

# Mandatory Housing Affordability Citywide Implementation

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a program of the Housing Affordability and Livability Agenda



**Presentation to the  
Seattle Planning Commission**

**October 11, 2018**

# Mandatory Housing Affordability

*Creating more **affordable housing** through growth*

We are enacting zoning changes so that new development will create income-restricted affordable housing.

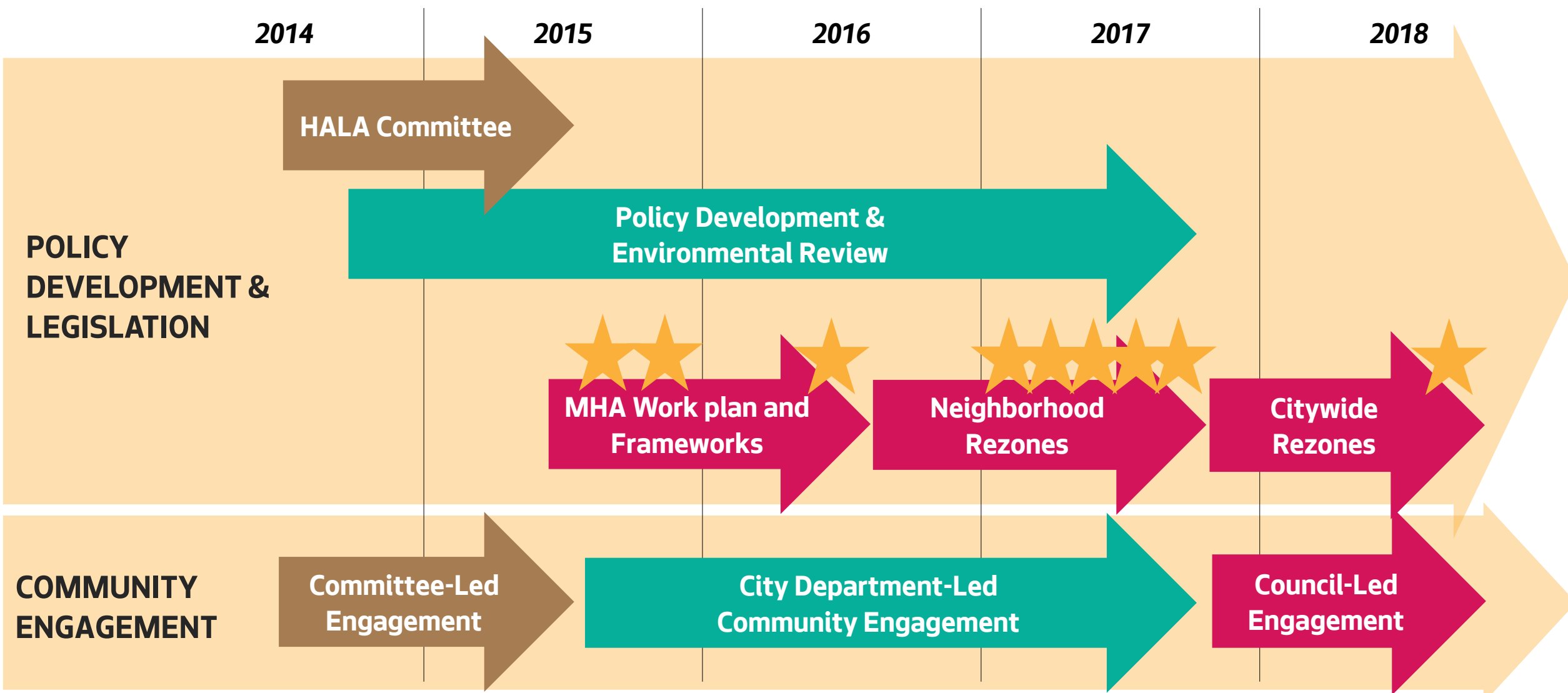
MHA lays the framework for how Seattle grows equitably and sustainably.



# Presentation Overview

1. MHA Status
2. Displacement Background & Analysis
3. Preferred Alternative & Legislation
4. SPC Comments
5. Next Steps

# Implementation Timeline



## MHA Status

# Implementation Timeline: 2018-19

2018 Q1

Q2

Q3

Q4

2019 Q1

TODAY

CITYWIDE  
LEGISLATION

Select Committee Meetings, Hearings,  
Open Houses

A

Citywide Rezones

B

Additional Environmental  
Review

FEIS APPEAL

Pre-Hearing Procedures

Hearings



# Disproportionate impacts; Disparate access

- Incomes in Seattle vary greatly by race:
  - the median income for Black families is 36% that of White families;
  - the median income of Asian families is 67% that of White families.
- In Seattle, 1 in 3 Black renter households spend more than half their incomes on housing compared to 1 in 5 White renter households.
- In Seattle, 35% of householders of color own their home compared to 51% of White householders.
- In the Central District, Black households comprised 60% households in 1990 and only 25% by 2010.



## Displacement Background & Analysis

# Legacy of racial exclusion

- National Housing Act discouraged mortgage lenders from investing in “redlined” neighborhoods
- FHA denied mortgage assistance to applicants based on race and ethnicity
- Racially restrictive covenants prevented people of color from purchasing homes elsewhere, particularly in north end

**Policies may be gone; patterns persist.**

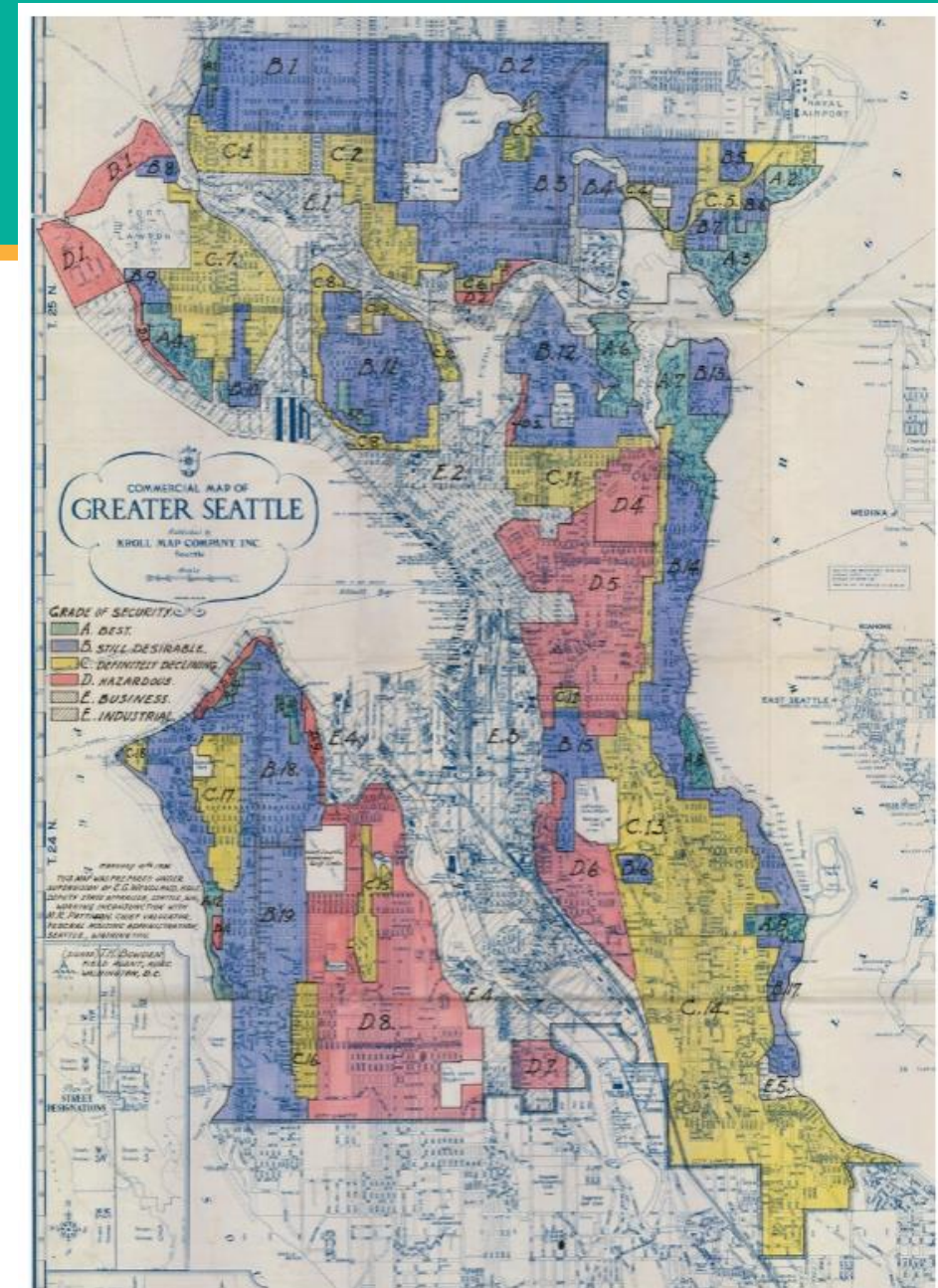


Exhibit 3.1-1 1936 Commercial Map of Greater Seattle

# MHA Affordable Housing Outcomes

## 10-Year Goal: 6,000+ rent- and income-restricted units affordable to households at <60% of AMI

- New affordable housing is a critical anti-displacement strategy
- People of color comprise large share of households in rent- and income-restricted housing
- Opportunity for new housing choices in neighborhoods throughout Seattle





