

ACTION: Invest in infrastructure that supports affordable housing development (B.5)

Proposed Action: Invest in infrastructure (e.g. streetscapes, parks, stormwater improvements) that supports affordable housing improvements.

Application: Reducing infrastructure costs borne by private development can reduce the cost of housing. Applicable to development that includes market and affordable housing located within a master plan development or served by infrastructure provided to a local improvement district or through a master facilities plan.

Policy Evaluation:

- **Legal considerations:** Public/private partnerships for infrastructure improvements may be executed a number of ways including the Master Planned Development process; Local Improvement Districts and Master Facilities Planning. These improvements may be funded through the City's CIP, development impact fees, local improvement district levies, or other public funds including state, DOE and FTA.
- **Consistency with Council guiding principles for affordable housing strategy:** This action will support Council's principles of: (3) advances additional tools and strategies that will produce effective results; (7) considers a full suite of action strategies and possible partnerships; (9) leverages other public and private resources.
- **Coordination with existing programs (e.g. ARCH) and other proposed actions:** ARCH not only works with not for profit housing developers, but is a key player in partnerships with market developers to create affordable housing.
- **Administrative ease:** This action would require coordination between City Departments e.g. Planning, Utilities, Transportation, and Development Services. Contracting and monitoring of affordable units would be administered through ARCH. No additional staffing would be needed.
- **Fiscal considerations:** Infrastructure investments that support affordable housing may be funded through the CIP, development impact fees, local improvement district levies, or other public funds including state, DOE and FTA.

Support/Opposition:

- **Public support:** Some neighbors may be concerned about increased development or public funding of infrastructure projects that benefit development.
- **Stakeholder support:** Likely support from non-profit and for profit housing developers, and developers of mixed use projects that include housing.

Effective Practices Research:

One "Effective Practices" example is Redmond's Overlake Village Master Plan Regional Stormwater Facilities. Redmond developed a Regional Stormwater Facilities Plan that was funded by the city's stormwater CIP, with support from developers, Sound Transit, and state grants. One of the 3 main facilities is already completed and in operation today (Overlake

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Village South Detention Vault beneath the Sear’s parking lot), the second is expected to be completed by the end of 2017 (Overlake Village Station infiltration vault next to the Sound Transit light rail station and built by Sound Transit) and the third will be constructed in the mid to late 2020s to serve future redevelopment (Overlake Village Central Infiltration Vault). The 2010 to 2030 growth for Overlake is expected to be 5,000 new homes and 25,000 new jobs. All of this development will benefit from the public/private regional stormwater investment as well as from the public parks that are planned for the top of the South Detention Vault and Central Infiltration Vault. This will include the affordable housing (at least 10% of residential units) that will be included as a result of Redmond’s mandatory affordable housing requirement for Overlake.

Productivity Potential:

Total Capacity – Potential Number of affordable units	Not expected to result in affordable units within 10 years.
Timing – When would majority of units be realized within next 10 years (0-5, 5-10, >10)?	> 10 years
Income affordability level and for what length of time	Up to 80% area median income
Estimated cost per unit	\$300,000 - \$350,000 unit
Who pays?	Costs may be shared between public and private partners, from multiple sources including City’s CIP, development impact fees, local improvement district levies, and other public funds including state, DOE and FTA.