Federal Stimulus Will Bring Millions for Housing into Washington State

By Joshua Okrent

On February 13, Congress passed HR 1, the American Recovery and Reinvestment Act of 2009. This legislation totals $787 billion and is designed to stimulate the economy, create jobs, and help strengthen the safety net for Americans, including homeless Americans. HR 1 includes $168.6 million given to the U.S. Department of Housing and Urban Development for communities in Washington state. Other funding directed toward Washington state is expected to create or save an estimated 75,000 jobs, provide half a billion dollars for highway, road and bridge construction and bolster the state’s Medicaid program with a $2 billion infusion of federal cash.

“This is a jolt for the economy,” Sen. Patty Murray, D-Wash., said of the stimulus package, while cautioning it won’t solve all the nation’s economic problems. “It won’t turn everything around in a month, two months or six months. But it will help us start to turn the ship around.”

On February 17, Senator Maria Cantwell, D-Wash, was joined by local housing advocates to discuss how Washington state housing groups would benefit from passage of the American Recovery and Reinvestment Act. “Our homes are foundations for our families and anchors for our communities, and this bill will allow affordable housing organizations throughout the state to keep affordable housing construction on track.”

Currently, in Washington, there are 11 housing projects at risk of not having adequate financing; these projects involve 534 units of needed affordable housing. The American Recovery and Reinvestment Act will help state agencies to fill that financing gap so these projects can continue on schedule. The National Association of Homebuilders estimates that the construction of a 100-unit housing project creates 151 local jobs. By keeping the development of these 534 units in the pipeline, this bill will preserve 801 jobs in the state.

“We believe that the Recovery Act will really make a positive difference for housing in our state – whether it is adding to the stock of low-income housing, assisting first time home buyers, or employing people to make energy-saving retrofits. We are ready to put this stimulus to work in our local economy,” said Tom Tierney, Executive Director of the Seattle Housing Authority.

Gov. Chris Gregoire said the Act will help create much needed jobs and pump critical dollars into the local economy. “We desperately need help and we need it now,” Gregoire said.

With the state facing an $8 billion budget shortfall that is expected to worsen when
HUD Allocates $168M for Washington Projects

By Katie Zemtsell

In late February, the U.S. Department of Housing and Urban Development allocated nearly $10 billion of $14 billion that they received from the federal stimulus package. Jurisdictions in Washington state will receive a total of $168.6 million.

Programs in Washington receiving funds include:

- **Public Housing Capital Fund Program.** Washington state’s 29 housing authorities will receive $40 million to develop, finance and modernize public housing in their communities. The money is to be spent on energy-efficient modernization and on large-scale improvements to public housing developments, including critical safety repairs. Recipients include the Seattle Housing Authority at $17 million, the Housing Authority of King County at $7 million and the Housing Authority of the city of Tacoma at $4 million.

- **Native American Housing Block Grant.** Thirty tribal organizations in Washington will get $15 million for energy-efficient modernization and renovation of housing.

- **Lead Hazard Reduction/Healthy Homes.** King County, Spokane and the state of Washington will receive $7 million to support HUD’s lead-based paint reduction and remediation work.

- **Tax Credit Assistance Program.** Washington will get $43 million for TCAP grants, which will help state housing finance agencies kick-start stalled affordable rental housing projects that rely on Low-Income Housing Tax Credits. Agencies will distribute funds, with priorities given to projects that can begin construction immediately.

- **Project-Based Rental Assistance.** Washington will get $22 million for 160 Sect. 8 project-based housing contracts. This will enable owners to improve existing housing projects.

- **Community Development Block Grant Program.** Thirty grantees in Washington will share $16.3 million, which will go towards community development priorities like improving key public facilities or rehabilitating affordable housing. Seattle will get $3 million, Spokane will get $1 million and the state will get $4 million.

- **Emergency Shelter Grant Program/Homelessness Prevention.** Ten grantees in Washington will share $25 million to help house homeless persons and families who enter shelters.

HUD will also temporarily increase the loan limits on mortgages insured by the Federal Housing Administration up to $729,750 to keep credit flowing to families whose options are limited by the current crisis. Increased loan limits are applicable to all FHA-insured mortgage loans endorsed until Dec. 31.

In total, HUD will distribute $14 billion nationwide to projects and programs it administers. The funding is primarily formula-based, meaning it is allocated using set criteria that does not require grantees to apply for funds. HUD said because of this, funds can be allocated very quickly.

The remaining 25 percent of HUD’s funds will be competitively awarded later this year and will be used to build on President Barack Obama’s priorities to promote green jobs and mitigate the effects of foreclosures on communities.

Leland Jones, spokesperson for HUD, said the different programs will come with different timelines of when money must be spent. “Both the Congress and president have placed the highest priority on getting dollars out the door as quickly as possible,” he said. “Sooner is a whole lot better than later.”

Katie Zemtsell is a staff reporter at the Seattle Daily Journal of Commerce. For more information or to see grantees in any of the above programs, visit http://www.hud.gov/local/index.cfm.

Federal Stimulus Will Bring Millions for Housing into Washington State continued from page 1

new estimates are unveiled in coming weeks, Gregoire said the Medicaid funding alone could pump at least $2 billion into the state’s general fund. But Gregoire said she and the Legislature will still face a significant deficit.

In addition:

- The White House said the Act would save or create 75,000 jobs in Washington state;
- About 2.4 million taxpayers in the state will receive tax cuts, $400 for individuals and $800 for couples;
- $2 billion in additional Medicaid funding will allow the state to avoid critical cuts in programs for the state’s most vulnerable.
- More than 400,000 unemployed in Washington state would receive a $100 monthly increase in their unemployment benefits, according to congressional offices. More than 44,000 unemployed in the state would be eligible for extended benefits.
- The $500 million or so in funding for road, highway and bridge construction could save or create 5,200 jobs over the next two years, said Paula Hammond, the state’s transportation secretary. Hammond said between 30 and 40 percent of the funding will go to local governments.
Housing is Economic Stimulus

By Paul Boden

We need calls demanding that a share of economic recovery funding be given directly to local organizations to develop desperately needed housing and community spaces.

