



**SKHHP Advisory Board**  
**November 7, 2024, 3:30 – 5:30 PM**  
**Zoom Meeting**

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**Zoom Link:** <https://us06web.zoom.us/j/89734407973?pwd=cnIISFU4dXFJaFN5TGlwTWIxZHINZz09>

**Meeting ID:** 897 3440 7973

**Password:** 981696

**Phone:** 253-215-8782

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<u>Time</u>	<u>Agenda</u>
3:30	Welcome / Introductions / Opening
3:40	October 3, 2024 Meeting Minutes
3:45	Executive Board Liaison Update
3:50	SKHHP Housing Capital Fund Recommendation
5:25	Updates / Announcements
5:30	Closing



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## **I. CALL TO ORDER**

Dorsol Plants called the meeting to order at 3:33 PM.

## **ROLL CALL/ESTABLISHMENT OF QUORUM**

Advisory Board members present: Rumi Takahashi, Kent Hay, Menka Soni, Phoebe Anderson-Kline, Grace Wood, Uche Okezie, Olga Lindbom, Hamdi Abdulle, Marie Arns.

Other attendees: Dorsol Plants, SKHHP; Claire Goodwin, SKHHP; Zaij Collins, ACHDO.

## **II. SEPTEMBER 5, 2024 MEETING MINUTES**

Menka Soni motioned to approve the September 5, 2024 minutes, seconded by Kent Hay. (9-0)

## **III. EXECUTIVE BOARD AFFORDABLE HOUSING TOUR UPDATE**

Dorsol Plants provided a brief update on the affordable housing tour in place of the September Executive Board meeting. The tour, which comprised a mix of SKHHP Executive Board members and government staff, seemed to go well. It visited three sites across South King County, focusing on how previous funding had supported affordable housing projects. Dorsol Plants expressed gratitude to MSC and Homestead CLT for helping to support the tour. A recording of the tour will be made available in the next couple of weeks.

## **IV. 2024 SKHHP HOUSING CAPITAL FUND APPLICATION REVIEW AND EVALUATION**

An overview of the 2024 Housing Capital Fund process and timeline was provided.

Phoebe Anderson-Kline recused herself from the 2024 Housing Capital Fund Application review.

Hamdi Abdulle disclosed that she has a partnership relationship with Mercy Housing NW and Habitat for Humanity and was concerned she should recuse herself from those applications. Dorsol Plants responded that to recuse oneself would require the board member not to participate in the review process. Claire Goodwin asked Hamdi Abdulle if she would have any personal or financial benefit from reviewing the projects. Hamdi Abdulle said that she would not gain any personal or financial gain from any of the reviewed projects.

Kent Hay disclosed that he is employed by the City of Auburn but has no personal or financial interest in any of the applications being considered.

Olga Lindbom disclosed that Open Doors partners with Mercy Housing NW on a separate project but has no personal or financial interest in any of the applications being considered.

Rumi Takahashi disclosed that she is an employee of SMR Architects, which has worked with a few applicants but has no personal or financial interest in any of the applications being considered.

Grace Wood disclosed that King County Housing Authority has provided one of the applicants with section-based vouchers but has no personal or financial interest in any of the applications being considered.

Claire Goodwin clarified that Hamdi Abdulle could participate in the application review process.

An overview of each application was provided.

Rumi Takahashi asked if SKHHP staff could provide a table of contents showing where supporting documents were located by tab in the application. Dorsol Plants responded that there were a couple of sources of the information, including the application checklist, which should detail what documents were provided.

Olga Lindbom asked if case management would be provided on-site for the St Stephen project. Dorsol Plants responded that about 20% of the case manager's full-time schedule was dedicated to the site, and they would provide in-house visits. The project does not have a community space in the current plan.

Kent Hay asked if the St Stephen project was also harm-reduction housing. Claire Goodwin responded that the application didn't use that language but described the program as low-barrier entry and offered to contact St Stephen to clarify.

Hamdi Abdulle expressed concerns about geographic equity, as two of the projects are in Renton. Claire Goodwin responded that geographic equity is one of several priorities that the Advisory Board would consider during the evaluation. She continued that this is the first year that SKHHP has received applications for projects in the City of Renton and has not funded any projects there at this time.

Menka Soni asked if SKHHP would be open to partially funding a project. Claire Goodwin responded that was an option for the Advisory Board.

Menka Soni asked what the major differences between the 2024 application for TWG's Pandion at Star Lake and the application in 2023 were. Claire Goodwin responded that the project was initially serving a wide range of communities, including households exiting homelessness, households with Intellectual and Developmental Disabilities, Senior housing, and other populations. The project has been streamlined, and the budget has been reduced to help focus the project more. The application in 2023 included a site plan for two buildings, but the project has been reduced to one building in the 2024 application.

Rumi Takahashi asked how MSC's Victorian Place II rehabilitation project that SKHHP funded last year was going. Claire Goodwin responded that Victorian Place II was part of the September Affordable Housing tour, and SKHHP is working to finalize our contract in the next couple of weeks, but it sounds like it is going well. Dorsol Plants added that MSC did need to update their scope of work due to cost overruns tied into construction inflation, and MSC identified that they took lessons learned from the project and applied them to the White River application, which includes a 20% construction contingency.

Claire Goodwin explained the upcoming process for the November meeting, at which the Advisory Board will review the evaluation forms and have time for a brief discussion of the projects. The goal of the November meeting is to finalize the funding recommendation for the

Executive Board. If the Advisory Board needs more time, SKHHP staff will try to coordinate additional time for the Advisory Board to develop their recommendation.

#### **VIII. UPDATES & ANNOUNCEMENTS**

No updates or announcements were made.

#### **IX. CLOSING/ADJOURN**

The meeting was adjourned at 5:35 PM.



South King Housing and Homelessness Partners

## Memorandum

**TO:** SKHHP Advisory Board

**DATE:** October 31, 2024

**RE:** 2024 SKHHP Housing Capital Fund Applicant Review and Recommendation

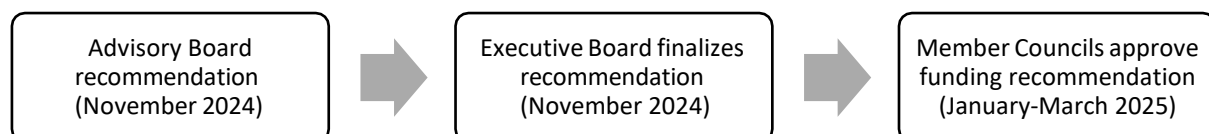
### OVERVIEW

Six applications were submitted to SKHHP's 2024 Housing Capital Fund. A summary of each project is included in this memo. The applications include the following:

Project sponsor and name	Location	# of units	Project type	HB 1590 eligibility	SHB 1406 and unrestricted eligibility	Amount requested
St Stephen/ Way Back Inn – Steele House	Renton	6	New Construction Rental	\$2,370,000	\$2,370,000	\$2,370,000
TWG – Pandion at Star Lake	Kent	251	New Construction Rental	\$2,000,000	\$2,000,000	\$2,000,000
Mercy Housing NW – Burien Family Housing	Burien	91	New Construction Rental	\$2,000,000	\$2,000,000	\$2,000,000
Habitat for Humanity – Burien Miller Creek	Burien	40	New Construction Homeownership	--	\$1,300,000	\$1,300,000
Homestead CLT – Willowcrest II	Renton	19	New Construction Homeownership	\$600,000	\$600,000	\$600,000
Multi-Service Center – White River Apts.	Auburn	24	Preservation Rental	--	\$975,939	\$975,939
TOTAL REQUESTED						\$9,245,939
TOTAL AVAILABLE: HB 1590						\$2,770,000
TOTAL AVAILABLE: SHB 1406						\$1,030,000
TOTAL AVAILABLE: Unrestricted						\$300,000

At the October 3, 2024 SKHHP Advisory Board meeting, the Board began their review of the six project applications submitted to the 2024 funding round of the SKHHP Housing Capital Fund. A recommendation on which projects to fund is anticipated at the November 7, 2024 meeting for the Executive Board's consideration at their November 15, 2024 meeting. Funding requests total over \$9.2 million, with \$4.1 million available.

### PROCESS



## **1. St. Stephen Housing Association/Way Back Inn – Steele House**

**Funding request:** \$2,370,000

**Address:** 3001-3006 NE 16th Street, Renton, WA 98056

**Eligibility of SKHHP Funding Sources (1590/1406/Unrestricted):** All

### **PROJECT SUMMARY**

Steele House is a 6-unit multifamily rental, low-barrier, permanent housing project with supports in Renton. The project will support households experiencing homelessness earning up to 30% area median income (AMI). Each unit will have 3-bedrooms and 1.5-bathrooms and are intended to serve families.

The project is a partnership between St. Stephen Housing Association and Way Back Inn (WBI) who are in the process of merging as an organization. The site is currently owned and operated by WBI and houses a transitional housing duplex for individuals experiencing homelessness. The project would phase out the site used as transitional housing, allowing all six-month leases to end, and tear down the existing structure. WBI intends to transfer ownership of the site to St. Stephen Housing as part of this project.

SKHHP funds sourced through HB 1590 are eligible to be used to support the entire request.

### **LOCATION**

The project is located across the street from the Bezos Academy – North Highlands location, Meadow Crest Early Learning Center, and a playground. McKnight Middle School, Renton Highlands Park and Ride, multiple restaurants and retail stores along Sunset Boulevard, and a Rite Aid Pharmacy are all located within 0.5 mile radius. A grocery store is located within 0.6 mile radius.

### **POPULATION SERVED**

Households with children experiencing homelessness earning up to 30% AMI at entry, with the potential to raise their income up to 50% AMI while living at the property.

### **RELOCATION**

There will be no relocation necessary for this project. The current site has a duplex which serves as transitional housing through Way Back Inn. The program length is for six months, and the applicant intends to allow the current residents to remain until the end of their lease. New tenants will not be selected until the new construction is completed.

### **SERVICES/PARTNERSHIPS**

St. Stephen Housing will provide on-site case management services to address any additional needs or challenges that may arise, such as mental health, substance abuse, or employment assistance. The current case manager from Way Back Inn will remain in their position after the merger, ensuring continuity of care.

## PROJECT SCHEDULE

Activity	Date
Site Control	2016
Building Permits Issued	12/31/2025
Begin Construction	12/31/2025
Begin Lease-up	1/31/2026
Issued Certificate of Occupancy	12/31/2026

## FUNDING SOURCES AND USES

SKHHP funds would be used for the demolition of the existing structure and new construction of a six-plex.

