Homeownership and Homeowner Supports

Housing, Arts, and Civil Rights Committee

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City of Seattle

Agenda

1. The Need for Homeownership
2. The Office of Housing’s Role in Homeownership
3. HomeWise Home Repair and Weatherization Programs
4. Permanently Affordable Homes For-Sale
5. Opportunities and Challenges

The Need for Homeownership

Affordable Homeownership Changes Lives

- Stable housing prevents displacement and creates diverse neighborhoods.
- Key strategy to address the racial wealth gap.
- Permanently affordable homes maintain affordability at resale for 50+ years.

Seattle Needs 112,000 Homes by 2044

Housing Unit Needs by AMI and Funding Source

0-30% AMI PSH	0-30% AMI non-PSH	30-50% AMI	50-80% AMI	80-120% AMI	120% AMI+
15,024	28,572	19,144	7,986	11,572	29,702

Affordable

Private Market

OH-Funded Homeownership (40%–80% AMI)

OH-Funded PSH and non-PSH (0-30% AMI)

OH-Funded Rental Housing (0-60% AMI)

MFTE Restr. (50–90% AMI)

MFTE Unrestricted (90% AMI+)

Overlap in Income-Restricted and Private Market Rents

Notes: Assumes 2.4 person household
Source: Countywide Planning Policies, King County Growth Management Planning Council, 2023

OH's Role in Homeownership

Forms of Support

- HomeWise home repair programs.
- HomeWise weatherization and energy efficiency programs.
- Funding for acquisition and construction of permanently affordable homes.
- Homeowner stabilization services.
- Down payment assistance.
  - 36 income eligible households supported since 2020 with over $1.9M in assistance.

2026 OH Homeownership Investments

	JumpStart / PET	2023 Levy	MHA	Grants/Other	**Total**
Homeownership	$8m	$7m	$1m		$16m
Weatherization & Home Repair	$2m			$7m	$9m
Total	$10m	$7m	$1m	$7m	**$25m**

HomeWise Home Repair and Weatherization Programs

Home Repair Loan & Grant Program

Loan Program

- Provides affordable loans to income-qualified homeowners to address critical health, safety, and structural issues.