Change is certainly in the air these days. A president who understands that the phrase “economic recovery” is more than just a buzzword for tax cuts and bailouts for corporations and wealthy people represents perhaps the biggest, and some would argue the most important change — and it offers an opportunity for struggling communities.

President Barack Obama has promised to create the largest public works construction project since the creation of the federal highway system in the 1950s. He has talked about funding work on everything from schools to sewer systems, from green jobs to ensuring that every American has access to a college education. All this is incredibly good news for the country as a whole.

My concern is that homelessness has received very little mention, although more than 3 million people experience homelessness every year. Family homelessness, in particular, is on the rise, with 16 cities (out of 25 surveyed in a recent report) reporting an increase in the number of families forced out of their homes. And yet there seems no clear plan for using economic recovery programs to restore the draconian cuts in federal affordable housing funding. Since 1978, those programs have been reduced by $54 billion a year. And there’s no plan to show how addressing homelessness can and should be part of the economic revitalization of local communities.

Many of us watched in despair as our issues were ignored during the campaign debates and in the party platforms. Homelessness is the No. 1 issue locally, yet it was all but ignored nationally.

But the country has now elected a president who understands what it means to respect the work of true community organizations and allow for local voices to be at the table when decisions are made that have an impact on our lives.

Local Community Development Corporations (CDCs) and Housing Development Corporations (HDCs) already exist in many communities. The credible ones will work in partnership with community members and organizations to combine a federal reinvestment in affordable housing with economic stimulus activities that benefit everyone — street-level space for creating new local businesses, job training connected to positions created in the development and management of the new business and housing units, the use of (and training in) smart green technology in all development.

Tax dollars invested in affordable housing stay in the local economy. Many of the jobs created remain long after the construction phase is completed.

Economic recovery plans are being made now, as federal departments are hiring staff and priorities are being set. Congress, despite the lessons learned from the banking bailout, is in a rush to release funds without much detail. We need direct petitioning from local communities. We need calls demanding that a share of economic recovery funding be given directly to local organizations to develop desperately needed housing and community spaces, using accountable local hiring requirements and safe green building practices.

It’s on all of us locally to come together and make the call.

Paul Boden is director of the Western Regional Advocacy Project, a coalition of West Coast social justice-based homeless organizations. More information at www.wraphome.org.
Governor’s Proposed Budget Reduces or Eliminates Essential Programs

By Mia Navarro Wells

Just before the end of 2008, Governor Christine Gregoire released her proposed budget for the 2009-2011 biennium. Unfortunately for housing providers, social service providers, and low-income people across the state, the Governor’s budget cut deeply into health and human services, and called for the reduction or elimination of several crucial programs which help people to survive and maintain housing stability. The Governor’s proposed cuts include:

• Cutting the Housing Trust Fund in half to $100 million

We strongly believe that eliminating safety net programs will not help the economy. In her November victory over Dino Rossi, Governor Gregoire promised “not to balance the budget on the backs of Washington’s most vulnerable.” Under the proposed budget, Washington taxpayers will spend significantly more on services for homeless people through emergency medical care, uninsured hospital stays, law enforcement, and incarceration to compensate for the cuts proposed by the Governor – dollars that will be wasted as long as the people needing help don’t have stable housing.

In response to widespread criticism, the Governor said, “These are hard times for everyone. Our families are tightening their belts, and that’s what government needs to do. The state must squeeze every ounce of value out of every taxpayer dollar while maintaining our priorities of protecting families and kids the best we can.”

The Governor’s budget does recognize the need for survival assistance in the form of a $20 million increase for emergency shelter and homelessness prevention and $40 million for community health care clinics. These increases are modest and won’t even begin to address the increasing need brought on by the current economic crisis. We are hoping that the new legislature will restore funding for the vital human service programs the Governor has suggested be cut, and increase their investments wherever possible.

Mia Navarro Wells is the executive director of the Washington State Coalition for the Homeless. For more information on the 2009-2011 proposed budget visit the WSCH website at www.endhomelessnesswa.org.
Hundreds Voice Concerns to Lawmakers on Housing and Homelessness Advocacy Day

By Aaron Long

On a rainy but warm February 24th, over 600 people came from across Washington state to Olympia to rally in support of affordable housing. Housing advocates, housing professionals, homeless people and concerned citizens gathered at the United Churches in Olympia to hear from community members about being in the trenches of the fight to find affordable housing, to hear from community and elected leaders about pending housing legislation, and to learn how best to advocate with their state representatives.

With Governor Gregoire’s proposed budget cuts on everyone’s minds, the mood of the assembled was concerned, angry, and sometimes scared. Common topics of discussion included reduced funding to the State Housing Trust Fund and the Transitional Housing Operating and Rent (THOR) program, and the complete elimination of the General Assistance Unemployable (GAU) program. Despite the justified nervousness, advocates came with high energy and the motivation to do something about the situation.

Lobbyist Nick Federici gave an overview of housing bills currently before the legislature. He also presented a prioritized housing agenda for the assembled advocates with which to confront their representatives. The main focus of this agenda was: maintaining the Housing Trust Fund; improving access to housing by prohibiting source of income discrimination and ensuring accuracy and fairness in tenant screening; increasing home ownership opportunities and providing foreclosure relief for low-income families; and ensuring that development along new light-rail lines preserved and included affordable housing. (For a full legislative update see page 6.)

After an advocacy primer from the irrepressible Nancy Amidei, Senate Majority Leader Lisa Brown arrived and lauded the crowd for putting the human face on the budget crisis. She described work she was doing to find revenue solutions for reducing the $8.5 billion budget deficit that would eliminate the need for some of the budget cuts.