### Proposed Funding Sources by Amounts and Status

Funding source	Proposed Amount	Status
SKHHP	\$2,370,000	Applied
Applicant Funds	\$435,000	--
<b>TOTAL</b>	<b>\$2,805,000</b>	

### Proposed Use of Funds and Total Residential Cost Per Unit

Proposed use	Amount	Per Unit
Construction	\$2,620,000	\$436,667
Soft Costs	\$100,000	\$16,667
Other Development Costs	\$85,000	\$14,167
<b>TOTAL</b>	<b>\$2,805,000</b>	<b>\$467,501</b>

### Residential Cost Per Square Foot

Item	Amount
Residential square footage	11,578
Residential development cost	\$2,805,000
Cost per square foot	\$242.27

### Residential Cost Per Unit Based on Unit Size

Unit Size	Number of Units	Unit Square Footage	Cost per Unit
Average 3-bedroom	6	1930	\$467,581
Common area and other residential spaces, including parking	--	12	\$2,907

## PROJECT OPERATING BUDGET

Numbers reflect year one of the operating budget.

Revenues	Amount	Per Unit
Rent	\$0	--
Rent subsidies	\$129,600	--
Other	\$0	--
Annual Vacancy Losses	(\$1,296)	--
<b>TOTAL</b>	<b>\$128,304</b>	<b>--</b>
Expenses	Amount	Per Unit
Off-site management	\$36,192	\$6,032
On-site management	\$12,480	\$2,080
Utilities	\$12,500	\$2,083
Taxes and insurance	\$15,000	\$2,500
Other	\$13,300	\$2,217
Maintenance & Janitorial	\$5,000	\$833
<b>TOTAL PROJECT EXPENSES</b>	<b>\$94,472</b>	<b>\$15,745</b>
<b>FUNDS AVAILABLE FOR DEBT SERVICE</b>	<b>\$33,832</b>	<b>\$5,639</b>
Debt service	Amount	Per Unit
Hard	\$0	--
Soft	\$0	--

## DEVELOPMENT TEAM

**Sponsor:** St. Stephen Housing/Way Back Inn

**Developer:** G2 Civil

**Architect:** Daniel Umbach Architect, LLC

**Construction:** Has yet to be selected

**Legal:** Apex Law Group

**Property Management:** St. Stephen Housing

## OBSERVATIONS, ISSUES, AND CONCERNS

- SKHHP funds are requested in the form of a grant.
- St. Stephen Housing and Way Back Inn are merging, and St. Stephen Housing will be the surviving legal entity. Way Back Inn will be absorbed into St. Stephen Housing and staff will stay in place. The current duplex on the site is managed by Way Back Inn and the case manager will stay on as a St. Stephen Housing employee. The merger has just started and there are still a lot of moving parts between organizations. However, the merger is expected to go smoothly, with no outstanding issues of concern, and will close before the end of 2024.

- St. Stephen Housing, a non-profit organization, developed City Park Townhomes in Auburn in 2001 with funding from the Washington State Housing Trust Fund, King County Housing Finance Program, the Gates Foundation, and support from the City of Renton. Way Back Inn, a long-time provider of transitional housing in Renton, developed the current proposal.
- Preliminary building renderings have been completed, but more detailed structural drawings have yet to be done since the project is in an early phase.
- Phase I ESA recommended no further action at this time, and even though the consultant was not able to obtain data from the Department of Ecology, the King County Health Department, or the City of Renton in the timeframe needed to submit by SKHHP's application deadline, St. Stephen Housing received further comment from the ESA consultant that stated that when the records do become available their professional opinion is that it will not cause any changes to the report.
- St. Stephen Housing has reported the intent to use cash reserves totaling \$1 million that will be used as bridge funding until grant reimbursement.
- The case manager ratio is approximately 1:25.
- The project provides badly needed permanent housing with support services for families exiting homeless at 0-30% AMI.
- Recent and pending construction in the surrounding neighborhood such as street frontage and sewer improvement by the City of Renton could provide cost reductions on the project.
- The project uses the Housing First model and is a low barrier to entry project. The screening process will prioritize factors key for successful tenancy, such as rental history and income verification, while minimizing barriers for individuals who may have experienced past challenges. The project also subscribes to harm reduction policies for tenants living in the project.
- The project will implement program rules to promote a safe, respectful, and sustainable living environment for all residents. These rules may include:
  - Quiet hours: Adherence to designated quiet hours to minimize noise disturbances for all residents.
  - Guest policy: Guidelines for visitors and overnight guests, including notification requirements and restrictions on the number of guests allowed.
  - Pet policy: Regulations regarding pets, such as pet registration, leash laws, and waste cleanup.
  - Maintenance and repairs: Expectations for reporting maintenance issues promptly and taking care of the housing unit.
  - Community behavior: Guidelines for respectful interactions with other residents and staff.
- Should the project not be funded this year, the organization will continue to manage it without demolition until funding is secured for the expansion. They will continue to fund the development of more finalized architectural drawings to move the project to permitting by the City of Renton, using existing reserves.
- St. Stephen Housing has not developed any new construction projects within the previous 20 years, although they did receive public funding from the Department of Commerce's Housing Trust Fund Housing Preservation Program in both 2018 and 2022 for renovations and improvements to the City Park Townhomes in Auburn.

- The organization's Board has members with lived experience of homelessness as well as 20% of their staff.
- All staff will prioritize cultural competency and equity to foster a welcoming and supportive environment for families from diverse backgrounds and work towards services that are responsive to the needs of the tenants.
- The sponsor will continue their partnership with Parent Trust for Washington Children to provide a Family Advocate who supports families with parenting issues and child abuse and neglect prevention activities; with Neighborhood House, who provides job search assistance and Valley Cities and Catholic Community Services' CREW program to provide counseling, recovery and wellness services to tenants; and will work closely with Money Matters for financial literacy and planning. The sponsor also partners with both KidVantage and Birthday Dreams to provide diapers, baby needs and birthday support for the children in the program and frequently works with Wellspring Family Services, giving tenants access to a tenant education course.

## **2. TWG Development - Pandion at Star Lake**

**Funding request:** \$2,000,000

**Address:** 2526 S 272nd St., Kent, WA 98032

**Eligibility of SKHHP Funding Sources (1590/1406/Unrestricted):** All

### **PROJECT SUMMARY**

Pandion at Star Lake secured an award from SKHHP in the 2023 Housing Capital Fund funding round totaling \$1,170,000. Since that time, the project has been modified to appeal to other funders. The revised project is what is discussed in this memo.

Pandion at Star Lake is a 251-unit multifamily, mixed-use rental project in Kent located adjacent to the Kent/Star Lake Link light rail station. The project will support households earning between 30% AMI and 80% AMI. 47 units will support households up to 80% AMI. The project has been proposed as a 4% Low Income Housing Tax Credit (LIHTC) development.

This transit-oriented development (TOD) project will provide a mix of studio, one-, two-, and three-bedroom units. The project will include ground floor commercial space consisting of a K-12 learning center for low-income children operated by the Renton-based STEM Paths Innovation Network (SPIN). The property was purchased by the developer in December 2022. The project is a six-story building with five stories of affordable housing over one story of commercial space which also includes ten units of housing at the residential lobby level, plus basement level parking.

The 251 units includes 163 units for the general population, 59 units for families with children, and 29 units for families with children that require permanent supportive services and are at-risk of being homeless. 24 units would be accessible units. The project includes 92 studios, 71 1-bedrooms, 36 2-bedrooms, and 52 3-bedrooms.

29 units of the project are eligible for HB 1590 funds which includes those units for families with children at-risk of homelessness and require permanent supportive services who earn up to 30% AMI. Those units would be served by Vision House which would provide on-site supportive services. Of the 29-units, 20-units would be 2-bedroom units and 9-units would be 3-bedroom units to accommodate families.

### **LOCATION**

The project is in Kent off South 272<sup>nd</sup> Street and is a TOD project that will be located adjacent to the future Star Lake Link light rail station. Mark Twain Elementary School, the West Hill Medical Clinic, Safeway, UPS Store, a pet hospital, Great Clips, Bartell Drugs, Planet Fitness, an international grocery store, a faith-based organization, and other commercial amenities are located within 0.5 mile of the project. Woodmont Library, a coffee shop, and another gym are located within one mile of the project.

## POPULATION SERVED

The 251 units includes 163 units for the general population, 59 units for families with children, and 29 units for families with children that require permanent supportive services and are at-risk of being homeless. The project will serve households earning 30-80% AMI.

## RELOCATION

No relocation associated with this project.

## SERVICES/PARTNERSHIPS

Vision House will provide supportive services for 29-units set aside for families exiting the Vision House Family Transitional Housing program and are ready for permanent housing at the Pandion. TWG will provide as-needed referrals to supportive services for households residing in units serving 50% and 60% AMI. All resident services will be provided onsite or through direct referral through partnership with local providers.

TWG and Vision House will combine efforts to hire a community outreach specialist to conduct outreach to identify and network with South King County organizations who could provide additional services to residents. SPIN will likely use all of the commercial space at the project and should they want more space, there is room to accommodate that request.

## PROJECT SCHEDULE

Activity	Date
Site Control	12/6/2022
Building Permit Issued	12/1/2025
Begin Construction	12/31/2025
Begin Lease-up	11/1/2027
Issued Certificate of Occupancy	12/31/2027

## FUNDING SOURCES AND USES

SKHHP funds would be used for new building construction.

