



## ARCH EXECUTIVE BOARD AGENDA

March 12th, 2026  
Together Center, Shuksan Room  
<https://kirklandwa-gov.zoom.us/j/96905200722>

**9:00 a.m. – 10:30 a.m.**

- 1) Call to Order
- 2) Approval of the Agenda
- 3) [Approval of the February 2025 Meeting Minutes](#)
- 4) Public Comment
- 5) Reports / Action Items
  - a. [Eastside Investment Committee Recommendation \(Governance Task Force\)](#)
  - b. [ARCH 2027-28 Budget and Work Plan](#)
  - c. [King County CDBG 2027-2029 Interlocal Cooperation Agreement \(ICA\) Review](#)
  - d. [Legislative Updates](#)
- 6) Other Business
  - a. Verbal Updates
    - Comment Opportunity: [HUD Proposed Rule to end assistance for Mixed-Status families](#)
    - Reminder: April 9 Investment Celebration
    - ARCH Senior Planner Update
- 7) Adjournment

**ITEM 3: Approval of the February 12, 2025, Meeting Minutes**

Approval of the February 2026 Executive Board Meeting minutes

**Attachments**

- A. Summary Minutes to the Executive Board Meeting February 12, 2026

**A REGIONAL COALITION FOR HOUSING (ARCH)**

Summary Minutes to Executive Board Meeting

Date February 12, 2026  
9:00 am

Hybrid Meeting

**Board Members Present:**

Nathan McCommon - Chair, City of Bellevue, Deputy City Manager  
Jeff Swanson, Interim City Manager, City of Medina  
Alison Van Gorp, City of Mercer Island, Director of Development Services  
Scott Pingel, City of Newcastle, City Manager  
Jared Hill, City of Woodinville, Intergovernmental Affairs Coordinator  
Kurt Triplett, City of Kirkland, City Manager  
David Pyle, City of Sammamish, Director of Community Development  
Wally Bobkiewicz, City of Issaquah, City Administrator  
Debbie Bent – Vice-Chair, City of Kenmore, Community Development Director  
Kyle Stannert, City of Bothell, City Manager

**Board Members Absent:**

Carol Helland, City of Redmond, Director of Planning and Community Development  
Maia Knox, City of Clyde Hill, Assistant City Manager  
Vacant, King County

**Others Present:**

Lindsay Masters, ARCH, Executive Director  
Diana Heilman, ARCH, Senior Administrative Assistant  
Patrick Tippy, ARCH, Investments Manager  
Mike Stanger, ARCH, Senior Planner  
Sophie Glass, ARCH, Government Affairs, Policy and Communication Manager  
Adam Matza, ARCH, Rental Program Officer  
Chris Keenan, ARCH, Program Manager  
Hannah Bahnmilller, City of Bellevue, Senior Affordable Housing Planner  
Jason Gauthier, South Sound Housing Affordability Partners, Manager  
McCaela Daffern, King County, Affordable Housing Committee Manager  
Ian Lefcourte, City of Redmond, Senior Planner

**1. CALL TO ORDER**

Chair McCommon called the meeting to order at 9:03 am.

**2. APPROVAL OF THE AGENDA**

Chair McCommon asked if there were any changes to be made to the February 12, 2026, agenda. No changes were requested. Chair McCommon requested a motion to approve the agenda.

*Kurt Triplett moved to approve the agenda. Debbie Bent seconded the motion. All voted in favor of approving the agenda for February 12, 2026.*

### 3. APPROVAL OF THE MINUTES

Chair McCommon asked if there were any corrections to the meeting minutes for January 8, 2026. No corrections were requested.

*Jared Hill moved that the meeting minutes for January 8, 2026, be approved. Kurt Triplett seconded the motion. All voted in favor of approving the meeting minutes for January 8, 2026.*

### 4. PUBLIC COMMENT – none

### 5. REPORTS / ACTION ITEMS

#### 5a) ARCH Interlocal Agreement Extension

Director Masters reviewed the Board Work Plan for 2026 as had been presented in the previous meeting. At this meeting they would begin to discuss the 2027-28 Budget and Work Program. In the next meeting they would receive more information from the Governance Taskforce.

