

# EXHIBIT E



# SEATTLE CITY COUNCIL

## Legislative Summary

Res 31622

Record No.: Res 31622

Type: Resolution (Res)

Status: Adopted

Version: 1

In Control: City Clerk

File Created: 09/30/2015

Final Action: 10/16/2015

**Title:** A RESOLUTION declaring the City Council's intent to consider strategies to increase the availability of affordable housing in The City of Seattle; requesting the State Legislature to adopt new policies or modify existing policies in order to provide additional opportunities for cities and counties to increase the availability of affordable housing; and repealing Resolution 31609.

<b>Notes:</b>	<u>Date</u>
	<b>Filed with City Clerk:</b> 10/16/2015
	<b>Mayor's Signature:</b> 10/16/2015
<b>Sponsors:</b> O'Brien	<b>Vetoed by Mayor:</b>
	<b>Veto Overridden:</b>
	<b>Veto Sustained:</b>

**Attachments:** Att A - Council Work Plan for HALA Recommendations

**Drafter:** Emilia.Sanchez@seattle.gov

**Filing Requirements/Dept Action:**

### History of Legislative File

**Legal Notice Published:**  Yes  No

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Clerk	10/01/2015	sent for review	Council President's Office			
	<b>Action Text:</b>	The Resolution (Res) was sent for review. to the Council President's Office					
	<b>Notes:</b>						
1	Council President's Office	10/01/2015	sent for review	Full Council			
	<b>Action Text:</b>	The Resolution (Res) was sent for review. to the Full Council					
	<b>Notes:</b>						
1	Full Council	10/05/2015	referred	Full Council			
	<b>Action Text:</b>	The Resolution (Res) was referred. to the Full Council					
	<b>Notes:</b>						
1	Full Council	10/05/2015	adopted				Pass
	<b>Action Text:</b>	The Motion carried, the Resolution (Res) was adopted by the following vote, and the President signed the Resolution:					
	<b>Notes:</b>						

Motion was made and duly seconded to to adopt Resolution 31622.

In Favor: 9 Councilmember Bagshaw, Council President Burgess, Councilmember Godden, Councilmember Harrell, Councilmember Licata, Councilmember O'Brien, Councilmember Okamoto, Councilmember Rasmussen, Councilmember Sawant

Opposed: 0

- 1 City Clerk 10/06/2015 submitted for Mayor  
Mayor's signature  
Action Text: The Resolution (Res) was submitted for Mayor's signature. to the Mayor  
Notes:
  - 1 Mayor 10/16/2015 Signed  
Action Text: The Resolution (Res) was Signed.  
Notes:
  - 1 Mayor 10/16/2015 returned City Clerk  
Action Text: The Resolution (Res) was returned. to the City Clerk  
Notes:
  - 1 City Clerk 10/16/2015 attested by City Clerk  
Action Text: The Resolution (Res) was attested by City Clerk.  
Notes:
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**CITY OF SEATTLE**  
**RESOLUTION 31622**

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5 A RESOLUTION declaring the City Council's intent to consider strategies to increase the  
6 availability of affordable housing in The City of Seattle; requesting the State Legislature to adopt  
7 new policies or modify existing policies in order to provide additional opportunities for cities and  
8 counties to increase the availability of affordable housing; and repealing Resolution 31609.  
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10  
11 WHEREAS, from 2011 to 2015 rental rates for existing units open more than a year in Seattle  
12 increased by 25 percent according to Dupree + Scott Apartment Advisors Annual  
13 Apartment Reports; and

14 WHEREAS, in Seattle, 27,750 households at 0-50 percent of Area Median Income (AMI) and an  
15 additional 1,750 households at 50-80 percent of AMI spend more than half their income  
16 on housing, according to the *2006-2010 Five Year American Community Survey Data*;  
17 and high rental housing costs make it more difficult for lower-income households to  
18 remain in the city; and

