



City of Bellevue

HB 1590 Work Plan Capital Funding and Housing Types

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Information Only

No action is sought at this meeting, staff will be providing an informational update about affordable housing development types and their associated funding models and seeking preliminary feedback to inform future recommendations.

Agenda



HB 1590 Funding



Affordable Housing Strategy



Housing Financing Background



Affordable Housing Models



Takeaways and Program Elements



Next Steps

Funding Opportunities

At least 60% of the funding must be spent on facilities and programs that serve specific populations at or below 60% AMI:

Construction or Acquiring

- Affordable housing
- Housing-related services
- Behavioral health-related facilities
- Land for these purposes

Operations and Maintenance

- New affordable housing
- Housing-related programs
- New evaluation and treatment centers

No more than 40% may be spent on:

Operation, delivery, or evaluation of

- Behavioral health treatment programs and services
- Housing-related services



Affordable Housing Strategy

- Additional revenue tool to meet critical housing needs for vulnerable populations
- Advance the continuum of affordable housing strategies
- Enhance variety of housing opportunities for diverse income levels and service needs



City of Bellevue Affordable Housing Strategy

Approved by City Council
June 5, 2017



Affordable Housing Financing

Capital Funding

- Loans or secured grants to pay for costs of development (acquisition, construction, soft costs)

Operations and Maintenance Funding

- Recurring subsidy to pay for the cost to manage and maintain properties (on-site staffing, utilities, insurance, etc.)



Affordable Housing Financing

Funding Leverage

- Ratio of other public and private funds to local funds invested

Public Funding Coordination

- Capital Funding
- Services and Operating Funds



Affordable Housing Financing

Local Resources

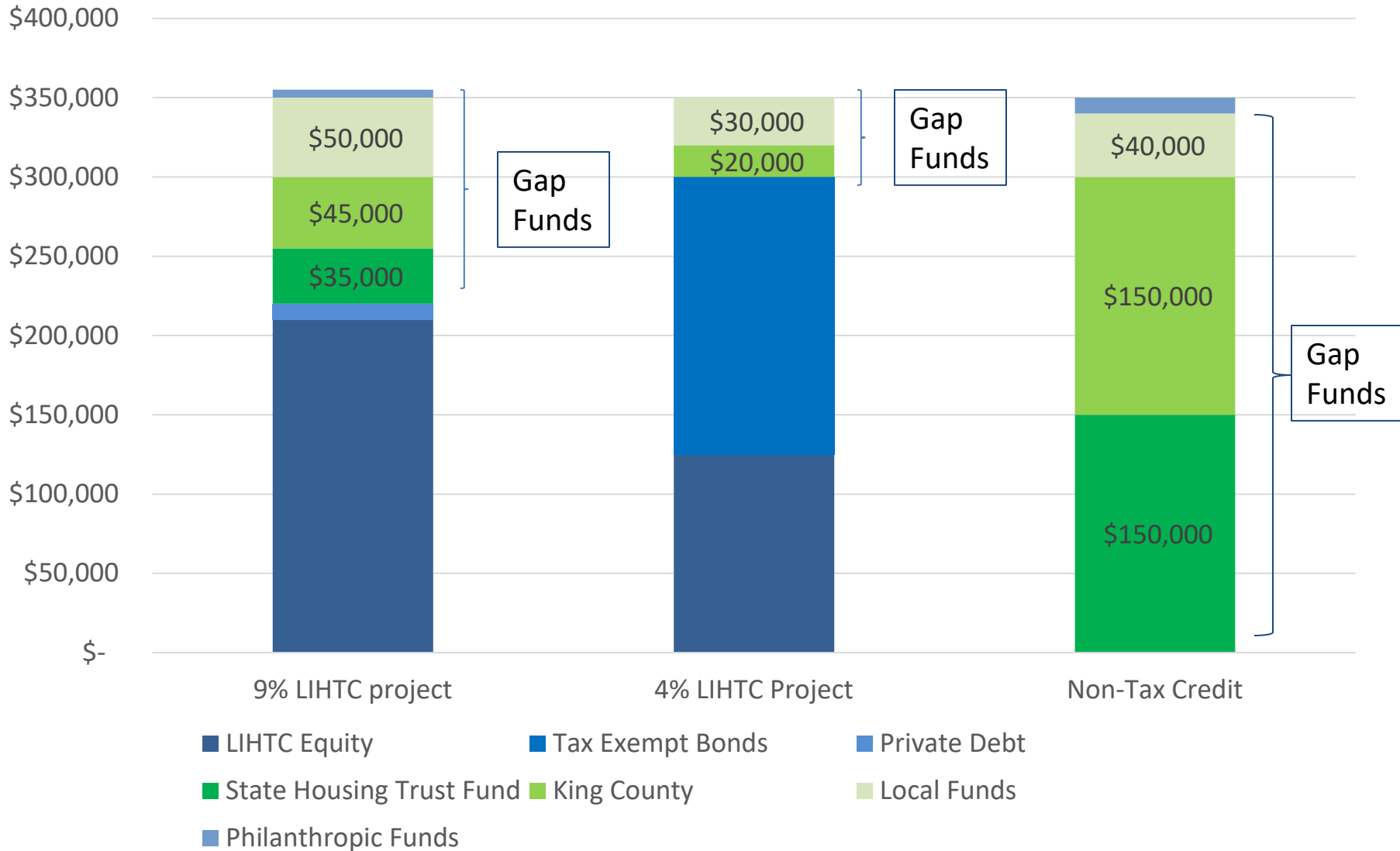
- ARCH cities general fund, land donations, fee in lieu funds, affordable housing sales tax

