



SEATTLE CITY COUNCIL

Legislative Summary

Res 31733

Record No.: Res 31733 **Type:** Resolution (Res) **Status:** Adopted

Version: 2 **Ord. no:** **In Control:** City Clerk

File Created: 02/01/2017

Final Action: 03/02/2017

Title: A RESOLUTION requesting evaluation of residential displacement as it relates to increases in development capacity in certain areas; and declaring the Council's intent to consider strategies to mitigate any loss of subsidized affordable units and naturally occurring affordable units resulting from an increase in development capacity.

Notes: **Filed with City Clerk:** 3/2/2017

Sponsors: Herbold **Mayor's Signature:** 3/2/2017

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Drafter: patrick.wigren@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File **Legal Notice Published:** Yes No

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Clerk	02/02/2017	sent for review	Council President's Office			
	Action Text: The Resolution (Res) was sent for review. to the Council President's Office						
	Notes:						
1	Council President's Office	02/02/2017	sent for review	Planning, Land Use, and Zoning Committee			
	Action Text: The Resolution (Res) was sent for review. to the Planning, Land Use, and Zoning Committee						
	Notes:						
1	Planning, Land Use, and Zoning Committee	02/07/2017	discussed				
	Action Text: The Resolution (Res) was discussed.						
	Notes:						
1	Planning, Land Use, and Zoning Committee	02/07/2017					

1 Full Council 02/07/2017 referred Full Council

Action Text: The Resolution (Res) was referred. to the Full Council

Notes:

1 Full Council 02/21/2017 adopted as amended Pass

Action Text: The Motion carried, the Resolution (Res) was adopted as amended by the following vote, and the President signed the Resolution:

Notes: ACTION 1:

Motion was made and duly seconded to adopt Resolution 31733.

ACTION 2:

Motion was made by Councilmember Herbold, duly seconded and carried, to amend Resolution 31733, by substituting version 5 for version 2a.

ACTION 3:

Motion was made and duly seconded to adopt Resolution 31733 as amended.

In Favor: 9 Councilmember Bagshaw, Councilmember Burgess, Councilmember González , Council President Harrell, Councilmember Herbold, Councilmember Johnson, Councilmember Juarez, Councilmember O'Brien, Councilmember Sawant

Opposed: 0

2 City Clerk 02/23/2017 submitted for Mayor's signature Mayor

2 Mayor 03/02/2017 Signed

2 Mayor 03/02/2017 returned City Clerk

2 City Clerk 03/02/2017 attested by City Clerk

Action Text: The Resolution (Res) was attested by City Clerk.

Notes:

CITY OF SEATTLE

RESOLUTION 31733

A RESOLUTION requesting evaluation of residential displacement as it relates to increases in development capacity in certain areas; and declaring the Council's intent to consider strategies to mitigate any loss of subsidized affordable units and naturally occurring affordable units resulting from an increase in development capacity.

WHEREAS, Race and Social Equity is one of the core value of Seattle 2035, Seattle's Comprehensive Plan for growth over the next 20 years, and the displacement of longtime, lower-income residents undermines the City's commitment to equity; and

WHEREAS, the City's vision states, "...[a]s Seattle grows, its housing supply grows and adapts to meet the needs of all households, regardless of color or income, including families with children, seniors, and people who have disability... Our growing city does not force people from their homes; they are able to stay in their neighborhoods, with their established community resources and cultural institutions;" and

WHEREAS, in Seattle 2035, the City defines displacement as "the involuntary relocation of residents or businesses from their current location. Direct displacement is the result of eviction, acquisition, rehabilitation, or demolition of property, or the expiration of covenants on rent/income-restricted housing. Indirect displacement occurs when residents or businesses can no longer afford escalating rents or property taxes"; and

WHEREAS, the City Council recognizes that displacement has negative impacts on the health and wellbeing of individuals and communities; and

WHEREAS, the City of Seattle has been shaped by its history of racial segregation and the economic displacement of communities of color and rising housing costs affect marginalized populations the most; and

1 WHEREAS, Seattle’s population of people of color increased from 26 percent in 1990 to 34
2 percent in 2010...People of color make up 41 percent of the population living in urban
3 centers and urban villages compared to 30 percent of the population residing outside...the
4 Black or African American population in urban centers or villages decreased from 14
5 percent in 1990 to 11 percent in 2010...conversely, there were increases in shares of
6 Asian, Hispanic or Latino populations in urban centers or villages during this same time
7 period; and

8 WHEREAS, in May 2016, the City published a Growth and Equity Analysis that compiled data
9 about several economic and demographic factors that help identify places in the city
10 where residents, especially people of color and low-income residents, could be at risk of
11 displacement and where there is less access to employment and other opportunities; and

12 WHEREAS, Seattle 2035, Growth Strategy Figure 3, identifies, the following Hub Urban
13 Villages with high risk of displacement: Bitter Lake Village and Mt. Baker (North
14 Rainier); and the following Residential Urban Villages with a high risk of displacement:
15 23rd and Union-Jackson, Columbia City, North Beacon Hill, Othello, Rainier Beach,
16 South Park, and Westwood-Highland Park; and

