

Report for the Initiative for Public Deliberation's Open Forums on Affordable Housing

Mark Morris High School, Longview, WA, March 25, 2015

The Affordable Housing Forum held at Mark Morris High School in Longview, WA was the second of six forums conducted by Washington State University Vancouver and The Thomas S. Foley Institute's *Initiative for Public Deliberation*. The forums were sponsored by The Community Foundation for Southwest Washington and Identity Clark County. Thirty-six individuals participated, with an average of six participants at one of six tables led by a facilitator/note taker or facilitator and note taker. Conversations at each table were captured by audio and written notes, and comments were later transcribed without attribution to ensure anonymity. Throughout the discussion the facilitator sought to find areas of commonality and disagreement among the group. Following is a summary of the main themes, some unique findings, and concluding thoughts.

On the topic of how to incentivize developers to pursue affordable housing projects in the area, several groups specifically discussed offering builders government subsidies to help pay for the various development fees. Out of the seventeen participants who expressed an opinion on subsidizing new development projects, eleven showed a concern about how the already underfunded county budget would pay for the subsidies. They argued that since funding the subsidies would more than likely have to come from a new tax increase, they would not support such a plan. While also hesitant because of a possible tax increase, the remaining six participants claimed they could see themselves supporting a creative new tax plan imposed on the community for the sake of helping their low-income neighbors in desperate need of housing. Participants were also asked whether impact fees should be waived or reduced for new affordable housing development projects. There were an equal number of participants that supported and opposed waiving or reducing the impact fees that often generate revenue for local infrastructure projects and maintenance such as roads, parks, and water treatment. Eleven out of the 23 participants argued that waiving impact fees was not a good option, and twelve argued in favor of it. One group of six participants opposed waiving impact fees because they believed a significant amount helped fund the public school system. The other six that opposed the option claimed impact fees are extremely low or non-existent in Longview, so waiving them would be pointless. The remaining twelve participants who discussed waiving development impact fees strongly supported the option, arguing that the fees have become far too high in recent years, and having fewer fees imposed on builders would certainly help speed up the process of starting new affordable housing developments.

The participants also debated providing real estate tax exemptions or tax credits for those developers that choose to start new affordable housing projects in their county. Eighteen out of the 29 participants discussing this option thought this would be a great idea and would certainly incentivize new developments. One group of participants agreed that any tax exemptions or credits should not only be granted at the local level, but that more should be done to have the state and federal governments restructure those similar parts of the tax code to help develop more affordable housing everywhere. For the eleven participants who opposed the idea of providing tax exemptions or credits, one group stated that they would need to know a lot more about the formulas used to determine who would receive the tax exemptions, while the other group argued

the immediate impact on the county budget that depends on development taxes for infrastructure projects would be too devastating to support.

Most groups also discussed the permit and paperwork processes involved in housing development, and whether the process should be expedited to reduce the long delays often prohibiting the start of new affordable housing projects. Twelve out of the eighteen participants who discussed the topic expressed strong support for expediting the paperwork process, arguing that the delay is often times frustrating in their county. These participants suggested that the slowness of the paperwork process was due to staff downsizing in agencies involved in approving new development projects. The six participants who opposed expediting the paperwork process did so primarily because they believed it was a non-issue for Longview, and that attention should be invested in solutions that would provide an immediate result.

When the groups were asked to discuss how best to expand affordable housing opportunities in their community, participants expressed mixed support on most of the policy options introduced by the facilitator. When asked if they would support inclusionary zoning regulations requiring a percentage of new construction to be affordable to families with low or moderate income throughout existing neighborhoods, only three of the 23 participants who discussed the option favored the idea of having mixed housing developments throughout their community. The other twenty participants provided several different reasons why they opposed inclusionary zoning. Two groups of participants appeared very concerned about where the affordable housing would be built because they anticipated a decrease in existing property values as a consequence of lower-quality housing being built in their neighborhoods. In addition to sharing this concern, another group suggested that new affordable housing should be built separately, which would create a new neighborhood that everyone would know provides affordable housing for low-income individuals and families. The third group opposed to inclusionary zoning argued that it is not an appropriate option for Longview, and that focus must remain on incentivizing developers. Additionally, one group spent part of this discussion arguing that the economy in Longview is particularly poor, so it is a bad idea all around to think about building new housing, even if it is more affordable, because there are not enough jobs in the area for people to earn an income to purchase or rent brand-new property.

