# Overview

### July 2025

Everyone needs a safe and stable place to call home. Few other actions can have a positive effect on so many areas of a person's life, including mental and physical health, economic foundation, family stability, and more.

Even as he prepared to take office, Mayor Harrell made housing a top priority, and it was reflected in his hiring decisions, departmental leadership, and core policy goals. Since then, he has worked to realize these shared values, including a historic investment in affordable housing with the passage of the \$970 million Housing Levy in 2023.

Homelessness is fundamentally a housing issue. Housing availability and affordability are the most reliable indicators of homelessness, more so than poverty or mental illness. When households are priced out of competitive housing markets, they face displacement and, too often, homelessness. Since 2022, over 37,000 units of housing have been built in Seattle and another 22,000 have been permitted for construction. Still, we must do more as the incoming pipeline of new permits has declined due to broader economic factors impacting building and construction nationwide.

To make Seattle more affordable, we need a diversity of housing. There are no favorites or exclusions; we need more housing at all levels.

Mayor Harrell's housing agenda promotes a vision of communities where people live near jobs, transit, schools, stores, and parks. This approach strengthens neighborhoods, reduces greenhouse gas emissions, and helps preserve our environment by shortening commutes and preventing displacement by keeping communities intact. Most importantly, it gives people back their time — time with loved ones, time for rest, and time to live well and succeed.

Mayor Harrell also recognizes the broader impact of underproduction. When we don't build enough housing, we lose pieces of Seattle's future. An expensive housing market pushes out the next great artist, teacher, welder, or business owner. For Seattle to thrive, we will need everyone working together.

We are building on a strong foundation of progress and are committed to addressing our city's housing needs, because Seattle demands it.

# **Building on a Strong Foundation**

### **ACTIONS AND ACCOMPLISHMENTS FROM 2022 TO JULY 2025**

Mayor Harrell has focused on addressing Seattle's housing crisis since his first day in office. His four primary approaches have been **investing**, **zoning**, **permitting**, **and innovation**.

## **INVESTING**

# Successfully Passed 2023 Housing Levy

The resounding 2023 approval of an unprecedented \$970 million Seattle Housing Levy underscores Seattle's commitment to meeting our affordable housing needs and making Seattle a place where everyone can thrive. Seattle's Office of Housing (OH) financing of affordable housing supports acquisition, construction, and operations of rental and for-sale housing across the city, directly addressing the housing affordability and homelessness crises.

The 2023 Housing Levy is on track to meet its goals, with financing for the production and preservation of 887 affordable rental units, supported staffing and operations for 647 permanent supportive housing units, with funding committed to build 21 permanently affordable homes for first-time homebuyers. An additional 481 households were assisted with homeless prevention and rapid rehousing dollars, and more than 1,500 households received resident services support which promotes housing stability.

# Invested in Supportive Housing

A significant portion of OH investments go toward supportive housing, which provides housing and services for people who have experienced long-term homelessness and physical and behavioral health challenges, including seniors and veterans living with disabilities. Since 2022, OH committed funding for the creation of over 800 new supportive housing units and the renovation and preservation of 168 existing supportive housing units that serve individuals who have exited homelessness.

OH's Workforce Stabilization program also supported 975 frontline Permanent Supportive Housing staff across 11 organizations in 2024, boosting compensation to improve hiring and retention. The ratio of open positions to filled positions decreased from 11% in 2023 to 6.7% by the end of 2024, in line with sector averages nationwide. Stable staffing improves service delivery and outcomes for residents and facilities.

# Brought People Indoors, Acting with Urgency and Compassion

In addition to building and preserving affordable housing, Seattle provided 1,800 referrals to indoor shelter in 2024 to people experiencing homelessness through coordinated, compassionate outreach. One of Mayor Harrell's first actions in office was the formation of the Unified Care Team (UCT), which helped set a new standard for collaboration and data-driven action. UCT aligns the efforts of more than a dozen City departments and external service partners to reduce silos and isolated decision making. This innovative approach responds to the reality of what is happening on the ground to help provide the support housed and unhoused residents need.

UCT focuses on delivering core municipal functions in coordination with the King County Regional Homelessness Authority (KCRHA), an independent agency responsible for overseeing and coordinating the region's emergency

response to homelessness. KCRHA oversees diversion, shelter, rapid re-housing, and transitional and permanent supportive housing services. Seattle's total Homelessness Response investment for 2024 was \$166 million.

Mayor Harrell also recently announced expanded services for survivors of commercial sexual exploitation (CSE), including increasing the availability of safe housing and shelter options with built-in wraparound services. Transitional housing and emergency shelter beds tailored to meet the needs of specific populations, like survivors of CSE, can help reduce barriers to care.

# Helped Stabilize Affordable Housing Sector

Affordable housing providers are facing significant challenges, including increased operating costs, reduced rent payments, and high interest rates. In response, the City provided \$144 million to affordable housing providers from 2023-2025 to address operational challenges, such as maintenance, repairs, and security, to help fill the gap between building income and expenses, and to stabilize affordable projects in the development pipeline, to help ensure the completion of nearly 3,500 affordable apartments.

# Provided Critical Support for Social Housing

Mayor Harrell authorized a \$2 million bridge loan to the <u>Seattle Social Housing Developer (SSDH)</u>, a new public development authority with a mission to acquire, develop, own, and maintain publicly owned, mixed-income housing. The City's short-term loan, which has been dispersed, will allow SSDH to sustain core operations, hire additional staff, and pursue near-term property acquisition opportunities. The City is expected to receive an initial tranche of tax proceeds generated by the new Social Housing Tax in January 2026 and disperse these revenues to SSHD in February.

# Invested in Communities via the Equitable Development Initiative

The Equitable Development Initiative (EDI) is intended to ensure Seattle's growth benefits everyone, especially historically marginalized communities and those most at risk of displacement. Since 2022, \$33 million has been invested across 23 housing-related EDI projects, including the Central Area Youth Association, which received \$2.8 million for pre-development planning. This funding supports the redevelopment of their property for affordable homeownership and common areas for programs and events for youth and families.

# Built Affordable Housing on Surplus Land

Land transfers offer a unique opportunity to leverage underutilized publicly owned land, making affordable housing feasible in high-cost neighborhoods or adjacent to critical amenities, such as light rail stations.

### Through a Partnership with the University of Washington and Sound Transit

El Centro de la Raza and Mercy Housing Northwest will develop 431 affordable, family-sized housing units adjacent to the Mount Baker light rail station, with 30% of these homes reserved for families earning at or below 30% of the Area Median Income (AMI). This project was made possible through a strategic property transfer from the state of Washington to the City, support from other partners, and \$32 million in City housing investments. The site will also

<sup>&</sup>lt;sup>1</sup> AMI is determined by the U.S. Department of Housing and Urban Development (HUD) using data from the American Community Survey, adjusted for inflation and family size. See appendix for median income ranges.

host the UW Rainier Valley Early Learning Campus, a hub for early childhood development research and workforce development through the UW College of Education, which will provide high-quality childcare and Seattle Preschool Program services to 160 students and families each year. The City is contributing \$5 million to the UW project. The project prioritizes affordable family living, community safety, and a One Seattle strategy of inclusive and sustainable communities, especially in neighborhoods vulnerable to displacement.

### Through the Rainier Valley Affordable Homeownership Initiative

One of the region's most culturally and economically diverse neighborhoods, Seattle's Rainier Valley also faces significant displacement pressures. The Rainier Valley Affordable Homeownership Initiative aims to create at least 100 permanently affordable homes for first-time homebuyers with low and moderate incomes, with the goal of mitigating the displacement of current Rainier Valley residents who are being priced out of this transit-rich area and offering opportunities for displaced residents to return.

