

January 29, 2019

Mayor's Office 600 4<sup>th</sup> Ave Seattle WA 98104

Dear Mayor Durkan,

On behalf of the Housing Development Consortium, thank you for this opportunity to comment on the pending plan to revise requirements of what is to be built by the developers for the water system infrastructure and potentially adding system development charges.

HDC is a nonprofit membership organization consisting of more than 175 nonprofit developers, private businesses and public partners who are working to produce or preserve affordable housing in King County. Our members are dedicated to the vision that all people should live with dignity in safe, healthy and affordable homes within communities of opportunity. We appreciate Seattle's work towards achieving this vision through the various departments that include the Seattle Public Utilities (SPU) work on managing and operating the water system serving Seattle retail customers and wholesale customers in nearby cities and water districts. As the department considers analysis on the water service requirements and shares the customer feedback analysis performed to-date with your office, in preparation for a potential system development charge, we have concerns and urge you to consider both equity and efficiency in deciding on this. We invite you to consider the following;

## Protect Low Income households from surcharge on their rent or mortgage

The Puget Sound region is currently experiencing uneven economic growth that has benefited some while pushing many others into housing insecurity or homelessness. In Seattle, as well as other cities, it has come along with a historic need for homes affordable to people of all income levels. However, increasing pressure has been placed on households with low and moderate incomes while preservation and production of affordable housing for them has not kept pace. A system development charge and additional sewer or drainage fees on non-profit developers and housing authorities who are dedicated to increasing housing options for the lowest income households would add an additional cost-burden to the households served. Research shows that low-income households served by high-cost systems, may face exacerbated affordability problems if prices are raised. To alleviate these hardships, it is of critical importance that the administration offers pricing structures that mitigate impacts on low-income households.

Housing Development Consortium of Seattle-King County 1326 5th Avenue, Suite 230, Seattle, WA 98101 206.682.9541 I www.housingconsortium.org

## Exempt Low Income Housing Developers

The state statute governing the rule making, finds and declares that the provision of safe and reliable water supplies is essential to public health and the continued economic vitality of our communities. Low income housing providers have been strategic partners in this principle as they provide safe, healthy and high-quality affordable homes to the low- and moderate-income households and thus fully ensuring healthy housing. As you consider the requirements changes and interpret the state statute, we urge you to consider ensuring access to essential services for all residents and improving their health by exempting low income housing developers from an additional cost that may add on to the myriad of impediment costs to their development projects.

HDC members have partnered with the city for more than three decades to meet the growing housing need in our community. We are extending an invitation to the city of Seattle to continue this commitment of ensuring dignified lives for all people. This is your opportunity and your decision.

We thank you again for the opportunity to comment on this critically important issue and we look forward to continuing to work with you on ensuring that Seattle remains a diverse, inclusive, and affordable community for people of all incomes.

Sincerely,

Martin J. Kovietin

Marty Kooistra Executive Director Housing Development Consortium of Seattle-King County

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