



Affordable Housing

Affordable Housing Strategy

Mac Cummins, Emil King, Thara Johnson

Community Development

March 8, 2021



Direction

No action is required for the Affordable Housing Strategy (AHS) update. This is an informational briefing on the progress of the AHS.





Agenda

AHS Update

1. Affordable Housing Strategy Background
2. Affordable Homes Achieved
3. Effectiveness of Programs
4. Implementation of Actions



August Wilson Place (LIHI), 57 low-income units

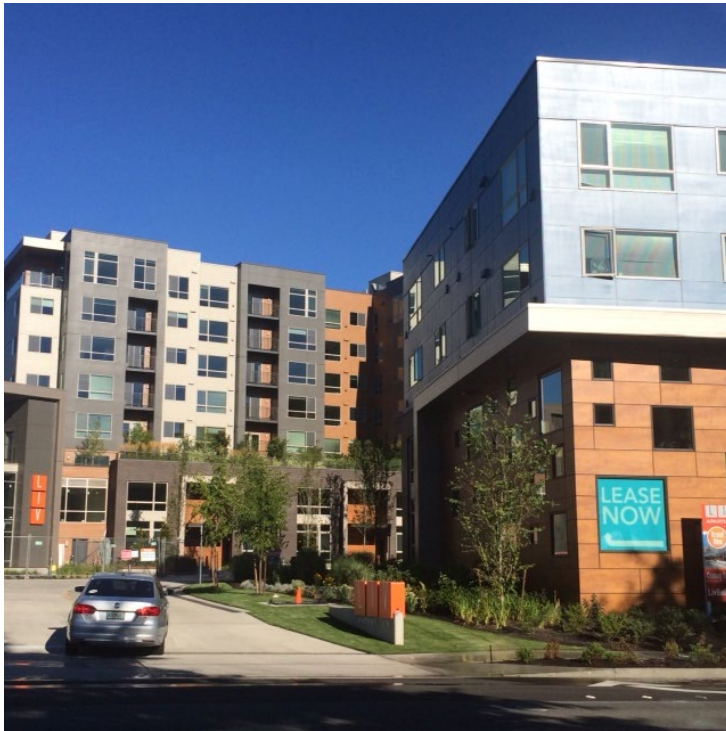


Affordable Housing Strategy Update



Hyde Square, BelRed FAR,
35 affordable units

Context



LIV Bellevue, BelRed FAR, 54 affordable units

- Council's twice-yearly briefing on progress of the AHS
- AHS adopted by Council in June 2017
- 21 actions organized under 5 inter-related strategies
- Bellevue implementing actions based on Council-approved two-phase work program
- Delivery of affordable homes will increase over 10-year implementation period as all the strategies are implemented and gain momentum



Affordable Homes Realized



Eastgate Housing Campus, Direct Subsidy
300 affordable apartments, 100 bed men's shelter



Affordable Units Added/Funded	Date	Units
KCHA Highland Village, preservation	2017 Q2	76
ADUs permitted 2017	2017	12
Park East, Downtown incentive	2017 Q4	1
	2017 subtotal	89
888 Bellevue Tower, MFTE (non-overlapping units)	2018 Q1	8
888 Bellevue Tower, Downtown incentive	2018 Q1	24
Cerasa, MFTE	2018 Q3	31
ADUs permitted 2018	2018	12
	2018 subtotal	75
30Bellevue, direct subsidy	2019 Q2	62
KCHA Kendall Ridge, preservation	2019 Q3	240
Brio, Downtown incentive	2019 Q4	20
ADUs permitted 2019	2019	8
	2019 subtotal	330
KCHA Hampton Greens, preservation	2020 Q1	326
Eastgate Men's Shelter (100 beds), direct subsidy	2020 Q2	100
Inland Polaris at Eastgate, direct subsidy	2020 Q2	298
ADUs permitted 2020	2020	5
	2020 subtotal	729
Units/beds since Affordable Housing Strategy		1,223
LIV Bellevue, Hyde Square - BelRed FAR Incentive	Since 2015	89
Total Units/beds including BelRed FAR Incentive		1,312

Affordable Units Pipeline (unit # estimate)	Date	Units
Pipeline incentive units estimate BelRed and Downtown	2020+	~152
Pipeline MFTE units estimate	2021+	~59
Eastgate single adult apartments	2022+	~80
OMF RFP: KC/\$10M TOD Bond, ARCH/\$4M, ST/land donation, Council Spur property donation	2021+	~200-300
Bellevue & ST partner at 130th for TOD with AH	2022+	~150
Pipeline Total		~741

Bridge Housing “Songbird”,
61 units affordable housing (OMFE developer example from Portland)





