A
REGIONAL
COALITION FOR
HOUSING

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MEMORANDUM

Date: May 29, 2020

From: Lindsay Masters, ARCH Executive Manager
To: ARCH Member Councils

Subject: ARCH 2021 Budget and Work Program

Please find attached the 2021 ARCH Budget and Work Program, which was adopted for recommendation by a unanimous vote of the ARCH Executive Board on April 20, 2020. This memo provides an overview of the recommendation, including the key principles that guided the proposal, highlights from the budget and work program, and information on ARCH's ongoing work to facilitate affordable housing projects and planning.

Background and Principles

In accordance with the ARCH Interlocal Agreement, each year the ARCH Executive Board is responsible for delivering a recommended budget and work program to member councils by June 1 for the following calendar year. In light of the extraordinary challenges currently facing ARCH member communities, the proposed Budget and Work Program for 2021 was developed with the following core principles in mind:

- Acknowledge and prepare for fiscal impacts from the current public health crisis.
- Preserve existing assets to ensure no net loss of affordable housing.
- Continue to make progress on current projects and planning to the greatest extent possible.

These principles recognize the very real economic hardships faced by local governments, while also demonstrating a continued commitment to creating and preserving safe, stable and affordable housing for members of the community also suffering from economic impacts. Now more than ever, we recognize the value of safe, stable and affordable homes for all members of the community.

2021 Administrative Budget and Work Program

The recommended 2021 Administrative Budget and Work Program are shown in **Attachments 1 and 2.**

Administrative Budget

- Member dues are held constant at 2020 levels
- Planned expenses are limited to the minimum necessary to preserve current operations and staffing
- New administrative fees are established to cover any inflation in costs from 2020 and help replenish operating reserves while mitigating any impacts to member dues

Work Program

- ARCH's core services are maintained, including critical monitoring and stewardship functions that will ensure preservation of existing affordable housing assets.
- Priorities established in 2020 are carried over into 2021, reflecting an ongoing commitment to preserve and expand housing opportunities to the greatest extend possible, including:
    - Provide excellent stewardship of affordable housing assets
    - Finalize and begin reporting on measurable goals for production and preservation of affordable housing across ARCH member communities
    - Continue to support proposals for dedicated revenue sources for the Housing Trust Fund to expand production of affordable housing.
    - Recommend options for expanding ARCH's capacity to accomplish its broader mission.
    - Seek opportunities to advance projects and programs with high potential impact and facilitate projects in the pipeline to the greatest extent possible.
    - Respond to emerging needs identified by local communities and member jurisdictions.

Continued Improvements to Monitor and Steward Affordable Units

ARCH is continuing to make significant improvements in monitoring and stewardship of existing affordable housing to ensure long-term preservation of these valuable community resources. Based on a consultant evaluation in 2019, the ARCH Executive Board approved and member councils concurred with the decision to dedicate two new staff positions to these functions.

The staffing levels established in 2019 were the minimum amount deemed necessary to carry out essential responsibilities, given the major growth in the portfolio overseen by ARCH without any growth in staffing since the early-2000s. The value of this portfolio is now immense, saving renter households roughly $50 million annually in rent, and bringing ownership opportunities below market by roughly $375 million to create a pathway to homeownership for many low to middle income households.

The addition of staff capacity, together with a continuing commitment by ARCH's board and management on preserving and strengthening existing programs, has resulted in the following improvements:

Rental Program

- Developed written policies and standard forms to ensure consistent documentation and procedures for verifying income eligibility
- Established procedures for routine on-site file audits to verify compliance data submitted in annual reports
- Expanded data collection and analysis to evaluate program outcomes, and developed a dashboard to track program metrics
- Developed web-based training and resources to train property managers on compliance requirements

Homeownership Program

- Established a comprehensive database to track affordable homes
- Adopted procedures for annual monitoring of owner occupancy requirements
- Conducted in-depth analysis of resale data and adopted a standardized resale formula that, together with modifications to initial home pricing, will better preserve long-term affordability
- Developed a program manual of policies and procedures to ensure clear and consistent implementation of program rules
- Refined income eligibility requirements to ensure affordable homes go to buyers without significant assets
- Adopted a priority policy for buyer selection to target newly developed homes based on income, household size, first time homebuyer status and residency or employment within the community
- Adopted procedures to extend the term of affordability when homes are re-sold
- Adopted administrative fees to strengthen the financial sustainability of the program
- Began tracking demographic information of buyers and applicants on the waitlist, and developed a dashboard to report on key demographic measures

In addition to the above improvements, ARCH staff have stepped up efforts to respond to the growing number of community members in need, providing assistance and referrals to renters and homeowners to a range of resources.