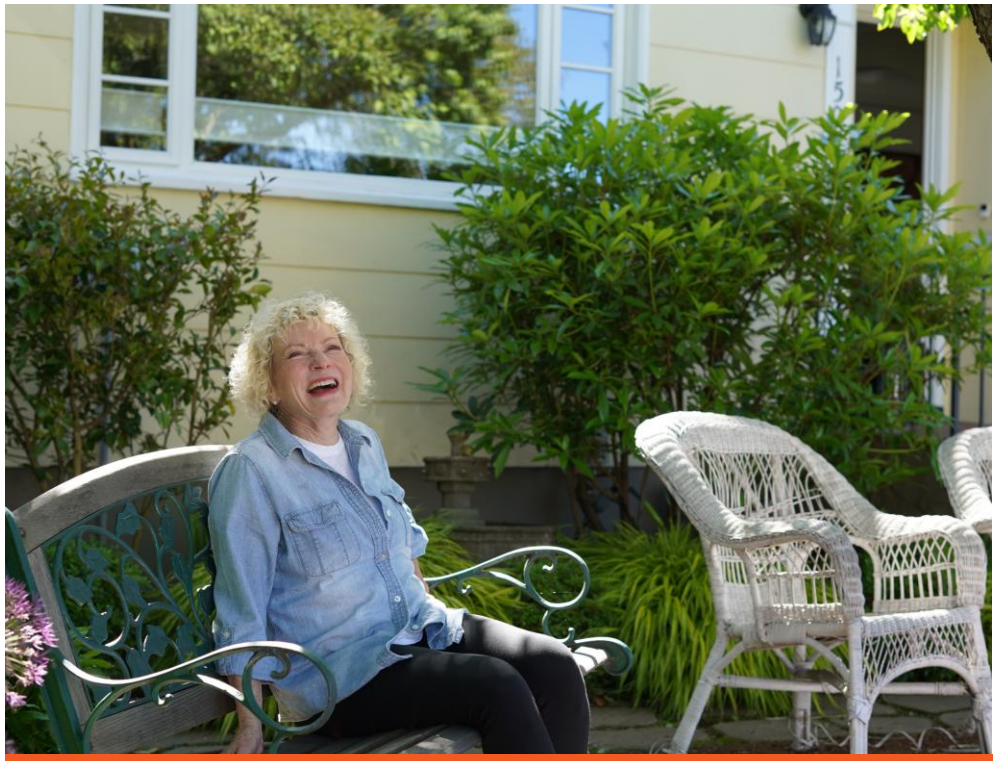
Grant Program

- Income-qualified and your repair presents a more urgent health or safety issue.

Weatherization and Oil-to-Electric Client

Weatherization Program

Provides **FREE** energy efficient improvements to income-qualified homes by decreasing energy bills, increasing comfort, and saving money.



Weatherization & Oil-to-Electric Client

Oil-to-Electric Program

- Free oil-to-electric conversion for homeowners and renters.
- Partnership between Office of Housing, Office of Sustainability and Environment, and Seattle City Light.
- Creates safe and healthy homes for low-income renters and homeowners.
- Addresses high living costs and displacement.

Mitsubishi Electric Heat Pump

HomeWise Helps Seattle Residents

- Over 1,150 single family and multi-family homes weatherized.
- Converted 263 low-income homes from oil/gas to electric heat through Clean Heat Program.
- Over 85 home repair loans and grants.

Permanently Affordable Homeownership: For-Sale Homes

Origins of Permanently Affordable Homeownership

- Habitat for Humanity founded at Koinonia Farm in Americus, Georgia, in 1942.
- Community Land Trusts (CLTs) founded in 1969 with the establishment of New Communities, Inc. in Albany, Georgia.
- Created to secure land for African American farmers facing discrimination and to provide affordable, community-controlled housing.

How Permanently Affordable Homeownership Works

- Eligibility below 80% AMI.
- Home prices aim to meet 65% AMI.
- To calculate price: 35% of pre-tax income used for housing cost.
- Housing cost includes principal, interest, property taxes, insurance, HOA dues, and stewardship fee.
- Current permanently affordable home prices for buyers: $250-$350K.

How Permanently Affordable Homeownership Works

HOME

- Homebuyer purchases home.
- Homeowner leases the land in a long-term, renewable lease.
- Homeowner agrees to sell homes at restricted prices.

