



City of Seattle
Mayor Edward B. Murray

April 11, 2017

Honorable Bruce Harrell, President
Seattle City Council
City Hall, 2nd Floor
Seattle, WA 98199

Dear Council President Harrell:

I am pleased to transmit the attached legislation to increase development capacity and implement the Mandatory Housing Affordability (MHA) requirements in the Chinatown/International District. This legislation is a key piece of the Housing Affordability and Livability Agenda (HALA), a multi-pronged comprehensive approach to address the housing affordability crisis in Seattle. It is estimated that the proposed MHA requirements for the Chinatown/International District will produce more than 150 new affordable housing units over 10 years.

The foundational steps for MHA were taken when the Council adopted the MHA-Commercial framework (*Ord 124895*), the Mandatory Inclusionary Housing resolution (*Res 31612*), and the MHA-Residential framework (*Ord 125108*). The critical next step is to pass zoning changes that provide additional development capacity necessary to trigger the MHA requirements. When implemented, MHA requires that commercial and multifamily developers address housing affordability by providing affordable homes or by making a payment-in-lieu to Seattle's Office of Housing to support development of affordable housing throughout the city. When fully implemented citywide, MHA is projected to create an estimated 6,000 affordable housing units over the next 10 years, which is a significant portion of the City's overall goal of 20,000 affordable housing units.

Implementation of MHA in the Chinatown/International District is an important piece of this citywide affordable housing program. Outreach on this proposal began in late 2015 as part of a broad discussion about Downtown and South Lake Union. While legislation implementing MHA in other parts of Downtown and South Lake Union was transmitted to Council in 2016, the Chinatown/International District was separated from this work to allow more time for discussion of the unique conditions of the neighborhood, including the high risk of economic and cultural displacement. In October 2016, City leaders announced that MHA requirements in this area would be increased above the original proposal in response to community concerns around the amount of displacement that is already occurring.

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MHA represents an unprecedented and historic opportunity for the City to harness Seattle's growth to increase the supply of both affordable and market-rate housing. I ask the Council to act swiftly in passing the Chinatown/International District zoning proposal to implement MHA, in order to support equitable growth by providing more housing choices for lower income individuals and families.

Thank you for your consideration of this legislation. If you have any questions, please do not hesitate to contact Sam Assefa, Director of the Office of Planning and Community Development, at (206) 386-1183.

Sincerely,



Edward B. Murray
Mayor of Seattle

cc: Honorable Members of the Seattle City Council