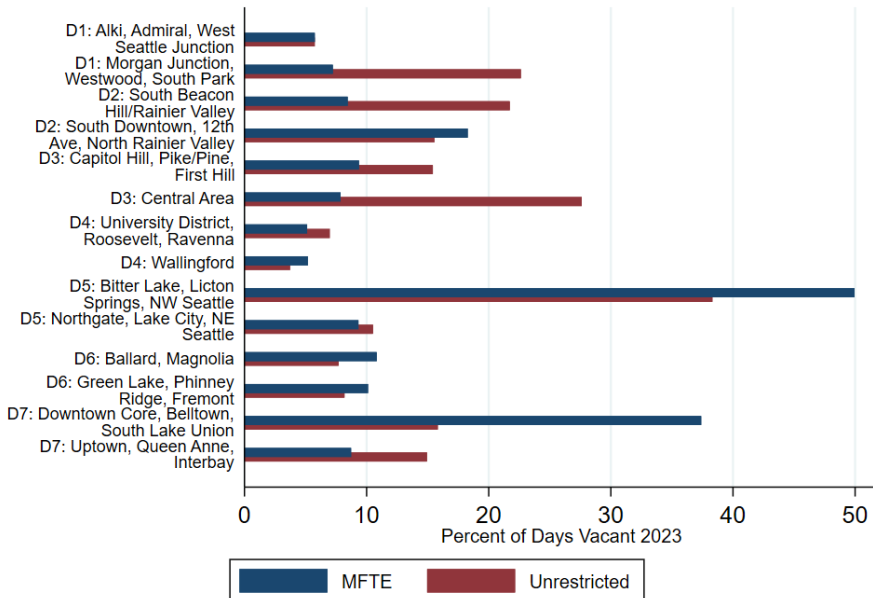
Figure 35. Percent Days Vacant in MFTE Properties, 1 Bedroom



Source: 2023 Annual MILU Certification Query

The data for two bedrooms is a bit more random because there are so few two bedroom projects that have been built pursuant to MFTE. As a result, the findings of the vacancy analysis have more variation and less importance. As Figure 36 highlights, there are certain locations in the city, such as Bitter Lake, Licton Springs, and NW Seattle, with very high levels of vacancy, for both MFTE and unrestricted units alike.

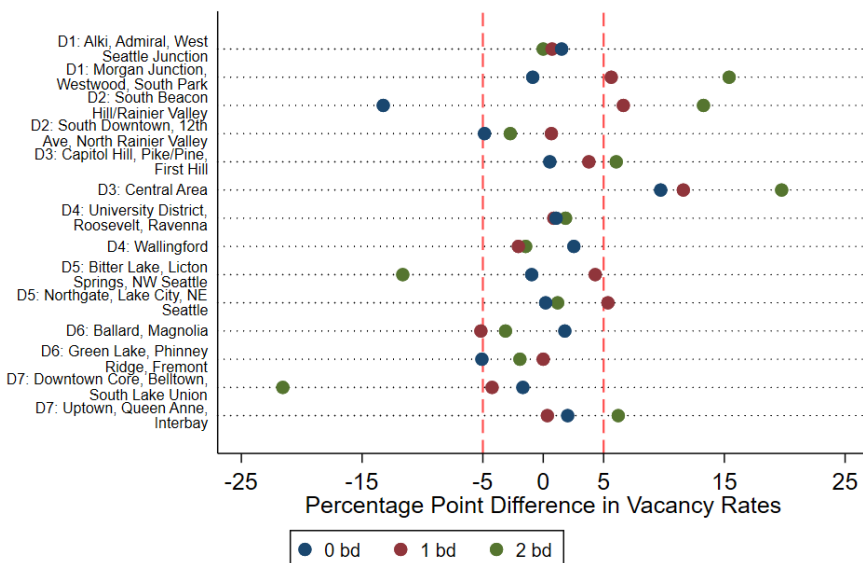
Figure 36. Percent Days Vacant in MFTE Properties, 2 Bedroom



Source: 2023 Annual MILU Certification Query

Figure 37 provides a summary of the difference in vacancy rates by location and by unit type. The results suggest that the vast majority of MFTE units have vacancy rates within 10 percentage points of their unrestricted peers. There are outliers in both directions, but generally the results cluster between -5 percentage points (where MFTE vacancies are higher) and +5 (where MFTE vacancies are lower). Despite this overall finding, there are still instances of buildings with very high vacancy rates—both for restricted and unrestricted units. Across all MFTE properties active in 2023, the average vacancy rate for MFTE income-restricted units was 11.1%, and the average vacancy rate for unrestricted units was 11.9%. In 2023, 31 properties (about 11% of all MFTE-participating properties) reported an average vacancy rate of 20% or more for their income-restricted units; the average vacancy rate among this subset of buildings was 42%. The unrestricted units in these buildings had average vacancy rates of 33%. Three properties reported near 100% vacancy in 2023, for both income-restricted and unrestricted units. Addressing abnormally high vacancies in specific buildings is an area for focus for both developers and the city as persistently high vacancies reduce the benefit of the program.

Figure 37. Percentage Point Difference in Vacancy Rates By Unit Type



Source: 2023 Annual MILU Certification Query, (Unrestricted percentage - MFTE percentage)
 negative = higher MFTE vacancy; positive = higher unrestricted vacancy
 77% of units are in properties with <5% difference between MFTE and market-rate vacancy

The vacancy analysis suggests that there are vacancies in MFTE units, but it does not appear to be disproportionate relative to unrestricted units in the same buildings. There are certain locations with much higher levels of vacancy (i.e. Bitter Lake) which may be due to timing of completion (new buildings may have higher vacancies) or something specific to local market dynamics. But these higher levels exist for both MFTE and unrestricted units. Generally, the smaller units tend to have higher vacancy rates which is likely due to the fact that the market has produced far more studio and one bedroom units over the last five years which has dramatically increased the supply of these smaller units. According to one developer, ***“The program is almost entirely used by studio and small apartment builders where the gap between market and affordable is smallest, right, like the rent loss is smallest for the same tax benefit. And that particular product class had a huge boom and is now totally overbuilt... market rate is now 50-60% AMI threshold rent which is causing huge problems for the affordable housing community... they have a vacancy problem, because they can’t compete with private sector in this particular segment.”*** The same has not occurred for two bedroom and larger units and vacancies overall tend to be lower in these larger units. In sum, vacancy is certainly a concern, especially in locations with limited housing supply, but there does not appear to be systematic vacancies in MFTE units in the 2023 data that we analyzed.

During interviews with Office of Housing staff, they highlighted proposals to address high rates of vacancy in MFTE units. ***“If you have a unit that remains vacant for 30 days, [MFTE participants should have to] lower the rent. If it***

remains vacant another 30 days, you lower the rents some more, and you lower that until it gets leased. Because either the rent is too high or there's something in the market... I really think that we, as a program, should just say 'Hey, guess what, you have a vacant unit after 30 days? Tell us. After 30 more days, you start lowering that 5% or whatever, right? Until that gets leased. Because you are receiving a tax exemption, and you need to start providing that public benefit for it.' The challenge around vacancy provides multiple examples of the tensions that exist between the city and its desire to maximize public benefit and developers who see such efforts as limiting the benefit of the program.

Costs of the MFTE Program

Property taxes are a significant source of revenue for the City of Seattle. In 2001, Washington voters approved Initiative 747 which called for a one percent cap on regular property tax increases from year to year. After a court battle, the cap was signed into law in 2007. Because of the one percent rule, the amount of money that the City can raise from property taxes can only increase by one percent per annum. So a jurisdiction will set the amount of tax receipts it intends to collect and divides that value by the total tax base (the sum of all assessed property values) to determine the tax levy rate. In a very simple example, if the tax base grows at a rate faster than one percent, the levy rate will fall in order to prevent total receipts from growing by more than the one percent growth cap. The one percent rule excludes sources of tax revenue including new construction. Therefore the property taxes associated with the new developments can still be collected even if it results in total tax receipts that exceed the one percent cap. The structure of tax receipts is important context when analyzing the two cost elements of the MFTE program: foregone taxes and shifted taxes. We rely on data from the city and the county to calculate foregone and shifted taxes and we follow the approach developed by The City of Seattle Office of Housing, City Budget Office, and the King County Assessor's Office to generate these estimates.

