

Office of Housing Housing Funding Policy Amendments: JumpStart A&P Program

Finance & Housing Committee Briefing

June 15, 2022



City of Seattle

City Council Statement of Legislative Intent

“...OH to work with the City Council to develop proposed modifications to the City’s Housing Funding Policies to address policy barriers, including partnership requirements, for small, community-based developers that may have difficulty accessing the Acquisition and Preservation Loan Program...”



Current vs. Proposed Eligibility Criteria

Current

1. Experience developing/operating at least 3 buildings
2. OR partnering with an organization that has this experience
3. Ability to secure permanent financing within five years
4. Good standing on OH loans

New

1. Be a CBO or CDC
2. Funds prioritized for organizations working directly with vulnerable communities at high risk of displacement
4. Have a development plan in place within five years
5. Annual organizational housing revenue not to exceed \$8M
6. Documented Board intent to own and operate multifamily rental and/or permanently affordable homeownership



Proposal Reflects OH Commitment to RSJI

- Reduces barriers for community-based organizations (CBOs) to enter the affordable housing sector, particularly for those CBOs that have traditionally been excluded from the industry
- Supports more community driven projects to be realized by and within communities living with the past and present impacts of displacement and housing discrimination



JumpStart Opportunity

Current OH Acquisition & Preservation (A&P) loans are provided from a **temporary** fund source

JumpStart Payroll Expense Tax creates a new and **permanent** source for Acquisition & Preservation loans

- Technical assistance and capacity building support for CBOs
- Allows different eligibility criteria for loan resources
- Improves equitable lending practices



JumpStart CBO Capacity and Grant Program

Phase I, Predevelopment and Planning

- Working with third party intermediary
- \$250,000 grants for trainings and predevelopment expenses (~4-8 projects annually)



JumpStart A&P Loan Financing

Phase II, Acquisition and Development

1. Organizations that complete the JumpStart CGP will be eligible to apply for JumpStart A&P Loans, which will be competitively awarded and rigorously reviewed through standard OH underwriting process



JumpStart A&P Program Developer Fee Policy

Phase II, Acquisition and Development

2. Eligible for up to \$500,000 additional Developer Fee to support organizational capacity and infrastructure



JumpStart A&P Loan Program

New JumpStart A&P Loan Program

13% of available JumpStart revenue for Housing and Services to support anti-displacement work, including acquisition and permanent development financing (~\$15M)

- Up to \$2 million annually set aside to administer the JumpStart CBO Capacity and Grant Program

Potential Partner Organizations

- Africatown
- Chief Seattle Club
- Filipino Community Center
- El Centro de la Raza
- Mt. Zion
- SCIDpda
- InterIm CDA

