



Affordable Housing Strategy

Progress Report

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Community Development
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Direction

No action is required.
This is an informational
briefing on the progress of
the Affordable Housing
Strategy.





Agenda

1. Affordable homes achieved
2. Effectiveness of programs
3. Implementation of actions
4. Progress to achieve goal (annual)



August Wilson Place, LIHI - 57 low-income units

Context

- Council's twice-yearly briefing on the progress of the Affordable Housing Strategy
- Bellevue's Affordable Housing Strategy was adopted in June 2017.
- Its 21 actions are organized under 5 inter-related strategies.
- Bellevue has been implementing these actions based on the council approved 2 phase work program.
- The delivery of affordable homes will increase over the implementation period as all the strategies are implemented and gather momentum.

Timeline

- Jun 2017- Council adopts Affordable Housing Strategy (AHS)
- Aug 2017 - Council approves 2-phase work program
- Mar 2017 – Council adopts Eastgate zoning with affordable housing incentive
- Oct 2017 – Council adopts DT Livability zoning with affordable housing incentive
- Feb 2018 – Council update of MFTE
Reviews C-1 Screening Criteria
- Mar 2018 – Council briefing on AHS
- Sep 2018 – Council extends MFTE program



Affordable Homes Realized



Hyde Square, BelRed FAR
35 affordable units



Affordable homes realized

	2017Q1Q2	2017Q3Q4	2018Q1Q2	2018Q3Q4	2019Q1Q2
Council funds 30Bellevue	62				
Council funds Highland Village	76				
ADUs permitted 2017		12			
Park East, DT AH incentive		1			
MFTE application 888-108			8		
DT incentives 888-108			24		
MFTE application Ceresa				31	
ADUs permitted 2018				12	
Total affordable units added/funded					226
Pipeline projects (estimated totals)					
Pipeline incentive units estimate					165
Pipeline subsidy units estimate (land)					80
Pipeline preservation units estimate					240
Affordable units in pipeline estimate					485



