

PREPARED BY:

A Regional Coalition for Housing



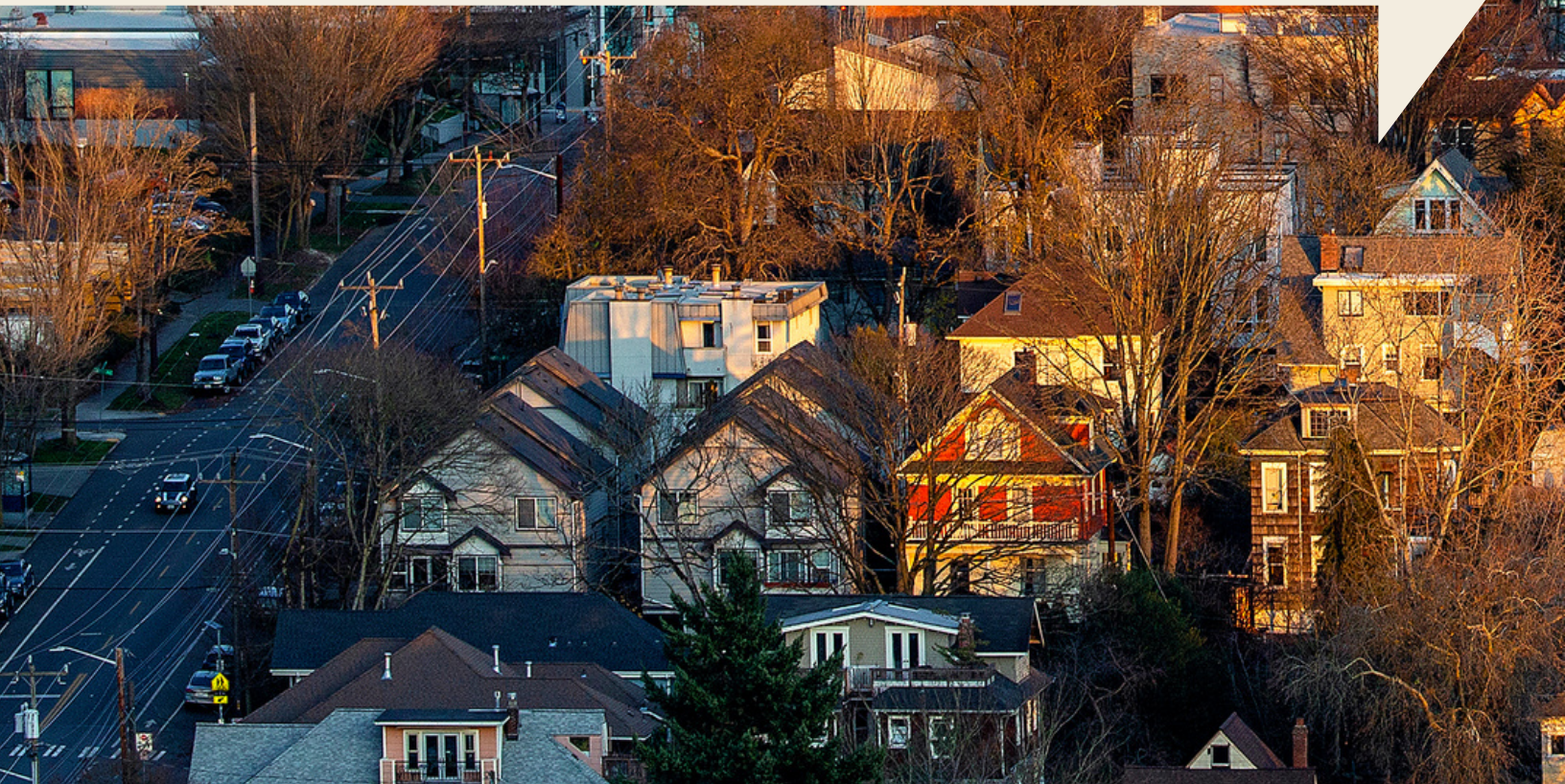
Fourth Quarter Report

2023



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I. Affordable Housing Investment

