

Implementing Mandatory Housing Affordability (MHA) Citywide

Requiring development to contribute to affordable housing as Seattle grows

Mandatory Housing Affordability (MHA) ensures that new commercial and multifamily residential development contributes to affordable housing. MHA will provide at least 6,000 new rent-restricted, income-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.

After putting MHA in place in six Seattle neighborhoods in 2017, the City is proposing to implement MHA citywide. Our proposal targets more housing choices close to community assets, such as frequent transit, parks, and jobs. We are proposing less intensive changes in areas with higher risk of displacement, environmentally sensitive areas, and areas with fewer community assets. The maps of proposed zoning changes necessary to implement MHA across Seattle are available at www.seattle.gov/hala.

This proposal is the product of over two years of engagement and reflects many of the themes we heard from the community:

- Create more affordable housing that is rent-restricted for low-income people.
- Minimize displacement of existing residents.
- Support more housing choices, including home ownership and family-size housing.
- Develop more opportunities for people to live near parks, schools, and transit.
- Minimize the impacts of new development on existing neighborhood character.
- Coordinate growth with infrastructure investments.



MHA is part of Seattle's Housing Affordability and Livability Agenda (HALA) that strives to create 50,000 homes by 2025, including 20,000 affordable homes. The development of both affordable housing and market-rate housing is an important strategy for slowing housing cost increases and providing a wider range of housing choices.

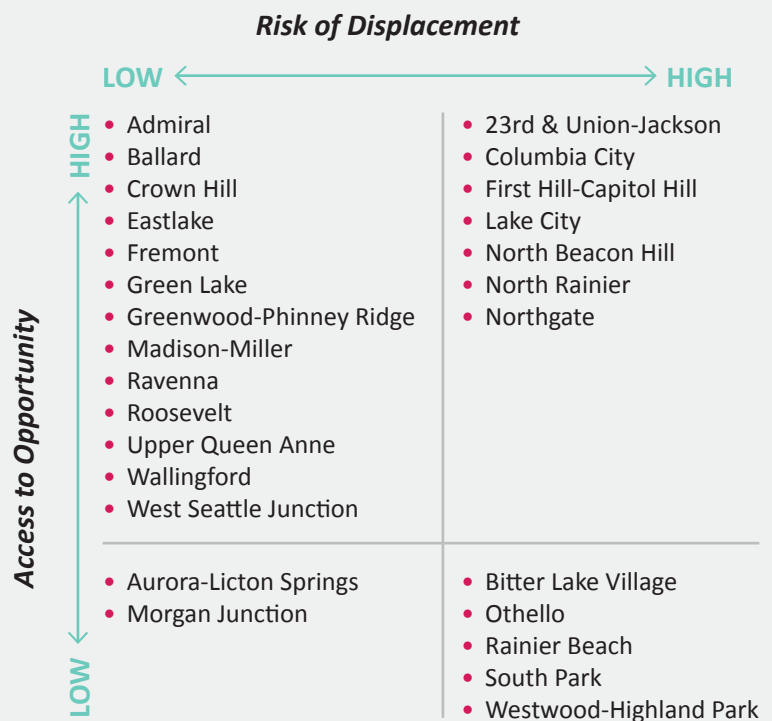
Crafting Our Proposal

Community engagement and a commitment to racial and social equity shapes our proposal to implement MHA. Key elements of the proposal include:

- Apply affordable housing requirements in all multifamily and commercial zones, and all urban villages, consistent with the Seattle 2035 Comprehensive Plan adopted by the City Council.
- Increase housing choices throughout Seattle, with more housing in areas with low risk of displacement and high access to opportunity (transit, parks, jobs and other critical resources).
- In areas with high risk of displacement of low-income people and communities of color, focus increased housing choices and jobs within a 5-minute walk of frequent transit.
- Expand 10 urban villages to provide more housing options within a 10-minute walk of frequent transit.
- Minimize impacts in environmentally sensitive areas and propose less intensive changes within 500 feet of major freeways.

Seattle's Urban Villages

In 1994, Seattle implemented an urban village strategy to guide growth and investments to designated communities across the city. The Seattle 2035 Comprehensive Plan's Growth and Equity Analysis examined demographic, economic, and physical factors to understand current displacement risk and access to opportunity in Seattle's urban villages.



- Incorporate new design standards for buildings to reduce impacts on neighborhood character.
- Improve Green Factor and tree requirements to support environmental goals.
- Make no zoning changes in federally designated historic districts and critical shorelines.

Affordable housing requirements on development

With MHA, new buildings must include affordable housing (performance option) or contribute to the Seattle Office of Housing fund to support the development of affordable housing (payment option).

