

CITY COUNCIL AGENDA TOPIC

Resolution authorizing the application of \$224,100 of City funds for the Spring District TOD Project; approving terms recommended by the Executive Board of A Regional Coalition of Housing (ARCH) in the 2023 ARCH Trust Fund Recommendations Memo; and authorizing the City Manager to enter into an agreement for the Project and execute necessary documents consistent with approved terms.

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A Regional Coalition for Housing (ARCH)

EXECUTIVE SUMMARY**ACTION**

Consistent with Council's direction on January 22, this Resolution authorizes the application of \$224,100, of City funds held by A Regional Coalition of Housing ("ARCH") in the Housing Trust Funds account for the Spring District TOD Project; approves terms recommended by the ARCH Executive Board in the 2023 ARCH Trust Fund Recommendations Memo (attached as Exhibit A to Resolution); and authorizes the City Manager to enter into an agreement for the Project and execute necessary documents consistent with approved terms.

RECOMMENDATION

Move to adopt Resolution No. 10348

BACKGROUND/ANALYSIS

At its January 22 Study Session, Council reviewed the proposed funding for the recommended projects and directed these items return for Council action. In addition to the Spring District TOD Project, the ARCH Executive Board is also recommending, in separate actions this evening: \$86,200 for Larus Senior Housing (Kenmore), \$206,900 for Aventine Apartments (Bellevue), \$172,300 for Emma McRedmond Manor (Redmond), and \$689,700 for Overlake TOD (Redmond). This background information was previously provided to Council at the January 22 Study Session.

BRIDGE Housing and its partners were selected by Sound Transit to master plan and develop a 6.9-acre site adjacent to Sound Transit's Operation and Maintenance Facility in BelRed. The site will be transferred from Sound Transit to BRIDGE Housing at no cost. The proposed Spring District TOD project consists of 234 permanently affordable units at 30-60 percent area median income, including 40 units serving people with intellectual and developmental disabilities and two manager apartments. Units will be included in two buildings as part of a larger master plan development.

The Spring District TOD project applied for and was awarded \$350,000 in the 2022 ARCH Housing

Trust Fund allocation cycle. The Project was encouraged to reapply in 2023, and has applied for another \$650,000 in additional capital funding for the 2023 ARCH Housing Trust Fund allocation cycle.

BRIDGE's application for funding in the 2023 allocation cycle reflects changes since the 2022 allocation cycle. Notable changes from 2022 are deeper affordability levels, the departure of market-rate partners and the commitment of funding from sources such as Amazon that were only proposed in 2022.

Related to these changes, the ARCH Executive Board is recommending that the conditions for award of funding in the 2022 ARCH Trust Fund Recommendations Memo be superseded and replaced with the conditions on pages 3-4 and 16 of the 2023 ARCH Trust Fund Recommendations Memo.

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 to apply Bellevue funding of \$224,100 to the Spring District TOD project. The City has available housing funds to satisfy this request.

OPTIONS

1. Adopt the Resolution authorizing the application of \$224,100 of City funds for the Spring District TOD Project; approving terms recommended by the Executive Board of A Regional Coalition of Housing (ARCH) in the 2023 ARCH Trust Fund Recommendations Memo; and authorizing the City Manager to enter into an agreement for the Project and execute necessary documents consistent with approved terms.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS

A. ARCH Executive Board 2023 ARCH Trust Fund Recommendations memo, dated December 14, 2023 ("2023 ARCH Trust Fund Recommendations Memo")

Proposed Resolution No. 10348

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