Mandatory Housing Affordability (MHA) Program Downtown and South Lake Union Implementation – DRAFT Requirements and Capacity Proposal January 30, 2016

The City of Seattle is implementing a new Mandatory Housing Affordability ("MHA") program. Under this program, developers would be required to contribute to affordable housing when new commercial or multi-family buildings are built. This contribution would be met by including affordable housing within a new development or paying into a fund that will be invested in affordable housing projects. In exchange for the new affordable housing requirement, some additional development capacity would be added. This approach would minimize the impact of these requirements on the cost of new housing and is consistent with a state-approved approach for these programs used by other cities. This program is proposed to be implemented first in Downtown and South Lake Union in late 2016. More information on the proposal and process is available at www.seattle.gov/hala.

Within Downtown and South Lake Union, the percentage of the units that would be affordable, the alternative fee, and the additional capacity allowed would all vary by zone. Specific percentage and fee requirements were calculated for each zone based on the amount of affordable housing that would be required under current incentive zoning plus an additional requirement that was negotiated as part of the Housing Affordability and Livability Agenda Stakeholder Committee based on many factors. Below is as summary of the percentage and fee requirements as well as the additional development capacity proposed for each zone. The following zones are not listed in the table as they are proposed to be exempted from the program entirely: All Pioneer Square Mixed zones, Pike Market Mixed, Downtown Harborfront 1, SM 85/65-160, IDM 75-85, and C2-40.

	Residential			Commercial		
	Fee per SF	Percentage	Additional Capacity	Fee per SF	Percentage	Additional Capacity
DH2/55	\$12.75	5.0%	One extra story	\$14.25	8.6%	One extra story
DH2/65	\$12.75	5.0%	One extra story	\$15.00	9.1%	One extra story
DH2/85	\$12.75	5.0%	One extra story	\$15.25	9.2%	One extra story
DMC 240/290-400	\$7.75	3.0%	1,000 sf tower floor plate	\$10.00	6.1%	1 FAR increase
DMC 340/290-400	\$7.75	3.0%	1,000 sf tower floor plate	\$12.50	7.6%	1 FAR increase
DMC 85/65-150	\$9.50	3.7%	One extra story	\$11.75	7.1%	1 FAR increase
DMC-125	\$13.00	5.1%	Two extra stories	\$10.00	6.1%	1 FAR increase
DMC-160	\$5.50	2.1%	One extra story	\$8.00	5.0%	1 FAR increase
DMC-65	\$12.75	5.0%	One extra story	\$8.00	5.0%	1 FAR increase
DMC-85	\$12.75	5.0%	One extra story	\$8.00	5.0%	1 FAR increase
DMR/C 125/65	\$11.75	4.6%	Two extra stories*	\$17.50	10.6%	0.5 FAR increase

		Resi	dential	Commercial			
	Fee per SF	Percentage	Additional Capacity	Fee per SF	Percentage	Additional Capacity	
DMR/C 240/125	\$8.50	3.3%	Two extra stories, 10% tower floor plate	\$14.25	8.6%	0.5 FAR increase	
DMR/C 65/65-150	\$7.25	2.8%	5% coverage increase	\$9.75	5.9%	0.5 FAR increase	
DMR/C 65/65-85	\$5.25	2.1%	One extra story	\$9.75	5.9%	0.5 FAR increase	
DMR/C 85/65	\$12.75	5.0%	One extra story*	\$17.50	10.6%	0.5 FAR increase	
DMR/R 125/65	\$11.75	4.6%	Two extra stories*	\$16.00	9.7%	0.5 FAR increase	
DMR/R 240/65	\$8.50	3.3%	Two extra stories, 10% tower floor plate	\$16.00	9.7%	0.5 FAR increase	
DMR/R 85/65	\$12.75	5.0%	One extra story*	\$14.00	8.5%	0.5 FAR increase	
DOC1 U/450/U	\$10.50	4.2%	1,000 sf tower floor plate	\$14.75	8.9%	1 FAR increase	
DOC2 500/300-500	\$9.75	3.8%	1,000 sf tower floor plate	\$14.25	8.6%	1 FAR increase	
DRC 85-150	\$10.00	3.9%	Two extra stories	\$13.50	8.2%	1 FAR increase	
IC 85-160	\$0.00	0.0%	None	\$10.00	6.1%	0.5 FAR increase, 15 foot height	
IDM 150/85-150	\$7.25	2.8%	One extra story	\$8.00	5.0%	1 FAR increase	
IDM 75/85-150	\$7.25	2.8%	One extra story	\$8.00	5.0%	1 FAR increase	
IDM-65-150	\$9.00	3.5%	One extra story	\$8.00	5.0%	1 FAR increase	
IDR 150	\$9.50	3.7%	Two extra stories*	\$10.00	6.1%	0.5 FAR increase	
IDR 45/125-240	\$6.00	2.3%	One extra story*	\$10.00	6.1%	0.5 FAR increase	
IDR/C 125/150-240	\$5.00	2.0%	One extra story*	\$8.00	5.0%	1 FAR increase	
SM 160/85-240	\$8.75	3.4%	1,000 sf tower floor plate, 5% increase in tower coverage	\$11.25	6.8%	1 FAR increase, 15 foot height	
SM 240/125-400	\$9.75	3.8%	1,000 sf tower floor plate, 5% increase in tower coverage	\$10.00	6.1%	1 FAR increase	
SM 85/65-125	\$6.00	2.3%	1,000 sf tower floor plate, 5% increase in tower coverage	\$8.00	5.0%	0.5 FAR increase, 15 ft Height	
SM 85-240	\$8.75	3.4%	1,000 sf tower floor plate, 5% increase in tower coverage	\$0.00	0.0%	None	
SM/R 55/85	\$12.75	5.0%	One extra story, 1 FAR	\$8.00	5.0%	One extra story	
SM-125	\$6.00	2.3%	0.5 FAR	\$8.00	5.0%	Height increase	
SM-85	\$7.00	2.7%	One extra story, 0.25 FAR	\$8.00	5.0%	0.25 FAR	

^{*} could also modifying height breakpoints for coverage and floor plate limits