



STATE OF WASHINGTON

AFFORDABLE HOUSING ADVISORY BOARD

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June 1, 2017

The Honorable Jay Inslee
Governor
PO Box 40002
Olympia, Washington 98504-0002

Re: Housing Affordability Response Team (HART) letter with recommendations

Dear Governor Inslee:

Thank you for the opportunity to provide advice and recommendations in addressing the current affordable housing crisis. We are delighted to respond to your letter of January 17, 2017, requesting that the Affordable Housing Advisory Board (AHAB) convene a committee to provide recommendations on how to reduce barriers to housing development in Washington. As a result of this request, the Housing Affordability Response Team (HART) was formed, representing a broad group of housing development, construction, financing and planning experts. Their charge was to review the broad spectrum of housing components that affect affordability, and to work together to identify barriers and make recommendations to address them.

The attached report represents the work of this group. We heard from subject matter experts on topics ranging from permitting processes to subsidized housing finance, considered the relevancy and desirability of prior recommendations from the 2006 and 2013 task forces, and brought new ideas forward. We took care to identify possible "blind spots" in perspective among the work group and designed a survey that allowed us to reach out to over 50 additional stakeholders to collect their input. Due to the short time frame, we also identified additional areas in which further research and investment could yield more strategies. The recommendations below are not listed in order of priority and have more detail in the attached report.

1. Provide funding and support to local governments to plan for housing at every income level, especially for lower-income levels.
2. Provide funding to local governments to assess land capacity through "buildable lands" reports.

3. Provide broad-based education to help communities facilitate the development of more affordable housing.
4. Seek responsible changes to development-related statutes and regulations to facilitate housing development. Small changes to statutes such as the Project Review Act, Subdivision Act, the State Building Code, impact fees, multifamily tax exemptions, community revitalization financing, and prevailing wage determinations could add up to make a difference.
5. Provide stable and dependable state funding for housing, by providing predictable funding to the Housing Trust Fund, making document-recording fees permanent, and encouraging local adoption of local housing levies.
6. Encourage public agencies to consider underutilized publicly owned property as an opportunity for affordable housing.
7. Continue this work into the future by finding opportunities to collaborate with existing work groups and projects to carry these ideas forward.

We consider these recommendations to be a starting point and in no way comprehensive or exclusive. Our goal was to use the time we had to lay the technical groundwork for future investments. With additional time and attention, the recommendations and areas of interest identified in this report could yield new policies, legislation or business practices that make a difference. The public sector, non-profit agencies, and private developers are all necessary partners and must work together to responsibly increase the supply of housing and housing types that are affordable to all income levels, with particular emphasis on low- and middle-income households.

Your task now is to find ways to keep them moving forward. The final section of the report includes some efforts already underway. We believe this report provides a blueprint for collaboration, and we look forward to AHAB's continued partnership in this effort.

Sincerely,



M.A. Leonard, Chair, Affordable Housing Advisory Board

Peter Orser, Chair, Housing Affordability Response Team

