

Housing News

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Housing News is a publication of the Housing Development Consortium of Seattle - King County
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“The Voice for Low Income Housing in King County”

Quickly Celebrate, Then Get Back in Gear!

Housing did very well in the State Legislature--the Housing Trust Fund came out intact, a new local source was created, the mobile home relocation fund was restored, the insurance 'cure' bill passed, the growth management amendments passed. In fact, this was one of our best years for legislation.

But a gaping gulf is just down the road. In order to deal with this budget, legislators had to make some serious cuts in the health and human service programs our residents rely on. They also did not pass the utility tax bill which would have kept King County from having to make severe cuts in county housing and human services. Thus, the NEW local funding source may end up as the BACK-FILL local funding source! Further, the Legislature had to pretty much do away with the Initiative 601 restrictions on spending, causing supporters to announce a campaign to reinstate 601 as a fall ballot initiative. And, the Legislature put mega-bucks transportation spending on the November ballot. Seattle's housing levy will have some interesting competition!

Next year the Capital Budget will shrink significantly, assuming revenues continue their downward slide and the legislature sticks to its 7% debt limit. With so many transportation projects vying for a slot, the Housing Trust Fund may not even get in the race.

So, read on...

Local Funding Source for Housing Reality at Last!!!!

The document recording fee bill (HB 2060) passed both the House (68-29) and the Senate (29-16) and awaits the Governor's signature. This was a big victory for housing in a year with tight budget constraints. The bill is the result of over a decade's worth of effort to create a local funding source for affordable housing. The bill will create a \$10 fee on all documents records by county auditors and is

expected to raise around \$14 million a year statewide.

In the face of many state budget cuts and a legislative unwillingness to create new taxes, passage of this bill demonstrates the importance of working with our state legislators. Thirty-seven King County legislators voted for this bill! It also was extremely helpful to have the **Washington Association of Realtors'** support. Special thanks are owed to **Nick Federici** and **Seth Dawson**, the lobbyists for the **Washington Low Income Housing Congress** and **Washington State Coalition for the Homeless**.

County auditors will retain five percent of the fee revenue for administrative costs. Of the remaining funds, forty percent will go to the Office of Community Development to support the operation and maintenance of extremely low-income housing, with at least 30% directed to rural areas. The remaining 60% of the funds will stay in the county in which it was collected and may be used for locally specified low income housing needs.

In order to make it through the legislative process, several amendments were made. The Senate amended the bill to direct OCD to use part of its portion to fund the state's Emergency Shelter Assistance Program (ESAP) and teen shelters. This will leave about \$2.7 million for undesignated operating support. Advocates would have preferred to see the ESAP and teen shelter money come from the general fund. However, given the budget difficulties, this was seen as a fair compromise and a way to ensure that important programs were not cut. The bill was also amended to prohibit the funds being used for construction of new housing in areas where the vacancy rate for available low-income housing rises above ten percent. The legislation directs the Real Estate Research Center at Washington State University to provide this market analysis.

The local portion of the money is to be distributed through an interlocal agreement between each county and its cities and must be consistent with countywide and local housing needs. King County, Seattle and the suburban cities will have to

craft such an agreement for the approximately \$2.2 million for this program in our area each year. The new fees will be collected starting July 1. HDC would like the funds distributed through existing housing program administrative systems, rather than a new system. One option is to borrow the language from an already existing interlocal agreement between King County and all the suburban cities for the distribution of HOME funds and remodel it to include Seattle for this new funding source. But on what basis should the funds be allocated? By the number of documents recorded in each jurisdiction? By the need in each area? By the projected growth? HDC will be gathering data on this soon, in order to prepare an approach to propose to our local elected officials.

