



MEMO TO: Members of the City Council

FROM: Mayor John Marchione

DATE: February 26, 2019

SUBJECT: Affordable Housing and 2019 ARCH Work Plan and Budget

I. RECOMMENDED ACTION

Provide a briefing to the Council on Affordable Housing and the proposed 2019 Work Program and Budget for ARCH (A Regional Coalition for Housing).

II. DEPARTMENT CONTACTS

Erika Vandenbrande, Director, Planning and Community Development	425-556-2457
Colleen Kelly, Manager, Housing and Human Services	425-556-2423
Sarah Stiteler, AICP, Senior Planner	425-556-2469

III. DESCRIPTION/BACKGROUND

Affordable and workforce housing issues have been identified as key issues for the City of Redmond and the region in recent years and for 2019. The February 26 study session will include a presentation on Affordable Housing and the proposed 2019 ARCH Work Program and Budget by Planning Department staff and Lindsay Masters, the Executive Manager of ARCH. In addition, other topics for Council discussion will include planning for housing needs, housing supply, City implementation strategies to increase affordable housing, and information about the ARCH organization.

ARCH Work Program for 2019

ARCH was formed by interlocal agreement in 1993 with joint funding by member cities. The ARCH Executive Board reviewed and approved the 2019 Work Program and Administrative Budget at its December 2018 meeting. Priorities for ARCH identified in the 2019 Work Program include:

- Continuing to develop options for a more sustainable long-term funding strategy for the ARCH Trust Fund;
- Working with member jurisdictions, Sound Transit, and King County Housing staff to develop opportunities for affordable housing along transit corridors;

- Evaluating potential surplus property or underutilized private property for affordable housing opportunities such as faith community properties; and
- Continued support for Eastside shelter providers, the Human Services Forum and cities in developing a sub-regional long-term strategy for addressing shelter for homeless persons and families. (Attachment A)

In addition to providing ongoing assistance to the City in managing affordable housing programs and administering the Housing Trust Fund, examples of 2019 work program activities that are specific to Redmond include:

- Increasing the supply and affordability level for new housing in Redmond's centers as part of the development of master plans and development agreements;
- Continuing to work on the promotion of ADUs and other programs available to Redmond residents and developers;
- Assisting with outreach to landlords regarding the Section 8/Housing Choice program and potentially other initiatives to provide additional affordable housing opportunities.

ARCH Administrative Budget for 2019

The ARCH administrative budget for 2019 is \$724,400. This represents an increase of 3.59 percent from the 2018 budget of \$699,324. The proposed 2019 ARCH budget anticipates Redmond's contribution would be \$78,584 which represents an increase of 3.55 percent over the 2018 budget of \$75,890. The increase was adopted as part of Redmond's 2019-2020 biennial budget.

The ARCH 2019 administrative budget provided in Attachment B includes a line item breakdown of operating expenses, along with a comparison to 2018 figures, and a summary of cash and in-kind contributions by each ARCH member jurisdiction.

Since the establishment of ARCH in 1993 over 3,645 dwellings have been created or preserved through local contributions from member jurisdictions in East King County and ARCH cities have contributed a total of over \$62 million in funding toward housing.

IV. PREVIOUS DISCUSSIONS HELD

Council Actions/Communication

Date	Action/Committee Presentation
February 19, 2019	Planning and Public Works Committee

V. IMPACT

A. Service/Delivery:

The 2019 ARCH work program is consistent with the City's goals and policies for promoting affordable housing, as described in the Comprehensive Plan. ARCH will help Redmond achieve its housing goals. By working together with other jurisdictions, Redmond's housing efforts are more cost-effective and better coordinated.

B. Fiscal Note:

Approval of the ARCH budget for 2019 would implement the City's commitment in the 2019-2020 biennial budget to continue Redmond's participation in ARCH. No other fiscal impacts are anticipated because of the proposed action. Combining resources through ARCH is far more cost-effective than Redmond trying to do this work alone.

VI. ALTERNATIVES TO STAFF RECOMMENDATION

Staff recommends this action because it meets the City's housing goals and conforms to the recommendations of the ARCH Executive Board, of which Redmond is a member.

VII. TIME CONSTRAINTS

Approval of the ARCH work program and budget by all ARCH member jurisdictions is a prerequisite to ARCH receiving operating funds for 2019. Due to the difficulty of coordinating multiple approval processes, the approval of the ARCH work program and budget by each member council is necessary as early as possible

VIII. LIST OF ATTACHMENTS

Attachment A: ARCH Work Program

Attachment B: ARCH 2019 Budget

Attachment C: Presentation Slides

Attachment D: ARCH Presentation



Erika Vandenbrande, Director of Planning and Community Development



Approved for Agenda _____

John Marchione, Mayor