



City of Seattle
Mayor Edward B. Murray

May 9, 2017

Honorable Bruce Harrell, President
Seattle City Council
City Hall, 2nd Floor
Seattle, WA 98199

Dear Council President Harrell:

I am pleased to transmit the attached ordinances and resolution to increase development capacity and implement the Mandatory Housing Affordability (MHA) requirements in the 23rd Avenue nodes at Union, Cherry and Jackson streets of the 23rd & Union-Jackson Residential Urban Village in the Central Area; and recognize the extensive efforts of the Central Area community to create these recommendations.

These ordinances are key pieces of the Housing Affordability and Livability Agenda (HALA), a multi-pronged approach to address the housing affordability crisis in Seattle. They are the result of a three-year community engagement and planning process resulting in the 23rd Avenue Action Plan (Union-Cherry-Jackson). It is estimated that the proposed MHA requirements for these nodes on 23rd Avenue will produce 52 new affordable housing units over 10 years. The resolution recognizes the extensive efforts of the Central Area community to create the 23rd Avenue Action Plan (Union-Cherry-Jackson) and Urban Design Framework and acknowledges the partnership between the community, 23rd Avenue ACT (Action Community Team), and the City throughout this process.

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 necessary to trigger the MHA requirements. MHA requires that commercial and multifamily developers address housing affordability by providing affordable homes or by making a payment-in-lieu to support development of affordable housing throughout the city. When fully implemented MHA is projected to create an estimated 6,000 of the City's 20,000 affordable housing unit goal over the next 10 years.

Implementation of MHA in the 23rd & Union-Jackson Residential Urban Village is an important next step toward a city-wide affordable housing program. These rezones are the product of a three-year community process that engaged a broad cross section of the community. Together, they will implement the community vision identified in the 23rd Avenue Action Plan (Union-Cherry-Jackson) to provide affordable housing opportunities, support existing and new businesses, and promote equitable development that serves the diverse Central Area community. These rezones also reflect the City's acknowledgement of the unique conditions of the neighborhood, including the high risk of economic and cultural displacement. As the City committed in October 2016, MHA requirements in the Central Area are increased above the original proposal in response to community concern around displacement.

Honorable Bruce A. Harrell
May 9, 2017
Page 2

MHA represents an unprecedented and historic opportunity for the City to harness Seattle's growth to increase the supply of both affordable and market-rate housing. I ask the Council to act swiftly in passing the 23rd Avenue zoning proposal to implement MHA, in order to support equitable growth by providing more housing choices for lower income individuals and families.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Edward B. Murray". The signature is fluid and cursive, with a prominent initial "E" and a long, sweeping underline.

Edward B. Murray
Mayor of Seattle

cc: Honorable Members of the Seattle City Council