The Board was asked to approve a request to extend the ARCH Interlocal Agreement. It was to be renewed every five years. This did not need to go to the legislative bodies for approval because no changes were being made. This had been missed last summer when it was due to be done. However, the resolution was drafted so that it covered all the actions the Board had taken since that deadline on July 1, 2025. The resolution was 2026-01.

Kurt Triplett asked if the section of the Resolution that ratified past actions was sufficient to cover the Board's actions since July 2025. Director Masters said, yes, it did.

Chair McCommon called for a motion to approve Resolution 2026-01 to extend the ARCH Interlocal Agreement until July 1, 2030.

*Kurt Triplett moved to approve Resolution 2026-01 to extend the ARCH Interlocal Agreement until July 1, 2030. Kyle Stannert seconded the motion. All voted in favor of renewing the ARCH Interlocal Agreement.*

#### 5b) Strategic Plan Dashboard Update and ARCH Q4 2025 Report

Director Masters pointed out there were links to the full reports in the Board packet. They were also posted online. Director Masters highlighted key points for the Board's attention. A lot of the Strategic Plan had been put into the last budget. This was an opportunity to remind the Board of that work as they begin to discuss the 2027-28 Budget and Work Program. The focus of the Strategic Plan was to build more affordable housing faster. There were four buckets of strategies: Governance and Administration, State and Regional Policy and Funding, Local Policy and Planning and Program Implementation.

Highlights from the last quarter were:

Strategic Plan: Governance

- Elected Official Education and Engagement
  - Communications and Engagement Plan – defined roles for staff and Board members
  - Regular HTF approvals
  - Newly Elected Officials Orientation
  - Pilot ARCH Council of Elected Officials (ACE)
  - Upcoming: Annual Investment Event
  
- Governance Change Analysis
  - Board recommendations to advance, study, pause
  - Task Force continued study

- Streamline Decision-making and Approvals
  - Shorten timeline for Trust Fund approvals
  - Flexible funding conditions
  - Biennial budget and work program
- Organizational Values – (graphic display of these was shared)
  - Trusted Partnerships
  - Inclusive & Equitable Access
  - Effective Collaboration
  - Sustainable Results

#### Strategic Plan: State and Regional Policy and Funding

- Targeted State and Regional Legislation and Funding; Advocacy Coordination
  - All ARCH members with legislative agendas incorporated ARCH priorities
  - Consistent, timely info on relevant bills
  - Support requests for data, talking points and analysis

#### Strategic Plan: Local Policy and Planning

- Member Requests
  - See Q4 report
- Surplus Land and Other Local Strategies
  - Increasing support/outreach to faith communities
  - Special projects underway on City & Sound Transit surplus property: Redmond, Bellevue, Bothell
  - Site identification & assessments in other cities

#### Strategic Plan: Program Implementation

- Capital Investments, Developer Incentives
  - See Q4 Report
  - Implementing new legal templates
- Data Systems
  - New Salesforce development underway
- Preservation and Stewardship
  - MOU with Washington State Housing Finance Commission
- Equitable Engagement / Affirmative Marketing
  - Partnership building: Eastside CBOs, Black Home Initiative, KCHA Dreams to Keys, Parkview
  - New homebuyer selection process implementation

#### ARCH Q4 2025 Report

- 2025 Funding Round:
  - Record \$65.7 million in total requests
  - Record \$41 million in recommended funds

Director Masters asked the Board to think about what things they wanted measured, tracked and reported. The new database would provide more flexibility and options to fine tune that data.

Charts were displayed showing details on the recommended funding projects. Previously funded projects were shared with their current status of development. Around 800 were coming online this year.

A high-level chart of policy and planning projects for each member city was displayed.

A chart of Housing Incentive & Inclusionary Programs for member cities was displayed. An additional 361 rental units were added in 2025 as well as 6 ownership units.