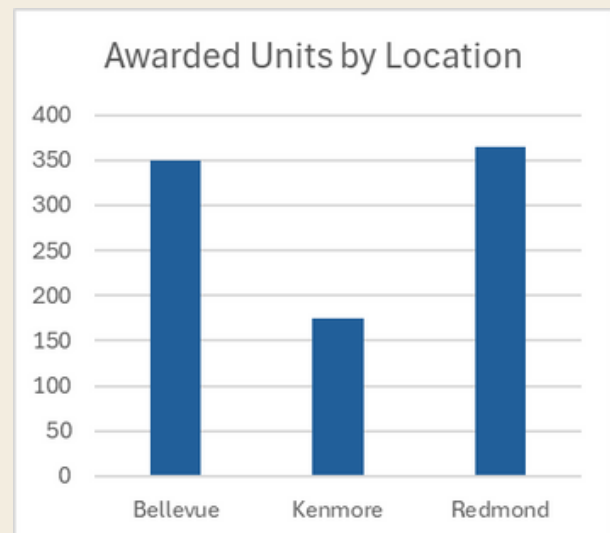
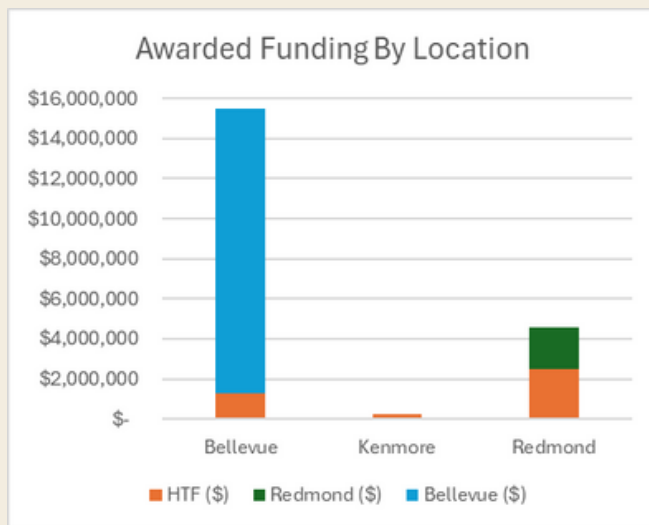
ARCH Housing Trust Fund

The Housing Trust Fund invests local funding from ARCH member cities in the creation and preservation of affordable homes for low and moderate income individuals and families in East King County.

Quarterly Activities:

- Closed financing and began construction on Ardea (\$1.4M) and Kirkland Heights (\$1.05M)
- Completed 2023 fall round with \$6.1M in funding recommendations for 840 units across five projects. Total funding made up of \$4.1M from the HTF and \$2.1M additional funding from Redmond.

Figure 1.1 2023 ARCH Investment Programs Awarded Projects

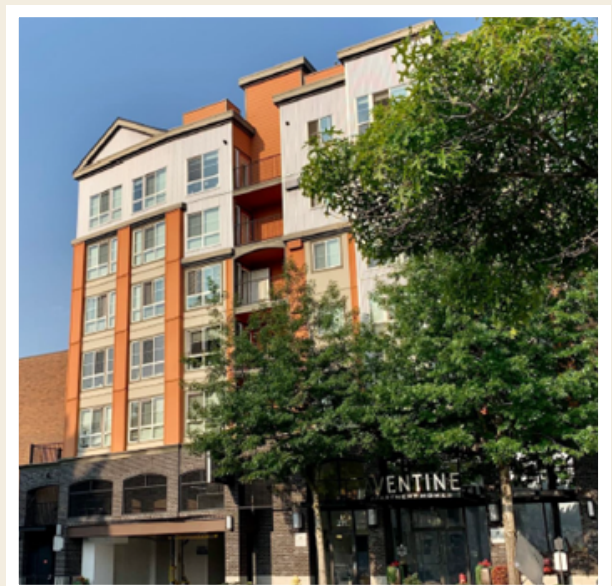


Bellevue Housing Stability Program

The Housing Stability Program provides capital to targeted housing projects that serve Bellevue's most vulnerable residents, and funding for services that are critical for stable living.