17 WHEREAS, the Growth and Equity Analysis (May 2016) stated that “[if] unmitigated, rapid
18 market-rate redevelopment in high displacement risk areas is likely to exacerbate
19 displacement pressures... In the recommended Growth Strategy, the City anticipates a
20 higher rate of growth in urban villages with good transit service and a relatively lower
21 rate of growth in urban villages with high displacement risk and low access to
22 opportunity...; and

1 WHEREAS, Seattle 2035, Growth Strategy policy 1.8, states that the City will “[u]se zoning and
2 other planning tools to shape the amount and pace of growth in ways that will limit
3 displacement of marginalized populations, and that will accommodate and preserve
4 community services, and culturally relevant institutions and businesses;” and

5 WHEREAS, one way the City works to address racial and social equity is by creating and
6 preserving affordable housing, particularly for lower-income households; and as housing
7 development continues, the City is committed to promoting policies that limit
8 displacement, stabilize marginalized populations in their communities, and encourage a
9 net increase in affordable housing over time.; and

10 WHEREAS, in September 2014 the City Council adopted Resolution 31546, in which the
11 Council and Mayor convened the Housing Affordability and Livability Agenda (HALA)
12 Advisory Committee to evaluate potential housing strategies and the Committee
13 submitted final recommendations to the Mayor and City Council on July 13, 2015; and

14 WHEREAS, the HALA Advisory Committee recommended extensive citywide zoning changes
15 of residential and commercial zones and, in connection with such zoning changes,
16 implementation of a mandatory inclusionary housing requirement for new residential
17 development and commercial linkage fees for new commercial development; and

18 WHEREAS, in November 2015, the City Council adopted Resolution 31612, stating the
19 Council’s intent to make changes to zoning and land use regulations to implement a
20 mandatory inclusionary affordable housing program for residential development
21 recommended by the HALA Advisory Committee and the Mayor; and

22 WHEREAS, due to a shortage of affordable housing in the city, lower-income employees
23 associated with new commercial development may be forced to live in less than adequate

1 housing within the city, pay a disproportionate share of their incomes to live in adequate
2 housing in the city, or commute greater distances to their jobs from housing located
3 outside the city when they are unable to locate adequate housing within the city; and

4 WHEREAS, in August 2015, the Mayor transmitted legislation to provide a framework for
5 Mandatory Housing Affordability for commercial development (MHA-C) and the City
6 Council passed Ordinance 124895 on November 9, 2015; and

7 WHEREAS, the City Council passed Ordinance 125108 to provide a framework for Mandatory
8 Housing Affordability for residential development (MHA-R) on August 15, 2016; and

9 WHEREAS, the City Council passed Ordinance 125233 on December 16, 2016, to provide
10 consistency within the MHA-C framework with Ordinance 125108; and

11 WHEREAS, the MHA-R and MHA-C framework legislation outlines Council’s intent to
12 “consider whether to include higher performance and payment amounts, subject to
13 statutory limits, for those areas where the increase in development capacity would be
14 likely to increase displacement risk;” and

15 WHEREAS, the City is currently preparing an Environmental Impact Statement (EIS) to
16 evaluate the potential environmental impacts of increasing development capacity and
17 implementing Mandatory Housing Affordability (MHA) in some portions of the City;
18 and

19 WHEREAS, Seattle 2035, Housing Policy 2.5, states the City’s intent to “[m]onitor the supply of
20 housing and encourage the replacement of housing that is demolished or converted to
21 nonresidential or higher-cost residential use;” and

1 WHEREAS, Seattle 2035, Housing Policy 2.6, states the City’s intent to “[s]eek to identify
2 affordable housing at risk of demolition and work to mitigate the displacement of
3 residents ahead of planned upzones;” and

4 WHEREAS, Seattle 2035, Housing Policy 2.7, states the City’s intent to “[e]valuate the City’s
5 efforts to mitigate displacement of affordable housing;” and

6 WHEREAS, Seattle 2035, Land Use Policy 2.7, states the City’s intent to “[r]eview future
7 legislative rezones to determine if they pose a risk of increasing the displacement of
8 residents, especially marginalized populations, and the businesses and institutions that
9 serve them;” and

10 WHEREAS, Seattle 2035, Land Use Policy 9.23, states the City’s intent to “[u]se zoning and
11 other planning tools in urban centers and urban villages to address displacement of small
12 locally-owned businesses that reinforce local neighborhood and cultural identity and
13 provide culturally relevant goods and services to Seattle’s diverse population;” and

14 WHEREAS, between 2005 and 2015, the City issued demolition permits for 5,916
15 dwelling units and construction permits for 53,238 new housing units; during this same
16 period Seattle’s population grew by approximately 90,000 people (~15 percent); and

17 WHEREAS, the Council finds that a detailed residential displacement analysis is needed to
18 evaluate the risk of increased displacement and to identify strategies to mitigate loss of
19 affordable units and naturally occurring affordable units that may be found to result from
20 an increase in development capacity; NOW, THEREFORE,

21 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE**
22 **MAYOR CONCURRING, THAT:**

1 Section 1. The Council reaffirms its commitment to manage future growth of the City in a
2 manner that continues to encourage racial and social equity and minimizes any potential
3 disproportionate impact of future development on marginalized populations, especially people of
4 color and low income populations, that are demonstrated through the analysis pursuant to Section
5 2.