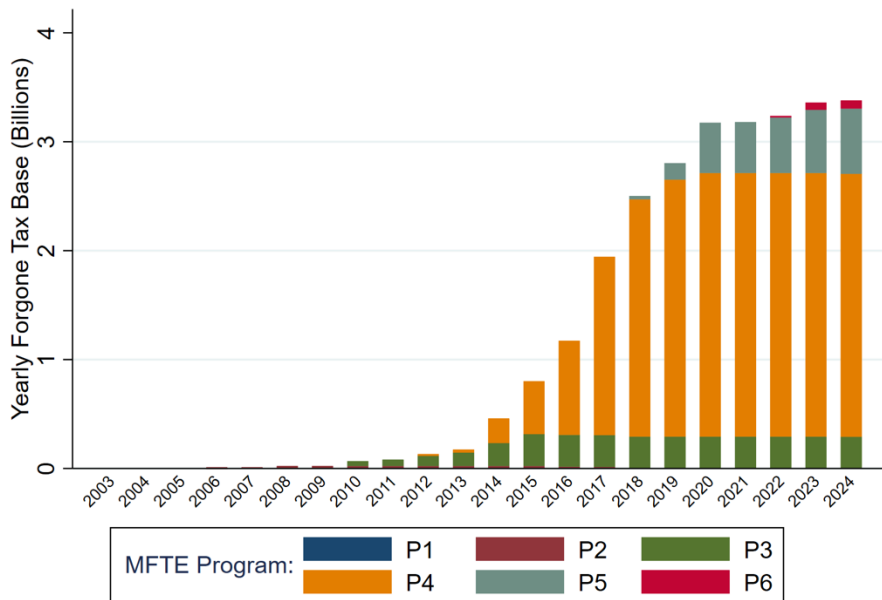
Foregone Taxes

Foregone taxes result in a loss of tax collections for the City of Seattle (and King County). Were it not for MFTE, new construction would be assessed upon completion at full value and the taxes associated with this new construction would be collected (new construction is not subject to the one percent property tax growth threshold). Foregone taxes occur due to the way in which MFTE properties are assessed. Because MFTE properties are assessed prior to the completion of a project, in some cases, only a portion of the project's total value is captured in the official assessed value. Due to state law, the project is not re-assessed (for these purposes) until expiry of the MFTE exemption period—twelve years or twenty-four

year. As a result, there is additional assessed value that is not reflected on the assessors' books for MFTE projects. The end result is that the tax levy rate is applied to a smaller tax base (assessed value) which results in taxes that are *foregone*.

Figure 38 below depicts the amount of tax base that is deferred or foregone in each year. That deferred tax base will be captured at the conclusion of the MFTE exemption period. As described above, the City of Seattle MFTE program has had six different iterations, beginning with P1 (program one) which was established in 1998 to P6 which is currently in operation. Since 2020, the total amount of deferred tax base associated with the MFTE program is just over \$3 billion per annum. Much of that deferral is due to P4 which produced the most units of any of the MFTE programs. The level of deferred tax base is a function of development volume and construction costs, so a reduction in new project deliveries (which is expected in the next couple of years due to challenging market environments) will result in lower levels of deferred tax base.

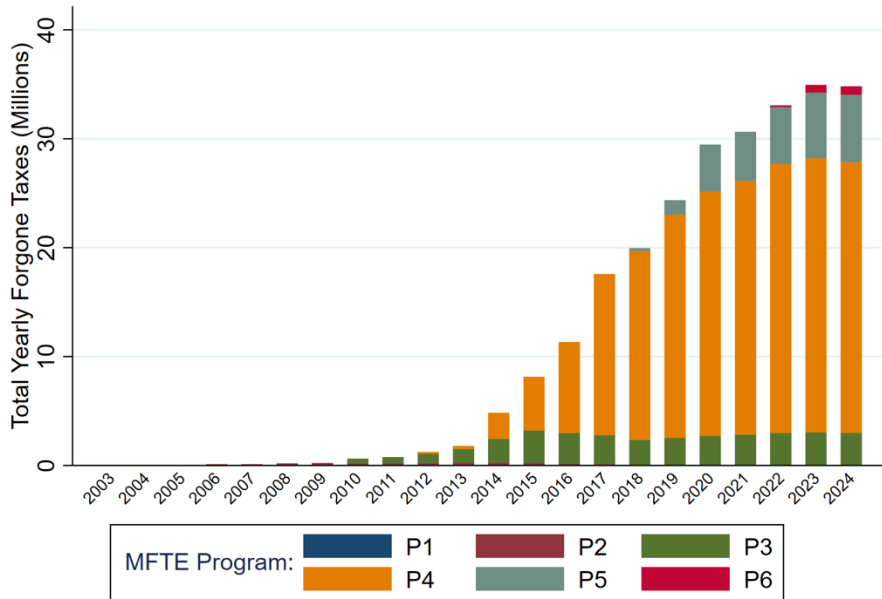
Figure 38. Yearly Foregone Tax Base by MFTE Program



Source: King County Assessor, 2024 incomplete, assumed no assessed value growth

Given the reduced tax base—due to deferred new construction values associated with exempted MFTE projects—tax receipts fall. These collections are lower due to the deferred tax base presented above. Figure 39 highlights the total annual foregone taxes. The cost is roughly \$30 million per annum and, again, P4 projects represent a disproportionate percentage of that foregone tax revenue. Property tax collections from projects located in the City of Seattle are split between the city and King County. The city receives roughly a quarter of the total collections.

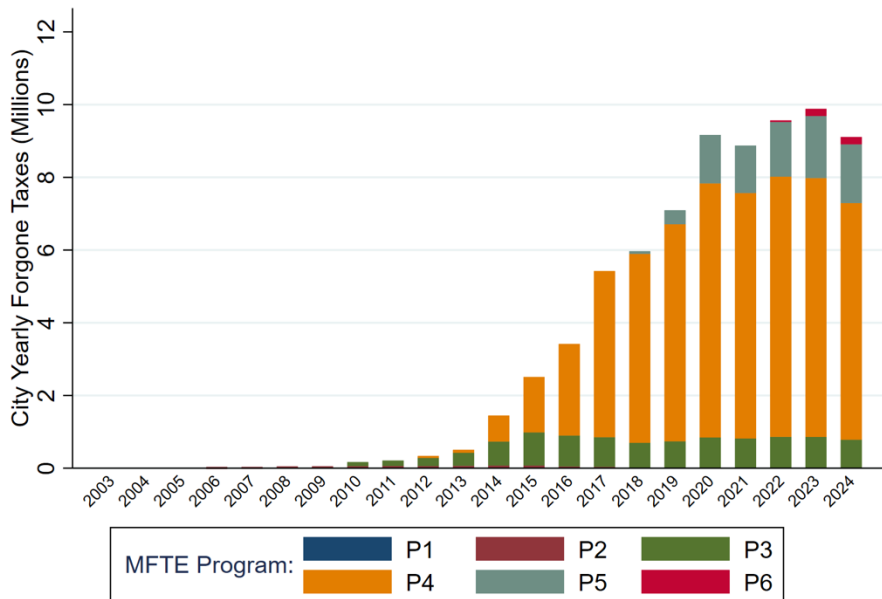
Figure 39. Yearly Total Foregone Tax Collections by Program



Source: King County Assessor, 2024 incomplete, assumed no assessed value growth

Figure 40 further breaks down this amount and shows the allocation of foregone taxes attributed to the City of Seattle. In 2024, that amount is roughly \$9 million. The remainder of the foregone taxes would have been collected by other entities, such as King County.