Quarterly Activities:

- Recommended \$14.2 M in capital funding and \$838k/year in operating, maintenance and services (OMS) funding to 3 projects creating and preserving 340 units



Project Activity

Figure 1.2 Status of Awarded Projects in Development

| Project | City | Total Units | Status |
|---|-----------|------------------|-------------------------------------|
| Samma Senior (Imagine) | Bothell | 54 | Under construction |
| New Ground Kirkland (FOY) | Kirkland | 8 units/14 rooms | Under construction |
| Horizon and Polaris at Totem Lake | Kirkland | 299 | Under construction |
| Ardea (TWG/Imagine) | Kirkland | 170 | Financing closed |
| Kirkland Heights (KCHA) | Kirkland | 276 | Financing closed |
| Trailhead TOD (KCHA) | Issaquah | 155 | Site control complete |
| LEO at Trailhead | Issaquah | 5 | Funding applications |
| Orchard Gardens (Habitat Bellevue Homes) | Bellevue | 25 | Permitting and funding applications |
| Scattered Homes (Inclusion Homes / Alpha) | Scattered | 6 | Site search process |
| Spring District TOD (BRIDGE) | Bellevue | 234 | Permitting and funding applications |
| Plymouth Kenmore Supportive Housing | Kenmore | 100 | Draft development agreement |
| Attain Totem Six-Plex | Kirkland | 6 | Pre-development phase |
| | | 1,345 | |

Figure 1.3 Projects Completed and Occupied during quarter

| Project | City | Total Units |
|-------------------------------|----------|-------------|
| Together Center Redevelopment | Bellevue | 280 |
| Hope Starts Here (LifeWire) | Bellevue | 25 |

Featured Project: Kirkland Heights Redevelopment

- 276 units for individuals and families
- Project-based rent assistance secured
- Multi-phased rehab and new construction
- Financing closed in Q4 2023



Photos courtesy of King County Housing Authority

II. Housing Policy and Planning

ARCH assists members with a range of local planning efforts, including comprehensive planning, housing strategy and action plans, incentive program design, code amendments and other support.

Figure 2 ARCH Member Ongoing Housing Policy and Planning Activities

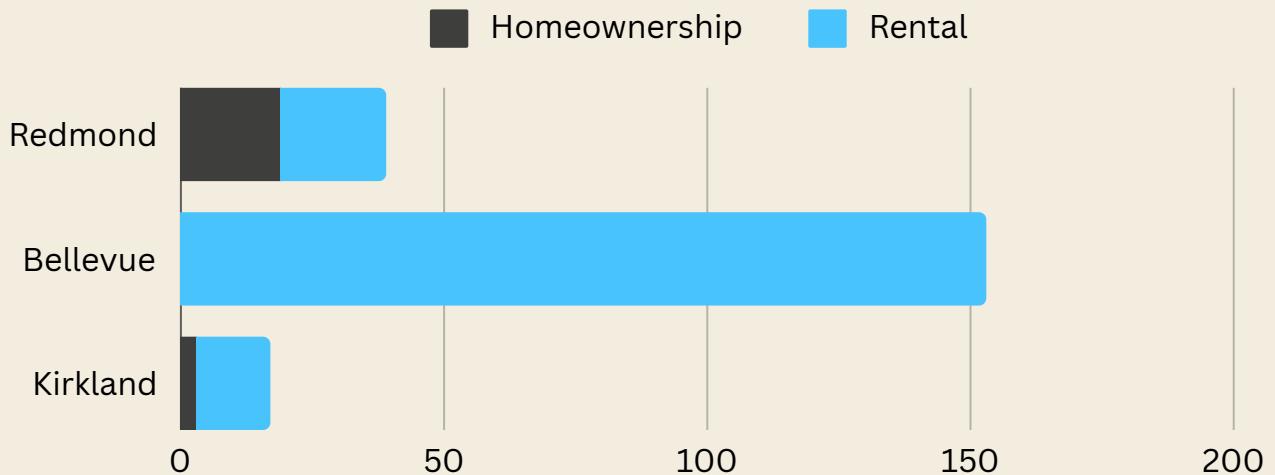
| City | Project | Status |
|-----------|--|--|
| ARCH-wide | Rent Policy Development | Completed recommendations |
| ARCH-wide | Eastside Homelessness Coordination with KCRHA | Ongoing consultant contract |
| ARCH-wide | HUD PRO Housing Grant Application | Completed and submitted grant proposal with King County, SKHHP |
| Bothell | Middle Housing Code Amendments | Council review |
| Bellevue | Micro-Apartments MFTE Amendments | Council approval |
| Bellevue | Affordable Housing Permit and Inspection Fee Reduction | Implementation |
| Issaquah | Pioneer Program / MFTE | Planning Commission |
| Issaquah | Housing Element update | Council review |
| Kenmore | Holt Property planning | RFP selection made |
| Kirkland | Houghton Village Shopping Center future redevelopment | Community outreach |
| Redmond | Overlake Urban Center Regulations | Planning Commission |
| Redmond | Housing Element update | Planning Commission |

