# Spokane Housing Action Plan Roundtable: Affordable Housing and Rental Housing

Wednesday, September 23, 2020 | 10:30 am - 12:00 pm | Zoom Meeting

### AGENDA

Time	Content			
10:30 am	Welcome and Overview (All)			
	Welcome			
	Participation:			
	<ul> <li>Actively share ideas, observations, and perspectives, while also actively listening to others.</li> </ul>			
	<ul> <li>Ask questions to help create dialogue and drive the analysis forward.</li> </ul>			
	<ul> <li>Consider and discuss issues from a broad perspective, as well as your own perspective.</li> </ul>			
10:35 am	<b>Topic Overview</b> Understand gaps in affordable housing, opportunities to support rental housing and homeownership.			
10:45 am	Small Group Discussions (Move to Break-out Rooms)       Introductions (5 minutes)			
	Kick-off Discussion Questions:			
	• What is the major gap you see in affordable housing in Spokane? (quick round robin)			
	<ul> <li>Models for affordable housing options could include community land trust, land bank, and surplus publicly owned land.</li> <li>What would work for meeting housing needs in Spokane? How would it be structured, and what are considerations for success?</li> </ul>			
	<ul> <li>What type of housing outside of multi-family is most affordable for low-income housing and middle-income housing?</li> <li>(i.e. duplex, triplex, townhome, accessory dwelling unit, cottage housing, etc.)</li> </ul>			
	<ul> <li>What messaging would help build community acceptance for diverse housing options?</li> </ul>			
	Small Group Wrap-up (5 minutes)			
11:30 am	Large Group Share-out and Discussion (All)			
	<ul> <li>Summarize group discussion, key takeaways, and additional questions brought up (5 minutes per group)</li> </ul>			
12:00 pm	Adjourn			

#### REFERENCE MATERIALS

The following are materials that will be helpful in the roundtable discussion. Please take a moment to look over in advance of the meeting.

- Spokane Housing Action Plan webpage
- <u>Shaping Spokane Comprehensive Plan</u>
- WA Dept of Commerce Guidance on Developing a Housing Action Plan

## STRATEGIES AND FUNDING OPTIONS FOR AFFORDABLE HOUSING

The following are strategy examples referenced from the <u>WA. Department of Commerce Guidance for Developing a Housing Action</u> <u>Plan</u>. For a full discussion of the strategies and others, please see the guidance document. The page number is cited below for reference.

#### Local Housing Trust Fund (Strategy F-2, pg. 138)

Housing trust funds are distinct funds established by local governments that receive on ongoing source of dedicated funding to support housing affordability. They can be designed to meet the most critical housing needs in each community.

- General Information on Housing Trust Funds at Housingtrustfundproject.org
- National Housing Conference Land Banks and Community Land Trusts
- Local Housing Solutions <u>Housing Trust Funds Overview</u>

#### "Found Land": Surplus Land and Other Opportunities (Strategy F-3, pg. 139)

In areas with high land costs, acquiring suitable land can add significant expense to an affordable housing project. Cities or counties may own surplus or underutilized lands that may be suitable for housing development. These public lands can be donated or leased to affordable housing developers to reduce the cost of development and help make a project more financially feasible. Other land might hold potential, too:

**Surplus publicly owned land:** Under <u>RCW 39.33.015</u> (2018), public agencies (local governments or utilities) can discount or gift land they own for "public benefit," defined as affordable housing (up to 80% AMI). These agencies must adopt rules to regulate the transfer of property. Staff should inventory publicly owned available lands that may meet criteria for donation and assess environmental or other constraints that may inhibit project suitability prior to site selection. Consider the broad range of public agencies that may be willing to sell, trade, or donate land for a public purpose. Consider lands purchased as staging areas for major construction that may be turned toward housing at the end of the project.

• Local Housing Solutions - Publicly Owned Land

**Brownfields:** Certain properties that can safely be rehabilitated (if necessary) may be eligible for Environmental Protection Agency (EPA) brownfield redevelopment grants. This can be a strategic move to both satisfy goals for infill development and provide additional affordable units in a community. The 2018 Washington State Legislature authorized a competitive process to fund recipients that use their cleaned-up property to build affordable housing and provided funds to the Department of Ecology to distribute to local governments to investigate and plan cleanup for potential affordable housing development. The health and safety of residents should be a top priority in site selection, and only parcels where remediation can ensure safe residential use should be selected.

