



**Legislative Department
Seattle City Council
Memorandum**

Date: June 14, 2011
To: Committee on the Built Environment
From: Councilmember Nick Licata
Subject: Proposed Comprehensive Plan Amendment - No Net Loss of Affordable Housing

Background

The regional growth strategy set out in *Vision 2040* and the *King County Countywide Planning Policies* directs 42% of future population growth into metropolitan cities, like Seattle. In May 2010, the Council adopted Resolution 31211, which ratified the decision of the King County Council to allocate approximately 86,000 new housing units and 147,000 new jobs to Seattle to accommodate future population and employment growth. Comprehensive Plan Affordable Housing Goal H30 says that we should plan for at least 20 percent of expected housing growth to be affordable to households earning up to 50 percent of median income (estimated 9,400 affordable units). Without policies in place to meet these goals, growth could come at the expense of lower income households in Seattle who may be displaced by new development serving higher income residents. In years past Seattle had anti-displacement regulations to ensure that new development would result in no net loss of affordable housing. Those protections are no longer in place.

In November 2010, the Council passed Ordinance 123438 updating the *Consolidated Plan for Housing and Community Development* (Consolidated Plan). The update includes direction to the Office of Housing, Council Central Staff, and the Law Department to convene an interdepartmental team, “to consider and develop policy options regarding one-for-one replacement of such housing that is removed as part of public, private or nonprofit development projects.”¹ A report by the interdepartmental team is due to the Council by August 2011. These proposed amendments preserve the option for the Council to consider changes to the Comprehensive Plan should the report in August identify options for re-implementing a no net loss of housing policy.

Proposed Amendments

1. Amend Urban Village Policy 2.5 (UV 2.5), as follows:

In areas surrounding major transit hubs, except in industrial zones, allow densities sufficient to take advantage of significant investment in public transportation infrastructure. Use incentive zoning programs, inclusionary zoning, and other strategies to help ensure the provision of affordable housing. Direct more of the city’s housing resources into these areas and when public or private development does occur; ensure, where feasible, there is 1 for 1 replacement of any housing that is removed and at comparable price serving the same household types.

¹ *Consolidated Plan for Housing and Community Development*. November 2010, p.3.

2. Add a new policy to the Urban Village Element after Urban Village Goal 17 (UVG17), as follows:

Before encouraging more density and growth within urban centers and in other areas of the City, implement strategies that ensure, where feasible, no net loss of very low income and low income housing within those areas.

3. Amend Urban Village Policy 24 (UV 24), as follows:

Limit in manufacturing/industrial areas those commercial or residential uses that are unrelated to the industrial function, that occur at intensities posing short- and long-term conflicts for industrial uses, or that threaten to convert significant amounts of industrial land to non-industrial uses. Where housing already exists within these areas, ensure 1 for 1 replacement, where feasible, of low income and affordable units that are removed to redevelopment. Offer incentives to ensure replacement or to avoid removal of those units.

4. Amend Urban Village Goal 27 (UVG 27), as follows:

Accommodate concentrations of employment and housing at densities that support pedestrian and transit use and increase opportunities within the city for people to live close to where they work. Ensure, where feasible, existing low income housing that is removed to make way for more growth is replaced 1 for 1 at comparable price.

5. Amend Urban Village Goal 28 (UVG 28), as follows:

Promote the development of residential urban villages, which function primarily as compact residential neighborhoods providing opportunities for a wide range of housing types and a mix of activities that support the residential population. Support densities in residential urban villages that support transit use. Ensure, where feasible, 1 for 1 replacement of low income housing that is removed at comparable price.

6. Amend Urban Village Policy 30 (UV 30), as follows:

Balance objectives for accommodating growth, supporting transit use and walking, maintaining compatibility with existing development conditions, preserving or ensuring, where feasible, 1 for 1 replacement of low income housing, maintaining affordable housing, and responding to market preferences for certain types of housing, through the density and scale of development permitted.

