

Housing News

July 20, 2001



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”

How to Host a Candidates' Forum

HDC was looking for a way to make housing an issue in the upcoming campaign. Yesterday we presented a Seattle Mayoral Candidates Forum on Affordable Housing--the first forum of the campaign season and the very first such effort for us. Upon researching nonprofit law, we found that while a nonprofit may not endorse a particular candidate, it may hold a public forum so long as the candidates are treated neutrally. A candidates' forum is an opportunity to educate candidates as well as learn their positions. We decided to have an early date in hopes of getting to the candidates before their housing views were set and to point to the importance of housing. This turned out to be a great way to get the housing issue on the candidates' radar screens.

Here are some of the rules to follow if you are a nonprofit interested in holding a forum:

- Obvious even-handedness must be maintained in all aspects of promoting and holding the meeting or public forum.
- Avoid stating your organization's position or commenting on the candidates' responses.
- Each candidate must be given the opportunity to answer all questions put by your organization.
- All bona fide candidates must be invited. It's a good idea to invite them all at the same time and use the same language in the invitations.
- If you publish a newsletter and circulate it generally only to your own members, you can report candidate's comments as news, provided you report all candidates equally and the story is presented without editorial content.

Our forum, adeptly moderated by KUOW's **Marcie Sillman**, took place on July 19th. Eight of the nine declared candidates participated. Over 200

people came to hear what the candidates had to say on housing.

What follows is a transcription of the first question in the order we asked each of the candidates -- **Q: As Mayor, if you had one dollar spend and you could only spend it on education, housing, and transportation, how much would each of these receive – and why?**

Mark Sidran: Well, as many of you know, City funding sources have been earmarked for education housing and transportation. The voters have approved property tax levies and state funds for school, property tax levies for housing, sales taxes and state funds for transportation. As a result we often can't move the funds around and express our own priorities as freely as we might like. But, you're asking an important question about my priorities to the extent that we have some flexibility and discretion at the City. To tell you the truth I can't answer this question in the abstract because each priority is important and in fact, education, transportation and housing are interrelated. These decisions must be made in context. What education housing, and transportation programs are we talking about? So the best I can do is tell you my criteria for making these decisions. I want to know how much money is available. Where we can get the biggest bang for the buck? Can we leverage other money? Is there a track record of performance by the program or type of expenditure? And is there accountability for producing results? I would use both my head and my heart in making these decisions.

Paul Schell: Well, I agree with Mark. And it's really not about what you support; it's about what you can get done. And I would suggest that if you look at the priorities that I did establish with the Council in the last four years you would see that we quadrupled the money we're spending on transportation. We worked hard to make sure that we had some short-term solutions to deal with the mobility issues. We created

the Office of Housing, doubled the amount of money that we are spending on homelessness initiative. We are using every creative piece that we can to partner with you to create housing all over this city and it's working. We're issuing 6,000 permits for new housing units a year--that's a record. And a significant percentage of those are being done by non-profit housing developers with a focus on workforce housing and subsidized housing. We have raised \$40 million from the Bill and Melinda Gates Foundation to focus on women's needs in transition housing. And I would add on education I personally lobbied for the last school district levy, raised the money for it, went out and campaigned for it, because I think education is the key to the future. We need them all.

Caleb Schaber: Well, if I only had a dollar I would definitely go out and raise some more money! People are giving out plenty of money right now just for the campaigns. Education: I would push for more money for education but that is not something that comes under the office of mayor as much as housing and transportation. I would allow for tent cities until we get a permanent solution. I would take city buildings that haven't been used for two years and have them rezoned for people. So those are a few things we can do that aren't going to cost a lot of money. Transportation: I'm for the monorail, but it'll cost more than a dollar. I would give at least \$25,000 of my income as mayor to charity in the city.

Greg Nickels: I have the same difficulty in trying to make this question make sense given all the priorities that you have to deal with that are much more complex than 33 cents for transportation and 33 cents for this and that. Education is the paramount duty of the State of Washington and the mayor of Seattle should be in Olympia making sure that our schools in the urban area are fully funded, and then we get more than our dollar's worth as a result of that. Housing is something that is primarily something that is done in the private and non-profit sector and the City can have a supportive role and a catalyst role and leverage other funds. Transportation on the other hand is something if the City doesn't do it, no one is going to do, and so I believe that transportation in that question would be my priority. We have a transportation crisis. We need to support our schools. We need to support affordable housing. But we're support roles there. Transportation is our job.