Housing Trust Fund Contributions / HB 1406 Sales Tax

Separate from contributions to ARCH's administrative budget, each year ARCH member jurisdictions are encouraged to contribute on a voluntary basis toward the ARCH Housing Trust Fund (see **Attachment 3** for updated Parity Goals for each jurisdiction). The Trust Fund is a critical program with a long and successful track record of financing local affordable housing projects, which are developed by mission-driven agencies and carefully vetted by a Citizen Advisory Board each year.

The need and demand for these resources remains urgent. In 2019, ARCH received applications for a record $19 million in funding for development of affordable housing, and

was able to recommend approximately $5 million based on available funds from 2018 and 2019. These awards will have an important impact in expanding both the production of affordable homes and emergency shelter capacity on the Eastside, but left some projects partially funded with the intent of providing full funding in subsequent funding rounds. In addition, ARCH is working with multiple jurisdictions to ensure affordable housing is included within transit-oriented development projects. These opportunities are also dependent on securing critical public investment.

In 2019, ARCH provided a recommendation memo encouraging all members to implement the sales tax authorized by HB 1406, which allows local jurisdictions to retain a portion of the state's sales tax for affordable housing and related uses. Recognizing the significant impacts to local general funds already materializing from the current public health crisis, ARCH urges all member jurisdictions to ensure timely passage of the required ordinance by the deadline of July 27, 2020 to ensure this valuable revenue stays with local communities.

Conclusion

The ARCH coalition continues to serve an incredible need on the Eastside. The affordable homes created through cooperative local actions and funding over the last three decades are more valuable than ever, as the need for homes that provide stability and affordability is growing dramatically. ARCH remains committed to preserving these assets for the community long-term, and seeking strategic opportunities to continue facilitating additional housing opportunities for the growing number of households in need.

Attachments:

1. 2021 ARCH Administrative Budget
2. 2021 ARCH Work Program
3. Housing Trust Fund Parity Goals

Attachment 1

2021 ARCH Administrative Budget

Final Adopted by Executive Board

April 2020

	2020 Budget	Final 2021 Budget	
	2020 Approved Budget	2021 Recommended Budget	% Change
I. TOTAL EXPENSES	**$ 1,110,097**	**$ 1,155,261**	**4.1%**
A. Personnel	**$ 1,003,399**	**$ 1,039,303**	**3.6%**
Salary and Benefits	$ 1,003,399	$ 1,039,303	3.6%
(7.0 FTEs, 2 part-time interns)			
B. Operating	**$ 67,195**	**$ 76,456**	**13.8%**
Rent & Utilities	$ 24,780	$ 24,780	0.0%
Telephone	$ 4,586	$ 5,500	19.9%
Travel/Training	$ 2,600	$ 2,730	5.0%
Auto Mileage	$ 3,500	$ 3,605	3.0%
Copier/Printing Costs	$ 1,803	$ 1,893	5.0%
Office Supplies	$ 3,100	$ 3,255	5.0%
Internet/Website Fees	$ 2,215	$ 2,326	5.0%
Postage	$ 1,500	$ 1,575	5.0%
Periodical/Membership	$ 4,112	$ 4,317	5.0%
Misc. (events,etc.)	$ 2,000	$ 2,100	5.0%
Equipment Replacement	$ 2,000	$ 3,000	50.0%
Database/software licensing	$ 15,000	$ 18,375	22.5%
Relocation Costs		$ 3,000	N/A
C. In-Kind Admin/Services	**$ 19,503**	**$ 19,503**	**0%**
Insurance	$ 9,660	$ 9,660	
IT Services	$ 9,843	$ 9,843	
D. Grants and Consultant Contracts	**$ 20,000**	**$ 20,000**	0%
Consultant Contracts	$ 20,000	$ 20,000	0%

