

Full Council – April 10, 2017

**Amendment 4a: Mandatory Housing Affordability - Residential Payment and Performance Requirements**

**Sponsor: Councilmember Herbold**

Amendment to increase payment and performance requirements under the Mandatory Housing Affordability – Residential Program. This version corrects a typographical error in Table A, which showed the in-lieu payment changing for the SM-U 85 zone. That zone was established through the University District upzone and is not affected by this bill.

*Note:*

*Language proposed to be added by this amendment is shown with a double underline.*

*Language proposed to be deleted by this amendment is shown with ~~double-strikeout~~*

Section 40. Subsection 23.58C.040.A of the Seattle Municipal Code, which section was last amended by the ordinance introduced as Council Bill 118914, is amended as follows:

**23.58C.040 Affordable housing – payment option**

**A. Payment amount**

1. An applicant complying with this Chapter 23.58C through the payment option shall provide a cash contribution to the City, calculated by multiplying the payment calculation amount per square foot according to Table A or Table B for 23.58C.040 and Map A for 23.58C.050, as applicable, by the total gross floor area in the development, excluding the floor area of parking located in stories or portions of stories that are underground, as follows:

a. In the case of construction of a new structure, the gross floor area in residential use and the gross floor area of live-work units;

b. In the case of construction of an addition to an existing structure that results in an increase in the total number of units within the structure, the gross floor area in residential use and the gross floor area of live-work units in the addition;

c. In the case of alterations within an existing structure that result in an increase in the total number of units within the structure, the gross floor area calculated by dividing the total gross floor area in residential use and gross floor area of live-work units by the total number of units in the proposed development, and multiplying that quotient by the net increase in units in the structure;

d. In the case of change of use that results in an increase in the total number of units, the gross floor area that changed to residential use or live-work units; or

e. Any combination of the above.

<b>Table A for 23.58C.040</b>	
<b>Payment calculation amounts: In Downtown, SM-SLU, and SM-U 85 zones</b>	
<b>Zone</b>	<b>Payment calculation amount per square foot</b>
<u>DH1/45</u>	<u>Not Applicable</u>
<u>DH2/55</u>	<u>Not Applicable</u>
<u>DH2/75</u>	<u><del>\$12.75</del> 14.75</u>
<u>DH2/85</u>	<u>Not Applicable</u>
<u>DMC 75</u>	<u><del>\$12.75</del> 14.75</u>
<u>DMC 85/65-150</u>	<u>Not Applicable</u>
<u>DMC 95</u>	<u><del>\$12.75</del> 14.75</u>
<u>DMC 145</u>	<u><del>\$13.00</del> 14.75</u>
<u>DMC 170</u>	<u><del>\$5.50</del> 14.75</u>
<u>DMC 240/290-440</u>	<u><del>\$8.25</del> 14.75</u>
<u>DMC 340/290-440</u>	<u><del>\$8.25</del> 14.75</u>
<u>DMR/C 65/65-85</u>	<u>Not Applicable</u>
<u>DMR/C 65/65-150</u>	<u>Not Applicable</u>
<u>DMR/C 95/75</u>	<u><del>\$12.75</del> 14.75</u>
<u>DMR/C 145/75</u>	<u><del>\$11.75</del> 14.75</u>
<u>DMR/C 280/125</u>	<u><del>\$13.00</del> 14.75</u>
<u>DMR/R 95/65</u>	<u><del>\$12.75</del> 14.75</u>
<u>DMR/R 145/65</u>	<u><del>\$11.75</del> 14.75</u>
<u>DMR/R 280/65</u>	<u><del>\$13.00</del> 14.75</u>
<u>DOC1 U/450-U</u>	<u><del>\$12.00</del> 14.75</u>
<u>DOC2 500/300-550</u>	<u><del>\$10.25</del> 14.75</u>
<u>DRC 85-170</u>	<u><del>\$10.00</del> 14.75</u>
<u>All IDM zones</u>	<u>Not Applicable</u>
<u>All IDR and IDR/C zones</u>	<u>Not Applicable</u>
<u>PMM-85</u>	<u>Not Applicable</u>
<u>All PSM zones</u>	<u>Not Applicable</u>
<u>SM-SLU 85/65-160</u>	<u>Not Applicable</u>

<b>Table A for 23.58C.040</b>	
<b>Payment calculation amounts: In Downtown, SM-SLU, and SM-U 85 zones</b>	
<b>Zone</b>	<b>Payment calculation amount per square foot</b>
<u>SM-SLU 85-280</u>	<del>\$10.00</del> 14.75
<u>SM-SLU 100/95</u>	<del>\$7.50</del> 14.75
<u>SM-SLU 100/65-145</u>	<del>\$7.75</del> 14.75
<u>SM-SLU 145</u>	<del>\$7.75</del> 14.75
<u>SM-SLU 175/85-280</u>	<del>\$10.00</del> 14.75
<u>SM-SLU 240/125-440</u>	<del>\$10.00</del> 14.75
<u>SM-SLU/R 65/95</u>	<del>\$12.75</del> 14.75
SM-U 85	<del>\$13.25</del> <del>14.75</del> 13.25

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Section 41. Section 23.58C.050 of the Seattle Municipal Code, last amended by the ordinance introduced as Council Bill 118914, is amended as follows:

**23.58C.050 Affordable housing – performance option**

A. Performance amount

1. An applicant complying with this Chapter 23.58C through the performance option shall provide, as part of the units to be developed in each structure, a number of units that meet the requirements according to subsection 23.58C.050.C calculated by multiplying the percentage set aside according to Table A or Table B for 23.58C.050 and Map A for 23.58C.050, as applicable, by the total number of units to be developed in each structure.