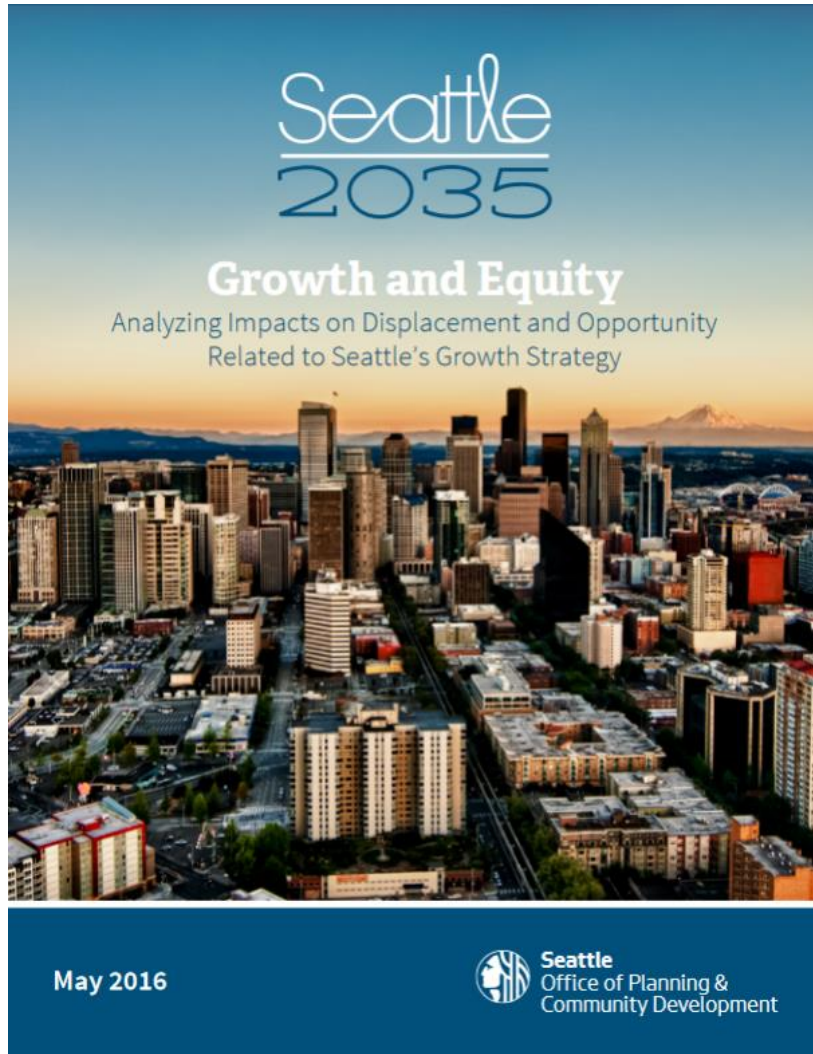
# Displacement Resolution (2017)



## Council Resolution 31733 February 2017

- Reaffirms commitment to manage future growth to encourage racial and social equity and minimize impacts on marginalized populations
- Directs analysis of physical, economic, and cultural displacement potential — both loss of low-income units and displacement of low-income households — that could result from increases in development capacity
- Encourages use of Growth and Equity Analysis

# Growth and Equity Analysis (2016)

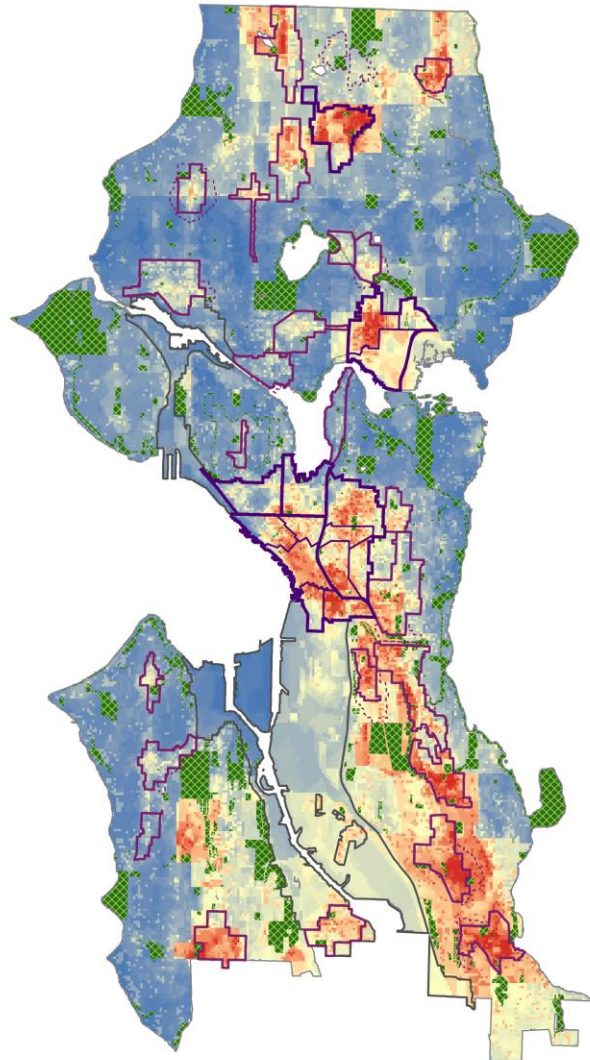


## Companion analysis to *Seattle 2035* Comprehensive Plan

- Analyzed growth strategy
- Developed typology based on displacement risk and access to opportunity
- Recommended equitable development strategies based on typology

## Displacement Background & Analysis

# Growth and Equity Analysis (2016)

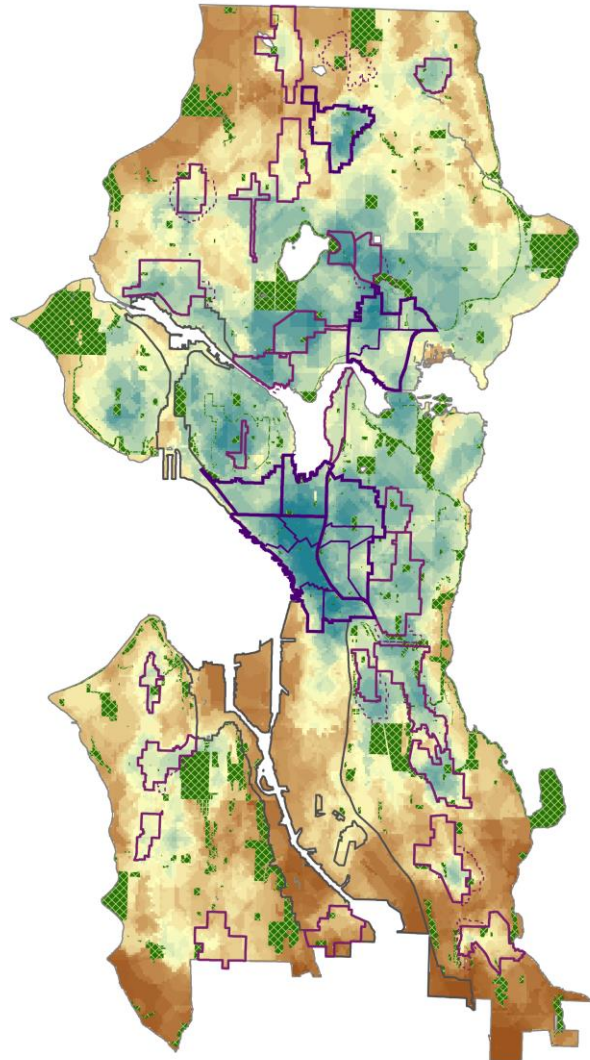


## Displacement Risk Index

- Composite index that combines data on demographics, economic conditions, and the built environment
  - People of color
  - Linguistic isolation
  - Housing cost burden
  - Proximity to current or future transit
- Displacement risk varies considerably across Seattle
- Vulnerability high in some neighborhoods, such as southeast Seattle

## Displacement Background & Analysis

# Growth and Equity Analysis (2016)



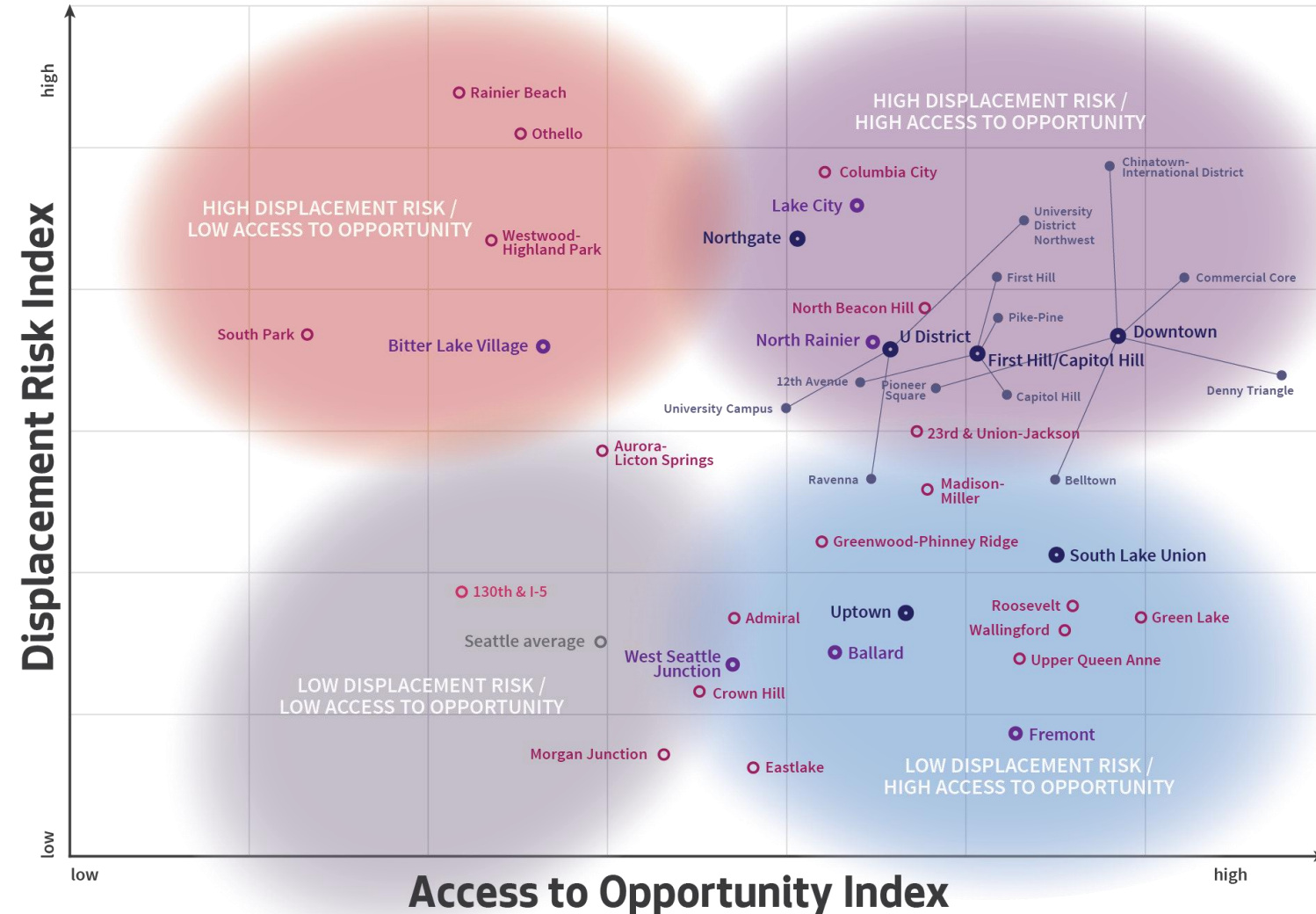
## Access to Opportunity Index

- Identifies disparities in marginalized populations' access to key determinants of social, economic, and physical well-being
  - Educational opportunity
  - Employment
  - Access to transit
  - Sidewalk completeness
- Factors people need to flourish not equitably distributed
- Areas with high opportunity are unaffordable and out of reach to most households