### Proposed Funding Sources by Amounts and Status

Funding source	Proposed Amount	Status
SKHHP (2024)	\$2,000,000	Applied
SKHHP (2023)	\$1,170,000	Committed
4% LIHTC Equity	\$41,049,507	Applied
Federal Energy Equity	\$153,000	Applied
Permanent Loan	\$38,650,000	Applied
Amazon HEF Hard	\$13,805,000	Applied
Amazon HEF Soft	\$13,805,000	Applied
King County TOD	\$6,500,000	Applied
Deferred Developer Fee	\$5,174,336	Applied
SPIN Private Funding	\$4,413,357	Committed
<b>TOTAL</b>	<b>\$126,720,200</b>	

Proposed Use of Funds and Total Residential Cost Per Unit

Proposed use	Amount	Per Unit
Acquisition	\$6,207,361	--
Construction	\$87,306,025	--
Soft Costs	\$15,032,371	--
Pre-development/Bridge Financing	\$1,096,842	--
Construction Financing	\$9,298,009	--
Permanent Financing	\$715,250	--
Capitalized Reserves	\$1,510,078	--
Other Development Costs	\$4,622,197	--
Bond Related Costs of Issuance	\$932,067	--
<b>TOTAL</b>	<b>\$126,720,200</b>	<b>--</b>
<b>TOTAL NON-RESIDENTIAL</b>	<b>\$4,413,357</b>	<b>--</b>
<b>TOTAL RESIDENTIAL (includes common areas)</b>	<b>\$122,306,843</b>	<b>\$487,278</b>

Residential Cost Per Square Foot

Item	Amount
Residential square footage	278,255
Residential development cost	\$122,306,843
Cost per square foot	\$439.55

Residential Cost Per Unit Based on Unit Size

Unit Size	Number of Units	Unit Square Footage	Cost per Unit
Average Studio	92	415	\$182,413
Average 1-bedroom	71	650	\$285,707
Average 2-bedroom	36	926	\$407,023
Average 3-bedroom	52	1139	\$500,647
Common area and other residential spaces, including parking	--	107,767	\$47,368,930

**PROJECT OPERATING BUDGET**

Numbers reflect year one of the operating budget.

Revenues	Amount	Per Unit
Rent	\$5,006,448	--
Rent subsidies	\$0	--
Other	\$44,076	--
Annual Vacancy Losses	(\$252,526)	--
<b>TOTAL</b>		<b>--</b>
Expenses	Amount	Per Unit

Off-site management	\$239,900	\$956
On-site management	\$405,867	\$1,617
Utilities	\$303,710	\$1,210
Taxes and insurance	\$114,205	\$455
Other	\$168,170	\$670
Reserves	\$62,750	\$250
Asset management fee	\$7,500	\$30
<b>TOTAL PROJECT EXPENSES</b>	<b>\$1,302,102</b>	<b>\$5,188</b>
<b>FUNDS AVAILABLE FOR DEBT SERVICE</b>	<b>\$3,495,896</b>	<b>\$13,928</b>
<b>Debt service</b>	<b>Amount</b>	<b>Per Unit</b>
Hard	\$3,047,326	--
Soft	\$448,570	--
<b>TOTAL</b>	<b>\$3,495,896</b>	<b>--</b>

## DEVELOPMENT TEAM

**Sponsor:** TWG Development and Vision House

**Developer:** TWG Development

**Architect:** Ankrom Moisan

**Construction:** Venture General Contracting

**Legal:** Ice Miller & Kantor Taylor

**Property Management:** TWG Management

TWG Development has 18 years of development experience with 110 developments across 18 states. Since 2022, TWG has closed over 30 9% and 4% LIHTC projects.

TWG Property Management oversees 90 properties, 60 of which are LIHTC properties. The property management plan includes an onsite property manager and onsite maintenance technician five days of the week.

## OBSERVATIONS, ISSUES, AND CONCERNS

- SKHHP funds are requested in the form of a deferred, 1% interest, non-forgivable loan to the LIHTC partnership.
- SKHHP is the only public funder that has committed funding thus far.
- TWG secured an award from SKHHP in 2023, though it was less than half the amount requested. SKHHP chose to award the reduced funding based on timing of the project's anticipated construction start date which was further out than other applicants. SKHHP exhausted the available HB 1590 funds in 2023.
- The sponsor is structured as a for-profit organization which is impeding the ability of the project to apply for funding at the state level.
- Anticipated King County TOD funding to be approximately \$20 million this funding round.

- If the project is not awarded SKHHP funds this year, TWG will need to increase most AMIs in the project and proceed under a different debt structure. Current land and predevelop loans are accruing interest so the path that allows them close before 2026 is preferred.
- TWG agreed to voluntarily meet the City of Kent’s design standards for the properties zoned “Midway Transit Community,” which includes higher standards than mixed-use commercial.
- Includes 190 parking stalls partially underground.
- For the 29 30% AMI units, low barrier to entry with general screening criteria includes: methamphetamine production conviction in federal housing and sex offences, ID and proof of residency required for subsidized units (KCHA), and criminal and sex offender registry are HUD guidelines.
- For the Vision House units, families are required to attend case management meetings.
- Residents in the 50% and 60% AMI units will receive residential supportive referral services provided by Vision House and TWG Management. Service referrals are resident-driven and voluntary. The supportive services manager will conduct an initial assessment of new residents upon move-in to identify the service needs of each resident. Services will be tailored to meet the unique needs of each household.
- All case management and residential supportive services for the Vision House set-asides will be provided on-site. TWG Management and Vision House will coordinate off-site referral services on an as-need basis.
- Project changes between last year’s awarded project and this year’s application are as follows:

	<b>2024</b>	<b>2023</b>	<b>Changes</b>
Number of buildings	1	2	<ul style="list-style-type: none"> <li>• Modified from 2 buildings to 1</li> </ul>
Populations served	163 units - general population 59 units - families with children 29 units - families with children that require permanent supportive services and are at-risk of being homeless	Building 1: 109 units - general population 30 units - families with children 25 units - families with children that require permanent supportive services and who are transitioning out of homelessness or are at-risk of homelessness 4 units - households with I/DD Building 2: 173 units – seniors earning 80-100% AMI	<ul style="list-style-type: none"> <li>• No seniors at 80-100% AMI</li> <li>• No families that are transitioning out of homelessness</li> <li>• No IDD units</li> <li>• Larger number of general population units in lower income building</li> <li>• More units for families with children</li> </ul>
Total units	251	341 (168 and 173)	<ul style="list-style-type: none"> <li>• 90 fewer units</li> </ul>
AMI	0-80%	0-100%	<ul style="list-style-type: none"> <li>• No 80-100% AMI units</li> </ul>
AMI/unit count	0-30% - 29 30-50% - 114 50-60% - 61 60-80% - 47	0-30% - 29 30-50% - 97 50-60% - 42 80-100% - 173	<ul style="list-style-type: none"> <li>• Number of 0-30% units unchanged</li> <li>• More 30-60% units</li> <li>• Added 80% units</li> <li>• Removed 80-100% units</li> </ul>
LIHTC	4%	4%/9%	<ul style="list-style-type: none"> <li>• Not applying for 9% LIHTC</li> </ul>

### **3. Mercy Housing Northwest - Burien Family Housing**

**Funding request:** \$2,000,000

**Address:** 12845 Ambaum Blvd SW Burien, WA 98146

**Eligibility of SKHHP Funding Sources (1590/1406/Unrestricted):** All

#### **PROJECT SUMMARY**

Burien Family Housing is a new multifamily 91-unit rental project located near high frequency transit in Burien. The project will support households earning between 30% AMI and 60% AMI with a focus on households with children, including 34 units set-aside for families with children exiting homelessness and 18 units set-aside for households with a physical disability.

The project includes the redevelopment of a 4.23 acre site currently owned by Mary's Place which operates an emergency shelter on-site. Mary's Place will be donating 2-acres of the project site to Mercy Housing Northwest for the development of new affordable housing, while retaining 1.31 acres of the site for the development of a new shelter to replace the existing one. The project will be four stories in size. The development is comprised of a mix of one-, two-, three-, and four-bedroom units. 52% of the units are family-sized two-, three-, and four-bedroom units.

This project received a financial award from SKHHP during the 2022 funding round and secured funding from King County, the Washington State Department of Commerce, the 9% Low Income Housing Tax Credit (LIHTC) program, and the Amazon Housing Equity Fund (HEF) program over the course of 2023 and 2024. The project is a combination 4% and 9% LIHTC project. The project also secured 34 Project-Based Vouchers from the King County Housing Authority and a Resident Services award from King County to support the families exiting homelessness.

#### **LOCATION**

The project is located adjacent to Mary's Place near the corner of Ambaum Blvd SW and SW 130th St in Burien. Several restaurants, a gas station, Salmon Creek Park, a church with a school, and a grocery store are located within 0.5 mile of the property. The project is a block from transit with access to the Rapid Ride H line providing access to downtown Seattle, operated by King County Metro, and bus route 560, which is operated by Sound Transit, providing access to Bellevue.

#### **POPULATION SERVED**

Families with children, households with a physical disability, and general low-income households earning between 0-30% AMI, 30-50%, and 50-60% AMI. Families exiting homelessness or with a history of homelessness.

#### **RELOCATION**

The project does not result in relocation.

#### **SERVICES/PARTNERSHIPS**

All residents are offered services through Mercy Housing Northwest's Resident Services Family Program model which has five key support areas which include health and wellness, housing stability, community

participation, success in schools and out of school time, and financial stability. Case managers typically work with the resident to develop appropriate case plans and goals; provide on-going assessment and support; assist the resident to utilize community resources to meet individual needs; and work with residents to identify their skills and abilities to promote personal growth.

Due to the high number of family sized units, there will be an emphasis on education support for the student and families through the Mercy Scholar Program. These services will include: hosting back to school nights with students, their families, and teachers from local schools; onsite volunteer student tutoring; onsite pre-kindergarten readiness classes with local community partners; and a staffed onsite after school homework club. Mercy Housing Northwest engaged the Highline School district throughout the design process and has coordinated with the local McKinney-Vento Coordinator in preparation for future referrals.

Mary's Place will operate a 70-family emergency shelter on the same site and will provide a variety of community spaces and services to support homeless families. Services and programming typically provided by Mary's Place include intake and assessment, mobile outreach, shelter, family support, services for children and babies, and homelessness prevention.

#### PROJECT SCHEDULE

Activity	Date
Purchase and Sales Agreement	8/29/2022
Zoning Approval	2/1/2024
Site Plan Approval	8/18/2022
Building Permits Issued	2/25/2025
Begin Construction	4/1/2025
Begin Lease-up	6/1/2026
Issued Certificate of Occupancy	8/1/2026

#### FUNDING SOURCES AND USES

SKHHP funds would be used for new construction.

