



March 13, 2026

To: Seattle City Council  
From: Office of Planning and Community Development  
Re: Displacement Impacts of Centers and Corridors Legislation

This memo provides information for Council on potential displacement impacts of the Centers and Corridors Legislation as well as strategies to reduce displacement pressures and to provide opportunities for displaced people to return.

## **Background**

[Resolution 32183](#) relating to the Comprehensive Plan update requests that the Office of Planning and Community Development (OPCD), the Seattle Department of Construction and Inspections (SDCI), and any other relevant departments add certain items to their 2026 Work Program including:

H. Anti-Displacement Strategies. Develop proposals for new zoning in Regional Centers, Urban Centers, and Neighborhood Centers in areas that were historically redlined or have experienced significant displacement, and report to Council on the potential displacement impacts of any proposed zoning changes. Include strategies in these proposals to reduce displacement pressure on existing homeowners in these areas, and to incorporate strategies that provide opportunities for displaced families to return to areas that have seen significant displacement.

Displacement is generally defined as the relocation of residents, businesses, or institutions from an area due to forces outside their control. Displacement is distinct from residential mobility, which includes voluntary household movement. This report focuses on residential displacement consistent with the resolution's focus on existing homeowners and displaced families. Residential displacement can occur in several ways:

- Physical displacement can occur through eviction, acquisition, rehabilitation, or demolition of housing or when covenants expire on rent-restricted housing.
- Economic displacement happens as housing becomes less affordable and residents can no longer weather rising rents or the costs of homeownership, like property taxes.
- Cultural displacement occurs as residents relocate because their cultural community, including culturally relevant businesses and institutions, is leaving.

Additionally, exclusionary neighborhoods, where regulations limit housing choices, also fuel displacement by pushing households to lower-cost neighborhoods. This situation increases pressures on the housing supply in more affordable communities and make it difficult for displaced people to return to the neighborhoods from which they were displaced.

The Centers and Corridors legislation would modify zoning in Neighborhood Centers, new and expanded Urban Centers and frequent transit corridors. The full zoning proposal is available on an interactive map located on the [Zoning Update website](#).

## **Potential Displacement Impacts of Proposal**

A primary purpose of the Comprehensive Plan update and the Centers and Corridors legislation is to reduce displacement pressures in Seattle. The legislation would meet this goal by:

1. Increasing the supply and diversity of housing
2. Expanding housing capacity in areas with lower risk of displacement
3. Generating affordable homes through Mandatory Housing Affordability (MHA) and Multifamily Tax Exemption (MFTE)

This section also discussed localize impacts that could result from increased demolition of existing homes.

### **Increasing Supply and Diversity**

At its core, displacement occurs when people face instability and cannot afford to stay in place and thrive. In a growing city like Seattle, this is largely due to housing unaffordability. A primary cause of unaffordability is the imbalance between available housing and the population seeking to live here. While Seattle added 60,000 net new homes between 2016 and 2023, the number of jobs rose twice as much in that same timeframe. Simply put, we have not built enough housing to keep pace with employment and population growth. This legislation creates new opportunities for housing production to address the housing scarcity that worsens our affordability crisis. It would also help create capacity for apartments and condos in neighborhoods throughout Seattle so that more people can find housing that meets their needs.

### **Expanding Housing Capacity in Low-risk Areas**

Recent growth in Seattle has been concentrated in existing Regional and Urban Centers. While this development helps expand housing supply, it can also bring challenges and changes that are destabilizing for at-risk communities. Many areas with low displacement risk have been shielded from growth by restrictive zoning. Under the Comprehensive Plan, more Neighborhood Centers were created where displacement risk is lower, including

northeast Seattle, Green Lake, Phinney Ridge, Magnolia, Montlake, and Madison Park, along with other areas near frequent transit. The Centers and Corridors legislation would implement zoning changes creating capacity for housing in these areas. 84% of proposed rezones would occur in areas of low-displacement risk.

### Generate Affordable Housing

The areas proposed to be rezoned by this legislation will be subject to MHA. MHA requires new development to contribute to the creation of income-restricted affordable housing by providing affordable units on site or paying into a fund to create affordable housing citywide. The Final Environmental Impact Statement (FEIS) for the Comprehensive Plan estimates that development in areas affected by this rezone could generate 2,840 additional affordable units over 20 years.

MFTE allows new development to exempt a portion of property taxes in exchange for reserving a portion of the units for lower-income residents at affordable rents. Currently, most areas proposed to be rezoned are outside the geographic area where MFTE can be used. However, some areas proposed to be rezoned are within the MFTE area, and the geographic area for MFTE could be expanded over time.

This rezone will also expand the area where it is feasible to build affordable housing, which will help affordable housing developers find land for new units.