7. Amend Land Use Policy 56 (LU 56), as follows:

Permit, through Council or administrative conditional use approval, planned developments on large sites that allow variations from established standards to promote quality design compatible with the character of the area, enhance and preserve natural features and functions, encourage the construction of affordable housing, allow for development and design flexibility, and protect and prevent harm in environmentally critical areas. Do not consider such developments as sole evidence of changed circumstances to justify future rezones of the site or adjacent single-family zoned properties. Before allowing such developments and where feasible ensure that any low income housing that is removed is replaced 1 for 1 and at comparable price.

8. Amend Land Use Policy 73 (LU 73), as follows:

Balance the objective to increase opportunities for new housing development to ensure adequate housing for Seattle’s residents with the equally important objective of ensuring that new development is compatible with neighborhood character and, where feasible, that there is no net loss of existing low income housing opportunities.

9. Amend Land Use Policy 74 (LU 74), as follows:

Establish rezone evaluation criteria that consider: maintaining compatible scale, preserving views, preserving or ensuring, where feasible, 1 for 1 replacement of existing low income housing at comparable price, enhancing the streetscape and pedestrian environment, and achieving an efficient use of the land without major disruption of the natural environment.

10. Amend Land Use Policy 89 (LU 89), as follows:

Allow exceptions to parking development standards to encourage and facilitate development of ground-related housing, avoid creating additional construction costs, and to buffer areas of low intensity development. When allowing these exceptions, if existing low income housing will be removed as a result of such development, require, where feasible, 1 for 1 replacement of that housing at comparable price.

11. Amend Land Use Goal 13 (LUG 13), as follows:

Provide opportunities for infill development in areas already characterized by low-density multifamily development provided that, where feasible, any existing low income housing that may be removed as a result is replaced 1 for 1 at comparable price.

12. Amend Land use Policy 99 (LU 99), as follows:

Because low-income elderly and low income disabled persons create lesser impacts than the general population, allow higher maximum density limits in moderate density multifamily zones for housing these populations to reduce costs and provide sufficient density to make the development of such housing feasible. Ensure, where feasible, 1 for 1 replacement at comparable price of existing “very low income” units that may be removed when zoning exceptions are granted for these “low income” developments.

13. Amend Land Use Policy 145 (LU 145), as follows:

Prohibit new residential uses in industrial zones, except for special types of dwellings that are related to the industrial area and that would not restrict or disrupt industrial activity. Encourage preservation or replacement of low income units that already exist in these areas and require, where feasible, 1 for 1 replacement when granting special exceptions to accommodate new developments in these areas.

14. Amend Land Use Policy 179 (LU 179), as follows:

Permit the establishment of zoning overlay districts, which may modify the regulations of the underlying land use zone categories to address special circumstances and issues of significant public interest in a subarea of the city, subject to the limitations on establishing greater density in single family areas and preserving the city’s existing stock of low income units. Overlays may be established through neighborhood planning. These overlays also should be considered as a tool in areas where there are concentrations of existing low income housing to help preserve or ensure, where feasible, 1 for 1 replacement of those very low income and low income units. Criteria should be considers for inclusion into existing overlays to protect or ensure replace of existing low income units within those areas.

15. Amend Land Use Policy 199 (LU 199), as follows:

Encourage the preservation of housing within major institution overlay districts and the surrounding areas. Discourage conversion or demolition of housing within a major institution campus, and allow such action only when necessary for expansion of the institution. Prohibit demolition of structures with non-institutional residential uses for the development of any parking lot or parking structure which could provide non-required parking or be used to reduce a deficit of required parking spaces. Unless the institution assumes full responsibility, where feasible, for replacement of the housing and at comparable price and affordability or pays an in-lieu of fee to the city equal to full replacement cost, ((P))prohibit development by a major institution outside of the MIO district boundaries when it would result in the demolition of structures with residential uses or change of these structures to non-residential uses.

