

SLUFAN

South Lake Union Friends and Neighbors

March 15, 2004

Councilmember Tom Rasmussen
Chair, Housing, Human Services & Health Committee
Seattle City Council – 2nd Floor
600 4th Avenue
Seattle, WA 98104

Re: Multi-Family Tax Exemption Program Proposed for South Lake Union

Dear Councilmember Rasmussen:

South Lake Union Friends and Neighbors (SLUFAN) is the neighborhood planning stewardship group that oversees implementation and planning efforts for South Lake Union and the Cascade neighborhoods. The contingent of 13 board members is a balanced and representative group that includes Cascade residents, small businesses, property owners, Fred Hutchinson, Seattle Times, the Center for Wooden Boats, non-profit organizations and a local school.

SLUFAN is requesting your support and approval of the Multi-Family Tax Exemption Program legislation and inclusion of the South Lake Union neighborhood as one of the targeted neighborhoods. This important legislation will provide a program tool that will both stimulate housing production and new affordable housing units in South Lake Union and the Cascade neighborhoods.

With the new employment growth targeted for South Lake Union, incentives and tools that help to achieve affordable housing is even more critical to support the needs of this fast growing employment center. Fred Hutch Cancer Research Center has currently 2,100 employees with 900 more projected within the year, the UW School of Medicine – 300 new employees in late 2004 and growing to 2,200 by year 2009, Rosetta/Merck 270 new employees in 2004, Cornish College with a student/faculty population of 1,200 that will grow to 1,500 by 2006, and the New Richmond Laundry block project that will have 400 employees in 2006. The housing will not happen by itself under current market forces at certain affordability ranges. The new employment force coming to South Lake Union will have an average worker income level that ranges between \$30,000 and \$45,000 per year. The adoption of the Multi-Family Tax Exemption Program for South Lake Union will assist in offering affordable units that enable these new workers to live near their place of employment.

We would like to support the Office of Housing's recommendation for rental project affordability that includes 30% of units at or below 70% median income

that will help to ensure that units at this affordability level will be built with a rental rate secured for a 10-year period.

Thank you for consideration of SLUFAN's position on this important issue.

Sincerely,

Ed Geiger, Chair
South Lake Union Friends and Neighbors

Cc: All Seattle City Councilmembers
Mayor Greg Nickels
Katie Hong, Office of Housing