Ernest Mailhot: The candidates have mentioned that it really doesn't make sense to question "one dollar." But isn't this the same thing that the candidates tell us all the time and the officials tell us all the time, "Well, there's only so much money and

we really can't do." You know it's progress, right? Mayor Schell says that they've made progress. Mr. Sidran says that they've made progress. Mr. Nickels pointed out that there are 6,500 homeless in the city. That's progress? What's needed is a massive massive public works program, a government-funded public works program. Instead of billions on a light rail system that won't do anything for transportation, in any real sense, what we need is billions being spent on projects that will build housing, transportation, clinics, hospitals and so on. This is what's needed and the money is there. Instead of spending billions on a military budget including practice bombing of Vicas Island in Puerto Rico which the whole population's against, that money should be used for housing, in this country, in this city and it should be used for transportation and other important developments. And they should hire people at union scale wages to do these projects!

Scott Kennedy: As Mayor, one dollar --I agree with Caleb, that we need a little more. But this is a hypothetical question and I've noticed what I expected to hear, which is what all the candidates say: "Well, they're all important." But the bottom line is there are choices, sadly, that have to be made. And the hypothetical question lies in front of us: How do we prioritize these things? For me the answer is: 40 cents education, 30 cents housing and 30 cents transportation. And the reasoning is I think that an educated public, although it's not under the jurisdiction (understanding the hypothetical question and understanding that I do have jurisdiction over libraries and incentives for schools and independent review boards to help schools achieve goals), I feel that education is the most important, because I would rather not transport and house an uneducated group of people. I'd rather have an educated group of people figuring out how to solve their problems.

Bob Hegamin: We've got a buck. I would give education 5 cents, transportation 15, and housing 80 cents. The reason for that is that education is already getting the bulk of our taxes in our state and if it comes into the city as the question was phrased, "as mayor" (and of course we are the mayor of Seattle so I am assuming the money is going to be spent here in the city), I would still say give education 5 cents, because the education is getting money from the state (at least we assume that they are getting it). The other part of it, 15 cents - we are getting all kinds of gas taxes and state funded transportation allocations. But what about housing? You know nobody ever says anything about housing, because there isn't any money for housing. That is what we are constantly being told. "We have no money for housing, therefore we can't build any."

Christal Wood: Out of the dollar, I view education and housing as relatively equally important. They would get 40 cents each. Of the housing component there would have to be a childcare sub-component. 40 cents going to education, none going to the application of the WASAL. Of the remaining 20 percent going to transportation, 10 cents would go to SEATLAN in fixing potholes and streets, 7 cents would go to in city transit, nothing would go to sound transit, and three cents would go to erecting a toll and the north, south and east arteries during peak hours to make my dollar back. Thank you.

We didn't have time in our forum to ask all the 40 questions submitted by our audience, so we have posted these on our website to show the range of concerns. See www.hdc-kingcounty.org.

WA Loses on Homeowner Subsidies

The federal government subsidizes homeownership by foregoing income tax revenue in the form of deductions for mortgage interest. The Brookings Institution recently released a report entitled, "The Spatial Distribution of Housing-Related Tax Benefits in the United States," which looks at how the tax benefits of homeownership are geographically distributed. Brookings' researchers defined "tax benefit" as the difference between taxes currently paid by homeowners and the taxes they would have to pay if there were no preference for homeownership. This benefit amounts to \$164 Billion nationally every year.

It is to be expected that the rich would receive a larger portion of this benefit as they are more likely to own their own home and those homes are likely to have a higher value. It is also not a surprise that the benefits would be clustered together since neighborhoods are often economically segregated. However, the study found that the benefit distribution is drastically uneven. Less than 20 percent of states and 10 percent of metropolitan areas receive a net benefit.

The few areas that do benefit are located exclusively along the California coast and in the Northeast from Washington, D.C. to Boston. California receives 25% of the national benefits distribution even though only 10% of the country's homeowners live there--\$22 Billion from the rest of the nation, or \$2211 per household. Just three large urban areas (New York City-Northern New Jersey, Los Angeles-Riverside-Orange County, and San Francisco-Oakland-San Jose) receive 75% of all net benefits to metropolitan areas.

