

CITY COUNCIL REGULAR SESSION

Ordinance amending Ordinance No. 6557, adopted December 14, 2020, and previously amended, to amend the 2021-2022 Budget to increase the Housing Fund appropriation by \$213,597 to allow the addition of three (3) full-time revenue-backed employee positions to implement and support the Housing Stability Program; providing for severability; and establishing an effective date.

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Community Development

EXECUTIVE SUMMARY

As directed by the City Council on July 5, 2022, this Ordinance authorizes an increased appropriation to the Housing Fund for three (3) full-time equivalent (FTE) positions, including associated maintenance and operations costs, to be funded by RCW 82.14.530 sales tax revenues, in order to implement and support the City's Housing Stability Program.

RECOMMENDATION

Move to adopt Ordinance No. 6669

BACKGROUND/ANALYSIS

On October 12, 2020, the City Council enacted Resolution No. 9826, which allows Bellevue to collect a 0.1 percent sales and use tax for housing and related services under RCW 82.14.530. This tax began on January 1, 2021, collecting just over \$9.7 million in 2021 and is estimated to collect \$10.3 million in 2022.

RCW 82.14.530(2) requires at least 60 percent of collected funds be spent on capital projects – including constructing or acquiring affordable housing and facilities providing housing-related services; constructing or acquiring behavioral health related facilities; and/or funding the operation and maintenance of these constructed facilities. The remainder of the funds (not to exceed 40 percent) must be spent on operation, delivery, or evaluation of behavioral health treatment programs/services or housing-related services.

On July 5, 2022, the Council approved the recommended Housing Stability Program. To implement and administer the program as recommended, additional staff in Community Development, Parks and Community Services, and ARCH (A Regional Coalition for Housing) is needed and will be funded by a portion (up to 5 percent) of the annual revenue collected under RCW 82.14.530. These administration costs will cover staffing, overhead, and program management and oversight.

Any funding applied toward administration costs shall be derived from the authorized revenue stream in accordance with RCW 82.14.530. When staff performs programmatic work related to new capital projects, or funding the operation and maintenance of the same, then the applicable revenue source will be that earmarked for capital projects under RCW 82.14.530(2)(a). All other work will be supported by revenues specific to the operation, delivery, or evaluation of behavioral health treatment programs

and housing related services as allowed under RCW 82.14.530(2)(c).

POLICY & FISCAL IMPACTS

Policy Impact

Implementation of the Housing Stability Program furthers a range of affordable housing, human services, equity and inclusion, and economic development policies and strategies.

Housing Element of the Comprehensive Plan:

- HO-21. Address the entire spectrum of housing needs, including the need for housing affordable to very low-, low-, and moderate-income households, through the City's affordable housing programs.
- HO-22. Work cooperatively with King County, A Regional Coalition for Housing (ARCH), and other Eastside jurisdictions to assess the need for, and to create affordable housing.
- HO-25. Provide funding to support housing need, especially for low and very low-income households.
- HO-27. Encourage preservation, maintenance and improvements to existing affordable housing

Human Services Element of the Comprehensive Plan:

- HS-8. Make Bellevue a welcoming, safe and just community marked by fairness and equity provided to those disproportionately affected by poverty, discrimination and victimization.
- HS-9. Improve access to services throughout the community by removing physical and systemic barriers and empowering individuals to overcome other barriers that may exist.
- HS-14. Support agencies locating human services facilities in Bellevue and, where appropriate, encourage efficiencies through agency collocation and collaboration.
- HS-15. Support a network of service points that are easily accessible by Bellevue residents and workers, geographically distributed within the city and proximate to public transit.

Fiscal Impact

This action will increase the 2021-2022 Housing Fund appropriation by \$213,597 for the Housing Stability Program.

OPTIONS

1. Adopt the Ordinance amending Ordinance No. 6557, adopted December 14, 2020, and previously amended, to amend the 2021-2022 Budget to increase the Housing Fund appropriation by \$213,597 to allow the addition of three (3) full-time revenue-backed employee positions to implement and support the Housing Stability Program; providing for severability; and establishing an effective date.
2. Do not adopt the Ordinance and provide alternative direction to staff.

ATTACHMENTS

Proposed Ordinance No. 6669

AVAILABLE IN COUNCIL LIBRARY

N/A