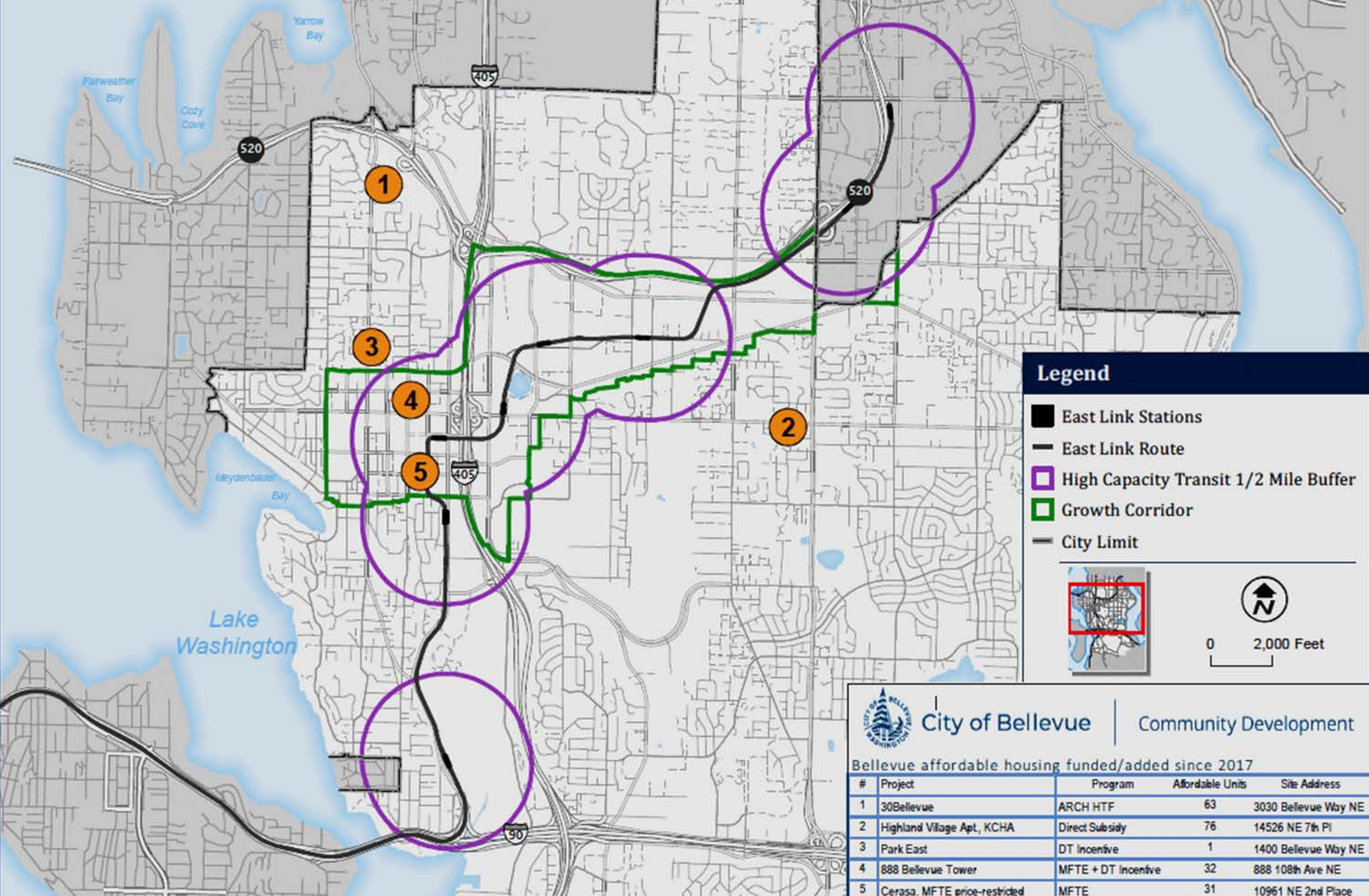
Effectiveness of programs



30 Bellevue, Imagine Housing - 62 low-income units

Effectiveness of programs

Action	Phase 2 Work Program Actions	10-year High Yield	Achieved	Pipeline
C-3	Updated MFTE	650 units, moderate income	39	90
C-1	Development Incentive on suitable surplus, faith based, and non-profit land	(estimated with E-1)		
C-4	Voluntary LU incentive – Downtown	45 units, moderate income	25	35
	Voluntary LU incentive – BelRed	200 units, moderate income		40
	Voluntary LU incentive – Wilburton	200 units, moderate income		
	Voluntary LU incentive – East Main	20 units, moderate income		
	Voluntary LU incentive - Eastgate	10 units, moderate income		
C-2	OMFE and 130 th , surplus transit opportunities	300 units, mostly low income		
A-1	Partner with housing non-profits and agencies to preserve existing affordable housing	(estimated with E-1)	76	240
E-1	Tap additional sources for affordable housing – Direct subsidy and surplus land	700 units, mostly low income	62	80
Action	Phase 2 Work Program Actions			
A-2	Advocate for state legislation to extend property tax exemptions to existing MF	110 affordable units		
B-1	Encourage micro-apartments around light rail stations	200 units, moderate income		
B-4	Consider changes to down-payment assistance program for low-income homeowners	50 units, moderate income		
B-2	Update accessory dwelling unit standards and allow detached units in self-selected neighborhoods	300 units, moderate income	24	
		2,785	226	485



Affordable homes near light rail



Implementation of Actions



Ceresa, MFTE - 31 affordable units

Implemented actions

Action C-4 Eastgate LUCA including incentives for affordable housing

Action C-4 Downtown Livability LUCA including incentives for affordable housing

Action C-3 Update & extension of the Multifamily Tax Exemption program

Action D-2 Changes to state condo statutes to increase condo development

Action E-1 Increased funding for affordable housing

- General fund support for affordable housing of \$412,000 per year
- 2019 – 2023 CIP \$7.5 million or \$1.5 million per year through 2023.
- 2017 – 2023 CIP \$3.5 million or \$0.5 million per year through 2023.

CD and Cross-Department Actions

2019-2020 Expected Work Program

- **TOD at OMFE and 130th. Action C-2** Develop affordable housing on suitable surplus public lands in proximity to transit hubs.
- **HB 1406 Sales Tax Option. Action E-3** Advocate for legislative actions that expand state and local funding tools.
- **East Main LUCA** including affordable housing incentives. **Action C-4** Increase zoning as an incentive to provide affordable units in new development.
- **Zero Lot-Line Townhomes. Action D-1** Revise codes to reduce costs and process time for building multifamily housing.
- **Accessory Dwelling Units.** LUCA limited in scope to removing 3-year requirement for new construction. **Action B-2** Update Accessory Dwelling Unit Standards.



Progress to achieve goal

- There is a robust pipeline for new and preserved affordable units including incentives and direct subsidy.
- The annual number of affordable homes is expected to increase as all the 21 actions are adopted & implemented.
- Current pipeline of affordable units indicates current work program can achieve 10-year goal of 2,500 affordable homes.



Highland Village, KCHA
76 mod/low income family units



Summary

- Bellevue's Affordable Housing Strategy is working, and will gain momentum as all of its actions come online.
- Bellevue's affordable housing needs will gain from a diverse mix of public policy, legislative changes and investments together with private development interests and support.