# Displacement Background & Analysis

## Growth and Equity Analysis (2016)



## Equitable Development Typology

- Implement anti-displacement strategies in areas at high risk of displacement
- Increase housing choices in areas with high access to opportunity

# Additional comments on RSJ and DEIS (2017)

## Received many DEIS comments related to racial equity and displacement

- Requests for additional analysis on existing conditions and impacts by race
- Preferred alternative recommendations (varied: calls for more and less development capacity in high displacement risk communities)
- Recommendations for mitigation measures to address racial disparities and undo racial exclusion





# FEIS: Additional analysis of racial equity

## Included in the Final EIS

- Narrative on historical context of racial segregation and a qualitative discussion of cultural displacement
- Demographic data, such as housing cost burden and wealth, according to race to examine disparities
- Correlation analysis of relationship between housing development and changes in low-income populations and people of color
- Preferred alternative that uses displacement risk to shape zoning proposal, while ensuring that all new multi-family and commercial development in all neighborhoods contribute to affordable housing
- Expanded discussion of zoning- and non-zoning-based measures to mitigate residential and cultural displacement

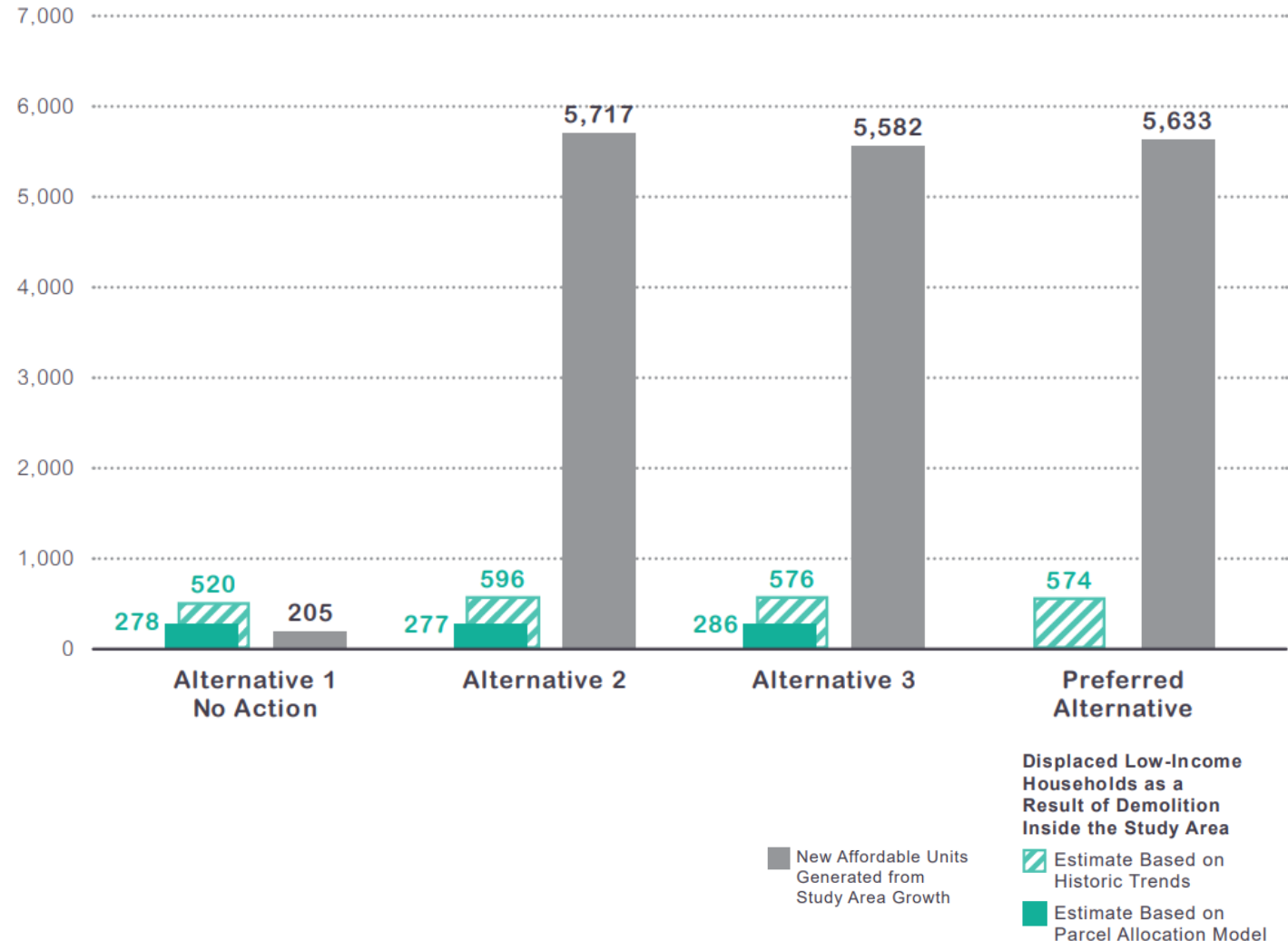
# Displacement Background & Analysis

## FEIS: Displacement Analysis

### Physical Displacement

Used two methods for estimating low-income households displaced due to demolition

- Modeled future growth at parcel level to estimate potential demolitions
- Examined historical ratio of new housing to demolished units based on 2010-2016 for each zone



## Displacement Background & Analysis

# FEIS: Displacement Analysis

### Economic Displacement

Correlation analysis to examine historical relationship of new housing production and change in households with various incomes

- Evaluated at granular level of census tracts using most current data
- No correlation between market-rate housing growth and change in the number of low-income households



