

## Amendment 3 Version 2 to CB 121011 – Roots to Roofs

**Sponsor:** Councilmember Rinck

Owner equity participation incentive

**Effect:** CB 121011 allows for a qualifying development (1) to achieve greater floor area for development in areas with historical racially restrictive covenants and (2) to have a certain amount of floor area in equitable development uses be exempt from FAR calculations.

This amendment would also allow qualifying development on a site owned by a homeowner, who has maintained a property as a principal residence for at least thirty years and who has a household income less than 120% of area median income, to achieve greater floor area, provided that the owner has the option of purchasing or renting a unit in the development and participating in a developer fee above and beyond the negotiated sales price of the property.

The amount of extra floor area would be the same as that available for development on a site with historical racially restrictive covenants. However, extra floor area on a site with both a historical racially restrictive covenant and a legacy homeowner would not get both bonuses.

Amend Section 2 of Council Bill 121011, as follows:

Section 2. New Sections 23.40.090 through 23.40.097 are added to the Seattle Municipal

Code as follows:

\*\*\*

### **23.40.091 Definitions for Sections 23.40.090 through 23.40.097**

For the purposes of Sections 23.40.090 through 23.40.097:

\*\*\*

“Owner equity development” means a development for which, on the date of complete building permit application submittal by a qualifying community development organization some or all of the development site is owned by a person or family with an

annual income not to exceed 120 percent of area median income and who have continually resided in a dwelling unit on the property for the preceding thirty years. Any executed agreement between the qualifying community development organization and the homeowner(s) shall provide the homeowner(s) with a defined share of any development fee. This share shall be calculated separately from, and in addition to, the fair market value of the property, which shall be determined by the lesser of two independent appraisals conducted prior to closing or transfer. For rental development, the homeowner shall receive preference in renting units. For affordable or mixed-income ownership development, the homeowner may apply their share of the development fee to acquire one or more units in the development. In mixed-income projects, the homeowner may acquire either market-rate or affordable units, depending on their share amount and unit availability, as permitted under affordability guidelines.

\*\*\*

**23.40.094 Development otherwise subject to the requirements of Chapter 23.44**

\*\*\*

B. Development permitted pursuant to Section 23.40.092 located in a neighborhood residential zone and on a site with historical racially restrictive covenants or an owner equity

development may meet the following development standards:

1. The maximum lot coverage is 75 percent of lot area.
2. The FAR limit is 2.5. The FAR limit applies to the total chargeable floor area of all structures on the lot.

\*\*\*

**23.40.095 Development otherwise subject to the requirements of Chapter 23.45**

A. Floor area for development permitted pursuant to Section 23.40.092 located in a multifamily zone

1. The FAR limits for eligible development are shown in Table A for 23.40.095.

<b>Table A for 23.40.095 FAR limits for development permitted pursuant to Section 23.40.092</b>			
	<b>FAR limit</b>	<b>FAR limit <u>for owner equity development or</u> on sites with historical racially restrictive covenants</b>	<b>Maximum additional exempt FAR<sup>1</sup></b>
LR1 and LR2	2.0	2.4	1.0
LR3 outside urban centers and urban villages	2.5	3.2	1.0
LR3 inside urban centers and urban villages	3.0	3.8	1.0
MR	5.6	5.8	1.0
Footnote to Table A for 23.40.095 <sup>1</sup> Gross floor area for uses listed in subsection 23.40.095.A.2 are exempt from FAR calculations up to this amount.			

2. In addition to the FAR exemptions in subsection 23.45.510.D, an additional FAR exemption up to the total amount specified in Table A for 23.40.095 is allowed for any combination of the following floor area:

a. Floor area in dwelling units with two or more bedrooms and a minimum net unit area of 850 square feet;

b. Floor area in equitable development use;

c. Floor area in a structure designated as a Landmark pursuant to Chapter 25.12; and

d. All floor area in a development located within 1/4 mile (1,320 feet) of a transit stop or station served by a frequent transit route as determined pursuant to subsection 23.54.015.B.4.

\*\*\*

**23.40.096 Development otherwise subject to the requirements of Chapter 23.47A**

\*\*\*

B. Floor area for development permitted pursuant to Section 23.40.092 located in a NC zone or C zone

1. The FAR limits for eligible development is shown in Table B for 23.40.096.

<b>Table B for 23.40.096 FAR limits for development permitted pursuant to Section 23.40.092</b>			
<b>Mapped height limit (in feet)</b>	<b>FAR limit</b>	<b>FAR limit <u>for owner equity development or</u> on sites with historical racially restrictive covenants</b>	<b>Maximum additional exempt FAR<sup>1</sup></b>
30	3.00	3.25	0.5
40	3.75	4.00	1.0
55	4.75	5.00	1.0

<b>Table B for 23.40.096 FAR limits for development permitted pursuant to Section 23.40.092</b>			
<b>Mapped height limit (in feet)</b>	<b>FAR limit</b>	<b>FAR limit <u>for owner equity development or</u> on sites with historical racially restrictive covenants</b>	<b>Maximum additional exempt FAR<sup>1</sup></b>
65	4.50	5.75	1.0
75	5.50	6.00	1.0
85	7.25	7.50	2.0
95	7.50	7.75	2.0

Footnote to Table B for 23.40.096  
<sup>1</sup> Gross floor area for uses listed in subsection 23.40.096.B.2 are exempt from FAR calculations up to this amount.

2. In addition to the FAR exemptions in subsection 23.47A.013.B, an additional FAR exemption up to the total amount specified in Table B for 23.40.096 is allowed for any combination of the following floor area:

- a. Floor area in dwelling units with two or more bedrooms and a minimum net unit area of 850 square feet;
- b. Floor area in equitable development use; and
- c. Floor area in a structure designated as a Landmark pursuant to Chapter 25.12; and
- d. All floor area in a development located within 1/4 mile (1,320 feet) of a transit stop or station served by a frequent transit route as determined pursuant to subsection 23.54.015.B.4.

\*\*\*

Section 3. The Directors of the Seattle Department of Construction and Inspections, the Office of Housing, and the Office of Planning and Community Development, shall in consultation with the Equitable Development Initiative Advisory Board promulgate by Director's Rule:

A. A process and criteria for verifying that an organization is a qualifying community development organization with a legally established and ongoing property-related interest in a site that would make it eligible to apply for development under the pilot program created by this ordinance. A qualifying community development organization may consist of a partnership between a qualifying community development organization and one or more community development organizations that do not have as their purpose the creation or preservation of affordable housing, or affordable commercial space, affordable arts space, community gathering spaces, or equitable development uses. Partnering community development organizations could include incorporated entities that advocate or provide services for refugees, immigrants, communities-of-color, members of the LGBTQIA communities, members of the community experiencing homelessness, and persons at risk of economic displacement. Partnering community development organizations could also include community-based organizations eligible for the new Jumpstart Acquisition and Preservation Program, which was added to the Housing Funding Policies through Ordinance 126611.

B. A regulatory definition of "equitable development use" and a process and criteria for ensuring that an equitable development use will continue to occupy leasable space for the life of a development.

Ketil Freeman  
Land Use Committee  
August 27, 2025  
D#1a

C. A rule requiring participation for qualifying development in census tracts identified by the Office of Housing for the community preference policy for participation in the Community Preference Program.

D. A process and criteria for verifying that an owner equity development application includes the agreement described in the definition for owner equity development.

\*\*\*