

# How MHA Works

## *A technical summary of Seattle's new policy to ensure growth brings affordability*

Mandatory Housing Affordability (MHA) ensures that new commercial and multi-family residential development contributes to affordable housing. MHA will provide at least 6,000 new rent-restricted homes for low-income people. Affordable housing requirements take effect when the Seattle City Council adopts new zoning that adds development capacity. By enacting affordable housing requirements and increasing development capacity at the same time, MHA is consistent with a state-approved approach used in other Washington cities. **New to MHA? Start with our [overview](#).**

### Why require affordable housing?

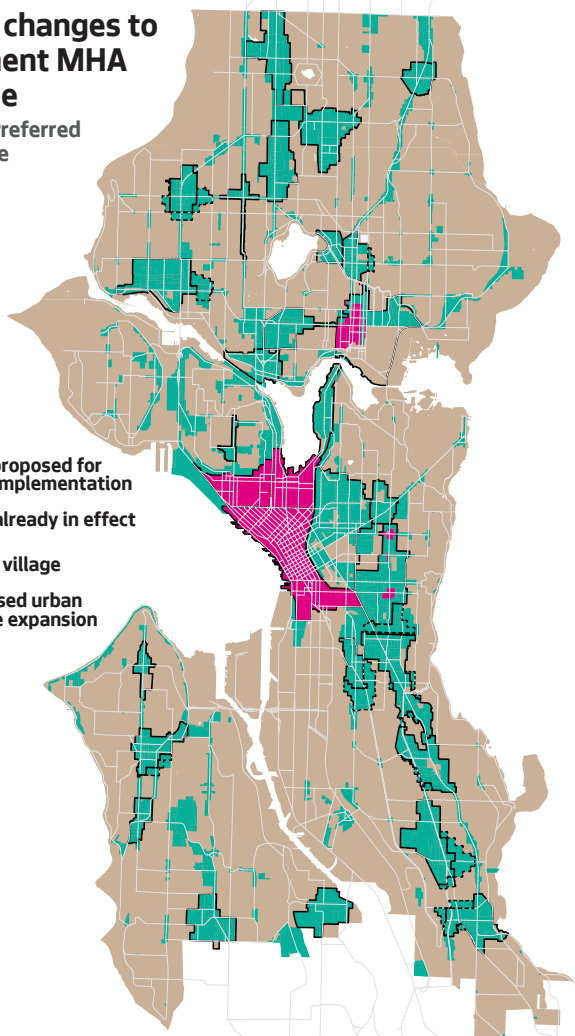
The high cost of housing in Seattle makes it difficult for many current and future residents to live here. In response, Seattle's land use code now requires new development in most multifamily and commercial zones to provide rent-restricted homes for low-income people or pay into a City fund that supports the creation and preservation of affordable housing. MHA is a one of many recent changes, such as doubling the Housing Levy and strengthening renter protections, that the City is making to address Seattle's housing crisis.

### When and where does MHA apply?

MHA requirements apply to development after the City Council approves a rezone that increases maximum height or floor area ratio (FAR) limits or establishes a different zoning designation. MHA applies following both City-initiated legislative rezones and applicant-initiated contract rezones. Most areas with MHA have an **(M)**, **(M1)**, or **(M2)** suffix added to the zone name identifying the affordable housing requirements, but in some zones MHA is effective without an MHA suffix.

### Zoning changes to implement MHA citywide

Final EIS Preferred Alternative

- 
- Area proposed for MHA implementation
  - MHA already in effect
  - Urban village
  - Proposed urban village expansion

## How do I comply with MHA?

Developers seeking a permit for commercial, residential, or live-work development in a zone where MHA is applicable have two options for complying with MHA requirements:

**Payment option** Make a payment to the City's Office of Housing as part of the permitting process that will support affordable housing development throughout Seattle.