Other Permanent Funding Sources

- Federal Low-Income Housing Tax Credits
- Tax Exempt Bonds
- State Housing Trust Fund
- King County sources



Sample Development Sources Per Unit



Affordable Housing Financing

Application Process

- Predictability, transparency
- Underwrite project feasibility
- Competition



Loan Transactions



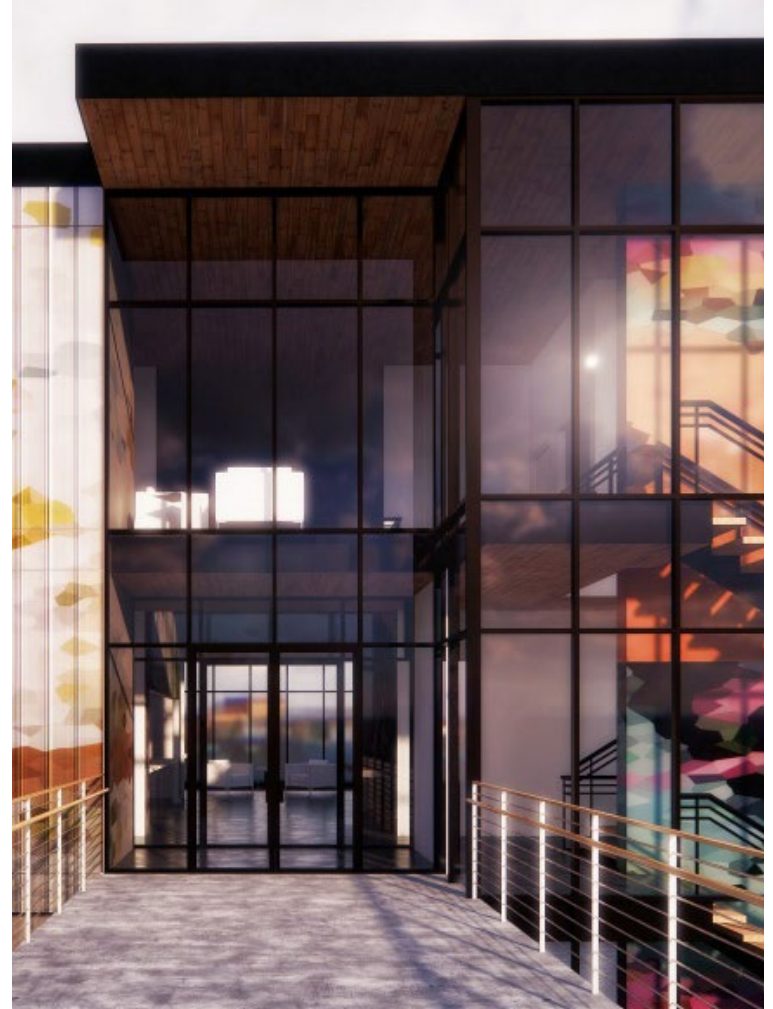
Monitoring



Housing Models Eligible for Funding

Types of Housing

- Affordable Family Housing
- Senior Housing
- Transitional Housing
- Permanent Supportive Housing
- Group Homes for Individuals with Disabilities
- Public Housing
- Mixed Income Housing