The ARCH Rental Program accomplished 6 compliance trainings in Q4 of 2025 as well as 20 audits initiated. Monthly Q&As were held for property managers.

The ARCH Homeownership program reported on homes actually closed in the quarter. For Q4 2025 there were 8 new homes sold. Month by month the number of transactions was displayed. Total homes sales in 2025 were 24 new construction and 20 resales.

Outreach and education reporting included 427 new mailing list applications in Q4 as well as over 250 people who were served in the office. 1,810 calls came in on the ARCH main line phone.

Director Masters invited questions on the Q4 report.

Chair McCommon said they liked the report. It was good to see the variety of unit sizes. The Chair noted the 60% AMI units and asked how similar that was to market demand. Director Masters said that in some parts of King County, 60% AMI units could be close to market. On the east side, market was usually above 60% except in some submarkets such as Bothell or Kenmore. For projects in those cities, they would look closely at the market study to make sure they had a healthy inclusion of larger unit sizes. It depended on the size of unit and the submarket.

David Pyle shared a question that had been brought up in their council meetings. They had conversation with their council related to their housing allocation under HB 1220. The Department of Commerce had updated its housing guidance in January. There was new information about pooled resources and contributing funds to regional affordable housing. It was stated that jurisdictions could decide collectively how the contribution to affordable housing could be documented consistently by all jurisdictions that had pooled resources. This added some complexity around their pooled resources. Could they collectively decide how this should be documented consistently by all cities as they started to think about their reporting to Commerce, particularly at five years, but every year? David wanted to begin this conversation. It did not need to be responded to at this meeting.

Director Masters thanked David for bringing up this issue. It was part of ARCH's goal in integrating its data in a new database. All of the accounting data relating to city contributions and how they flowed into the various projects would be in one system. Then they could better share how they used this data when reporting to Commerce.

### **5c) ARCH 2027-28 Budget and Work Program**

Director Masters shared the goals of the Budget and Work Plan briefing.

The baseline budget was in process of being drafted. There were some assumptions that were being refined with Bellevue. They were on slightly different timelines. Some of the employee benefits were draft assumptions.

They would be finalized later. There had been a compensation study done by Bellevue in 2024, but the numbers and adjustments weren't finalized till after the ARCH 2025-2026 budget was finalized. There was some retroactive truing up to those increases. There were also some maintenance charges for the Together Center rental space were higher than anticipated. The insurance cost for Bellevue was going to be quite a bit higher. There was still information on IT services costs to be determined.

Other income came from fees for the homeownership program and some program fees from non-members. There was a general decline in program fees due to fewer resale transactions. A chart was shown

explaining member dues and how they were calculated. The base dues funded 11 FTEs + operating expenses. This was calculated per capita except Beaux Arts, Hunts Point and King County. Additional dues funded 1 FTE that came from member cities with incentive programs. A 0.1% Bellevue Affordable Housing Sales Tax funded 1 FTE for Bellevue's Housing Stability Program. Other income that funded 1 FTE for the homeownership program came from resale fees, interest income, non-member jurisdiction hourly fees.

David Pyle asked what the source was for the population data for each city. Director Masters said they used the ACS data.

Director Masters reviewed the major areas of the ARCH Work Program, with a focus on serving as a cost-effective vehicle for implementation of the member's programs.

#### Capital Investment / Special Projects

- The growth had been in new funding from Bellevue and Issaquah.
- Scale of requests was growing
- Increased support for special projects and surplus property planning – staff position had been added so were well scaled to meet these needs
- Greater focus on preservation and asset management
- TBD – new funding sources
- TBD – ARCH Community Advisory Board

#### Policy and Planning - Local Policy and Planning

- All cities completed their comp plans (hopefully appeals would be resolved this year)
- Local implementation of State mandates related to TOD and MFTE in 2027-2028
- More jurisdictions were adopting / expanding incentives for affordable housing
- Higher standards were still evolving for adequate planning for affordable housing needs