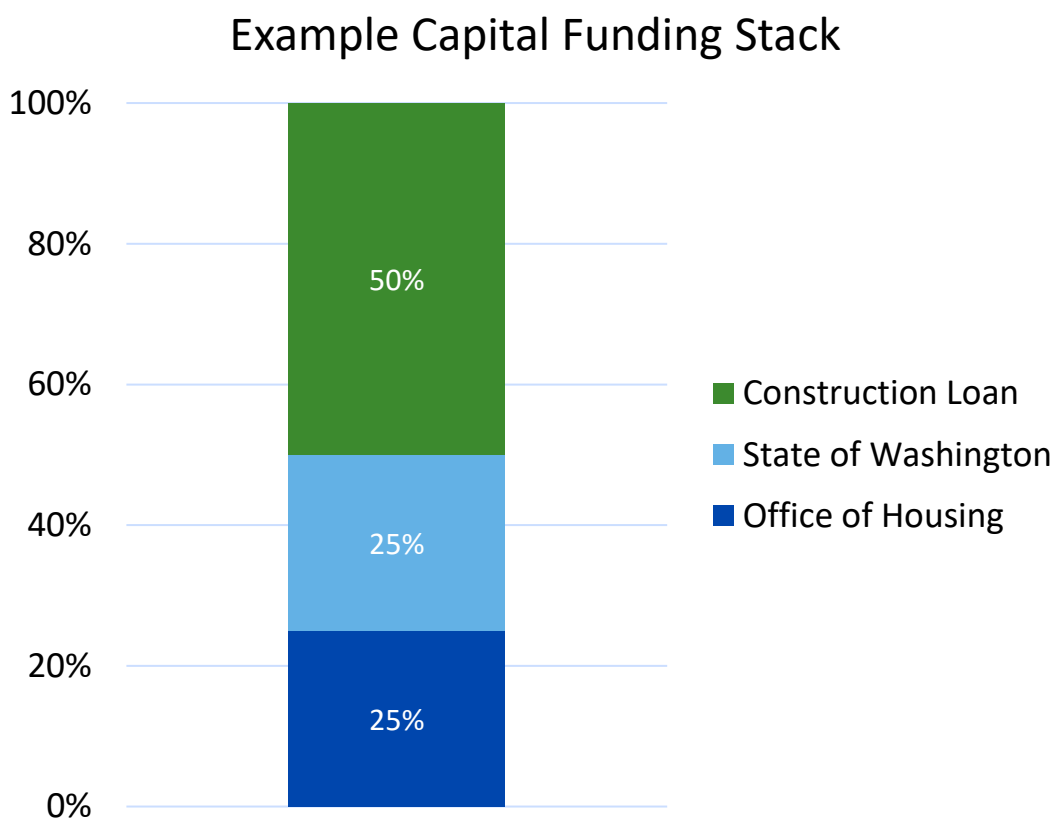
LAND

- Owned by a nonprofit.
- Nonprofit provides long-term stewardship.
- Ensures homes are sold at affordable prices to income eligible buyers in perpetuity.

Typical Homeownership Capital Funding

Every $1 of Seattle OH homeownership capital investment leverages $3 of state and private investment.

Projects face long delays for state funding needed to match local investment.