Affordable Family Housing

- Serves mix of general and special populations, with set-asides for:
 - Disabled, homeless, family, veteran, etc.
- Wide variety of settings, 40-280 units
- Mix of incomes, typically 30% AMI, 50% AMI, 60% AMI
 - May include voucher subsidies to buy rents down for lower-income households
- Includes case management services /connections to other resources



YWCA Issaquah Family Village



August Wilson Place, Bellevue



Senior Housing

- Typical size 20 to 75 units
- Affordable at 30-60% AMI, may include HUD subsidy
- May include set-asides for persons with disabilities
- Range of service models from independent living to assisted living to permanent supportive housing
- Can be new construction or preservation/acquisition and rehabilitation



John Gabriel House, Redmond

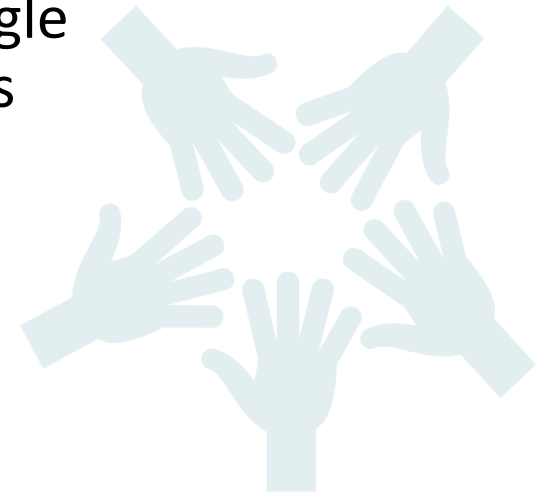


Bellevue Manor, Bellevue



Transitional Housing

- Households receive supportive services with a goal to move to permanent housing
- Smaller settings, 5-20 units/beds
- Populations: homeless youth/young adults, single adults and families, domestic violence survivors
- Affordable at 0-30% AMI



Kensington Square, Bellevue



Hopelink Place, Bellevue



Permanent Supportive Housing

- Typically 50-100 units, mostly 0-30% AMI, some 50% AMI
- Wrap-around services, 24/7 staffing
 - May include on-site behavioral/mental health
- Serves homeless individuals with multiple barriers in housing first model
- Additional model creates “graduation” housing
- Federal, state and local funds support operations and services
 - Some providers can also use Medicaid funding



The Estelle, Seattle



Compass Veterans Center, Renton



Group Homes for Individuals with Disabilities

- Large single family home setting, 3-6 beds at 0-30% AMI
- Population: Individuals with intellectual and developmental disabilities
- Live-in care provider
 - Services typically supported by Developmental Disabilities Administration, varies based on licensing, needs of population



Parkview Home, Bellevue

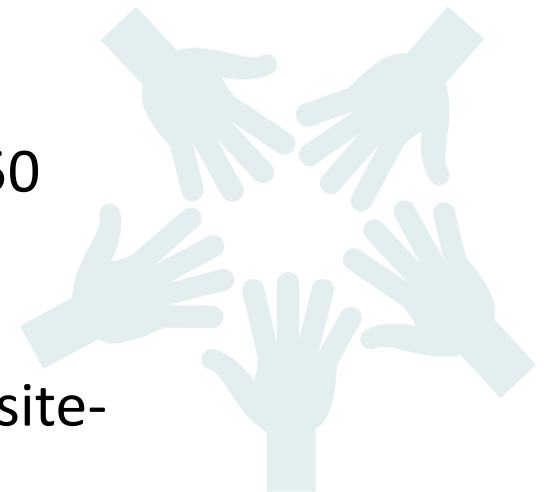


Community Homes, Newcastle



Public Housing

- Tenants pay 30% of income toward rent
- Population priority guided by federal policy, includes:
 - Extremely low-income, earning less than 30% AMI
 - At risk of homelessness
 - Paying more than 50% of income toward rent
- Typical acquisition of smaller properties, 10-50 units, but could be larger
- Over 16,000 households on the regional and site-based public housing waitlists



