

**Divided Report for Council Bill 120750**  
**For consideration by the City Council on April 30, 2024**

**Overview**

On April 17, the City Council’s Land Use Committee voted to recommend a “No” vote on [Council Bill \(CB\) 120750](#), which would amend the Land Use Code to create the Connected Community Development Partnership Bonus Pilot Program. CB 120750 would create a pilot program that would 1) allow larger buildings at higher heights with less setbacks and larger lot coverage, and exempt pilot projects from participation in Design Review, the Mandatory Housing Affordability Program, and incentive zoning programs; 2) if the project includes approximately 30 percent of units affordable at 80 percent of the Area Median Income (AMI) for rental units or 100 percent AMI for ownership units dedicated to be affordable at these income levels for at least 75 years; and 3) if the development is on a site owned or controlled by a community development organization that has as its purpose the creation or preservation of affordable housing, social housing, affordable commercial or arts spaces, community gathering spaces or equitable development uses. The pilot would end by 2029 or after 35 qualifying projects have applied, whichever is earlier.

On April 17, the Committee voted to recommend that the City Council not pass CB 120750 with a vote of 3 to 1, with one Councilmember abstaining from the vote.

No	3 (Moore, Rivera, Woo)
Yes	1 (Morales)
Abstaining	1 (Strauss)

Committee Deliberation

The Committee received its first briefing on the bill at its February 7 meeting. The Committee further considered the bill at its February 21 meeting, hearing from a panel including members of community-based organizations. The Committee held a public hearing on the bill at its March 20 meeting.

On April 17, the Land Use Committee discussed five amendments to the bill. Amendments 1 through 4 were considered by the Committee. Each amendment failed 3-2 with Councilmembers Moore, Rivera and Woo voting on the prevailing side. Amendment 5 was predicated on passage of amendment 2 – 4 and, by rule, could not be considered by the Committee without being further amended.

[Amendment 1](#), proposed by Councilmember Morales, would have: amended the affordability requirements, to require any one-bedroom and smaller apartments in a building that are intended to help the project to qualify for the program to be affordable at or below 60 percent AMI, and reduce the term of affordability to 50 years; 2) narrowed the types of partnerships that could

qualify for the program; and 3) removed an incentive to provide a unit in the new development to a moderate-income single family home owner who has sold their property to facilitate the project.

[Amendment 2](#), proposed by Councilmember Strauss, would have increased the types of organizations that could qualify for the pilot.

[Amendment 3](#), proposed by Councilmember Strauss, would have required projects to participate in the Mandatory Housing Affordability program and Incentive zoning programs, as appropriate.

[Amendment 4](#), proposed by Councilmember Strauss, would have identified childcare as an equitable development use under the bill.

[Amendment 5](#), not moved by Councilmember Strauss, would have aligned the pilot program with provisions of the land use code that allow larger projects to facilitate the development of affordable units on property owned or controlled by a religious organization, including a requirement that all units in the project be affordable at or below 80 percent AMI, and adjustments to the development standards including floor area ratio limits.

### **Majority Position (Moore, Rivera and Woo)**

There is broad agreement that Seattle needs more housing of all kinds – affordable to market rate. However, the proposed Connected Communities Pilot will not accomplish its intended goal of creating generational wealth-building opportunities and preventing displacement.

At a minimum, to build generational wealth in our communities still suffering the impacts of redlining, we need to support long-term property ownership.

We should address the lack of all housing supply – affordable and otherwise – through the Comprehensive Plan. This 20-year vision plans for the infrastructure and amenities needed for increased housing density. It also provides the opportunity for feedback.

The Connected Community legislation would allot additional development capacity solely based on an ownership model – a model that intentionally and explicitly bestows benefits to a select handful of organizations - 35 in total - whose eligibility for this development capacity benefit will be based upon future criteria developed and implemented solely by city departments, with no recourse to independent review or appeal from exclusion. While this ownership model may have been a necessary workaround to restrictive zoning laws, we now have the opportunity to revise zoning under the pending Comprehensive Plan.

A more effective approach to attaining citywide neighborhood affordability is to make the benefit of development capacity generally available to all and do so through the current Comprehensive Plan process.

Once that process is completed, we can look at additional legislation, strategies, and incentives to further our goals. We must also consider that voters recently passed a nearly \$1B housing levy. We have yet to determine how and when this investment will create more housing across the city.

### **Minority Position (Morales)**

The Connected Community pilot is a tool that will help the City achieve its Comprehensive Plan goals for developing middle housing and more commercial and cultural spaces. This is anti-displacement legislation – it will require affordable housing to be provided on site as part of mixed-income communities. This bill will help create more affordable housing in lower income communities, so people are not priced out of their neighborhoods. It incentivizes development across the city, including in higher cost neighborhoods, where people of color have historically been excluded.

Seattle can't waste any more time failing to provide affordable housing and implementing anti-displacement tools. This program will help us to build important workforce housing for renters up to 80 percent AMI and ownership units up to 100 percent AMI. It has a higher affordable housing requirement than the Mandatory Housing Affordability program and requires onsite performance. Providing onsite affordable housing helps us create truly inclusive communities.

We need a plan to help local community-based organizations (CBOs) create the community, cultural, and commercial spaces that we need. We want to help more CBOs develop their property. The Connected Community pilot is intended to study what mix of incentives might better facilitate the partnerships between traditional developers and CBOs that want to learn the development process and build the spaces needed to serve their constituencies.

This pilot will help reduce administrative red tape and will help us create a process that better utilizes the city's finite resources and helps community groups work with developers to create affordable housing, vibrant commercial spaces in neighborhood centers and create cultural spaces or third places that make our communities safer and more vibrant. It will reduce development costs by offering density bonuses and exemptions from the design review program, without requiring City funding for housing subsidies. There is no significant cost to the City to implement this legislation.

This legislation is supported by affordable housing developers, by community-based organizations, the Master Builders Association, the Complete Communities Coalition including the Seattle Metropolitan Chamber of Commerce, and over a thousand constituents across all our districts. Seattle can't waste any more time failing to provide affordable housing.

### **Abstaining Councilmember's Position (Strauss)**

I intended to propose amendments to the bill, as reflected above. However, I was not able to provide enough information to Central Staff to fully incorporate the changes to the bill that I needed in my amendments in time for the April 17 meeting. I alerted Chair Morales of this ahead of the meeting and requested time to have my amendments fully drafted. This request was not granted, and this is why I abstained from voting.