6 Section 2. The Council requests that the Office of Planning and Community
7 Development (OPCD) complete a detailed analysis of the potential for residential displacement,
8 both direct and indirect, that could result from increases in development capacity subsequent to
9 the date established in Section 2. The analysis should evaluate whether proposed capacity
10 increases would: (1) increase or decrease direct displacement due to demolition; and (2) either
11 introduce or accelerate a trend of changing socioeconomic conditions that may potentially
12 displace vulnerable populations. The analysis should include, but not be limited to, the following
13 factors disaggregated by neighborhood or by Urban Center or Village:

14 A. Population and household characteristics, and changes over time (total number of
15 residents, age, race and ethnicity, disability, total number of households and household size,
16 household income and poverty status, lower-income households as a share of all out- or in-
17 migration).

18 B. Housing characteristics, and changes over time:

19 1. Housing stock: current housing mix, age of housing, housing tenure, units
20 per structure, vacancy rates, and a summary of recent demolitions broken down by size and age
21 of building.

22 2. Housing affordability: cost burden for renter households and owner-
23 occupied households; median home value; median monthly rent; vacancy rate compared to rent;

1 average monthly rent by year of structure; average monthly rent by size of structure; average
2 monthly rent by number of bedrooms; and rental household income;

3 3. Housing Supply: anticipated total new units and new affordable units. In
4 areas where the City's Equity Analysis indicates that there is a high risk of displacement,
5 determine whether relocation opportunities exist (or will exist) within the study area for these
6 displaced households.

7 C. Redevelopment sites characteristics:

8 1. Number of redevelopment sites under existing and proposed zoning using
9 OPCD's redevelopable parcel GIS data; identify all sites potentially redevelopable and rank
10 development sites by the likelihood of redevelopment over a 20-year planning horizon.

11 2. Analyze the number of existing units occupying the identified
12 redevelopment sites, broken down by size and age of building.

13 3. From the list of all possible redevelopment sites: (a) identify renter versus
14 owner occupied units; (b) estimate the number of residents that could be displaced if the sites
15 redevelop; and (c) estimate the number of low-income tenants that could be displaced if the sites
16 redevelop (using data from the Tenant Relocation Assistance Ordinance).

17 4. To the extent that reliable data is available, identify any rental units that
18 have or are receiving public subsidies (i.e. properties where public investment was part of the
19 development or other programs that subsidize the cost of housing); and estimate the number of
20 units with low - and moderate-income people living in housing that have not received public
21 subsidies.

22 D. Provide an overview of the different kinds of displacement (i.e. direct, economic,
23 cultural), map the displacement risk (from the City's Growth and Equity Analysis) and analyze

1 the relationship between new housing development that could result from increases in
2 development capacity and loss of low-income housing.

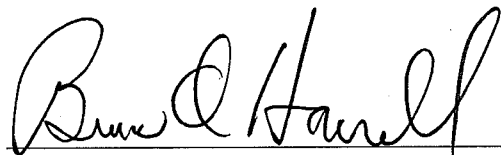
3 E. Summarize the anticipated growth differentiated for each neighborhood or Urban
4 Center or Village by: market strength, residential tenure, displacement risk, and access to
5 opportunity; and qualitatively assess relative displacement impacts of different approaches to
6 MHA implementation based on distribution of growth and new affordable units. Include in this
7 analysis the relative displacement impacts using high, low and likely growth scenarios and
8 analyze any disparate impacts on protected classes under each zoning alternative.

9 F. Recommendations for mitigation measures to address units at risk of demolition
10 and populations at risk of displacement.

11 Section 3. The Council requests that OPCD develop and submits a report to Council
12 detailing the residential displacement analysis completed, and any mitigation strategies identified
13 to address residential displacement, pursuant to Section 2, by May 15, 2017.

14 Section 4. The Council intends to consider a range of strategies to increase affordable
15 units sufficient to offset the affordable units at risk of demolition due to new development and
16 strategies to address displacement resulting from changing socioeconomic conditions that may
17 potentially displace vulnerable populations.


18 Adopted by the City Council the 21st day of February, 2017,
19 and signed by me in open session in authentication of its adoption this 21st day of
20 February, 2017.

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22 President _____ of the City Council

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The Mayor concurred the 4^{2nd} M.A.S. day of March, 2017.


Edward B. Murray, Mayor

Filed by me this 2nd day of MARCH, 2017.


Monica Martinez Simmons, City Clerk

(Seal)