

Memo

Date: June 30, 2025
To: City Councilmembers
From: Office of Housing
Subject: Ordinance 126445: Affordable Units on Religious Organization Property Implementation Report

BACKGROUND

In 2019, the Washington State Legislature adopted [Substitute House Bill \(SHB\) 1377](#), requiring cities to allow additional density for development on property owned or controlled by religious organizations if all residential units in the development are subject to long-term affordability restrictions. SHB 1377 stipulates that every housing unit developed with this additional density be affordable to households with incomes at or below 80 percent of area median income (AMI) for at least 50 years. The affordability restrictions are ongoing regardless of whether the religious organization continues to own the property.

This table shows the current 80 percent of AMI income limits by household size.

Table 1: 80% of AMI income limits by household size (effective April 25, 2025)

Income Limit	1 person	2 people	3 people	4 people
80% of AMI	\$88,000	\$100,560	\$113,120	\$125,680

In October 2021, the City Council passed [Ordinance 126445](#) established a new land use code chapter (SMC 23.42.055) to implement SHB 1377. The chapter establishes conditions for use of alternative development standards for development of affordable units on property owned or controlled by a religious organization.

Section 2 of [Ordinance 126445](#) requests the Office of Housing (OH), in coordination with the Seattle Department of Construction and Inspections (SDCI), to annually report to City Council on implementation of this legislation for years 2021 through 2025. **This memo is the 2024 annual report**, but it also reflects any permit activity through May 31, 2025. It includes the following required information for affordable housing developments with issued building permits on church-owned property:

- Identity of church organization and property ownership structure at building permit application date and certificate of occupancy issuance or date of final inspection;
- Development partner;
- Property description (i.e. address, neighborhood, lot size, and zoning designation);
- Units by AMI limit;
- City funding status; and
- Construction status.

PERMIT ACTIVITY

As of May 31, 2025, building permits have been issued for five buildings benefiting from alternative development standards allowed for affordable housing on church-owned land. Certificates of occupancy have been issued for two of the five buildings: Central District Freehold Apartments in January 2024, and Good Shepherd House in April 2024. Additional details are included in Table 2.

Table 2: Development of affordable units on church-owned property according to SMC 23.42.055

Property ownership	Development partner	Property description	Units by AMI limit	City funding status	Construction status
Mount Zion Baptist Church Nineteenth Avenue Properties, LLC	Mount Zion Housing Development	1722 19 th Ave (Madison-Miller Residential Urban Village) 9,979 sq ft lot size NC2-75 (M1)	14 @ 30% of AMI 26 @ 50% of AMI 21 @ 60% of AMI 1 unrestricted 61 total	Awarded (2020 NOFA)	6737277-CN Building permit issued 7/31/2021; certificate of occupancy issued 1/08/2024 Central District Freehold Apartments
Lutheran Church of Good Shepherd Missouri Synod Good Shepherd PSH, LLLP	Low Income Housing Institute	1415 22 nd Ave (23 rd & Union-Jackson Residential Urban Village) 13,528 sq ft lot size LR1(M1) and NC2P-55(M1)	62 @ 30% of AMI 11 @ 40% of AMI 11 @ 50% of AMI 1 unrestricted 85 total	Awarded (2020 NOFA)	6795177-CN Building permit issued 5/9/2022; certificate of occupancy issued 4/12/2024 Good Shepherd House
Episcopal Diocese of Olympia	BRIDGE Housing Corporation	2035 NW 58 th St (Ballard Hub Urban Village) 15,000 sq ft lot size MR (M1)	59 @ 50% of AMI 25 @ 60% of AMI 84 total	Awarded (2021 NOFA)	6857703-CN Building permit issued 4/22/2024; under construction St. Luke's Affordable Housing
New Hope Baptist Church	Low Income Housing Institute	123 21 st Ave (23 rd & Union-Jackson Residential Urban Village) 7,680 sq ft lot size LR3 (M)	48 @ 50% of AMI 21 @ 60% of AMI 1 unrestricted 70 total	Awarded (2021 NOFA)	6846326-CN Building permit issued 7/10/2024; under construction New Hope Family Housing (West)

Property ownership	Development partner	Property description	Units by AMI limit	City funding status	Construction status
New Hope Baptist Church	Low Income Housing Institute	114 21 st Ave (23 rd & Union-Jackson Residential Urban Village) 3,600 sq ft lot size LR3 (M)	16 @ 50% of AMI 6 @ 60% of AMI 22 total	Awarded (2021 NOFA)	6846341-CN Building permit issued 7/10/2024; under construction New Hope Family Housing (East)