For the first time at this event, Michelle Thomas of the Tenants Union moderated a panel featuring people who had directly benefited from Affordable Housing and Homelessness programs. Michael Garcia from Real Change bluntly put forth that housing program cuts will cause people to die: “People living in homes are healthier than people living on the street. Don’t balance the budget on the backs of the poor.” One panelist poignantly described her labyrinthine, years-long journey from aging out of foster care without resources and then trying to find her way through the bureaucracy of HUD and local government and the low-income housing system. She said that program cuts would put more kids into foster care and many would have to experience the same travails that she had gone through. Finally, a representative from the Association of Manufactured Home Owners talked about organizing groups to preserve manufactured home parks from being sold. She described manufactured homes as being the last form of unsubsidized affordable housing.

After the panel discussion, the crowd assembled outside of the church, picked up hand-made signs, and marched to the capitol where the crowd split into groups to meet with their senators and representatives. While meeting with his constituents, newly elected Representative Reuven Carlyle (D-36th) spoke passionately on the need for housing for all. He spoke specifically to preserving GAU, saying, “If we can’t fund something as basic as GAU, then there is something fundamentally wrong with our society.” We hope other advocates found their representatives equally responsive to Washington’s housing needs.

Housing Advocacy Day is a unique, annual opportunity for homeless people, housing professionals, non-profit leaders, and amateur and professional advocates to join together to remind their elected officials of the great strength that comes from a community determined to put an end to a great injustice.

Aaron Long works for the Low Income Housing Institute. Housing Advocacy Day is sponsored by the Washington Low Income Housing Alliance and the Washington State Coalition for the Homeless. To learn more about these organizations, including the issues addressed by their respective agendas, visit www.wliha.org and www.endhomelessnesswa.org.
The Washington state legislature has been in session since January 12th. Our legislators have made a tremendous push to deal with non-budget items early in the session so that there will be adequate time left to concentrate on the serious negotiations around the state budget. A number of bills have been introduced that are of significant interest to the affordable housing community.

• The first deadline for actions on bills was the end of February. By that deadline, a bill must have been approved by the policy committee to which it was first assigned, or it is considered dead for this session. Among the bills that already died this session is SB 5923 which would have funded affordable housing programs through interest accrued on residential security deposits. The bills listed below are still being debated and appear to have some chance of success during this session.

• HB 1766 would prohibit landlords from discriminating against renters who use a Section 8 voucher or other legal source of income. The bill is sponsored by Rep. Ormsby. HB 1766 was passed out of the Judiciary committee the day following its public hearing. The Senate version of the bill (SB 5672) is sponsored by Sen. Kline and Sen. Kohl-Wells. Sen. Kohl-Wells is the chair of the Labor, Commerce & Consumer Protection committee where it was referred, so a full hearing in the Senate was expected. SB 5672 received a public hearing on February 23rd, and executive action was taken the following day.

• HB 1942 is legislation intended to prevent foreclosures and protect renters who lose their home because of their landlord’s foreclosure. Senator Kauffman and Representative Orwell are the prime sponsors for House version, which was heard on February 11th in the House Judiciary Committee. The public hearing for this bill was held on the same day the Seattle P-I reported that foreclosure rates in the Puget Sound area are catching up with those in the rest of the country. According to Washington Low Income Housing Alliance Director Rachael Myers, “The bill is a starting point, but isn’t strong enough. The protections for homeowners are based on legislation passed in California last year that isn’t proving as effective as hoped. Nationally, renters make up close to 40% of families facing eviction due to foreclosure. The renter protections are better than what exists now (virtually nothing) but need to go further. For example, the current bill only protects renters in properties that include between one and four units. If larger multi-family apartments are impacted, those renters could still be evicted with just 20 days notice.” The Senate version of this bill (SB 5810) had a lively hearing in the Senate on February 18th. It’s been rewritten, and the new version was heard on February 24th. This version of the bill was passed to the Rules Committee for a second reading.

• Senate bill 5922, the Fair Tenant Screening Act, would prevent inaccurate information, like an eviction where the tenant prevailed, from tarnishing the renters screening report and creating an unnecessary barrier to finding housing. It would also create a portable screening report, so that renters only have to pay for a report one time if they apply for more than one rental. Sponsors are Senators Kohl-Welles, McDermott, Kline, and Fairley. A public hearing was scheduled for this bill on Wednesday, February 25th, which is the last day for bills to be advanced from the Senate policy committees.

• Senate bill 5549 would extend the notice required for no-cause evictions. This bill revises notification requirements for terminating month-to-month or other periodic residential tenancies governed by the residential landlord-tenant act. This bill had a successful public hearing, but the committee has yet to take any executive action on the bill and must do so by February 24th’s cut-off date. The House version of this bill, HB1733, died in House Judiciary committee, so for this important bill to keep moving, the Senate version must be passed from committee.

• Four bills have been proposed that will help preserve manufactured housing communities. SB 5550 requires a minimum of three years’ notice on closures or conversions of mobile home parks; 5821 creates a property tax exemption for mobile home communities; 5822 protects consumers who live in mobile home communities by clarifying the manufactured/mobile home landlord-tenant act; 5823 requires strict compliance with notice provisions when mobile home communities are offered for sale. SB 5550 was passed from committee, and 5821, 5822 and 5823 were each scheduled to be heard on February 25th, the last

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Uncertain Economic Times Demand Affordable Housing

By June Robinson

In Snohomish County, Washington state, and across the country, we face uncertain economic times. We are all worried about the future of our children, our communities, and our state. On a daily basis, we read or hear of people losing their homes or their jobs and for some of us, the stories are personal. Keeping food on the table and a roof over our heads feels more and more uncertain for friends, family members, and neighbors.

Families are not the only ones having trouble making ends meet. Washington, like most other states in the country, has a gaping hole in its revenue stream. In response to the state’s budget crisis, Gov. Chris Gregoire’s budget proposal includes cuts to many vital state programs, including cutting the Housing Trust Fund from $200 to $100 million for the biennium. However, because the Housing Trust Fund is a program that invests in affordable housing in local communities, this is the wrong time to reduce funding for a tool that is needed more than ever.