III. Housing Program Implementation

Housing Incentive & Inclusionary Programs

ARCH administers land use incentive and inclusionary housing programs, Multifamily Tax Exemption programs, and other development agreements for nine ARCH members. Affordable homes become part of the ARCH Rental and Homeownership Programs.

Figure 3.1 Units obligated under recorded agreements (Q1 2023 through Q4 2023)



ARCH Rental Program

The ARCH Rental Program provides affordable rent-restricted housing for low and moderate-income households in mixed income developments throughout East King County.

New Properties

- Eaves Redmond Campus began leasing activities for 11 affordable units at 50% AMI.

Compliance Monitoring

- Conducted 14 cyclical & compliance audits.
- Conducted ongoing follow-up with property managers to fulfill requirements outlined in order to return to compliant status.

Training

- Conducted monthly trainings for property managers and leasing staff.
- Hosted monthly Q & A sessions available to property managers and leasing staff.
- At the Together Center, hosted De-escalation Training taught by Bellevue Conflict Resolution Center. Training was open to all property managers and leasing staff participating in the ARCH (LU/MFTE) Rental Program.

ARCH Homeownership Program

The ARCH Homeownership Program provides access to affordable homeownership in East King County for households with limited incomes and first-time homebuyers.

Figure 3.2 ARCH Homeownership Program Monthly Transactions

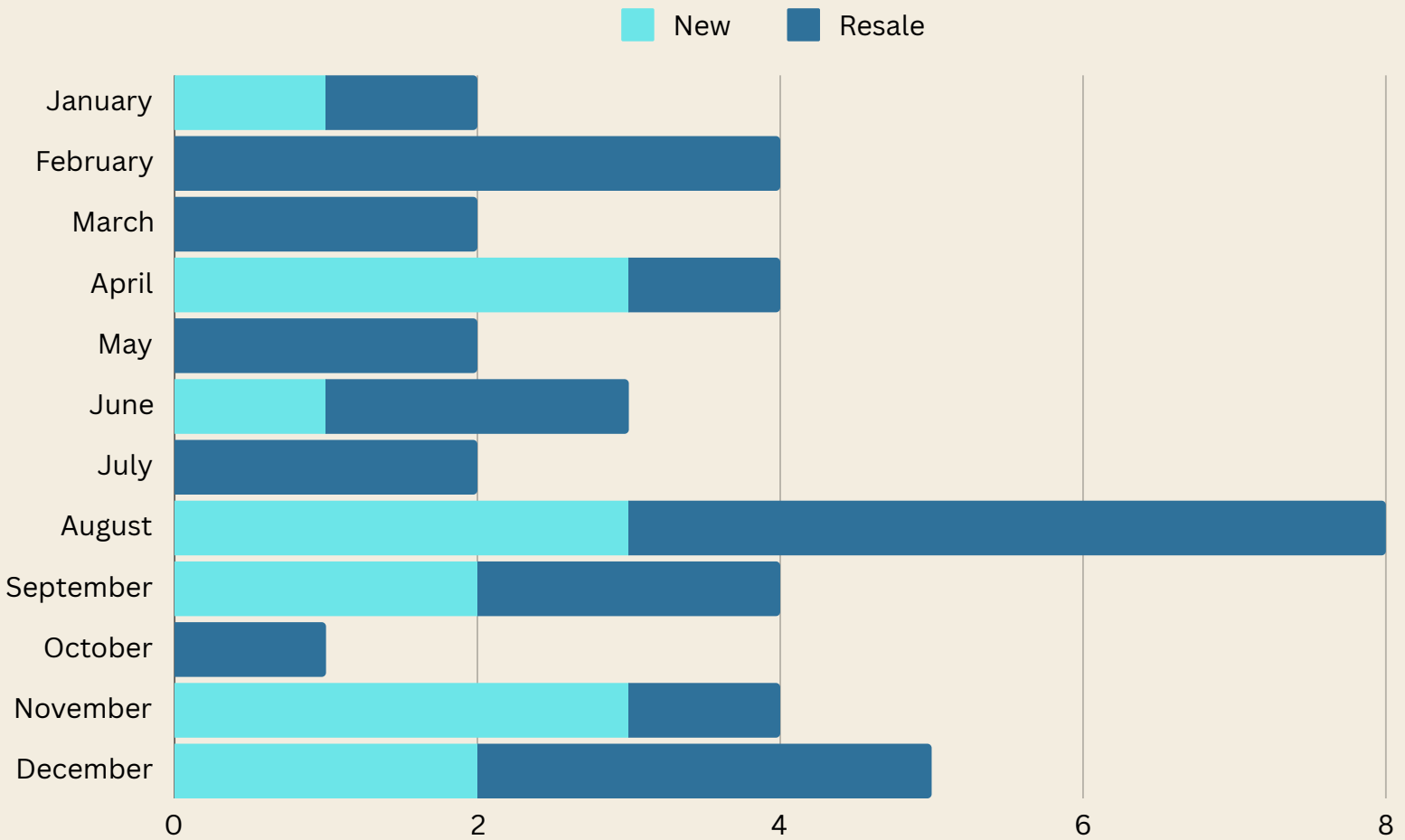
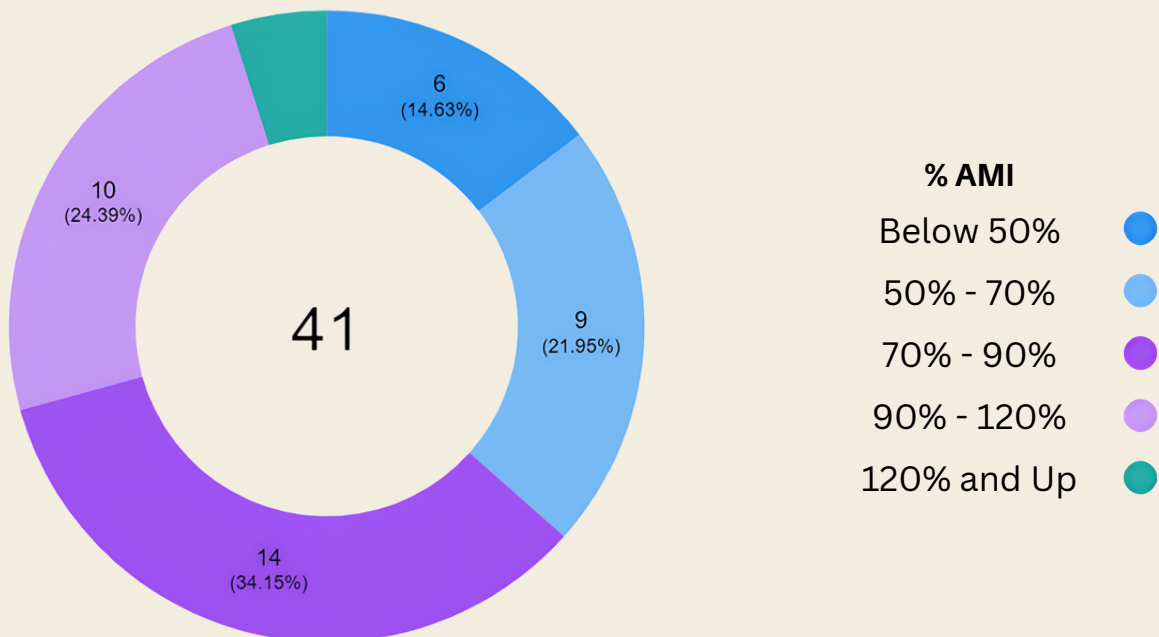