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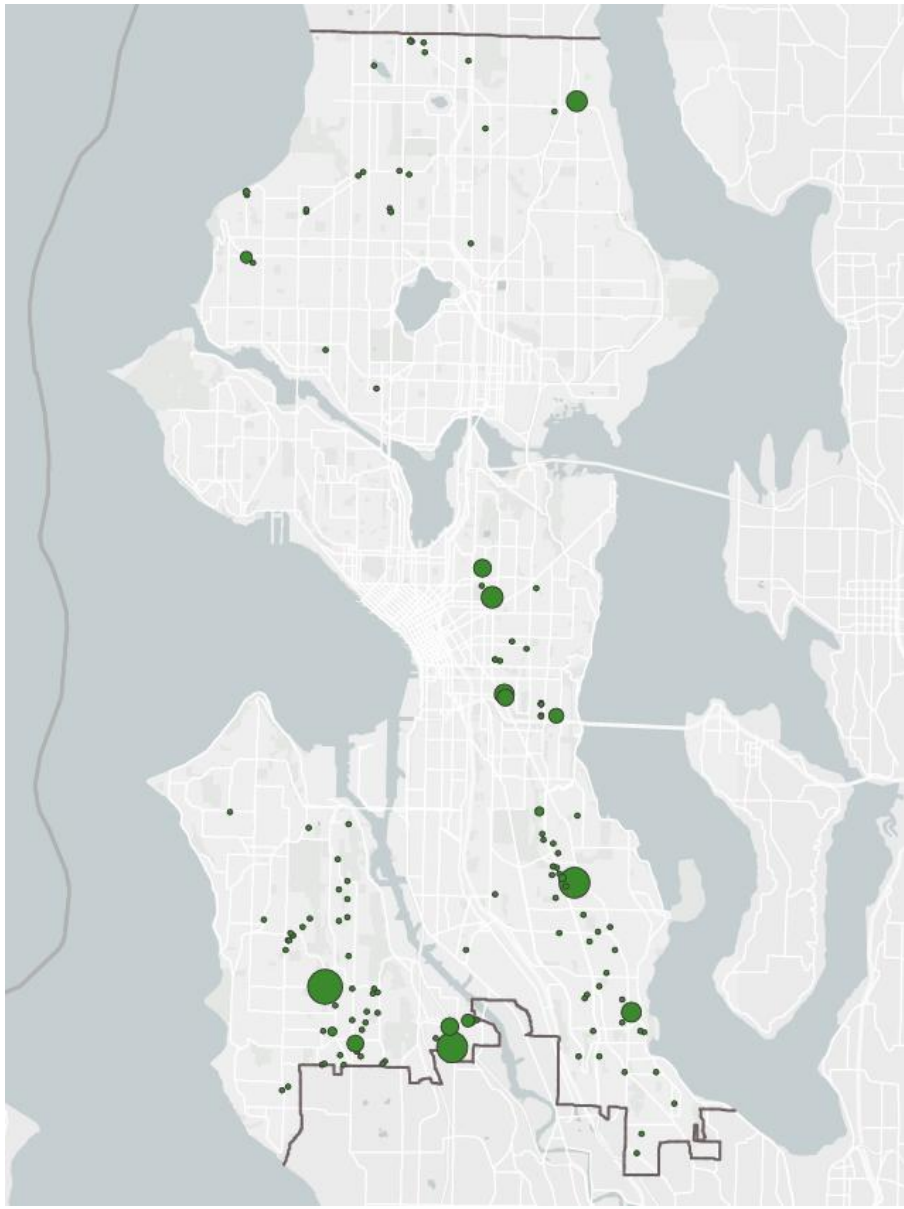
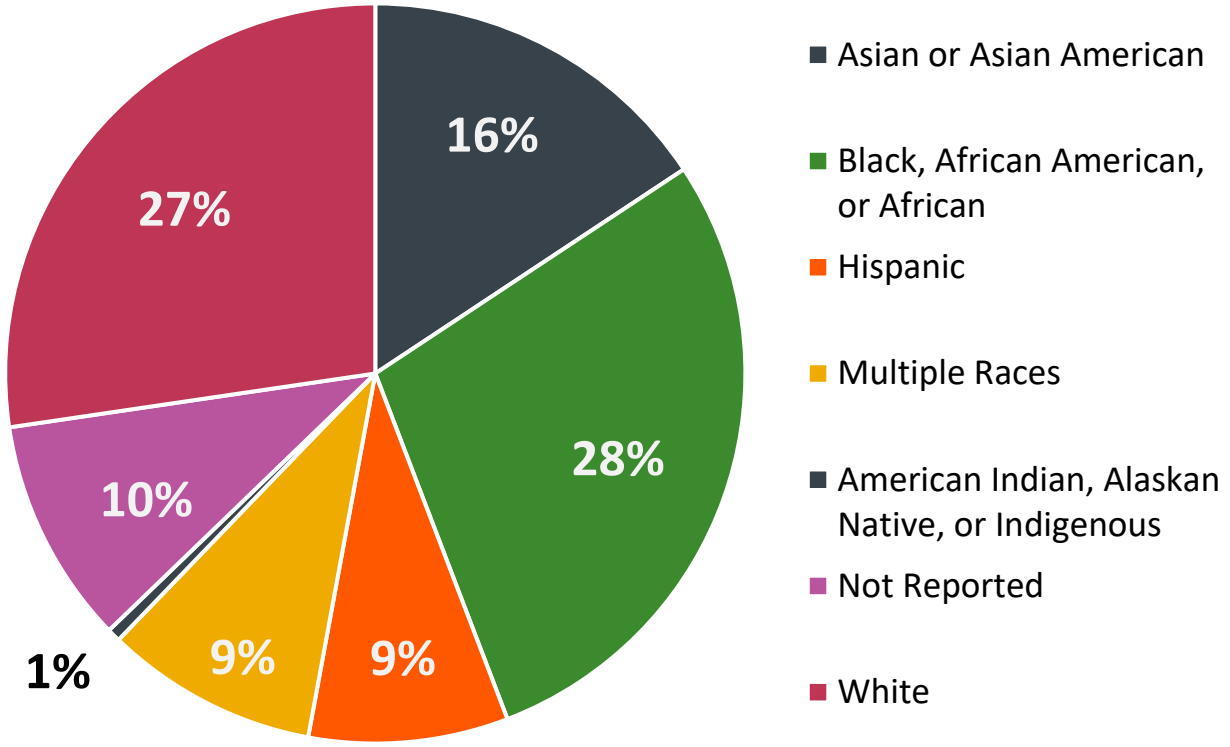
Existing Investments

