



# A Regional Coalition for Housing

*Celebrating 30 years of bringing cities together to house East King County*

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## MEMORANDUM

TO: City of Bellevue Council Members  
City of Clyde Hill Council Members  
City of Issaquah Council Members  
City of Kirkland Council Members  
City of Mercer Island Council Members  
City of Redmond Council Members  
City of Woodinville Council Members  
City of Bothell Council Members  
Town of Hunts Point Council Members  
City of Kenmore Council Members  
City of Medina Council Members  
City of Newcastle Council Members  
City of Sammamish Council Members  
Town of Yarrow Point Council Members

FROM: Kurt Triplett, Chair, ARCH Executive Board

DATE: January 12, 2023

RE: Fall 2022 Housing Trust Fund (HTF) Recommendation

As we mark ARCH's 30<sup>th</sup> anniversary, I am pleased to transmit this year's recommendations for the ARCH Housing Trust Fund. The 2022 funding round was the largest in ARCH's history, with requests from eight projects proposing an impressive **819 units of affordable housing and 26 emergency shelter beds\***.

After careful deliberation, the ARCH Executive Board concurred with the recommendations of the ARCH Community Advisory Board (CAB) and is recommending **funding totaling \$7,645,900**, which provides full funding for four projects and partial funding for three projects. These recommendations advance an incredible set of projects that will meet diverse needs throughout the region, including:

- Supportive housing for formerly homeless seniors, veterans and people with disabilities;
- Homeownership housing that will help families build equity;
- Preservation of existing affordable housing for large families;
- Affordable senior independent living;
- Transit-oriented development for families and individuals adjacent to future light rail;
- Emergency shelter for youth and young adults in East King County\*; and
- Affordable housing for individuals with intellectual and developmental disabilities

In the last three decades, the ARCH Trust Fund has supported over 5,300 units of affordable housing and shelter beds, creating housing for thousands of families and individuals with limited opportunities to live in our community. The Trust Fund has also leveraged local resources over 10:1, bringing in \$1 billion in other investments to East King County, and this year is no exception, with proposed projects expected to **leverage over \$460 million in other funding**.

## ARCH MEMBERS

BEAUX ARTS VILLAGE ♦ BELLEVUE ♦ BOTHELL ♦ CLYDE HILL ♦ HUNTS POINT ♦  
ISSAQUAH ♦ KENMORE ♦ KIRKLAND ♦ MEDINA ♦ MERCER ISLAND ♦ NEWCASTLE ♦ REDMOND ♦  
SAMMAMISH ♦ WOODINVILLE ♦ YARROW POINT ♦ KING COUNTY

A summary of recommended projects is shown in the table below:

<b>Project Applicant</b>	<b>City</b>	<b>Units/ Beds</b>	<b>ARCH Request</b>	<b>Executive Board Recommendation</b>
Ardea <i>TWG/Imagine Housing</i>	Kirkland	170	\$1,400,000	\$1,400,000
Bellevue Homes <i>Habitat for Humanity</i>	Bellevue	25	\$600,000	\$600,000
Kenmore Supportive Housing <i>Plymouth Housing</i>	Kenmore	100	\$3,279,700	\$3,279,700
Kirkland Heights <i>King County Housing Authority</i>	Kirkland	276	\$2,000,000	\$1,566,200
The Landing Shelter* <i>Friends of Youth</i>	Kirkland	26	\$650,000*	See Below*
Scattered Homes (Supported Living Home / OHS Home) <i>Alpha Supportive Living</i>	TBD-Bothell Kenmore Woodinville	7	\$400,000	\$400,000
Spring District 120 <sup>th</sup> St. TOD <i>BRIDGE</i>	Bellevue	235	\$4,000,000	\$350,000
Totem Six-Plex <i>Attain Housing</i>	Kirkland	6	\$750,000	\$50,000
Total		819	\$13,079,700	\$7,645,900

**\*Note: Friends of Youth was able to obtain other grant funds and withdraw its application to ARCH. The ARCH Executive Board remains in strong support of the project.**

These investments couldn't come at a more urgent time, as inflation and rising rents continue to threaten the housing stability of households with low and moderate incomes. While ARCH did not have sufficient funding to fully fund all proposed projects, these awards will make a major difference in the community and help create momentum towards meaningful production of affordable homes. The increased demand for the Trust Fund program also demonstrates ARCH's success in strengthening and expanding relationships with a range of development partners. We know these partnerships are critical to creating the affordable homes that will provide economic relief and stability for current and future generations in our community.

Below is a more detailed description of the applications received, the Executive Board recommendation and rationale, and proposed contract conditions for the proposals recommended for funding at this time. Also enclosed is the proposed funding sources and an economic summary of the projects recommended for funding.

Attachments:

1. Proposed Funding Sources
2. Project Economic Summaries

**Note that bolded text in proposed conditions shows unique conditions in otherwise standard text.**

## **1. TWG and Imagine Housing – Ardea at Totem Lake**

Funding Request: \$1,400,000 (Contingent Loan)  
170 affordable rental units (including 1 manager unit)

Executive Board Recommendation: Up to \$1,400,000 (Contingent Loan)  
See attached Proposed Funding Sources for distribution of City Funds

### **Project Summary:**

The Ardea project consists of 170 units of affordable housing for seniors age 62 and older at 40%, 50% and 60% AMI, including an estimated 45 units for senior veterans. The project will include 91 studios and 79 1-bedrooms units. All of the units will be within one building with seven residential levels over a one-level parking garage partially below grade with 36 parking stalls. TWG, a national for-profit affordable housing developer, will be the lead developer with Imagine Housing acting as non-profit sponsor/ownership partner and service provider.

The project will provide major right-of-way pedestrian improvements intended to connect the unimproved section of 116<sup>th</sup> Ave NE along the property with the Totem Lake Business District major pedestrian loop. The project will replace and improve the existing sidewalk with street trees and pedestrian lighting to complete the improved pedestrian corridor along 116<sup>th</sup> Ave NE.

### **Funding Rationale:**

The Executive Board recommends funding with conditions listed below for the following reasons:

- The project will meet several local housing strategies within the City of Kirkland and provide a large amount of senior affordable housing units in a much-needed area of East King County.
- The project will complete an important missing section of pedestrian and right of way improvements connecting the Totem Lake Business District.
- This project leverages significant funding from other public and private sources.
- The project aims to bring together the efficiencies of a vertically integrated developer with the perspectives and connections of a local community-based nonprofit with deep roots in East King County.

### **Proposed Conditions:**

**Standard Conditions:** Refer to list of standard conditions found at end of this memo.

### **Special Conditions:**

1. The funding commitment shall continue for **twelve (12) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the applicant will provide a status report on progress to date and expected schedule for start of construction and project completion. ARCH staff will consider up to a 12-month extension only based on documented, meaningful progress in bringing the project to readiness or completion. At a minimum,

the applicant must demonstrate that all capital funding has been secured or is likely to be secured within a reasonable timeframe.

2. Funds shall be used by the Agency towards **construction costs**. Funds may not be used for any other purpose unless ARCH staff has given written authorization for the alternate use. Spending of construction contingency must be approved in advance by ARCH. If after the completion of the project there are budget line items with unexpended balances, ARCH and other public funders shall approve adjustments to the project capital sources, including potentially reductions in public fund loan balances.
3. Funds will be in the form of a **deferred, contingent loan**. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by ARCH Staff. **It is anticipated that loan payments will be based on a set repayment schedule and begin after repayment of deferred developer fee** with 1% interest. The terms will also include a provision for the Agency to defer payment if certain conditions are met (e.g., low cash flow due to unexpected costs). Any requested deferment of loan payment is subject to approval by ARCH Staff, and any deferred payment would be repaid from future cash flow or at the end of the amortization period.
5. The net developer fee shall be established at the time of finalizing the Contract Budget and will follow the ARCH Net Developer Fee Schedule. Net developer fee is defined as that portion of the developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after being placed in service.
6. A covenant is recorded ensuring affordability for at **least 55 years**, with size and affordability distribution per the following table. Limited changes to the matrix may be considered based on reasonable justification as approved by ARCH staff.

