From: <u>Debbie Tarry</u>

To: <u>Jesse Salomon</u>; <u>John Norris</u>

Cc: Alicia McIntire; Carolyn Wurdeman; Heidi Costello

Subject: RE: The Affordable Housing Amendment- Two Questions

Date: Monday, July 21, 2014 12:44:21 PM

Jesse -

Response to "A"

HDC prefers 60% as it addresses a broader range of housing needs and matches up with some of the other programs they have. Although this is the case, this is a policy decision for Council and the analysis provided by Julie was focused on the needs that were identified in the City's comprehensive plan process where the largest gap of housing we have is in the 40 to 50% AMI. If that is our true gap in housing then from a policy standpoint it makes sense to provide more incentives to get this housing sector in Shoreline. From my perspective I would recommend a 50% AMI to support this goal – at the same time I can support a 60% AMI – I just think 50% AMI is closer to your desire to meet a housing gap in Shoreline and recognize that to have this type of housing it takes multiple incentives (PTE and exemption from transportation impact fees).

Response to "B"

Based on Julie's review of the statutes, the covenant language is required. That is why it appears in both versions of potential amendment #4. The only difference is if the Council wants to specify a minimum period (the second version of amendment #4). The City Attorney's Office does not think that the statute requires a time limit, as the statute gives the option of conversion to the property owner with requirements to pay impact fees if converted. I know HDC prefers a 30 year time limit and other cities have put in a time limit. As such staff provided alternative language for Council to put in a time limit if that is the preference, but it is our recommendation based on the legal analysis not to do so.

Debbie Tarry City Manager City of Shoreline 17500 Midvale Ave N. Shoreline, WA 98133

From: Jesse Salomon

Sent: Monday, July 21, 2014 11:35 AM

To: Debbie Tarry; John Norris

Subject: Re: The Affordable Housing Amendment- Two Questions

Re: The Affordable Housing Amendment:

A. Staff wrote; "Thus, in the end, if the goal is to encourage affordable housing for those in need, 60% AMI is not an illogical number but given the data, at/below 50% would target the housing demographic needed in Shoreline."

But In the Housing Development Consortium's letter of 6/27, the Consortium

recommended 60% AMI, stating that this is a "best practice in order to align with federal funding sources, such as the Low Income Housing Tax Credit."

My question is whether a 50 percent ami would not be a best practice or did the HDC mean 'at least' 60 percent?

- B. Attachment D low income housing exemptions, second option for amendment. Is the following enforceable or essentially exactly the same in effect as the first option?
- iv. The covenant must require that the proposed housing unit or development will continue to be used for low-income housing for a period of not less than _____ years;

Jesse Salomon, Councilmember City of Shoreline Jsalomon@Shorelinewa.gov (206) 396-5807

Sent from my iPad