	2020 Approved Budget	2021 Recommended Budget City Per Capita $1.98 KC Per Capita $0.93	% Change
II. TOTAL INCOME	**$ 1,110,097**	**$ 1,155,261**	**4.1%**
A. Member Contributions	**$ 1,103,897**	**$ 1,103,897**	**0.0%**
Beaux Arts Village	$ 2,000	$ 2,000	0.0%
Bellevue	$ 281,876	$ 281,876	0.0%
Bothell	$ 89,384	$ 89,384	0.0%
Clyde Hill	$ 6,551	$ 6,551	0.0%
Hunts Point	$ 2,000	$ 2,000	0.0%
Issaquah	$ 72,244	$ 72,244	0.0%
Kenmore	$ 44,921	$ 44,921	0.0%
Kirkland	$ 175,946	$ 175,946	0.0%
Medina	$ 6,523	$ 6,523	0.0%
Mercer Island	$ 50,222	$ 50,222	0.0%
Newcastle	$ 23,006	$ 23,006	0.0%
Redmond	$ 123,104	$ 123,104	0.0%
Sammamish	$ 127,494	$ 127,494	0.0%
Woodinville	$ 23,673	$ 23,673	0.0%
Yarrow Point	$ 2,401	$ 2,401	0.0%
King County	$ 75,000	$ 75,000	0.0%
Bellevue Detail	**$ 281,876**	**$ 281,876**	0%
Cash Contributions	$ 86,673	$ 86,173	
In-Kind Contributions	$ 195,203	$ 195,703	
Personnel	$ 175,700	$ 176,200	
Insurance	$ 9,660	$ 9,660	
IT Services	$ 9,843	$ 9,843	
B. Other Income	**$ 6,200**	**$ 51,364**	**728.5%**
New Homeownership Program Fees	**$ -**	$ 45,064	
Existing Administrative Fees	$ 4,200	$ 4,200	
Interest Earned	$ 2,000	$ 2,100	

III. RESERVES, CONTINGENT INCOME AND EXPENSES

Note: This section expresses intended use of any excess revenues above levels needed to cover basic operating costs.

A. Contingent Expenses			
Replenish operating reserves	$ -	$ 150,936	N/A
Homeownership Program Staffing/Expenses	$ 150,000	$ -	-100%
Other Staffing/Services	$ 150,000	$ -	-100%
B. Contingent Revenue			
Excess Administrative Fees	$ 150,000	$ 150,936	1%
Service Fees	$ 150,000	$ -	-100%

Attachment 2

ARCH WORK PROGRAM: 2021

2021 Priorities

In 2021, ARCH will elevate the following priorities in its Work Program:

- Provide excellent stewardship of affordable housing assets
- Finalize and begin reporting on measurable goals for production and preservation of affordable housing in the ARCH region
- Continue to support proposals for dedicated revenue sources for affordable housing
- Recommend options for expanding ARCH's capacity to accomplish its broader mission
- Seek opportunities to advance projects and programs with high potential impact and facilitate projects in the pipeline to the greatest extent possible
- Respond to emerging needs identified by local communities and member jurisdictions

I. AFFORDABLE HOUSING INVESTMENT

A. ARCH Housing Trust Fund

Parity Goals. Develop updated goals for member investments through the ARCH HTF.

Annual Funding Round. Develop funding priorities and evaluation criteria for the annual funding round. Advertise available funds and manage a competitive process on behalf of member cities. Review funding applications and develop recommendations through the Citizen Advisory Board (CAB), with input from member staff. Develop final recommendations by the ARCH Executive Board and facilitate final funding allocations through member councils.

