

Office of the Mayor City of Seattle Jenny A. Durkan, Mayor

## Executive Order 2019-04: Actions to encourage more affordable accessory dwelling units throughout Seattle

An Executive Order directing the Seattle Department of Construction and Inspections, the Office of Planning and Community Development, the Office of Housing, and other City departments to partner with community members and design and construction businesses to develop and implement strategies to encourage more accessory dwelling units as affordable long-term housing choices throughout Seattle's single-family neighborhoods and to study how accessory dwelling units are addressing our housing affordability crisis and impacting our communities.

WHEREAS, Seattle faces acute housing and livability challenges, including a lack of affordable housing that constrains where individuals and families can find a home that meets their needs and make it difficult for longtime residents to age in place; and

WHEREAS, the availability and affordability of housing remains one of the foremost challenges to our vision of being a vibrant and diverse city where all people can flourish, its effects are particularly burdensome for low-income people who increasingly struggle to afford any housing at all and the middle class families that want to make or keep Seattle as their home; and

WHEREAS, the median price for a detached house in 2018 was nearly \$800,000, a price far out of reach for most Seattle areas households. At nearly \$2,200 per month, affording even the median rent for a two-bedroom single-family home exceeds the income of most households, according to the most recent data on single-family rentals in Seattle; and

WHEREAS, our housing landscape reflects not only market forces and conditions but also many decades of public- and private-sector exclusion and discrimination, including redlining and racially restrictive covenants, that limited access to housing ownership and opportunity for Indigenous communities, people of color, and low-income households, among others; and

WHEREAS, Executive Order 2017-13 affirmed the City of Seattle's commitment to the Race and Social Justice Initiative and continued use of a racial equity lens on actions relating to affordability; and

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WHEREAS, Seattle's commitment to race and social justice drives our work to make all parts of Seattle affordable for people of color and low-income people; and

WHEREAS, accessory dwelling units (ADUs) are secondary units within, attached to, or in the rear yard of a single-family home that create new housing options in areas of our city where housing is generally unaffordable to most people; and

WHEREAS, Seattle has allowed attached and detached ADUs since 1994 and 2010, respectively, but less than two percent of single-family lots have added an ADU, creating an opportunity for new, contextual, space-efficient housing on tens of thousands of lots in our neighborhoods; and

WHEREAS, various hurdles frequently stymie Seattle homeowners who seek to create ADUs, including but not limited to regulatory barriers, high construction costs, a lengthy and complex permitting process, and insufficient financing tools; and

WHEREAS, a wide range of households, particularly older adults looking to downsize, seniors with fixed incomes, low-income households, homeowners with disabilities or other needs, and multigenerational families could benefit from the flexibility, stability, or supplemental income that an ADU provides to meet their evolving household needs; and

WHEREAS, ADUs are relatively more affordable to rent than most single-family houses but remain out of reach for many low-income households; and

WHEREAS, in 2014 the City Council adopted Resolution 31547, directing planning staff to explore incentives, marketing and promotion strategies, and regulatory changes that could increase ADU production; and

WHEREAS, Executive Order 2019-02 recognized the need to create affordable, inclusive neighborhoods and directed City departments to develop and implement strategies to further affordability and mitigate residential displacement; and

WHEREAS, in May 2018, in order to accelerate the building of more housing units in Seattle, I issued a directive to Seattle Department of Construction and Inspections (SDCI) to fast-track pre-approved designs for Detached Accessory Dwelling Units (DADUs) by hiring architects to develop several standard architectural plans for backyard cottages that could be built and permitted more quickly and at a lower cost to residents; and

WHEREAS, while efforts to encourage ADU production may have a positive impact on affordability and displacement overall, other actions beyond regulatory changes are necessary to ensure ADU policies more equitably benefit lower-income households and households of color; and

WHEREAS, other jurisdictions in the Pacific Northwest and elsewhere in North America have explored various strategies for delivering ADUs that a broader range of households can afford to own or rent that could serve as a model for Seattle;

NOW THEREFORE, I, JENNY A. DURKAN, Mayor of Seattle, hereby affirm the City's commitment to encourage more affordable accessory dwelling units throughout Seattle. To this end, I direct the following:

## Section 1. Assist homeowners in the ADU design and permitting processes.

- A. Seattle Department of Construction and Inspections (SDCI) will streamline the design and permitting process for detached accessory dwelling units (DADUs) by making preapproved plans available at low- or no-cost to homeowners. This work shall:
  - a. Encourage relatively simple, small, and low-cost DADU designs through an open call for submissions from the design and construction community, with an emphasis on encouraging participation by smaller firms, young and emerging designers, and women- and minority-owned businesses.
  - b. Engage the public in developing design guidelines for the City to encourage in DADU plans.
  - c. Support ongoing innovation in prefab, modular, and other new construction methods that may reduce construction costs.
  - d. Issue an ADU construction permit within 30 days for homeowners using a preapproved DADU plan.
  - e. Implement appropriate actions to ensure DADUs using pre-approved plans provide long-term housing affordability.
- B. SDCI will hire an "ADU navigator" on the permitting staff to help homeowners navigate the permitting process for ADUs.
- C. SDCI will work with the Office of Planning and Community Development (OPCD), Seattle Information Technology Department (Seattle IT), and other departments to:
  - a. Develop a one-stop ADU website that provides a comprehensive inventory of ADU information, guidance, resources; summarizes ADU regulations and permitting steps; and facilitates connections among prospective ADU owners and residents and the design and construction community.
    - The website will include a "Can I build an ADU?" service to help homeowners identify and appraise their ADU options by prototyping an ADU feasibility tool through the City's participation in the UW Data Science for Social Good program.
    - ii. The effectiveness of this tool shall be reviewed within a year of implementation to ensure it provides meaningful assistance to homeowners, designers, and builders.
  - SDCI, along with the Office of Planning and Community Development (OPCD) will
    establish and convene an ADU working group, including experienced ADU
    designers, builders, owners, landscape architects or arborists, environmental

advocates and residents to provide educational opportunities—such as tours and events—to homeowners interested in learning about ADUs and to advise on City ADU-related programs and resources. This group will also make recommendations on how to build green ADUs and best preserve trees and other important environmental features.

## Section 2. Pilot strategies for ADUs that support affordability for homeowners and tenants.

- A. The Office of Housing (OH) will use the existing Home Repair Program to develop a pilot program for low-interest financing to help low-income homeowners create ADUs.
- B. OPCD, OH, and SDCI will create other innovative strategies and programs to create affordable ADUs for low-and moderate-income tenants, including:
  - a. OH, in partnership with OPCD, will explore options for a financing program to deliver ADUs affordable to low- and middle-income households. The program should encourage equitable access to the program by exploring loan terms that are achievable for lower-income homeowners.
  - b. The City will work with state leaders to create tools and incentives at the state level to expand availability of affordable housing units supporting a variety of income levels and innovative housing options to come online more quickly than standard housing development has in the past.
- C. SDCI, in consultation with OPCD and DON and other City entities, will partner with nonprofits, public agencies, and private organizations on models of affordable ADU construction, using best practices gleaned from other jurisdictions.

## Section 3. Monitor ADU development to measure the development benefits and impacts of ADU production.

- A. By December 1, 2019, Department of Neighborhoods (DON), OPCD, and other City entities, with the assistance of economists and other stakeholders, will create a baseline assessment of:
  - a. The current number, location, and uses of ADUs (e.g. long-term rental, short-term rental, or other uses);
  - b. The rental rates of ADUs;
  - c. The parking usage for ADU residents and the availability of on-site and off-site parking; and
  - d. An assessment of green space and tree canopy in the geographic regions of the City: Northwest, Northeast, Central, Southeast, and Southwest.
- B. On December 1, 2020 and every December 1 for each year thereafter, SDCI and OPCD shall report on the state of each factor listed in section 3 (a) above, together with:
  - a. The number of ADUs permitted, but not yet constructed.
  - b. The number of ADUs constructed since the last report, and of those:
  - c. The number of ADUs:
    - i. Being used as long-term affordable housing
    - ii. Being used for short-term rentals
    - iii. Being used for other purposes
  - d. The usage rates of the City's pre-approved plans and financing assistance.

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- e. The impacts of ADU construction on green space and tree canopy.
- f. An economic assessment of the impact of ADU's on the availability of and need for affordable housing.
- g. Given the assessment, provide recommendation on how to improve the ADU program.
- h. The impacts that additional ADUs have, if any, on the need for additional transit, bike infrastructure, and pedestrian amenities and improvements, as well as other transportation issues (such as traffic congestion).
- i. The impact that additional ADUs have, if any, on the need for additional green space, infrastructure, parks, schools, or other City needs.

Any questions about this Executive Order should be directed to Policy Director Edie Gillis.

Dated this 9th day of July, 2019

Lenny A. Durken

Yenny A. Durkan Mayor of Seattle