Figure 40. Yearly Foregone Tax Collections by Program for City of Seattle



Source: King County Assessor, 2024 incomplete, assumed no assessed value growth

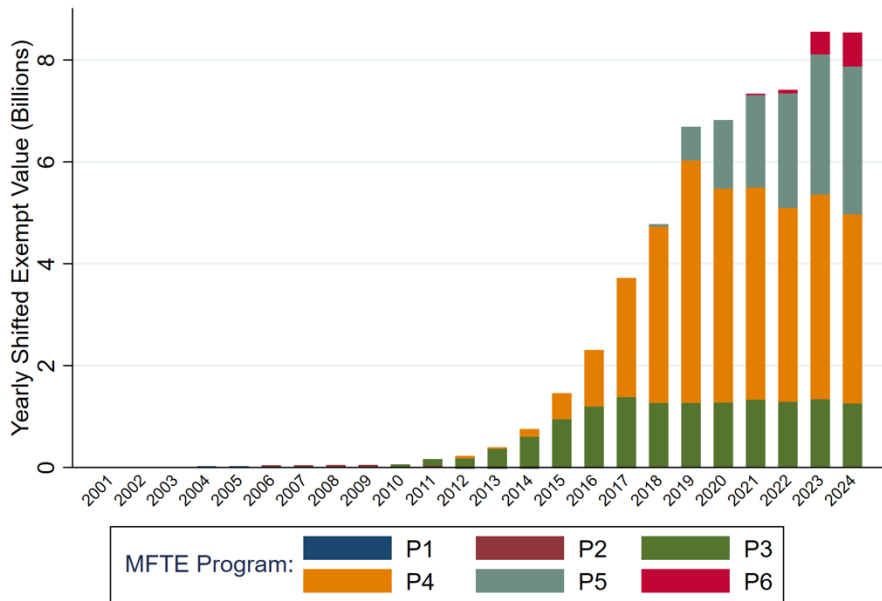
It is important to underscore that foregone taxes are not necessary or inevitable. Changes to the law that dictate how MFTE properties are assessed could reduce—or eliminate—foregone taxes. Aligning the assessment procedures for MFTE properties with the ways in which non-MFTE properties are assessed would eliminate all foregone taxes and limit the costs of the MFTE program for jurisdictions like the City of Seattle.

Shifted Taxes

The second tax impact—or cost—of the MFTE program is the tax obligation that is shifted from MFTE property owners to non-MFTE property owners within a given jurisdiction. This impact is at the heart of the MFTE program. The purpose of the program is to provide developers of housing an exemption from property taxes in exchange for constructing housing. Importantly, this exemption does not reduce the tax collections of the city, rather it shifts that tax obligation to the rest of the taxpayers in that jurisdiction. Fundamental to the concept of a shift in taxes is the idea that when total levy collections remain constant, the tax exemption for some property owners results in an increase tax burden for non-exempt property owners. Therefore, the more properties that the city exempts, the greater the tax obligation that is shifted to non-exempt properties. It is our perception that many people do not understand that this is the primary tax impact of the MFTE program. From a purely financial standpoint, the City of Seattle experiences no budget impact from the taxes that are shifted pursuant to MFTE, but there are concerns about the allocation of taxes across taxpayers within the city.

We begin the analysis of shifted taxes by highlighting the amount of tax base that is associated with the MFTE program. It is important to note that the tax base—or assessed value—used in the analysis of shifted taxes is different than what is used to calculate foregone taxes. These should be viewed as separate and distinct analyses. Figure 41 estimates the total amount of tax base (assessed value) that is associated with the MFTE program. The amount has grown dramatically over the past decade and it surpassed \$8 billion in 2023. Like we observed in the foregone tax analysis, P4 has had a disproportionate effect on shifted tax base associated with MFTE projects.

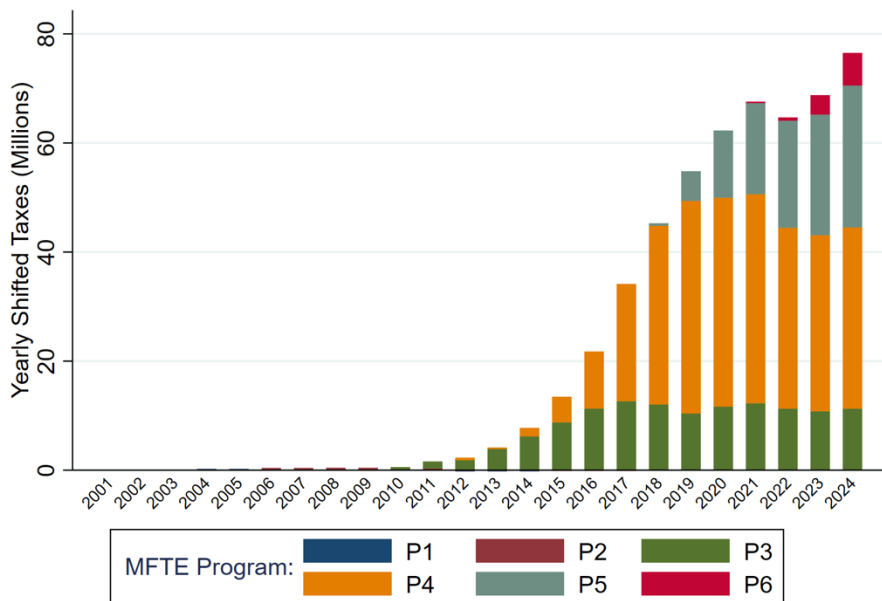
Figure 41. Yearly Shifted Tax Base by Program



Source: King County Assessor

In Figure 42, we convert the exempt tax base to the amount of taxes that were shifted from MFTE projects to non-exempt property owners. By 2024, the annual amount approached \$80 million. While this is a “cost” of the program, it is really a cost to property owners who do not participate in the MFTE program.

Figure 42. Yearly Shifted Taxes By Program

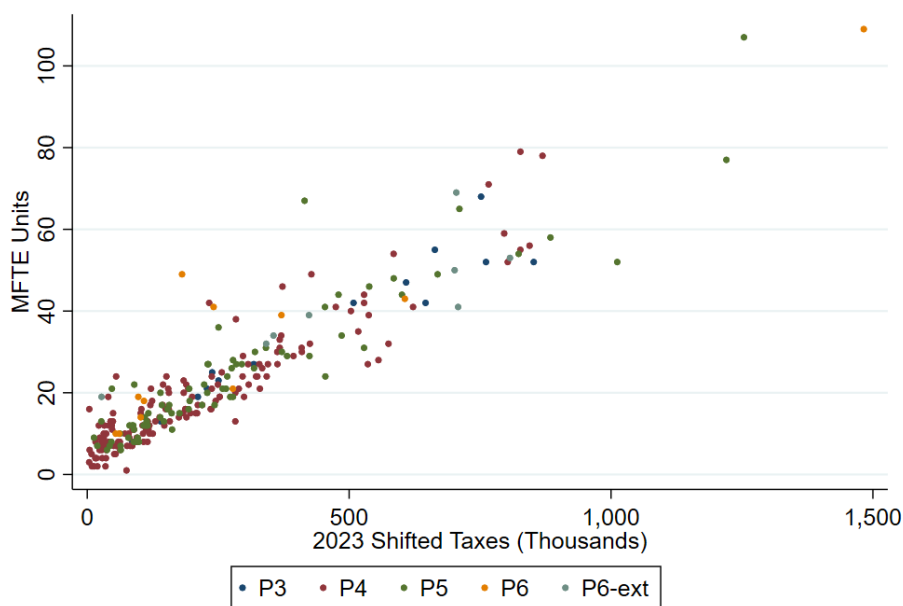


Source: King County Assessor, counter factual levy rates are drawn from the CBO shifted tax model

Comparison of Costs and Benefits

We now attempt to compare costs and benefits of the program for the City of Seattle. It is important to note that many of the benefits of the program, such as the housing production impact of the program and taxes associated with new housing construction, are difficult to quantify so this is a fairly simplistic, and incomplete, analysis. We calculate a program cost-benefit by comparing shifted tax costs to the rent benefits. The calculations are completed at the building level and then summed. Figure 43 below plots all MFTE properties, by the amount of tax exemption they received in 2023 (shifted taxes) and the number of MFTE units, broken up by program. As expected, properties that received larger tax exemptions (as larger properties) provided more MFTE units in their buildings. The relatively linear relationship suggests that there are not outliers of buildings that received disproportionate benefits relative to the MFTE units that they constructed.