Public Funding Coordination. Work collaboratively with public funders at the State and local levels to promote shared affordable housing goals and equitable geographic distribution of resources. Review and provide input to other funders for Eastside projects that apply for County (HOF, RAHP, HOME, TOD, etc.) and State (Tax Credit, State Housing Trust Fund) funds. Provide input to the King County Joint Recommendations Committee (JRC) on behalf of participating Eastside jurisdictions. Assist N/E consortium members with evaluating and making a recommendation to the County regarding CDBG allocations to affordable housing.

Private Funding Coordination. Work with private investors and lenders to maximize leverage of public investment into affordable housing. Negotiate maximum public benefits from investment of housing funds into private projects.

Project Pipeline Management. Work with member cities and project sponsors to develop a robust pipeline of projects to be funded over the next five years (see related work on Transit Center sites, below). Actively vet potential HTF projects, and lead funding policy and prioritization discussions with the ARCH Executive Board to facilitate planning and decision-making.

Contract Development and Monitoring. Prepare contract documents and distribute funds for awarded projects. Monitor funded projects including evaluating performance and tracking loan payments. Monitor for long term sustainability of previously funded projects.

Centralized Trust Fund Reporting. Work with Administering Agency (Bellevue) to maintain records and produce regular financial reports for the ARCH Trust Fund accounts.

B. Special Projects

Transit-Oriented Development Sites. Assist cities with advancing and coordinating affordable housing projects near transit. Partner with Sound Transit, King County Metro and other public agencies to maximize opportunities on public property. Current opportunities include sites in Bel-Red, Overlake, Downtown Redmond, Issaquah, Kirkland, Bothell, and Kenmore.

Surplus Property/Underdeveloped Property. Assist with evaluation of public surplus or underutilized private property (e.g. faith community properties) for suitability of affordable housing. Provide technical assistance to property owners interested in supporting affordable housing. Develop an inventory of promising public and nonprofit property and begin to engage owners to gauge interest in disposition for housing.

Eastside Shelter Capacity. Support efforts by Eastside shelter providers, Eastside Human Services Forum, and member cities to implement an East King County sub-regional strategic approach to shelter and related services for homeless adults and families. Support the construction of a permanent year-round men's shelter, and support efforts by member jurisdictions to fund long-term operations of shelter for men, women, families, youth and young adults.

Preservation of At Risk Affordable Housing. Work with member cities to facilitate acquisitions or other strategies to preserve existing housing where affordability is at risk of being lost, including at-risk manufactured housing communities. As needed, assist with responding to notices of sale of HUD assisted properties received by member cities, or other information indicating an impending loss of existing affordable housing.

Strategic Predevelopment Investment. With approval of the Executive Board invest in predevelopment studies to investigate feasibility and financial efficiency of special projects.

II. HOUSING POLICY AND PLANNING

A. Local Policy, Planning and Code Development

ARCH provides assistance directly to member cities on a range of local planning efforts. Local planning efforts with individual member cities may be found in *Attachment A*. These efforts may take different forms, such as:

- **Housing Element Updates**. Work with members to update comprehensive plan housing elements.
    - Prepare an east King County housing needs analysis with focused analyses for each city—including projected affordable housing needs—to fulfill GMA requirements.
    - Coordinate local and ARCH affordable housing goals with King County Affordable Housing Committee and Countywide Planning Policies.
    - Assist with policy writing, outreach, presentations, etc. as needed.
- **Housing Strategy Plans**. Assist members to prepare housing strategies to implement housing elements and create council work plans. Cities with recently completed strategy plans include Bellevue, Issaquah, Kenmore, Bothell, Kirkland, Redmond, and Sammamish.
- **Incentive Program Design.** Provide economic analysis and policy and program development support to design housing incentive programs, including land use, property tax, impact fee waivers and other incentives.
- **Land Use Code Amendments.** Assist city staff on land use and other code amendments in order to implement comprehensive plan policies.
- **Other Support.** Other areas in which ARCH could provide support to member cities include preservation of valuable community housing assets, assistance to households displaced by development activity, or negotiation of agreements for specific development proposals. ARCH views this as a valuable service to its members and will continue to accommodate such requests to the extent they do not jeopardize active work program items.

B. Inter-Local / Eastside Planning Activities

Interlocal planning activities are coordinated by ARCH for the benefit of multiple members.