<b>Affordability</b>	<b>Studio</b>	<b>1 BR</b>	<b>Total</b>
40%	17	17	34
50%	47	38	85
60%	27	24	51
<b>Total</b>	<b>91</b>	<b>79</b>	<b>170</b>

7. The final loan amount shall be up to \$1.4 million, subject to approval by ARCH staff based on a documented funding gap. ARCH reserves the right to reduce its total loan amount based on changes to the project sources and uses, and unit mix.
8. Agency must submit for ARCH staff approval a management and services plan which includes coordination of services with outside providers and parking management.
9. **Agency shall identify and assist residents with alternative transportation options such as car sharing programs and/or shuttle services, bicycle facilities, and robust pedestrian access.**
10. **Agency shall include in its quarterly monitoring reports the following information:**
  - a. **Updates on tenant relations and engagement in existing ARCH-funded projects**

**b. Updates on Agency property and asset management capacity and oversight**

**c. Updates on work necessary to preserve current wetland buffer approvals**

**11. Agency must demonstrate its commitment to retaining/providing Energy Star Appliances in every unit.**

## **2. Habitat for Humanity of Seattle-King County – Bellevue Homes**

Funding Request: \$600,000 (Secured Grant)  
25 affordable homeownership units

Executive Board Recommendation: Up to \$600,000 (Secured Grant)  
See attached Proposed Funding Sources for distribution of City Funds

### Project Summary:

Habitat for Humanity Seattle-King County proposes creating 25 permanently affordable 3-bedroom, 1.5 bath townhomes and a new 3,500 SF community center in the Factoria neighborhood of Bellevue, WA. This 3.13-acre site is to be purchased from the Holy Cross Lutheran Church of Bellevue.

The proposed population for the development is 4-5 person families with incomes up to 60% AMI and 80% AMI. The homeownership structure uses a land trust model to ensure permanent affordability of each unit. Under the model, HFHSC retains ownership of the land, which is leased to individual homeowners, and a right of first option to purchase the home upon resale. Habitat requires homebuyers to put in 250 hours of self-help labor to help construct their own units as well as their neighbors' units. This "sweat equity" model, combined with the modest appreciation within the land trust structure, provides low-income households the opportunity to build wealth through homeownership while securing safe, affordable housing.

The project addresses a local priority to the City of Bellevue's Affordable Housing Strategy by creating more affordable housing stock for low-income households, including through developing on land owned by faith-based groups.

### Funding Rationale:

The Executive Board supports the intent of this application for the following reasons:

- The project would create additional units of homes for purchase in a very high-cost area with median home prices that exceed \$1 million. Such opportunities are quite rare and allow households with modest incomes to achieve stability and wealth building through homeownership.
- The project takes advantage of new City policies that encourage additional density and affordable housing on property owned by faith communities, helping to advance the City's overall Affordable Housing Strategy.
- The project preserves existing community assets that will create benefits for residents and the broader community.

- Habitat's sweat equity model allows volunteers and potential buyers to gain valuable skills and experience in homebuilding, while allowing for cost savings when compared to traditional construction. Also, keeping the units and land in a land trust ensures perpetual affordability, which is especially important in a high cost, high growth city like Bellevue.
- Habitat's approach to marketing helps to address historic barriers to home ownership and preserve cultural diversity in the community.

**Proposed Conditions:**

Standard Conditions: Refer to list of standard conditions found at end of this memo.

**Special Conditions:**

1. The funding commitment continues for **twelve (12) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the Agency will provide a status report on progress to date and expected schedule for start of construction and project completion. ARCH staff will consider a twelve-month extension only based on documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the Agency will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable timeframe.
2. Funds shall be used by Agency toward **acquisition costs**. Funds may not be used for another purpose without prior written authorization from ARCH. If, after project completion project, there are budget line items with unexpended balances, ARCH and other public funders shall approve adjustments to the project capital sources, including potential reductions in public fund loan balances.
3. Funds will be in the form of a **secured grant**, so long as affordability and target population are maintained.
4. The Net Developer Fee shall be established when the Contract Budget is finalized and will follow the ARCH Net Developer Fee Schedule. Net Developer Fee is defined as that portion of the developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after the project is placed in service.
5. A covenant shall be recorded ensuring affordability for at least **55 years**, with size and affordability distribution per the following table. Limited changes to the matrix may be considered based on reasonable justification as approved by ARCH.

<b>Affordability</b>	<b>3 BR</b>	<b>Total</b>
60%	10	10
80%	15	15
<b>Total</b>	<b>25</b>	<b>25</b>

6. **Agency shall include the following in its quarterly reports:**
  - a. **Update on mortgage interest rate projections and contingency plans to address rates in the present inflationary environment.**
  - b. **Update on neighborhood engagement and efforts to inform the surrounding community about the project.**
7. **Agency shall provide for ARCH review and approval any draft agreements memorializing roles and responsibilities for management and use of shared spaces, including the community center, open space elements, and shared parking. Agency shall ensure that homeowners are not responsible for maintenance of non-residential spaces intended primarily to benefit other parties or the broader community.**
8. **Agency shall affirmatively market the project to further fair housing (as described in the funding application), and commit to measures that ensure all households may enjoy residency regardless of religious affiliation, and protect against religious discrimination in the sale of homes and operation of the development.**

### **3. Plymouth Housing – Kenmore PSH**

Funding Request:	\$3,279,729 (Deferred Loan) 100 affordable rental units (including 1 manager unit)
Executive Board Recommendation:	Up to \$3,279,700 (Deferred Loan) See attached Proposed Funding Sources for distribution of City Funds

#### **Project Summary:**

The proposed project is the new construction of 100 affordable housing units for seniors, veterans, formerly homeless, and disabled individuals. All of the units will serve formerly homeless residents earning up to 30% of area median income. The project will be located on a city-owned site on Bothell Way in Downtown Kenmore with good proximity to amenities and transportation. The project location is ideal for a building that serves seniors and single individuals.

The project includes a mix of studios and one-bedroom units (25 one-bedroom and 75 studio) as well as resident amenity space, including a community room, community kitchen, on-site medical and behavioral health space, offices for case managers and property staff, and a front desk. The project will also include commercial space on the ground floor that will provide a benefit to the community through a partnership with Kenmore-based Bastyr University.

This project was made possible through the efforts of the City of Kenmore, which committed approximately \$3.2M in ARPA funding and offered a \$1.89 million City-owned property through an RFP dedicated to affordable housing. The ARCH Executive Board also approved a preliminary reservation of unused 2021 Housing Trust Fund resources to the development of this project. The winning project and funding recommendation was then reviewed and affirmed by ARCH's Community Advisory Board.

Due to construction market conditions, and incorporation of commercial prevailing wages into the construction budget (to accommodate federal resources committed to the project), the budget experienced an increase in construction costs that increased the remaining funding gap. To help fill this gap, Plymouth requested additional funds from ARCH in the fall round, and submitted applications to other funding sources to complete the project financing.

Funding Rationale:

The Executive Board recommends funding with conditions listed below for the following reasons:

- Aligns with the City's RFP goals and would further the City of Kenmore #1 priority to build affordable housing:
  - Exceeded the City's goal of providing 20% of the units at 30% AMI.
  - Utilizes project site efficiently allowing for 100 units of affordable housing.
  - Meets the City's requirement of a cost-efficient design.
  - Commits significant agency resources toward development of a ground floor that will benefit the community
  - Envisions a welcoming design that enhances and creates a gateway to Downtown Kenmore
- Will provide critically needed, deeply affordable units at 30% AMI.
- Meets ARCH's long-term objective of investing in affordable housing across member jurisdictions.
- Serves a range of special needs populations (homeless individuals, seniors, veterans and persons with disabilities)
- Will allow a dependable, long standing non-profit housing and service provider to expand services into Kenmore.
- Will be highly competitive for Low Income Housing Tax Credits and State Housing Trust Fund resources, providing significant financial leverage of local resources.
- Site has convenient access to transit, shopping, and services.