19 WHEREAS, there is an estimated need for an additional 70,000 housing units over the next 20  
20 years, with approximately 18,000 of those units needed for households at 0-50 percent of  
21 AMI and 9,500 units needed for households at 50-80 percent of AMI according to *Seattle*  
22 *2035: Updating Seattle's Comprehensive Plan Background Report, February 2014*; and

23 WHEREAS, in recognition of the growing housing affordability challenge in the city, the  
24 Council has taken numerous actions over the last several years to develop strategies for  
25 addressing this problem; and

26 WHEREAS, in May 2013, the Council adopted Resolution 31444, calling for a thorough review  
27 and update of Seattle's incentive zoning and affordable housing programs and policies  
28 focused on creating affordable workforce housing; and

1 WHEREAS, in response to the completed review and update of the incentive zoning program,  
2 the Council adopted Resolution 31551 in October 2014 stating the City's intent to  
3 implement an affordable housing linkage fee program, establishing policy parameters for  
4 such a program, and directing the Department of Planning and Development and the  
5 Office of Housing to develop regulations implementing an affordable housing linkage fee  
6 program; and

7 WHEREAS, in response to the recommendations included in the report on affordable housing  
8 programs and policies operating nationwide, the Council adopted Resolution 31547 in  
9 September 2014 stating its intent to authorize \$1 million in funding for the Central Puget  
10 Sound Regional Equitable Development Initiative Fund (REDI) to finance the acquisition  
11 of land for the development of affordable housing along transit lines and requesting the  
12 Department of Planning and Development to explore the expansion of the development  
13 of accessory dwelling units and detached accessory dwelling units; and

14 WHEREAS, the Council authorized \$1 million in funding for the REDI Fund as part of the  
15 City's 2015 Adopted Budget; and

16 WHEREAS, recognizing the legal complexity of policies and practices designed to create more  
17 affordable housing, including state and federal constitutional questions, the Council urged  
18 the City Attorney in December 2014 to create a senior legal team composed of Assistant  
19 City Attorneys and outside legal experts to review potential policies and practices and  
20 advise city government; and

21 WHEREAS, in recognition that further strategies were needed to address the affordable housing  
22 challenge, in September 2014, the Council adopted Resolution 31546, establishing the  
23 Housing Affordability and Livability Agenda (HALA) Advisory Committee to evaluate

1 potential strategies to support the development and preservation of a diversity of housing  
2 types and rents/prices for the residents of the City over the next ten years; and

3 WHEREAS, the HALA Advisory Committee examined an array of potential strategies the City  
4 can implement on its own, and some that will require state action in order to implement,  
5 and has issued a report with recommendations to the Council and Mayor; and

6 WHEREAS, the Mayor has submitted a set of recommendations based on the HALA's report  
7 that attempts to meet the goal of building or preserving 20,000 rent- and income-  
8 restricted units affordable to households from 0 – 80 percent of AMI and 30,000 units of  
9 market rate housing affordable to households above 80 percent of AMI over the next 10  
10 years;

11 WHEREAS, the City Council adopted Resolution 31609 on September 28, 2015; and

12 WHEREAS, Attachment A to Resolution 31609 was not presented with the Select Committee on  
13 Housing Affordability recommendation at the time the Full Council unanimously adopted  
14 the Resolution;

15 WHEREAS, this resolution accurately reflects the Select Committee on Housing Affordability  
16 recommendation; NOW, THEREFORE,

17 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE**  
18 **MAYOR CONCURRING, THAT:**

19 Section 1. The City Council is ready to expeditiously consider strategies recommended  
20 by the Housing Affordability and Livability Agenda (HALA) Advisory Committee and the  
21 Mayor that will accomplish the following objectives:

1           A.     Increase the number of rent and income restricted units for households at or below  
2 60 percent of AMI and explore changes to development regulations to increase the supply and  
3 variety of housing types.

4           B.     Implement programs and policies to preserve existing affordable housing,  
5 particularly in neighborhoods where low-income families are at risk of displacement.