Washington State is a loser. It transfers \$582 million a year in tax benefits out of the state, while retaining \$660 million.

The report indicates that the uneven distribution is not solely a result of the tax rate structure. Rather the report sees the inequality as a result of a progressive tax structure interacting with a pattern of housing consumption in which high-income households tend to own disproportionately highly valued homes in a relatively few locations.

To read the full report visit:
www.brookings.org/es/urban/urban.htm

Surplus Sites

In June the City of Seattle sold eight parcels of surplus land in the South Lake Union neighborhood to City Investors (Vulcan Northwest) for \$22.7 million. The City will use this new revenue for transportation and parking (\$20.2 million) and affordable housing (\$2.5 million) in the neighborhood. Housing advocates argued that the percentage of proceeds directed toward housing should have been higher. HDC urged the City make affordable housing the first priority for surplus City land. Such a policy would be in accord with King County, which already favors housing for surplus property. However, King County is reviewing some of its properties with the idea of surplus them and selling them at market rate and not for affordable housing. This would provide some extra funds to offset a \$36 million gap in their general fund. The problem facing local governments is how to balance the need for housing against their increasing budgetary needs. To read more about the use of surplus land, see two of the articles in the attachments.

National Housing Trust Fund

Source: National Low Income Housing Coalition Memo to Members, 6/29 & 7/13

On June 27th Representative Bernie Sanders (I-VT) introduced H.R. 2349 the National Affordable Housing Trust Fund Act. The bill was authored by Rep. Sanders, Rep. Barbara Lee (D-CA) and Rep. John McHugh (R-NY) and sponsored by 44 other Representatives. It is expected that Sen. John Kerry (D-MA) will introduce a Senate version of the bill next week. If passed the National Housing Trust Fund (NHTF) would create a much needed source of funding for the production of low-income housing.

Both bills would create a National Housing Trust Fund using excess revenue from the FHA single-family insurance program and from Ginnie Mae. The NHTF would focus on the production of rental housing for extremely low-income populations, with the goal of creating 1.5 million homes. 75% of fund would be targeted to households at or below 30% MAI with the remaining

25% serving up to 80% MAI. The House bill also requires that 30% of the funds be used for housing people with incomes at or below minimum wage. The House bill allows preservation while the Senate bill focuses only on new production. The House bill also calls for continued operating support from the Section 8 program to maintain the affordability of units once the initial national housing trust fund grant is used up. Both bills require substantial matches from the state and both discourage development that would concentrate poverty. The Senate bill would retain 25% of the funds for a national funding round.

To read the complete text of H.R. 2349 visit www.nhtf.org

Multifamily Rental Loss

Source: The State of the Nation's Housing 2001, p.21. Joint Center for Housing Studies of Harvard University.

Number of units in multifamily buildings with 2 to 4 apartments lost due to conversion or demolition during the 1990s: **1,400,000 units**

New construction between 1985 and 1999 of similar units: **400,000 units**

Net loss: **1,000,000 units**

State Legislature Wrap Up

It seemed like this legislative session would never end. In fact, legislators are still in Olympia trying to solve the state's transportation problems. Given the budgetary restrictions, competing needs, and natural disasters facing the lawmakers, housing had a successful year in the legislature. Thanks to all our members who helped remind their legislators that housing is a basic need.

Here is a wrap of the major housing bills that HDC tracked:

Housing Trust Fund – The HTF was funded at \$78 million, the same level as last year and \$28 million above the Governor's recommendation. Given the chaos in Olympia this year this is huge success. Although this is the same amount as the last budget the funds have been split up differently with a greater proportion of set-asides:

Farmworker Housing- \$8 million

Homeless Families - \$5 million

Developmentally Disabled- \$5 million

Domestic Violence - \$1 million

Self-Help Housing - \$2 million

Weatherization - \$9 million

Convention Center Funds - \$5 million
Unspecified - \$43 million.

These set-aides were pretty much expected, except for the convention center funds limited to King County, which came as a last minute surprise to everyone. The good news is that housing is definitely on the agenda in Olympia. The bad news is that there is movement toward more directed spending.

HB 2098 Property Tax Exemption – Passed.

The bill changes the timing of the exemption, extends the exemption to certain properties overlooked by the original bill and makes several other minor changes.

SB 5196 Bond Cap Increase – Passed. Increase to housing's share of the bond cap.

