

## SUMMARY and FISCAL NOTE\*

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*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

### **1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to Design Review for affordable housing; adopting temporary regulations to exempt affordable housing projects from Design Review; amending Section 23.41.004 of the Seattle Municipal Code; and adopting a work plan.

#### **Summary and Background of the Legislation:**

The Seattle City Council adopted, and the Mayor signed, interim Ordinances 126072 and 126188 that included provisions to assist in the production of certain low-income housing projects by providing an exemption from Design Review and allowing waiver or modification of certain development standards. Ordinance 126072 expired on October 25, 2020, and was replaced by Ordinance 126188, which will expire at the end of December 2022 (sixty days after the October 31, 2022, termination of the Mayor’s COVID emergency proclamation). In light of the continuing homelessness emergency, the need for provisions to address housing solutions as addressed by Ordinance 126188 remains.

The City of Seattle first declared a State of Emergency for homelessness in 2015. Despite intentional efforts the emergency has only grown worse. Since 2015, the population of people experiencing homelessness has increased, so have shelters, encampments and tents. The supply of housing has not kept pace with the City’s growing demand.

This legislation extends Design Review exemptions for an interim period of twelve months. Without this legislation, the exemptions will expire in late December 2022, i.e., 60 days after the termination of the COVID-related civil emergency proclaimed by the Mayor on March 3, 2020. Extending these provisions will respond to the ongoing homeless emergency and allow development to address urgent housing needs for low-income people, including those experiencing homelessness. The legislation continues to assist in the production of low-income housing by exempting these projects from Design Review, at the applicant’s option, and allowing the SDCI Director to waive or modify certain development standards for these projects. The legislation should also accelerate the permitting of City-funded affordable housing projects, thereby reducing costs and decreasing the time needed for new affordable units to enter into service.

### **2. CAPITAL IMPROVEMENT PROGRAM**

**Does this legislation create, fund, or amend a CIP Project?**           Yes   X   No

### **3. SUMMARY OF FINANCIAL IMPLICATIONS**

Does this legislation amend the Adopted Budget?  Yes  No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

No.

Are there financial costs or other impacts of *not* implementing the legislation?

If this legislation is not approved, certain low-income housing development projects will be delayed and potentially cancelled. The result is likely to be a delay and/or loss of related real estate excise tax collections. As noted above, City-funded affordable housing projects could be delayed, thereby increasing costs.

#### 4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

No.

b. Is a public hearing required for this legislation?

Yes. The City Council will hold a public hearing on this legislation.

c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

Yes. SDCI will publish a notice of the public hearing in the Daily Journal of Commerce.

d. Does this legislation affect a piece of property?

This legislation affects applications for development across many areas of the city.

e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

This legislation will allow low-income housing construction to continue through the City permitting process and avoid delays. Communities of color are disproportionately burdened by increasing housing costs, and addressing housing affordability issues is an important piece of the City's RSJI work.

f. **Climate Change Implications**

1. **Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

No. To the extent the legislation leads to more housing production in areas well served by transit and with easy access to goods and services, transportation related carbon emissions will likely be reduced.

- 2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

To the extent the legislation leads to more housing production in areas well served by transit and with easy access to goods and services, more resilient growth patterns will be reinforced.

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program’s desired goal(s)?**

No.

**Summary Attachments:** None.