ARCH Regional Affordable Housing Goals and Reporting. Work with member staff and the ARCH Executive Board to report on adopted goals for production and preservation of affordable housing across ARCH member communities.

Eastside Equitable Transit-Oriented Development Plan. Partner with transit agencies and other stakeholders to plan for equitable transit-oriented development on the Eastside. Define shared policy goals and strategies, establish numerical goals for affordable unit production, advance specific site opportunities and manage the affordable housing funding pipeline.

Long-Term Funding/Dedicated Revenue Strategy. Continue work on a long-term funding strategy for the ARCH Trust Fund. Facilitate conversations with member cities on identifying and exploring dedicated sources of revenue for affordable housing at the local and regional level (e.g., REET, property tax levy, 0.1% sales tax, etc.). Provide relevant data and develop options for joint or individual revenue approaches across ARCH member cities and determine any shared state legislative priorities to authorize local options for funding.

Eastside Housing Data Analysis. On an annual basis, provide local housing and demographic data as available. Make information available to members for planning efforts and incorporate into ARCH educational materials.

Housing Diversity/Accessory Dwelling Units (ADUs). Continue to support a diversity of housing options among member cities:

- Accessory Dwelling Units (ADUs): Explore outreach and other ways to promote ADU development (e.g., improve online resources, provide connections to financing options). Explore partnership with eCityGov Alliance to increase accessibility of ADU permitting (e.g., update tip sheets and create streamlined portal through MyBuildingPermit.com). Explore a centralized system for tracking ADU production.
- Facilitate sharing of best practices for encouraging "missing middle" housing types.
- Help jurisdictions develop strategies and codes to address emerging housing types, like micro-housing, small efficiency dwelling units, and others.

C. State Legislative Activities

The ARCH Executive Board will discuss and explore shared legislative priorities for advancing affordable housing in the region. ARCH staff will track relevant state (and, where feasible, federal) legislation. As needed, staff will report to the Executive Board and members, and coordinate with relevant organizations (e.g. AWC, SCA, WLIHA, HDC) to advance shared legislative priorities.

D. Regional/Countywide Planning Activities

ARCH participates in regional planning efforts to advance Eastside priorities and ensure that perspectives of communities in East King County are voiced in regional housing and homelessness planning.

King County GMPC Affordable Housing Committee / Housing Inter-Jurisdictional Team (HIJT). Support efforts to advance the five-year action plan developed by the Regional Affordable Housing Task Force (RAHTF) in 2018. ARCH will help staff the HIJT, which provides support to the Growth Management Planning Council's Affordable Housing Committee (AHC).

Regional Affordable Housing Task Force Action Plan. In addition to staffing the GMPC committee, pursue other opportunities to advance strategies called for in the RAHTF Action Plan. Facilitate discussions as needed with members and the Executive Board to consider actions recommended in the five-year plan.

All Home/ Eastside Homeless Advisory Committee (EHAC). Collaborate with All Home, EHAC and other relevant organizations and initiatives to advance shared work on homelessness. Coordinate allocation of resources, and work on specific initiatives (e.g., coordinated entry and assessment for all populations).

Explore Collaboration with Cities in North and East King County. As requested, engage cities interested in supporting affordable housing in north and east King County that are not currently members of ARCH. Explore collaboration that provides benefits for additional cities and current ARCH member cities.

III. HOUSING PROGRAM IMPLEMENTATION

A. Administration of Housing Incentive and Inclusionary Programs

ARCH partners with member cities to administer local housing incentive and inclusionary programs, including mandatory inclusionary, voluntary density bonus, multifamily tax exemption (MFTE) and other programs. Specific programs administered by ARCH include:

Jurisdiction	Incentive/Inclusionary Programs
Bellevue	Voluntary density bonuses, MFTE, impact fee waivers.
Bothell	Inclusionary housing.
Issaquah	Development agreements, voluntary and inclusionary programs, impact and permit fee waivers.
Kenmore	Voluntary density bonuses, MFTE, impact fee waivers.
Kirkland	Inclusionary program, MFTE.
Mercer Island	Voluntary density bonus, MFTE.
Newcastle	Inclusionary program, impact fee waivers.
Redmond	Inclusionary program, MFTE.
Sammamish	Inclusionary and voluntary density bonuses, impact fee waivers.
Woodinville	MFTE.
King County	Development agreements.