HB 5936 Document Recording Fee – Not

Passed. The document recording fee, which would have created a local source of funding and set up a small operating fund was defeated, but came very close to passing, much closer than was anticipated. It is hoped that the bill will get through next year.

Federal Update

Source: National Low Income Housing Coalition Memo to Members, 6/29 & 7/13

VA-HUD Appropriations – On July 10th the House Appropriations subcommittee passed its bill for FY02 VA-HUD-IA Budget. The subcommittee reduced the appropriation by \$550 million. Cuts were made to the Housing Certificate Fund, which received \$23 million less than outlined in the President's budget. The subcommittee also reduced the Section 8 reserves from two months to one month. The Public Housing Capital Fund got \$261 million above the President's request, but is still funded at \$455 million less than this year. The Public Housing Operating Fund also received an increase of \$120 million over the Administration's request and \$263 million over last year's funding. This increase included several set asides targeted at preventing drug use and crime in public housing. Shelter+Care renewals were zeroed out. The subcommittee also chose to eliminate the \$25 million HUD Office of Rural Housing and Economic Development, saying that it duplicates USDA programs. The Senate is expected to restore that program. Overall the subcommittee mark up funds many major programs below last year's level and restricts HUD's ability to address the need for low-income housing, especially housing serving the very lowest incomes.

H.R. 2226 - On July 10th the Senate passed a supplemental appropriations bill of \$40 million to address the stall in some FHA-insured development projects due to lack of sufficient credit subsidy.

S. 1163 – Sen. Jon Corzine (D-NJ) introduced S. 1163 which would increase the mortgage loan limits under the National Housing Act for multifamily housing mortgage insurance. The bill was referred to the Senate Committee on Banking, Housing, and Urban Affairs.

Workshops, Seminars and Conferences

AHMA of Washington's Annual Meeting and Conference, August 22-23, Fife. Topics include: Fair Housing, Cultural Diversity, Conflict Management, Transforming Site Managers into Asset Managers, Senior Issues on Site, Town Meeting with Industry Leaders and much more. \$295 per person. For more information contact visit www.ahma-wa.org.

Section 8 Voucher Mastery, September 17-18, Olympia WA. Presented by NAHRO, this seminar will cover all you need to know about dealing with Section 8 vouchers. Cost: \$365. To register or for more information contact Ron Oldham at 206/ 910-0330 or ronaldoldman@msn.com.

SEMAP Training, September 19, Olympia WA. Presented by NAHRO, this seminar will cover all you need to know about SEMAP. Cost: \$210. To register or for more information contact Ron Oldham at 206/ 910-0330 or ronaldoldman@msn.com.

Supporting & Evaluating the Executive Director, September 19, 4:00pm-7:30pm, Seattle. Sponsored by Impact Capital. For more information or to register visit: www.impactcapital.org/training.

Reframing the Affordable Housing Challenge, 2001 Annual Fannie Mae Housing Conference, October 3, Washington, D.C. Save The Date. For more information contact FNFAHC@courtesyassoc.com.

Housing Washington 2001, October 15-17, Sheraton Tacoma Hotel, Tacoma. Some of the top speakers at this year's conference will include Nicolas Retsinas from the Joint Center for Housing Studies at Harvard University, architect Michael Pyatok of Pyatok and Associates, and Charles Buki of the Neighborhood Reinvestment Training Institute. The conference is presented by the Washington state

Office of Community Development in partnership with the Washington Low Income Housing Network and the Blue Mountain Action Council. For more information visit www.wshfc.org/conf, email conf@wshfc.org, or call the conference hotline at 1-800-767-HOME ext. 773.

Financial Management for Non-Profits, October 17-18, 8:30am-5:00pm, Seattle. Sponsored by Impact Capital. For more information or to register visit: www.impactcapital.org/training.

Advocacy Camp 2001, October 29-31, North Bend. Want to sharpen your advocacy skills? Advocacy Camp is a three-day interactive training that will help you become a more effective advocate for kids. This training will build your skills in three key areas: Lobbying, Grassroots Advocacy, and Media Advocacy. The cost is \$150, which covers tuition, materials, room, and board. Space is limited to 55 campers and scholarships are available. We strongly encourage advocates from racial and ethnically diverse backgrounds and advocates who live outside of the Puget Sound area to apply. Applications are now available. Please contact Gabriela Quintana at 1-800-854-KIDS ext.16 or Gabriela@childrensalliance.org for an application and a detailed brochure.