King County Budget Will Be BAD

King County's budget hope--a bill authorizing counties to tax utility usage like cities have--did not pass in the legislative session. A 1% tax would have raised \$38 million annually for King County, which is facing continuing severe revenue shortfalls. Their budget office projects a shortfall of \$45-50 million in 2003 and at least \$28 million in 2004. The King County Executive is currently considering options such as eliminating the Housing Opportunities Fund (\$3 million), all county-provided human services (\$12 million), all parks (\$20 million), and all arts funding (\$1.3 million), plus 9% cuts in law, safety & justice, and general government to cover the \$78 million necessary for the next two years. Alternatively, 50% cuts in housing, human services, parks and arts, plus 13% in law, safety, justice and general government would add up to \$73 million, according to an earlier Council staff report.

Council staff prepared a study earlier this year showing how approximately this amount could be raised simply by changing policies and procedures in the criminal justice/courts system. The county is required to provide this system, but the state does not dictate all the details of how it is done. Two study groups will shortly recommend ways to streamline the system, including reducing the number of highly expensive repeat offenders. It costs the taxpayer \$80/day for each offender to be in jail.

The State Budget: It Really Is as Bad as You Think

The good news about the budget is that the Housing Trust Fund was not cut. But don't breathe too big a sigh of relief. In order to close the \$1.6 billion gap in the budget, legislators had a lot of tough decisions to make. To increase revenue the legislature choose to join a multi-state lottery (\$24

million), repeal three business tax exemptions (\$29 million) and sell a large portion of the state's \$5 billion in future tobacco-settlement payments (gaining \$450 million right now but a larger amount further down the road). The budget also relies on shifting \$325 million for the emergency reserves to the general fund, leaving only \$50 million in emergency reserves. They also made a large number of cuts, including \$180 million in cuts to more than 60 social service programs. These cuts could have huge impact on the low-income populations that HDC members serve. They include: \$24 million from monthly supplements to the disabled, \$4 million from an alcohol and substance abuse programs, \$10 million from juvenile rehabilitation, \$19.5 million from the mental health division. There were also cuts made to OCD, the Department of Health, and the Superintendent of Public Instruction. One dismaying thing about these cuts is that up to \$8.7 million in leveraged funds from the Federal government or other programs was lost. These cuts create a Catch-22: they respond to recession-induced revenue shortfalls, but the recession will create a greater need for these very social services.

Unfortunately this may not be the end of the cuts. The legislature failed to pass a five percent increase of the tax on hard liquor and cocktails. This means that the budget is \$40 million away from being balanced. Therefore, expect Governor Locke to make further cuts.

The legislature will be sending a \$7.7 billion statewide transportation package to voters this fall. (This is in addition to an \$8.7 billion package targeted for the Puget Sound). The package would include a 9-cent increase in gas tax. Should these measures fail the state will find itself in even more trouble next year.

This picture means that housing advocates must ready themselves for a tough HTF fight next year. The prediction is that even with an economic rebound, the state will not see revenue levels climb back up to 2001 levels for several years. In order to secure the current HTF level we will have to use all our grass roots strength and power.

End of the Session State Legislative Round-Up

Although the state budget continues to look grim (see story above) this was a productive year legislatively for housing. Not only did a local funding source get enacted but victories were won for mobile home park tenants, and more effective affordable housing friendly initiatives put in place. It is because of the grassroots support of people like HDC members that these positive changes occur. Good work everyone!

H.B. 2466 - Passed by the legislature, this bill expands the multi-family tax exemption to cities of 30,000 people and above and allows cities to limit the tax exemption to individual dwelling units that meet the city guidelines for the program when these parcels are separate for purpose of property tax exemption. This bill was supported by the City of Seattle to benefit lower income condo buyers.

H.B. 2697 - Passed by the legislature, this bill requires cities under GMA to add an economic development element to their comprehensive plans, and also requires that the housing element identify the number of housing units necessary to manage projected growth.

S.B. 5345 – Passed by the legislature, this bill will provide about \$400,000 each year for relocation assistance of mobile home park tenants whose parks close. The funds will come from a \$100 fee on the sales of mobile homes within parks. Recently this fund had dwindled to almost nothing, so this bill provides a modicum of protection for low-income residents whose parks are redeveloped or closed.

