

Seattle City Council Briefing, February 6, 2017

Subject: Housing Affordability and Livability Agenda (HALA) and Mandatory Housing Affordability (MHA) Implementation Update

Attachment A: Status of City Council Resolution 31622 Work Plan Actions

| Resolution 31622 Strategy | Resolution 31622 Timeline | Status as of February 2017 |
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| a. Implement a Mandatory Housing Affordability Program (Commercial) | Framework legislation: Q4 2015 | COMPLETE: Ordinance 125233 passed November 2014 establishing the MHA-C framework, with minor amendments in December 2016. |
| | Zoning changes: 2017 | IN PROGRESS: On track to begin zoning changes to implement MHA in 2017, beginning with U-District rezones, followed by Downtown/SLU, and Uptown. (See section 3 of briefing below). |
| b. Implement a Mandatory Housing Affordability Program (Residential) | Framework legislation. | COMPLETE: Ordinance 125108 passed in August of 2016. |
| | Zoning changes: 2017 | IN PROGRESS: On track to begin passing zoning changes to implement MHA in 2017. (See section 3 below). |
| c. Renew and consider modifications to the City's MFTE program | 3 rd Quarter 2015 | COMPLETE: The MFTE program was renewed on November 1st, 2015 (Ordinance 124877). MFTE was strengthened to increase the set-aside amount/ create family sized units and expanded to all areas zoned for multifamily. |
| d. Significantly increase the voter approved Housing Levy | Authorizing legislation and vote 2016 | COMPLETE: In August 2016, voters in Seattle approved a new \$290 million levy by over 70%. |
| e. Develop credit enhancement program for the development of replacement housing units by SHA at Yesler Terrace. | Authorizing legislation Q1 2016 | ON HOLD |
| f. Use publicly owned properties for development of affordable housing. | Ongoing. Consider revising Resolution 29799 governing disposition. | ONGOING: Surplus properties owned by the City can either be developed for affordable housing or sold for funds that will contribute to creation of affordable housing. Examples include: <ul style="list-style-type: none"> • Sale of 6th Ave and Yesler Way property to Steam Real Estate, LLC for affordable housing proceeds and 100% affordable units onsite. |

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| | | <ul style="list-style-type: none"> • Sale of 2 Yesler Atlantic Properties with proceeds dedicated for affordable housing. • Intent to issue RFP for affordable homeownership at Yakima Ave. S. • OH produces newly designed Memorandum of Review on each city-owned property. |
| g. Explore development of a local employers fund for affordable housing. | Report to Council Q3 2016 | IN PROGRESS: Research on Employer Funds completed. |
| h. Remove barriers to development of detached and attached accessory dwelling units and explore regulation of the market for short term rentals. | ADU/DADU legislation. | IN PROGRESS: SEPA environmental determination was issued in May of 2016. On appeal of the determination, Hearing Examiner ruled an EIS must be prepared. Currently evaluating options for preparing the EIS. |
| | Short term rentals, report to Council Q1 2016, and legislation Q4 2016. | IN PROGRESS |
| i. Adaptation of Single Family Homes. The Council will consider changes to allow existing homes to be converted into multiple housing units. | Legislation 2017. | IN PROGRESS: Will be enabled by use of the Residential Small Lot (RSL) zone, as proposed for MHA implementation in some existing urban villages with Single Family zoning. |
| j. Explore reducing or removing minimum parking requirement for residential development in urban centers, and areas served by frequent transit. | Legislation 2017. | IN PROGRESS: SDCI and SDOT are working to on the Residential Transportation Options Program expected for Council consideration in 2017. |
| k. Participate in the transit oriented development (TOD) Regional Equitable Development Initiative (REDI) revolving loan fund to support land acquisition. | MOU legislation with regional partners. Q4 2015. | COMPLETE: Legislation passed in December of 2015. REDI seed funds totaling the \$5M goal are secured. |

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| l. Develop an Affordable Housing Preservation Program | Report to Council. | <p>IN PROGRESS: OH provided report to Council in September 2016. Identified several strategies in progress for housing preservation and to prevent and mitigate displacement. Many policies included in Levy A & F Plan.</p> <p>Permanent funding for strategic acquisition of existing multi-family housing for rental and ownership using Levy, MHA and other funds; Short term bridge lending through new Levy Acquisition and Preservation program in A & F Plan.</p> <p>State legislation to enable a Preservation Tax Exemption was introduced in the 2016 state legislative session, and again in 2017.</p> <p>New financing tool-Rental Rehab Financing in Levy A & F Plan</p> <p>Implementation of Notice of Intent to Sell / Sale Ordinance— notification to property owners and listserv for affordable housing developers</p> <p>New Sustainable Homeownership strategies: Foreclosure prevention and Emergency Home Repair Grant in Levy A & F Plan.</p> |
| m. Make strategic investments in housing, economic development, transit and education in areas at high risk of displacement. | Ongoing through OH investments | IN PROGRESS: 2015 and 2016 NOFA awards, include affordable housing investments in areas at high risk of displacement. |
| n. Remove barriers and increase access to housing for people with criminal histories. | Legislation Q1-Q2 2016. | IN PROGRESS: Stakeholder committee convened by the Office of Civil Rights (OCR) in 2016. |
| o. Prevent renters from discrimination based on source of income. | Legislation Q2-Q3 2016. | COMPLETE: The Open Housing Ordinance (Ordinance #125114) passed in August 2016. |
| p. Strengthen the Tenant Relocation Assistance Ordinance (TRAO) | Legislation Q1-Q2 of 2016. | <p>COMPLETE: Ordinance 125054 passed in June of 2016, that strengthens the existing Tenant Relocation Assistance Ordinance, and prevents rent increases on units that do not meet residential standards.</p> <p>Funded \$500,000 from the Sisley settlement to pay for education and outreach to tenants and landlords.</p> <p>Strengthen Tenant Relocation Assistance Ordinance passed October 2015 (SDCI)</p> |

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| q. Explore the expansion of rental/operating subsidies to assist the lowest income households. | Report Q3 2016. | COMPLETE: Short-term rent assistance and stability services for families who are at imminent risk of eviction and homelessness in 2016 Housing Levy. Policies adopted by Council in December 2016. |
| r. Consider options for increasing access to Sharia-compliant loan products. | Report. | COMPLETE: Community stakeholders convened and Report with recommendations produced. |
| s. Consider programs to prevent displacement of low income homeowners with financial hardships. | Report Q3 2016. | COMPLETE: Two new program included in 2016 Housing Levy: Foreclosure prevention funds and Emergency Home Repair grant. Policies included in A & F plan. |
| t. Consider changes to the Design Review program. | Legislation Q2 2016. | IN PROGRESS: Presented concept level recommendations to Council PLUZ committee in April of 2016. SDCI is preparing draft legislation for environmental review in 2017. |
| u. Consider changes to the historic preservation review program. | Legislation 2107. | IN PROGRESS: Interdepartmental strategy meetings with OPCD, SDCI, and DON are ongoing in Q1 2017 to formulate approach. |
| v. Improve coordination of permitting activities between city departments | Report. Ongoing. | IN PROGRESS: SDCI is taking steps to implement. |