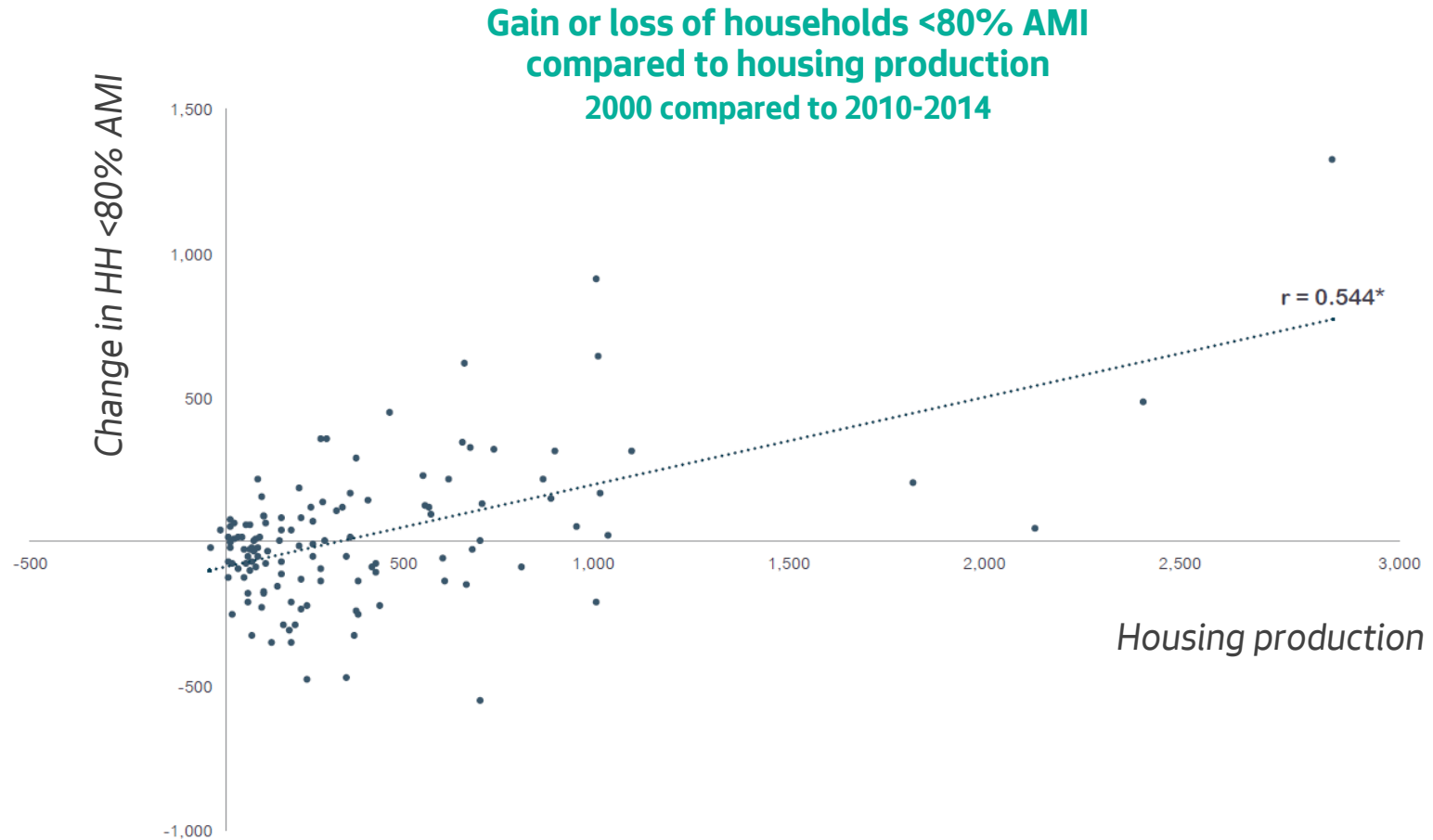
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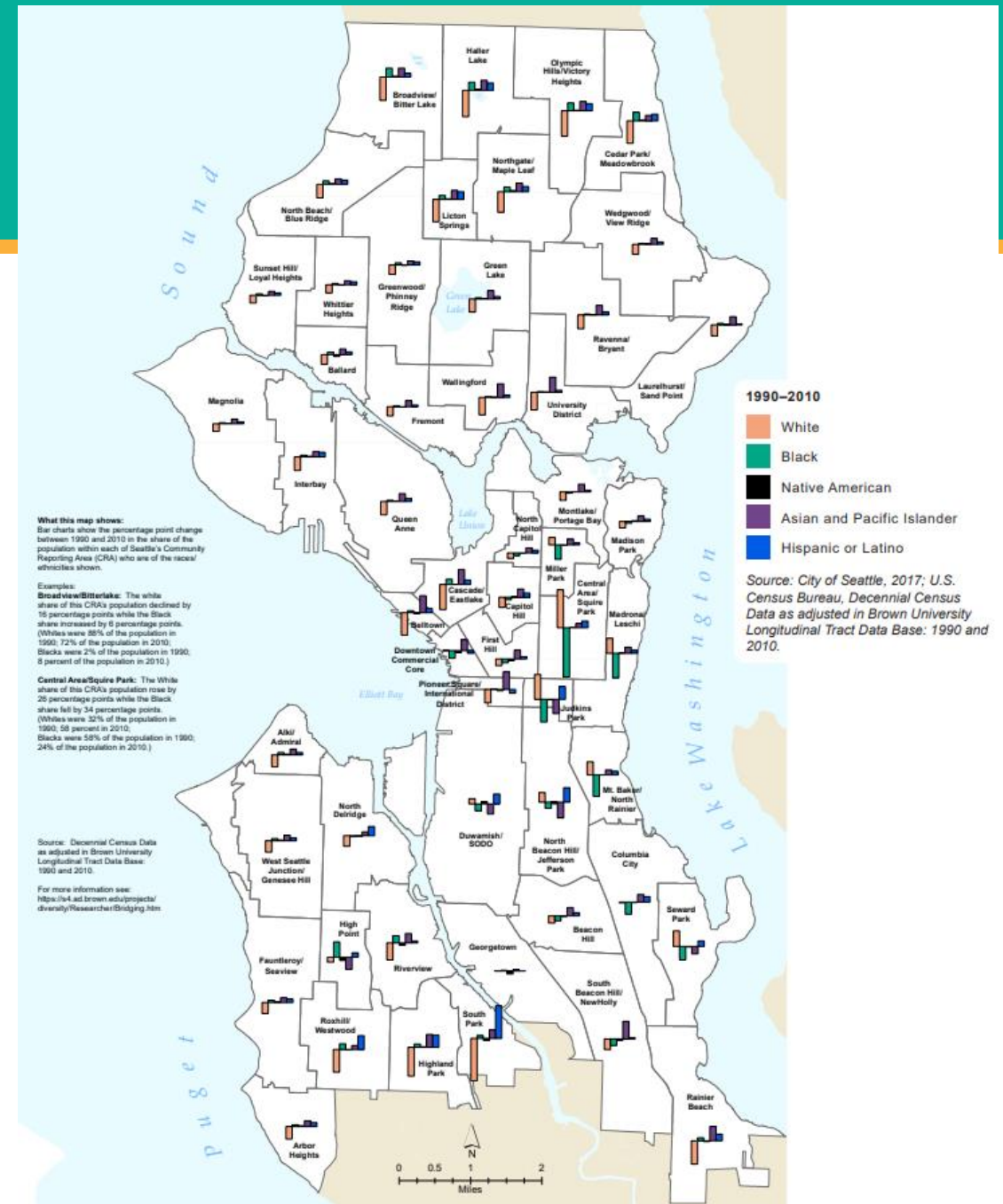


# Displacement Background & Analysis

## FEIS: Displacement Analysis

### Cultural Displacement

- Examined neighborhood change in share of racial/ethnic minorities
- No significant statistical relationship between housing production and changes in the population of certain racial and ethnic groups, such as Black/African American people
- Factors other than new housing production are contributing to cultural displacement in ways distinct from displacement of low-income households

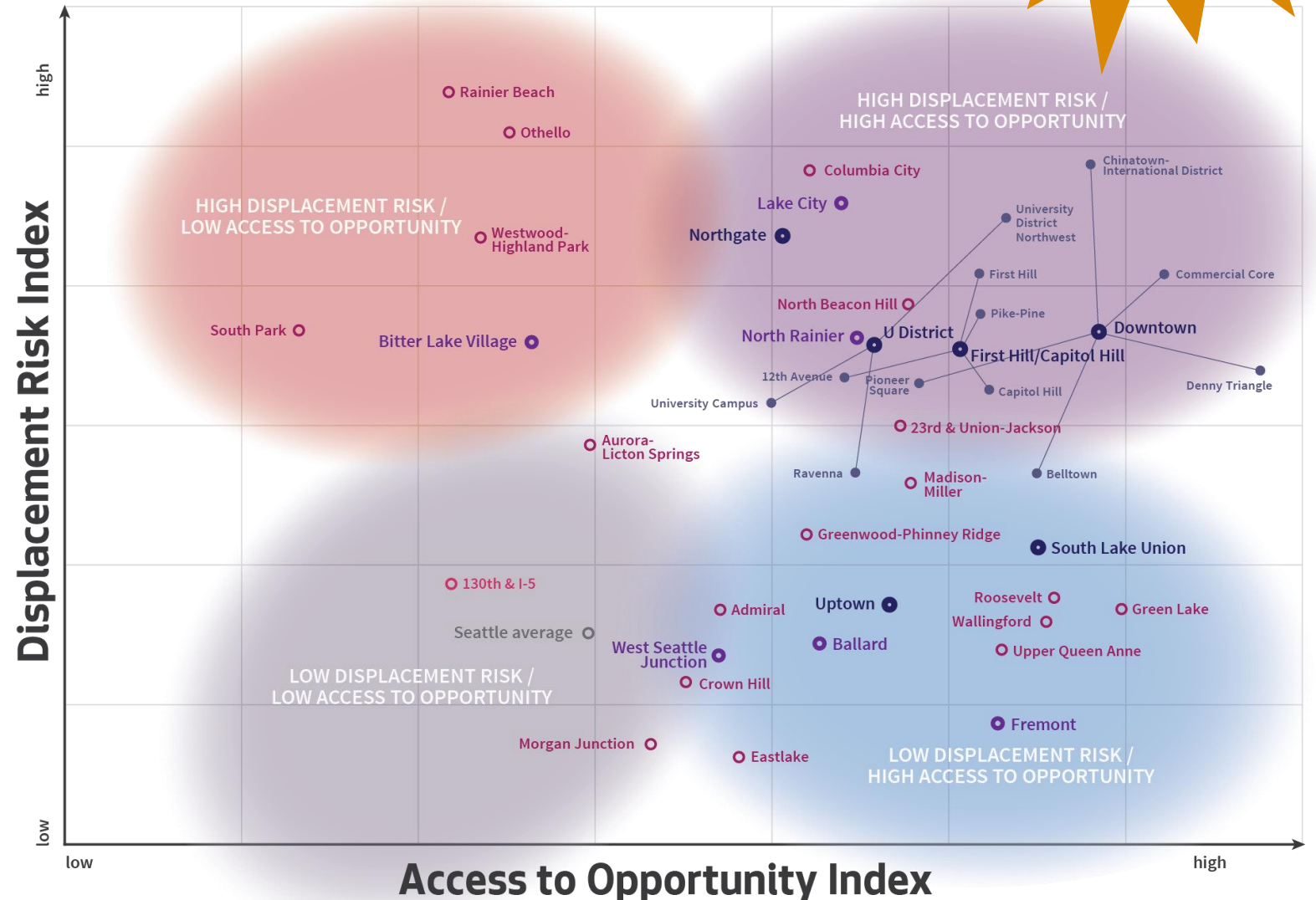


# Preferred Alternative & Legislation

## FEIS: Preferred Alternative

shaped by  
community

Use **Growth and Equity Analysis** to vary scale of zoning changes based on **displacement risk** and **access to opportunity**



