



The City of Seattle's Director of Housing proposes a director's rule under the authority of Seattle Municipal Code (SMC) 23.49.012.D.3 and SMC 3.14.740.G.

The purpose of the rule is to establish terms and conditions to permit use of limited public subsidies to advance the development of low-income housing under the "performance option" for bonus floor area for non-residential development in Seattle's downtown zones. Section SMC 23.49.012.D.3 generally prohibits downtown developers from earning bonus floor area if, when electing to provide housing through the performance option, the party providing the housing receives any charitable contributions or public subsidies for housing development or operation. However, section SMC 23.49.012.D.4 provides for the Director of Housing to establish terms and conditions under which exceptions to the restriction on subsidies may be allowed.

The proposed rule would permit housing developers to use tax-exempt bonds in conjunction with so-called "4%" low income tax credits when providing low-income housing that can earn bonus floor area. The proposed rule would also permit use of the multifamily property tax exemption when producing such low-income housing but only on condition of the housing developer providing additional housing affordability than would otherwise be the case. The proposed rule provides detail on how such public benefit through housing affordability would be assessed for purposes of permitting an exception to the restriction on subsidies.

The complete text of the draft rule can be accessed through the Office of Housing's website, at <http://www.seattle.gov/housing>.

Interested parties are encouraged to present data, views, or argument on this draft rule. For sake of expediency, the Office of Housing will accept written comments via either email or delivery. Emailed comments should be directed to: [Housing@seattle.gov](mailto:Housing@seattle.gov). Comments provided through the US mail or other delivery service should be directed to: Prithy Korathu, Office of Housing, 700 5<sup>th</sup> Avenue, P.O. Box 94725, Seattle, WA 98124-4725. Comments will be accepted for a period of 14 days from publication of this rule.