

February 20, 2019

MEMORANDUM

To: Select Committee on Mandatory Housing Affordability

From: Council Central Staff

Subject: Mandatory Housing Affordability: Councilmember-sponsored amendments

On February 21, the Select Committee on Citywide Mandatory Housing Affordability (Select Committee) will hold a public hearing on legislation to implement the Mandatory Housing Affordability (MHA) program. On February 25, the Select Committee is anticipated to vote on amendments sponsored by councilmembers.

The Select Committee is considering four pieces of legislation:

- Council Bill 119444, which implements the MHA program citywide by amending the Land Use Code and amending the Official Land Use Map to make changes to zoning designations across the City;
- 2. <u>Council Bill 119443</u>, which amends the Comprehensive Plan in order to implement the MHA program citywide;
- 3. <u>Council Bill 119445</u>, which amends the Land Use Code and Official Land Use Map to implement the MHA program in Northgate; and
- 4. A companion Resolution, yet to be introduced, which will identify issues the Council will seek to address that are outside the scope of the MHA program.

Currently no amendments are proposed to Council Bill 119445. At the February 25 meeting, Councilmembers will amend Council bills 119444 and 119443 together through a series of votes on a consent package and individual votes on amendments not included in the consent package.

This memorandum has the following attachments related to this legislation:

- 1. A table listing all councilmember-proposed amendments to Council Bill 119443 and 119444, indicating which attachment they appear in
- 2. A package of amendments to Council Bill 119444 related to the land use code that form a "consent package" of amendments to be voted on together as one action (Group 1);
- 3. A series of amendments to Council Bill 119444, amending the text of the Land Use Code and amending the Official Land Use Map that are not part of the "consent package" and will be considered for individual votes (Group 2);
- 4. A package of amendments to Council Bill 119443 related to the Comprehensive Plan, that form a "consent package" of amendments to be voted on together as one action (Group 3);

- 5. A series of amendments to Council Bill 119443 related to the Comprehensive Plan that are not part of the "consent package" and will be considered for individual votes (Group 4);
- 6. A draft companion Resolution to be considered alongside the MHA legislation; and
- 7. A memorandum regarding the potential effect of the proposed amendments on the production of housing under the MHA program.

Background

In November 2017, Mayor Burgess transmitted Council Bill 119184 to implement the MHA program citywide. The legislation would rezone the City's commercial and multifamily areas, urban villages, and areas on the edges of urban villages within a ten-minute walk of frequent transit. In exchange for the ability to build additional floors, floor area or units, areas rezoned under the proposal would be required to include affordable housing units on site or make a payment in lieu to build affordable housing off-site. The legislation would also amend development standards for zoning districts subject to the MHA regulations and update the requirements for contributions toward MHA. A full description of the proposal is available in the Director's Report and Recommendation on MHA Citywide Implementation. Maps showing specific rezone proposals are available on the City's website.

The <u>Final Environmental Impact Statement</u> (FEIS) containing environmental review of the proposed amendments is also available. A Historic Resources survey has been added to the FEIS webpage, which includes maps and discussion of historic resources in the City.

In 2018, the Council held nine meetings of the Committee to receive briefings on the proposal and held five public hearings to receive input on the proposal from members of the public. In 2019, the City Council has held four meetings to identify amendments councilmembers may want to sponsor. A public hearing will be held on Thursday, February 20 at 5:30 in Council Chambers. The Select Committee will meet on February 25 to continue deliberation and may vote on the proposed amendments.

Four pieces of legislation are being considered:

1. Council Bill 119444 would make area-wide revisions to the official zoning map; apply MHA requirements in the rezoned areas, requiring new commercial or multi-family development in the affected zones to contribute to affordable housing; add development capacity in the form of an increase in the amount of allowed height and/or floor area for buildings in zones where the MHA requirements would apply; modify or introduce new development standards to address design issues with current development and accommodate new building types; create a new Seattle Mixed-Rainier Beach zone; modify or introduce new requirements to apply MHA to contract rezones; modify certain rezone criteria in the Land Use Code; modify certain land use definitions; and modify or introduce new requirements for certain measurements, such as floor area ratio and Green Factor.

- 2. Council Bill 119443 would amend Comprehensive Plan maps and neighborhood plans to maintain consistency with the MHA proposal. Council Bill 119443 would expand the boundaries of the following urban villages: 23rd & Union-Jackson, Ballard, Columbia City, Crown Hill, North Beacon Hill, North Rainier, Othello, Rainier Beach, Roosevelt and West Seattle Junction. Council Bill 119443 would also amend goals and policies in the following neighborhood plans to maintain consistency with citywide policy to encourage housing choices in the City's urban villages: Aurora Licton, Fremont, Morgan Junction, North Rainier, Northgate, Roosevelt, Wallingford, West Seattle Junction, and Westwood/Highland Park.
- 3. Council Bill 119445 would amend the official zoning map to rezone land in the Northgate Urban Center adjacent to the Northgate Light Rail Station and apply MHA requirements in the rezoned area. Council Bill 119445 would also amend the Land Use Code to create a new Seattle Mixed-Northgate zoning district. The Seattle Mixed-Northgate zone includes urban design and livability standards that reflect the outcomes of a multi-year community planning process for the Northgate TOD area.
- 4. A companion Resolution, yet to be introduced, would identify additional issues for further work outside the scope of the proposed land use bills.