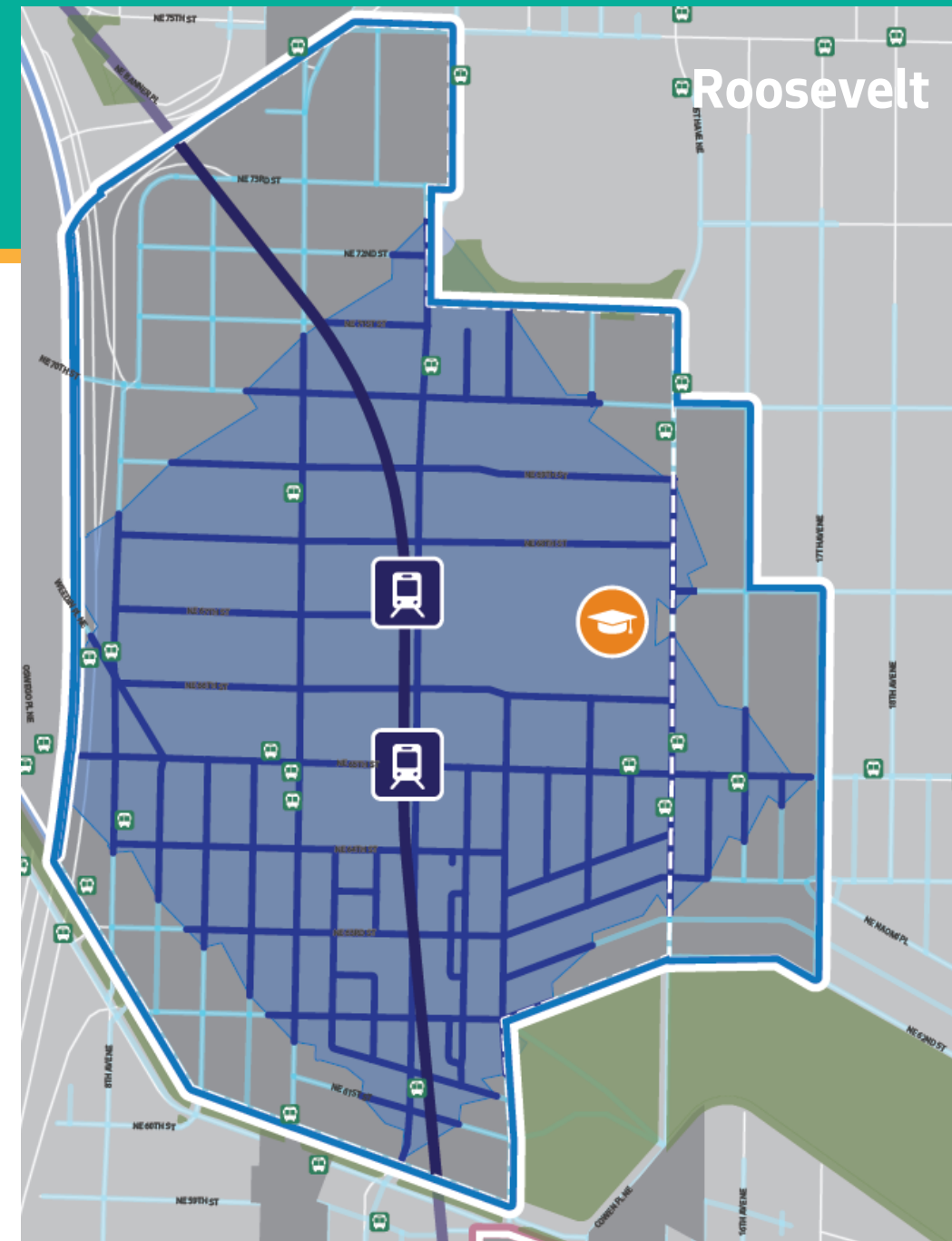


# Preferred Alternative & Legislation

## FEIS: Preferred Alternative

### Places for relatively *more* new development capacity:

- Encourage more (M1) and (M2) rezones in communities with low risk of displacement and high access to opportunity (near transit, parks, and schools)
- Expand urban villages boundaries to include full 10-minute walkshed to frequent transit nodes

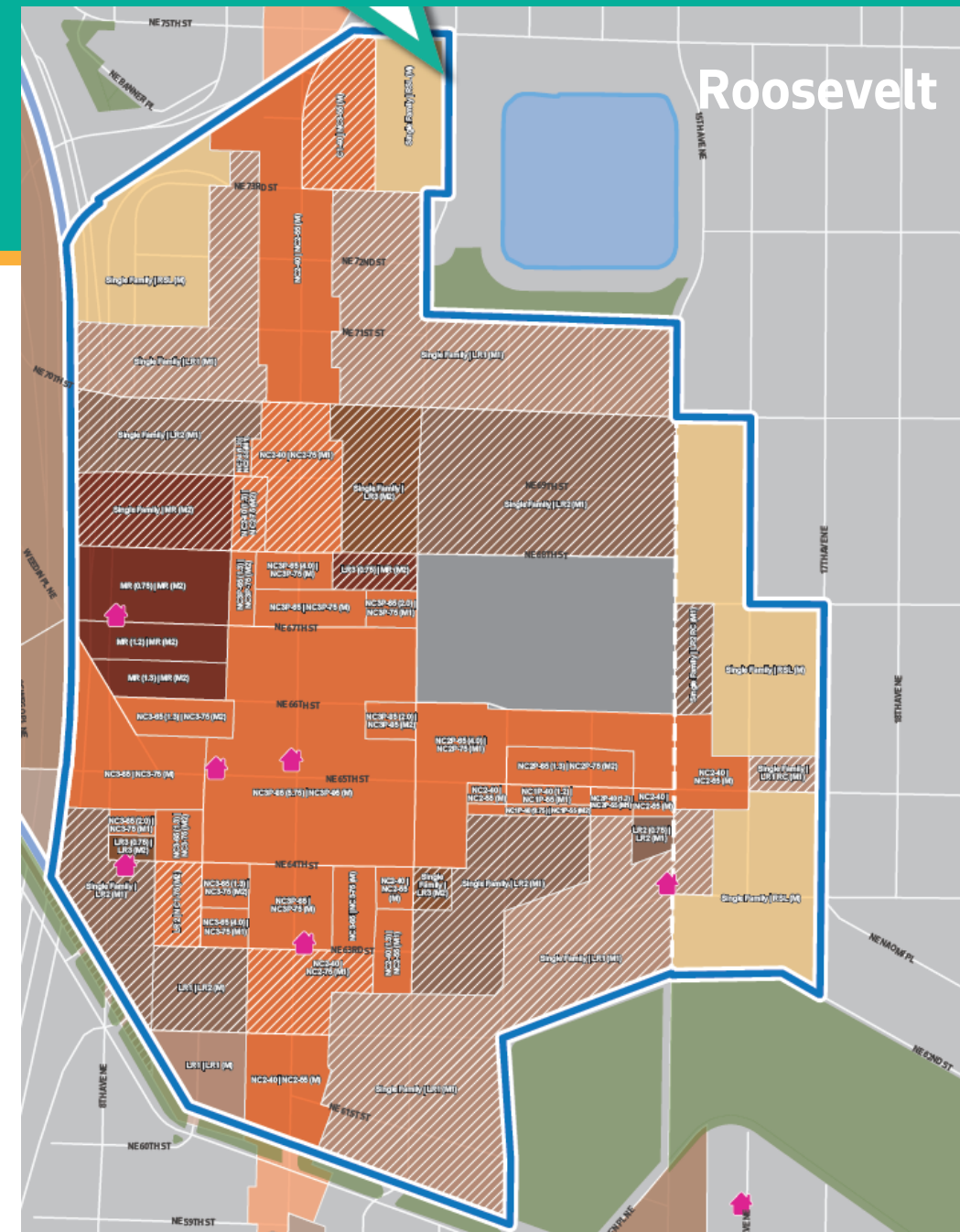


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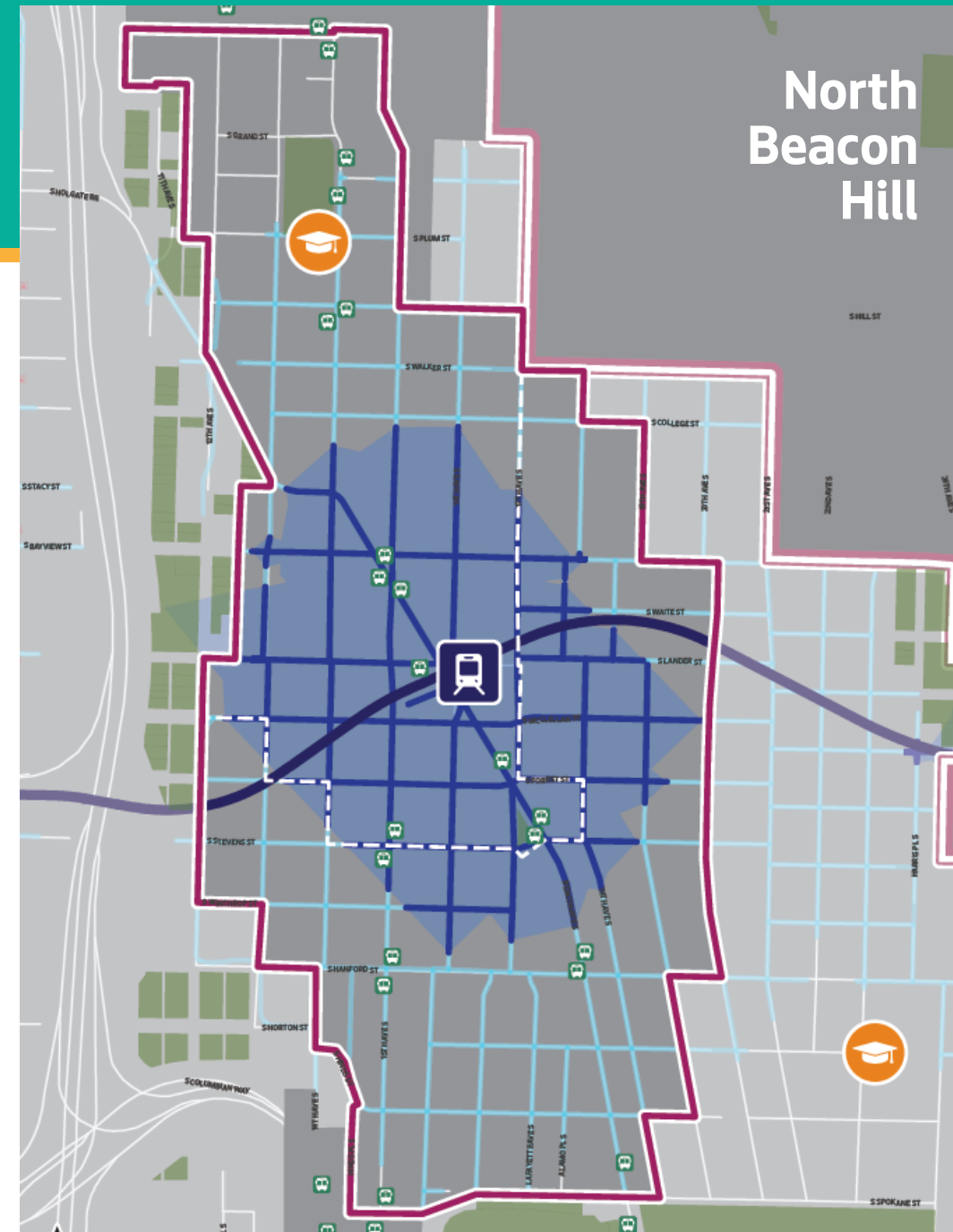