ARCH roles and responsibilities will typically include:

- Communicate with developers/applicants and city staff to establish applicability of codes and policies to proposed developments
- Review and approve proposed affordable housing (unit count, location/distribution, bedroom mix, and quality)
- Review and recommend approval of MFTE applications.
- Review and recommend approval of alternative compliance proposals
    - For fee in lieu projects, provide invoices and receipts for developer payments
- Develop contracts and covenants containing affordable housing requirements
- Ensure implementation of affordable housing requirements during sale/lease-up
- Register MFTE certificates with County Assessor and file annual MFTE reports with state Commerce.
- On-going compliance monitoring (see Stewardship, below).

MyBuildingPermit.com. Explore feasibility of using MyBuildingPermit.com to take in, review, and process projects (covenants) using land use and/or MFTE programs.

B. Stewardship of Affordable Housing Assets

ARCH provides long-term oversight of affordable housing created through city policies and investment to ensure stewardship of these critical public assets for residents, owners and the broader community.

Affordable Rental Housing Monitoring. Enforce ongoing compliance with affordability requirements in rental housing projects created through direct assistance (e.g. Trust Fund allocation, land donations) from member jurisdictions, and through incentive and inclusionary programs. For Trust Fund projects, monitor project income and expenses to determine cash flow payments, and conduct long-term sustainability monitoring of projects and owners. Proactively problem-solve financial and/or organizational challenges in partnership with project owners and other funders.

Administer a robust compliance monitoring program, including:

- Ensure compliance with rent and income restrictions through timely annual report reviews and supplemental on-site file audits
- Provide training and technical assistance for property managers
- Maintain written standards for eligibility, leasing and other program requirements
- Implement standard remedies for non-compliance
- Respond to tenant issues and questions

In addition, work with cities to implement fee structures that build more sustainable monitoring efforts, and develop formal MOUs with other funders to govern shared monitoring responsibilities. To the extent feasible, establish working relationship with other public organizations that can help assess how well properties are maintained and operated (e.g. code compliance, police, and schools).

ARCH Homeownership Program Stewardship. Provide effective administration to ensure ongoing compliance with affordability and other requirements in ARCH ownership housing, including enforcement of resale restrictions, buyer income requirements, and owner occupancy requirements. Implement adopted policies and procedures for monitoring and work with cities to address non-compliance.

Continue to implement long-term recommendations in the 2019 Program Assessment from Street Level Advisors that support the program objective of preserving long-term affordability, including:

- Work with member planning and legal staff to make improvements to boilerplate legal documents, in consultation with key stakeholders and outside counsel, as needed
- Develop strategies to preserve homes at risk of foreclosure
- Preserve expiring units and pursue strategies to re-capture lost affordability
- Pursue offering brokerage services to provide cost-savings to homebuyers and diversify program revenue
- Plan for additional staff capacity as the number of ARCH homes continues to grow.
- Implement program fees to ensure program financial sustainability

Program Database Development. Continue to improve and refine use of new ARCH Homeownership Program database to collect critical program data and evaluation, compliance monitoring, communication with program participants, and other key functions. Continue to improve and streamline data systems for ARCH Rental Program.

IV. EDUCATION AND OUTREACH

A. Housing 101/Education Efforts

Housing 101. Develop educational tools and conduct or support events to inform councils, member staff and the broader community of current housing conditions, and of successful housing programs. Build connections with community groups, faith communities, developers, nonprofits and others interested in housing issues. Plan and conduct a Housing 101 event to occur no later than the end of 2021.

Private Sector Engagement. Support efforts by ARCH member cities to engage employers and private sector entities in discussions around the need for more affordable housing and identifying options for public-private partnerships.

Share media coverage on topics related to affordable housing in East King County, including work done by cities/ARCH.