S.B. 5965 – Passed by the legislature, this bill represents another victory for local funding of affordable housing. The bill allows counties where voters approve conservation area taxes by 2003 to impose by countywide vote an additional 0.5 percent Real Estate Excise Tax on homes sales. The funds created by this additional tax would be dedicated to funding low-income housing. San Juan County is the only county to qualify for imposing this tax. They expect to raise approximately \$867,000 a year. Although it only effects one county, advocates are excited about the precedent for local source funding set by this bill and about the possibility of expanding its scope in the future.

S.B. 6409 - Passed by the legislature, this bill provides contractors with the right to cure construction problems before lawsuits are filed. HDC supported this bill hoping that it might help to control escalating insurance costs.

S.B. 6630 – Passed by the legislature, this bill clarifies the electrician licensing requirements, and is less onerous than the original, reducing the impact on property management costs.

Four King County Legislators Retire

Four King County Legislators have decided not to run for re-election. Sen. **Dan McDonald**, R-Yarrow Point, has been in the legislator for 24 years and is minority leader of the Senate. Rep. **Ida Ballasiotes**, R- Mercer Island, has been in the House since 1992. Rep. **Maryann Mitchell**, R-Federal Way, a leading opponent of the Democrats'

transportation plan, was first elected in 1991. Rep. **Kip Tokuda**, D-Seattle, is leaving the legislature, after four terms, to take a job a director of family and youth services in Seattle's Human Services department. With tight majorities in both houses these will be important races for housing advocates to follow.

Affordable Housing and Baseball

On September 16th a gang of non-profits, wearing their housing costumes, will be in the stands to cheer on the M's and promote affordable housing. Look for us at Affordable Housing Day at the Mariners!

Federal Legislative Update

Source: National Low Income Housing Coalition Memo to Members, 3/15/02, 3/22/02.

H.R. 3995 -Housing Affordability for America Act of 2002 – Rep. Marge Roukema (R-NJ) introduced this bill this week. The bill seeks to improve several existing programs, including HOME, public housing, and vouchers. The bill includes "Thrifty Production Vouchers" (TPVs) which cover operating expenses for 25% of the units in a property. The TPVs would only serve extremely low-income residents and projects would agree to accept the subsidy for 40 years. The bill would also adjust the amount that a Section 8 voucher holder can pay in rent from 40% of adjusted gross income to 40% of gross income.

Steinbrueck Wins Award

On March 19th Seattle City Council President **Peter Steinbrueck** was awarded the National Alliance to End Homelessness's Public Sector Achievement Award. The Alliance recognizes four individuals or organizations that have made a significant impact on preventing and ending homelessness. The award acknowledges Steinbrueck's efforts to provide programs that assist people out of homelessness and his work with the Safe Harbors program. Congratulations Peter!

National Coalition for the Homeless Opposes Bush Administration Plan

In "Poverty Versus Pathology: What's Chronic About Homelessness" the National Coalition for the Homeless outlines its opposition to the Bush Administration's plan to end "chronic" homelessness.

The report charges that by using the term "chronic" the government treats homelessness as a medical condition or disease, when the root causes of the problem are fundamentally economic. People do not become homeless because they are mentally

ill or disabled but because the housing and income-support need by low-income people with disabilities is in such short supply.

The report criticizes the administration's plan for creating a contradiction in federal policy between prioritizing the "chronically" homeless and meeting locally prioritized needs. They also feel that the policy is short sighted. The report points out that children and youth make up 39% of the people who experience homelessness each year. If these individuals are not helped, they are at a greater risk of becoming disabled in the future. The report calls on Congress and the White House to abandon the terminology and its misguided policies and to focus on the underlying causes of homelessness: lack of affordable housing, insufficient incomes and inadequate health care.

To read the entire report visit:
www.nationalhomeless.org/chronic/full.html.

Community Meetings on the City Budget

The City of Seattle faces a probable General Fund shortfall of \$30 million in FY2003. Mayor Nickels has asked City departments to identify spending cuts. The Human Services Department will be holding two community meetings to gather input on the hard choices that need to be made.