# Preferred Alternative & Legislation

## FEIS: Preferred Alternative

### Places for relatively *less* new development capacity:

- Communities at high risk of displacement and communities with low access to opportunity
- For high displacement risk communities, focus limited (M1) and (M2) rezones near transit nodes, and enact (M) rezones elsewhere throughout community





# SPC DEIS Comments reflected in FEIS

- ✓ Expand Urban Village boundaries to ten-minute walkshed around transit
- ✓ Direct greater capacity (and minimize lower density zones, such as RSL) to communities with high access to opportunity and low risk of displacement
- ✓ Allow greater density around high-capacity transit
- ✓ In communities at high risk of displacement, focus density around node, and use RSL in the rest of the urban village
- ✓ Discourage large detached housing in RSL
- ✓ Incentive MHA performance through administrative design review



# SPC DEIS Comments for future work

- Urban village ten-minute expansions could be addressed in future study
  - Include adjacent public facilities and services
  - Include adjacent areas between UVs already zones LR/C/NC
  - Study future expansions for UV that meet transit threshold today
- Displacement mitigation measures could be addressed during implementation
  - Technical assistance to homeowners in RSL
  - Property tax relief
  - Funding for small businesses and community anchors
- Promote MHA performance units over payment – not pursued



# Next Steps

**Hearing Examiner Decision 11/21**

**Plan A: Select Committee resumes 12/3**

- Issue Identification & Amendments
- Companion Resolution
- Action in 2019

**Other Affordable Housing actions in 2019**



# Mandatory Housing Affordability



Creating more **affordable housing** as we grow  
6,000+ new affordable homes in ten years

thank you.

# Policy guidance and foundational work

## **HALA Advisory Committee (2015)**

- Interdepartmental racial equity analysis of 65+ HALA recommendations
- Identified MHA as key strategy to increase housing opportunities for people of color

## **Council Resolution 31612 (2015)**

- Develop MHA rezone proposal that achieves 6,000 new affordable homes in 10 years
- Conduct continuous, ongoing, and inclusive public participation, especially by under-represented communities

## **Growth and Equity Analysis (2016)**

- Analysis of growth strategy in Seattle 2035 Comprehensive Plan
- Typology based on displacement risk and access to opportunity

## **Council Resolution 31733 (2017)**

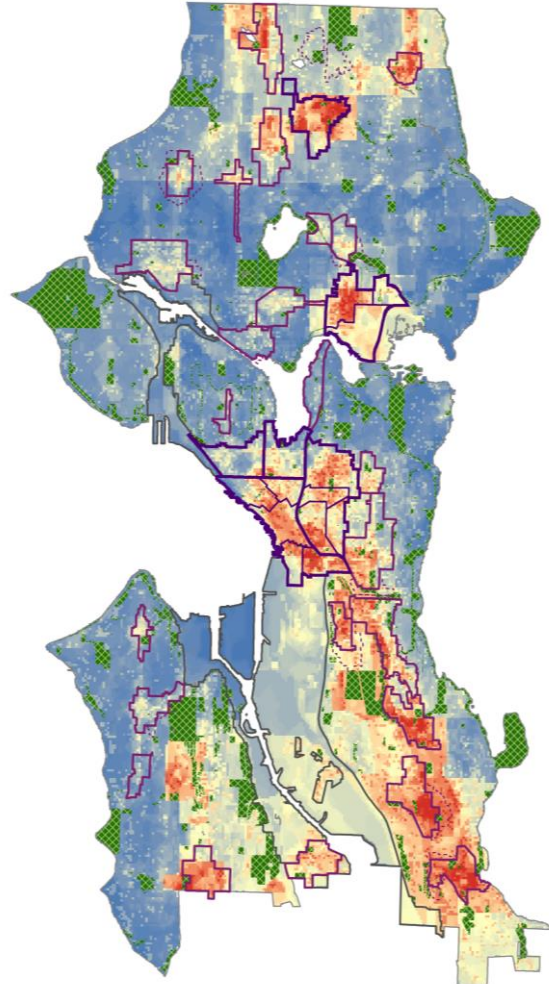
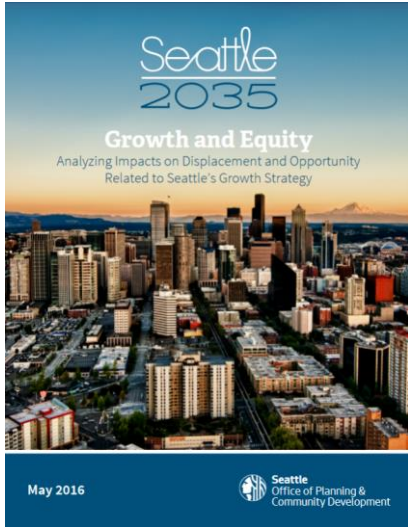
- Manage growth to advance racial equity and minimize impacts on marginalized populations
- Encourages use of Growth and Equity Analysis

## **Fair Housing Assessment (2017)**



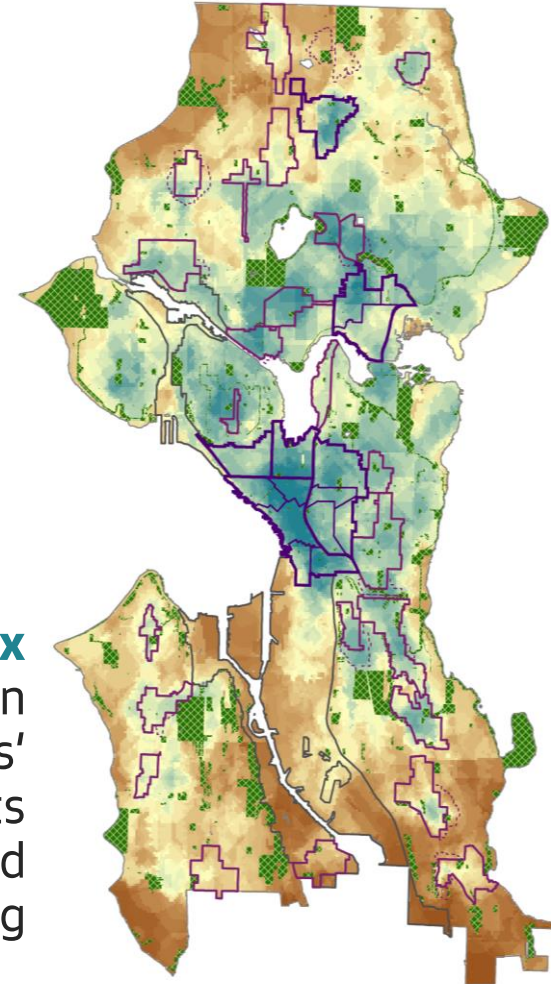
## Policy guidance and foundational work

# Growth and Equity Analysis (2016)



**Displacement Risk Index**  
Combines data on demographics, economic conditions, and the built environment to evaluate risk of displacement for marginalized populations

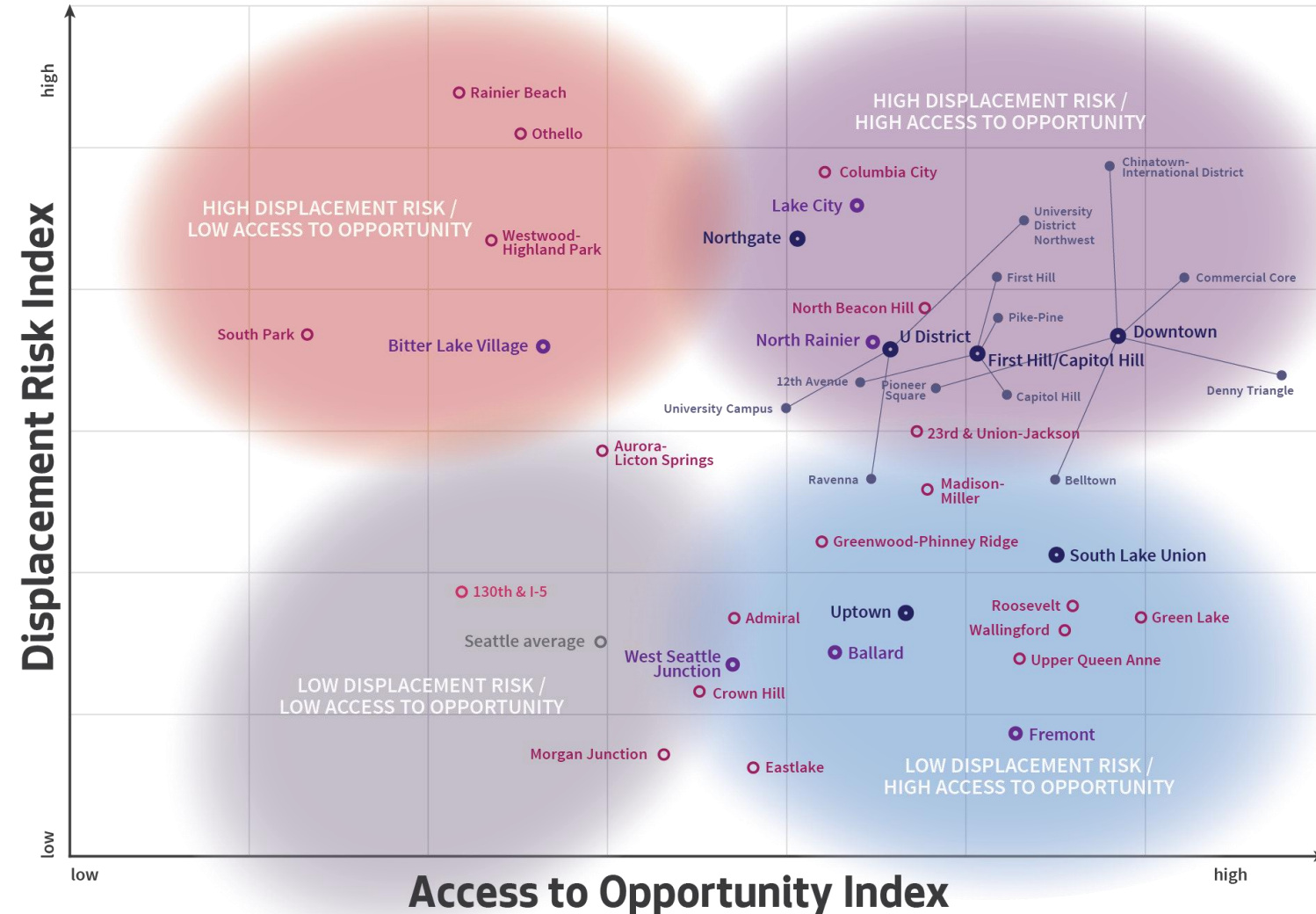
**Access to Opportunity Index**  
Identifies disparities in marginalized populations' access to key determinants of social, economic, and physical well-being