**Adaptive reuse** is the process of reusing an existing building for a purpose other than what it was designed for. After buildings become disused or abandoned, adaptive reuse can be an effective way to put new uses into existing buildings, reusing existing infrastructure and preserving historic assets. Historic preservation tax credits provide a 20% federal income tax on the qualified amount of private investment on certified rehabilitation of a National Register listed historic building.

**Service groups and churches:** In most communities, service groups or churches may be considering divestment of property as their membership changes. These groups may be willing to provide property for a benevolent use.

**School district-owned land** can be leased for affordable housing. <u>HB 2617 (laws of 2020)</u> was passed to remove recapture provisions when used for affordable housing under RCW 39.33.015. This facilitated affordable housing development on Everett School District property, which leased a ballfield for an affordable housing complex.

**Co-location: building housing with other community facilities:** Another way to "find land" is by adding housing above community facilities such as daycares, libraries, recreation or community centers, or on the same property. This strategy takes advantage of land and utilities already planned for the main use. Planners should ensure zoning allows for such mixed uses, along with adequate height.

Vacant, abandoned and tax delinquent property: These properties generally have negative impacts on surrounding properties while also preventing productive use of the land. Cities or agencies can help to assemble these properties

and coordinate a sale to developers or non-profit organizations to develop affordable housing. This process of assembling is called land banking, and often includes resolving ownership issues and/or addressing tax liens or land encumbrances that otherwise deter developers from pursuing these properties. Like with surplus publicly owned land, MRSC notes that the state constitution generally restricts cities and counties from giving property to private individuals or from selling it for less than market value unless the property would be used to directly benefit the "poor and infirm."

- Sale of Surplus City or Town Property MRSC
- <u>Public Land for Affordable Housing PRSC</u>
- Local Housing Solutions Land Banks Overview

#### Community Land Trusts (Strategy ED-1, pg. 159)

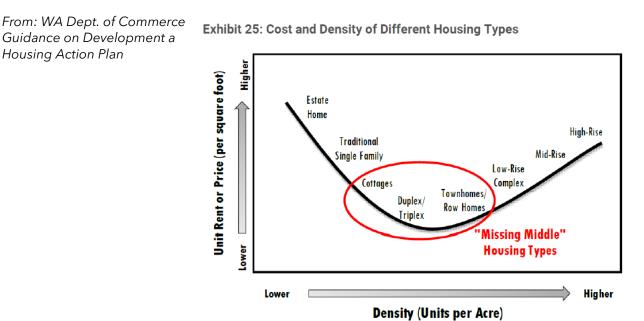
A community land trust (CLT) is a non-profit organization, owned by a collective of community members, which buys and holds land within a neighborhood. It may raise funds through public or private sources to build structures on this land to be used for community purposes or to be sold to low- or moderate-income residents. These building occupants pay a monthly land lease fee to the trust, which maintains ownership of the land itself. CLTs build community wealth by cooperatively owning land and provide affordable housing within a neighborhood. They also prevent displacement by keeping ownership of the land and property out of the private market and ensuring that new development serves community goals such as housing affordability. Public policy can support CLTs by land donation or contributing funds for land acquisition.

- National Housing Conference Land Banks and Community Land Trusts
- Local Housing Solutions <u>Community Land Trusts Overview</u>

#### Increase Allowed Housing Types in Existing Zones (Strategy Z-6, pg. 77)

In many communities, the only housing choices are single-family homes on large lots or medium to large multifamily buildings. Such limited options do not reflect the wide range of needs of differing family sizes, household incomes and cultural groups. One solution is encouraging a larger variety of housing types, often referred to as the "missing middle" as they are middle-sized housing, aimed at people with middle-incomes.

- Missing Middle Guide Part 1 and Part 2 MRSC
- Encouraging Neighborhood-Friendly, Residential Infill Development MRSC



Subsection	Housing Type	Examples	Density Range (net)
Z-6a	Cottage housing		6-20 du/acre
Z-6b	Duplex, triplex, four- plex		8-32 du/acre
Z-6c	Townhouse		12-40 du/acre
Z-6d	Courtyard Apartments		12-40 du/acre
Z-6e	Micro-housing		40-400+ du/acre

## Exhibit 27: Example "Missing Middle" Housing Types

Note: du/acre = dwelling units per acre

From: WA Dept. of Commerce Guidance on Development a Housing Action Plan