Figure 43. Comparison of Shifted Taxes to MFTE Units by Building



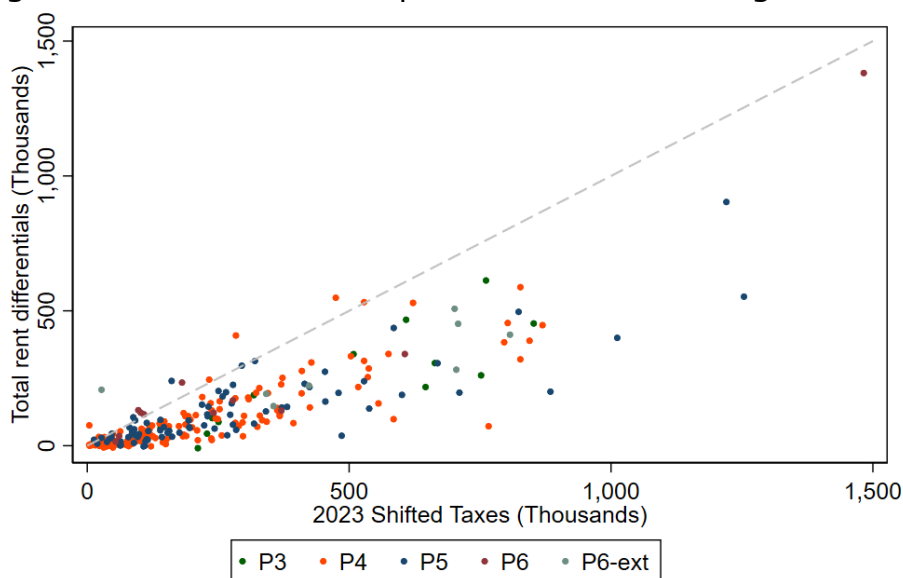
Source: Annual MILU Certification Query

Next, we examine the amount of public benefit—in the form of rent discount—that each property provides. For each MFTE unit, we find the average rent for comparable market-rate units in the same building, with the same number of bedrooms, bedroom type (open or standard), and square footage (within 50 square feet). We then take the difference between MFTE and market-rate rent and multiply by 12 for a yearly rent benefit of MFTE. Figures are presented here without incorporating vacancy rates, as they do not substantively change the analysis (especially given the lack of vacancy rate differences between MFTE and market-rate units as discussed earlier).

Figure 44 plots all properties based on their total shifted tax (costs) and total rent discount (benefits). In this figure, properties closer to (or above) the 45 degree line can be interpreted as providing more public benefits relative to the tax benefit that they received. Generally, as property value (and therefore MFTE costs) rise, the amount of rent benefits also increases. The properties cluster below the 45 degree line because developers will only apply for MFTE if it provides an economic benefit. Observations above the 45 degree line would indicate that property owner is giving up more in rent than they receive in tax benefits. This circumstance will be rare. It is also important to note that there are other costs borne by the developers that are not reflected in this simplistic analysis.

There are other key takeaways from this figure. First, there is substantial variation in the cost-benefit relationship between properties. For example, properties receiving an exemption from property taxes of about \$500,000 provide rent benefits ranging from around \$40,000 to \$550,000. These properties provide a radically different “public benefit” for the same level of tax exemption. Second, there is a relationship between program rules and the cost-benefit relationship. The stronger affordability requirements of P6 have a direct bearing on this relationship. We observe P6 properties much closer to the 45 degree line (breakeven) than the properties developed under P4 and P5. This is consistent with the feedback from developers that the rules of P6 have made the MFTE program less accretive, or favorable, for developers.

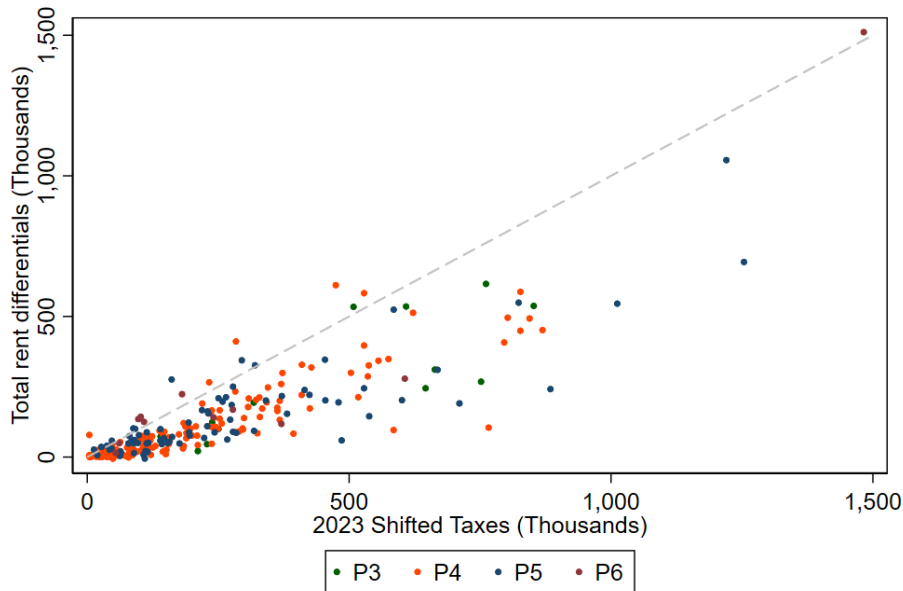
Figure 44. Cost-Benefit Comparison – Strict Matching



Source: Annual MILU Certification Query.
 Each MFTE unit is matched to comparable units based on unit type (dwelling/SEDU/sleeping room), # of bedrooms, bedroom type (open/standard), and within 50 sq ft

Figure 45 depicts the results with a more relaxed matching criteria in which MFTE units are matched to unrestricted units based solely on the number of bedrooms. The result of this analysis is there is greater public benefit in the form of larger rent differentials. We believe that the stricter approach (presented in Figure 45) is a better estimate, but we share the more lax match for completeness.

Figure 45. Cost-Benefit Comparison – Lax Matching



Source: 2023 Annual MILU Certification Query.
Each MFTE unit is matched to comparable units based solely on # of bedrooms

Finally, we outline the cost benefit by program iteration for 2023. In Table 3, we calculate the benefit using both the stricter and more lax matching techniques described in Figures 45 and 46 above. As Table 3 below highlights, the calculated benefit is greater when using the less strict approach to matching, but we believe that the stricter method is a better estimate.

A key takeaway from this analysis is how the cost-benefit relationship has changed over time. Outlined below is the more significant public benefits produced in P6. The stricter rent requirements produced greater public benefit for each dollar of tax exemption than did prior program iterations. The stricter comparability standards also contributed to the greater benefit achieved in P6. From the perspective of the City of Seattle, the program changes implemented in P6 “worked” if the measure of success is greater public benefit for each dollar of exemption. A potential consequence of such changes could be less MFTE uptake by developers.

Table 3. 2023 Cost-Benefit by Program

MFTE Program Iteration	Total Units	MFTE Units	2023 Exemption Amount	Strict Match		Lax Match	
				Total Rent Benefits (matched on bedrooms, type, sq. ft)	Benefit / Cost	Total Rent Benefits (matched on bedrooms only)	Benefit / Cost
3	2,478	494	6,266,030	3,154,140	50.3%	3,635,894	58.0%
4	14,101	3,000	32,348,240	14,869,814	46.0%	17,293,099	53.5%
5	9,218	1,882	21,435,230	10,037,562	46.8%	11,665,819	54.4%
6	1,558	373	3,583,568	2,797,565	78.1%	2,908,622	81.2%
P6 Ext.	1,685	337	4,069,542	2,422,687	59.5%	2,656,263	65.3%
Total	29,040	6,086	67,702,609	33,281,768	49.2%	38,159,697	56.4%

Qualitative Findings

The qualitative interviews provided valuable feedback on a range of issues related to the MFTE program. Key themes that emerged from the analysis are presented below.

