

CITY COUNCIL AGENDA TOPIC

Resolution authorizing the application of \$189,300 in city funds for the Orchard Gardens Project; approving terms for the project as recommended by the Executive Board for A Regional Coalition for Housing (ARCH); and authorizing the City Manager to enter into an agreement and execute all documents necessary for the project consistent with approved terms.

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City Manager's Office

Lindsay Masters, Executive Director
Patrick Tippy, Investments Manager
A Regional Coalition for Housing (ARCH)

EXECUTIVE SUMMARY**ACTION**

As directed by City Council on February 24, this Resolution authorizes the City Manager to enter into an agreement for the Orchard Gardens project (Bellevue) in the amount of \$189,300 in City of Bellevue funds as recommended by the ARCH Executive Board.

RECOMMENDATION

Move to adopt Resolution No. 10610

BACKGROUND/ANALYSIS

On February 24, the City Council directed staff to return with legislation approving \$1,301,200 of Bellevue funding to support seven projects recommended for funding by the ARCH Executive Board, including \$189,300 to Habitat for Humanity in support of the Orchard Gardens project. Background information on the development was previously provided to council at the February 24 Study Session.

This Orchard Gardens development will create 25 new permanently affordable ownership homes for households earning up to 80% of the area median income. Each home will have three bedrooms with on-site parking. Habitat for Humanity purchased the 3.13-acre property from the Holy Cross Lutheran Church in December 2024 and is finalizing permits with the City of Bellevue. The development includes preservation of an existing community garden, apple orchard, and green spaces for the benefit of the community. The property is located in Bellevue's Newport neighborhood near schools, transit, the Factoria shopping center, and employment centers.

Ownership Model: Habitat employs a community land trust model to preserve long-term affordability, retaining ownership of the land and selling homes to eligible buyers through ground leases. When homeowners decide to sell, Habitat has a right of first refusal wherein Habitat will purchase the home, perform any necessary rehabilitation, and find an income-qualified buyer before reselling, thus, preserving long term affordability.

POLICY & FISCAL IMPACTS

Policy Impact

ARCH Trust Fund allocations further the work in Bellevue to implement the 2017 Affordable Housing Strategy. It recognizes the urgent need in the city to increase investments in the production and preservation of affordable housing.

Fiscal Impact

The ARCH Housing Trust Fund was established in 2010 for the purpose of administering the contributions of parties to the ARCH Interlocal Agreement to provide affordable housing in East King County. The ARCH Executive Board is requesting Bellevue funding of \$189,300 for the Orchard Gardens project. The city has available housing funds to satisfy this request.

OPTIONS

1. Adopt the Resolution authorizing the application of \$189,300 in city funds for the Orchard Gardens Project; approving terms for the project as recommended by the Executive Board for A Regional Coalition for Housing (ARCH); and authorizing the City Manager to enter into an agreement and execute all documents necessary for the project consistent with approved terms.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS

Proposed Resolution No. 10610

AVAILABLE IN COUNCIL LIBRARY

ARCH Executive Board 2025 Housing Trust Fund Recommendations, dated December 18, 2025