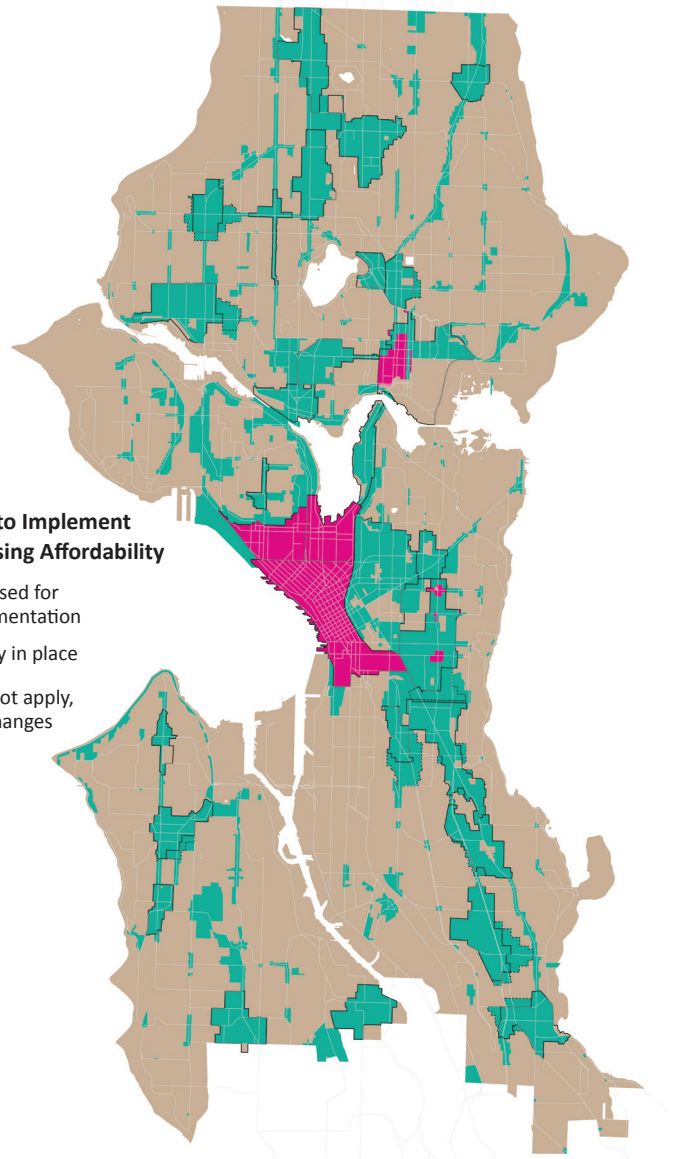
MHA requirements vary based on housing costs in each area of the city and the scale of the zoning change. Higher MHA requirements apply in areas with higher housing costs and larger zoning changes. With the performance option, between 5 percent and 11 percent of homes in new multifamily residential buildings are reserved for low-income households. With the payment option, development will contribute between \$5.00 and \$32.75 per square foot.

Like the Seattle Housing Levy, MHA payments are leveraged to produce more high-quality affordable housing located throughout Seattle. This also supports other benefits, including serving people with lower incomes, providing family-sized homes, and offering opportunities for community-oriented ground floor spaces and services.

Where would MHA apply?

Zoning changes to Implement Mandatory Housing Affordability

- Areas proposed for MHA Implementation
- MHA already in place
- MHA does not apply, no zoning changes



Who qualifies for affordable housing created through MHA

2017 Income and Rent Limits



Individual

Making less than \$40,320
will pay no more than
\$1,008 for a one bedroom



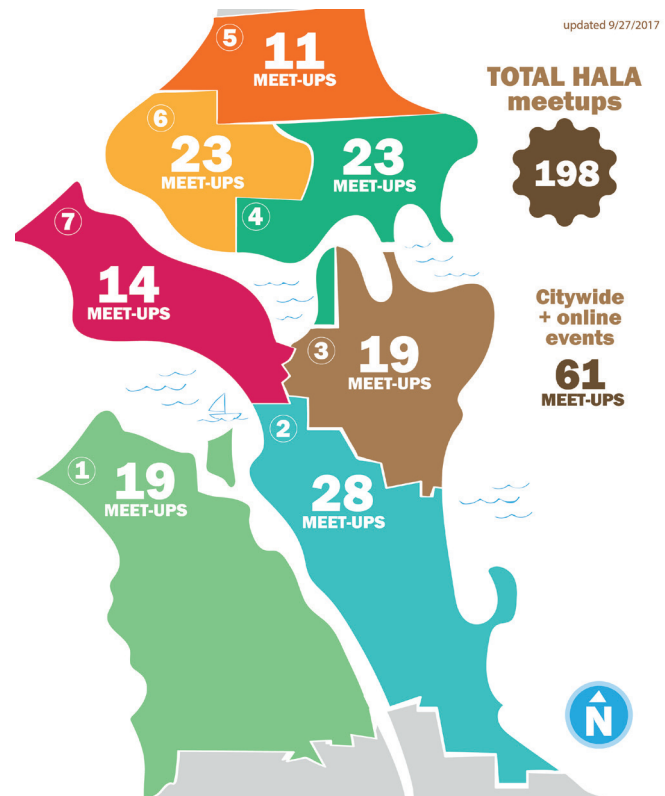
Family of Four

Making less than \$57,600
will pay no more than
\$1,296 for a two bedroom.

Two years of community engagement

MHA has been shaped by nearly two years of community engagement led by the Department of Neighborhoods (DON). Community-generated principles, like creating better transitions between areas of higher and lower densities, guided our initial draft proposal released in October 2016. Since then, additional engagement and environmental review shaped the final proposal. Our traditional and innovative approaches to community engagement have included:

- Interactive online conversation at hala.consider.it with more than 2000 community members
- Telephone town halls that reached more than 70,000 Seattle households
- A mailer to 90,000 households to share information and invite residents to public meetings
- Door bellling more than 10,000 homes where zoning changes are proposed
- An email newsletter to 4,700 people



Next Steps

From 2015-2017, City Council voted unanimously to establish MHA requirements and rezones in the following communities: University District, Downtown, South Lake Union, Chinatown-International District, along 23rd Ave in the Central Area, and Uptown.

In 2018, the Council, supported by City staff, will continue to engage communities as it considers MHA implementation citywide. The Council has announced a slate of open houses and hearings across the city through August 2018 so that more community voices can shape the proposal.

Learn more about the City Council process for Citywide MHA at www.seattle.gov/council