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Crib Notes

By Joe
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Crib Notes -- HALA report: Where do we go from here?

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In reading the HALA report — and yes, Crib Notes read the **WHOLE** thing — we are reminded of the ambitiously named King County “10-year Plan To End Homelessness.”

End homelessness? Absurd — or inspiring? I guess you can't call it the “10-year Plan To Dent Homelessness.”

Why not 8.5 years?

We're nearing the end of the 10 years and the wizards are trying to come up with a fresh name for the next “10-year Plan To Try Again To Dent Homelessness.”

Gotta have a plan. Can't even dent these things without a plan.

HALA stands for Housing Affordability and Livability Agenda. Seattle Mayor **Ed Murray** and the City Council started HALA nearly a year ago to find ways to keep Seattle affordable to people in the workforce and those who make even less money.

Workforce means janitors, police, teachers, firefighters, baristas, librarians, clerks, musicians ... you get the picture. Middle-class folk who work hard at decent jobs and **STILL** can't afford the high rents and high home prices that come with having the hottest economy around.

Creating HALA meant enlisting 28 volunteers with at least cursory knowledge of zoning, construction finance, urban planning and community organizing — and nothing else to do for nine months.

The lucky 28 would meet until they came up with a written proposal. Their report gets vetted by the mayor (meaning his staff), who then puts his stamp on it (meaning he can make changes) and then it becomes his proposal. The mayor sends his proposal to the council for jawboning, picking apart, altering, distorting and maybe passing something.

The HALA committee made one early mistake: meeting in private. Oops. From the get-go, the lucky 28 hit a thoroughly predictable stalemate: The problem was too hard. Too many non-developers in there so they couldn't agree on anything.

Murray showed solid leadership by marching in to tell them: Get us 50,000 new housing units in the next 10 years; 20,000 of them low-income and 30,000 of them market-rate.

Translate that: Increase the darned supply!

The lucky 28 issued their report last month with a grab bag of 65 proposals designed to give every faction a little of what it wants. The report lists additional proposals that didn't get consensus among the lucky 28, hence the committee didn't endorse them.

Murray quickly chickened out on a proposal that the power elite wanted squashed, removing any mention of tweaking up single-family zoning. Now the rest of the report is getting turned into a legislative proposal for the council to work its magic on sometime in the next dozen years.

Before we plunge into what an actual reading of HALA disinters, first some gripes about how this has played out so far:

You just read that Crib thinks Murray chickened out too soon on "SF 5000," aka the sacred single-family-zoned neighborhoods. Was that just a stalking horse in there? The report said HALA even consulted with the city's Office of Civil Rights and then had the audacity in the report to suggest that excluding people too poor to own in SF 5000 was ... exclusionary!

The Seattle Times and Crosscut.com led the rampage to immediately stamp that out. And then turned around to repeatedly state that we as a city had just conducted a dynamic, robust "debate" and "discussion" about HALA's SF 5000 proposals.

No we didn't! It would stretch credulity even to call that a "flash debate." It was a mugging. There was no debate. Councilmember **Tim Burgess**, for example, who had stood with Murray at the unveiling of HALA's report, quickly and over-candidly said his wealthy backers promptly phoned him to kill that, and so he did.

But we'll survive. For one thing, tweaking the edges of SF 5000 zones to add backyard cottages and such doesn't do squat to significantly increase the housing supply. That was drop-in-the-bucket stuff. Woulda been a fun debate, but not vital. And besides it will be back, sure as the mist of a Northwest winter.

Our beloved local public radio station fell into some of the worst reporting experienced here lately. They went from new council district to new council district asking "real people" what bugs them. The interviewees are free to erroneously claim anything, misquote anything, mangle economics as they wish, distort any fact. But the journalist, the backstop for factual accuracy, should not join in.

The interviewees cited the fallacy that the opening of a newly constructed housing in a neighborhood raises rents and other costs for everybody (not just the dummies who pay new-construction rents to live there). That fallacy seems to be in the water folks drink around here. It's like a George Bush-ism: State it frequently and emphatically enough and it becomes truth, no matter how untrue.

Think of the sunrise. Every time I hear birds chirp in the morning, the sun rises. So if a day comes when no bird chirps, then the sun will not rise that day, right? It's so obvious, and so true — except it's not. (Hint: The bird chirping does not make the sun rise.)

Adding new housing to the supply creates downward pressure on the cost of housing. Not upward pressure. Please memorize that.

The radio interviewers not only didn't point out the inaccuracy, they repeated it as fact. Oops.

The confusion comes with what else happens **SOMETIMES** when higher-end buildings creep into gentrifying areas. The place spiffs up a bit and then other landlords grab the chance to raise their rents a bit too.

A friend inadvertently tapped a vein in the "discussion" that rarely gets overtly stated. He's nearly 60 and nearly a year unemployed, meaning scared. He said when push comes to shove he just

doesn't want the envy he feels when he sees 30-year-olds zipping around his town in Mercedes and Teslas. Nor the sadness he feels walking by the latest sparkly, exorbitantly-priced restaurant filled with 30-year-olds with money to burn when he can't pop in to light a few \$100 bills too! He'd rather kill the goose that lays the golden eggs than have to co-exist with those envy-invoking ones. Pull up the drawbridge!

Those "loaded 30-year-olds" are purportedly the tech wizards moving here from everywhere to join Amazon, Google, Microsoft, Facebook, Zulilly etc. Some folks try to wrap this envy in a moral cloak by saying they want to protect the integrity of this lovely village from amoral carpetbagging intruders with no give-back bone.

Bull. Let's not make public policy based on envy.

Critics immediately painted the 28 HALA members as all working for development interests. Bull again. (Did they read the list of members?)

Crib Notes proffers the following: Put 28 **Kashama Sawants** in a room for nine months. Ask them to study and understand the process and economics of creating housing and affordable housing well enough so they can make cogent, do-able proposals for generating 50,000 new units in the next 10 years. They would come up with the same conclusion: You've got to build 50,000 new units.

Let's do some brief math on that: 50,000 in 10 years = 5,000 per year = 100 per week (with two weeks for vacation). Ain't gonna happen. Even if we started now.

But of course, the debate needs to take three years. (Oops). Permitting one 100-unit project takes 1.5 years, then at least 1.5 years more to construct it. That's in good times. Add a year to find and tie up a site. That's four years per project, and we need 500 of those projects.

Now you see the resemblance to that 10-Year Plan to End Homelessness.

Shoot, just about out of space. Nevermind what the HALA report said! We'll get to hear about it again, and again, and again as the real debate goes on and on. But here are a few brief hits:

- Most of this, surprise surprise, we're already doing. Just got to do better, mainly put more public funding into existing affordability programs. For example, the city's current \$145 million housing levy expires next year. HALA says don't just renew it, double it.
- Tack another 0.25 percent onto the county excise tax on all sales of real estate, and designate it for affordable housing. The current rate is 1.78 percent. We see some logic in that: The seller pays that tax, and as prices rise, skimming a bit of that windfall to help with affordability for disadvantaged folks has a ring to it.
- Create a city tax on Airbnb's and VRBO's, similar to the tax on hotels, and apply that revenue to creating affordable housing.
- Require some affordable units be built with each project.
- HALA's report states specifically that they tried to create a "suite" of 65 proposals — "an integrated fabric of ideas" that need to happen together and not be cherry-picked apart. The suite has something for every constituency and only works if each gets theirs.
- The report does not put numbers to any of the 65 proposals. It doesn't say how many units we'd get by doubling the housing levy or increasing the excise tax.

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