This initiative was built on a history of successful large-scale, multifamily joint-development projects between OH and Sound Transit. It was made possible through close partnerships with community-based organizations rooted in the Rainier Valley, including the Rainier Beach Action Coalition, Puget Sound Sage, and members of South CORE. OH worked with Sound Transit to identify several surplus sites. Ten sites originally purchased for construction purposes were identified between the Mt. Baker and Rainier Beach Link light rail stations and were transferred to the City at no cost.

The homes will be developed by African Community Housing & Development, Habitat for Humanity Seattle-King and Kittitas Counties, and Homestead Community Land Trust. Some homes are expected to be completed in 2025, with construction anticipated to continue through 2030.

### In Coordination with Seattle City Light

In 2023, interdepartmental coordination led to the transfer of surplus City property for housing and now the Homestead Community Land Trust will transform the former Dumar City Light substation in West Seattle into 21 permanently affordable homes, ranging from studios to three-bedroom units, available to buyers earning at or below 80% AMI. Homestead's housing development has received an additional \$3 million commitment from the City. The <a href="Cultural Space Agency">Cultural Space Agency</a> is partnering with Homestead to bring vibrant, local businesses into the new commercial spaces the building will create.

# Helped Prevent Homelessness and Displacement

In addition to investing in and building new housing, Mayor Harrell has prioritized improving and expanding a suite of assistance programs that help low-income Seattleites afford to stay in their homes and neighborhoods. In 2024 alone, Seattle budgeted \$307 million for anti-displacement programs.

### Through Emergency Rental Assistance and Housing Stabilization

In the last two years, nearly 4,000 households were helped by the City's homelessness prevention programs. These programs provide emergency funds for rent, utility arrears, or moving costs, as well as financial counseling, landlord-tenant negotiations, and other services to low-income residents at risk of eviction. Residents experiencing eviction often owe less than half a month's rent, making emergency rental assistance a much-needed and cost-effective tool to help keep vulnerable households from falling into homelessness. City support for these programs has nearly doubled, from \$6 million annually in 2023 and 2024 to approximately \$11 million in 2025. In the face of President Trump's efforts to cut \$27 billion in rental assistance, Mayor Harrell is proposing \$4 million in new

ongoing annual emergency rental assistance — part of a total \$11.5 million investment strategy for 2026. The funding and Executive Order will help keep families from falling into homelessness, assist renters facing eviction, and provide early intervention when signs of housing instability first appear.

## Through Utility Assistance

Utility bills can make up a significant portion of a household cost burden. To address this, Seattle Public Utilities (SPU) and Seattle City Light (SCL) provide \$57 million annually in utility assistance to income-eligible customers. Programs include the Utility Discount Program, which provides ongoing bill discounts, and Emergency Bill Assistance. Together, these programs offer relief to over 36,000 utility customers and are especially critical as the Trump Administration pursues cuts to the Low-Income Home Energy Assistance Program and other federal assistance.

### Through Home Repair Assistance

Seattle's Home Repair and Side Sewer Assistance programs help low-income homeowners afford repairs for healthier, safer, more efficient homes. Similarly, weatherization and efficiency programs help low-income homeowners, renters, and affordable housing providers lower utility bills and improve living conditions by installing heat pump systems, water-saving toilets, and other upgrades that conserve water and reduce carbon emissions.

Together, these programs served over 2,000 households in 2024, the vast majority of which were extremely low-income, earning at or below 30% AMI. In 2024, the City distributed over \$9 million in zero-interest loans and grants through these programs. In 2025, the program will expand to meet the growing need for home repair in low-income households.

### Through Tenant Protections and Relocation Assistance

The Tenant Relocation Assistance Ordinance (TRAO) ensures early notice to renters displaced by development and provides relocation assistance to low-income households affected by the development. Low-income tenants who experience a rent increase of 10% or more within a 12-month period may also be eligible for Economic Displacement Relocation Assistance (EDRA). Together, TRAO and EDRA provide \$1.4 million in tenant relocation assistance, supporting an average of 174 households annually.

In 2023, the Seattle Department of Construction and Inspections (SDCI) and the Mayor's Office worked with stakeholders on several administrative improvements to TRAO, including better integration into the permitting process, an online application and information portal, and a dedicated TRAO expediter position paid for by developer fees. These changes have been well received, as the new intake portal has an 86% user satisfaction rating and SDCI has reduced response times for developers seeking to initiate TRAO from a COVID-era peak of 96 days to an average of one day.

### ZONING

#### Accelerated Downtown Revitalization

Mayor Harrell's <u>Downtown Activation Plan (DAP)</u> taps into "<u>Space Needle Thinking</u>" and works toward a Downtown that's safe and welcoming for all. Revitalization efforts and increased residential opportunities address our critical housing shortage and improve livability, safety, and economic activity in the urban core.

### Through Upzoning

Third Avenue in downtown Seattle has a long history of public safety and other challenges. Mayor Harrell proposed and City Council approved an upzone of Third Avenue from Union to Virginia Street, transforming the street and encouraging more housing and economic activity in this transit-rich corridor. The upzone changes the zoning from a maximum of 170 feet to 440 feet, allowing taller residential towers. It also provides a 10% height bonus to incentivize childcare and school facilities, bringing more livability to the Downtown core. Development in the upzoned area is also expected to contribute \$4 to \$8 million to the Mandatory Housing Affordability (MHA) program for investments in low-income housing. Preliminary development plans were filed in the rezone area for over 900 new homes.

### Through Office-to-Residential Conversions

Repurposing underutilized spaces, such as office buildings left vacant after the pandemic, is a key element of DAP. This work began with a Call for Ideas competition, generating suggestions from existing downtown building owners and Seattle's design community on how the City could encourage conversions to housing. Legislation removing regulatory barriers for converting existing buildings from commercial to residential uses followed, establishing clear guidelines for what qualifies as a residential conversion and broad exemptions from design development standards for conversion projects, thereby saving time, effort, and resources for those projects best suited for conversion.

To further incentivize office-to-residential conversions, the City adopted a deferral of the 10.3% sales and use tax on the construction costs of converting commercial space to housing and exempted conversion projects in specific zones from MHA requirements. The Office of Planning and Community Development (OPCD) estimated these policies would produce up to 2,000 housing units over the next 7 years, including up to 200 affordable units, or up to 6,000 total units if combined with the City's Multifamily Tax Exemption (MFTE) program. Conversion projects are in progress in Downtown, Denny Triangle, Uptown, Ballard and University District.

# Brokered Industrial Land Use Compromise

The Maritime and Industrial Strategy is the first update to Seattle's industrial land use policy in decades, following careful engagement with stakeholders from industrial and maritime businesses, labor, housing developers, community representatives, and others. This legislation strengthens protections for industrial and maritime uses in core industrial areas while providing flexibility for growth near future light rail stations and offering healthier transitions between our most active industrial zones and residential areas. This zoning update is estimated to create 35,000 new jobs and 3,000 new homes over the next 20 years. New areas for housing were added in South Park, Georgetown, Ballard, and near the Judkins Park light rail station.