##### Proposed Funding Sources by Amounts and Status

Funding source	Proposed Amount	Status
SKHHP	\$2,000,000	Applied
SKHHP (2022)	\$1,093,308	Committed
4% LIHTC Equity	\$9,405,093	Will apply
9% LIHTC Equity	\$13,446,619	Committed
State HTF	\$4,000,000	Committed
King County (2023)	\$6,000,000	Committed
Permanent Amortizing Loan	\$5,892,060	Reviewing LOIs
Amazon HEF Loan	\$9,500,000	Committed
Mercy Loan Fund	\$999,999	Committed
Land Contribution	\$1,800,000	Committed
Deferred Developer Fee	\$1,011,384	Committed

National Housing Trust Fund	\$1,000,000	Committed
King County 2024/CHIP Pass Thru	\$1,900,000	Applied
<b>TOTAL</b>	<b>\$58,048,463</b>	

#### Proposed Use of Funds and Total Residential Cost Per Unit

Proposed use	Amount	Per Unit
Acquisition	\$1,820,000	\$20,000
Construction	\$42,217,570	\$463,929
Soft Costs	\$8,634,716	\$94,887
Pre-development/Bridge Financing	\$31,000	\$341
Construction Financing	\$2,547,088	\$27,990
Permanent Financing	\$649,691	\$7,139
Capitalized Reserves	\$808,877	\$8,889
Other Development Costs	\$1,042,330	\$11,454
Bond Related Costs of Issuance	\$297,191	\$3,266
<b>TOTAL</b>	<b>\$58,048,463</b>	<b>\$637,895</b>

#### Residential Cost Per Square Foot

Item	Amount
Residential square footage	86,543
Residential development cost	\$58,048,463
Cost per square foot	\$670.75

#### Residential Cost Per Unit Based on Unit Size

Unit Size	Number of Units	Unit Square Footage	Cost per Unit
Average 1-bedroom	44	526	\$352,813
Average 2-bedroom	29	788	\$528,549
Average 3-bedroom	15	1062	\$712,333
Average 4-bedroom	3	1291	\$865,934
Common area and other residential spaces, including parking	--	20,380	\$13,669,825

#### **PROJECT OPERATING BUDGET**

Numbers reflect year one of the operating budget.

Revenues	Amount	Per Unit
Rent	\$1,516,356	--
Rent subsidies	\$407,016	--
Other	\$5,460	--
Annual Vacancy Losses	(\$96,442)	--
<b>TOTAL</b>	<b>\$1,832,390</b>	<b>--</b>

<b>Expenses</b>	<b>Amount</b>	<b>Per Unit</b>
Off-site management	\$54,600	\$600
On-site management	\$325,516	\$3,577
Utilities	\$164,282	\$1,805
Taxes and insurance	\$228,157	\$2,507
Other	\$185,322	\$2,037
Maintenance and Janitorial	\$14,105	\$155
Reserves	\$31,850	\$350
Asset management fee	\$30,000	\$330
Resident services	\$158,804	\$1,745
<b>TOTAL PROJECT EXPENSES</b>	<b>\$1,033,832</b>	<b>\$11,361</b>
<b>FUNDS AVAILABLE FOR DEBT SERVICE</b>	<b>\$639,755</b>	<b>\$7,030</b>
<b>Debt service</b>	<b>Amount</b>	<b>Per Unit</b>
Hard	\$531,446	--
Soft	\$108,309	--
<b>TOTAL</b>	<b>\$639,755</b>	<b>--</b>

## DEVELOPMENT TEAM

**Sponsor:** Mercy Housing Northwest

**Developer:** Mercy Housing Northwest

**Architect:** SMR Architects

**Construction:** Walsh Construction

**Legal:** Kantor Taylor

**Property Management:** Mercy Housing Management Group

## OBSERVATIONS, ISSUES, AND CONCERNS

- SKHHP funds are requested in the form of a deferred, contingent, forgivable loan.
- The project has been awarded significant financial contributions from King County, State Department of Commerce (Housing Trust Fund), Amazon, and was awarded \$1,093,308 from SKHHP in the 2022 funding round. Additionally, the project received a 9% bond allocation in the 2024 funding round through the Washington State Housing Finance Commission.
- Mercy Housing Northwest described the need for additional funding due to rising construction costs resulting from inflation and a change in the tax credit equity pricing from the mid \$0.90's to the high \$0.80's which is consistent with the data provided during the Affordable Housing Finance Briefing the Executive Board received in June 2024.
- Mercy Housing Northwest has increased their financial contribution to help close the funding gap along with applying to SKHHP and King County for CHIP funds (Connecting Housing to Infrastructure Program) which supports utility improvements for affordable housing.

- If SKHHP funding was not awarded this round, the sponsor reports that they would be faced with a delay in order to seek additional funds to cover the gap, which would put the existing project awards in jeopardy. Because they have a majority of their public funding already secured, including the Project-Based Vouchers, and have lender/investor and Amazon Housing Equity Fund committed, they are prepared to move forward immediately with the project, taking advantage of a good period in the construction market.
- SKHHP's HB 1590 funds could support the 34 units set-aside for families with children exiting homelessness and the 18 units set-aside for households with a physical disability who also earn up to 60% AMI.
- Mercy Housing Northwest and Mary's Place convened a special design group for the project made up of neighbors, families with lived experience, service providers, and community stakeholders to help ensure that the project's design and programs meet a real need in the community. This group has met three times with more meetings scheduled to ensure that as the development proceeds diverse insights are captured in the design.
- Since 2018, Mary's Place has been conducting quarterly outreach with the community to keep residents informed about the emergency shelter onsite. In mid-2021, Mary's Place began informing the community about the impending project.
- The project includes one unit to accommodate an on-site manager living on the property.
- The site will include 100 parking spaces but will split them 60/40 between the 91-units and the 75-family emergency shelter.
- The project includes a Resident Services Coordinator, Case Manager, Youth Initiatives & School Liaison, and a Community Coordinator dedicating 100% of their staff time to the location.
- The project will feature a large community room that will be used for resident services programming and provide space for residents to gather. Some of the events held in the property's community room will be open to the guests of the Mary's Place shelter co-located on the site or to members of the larger community.
- The sponsor elected to have 75% of all the units apply the following Universal Design strategies to the project:
  - all hallways are a minimum of 42 inches wide, which will provide more room for those who require aids to promote mobility (specifically wheelchairs and walkers);
  - all doors are designed with a minimum 36-inch rough opening, or 32 inches clear opening, to ensure that passage of mobility aid devices are accommodated; and
  - all doors will also utilize lever style handles to help with ease of use, and a 60-inch diameter turning circle is provided in the kitchen and bathroom.
- Project changes between the awarded project from the 2022 SKHHP funding round and this year's application are as follows:

	2024	2022	Changes
Populations served	34 – families with children exiting homelessness 16 – families with children 18 – households with a physical disability 22 – general population	35 – families with children exiting homelessness 54 – families with children	<ul style="list-style-type: none"> <li>• Fewer units for families with children</li> <li>• Added units for households with a disability and general population</li> </ul>

Total units	91	89	<ul style="list-style-type: none"> <li>• One unit added for an on-site manager</li> <li>• One additional affordable unit</li> </ul>
AMI	0-60%	0-60%	<ul style="list-style-type: none"> <li>• No change</li> </ul>
AMI/unit count	0-30% - 28 30-50% - 48 50-60% - 14	0-30% - 35 30-50% - 28 50-60% - 26	<ul style="list-style-type: none"> <li>• More 50% units and fewer 30% and 60% units</li> </ul>
LIHTC	4%/9%	4%	<ul style="list-style-type: none"> <li>• Added 9% LIHTC</li> </ul>
Cost	\$59.7m	\$47.4m	<ul style="list-style-type: none"> <li>• Higher budget</li> </ul>

#### **4. Habitat for Humanity Seattle-King & Kittitas Counties - Burien Miller Creek**

**Funding request:** \$1,300,000

**Address:** 511 S 136<sup>th</sup> St Burien, WA 98168

**Eligibility of SKHHP Funding Sources (1590/1406/Unrestricted):** 1406 and unrestricted

##### **PROJECT SUMMARY**

Burien Miller Creek is a 40-unit homeownership project in Burien. The project is comprised of three- and four-bedroom homes for purchase: 20 units for households earning an average 50% AMI and 20 units for households earning up to 80% AMI. The project is currently under construction and SKHHP awarded the project \$300,000 in the 2022 funding round which has been requested to support the construction of three units for households earning 40-45% AMI. All homebuyers must have lived in King County for a least one year and 25% of the homes are reserved for households with a connection to the community – being defined as within two miles from the project.

The project will provide permanent affordability through the execution of a ground lease upon sale of the home. Habitat will have the Right of First Option to buy the home at an appreciated rate of 1.5% per year. When the home is resold, the price is set at the cost of acquisition and any rehab needed, allowing the home to be affordable to low- and moderate-income buyers in perpetuity. Habitat requires that the home must be the buyer's primary residence and must be owner occupied for the life of the home. The buyer's housing costs will be kept at or below 35% of gross household income.

The project has secured awards totaling \$23 million and reports a funding gap of \$3.3 million. The funding gap is due to increased construction costs, higher interest rates on construction loans, and lower mortgage revenue due to Habitat's commitment to serve families at lower AMIs in this development.

##### **LOCATION**

The project is in Burien off State Route 509. Five bus lines are within a mile of the property. Cedarhurst Elementary and Cascade Middle School are each about 2.5 miles away, and the property is about 1.5 miles to Highline High School. Two large grocery stores are located within a mile of the property.

##### **POPULATION SERVED**

The project will serve households earning 40-80% AMI.

##### **RELOCATION**

The relocation of three residences was completed in September 2022 using a relocation process approved by King County through a tenant relocation plan consistent with the Uniform Relocation Act.

##### **SERVICES/PARTNERSHIPS**

There are no direct services associated with the project. Homeowners are encouraged to seek leadership roles in their community through the Homeowners Association (HOA). The HOA will take on all upkeep of communal spaces onsite, including building improvements with the support of a professional management company.

## PROJECT SCHEDULE

Activity	Date
Site Control	3/26/2021
Building Permit Issued	3/24/2023
Begin Construction	9/15/2022
Certificate of Occupancy – First Home	6/1/2025
Certificate of Occupancy – Last Home	7/15/2025

## FUNDING SOURCES AND USES

SKHHP funds are requested to support new building construction.