Figure 3.3 Household incomes served by ARCH Homeownership Program in 2023



New Projects

HOMEOWNERSHIP

Steeple Rock | Downtown Kirkland

- Cordillera Group
- 2 affordable and 15 market rate condominiums
- 1 2BR, 1 3BR priced at 100% AMI
- 50-year affordability



The Ridge at Big Rock | Duvall

- Toll Brothers
- 3 affordable homes priced at 100% AMI sold in Q4 2023 (15 sold to date)
- Total of 32 affordable and 374 market rate homes to be produced
- 50-year affordability



RENTAL



Eaves Redmond Campus | Overlake

- AvalonBay Communities, Inc.
- 11 affordable and 203 market rate units
- 1BR, 2BR and 3BR units at 50% AMI
- Affordability for the Life of the Project

IV. Education and Outreach

ARCH maintains information on affordable housing options in East King County; advertises new opportunities through the ARCH Mailing List and website; and provides support to community members in-person, through email and phone.

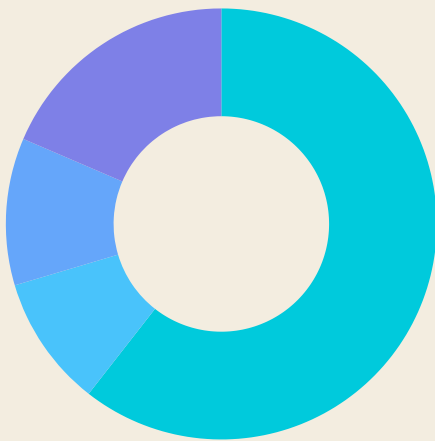
Figure 4 Households Seeking Housing on the ARCH Mailing List

| | Q1 | Q2 | Q3 | Q4 | YTD |
|--|-------|-------|-------|-------|-------|
| New applications for ARCH mailing list | 742 | 457 | 723 | 405 | 2,327 |
| Ownership Interest | 504 | 297 | 553 | 316 | 1,670 |
| Rental Interest | 510 | 343 | 461 | 265 | 1,579 |
| Total Number of Households seeking affordable housing in EKC | 7,112 | 7,569 | 8,292 | 8,697 | 8,454 |

A look at families seeking housing in East King County...

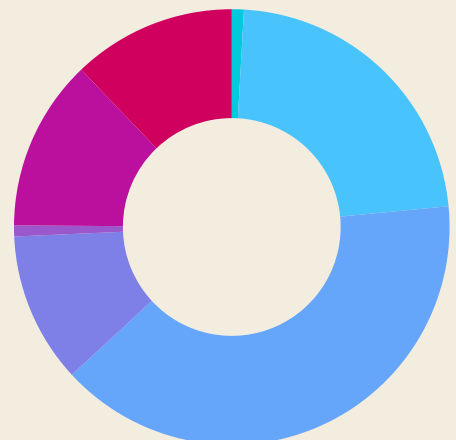
Household's Current Location

- East King Co
- Seattle
- South King Co
- Other

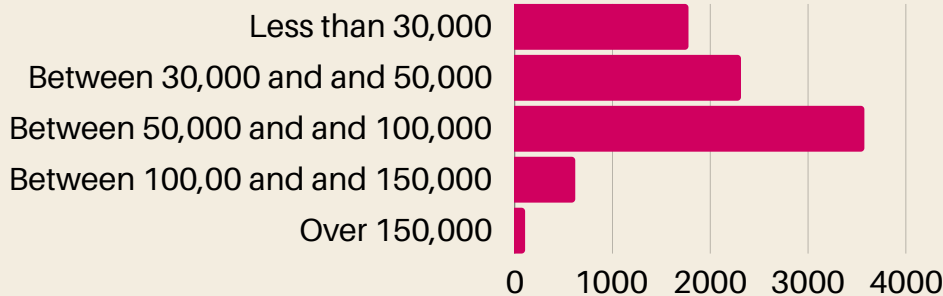


Race/Ethnicity

- American Indian or Alaskan...
- Asian (non-Hispanic)
- White (non-Hispanic)
- Black/African American (no...
- Pacific Islander (non-Hispan...
- Other, including two or mor...
- Hispanic (all races)