- To date, over 350 permanently affordable homes completed in Seattle.
- Over 85% of our homes are in South Seattle, and over 85% of homes are 2-bedrooms or larger.
- Majority family housing:
  - 47% 2-bedroom
  - 39% 3-bedroom+

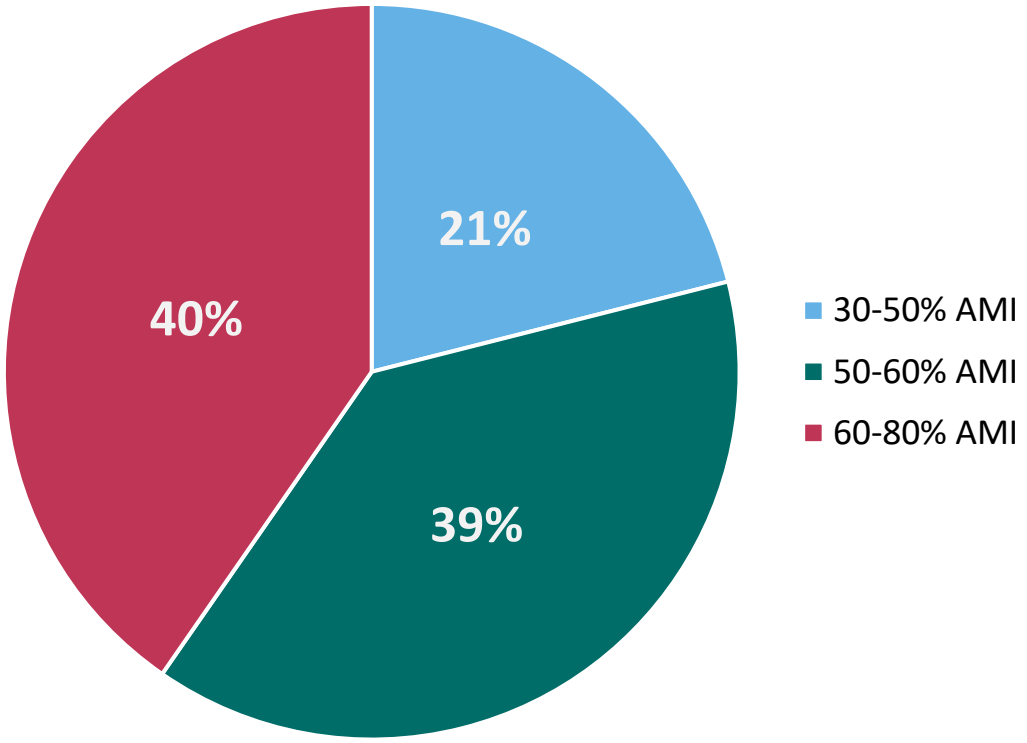


OH Supports BIPOC and Low-Income Homeownership

OH Homebuyer Demographics by Race



OH Homebuyer Demographics by Income



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Project Spotlight: Liberty Commons

- 58 new homes in Columbia City by Habitat for Humanity.
- Largest single-building Habitat for Humanity project in the US.
- Community Preference policy applied to prevent displacement.
- Opening July 2026.
- Habitat has over 200 homes in their pipeline in Seattle.

Project Spotlight: Woodland View

- Homestead Community Land Trust
- 19 permanently affordable homes with ground-floor retail
- 1- and 2-bedroom homes
- Priced between $245,000 - $315,000
- Opening Spring 2026

Project Spotlight: Goodwill Baptist

- Goodwill Missionary Baptist Church
- Homestead Community Land Trust to build an underground parking lot for the church with 34 homes above
- 1, 2 and 3-bedroom homes
- Priced between $245,000 - $315,000
- Opening late 2028

Project Spotlight: Rainier Valley Affordable Homeownership Initiative

- Ten sites of Sound Transit surplus land from light rail construction.
- Goals:
  - Build 100 new homes (already met through nine sites).
  - Mitigate displacement.
  - Build capacity of community-based organizations.

Developers include: Habitat for Humanity, Homestead Community Land Trust, and African Community Housing and Development.