# Created Georgetown Live/Work District

In partnership with community members, affordable housing developers, artists, and others, Mayor Harrell championed legislation enabling the creation of a complete, vibrant neighborhood: the Georgetown Live/Work District. Increasing the height limit to 85 feet will enable the development of approximately 900 units of affordable workforce and artist housing, including live-work artist studios and family sized units. The plan will also bring community spaces, economic opportunities, and critical amenities, like grocery, childcare, and healthcare, to the Duwamish Valley. Buildings in the District will also meet green building standards and will feature sound-insulating windows, air cooling, and ventilation systems to ensure livability and climate resiliency. The first project in the District is expected to break ground by the end of 2025.

# **Expanded Opportunities for Co-Living**

Mayor Harrell proposed legislation that the City Council adopted in 2024 to allow congregate housing, also called co-living, microhousing, or single-room occupancy in denser multifamily zones, bringing Seattle into early compliance with HB 1998/SB 5901, a new state law which set development regulations and parking requirements for co-living buildings near transit to make them more feasible to build. The City of Seattle was one of the first jurisdictions to implement this legislation.

Co-living housing is a category of small studio apartments, sometimes with communal kitchens and bathrooms, that can be rented for as low as \$850 to \$950 per month in Seattle. For comparison, the average studio apartment rent is about \$1,500 per month and one-bedrooms rent for an average of \$2,000 per month. Co-living units are affordable to people with incomes as low as 50% AMI without subsidies, which saves limited City resources for those most in need of housing assistance. Co-living also meets the needs of our growing population of single-person households while freeing up larger homes for larger families.

Updated SDCI Director's Rules are planned for late 2025 to further ease restrictions on microhousing floor plans to enable the development of less expensive units.

# **Encouraged Accessory Dwelling Unit Production**

Accessory Dwelling Units (ADUs) are secondary dwelling units that offer opportunities for first-time homeownership, multigenerational living, and rental income to prevent displacement. ADUs in Seattle typically cost about 40% less to purchase than a single-family house on the same parcel and rent for about 25% less than a median one-bedroom apartment, making them an important tool for housing affordability.

With the recent rise in interest rates, ADU production has dropped from the 2022 peak of 1,000 units per year. Recently adopted legislation builds on Seattle's successful Neighborhood Residential (NR) zone ADU code by standardizing ADU provisions citywide, allowing any configuration of two attached or detached ADUs, increasing flexibility around ADU heights and design standards, limiting infrastructure improvements that ADU projects are required to pay for, and bringing Seattle into compliance with HB 1337.

### **PERMITTING**

# Provided Permitting Certainty in Uncertain Times

Under normal circumstances, projects advance steadily through permitting and construction before their permits expire. However, between the pandemic, rising interest rates and construction costs, tariffs, and other sources of uncertainty, many recent projects have had to delay construction. Because permits typically expire after 18 months to three years, Seattle was at risk of losing those developments entirely. To move forward with construction, they would have to update their permits to meet the latest development regulations, and the costs of those updates could make a project infeasible. To keep these projects alive and reduce deadline-related pressures, the City passed permit extension legislation.

### Through Building Permit Extensions

All projects are required to obtain a building permit. This legislation extended building permit length prior to issuance and after issuance by 24 months each for permits initially submitted under the 2015 and 2018 building

codes. The extension is available until November 2026. More than 3,000 distinct projects are eligible and have the potential to add 34,000 housing units.

### Through Master Use Permit Extensions

Complex projects, like apartment buildings, are required to obtain both a building permit and a Master Use Permit (MUP). This legislation extended the MUP length from three years to six years for MUPs issued between 2020–2026, allowing approximately 205 significant development proposals already in permitting to remain active through an economic downturn.

# Cut Design Review Red Tape

Design Review is part of Seattle's permitting process and focuses on how a building looks. Despite its limited scope, it frequently adds months or even years to the permitting process and hundreds of thousands to millions of dollars in design fees and cost upgrades. Exempting more project types from Design Review and improving the process for projects that are still subject to it is an important tool for encouraging housing production and economic activity, while still ensuring new developments meet safety and environmental standards.

### Through Exemptions for Affordable Housing

Mayor Harrell proposed and the City Council adopted legislation permanently establishing a COVID-era Design Review exemption for traditional affordable housing. The legislative package also created a two-year pilot that expanded this exemption to market-rate projects that meet their MHA requirements by providing affordable units on site, rather than paying a fee-in-lieu. The pilot also established an administrative waiver and modification process, so affordable housing projects do not have to opt back in to Design Review to seek departures from the Land Use Code.

These bills have been remarkably successful, with over 4,000 units benefiting from the affordable housing Design Review exemption so far. Additionally, over the course of the two-year MHA onsite Design Review exemption, over 200 MHA performance units were proposed. This is a marked increase in the production of MHA onsite units; from the beginning of the MHA program up to the 2023 implementation of the MHA onsite Design Review exemption, only 119 MHA performance units had been put into service.

### Through a Downtown Design Review Holiday

As part of Mayor Harrell's Downtown Activation Plan, a three-year holiday exempts residential, hotel, and research and development lab projects in or near Downtown from the Design Review process, shaving six to nine months off the permitting process while maintaining avenues for public comment and early vesting. This makes it easier and more cost effective to build in these neighborhoods, helping transform Downtown into a vibrant neighborhood with more housing, jobs, and continued economic growth.

### Through a More Equitable Board Appointment Process

Administrative changes to the appointment process for Seattle's eight Design Review Boards recognize lived experience and welcome diverse viewpoints around land use. This resulted in Design Review Boards that more closely reflect the demographics of Seattle while also accelerating Design Review timelines and improving predictability.

# **Exempted Housing From SEPA**

The State Environmental Policy Act (SEPA), enacted in 1971, was one of Washington's first environmental regulations on development. In the five decades since, more effective environmental regulations have been adopted, rendering SEPA a largely duplicative and outdated process that delays development, whether the individual project is likely to impact the environment or not.

Recognizing that housing more people within urban growth boundaries is one of the most effective ways to reduce individuals' carbon footprints, Mayor Harrell worked with the State Legislature to exempt the vast majority of infill housing development from SEPA. Seattle was the first jurisdiction in the state to implement SB 5412's SEPA exemption for housing and is moving forward with permanent adoption of this optional exemption. Under the initial temporary exemption, Seattle dropped from an average of approximately 150 projects subject to SEPA review annually to only 35.

# **INNOVATION**

### **Broke Down Silos**

Too often, department policy choices are made in a vacuum and neglect to recognize that while the impact of an individual procedural change may be small, Seattle's combined regulatory burden can render development projects infeasible. In true One Seattle fashion, Mayor Harrell convened a monthly Housing Subcabinet beginning in 2022 to help City permitting departments see the bigger picture. Department directors now meet regularly to elevate and implement the actions necessary to address affordability, increase production, and expand choices across Seattle's housing market.

An associated Homebuilder Working Group brings together permitting department leadership with representatives from across the market-rate and affordable housing industry to identify and troubleshoot emerging issues impacting housing production. Together, these ongoing listening sessions have led to increased understanding and real solutions, such as digitizing paper invoices and inspection result notifications, updating street improvement permitting checklists, and piloting an in-person service kiosk for permitting questions.

### Led With Data

As part of Mayor Harrell's commitment to running a data-driven administration, the City launched a <u>Residential Permitting Trends Dashboard</u> in 2022. The dashboard includes data on incoming permit applications, offering an unprecedented level of transparency and a view into how various policies impact Seattle's housing production pipeline and related issues, such as the City budget, infrastructure needs, and homelessness. Making this data available to the public and presenting it in a way that's easy to understand helps constituents, the press, experts, and others to stay informed and keep the City accountable.

