

Amendment 2 Version 1 to CB 120750 - LEG Connected Communities and EDZ ORD

Sponsor: Councilmember Strauss

Expand the types of organizations that can qualify for the pilot program

Effect: Council Bill 120750 would create a pilot program that would allow larger development for projects on sites where qualifying community development organizations (QCDOs) have a legally established and ongoing property-related interest. The intent of the bill is to provide incentives for QCDOs to participate in mixed-use projects that support community needs and seek to reduce displacement.

QCDOs are defined in the bill as either non-profit organizations or public development authorities that have as their mission the development or preservation of “affordable state or federally subsidized housing, social housing, or affordable commercial space, affordable arts space, community gathering spaces, or equitable development uses.” The QCDO could either be a CDO, a partnership between different CDOs, or a partnership between CDOs and for-profit developers.

This amendment would allow for additional flexibility to allow for other types of organizations to participate, including:

- Allowing public housing authorities to qualify;
- Allowing organizations that have affordable housing as their mission, whether they receive state or federal funding, or not; and
- Allowing for Limited Liability Companies (LLCs) that consist of partnerships between one or more CDOs and other entities, as long as the CDO is the controlling general partner or managing member in the LLC.

Amend Section 2 of Council Bill 120750 to amend the definition of “Qualifying Community Development Organization” under proposed Seattle Municipal Code Section 23.40.091, 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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23.40.091 Definitions for Sections 23.40.090 through 23.40.097

For the purposes of Sections 23.40.090 through 23.40.097:

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“Qualifying community development organization” means a non-profit organization registered with the Washington Secretary of State, ~~((or))~~ a public development authority created pursuant to RCW 35.21.730, or a public housing authority created pursuant to RCW 36.82.030 that has as its purpose the creation or preservation of affordable ~~state or federally subsidized~~ housing, social housing, ~~((or))~~ affordable commercial space, affordable arts space, community gathering spaces, or equitable development uses. A qualifying community development organization can consist of a partnership among one or more qualifying community development organizations, ~~((or))~~ one or more qualifying community development organizations and a partnering for-profit development entity, or a partnership or limited liability company of which one or more qualifying development organizations serve as the controlling general partner or managing member.

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