It should be possible for working people to afford housing and still have enough money for the basics like groceries, gas, and childcare. By providing seed money to well-planned affordable housing developments across the state, the Housing Trust Fund makes this possible. Since it began in 1989, the Housing Trust Fund has built more than 36,000 units of housing affordable to people who are priced out of the market. In Snohomish County, $18 million from the Housing Trust Fund has helped create 5,000 homes for working families, seniors and formerly homeless individuals. The very people who are helped by the Housing Trust Fund are the same folks who are being hurt the most in this economic downturn.

Locally, the Housing Consortium of Everett and Snohomish County has developed a plan with input from a wide range of community members that charts a course to dramatically increase our ability as a community to provide homes that are affordable for people at all income levels. The plan, Housing Within Reach, identifies strategies and actions that collectively will support the development of more than 18,000 homes over the next 10 years for our neighbors who are struggling to keep a roof over their heads.

The strategies outlined in Housing Within Reach depend on local, state, and federal policies and resources that support the development of affordable housing, as well as strong local non-profit housing organizations that can turn the available resources into homes for people who need them.

An important component of the necessary mix of resources to address the affordable housing crisis is the investment of state dollars from the Housing Trust Fund. These dollars leverage at least $5 for every $1 that comes from the state and are used to build and operate homes that are an important element of vibrant communities. They are homes that allow seniors to continue living in their communities, provide children with stability in their lives – which in turn helps them succeed in school – and provide formerly homeless individuals a place from which to rebuild their lives.

Affordable housing is both a requisite for stable communities to weather these difficult economic times and an economic driver through the construction jobs it brings to local people. Now is not the time to cut funding for programs that have been proven and that will help Washington families who are the hardest hit by the current recession.

The governor’s proposal to cut the Housing Trust Fund is shortsighted. The Legislature has a chance to correct this mistake as they begin their work in Olympia this session. I hope they have the courage to make the right decisions for our neighbors in need of affordable housing.

June Robinson is executive director of the Housing Consortium of Everett and Snohomish County.

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• House Bill 1956, introduced by Rep. Brendan Williams would limit regulations on churches seeking to shelter the homeless. According to Rep. Williams, it’s an issue of religious freedom. The bill would bar any city in Washington from imposing regulations that unreasonably interfere with how a church houses the homeless on property it owns. A public hearing for SB 1956 was heard on February 18th, and was passed to the Rules Committee.

All of the information in this article was up to date as of press time. Thanks to the Washington Low-Income Housing Alliance for some of the information used in this article. For more information about any particular bill visit www.leg.wa.gov.
Gary Locke Nominated for Commerce Secretary

President Obama nominated former Washington Governor Gary Locke as Secretary of Commerce. The cabinet level position oversees national business and industry, with a mission to foster, promote, and develop foreign and domestic commerce.

Locke was born and raised in Seattle. In 1982, Locke was elected to the Washington House of Representatives, where he later served as chairman of the Appropriations Committee. Eleven years later, in 1993, he was elected King County Executive, defeating incumbent Tim Hill. In 1996, he was elected to his first of two terms as Washington state governor, becoming the first Chinese American state governor in United States history.

Mr. Locke was known as a pro-trade governor who notably presided over a multibillion-dollar incentive package to keep Boeing from taking production of its new jetliner to another state. His alliance with Boeing and big business was often criticized by labor leaders, but generally Mr. Locke was regarded as a centrist and as a smart and effective leader with a broad range of experience dealing with international trade, business, and labor.

Senator John D. Rockefeller IV of West Virginia, the chairman of the Senate Commerce Committee, hailed the anticipated nomination of Mr. Locke. “If Governor Locke is chosen for commerce secretary, I think he would be phenomenal,” Mr. Rockefeller said. “Having a governor from a coastal state with a core understanding of what it takes to improve our economy would be most welcome and a tremendous asset.”

Ron Sims to be Deputy Secretary of HUD

President Obama nominated Ron Sims, the current King County Executive, to become the Deputy Secretary at the U.S. Department of Housing and Urban Development (HUD). As the Deputy Secretary, Sims will be charged with managing HUD’s day-to-day operations, a nearly $39 billion annual operating budget, and the agency’s 8,500 employees.

“Ron’s track record as an innovative leader with an exciting vision for the future of our nation’s communities makes him the perfect Deputy Secretary candidate as we tackle the nation’s housing crisis amidst the biggest economic downturn in decades,” said HUD Secretary Shaun Donovan. “His experience at the helm of a large urban government provides a critical perspective and his collaborative approach to problem-solving has prepared him to effectively lead HUD’s operations as the agency charts a new aggressive course.”

Currently serving a third term, County Executive Sims oversees the 13th most populous county in the nation, a metropolitan area with 1.8 million residents and 39 cities including Seattle, Bellevue, and Redmond. The county government has a workforce of over 13,000 and an annual budget of $4.9 billion. Sims is Co-Chair of the Committee to End Homelessness in King County and founding chairman of the board of the Puget Sound Health Alliance.

At the time of publication, Sims’ nomination had not yet been confirmed by the U.S. Senate.

Seattle Police Chief Gil Kerlikowske Nominated to Serve as “Drug Czar”

President Obama’s choice to head the Office of National Drug Control Policy — otherwise known as the country’s “Drug Czar” — is Seattle Police Chief Gil Kerlikowske.

Kerlikowske became Seattle’s police chief in 2000 and brought the city’s crime rate to a 40-year low. He has served in law enforcement for more than 30 years and is known as an innovator and fierce defender of community policing principles that emphasize relationships with citizens over force. He’s clashed with city councils over his leadership style, but he’s also built a national reputation while working as a police chief all over the country.

The selection of Chief Kerlikowske has given hope to those who want national drug policy to shift from an emphasis on arrest and prosecution to methods more like those employed in Seattle: intervention, treatment, and a reduction of problems drug use can cause, a tactic known as harm reduction.