Houghton Apartments, Kirkland



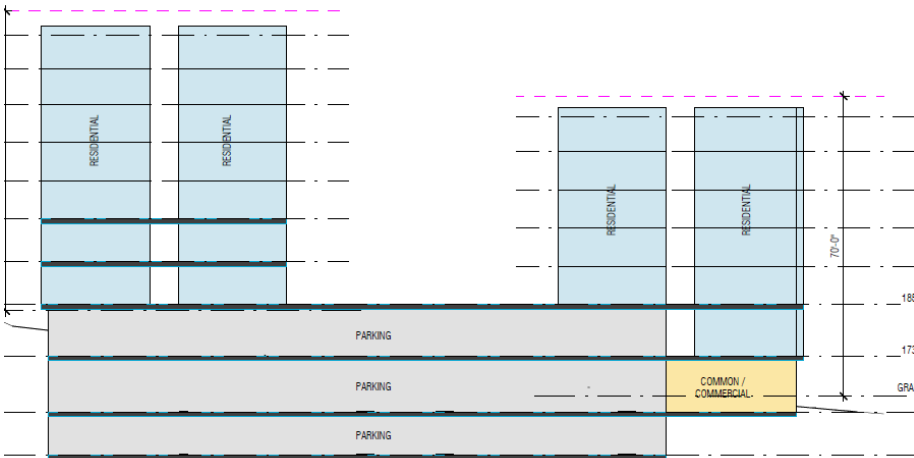
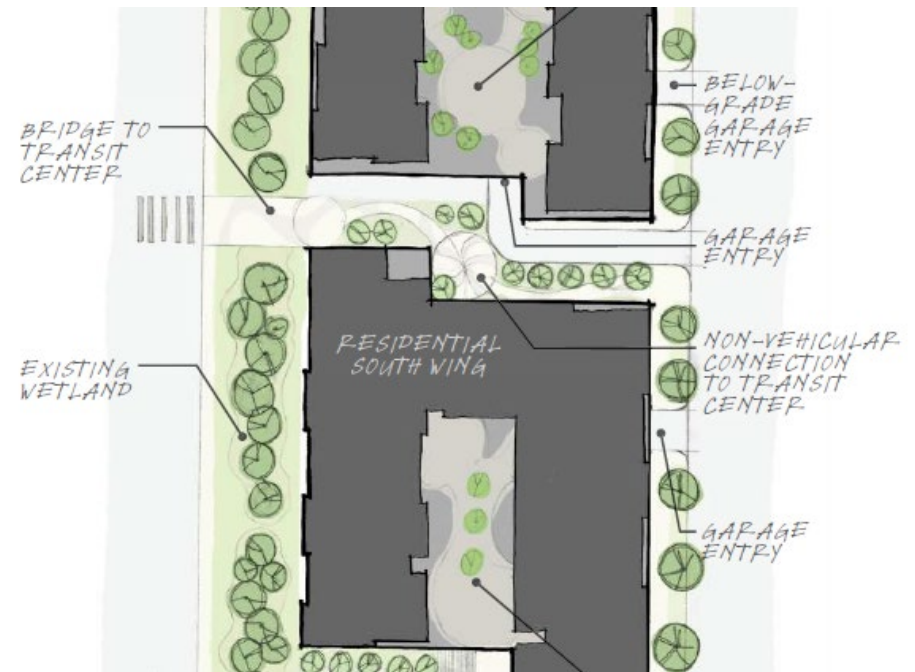
Brookside Apartments, Kenmore



Mixed Income Housing

- Serves households earning a range of incomes; can include a market-rate housing component
- Challenges to implement at 0-60% AMI:
 - Bringing together many types of capital funds, each with competing objectives/restrictions
 - More complex design/legal structures
 - Lack of developers with experience building both affordable and market rate housing





Key Takeaways

- Leveraging other funds is critical to maximizing the impact of local resources
- Develop an application process that is open, predictable and transparent to attract strong developers and build competition
- A wide range of housing types is needed to increase access and equity for diverse populations
- On-site services or connections to services are essential for many residents' long-term success
- Stable, permanent housing is an essential foundation to address other issues, such as mental and behavioral health
- Success depends on building strong, long-term partnerships with housing providers

