



Memo

Date: November 23, 2022
To: Councilmember Dan Strauss, Land Use Committee Chair
From: Mike Podowski, Code Development Manager, SDCI
Subject: Affordable Housing Design Review Legislation

This memo serves as the Seattle Department of Construction and Inspections (SDCI) Director's Report for legislation to provide a design review exemption for affordable housing to help facilitate bringing needed affordable housing to the City of Seattle.

Background and Analysis

The Seattle City Council adopted, and the Mayor signed, interim Ordinances 126072 and 126188 that included provisions to assist in the production of certain low-income housing projects by providing an exemption from Design Review and allowing waiver or modification of certain development standards. Ordinance 126072 expired on October 25, 2020, and was replaced by Ordinance 126188, which will expire at the end of December 2022 (sixty days after the October 31, 2022, termination of the Mayor's COVID emergency proclamation). In light of the continuing homelessness emergency, the need for provisions to address housing solutions as addressed by Ordinance 126188 remains.

The City of Seattle first declared a State of Emergency for homelessness in 2015. Despite intentional efforts the emergency has only grown worse. Since 2015, the population of people experiencing homelessness has increased, so have shelters, encampments and tents. The supply of housing has not kept pace with the City's growing demand.

This legislation extends Design Review exemptions for an interim period of twelve months. Without this legislation, the exemptions will expire in late December 2022, i.e., 60 days after the termination of the COVID-related civil emergency proclaimed by the Mayor on March 3, 2020. Extending these provisions will respond to the ongoing homeless emergency and allow development to address urgent housing needs for low-income people, including those experiencing homelessness. The legislation continues to assist in the production of low-income housing by exempting these projects from Design Review, at the applicant's option, and allowing the SDCI Director to waive or modify certain development standards for these projects. The legislation should also accelerate the permitting of City-funded affordable housing projects, thereby reducing costs and decreasing the time needed for new affordable units to enter into service.

Ordinances 126072 and 126188 provided a temporary exemption from design review, at the applicant's option, for certain affordable housing projects (e.g., projects meeting the requirements according to SMC 23.41.004.A.5, which applies to projects substantially consisting of units serving households at or below 60 percent of AMI). Nineteen publicly funded developments totaling approximately 2,400 low-income housing units have availed themselves of the design review exemption provided by these ordinances, advancing the date when those projects enter service. However, Ordinance 126188 expires at the end of 2022.

SDCI and the City's Office of Housing have identified approximately 6 projects with 450 low-income housing units that could be exempt from design review if this legislation is adopted. These units would serve individuals and families with incomes no higher than 60 percent of AMI.

Comprehensive Plan Goals and Policies

The proposal is consistent with following relevant goals and policies in the *Seattle 2035* Comprehensive Plan:

- Goal H G2 - Help meet current and projected regional housing needs of all economic and demographic groups by increasing Seattle's housing supply.
- Goal H G5 - Make it possible for households of all income levels to live affordably in Seattle, and reduce over time the unmet housing needs of lower-income households in Seattle.
- Policy H 5.5 - Collaborate with King County and other jurisdictions in efforts to prevent and end homelessness and focus those efforts on providing permanent housing and supportive services and on securing the resources to do so.

Recommendation

SDCI recommends that the City Council adopt the proposed amendments to help facilitate the development of badly needed housing. Thank you for your attention to this important legislation. I am available should you have any questions.

