

March 14, 2019

MEMORANDUM

To: Councilmembers
From: Aly Pennucci, Eric McConaghy, Ketil Freeman, Lish Whitson, Yolanda Ho
Subject: Mandatory Housing Affordability Legislation

At the Full Council meeting on Monday, March 18, 2019, a discussion and vote on the suite of legislation to implement the Mandatory Housing Affordability (MHA) program is scheduled. This includes:

1. [Council Bill \(CB\) 119443](#), which amends the Comprehensive Plan in order to implement the MHA program citywide;
2. [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;
3. [Council Bill 119445](#), which amends the Land Use Code and Official Land Use Map to implement the MHA program in Northgate; and
4. [Resolution \(RES\) 31870](#), which identifies issues the Council will seek to address that are outside the scope of the MHA program. The resolution recognizes that while the implementation of MHA citywide through CB 119444 will result in the production of more affordable housing, land use regulations alone are not sufficient to achieve all of the City's racial equity goals and the goals of Seattle's different neighborhoods.

For your reference, key documents that have been prepared for and presented to the Council to inform decisions on this suite of legislation have been placed in [Clerk File 321156](#).¹

At the meeting on March 18 amendments to each of the items listed above may be offered. Those amendments are described below. Attachments A through G include specific amendment language. If you have any questions about the proposed amendments or the content of the bill, please let Aly Pennucci know.

Amendments to CB 119443:

1. [Substitute Attachment 1](#) (Johnson)
This amendment substitutes Attachment 1 to CB 119443 with version 2 to include a new Growth Strategy Figure 4 that reflects changes to urban center and urban village boundaries adopted by the Select Committee on Citywide Mandatory Housing Affordability (Committee) on February 25. The substitute updates the boundaries of the Northgate Urban Center, Roosevelt Residential Urban Village and Mt. Baker/North Rainier Hub Urban Village to reflect the Committee's decisions to modify those boundaries. Attachment A shows the changes to Growth Strategy Figure 4.

¹ There is an amendment that will be offered at the meeting that would remove areas within the University District. If that amendment passes, the U District FEIS and Addendum will no longer be relevant.

Amendments to CB 119444:

1. Substitute to CB 119444 (Johnson)

Amendment 1 to CB 119444 is a substitute version of the bill that reflects technical and clarifying amendments to maintain consistency with other legislation. This substitute version also fixes typos and other drafting errors to ensure the code language is consistent with the Council's intent. We describe a few of the more notable changes here; Attachment B is the substitute version showing all changes included in the substitute bill in red text.

The substitute version: (1) retains some provisions of the code related to incentive zoning, which is being retained in some parts of the city; (2) adds language clarifying that the requirement to dedicate 5% of MHA payment dollars to homeownership projects can be dedicated over multiple years; and (3) makes technical corrections to Attachments 1 and 2 to CB 119444. Those changes are described in detail on pages 418 and 476 in Attachment B.

2. Remove Areas within the U District (Johnson)

Amendment 2 to CB 119444 would amend Attachment 2 to CB 119444 to remove areas that were studied under the U District EIS from the MHA Citywide bill. The amendment would also remove a requirement from CB 119444 for upper-level setbacks along the Ave. A separate bill that would implement MHA, rezone those areas, and add an upper-level setback requirement will be introduced on March 18 to be considered by the Council later this year. Attachment C to this memo illustrates this amendment.

3. Add a Pedestrian Zone Designation in the Phinney neighborhood (O'Brien)

Amendment 3 to CB 119444 would add a Pedestrian Zone designation on Greenwood Avenue N between N 72nd Street and N 67th Street. Attachment D to this memo illustrates this amendment.

4. New Attachment 3: Findings of fact (Johnson)

This amendment would add a new attachment 3 to CB 119444 that reflects findings of fact that have been coordinated with the Law Department as shown in Attachment E to this memo. The findings generally:

- Recite the background and legislative history related to implementation of MHA through this ordinance; and
- Describe the planning context and basis for the rezone and the implementation of MHA in the rezone area.
- Address the relationship of the ordinance to RCW 36.70A.540

Attachment E to this memo reflects this amendment.

Amendments to CB 119445:

1. Update Base Code Language and References (Johnson)

This amendment updates the base code language to reflect changes to the Land Use Code made in CB 119444 and corrects references in the section lead-ins, also called "jingles" to maintain consistency with CB 119444. Attachment F to this memo reflects this amendment.

Citywide MHA Companion Resolution

The resolution identifies the Council's commitment to continuing work and partnerships to address community needs in the following categories:

- Equitable development, particularly anti-displacement strategies
- Investment of MHA and Seattle Housing Levy funds
- Affordable home ownership
- Development activity evaluation
- Economic development and commercial stability
- Coordination of City and community efforts
- Analysis of historic resources
- Future community planning efforts
- Tree protection
- Initiatives specific to Council districts

Amendments to RES 31870

1. Substitute to RES 31870 (Johnson)

Following introduction of the resolution on March 11, 2019, Councilmembers requested minor additions. The substitute bill incorporates these requests and also corrects typographical errors. Table 1 below provides a description of the notable changes. Attachment G shows the changes to the resolution in red text.

Table 1: Description of amendments to LEG MHA Citywide RES (Res 31870)

Location (Page #, Line #)	Amendment
6, 15	Added “childcare”
7, 20	Added “, zoning anomalies, and zoning artifacts”
13, 16	Added “3. OPCD is requested to conduct additional analysis of proposed density increases within the urban center and provide a report to Council by July 1, 2019.”
Attachment 1	Added new item number 14, located in District 3 at 110-112 Erie Ave and adjacent vacant lot (PID 9829200800), described as “Rezone from Single-family to Neighborhood Commercial.” Proposed zone is NC1-55.

Attachments:

- Amendment 1 to CB 119443
- Amendment 1 to CB 119444
- Amendment 2 to CB 119444
- Amendment 3 to CB 119444
- Amendment 4 to CB 119444
- Amendment 1 to CB 119445
- Amendment 1 to RES 31870

cc: Kirstan Arestad, Central Staff Director