Investing in our communities
Seattle is growing

- **Population**
- **Jobs**

- **Forecast**
  - ~725,000
  - ~685,000

- **Years**:
  - 1970
  - 1980
  - 1990
  - 2000
  - 2010
  - 2015
  - 2035
More than 45,000 Seattle households pay more than half of their income on housing.

Average rent for a 1-bedroom apartment in Seattle increased 35% in the last five years to $1,641.

2,942 people are living without shelter in Seattle.
The HALA goal:

In the next 10 years...

30,000
new market-rate homes

- Critical to expand housing options to meet growing demand
- Continue growth in urban centers
- Reduce permitting barriers
- Maximize efficient construction methods
- Provide incentives for family-sized housing

20,000
affordable homes

- Net new rent- and income-restricted homes
- Includes new construction and acquisition rehab
- About 3x current production
- New and expanded public and private resources
- Funding programs primarily serve ≤ 60% AMI households
- Incentive programs primarily serve 60% to 80% AMI households
HALA in action

- Invest in housing for those most in need
- Create new affordable housing as we grow
- Prevent displacement and foster equitable communities
- Promote efficient and innovative development
What is Mandatory Housing Affordability (MHA)?

Growth with affordability

• All new multifamily and commercial development must either build or pay into a fund for affordable housing

• Provides additional development capacity to partially offset the cost of these requirements (zoning changes)

• Increases housing choices

• A state-approved approach other local cities have used
**Market Rents and Affordable MHA Rents**

one-bedroom unit

- $1,989 = average rent (new construction)
- $1,641 = average rent (all units)
- $1,009 = rent for an MHA home
  - 60% of Area Median Income (AMI)

Affordable for:
- Administrative assistant
- A couple earning minimum wage
- Elementary school teacher

**A citywide approach**

**MHA will apply:**
- In existing multifamily and commercial zones
- Inside current and expanded urban villages

Zoning changes will put MHA into effect and increase housing options.
MHA Principles

Based on community input

Core principles:

– Create / preserve 6,000 affordable homes through MHA
– Evaluate MHA through a racial equity lens
– Increase housing options in single-family zones within urban villages
– Expand some urban villages around good transit

Principles developed with community input

– Encourage a range of housing options
– Plan for transitions between higher- and lower-scale zones
– Allow more people to live near assets like transit and parks
MHA Framework Legislation

Applies to new commercial or multifamily residential development

• Commercial – mitigate certain adverse impacts of commercial development on need for affordable housing
• Residential – when new multifamily residential units are built or created

Relationship to Incentive Zoning

• Fulfilling MHA satisfies the IZ affordable housing requirement
• Non-housing benefits (e.g., open space, child care, TDR) unchanged

Choice of payment or performance

• Specific payment and performance amounts added when capacity is increased

Modifications to payment/performance amounts

• Rezone legislation to include modification of development standards in limited cases to allow use of MHA development capacity. If MHA capacity is still unusable, applicant may request a reduced payment/performance amount.
• Developer may request modification based on economic impact severe enough that a property owner’s constitutional rights at risk
## MHA Draft Requirements

### Downtown and South Lake Union

Requirements vary by zone:

<table>
<thead>
<tr>
<th></th>
<th>Payment Option</th>
<th>Performance Option</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>$7.25 – $12.88*</td>
<td>2.8% – 5.0%*</td>
<td>700</td>
</tr>
<tr>
<td>Commercial</td>
<td>$8.00 – $17.50</td>
<td>5.0% – 10.6%</td>
<td>1,600</td>
</tr>
</tbody>
</table>

* except in DMC 160: $5.50 and 2.1%

### Other areas

To be finalized in 2017 based on community engagement process.

Requirements vary by area:

<table>
<thead>
<tr>
<th></th>
<th>Low-cost area</th>
<th>Medium-cost area</th>
<th>High-cost area</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential*</td>
<td>$7-8 / 5.0%</td>
<td>$12-15 / 6.0%</td>
<td>$18-22 / 7.0%</td>
<td>3,100</td>
</tr>
<tr>
<td>Commercial</td>
<td>$5 / 5.0%</td>
<td>$7 / 5.0%</td>
<td>$8 / 5.0%**</td>
<td>800</td>
</tr>
</tbody>
</table>

* Payment amounts finalized later based on updated market data
** except in IC 85-160: $10.00 or 6.1% per square foot of chargeable floor area
MHA zone changes – typical

**EXISTING LR2**

| Floor Area Ratio (FAR) Max | 1.3 |
| Height Limit | 30' |
| Setbacks |
| Front | 5' min |
| Rear | 10' w/ alley | 15' w/o alley |
| Sides | < 40' bldg: 5' | > 40' bldg: 7' avg, 5' min |
| Parking | 1 per unit; No min. in Urban Villages |

**APARTMENTS - SMALL SITE**

| Lot Size | 10,000sf |
| Total Allowed GSF | 13,000sf |
| Efficiency Factor | .8 |
| Total NSF | 10,400sf |
| Total Units | 16 |
| Average Net Unit Size | 650sf |
| Parking Spaces Provided | 8 |

**APARTMENTS - LARGE SITE**

| Lot Size | 15,000sf |
| Total Allowed GSF | 19,500sf |
| Efficiency Factor | .8 |
| Total NSF | 15,600sf |
| Total Units | 24 |
| Average Net Unit Size | 650sf |
| Parking Spaces Provided | 8 |

**TOWNHOUSES**

| Lot Size | 10,000sf |
| Total Allowed GSF | 12,000sf |
| Efficiency Rate | 1 |
| Total NSF | 12,000sf |
| Total Units | 8 |
| Average Net Unit Size | 1,500sf |
| Parking Spaces Provided | 6 |

**PROPOSED MHA LR2**

| Floor Area Ratio (FAR) Max | 1.5 |
| Height Limit | 40' |
| Setbacks |
| Front | 5' min |
| Upper | 12' above 30' |
| Rear | 10' w/ alley | 15' w/o alley |
| Sides | < 40' bldg: 5' | > 40' bldg: 7' avg, 5' min |
| Parking | 1 per unit; No min. in Urban Villages |
MHA zone changes – other

- Boundaries for expanding urban villages
- Local input and community preference
- Changes in single-family zoned areas
thank you.

www.seattle.gov/HALA

HALA.Consider.it

tinyurl.com/MHA-draft-map