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo.

Special Conditions:

1. The funding commitment shall continue for **eighteen (18) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the Agency will provide a status report on progress to date and expected schedule for start of construction and project completion. ARCH staff will consider a twelve-month extension only based on documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the Agency will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable timeframe.
2. Funds shall be used by Agency toward **reserves, soft costs, design, permits and construction**. Funds may not be used for any other purpose unless ARCH staff has given written authorization for the alternate use. If after the completion of the project there are budget line items with unexpended



balances, ARCH and other public funders shall approve adjustments to the project capital sources, including potentially reductions in public fund loan balances.

3. Funds will be in the form of a **secured grant**, so long as affordability and target population is maintained, and the service funds necessary to provide services to this population are available.
4. The net developer fee shall be established at the time of finalizing the Contract Budget and will follow ARCH Net Developer Fee Schedule. Net developer fee is defined as that portion of the developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after being placed in service.
5. A covenant is recorded ensuring affordability for at least **55 years**, with unit size and affordability distribution per the following table. Limited changes to the matrix may be considered based on reasonable justification as approved by ARCH staff.

Affordability	studio	1-bedroom	Total
30%	75	25	100
<b>Total</b>	<b>75</b>	<b>25</b>	<b>100</b>

6. Based on the availability of adequate support services, the project will contain 100 units for formerly homeless residents, unless otherwise approved by ARCH. Plymouth will work with service providers and other agencies working in East King County to establish referral mechanisms, or other referral method as approved by ARCH, and shall aim to include seniors, veterans, and persons with disabilities.
7. ARCH shall review and approve the services budget and services plan for consistency with application.
8. **The Agency will establish a services reserve account in the amount of no less than \$500,000 to be used in the event of shortfalls in project income to pay for necessary services expenses. A services reserve budget must be approved by ARCH at the close of permanent financing and will be monitored for consistency with the services plan, ARCH will review**
9. **If service funding decreases at any point during the term of the contract, Agency shall submit for review and approval a service plan which provides continuity of services within the project.**

#### **4. King County Housing Authority – Kirkland Heights**

Funding Request: \$2,000,000 (Contingent Loan)  
276 Affordable Units (including 3 manager units)

Executive Board Recommendation: Up to \$1,566,200 (Contingent loan)  
Includes \$1,056,300 local funds, \$509,900 CDBG funds

See attached Proposed Funding Sources for distribution of City Funds

Project Summary:

The Kirkland Heights Apartments is a 180-unit apartment complex located in Northeast Kirkland near the Totem Lake neighborhood. This proposal's scope includes the rehabilitation of all existing residential buildings, addition of a third story to eleven of the existing buildings, and the new construction of two three-story residential buildings and one community building. Upon project completion, the complex will consist of 276 units, thus utilizing more of the site's allowed density.

The project will include 103 units affordable for households at 30% AMI, 52 units at 60% AMI and 114 units at 80% AMI. This structure takes advantage of the available Project-based Section 8 rental assistance, which is targeted to the 106 units at 30% AMI, while allowing existing residents with incomes between 60% and 80% AMI to remain at Kirkland Heights.

KCHA is proposing \$24.2 million in public funds while contributing a significant (\$36.1 million) subordinate loan. King County has awarded \$11.2 million in funds for the project, and \$10 million is proposed from the State (of which \$5 million would fund the rehab project, and \$5 million would fund the new construction portion). In addition, as a Public Housing Authority (PHA), KCHA can issue tax exempt debt. At the time of application, 50% (\$110 million) of the total sources have been committed/secured.

Funding Rationale:

The Executive Board supports the intent of this application for the following reasons:

- The project preserves and enhances housing for a large number of existing low- and moderate-income residents in the community, including many families with children.
- The project also adds a significant number of units affordable to very low-, low- and moderate-income households within a high-opportunity area near good jobs, various transportation options, and other public and private amenities.
- KCHA has taken advantage of income averaging, thus allowing the feasible incorporation of 106 units targeted to very low-income households. Those units are supported with Project-based Section 8 Rental Assistance under a HAP Contract signed in 2020.
- This project leverages significant funding from public and private sources, 50% of which are already committed/secured.
- The project is undertaken by an experienced agency that has prioritized the project to start construction as soon as possible.

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo.

Special Conditions:

1. The funding commitment shall continue for **eighteen (18) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the applicant will provide

a status report on progress to date and expected schedule for start of construction and project completion. ARCH staff will consider up to a 12-month extension only based on documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the applicant must demonstrate that all capital funding has been secured or is likely to be secured within a reasonable timeframe.

2. Funds shall be used by the Agency for **soft costs, acquisition costs, and construction costs**. In the event any portion of the funding award is reserved for construction contingency, that portion must be approved in advance by ARCH staff. Funds may not be used for another purpose without prior written authorization from ARCH. If, after project completion project, there are budget line items with unexpended balances, ARCH and other public funders shall approve adjustments to the project capital sources, including potential reductions in public fund loan balances.
3. **Funds will be in the form of a deferred, contingent loan.** Loan terms will account for various factors, including loan terms from other fund sources, including the sponsor subordinate loan and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by ARCH staff. **Based on the preliminary development budget, it is anticipated that loan payments will be based on a set repayment schedule and begin after repayment of the deferred developer fee (approximately year 12), with 1% interest.** The terms will also include a provision for the Agency to defer payment if certain conditions are met (e.g., low cash flow due to unexpected costs). Any requested deferment of a loan payment is subject to approval by ARCH staff, and any deferred payment would be repaid from future cash flow or at the end of the amortization period.
4. KCHA will provide a sponsor subordinate loan in the approximate amount of **\$36.1 million**. The final amount and terms of repayment will be finalized at the time of review and approval of the contingency portion of the funding commitment. Terms are anticipated to account for available cash flow and repayment of the ARCH loan.
5. Until such time as the deferred developer fee is fully repaid, all cash flow after payment of operating expenses and debt service shall be used to repay the deferred developer fee or project reserves as approved by ARCH staff.
6. A covenant is recorded ensuring affordability for at least 55 years, with affordability as shown in the following table. Limited changes to the matrix may be considered based on reasonable justification as approved by ARCH staff.

<b>Affordability</b>	<b>1 BR</b>	<b>2 BR</b>	<b>3 BR</b>	<b>4 BR</b>	<b>Total</b>
30%		56	43	7	106
60%	4	23	22	4	53
80%	8	48	48	10	114
<b>Total</b>	<b>12</b>	<b>127</b>	<b>113</b>	<b>21</b>	<b>273</b>

7. **Agency shall provide remaining findings after the completion of Building 8 test case. If those findings impact the project's development budget or project timeline, those updates will be shared with ARCH.**

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There has been an ongoing demand for Supported Living services from individuals with IDD living with their parents or from an institutional setting. Alpha continually receives referrals but lacks access to affordable housing to place individuals. Currently, there are 87 open and funded “slots” for clients with IDD to move into Supported Living in Washington State, plus 68 additional funded “slots” that will be added over the next 12 months from legislative appropriations.

Funding Rationale:

The Executive Board supports the intent of this application for the following reasons:

- The project will provide much needed IDD housing in King County people with very low incomes below 30% AMI.
- This project leverages significant investments from public sources including State capital funds as well as ongoing rental subsidies and service funding that will ensure stable operations over time.
- The project is undertaken by an agency with recent success creating new IDD housing and a strong reputation for meeting the needs of individuals who would otherwise not be successful in many other types of housing.

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo.