# Identified and Addressed the Root Cause of Repeated Correction Cycles

The City's Innovation & Performance (IP) Team recently completed an in-depth analysis of permit review timelines, uncovering that total review time has tripled over the last decade. One key finding was that drainage reviews — required in 99% of applications — are rarely approved in early cycles due to frequent applicant errors, difficulty navigating resources, and complex code requirements. This work led to improved applicant guidance and informed

the City's decision to pilot technology to improve submittal quality and reduce costly correction cycles, aiming to decrease the average number of review cycles for housing by 50%.

# Improved Predictability While Enhancing Utility Infrastructure

The City's utility department infrastructure requirements play a significant role in the permitting process and ultimately in the cost of housing. A critical part of the housing crisis is finding the balance between streamlining utility-related development regulations and protecting the systems that provide critical power, water, and waste services that Seattle relies on.

## Through System Development Charges and Cost Sharing

This suite of legislation was designed to <u>unlock housing</u> in the 25% of Seattle city blocks outside the downtown core that lack a water, sewer, or stormwater main. Prior to this legislation, projects facing main extension requirements — which often cost more than \$500,000 — were 30% less likely to advance through permitting.

By requiring all projects to pay a small, predictable, proportional System Development Charge (SDC) to fund a main extension cost sharing program, we can ensure no one project pays the full cost for upgrades that support Seattle's growth-related needs. Developers will also have an option to pay SDCs over time on a schedule that better aligns with typical construction financing, and low-income households who add middle housing to their property can fully defer SDCs until property sale.

Prior to this legislation, SPU took several smaller steps to make main extension requirements more predictable. For instance, SPU added features to their Development Services map, allowing developers to easily check the capacity of the main abutting a potential development site and other data that influences whether a system improvement may be required. SPU also made Water Availability Certificates (WACs) publicly available and easy to find via the Accela permitting portal for the first time and extended WAC expirations from 18 months to three years to accommodate longer development timelines.

### Through Early Design Guidance

In 2024, SCL launched Early Design Guidance, a pilot program that provides customers and developers of residential projects with the opportunity to meet early in their project planning process with internal subject matter experts. These sessions have been instrumental in clarifying utility requirements, identifying potential design pitfalls, and improving intra-departmental coordination. The pilot has been a major success, with customers reporting increased satisfaction and a clearer understanding of what's required to receive service. SCL is working toward making the pilot a permanent program.

### Through Accelerated Connection Times

Connecting developments to water and power is one of the final steps in the construction process. Without those connections, projects cannot receive their certificate of occupancy, meaning utility connections have the potential to seriously delay housing completions. Under Mayor Harrell, the SPU water connection backlog fell to a record low of 50 taps in queue, down from a pandemic high of 200. Addressing this backlog gave SPU capacity to rotate and cross-train their water crews, ultimately improving reliability and responsiveness across SPU's entire water system. SPU also recently launched the "Track Your Tap" app, allowing developers to independently check the scheduling status of their water connection work.

Under Mayor Harrell, SCL has also begun tracking connection timelines to improve processes aimed at reducing energization delays — from a peak of 52 weeks in February 2024 to 34 weeks as of July 2025. While some delays

were caused by unavoidable international supply chain issues, SCL continues to focus on areas within its control, including increased staffing and improved customer communications. The department's goal is to reduce energization timelines to 26 weeks by the end of 2025 and 16 weeks by the end of 2026.

# Clarified Code Language

While Seattle strives for clear building and land use codes, code language can sometimes become outdated or be interpreted differently by permit reviewers and permit applicants. Updating the code can reduce confusion, improve consistency, make buildings more usable, and support housing feasibility.

### Through Townhouse Code Amendments

In 2022, Seattle's Office of Planning and Community Development (OPCD) passed pilot legislation ahead of the One Seattle Comprehensive Plan to encourage townhouse development. The bill substantially reduced permitting complexity and delay for townhome projects by reducing the need to subdivide lots to maximize unit count, by providing more options for locating car and bike parking, and by reducing easement requirements in alignment with the Seattle Fire Code.

## Through Living Building Challenge Amendments

Mayor Harrell recently passed legislation clarifying that individual projects could combine bonuses offered through the Living Building Challenge and the family sized unit bonus. Allowing projects to benefit from both programs further incentivizes green building and a more diverse housing stock.

### Through Solid Waste Amendments

Mayor Harrell is advancing legislation that would update the Land Use Code section on garbage, recycling, and compost storage and access requirements in new developments. This code has not been updated in over a decade, and SPU's bins and garbage trucks do not fit in the minimum space allowed under the current code. This has led to confusion during permitting and the potential for dysfunctional waste pickup for the life of a building. The updates are especially important for reducing impacts to existing neighborhoods and residents of new buildings as multifamily housing becomes more common citywide.

# One Seattle Housing Agenda

Mayor Harrell has been consistent in his vision of Seattle as a safe, welcoming, vibrant place where more people can afford to live. In his first three and a half years as mayor, Seattle has made major strides towards this through historic investments and reforms, but the work continues. Mayor Harrell will persist in his focus on lowering housing costs, ensuring families and workers can live in our city, preventing displacement, making it easier to build, and addressing root causes of homelessness. His core strategies include **production**, **planning**, **protection** and **preservation**, and **pioneering new ideas**.

# **PRODUCTION**

# Comprehensively Reforming Design Review

Building on earlier reforms, Mayor Harrell's extensive Design Review reform package will make development faster and more predictable while ensuring compliance with new State regulations. HB 1293 caps Design Review meetings at one per project and requires the use of clear and objective standards. Seattle's proposed reforms will meet State requirements and go further, incorporating feedback from extensive stakeholder engagement.

Buildings with 150 housing units or less or 20,000 square feet of commercial space or less would be made permanently exempt from Design Review, as would projects located outside Urban Centers or Regional Growth Centers, projects subject to other review boards, and projects that meet their MHA requirements by providing affordable housing on site. This is expected to reduce the number of projects subject to Design Review by up to 40%, decreasing permitting time for those projects by one to two years.

Projects that do still go through Design Review would save four to nine months in permitting. A 60-day "shot clock" will incentivize SDCI to promptly schedule meetings and issue design recommendations. Making Administrative Design Review meetings public will increase transparency and accountability. Having Design Review meetings take place early in permitting will preserve valuable opportunities for vesting and public comment, and new accountability measures will ensure all public comments receive a response. The reform package will also provide stipends for Design Review Board members and consolidate eight Design Review districts into one citywide board with dedicated seats for residents of established equity areas. This will improve both program consistency and representation for historically underserved communities.

# Updating the MFTE Program

First established in 1998, Seattle's Multi-Family Tax Exemption (MFTE) is a voluntary program that provides a 12-year property tax exemption on the residential portion of a new development in exchange for restricting rents on 20%- 25% of the units. A recent University of Washington evaluation confirmed MFTE's stimulative effect on housing production. As of that report's release in 2024, more than 300 rental properties had participated in the program, resulting in more than 30,000 housing units, including over 7,000 income-restricted units.

The goals of the 2025 MFTE update are to encourage the creation of workforce housing and more housing generally by reducing the administrative burden and reducing barriers to participation, clarifying and simplifying rules and requirements, and adjusting eligibility thresholds in recognition of today's challenging market conditions.

# Completing Fort Lawton

The City of Seattle has been planning to redevelop Fort Lawton, a former U.S. Army Base, since the base's closure in 2005. Located in Magnolia, the site offers a unique opportunity to create affordable housing in one of Seattle's most desirable and high-opportunity areas. Redevelopment plans have faced many hurdles over the years, but Mayor Harrell is moving the project forward. Shortly after taking office, he directed an interdepartmental team to estimate redevelopment costs, identify infrastructure needs and potential partners, and analyze alternatives.