March 26, 10am-Noon, Delridge Community Center, 455 Delridge Way SW

March 27th, 10am-Noon, Garfield Community Center, Multi-purpose room

For more information please contact: Marilyn Littlejohn at 206/ 615-1751.

Fact of the Month

Source: National Low Income Housing Coalition Memo to Members, 3/1/02.

FY2003 Total Homeownership subsidy through tax exemption: **\$107 billion**

\$107 billion is 19 times the Federal Budget for cancer research.

\$107 billion is three and a half times the HUD Budget.

\$107 billion is more than the combined budgets for Medicaid, Food Stamps, TANF, and SSI for FY2003.

Workshops, Seminars & Conferences

EnvironDesign6 Conference, April 3-5, Convention Center, Seattle. The conference showcases all that is truly revolutionary about what's happening to place environmental stewardship front and center into mainstream corporate America. It combines keynote speakers, concurrent workshop sessions, a Product Learning Center and networking opportunities. For more info visit www.isdesignet.com/ED/.

Pacific Northwest Regional Council of NAHRO Annual Conference, April 22-24, Portland, OR. Save the Date! For more information visit www.pnrcnahro.org.

Greening Seattle's Affordable Housing, April 26, 9:00am-5:00pm, The Mountaineers, Seattle. Presented by Impact Capital and the Seattle Office of Housing. The morning session will present the ABC of Sustainable Building. The afternoon session will focus on a new Office of Housing initiative to promote common sense building practices in low-income housing. Cost: \$40 per person. To register contact Carrie Byron at carrie@impactcapital.org or at 206/ 587-3200 ext. 113.

2002 Washington Policy Conference and Lobby Day, April 29-30, Washington, DC. Sponsored by the National Low Income Housing Coalition and the National Coalition for the Homeless. Whether your interested in preservation of existing affordable housing, living wage laws, housing for elderly and disabled people, Section 8 voucher use, rural housing, smart growth, or many other topics, you will find important insights and information at the 2002 Policy Conference. Costs: \$170-\$270. For more information or to register visit www.nlihc.org.

National Coalition for Homeless Veterans Annual Membership Meeting & Conference, April 30-May 2, Washington, DC. This event provides valuable training workshops and expert-led discussions on topics that are of concern for service providers of homeless veterans. Cost: \$225. To register call 202/ 546-1969.

Design and Development for Project Managers, May 6, Seattle, WA. Presented by Impact Capital, this course focuses on evaluating various models of housing production and learning a systems for qualifying and selecting architects and engineers. Participants will practice clarifying design standards and reviewing AIA contracts and the modification that can empower the owner. Cost: \$125. To register call 206/ 587-3200 ext 113.

Cost Reduction Techniques, May 7, Seattle, WA. Presented by Impact Capital, this course will help participants win the constant battle between housing costs and the bottom line. The class will investigate affordable construction management techniques, value engineered materials, and creative solutions to help redesign jobs to lower total cost. Cost: \$125. To register call 206/ 587-3200 ext 113.

Housing California Conference, May 7-9, Sacramento, CA. California's annual statewide conference featuring 62 workshops. Cost: \$200. To register visit www.housingca.org.

Washington State Coalition for the Homeless 12th Annual Conference, May 8-10, Yakima, WA. Hear four amazing plenary speakers, choose from five additional workshops, make important connections with colleagues. Cost: \$150. Some scholarships available. For more information call 253/ 572-4237 or email wsch@earthlink.net.

Contracting with Public Entities In Washington, May 22, Seattle, WA. This one-day seminar will cover practical approaches to public works construction contracting. Cost: \$289. To registers visit www.lorman.com.

Energy Out West, May 20-24, Spokane. Join the Western Regional Weatherization Network and learn the most current tips, tricks and practices for doing energy retrofits on the housing stock in your area. Find out what is going on in the energy efficiency world from beginner to advanced, in the class room, and with hands-on tutorials. For more information call 253/ 445-4575.