Special Conditions:

1. The funding commitment continue for **eighteen (18) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the Agency will provide status report on progress to date and expected schedule for start of construction and project completion. ARCH staff will consider a twelve-month extension only based on documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the Agency will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable timeframe.
2. Funds shall be used by Agency toward **acquisition**. Funds may not be used for any other purpose unless ARCH staff has given written authorization for the alternate use.
3. Funds will be in the form of a **secured grant**, so long as affordability and target population is maintained, and the service funds necessary to provide services to this population are available.
4. The net developer fee shall be established at the time of finalizing the Contract Budget and will follow ARCH Net Developer Fee Schedule. Net developer fee is defined as that portion of the developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after being placed in service.
5. A covenant is recorded ensuring affordability for at least **55 years**, with size and affordability distribution per the following table. Limited changes to the matrix may be considered based on reasonable justification as approved by ARCH staff.

Affordability	1-bedroom/suite	Total
30%	7	7
<b>Total</b>	<b>7</b>	<b>7</b>

6. ARCH shall review and approve the services budget and services plan for consistency with application. A services reserve budget must be approved by ARCH at the close of permanent finance and will be monitored on an annual basis for consistency with the services plan. Any deviation from the services budget must be pre-approved by ARCH.
7. **Agency shall provide to ARCH for review a Capital Needs Assessment for all homes for ARCH's approval.**

## **6. BRIDGE Housing – Spring District TOD**

Funding Request: \$4,000,000 (Contingent Loan)  
235 Affordable Units (including 2 manager units)

Executive Board Recommendation: Up to \$350,000 (Contingent Loan)  
See attached Proposed Funding Sources for distribution of City Funds

### Project Summary:

In October 2020, Sound Transit selected BRIDGE and its partners, Essex and Touchstone, to master plan and develop a 6.9-acre site adjacent to the agency's Operations and Maintenance Facility in the Spring District of Bellevue. Together, the project partners plan to deliver a mixed-use, mixed-income transit-oriented development that offers direct connections to a new transit station and a regional multi-modal trail corridor.

The proposed affordable housing project is comprised of Building 6 and Building 3, which consist of 235 permanently affordable units at 50%-60% AMI including two manager's apartments. Unit mixes will consist of 71 studios, 101 one-bedroom units, 37 two-bedroom units, and 24 three-bedroom units. The current proposal was prepared in response to a 2019 RFP that originally contained up to \$10 million in committed funding from King County and \$4 million from ARCH. At the time, BRIDGE believed the project would be feasible without those funds, but in subsequent years high-cost inflation has created a large financing gap in the project.

The project is currently projecting a large gap in public financing, but is not expected to get underway with construction until late 2024. Therefore, the project may be able to re-apply for funding in ARCH's 2023 funding round.

Funding Rationale:

The Executive Board supports the intent of this application for the following reasons:

- The project will provide a large amount of low- and moderate-income affordable housing units in a strategic location close to jobs, transportation and amenities.
- This project leverages significant investments from public and private funding sources, including King County TOD funds which are specifically set aside for the Bel-Red corridor, Amazon's Housing Equity Fund and the Evergreen Impact Housing Fund.
- The project takes advantage of surplus public property provided at no cost by Sound Transit and City of Bellevue.
- The project design incorporates cost and sustainability considerations such as reduced parking.
- The project advances key objectives in the City of Bellevue's Affordable Housing Strategy.

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo.

Special Conditions:

1. The funding commitment shall continue for **twenty-four (24) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the applicant will provide a status report on progress to date and expected schedule for start of construction and project completion. ARCH staff will consider up to a 12-month extension only based on documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the applicant must demonstrate that all capital funding has been secured or is likely to be secured within a reasonable timeframe.
2. Funds shall be used by the Agency towards **soft costs and construction**. Funds may not be used for any other purpose unless ARCH staff has given written authorization for the alternate use. Spending of construction contingency must be approved in advance by ARCH. If after the completion of the project there are budget line items with unexpended balances, ARCH and other public funders shall approve adjustments to the project capital sources, including potentially reductions in public fund loan balances.
3. Funds will be in the form of a **deferred, contingent loan**. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by ARCH Staff. **It is anticipated that loan payments will be based on a set repayment schedule and begin after repayment of deferred developer fee** with 1% interest. The terms will also include a provision for the Agency to a defer payment if certain conditions are met (e.g., low cash flow due to unexpected costs). Any requested deferment of loan payment is subject to approval by ARCH Staff, and any deferred payment would be repaid from future cash flow or at the end of the amortization period.
5. The net developer fee shall be established at the time of finalizing the Contract Budget and will follow the ARCH Net Developer Fee Schedule. Net developer fee is defined as that portion of the

developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after being placed in service.

6. A covenant is recorded ensuring affordability for at least **55 years**, with size and affordability distribution per the following table. Limited changes to the matrix may be considered based on reasonable justification as approved by ARCH staff.

<b>Affordability</b>	<b>Studio</b>	<b>1 BR</b>	<b>2BR</b>	<b>3BR</b>	<b>Total</b>
50%	21	30	11	8	70
60%	50	71	26	16	163
<b>Total</b>	<b>71</b>	<b>101</b>	<b>37</b>	<b>24</b>	<b>233</b>

7. **Agency must submit for ARCH staff approval a management and services plan which includes coordination of services with outside providers for special populations.**
8. **Agency shall ensure that all measures have been taken to provide durable, high quality and sustainable constructions materials, and Energy Star appliances within the project.**
9. **Agency shall identify and take steps to connect residents with affordable, healthy food options, and commit to pursuing the removal of any restrictions within the broader master development that prevent the operation of grocery stores.**
10. **Agency shall submit a parking management and shared parking plan and shall pursue opportunities to make additional parking options available to residents who require vehicle parking.**
11. **In the interest of encouraging integration of residents across the development site, the Agency shall look for ways to incorporate shared amenities, unifying aesthetics, and other programmatic features to build community.**

## **7. Attain Housing – Totem Six Plex**

Funding Request: \$650,000 (Secured Grant)  
6 new housing units

Executive Board Recommendation: Up to \$50,000 (Technical Assistance Grant)  
See attached Proposed Funding Sources for distribution of City Funds

### **Project Summary:**

The proposed project is the new construction of a three-story structure with six two-bedroom units of transitional housing for homeless families earning up to 30% of area median income (AMI). The property currently contains an existing four plex building owned and managed by Attain Housing. Attain also manages the four plex on the lot next to the proposed construction site. The proposed new building will sit in what is currently a lawn between the two four plex buildings. The project represents an expansion



of existing programs operated by Attain, with overall capacity growing from 8 to 14 units across the three buildings.

Funding Rationale:

The Executive Board supports the concept of the Attain Housing proposal but does not recommend fully funding the project at this time. The Executive Board supports technical assistance funding for this project in an effort to address outstanding project issues, and encourages the project to apply for funding during the 2023 ARCH Housing Trust Fund round. This would provide an opportunity for Attain Housing to address the issues identified below:

- Further development of building design, permitting, siting and parking and conformance with zoning requirements.
- Allow the project to obtain funding commitments of other public funding sources and make progress on the needed capital campaign.
- Secure project management capacity, including recommended engagement of a development consultant who will assist with the financing and project management of the project through construction completion.
- Development of an updated development budget and operating budget which addresses increases in construction costs based on an updated cost estimate and funding to address the additional cost increases.
- Development of a project schedule consistent with the proposed funding and local permitting requirements.
- Further discussion of long-term strategy for funding supportive services for transitional housing.

Proposed Conditions for Technical Assistance Award:

Standard Conditions: Refer to list of standard conditions found at end of this memo.

Special Conditions:

1. The funding commitment shall continue for **twelve (12) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the Agency will provide status report on progress to date and expected schedule for start of construction and project completion. ARCH staff will consider a twelve-month extension only based on documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the Agency will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable timeframe.
2. Funds shall be used by Agency toward **development consultant and design development**. Funds may not be used for any other purpose unless ARCH staff has given written authorization for the alternate use.
3. Funds will be in the form of a **grant** for eligible predevelopment expenses.

