



WHEREAS, in September 2014 the Council adopted and the Mayor concurred in Resolution 31546, which established the Seattle Housing Affordability and Livability Agenda Advisory Committee (HALA); and

WHEREAS, in July 2015 HALA published its Final Advisory Committee Recommendations and the Mayor published Housing Seattle: A Roadmap to an Affordable and Livable City;

WHEREAS, both HALA and the Mayor recommend changes to zoning and land use regulations, which include implementing a mandatory inclusionary affordable housing program for residential development and an affordable housing impact mitigation program for commercial development;

WHEREAS, these programs should be developed to achieve a projected production level of no fewer than 6,000 affordable units for households with incomes no higher than 60 percent of median income over ten years, and if the projected production levels fall below the target, the Council intends to consider options to achieve the production target; and

WHEREAS, successfully and expeditiously implementing those programs and other changes to zoning and land use regulations will require: continuous, ongoing, and inclusive participation by the public; environmental review; and development of programs to address impacts, such as transportation, affordable childcare and preschool facilities, parks and open space impacts;

NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR**

**CONCURRING, THAT:**

Section 1. The Council intends to consider the following changes to zoning and land use regulations in order to implement a mandatory inclusionary housing program for residential development and an affordable housing impact mitigation program for commercial development. Areas where the Council will consider implementing a mandatory inclusionary housing program for residential development and an affordable housing impact mitigation program for commercial development are shown on Attachment A.

A. Mandatory Inclusionary Housing Program for Residential Development. The program should include

a requirement that new multifamily and mixed-use buildings provide a percentage of units affordable to households with incomes at or below 60 percent of Area Median Income for 50 years. To implement the program, the Council will amend the Land Use Code to provide additional development capacity. Where it is possible to use the additional development capacity, the mandatory inclusionary housing program requirements will be applicable whether or not the additional development capacity is used. Where otherwise applicable development standards prevent the use of additional development capacity, the Council will consider establishing new development standards or an administrative process for relief from those development standards.

1. Downtown, South Lake Union, and First Hill Urban Centers. The program should include an option for a payment in-lieu of providing affordable units, provided that the payment does not exceed the approximate cost of developing the same number and quality of housing units that would otherwise be developed. For development accessing extra floor area above base height or density limits, the in-lieu payment should be equivalent to current incentive zoning payments. However, where it is possible to use the additional development capacity, all development should be subject to a performance or fee obligation based on receiving the additional development capacity even if that capacity is not used. Such a development capacity increase will allow approximately 1,000 additional square feet per floor, or other comparable floor area, for residential towers.

2. Outside of Downtown, South Lake Union, and First Hill Urban Centers. For low and mid-rise multifamily and mixed-use zones the requirement should be no less than five percent of total units in lower-cost markets, six percent of total units in medium cost markets, and seven percent of total units in high cost markets. The program should include an option for a payment in-lieu of providing affordable units, provided that the payment does not exceed the approximate cost of developing the same number and quality of housing units that would otherwise be developed. To implement such a program, the Council will increase development capacity by increasing height approximately one additional floor or providing other comparable development capacity

increases.

3. In all areas, in-lieu payments shall achieve a result equal to or better than providing the affordable housing on-site.

B. Affordable Housing Impact Mitigation Program for Commercial Development. The program should include a per-square-foot payment amount to mitigate, in part, the impact on the demand for affordable housing caused by new commercial development and an option to perform by providing units on- or off-site. The Council's intent in implementing the program is established in the ordinance introduced as Council Bill 118498.

C. Converting Certain Single-Family-zoned Areas to Multi-family and Mixed-use. The Council will consider changing the zone designation of up to six percent of existing single-family-zoned areas to zones that allow multifamily and mixed-use development to implement a mandatory inclusionary housing program for residential development and an affordable housing impact mitigation program for commercial development when those single-family-zoned areas are: (1) within urban centers or villages designated in the Comprehensive Plan, as those areas may be expanded to include a ten-minute walkshed from frequent transit service; or (2) in transition areas from existing multifamily and mixed-use zones along arterial streets. Changes to zone designations in these areas would require future development to participate in the mandatory inclusionary housing program for residential development and an affordable housing impact mitigation program for commercial development.