Developers' Decision to Apply for MFTE is Solely Economic

Repeatedly throughout the interviews, developers noted that the decision to participate in MFTE was solely an economic decision. One developer described the decision-making process, "***The decision to use [MFTE] is a fairly straightforward economic analysis, we're just looking at the lost rent relative to the tax abatement.***" Another noted, "***It's basically just a math equation.***" Developers were also clear about the relationship between the developer of a project and the investors that provide the capital. A developer can't simply decide to make less money on a project because if the return of the project doesn't work for their capital source, the deal won't be financed, "***It's not like we can go tell investors and lenders, 'Hey, you should accept a lower yield on this so we can participate in this program.' They just think well, no, that's not what we're in the business of doing. So it's not really about just giving up a little bit in profit.***"

MFTE Has Been a Catalyst for Housing Production

Developers we interviewed stated that the MFTE program has clearly been a catalyst for some projects. The benefits associated with MFTE (property tax relief) helped some projects get across the finish line. Especially given the current

challenging market environment, MFTE provides an opportunity to get deals done. As one developer put it, ***“MFTE is like, the last breath of oxygen that is really, that makes it possible to do projects, or less impossible. Right now there are so many market fundamentals that are just flipped upside-down that there’s almost no new market rate multifamily housing development getting built. And that’s going to be a real problem in a few years.”*** In addition, MFTE is clearly a critical tool to get affordable or workforce housing built, ***“All of our folks that are developing workforce housing are pretty much depending upon MFTE to make their pro formas work at this point... they sort of ran out of gas with current construction costs and land costs and rent structures a long time ago, and basically optimizing the program for MFTE is the only thing they have left to hold onto viability.”***

Program Changes Impact Desire to Use MFTE

Throughout our interviews, developers noted that programmatic changes have made the MFTE program less attractive. As the program mandates greater affordability and greater administrative burden, the benefits of the program (the tax abatement) are no longer clearly greater than its associated costs. As one developer explained, ***“Program 6 is getting really really close to the not accretive side of the equation.”*** Developers expressed concerns that stricter AMI limits and/or increases in programmatic costs could result in lower program participation.

Some interviewees focused on rent side of the equation, ***“60% AMI is really where things end for me. I can’t make projects pencil.”*** And another noted, ***“[OH] is going to have to revisit AMI levels, as painful as that may be for them to consider that, the problem is there because we’re gonna have a dearth of production. For the next 2-3 years, MFTE is gonna be rolling off quicker than they can possibly refill it. So if you care about the portfolio size of MFTE and expanding that, you need to turn the knobs to make P7 a little bit more accretive, maybe even more than P5. Start encouraging people to get into the program.”*** In sum, one developer summed up what we heard from many developers that the current program is not providing much benefit, but it could if program rules were relaxed to what existed in prior iterations, ***“I don’t know if [MFTE] is a material benefit in Seattle because they’ve cut it pretty close to the bone. But it could have a stimulating effect, and into getting projects underway that have been languishing for a while. That’s certainly possible.”***

Developers Perceived Increased Administrative Burdens Associated with MFTE

Developers across the board reported a perception that MFTE-related administrative burdens had increased in recent years. Administrative burdens

manifested in two program requirements: tenant income verification and unit comparability. Developers suggested that greater administrative burdens—especially when combined with stricter AMI thresholds and generally unfavorable market conditions—diminished the attractiveness of MFTE.

First, tenant income verification refers to the process by which potential or actual tenants are screened and deemed eligible for income-restricted MFTE units. OH staff reported that income verification is an important component of the program, crucial for ensuring that “**the folks that are applying for these units are indeed the folks that we’re targeting... folks that do need affordable housing.**” OH staff described instances of non-compliance as the motivation for strict income verification. For instance, one OH staff member described an MFTE applicant who was discovered to have “**a million dollars worth of assets.**” Developers too recalled instances of MFTE residents “**gaming the system**” by “**trying to run Airbnbs through multiple MFTE units.**” OH staff stated that some property managers have been “**negligent**” in terms of income verification and “**just moving in anyone who can pay rent**” regardless of actual income. As a result, OH staff perceived that “**the tenants who are in some of these buildings, a lot of them should never have been moved in, and a lot of that is due to a lack of client standards that owners were not willing to invest in.**”

Developers, however, felt that the level of income documentation required for potential MFTE units was onerous, both for residents and property managers. For instance, one developer expressed that “**The information [tenants] have to provide from every single source of income they might have is ridiculous... it scares some people away. They just say forget it, you know? It’s not worth it to me. It’s a lot of time for our leasing staff.**” Developers described tenant verification as a “**very paperwork-heavy and documentation-heavy process, closer to what you do when you apply for a loan at the bank.**” Several developers called out reporting Venmo transactions as an example of unnecessary burden.

Developers suggested that income verification requirements was a disincentive for tenants to apply to MFTE units, potentially contributing to higher MFTE vacancy rates and longer lease-up periods. As one developer explained, “**When [MFTE units] do go vacant, they’re vacant for longer, because it takes so much longer to qualify someone.**” Developers we spoke with also reasoned that potential tenants are likely to opt for non-MFTE units and avoid income certification paperwork in areas of the city where MFTE and market-rate rents are close together.

Developers also highlighted the “**economic loss**” associated with the current income verification process. Developers reported hiring third-party verification

companies or additional staff to process MFTE applications, which comes with increased administrative costs. Some developers suggested that heightened administrative costs and longer lease-up periods associated with income documentation were “**starting to factor into our underwriting,**” and that “**lenders are starting to catch on as well because they see it in the numbers.**”

To mitigate these challenges, developers suggested that the Office of Housing rely on income tax filings as means of verifying tenant income. Developers highlighted that the risk to the city is that more relaxed income-verification criteria would, at worst, result in an income-restricted MFTE unit being rented “**to somebody who is slightly less poor.**”

Both developers and city staff highlighted potential changes to address these challenges. Developers proposed an MFTE prequalification program so that qualified tenants could apply to several MFTE units without needing to resubmit income verification paperwork multiple times. City staff members suggested that managers of MFTE-buildings be required to complete trainings on income verification, similar to those required by city-funded nonprofit housing providers.

Second, developers frequently highlighted the increased burden associated with the unit comparability processes. Unit comparability refers to the requirement that income-restricted units be comparable (in terms of square footage, unit type, and amenities) to the unrestricted units in an MFTE building. OH staff stated that unit comparability requirements were important to ensure that income-restricted units are not disproportionately smaller, or that “**all the MFTE units [aren’t] back by the alley with the garbage.**” OH staff also stressed the importance of unit comparability for health, safety, and quality of life reasons—for instance, that residents in income-restricted units are not denied air conditioning. Finally, OH staff expressed a commitment to unit comparability to facilitate an accurate estimation of public costs and benefits. However, staff also stated that developers often resist unit comparability rules, and that a few “**bad apples**”—that is, developers who do not adhere to compliance requirements or “**push the envelope on comparability criteria**”—place additional burdens on OH staff managing MFTE compliance.

Across the board, developers expressed frustration around comparability rules, which they perceived to be overly restrictive and/or inconsistently applied by OH. As one developer put it, “**we have this massive spreadsheet, there’s so many variables. We need 20% of patios, balconies, a guardrail, you know, do you have kitchen islands? Do you have lighted mirrors in every home? Which direction does it face? You need to evenly distribute that, evenly distribute the floor, evenly distribute amongst floor plan, type, square footage... We submitted in January and we’re still arguing with OH...**”

Developers also stated that comparability requirements had become stricter over time, and expressed a desire for greater transparency in comparability requirements. Several developers expressed a sense that there was now “**more subjectivity**” in determining comparability, and that the rules were “**not written anywhere.**”

Developers also stated that comparability requirements had “**imposed a huge amount of burden and risk on developers**”, particularly because OH staff assesses comparability late in the development process. As one developer explained, “**[OH comes] in at the end, after you invested all your money, and they take issue with the unit on this floor vs. that floor... there’s just not enough clarity...**” One developer stated that their future decisions around applying for MFTE were “**going to have a lot to do with how [OH] deal with those very strict [comparability] requirements.**”

OH staff also acknowledged that they “**spend a lot of time arguing**” with developers about comparability. However, they also reiterated the need for strict unit comparability. As one staff member explained, “**the only way I know how to even measure public benefit and private benefit is to make sure there’s an apples-to-apples measurement.**”

In addition to greater standardization and transparency, developers suggested more lax unit comparison rules. As one developer opined, “**[OH] needs to get much more realistic... it’s OK to have an apartment unit facing an alley instead of facing the water and have that be the more affordable unit. Give the developers more latitude in getting these projects off the ground and running affordable units that are not as attractive as the market-rate units, but still provide a home.**”

There are Significant Concerns About the Coming Shortage of Housing

The market conditions of the last couple of years have had a chilling effect on housing production in Seattle. This is not an MFTE-specific issue, rather these are factors that have limited housing production of all types over the last couple of years. The impact of this slowdown has not yet been felt, but will over the next couple of years. There are projects that are currently being completed, but the slowdown will hit in the next two to three years. There is a concern among developers that rents will increase dramatically in a couple of years once the economy stabilizes, hiring continues to accelerate, but there is limited new housing. One developer summed up the challenge:

Today we’re in a pickle, because nobody can build anything, because the interest rates are more than twice as much as they were before COVID. Cap rates are higher, which is bad, and we’re not making the returns we need initially to get the project started. So the return on

cost is not penciling out because we still have high construction costs from the run-up prior to COVID, continuing inflation, rates haven't come down. So we're not able to get the return. Some products are still even a negative return today... it's gonna be a while before production is gonna start up again, there's gonna be a period where we're not gonna have many new starts, which will put the rental market under pressure.