Mayor Harrell ultimately proposed <u>a revised Fort Lawton redevelopment plan</u> to transform the 34-acre site into a vibrant community, meaningfully expanding affordable housing opportunities while maintaining the almost 22 acres of green space outlined in the 2019 redevelopment plan. The updated plan will include up to 500 affordable homes — a mix of homeownership opportunities, workforce apartments, and permanent supportive housing (PSH) for formerly homeless seniors, veterans, and others — developed in partnership with <u>Chief Seattle Club</u>, <u>Catholic Housing Services of Western Washington</u>, <u>United Indians of All Tribes</u>, and <u>Habitat for Humanity Seattle-King and Kittitas Counties</u>. Expanding the unit count will maximize the positive impact of this unique opportunity while bringing per-unit costs down, ensuring City resources are used responsibly.

While the development is still in the planning phase, significant progress has been made. In 2024, the U.S. Department of Housing and Urban Development approved the PSH portion of the project, meaning the parcel could be conveyed by the Army to the City at no cost. The State legislature has awarded \$10 million in Connecting Housing to Infrastructure Program funding dedicated to power, water, sewer, and other infrastructure costs, with a proviso on another \$10 million in the next capital budget. Senator Patty Murray and Representative Pramila Jayapal led Washington's federal delegation in requesting an additional \$3.15 million and the County has expressed interest in providing additional funding to pilot green infrastructure on the site.

This spring, OH published the final Draft Supplemental Environmental Impact Study for the project. In the coming months, the Revised Redevelopment Plan for Fort Lawton will be transmitted to the City Council; once adopted, the plan will be submitted to the U.S. Army, initiating the formal federal approval process.

Once built, this historic project will help Seattle address critical citywide challenges in a way that balances affordable housing and environmental stewardship, while honoring the history of the land. The redevelopment will be adjacent to Discovery Park, one of Seattle's largest and most significant natural areas, and near a future Interbay light rail stop. Sound Transit's planned extension into the area will bring further multi-modal investments, enhancing connectivity for Fort Lawton residents. Fort Lawton is not simply a redevelopment project; it is a step toward creating a city where everyone can benefit from living in a high-quality neighborhood.

# Redeveloping Northgate With a Sixfold Increase in Housing

Under the Seattle Housing Authority's (SHA) Northgate Commons redevelopment plan, an 8.5-acre site near the Northgate Link light rail station will be home to 1,400 units of mixed-income housing. Mayor Harrell committed \$20 million to build new affordable homes at this site. Residents will benefit from nearby schools, community centers, parks, health care, and other amenities. Part of the Creating Moves to Opportunity program, this transit-oriented development will offer low-income families access to a high-opportunity neighborhood, improving long-term outcomes for their children.

Originally built in the 1950s, SHA purchased the market-rate complex property and initially offered it as affordable housing. SHA accelerated their redevelopment plans following heating system and pipe failures, offering residents rehousing assistance and a right to return to the new development.

# Continuing to Invest in Affordable Housing

Production of affordable housing is a critical tool for making Seattle a place where everyone can thrive. Housing levies provide a significant and consistent resource for creating new affordable housing. The primary goals of the \$970 million, 2023 Housing Levy are to produce and preserve affordable rental housing; support ongoing operations of permanently affordable rental housing, especially for properties serving extremely low-income families and individuals; to invest in homeownership opportunities for low-income, first-time buyers; and support services that help residents stay housed.

While the voter-approved 2023 Housing Levy has already made significant progress toward increasing the supply of affordable housing, it is just getting started. The Housing Levy will commit funding through 2030 toward production and preservation of more than 3,500 rental homes. The Levy's Homeownership program will also assist more than 360 low-income homebuyers purchase a home in Seattle and assist existing homeowners maintain stable housing. Levy resources will help prevent eviction or homelessness for another 4,500 households. This is in addition to other City of Seattle affordable housing funding sources, like the Payroll Expense Tax, which has provided \$400 million since 2022.

# **Expediting Permit Reviews**

The City has long been a leader in consolidated permit review, allowing both zoning and technical code reviews in the same permit submittal to minimize redundant steps. Seattle is committed to meeting the requirements of SB 5290, which adjusted State standards for consolidated permit reviews, set tiered time limits for permit reviews, and exempted some projects, such interior alterations, from needing site-plan review. SDCI is also proactively implementing several measures from SB 5290 to expedite permit reviews, such as streamlining review procedures by housing type and implementing a Virtual Information Counter and permit portal to reduce processing times.

# Further Streamlining SEPA

To accelerate the production of most infill housing, Seattle has implemented an initial, temporary SEPA exemption authorized by SB 5412 and is moving to make it permanent. Additional SEPA code updates are necessary, however, as some projects are still required to go through SEPA. Projects still subject to SEPA include non-residential projects and those on sites with environmentally critical areas or a high likelihood of historic or cultural resources. In the event that Seattle reaches its growth targets, the SB 5412-authorized SEPA exemption for housing will also lapse until the adoption of the next comprehensive plan.

These code updates will clarify which projects are subject to traffic studies and other sub-SEPA environmental mitigation measures and will make the permit process more efficient for permit applicants and permitting staff. The legislation will also raise the SEPA thresholds for retail and commercial projects to align with the State-allowed maximum, benefitting small businesses.

"Non-project actions," like comprehensive plans, are also subject to SEPA, but the order of Seattle's land use code adoption process is an outlier among jurisdictions in Washington State. We are exploring changes to local codes to

reduce the potential for SEPA-related delays before Council can consider land use bills, while still allowing for robust public engagement.

# Learning from International Building Codes

One of the best ways to unlock more development is to offer more flexible regulations. Seattle has been a leader in the United States, allowing "six-over-two" buildings up to eight stories tall, as well as single-stair exit points in buildings up to six stories tall. Policies like these help encourage housing production and accommodate rapid population growth. Even so, some Seattle building codes are still restrictive, prohibiting many <u>building methods</u> that have proven safe internationally. The City is considering further code changes.

### **Through Mass Timber Incentives**

Multi-family buildings in Seattle typical fall into three categories: low-rise stick-frame buildings, mid-rise wood and concrete buildings, and high-rise concrete and steel buildings. This creates a significant height gap, since even Seattle's comparatively tall mid-rise buildings are limited to eight stories, and it is only financially viable to build concrete and steel highrises over 200 feet tall (about 20 stories). Mass timber construction fills this gap.

Mass timber buildings use engineered wood, such as cross-laminated timber, to form a large portion of a building's structure. These buildings have been shown to be structurally sound up to at least 18 stories, with the potential to go higher in certain conditions. Because they utilize prefabrication and minimize concrete, mass timber buildings support local manufacturing jobs, are faster and safer to build, create less construction waste, and have significantly lower carbon footprints compared to typical building construction.

Seattle has already helped advance mass timber, including a Seattle Mass Timber Incubator Initiative launched by the Office of Economic Development in 2022, and through the creation of the Washington Mass Timber Accelerator in partnership with the Washington State Department of Commerce in 2024. In September of 2025 the City published proposed legislation that removes code barriers by waiving all upper level setback and modulation requirements if buildings are built with mass timber. The legislation will adopt guidance from State House Bill 1183 several years early in Seattle to promote mass timber.

To build on these early investments, we could take inspiration from Vancouver, BC and offer additional mass timber height bonuses or incentives. This would encourage early adoption of mass timber construction while helping meet the City's housing and climate goals. The City is reviewing integration of mass timber bonuses for future zoning changes, especially in transit-oriented development areas.

