From: <u>Debbie Tarry</u>

To: <u>Jesse Salomon</u>; <u>Carolyn Wurdeman</u>

Cc: <u>John Norris</u>; <u>Julie Ainsworth-Taylor</u>; <u>Dan Eernissee</u>

Subject: RE: PTE

Date: Monday, January 26, 2015 9:45:31 AM

Jesse -

Here are responses to most of your questions - we will add to I-Legislate:

Regarding the 5 unit Shoreline Ridge project, what is the judgment based on that they didn't need the PTE? Would it make more sense to establish a minimum unit threshold to qualify for the PTE?

RCW 84.14 defines "multiple unit housing" as a building having 4 or more units. But, RCW 84.14.030(2) does state that the housing must meet guidelines adopted by the local jurisdiction which may include "number and size of proposed development." Thus, nothing in the statute precludes Shoreline for establishing a minimum building size to utilize the PTE.

What are the criteria for a person to show they qualify for a low income unit? What if they remain purposefully underemployed?

The criteria is that the person does not exceed the established income limitations.

Verifying the income to ensure eligibility for the PTE exemption would be the responsibility of the property owner not Shoreline. Using HUD criteria as an example, Property owners can look at wage statements, unemployment compensation statements, or other income statements provided by the tenant.

Property owners can request authorization from the tenant for 3rd party income verification, such as employers, banks, Social Security, or other public agencies. Property owners can also look at pay stubs, tax returns, and bank statements. Whether or not the tenant keeps their income level at the point to be entitled to a low-income unit does not appear to factor into the equation and I don't know if either Shoreline or a landlord should perform an objective analysis of a tenant's employment potential.

Do we really want a 500 unit cap in CRA if we are anticipating private student housing? Isn't our vision for mixed use development able to accommodate significantly more housing?

The SEPA Planned Action that is currently being conducted includes a "most growth" scenario with up to 1,000 units. The 500 cap only applies to the PTE as previously adopted by Council.

At least twenty percent (20%) of the housing units must be affordable housing as defined in SMC 3.27.020. Shouldn't the definition also include the option to be 10 percent to be affordable at 50 percent ami?"

RCW 84.14.020 expressly states that to received the 12 year PTE that the applicant must commit to renting or selling at least 20% of the units as affordable housing to low and moderate income households unless the entire

project is owner occupancy, than only moderate income households need to be addressed. Thus, a stand-alone option of 10% isn't an option when dealing with the 12 year PTE as the statute sets the minimum % of units needed to qualify. It must be noted that the 8 year exemption does not contain limiting language and the Shoreline could establish such a condition for the development to qualify.

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

----Original Message----

From: Jesse Salomon

Sent: Sunday, January 25, 2015 5:50 PM To: Debbie Tarry; Carolyn Wurdeman

Subject: PTE

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Jesse Salomon, Councilmember

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Sent from my iPad