Housing First: Ending & Preventing Family Homelessness, November 5-6, Washington D.C. Presented by Beyond Shelter Inc., co-sponsored by National Alliance to End Homelessness. Save the Date. The "housing first" approach advocates for the immediate relocation of homeless families into permanent housing, followed by up to one year of home-based support after the move to help families stabilize. For more information visit www.beyondshelter.org.

Real Estate for Board Members: The Legal Ramifications of Real Estate Development, November 15, 4:00pm-7:30pm, Seattle. Sponsored by Impact Capital. For more information or to register visit: www.impactcapital.org/training.

*****Employment Opportunities*****
see www.hdc-kingcounty.org for
up-to-date announcements!

Employment Specialist, Plymouth Housing Group This position is responsible for assessing the employment and training needs of participants in the PHG employment program and assisting participants in finding and retaining appropriate employment or job training. Qualifications include: AA or BA in Social and Human Services, experience working with homeless and low-income people. working knowledge of MS word and WA State Driver's License. Salary: \$25,100-\$30,200 + benefits. For more information call 206/374-9409 ext. 102. **OPEN UNTIL FILLED**

Executive Assistant, Common Ground This position will support the Executive Director, Board, fundraising, and marketing efforts. Must be seasoned professional with strong organization, time management, communication skills. Document production mastery critical, website management a bonus. Join a committed group of professionals; enjoy competitive salary and benefits, great work environment. Resume to Common Ground, 110 Prefontaine Pl S #504, Seattle, WA 98104 or fax 206/461-3871.

Finance Manager, Delridge Neighborhoods Development Association This position is responsible for overseeing all aspects of the day-to-day financial matters of this growing community development corporation. Will report to the Executive Director. Qualifications include: 3-5 years bookkeeping or accounting experience, operational knowledge of non-profit accounting practices, knowledge of QuickBooks Pro, MS Excel and Word. This position is half time. Salary: \$17 -\$20/hr DOE. To apply send cover letter, resume and three references to DNDA, 5411 Delridge Way SW, Seattle, WA 98106, attention Paul Fischburg. **OPEN UNTIL FILLED**

Housing Search Specialist, Plymouth Housing Group Assist low-income and homeless applicants with the rental process; assist with rental application intake and screening; as assist tenants to obtain the services they need in their housing. Requirements: AA degree in related field, experience working with the homeless, low-income, mentally ill, chemically dependant, exp. with relocation of low-income resident in compliance with state relocation

guidelines, computer experience; familiarity with community agencies and resources. Salary: \$25,000-\$28,000 DOE. To apply send resume and cover letter to PHG, Human Resources, 2209 First Avenue, Seattle WA 98121. **OPEN UNTIL FILLED**

Managing Housing Developer, Common Ground This senior position includes complex project work, supervising professional staff, seat on management team. Candidates must bring strong housing development skills and successful management experiences. Competitive salary and benefits, great working environment. Send resume to Common Ground, 110 Prefontaine Place S, #504, Seattle, WA 98104 or fax: 206/461-3871.

Resident Companions, Plymouth House of Healing Spend a year living in community with formerly homeless people who struggle with mental illness. Training, room and board, health insurance, and stipend provided. This is an exciting new project of Plymouth Church, the Mental Health Chaplaincy, and Harborview Medical Center. To learn more, call 206-861-1342. To apply, send resume to Plymouth House, 1217 Sixth Avenue, Seattle 98101, fax to 206-622-8726, or email info@plymouthchurchseattle.org. **OPEN UNTIL FILLED**

Resource Development Director, Plymouth Housing Group Manage all aspects of fund development and public relations for established nonprofit housing provider. Supervise 2.5 staff. Required: 3-5 years experience in fund development, public relations and nonprofit senior level management. Proven success in community relations, grant writing, annual campaign management and prospect research. Commitment to housing and human services. Able to work with board and board committees. Excellent oral/written communication skills, follow through. attention to detail, time management. Salary: \$46,000-\$56,000 + benefits. To apply send resume and cover letter to PHG, Human Resources, 2209 First Avenue, Seattle WA 98121. **OPEN UNTIL FILLED**

**DEADLINE FOR NEWS ITEMS IS
THE 12TH OF EVERY MONTH**