

June 26, 2025

MEMORANDUM

То:	Land Use Committee
From:	Ketil Freeman, Analyst
Subject:	Council Bill (CB) 121011 – Roots to Roofs Bonus Pilot Program

On July 2, 2025, the Land Use Committee (Committee) will have a briefing on a Council Bill (CB) 121011, sponsored by Councilmember Rinck. CB 121011 would create a pilot program ("Roots to Roofs") that is intended to encourage partnerships between community-based organizations with limited development experience and more experienced non-profit and for-profit development of low- and moderate-income housing with neighborhood-serving equitable development uses. Participating development could take advantage of density bonuses and other regulatory incentives.

This memo describes what CB 121011 would do and sets out the next steps.

What the Proposal Would Do

The proposal would establish a term-limited, pilot program to encourage development with low to moderate income housing and neighborhood-serving equitable development uses. The pilot is intended to model equitable development and partnership types that mitigate current direct and indirect residential and non-residential displacement pressure. The pilot would end by 2035 or after 35 qualifying projects have applied, whichever is earlier.

CB 121011 would:

- Define equitable development uses broadly as activities where all components and subcomponents of the use provide mitigation against displacement pressure for individuals, households, businesses, or institutions comprise a cultural population at risk of displacement;
- Identify minimum qualifications for program eligibility, including organization types and ownership interests among partner organizations;
- Require that qualifying development provide at least 25 percent of units as affordable to lower income households;
- Provide additional height, allowable floor area, exemptions from floor area calculations, and other development standard modifications for participating projects that, in addition to affordable housing:
 - $\circ~$ Are located in areas with historical racially restrictive covenants 1 and
 - Provide equitable development uses;

¹ The University of Washington's <u>Racial Restrictive Covenants Project</u> (https://depts.washington.edu/covenants/index.shtml) maps parcels and subdivisions throughout the state with historical racial restrictions on sale and resale of property. To date the project has identified 44,000 properties in King County with historical racial restrictions. Many of those parcels are in Seattle. In 1948 the Supreme Court held that racially restrictive covenants were not legally enforceable. *Shelley v. Kraemer*, 334 U.S. 1 (1948). Congress voided and made illegal racially restrictive covenants through the Fair Housing Act in 1968.

- Exempt eligible development from Design Review and parking minimums;
- Direct the Directors of the Seattle Department of Construction and Inspections, the Office of Planning and Community Development, and the Office of Housing to promulgate a Director's Rule for administering the program; and
- Defer the effective date of the bill after passage by 160 days to allow for Executive rulemaking.

A table comparing allowable Floor Area Ratio (FAR) and height for some zones where the pilot would apply to current development standards and those proposed for Comprehensive Plan implementation is set out below. Generally, the proposed pilot would allow one to three additional floors and additional baseline FAR, which could be increased for projects located in areas with historical racially restrictive covenants and for the provision of non-residential space for equitable development uses.

Development Standards By Zone	NR	LR1	LR2	LR3	NC2 55		
Height Limits							
Current Height Limit	30 ft.	30 ft.	40 ft.	40 – 50 ft.	55 ft.		
Proposed For Comp Plan Implementation	32 - 40 ft.	32 ft.	40 ft.	50 ft.	55 ft.		
Density Bonus Pilot	40 ft.	40 ft.	50 ft.	55 – 65 ft.	85 ft.		
Floor Area Ratio (FAR)							
Current FAR	.5	1.3	1.6	1.8 – 2.3	3.75		
Proposed For Comp Plan Implementation	.6 – 1.4	1.3 – 1.5	1.4 – 1.6	2.3	3.75		
Density Bonus Pilot – Baseline	1.8	2.0	2.0	2.5 – 3.0	4.75		
Density Bonus Pilot – All FAR Incentives and Exemptions	2.5	3.4	3.4	4.2 – 4.8	6.0		

Participation in the program would be limited to applicants and partnerships that include a "qualifying community development organization" with a majority or controlling interest in the property. A "qualifying community development organization" would be defined as:

A nonprofit organization registered with the Washington Secretary of State as a public development authority created pursuant to RCW 35.21.730, or a public housing authority created pursuant to RCW 35.82.030, that has as its purpose the creation or preservation of affordable housing, affordable commercial space, affordable arts space, community gathering spaces, or equitable development uses. A qualifying community development organization may consist of a partnership among one or more qualifying community development organizations, one or more qualifying community development organizations and a partnering for-profit development entity, or a partnership or limited liability company of which at least one qualifying community development organization serves as the controlling general partner or managing member.

Next Steps

A public hearing on CB 121011 has been scheduled for a July 30, 2025, special Land Use Committee meeting. CB 121011 includes cross-references to sections of the Seattle Municipal Code that would be modified or repealed by <u>CB 120993</u>, Phase I zoning legislation implementing the Comprehensive Plan. If CB 121011 passes Council prior to CB 120993, Council may need to make changes to CB 120993 or authorize the code reviser to correct obsolete cross-references.

cc: Ben Noble, Director Lish Whiton, Supervising Analyst