

Where are IZ Units located?

There is a tradeoff between producing as many housing units as possible and ensuring that the program contributes to economic integration of higher cost neighborhoods. If maximizing the number of units was the only goal, investing bonus contributions from projects in high cost locations in less expensive locations could be a successful strategy. In some other cities reliance on collection of In Lieu payments has resulted in development of affordable units in lower income communities far from the high opportunity neighborhoods where new market rate housing is being built.

However, in Seattle, in spite of the high reliance on bonus payments this does not appear to be happening. Both the onsite production affordable units and Bonus-funded affordable rental housing is largely concentrated in the central neighborhoods, near job and transit centers, including in many of the higher cost areas around downtown. Units funded with IZ bonus contributions do not tend to be highly concentrated in any one neighborhood. They are more likely to be located in neighborhoods closer to downtown and within close proximity to the properties that provided the bonus funds. It does not appear that a greater reliance on the on site production option would result in a significant change in the geographic distribution of units or that on-site performance units would be located in neighborhoods of higher economic opportunity.

Figure 6: Affordable Housing Production Through the City's Incentive Zoning Since 2001

The Residential and Non-Residential Bonus element of the City of Seattle's incentive zoning program enables developers to provide affordable housing units in exchange for extra floor area. Developers can provide the affordable housing units on-site, off-site, or through fee-in-lieu payments to the Office of Housing.

This map shows affordable housing produced through the City's incentive zoning since 2001.