### Proposed Funding Sources by Amounts and Status

Funding source	Proposed Amount	Status
SKHHP (2022)	\$300,000	Committed
SKHHP (2024)	\$1,300,000	Applied
King County	\$3,547,282	Committed
HTF	\$3,125,000	Committed
CHIP	\$1,934,523	Committed
HUD	\$850,000	Committed
HTF Unit Subsidy	\$2,000,000	Applied
Homeowner Mortgages	\$13,136,881	--
<b>TOTAL</b>	<b>\$26,193,686</b>	

### Proposed Use of Funds and Total Residential Cost Per Unit

Proposed use	Amount	Per Unit
Acquisition	\$2,086,758	\$52,169
Construction	\$20,931,597	\$523,290
Soft Costs	\$1,906,163	\$47,654
Construction Financing	\$707,405	\$17,685
Other Development Costs	\$561,763	\$14,044
<b>TOTAL</b>	<b>\$26,193,686</b>	<b>\$654,842</b>

### Residential Cost Per Square Foot

Item	Amount
Residential square footage	54,662
Residential development cost	\$26,193,686
Cost per square foot	\$479.19

## **DEVELOPMENT TEAM**

**Sponsor:** Habitat for Humanity Seattle-King and Kittitas County

**Developer:** Habitat for Humanity Seattle-King and Kittitas County

**Architect:** Cone Architecture

**Construction:** GenCap Construction

**Legal:** Habitat for Humanity Seattle-King and Kittitas County

## **OBSERVATIONS, ISSUES, AND CONCERNS**

- Funding is requested in the form of a grant.
- SKHHP awarded this project \$300,000 in the 2022 funding round. An AMI change from 50% AMI to an average of 50% AMI was made in early 2023 and the Executive Board was notified of this change on June 9, 2023. There is a current request to apply SKHHP's 2022 award to three of the 40 units at a deeper AMI level of 40-45% AMI. The Executive Board will discuss this at their November 15, 2024 meeting.
- For the 2024 application, Habitat reports that construction costs went over budget due to inflation along with interest rates impacting the mortgages they were able to collect at the AMI's levels they wanted to serve. SKHHP funds will help the project close the gap and enable them to serve the lower AMI households they have committed to serve.
- Over \$7 million has been invested in the site.
- If the project is not funded by SKHHP this year, the cost of homeowner mortgages will increase and Habitat will need to apply additional funds to the project from their reserves which would impact their ability to invest in future projects.
- Three bids for construction have been solicited and the General Contractor has been selected. The contract is anticipated to be executed at the end of October and an updated construction budget will be provided then.
- Every homebuyer will have a sale price and mortgage set at no more than 35% of their household income based on household size.
- Habitat applied for \$2 million from the Department of Commerce's Housing Trust Fund Unit Subsidy program this round.
- 32 3-bedrooms and 8 4-bedrooms spread across 10 buildings.
- Historically, out of the total number of households the sponsor has served, 65% identify as BIPOC families.
- Habitat has implemented a community preference policy to help guide homeowner selection. Applicants are awarded additional points based on their connection to the community (distance from work/home, utilization of local community services) and other factors that indicate displacement or risk of displacement. 25% of the homes will be reserved for home buyers that achieve community preference points.
- 43 parking spaces will be provided.
- The sponsor has a debt remediation pilot program that pays off the debt of homebuyers to enable the buyer to secure financing from a traditional lender.

- Habitat has a Three Doors Partnership program that focuses on outreach to local organizations whose employees could be eligible for Habitat programs, partnerships with housing programs or homeownership readiness programs that will prepare potential homeowners to be successful in their homeownership journey, and project partnership where Habitat acts as co-developers with another community organization.
- Project changes between the awarded project from the 2022 SKHHP funding round and this year's application are as follows:

	<b>2024</b>	<b>2022</b>	<b>Changes</b>
Number of buildings	10	10	<ul style="list-style-type: none"> <li>• No change</li> </ul>
Populations served	Homebuyers with connection to the community	Homebuyers with connection to the community	<ul style="list-style-type: none"> <li>• No change</li> </ul>
Total units	40	Phase 1 – 20 units Phase 2 – 20 units	<ul style="list-style-type: none"> <li>• Removed Phase 1 and 2 and are considering the project a single project.</li> </ul>
AMI	20 units - average of 50% AMI 20 units - 80% AMI	Phase 1 (20 units) – up to 50% AMI Phase 2 (20 units) – 80% AMI	<ul style="list-style-type: none"> <li>• Changed from 20 units at 50% AMI to an average 50% AMI</li> </ul>
Cost	\$26.2m	\$8.4m (First 20 units only)	<ul style="list-style-type: none"> <li>• Higher development cost</li> </ul>
SKHHP funding request	\$1.3m for 20 units at average 50% AMI	\$300k for 20 units up to 50% AMI > \$300k for 20 units at average 50% AMI > 3 units at 40-45% AMI	<ul style="list-style-type: none"> <li>• NA – separate requests</li> </ul>

## **5. Homestead Community Land Trust - Willowcrest II**

**Funding request:** \$600,000

**Address:** 1132 Edmonds Ave NE Renton, WA 98056

**Eligibility of SKHHP Funding Sources (1590/1406/Unrestricted):** All

### **PROJECT SUMMARY**

Willowcrest II is the second phase of a community land trust homeownership project located in the Sunset Neighborhood of Renton. The project will add 19 additional two- and three-bedroom townhomes to the 12 that were built in the first phase of Willowcrest. The townhomes are all 3-story with their own private garages. 12 of the townhomes will be permanently affordable homes for households earning up to 80% AMI; three of the townhomes will be sold to households exiting homelessness or are at imminent risk of homelessness earning up to 60% AMI; and four of the townhomes will be market-rate homes. The townhomes are projected to be priced between \$250,000 and \$320,000 compared to the average sale price in the Sunset neighborhood of \$583,000. The land for the second phase was transferred to Homestead in 2023 by the Renton Housing Authority. Homestead Community Land Trust develops land and housing in trust, giving lower-income households the opportunity to own a home that is affordable to them and remains affordable to future homeowners. The land trust model ensures that the homes, when resold, are again sold at an affordable price to another income qualified household.

The first phase of Willowcrest won the Governor's Smart Communities Award in 2022 for being the first multifamily, net-zero energy and permanently affordable homeownership project in King County.

SKHHP funds sourced from HB 1590 could support the construction of the three townhomes reserved for households exiting homelessness earning up to 60% AMI. Should Homestead not receive an award, those units would likely be sold for general population households earning up to 80% AMI.

### **LOCATION**

The project is located in the Sunset Neighborhood in Renton. The project is less than 0.5 mile from the Renton Highlands Library, the Sunset Neighborhood Park, restaurants, retail stores, a major grocery store, and bus routes that connect directly to the Renton Transit Center, nearby commercial centers, downtown Renton, and regional transit options like the Tukwila International Boulevard light rail station. An early learning center and childcare centers are also nearby.

### **POPULATION SERVED**

First-time homebuyers who have faced barriers to homeownership. 12 townhomes would be sold to households earning up to 80% AMI, three townhomes would be sold to households exiting homelessness earning up to 60% AMI, and four townhomes would be sold at market-rate with no income restrictions. Homestead uses affirmative and fair housing marketing plans on all its projects and anticipates households of color making up a majority of the homeowners. 10 of the original 12 homes at Willowcrest were purchased by BIPOC heads of household.

### **RELOCATION**

The project does not result in relocation.

## SERVICES/PARTNERSHIPS

Homestead provides post-purchase support to all homeowners on an as-needed basis to address maintenance issues, neighborhood issues or during a period of financial distress. The project is managed by a Homeowner Association (HOA) elected by the residents. The HOA hires a management company to assist in fulfilling its obligations. Homestead provides educational support and training for homeowners to participate and lead their own community.

Homestead provides individualized education and counseling services to support homebuyers. Parkview Services works in partnership with Homestead to meet the need of households with intellectual and developmental disabilities.

## PROJECT SCHEDULE

Activity	Date
Site Control	1/18/2023
Building Permits Issued (Estimated)	5/15/2025
Begin Construction	6/1/2025
Issued Certificate of Occupancy	9/1/2026

## FUNDING SOURCES AND USES

SKHHP funds are requested for new building construction, contractor overhead, and new construction contingency.

### Proposed Funding Sources by Amounts and Status

Funding source	Proposed Amount	Status
SKHHP	\$600,000	Applied
Renton Density Grant	\$100,000	Applied
King County HFP	\$1,400,000	Committed
National Housing Trust (Amazon Equity Fund)	\$1,500,000	Committed
WA State Housing Trust Fund	\$1,540,000	Committed
Federal Home Loan Bank	\$630,000	Applied
Homestead Equity	\$103,441	Committed
Homebuyer Downpayments	\$208,180	--
Homebuyer Mortgages	\$6,731,170	--
<b>TOTAL</b>	<b>\$12,812,791</b>	

### Proposed Use of Funds and Total Residential Cost Per Unit

Proposed use	Amount	Per Unit
Acquisition	\$128,520	\$6,764
Construction	\$10,574,097	\$556,531
Soft Costs	\$1,142,500	\$60,132
Pre-development/Bridge Financing	\$50,000	\$2,632
Construction Financing	\$421,000	\$22,158

Permanent Financing	\$75,000	\$3,947
Capitalized Reserves	\$9,500	\$500
Other Development Costs	\$412,174	\$21,693
<b>TOTAL</b>	<b>\$12,812,791</b>	<b>\$674,357</b>

#### Residential Cost Per Square Foot

Item	Amount
Residential square footage	30,047
Residential development cost	\$12,812,791
Cost per square foot	\$426.42

#### **DEVELOPMENT TEAM**

**Sponsor:** Homestead CLT

**Developer:** Homestead CLT

**Architect:** Third Place Design Cooperative

**Construction:** Edge Community Builders

**Legal:** HCMP

#### **Property Management:**

Homestead has developed affordable homes for households earning up to 80% AMI since 2011. Homestead has completed six new construction projects totaling 100 permanently affordable homes, acquired approximately 25 homes for rehabilitation, and has recently begun construction on two more projects totaling 38 permanently affordable homes. New construction projects completed by Homestead include the Wolcott Townhomes (15 units), the West Seattle Townhomes (2 units); Columbia 26 Townhomes (26 units), Willowcrest Townhomes (12 units), Village Gardens (10 income-restricted and 6 market-rate units), and The Southard (11 income-restricted and 7 market-rate units).

The project will have a Homeowners Association managed by a board elected by the residents. Homestead provides educational support and training to assist new homeowners in assuming leadership roles in the HOA. Additionally, all homeowners become members of Homestead with full voting privileges. Shared spaces in the project include the vehicle drive, pedestrian walkway, P-Patch garden, siding, roofs, and other structural elements.

#### **OBSERVATIONS, ISSUES, AND CONCERNS**

- SKHHP funds are requested in the form of a grant.
- Homestead Community Land Trust develops land and housing in trust, giving lower-income households the opportunity to own a home that is affordable to them and remains affordable to future owners.
- SKHHP funds would enable the project to support homeownership opportunities for those in the lower AMI bracket at 60% AMI.

