

CITY COUNCIL STUDY SESSION

Discussion of the A Regional Coalition for Housing (ARCH) 2021 Administrative Budget and Work Program as recommended by the ARCH Executive Board.

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A Regional Coalition for Housing (ARCH)

DIRECTION NEEDED FROM COUNCIL

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| DIRECTION | Staff is seeking Council direction to prepare legislation approving the ARCH 2021 budget and work program for action at a future meeting. |
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RECOMMENDATION

Direct staff to prepare legislation approving on consent the ARCH 2021 Administrative Budget and Work Program consistent with and pursuant to the ARCH Interlocal Agreement requirement that each year all ARCH member councils review and approve ARCH's budget and work program.

BACKGROUND & ANALYSIS**ARCH Executive Manager Memorandum**

Attachment A is a Memorandum from ARCH Executive Manager Lindsay Masters, forwarding the ARCH 2021 Budget and Work Program approved by a unanimous vote of the ARCH Executive Board on April 20, 2020. Also included are the recommended 2021 Administrative Budget (Attachment A1) and recommended 2021 Work Program (Attachment A2).

The proposed 2021 Administrative Budget and Work Program priority objectives are briefly described below.

2021 ARCH Administrative Budget

ARCH's 2021 proposed Administrative Budget of \$1,155,261 represents a 4.1 percent (\$45,164) increase over the 2020 budget and reflects the following:

- 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. This represents the additional \$45,164 eluded to above.

Bellevue's share of the ARCH 2021 Administrative Budget is \$281,876. This amount is divided between an in-kind contribution for personnel (Executive Manager position), insurance and IT services totaling

\$195,703, and a cash contribution for administrative costs totaling \$86,173. This total represents a 0 percent increase from 2020 and 24.4 percent of the overall ARCH budget. Bellevue's share of the ARCH administrative budget is appropriated within the General Fund.

2021 ARCH Work Program

The ARCH Work Program describes the ARCH Executive Board's recommended work activities for 2021. Priorities established in 2020 are carried over into 2021, reflecting an ongoing commitment to preserve and expand housing opportunities to the greatest extent 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.

ARCH is continuing to make significant improvements in stewardship of existing affordable housing to ensure long-term preservation of these valuable community resources. Improvements to the rental and homeownership programs, including robust monitoring, are described in the attachment cover letter. In addition, 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.

ARCH assists Bellevue staff implementing actions in Bellevue's Affordable Housing Strategy. In addition, ARCH assists in administration of Bellevue's affordable housing incentives, including density bonuses, impact fee waivers and the multifamily tax exemption program.

POLICY & FISCAL IMPACTS

Policy Impact

Comprehensive Plan: Continued support of ARCH is consistent with the following Comprehensive Plan policies:

- HO-22: Promote regional cooperation to create affordable housing.
- H0-25: Work with ARCH to assess housing fund guidelines on a regular basis to ensure they are consistent with changing community needs and priorities.
- H0-26: Work in partnership with not-for-profit and for-profit developers and agencies to build permanent low- and moderate-income housing.

Fiscal Impact

Bellevue's share of the ARCH 2021 Administrative Budget is \$281,876. This is divided between an in-kind contribution for personnel, insurance and IT services totaling \$195,703 and a cash contribution for administrative costs totaling \$86,173. Bellevue's share of ARCH's Administrative Budget is included in

the City's operating budget that Council will review later this fall. If any appropriation adjustment is needed for 2021, staff will bring it forward under a separate action, if Council provides this direction.

OPTIONS

1. Direct staff to prepare legislation approving on consent the ARCH 2021 Administrative Budget and Work Program consistent with and pursuant to the ARCH Interlocal Agreement requirement that each year all ARCH member councils review and approve ARCH's budget and work program.
2. Provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

- A. ARCH Executive Manager Memorandum dated May 29, 2020 that includes:
 - A1. 2021 ARCH Administrative Budget
 - A2. 2021 ARCH Work Program
 - A3. Housing Trust fund Parity Goals

AVAILABLE IN COUNCIL LIBRARY

N/A