

## King County

1200 King County Courthouse 516 Third Avenue Seattle, WA 98104

## Legislation Text

File #: 2019-0377, Version: 3

Clerk 10/16/2019

A MOTION requesting the executive to conduct a study that identifies concrete actions that King County can take to develop and retain existing affordable housing in Skyway-West Hill and North Highline.

WHEREAS, the Joint Center for Housing Studies of Harvard University has stated that a large and growing share of United States households cannot find housing that they can afford, and

WHEREAS, the Haas Institute for a Fair and Inclusive Society defines "linkage fees" as fees that cities charge on new development to account for the increased demand for governmental services, such as affordable housing; those fees are also often referred to as "impact fees," and

WHEREAS, in 2016 the Center for Housing Policy defined inclusionary housing programs as generally referring to "city and county planning ordinances that require or incentivize developers to build below-market-rate homes (affordable homes) as part of the process of developing market-rate housing developments" and cited that more than five hundred local jurisdictions in the United States that have implemented inclusionary housing polices, and

WHEREAS, the regional affordable housing task force's 2018 five-year action plan includes a recommendation for King County to "coordinate with local housing authorities to use project-based rental subsidies with incentive/inclusionary housing units to achieve deeper affordability," and

WHEREAS, the regional affordable housing task force's 2018 five year action plan defines inclusionary zoning as a wide range of policies that link the production of affordable housing to the production of market-rate housing. Most programs provide incentives, such as density bonuses, in exchange for a certain percentage

of units to be affordable for low- or moderate-income households, and

WHEREAS the regional affordable housing task force's 2018 five year action plan includes a recommendation to "make available at no cost, at deep discount, or for long-term lease, under-utilized property from state, county, cities and nonprofit /faith communities," including a recommendation to "expand coordination to identify, acquire and develop property for affordable housing," and

WHEREAS, the regional affordable housing task force 2018 five year action plan also states that communities of color and renters are disproportionately likely to be severely cost burdened, paying more than half of their income toward housing costs, and renters are more likely than home owners to be severely cost burdened, and

WHEREAS, the regional affordable housing task force's 2018 five year action plan was accepted by the council with Motion 15372, and

WHEREAS, the city of Seattle recently issued executive order 2019-02, Actions to Increase Affordability and Address Residential Displacement, which mandated that Community Preference be implemented in the leasing and sale of city-funded rental and ownership housing located in high risk of displacement neighborhoods and be consistent with local, state and federal Fair Housing laws, and

WHEREAS, the Harvard Joint Center for Housing Studies defines "community land trusts" as placebased nonprofits that hold land in perpetuity on behalf of a community and with the ability to help preserve affordability in hot markets and help revitalize neighborhoods in cold markets, and

WHEREAS, the Skyway-West Hill and North Highline communities are among the most racially, ethnically and economically diverse in King County, including being home to significant immigrant and refugee communities, and

WHEREAS, in 2014 and 2015, King County Motions 14421 and 14351 called for a comprehensive update to the West Hill Community Plan, and the community developed a local action plan called the Skyway-West Hill Action Plan, and

WHEREAS, the 2016 King County Comprehensive Plan adopted a Workplan Action that directed the county to work with the community to review the Skyway-West Hill Action Plan and to update the West Hill community Plan within the context of the new subarea planning program, and

WHEREAS, the executive's proposed Skyway-West Hill Land Use Subarea Plan that was released for public review in July 2019 states that among the action items the County will undertake is the creation of an equitable housing development program, which will focus on retaining and creating affordable housing and consider options for thresholds for mandatory inclusionary housing, and

WHEREAS, the John D. and Catherine T. MacArthur Foundation and the Urban Institute have provided research on how housing matters to other pivotal drivers of individual and community success and have defined "no net loss" policies as one-to-one replacement of affordable units lost in development, and

WHEREAS, the Community Reinvestment Act was passed in 1977 and requires the Federal Deposit Insurance Corporation to assess an institution's record of helping to meet the credit needs of the local communities in which the institution is chartered, and

WHEREAS, New York City has had community preference policies in place since the 1980s that set aside units for neighborhood residents during initial leasing, and