6           C.     Adopt programs or policies that reduce barriers for tenants seeking housing who  
7 have insufficient incomes, involvement with the criminal justice system, or unconventional  
8 sources of income.

9           D.     Explore programs to assist existing homeowners to remain in their homes or to  
10 provide homebuyer programs to meet the need of those unable to access conventional mortgage  
11 programs.

12           E.     Streamline existing project review programs and permitting activities.

13           Attached as Attachment A to this resolution is the Council Work Plan for HALA  
14 Recommendations, which includes the specific strategies the Council intends to pursue and  
15 includes the draft work plan, deliverables, and estimated timeline for action on each of these  
16 strategies.

17           Section 2. The City implores the Washington State Legislature to adopt new policies or  
18 modify existing programs that could assist the City to significantly increase the availability of  
19 rental housing, particularly rent- and income-restricted units for those earning 60 percent of  
20 median income or below, including the following: authorize a 0.25 percent increase in the Real  
21 Estate Excise Tax to fund affordable housing; authorize an increase in the Housing Trust Fund;  
22 and authorize a new housing preservation tax exemption to create rent- and income-restricted  
23 affordable homes in existing buildings. The City Council requests the Mayor and the Office of

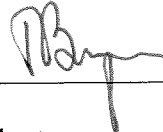
1 Intergovernmental Relations to coordinate discussions and planning to advance the measures in  
2 this resolution during the next session of the Washington State Legislature and to incorporate  
3 these in the City's 2016 State Legislative Agenda.

4 Section 3. The City Council concurs in the goal of producing 20,000 net new rent- and  
5 income-restricted housing units and 30,000 net new market rate housing units by December  
6 2025, and requests that in implementing specific strategies the City aim to ensure at least 75  
7 percent of rent- and income-restricted units are affordable to households earning 0-60 percent of  
8 median income. The City Council requests that the Mayor establish a method for annually  
9 tracking and reporting on progress towards producing rent- and income-restricted and market  
10 rate units.

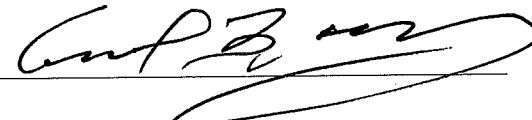
11 Section 4. Resolution 31609 is repealed.  
12




1 Adopted by the City Council the 5<sup>th</sup> day of OCTOBER, 2015, and  
2 signed by me in open session in authentication of its adoption this 5<sup>th</sup> day  
3 of OCTOBER, 2015.

4   
5 \_\_\_\_\_  
6 President \_\_\_\_\_ of the City Council

7 The Mayor concurred the 16<sup>th</sup> day of October, 2015.

8   
9 \_\_\_\_\_  
10 Edward B. Murray, Mayor

11 Filed by me this 16<sup>th</sup> day of OCTOBER, 2015.

12   
13 \_\_\_\_\_  
14 for Monica Martinez Simmons, City Clerk

15  
16  
17 (Seal)

18 Attachment A: Council Work Plan for HALA Recommendations

ATTACHMENT A

Council Work Plan for  
HALA Recommendations

Strategy	Deliverable	Timeline for Council Action	Comment
<i>Increase the number of rent and income restricted units for households at or below 60 percent of AMI and explore changes to regulations to increase the supply and variety of housing options</i>			
a) Implement a Mandatory Housing Affordability Program (Commercial)	<ul style="list-style-type: none"> <li>▪ Framework legislation</li> <li>▪ Implementing upzones or changes in development standards</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4<sup>th</sup> quarter 2015</li> <li>▪ 2017</li> </ul>	
b) Adopt a Mandatory Housing Affordability Program (Residential)	<ul style="list-style-type: none"> <li>▪ Policy resolution</li> <li>▪ Implementing upzones or changes in development standards</li> </ul>	<ul style="list-style-type: none"> <li>▪ 3<sup>rd</sup> quarter 2015</li> <li>▪ 2017</li> </ul>	
c) Renew and consider modifications to the City's Multifamily Property Tax Exemption Program (MFTE)	<ul style="list-style-type: none"> <li>▪ Legislation</li> </ul>	<ul style="list-style-type: none"> <li>▪ 3<sup>rd</sup> quarter 2015</li> </ul>	
d) Significantly increase the voter approved Housing Levy	<ul style="list-style-type: none"> <li>▪ Legislation authorizing placement on ballot in 2016</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2<sup>nd</sup> quarter 2016</li> </ul>	
e) Develop credit enhancement program for the development of replacement housing units by the Seattle Housing Authority at Yesler Terrace	<ul style="list-style-type: none"> <li>▪ Legislation authorizing credit enhancement program</li> </ul>	<ul style="list-style-type: none"> <li>▪ 1<sup>st</sup> quarter 2016</li> </ul>	