Standard Conditions (Apply to all projects):

1. Agency shall provide revised development and operating budgets based upon actual funding commitments, which must be approved by ARCH staff. If the Agency is unable to adhere to the budgets, ARCH must be immediately notified and (a) new budget(s) shall be submitted by the Agency for ARCH's approval. ARCH shall not unreasonably withhold its approval to (a) revised budget(s), so long as such new budget(s) does not materially adversely change the Project. This shall be a continuing obligation of the Agency. Failure to adhere to the budgets, either original or as amended may result in withdrawal of ARCH's commitment of funds.
2. Agency shall submit evidence of funding commitments from all proposed sources. In the event commitment of funds identified in the application cannot be secured in the timeframe identified in the application, the Agency shall immediately notify ARCH, and describe the actions it will undertake to secure alternative funding and the timing of those actions subject to ARCH review and approval.
3. In the event federal funds are used, and to the extent applicable, federal guidelines must be met, including but not limited to the following: contractor solicitation, bidding, and selection; wage rates; and Endangered Species Act (ESA) requirements. CDBG funds may not be used to refinance acquisition costs.
4. Agency shall maintain documentation of any necessary land use approvals and permits required by the city in which the project is located.
5. Agency shall submit quarterly monitoring reports through completion of the project, and annually thereafter, and shall submit a final budget upon project completion. If applicable, Agency shall submit initial tenant information as required by ARCH.
6. Agency shall maintain the project in good and habitable condition for the duration of the period of affordability.
7. The final award amount shall be up to the recommended total, subject to approval by ARCH staff based on a documented funding gap. ARCH reserves the right to reduce its total award amount based on changes to the project sources and uses, and unit mix.

## Attachment 1: Proposed Funding Sources

### PROJECTS RECOMMENDED FOR 2022 FUNDING

	Ardea at Totem Lake	Bellevue Homes	Kenmore PSH	Kirkland Heights	Scattered Homes	Spring District	Totem Six Plex	2022 Recommended Funds
Bellevue	475,000	203,600	1,112,800	358,400	135,700	118,700	25,000	2,429,200
Bothell	28,200	12,100	66,100	21,300	8,100	7,100		142,900
Clyde Hill	7,600	3,300	17,800	5,700	2,200	1,900		38,500
Hunts Point	1,600	700	3,700	1,200	500	400		8,100
Issaquah	65,300	28,000	153,000	49,300	18,700	16,300		330,600
Kenmore	23,400	10,000	54,900	17,700	6,700	5,900		118,600
Kirkland	386,100	165,500	904,600	291,300	110,300	96,500	25,000	1,979,300
Medina	7,400	3,200	17,300	5,600	2,100	1,800		37,400
Mercer Island	25,200	10,800	59,100	19,000	7,200	6,300		127,600
Newcastle	36,000	15,400	84,300	27,100	10,300	9,000		182,100
Redmond	261,200	111,900	611,800	197,100	74,600	65,300		1,321,900
Sammamish	49,500	21,200	115,900	37,300	14,100	12,400		250,400
Woodinville	30,600	13,100	71,700	23,100	8,700	7,700		154,900
Yarrow Point	2,900	1,200	6,700	2,200	800	700		14,500
<b>Local Funds</b>	<b>1,400,000</b>	<b>600,000</b>	<b>3,279,700</b>	<b>1,056,300</b>	<b>400,000</b>	<b>350,000</b>	<b>50,000</b>	<b>7,136,000</b>
<b>CDBG</b>				<b>509,900</b>				<b>509,900</b>
<b>Award Totals</b>	<b>1,400,000</b>	<b>600,000</b>	<b>3,279,700</b>	<b>1,566,200</b>	<b>400,000</b>	<b>350,000</b>	<b>50,000</b>	<b>7,645,900</b>

## Attachment 2: Project Economic Summaries

Applicant: TWG and Imagine Housing  
Project Name: Ardea Senior Affordable Housing  
Location: 12700 116<sup>th</sup> Avenue NE, Kirkland WA  
Project Description: 170 units of affordable housing for seniors 62 and older at 40%, 50% and 60% AMI

Project Sources	Amount	Status
Amazon	\$8,075,000	Committed
Amazon	\$8,075,000	Committed
ARCH	\$1,400,000	Proposed
King County	\$2,274,000	Proposed
4% LIHTC	\$28,357,114	Proposed
Perm Loan	\$15,300,000	Proposed
Deferred Developer Fee	\$3,696,674	Committed
<b>Total Sources</b>	<b>\$67,177,788</b>	

Project Uses	Amount	Per Unit	Per SF
Acquisition Costs:	\$4,805,427	\$28,267	\$36
Construction:	\$45,052,718	\$265,016	\$333
Soft Costs:	\$10,153,157	\$59,724	\$75
Pre-Development / Bridge Financing	\$440,048	\$2,589	\$3
Construction Financing	\$2,642,119	\$15,542	\$20
Permanent Financing	\$1,279,375	\$7,526	\$9
Capitalized Reserves	\$683,800	\$4,022	\$5
Other Development Costs	\$2,121,144	\$12,477	\$16
<b>Total Uses</b>	<b>\$67,177,788</b>	<b>\$395,163</b>	<b>\$497</b>

Applicant: Habitat for Humanity of Seattle-King County  
Project Name: Bellevue Homes  
Location: 4315 129<sup>th</sup> Place SE, Bellevue, WA 98006  
Project Description: New development of 25 permanently affordable 3-bedroom, 1.5 bath townhomes and a new 3,500 SF community center for residents at 80% AMI.

Project Sources	Amount	Status
State HTF	\$900,000	Proposed
State CHIP	\$800,000	Proposed
ARCH HTF	\$600,000	Proposed
HFHSC	\$11,540,313	Committed
<b>Total Sources</b>	<b>\$13,840,313</b>	

Project Uses	Amount	Per Home	Per SF
Acquisition Costs	\$1,020,000	\$40,800	\$37.09
Construction	\$11,360,313	\$454,413	\$413.10
Soft Costs	\$1,180,000	\$47,200	\$42.91
Other Development Costs	\$280,000	\$11,200	\$10.18
<b>Total Uses</b>	<b>\$13,840,313</b>	<b>\$555,613</b>	<b>\$503.28</b>

Applicant: Plymouth Housing  
Project Name: Kenmore PSH  
Location: 4315 129<sup>th</sup> Place SE, Bellevue, WA 98006  
Project Description: New construction of 100 affordable housing units for formerly homeless seniors, veterans, and disabled individuals at 30% area median income with moderate service needs.

Source Name	Amount	Originally Committed	Proposed Status
Tax Credit Equity	\$25,705,200		Proposed
Housing Trust Fund	\$5,000,000		Proposed
City of Kenmore	\$400,000	\$5,090,000	Proposed
ARCH	\$279,729	\$3,000,000	Proposed
Plymouth Sponsor Loan	\$1,458,600		Committed
FHLB	\$750,000		Proposed
King County	\$1,000,000		Proposed
Plymouth Sponsor Loan	\$1,541,400		Committed
<b>Total Sources</b>	<b>\$44,224,929</b>		

Project Uses	Amount	Per Unit	Per SF
Acquisition Costs	\$1,920,000	\$19,200	\$45
Construction	\$34,123,997	\$341,240	\$804
Soft Costs	\$3,015,000	\$30,150	\$71
Construction Financing	\$794,532	\$7,945	\$19
Permanent Financing	\$315,000	\$3,150	\$7
Capitalized Reserves	\$ 1,135,000	\$11,350	\$27
Other Development Costs	\$1,380,000	\$13,800	\$33
Community Space	\$1,541,400	N/A	\$706
<b>Total Uses</b>	<b>\$44,224,929</b>	<b>\$442,249</b>	<b>\$1,042</b>

Applicant: King County Housing Authority  
Project Name: Kirkland Heights  
Location: 13310 NE 133<sup>rd</sup> Street, Kirkland WA 98034  
Project Description: Rehab and new construction of 276 Affordable Units at 30%, 60% and 80% AMI

