Planning Commission early MHA discussion items

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Dear Sam.

The Planning Commission has been considering the MHA proposal, including the urban village expansions and rezones, and would like to share with you the list of items we will be discussing further as a commission in the coming months. We anticipate providing formal recommendations early next year.

First though, we would like to express our strong support for instituting inclusionary zoning in Seattle. It is one of the most effective tools available to address our housing crisis as a city government. We also support increasing zoning capacity in our urban centers and villages. This is aligned with the Seattle 2035's urban village model of growth, which focuses jobs and housing in compact areas with transit and essential components of livability.

These are our early discussion items:

Equitable Implementation of MHA

- Are there negative, unintended consequences of requiring a higher percentage of affordable units, or higher fees, in areas of high displacement?
- MHA outcomes might be improved by simplifying the implementation unit set-aside and fee-in-lieu structure. Reducing confusing criteria and tiered performance/payment requirements could result in the long-term creation of both more market rate and affordable housing units.
- · Other regulatory strategies may be more effective at combating displacement than increasing the percentage of required units or fees in areas of high displacement. Examples include binding the use of MHA fees for units within the same geographic areas as they are generated (the Planning Commission has some ideas on how this could be done by Office of Housing when they award projects); or allowing for more units in exchange for owner occupancy of one unit (from resident who resided in that zip code for 3 years prior to construction of project).
- In addition, developing non-regulatory tools that compliment regulatory strategies, such as programs that support grass roots efforts to help homeowners develop properties themselves instead of selling and leaving, may create a more comprehensive strategy for combating displacement.
- Distributing more development capacity to areas with low displacement risk and high access to opportunity may more effectively direct growth to areas with existing resources, boost production of housing units, and ease development pressure on areas with a high risk of displacement. This is vital for providing housing choices for those who would otherwise not be able to live in these high cost areas.
- It is important that the criteria for urban village boundary expansions and urban village designation be applied consistently across the city. In the past this has not been done and now there is opportunity to

equalize. Some urban villages are very large, while others have boundaries that were more tightly drawn.

- In addition, Greenwood and the south end of Licton Springs now meet the transit criteria for boundary expansions even though they didn't when the initial Comprehensive Plan outreach work was done. Those areas have medium high levels of opportunity and have medium low levels of displacement. Are they good places for boundary expansions and increased zoning capacity?
- · Allowing the existence of very frequent transit to dictate urban village designation and boundaries misses the opportunity for areas poised for transit to achieve the densities needed to justify it. There are communities that have invested in and welcome growth who may be denied opportunities afforded to other neighborhoods because the density to support transit has not yet been realized.
- Similarly, with passage of ST3, the Graham St area should reflect the desire of the community for additional development capacity around the planned new station there.
- It is also important that the MHA B principles, such as for transitions or the density around schools and parks, be applied in all urban villages consistently. The changes in how these principles are applied to urban villages with varying contexts should be done so equitably (i.e., how are MHA principles being applied differently in areas with high displacement risk vs. an area with high opportunity and low displacement risk?).

Housing Options

- Will the proposed implementation of the MHA performance and payment options result in equitable development and distribution of affordable housing across the city and create a range of housing types and sizes?
- · While we understand that the payment option would generate 2-3 times more affordable housing than the performance option, inclusion of affordable housing within new market rate development is an important way to increase access to housing choices for low-income households and achieve mixedincome communities.
- · Affordable housing is increasingly built in large-scale development along arterials. There is a need for a variety of unit types, sizes, and locations, including smaller-scale developments on residential streets, to provide more housing choices to suit a variety of housing needs.
- · When the performance option may be difficult to implement in small projects, consider directing the payment option funds to create smaller affordable housing developments.
- · How can zoning and other MHA mechanisms (for example, distribution of OH funding) be crafted to achieve more family-sized and family-oriented units in both smaller and larger scaled development in Urban Villages, so that families have better access to transit and services? In Seattle, there is a need particularly for more affordable family-oriented units in smaller scale buildings with ground-related units (from duplexes to small apartment buildings) for renters and homeowners.
- RSL zoning within urban villages—particularly those with low displacement risk and high access to opportunity-- may not be in keeping with the urban villages growth model of the Seattle 2035 plan. RSL zoning may provide an opportunity to achieve higher levels of density than currently exist within urban villages and allow existing homeowners to build equity and avoid displacement; however, we may also need to consider wider use of LR where RSL is currently proposed.

Vibrant Transit Communities

- · Adding zoning capacity in the urban villages increases the height, bulk and scale of neighborhood cores. Development regulations can help minimize these impacts and improve the quality of the urban environment. For example, more appropriately balanced Green Factor requirements (that don't incentivize surface parking over removing mature trees), tweaks to amenity space requirements, and encouraging courtyards open to the street, may work to mitigate height and bulk at the street, and create pedestrian-friendly streetscapes.
- · While much of the opportunity for multifamily development is currently focused along arterials, the rezoning of the urban villages is a chance to direct future housing growth around transit nodes and to foster compact, complete communities.

We appreciate the openness of OPCD leaders and staff to share their work and ideas with us on this complex undertaking. We hope that sharing this early identification of what we are thinking about is helpful on the path to creating a sound proposal that finds wide acceptance and accomplishes the high goals it is aimed to achieve.

Thank you for the opportunity to provide early input.

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