2. If the number of units that meet the requirements according to subsection 23.58C.050.C calculated according to subsection 23.58C.050.A.1 equals less than two, the applicant shall:

- a. Round up to two units; or

b. Provide one dwelling unit that meets the requirements according to subsection 23.58C.050.C that is three bedrooms or larger, as determined by the Director of Housing.

3. If the number of units that meet the requirements according to subsection 23.58C.050.C calculated according to subsection 23.58C.050.A.1 equals two or more and includes a fraction of a unit, the applicant shall:

a. Round up to the nearest whole unit; or

b. Round down to the nearest whole unit and pay a cash contribution for the fraction of a unit not otherwise provided, calculated by multiplying the performance calculation amount per square foot according to Table A or Table B for 23.58C.040 and Map A for 23.58C.050, as applicable, by the total gross floor area to be developed as measured according to subsection 23.58C.040.A.1, multiplying that product by the fraction of a unit not provided, and dividing the resulting number by the total number of units required to be provided based on the calculation according to subsection 23.58C.050.A.1. Use of cash contributions according to this subsection 23.58C.050.A.3.b shall be governed according to subsection 23.58C.040.B.

4. When the applicant elects to comply with this Chapter 23.58C through the performance option for a development that contains multiple structures and the calculation according to subsection 23.58C.050.A.1 results in fractions of units in more than one structure, the Director may, as a Type I decision in consultation with the Director of Housing, allow such fractions of units to be combined, provided:

a. If the sum of the combined fractions of units calculated according to this subsection 23.58C.050.A.4 equals fewer than two, the applicant shall:

1) Round up to two units; or

2) Provide one dwelling unit that meets the requirements

according to subsection 23.58C.050.C that is three bedrooms or larger, as determined by the Director of Housing;

b. If the sum of the combined fractions of units calculated

according to this subsection 23.58C.050.A.4 equals two or more and includes a fraction of a unit, the applicant shall:

1) Round up to the nearest whole unit; or

2) Round down to the nearest whole unit and pay a cash

contribution for the fraction of a unit not otherwise provided, calculated according to subsection 23.58C.050.A.3.b; and

c. The construction of the structure(s) containing the units that

meet the requirements according to subsection 23.58C.050.C shall be completed at the same time or at an earlier time than completion of construction of other structures in the development containing units.

<b>Table A for 23.58C.050</b>	
<b>Performance calculation amounts: In Downtown, SM-SLU, and SM-U 85 zones</b>	
<b>Zone</b>	<b>Percentage set-aside per total number of units to be developed in each structure</b>
<u>DH1/45</u>	<u>Not Applicable</u>
<u>DH2/55</u>	<u>Not Applicable</u>
<u>DH2/75</u>	<u>5.0%</u>
<u>DH2/85</u>	<u>Not Applicable</u>
<u>DMC 75</u>	<u>5.0%</u>
<u>DMC 85/65-150</u>	<u>Not Applicable</u>

**Table A for 23.58C.050**

**Performance calculation amounts:  
In Downtown, SM-SLU, and SM-U 85 zones**

Zone	Percentage set-aside per total number of units to be developed in each structure
<u>DMC 95</u>	<u>5.0%</u>
<u>DMC 145</u>	<u>5.051%</u>
<u>DMC 170</u>	<u>5.021%</u>
<u>DMC 240/290-440</u>	<u>5.032%</u>
<u>DMC 340/290-440</u>	<u>5.032%</u>
<u>DMR/C 65/65-85</u>	Not Applicable
<u>DMR/C 65/65-150</u>	Not Applicable
<u>DMR/C 95/75</u>	<u>5.0%</u>
<u>DMR/C 145/75</u>	<u>5.046%</u>
<u>DMR/C 280/125</u>	<u>5.051%</u>
<u>DMR/R 95/65</u>	<u>5.0%</u>
<u>DMR/R 145/65</u>	<u>5.046%</u>
<u>DMR/R 280/65</u>	<u>5.051%</u>
<u>DOC1 U/450-U</u>	<u>5.047%</u>
<u>DOC2 500/300-550</u>	<u>5.040%</u>
<u>DRC 85-170</u>	<u>5.039%</u>
<u>All IDM zones</u>	Not Applicable
<u>All IDR and IDR/C zones</u>	Not Applicable
<u>PMM-85</u>	Not Applicable
<u>All PSM zones</u>	Not Applicable
<u>SM-SLU 85/65-160</u>	Not Applicable
<u>SM-SLU 85-280</u>	<u>5.039%</u>
<u>SM-SLU 100/95</u>	<u>5.039%</u>
<u>SM-SLU 100/65-145</u>	<u>5.030%</u>

**Table A for 23.58C.050**

**Performance calculation amounts:  
In Downtown, SM-SLU, and SM-U 85 zones**

<b>Zone</b>	<b>Percentage set-aside per total number of units to be developed in each structure</b>
<u>SM-SLU 145</u>	<u>5.03.0%</u>
<u>SM-SLU 175/85-280</u>	<u>5.03.0%</u>
<u>SM-SLU 240/125-440</u>	<u>5.03.0%</u>
<u>SM-SLU/R 65/95</u>	<u>5.0%</u>
SM-U 85	6.0%