“What gives me optimism,” said Ethan Nadelmann, executive director
By Joshua Okrent

In December, the Snohomish County Council took an informed and brave vote in the midst of a recession to raise sales taxes one-tenth of a cent. The money raised will be spent to improve and expand services for the mentally ill and drug and alcohol abusers to keep them out of trouble with the law.

The new tax will fund services including additional detox beds, supportive housing, expanded drug court for adults and juveniles, a family treatment court, and drug and alcohol specialists for high schools. A triage center also would be created to provide an alternative to the county jail for addicts or the mentally ill experiencing an acute health crisis.

Virtually no help is available elsewhere in Snohomish County. Only a handful of publicly funded beds in detox facilities and residential centers exist, while the tally of individuals and families that want help numbers in the thousands. Law enforcement is a big supporter of alternative options to expensive, repeated stays behind bars. Over time, jails evolved into de facto mental-health institutions with no resources.

The link between public safety and an absence of services for the mentally ill and substance abusers is direct and unambiguous. Several state studies have confirmed that treating addiction saves money. The state Department of Social and Health Services reported in June that expanding drug- and alcohol-treatment services to 4,100 patients in the 2005-07 biennium saved the state more than $16.8 million in health-care costs.

The Council’s adoption of the sales-tax increase has been under exploration since 2005. In 2006, a blue-ribbon citizens’ panel on criminal justice endorsed adoption of the sales-tax increase, calling it a high priority. Then the Council asked the executive to compile statistics on need and outline a response. The Council eventually hired its own social-services expert who produced a matrix of plans and services designed to tell taxpayers exactly what they might expect for their money.

Councilman Dave Gossett said the county is dealing with a very large problem with inadequate resources. People need and want help. The results, he said, would be people not cycling through jail and the courts, and an end of criminal activities connected to addictions and mental-health problems.

The citizen turnout at public hearings before the vote was huge and supportive.

Snohomish is one of nine counties to use the sales-tax option. Nine other counties, including King, Skagit and Whatcom, have also approved the tax. The measure will raise an estimated $11 million a year for a system that advocates say is chronically underfunded and is projected to get worse as the state faces a $5.1 billion budget deficit. The state and federal government currently fund 80% of the county’s drug- and alcohol-treatment services.

Paul Guppy, a respected tax analyst and vice president of the Washington Policy Center, is adamant that Snohomish and other counties embrace accountability and avoid leaps of faith about what might be accomplished. But there is an explicit connection, Guppy said, between treatment programs and saving money on jail costs and the rising costs of policing. “These services are desperately needed in the best of times, and these aren’t the best of times,” said Jim Bloss, president of the Snohomish County chapter of the National Alliance on Mental Illness.

For more information please visit the Snohomish County website at www.co.snohomish.wa.us.
King County One Night Count Finds Increase in Suburban Homeless

By Joshua Okrent

On Friday, January 30, volunteers counted 2,826 people living on the streets of King County. This number is slightly higher than the total number of people counted in the same areas last year. The homeless were of every age, race and gender. Some huddled in doorways, some slept in cars, some camped in parking lots or in makeshift lean-tos in a city park. What they had in common was that they were all struggling to survive in the dead of winter, and they were all counted, by volunteers organized into 125 teams by the Seattle/King County Coalition on Homelessness.

While the number of people sleeping outside in Seattle was about the same as in 2008, the numbers increased dramatically in smaller cities outside of Seattle. Particularly striking were the numbers of homeless in south King County. In Kent, for example, the number increased to 193, compared with a total of 65 counted in the same areas in 2008. In Federal Way, volunteers counted 116, compared to 90 last year. In total, south King County showed a 68% increase in the number of homeless when compared to the totals in the same areas in 2008. Jason Johnson of City of Kent Human Services said, “It is a big jump. I think we all knew that this year would be higher, but this is a lot higher than anyone would have ever expected.”

Organizers cited several factors as possible causes of the increased suburban numbers. Many Seattle volunteer teams found evidence of recent “sweeps” in Seattle that may have forced homeless people out of the city and into outlying areas.

The hundreds of volunteers who participated in the Count were organized through ten area headquarters. Counters returned to historical and new count areas in Bellevue, Redmond, Kirkland, Woodinville, Shoreline, Kenmore, Bothell, Seattle, White Center, Federal Way, Kent, Renton, and Auburn. The 2009 One Night Count also collected information from select hospitals about emergency room usage, and from Metro night owl buses operating throughout the county.

Jeff Raikes, CEO of the Bill and Melinda Gates Foundation was a volunteer on the Count for the third year in a row. “It’s really powerful seeing the encampments. It’s a stark reminder of the difficulties that these people are facing. One reason I do the Count is because it makes me think: I can read the numbers of homeless people like anyone else, but tonight I was reminded that these are real people who come from somewhere and need help. I get a new perspective: I ask myself, ‘How can I help?’”

The 2,826 number does not include the estimated 6,000 people taking advantage of shelter and transitional housing. Nor does this number include people who are surviving without even basic shelter in other parts of the county. The Count currently takes place in only the most densely populated parts of King County, leaving more outlying and rural areas and smaller suburban cities untallied. People who are doubled up with family or friends are not considered homeless under federal guidelines. The full One Night Count report, including numbers of people in temporary shelter, will be available as soon as the shelter survey is completed.

Alison Eisinger, Director of the Seattle/King County Coalition on Homelessness, which organizes the One Night Count, said, “This one night tally is a show of community determination. The hundreds of volunteers, from social workers and firefighters to people who themselves sleep in tents, committed overnight to face the stark realities of homelessness in our own backyards. This tremendous effort raises awareness, but we must continue beyond acknowledgment to action.”

The annual count reemphasizes our need to invest in ending homelessness. Creating housing is both a requisite for stable communities to weather these difficult economic times and an economic driver through the jobs it brings to local people. Bill Block, Director of the King County Committee to End Homelessness, said, “We have proven that we can effectively and efficiently help people leave the streets. The Count must inspire us to redouble our investments and our efforts.”

