

# Affordable housing supported by Incentive Zoning payments



Seattle  
Office of Housing



**Nyer Urness House** - 80 units  
*Compass Housing Alliance*

- NeighborCare health clinic on site
- On-site resident services
- Formerly homeless people and veterans



**Arbora Court** - 133 units  
*Bellwether Housing*  
*under development*

- 40% 2- and 3-bedroom family units
- 40 units for formerly homeless families
- Low-income individuals and families



**Compass on Dexter** - 74 units  
*Compass Housing Alliance*

- 56% 2- and 3-bedroom family units
- On-site children's center and play area
- 36 formerly homeless families



**The Jefferson** - 40 units  
*Capitol Hill Housing*

- Formerly contaminated site
- 50% 2-bedroom units
- Low-wage workers



**Plaza Roberto Maestas** - 112 units  
*El Centro de la Raza*

- Public plaza, child development center and multicultural community center
- 80% are 2- and 3-bedroom family units
- Next to Beacon Hill Light Rail Station



**Mt. Baker Lofts** - 57 units  
*ArtSpace*

- Mixed-use project for artists & families
- Next to Mt. Baker Light Rail Station
- Affordable childcare

# Strategic Investments with Mandatory Housing Affordability Payments



## How does it work?

The Seattle Office of Housing, which will administer in-lieu payments from the Mandatory Housing Affordability program (MHA), has a 35-year track record of investing local and federal funds, including incentive zoning in-lieu payments, to meet a range of strategic goals for affordable housing.

### Equity

Affordable housing built with MHA funds will advance racial and social equity. These investments mitigate displacement by providing stable rents in areas at high risk of displacement and stimulate economic development in neighborhoods that lack private investment. Affordable housing is typically developed in partnership with community-based organizations that plan development around the needs of a community, including providing culturally relevant services or affordable retail space for local businesses. City funds go towards preservation of existing at-risk affordable housing and support critical family-sized units that the private market does not produce. City-funded affordable housing also often includes resident service programs and other connections to social services that help individuals and families thrive.

### Quantity

MHA payments will be combined with other City funds and leveraged 3:1 on average with critical private and public dollars for affordable housing. In nearly all zones, MHA payments will yield a greater number of affordable housing units than would be produced on-site, if the payments support housing at 60% AMI. The Office of Housing has proven its effectiveness in aligning resources to maximize production.

### Sustainability

MHA payments will be invested in high-quality affordable housing that is built to last. The Office of Housing provides long-term stewardship of City-funded housing for 50 years, ensuring it remains affordable and in good condition for generations to come. City-funded affordable housing meets the state-wide Evergreen Sustainable Development Standard, providing significant energy and water savings that benefit the environment and low-income residents over the long-term.

### Location

The Office of Housing has a track record of building affordable housing in neighborhoods throughout Seattle. When determining the location of affordable housing funded with MHA payments, the Office of Housing seeks to promote fair housing choice and economic opportunity, address the needs of communities vulnerable to displacement, and support broader City strategies to promote growth near transit and in urban centers and villages.

A 2014 independent analysis of Seattle's Incentive Zoning program determined that housing funded with IZ payments is likely to be located in neighborhoods closer to downtown and within close proximity to the properties that provided the payments, not highly concentrated in one neighborhood. The report concluded that a greater reliance on the on-site production option would not result in a significant change in the geographic distribution of units and that on-site performance units would not be located in neighborhoods of higher economic opportunity.<sup>1</sup>

<sup>1</sup> Jacobus, Rick. "Seattle Incentive Zoning: Analysis to data relating to historical production under Seattle's Incentive Zoning Program." February 2014.

## For more information

Contact the Seattle Office of Housing at (206) 684-0721 or [housing@seattle.gov](mailto:housing@seattle.gov).