#### Policy and Planning – State and Regional Policy and Planning

- Expanded ARCH support for state legislative engagement
- Pilot ARCH Council of Elected Officials (ACE) – a new opportunity for regional engagement on affordable housing
- TBD on ACE pilot continuation
- TBD on County-led regional efforts that ARCH could participate in

#### Program Implementation – Developer Incentive Programs

- New project starts slowed in the last 2 years (market slowed down)
- Developer inquiries were ticking back up
- As jurisdictions expanded incentives production might increase
- Complexity of codes was increasing
- Macro-economic factors had impact on development

#### Program Implementation – ARCH Homeownership Program

- Steady addition of new construction homes
- Overall sales activity is sustainable
- Less staff time on resales, more time on preservation efforts
- Preservation of existing covenants
  - Aging developments – HOA special assessments
  - Impact of interest rate changes

(chart of Homes sales activity was shared – 2025)

Kyle Stannert asked for a graphic that would display the number of units that each city was responsible for in order to show what their annual growth would have to be to meet their housing targets.

#### Program Implementation – ARCH Rental Program

- Significant increase in Rental Program units entering the program
- Growth expected in 2026 already outpacing staff capacity
- Additional growth through 2028 will exacerbate issues.

- Scale and timing of projects further out in the pipeline dependent on market factors  
(chart showing growth of rental program units was shared – 2745 total units in 122 total properties)  
(chart of 2026 Rental Program project pipeline was shared – will take program to 2,936 units)  
(chart of 2027 and beyond pipeline was shared – additional 1200 units in 31 projects)

#### Outreach and Education + Administration

- Education and Engagement
  - New Communications Plan with roles for staff, Board members
  - Expanded engagement efforts with elected officials
  - Expanded partnerships to market affordable housing to diverse populations
  - Stable demand for assistance from the public (calls, emails, walk-ins)
  - Potential governance changes TBD

Kurt Triplett asked what the Rental Program Officer did. Director Masters explained that there was an annual compliance process that involved analyzing reports from each property. Each report was reviewed for compliance. Compliance issues had to be addressed with the properties. That task took 6 to 7 months to finish in 2025. There was a lot of turnover in property management staff so compliance issues were increased. Training was provided for property management staff. Audits were done of property files. Metrics had been established for how often they wanted to perform audits. There was quite a lot of dealing with issues between tenants and property managers.

Nathan McCommon commented that it was good to be reminded of the services that ARCH provided to properties. Several years ago, ARCH had been publicly criticized for not ensuring compliance. The compliance and audit work had been ramped up to address that. Nathan asked what the source of funding was for that position. Director Masters answered that it was paid by the base dues.

Director Masters summarized that across all the Work Program areas that the current staff was able to manage the work well. Local planning area was highlighted as an area of discussion regarding staffing. It was not expected to propose hiring at that time. However, the planner position that existed could not meet all the potential needs and support that ARCH could provide. So, there had to be prioritization of the capacity of the planner position to enhance the member city planning staff.

Director Masters explained that as the Work Program was developed each member city was asked to provide a list of local planning efforts that they would like for ARCH to be involved with. It was an aspirational exercise. It helped to generate ideas of things that could happen, but it didn't help ARCH plan staff capacity. It did not provide a good way to communicate as to what the member cities were actually receiving and how the member city saw themselves in ARCH's Work Program. So, it was being considered how this could be done differently. A proposal was that each member would have a summary of the work done for them that happened through ARCH as it pertained to the Work Program. It could provide a big picture across jurisdictions of what each jurisdiction was working on. It would help the coalition members to see where they have opportunity for shared work. It would help ARCH to see the opportunities to collaborate.

Director Masters presented next steps. In March, the draft baseline budget and options would be presented. It was hoped to work on development of the Work Program. They would be asked for priorities. In April, the feedback would be incorporated, and they would begin fine tuning the structure for accessing ARCH planning services. It is possible the process would be completed in May, but, if necessary, it would extend into June.