The Seattle King County Coalition on Homelessness (SKCCH) works collaboratively to end the crisis of homelessness in our region. Information is available at www.homelessnessinfo.org.
The Housing Levy is Practical and Symbolic

By David Schraer

The Seattle Housing Levy is important for two reasons. First, the levy provides funds that preserve existing affordable housing and produce new affordable housing, improving the quality of life of our neighbors and community. Second, the levy is a highly symbolic act by which citizens ratify efforts to address Seattle’s shortage of affordable housing.

While the dollar figures seem large, housing levies would have a very limited impact on the availability of affordable housing without leveraging federal, state, local and private resources. We are so short of affordable housing that no effort to solve the problem by building new, permanently affordable housing appears possible without a historic shift in public outlook. In Seattle, a $100 million levy dedicated to building new permanent housing outright would build perhaps 400 housing units over five to eight years against a shortage of many thousands today. The current recession will put us further behind. The inability to focus on permanently affordable housing is unfortunate because the public receives the greatest benefit (return on investment) from permanently affordable housing – subsidized housing owned by the public or mission-driven non-profit organizations.

All levies feature a bewildering variety of solutions carefully crafted to maximize leverage from other funding entities. Strategies include financing permanently affordable housing, supporting the private development of term-limited affordable housing, home buyer assistance and rental assistance, among others. The objective of most affordable housing programs is to provide quality housing at an affordable price relative to income. A subset of affordable housing is targeted to groups that need a combination of housing support and services that together may exceed the cost of free housing, including housing the homeless. However, providing free housing to extremely disadvantaged or troubled individuals and families has been shown to save money when the social and economic costs of not providing decent housing, such as emergency services, is included. Understanding this paradox is the historic shift in public outlook we are working towards. Like the closely related issue of health care, education by circumstance may be the only meaningful agent of change. If our current recession persists and worsens, our common education may be at hand.

Two issues related to affordable housing levies remain relatively unexamined. First, how do we move more term-limited affordable housing into the permanently affordable column? Much can be done in this area. For instance, all publicly supported term-limited affordable housing should feature a transferable option for public purchase at a pre-set price and first right-of-refusal on subsequent sales. We should not buy the same affordable housing benefits over and over. Second, how does the Byzantine myriad of housing standards impact our ability to provide decent housing now? While publicly supported affordable housing standards typically exceed the actual conditions of lower-income households, the discrepancy is glaring for homeless individuals and households. Our high-minded standards are a huge barrier to providing publicly supported permanent or semi-permanent housing to the homeless. Secure and comfortable tent cities are not only possible, they are provided to refugees all over the world. We can do far better than overnight shelters without getting anywhere near HUD standards – and it’s time we do. There are times we should temporize standards in favor of a higher good.

In recent times, Seattleites have shown a willingness to invest in their future, voting for libraries, parks and transit when measures have clearly articulated future benefits that serve the common good. The generosity of Seattleites in their support of housing levies has been good, passing long-term bonds or levies in 1981, 1986, 1995 and 2002. Seattleites even supported the $150 million county-wide levy in the midst of the 1992 recession. The symbolism of the levy cannot be overstated.

Direct citizen support for levies creates momentum for change, gives politicians cover to support affordable housing efforts beyond levy funding, and upholds our view of Seattle as a compassionate place – however short we fall in execution. In addition, the high quality of publicly financed affordable housing provides an aspirational standard for all housing.

Seattleites have shown a willingness to invest in their future, voting for libraries, parks and transit when measures have clearly articulated future benefits that serve the common good. Direct citizen support for levies creates momentum for change, gives politicians cover to support affordable housing efforts beyond levy funding, and upholds our view of Seattle as a compassionate place.

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Dearborn Commons in Seattle Sets New Standard for Financing Affordable Housing

By Anne Foster

The Dearborn Commons project in Seattle has brought together two non-profit housing organizations who have established a new way to finance affordable home ownership housing. Together, they are building the first for-sale housing project in Seattle’s Central District developed as a community land trust.

The Low Income Housing Institute (LIHI) is the developer of Dearborn Commons, which features 15 new units of affordable for-sale townhomes. LIHI has partnered with Homestead Community Land Trust to own the land and lease it for 99 years to the owners of the homes, thus ensuring that the housing will be affordable to first-time buyers as they only have to finance the improvement and not the land.

KeyBank is providing construction financing through the use of New Markets Tax Credits (NMTC). NMTC financing is most often used for commercial projects: this is the first opportunity that KeyBank has developed to use them for affordable for-sale housing in the Northwest. Cooperation between the Low Income Housing Institute, the City of Seattle, and the State Housing Trust Fund was crucial to the successful launch of Dearborn Commons, which will be the very first for-sale home ownership development in a redevelopment area utilizing both New Markets Tax Credits and a community land trust.

Using New Markets Tax Credits reduces project-financing costs so that the new homes will be affordable to households at or below 80% of the area median income. The 2-bedroom 2-bath homes will sell for $227,000, far below market price. Additional financing is being provided by the Low Income Housing Institute, the City of Seattle, the State Housing Trust Fund, the Federal Home Loan Bank Affordable Housing Program, Charter Bank, and Washington Mutual.

Congress authorized the New Markets Tax Credits program as part of the Community Renewal Tax Relief of 2000. Lenders qualify to use this effective community revitalization tool through a competitive process. KeyBank was awarded $30 million in New Markets Tax Credits from the U.S Department of the Treasury as part of a federal tax incentive program that encourages increased lending and investing in low- and moderate-income areas. The credits will be used over the next five years. KeyBank is one of only 70 lenders across America selected to use them in this round.

KeyBank has extensive experience in using low-cost NMTCs for successfully financing projects across the country and specifically in Seattle, where NMTCs reduced the financing costs for the non-profit Asian Counseling and Referral Service, the New Central Hotel, the Cadillac Hotel, and the Rotary/Family Support Center.