Effectiveness of programs



Groundbreaking 30 Bellevue, Imagine Housing, 62 low-income units



Effectiveness of programs

Affordable Housing Strategy Action		10-year High Yield Estimate	Achieved	Pipeline
		2,785	1,312	741
A-1	Partner with housing non-profits and housing agencies to preserve existing affordable housing	Potential for up to 1,000 units, split between low and mod. Available funding estimated at 350 units.	642	
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-2	Update accessory dwelling unit standards and allow detached units in self-selected neighborhoods	300 units, moderate income	37	
B-4	Consider changes to down-payment assistance program for low-income homeowners	50 units, moderate income		
C-1	Increase development potential for affordable housing on suitable properties owned by faith, housing non-profit and public entities.	Potential for up to 1,000 units, mostly low income. Available funding estimated at 350 units.		
C-2	OMFE and 130 th , surplus transit opportunities	300 units, mostly low income		450
C-3	Updated MFTE	650 units, moderate income	39	59
C-4	Voluntary LU incentive – Downtown and BelRed	245 units, moderate income	134	152
	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		
E-1	Tap additional sources for affordable housing, Est. available funding for 700 direct subsidy units included counts above.	Direct subsidy targeted at low income	460	80
		2,785	1,312	741



Implementation of Actions



Cerasa, MFTE - 31 affordable units

Implemented Actions

Action A-1 Preservation of existing, affordable multi-family housing

Action A-5 Review and extension of utility rate relief and utility tax relief programs

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

Action C-4 DT Livability & Eastgate LUCAs with affordable housing incentives

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

Action E-1 Increased funding for affordable housing

- **\$412,000** per year general fund support for affordable housing
- **\$19 million** CIP contingency funds for affordable housing through 2027
- **\$625,000** estimated per year from Council authorization of HB 1406
- **\$9 million** estimated per year from Council authorization of HB 1590

Action E-2 Pursue funding partnerships with employers, financial institutions, foundations and others.



Timeline of Actions



		2017			2018				2019				2020				2021				2022	
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
	Affordable Housing Strategy Adoption of Actions																					
	Affordable Housing Strategy Adoption																					
A-1	Partner for preservation of AH; Preservation Strategy																					
A-2	Legislative Advocacy: extend MFTE to exist MF apts																					
A-3	Promote programs to help seniors and disabled stay in their homes																					
A-4	Increase funding for home repair and weatherization																					
A-5	Promote energy efficiency in design and construction of AH																					
A-6	Expand utility tax relief, utilities emergency assistance																					
B-1	Micro-units update parking requirements near transit																					
B-2	DADU in self-selected neighborhoods																					
B-2	ADU update- 3-year rule, reduce off-street parking																					
B-3	Promote Universal Design in AH																					
B-4	Consider changes to down-payment assist program																					
C-1	Density bonus for faith, nonprofit housing & public surplus																					
C-2	AH at ST OMFE TOD																					
C-2	AH at 130th TOD																					
C-3	Update of MFTE- 2018																					
C-3	Update of MFTE- 2020																					
C-4	Eastgate- Plan and LUCA																					
C-4	Downtown Livability- Plan and LUCA																					
C-4	Wilburton LUCA																					
C-4	East Main LUCA																					
C-5	Reduce cost of building MF- townhome,IOC parking																					
D-1	Reduce cost of building AH- IOC parking, MFTE parking																					
D-2	Legislative Advocacy: change condo liability laws																					
D-3	Change approach to density calculation in MF zones																					
E-1	Additional Funding for AH																					
E-1	Funding Strategy																					
E-2	Pursue funding partnerships with employers, foundations, others																					
E-3	Expand state and local funding tools (SHB 1406, 1590)																					

CD and Cross-Department Actions

Recently Completed Work Program, Community Development and Development Services

Action B-2 LUCA to amend ADU 3-year rule and off-street parking requirement

Action C-5 LUCA for zero lot line townhome regulations



CD and Cross-Department Actions

Continuing Work Program, Community Development and Development Services

- Action C-1** Affordable housing incentive for faith-owned, public surplus, non-profit housing property
- Action C-2** TOD on public lands at OMFE and 130th
- Action C-3** Update Multifamily Tax Exemption Program
- Action C-4** East Main LUCA affordable housing incentives
- Action D-1** LUCA reducing MF parking near transit and revising codes to reduce costs and process time for building MF housing
- Action E-3** Developing program to utilize 1590 funds





Summary

- Affordable Housing Strategy is working and will gain momentum as all actions come online.
- Progress to date indicates we can achieve beyond 10-year goal of 2,500 affordable homes **and make a greater impact in addressing need.**
- Actions achieved through mix of public policy, legislative changes and investments together with private development interests and support.



KCHA Kendall Ridge, 240 units Preservation



Direction

No action is required.
This is an informational
briefing on the progress
of the AHS.

