

Seattle Planning Commission
Addendum to Affordable Housing Action Agenda

On February 28, 2008, the Seattle Planning Commission released their Affordable Housing Action Agenda. A wide array of stakeholders arrived and shared their comments, ideas and additions to the report. In addition, Commission staff conducted outreach to a wide array of community stakeholders to get their input on the report. The following is a summation of their comments. Please note that these are not verbatim quotes, but the Commission's attempt to accurately capture stakeholders' comments. We have tried to organize the comments into categories though certainly some overlap with more than one area.

The Commission plans on closely reviewing the following list, and incorporating some ideas into future work on affordable housing. The Commission will also provide written comments to the suggestions in the coming months.

Regulatory Strategies

- Permitting for affordable housing should be expedited, as delays cost a lot of money.
- Parking should be almost optional, as banks will require some anyway on condition of providing a loan. Parking demand is almost always less than what the city requires.
- Mandatory participation in incentive or inclusionary zoning programs should be required in exchange for the increase in value due to upzones. There should be a fair exchange of value between developers and communities.
- The city should make sure developers can utilize 85' zoning by allowing 2 levels of concrete as a base, with 5 stories of wood construction on top.
- Reuse and rehab of buildings should not necessarily be required to be brought all the way up to current code.
- If existing affordable housing is demolished, it should be replaced using a 1 for 1 ratio.
- Green requirements must be applied equally across the city, because the requirements will filter down to higher land costs unevenly throughout the city.
- In order to get more family housing downtown, the city needs more parks and schools there, which could spark the demand to build larger units.
- The city should create more *usable* open space requirements for development, even if it is less total area of open space.
- The public works price tag that goes with development is too much, especially for affordable housing. Impact fees or other initiatives could be used to fund these things.
- Impact fees for affordable units should be waived.
- Tax exemption programs are only allowed in urban centers. If they were allowed across the city, many more people would be able to take advantage of them, which would increase the affordable housing supply.

Increase Funding & Resources

- Ways of getting money to not only non-profit developers and housing authorities, but also to other groups that might also be able to utilize it to provide affordable

housing, should be explored. Some money could go towards infrastructure investments to allow for more development.

- Explore Tax Increment Financing as a possible tool for creating resources for affordable housing.
- Explore the creation of a regional Housing Levy.
- Consider both taxes and loans as potential tools for funding affordable housing.
- The city should reestablish its growth fund, which took some of the revenue from new development and put it towards affordable housing.
- More money should be placed into the housing trust fund.
- Public/private partnerships, such as the Washington Families Fund, should be encouraged.
- The state should provide more money for a land trust.
- If developers want to make a lot of money during the housing boom, they should pay a lot of money for infrastructure.
- Affordable housing for students should be a focus. Students who receive financial aid are not qualified for low income units. There is a significant disconnect between the prices of UW student housing and the living expenses specifically for room and board that the Office of Financial Aid provides. There is a significant need for affordable student housing.
- Increased density should come with crime prevention measures and amenities for children. The city should set aside places where kids can play and have constructive things to do – many mega projects do not have this.

Measuring Success

- The City is good at achieving what it sets goals to achieve and measuring how well we are achieving those goals, and should set specific goals for creation and preservation of housing units.
- It's relatively easy to measure how affordable housing is created, but not easy to measure how much remains after it is created, especially regarding condo conversions and demolitions. The city should measure both. Annual reporting on what housing is getting lost is extremely important.
- Every 3 years, the city could produce a report card of how it's doing to create enough affordable housing. If the city is falling behind, it could examine what tools are being utilized, and what other tools could be utilized.

Land Supply

- It would be extremely hard to build our way out of the problem.
- The reason prices are spiking is supply and demand, and we are not going to buy our way out of the problem. The problem with increasing the supply is that only 7 percent of the city's land is zoned multifamily, and a lot of this land has heavy restrictions on it. Only 5 percent of the land is zoned mixed use. That's not enough. Many of these zones are single family or are half a block deep along an arterial. This limits the opportunities for multifamily, and hence more affordable, development.

- Land costs drive development proformas. Industrial zones have cheaper land, but they don't allow housing. People who work in industrial areas can't live near their jobs, which compromises freight mobility. Industrial Buffer zones would make good places for housing, because the land costs are low and they're near industrial zones.

Transportation

- We should look at housing and transportation costs together. People could rationally spend more than 30 percent of their income on housing if they spent less on transportation.
- The transportation element should be included in any discussion of affordability. The City should actively pursue legislation requiring the use of software (developed locally) that would allow employers to match employees with work sites closest to their homes. There could be some coordination with the State's requirement for Commute Trip Reduction programs and the City's new Carbon Emissions reviews (that could be expanded to the review of business licences) to create a requirement for employers to arrange for the shortest possible commute trips (which may even allow for walking or cycling).
- Location efficient mortgages should be explored.

Condo Conversions

- Put limits on condo conversions
- Much affordable housing is lost to condominium conversions. If you add up the affordable units created and subtract the units lost to condo conversions, we are not staying even with demand.
- Condo conversion put more renters back into the market for rental housing, making rents go up even higher as demand increases.

Wages & Housing

- City needs to work towards jobs/housing balance.
- There is a real gap between wages and housing.
- There is a lack of high wage jobs and the job growth areas are in jobs that pay less than 50 – 60 percent median income. The city should be focusing our tax exemption and incentive programs on those making less than 50 – 60 percent median income.
- What is 'affordable' should be better defined. Much of the money from incentive zoning goes towards non-profits that can only spend it on under 60 percent median income. What's lost is the middle, the 60-120 percent media income bracket.

Lessons from Others

- Prosperity Partnership has been working on three efforts that will be helpful to increase the supply of affordable units:
 - 1) Measure how much affordable housing cities are providing and teach cities about tools they can use to provide more

- 2) Waive sales tax for low-income housing development
 - 3) Create a state housing infrastructure fund that creates more infrastructure in places where development isn't possible due to lack of infrastructure
- In New Jersey, each jurisdiction is required to provide a certain amount of housing. This should happen here, as Seattle can't do it on their own.