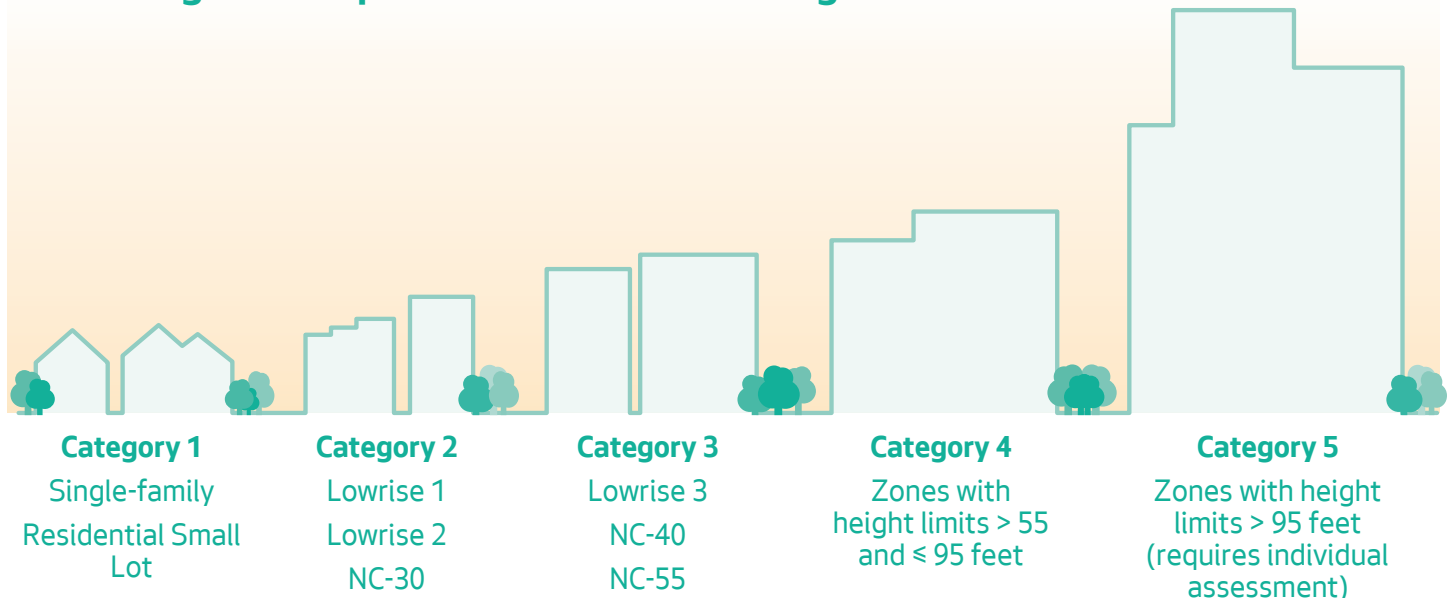
**Performance option** Include rent-restricted units in the proposed development. Developers choosing the performance option must follow the design and locational standards in the code and document compliance with the affordability requirements.

## What are the requirements?

MHA requirements vary based on a property's location and the scale of the zoning change that put MHA into effect. Low, medium, and high MHA areas are identified in the map on page 4. The MHA suffix indicates a development's required affordability contribution based on the amount of development capacity added through rezoning. Larger zoning changes have higher affordable housing requirements.

- (M)** This suffix applies to standard zoning changes. For multifamily residential zones, standard zoning changes result in the same zone name, e.g., LR1 becomes LR1 (M). For commercial zones, standard zoning changes result in the next higher height limit in the zone name, e.g., NC-40 becomes NC-55. The (M) suffix also applies to zoning changes that result in a zone in the same category, e.g., LR1 becomes LR2 (M).
- (M1)** When a rezone is not a standard zoning change and results in a zone in the next highest category, the new zone has an (M1) suffix. For example, a Lowrise 1 zone that becomes to Lowrise 3 is now in a different category, so properties there are zoned LR3 (M1).
- (M2)** When a zone moves two or more categories higher, the new zone has an (M2) suffix. For example, a single-family zone that becomes Lowrise 3 is two categories higher, so properties there are zoned LR3 (M2).

## Calculating a development's affordable housing contribution



For a development to be subject to MHA, the standards of the zone or the conditions of a contract rezone must reference Chapters 23.58B and/or 23.58C of the land use code. Projects with both residential and commercial uses will be subject to MHA-R and MHA-C requirements.

For more detail on the developer contributions that MHA requires, see [Tip 257](#) from the Seattle Department of Construction and Inspections (SDCI).

### MHA-Commercial

Commercial requirements outlined in [Chapter 23.58B](#) generally apply to a project proposed with more than 4,000 square feet of gross floor area in commercial use.

### MHA-Residential

For residential and live-work uses, [Chapter 23.58C](#) applies to a project that adds new units or increases the number of units in an existing building. For MHA requirements, a "unit" means a principal dwelling unit, a congregate residence sleeping room, or a live-work unit.

## MHA requirements

**Note:** MHA payment requirements are updated annually using a consumer price index (CPI) adjustment method. The tables below reflect current payment requirements as of March 2018. A zoning reviewer at SDCI can confirm the applicable payment calculation amount for a specific project. For more detail, see [Tip 257](#).

### Residential and live-work outside Downtown, SM-SLU, and SM-U 85 zones

		low area		medium area		high area	
		%	\$	%	\$	%	\$
scale of zoning change	(M)	5%	\$7.43	6%	\$14.07	7%	\$22.03
	(M1)	8%	\$11.94	9%	\$21.24	10%	\$31.59
	(M2)	9%	\$13.27	10%	\$23.62	11%	\$34.77

### Commercial outside Downtown, SM-SLU, and SM-U 85 zones

		%	\$	%	\$	%	\$
scale of zoning change	(M)	5%	\$5.42	5%	\$7.59	5%	\$8.68
	(M1)	8%	\$8.68	8%	\$12.20	8%	\$13.83
	(M2)	9%	\$9.76	9%	\$13.56	9%	\$15.73

# MHA areas

- High
- Medium
- Low
- Downtown / South Lake Union  
MHA requirements vary by zone.
- Urban Village

MHA areas follow urban village boundaries except where noted.