f) Use publicly owned properties for development of affordable housing	<ul style="list-style-type: none"> <li>▪ Legislation authorizing transfer of specific city owned property for development of housing</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ongoing</li> </ul>	The Finance and Administrative Services Department and the Office of Housing (OH) will explore whether Resolution 29799, which governs disposition of surplus property, should be revised to prioritize affordable housing development.
g) Explore development of a local employers fund for affordable housing.	<ul style="list-style-type: none"> <li>▪ Report to Council</li> </ul>	<ul style="list-style-type: none"> <li>▪ 3<sup>rd</sup> quarter 2016</li> </ul>	
h) Remove barriers to development of detached and attached accessory dwelling units and explore regulation of the market for short term rentals.	<ul style="list-style-type: none"> <li>▪ Report to the Council on options for short term rental regulation</li> <li>▪ Legislation amending development standards to facilitate production of attached and detached accessory dwelling units and</li> <li>▪ Legislation establishing regulations for the short term rental market</li> </ul>	<ul style="list-style-type: none"> <li>▪ 1<sup>st</sup> quarter 2016</li> <li>▪ 3<sup>rd</sup> quarter 2016</li> <li>▪ 4<sup>th</sup> quarter 2016</li> </ul>	Changes Council will consider include eliminating or allowing waiver of parking requirements, eliminating owner-occupancy requirements, allowing multiple accessory dwelling units on one lot, and increasing the number of unrelated persons that can collectively reside in principal and accessory dwelling units on one lot.
i) Adaptation of Single Family Homes	<ul style="list-style-type: none"> <li>▪ Report to Council reflecting policy options.</li> <li>▪ Legislation amending development standards to allow more flexible use of homes in existence prior to January 1, 2016 that are located in single family zones.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 3<sup>rd</sup> quarter 2016</li> <li>▪ 2017</li> </ul>	The Council will consider changes to allow existing houses to be converted into multiple housing units. Development standards for Single Family zoning including height, bulk and lot coverage ratios continue to apply.
j) Explore reducing or removing minimum parking requirements for residential development in urban centers,	<ul style="list-style-type: none"> <li>▪ Legislation</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2017</li> </ul>	

urban villages, and areas served by frequent transit.			
k) Participate in the transit oriented development (TOD) Regional Equitable Development Initiative (REDI) revolving loan fund to support land acquisition.	<ul style="list-style-type: none"> <li>▪ Legislation adopting governing MOU with regional partners</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4<sup>th</sup> quarter 2015</li> </ul>	
<b><i>Implement programs and policies to preserve existing affordable housing, particularly in neighborhoods where low income families are at risk of displacement.</i></b>			
l) Develop an Affordable Housing Preservation Program	<ul style="list-style-type: none"> <li>▪ Report to Council; legislation may be required</li> </ul>	<ul style="list-style-type: none"> <li>▪ 3<sup>rd</sup> quarter 2016</li> </ul>	OH will explore options including: opportunities to acquire existing affordable multifamily housing; development of a low-cost rehab loan program to assist private owners in maintaining existing, affordable housing and implementation of an affordable housing tax exemption program.
m) Make strategic investments in housing, economic development, transit and education in areas at high risk for displacement	<ul style="list-style-type: none"> <li>▪ Report to Council</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ongoing, report in 3<sup>rd</sup> quarter 2016</li> </ul>	
<b><i>Adopt programs or policies that reduce barriers for tenants seeking housing who have insufficient incomes, involvement with the criminal justice system, or unconventional sources of income.</i></b>			
n) Remove barriers and increase access to housing for people with criminal histories	<ul style="list-style-type: none"> <li>▪ Legislation</li> </ul>	<ul style="list-style-type: none"> <li>▪ 1<sup>st</sup> – 2<sup>nd</sup> quarter 2016</li> </ul>	
o) Protect renters from discrimination based on source	<ul style="list-style-type: none"> <li>▪ Legislation</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2<sup>nd</sup> - 3<sup>rd</sup> quarter 2016</li> </ul>	