Project Sources	Amount	Status
4% LIHTC Equity	\$96,393,299	Proposed
Tax Exempt Bonds (Permanent)	\$52,262,366	Proposed
King County TOD	\$11,200,000	Committed
State HTF	\$10,000,000	Proposed
State CHIP	\$1,000,000	Proposed
ARCH HTF	\$2,000,000	Proposed
Sponsor Subordinate Loan	\$36,145,521	Committed
Deferred Developer Fee	\$10,911,606	Committed
Deferred Interest	\$400,000	Committed
<b>Total Sources</b>	<b>\$220,312,792</b>	

Project Uses	Amount	Per Unit	Per SF
Acquisition Costs	\$51,524,800	\$186,684	\$210.09
Construction	\$128,170,181	\$464,385	\$522.61
Soft Costs	\$31,905,619	\$115,600	\$130.09
Pre-Development / Bridge Financing	\$1,200,000	\$4,348	\$4.89
Construction Financing	\$1,825,000	\$6,612	\$7.44
Permanent Financing	\$1,594,462	\$5,777	\$6.50
Other Development Costs	\$3,627,730	\$13,144	\$14.79
Bond Related Costs of Issuance	\$465,000	\$1,685	\$1.90
<b>Total Uses</b>	<b>\$220,312,792</b>	<b>\$798,235</b>	<b>\$898.31</b>

Applicant: ALPHA/Inclusion  
Project Name: Scattered Homes  
Location: TBD  
Project Description: Purchase and rehabilitation of two homes in East King County for IDD children and individuals.

<b>Project Sources</b>	<b>OHS Home 3</b>	<b>Supported Living Home 4</b>	<b>Total</b>
Housing Trust Fund	\$700,000	\$650,000	\$1,350,000
ARCH	\$200,000	\$200,000	\$400,000
Kuni Foundation	\$100,000	\$0	\$100,000
Inclusion Housing	\$100,000	\$100,000	\$200,000
<b>Total Sources</b>	<b>\$1,100,000</b>	<b>\$950,000</b>	<b>\$2,050,000</b>

<b>Project Uses: Supported Living Home #4</b>	<b>Amount</b>	<b>Per SF</b>	<b>Per Bed</b>
Acquisition Costs	\$812,000	\$226	\$116,000
Construction	\$96,000	\$27	\$13,714
Soft Costs	\$21,000	\$6	\$3,000
Capitalized Reserves	\$21,000	\$6	\$3,000
<b>Total Uses</b>	<b>\$950,000</b>	<b>\$264</b>	<b>\$135,714</b>
<b>Project Uses: OHS Home #3</b>	<b>Amount</b>	<b>Per/SF</b>	<b>Per Bed</b>
Acquisition Costs	\$963,000	\$268	\$137,571
Construction	\$96,000	\$27	\$13,714
Soft Costs	\$21,000	\$6	\$3,000
Capitalized Reserves	\$20,000	\$6	\$2,857
<b>Total Uses</b>	<b>\$1,100,000</b>	<b>\$306</b>	<b>\$157,143</b>



Applicant: BRIDGE Housing  
Project Name: Spring District Affordable Housing Development  
Location: 1601 120<sup>th</sup> Avenue NE, Bellevue WA  
Project Description: New construction of Building 6 and Building 3, which consist of 235 permanently affordable units at 50%-60% AMI in the Spring District TOD site.

Project Sources	Amount	Status
4% Low Income Housing Tax Credits	\$58,501,006	Proposed
Amazon Housing Equity Fund - Loan	\$22,100,000	Proposed
Amazon Housing Equity Fund - Grant	\$3,750,000	Proposed
Evergreen Impact Housing Fund	\$15,500,000	Committed
King County TOD	\$10,000,000	Proposed
City of Bellevue	\$8,000,000	Proposed
ARCH	\$4,000,000	Proposed
BRIDGE General Partner Equity	\$4,985,350	Committed
Deferred Developer Fee	\$2,000,000	Committed
Perm Loan	\$2,987,826	Proposed
<b>Total Sources</b>	<b>\$131,824,182</b>	<b>\$560,954</b>

Project Uses	Amount	Per Unit	Per SF
Acquisition Costs	\$25,000	\$106	\$0.11
Construction	\$101,081,682	\$430,135	\$424.80
Soft Costs	\$15,434,392	\$65,678	\$64.86
Pre-Development / Bridge Financing	\$810,975	\$3,451	\$3.41
Construction Financing	\$9,589,624	\$40,807	\$40.30
Permanent Financing	\$580,627	\$2,471	\$2.44
Capitalized Reserves	\$611,227	\$2,601	\$2.57
Other Development Costs	\$3,690,655	\$15,705	\$15.51
<b>Total Uses</b>	<b>\$131,824,182</b>	<b>\$560,954</b>	<b>\$553.99</b>

Applicant: Attain Housing  
Project Name: Totem Six Plex  
Location: 12601 NE 132<sup>nd</sup> St, Kirkland  
Project Description: New construction of a three-story structure with six two-bedroom units of affordable housing for homeless families earning up to 30% of area median income (AMI).

Project Sources	Amount	Status
ARCH	\$750,000	Proposed
State Housing Trust Fund	\$750,000	Proposed
King County	\$750,000	Proposed
Capital Campaign	\$1,500,000	Proposed
Attain Housing	\$250,000	Committed
<b>Total Sources</b>	<b>\$4,000,000</b>	<b>\$666,667</b>

Project Uses	Amount	Per Unit	Per SF
Acquisition:	\$1,500	\$250	\$.25
Construction:	\$3,393,632	\$565,605	\$566
Soft Costs:	\$526,143	\$87,691	\$88
Other Development Costs	\$78,725	\$13,1221	\$13
<b>Total Uses</b>	<b>\$4,000,000</b>	<b>\$666,667</b>	<b>\$667</b>