Director Masters asked for questions and concerns.

Kurt Triplett liked the idea of the city profile of what they were receiving from ARCH. It might be needed to couple it with ARCH staff providing how much time they spend with each city. Also, it would be helpful to know more about the sort of people that were in the units such as where they worked.

Nathan McCommon commented that a lot of the Board focus was on the development side. Now more was being shared about the property services that ARCH provided. It seemed daunting to remain effective. The

importance was recognized. It would help if there was a draft of a rubric on how to request services from ARCH.

Debbie Bent appreciated the presentation. It was evident that there was a lot more money and less for maintenance. And maintenance became hard because of the success of the projects that were built. It was good to be thinking about the maintenance of aging buildings. As a small city, Kenmore did not have a big staff dedicated to housing, so they relied more on ARCH, especially with the new State laws. Maybe there was a way to combine efforts sooner in group efforts. It could help make more consistent end results.

Director Masters said that they would take the Work Program template and share it at the city liaison meeting that afternoon for input. What involvement did the Board want to have in that conversation? Director Masters would report back at the next Board meeting regarding those conversations. They could designate staff to contribute to that effort.

### **5d) ARCH Council of Electeds Pilot Update**

Director Masters handed the presentation over to Sophie Glass. The acronym for this pilot was ACE. The Governance study provided a recommendation for a Council of Elected Officials. The Board approved it as a one-year pilot. The member cities had provided delegates from their Councils for this pilot. Pre-convening efforts had included 1-on-1s with confirmed ACE members and development of an agenda.

The tentative agenda for the first ACE meeting was shared. The date had been set for March 26, 2026, in the evening. The agenda would provide introductions, an overview of ARCH and a recap of ARCH Legislative Priorities. Elected officials said it was important to share what was working. There was a commitment to making it a two-way dialogue. Questions were invited.

Kyle Stannert commented that it would be interesting to hear how the conversation went and asked that Board members be CC'd or in the loop.

Director Masters asked Sophie to give an update on the investment event. Sophie reminded the Board of the event last spring. A similar event would be held this coming spring. Elected officials had been an important part of that event. They hoped to work with and through the Board members to have this event include the Board members, elected officials and key staff.

### **6a) Verbal Updates**

- Status of Funding Approvals: HTF Approvals, Bellevue and Issaquah Funding Approvals – Director Masters asked Patrick to share an update. Patrick shared appreciation for the members quick scheduling of the approval of the resolutions in the past few months. A status update was shared as to the approvals. These efforts would help expedite creation of affordable housing.
  - The Bellevue Office of Housing and ARCH staff would be presenting the funding recommendations for the Housing Stability Program, the Bellevue Affordable Housing fund and the ARCH Housing Trust Fund recommendations on February 24 in a study session. They represented over \$30 million in funding.
  - Issaquah's IHIP program had funding recommendations presented to the Council's Economic Vitality Committee. They were recommended for the Council's approval on February 23.
- Project Updates
  - Larus Senior Apartments (Kenmore) – This development was funded through both the 2023 and 2024 rounds to produce 175 senior apartments in Kenmore. The developer was struggling to secure resources to advance the project as initially proposed. Various options were being evaluated. Some changes they were considering might require ARCH Board actions.
  - Prisma Closing and Groundbreaking – it was initially awarded as the Sound Transit Overlake project in the 2023 award cycle. It was notable due to the use of surplus governmental site, but it also created 328 new homes. It was the largest development by

unit count in any ARCH development to date. There were 58 units to serve 30% AMI households. Redmond staff worked hard with the developer to make this happen. The groundbreaking ceremony would be February 19.

- ARCH Rental Program Explainer Video – Sophie Glass shared an informational video for the Rental Program that was part of the Communications plan.

## **7) ADJOURNMENT**

The meeting was adjourned at 10:30 am.