### Through Stair Code Updates

Single-stair buildings, also called "point access blocks," are extremely common internationally and more efficient than the typical American "double-loaded corridor" building, which features apartment units opening into a long, shared hallway. In close coordination with the Seattle Fire Department (SFD), we will explore adjusting our codes to allow taller single-stair buildings and more single-stair buildings per block. This could reduce development costs, encouraging development in general, particularly the development of climate-resilient housing with family sized units and outdoor courtyards with space to support large trees.

Seattle will also explore scissor stair code adjustments. For high-rise buildings, scissor stairs play a similar role as single stairs do in mid-rise buildings, increasing development feasibility by reducing wasted square footage and enabling more compact multi-family developments that fit on smaller building sites and are worth considering. Fire

sprinklers, fire separation requirements, and partnering with SFD on code implementation details would help ensure these buildings are safe for occupants.

### Through a Small Elevator Pilot

American elevator design standards result in significantly larger and more expensive elevators than those used in Europe and Asia. While large elevators have benefits, such as accommodating a stretcher in a medical emergency, these standards ultimately disincentivize developers from including elevators when not strictly required, reducing accessibility overall. In coordination with the State and with SFD, Seattle will consider a pilot program that would allow the installation of elevators that meet international standards in buildings that do not currently require an elevator at all. This could encourage the inclusion of optional elevators, improving accessibility and better meeting the needs of our aging population.

# Setting Comprehensive Energy Code Goals

Seattle has long been an environmental policy leader, and our energy code is one of the most efficient in the nation. As we move forward, we need to ensure our new buildings remain carbon free and help transition older buildings away from fossil fuels in an economical way, while also ensuring more homes can be affordably built in the city. Seattle's multi-modal transportation investments, integration of carbon-sequestering mass timber, and SCL's carbon-free energy grid are critical parts of achieving our region's climate goals.

## Preparing for Increased Permit Activity

Most City departments are required to go through the budget process for staff position authorization and funding. SDCI and the Department of Transportation (SDOT), however, have been provided with Contingent Budget Authority (CBA), allowing these departments to seek City Budget Office approval to add term-limited positions to support permitting and inspection services when demand for service significantly exceeds existing staffing capacity and other options for meeting excess demand (implementing service efficiencies and improvements, filling vacant positions, use of staff overtime, etc.) are exhausted. The CBA is a flexible budget mechanism that allows departments to adjust spending and staffing dynamically in response to actual or forecasted revenue changes, improving responsiveness and operational efficiency within established financial controls. This contingent budget authority is particularly relevant to revenue-dependent departments, where workload and income are sensitive to market fluctuations and where rapidly changing markets require additional staffing capacity. Providing contingent budget authority to all City departments involved in permitting, such as Seattle Public Utilities and the Seattle Fire Department, could help reduce delays when economic conditions improve and development activity picks up steam once again.

### **PLANNING**

# Increasing Housing Capacity and Improving Livability

Comprehensive plan updates are a once-in-a-decade opportunity to strategically plan for future growth and ensure sufficient capacity to accommodate both current and future residents. Phase 1 and phase 2 of the proposed One Seattle Comprehensive Plan will double the city's existing zoning capacity, allowing for more "middle housing" throughout the city and more dense housing near frequent transit, within expanded Urban and Regional Centers, and in newly designated "Neighborhood Centers." Phase 3 will take a more focused approach, creating additional opportunities near light rail stations and within other areas already primed for growth. Increasing zoning capacity

for more housing and more housing choices is essential for lowering housing costs, creating more homeownership opportunities, and increasing affordability.

To further promote affordability, the plan includes an Affordable Housing Bonus, which provides additional height and unit capacity for affordable housing projects within a quarter mile of transit, supporting twelve units on a typical Neighborhood Residential lot. To bolster the City's record investments in affordable housing, the proposal expands the City's MHA program to Neighborhood Centers and other areas that will be upzoned for more multifamily housing.

The plan also prioritizes accessible, age-friendly, complete neighborhoods with family sized housing by allowing duplexes, triplexes, quadplexes, cottage housing, stacked flats, and corner stores across all Neighborhood Residential zones — areas traditionally dedicated to single-family detached housing. Likewise, a first-of-its-kind Stacked Flat Incentive goes beyond the requirements of HB 1110, aiming to make development of these small multifamily projects feasible.

Mayor Harrell's plan maximizes regional investments in and access to transit by increasing density along frequent transit routes, accommodating 37,000 new homes. New Neighborhood Centers would allow for an additional 30,000 new homes near transit, businesses, and other amenities. Similarly, the plan adds a new Urban Center at the upcoming 130th Street Light Rail Station and expands the boundaries of several existing Urban Centers — dense areas with a wide range of housing, jobs, shops and services, and access to regional or local transit.

Phase 1 of the Comprehensive Plan, addressing Neighborhood Residential updates, is currently being considered by City Council. Phase 2 legislation will be transmitted by year end to Council with the specific zoning proposals for Neighborhood Centers and frequent transit routes. In 2026, the Mayor's Office will propose additional targeted upzones designed to bring more housing to commercial districts, near high-capacity transit centers, and other places already primed to support dense, walkable communities, with a focus on urban and regional centers and opportunity sites.

## Reimagining Aurora

The Northern Lights initiative re-envisions the areas along Aurora Ave. N as neighborhoods that inspire, welcome, and feel safe for residents, businesses, workers, and visitors alike. OPCD is bringing together several City departments, the State, County, and community members to envision a new future and coordinate revitalization efforts. Early City investments will set the stage for key portions of Aurora to grow into a new kind of neighborhood. Upgrades to drainage, drinking water, and multimodal transportation infrastructure will improve public health and safety, reduce flooding, and encourage private development. New and improved parks, affordable housing, and an expansion of SPU's North Operations Center campus will transform underutilized properties, bringing public art, eyes on the street, and opportunities for economic and community activity. Proposals for the parks include pickleball, play areas, off-leash dog areas, outdoor games, and an expanded p-patch and food forest.

# Further Incentivizing Accessory Dwelling Units

In an effort to return ADU production to its 2022 peak of 1,000 new units per year, boosting production of this important option for first-time homeownership, we are preparing legislation for early 2026 that will incentivize ADUs above and beyond State requirements. Incentives will include increasing the maximum ADU size to allow for 3-bedroom ADUs, simplifying ADU sales by reducing the need to form an HOA, and incentivizing preservation of

existing homes when building an ADU. We are also exploring offering code flexibility to facilitate junior ADUs, prefabricated ADUs, and ADUs on tight sites, as well as self-certification of detached ADUs by registered architects, authorized via HB 1353.

Junior ADUs are related to attached ADUs (AADUs), in that they offer the ability to add a second kitchen to a principal unit, such as a single-family home or townhome. This allows homeowners to convert part of their residence into a flexible, semi-separated accessory unit without other hurdles required to establish an AADU. This provides more options for multigenerational living, including housing for aging family members, adult children, and caretakers. It could also support people looking to rent part of their home, which provides more rental housing, lowers financial barriers to home ownership, helps build intergenerational wealth, and fights displacement.

Additionally, SPU is piloting adjustments to their billing and metering practices to accommodate middle housing and new housing types. This evolution will allow ADUs to have separate water and solid waste bills instead of sharing bills with nearby units or paying a third-party provider to create separate billing. This will align SPU's practices with the city's evolving middle housing types, so they better meet the needs of more families.

