

CITY COUNCIL AGENDA TOPIC

Discussion of A Regional Coalition for Housing (ARCH) 2025-2026 Administrative Budget and Work Program as recommended by the ARCH Executive Board

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EXECUTIVE SUMMARY**DIRECTION**

Seeking direction to have staff prepare legislation for Council approval of the ARCH 2025-2026 Administrative Budget and Work Program for action at a future meeting.

RECOMMENDATION

Direct staff to prepare legislation (1) approving the ARCH 2025-2026 Administrative Budget and Work Program, and (2) amending the City of Bellevue budget to accommodate the request for two new ARCH staff positions. If directed by Council, staff will prepare the legislation for approval on the consent calendar.

BACKGROUND/ANALYSIS

The ARCH Executive Board approved the 2025-2026 Administrative Budget and Work Program on June 26, 2024, by a majority vote. Attachment A is a Memorandum from ARCH Executive Director, Lindsay Masters, forwarding the 2025-2026 Administrative Budget and Work Program to member cities. This is consistent with and pursuant to the ARCH Interlocal Agreement requirement that all ARCH member councils review and approve ARCH's budget and work program. The proposed 2025-2026 Administrative Budget and Work Program priority objectives are briefly described below.

ARCH Administrative Budget

ARCH's 2025-2026 Administrative Budget is a biennial budget, which includes \$2,720,754 in 2025 and \$2,827,690 in 2026. The 2025 budget represents a 20.9 percent increase over 2024, primarily due to the request for two new staff positions. Because of the new staffing request, staff are requesting legislation to amend the City budget to accommodate this new request, as Bellevue is the administrating entity for ARCH. The 2026 budget is a 3.9 percent increase over 2025.

The 2025-2026 Administrative Budget reflects the following:

- Shift to a biennial budget and work program from an annual process;
- Alignment with the adopted Strategic Plan designed to "Build More Housing Faster;"
- Adjustments from Bellevue's compensation study and general wage increase estimates;
- Two new staff positions to help implement ARCH's Strategic Plan:
 - Government Affairs and Communications Manager
 - Local Planning/Special Projects Advisor

Bellevue’s share of the Administrative Budget is detailed in the table below. Bellevue’s overall share of administrative contributions will increase 21.1 percent in 2025 and 4.4 percent in 2026. This share represents both member contributions and Bellevue cash and in-kind contributions. These amounts are already included in the adopted 2025-2026 City budget.

Bellevue Contributions	2024	2025	2026
<i>General Fund & Housing Stability Program</i>	\$661,412	\$776,623	\$814,799

ARCH Administrative Work Plan

The ARCH Work Program describes the ARCH Executive Board’s recommended work activities for the 2025-2026 biennium to implement the Strategic Plan. The ARCH Work Program includes five core work streams: Affordable Housing Investment; Housing Policy and Planning; Housing Program Implementation; Member Education, Engagement and Community Outreach; and Administration.

In 2025-26, ARCH will elevate the following priorities:

- Implement annual engagement efforts with ARCH member stakeholders (including staff, planning commissioners and elected officials) to increase knowledge and understanding of affordable housing in the region;
- Convene ARCH coalition members to develop targeted legislative priorities related to funding for affordable housing and/or reducing barriers to affordable housing development;
- Facilitate and advance proposals for dedicated revenue sources for affordable housing in East King County;
- Complete a study of ARCH’s legal and governance structure to facilitate changes that streamline processes and better advance ARCH’s mission;
- Assist members to implement policies to reduce cost burden in affordable housing;
- Pursue partnerships and advance the development of high impact special projects, including transit-oriented development projects and other projects on public lands.

ARCH’s work program includes a variety of tasks to assist Bellevue staff, including

- Support of monitoring and reporting requirements from King County Countywide Planning Policy;
- Support for continued implementation of the Affordable Housing Strategy;
- Support for the update of the Affordable Housing Strategy to achieve the City’s new affordable housing target;
- Ongoing support for investment of Housing Stability Program or other City funds as directed;
- Provide research and input on potential code amendments.

POLICY & FISCAL IMPACTS

Policy Impact

ARCH's 2025-2026 Budget and Work Program aligns with Comprehensive Plan Policy HO-60: Work cooperatively with King County, A Regional Coalition for Housing (ARCH) and other regional and statewide organizations and other jurisdictions to assess the need for, and to create, affordable housing.

Fiscal Impact

Bellevue's share of the 2025 ARCH Administrative Budget is \$776,623, and of the 2026 Administrative Budget is \$814,799. This includes in-kind contributions for personnel, insurance, and IT services, as well as cash contribution for administrative costs. Bellevue's share of the ARCH administrative budget is appropriated within the City's general fund and from the Housing Stability Program. These contributions are already included in the adopted 2025-2026 City budget, so there is no additional cost to the City for the administrative budget.

To add the two new FTE positions, staff will bring prepare a budget amendment for the General Fund in the amount of \$794,344.94 for the biennium within the subsequent action if Council provides this direction. This amount gives the City expenditure authority to pay ARCH's staff costs; ARCH reimburses the City for these positions, so no additional City resources are needed to cover the associated expenses.

OPTIONS

1. Direct staff to prepare legislation (1) approving the ARCH 2025-2026 Administrative Budget and Work Program, and (2) amending the City of Bellevue budget to accommodate the request for two new ARCH staff positions.
2. Provide alternative direction to staff.

ATTACHMENTS

- A. ARCH Executive Director Memorandum dated June 26, 2024

AVAILABLE IN COUNCIL LIBRARY

N/A