

**CITY COUNCIL AGENDA TOPIC**

Resolution authorizing an additional \$378,900 of City funds for the Aventine Apartments Project; approving terms for the project as recommended by the Executive Board for A Regional Coalition for Housing (ARCH) and as memorialized in the 2024 ARCH Housing Trust Fund Recommendations memorandum; and authorizing the City Manager, or her designee, to enter into an agreement and execute all documents necessary for the project consistent with approved terms.

Thara Johnson, Planning Director, 452-4087  
*Community Development*

Lindsay Masters, Executive Director, 861-3677  
Patrick Tippy, Planning Manager, 305-5364  
*A Regional Coalition for Housing (ARCH)*

**EXECUTIVE SUMMARY****ACTION**

As directed by Council on January 28, 2025, this Resolution authorizes (1) additional funding in the amount of \$378,900 for the Aventine Apartments Project (Bellevue), increasing the City's total contribution for the project to not exceed \$585,800; (2) certain terms and conditions for the project; and (3) the City Manager to enter into an agreement and any documents necessary for the project, all as recommended by the ARCH Executive Board.

**RECOMMENDATION**

Move to adopt Resolution 10477

**BACKGROUND/ANALYSIS**

At its January 28th Study Session, Council reviewed the proposed funding for the recommended projects and directed these items return for Council action. This background information was previously provided to Council at the January 28 Study Session.

The Aventine Apartments is an acquisition-rehab of an existing 68-unit apartment building located in Downtown Bellevue. Roughly half of the prior residents were low-income, and this acquisition and minor renovation will result in preserving 66 units of affordable housing. Planned rehabilitation includes the conversion of two studio units on the second floor into office space for two case managers and a behavioral therapist to provide on-site supportive services to residents. Work will also include repainting the building exterior and modernizing the elevator.

The project includes 66 units of affordable housing with a mix of studios, one-, and two- bedroom units, serving 30 percent, 50 percent, 60 percent, and 80 percent of Area Median Income households including low-wage workers, families exiting homelessness, veterans experiencing homelessness, and people with disabilities. ARCH made a partial award of \$600,000 to this project last year. Of this prior award, Bellevue's previous contribution amounted to \$206,900. Full funding was not possible at the

time due to limited funding availability.

The Low Income Housing Institute (LIHI) acquired the property in May 2024 using proceeds from a \$3.5 million bridge loan from the City of Bellevue Housing Stability Program, a tax exempt bond issuance, a loan from the Amazon Housing Equity Fund, and a short term bridge loan from a Private Foundation. The project also secured 32 project-based vouchers from the King County Housing Authority as an operational subsidy and has funding from the Bellevue Housing Stability Program Operation, Maintenance, and Services (OMS) contract that pays for the supportive services personnel. The funding request to ARCH is proposed to repay the bridge loans used to acquire the property.

## **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 an additional \$378,900 of Bellevue funding to the Aventine Apartments, increasing the City's total contribution to \$585,800. The City has available housing funds to satisfy this request.

## **OPTIONS**

1. Adopt the Resolution authorizing an additional \$378,900 of City funds for the Aventine Apartments Project; approving terms for the project as recommended by the Executive Board for A Regional Coalition for Housing (ARCH) and as memorialized in the 2024 ARCH Housing Trust Fund Recommendations memorandum; and authorizing the City Manager, or her designee, 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**

A. ARCH Executive Board 2024 Housing Trust Fund Recommendations, dated December 26, 2024  
Proposed Resolution No. 10477

## **AVAILABLE IN COUNCIL LIBRARY**

N/A