Uncertainty About the Goals of MFTE

Our interviews with city staff and developers/operators of multifamily highlighted open questions about the purpose and goals of the program. One developer highlighted this challenge, "***[OH] is focused on one thing, which is the production of deeply affordable housing. That was never what MFTE was meant to be, right? The goal of MFTE was for, firstly, a workforce housing program, and as an economic development program to attract capital into the city... So I think the yardstick here should not be like, is it being used begrudgingly and have you made it just not shitty enough so people are using it. The yardstick should be, what is the potential for making this reach its actual goals in the long run.***" Office of Housing staff also noted that there are multiple goals of the program, "***[MFTE's goals] are twofold generally: it's to create affordable housing for Seattle. Right now, it's largely functioning as a way for, especially new projects that are soon to be completed, a way for them to pencil financially, because many of them are underwater. And we understand that. So it's really a development subsidy for them.***"

Given the competing goals and interest, one developer made an argument that the goals of MFTE program should be more clearly articulated:

Every time [MFTE] comes up for renewal, I ask this simple question: What is your goal for this program? What do you want to get out of it? Is it so many units of production? Is it a certain percentage of all new projects being delivered? Is it so many units in a certain window of time? Usually when this tool has been used... [it's] to encourage production in the urban core... as a stimulus tool to get housing to start where it hadn't really taken off... [In Seattle] we're not using it as a stimulus tool. We're using this as an affordability tool... if the city had one goal, that's what I think the elected should really do, because it gives everyone some political cover to adjust goals if it's not working out. MFTE is a series of knobs. The AMI knob, the unit selection knob, the set-aside percentage, and you can adjust those knobs to create the outcome you need. But I think the city would be better served, and the development community, if it set goals and said, 'Okay, this program is

going to be for three years, we want this amount of production.'... have a periodic review of those variables and adjust it in real time.

Another developer highlighted the tension between the limits of the MFTE program and the desire for it to produce greater affordability and public benefit. ***“The private sector is never going to be able to provide [0-30% AMI] housing... it’s not an economic activity... So if we take one step back and say, what is the solution to our city’s housing issues, I would say, let the private sector handle anything that is 60% AMI with tax incentives that don’t require a penny of public funding and get out of the way on zoning, get out of the way on energy code, just figure out how to get permits issued in six months and go build the housing, do to one and two bedrooms what we did to studios over the last 5 years and make them cheap... then all those billions of dollars of OH funding, take all that and put it to work creating 0-30% spaces that we can actually use to address our most vulnerable people.”*** The same developer concluded with a proposal to expand MFTE to include a more limited exemption without an affordability requirement, ***“I would bring back the 8-year MFTE, which doesn’t require any affordability requirement whatsoever. And just as a pure economic development play: we want more housing, we want more building, we want more B&O taxes, we want more sales tax, we want more jobs, like, just please come build housing in Seattle. That would be an extremely powerful tool to continue to attract investment into Seattle... I would use the 12-year to incentivize family construction, which is harder to do and harder to pencil.”***

Interaction Between MFTE and MHA

As described in the introduction of this report, Seattle (unlike other jurisdictions) does not allow “double-counting” of MHA and MFTE income-restricted units. As a result, developers told us that the dual requirements of MHA and MFTE made “performance” on MHA difficult. Performance is when the developer provides units in the building, rather than paying the fee. As one developer explained, ***“[MFTE] discourages doing performance on your MHA units because you can’t have that many subsidized units and still have a viable project... in most cases we pay the fee.”*** Similarly, another developer stated, ***“[In Seattle there is] no stacking... and your on-site [MHA] requirement is 9%, MFTE is 20%. You have to get 29% of your units as restricted... that’s a huge financial difference... And the 71% [unrestricted units] just don’t generate enough revenue for me to make the project pencil.”***

Relationship Between OH and Developer Community

As alluded to in the preceding sections, a confluence of factors have strained the relationship between OH and the developer community when it comes to MFTE. The program is a public-private partnership that, in theory, provides benefit to both parties. However, respondents on both sides indicated that the relationship has deteriorated over time. Part of this challenge stems from the fact that the MFTE program—as designed in the City of Seattle—seeks to provide affordable rents and fair housing while using for-profit development as a delivery mechanism. The City of Seattle feels a sense of obligation to deliver “public benefit” in exchange for the tax exemption that is being provided. The City takes this responsibility seriously and is evident in their work and program design. Developers, on the other hand, seemed pleased to help deliver affordable housing, but need to do so within the constraints of the return expectations of their financing partners. This context helps to explain the nature of the relationship between the city and developers in this section.

Developers perceived a “**hostility**” and “**lack of trust**” between OH and the developer community, in part related to stricter program requirements such as income verification and unit comparability. For instance, one developer felt that income verification requirements “**assume bad intentions from everybody along the way.**” Another developer stated that annual recertification is “**really punitive**” and communicates “**disdain for private sector housing developers.**” Developers also felt that OH “**look at us as greedy**” and endeavor to make MFTE “**as difficult as possible.**”

Importantly, changing market conditions which have made housing development more difficult across the board have compounded tensions between developers and the city. While MFTE seemed to be mutually beneficial in the pre-COVID era, stricter P6 MFTE requirements (combined with MHA requirements) arrived at a time that “**nothing is penciling**” for developers. As one developer explained, “**If we’ve got to pay MHA and deal with all this other stuff still, and deal with the new construction costs and higher interest rates, the current [MFTE] AMIs don’t work.**” While developers routinely warned that they may soon be unable to continue participating in MFTE, they also expressed a desire to participate in the program if the economics makes sense. As stated above, developers framed MFTE as “**the last breath of oxygen that really makes it possible to do projects, or less impossible.**” Thus, some developer frustration came from a sense that they could neither live “with” nor “without” MFTE in the current market environment. Resultantly, developers expressed their desire that MFTE be made more generous for developers by raising AMI thresholds and relaxing comparability and income requirements. One developer went as far as to suggest that “**there should be no affordability requirement**” for workforce housing and family-size units.

Finally, goal ambiguity in the MFTE program may be partially responsible for some of these tensions. As described in the previous subsection, there is a lack of widespread agreement on the goals and purpose of MFTE. While OH is committed to affordability, fair housing, and comparability between income-restricted and market-rate units, developers were more likely to frame MFTE as an economic development stimulus tool that facilitates the production of housing and neighborhood renewal. Developers repeatedly expressed their sense that MFTE was not an appropriate tool for providing housing for “***the lowest income level.***”

Therefore, getting developers and OH on the same page about the intent and desired outcomes of MFTE may help alleviate some of the tensions we encountered in our interviews. As one developer put it, “***if the city had a goal... it gives everyone some political cover... The city and the development community would be better served if [the city] set goals and said, OK, this program is going to be for three years, we want this amount of production, and if we're not getting that, we need to adjust... especially when you're going through downturns like this.***”

Finally, one developer highlighted their hope for the reauthorization process that is currently underway, “***[MFTE reauthorization] should be a fairly straightforward process. If it were, I think we could all stop arguing about it, and then just sort of set, you know, set the numbers and say 'The goal is that you should get this much economic benefit for the developer and this much economic benefit for the renter.' And just basically publish the math behind it.***”

CONCLUSION AND DISCUSSION

In this closing section, we highlight key takeaways from the study and areas of focus as the city considers reauthorization.