Section 2. Successfully and quickly implementing the changes to zoning and land use regulations described in Section 1 will require: continuous, ongoing, and inclusive participation by the public; environmental review; ongoing affordable housing needs assessments; and implementation of programs to address impacts, such as transportation, parks, affordable childcare and preschool facilities, and open space impacts. The Council will only consider changes to land use and zoning if the following minimum outreach, planning, and mitigation requirements have been met.

A. Public Participation and Outreach. The Council requests that the Mayor develop an inclusive public outreach and engagement plan, which optimizes participation by under-represented communities. Such a plan should include opportunities for ongoing and continuous engagement through a variety of means including community meetings and social media. The Council further requests that the Mayor convene at least one facilitated meeting on the suite of changes to zoning and land use regulations outlined in this Resolution in each urban center or village. Meetings for adjacent or nearby urban centers or villages may be combined. The meeting should include representatives from the Department of Neighborhoods, the Office of Housing, the Office of Economic Development, the Department of Planning and Development or its successor departments, the Department of Transportation, and the Department of Parks and Recreation. Outreach and materials for the meetings should be culturally appropriate.

B. Coordination with Seattle 2035. The Council requests that planning and implementation of a mandatory inclusionary affordable housing program for residential development and an affordable housing impact mitigation program for commercial development be coordinated with the ongoing 7-year Comprehensive Plan update, known as Seattle 2035. Where possible, planning, public engagement, and reporting requested by this resolution should be integrated with planning, public engagement, and reporting for Seattle 2035.

C. Planning and Environmental Review. The Council requests that the Mayor develop necessary planning studies to inform decision makers and the public about proposed changes to zoning and land use regulations. Such studies should include, but are not limited to: (1) architectural massing studies that illustrate how increased development capacity would translate into the height, bulk and scale of new development relative to existing zoning and development; (2) view corridor studies from State Environmental Policy Act (SEPA) protected viewpoints; (3) transportation, parks and open space impact studies; and (4) analyses of the risk of displacement of current residents and businesses. As appropriate, studies should be incorporated into environmental documents required under SEPA.

D. Programs to Address Impacts. The Council requests that concurrently with any legislative proposals to increase development capacity the Mayor continue to study implementation of transportation impact fee and a parks impact fee, and implement expansion of a childcare impact mitigation program to address the impact of development on affordable childcare and preschool facilities throughout Seattle. Any legislation to implement impact fees should include a prioritized list of capital improvement projects, by area, that would help mitigate the impact on transportation and parks facilities associated with new development.

E. Implementation Timeline. The Council requests that the Mayor strive to meet the implementation timeline set out in Attachment B in order to fully implement the program by September 2017.

Section 3. The Council requests that the Mayor report quarterly to the Select Committee on Housing Affordability. Reports should detail progress towards implementing changes to zoning and land use regulations. After the mandatory inclusionary housing program for residential development and an affordable housing impact mitigation program for commercial development have been implemented, the report should track progress towards creating 6,000 new dwelling units affordable to households with incomes at or below sixty percent of Area Median Income (AMI). Annually, this report should also include broader information about housing construction including the number of housing units built, demolished and in permitting. The first report should occur before the end of January 2016 and should include a proposed inclusive public engagement plan.

Adopted by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2015, and signed by me in open session in authentication of its adoption this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

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President \_\_\_\_\_ of the City Council

The Mayor concurred the \_\_\_\_ day of \_\_\_\_\_, 2015.

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Edward B. Murray, Mayor

Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2015.

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Monica Martinez Simmons, City Clerk

(Seal)

Attachment A: Implementation Areas

Attachment B: Implementation Timeline