Ketil Freeman Land Use Committee July 21, 2025 D#1a

Amendment 2 Version 1 to CB 121011 – Roots to Roofs

Sponsor: Councilmember Rinck

Provide more flexibility in income requirements by requiring that restricted units be moderate-income units

Effect: Council Bill 121011 would require that 25 percent of units in a development be affordable to lower-income households.

As introduced, CB 121011 set requirements for income-restricted units that mirrored requirements applicable to the multifamily tax exemption program. This amendment would broaden the requirements to allow restricted units to be "moderate-income units."

Unit, Moderate-income is defined by the Land Use Code as, "a dwelling unit that, for a minimum period of at least 50 years, is a restricted unit affordable to and reserved solely for families with annual incomes not to exceed 80 percent of median income for rental units or 100 percent of median income for ownership units according to one or more regulatory agreements, covenants, or other legal instruments that, as a condition to issuance of the first building permit that includes the structural frame for the structure that includes the moderate-income unit, shall be executed and recorded on the title of the property and are enforceable by The City of Seattle, King County, State of Washington, Washington State Housing Finance Commission, or other public agency if approved by the Director of Housing." (SMC 23.84A.040)

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:

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23.40.092 Enrollment period and eligibility requirements

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- B. To qualify for the Roots to Roofs Bonus Pilot Program, development must meet the following eligibility requirements:
 - 1. Be a qualifying development;

Ketil Freeman Land Use Committee July 21, 2025 D#1a

- 2. Be located in a Neighborhood Residential; Multifamily, except Highrise; Commercial; or Seattle Mixed zone;
- 3. In commercial zones, have at least 75 percent of gross floor area in residential or equitable development use;
- 4. Not be located in a designated historic district, unless it is on a site with historical racially restrictive covenants; and
- 5. Have at least 25 percent of dwelling units as moderate-income units. be restricted units, as follows:

a. As renter-occupied restricted units for at least 50 years to incomeeligible households with annual incomes at or below the follow percentages of Area Median
Income (AMI):

1) At or below 40 percent of AMI for congregate residence

sleening rooms:

2) At or below 40 percent of AMI for dwelling units — small efficiency (SEDUs) in a proposed development that also includes studio, one-bedroom, two-bedroom, or three-bedroom dwelling units;

3) At or below 50 percent AMI for SEDUs in a project without any other type of dwelling unit;

4) At or below 60 percent of AMI for studio dwelling units;

5) At or below 70 percent of AMI for one-bedroom units; and

Ketil Freeman Land Use Committee July 21, 2025 D#1a

6) At or below 80 percent of AMI for two or more bedroom

dwelling units; or

b. As permanent owner-occupied restricted units for income-cligible

households with annual incomes at or below 80 percent of AMI.

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