# A Regional Coalition for Housing

***ARCH Trust Fund  
Recommendations  
Fall 2022***

# Total Requests

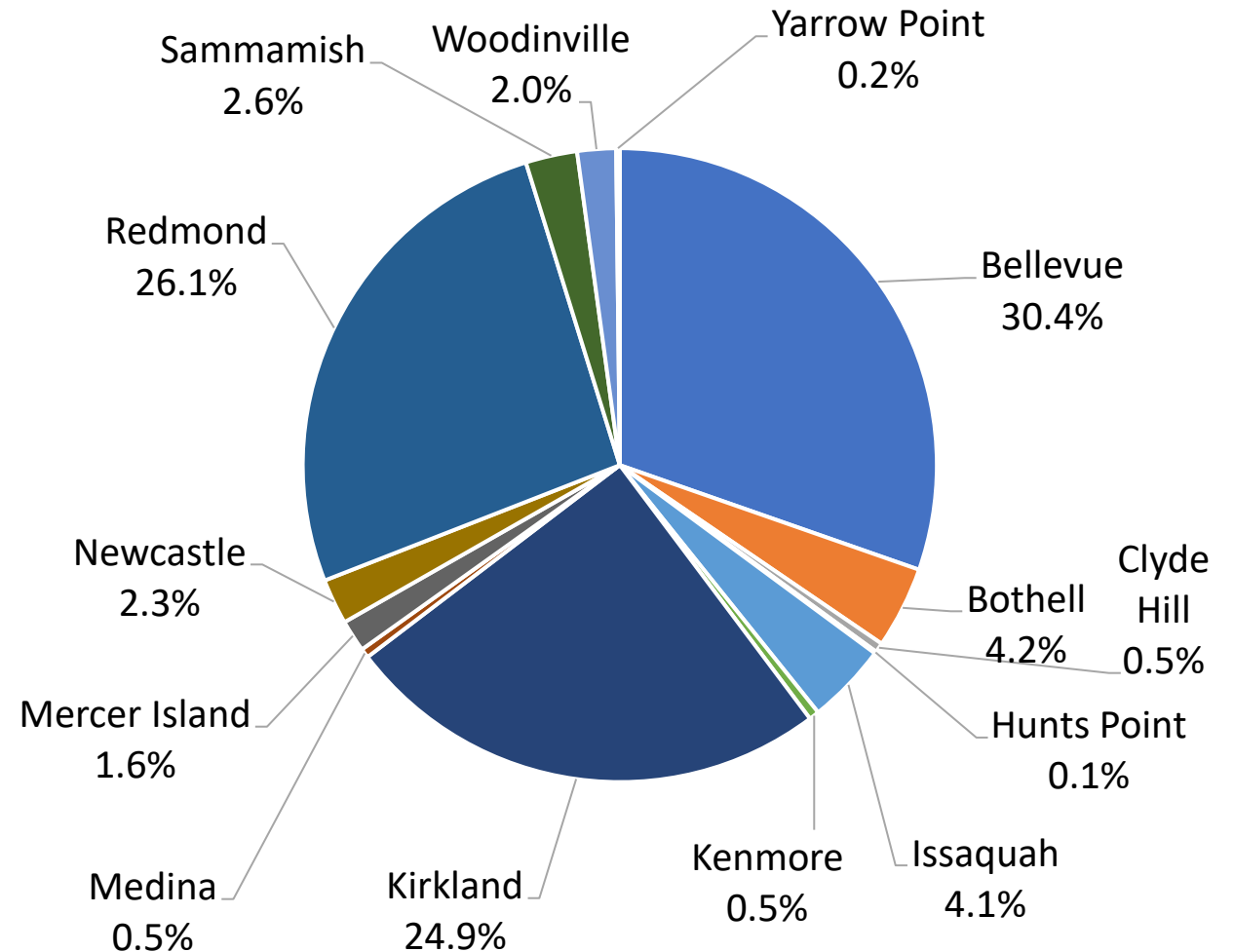
- Eight applications requesting a total of \$13.1M
- Submitted projects include 845 total affordable units/beds
  - 100 units in Kenmore, 7 beds in Kenmore-Bothell-Woodinville area
  - 478 units/beds in Kirkland
  - 260 units in Bellevue
- Projects also applied for King County and State funds

Applicant	Project	Location	ARCH Request	Units/ Beds
TWG/Imagine Housing	Ardea Senior Affordable Housing	Kirkland	\$1,400,000	170
Habitat for Humanity	Bellevue Homes	Bellevue	\$600,000	25
Plymouth Housing	Kenmore PSH	Kenmore	\$3,279,729	100
KCHA	Kirkland Heights	Kirkland	\$2,000,000	276
<del>Friends of Youth</del>	<del>The Landing Shelter and Service Center</del>	<del>Kirkland</del>	<del>\$650,000</del>	<del>26</del>
ALPHA/Inclusion Homes	Scattered Homes	Kenmore-Bothell-Woodinville	\$400,000	7
BRIDGE Housing	Spring District Affordable Housing Dev.	Bellevue	\$4,000,000	235
Attain Housing	Totem Six Plex	Kirkland	\$750,000	6
Total			\$13,079,729	845

# Available Funds

- Approximately \$7.6M in available revenue
  - Kenmore also contributing \$5M in land/ARPA funds
- Funding Sources:
  - Local General Funds
    - Remaining 2021 funds
    - New 2022 contributions
    - Loan repayments, interest earnings, de-obligated funds
  - HB 1406 sales tax funds
  - Kirkland fee in lieu funds
  - CDBG funds
    - Kirkland, Redmond and N/E subregion

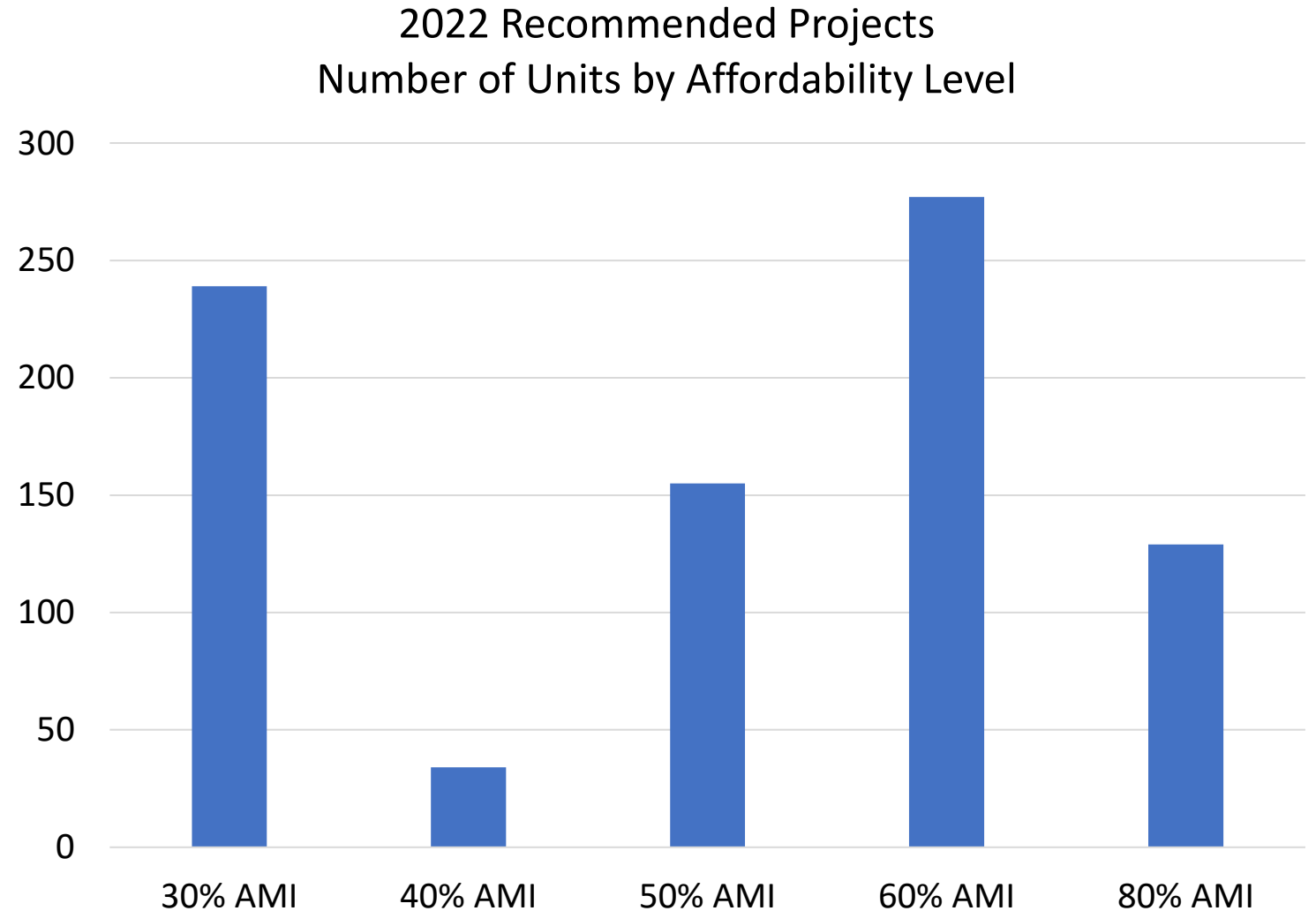
## ARCH Trust Fund Balances November 2022



# Recommendations

Applicant	Project	Location	ARCH Request	Recommended Award	Units/ Beds
TWG/Imagine Housing	Ardea Senior Affordable Housing	Kirkland	\$1,400,000	\$1,400,000	170
Habitat for Humanity	Bellevue Homes	Bellevue	\$600,000	\$600,000	25
Plymouth Housing	Kenmore PSH	Kenmore	\$3,279,729	\$3,279,700	100
KCHA	Kirkland Heights	Kirkland	\$2,000,000	\$600,000	25
ALPHA/Inclusion Homes	Scattered Homes	Kenmore- Bothell- Woodinville	\$400,000	\$400,000	7
BRIDGE Housing	Spring District Affordable Housing Dev.	Bellevue	\$4,000,000	\$350,000	235
Attain Housing	Totem Six Plex	Kirkland	\$750,000	\$50,000	6
Total			<b>\$12,429,729</b>	<b>\$7,645,900</b>	819