Background on Committee Process

The City Council has conducted an extensive review of the Executive's proposed citywide Mandatory Housing Affordability proposal. To date, this review has included five public hearings and 13 committee meetings. Out of that review, various amendments have been suggested by Councilmembers. The Select Committee on Mandatory Housing Affordability discussed these possible amendments at its January 7, 14 and 16 and February 8 meetings. For each meeting, potential amendments were attached to a memo prepared for that meeting and provided to the public for review and comment.

Many of the proposed amendments are informed by comment and testimony from members of the public, received both at the five public hearings held in locations throughout the City in 2018, in public comments at each committee meeting and in written comments.

If the Committee votes to recommend passage of an amended bill at the February 25th Select Committee meeting, additional opportunity for public comment will be provided. In order to provide that opportunity, the earliest possible date for a full Council vote would be March 18.

Attachments

Attachment 1 provides a table summarizing all of the proposed amendments identified to date. This table indicates which of the following attachments the amendment will be found in and how they will be grouped for discussion at the February 25 committee meeting. Some, but not all amendments were discussed at the Committee meetings on January 7, 14 and 16 and February 8. Amendments listed in the tables in Attachment 1 are sponsored by a Councilmember or Councilmembers. Amendments that were discussed at those previous committee meetings that do not appear in this table do not currently have a sponsor.

Attachment 2 contains a package of amendments to Council Bills 119444 amending the Land Use Code and the Official Land Use Map that are proposed to be considered as a single consent agenda. These amendments were generally supported by Councilmembers at the February 8 meeting. Also included in Attachment 2 are a series of technical amendments that have been identified by Council Central Staff, the Law Department or City Departments.

Note: Councilmembers may request that any amendment be pulled from Attachment 2 for individual consideration. Those items will be discussed immediately after votes on the items in Attachment 2.

Attachment 3 contains amendments to Council Bill 119444 amending the text of the Land Use Code and the Official Land Use Map that are proposed for consideration as individual votes. These were either identified at the February 8 Select Committee meeting or are new proposals that were not discussed on February 8. Amendments to the text of Land Use Code will be considered first. Amendments to the Official Land Use Map will be considered in the following order: District 4, District 5, District 6, District 1, District 2, District 3.

Attachment 4 contains a package of amendments to Council Bill 119443 amending Seattle's Comprehensive Plan that are proposed to be considered as a single consent agenda. These amendments were generally supported by Councilmembers at the February 8 meeting. Also included in Attachment 4 are a series of technical amendments that have been identified by Council Central Staff, the Law Department or City Departments.

Note: Councilmembers may request that any amendment be pulled from Attachment 5 for individual consideration. Those items will be discussed immediately after votes on the items in Attachment 4.

Attachment 5 provides amendments to Council Bill 119443 to make changes to the Comprehensive Plan. These amendments will be presented for individual vote and are intended to maintain consistency between the Comprehensive Plan and decisions made regarding the Official Land Use Map as part of Attachment 3.

Attachment 6 provides a draft Resolution, which will identify future actions that the City intends to take in response to community interest in additional work on key issues, particularly strategies to mitigate impacts from additional growth. This Resolution is intended to be voted on at the same meeting as Council action on the bills.

Attachment 7 provides a discussion of the implications of the proposed amendments on housing production and information about the availability of small commercial spaces in Seattle and the proposed amendments that would require inclusion of small commercial spaces in new development.

Next Steps

If the Committee votes to recommend passage of an amended bill at the February 25th Select Committee meeting, additional opportunity for public comment will be provided. In order to provide that opportunity, the earliest possible date for a full Council vote would be March 18.

cc: Kirstan Arestad, Central Staff Director

Attachments

Attachment 1: Summary tables of amendments to CB 119444 and CB 119443

Attachment 2: Council Bill 119444 consent package – Land Use Code and Official Land Use Map

amendments (group 1 vote)

Attachment 3: Council Bill 119444 amendments to the Land Use Code and to the Official Land Use Map

(group 2 votes)

Attachment 4: Council Bill 119443 consent package – Comprehensive Plan amendments (group 3 votes)

Attachment 5: Council Bill 119443 Comprehensive Plan individual amendments (group 4 votes)

Attachment 6: Draft companion Resolution

Attachment 7: Discussion of potential effect of proposed amendments, and small commercial spaces