WHEREAS, the King County Comprehensive Plan requires a community service area subarea plan be developed and transmitted for approval to the council for the urban unincorporated areas of Skyway-West Hill in 2019 and North Highline in 2020;

NOW, THEREFORE, BE IT MOVED by the Council of King County:

A. The council requests that the executive conduct a study, including a feasibility and legal analysis that identifies concrete actions that King County or King County in partnership with other agencies, can take to develop and retain existing affordable housing in Skyway-West Hill and North Highline. As part of the study, the executive shall identify concrete recommendations that can be implemented in the next three years for each of the following:

- 1. Implementing mandatory or voluntary inclusionary zoning legislative strategies that include:
- a. A goal of a minimum of seven hundred affordable units, with a focus on two or more bedroom units, at fifty percent of the area median income or below, with area median income to be calculated in the same manner traditionally determined by the department of community and human services, over the next ten years in Skyway-West Hill and North Highline;
  - b. A proposal for a commercial linkage or impact fee on developers; and
- c. A proposal for King County to provide a density bonus to developers, such as additional square footage, more units per acre or other benefits as determined by the executive;
- 2. Implementing local and inclusionary employment prioritization strategies, like priority hire or community workforce agreements, specifically for new affordable housing developments that are greater than \$15,000,000 in Skyway-West Hill and North Highline;
- 3. Implementing a community preference policy for local neighborhood residents impacted by new development that encourages prioritization of members of the surrounding neighborhood to be housed in any new affordable housing developments in Skyway-West Hill and North Highline;
- 4. Increasing home ownership strategies through innovative strategies developed in partnership with the community, that includes:
  - a. Rent-to-own strategies;
  - b. Community land trusts; and
  - c. Down-payment assistance programs;
  - 5. Expanding property tax exemption opportunities for low-income seniors;
  - 6. Strategies to implement community land trusts, including:
- a. A proposal for a year-long community engagement process with monthly meetings to ensure that the North Highline and Skyway community voices are being included in the process to shape any possible strategy; and

- b. Exploration into a variety of potential funding sources for such a community land trust, including the Community Reinvestment Act moneys, a possible property tax or a capital gain fund; and
  - 7. Implementing "no net loss" provisions for the development of affordable housing units.
  - B. In addition, the King County executive shall:
- 1. Utilize the equity impact review tool developed by the office of equity and social justice in developing the study;
- 2. Determine any outreach and communication needed to implement the proposed legislation or policies by consulting with a wide array of stakeholders in the Skyway-West Hill and North Highline communities;
- 3. Work with the department of local services, the office of equity and social justice and the department of community and human services to ensure coordination in the implementation of any recommendations from this study and minimize any possible disproportionate impact to communities of color;
  - 4. Identify whether the recommendations in the study require supplemental budget appropriation;
- 5. Evaluate whether the recommendations in the study should be tested through a demonstration project or projects in Skyway-West Hill or North Highline. The demonstration project ordinance shall include deliverables, evaluation criteria and timing; and
- 6. Identify recommendations and strategies in the study that the county can take to maintain the current demographics of both race and income level in North Highline and Skyway-West Hill as of the date of passage of this motion;
- 7. Identify recommendations and strategies in the study that the county can take to maintain or improve economic opportunity or income level, without further displacing communities from North Highline or Skyway-West Hill.
- C. The King County executive is requested to transmit to the council the study and additional deliverables requested in sections A. and B. of this motion and a proposed motion that should accept the study,

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within one year after the date of passage of this motion. The executive is requested to transmit to the council any proposed ordinance or ordinances that are necessary to implement the recommendations in the study no later than December 31, 2021. The study, proposed motion and proposed ordinance or ordinances should be filed in the form of a paper original and an electronic copy with the clerk of the council, who shall retain the original and provide an electronic copy to all councilmembers, the council chief of staff and the lead staff to the health, housing and human services committee or its successor. Should the executive need additional time to meet the legislative objectives of this motion, the executive shall provide a quarterly written report on its progress to the clerk of the council, who shall distribute the report to all members of the health, housing and human services committee, or its successor, until the executive has satisfied the requirements.