

SUMMARY and FISCAL NOTE*

Department:	Contact Person/Phone:	Executive Contact/Phone:
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** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to low-income housing; requesting that a special election be held concurrent with the August 2, 2016 primary election for submission to the qualified electors of the City of a proposition to lift the limit on regular property taxes under chapter 84.55 RCW in order to authorize the City to levy additional taxes for low-income housing for up to seven years; providing for interim financing pending tax receipts; creating a levy oversight committee; providing for implementation of programs with funds derived from the taxes authorized; and ratifying and confirming certain prior acts.

Summary and background of the Legislation: The proposed ordinance would submit a \$290,000,000, seven-year levy package to the voters of Seattle for their approval in the fall of 2016. The proposed levy would be raised under the provisions of RCW 84.55.050, which allows a city to obtain voter approval to exceed the “lid” on regular property taxes for any purposes. Levy proceeds would be used for the following anticipated programs, subject to any changes approved by the Council:

- **Rental Production and Preservation: \$201,000,000**
Capital funding for production and preservation of affordable rental housing, and reinvestment in existing affordable housing to make critical capital improvements.
- **Operating and Maintenance: \$42,000,000**
Operating support for Levy-funded buildings for 20 years, supplementing rent paid by extremely low-income residents, including formerly homeless residents and other residents with supportive service needs.
- **Homelessness Prevention: \$11,500,000**
Rent assistance and stability services for low-income individuals and families, preventing eviction and homelessness.
- **Homeownership Program: \$9,500,000**
Assistance to low-income homeowners to maintain stable housing through emergency home repair grants, and assistance to first-time homebuyers through home purchase loans.
- **Administration: \$26,000,000**
Funding for administration of all programs.

2. CAPITAL IMPROVEMENT PROGRAM

_____ This legislation creates, funds, or amends a CIP Project.

3. SUMMARY OF FINANCIAL IMPLICATIONS

 X **This legislation does not have direct financial implications.**

4. OTHER IMPLICATIONS

a) Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?

This legislation does not directly result in appropriation or position changes. If the proposed levy is passed by Seattle residents, the budgets for the Office of Housing and Human Services Department will reflect the corresponding appropriation and revenue amounts in 2017 and subsequent years. The overall implications of the proposed levy by program are included in Exhibit 1 of the ordinance and Attachment 1 of the fiscal note.

b) Is there financial cost or other impacts of not implementing the legislation?

The current 2009 housing levy expires with the collection of 2016 property taxes. The City's capacity to respond to low-income housing needs will be significantly reduced starting in 2017 if this legislation is not implemented.

c) Does this legislation affect any departments besides the originating department?

The Human Services Department (HSD) operates the Homelessness Prevention program.

d) Is a public hearing required for this legislation?

A public hearing is not required for the legislation, but the City Council has scheduled several committee hearings on the proposed levy and a Public Hearing on April 4, 2016.

e) Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

No.

f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

g) Does this legislation affect a piece of property?

No.

h) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?

People of color are disproportionately affected by high housing costs and disproportionately experience homelessness. The passage of the 2016 Housing Levy will support the principles of the Race and Social Justice Initiative by reducing the burden of housing cost and providing housing assistance to those experiencing or at risk of homelessness.

- i) If this legislation includes a new initiative or a major programmatic expansion:
What are the long-term and measurable goals of the program? Please describe how
this legislation would help achieve the program's desired goals.**

Please see Exhibit 1 to the Ordinance.

- j) Other Issues:**

List attachments/exhibits below: