

**Session 1: Is there Still a Place in Seattle for the Single-Family Detached Housing Typology,
Given the Acute Need for Affordable Housing?**

Summary of Proceeding by Katherine Latimer

Moderated by Jeanne Marie Coronado

Panelists: Emily Alvarado, Tory Laughlin Taylor, Colin Morgan-Cross

Abstract: The expert panel explored the intersection between existing zoning laws and well-established neighborhood patterns of development. In addition, the panel discussed the acute need for the increased production and availability of affordable housing in the greater Seattle area, including in and near the City of Seattle's Central Business District, as well as other close-in employment centers. The genesis of this Special Topic in the Innovating the Built Environment – SITIE2020 course came out of a series of articles published during the SITIE2019 course reporting on several cities throughout the U.S., including Minneapolis, MN, contemplating the elimination of single-family detached zoning from its zoning and land use codes as part of a larger strategy to ramp up affordable housing production.

I. Introduction¹

Moderator, Jeanne Marie Coronado with CBRE Affordable Housing, opened the session by stressing the importance of discussing affordability at the intersection of housing and social justice.² While zoning plays an essential role in the problem of affordability, there are many more elements that need to be considered for a complete understanding of housing affordability. A meaningful discussion on the intersection of housing and social justice is becoming increasingly important as it plays a significant role in the United States' income and racial divide. For systemic change to happen, there needs to be a continued unwinding of the lasting impacts of redlining, and the more-subtle effects of redlining that followed, in real estate that has left scars on the urban landscape. This session discussed the importance of continuing the discussion to unwind the lasting impacts of redlining, delving deeper into the ways housing affordability impacts inequality, and promoting equality.

II. Overview and History of Zoning in Seattle

Zoning is only one of many issues that impacts affordable housing. Specifically, zoning governs the use and development of land, designating, by district, a category of use for the land.

¹ This portion of the symposium was hosted by CREW Seattle. Commercial Real Estate Women (CREW) is dedicated to advancing the success of women in commercial real estate. CREW Network's membership includes more than 11,000 professionals in over 75 major global markets representing all aspects of commercial real estate. The organization engages in gender parity research, provides scholarships to advance women in real estate, sponsors mentoring opportunities, and hosts educational and outreach events.

² Ms. Coronado acknowledged her own childhood, growing up in a stereotypical single-family home. Acknowledging different life experiences and their impact on an individual's worldly perception is essential for open and honest dialogue.

These zoning regulations and categories are codified in city ordinances, which are subject to the votes of city municipal leaders on how the land should be designated. It is no surprise that zoning ordinances can be politically charged rather than decisions made based on best land use.

The history of zoning laws and land use maps³ are embroiled with racial injustice and inequality across the United States. Seattle specifically has a long history of racially restrictive covenants and housing segregation which dictated municipal demographics and defined neighborhood growth and development. Neighborhoods, such as West Seattle, North Seattle, and suburbs of Lake Washington all adopted deed restrictions to exclude non-white families. In the 1920s, BIPOC⁴ families in Seattle had only a few options for where they could live. In 1917, the United States Supreme Court held that ordinances imposing racial segregation were unconstitutional,⁵ but it left the door open for racially restrictive covenants. These covenants achieved the same goal of zoning segregation without shifting the blame to municipal leaders. In 1948, the racially restrictive covenants lost the force of law, but the map of segregation helped create lasting impacts in Seattle and across the country. While restrictive covenants and redlining practices that followed are not zoning per se, the history of racism, segregation, and exclusion is tied to the current land use experience and must be front and center when discussing the impacts of zoning.

In contemporary Seattle, growth, zoning, and land use are discussed based on the Washington Growth Management Act.⁶ The Act requires cities and counties in the State of Washington to prepare comprehensive plans that show how the municipality will manage projected population growth for the area. The plans address key goals such as: reducing sprawl; encouraging future development near services and facilities; maintaining public transportation, housing and open space; protecting property rights; and protecting the natural environment. The most recent comprehensive plan for the City of Seattle was created in 2018 and includes “the urban village strategy”. This strategy directs growth to urban district centers, where businesses, transportation, and density already exist. It looks to monitor growth where low-income and BIPOC households are at risk of displacement (also known as 'gentrification') and to reinforce city investment into the community. The urban village concept created areas of multi- and single-family zoning as well as residential and commercial zoning. The strategy aimed to address growth, options, affordability, and availability, while simultaneously preserving single-family housing.

Over a period of tremendous growth over the last several years, in which the City outpaced population growth projections set in the plan, there has been an effort to change zoning by linking it to affordable housing. This policy is known locally as Mandatory Housing Affordability (MHA) and referred to nationally as inclusionary zoning or housing. In an effort to balance the explosive population growth and the consequent, additional pressures such unanticipated growth has placed on housing affordability, the City instituted “up-zoning” in multi-family and commercial zones. In exchange for increasing the zoning capacity in these areas, property owners and developers were expected to contribute to affordable housing in one of two ways: (1) by making a payment to the City to be invested in affordable housing projects; or (2) by creating affordable housing on site

³ Land use maps are a series of maps showing zoning classifications and boundaries.

⁴ Black, Indigenous, and People of Color.

⁵ See *Buchanan v. Warley*, 245 U.S. 60, 38 S. Ct. 16, 62 L.Ed. 149 (1917).

⁶ RCW § 36.36.70A.

that includes a covenant ensuring long-term affordability, with the goal of creating thousands of affordable units within the City's map as its population continues to grow. The creation of the policy was complex, but it shifted roughly 6% of single-family zoned areas to make room for more growth.

The current affordable housing landscape of Seattle includes an existing pool of 16,000 income-restricted rental units that are asset managed by the City.⁷ These units allow eligible individuals to live in the City by remaining affordable for at least 50 years. A vast majority of the 16,000 units are in multi-family zones, in part because it is easier to create affordable housing in apartment buildings.

III. How does zoning impact affordable housing?

To fully understand how the zoning map of Seattle has historically impacted housing affordability, it is important to note that while zoning sets the stage for what can be built, it does not actually create the end-product of what can be built, affordable or otherwise. Development financing needs to be discussed in tandem with zoning. In this discussion, zoning is the framework, rather than the solution. If there is too much focus on zoning without recognizing the other mechanisms for development, there may be more displacement and other unintended issues.

By recognizing that zoning is only part of a larger conversation, we see that affordable housing is best built in multi-family zoning and apartments, in terms of getting to scale and the lowest costs-per-unit of housing. The City has several systems of delivery for all dwelling units regardless of pricing category or level of affordability. The largest delivery system is the private market, which creates 15,000 units per year. This model produces a fairly rapid profit return and consists of building, leasing, and stabilizing, or selling, these residential units, as the case may be. This robust residential pipeline also typically produces higher-end rental units and is not conducive to the production, at scale, of affordable housing. On the other end of the spectrum is the more traditional, build-for-income, approach embraced by non-profits. In this approach, the property is developed and held long-term by non-profit organizations as part of the organization's portfolio development. Over time, it becomes a more stable and affordable option. Understanding and discussing the financial approaches to housing in conjunction with zoning is essential for a productive conversation about addressing housing affordability.

After considering the various financial mechanisms for creating affordable housing, it must be acknowledged that there is a blanket need for more housing in general. The need for housing cannot be addressed just by looking at unit availability; the analysis must also include looking at communities and people. This shifts the conversation to access to opportunity, for which the urban village model works well. More dense housing should be built in communities where the City has made large investments in infrastructure and created more opportunities. Prioritizing or managing density through different lenses in the City is important and the MHA provides an opportunity to

⁷ According to the most recent information produced by the Regional Homelessness Authority, King County, where Seattle is located, is in need of 89,745 more affordable homes for households earning less than or equal to 50% Area Median Income (or \$40,460/year for a family of 4). *One Table: Addressing root causes of homelessness*, Root Cause: Affordable Housing. https://www.kingcounty.gov/~media/depts/community-human-services/housing-homelessness-community-development/documents/one-table/OneTable_RootCauses_AH_final.ashx?la=en

develop more housing and recapture value for development in areas of high displacement risk. In addition, the current zoning structure benefits the development of mid-rise multi-family housing unit, including 5-8 story buildings. This building form is the most efficient and the most used building type, especially around urban villages.

The biggest challenge in discussing affordability is in its definition. Housing affordability has been fairly well-defined as being at or less than 30% of Annual Household Income (AHI), including utilities. However, the parameters for rent-setting are all over the map depending upon the constituencies and public policies to be served. Not all housing types are produced equally or to meet need. To a non-profit affordable housing developer, affordability means long-term publicly subsidized housing for residents in certain income levels. These residents tend to be low-wage workers who do not have any other affordable living options in the City. Another policy goal of overall housing affordability strategies may be home ownership or supportive housing for individuals who have experienced homelessness. The need for different types of housing produces the additional challenge of building what is needed when the areas around urban villages and centers of opportunity are surrounded by areas zoned for lower density housing. It is much more difficult to build and provide long-term affordable housing at low-rise scale. With nearly 70% of the City being zoned for single-family dwelling units, part of the discussion needs to include how to look at single-family zones differently.

IV. What are the challenges in rethinking single-family zoning to achieve housing affordability?

Before jumping to the idea of eliminating single-family zoning to achieve housing affordability, it is essential to discuss the barriers to producing this type of housing at scale. Single-family zones are one of many barriers to affordability. For example, the former army base at Fort Laughten, where there is high opportunity, cannot be turned into affordable housing without planning for three things: (1) the specific affordable housing products, their layout, and site planning; (2) a change in the underlying zoning; and (3) financing for the specific affordable housing project being proposed. Other challenges for the redevelopment of the area include the need for owners of existing properties who are willing to sell at a price point where redevelopment is possible, while acknowledging that some displacement will occur. These challenges must be balanced against the type of housing that is needed.

Single-family zoning does have some benefits in that existing homeowners may have affordable housing, which needs to be maintained. Affordability is measured on a scale. One creative solution to addressing affordable homeownership and increased density is townhomes. However, townhomes can be problematic because while they are slightly more affordable than a single home, they are built at a level that limits building capacity in an area, such as preventing higher density small apartments from being built, which cannot be reconsolidated to be built at denser levels. Conversely, townhomes create an opportunity for homeownership and increased personal equity. Therefore, the solution is not to completely eliminate single-family zoning, but rather to provide a range of different housing opportunities that are accessible to a broader group of people with diverse needs and backgrounds. These diverse opportunities include finding ways to reduce the displacement of both renters and homeowners who are being pushed out of the City.

V. How does housing impact income and racial inequities?

Single-family housing and displacement cannot be discussed without seriously addressing the racial inequities. The displacement of individuals and homelessness have disproportionately impacted BIPOC residents. Housing in the United States is part of the infrastructure and the public health system. Families who triple-up are at greater risk for health issues and other impacts. The government has an essential role in addressing how multi-family versus single-family housing typologies play into income and racial divides in our cities and what can be done to address economic and social injustice. Its role is to determine whether low-income people have the opportunity to live in the City and if so, where. The public sector has always been a principal provider of affordable housing opportunities, whether through the direct development and management of income-eligible public housing units or by providing subsidies which allow for opportunity, community connectedness, and inclusive neighborhoods. Unfortunately, over the years there has been a noticeable and intentional disinvestment by the federal government in subsidizing affordable housing. As the federal government's involvement decreased, the nation saw an uptick in displacement and homelessness.⁸ As a result of this disinvestment, there is a greater reliance on local resources to subsidize affordable housing projects nationwide. Local leaders are forced to rely on the community and large local companies to invest in the financing and funding of these projects. Every year the City receives more applications for affordable housing projects than there are funds available. It is only after the necessary funding is acquired that the limitations of zoning restrictions will be fully realized.

Affordable housing should mean that all people have a choice in where they live. It is necessary to look for ways to accommodate different types of housing in different neighborhoods, such as diversifying opportunities in all zones. However, creating additional, diverse, and affordable housing is only the output. The outcome of the projects and change must be economic empowerment and equity. It is creating access to opportunity and making sure these opportunities are available to as many people as possible that can lead to affordable housing. Moving forward, it is important to ensure that community managed zoning is not a barrier and recognize that there are more opportunities than capital to fund them. However, the conversation does not end with acquiring capital. There is a huge concern with the redevelopment of areas that could lead to the displacement of low-income single-family homeowners who feel pressured to sell their generational homes. The conversation now must include supporting homeowners, especially in the Black community, and ensuring that the redevelopment to create opportunities for some does not disproportionately or unjustly displace BIPOC individuals and families.

⁸ Individuals experience homelessness as a result of a wide range of circumstances. While the panelists only briefly mention homelessness, it is worth mentioning that individuals who experience homelessness primarily as a result of displacement or a lack of affordable housing likely are in the category of episodic homelessness, rather than chronic homelessness. This is an important distinction because while the federal government has reduced subsidies and grants for affordable housing in general, there is still significant federal funding for projects that support individuals experiencing chronic homelessness. Regrettably, it is very difficult to obtain federal funding for projects that focus on episodic or family homelessness.