16. Add a new policy to the Housing Element after Housing Policy 10 (H 10), as follows:

Ensure, where feasible, 1 for 1 replacement of low income and affordable units that are removed to redevelopment especially in areas where additional growth may be planned such us areas in proximity to transit stations. Identify incentives and requirements to ensure replacement or to avoid removal of those units.

17. Amend Housing Policy 21 (H 21), as follows:

Allow higher residential development densities in moderate density multifamily zones for housing limited to occupancy by low income elderly and disabled households, because of the lower traffic and parking impacts this type of housing generates. Ensure, where feasible, that existing very low income units are replaced 1 for 1 in cases where these exceptions are granted.

18. Amend Housing Policy 32 (H 32), as follows:

Encourage the preservation of existing low-income housing by: using housing programs and funds to preserve existing housing that is susceptible to redevelopment or gentrification; ensuring, where feasible, very low income units are replaced 1 for 1 at comparable price when redevelopment occurs especially when exceptions to normal land use requirements are granted and where more density is encouraged; encouraging acquisition of housing by nonprofit organizations, land trusts or tenants, thereby protecting housing from upward pressure on prices and rents; inspecting renter-occupied housing for compliance with the Seattle Housing and Building Maintenance Code; and making available funds for emergency, code related repair.

19. Amend Housing Policy 36 (H 36), as follows:

Promote a broader geographical distribution of subsidized rental housing by generally funding projects in areas with less subsidized rental housing and generally restricting funding for projects in neighborhoods outside of downtown where there are high concentrations of subsidized rental housing except to ensure, where feasible, 1 for 1 replacement of existing units in those areas.

20. Amend housing Policy 47 (H 47), as follows:

Work in partnership among various levels of government and with other public agencies to address homeless and low income housing needs that transcend jurisdictional boundaries.

- a. Work with the federal and state governments to increase public support for housing.
- b. Work with the Seattle Housing Authority to address the low-income housing needs of Seattle residents.
- c. work to ensure that the Seattle Housing Authority continues to prioritize use of its resources especially when used in combination with city funding, projects that serve very low income and public housing eligible households
- d. Where publicly funded redevelopment is occurring, where feasible, allow use of city funding or the granting of land use exceptions to those developments only when there is a net loss of low income units on those sites.

Application of Amendment Criteria

Resolution 30662 sets out criteria the Council considers in determining whether to include a proposed amendment in the Comprehensive Plan docket-setting resolution. Those criteria seek to answer the questions:

- Is the amendment appropriate for the Comprehensive Plan,
- Does the amendment meet existing state and local laws;
- Is it practical to consider the amendment; and
- Has there been a neighborhood review process, or can a review process be conducted prior to final Council consideration of the amendment.

Each criterion is discussed below.

Is the amendment appropriate for the Comprehensive Plan?

The Growth Management Act (GMA) requires a housing element that addresses affordability. Moreover, the *King County Countywide Planning Policies*, with which the Seattle Comprehensive Plan must be consistent, establish affordable housing production targets that may be met by the retention of existing affordable housing. Policies that favor no net loss of affordable housing are consistent with the GMA and the Consolidated Plan and appropriate for inclusion in the Comprehensive Plan.

Does the amendment meet existing state and local laws?

The proposed amendment does not contravene any requirements of the Growth Management Act or compel action that would be illegal under the laws of the City of Seattle, State of Washington, or the United States.

Is it practical to consider the amendment?

The August report called for in the update to the Consolidated Plan should provide sufficient policy and legal analyses needed by the Council to make policy determinations in the 2011-2012 Comprehensive Plan amendment cycle.

Has there been a neighborhood review process to develop any proposed change to a neighborhood plan?

The Council’s review of options called for in the update to the Consolidated Plan will occur in open public meetings conducted by the Housing Human Services Health and Culture Committee. Additionally, the proposed Comprehensive Plan amendments will be subject to public review and scrutiny through the

Council's Comprehensive Plan amendment process set out in Resolution 31117. This process includes at least two public hearings. These forums will provide opportunities for public review and feedback on the proposed amendments.