

09/19/2022

RESOLUTION NO. _____

A RESOLUTION relating to affordable housing; providing an affordable housing financing plan for the collection and use of monies authorized by RCW 84.52.105 to fund housing for people with low and very low-income.

WHEREAS, supporting safe, affordable housing and services for households with low and very low-income is a commitment the City Council has made to meet the needs of Vancouver residents; and

WHEREAS, in 2016, City Council placed an affordable housing proposition on the ballot authorized by RCW 84.52.105 to impose additional regular property tax levies to finance affordable housing for households with very low-income; and

WHEREAS, a majority of voters voted to authorize a seven-year levy collecting \$6 million per year, creating the Affordable Housing Fund administered by the City; and

WHEREAS, the Affordable Housing Fund is used for production and preservation of units affordable to families with very low-income, and also supports rental assistance, housing services, and temporary shelter for the period commencing in 2017 and continuing through 2023; and

WHEREAS, the Affordable Housing Fund has awarded \$36,041,884 to support 52 projects with construction, acquisition, and preservation of affordable housing, as well as rental assistance and temporary shelter for Vancouver residents earning less than 50% AMI; and

WHEREAS, to date, 1,064 units of affordable housing have been produced or preserved with support from the Affordable Housing Fund, 1,654 households have received rental assistance

and services to prevent homelessness, and 405 temporary shelter beds have been created or supported with operating costs; and

WHEREAS, the city of Vancouver still has a deficit of approximately 5,600 housing units and a vacancy rate lower than two percent for all rental units in the City; and

WHEREAS, U.S. Census data indicates that there are 13,905 renter households with very low-income in Vancouver that face a high housing cost burden, representing 39.7 percent of all renters; and

WHEREAS, U.S. Census data estimates that there are 6,670 homeowners with very low-income in Vancouver that are cost burdened by housing costs, approximately 17.7 percent of homeowners; and

WHEREAS, the 2022 Homeless Point-in-Time count, required by HUD, found 625 people homeless and living unsheltered in Clark County, an increase of 20 percent from 2020, the last year for which data was available; and

WHEREAS, the 2022 Point-in-Time count found an additional 572 people were homeless and living in temporary shelters in Clark County, an increase of 83 percent due to a substantial increase in shelter beds; and

WHEREAS, the 2022 Point-in-Time count found that 27 percent of people experiencing homelessness were people of color, while people of color make up only 14 percent of Clark County's population; and

WHEREAS, the State of Washington reports that 1,454 children enrolled in the Evergreen and Vancouver school districts (approximately 3.2 percent) are experiencing homelessness and living in motels, shelters, or on the streets, resulting in adverse childhood experiences that have profound and long-lasting negative consequences; and

WHEREAS, the demand for subsidized housing for households earning less than 50% of Area Median Income has increased to the point that the Vancouver Housing Authority has had to close many of the rent restricted waitlists since the number of applications received exceeds ability to assist existing waiting households for several years. They have also adopted preferences on the Section 8 waitlist that limits availability to the most in-need households; and

WHEREAS, household incomes are not keeping pace with Vancouver's housing costs, with average apartment rent increasing 28 percent between 2017 to 2022 according to The Columbian and median household income increasing by only 4 percent according to U.S. Census data; and

WHEREAS, the national rental database WalletHub indicates that Vancouver is experiencing the fourth highest year-over-year rent increases in the nation; and

WHEREAS, due to the COVID-19 pandemic, many residents have experienced loss of income leading to an increased risk of homelessness, and construction costs and delays have created a greater strain on the rental market; and

WHEREAS, in 2022, a group of affordable housing developers and practitioners from Vancouver convened to review the 2016-2023 Affordable Housing Fund outcomes and current market conditions and recommended that City Council ask voters to renew the Affordable Housing Fund levy to continue assisting in the delivery of affordable housing; and

WHEREAS, the replacement of the Affordable Housing Fund will result in local funding that will be used to serve low and very low-income households, and will be leveraged with other public and private funding to create affordable housing serving additional households for 20 or more years; and

WHEREAS, as a condition of receiving federal funding for affordable housing, the City of Vancouver administers an affordable housing program with citizen oversight, including preparation of five-year strategic plans, performance measures and outcomes, and annual action plans; and

WHEREAS, the City of Vancouver has efficiently administered the Vancouver Housing Fund in conjunction with its existing programs that use federal funding for housing affordability and can continue to do so; and

WHEREAS, RCW 84.52.105 authorizes a city to impose additional regular property tax levies to finance affordable housing for low and very low-income households when specifically authorized to do so by a majority of the voters of the taxing district voting on a ballot proposition authorizing the levy; and

WHEREAS, RCW 35.21.685 authorizes a city to assist in the development or preservation of publicly or privately owned housing for persons with low income by providing loans or grants of general municipal funds to the owners or developers of the housing, including loans or grants to finance the acquisition, construction or rehabilitation of affordable housing, and to provide rental assistance and other supportive services, to people with low income; and

WHEREAS, on September 19, 2022, Council adopted Resolution _____ declaring an emergency with respect to the availability of housing that is affordable to households with low and very low-income.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VANCOUVER:

Section 1. **Findings.** The Council hereby adopts and incorporates by reference the above recitals as findings.

Section 2. **Levy Revenues.**

- A. Unless otherwise directed by ordinance, all revenues collected from the additional taxes authorized pursuant to this resolution shall be deposited initially in the Affordable Housing Fund to be used as set forth in the Affordable Housing Fund Administrative and Financing Plan. The Finance Director is authorized to create other subfunds or accounts within the Affordable Housing Fund as may be needed or appropriate to implement the purposes of this resolution.
- B. Pending expenditure for the purposes authorized in this resolution, amounts deposited in the Affordable Housing Fund pursuant to this resolution may be invested in any investments permitted by applicable law. All investment earnings on the balances shall be deposited into the Affordable Housing Fund. Amounts received by the City from payments with respect to loans, recovery of grants, insurance proceeds or proceeds of sale or disposition of property (“program income”) shall be deposited into the Affordable Housing Fund unless otherwise specified by ordinance. Any investment earnings and program income derived from revenues collected from the additional taxes authorized pursuant to this resolution shall be used for the purposes set forth in this resolution and as authorized by City Council and State law.

Section 3. **Administration; Use of Proceeds.**

- A. The levy funds shall be used to pay for affordable housing for households with low and very low-income, pay for affordable housing programs, and otherwise provide for the housing needs of households with low and very low-income.

- B. The Economic Prosperity and Housing Department, or such other department as may be designated by ordinance, shall administer programs funded with the additional taxes authorized pursuant to this resolution. Any programs adopted by the City Council for use of the funds derived under this resolution shall be referred to as “Affordable Housing Fund Programs.” Affordable Housing Fund Programs shall be implemented consistent with the Affordable Housing Fund Administrative and Financing Plan, as adopted by the City Council and as may thereafter be amended from time to time by the City Manager or designee.

Section 4. **Severability.** In any section, sentence, clause or phrase of this resolution should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this resolution.

ADOPTED at a Regular Meeting of the Vancouver City Council this 19th of September 2022.

Anne McEnery-Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

Approved as to form:

Jonathan Young, City Attorney