



SOCIAL HOUSING: FREQUENTLY ASKED QUESTIONS

1 How was Seattle Social Housing created?

In 2023, 57% of voters made clear their priorities and commitment to expanding housing options for all people in Seattle by voting for I-135. This initiative established a new, innovative public development authority: Seattle Social Housing (SSH). Its mission is to develop, own, lease, and maintain housing for individuals and families who make up to 120% of area median income (AMI)—housing that is permanently affordable and owned as a public asset.

2 How much housing is needed in Seattle?

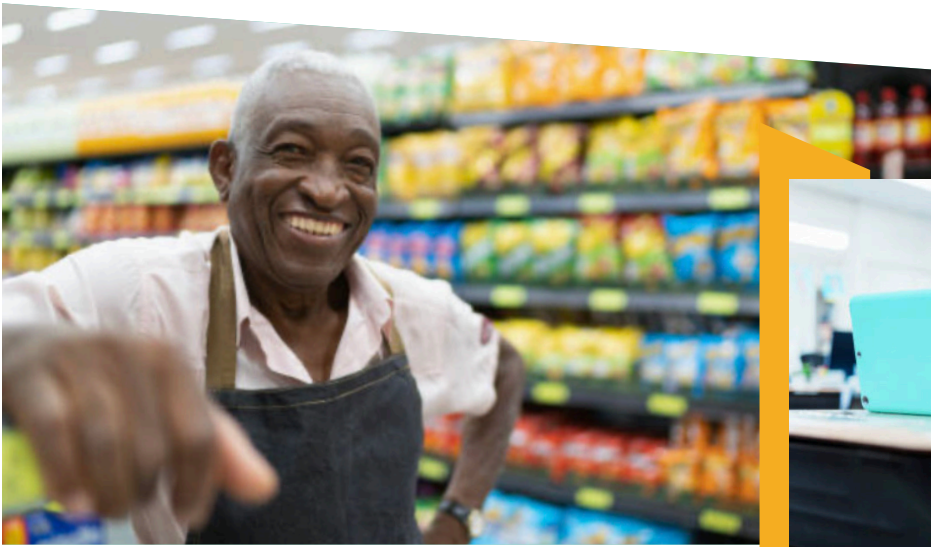
Seattle needs more housing of all types to increase affordability for everyone—about 112,000 new units of housing by 2044. That includes more than 70,726 new units needed for people who make less than 80% of AMI and 11,572 for individuals who make between 80% and 120% of AMI. Forty-four percent of Seattle renters are considered “rent burdened,” meaning they pay more than 30% of their income toward housing.

3 Who can live in social housing?

Social housing is intended for people who make up to 120% of AMI in Seattle (based on family size). The current AMI for a single-person household in Seattle is about \$116,068.

4 How is social housing different from affordable housing?

- **Flexibility around income and eligibility:** Affordable housing providers must adhere to federal guidelines for tenant screening and eligibility. Social housing does not, allowing more flexibility in eligibility. Social housing residents don't face being evicted if they get a raise or a promotion that puts them above income limits.
- **Serves those who power our economy:** Social housing provides homes for essential workers like teachers, firefighters, and service workers who are rent burdened or priced out of market rate rents, yet don't qualify for affordable housing.
- **Units are a public good:** SSH is a public corporation. These buildings cannot be sold to private or market rate developers, ensuring long-term affordability, stability, and sustainability.
- **Different funding sources:** Since social housing is not funded via tax credits, it has flexibility and nimbleness to move quickly. Our funding would come from public dollars generated through a compensation tax on companies who pay more than \$1 million in wages to any single employee. Traditional affordable housing projects are generally financed through a combination of tax credits, grants, and low-interest loans.



5 How will social housing developments be paid for?

Seattle Social Housing will use public dollars to build housing, coming from an excess compensation tax on companies who pay more than \$1 million in wages to any single employee.

6 Who provides oversight to Seattle Social Housing?

SSH is governed by a 13-member board. Six different organizations made board appointments: Seattle Renters Commission, MLK Labor, El Centro De La Raza, Green New Deal Oversight Board, Seattle City Council, and the Mayor. The majority of the board are renters with lived experience of housing insecurity. There are several board members with real estate development experience or nonprofit expertise.

7 Are there other places in the U.S. using the social housing model?

Yes! Montgomery County in Maryland formed the Housing Opportunities Commission which acts as a public developer, financier, and owner that has produced hundreds of social housing units. Atlanta created the Atlanta Urban Development Corporation to build housing that would be available across income levels and where the city would have an ownership stake.

8 We've tried mixed-income development and it just doesn't pencil out financially. What is your financial model for making this work?

The public will help finance the homes built under Seattle Social Housing, so this approach makes housing more cost effective as it is not strictly relying on interest rates, fees, and limitations set by traditional commercial banks. Also, social housing does not have the same requirements as traditional affordable housing providers of adhering to layers of city, state, and federal guidelines for tenant screening and eligibility, which results in substantial administrative cost savings.

9 You say social housing will serve people making up to 120% of AMI, but they won't be evicted if their income changes. How will that work financially?

Social housing is permanently kept in the public good. These buildings cannot be sold to private or market rate developers, so they are designed and operated for ensuring long-term affordability and sustainability.



To learn more, visit socialhousingseattle.org