



Mandatory Housing Affordability (MHA)

MHA in a nutshell

MHA is a 2-pronged approach designed to address Seattle's housing affordability crisis by 1) increasing the amount of affordable homes in the city through affordability requirements, and 2) increasing the overall amount of housing through rezones in Seattle's urban centers and urban villages. How much developers must contribute is determined by:

- The magnitude of the zoning change – if zoning changes allow for significantly taller buildings (more than one-two stories), developers must contribute more affordable homes.
- The area in which the building is being constructed – high-cost neighborhoods have higher affordability requirements than low-cost neighborhoods.

MHA has two components: MHA-Residential, which will apply to all multi-family housing development, and MHA-Commercial, which will apply to all commercial development.

Affordable housing mandate

- Developers building new projects or conducting renovations in any area zoned commercial or multi-family residential will be required to contribute a percentage of their projects to affordable homes, defined as homes affordable to people or families making at or below 60% of area median income (this was \$54,180 for a family of four in 2016). The contribution can come in two forms:
 - Developers can build affordable units into the project itself (performance option).
 - Developers can pay a fee to the City's Office of Housing that will be used to build affordable homes throughout the city (payment option).
 - To encourage developers to pursue the performance option, the payment option requires a 10 percent higher contribution.

Upzone

- In exchange for paying the MHA requirements, 28 urban centers and villages will be upzoned to allow for additional development capacity. The upzones will add more total housing capacity in Seattle while preserving the incentive for developers to build.
 - Most upzones will be small increases of one or two floors—for instance, a neighborhood zoned to allow a 40 foot building will be rezoned to allow a 55 foot building.
 - In places where there are more significant changes, such as the U-District, builders must comply with higher MHA requirements.

Timeline

On February 21st, the City Council voted 9-0 to pass the U-District upzone, making it the first Seattle neighborhood subject to MHA regulations. The Council's Planning, Land Use & Zoning Committee will now begin consideration of the Downtown/SLU rezone proposal. After Downtown/SLU, the City intends to consider the 23rd St Corridor and Uptown before continuing on the citywide neighborhoods. Final passage of MHA is tentatively scheduled for summer of 2018.

Interested in getting more involved? Please contact Nicki Olivier Hellenkamp at nicki@housingconsortium.org or visit www.seattleforeveryone.org to learn more about MHA and how we are trying to make Seattle a more inclusive and equitable city.