



**City of Seattle**  
Edward B. Murray  
Mayor

October 25, 2016

Honorable Bruce Harrell, President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor  
Seattle, WA 98199

Dear Council President Harrell:

I am pleased to transmit the attached legislation to allow additional height and density through an incentive zoning program in portions of the University Community Urban Center west of 15<sup>th</sup> Avenue NE and establish new development standards to achieve the objectives expressed in the U District Urban Design Framework (2013).

Further, the proposal would implement the Mandatory Housing Affordability (MHA) requirements. MHA is one of the most important and highest impact recommendations in the Housing Affordability and Livability Agenda (HALA). HALA calls for mandating that affordable units be provided or a payment-in-lieu contribution be made for commercial and multifamily residential development, offset by an associated increase in development capacity (*HALA Recommendation R.1*).

The foundational steps for MHA were taken when the Council adopted the MHA-Commercial framework (*Ord No. 124895*), the Mandatory Inclusionary Housing resolution (*Reso. 31612*), and the MHA-Residential framework (*Ord No. 125108*). The critical next step is to pass zoning changes that provide additional development capacity needed for MHA requirements to apply. MHA requires that commercial and multifamily developers address housing affordability by providing affordable homes or by making a payment-in-lieu to Seattle's Office of Housing to support development of affordable housing throughout the city. When fully implemented MHA is projected to create an estimated 6,000 of the 20,000 affordable homes over the next 10 years.

Below is a brief summary of the key recommendations in this legislation:

- Rezoning various NC3 65 and NC3 85 zoned properties to a new Seattle Mixed-University (SM-U) designation, with height limits ranging from 85 feet to 320 feet;
- Rezoning a limited number of single family parcels to a Lowrise 1 multifamily (LR1) designation and Neighborhood Commercial (NC2P-30) designation; a Lowrise 3 (LR3) multifamily zone area to a Midrise (MR) multifamily zone designation; a LR3 area to an NC3 55 commercial zone designation;

Office of the Mayor  
Tel (206) 684-4000  
600 Fourth Avenue  
PO Box 94749  
Seattle, Washington 98124-4749  
[www.seattle.gov/mayor](http://www.seattle.gov/mayor)


Tel (206) 684-4000  
Fax: (206) 684-5360  
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- Applying Mandatory Housing Affordability requirements in the rezoned areas;
- Repealing the existing University District Station Area Overlay District;
- Revising development standards to address design issues with current development and accommodate new building types in the neighborhood;
- Apply incentive zoning provisions for new commercial and residential projects in SM-U zones, including programs to permit the transfer of development potential from designated Landmark structures, public open space sites, and historic vulnerable masonry structures and floor area bonuses for green street improvements and onsite open space amenities;
- Amend pedestrian-oriented development standards; and
- Amend other sections of the Land Use Code as they relate to rezoned areas in the University District for consistency among the standards of the various SM zone designated areas and to make administrative revisions and correct references.

MHA represents an unprecedented and historic opportunity for the City to harness Seattle's growth to increase both affordable and market-rate housing. I ask the Council to act swiftly in passing the U District zoning proposal to implement MHA, because it will support equitable growth by providing more housing choices for lower income individuals and families.

Thank you for your consideration and if you have any questions, then please do not hesitate to contact Sam Assefa, Director of the Office of Planning and Community Development, at (206) 386-1183.

Sincerely,



Edward B. Murray  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council