of income			
p) Strengthen the Tenant Relocation Assistance Ordinance (TRAO)	<ul style="list-style-type: none"> <li>▪ Legislation or Report</li> </ul>	<ul style="list-style-type: none"> <li>▪ 1<sup>st</sup> or 2<sup>nd</sup> quarter 2016</li> </ul>	DPD will explore options including: providing assistance to tenants with language barriers or those with disabilities; revising definition of “tenant household” and payment under TRAO
q) Explore the expansion of rental/operating subsidies to assist the lowest income households	<ul style="list-style-type: none"> <li>▪ Report</li> </ul>	<ul style="list-style-type: none"> <li>▪ 3<sup>rd</sup> quarter 2016</li> </ul>	This action is contingent on identification of a funding source. Potential sources could include an affordable housing levy renewal or changes to state law authorizing a real estate excise tax increase.
<b><i>Explore programs to assist existing homeowners to remain in their homes or to provide homebuyer programs to meet the need of those unable to access conventional mortgage programs.</i></b>			
r) Consider options for increasing access to Sharia-compliant loan products	<ul style="list-style-type: none"> <li>▪ Report</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ongoing</li> </ul>	
s) Consider programs to prevent displacement of low-income homeowners with financial hardships	<ul style="list-style-type: none"> <li>▪ Report</li> </ul>	<ul style="list-style-type: none"> <li>▪ 3<sup>rd</sup> quarter 2016</li> </ul>	Contingent on identification of a funding source.
<b><i>Streamline existing project review programs and permitting activities.</i></b>			
t) Consider changes to the Design Review program	<ul style="list-style-type: none"> <li>▪ Legislation</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2<sup>nd</sup> quarter 2016</li> </ul>	
u) Consider changes to the historic preservation review program	<ul style="list-style-type: none"> <li>▪ Legislation</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2017</li> </ul>	
v) Improve coordination of permitting activities between city departments	<ul style="list-style-type: none"> <li>▪ Report</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ongoing</li> </ul>	



## State of Washington, King County

### City of Seattle Title Only Resolutions

The full text of the following legislation, passed by the City Council on October 5, 2015, and published below by title only, will be mailed upon request, or can be accessed at <http://clerk.seattle.gov>. For information on upcoming meetings of the Seattle City Council, please visit <http://www.seattle.gov/council/calendar>.

Contact: Office of the City Clerk at (206) 684-8344.

Resolution 31611 A RESOLUTION relating to the State Route 520, Interstate 5 to Medina Bridge Replacement and High Occupancy Vehicle Project; recognizing the completion of a design refinements effort and a recommendations report for the west side portion of the project and recommending actions by the City of Seattle and State of Washington based on results of this effort.

Resolution 31622 A RESOLUTION declaring the City Council's intent to consider strategies to increase the availability of affordable housing in The City of Seattle; requesting the State Legislature to adopt new policies or modify existing policies in order to provide additional opportunities for cities and counties to increase the availability of affordable housing; and repealing Resolution 31609.

Date of publication in the Seattle Daily Journal of Commerce, October 27, 2015.

10/27(329864)