Summary of Benefits and Costs

There are two categories of benefits associated with the MFTE program. First, and most obviously, are the 7,047 income restricted units that have been constructed pursuant to the program. The current stock of income-restricted is over 6,600 units. The program has disproportionately produced smaller (0 and 1 bedroom) units. The analysis of rents highlights that in all submarkets and across all unit types, income restricted MFTE units are lower than the rents of unrestricted units in the same buildings. The rent discount tends to be greater in locations with higher market rents. When compared to the general rental market, average rents in MFTE restricted units in certain lower cost neighborhoods are similar to—or in some cases lower than—average market rents. In higher cost locations, MFTE units still represent a discount to market rents.

A second, and more uncertain, benefit of the MFTE program is the addition of new housing supply to the market. Since inception, 303 developments have been constructed with the support of the MFTE program producing 33,956 total housing units. In a city that faces a housing shortage, this housing production is of significant value. The question, though, is whether that construction should be attributed to the MFTE program, or if that production would have occurred (absent the income restricted units) without MFTE. Assessing this counterfactual state is necessary to determine whether MFTE stimulates housing production. In this study, we are unable to estimate the counterfactual, therefore we do not opine on whether this additional production is a true benefit of the program. In our interviews, developers told us that MFTE did help some projects “pencil” and that housing would not have been built without it. But that is clearly not the case for all projects. In particular, MFTE appeared to stimulate construction of small units, which led to price decreases in this category of housing due to increased supply. Our assessment is that there is a positive, yet indeterminate, supply benefit of the MFTE program.

The costs of the MFTE program are foregone and shifted taxes. Our analysis estimates annual foregone taxes of \$35 million, of which \$9 million was foregone by the City of Seattle. Foregone taxes reduce potential collections of the City. The other cost is taxes that are shifted from exempted taxpayers (owners of MFTE projects) to nonexempt taxpayers (owners of commercial and residential property in the city). In 2024, almost \$80 million of taxes were shifted to nonexempt taxpayers.

The comparison of costs and benefits must be assessed by the City of Seattle. Are the additional units of income restricted housing (and greater production of housing) sufficient to justify the costs of the program? In a simple analysis comparing benefits of the program (rent discounts) to its costs (shifted taxes), we found that the changing affordability requirements of the program have increased the ratio of benefits to costs (see Table 3).

Goal Clarity

Is the purpose of the MFTE program to create affordable units or to stimulate housing production? These goals need not be mutually exclusive, but being clear about the stated goal is an important first step. All stakeholders can then work together to ensure that the program is designed to achieve the stated goals. Fundamental to this exercise is for the city to consider whether the only public benefit of the program is income-restricted units, or whether greater housing production, generally, also can be considered a public benefit of the program. The answer to that question will help to clarify the goals of MFTE and determine how the program should be structured.

The analysis of the cost-benefit of the MFTE program highlights how program rules can affect the attractiveness of the program for developers. P6 provided—by far—the best cost benefit relationship for the city, but it also led to significant pushback from the developer community. Finding the appropriate balance between encouraging development and delivering public benefit—in the form of affordable rents—is a significant challenge for the city.

A byproduct of greater goal clarity would be an improvement in the relationship between the city and developers. Clear goals with consistent administration would be valued by the developer community, and developers would know the areas of focus that are most important to the city. This won't eliminate the tension in the program, but it might lead to a more productive working relationship that could result in greater production of housing units with the support of MFTE.

The Swinging Pendulum of Administrative Oversight

We learned from both developers and city staff that the way the MFTE program has been administered has changed over time. On issues of unit comparability and income verification, the process was less burdensome 5-10 years ago and has become increasingly strict over time. There is a clear benefit (and public benefit) from greater unit comparability and effective income verification procedures. The tension arises when the costs (financial and operational) of these administrative rules are incorporated into the developers' decision-making process. Developers made a very vocal case that these rules are decreasing the attractiveness of the

MFTE program, by slowing lease-up of income-restricted units and increasing frustration with the program overall. The City, by comparison, highlighted instances of “bad apples” that have failed to comply with program rules. Given the obligation the City has to the public, they do not feel that they can allow noncompliance to proceed without corrective action. For the City, the shift of taxes from exempt to non-exempt taxpayers demands attention to ensure that the public benefit is sufficient to justify this shift. This sense of obligation to City of Seattle taxpayers motivates the City in its oversight of this program. An added focus of the City is consistency, but the push for consistency certainly leads to increased rules and oversight. Finding the right blend between these competing interests will be important as the program moves forward.

Coming Shortage of Housing, Especially Two Bedrooms

We heard repeatedly that there is great concern about the coming shortage of multifamily housing in Seattle. Due to the challenging market conditions of the past few years few multifamily projects have started. As a result, we should expect a dramatic decrease in deliveries over the next two to four years, potentially exacerbating the rental housing affordability crisis in Seattle. These macro forces are having a global impact on housing development so Seattle is not alone in this challenge. The question becomes what should the city do to respond? Given the substantial addition to the stock of studio apartments in Seattle over the past few years, there appears to be adequate supply for the near term. The question is whether additional emphasis should be placed toward the development of family-sized units in Seattle, and how MFTE could be used to achieve that goal.

Improved Data

The two goals of the MFTE program are to encourage affordability and to affirmatively further fair housing. In both of these cases, the administrative data at the city’s disposal is limited. There is extensive household level data that is missing, including household income and race and demographic attributes. One of the stated goals of the City of Seattle’s MFTE program is to affirmatively further fair housing. Determining success in this effort is challenging, but it is particularly difficult given the current quality of data. It is important to note that better data collection will likely necessitate some level of administrative burden. For example, enhanced data collection would allow us to assess who (in a demographic sense) is living in MFTE units and how that compares with the racial makeup of a neighborhood. Currently, race and ethnicity is missing for 40% of household observations. This case highlights how improved data would facilitate analyses that are fundamental to understanding the outcomes and effectiveness of the MFTE program.



Legislation Text

File #: Inf 2635, **Version:** 1

Results of Homelessness Outreach RFQ (Request for Qualifications)

HSD Unsheltered Outreach Services

Tanya Kim, Director, Human Services Department

Chris Klaeyen, Homelessness Division Director, Human Services Department

Christina Korpi, UCT Outreach Manager, Human Services Department

Housing & Human Services Committee

February 26, 2025

Agenda

- Context
- District Outreach Model
- Outreach RFQ Awards
- Performance Metrics
- Questions

Context

The goal of outreach is to **connect people living unsheltered with opportunities to come inside and receive services that support a pathway to stability.** This is accomplished by:

- Focusing on building relationships;
- Identifying needs and matching people to available resources;
- Providing specialized services for vehicle residency, behavioral/mental health, and population-specific needs.

Context

- The Unified Care Team (UCT) manages the City's encampment response to ensure public spaces remain open and accessible.
- Outreach agencies are critical partners, particularly for those needing more intensive engagement to become housing ready.
- HSD announced it would resume outreach oversight from the King County Regional Homelessness Authority (KCRHA) to ensure services align with City needs, focus on unsheltered homelessness, and are coordinated with UCT.
- HSD thanks the Council for supporting this transfer as well as increasing the capacity of HSD's Regional Coordinator team.

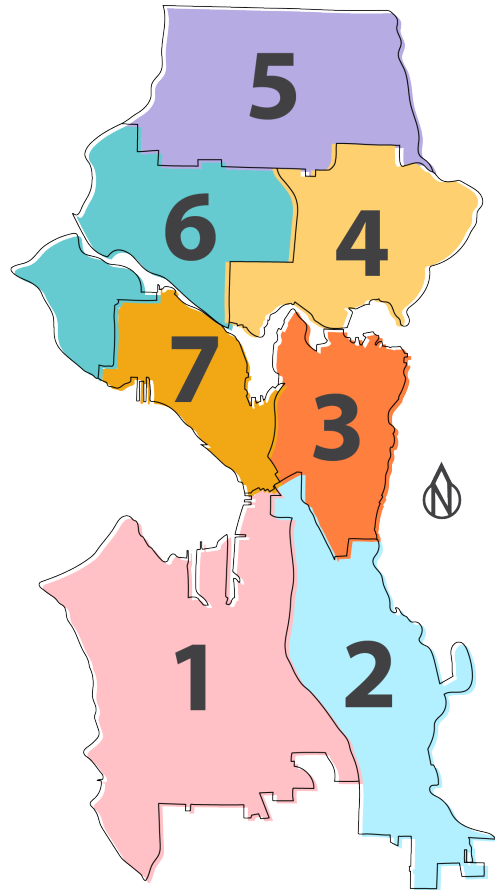
District Outreach Model

In 2025, outreach services will be delivered through a new *District Outreach Model* to address Seattle's current needs:

- Provides a cohesive, citywide outreach strategy with defined investment areas;
- Leverages contracted outreach expertise;
- Addresses pressing community needs such as vehicle residency and complex behavioral and mental health issues; and
- Streamlines communication and coordination with UCT.