## Policy guidance and foundational work

# Growth and Equity Analysis (2016)



## Equitable Development Typology

- Implement anti-displacement strategies in areas at high risk of displacement
- Increase housing choices in areas with high access to opportunity

# Community Engagement

# Engaging underrepresented communities

shaped by  
community



IN-PERSON  
TALKS



GOING WHERE  
YOU ARE



SPEAKING YOUR  
LANGUAGE

Seattle.gov  
Mayor Tim Burgess

### Videos

- THANK YOU  
www.seattle.gov/hala
- MHA Neighborhood Model Slideshow
- Open House on Comprehensive Plan Amendments & ADUs
- Weekly Wonk - Mandatory Housing Affordability Program
- Weekly Wonk - Environmental Impact Statements (EIS)

## Community Engagement

# How engagement shaped the proposal

shaped by  
community



- **Create more housing for people at all income levels**
- **Minimize displacement of current residents**
- **Create housing choices, including homeownership and family-size units**
- Create more opportunities to live near parks, schools, and transportation
- Strengthen urban design and sense of place in urban villages
- Promote environmental sustainability, including supporting transit use and having space for trees

## EIS and Legislation

# Draft EIS (2017)

### Alternative 1 (No action)

**Alternative 2** Apply rezones consistently across all neighborhoods

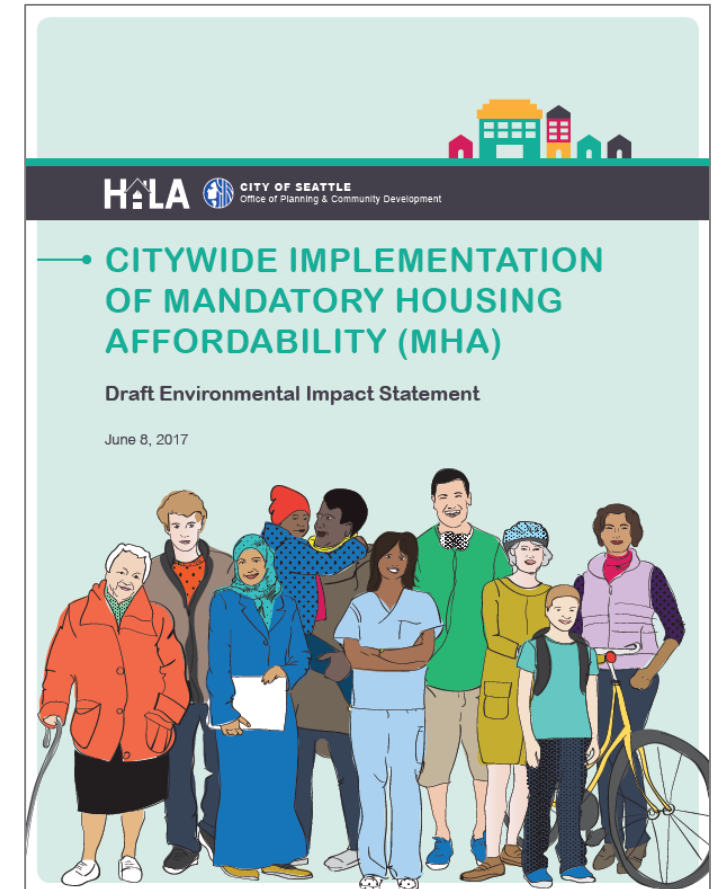
**Alternative 3** Differentiate rezones according to Growth and Equity typology

#### ***Low displacement risk & high access to opportunity***

Larger rezones and full urban village expansions

#### ***High displacement risk***

Smaller rezones and urban village expansions









# Racial equity review of Draft EIS (2017)

## Is racial equity considered in the development of MHA Draft EIS?

### Findings

- Draft EIS analysis on racial equity impacts and mitigation could have been more consistent across all chapters.
- Using displacement risk and access to opportunity was a step in the right direction, but Draft EIS could have taken the Growth and Equity analysis to more granular detail.
- The City has begun measuring racial equity indicators but we don't have enough information to determine how zoning changes and other requirements might impact communities of color.
- SEPA does not provide appropriate structure for analyzing racial equity impacts.

# Racial equity review of Draft EIS (2017)

## Is racial equity considered in the development of MHA Draft EIS?

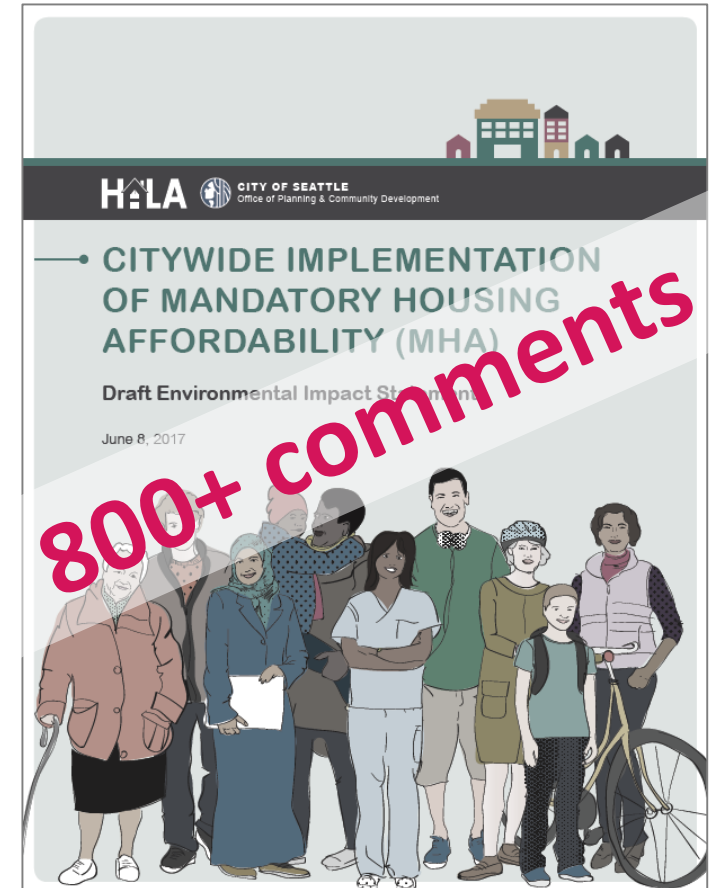
### Recommendations

- Additional racial equity analysis in advance of MHA implementation
- Create an MHA Race and Social Justice Team to assist with this work before and after MHA implementation
- Engage communities of color to identify what is crucial for their success
- Expand resources to address MHA impacts, and make MHA adjustments as needed following implementation

# Additional comments on RSJ and DEIS (2017)

## Received many DEIS comments related to racial equity and displacement

- Requests for additional analysis on existing conditions and impacts by race
- Preferred alternative recommendations (varied: calls for more and less development capacity in high displacement risk communities)
- Recommendations for mitigation measures to address racial disparities and undo racial exclusion



# Additional racial equity analysis in Final EIS

## Included in the Final EIS

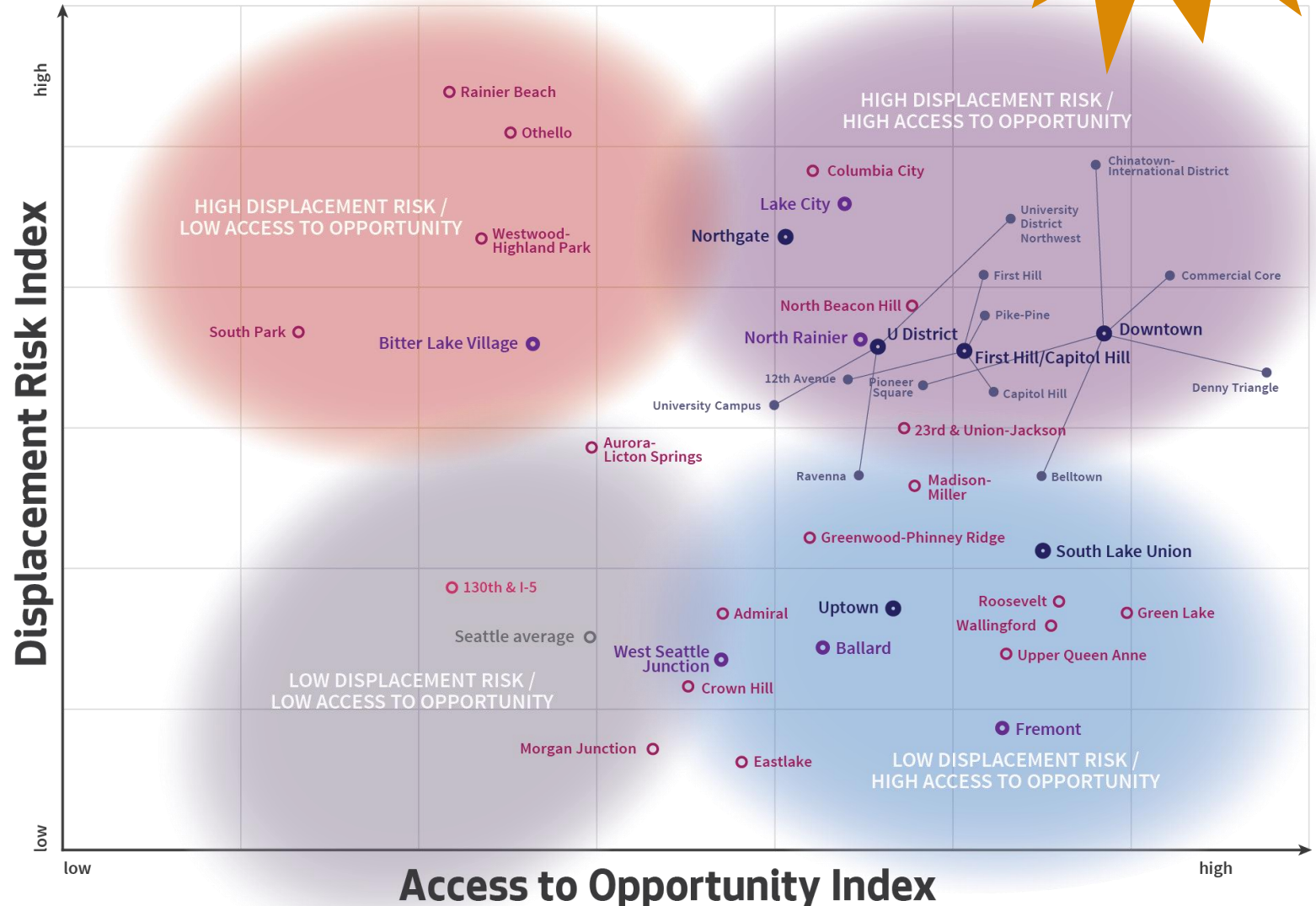
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## EIS and Legislation