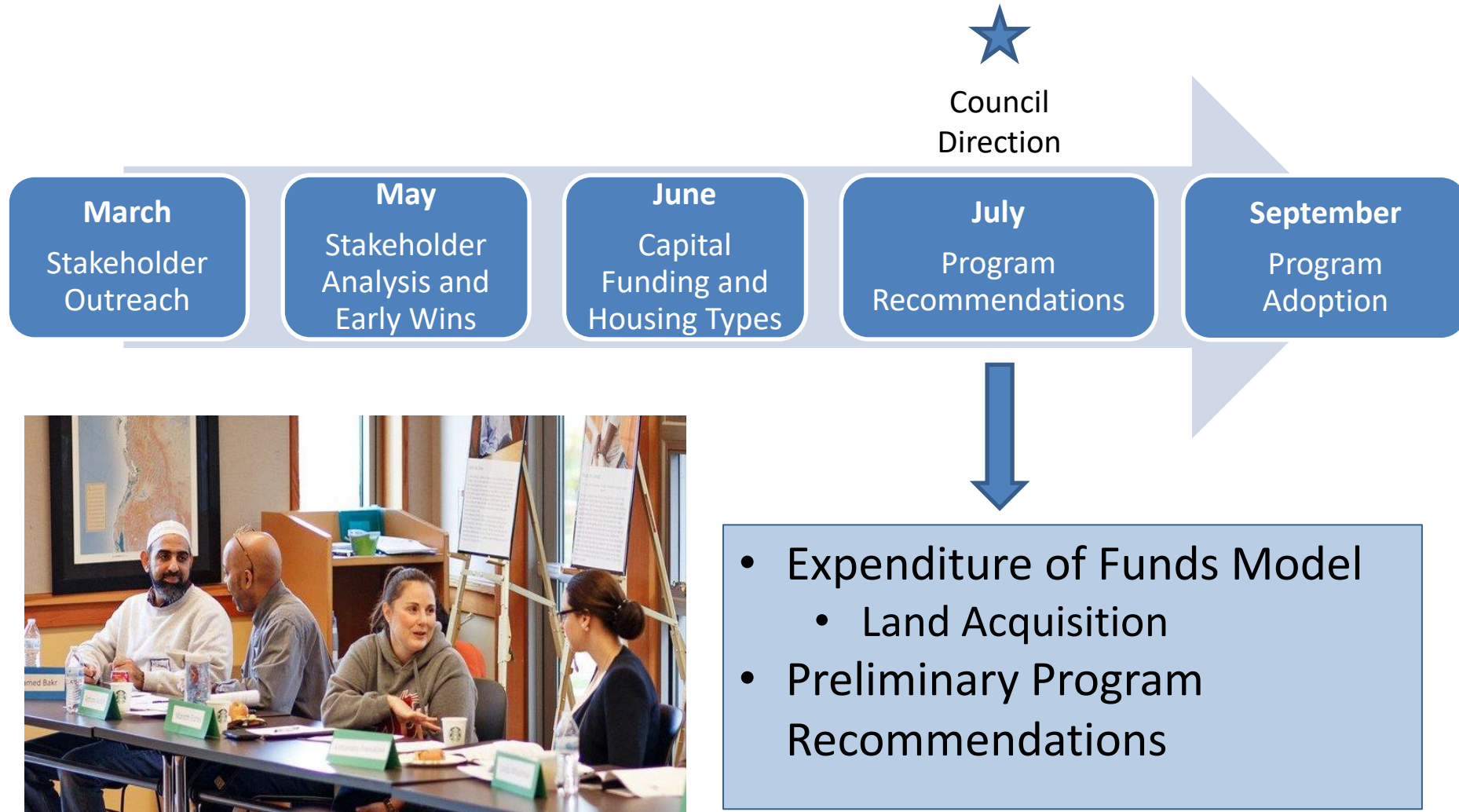
Program Elements for Discussion

- Funding Allocation Process
 - Ensure opportunity to leverage multiple funding sources
 - Create predictable, open, competitive process
- Eligible Housing Types
 - Allow broad range of eligible housing types
 - Establish priorities or preferences to encourage proven models
 - Ensure housing is paired with appropriate services
- Needs
 - Focus on underserved, vulnerable residents
 - Address homelessness on the Eastside, including families in the Bellevue School District

Program Elements for Discussion

- Partners
 - Seek to collaborate with experienced, committed housing providers
- Additional criteria
 - Geographic distribution – create housing opportunities across neighborhoods
 - Speed of delivery – seek opportunities to invest funds quickly

Next Steps





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