## ITEM 5A: Eastside Investment Committee Recommendation

Discussion and direction on recommendations from the Governance Task Force to transition the ARCH Community Advisory Board to an Eastside Investment Committee

### Background

In January, the ARCH Executive Board received a briefing on the history and current challenges of ARCH's Community Advisory Board (CAB), which was established by the ARCH Interlocal Agreement (ILA) to assist the Executive Board in developing recommendations on "land and/or money resource allocation for affordable housing projects". At that meeting, the Board learned about recent challenges with the funding process and heard a preliminary recommendation from ARCH's Governance Task Force to discontinue the CAB in its current form and explore alternatives that could streamline ARCH's funding process.

Board members expressed support for moving away from the CAB model, with emphasis placed on ensuring ARCH's process continues to achieve high rates of leverage of ARCH funds and provide transparency into the decision-making process. The Board also shared different perspectives about where community voice could continue to add value to ARCH's work. At the March meeting, the Board will hear a more detailed recommendation from the Task Force and be asked for direction to proceed with forming a new "Eastside Investment Committee" for the 2026 funding round.

### Analysis of Best Practices from Other Public and Private Funders

In January and February, ARCH conducted a series of interviews with other public and private funding partners to learn about alternative models for determining affordable housing investments. These funders represent a broad range of programs with different policy goals and sources of funding.

Important insights that emerged from these interviews include:

- **Role of Professional Staff.** Professional staff play a significant role to assess and develop funding recommendations, especially for larger funding programs that handle higher application volumes.
  - The largest programs do not utilize external committees at all, and decisions are made solely through an internal staff process, with final approvals by department leadership. The sheer volume of applications makes a committee process impractical, and staff are constantly seeking ways to streamline their work.
    - Outside stakeholders are involved in other aspects of these programs, typically in helping to shape funding priorities and policies.
  - Some programs with higher volumes of applications compared to ARCH do use committees to enhance the work of staff, but in these cases, staff are responsible for developing in-depth recommendations for the committee's review, which typically take place during 1 or 2 meetings at most.

- **Role of Committees.** Programs that lack sufficient professional staff are more reliant on committees to lend critical expertise to their review.
  - Conflicts of interest are a significant challenge, since volunteers to these committees tend to come from the affordable housing development or social services organizations.
  - These funders particularly value the unique community perspectives represented in these committees, which also tend to weigh in on policy priorities.

For larger programs where professional staff bring recommendations to a committee, the committee makeup is primarily professionals from the finance industry, as well as a small number of other professionals from the housing development or government sectors.

- **Other Technical Expertise.** Some funders also utilize third party contractors to assist with specific technical reviews, such as construction cost reviews. Public funders are increasingly developing ways to share knowledge and expertise across our application processes, with particular focus on organizational financial health.
- **Community Input.** Public funders have used different methods for gathering community input into their funding programs:
  - A small number use their funding recommendation committees to help shape priorities—these committees require greater staffing to ensure committee members have an in-depth understanding of housing as well as community needs.
  - Others have broader stakeholder processes focused on gathering input into the overall funding program policies and priorities.
- **Accountability to Decision-Makers.** Both public and private funders aim to create confidence in their decisions through a variety of approaches:
  - Private funders put their investors directly on their loan committees and provide regular reporting/auditing to demonstrate how investments are performing over time.
  - Public funders create transparency into the process by in a few different ways, including: (1) allowing non-voting representatives from elected leadership’s staff on the committee; (2) providing elected officials with notification of the awards prior to public announcement; and (3) allowing committee meetings to be open to the public.