Developing an Emergency Procedures Plan and Working with the Media, May 24, 9am-4pm, Seattle, WA. Presented by AHMA this one-day course enables those working in affordable housing to plan and prepare for emergencies that might involve their properties. The course provides ideas for establishing a plan and working with the press in a manner that provide information without creating liability for the owner and manager. Cost: \$175 (members of AHMA, HDC, WAHSA and WA-CARH) or \$200 (non-members). To register call 425/ 454-6836.

Design Review for Project Managers, June 3, Seattle, WA. Presented by Impact Capital, this covers ways to manage the relationship between the owner and architect and the general contractor during the evolving design process. Cost: \$125. To register call 206/ 587-3200 ext 113.

Construction Project Management, June 4-5, Seattle, WA. Presented by Impact Capital, topics covered in this class include a review of AIA documentation for field supervision, payment

system and job closeout; communication and negotiation skills for job progress meetings; and an examination of the certificate of occupancy process review techniques. Cost: \$220. To register call 206/ 587-3200 ext 113.

National Alliance to End Homelessness Annual Conference and Training Institutes, July 17-20, 2002. Save the Date!

*****EMPLOYMENT OPPORTUNITIES*****

See www.HDC-KingCounty.org
for up-to-date job announcements!

Business Manager, The Wintonia, Archdiocesan Housing Authority. This position is responsible for facility operations, tenant management, bookkeeping, coordinating with SHA, monitoring contracts, collectibles and payables. Qualifications include: program /financial management experience, excellent bookkeeping/accounting skills, access to car and available to be on-call some weekends, background in subsidized housing programs. Salary: \$25,391-\$28,032 (DOE). To apply send cover letter and resume to : AHA, HR-WIN, 1902 Second Ave, Seattle, WA 98107. **OPEN UNTIL FILLED.**

Facilities/Asset Manager, Low Income Housing Institute. Supervise maintenance dept, capital improvements, property management agents & other asset management functions. Salary DOE. See www.lihi.org for more details or fax resume and cover letter to 206/ 443-9851.

Housing Developer, Seattle Housing Authority. This position will assist in the acquisition, financing, development and construction of non-traditional public housing and other affordable housing development projects, as well as site selection, feasibility analysis, budget/pro forma development, funding applications, loan closing, and the design and construction processes. Qualifications include: four years experience in housing development, financing, budgets and project management, plus a BA in a related field. To apply contact the Seattle Housing Authority at 206/615-3535.

Housing Manager, Archdiocesan Housing Authority. This position is responsible for managing 24 units of housing for large families, in two locations in Renton. These are tax-credit subsidized properties for low-income families. Position may live on site, but must be income-qualified in order to do so. Qualifications include: experience managing rental properties, ability to

work with special needs populations, familiarity with government funded housing compliance guidelines, and excellent verbal and written skills. This position is part-time. Salary: \$1,692 +/-month, DOE. TO apply send resume and cover letter to: AHA, HR-RHM, 1902 Second Ave, Seattle, WA 98101. **OPEN UNTIL FILLED.**

Program Director, The Josephinum, Archdiocesan Housing Authority. This position is responsible for the overall property management and operations of a 222-unit tax credit apartment building in downtown Seattle. Qualifications includes 3 years of experience in residential property management, experience working with low to moderate income populations, BA in Social Services or related field, strong computer skills. Salary: \$36,357 + (DOE). To apply send cover letter and resume to: AHA, HR-JOSPD, 1902 Second Ave, Seattle WA, 98101. **OPEN UNTIL FILLED.**

Resident Manager, Housing Resources Group. HRG seeks a full time resident manager at the Security House Apartments, to provide on-site management of an 107-unit HUD-subsidized high-rise apartment building with a senior population and commercial tenants in downtown Seattle. Qualifications include: apartment management experiences, computer skills, ability to obtain COS certification. Salary DOE. **OPEN UNTIL FILLED.**

**DEADLINE FOR NEWS ITEMS
IS THE 12th OF EVERY MONTH.**