“We applaud KeyBank’s leadership and innovation in using New Markets Tax Credits for affordable home ownership housing,” said Sharon Lee, Executive Director of LIHI. “KeyBank’s financing is a crucial element in launching Dearborn Commons and is a national model for others to follow.”

Participation of the Homestead Community Land Trust (HCLT) also marks Dearborn Commons as innovative. This trust was specifically established to preserve land as affordable housing in perpetuity. HCLT will use a ground-lease arrangement with the land held in non-profit ownership. Each buyer will own their home and the land will be held by the Land Trust. This allows an equity return to the owner, but forestalls runaway appreciation that prices many subsequent purchasers out of the market. The initial capitalization will benefit not just the first wave of buyers, but also subsequent purchasers who follow.

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Seattle’s Incentive Zoning Plan Leaves Much to be Desired

By Alexandra Ingram

On December 15, 2008 the Seattle City Council voted 6 to 3 to expand the city’s current incentive zoning beyond the downtown core to “urban centers” and major transportation corridors within city limits. The “Workforce Housing Incentive” as passed by the Council allows developers to build taller residential buildings if they agree to build some less expensive apartments or condos on-site.

The Workforce Housing Incentive program has been in place in Downtown Seattle since 2006. One significant difference between the 2006 rezoning in downtown Seattle and the new incentive zoning legislation is that the policy does not rezone any Seattle neighborhoods. Instead, it requires developers to help create affordable housing only if rezoning occurs in the future.

If building height restrictions are increased in any Seattle neighborhoods, the policy will allow development to exceed a base height in return for setting aside 15 to 17.5 percent of living space in the additional height for middle income people. These affordable units must remain at this same level of affordability for at least 50 years. If a building is higher than 85 feet, the developer can alternatively choose to pay a fee of $18.94 per square foot of the additional development space into the city’s affordable-housing fund instead of providing the affordable units on-site. Areas currently under consideration for zoning changes include South Downtown and South Lake Union.

Sally Clark, Chair of the Council’s Planning Land Use and Neighborhoods Committee, described the legislation as “a step in the right direction toward providing more housing in the city, and ensuring that at least some of the new units will be affordable to working people.”

Many are less enthusiastic about the legislation. Unlike other housing programs, the Workforce Housing Incentive, which is voluntary, is not geared toward helping households with very low incomes. Rather, the Incentive is aimed at building housing for residents who make up to 80 percent of the area’s median income. This is currently $45,000 annually for an individual living in Seattle, and $65,120 for a family of 4, according to the Seattle Housing Authority.

John Fox, a coordinator for the Seattle Displacement Coalition stated that the city should require developers to provide more affordable housing, and at a much lower rent than this policy requires. “They’ve passed a proposition that does not achieve very much at all,” says Fox. “It’s going to be easier for developers to get very lucrative upzones.” The Seattle Displacement Coalition publicly opposed the incentive zoning proposal.

The affordable housing units created through the new policy will still be more expensive than the typical worker in Seattle can afford. “We’d rather see as much affordable housing as possible,” said Anna Markee, Outreach Director of the Housing Development Consortium of Seattle. “We know growth is coming, and we want to make sure that a large portion of that growth is set aside for moderate- to low-income families.” Housing advocates wanted to see the legislation address those earning considerably less than 80 percent of the area’s median income. They also say that the policy doesn’t ask enough from developers, who can make considerable profit by building taller buildings. David West, the executive director of Puget Sound Sage, called the legislation a "developer giveaway." The $18.94 per square-foot fee that developers can pay in-lieu of building affordable housing on-site amounts to significantly less than it costs to build the units, according to Sage. Developers have the option to participate in both the Workforce Housing Incentive and the Multi Family Tax Exemption program simultaneously, essentially “double dipping” in state subsidies for creating housing for people with moderate-to low-incomes.

City Council members acknowledged that the Workforce Housing Incentive is a compromise, and the issue will be revisited in two years. “Incentive zoning ends up being one modest tool that we can use and trade the developers for something,” said councilmember Sally Clark. If successful, neighborhoods will gain taller buildings with condominiums and apartments that middle-income professionals can afford. If the policy is not successful, developers will not participate in the program and will continue to charge market rate for housing.

Alexandra Ingram is an intern at the Low Income Housing Institute and an MSW student at the UW School of Social Work. For more detailed information about the Seattle Incentive Zoning Law, please visit www.seattle.gov/DPD/Planning/Incentive_Zoning.
Seattle and King County Activists Hold Public Forum on Proposed New Jail

By Alexandra Ingram

Emotions ran high on January 28th at a public forum on Seattle’s proposed new jail. At the event, which was co-sponsored by Real Change Newspaper and Seattle University School of Law, approximately 400 people gathered to discuss alternatives to the proposed $200 million city jail project.

The need for a new jail in Seattle emerged after King County announced it would no longer accept jail inmates from the City of Seattle once the current lease expires in 2012. According to Catherine Cornwall, Seattle’s senior policy analyst for the Municipal Jail Project, the decision not to renew the contract is due to an inability to accommodate the growing number of county inmates, both felons and misdemeanants. The City of Seattle has named several sites as the potential location for the new jail, including Interbay, Highland Park, Haller Lake, Shoreline, Bellevue, and downtown Seattle. Local residents in each area have protested the construction.

According to Cornwall, while Seattle’s jail population has decreased by almost 40 percent over the last decade, state law requires jail time for certain misdemeanor offenses such as repeated DUI convictions, drug offenses, and charges for domestic violence and theft. Most jail inmates are generally held in the King County prison system for a minimum of 48 hours to a maximum of one year. When Seattle’s contract expires with the County the City will need to have a plan in place to accommodate these misdemeanants.

“The moment a jail is built it will be filled. We are leading the pack in some of the most conservative legislation around criminal justice.”