Opportunities and Challenges

Opportunities

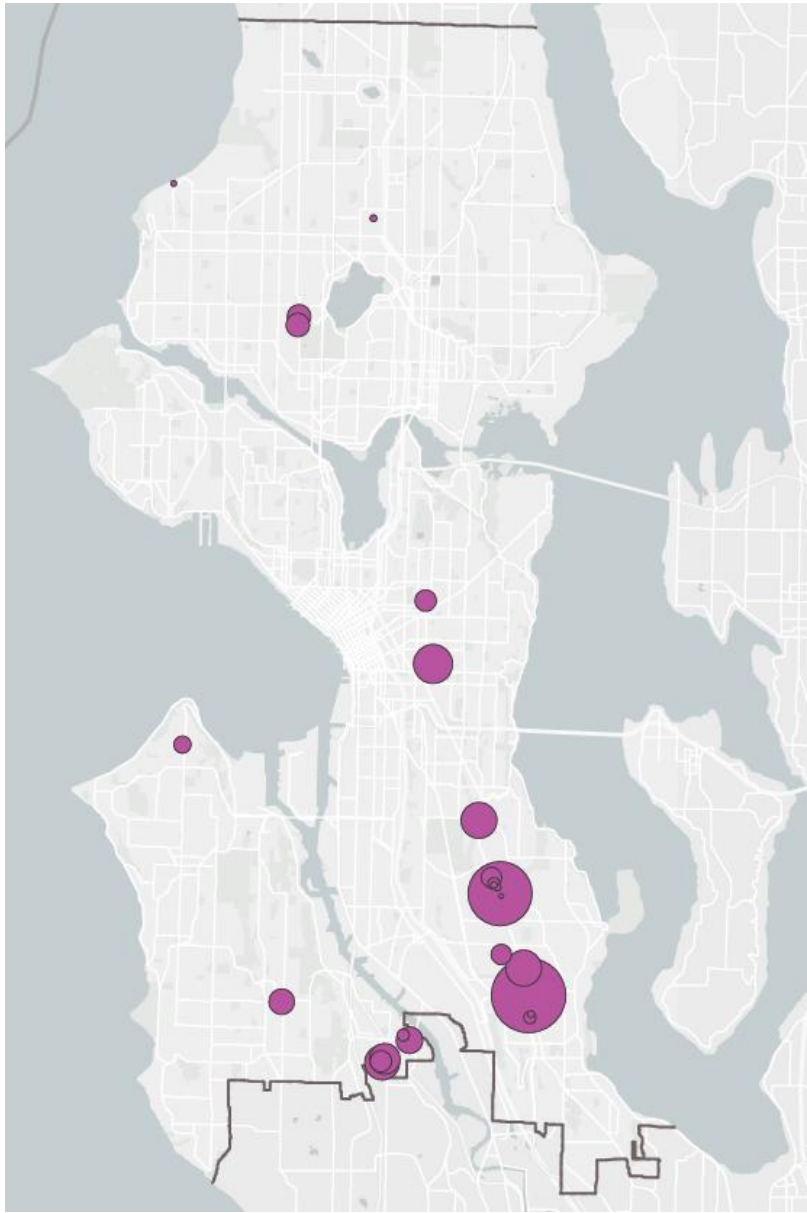
- Flexible, first-in local resources: Housing Levy, MHA, and PET.
- Utilizing public land for new homes.
- Flexible model: Large condos and small lot infill.
- Shared goals with Social Housing.
  - Free from market speculation.
  - Permanently affordable.
  - Affordable asset in perpetuity.
- New programs and policies to assist market-rate homeowners.

Challenges

- Managing demand for our homes.
- Consistent and reliable access to leveraged funds.
  - Long delays for state funding needed to match local investment.
  - High interest rates for construction loans.
- Funding for ongoing stewardship.

Robust Future for Homeownership

- 455 permanently affordable homes in the OH pipeline.
- Over 20 projects ranging from 2-68 homes.
- Majority of homes are family housing.
  - 49% 2-bedrooms
  - 20% 3-bedrooms
  - 3% 4-bedrooms
- Fort Lawton will add approximately 200 additional homeownership homes.



Thank you

March 2026 Seattle Office of Housing

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