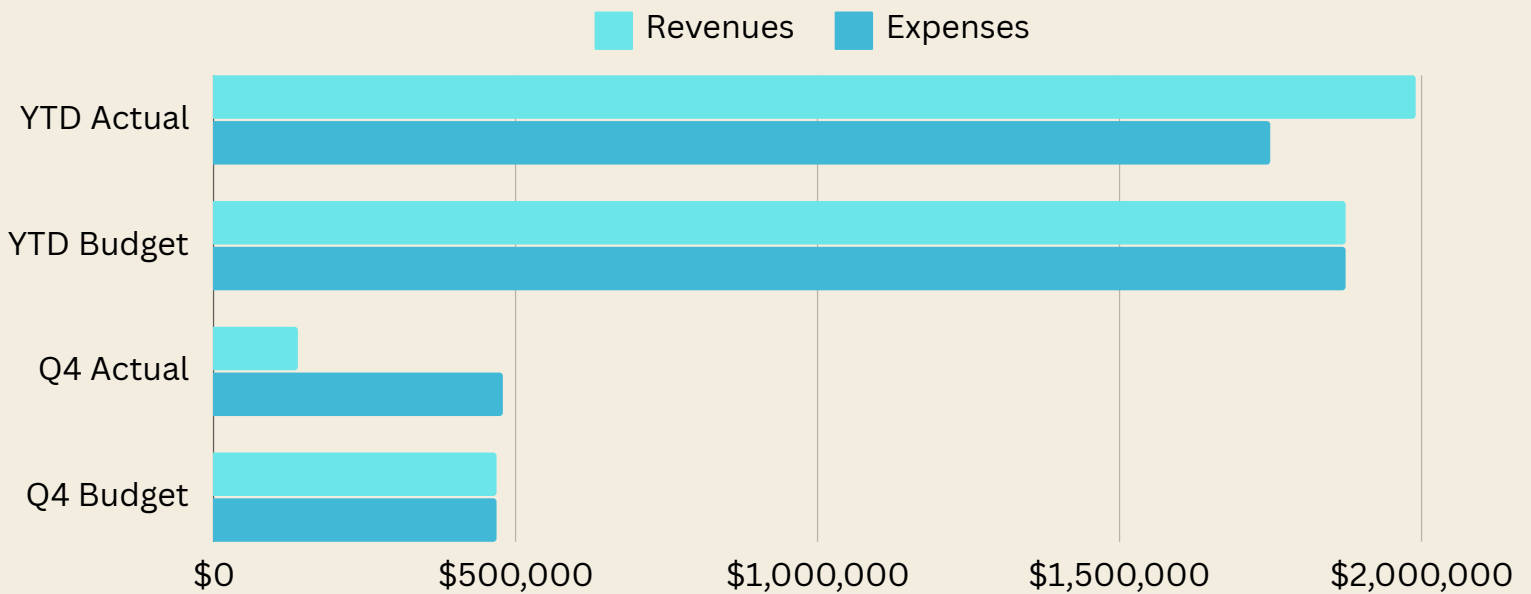
Household Incomes



V. ARCH Operations

ARCH Operating Fund. ARCH began the fourth quarter with a cash balance of \$1,497,382 and finished the year with a balance of \$1,158,074.

Figure 5. Summary of Quarterly and YTD Revenues and Expenses





Thank you


to all member jurisdictions and their dedicated staff.


ARCH's mission is to preserve and increase the supply of housing for low and moderate income households in East King County by:

- Coordinating public resources and attracting greater private investment into affordable housing;
- Sharing technical resources and staff between jurisdictions to promote sound housing policy;
- Providing efficient shared administration of housing programs; and
- Directly engaging the community with information and expertise

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