- Agreements will be in place so that the market-rate homes would be required to be owner occupied and cannot be used as investment properties.
- While the project is built in phases, this being the second phase, the HOA will cover both sites as one community.
- A third-party construction report established the construction budget and overall project are sound.
- A market study was not conducted but Homestead has completed individual research described in the application demonstrating a demand for the product.
- The project is a priority of the City of Renton as an element of the Renton Sunset Transformation plan, of which affordable homeownership is a key part.
- 60% of Homestead homes are owned by persons of color. Homestead has 257 homes in trust and has created over 300 first-time home buying opportunities for income-qualified buyers.
- Homestead has actively developed affordable homes for those earning up to 80% AMI since 2011.
- Homestead will identify eligible applicants who are least likely to apply through partnerships in Renton with various community organizations including the Renton Housing Authority, Urban League, Chinese Information and Service Center, Refugee Women's Alliance, and Somali Community Services Coalition.
- Homestead has an interest of 2,000 income-qualified households. 70% of those on the list are people of color. This applicant pool is the result of outreach work conducted before any specific home is available. Homestead has a referral network of 25+ agencies that serve specific demographically defined communities whose members have been victims of discrimination. Applicant referrals come through those agencies as well.
- The Sunset Neighborhood has a 27% poverty rate and over half the residents speak English as a second language.
- Homestead requires that potential homebuyers attend a HUD-certified first-time homebuyer's class. Once they're determined to be eligible, homebuyers must secure a qualification to buy from a mortgage lender familiar with the community land trust ownership model. Homestead staff coach homebuyers through applying for a mortgage, retaining home insurance, and more. During the purchase process, Homestead supports the buyers in securing an appraisal of the home and an inspection and are present in the home for at least one of the appointments.
- The Sunset Neighborhood in Renton has a history of disinvestment, but over the past 20 years, the City of Renton has invested substantial resources to revitalize the neighborhood, focusing on enhancing public amenities, improving housing quality, and increasing accessibility to services. These efforts are part of a broader strategic plan (the Sunset Revitalization Plan) aimed at addressing socioeconomic disparities and improving living conditions for all residents.
- Some infrastructure and groundwork for Phase II was accomplished during Phase I of the project, and the same architect, civil engineer and general contractor are part of the team for Phase II, reducing the chances of unforeseen construction challenges.
- Willowcrest uses community-oriented design to foster interaction with neighbors while maintain privacy.
- The communal play yard is maintained by the HOA and the Renton Housing Authority.

## 6. Multi-Service Center - White River Apartments

**Funding request:** \$975,939

**Address:** 1301 31st St SE, Auburn, WA

**Eligibility of SKHHP Funding Sources (1590/1406/Unrestricted):** 1406 and unrestricted

### PROJECT SUMMARY

The White River Apartments is a multifamily, preservation and rehabilitation 24-unit rental project in Auburn. The building was constructed in 1978 and the nonprofit Multi-Service Center took over ownership in 2000. The project consists of 24 two-bedroom, one-bathroom units in active use which includes three units serving households earning up to 30% AMI, sixteen units at 45% AMI, and five units at 80% AMI. The 80% AMI units are currently occupied by households earning less than 60% AMI and those units would shift to income restricted up to 60% AMI if funding is awarded. The project would not displace current residents.

SKHHP funds are requested to support the rehabilitation of the 24 units including: siding replacement, site lighting, parking lot improvements including curbs and seal coating, replacing domestic hot water tanks in all units, re-grading areas adjacent to siding and replacement of exterior entry doors. This project previously applied to SKHHP's 2023 Housing Capital Fund.

### LOCATION

The project is in Auburn on 31st St SE. King County Metro Route 184 is located within walking distance and connects to the Auburn Transit Center and Sounder Commuter Rail Station. South Auburn Elementary School and Game Farm Park are within 0.5 mile of the project. A grocery store is located one mile from the project.

### POPULATION SERVED

The project serves households earning between 30% AMI and 60% AMI. Five units could serve households up to 80% AMI but are currently serving 60% AMI households and would be formally shifted to 60% AMI if awarded SKHHP funds.

### RELOCATION

The project does not result in relocation.

### SERVICES/PARTNERSHIPS

All residents are offered support from the Multi-Service Center, but there are not direct services associated with tenancy.

### PROJECT SCHEDULE

Activity	Date
Site Control	1/1/1996
Building Permit Issued	End of 2025

Begin Rehabilitation and Renovation	End of 2025
End Rehabilitation and Renovation	End of 2025

### FUNDING SOURCES AND USES

SKHHP funds would be used for the rehabilitation of the existing structure.

#### Proposed Funding Sources by Amounts and Status

Funding source	Proposed Amount	Status
SKHHP	\$975,939	Applied
<b>TOTAL</b>	<b>\$975,939</b>	

#### Proposed Use of Funds and Total Residential Cost Per Unit

Proposed use	Amount	Per Unit
Closing, Title, & Recording Costs	\$5,000	\$208
Rehabilitation	\$747,939	\$31,164
Rehab Contingency (20%)	\$150,000	\$6,250
Engineering	\$20,000	\$833.33
Project Management/Dev Consultant Fees	\$30,000	\$1,250
Insurance	\$3,000	\$125
Permits, Fees, & Hookups	\$15,000	\$625
Bond Counsel	\$5,000	\$208
<b>TOTAL</b>	<b>\$975,939</b>	<b>\$40,664</b>

### PROJECT OPERATING BUDGET

Numbers reflect year one of the operating budget.

Revenues	Amount	Per Unit
Rent	\$382,464	--
Rent subsidies	\$0	--
Other	\$0	--
Annual Vacancy Losses	(\$28,685)	--
<b>TOTAL</b>	<b>\$353,779</b>	<b>--</b>
Expenses	Amount	Per Unit
Off-site management	\$2,544	\$106
On-site management	\$92,102	\$3,838
Utilities	\$62,000	\$2,583
Taxes and insurance	\$40,500	\$1,688
Other	\$91,500	\$3,813
Maintenance/Janitorial	\$28,430	\$1,185
Reserves	\$20,000	\$833
Asset management costs	\$15,000	\$625
Resident services	\$0	\$0
<b>TOTAL PROJECT EXPENSES</b>	<b>\$352,076</b>	<b>\$14,671</b>
<b>FUNDS AVAILABLE FOR DEBT SERVICE</b>	<b>\$1,703</b>	<b>\$71</b>
Debt service	Amount	Per Unit

Hard	\$0	--
Soft	\$0	--

#### **DEVELOPMENT TEAM**

**Sponsor:** Multi-Service Center

**Developer:** Multi-Service Center

**Construction:** American West Contracting Co.

**Legal:** Kantor Taylor PC

**Property Management:** Allied Residential

Multi-Service Center owns and operates over 1,000 units of affordable housing. Multi-Service Center provides a diverse array of housing program services such as rental assistance, emergency housing, transitional housing, and permanent supportive housing. This is Multi-Service Center's second time applying to the SKHHP Housing Capital Fund for this project and funding was awarded in 2023 for the rehabilitation and preservation of Victorian Place II.

Allied Residential has been in operation since 1987 and manages several affordable housing projects. Allied Residential provides the day-to-day management to rent, lease operate, manage onsite concerns, and maintain the property.

#### **OBSERVATIONS, ISSUES, AND CONCERNS**

- SKHHP funds are requested in the form of a grant.
- In 2023, Multi-Service Center applied for funding for two projects: this project and Victorian Place II. Funding was awarded to Victorian Place II as that was the priority given immediate safety concerns and the need for rehabilitation. While a strong candidate for funding in 2023, SKHHP had a limited amount of funding and was only able to award one project funds sourced from SHB 1406.
- No other funding sources were sought this year. The sponsor applied to the State Housing Trust Fund in 2021 but was unsuccessful due to a high-volume of competing applications. At the time, two of the sponsor's other projects were selected.
- The project applied for funding in early 2024 to the State Department of Commerce Housing Trust Fund, and SKHHP provided a letter of support, but the Multi-Service Center was not successful in securing funding at that time.
- When Multi-Service Center originally acquired the property, they received funds from the State Department of Commerce Housing Trust Fund and King County for acquisition and rehabilitation. The existing rent restriction covenant is in place through 2051. A SKHHP covenant would provide affordability for 50 years.
- Project includes a 20% cost contingency.
- The Multi-Service Center does community engagement via community needs assessment surveys, satisfaction surveys, community outreach events and an annual resident survey. The Multi-Service Center also has a good neighbor strategy where property management is expected to maintain good relationships with neighbors and surrounding businesses.
- Preservation through rehabilitation is a funding priority for SKHHP.

- 45% of residents of Multi-Service Center properties identify as BIPOC.
- Multi-Service Center staff speak a total of ten languages.
- Tenants must pass a criminal record screen threshold and are ineligible if convicted of any of the following offenses:
  - Drug manufacturing/distribution felony offence
  - Drug use felony offence
  - Property destruction-related felony offence
  - Property theft-related felony offence
  - Sex offence (coerced) felony offence
  - Violent (non-fatal) felony offence
  - Violent (fatal) felony offence
  - Kidnapping felony offence
  - Meth manufacturing felony offence
  - Landlord tenant court records or unpaid rental collections: Any number in the last 3 years
- The project includes a fenced play area with an accessible ramp into the play yard with recently installed play equipment.
- Funding is requested for the following:
  - Landscaping improvements
  - Seal coating and restriping the parking lot
  - Site lighting improvements
  - Recoating breezeways and replacing railings
  - New siding
  - Exterior paint
  - Replacing gutters and downspouts
  - Replacing unit entry doors and install metal screen doors
  - Replace in-unit and laundry water heaters

