Resolution Calling For A Deduction In Mandatory Housing Affordability Fees

WHEREAS, the 43rd Legislative District Democrats support policies that increase housing affordability, expand housing choices, reduce homelessness, and ensure that working families, seniors, and young people can afford to live in Seattle; and

WHEREAS, increasing the supply of housing at all income levels is essential to addressing Seattle's housing affordability crisis, and public policies should encourage—not discourage—the production of new homes; and

WHEREAS, while the Mandatory Housing Affordability (MHA) program was created with the goal of increasing both affordable housing funding and market-rate housing production, the City's own five-year evaluation[1] demonstrates that the program has imposed significant costs on new housing, particularly in low-rise zones, where additional development capacity has often failed to offset the financial burden of the required fees; and

WHEREAS, declining housing production has reduced both market-rate and affordable housing opportunities while increasing costs for future homeowners and renters[2][3]; and

WHEREAS, the voter-approved housing levy and payroll tax on large businesses has increased the amount the city is spending on affordable housing to a total of $349 million in 2025, making the MHA program a much smaller proportion of the city's overall investments, representing only 6% of total affordable housing dollars in 2025; and

WHEREAS, apartment applications are down 88% from 2020 peak, dropping from 17,444 units in 2020 to 1,994 units in 2025[4]; and

WHEREAS, townhome production has slowed by 80% from pre-MHA in 2018 and nearly stopped because of the program, with less than 300 permit applications in 2025[5]; and

WHEREAS, the average MHA fee for townhomes in low-rise zoning increases the cost of a home by $26,000; and

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[1] 5-year evaluation from BERK: https://www.seattle.gov/documents/departments/opcd/seattleplan/mha5yearevaluationberk2025.pdf

[2] Pressure on homebuyers: https://www.fox13seattle.com/news/seattle-priciest-housing-markets-us

[3] Pressure on renters: https://www.psrc.org/our-work/equity/equity-tracker/housing/renter-cost-burden

[4] Apartment and townhome decline data: https://www.arcgis.com/apps/dashboards/0ecefa68fbda40de8ad9c6412ac5149d#

[5] Apartment and townhome decline data: https://www.arcgis.com/apps/dashboards/0ecefa68fbda40de8ad9c6412ac5149d#

WHEREAS, in a typical midrise apartment, MHA adds $150-250 a month per unit in added rent to non-subsidized renters in the building.

BE IT THEREFORE RESOLVED that the 43rd LD Democrats call on the mayor's office to expedite introduction of a measure to reduce Mandatory Housing Affordability fees by 90 percent this year, followed by an 80 percent reduction in 2027, and a 75 percent reduction in 2028; and

BE IT THEREFORE FURTHER RESOLVED that the 43rd LD Democrats call on city council to take immediate action to pass a reduction on Mandatory Housing Affordability fees by 90 percent this year, followed by an 80 percent reduction in 2027, and a 75 percent reduction in 2028; and

BE IT THEREFORE FURTHER RESOLVED that the 43rd LD Democrats will encourage other local LDs, along with King County Democrats and the Washington State Democratic Party, to adopt similar resolutions; and

BE IT THEREFORE FURTHER RESOLVED that this resolution be sent to the mayor and all members of the Seattle City Council; and

BE IT THEREFORE FINALLY RESOLVED that the Secretary of the 43rd LD Democrats report back on the response from the aforementioned recipients of this resolution at the 43rd LD Democrats General Meeting immediately following its adoption.

Submitted by Natalie Reber, 43rd LD PCO, to the September 15th, 2026 General Meeting of the 43rd LD Democrats.