# Highlighting Housing Affordability Impacts of New Legislation

Currently, every ordinance submitted to the Seattle City Council for consideration is paired with a Summary and Fiscal Note — a document that explains in plainer language what the bill does and what its expected impact will be. Over the years, these documents have evolved to include important questions on the expected impacts of the legislation on vulnerable or historically disadvantaged communities, carbon emissions, and overall climate resiliency. In that vein, we plan to partner with City Council to once again expand these bill summary documents to require analysis of the impact of any new legislation on housing affordability. This will increase transparency and encourage everyone involved in the legislative process to be mindful of how they may be contributing positively or negatively to the housing crisis.

## PROTECTION AND PRESERVATION

# Protecting the Affordable Housing Sector

The affordable housing sector has been deeply impacted by the COVID-19 pandemic, as well as rising costs to build, operate, and maintain their buildings. This is not a small problem; Seattle's investments over time have helped more than 60 affordable housing providers produce and preserve nearly 21,600 affordable homes in over 370 buildings across the city. While the City has provided \$144 million over the last two years to support our partners, their buildings, staff, and residents, more help is needed as the sector attempts to navigate unforeseen circumstances and fluctuating nationwide economic factors. Federal actions that threaten vouchers and affordable housing funding add precarity. The Mayor will continue to work with the State and others to support affordable housing providers, offer stability for vulnerable residents, and address this evolving situation.

# Pushing Back Against Displacement Pressures

Displacement occurs when long-time neighbors, small businesses, and cultural institutions are priced out of the communities they love or are otherwise forced to move involuntarily. Preventing and mitigating displacement is key to ensuring growth is equitable and Mayor Harrell is committed to taking holistic, concrete steps to protect historically marginalized and vulnerable communities.

Mayor Harrell recently directed the IP Team to review Seattle's anti-displacement efforts, which include 22 programs across six departments, totaling \$307 million in 2024. IP's research found many of the City's anti-displacement programs are grounded in a solid evidence base, while more novel approaches seek to pilot new ideas. They also identified several opportunities for the City to improve anti-displacement efforts.

### Through an Anti-Displacement Executive Order

Building off IP's findings, Mayor Harrell issued an executive order in January 2025 that created an anti-displacement work group. The group will work to improve coordination and outreach across departments and programs; monitor and regularly report on displacement risk, including housing production statistics and development activity in upzoned areas; and create an evaluation framework to help inform future investment decisions and program improvements. The work group will also propose a plan for preserving naturally occurring affordable housing, rooted in best practices.

The executive order also calls for improving the service design of existing anti-displacement programs, making them more impactful, data driven, and accessible to residents. For instance, Seattle's emergency rental assistance programs are administered by three separate departments with more than a dozen agency partners offering specialized programs. Although targeted outreach to underserved communities is an admirable goal, an overly fragmented process can confuse and frustrate people in need of urgent help. A unified citywide strategy for these programs is in development to reduce program barriers and make City resources go further, including incorporating them into the Affordable Seattle portal.

### Through \$80 Million Reparations Housing Fund

Following Mayor Harrell's Executive Order to combat displacement, this program and investment strategy represents the next step in addressing and repairing harm caused by past discriminatory policies, like redlining and restrictive racial covenants, which displaced Seattle residents, especially Black communities. The program will focus on housing and housing-related financial support programs, including downpayment and closing fees assistance, rental assistance, and loans — aiming to provide support to build stability and opportunity for descendants of families impacted by legalized housing discrimination.

### Through New Protections from Predatory Homebuying

Predatory homebuying companies, also called real estate wholesalers, often bombard vulnerable, distressed homeowners — especially in communities of color — with unsolicited offers, pressuring them to sell quickly and for less for their home could be worth on the open market. Predatory homebuying practices contribute to economic disparities, displacement, and erosion of generational wealth while reinforcing patterns of segregation.

To combat these practices, Mayor Harrell proposed and the City Council adopted <u>legislation</u> that goes beyond HB 1081, which regulates real estate wholesalers statewide. <u>This bill</u> will establish new consumer protections for Seattle homeowners. Once adopted, solicited homeowners will have the right to an appraisal by a licensed appraiser, as well as the right to cancel a purchase contract or sue a predatory buyer under certain circumstances. Wholesalers who neglect to follow these new regulations, including providing owners with notice of their rights, will be subject to penalties.

### Through Tenant Stabilization

7 in 10 households with incomes at or below 80% AMI are cost burdened in Seattle; OH is launching a pilot program to help address this, called Stabilizing Tenants Through Affordable Home Ownership. The program will focus on preserving affordable housing and empowering low-income renters to become homeowners, helping fight

displacement and housing instability. OH will also identify small multifamily buildings with potential for tenant purchase and work with nonprofit partners to organize residents. This initiative aims to make Seattle more inclusive and resilient, helping ensure that renters can stay in their homes and invest in their communities over the long term.

The City received a \$5 million federal Pathways to Reducing Obstacles to Housing (PRO Housing) grant to support this work by OH and anti-displacement work with legacy homeowners — owners who intend to pass down their property to future generations. A portion of the City's PRO Housing funding will support efforts to help lower-income homeowners maximize their property's value to achieve financial stability, benefit from development opportunities, and expand housing choices.

OPCD's Legacy Homeowner Development Support demonstration program will provide pre-development support, such as site planning, feasibility analysis, legal guidance, architectural services, and connections to resources to help lower-income homeowners overcome structural barriers to upgrading and adding housing to their property. This will help legacy homeowners retain their homes and navigate barriers that limit their ability to achieve stability, capture value equitably from their property, and contribute to new housing options.

### Through Participatory Budgeting Grants for Homeowner Stabilization

In 2020, Seattle launched a new participatory budgeting process, intended to address public safety and community needs, particularly for communities of color. Over the next five years, Homeowner Stabilization Services will direct \$3 million to communities at high risk of displacement. Targeted strategies will help homeowners earning up to 100% AMI stay in their homes and communities. Most funds will directly support existing homeowners who struggle with expenses like home repairs, property taxes, and utility bills. Strengthening homeownership in vulnerable communities will help address historic and ongoing housing inequities.

### Through Acquisition of Existing Buildings

Typically, the City invests in affordable housing by providing capital for new affordable developments. With changing economic conditions, there may be new opportunities to strategically acquire newly built, under construction, and existing housing for conversion to or preservation of affordable housing. Developing an intentional acquisition strategy will help guide thoughtful decision making around these opportunities. The Mayor has directed OH to analyze options and considerations for a dedicated acquisition fund, a centralized database to track at-risk properties, and a list of potential organizations the City can partner with to preserve naturally occurring affordable housing.

# **Protecting Renters**

Mayor Harrell is proposing legislation that would ban and limit certain fees placed on Seattle renters. The bill would also ensure timely return of deposits. Working with the Seattle Renters Commission and other stakeholders, we will consider a broader assessment of junk fees to provide more transparency and protect affordability.

# **Preventing Homelessness**

Homelessness is a complex regional issue and preventing it will require working collaboratively with a wide range of partners. Mayor Harrell will promote housing stability through a three-tiered approach, including preventing and intervening in evictions and at early signs of housing instability, improving coordination and contract management across emergency rental assistance providers, and launching a pilot with Housing Connector, an organization that helps facilitate private/public partnership to place at-risk tenants and provide stability. Mayor Harrell will continue

to create and preserve affordable housing and will fight back against attempts by the federal government to undermine stable housing programs and approaches.