Advisory Board Evaluation Averages	Steele House	Pandion	Burien Family	Miller Creek	Willowcrest II	White River
Supporting Equity	1.57	1.36	1.64	1.00	1.36	1.29
Feasibility, timeliness, and cost effectiveness	1.00	1.57	1.71	1.86	1.79	1.57
Relevance of the project to local housing needs and funding priorities	1.50	1.93	1.86	1.86	1.93	1.43
Suitability of the project sponsor and development team	1.21	1.36	1.79	1.93	1.86	1.43
Sound operating budget	1.29	1.36	1.86	1.92	1.67	1.79
Project Readiness	1.43	1.50	1.86	2.00	1.79	1.79
Property and Assessment Management Capacity: Occupancy	0.93	1.57	1.86	1.50	1.43	1.43
Property and Assessment Management Capacity: Facility	1.00	1.21	1.79	1.50	1.50	1.43
Property and Assessment Management Capacity: Adequacy of supportive services provided (if applicable)	1.43	1.86	2.00	0.75	0.92	0.67
Relocation/displacement impacts	1.21	1.00	0.86	1.07	1.14	1.29
Nature of Location	1.50	1.64	1.79	1.29	1.29	1.64
Collaboration	1.14	1.71	2.00	0.57	1.29	0.79
Community Connections and Engagement	1.29	1.21	2.00	1.36	1.36	1.00
Disproportionate Impact	1.79	1.79	2.00	1.43	1.79	1.64
Economic Opportunity	1.21	1.79	1.93	1.43	1.50	1.36
Extremely low-income and supportive housing	1.93	1.64	1.93	0.29	0.17	0.71
Geographic Equity	1.43	1.50	1.43	1.29	1.79	1.50
Homeownership	0.29	0.29	0.36	2.00	2.00	0.57
Leverage of Private and Public Investment	0.36	0.93	1.29	1.57	1.86	0.29
Preservation	0.71	0.29	0.79	0.64	0.64	2.00
Racial Equity	1.29	1.14	1.29	1.50	1.71	1.50
Transit-Oriented Development	0.79	2.00	1.79	1.00	1.36	1.36
<b>Total</b>	<b>26.29</b>	<b>30.64</b>	<b>35.79</b>	<b>29.74</b>	<b>32.11</b>	<b>28.45</b>

Average scores for seven board members  
Score range: 0 (Low) to 2 (High)

# November Meeting

Claire Goodwin, SKHHP Executive Manager

Dorsol Plants, SKHHP Program Coordinator

November 7, 2024

SKHHP Advisory Board



# Housing Capital Fund Timeline

Oct 2024

- Advisory Board reviews applications

Nov 2024

- Advisory Board makes a recommendation
- Executive Board finalizes recommendation

Jan-March  
2025

- SKHHP Member Councils approve recommendation

# Advisory Board Recusals & Disclosures

Name	Organization	Conflict of Interest
Kathleen Hosfeld	Homestead CLT	Applied to the fund
Phoebe Anderson-Kline	MSC	Applied to the fund
Ashley Kenny	Mary's Place	Partner on Mercy Housing NW's application

Name	Organization	Disclosure
Kent Hay	City of Auburn	Employee
Olga Lindholm	Open Doors	Partnership with Mercy Housing NW
Rumi Takahashi	SMR Architects	Organization worked with some applicants
Grace Wood	King County Housing Authority	Provided vouchers to an applicant

# 2024 Applications Received

Project sponsor and name	Location	# of units	Project type	HB 1590 eligibility	SHB 1406 and unrestricted eligibility	Amount requested
St Stephen/ Way Back Inn – Steele House	Renton	6	New Construction Rental	\$2,370,000	\$2,370,000	\$2,370,000
TWG – Pandion at Star Lake	Kent	251	New Construction Rental	\$2,000,000	\$2,000,000	\$2,000,000
Mercy Housing NW – Burien Family Housing	Burien	91	New Construction Rental	\$2,000,000	\$2,000,000	\$2,000,000
Habitat for Humanity – Burien Miller Creek	Burien	40	New Construction Homeownership	--	\$1,300,000	\$1,300,000
Homestead CLT – Willowcrest II	Renton	19	New Construction Homeownership	\$600,000	\$600,000	\$600,000
Multi-Service Center – White River Apts.	Auburn	24	Preservation Rental	--	\$975,939	\$975,939
TOTAL REQUESTED						\$9,245,939
TOTAL AVAILABLE: HB 1590						\$2,770,000
TOTAL AVAILABLE: SHB 1406						\$1,030,000
TOTAL AVAILABLE: Unrestricted						\$300,000

# Evaluation Results

Project	Average Score
Mercy Housing NW – Burien Family Housing	35.79
Homestead CLT – Willowcrest II	32.11
TWG – Pandion at Star Lake	30.64
Habitat for Humanity – Miller Creek	29.74
MSC – White River	28.45
St Stephen/Way Back Inn – Steele House	26.29

# Items to Consider

- Need funding recommendation on all projects
  - Dollar amount and source
  - Funding rational
  - Additional special conditions
- Staff capacity limited to 3-4 projects
- Prefer to contract for at least ~\$1M
- Importance of helping SKHHP awarded projects to completion
- City of Renton HB 1590 funds

# TWG Development – Pandion at Star Lake

Preliminary



# Pandion at Star Lake - Summary

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Developer: TWG Development

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Amount Requested: \$2,000,000

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Number of Units: 251

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Population Served: 163 units for general population, 59 units for households with children, and 29 units for households with children that require permanent supportive services and are at-risk of homelessness. 30-80% AMI.

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Eligible SKHHP Funding Source: All

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Location: Kent

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Housing Type: New Construction - Rental

# Pandion at Star Lake - Project Schedule

Activity	Date
Site Control	12/6/2022
Building Permit Issued	12/1/2025
Begin Construction	12/31/2025
Begin Lease-up	11/1/2027
Issued Certificate of Occupancy	12/31/2027

# Pandion at Star Lake

# Funding Sources and Uses

Funding source	Proposed Amount	Status
SKHHP (2024)	\$2,000,000	Applied
SKHHP (2023)	\$1,170,000	Committed
4% LITC Equity	\$41,049,507	Applied
Federal Energy Equity	\$153,000	Applied
Permanent Loan	\$38,650,000	Applied
Amazon HEF Hard	\$13,805,000	Applied
Amazon HEF Soft	\$13,805,000	Applied
King County TOD	\$6,500,000	Applied
Deferred Developer Fee	\$5,174,336	Applied
SPIN Private Funding	\$4,413,357	Committed
<b>TOTAL</b>	<b>\$126,720,200</b>	

Proposed use	Amount	Per Unit
Acquisition	\$6,207,361	--
Construction	\$87,306,025	--
Soft Costs	\$15,032,371	--
Pre-development/Bridge Financing	\$1,096,842	--
Construction Financing	\$9,298,009	--
Permanent Financing	\$715,250	--
Capitalized Reserves	\$1,510,078	--
Other Development Costs	\$4,622,197	--
Bond Related Costs of Issuance	\$932,067	--
<b>TOTAL</b>	<b>\$126,720,200</b>	<b>--</b>
<b>TOTAL NON-RESIDENTIAL</b>	<b>\$4,413,357</b>	<b>--</b>
<b>TOTAL RESIDENTIAL (includes common areas)</b>	<b>\$122,306,843</b>	<b>\$487,278</b>

# Pandion at Star Lake – Changes from 2023

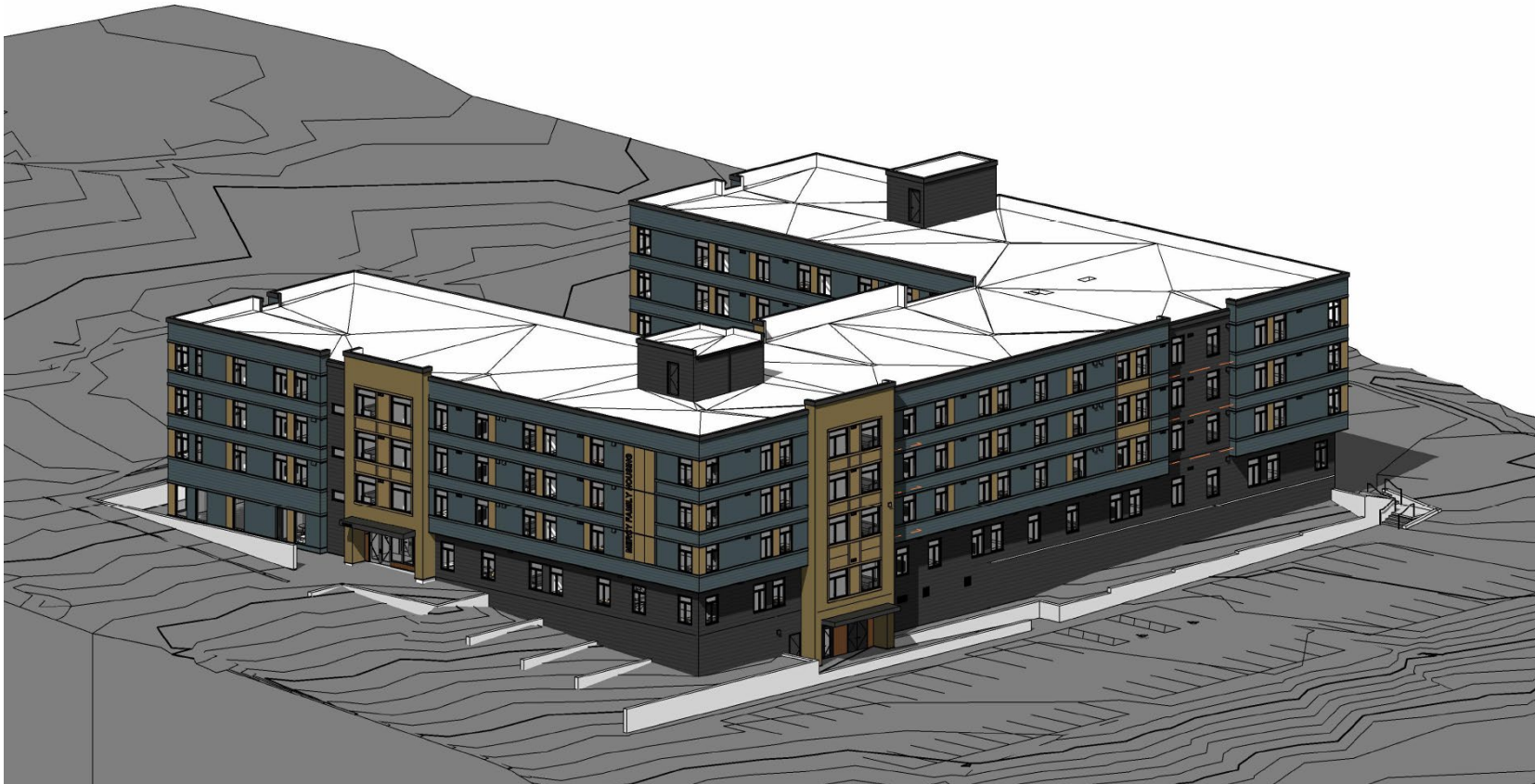
Removed from project:

- Second building for seniors earning 80-100% AMI
- Families transitioning out of homelessness
- Households with an intellectual/developmental disability (IDD)
- 9% LIHTC
- 90 fewer units

Added to project:

- 80% AMI units
- More 50% and 60% units
- More units for families with children and general population

# Mercy Housing Northwest – Burien Family Housing



# Burien Family Housing - Summary

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Developer: Mercy Housing Northwest