District Outreach Model

Deploy seven district outreach teams that include:



General Outreach



Expanded UCT (HSD) Outreach to connect unsheltered individuals to shelter and provide consistency and continuity of care.

Specialized Outreach Services - Purchased through 2024 Outreach RFQ



Street-Based Care Coordination to support those living alone or in encampments who need intensive, prolonged engagement.



Vehicle Outreach to engage those living in vehicles about shelter, safe lots, parking rules, and moving off the streets.



Behavioral/Mental Health Outreach to connect high-needs individuals to medical professionals and health care services.



Access to **Population-Specific Outreach** with similar background or lived experience as the unsheltered individual referred.

Outreach RFQ Awards



Street-Based Awards

Deployed When: An unsheltered individual needs longer engagement to work toward housing readiness, medical treatment, job training, and more.

Focuses On:

- Relationship development
- System navigation, resource connection, document readiness

Success Looks Like:

- Referrals to shelter or housing
- Achieving personal goals



Awarded Organization	Assigned District
Evergreen Treatment Services REACH	1, 2, 4, 5, 6
The Salvation Army	3, 7



Vehicle Outreach

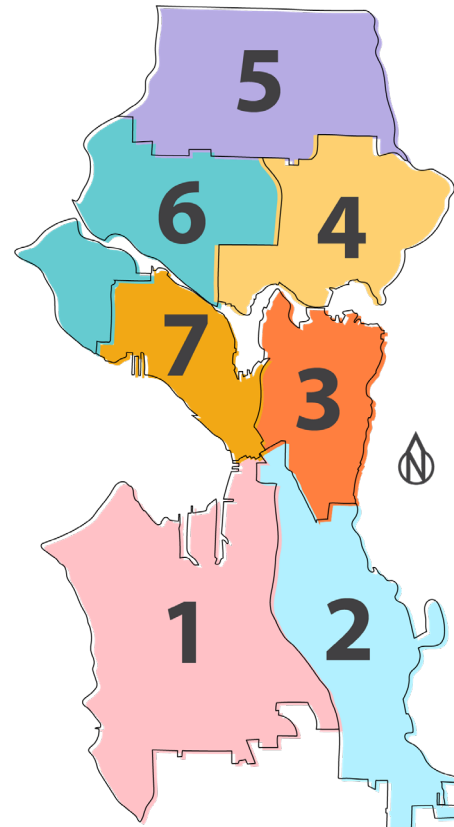
Deployed When: An individual, or group of individuals, are living in a vehicle(s)

Focuses On:

- System navigation, resource connection, and document readiness
- Connections to vehicle maintenance
- Resolving vehicle-related legal issues

Success Looks Like:

- Referrals to safe lots and/or shelter
- Vehicles are mobile and parked legally



Awarded Organization	Assigned District
University Heights Center	1, 2, 4, 5, 6
The Salvation Army	3, 7



Behavioral & Mental Health Outreach

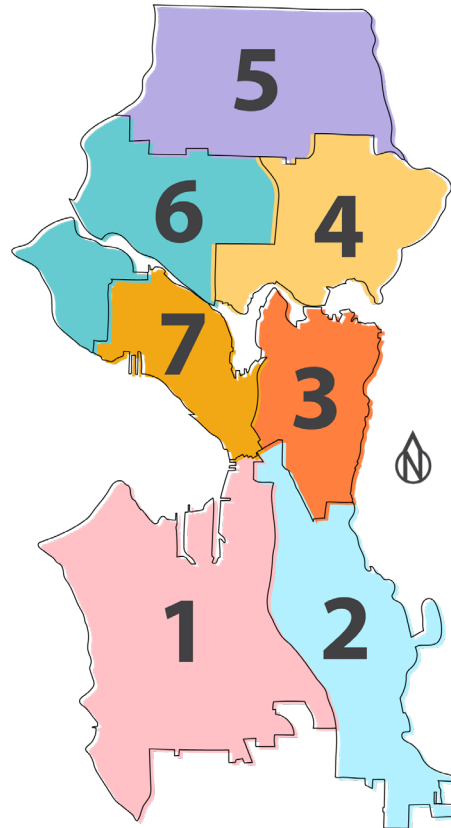
Deployed When: An unsheltered individual experiencing severe mental health issues or co-occurring disorders is unable to engage with traditional care coordination.

Focuses On:

- Relationship development
- Connections to medical professionals and health care services
- Assessments for permanent supportive housing

Success Looks Like:

- Referrals to treatment
- Referrals to shelter and housing



Awarded Organization	Assigned District
Downtown Emergency Service Center	All



Population-Specific Outreach

Deployed When: An unsheltered individual requests cultural- or demographic-specific services.

Focuses On:

- Engaging in a culturally-appropriate style
- Reducing language barriers
- Connecting to cultural or age-specific services

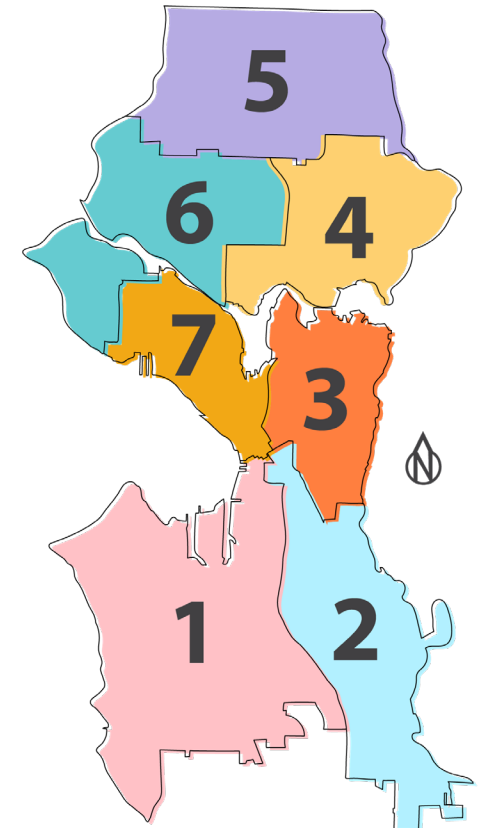
Success Looks Like:

- Referrals to shelter and housing
- Referrals to culturally-oriented programming
- Referrals to youth programming

Awarded Organization	Focus Population
Seattle Indian Center	American Indian/ Alaska Native
Urban League	Black/African American
We Deliver Care	
Mary's Place	Families with Children
YouthCare	Youth/Young Adults

Outreach Awards Summary by District

Outreach Type	District Assignments						
	1	2	3	4	5	6	7
Street-Based	ETS REACH	ETS REACH	The Salvation Army	ETS REACH	ETS REACH	ETS REACH	The Salvation Army
Vehicle	University Heights	University Heights	The Salvation Army	University Heights	University Heights	University Heights	The Salvation Army
Behavioral Health	DESC	DESC	DESC	DESC	DESC	DESC	DESC
Citywide Population-Specific Outreach							
American Indian/Alaska Native	Seattle Indian Center						
Black/African American	Urban League						
	We Deliver Care						
Families with Children	Mary's Place						
Youth/Young Adults	YouthCare						



Performance Metrics

HSD will measure agency performance across three areas and evaluate impact to ensure the model best serves all Seattle's communities.

Quantity

(how many services are delivered)

- # of people referred to agency
- # of people enrolled in outreach services
- # of service connections:
 - Housing readiness
 - Vehicle assistance
 - Income/Employment assistance
 - Treatment and recovery services
 - Physical/Mental health treatment

Quality

(how well services are delivered)

- % of referrals engaged within 72 hours
- % of people meeting with agency at least once per month
- % of weekly outreach huddles attended

Impact

(what do these services achieve)

- # of outreach-led encampment resolutions
- % of people actively participating in outreach services
- % of people enrolled in shelter and permanent housing
- % of people enrolled in treatment or healthcare services



Questions