

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
Office of Housing	Laura Hewitt Walker	Nick Tucker (for OH) Christie Parker (for SDCI)

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to land use and zoning; correcting typographical and other technical errors, correcting section references, and clarifying regulations in sections that relate or may apply to low-income housing and other developments with units subject to affordability restrictions; amending, adopting new, and repealing obsolete defined terms relating to affordability of and eligibility to reside in certain housing; increase consistency and clarity of provisions that relate to low-income housing and restricted units; amending a limited number of provisions, including applicability of design review and authorization to request waiver or modification of certain development standards, to facilitate development of low-income housing; amending the title of Sections 23.44.019, 23.45.550, 23.47A.040, 23.48.100, and 23.49.007, amending Sections 22.900G.015, 23.34.012, 23.34.020, 23.41.004, 23.42.055, 23.42.057, 23.42.070, 23.44.024, 23.44.034, 23.44.041, 23.45.510, 23.45.512, 23.45.516, 23.47A.004, 23.47A.005, 23.47A.013, 23.48.005, 23.48.020, 23.48.232, 23.48.605, 23.48.920, 23.49.008, 23.49.010, 23.49.012, 23.49.014, 23.49.023, 23.49.037, 23.49.041, 23.49.058, 23.49.164, 23.49.180, 23.54.015, 23.58A.002, 23.58A.003, 23.58A.004, 23.58A.014, 23.58A.024, 23.58A.042, 23.58B.010, 23.58B.020, 23.58B.025, 23.58B.040, 23.58B.050, 23.58B.060, 23.58C.020, 23.58C.025, 23.58C.030, 23.58C.040, 23.58C.050, 23.66.100, 23.66.310, 23.70.008, 23.70.010, 23.72.002, 23.72.010, 23.73.010, 23.73.016, 23.75.020, 23.75.085, 23.76.032, 23.76.060, 23.84A.002, 23.84A.016, 23.84A.024, 23.84A.025, 23.84A.030, 23.84A.032, 23.84A.038, 23.84A.040, and 23.86.007, and repealing Sections 23.49.015 and 23.49.181 of the Seattle Municipal Code.

Summary and Background of the Legislation:

The land use code (LUC) revisions included in this legislation simplify, clarify, and improve readability of complex, unclear, or obsolete provisions specific to affordable housing. The legislation also increases consistency and succinctness of routine provisions related to low-income housing or restricted units in otherwise market-rate buildings (annual reporting requirements or calculation of maximum sales prices, for example). These changes could reduce permit review timelines for low-income housing and other residential development that includes units subject to affordability restrictions.

The legislation repeals more than a dozen obsolete and redundant LUC definitions related to affordable housing and eligible residents. It updates the project specific definition of “low-income housing” and adds new unit-specific definitions for “low-income unit,” “moderate-income unit,” and “restricted unit.” Those definitional updates and streamlining makes it

possible to replace a lot of inconsistent and lengthy verbiage about what constitutes low-income housing or an affordable unit throughout the land use code.

Other changes could potentially reduce the cost of developing low-income housing, by eliminating extended timelines for and unexpected costs of design review. Amendments to provisions exempting low-income housing from design review and allowing applicants to request modifications and waivers for certain development standards, none of which can increase the size of the building envelope, are intended to facilitate the development of low-income housing. These provisions currently apply to a particular type of low-income housing (i.e. permanent supportive housing). They also apply on a temporary basis to low-income housing with a certain share of units with affordability restrictions no higher than 60% area median income (AMI). The proposed changes would mean developments where homes are sold to buyer households with incomes no higher than 80% AMI (ones developed by Habitat for Humanity or Homestead Community Land Trust, for example) could be eligible for an exemption from design review. Design review adds time to permitting for new low-income housing. In addition to time spent during the design review process, the design review guidance can necessitate an infusion of additional City funds to keep much-needed affordable housing moving forward.

This legislation includes changes to and routine maintenance of land use code provisions specific to low-income housing and other units with affordability restrictions. The proposed amendments are referred to as “omnibus” amendments because the bulk of the changes are technical. Although those amendments are non-substantive, they make existing requirements much easier to read and understand and also make them more consistent throughout the Land Use Code.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes X No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?
No.

Are there financial costs or other impacts of *not* implementing the legislation?
No. Failure to adopt the proposed cleanup amendments to the Land Use Code and related regulations would continue lack of clarity and cause ongoing interpretive issues.

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?**
This legislation affects the Seattle Department of Construction and Inspections and the Office of Housing. The former has land use regulatory authority over low-income housing; the latter funds low-income housing and oversees compliance for the duration of the housing covenants.
- b. Is a public hearing required for this legislation?**
Yes
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
Yes
- d. Does this legislation affect a piece of property?**
No
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**
Housing subject to long-term affordability restrictions, particularly publicly-funded low-income housing, improves access to rental housing and homeownership opportunities for Seattle's lowest income and most at-risk households, who are disproportionately Black, Indigenous, or other people of color. The Office of Housing addresses historical inequities in access to housing. Some share of Housing Levy funds will go to community-based organizations to support work to create or preserve they type of housing they want and most appropriate for their communities based on their own assessment.
- f. Climate Change Implications**
- 1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**
No
- 2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**
No
- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**
N/A