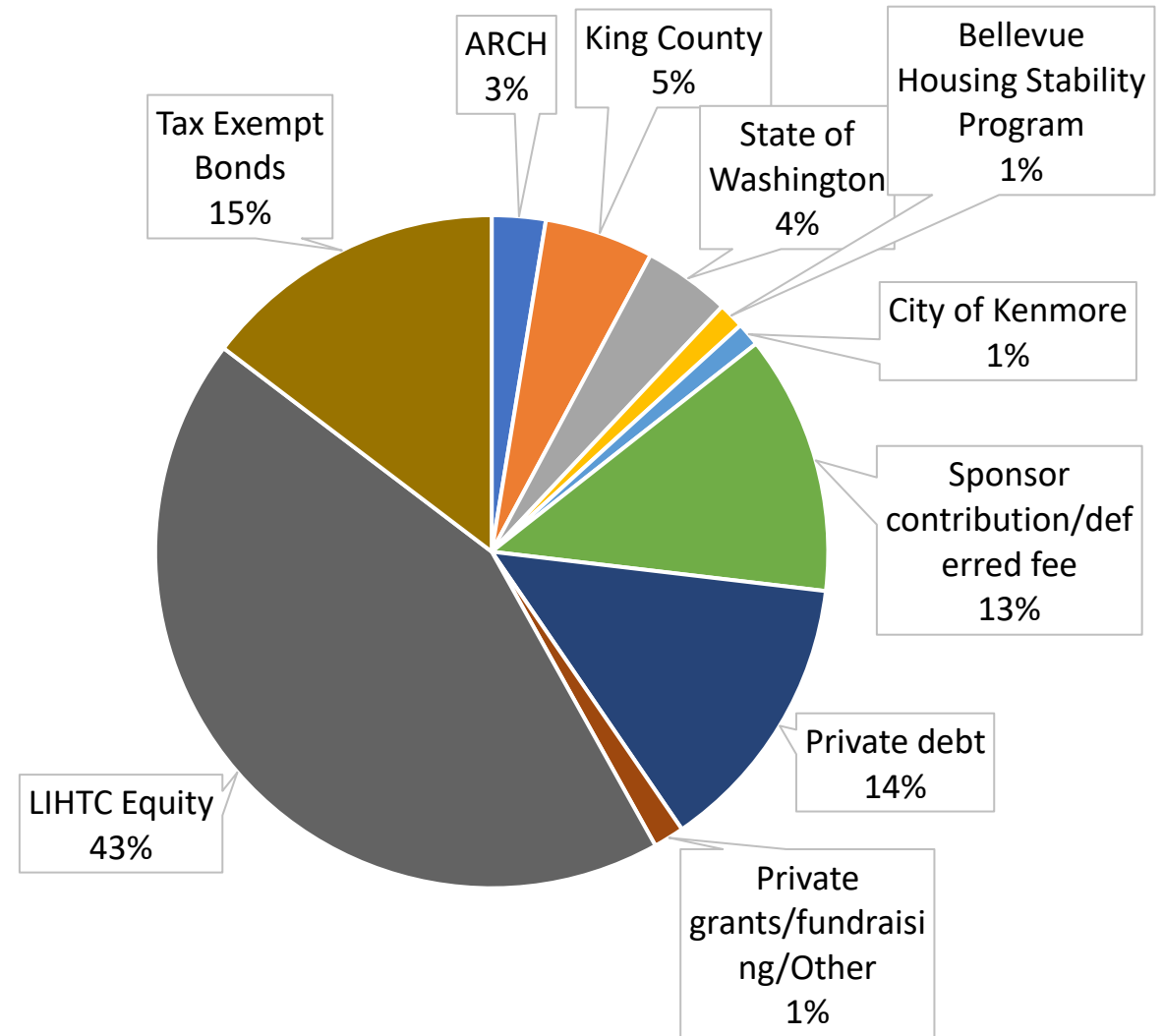
- Significant number of units with deep affordability
  - Section 8 vouchers or other rental subsidy to reach rents at or below 30% AMI
- Six rental projects, one homeownership project



# Leveraged Funding Sources

- \$465 million in estimated project funding in recommended projects
- \$40 for every \$1 of ARCH Trust Fund investment
- \$20 for every \$1 of local city funding (including proposed Kenmore and Bellevue funds)

## Proposed Funding Sources ARCH Housing Trust Fund Projects, 2022





# Ardea at Totem

- Location: 12700 116th Avenue NE, Kirkland WA
- Requested: \$1,400,000
- Recommended: \$1,400,000
- Project Sponsor/Developer: Imagine Housing and TWG
- 170 studio and 1BR units
- Affordability at 40%, 50% and 60% AMI
- Seniors and veterans
- Close to amenities, transit





# Habitat Bellevue Homes

- Location: 4315 129th Pl SE, Bellevue WA (Holy Cross Church)
- Applicant: Habitat for Humanity of Seattle-King County
- Requested: \$600,000
- Recommended: \$600,000
- Unit Mix: 25 3BR cottages
- Affordability: 10 at 60% AMI, 15 at 80% AMI



# Kenmore Supportive Housing

- Location: 6532 Bothell Way NE, Kenmore WA
- Applicant: Plymouth Housing
- Requested: \$3,279,729
- Recommended Funds: \$3,279,700
- Unit Mix: 100 studio and 1BR units
- Affordability: 30% AMI
- Homeless individuals, seniors, veterans and persons with disabilities



## Additional Background

- \$1.9M City-donated property in downtown Kenmore with access to transit and amenities (one block from future BRT)
- \$3.2 million commitment of Kenmore ARPA Funds
- Strong City commitment to move the project quickly
- Competitive for 9% LIHTC
- Proposed health clinic partnership with Bastyr University
- Community courtyard for residents and patrons of commercial space





# Kirkland Heights

- Location: 13310 NE 133rd Street, Kirkland, WA
- Requested: \$2,000,000
- Recommended: \$1,566,200
- Applicant: King County Housing Authority
- Preservation and redevelopment to increase from 180 to 276 units (including 3 manager units)
- Unit Mix: 1BR, 2BR, 3BRs
- Affordability: 106 units at 30% AMI, 53 units at 60% AMI, 114 units at 80% AMI
  - Existing residents include 76% BIPOC households





# Inclusion Scattered Homes

Location: Scattered (TBD – Woodinville, Bothell, Kenmore area, near existing homes and agency headquarters)

Applicant: Inclusion Housing LLC (Alpha Supportive Living Services)

Requested: \$400,000

Recommended: \$400,000

Unit Mix: Two 3-4BR Single Family  
Detached Homes

Affordability: 30% AMI

Out of Home Services Home

Children (ages 8-21) with  
Intellectual/Developmental Disabilities

Supportive Living Home

Adult Individuals with  
Intellectual/Developmental Disabilities



*Images are for illustrative purposes only – homes to be acquired in 2023.*

# Spring District TOD

- Location: 1601 120th Avenue NE, Bellevue WA
- Applicant: BRIDGE Housing
- Requested: \$4,000,000
- Recommended: \$350,000
- Unit Mix: 235 studio, 1BR, 2BR and 3BR units
- Affordability: 40% AMI, 50%AMI and 60% AMI
- Families and individuals
- Part of larger mixed use, master planned TOD community
- Planned construction start in November 2024





# Attain Six-plex

- Location: 12601 NE 132<sup>nd</sup> St, Kirkland
- Applicant: Attain Housing
- Requested: \$750,000
- Recommended: \$50,000
- Unit Mix: 6 2BR units
- Affordability: 30% AMI
- Transitional housing for homeless families
- Use of existing property to create new development site