Most participants were similarly hesitant to support increasing the income thresholds currently used to determine eligibility for government assistance for affordable housing. Of the 24 participants who provided an opinion on the topic, fourteen opposed increasing income thresholds because adding more people to the current eligibility pool would result in an even higher number of people in need of affordable housing that does not exist yet. According to one group, the current waitlist to receive government assistance for affordable housing is almost two years, so increasing the demand would make the waitlist even longer. Even though the ten participants who supported increasing the income thresholds recognized the likely increase in demand, they nevertheless believed that the current income thresholds are outdated and that supporting a larger eligibility pool could be done through a new tax-based subsidy program. Participants who opposed increasing the income thresholds also resisted the idea of implementing a tax levy to support the creation of a housing trust fund to help finance additional affordable housing subsidies. Out of 23 participants who discussed this policy option, seventeen expressed opposition primarily because passing a new tax levy would likely result in an

increased burden on taxpayers throughout the community. Furthermore, many of those opposed also believed that implementing and regulating any new tax-based housing trust fund would be extremely difficult and would more than likely be run incorrectly. This may explain why several participants in one group said they could support a new housing trust fund so long as it is not regulated or ran by the government.

Similar to the discussions on incentivizing development and expanding affordable housing opportunities, there appeared to be very little consensus on whether specific regulations should be reduced to promote future development. When asked to discuss regulatory burdens in general, all sixteen participants who offered an opinion on the matter agreed that there are too many federal, state, and local regulations in place that are not only excessive and unnecessary, but severely hinder the development of new affordable housing. However, when participants were then asked to discuss reducing or limiting specific regulations like those that prevent the development of smaller units or lot sizes, there was a higher level of disagreement. Out of the 22 participants who discussed amending regulations to allow for smaller housing units or lot sizes, twelve expressed support while ten did not. According to the ten that argued against the development of smaller units, the likelihood of seeing a higher housing density of living space within and between homes was a significant concern, particularly because of the community interest in making sure a high quality of living standard is maintained for all citizens. Furthermore, these participants feared the possible social tensions that could come from having so many people living in such close proximity to one another. For the twelve participants who supported the development of smaller housing units and lot sizes, they believed the opposite would occur; that having single people and small families living in such close quarters would promote and build better community-oriented relationships that seem to have disappeared in recent decades.

Of the 23 participants who discussed reducing the current parking space and size requirements on new home and apartment complex developments, eighteen expressed strong opposition to the idea primarily out of concern that doing so would place a burden on the region's poor infrastructure and inadequate mass transportation system. According to these participants, not only would allowing the reduction of parking spaces for new apartment complexes and houses likely result in a significant increase in street-side parking that could be a public safety issue, it would also mean a higher dependency on public modes of transportation like bus routes that are already not extending to the various rural areas of Longview where new affordable housing developments would likely be built. The five participants who supported reducing parking space and lot requirements did so mostly out of their belief that the discussions should focus more on short-term, immediate solutions to the affordable housing problem instead of ideas like changing parking regulations, which is not a major issue in Longview.

When the participants were asked to suggest their own policy alternatives for the affordable housing problem in their community, most groups seemed to agree that before there is any consideration of how to incentivize the development of new projects, there is much that needs to be done in terms of increasing the availability of buildable land in the Longview area. According to one group, local government should loosen zoning laws in order to expand buildable land for new affordable housing. In their separate discussion on expanding buildable land, another group mentioned the previous failed attempts of building new affordable housing

projects because of stalled deliberations over certain parts of the land that did not satisfy current zoning codes. Rather than think about building completely new affordable housing, another group argued the focus should be on rehabilitating and renovating existing vacant or dilapidated property throughout the area and turn it into short or intermediate-term affordable housing for the homeless and low-income families.

Almost all participants agreed that there were many important voices missing from the discussion on affordable housing, and any future forums must include them in the conversation. For example, participants would have liked to hear the views and opinions from local realtors and developers who have professional knowledge and experience in these matters, members of the Longview Chamber of Commerce and Economic Development Council who have experience managing a budget and have a better understanding of what the county could afford, and representatives of the homeless population throughout the community who can better express the specific needs they have for affordable housing. Throughout most of the discussions, participants tended to express disagreement regarding the role of local and state government in facilitating the development and financing of new affordable housing. Some participants agreed that because this is such an important issue that has significant consequences the Longview community claims to value, the government should play a larger role in providing assistance to those in need, as well as tax incentives for developers. Others, however, seemed distrustful of their government's ability to manage any new affordable housing programs efficiently, believing that there would likely be a significant amount of wasted taxpayer money with little visible results. Ultimately, participants recognized that the people in the community strongly value working together to find a solution to any problems they encounter, which means everyone that can have a positive impact on improving the affordable housing problem should contribute to the conversation. Only then will the community arrive at a solution that receives the strongest support from a majority of those involved in the resolving the issue.