B. Information and Assistance for the Public

ARCH Website. Update information on the ARCH website on a regular basis, including information related to senior housing opportunities. Maintain the ARCH web site and update the community outreach portion by incorporating information from Housing 101 East King County, as well as updated annual information, and links to other sites with relevant housing information (e.g. All Home, HDC). Add information to the website on ARCH member affordable incentive programs and fair housing.

Assist Community Members Seeking Affordable Housing. Maintain up-to-date information on affordable housing in East King County (rental and ownership) and distribute to people looking for affordable housing. Continue to maintain a list of households interested in affordable ownership and rental housing and advertise newly available housing opportunities.

Work with other community organizations and public agencies to develop appropriate referrals for different types of inquiries received by ARCH (e.g., rapid re-housing, eviction prevention, landlord tenant issues, building code violations, fair housing complaints, etc.).

C. Equitable Access to Affordable Housing in East King County

Collect and analyze data on existing programs to determine potential gaps in access by different populations, such as communities of color, immigrant and refugee communities, homeless individuals and families, and workers in EKC commuting from other communities. Pursue strategies to increase access to affordable housing in EKC by underserved communities. Develop outreach and marketing efforts to maximize awareness of affordable housing opportunities in East King County, and build partnerships with diverse community organizations.

V. ADMINISTRATION

A. Administrative Procedures

Maintain administrative procedures that efficiently and transparently provide services to both members of ARCH and community organizations utilizing programs administered through ARCH. Activities include:

- Prepare the Annual Budget and Work Program and ensure equitable allocation of administrative costs among ARCH members.
- Prepare quarterly budget performance and work program progress reports, Trust Fund monitoring reports, and monitor expenses to stay within budget.
- Manage the ARCH Citizen Advisory Board, including recruiting and maintaining membership that includes broad geographic representation and a wide range of housing and community perspectives.
- Staff the Executive Board.
- Work with Administering Agency to streamline financial systems.
- Review and update bylaws and ensure timely renewal of the ARCH Interlocal Agreement.

B. Organizational Assessment and Planning

The ARCH Executive Board will continue to evaluate ARCH's organizational capacity to accomplish its Work Program and broader mission. The Board will review ARCH's organizational structure, staffing resources, capital resources and other foundational aspects of the organization to determine any gaps, and assess options for expanding organizational capacity. The assessment will result in recommendations for the following year's work program and budget.

Attachment A
Local Planning Efforts by City

ARCH staff plan to assist members' staff, planning commissions, and elected councils in the following areas:

Bellevue

Implementing Bellevue's Affordable Housing Strategy, including:

- Increasing development potential on suitable land owned by public agencies, faith-based groups, and non-profits housing entities.
- Reviewing parking requirements and other code changes to encourage micro-apartments around light rail stations.
- Updating Wilburton and East Main neighborhood plans, including affordable housing density incentives.
- Developing funding strategy for affordable housing on suitable public lands in proximity to transit hubs including 130th TOD parcels and TOD parcels at the OMFE.

Bothell

Implementing its Housing Strategy Plan.

Establishing an MFTE program.

Evaluating affordable housing provisions related to zoning and other code amendments and implementing those adopted.

Work related to affordable housing component of the city's LIFT program in their downtown areas. Includes assisting with any reporting requirements and potentially exploring additional opportunities for affordable housing on private and city owned properties in the downtown revitalization area.

Evaluating the updated state legislation regarding impact fee waivers for affordable housing and explore potential revisions to local regulations related to impact fee waivers for affordable housing.

Evaluating and implementing affordable housing strategies in its Canyon Park plan.

Supporting updates to policies and codes for affordable housing options, including ADUs, micro-housing, small efficiency dwelling units, and "missing middle" housing.

Issaquah

Preparing the annual Affordable Housing Report Card/Analysis.

Updating and consolidating Title 18 and Central Issaquah Development and Design Standards.

Evaluating and, as needed, implementing development standards and regulations related to the housing policies adopted in the Central Issaquah Plan and Central Issaquah Standards, including inclusionary zoning.

Evaluating and strategizing sequencing potential projects/opportunities such as those near transit facilities, including coordination with potentially utilizing the King County TOD funds.