# FEIS: Preferred Alternative

shaped by  
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Differentiate scale of zoning changes based on **displacement risk** and **access to opportunity**.

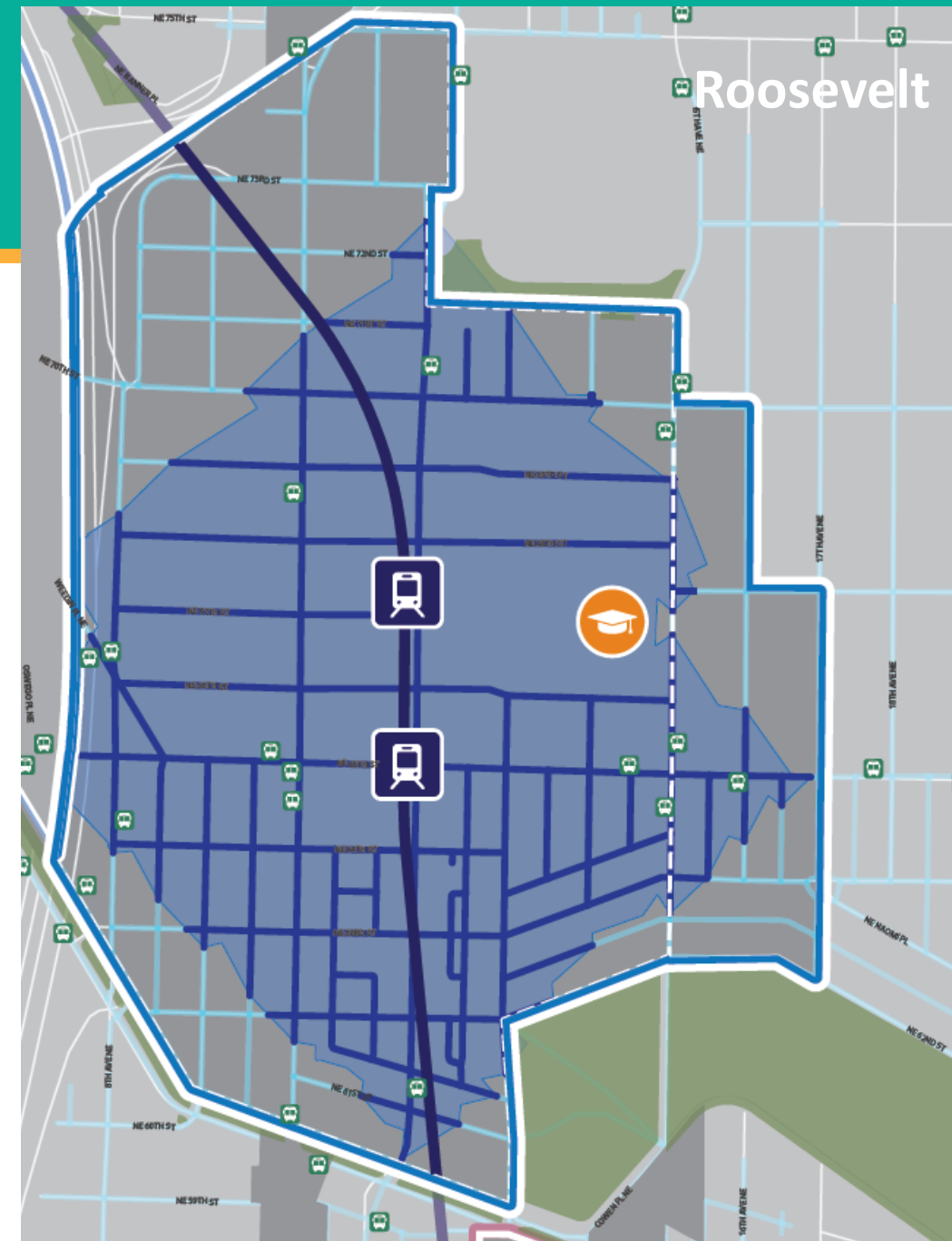




# FEIS: Preferred Alternative

## Places for relatively *larger scale* changes:

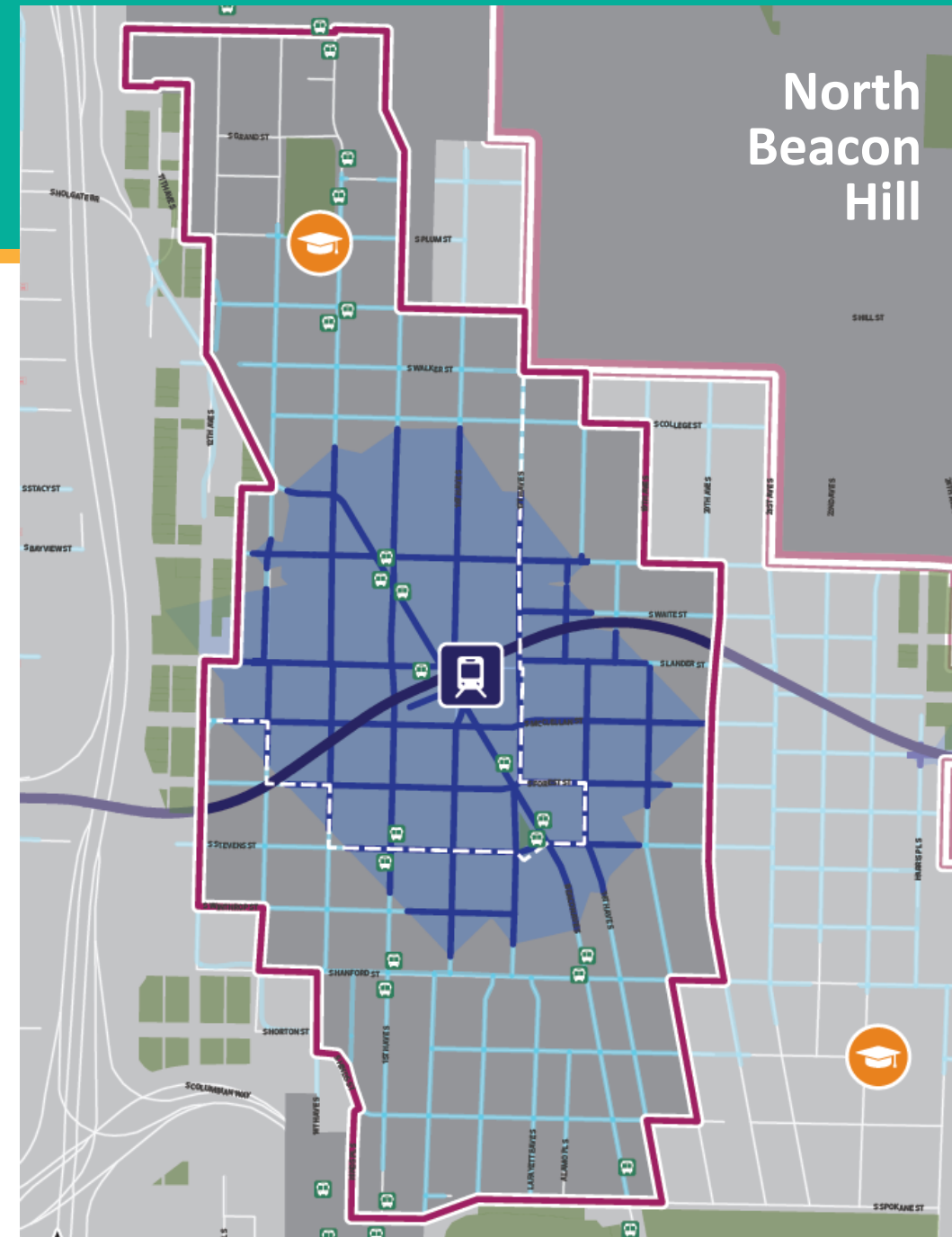
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# FEIS: Preferred Alternative

## Places for relatively *smaller scale* changes:

- Communities at high risk of displacement and communities with low access to opportunity
- For high displacement risk communities, focus limited (M1) and (M2) rezones near transit nodes, and enact (M) rezones elsewhere throughout community



# MHA Implementation

## Opportunities to advance racial equity through:

- Monitoring MHA implementation, and adjusting / refining program in response to findings
- Improved data collection to understand racial implications of growth and change
- Community-based solutions to displacement through the *Equitable Development Initiative* or other initiatives
- Provisions to strengthen tenant protections and minimize displacement
- Strategies to minimize displacement of low-income homeowners
- Implementation of the *Equity & Environment Agenda*
- Strategies to support historic and cultural assets and institutions

## Next Steps

# Equitable Development Monitoring Program

## Monitoring performance measures

- Monitor equitable development outcomes in communities
- Track early warning signals of heightened displacement risk

## Program development

- Racial Equity Toolkit underway
- First program report expected by early 2019