### Localized Impacts

While this legislation would reduce displacement overall by addressing primarily economic displacement, it could also increase the number of demolitions of existing homes. Most units demolished are expected to be detached homes that would be affordable only to households with incomes above 150% AMI, but some units would be lower-cost, and many could contain renters. The FEIS found that implementation of the Comprehensive Plan, including changes to Neighborhood Residential zoning, which are not part of this legislation, could increase the number of homes containing renters that are demolished over 20 years by 1,120 dwelling units. This number of demolitions is significantly less than the 2,840 rent- and income-restricted affordable units that are expected to be created by this legislation. However, the increase in demolitions does point to the continuing need for resources to help households that are affected by these changes as well as ongoing economic displacement.

Overall, this legislation will help to reduce residential displacement but will also increase the demolition of existing dwelling units. It would also make it easier for displaced families to return to Seattle by reducing housing cost increases and creating more housing

opportunities. Additional analysis of citywide displacement impacts is contained in the [Final Environmental Impact Statement for the One Seattle Plan](#).

## Other Anti-Displacement Strategies

The City also has a wide variety of existing strategies to address displacement. A detailed description of the strategies used by the City to address displacement and work that is ongoing to improve these strategies is included in the City's [Anti-Displacement Action Plan](#). These strategies are organized into four sections.



### PLAN

**Plan** ahead by anticipating displacement pressures and responding with appropriate policies and programs



### PRODUCE

**Produce** new housing for people of all incomes



### PROTECT

**Protect** residents from displacement pressures by giving them more freedom and time to make the choice to stay or move



### PRESERVE

**Preserve** existing affordable housing and reduce the likelihood they exit the affordable housing stock

Below is a summary of the key strategies contained in the Action Plan by area.

#### *Plan*

- Data Monitoring: tracks indicators of displacement.

#### *Produce*

- Subsidized Housing Production: invests in the preservation and production of affordable homes in Seattle
- MHA: requires new development to contribute to affordable housing, either through a payment or by providing affordable units on-site
- MFTE: provides multifamily property owners a tax exemption in exchange for rent- and income-restricted units
- Market-rate Housing Production: supports production of market-rate housing to increase the supply and diversity of housing

#### *Protect*

- Foreclosure Prevention: provides loans to homeowners at risk of foreclosure
- Emergency Rental Assistance: provides one-time emergency rental assistance

- Just Cause Eviction Ordinance: requires that landlords have one of 16 “Just Cause reasons” to terminate a tenancy and requires advance notice for evictions
- Right to Counsel: Offers legal counsel to renters served with an eviction
- King County Property Tax Exemption: provides tax emptions for low-income qualified seniors, persons with disabilities, and disabled veterans
- Tenant Relocation Assistance: provides early notice to impacted households and relocation assistance to low-income households
- Utility Assistance: provides payment assistance for income-eligible customers
- Equitable Development Initiative: provides funding to community organizations to ensure Seattle’s growth benefits all communities, particularly those historically marginalized and most at risk of displacement
- Economic Displacement Relocation Assistance: provides relocation assistance when a low-income tenant experiences an increase in rent of 10 percent or more within a 12-month period
- Affirmative Marketing: requires affordable housing developments to meet certain marketing requirements to help individuals and households otherwise unlikely to apply for housing know about vacancies and feel welcome to apply
- Community Preference: allows affordable housing developers in areas at high risk of displacement to offer preference to applicants who are current residents, former residents, family members of former residents of the neighborhood or have community ties there
- Residential Property Transaction Regulations: provides protections to homeowners that receive unsolicited offers to buy a home

### *Preserve*

- Rental Housing Preservation: provides funding for projects that preserve existing housing
- Home Repair Assistance: provides affordable loans, grants, and counseling to income-qualified homeowners to address critical health, safety, and structural issues
- Tenant Opportunity to Purchase: supports tenants that want to buy their own unit if their apartment is undergoing a condominium conversion
- Notice of Intent to Sell: requires landlords to provide the City an advance notice of their intent to sell any residential rental property with two or more units when at least one unit is rented at 80% of Area Median Income or below
- Legacy Homeowner Assistance: assistance to homeowners vulnerable to displacement who want to leverage the equity in their property for greater financial and household stability
- Short-term Rental Regulation: limits the number of units that any one short-term rental operator can operate

- Home Weatherization Assistance: provided free energy efficiency improvements to income-qualified homes

While most of these strategies are focused on preventing the displacement of existing residents, the City is also working to provide opportunities for households who have been displaced in the past to return home. Existing programs that create more subsidized affordable housing, have a preference for past residents or family of past residents, or create a wider variety of market-rate units are already helping to support this work.

Additionally, the City of Seattle has an Anti-Displacement Work Group (ADWG) which is tasked with:

- improving coordination and outreach activities across departments and programs;
- supporting on-going monitoring of displacement risk; and
- creating an evaluation framework to support ongoing program improvement and help inform future investment decisions.