Initial work on high priority strategies identified in the Housing Strategy Work Plan including:

- Improving marketing and the understanding of ADUs and the development process.
- Facilitating development of a TOD.
- Amending codes to increase allowed diverse housing types such as SROs and cottage housing.
- Supporting housing options and services to assist people experiencing housing insecurity and those with barriers to independent living.

Marketing and maximizing awareness of affordable housing opportunities in Issaquah.

Kenmore

Implementing a high priority item identified in the Housing Strategy Plan.

Completing the Preservation of Affordable Housing/Mobile Home Park project started in 2018, including assistance with developing regulations to implement Council's policy direction on land use and other strategies.

Assisting with technical questions, provide supporting data as needed, and:

- Review proposed code provisions for "missing middle" housing.
- Negotiating agreements where affordable housing is proposed including the Transit Oriented District (TOD) overlay.

Reviewing and developing options and opportunities for partnerships to incorporate affordable housing into transit projects including the siting of parking structures in Kenmore for the Sound Transit ST3 proposal.

Kirkland

Implementing programs to encourage construction of more ADUs.

Housing-related issues in on-going neighborhood plan updates.

Developing regulations to promote transit-oriented development (TOD) at the Kingsgate Park and Ride, including affordable housing.

Housing issues that come before Council Planning and Economic Development Committee and resulting initiatives.

Housing issues related to Station Area Plan (I-405/NE 85th Street).

Affordable housing preservation efforts and initiatives.

Scoping potential affordable housing levy options.

Mercer Island

Reviewing the City's MFTE program and evaluating options for a fee-in-lieu alternative to land use requirements.

Updating the Housing Strategy Plan.

Reviewing components of residential development standards that are associated with housing stock diversity.

Newcastle

Updating the Housing Strategy Plan.

Outreach efforts related to ADUs.

Redmond

Implementing strategies to increase the level of affordability for new housing in Overlake and Southeast Redmond as part of the development of master plans and development agreements, including exploring ways to leverage other resources.

Promoting affordable housing and other programs available to Redmond residents and developers, e.g., Accessory Dwelling Units (ADUs).

Implementing other high priority items identified in the City Council's 2019 Strategic Plan.

Updating the Strategic Housing Plan and the Affordable Housing Strategies Work Plan of June 2016, such as encouraging public/private partnerships to promote the development of affordable housing in urban centers.

Sammamish

Implementing the Housing Strategy Plan.

Finalizing resale requirements and other tasks related to the affordability provisions for site donated to Habitat.

Exploring impacts to and solutions for affordable housing related to code and policy updates during legislative review.

Promoting available housing assistance and affordable housing programs to Sammamish's workforce and residents.

Woodinville

Updating the Housing Strategy Plan.

Reviewing and updating affordable housing and accessory dwelling unit programs and regulations.

Evaluating and developing incentives for affordable housing as provided for in the Downtown/Little Bear Creek Master Plan area.

Reviewing components of residential development standards that are associated with housing stock diversity.

King County

Monitoring affordable housing in the Northridge/Blakely Ridge and Redmond Ridge Phase II affordable housing development agreements.

Attachment 3

ARCH Housing Trust Fund Parity Goals
(May 2020)

Parity goals are voluntary goals established to foster equitable distribution of investment in affordable housing across ARCH member cities. Goals are calculated using cities' population, projected employment and housing, with updates based on the most recent annual Consumer Price Index.

City	Low Goal	High Goal
Beaux Arts Village	$54	$1,855
Bellevue	$696,389	$1,076,709
Bothell	$177,102	$320,955
Clyde Hill	$0	$18,825
Hunts Point	$0	$2,596
Issaquah	$174,597	$355,511
Kenmore	$54,437	$183,257
Kirkland	$351,271	$539,345
Medina	$0	$20,062
Mercer Island	$18,146	$150,045
Newcastle	$13,337	$76,722
Redmond	$302,535	$626,475
Sammamish	$32,662	$392,392
Woodinville	$57,799	$154,876
Yarrow Point	$0	$6,584
Total	$1,878,329	$3,926,210