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Amount Requested: \$2,000,000

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Number of Units: 91

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Population Served: Families with children exiting homelessness, families with children, households with a physical disability, and general populations earning between 0-30% AMI, 30-50%, and 50-60% AMI

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Eligible SKHHP Funding Source: All

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Location: Burien

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Housing Type: New Construction - Rental

# Burien Family Housing - Project Schedule

Activity	Date
Purchase and Sales Agreement	8/29/2022
Zoning Approval	2/1/2024
Site Plan Approval	8/18/2022
Building Permits Issued	2/25/2025
Begin Construction	4/1/2025
Begin Lease-up	6/1/2026
Issued Certificate of Occupancy	8/1/2026

# Burien Family Housing

## Funding Sources and Uses

Funding source	Proposed Amount	Status
SKHHP	\$2,000,000	Applied
SKHHP (2022)	\$1,093,308	Committed
4% LIHTC Equity	\$9,405,093	Will apply
9% LIHTC Equity	\$13,446,619	Committed
State HTF	\$4,000,000	Committed
King County (2023)	\$6,000,000	Committed
Permanent Amortizing Loan	\$5,892,060	Reviewing LOIs
Amazon HEF Loan	\$9,500,000	Committed
Mercy Loan Fund	\$999,999	Committed
Land Contribution	\$1,800,000	Committed
Deferred Developer Fee	\$1,011,384	Committed
National Housing Trust Fund	\$1,000,000	Committed
King County 2024/CHIP Pass Thru	\$1,900,000	Applied
<b>TOTAL</b>	<b>\$58,048,463</b>	

Proposed use	Amount	Per Unit
Acquisition	\$1,820,000	\$20,000
Construction	\$42,217,570	\$463,929
Soft Costs	\$8,634,716	\$94,887
Pre-development/Bridge Financing	\$31,000	\$341
Construction Financing	\$2,547,088	\$27,990
Permanent Financing	\$649,691	\$7,139
Capitalized Reserves	\$808,877	\$8,889
Other Development Costs	\$1,042,330	\$11,454
Bond Related Costs of Issuance	\$297,191	\$3,266
<b>TOTAL</b>	<b>\$58,048,463</b>	<b>\$637,895</b>

# Burien Family Housing – Changes from 2022

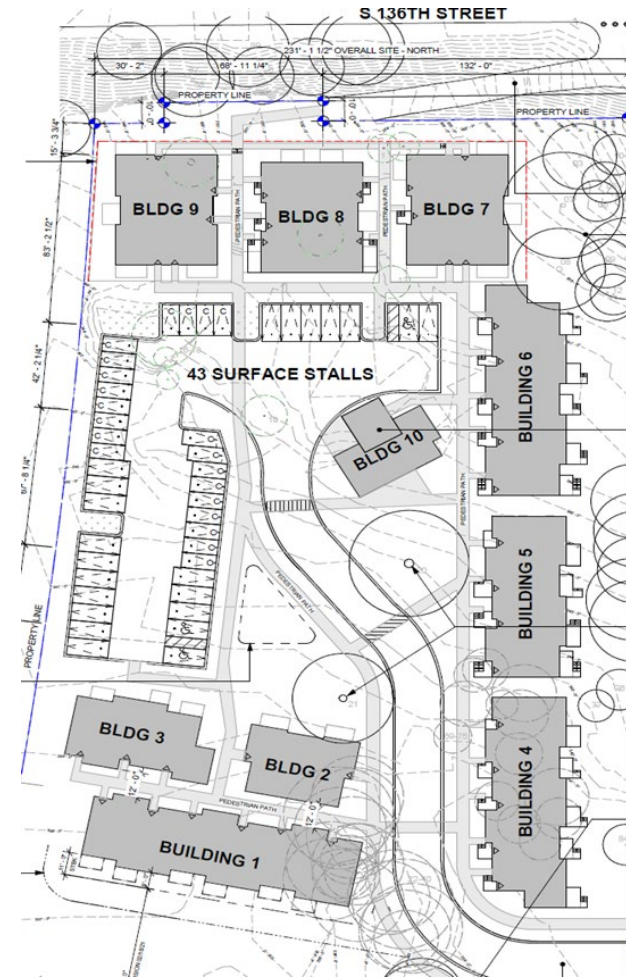
Removed from project:

- 39 fewer units for families with children
- Fewer 30% and 60% AMI units

Added to project:

- 18 units for households with a physical disability
- 22 units for general population
- 1 unit for on-site manager
- 1 additional affordable unit
- More 50% AMI units
- 9% LIHTC

# Habitat for Humanity Seattle-King & Kittitas Counties – Burien Miller Creek



# Burien Miller Creek - Summary

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Developer: Habitat for Humanity Seattle-King & Kittitas Counties

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Amount Requested: \$1,300,000

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Number of Units: 40

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Population Served: Households earning between 40% AMI and 80% AMI

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Eligible SKHHP Funding Source: SHB 1406 and Unrestricted

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Location: Burien

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Housing Type: New Construction - Homeownership

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# Miller Creek - Project Schedule

Activity	Date
Site Control	3/26/2021
Building Permit Issued	3/24/2023
Begin Construction	9/15/2022
Certificate of Occupancy – First Home	6/1/2025
Certificate of Occupancy – Last Home	7/15/2025

# Burien Miller Creek

## Funding Sources and Uses

Funding source	Proposed Amount	Status
SKHHP (2022)	\$300,000	Committed
SKHHP (2024)	\$1,300,000	Applied
King County	\$3,547,282	Committed
HTF	\$3,125,000	Committed
CHIP	\$1,934,523	Committed
HUD	\$850,000	Committed
HTF Unit Subsidy	\$2,000,000	Applied
Homeowner Mortgages	\$13,136,881	--
<b>TOTAL</b>	<b>\$26,193,686</b>	

Proposed use	Amount	Per Unit
Acquisition	\$2,086,758	\$52,169
Construction	\$20,931,597	\$523,290
Soft Costs	\$1,906,163	\$47,654
Construction Financing	\$707,405	\$17,685
Other Development Costs	\$561,763	\$14,044
<b>TOTAL</b>	<b>\$26,193,686</b>	<b>\$654,842</b>

# Burien Miller Creek – Changes from 2022

Removed from project:

- Phase 1 and Phase 2
- 20 units up to 50% AMI

Added to project:

- 20 units at an average 50% AMI

# Multi-Service Center - White River Apartments



# White River Apartments - Summary

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Developer: Multi-Service Center (MSC)

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Amount Requested: \$975,939

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Number of Units: 24

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Population Served: Households earning between 30% AMI and 60% AMI

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Eligible SKHHP Funding Source: SHB 1406 and Unrestricted

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Location: Auburn

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Housing Type: Preservation - Rental

# White River Apartments - Project Schedule

Activity	Date
Site Control	1/1/1996
Building Permit Issued	End of 2025
Begin Rehabilitation and Renovation	End of 2025
End Rehabilitation and Renovation	End of 2025

# White River Apartments

Funding source	Proposed Amount	Status
SKHHP	\$975,939	Applied
<b>TOTAL</b>	<b>\$975,939</b>	

# Funding Sources and Uses

Proposed use	Amount	Per Unit
Closing, Title, & Recording Costs	\$5,000	\$208
Rehabilitation	\$747,939	\$31,164
Rehab Contingency (20%)	\$150,000	\$6,250
Engineering	\$20,000	\$833.33
Project Management/Dev Consultant Fees	\$30,000	\$1,250
Insurance	\$3,000	\$125
Permits, Fees, & Hookups	\$15,000	\$625
Bond Counsel	\$5,000	\$208
<b>TOTAL</b>	<b>\$975,939</b>	<b>\$40,664</b>

# Discussion & Recommendation

- Funding recommendation on all projects
  - Dollar amount and source
  - Funding rational
  - Additional special conditions
- SKHHP Executive Manager to include administrative special conditions in funding recommendation to Executive Board and expand on funding rational
- Previously awarded projects



# 2024 Funding Recommendation

Project sponsor and name	Location	# of units	Project type	HB 1590 rec.	SHB 1406 and unrestricted rec.	Amount requested
2. TWG – Pandion at Star Lake	Kent	251	New Construction Rental	\$770,000	--	\$2,000,000
1. Mercy Housing NW – Burien Family Housing	Burien	91	New Construction Rental	\$2,000,000	--	\$2,000,000
3. Habitat for Humanity – Burien Miller Creek	Burien	40	New Construction Homeownership	--	\$555,000	\$1,300,000
4. Multi-Service Center – White River Apts.	Auburn	24	Preservation Rental	--	\$775,000	\$975,939
TOTAL AVAILABLE: HB 1590						\$2,770,000
TOTAL AVAILABLE: SHB 1406						\$1,030,000
TOTAL AVAILABLE: Unrestricted						\$300,000

# Funding Rational - TWG

- Want to continue to support the project we previously awarded to assist in leveraging other funding sources
- Construction date is further out than other funded projects
- Community partnership with Vision House and community space uses (K-12 space) - SPIN
- Clients of Vision House (29 units)
- Number of units – larger project
- TOD
- High displacement potential in Kent – would alleviate displacement
- Supporting families at-risk of homelessness

# Funding Rational – Mercy Housing

- Project is ready to go – “shovel ready”
- Funding committed from various sources
- 75% of units universal design
- Partnership with Mary’s Place – developing pipeline for MP clients
- Supported by Amazon and other funders
- PBVs secured which increases financial stability
- Set-asides for four bedroom units which is greatly needed to serve larger families

# Funding Rational – Habitat

- Homeownership
- Funding commitments already committed
- Supporting local community members
- Already fully permitted and ready to go
- Close to transit and schools
- 40-80% AMI
- Limited funds available from SKHHP
- Equitable distribution of funds – two projects in Burien

# Funding Rational – White River

- Upgrades needed
- 2 bedroom units
- Proximity to parks, large and small, shopping and grocery store
- Bus routes
- Difficult for them to compete for limited funds
- Won't displace residents
- Serving BIPOC households
- Preservation is priority
- Partial award would help
- SKHHP is only funder
- Special condition: funding will be prioritized to support building improvements; parking shall not be funded in favor of residential unit rehab

# Next Steps



Executive Board considers  
Advisory Board's recommendation  
at November 15 meeting



SKHHP staff seek concurrence on Executive  
Board's funding recommendation to member  
councils Jan – March 2025

# Next Meeting: December 7



Topic: Review Housing Capital Fund Process

In-person or Virtual meeting?