

CITY COUNCIL AGENDA TOPIC

Fall 2025 Housing Trust Fund Allocation Recommendations by A Regional Coalition for Housing

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EXECUTIVE SUMMARY

The A Regional Coalition for Housing (ARCH) Executive Board is requesting Bellevue funding of \$1,301,200 for seven recommended projects as part of the Fall 2025 Housing Trust Fund round. The recommended funding from all ARCH members includes:

DIRECTION

- \$1,500,000 for Bothell Urban (Bothell)
- \$500,000 for Altaire at East Main (Bellevue)
- \$500,000 for Forest Edge (Bellevue)
- \$1,716,000 for Orchard Gardens (Bellevue)
- \$462,600 for Kirkland House (Kirkland)
- \$976,700 for Family Village Redmond (Redmond)
- \$191,500 for LEO Condominiums at Trailhead (Issaquah)

RECOMMENDATION

Direct staff to prepare legislation to approve Bellevue funding of \$1,301,200 for the Fall 2025 ARCH Housing Trust Fund, as recommended by the ARCH Executive Board, for future Council action.

BACKGROUND/ANALYSIS

ARCH, created in 1992 by Bellevue, Redmond, Kirkland and King County, includes 15 Eastside cities and towns who collectively and voluntarily contribute funds to the ARCH Trust Fund. ARCH then advertises the available resources to developers for affordable housing development proposals across the east King County Region.

The ARCH Community Advisory Board (CAB) reviews applications each year and makes funding recommendations to the ARCH Executive Board. The CAB and Executive Board's review and recommendations reflect the policies and lending criteria adopted by the ARCH Executive Board.

The ARCH Housing Trust Fund has invested more than \$100M in funds from multiple cities for more than 30 years. Funds are pooled and made available to projects across East King County with the goal of maximizing the creation of affordable housing overall and in each city.

The Fall 2025 ARCH Housing Trust Fund received 14 applications for the 2025 round, requesting a total of \$14,801,152. Seven projects are recommended for funding by the ARCH Executive Board.

Recommended projects will create 505 units of affordable housing, with 271 units (53% of the units funded this round) to be located in Bellevue.

The ARCH Executive Board recommendations are described in Attachment A, including project descriptions, funding rationale, proposed conditions, economic summaries for the recommended projects, and outlines for ARCH’s standard conditions for projects.

The recommended projects will meet ARCH priorities and needs throughout the Eastside, including:

- Preservation of existing affordable housing;
- Speedy delivery of projects to meet the urgent need for affordable housing;
- Aligning and leveraging public dollars to maximize the impact of limited resources; and
- Local partnerships to serve diverse populations, including low-income families, families and individuals exiting homelessness, persons with intellectual and developmental disabilities, and veterans.

The requested funding from Bellevue of \$1,301,200 for the 2025 Housing Trust Fund Award recommendations amounts to 28% of the total Housing Trust Fund contribution, which is annually funded by all ARCH member cities. The 2025 request amounts to 23% of the total 2025 ARCH recommended funding awards, including Community Development Block Grant (CDBG) funds. The table shown below details the source of Bellevue’s contributions:

Amount	Source
\$ 1,087,000	2025 CoB Housing Trust Fund Contribution
\$214,200	Prior year carry forward, interest accrual, loan repayments and de-obligated awards
\$1,301,200	Total

If approved by Council, the funds would be allocated to these projects from the City’s available balance within the ARCH Housing Trust Fund. No new funds are included in this request. As demonstrated in the table above, \$1,301,200 accounts for the total request to support the 2025 ARCH Housing Trust Fund award recommendations. Of that, \$1,087,000 is the total Bellevue 2025 contribution to the ARCH Housing Trust Fund and \$214,200 reflects funds carried forward from the 2024 funding round, earned interest on Bellevue funds, repayments of prior awards, or otherwise de-obligated funds from prior awards. This amount does not include BelRed developer fees, Housing Stability Program (HSP) funding, or COB long-range planning housing reserve funds.

POLICY & FISCAL IMPACTS

Policy Impact

ARCH Housing Trust Fund allocations further the work in Bellevue to implement the 2017 Affordable Housing Strategy and the upcoming Affordable Housing Strategy update. 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 the early 1990s for the purpose of administering the contributions of parties through the ARCH Interlocal Agreement to provide affordable housing in East King County. The ARCH Executive Board is requesting Bellevue funding of \$1,301,200 within the ARCH Housing Trust Fund for the seven recommended projects. If approved by Council, the funds would be allocated to these projects from the City's available balance within the ARCH Housing Trust Fund (Fund 6950).

OPTIONS

1. Direct staff to prepare legislation to approve Bellevue funding of \$1,301,200 for the Fall 2025 ARCH Housing Trust Fund, as recommended by the ARCH Executive Board, for future Council action.
2. Provide alternative direction to staff.

ATTACHMENTS

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

AVAILABLE IN COUNCIL LIBRARY

N/A