## **PIONEERING**

# Establishing a Permitting Accountability and Customer Trust Team

In June 2025, Mayor Bruce Harrell issued an executive order to launch the Permitting Accountability and Customer Trust (PACT) Team, a citywide initiative dedicated to making it faster and easier to build housing and open small businesses across Seattle. This plan to streamline permitting and leverage innovation will help bring housing online faster. The PACT Team brings together staff from all departments involved in permitting and represents the most significant concerted effort in the City's history to cut red tape, reduce delays, and deliver clear, consistent guidance.

By the end of 2025, the PACT Team will establish a process to ensure permits are issued after no more than two review cycles when basic safety and zoning standards are met, a 50% decrease in the average number of review cycles for housing. The executive order also tasks the PACT Team with prohibiting new interpretations or corrections after initial approval is given unless they are related to life-safety issues.

Significant efforts in the executive order include clear and consistent reviews, inspection, and enforcement; transparent and accessible customer service; an AI pilot program to help applicants catch and correct common permitting errors; and <u>an online dashboard</u> allowing the public to track progress on permitting initiatives.

In one early PACT effort, the Seattle Fire Department has streamlined fire sprinkler permitting, allowing over-the-counter permits for tenant improvements that affect up to 24 sprinklers. This can save 3 to 7 weeks in permitting and eliminates sprinkler plan review fees for many small businesses, multifamily maintenance projects, and other tenant improvements.

# Co-Locating Housing and Public Buildings

The Lake City Community Center has long been an integral part of the neighborhood's history, serving as a hub for community activities and bringing people of all ages and cultures. After a fire destroyed a major portion of the building, the center was demolished. In 2024, SPR, in partnership with DON, conducted a building needs assessment to better understand the community's priorities for the new center. This year, the City selected Mercy Housing Northwest to lead the redevelopment of the former Lake City Community Center, which will include 113 affordable rental homes on the upper floors and a new community center at street level. This innovative design combines affordable housing, essential services, and shared community spaces to create a welcoming place where residents can live, gather, and thrive. The housing will be family focused, with a large share of 2- to 4-bedroom apartments serving residents with a mix of incomes and an average affordability level below 50% AMI. This redevelopment marks a groundbreaking effort to align City resources, maximize the use of public land, and effectively respond to Lake City's housing affordability challenges, while offering multiple benefits to existing residents of this growing neighborhood.

# Supporting the King County Civic Campus Initiative

Former King County Executive Dow Constantine laid out a strategic vision to redevelop aging and underutilized County facilities. The City believes this plan offers a unique opportunity to transform the County's downtown

campus into a safe, walkable, 24-hour neighborhood where people want to live and work, creating a new hub for civic activity and the potential for more than 7,000 housing units. The City is committed to supporting this initiative through our partnerships with King County and Sound Transit. Although the plan and the buildings belong to King County, Seattle will be responsible for permitting the redevelopment and will consider zoning changes to incentivize construction of a maximum number of housing units — especially near future expansion of light rail service to the area.

# Facilitating Shared Ownership

One way to create new, lower-cost options for homeownership is through cooperative housing with shared ownership amenities. These co-op models allocate private space, such as bedrooms, while sharing amenities, including kitchens. Shared ownership amenities are already legal and exist in Seattle but are rare and extraordinarily challenging to finance.

The <u>Corvidae Cooperative</u> near the Mt. Baker Light Rail station is a pioneering example of this shared ownership model. Situated in the Rainier Valley, this urban cooperative consists of 10 dwellings, including studios, one-bedroom, and two-bedroom units. Corvidae operates as a limited equity co-op, with resale values capped at a 3% annual increase to ensure long-term affordability. Four of the homes receive subsidies through OH funding, and up to five are income-restricted, further enhancing accessibility for moderate- to low-income residents.

Clearly stating in the Seattle Municipal Code that shared amenities can be collectively owned, regardless of the type of amenity, would address concerns from underwriters and appraisers about future projects of this nature. This would reduce the time and paperwork burden for developers, homeowners, lenders, and City reviewers alike. Making it easier to secure construction loans and mortgages would help this innovative housing type become more scalable.

# Offering Tax Relief to Small- and Medium-Sized Businesses

Many small and medium businesses are involved in homebuilding — from architect and engineering services to subcontractors like roofers and drywallers, to equipment suppliers and development firms. Businesses involved in homebuilding often share the same concerns as the broader business community, including tax rates.

If approved by voters, a new proposal from Mayor Harrell and Councilmember Rinck would lower City taxes for approximately 90% of Seattle businesses that currently pay the Business & Occupation tax, supporting Seattle's economy, making the city more competitive with neighboring jurisdictions, and helping small businesses thrive — including those in the homebuilding industry. The plan would also raise \$90 million in new progressive revenue to protect essential City services, such as investments in shelter and emergency rental assistance, against the Trump administration's threats to federal funding and our local economy.

# Enhancing the Office-to-Residential Conversion Code

Seattle's recent code updates supporting office-to-residential conversions have enabled at least three conversion projects to enter the permitting pipeline so far. Further code updates are necessary to help conversion projects overcome economic headwinds and uncertainty. Targeted adjustments to structural and energy codes could further reduce costs and enhance feasibility while ensuring conversion projects are safe for future residents and the surrounding community. Office-to-residential conversions are an important strategy for reducing underutilized office space, transforming Downtown into a vibrant 24-hour neighborhood, and improving City revenue forecasts.

# Improving Survival Rates of Development-Associated Trees

Beginning this summer, Seattle Public Utilities' innovative <u>Trees for Neighborhoods</u> program will expand to new development. The original program offers homeowners free trees, paired with tree care education and automated reminders to water newly planted trees, leading to an impressive 88% survival rate for Trees for Neighborhoods trees 10 years after their initial planting. By expanding care reminders and tree education to residents of new developments, we can increase the odds that trees planted during development will survive and thrive, enhancing livability for decades to come.

### THE NEED TO CONTINUE A ONE SEATTLE HOUSING AGENDA

There is growing recognition that cities along the West Coast have a severe housing shortage that is driving our housing affordability, homelessness and climate crises. It will take a diversified and comprehensive response to meet the scale of this challenge in the face of volatile conditions, rising costs, and an unstable affordable housing sector. Mayor Harrell's One Seattle agenda will continue to drive bold investments and innovative solutions, building partnerships across departments and outside of City government to cut down the friction and cost of building housing. We don't need to reinvent the wheel—we need to stop pressing the gas pedal and hitting the brakes at the same time.

## **APPENDIX**

### Seattle-Bellevue Metro Area Median Income Limits

Effective Date: April 25, 2025

The income limits below are calculated based on very low-income limits published by <a href="the-United States">the United States</a>
<a href="Department of Housing and Urban Development (HUD)</a>. Seattle's Office of Housing uses them to determine household eligibility and rent limits for City-funded affordable rental properties. They are also used to determine eligibility and benefit levels for many other assistance programs in Seattle.

Income	1-Person	2-Person	3-Person	4-Person	5-Person	6-Person
Limit	Household	Household	Household	Household	Household	Household
80% AMI	\$88,000	\$100,560	\$113,120	\$125,680	\$135,760	\$145,840
70% AMI	\$77,000	\$87,990	\$98,980	\$109,970	\$118,790	\$127,610
60% AMI	\$66,000	\$75,420	\$84,840	\$94,260	\$101,820	\$109,380
50% AMI	\$55,000	\$62,850	\$70,700	\$78,550	\$84,850	\$91,150
40% AMI	\$44,000	\$50,280	\$56,560	\$62,840	\$67,880	\$72,920
30% AMI	\$33,000	\$37,710	\$42,420	\$47,130	\$50,910	\$54,690