The panel of community activists and experts who gathered at Seattle University sees the issue of a new jail as indicative of larger social problems. They have filed a ballot initiative that requires research and a public vote before building a jail. Seattle Initiative-100, titled the Efficiency and Fairness in Public Safety Act, needs 25,000 signatures in order for it to be included on the ballot next November. The panelists led a fiery discussion on the proposed jail that covered the costs of increasing incarceration on communities, state budgetary concerns, and the current state of the jail population. The panel also offered a forum for debating alternative ideas to building a new jail.

Among other suggestions, the group is asking the city to develop a strategy to address racial disparity in arrest and incarceration rates. The group is also seeking the expansion of programs like Communities United in Rainier Beach and a King County housing-voucher program, which have been shown to reduce recidivism between 30 and 82 percent.

Alexis Harris, an assistant professor of sociology at the University of Washington, has investigated pre-arrest diversion programs, which she says are less expensive than county jail maintenance. She said it takes $58,000 to send someone through the county jail system. The Clean Dreams Program gives aid to people who have committed misdemeanors. According to Harris, this alternative program costs $8,000 and has an 18 percent recidivism rate.

“The criminal justice system should not be used to address poverty,” Harris said.

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Panelists at the forum also spoke out against the proposed closures of local elementary schools, which were confirmed in a School Board vote the following night. “Democracy fails when we close schools and open jails,” said Jesse Hagopian, a Seattle public school teacher, education journalist and community organizer. “We can eliminate our need for jails by focusing on education.”

“Mass incarceration is one of the biggest civil rights issues in the U.S., if not the biggest.”
— Silja J.A. Talvi

Hagopian said that society too often focuses on short-term fixes and profit, and fails to focus on early intervention strategies. “When there is $200 million to spend on a jail, there is enough money for schools,” Hagopian said. The School Board estimates it will save $16 million this year in operating costs by closing several local schools.

Tim Harris, Real Change founding director and University of Washington lecturer, spoke of the larger structural issues the U.S. prison system perpetuates, and called for alternatives to a new jail that focus on the root causes of poverty and incarceration.

“We are trying to elevate this to a discussion about race and class, and what we do with people,” Harris said. “It’s about whether we spend our public resources on ruining lives or rebuilding lives.”

Alexandra Ingram is a student in the MSW program at the University of Washington. The full text of the Efficiency and Fairness in Public Safety Act is available at http://clerk.ci.seattle.wa.us.

Washington Officials Nominated to Key Positions in Obama Administration
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of the Drug Policy Alliance, “is not so much him per se as the fact that he’s been the police chief of Seattle. And Seattle, King County and Washington State have really been at the forefront of harm reduction and other drug policy reform.”

“The difference is I’ll be able to call Washington and get ahold of Gil and he’ll answer the phone,” said William Lansdowne, the police chief in San Diego and a member of the board of the Major Cities Chiefs Association, which Chief Kerlikowske is the president of. “He listens. He’s very open to new ideas. He’ll build cooperation. He’ll take a look at prevention as much as enforcement.”

The nomination is subject to Senate confirmation.

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The City of Seattle also played a vital role by surplusing the city-owned land, and selling it to LIHI for $1 as part of the City’s community revitalization plan in the Jackson Place Community and Rainier Avenue corridor. Each partner in the development of Dearborn Commons was willing to take an innovative approach in the hopes that this project can create a new model for developers to move projects forward in the weakened economy. This project will have an important role in supporting to the least fortunate.

The bulk of benefits should be targeted to the least fortunate.
• Deal terms should provide opportunities for future public purchase (when the housing supported is not permanently affordable).
• High standards should not interfere with providing homeless people a permanent address.

And since the need is so great, the levy should be as large as we believe the public will support.

David Schnaer is a Seattle architect with In-plain-air Architects and was the first executive director of the White Center Community Development Association. For more information on his work and writing, visit www.inplainair.com.

The Housing Levy is Practical and Symbolic
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In formulating a new housing levy, we need to keep these principles in mind:
• The bulk of benefits should be targeted to the least fortunate.
• Deal terms should provide opportunities for future public purchase (when the housing supported is not permanently affordable).
• High standards should not interfere with providing homeless people a permanent address.

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Housing Washington newsletter is published quarterly by the Low Income Housing Institute. The newsletter is available to individuals and organizations concerned with increasing the supply of affordable, low-income housing for residents of Washington state.

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NLHIC Conference 2009 in Washington, DC

The 2009 National Low Income Housing Coalition Policy Conference and Lobby Day takes place April 19-22 at the Capital Hilton in Washington DC. This vital annual conference presents two days of workshops plus a third day for lobbying on capitol hill. Plenary speakers include HUD Secretary Shaun Donovan, White House Domestic Policy Council Director Melody Barnes, House Financial Services Chair Barney Frank. Workshops will feature federal housing policy, housing research, emerging housing issues and capacity building for advocates.

For information and registration email conference@nlihc.org or visit the NLIHC website at www.nlihc.org.

Washington State Coalition for the Homeless Annual Conference

The 19th annual conference of the Washington State Coalition for the Homeless will take place May 13-15 in Vancouver, WA. This conference is the premier professional development event for homeless housing and service providers across the state. Keynote speakers will include Tulin Ozdeger and Eric Tars of the National Law Center On Homelessness & Poverty; Richard LeMieux, author of Breakfast at Sally’s; and Janet Byrd of the Neighborhood Partnership Fund in Portland, OR.

For more information and registration visit www.EndhomelessnessWA.org.

US Green Building Council Updates LEED Ratings System

The US Green Building Council’s most recent update to the family of LEED rating systems, LEED 2009, will be available for use by the public beginning in March of 2009. There are a number of changes that will be incorporated into the revised rating systems including Credit Alignment, Environmental and Human Impact Weighting, and Regionalization. For example, the Seattle region’s most important credits will likely focus on rain water treatment, and projects will have extra incentives to push harder in this area. There is also now a water efficiency prerequisite, requiring all projects to achieve 20% water conservation.

For more information, visit the US Green Building Council website at www.usgbc.org.

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