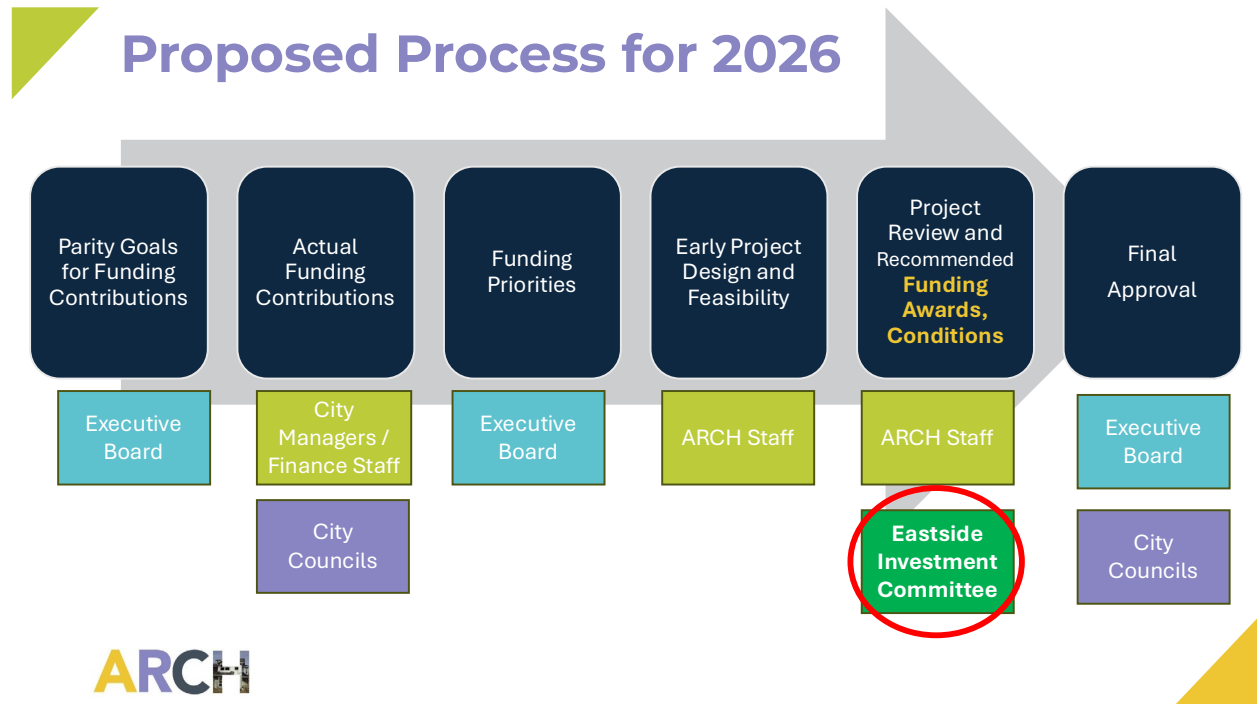
These interview findings were shared with members of the Governance Task Force, who met to discuss how to adapt best practices to ARCH’s organizational structure. Task Force members provided input into the proposal and are now seeking the Board’s feedback and direction to move forward with implementation.

## Task Force Recommendation for 2026: Eastside Investment Committee Formation

Attachment 1 describes the Task Force’s proposal to pursue forming a new Eastside Investment Committee to assist ARCH in bringing funding recommendations to the Executive Board and other local decision-makers. This proposal is designed based on ARCH’s specific needs and strengths to achieve the following aims:

- The review process is streamlined and allows nimble coordination with other public and private funding partners.
- Technical expertise and industry knowledge are incorporated into the review process.
- Elected officials have greater transparency into the funding process.

The image below includes a diagram of the funding process where the new Committee would fit in 2026.



Staff have been advised that the preliminary creation of a new Investment Committee for 2026 would not require any immediate amendments to ARCH’s ILA. However, if ARCH desired to make the committee a permanent part of ARCH’s organizational structure, while sunseting the Community Advisory Board model, then member jurisdictions would need to consider approving related ILA amendments.

ARCH anticipates the new Investment Committee could also benefit cities wishing to direct funds through other local decision-making processes. Currently, ARCH facilitates two city-specific committees in addition to the CAB and provides separate assessments for individual city decision-makers who are responsible for determining whether to contribute

additional funds beyond initial Trust Fund contributions. Shared use of an Eastside Investment Committee would simplify this process and create more predictable outcomes for developers.

### **2026 Implementation and Future Discussion on the Role of City Councils and ARCH Council of Elected Officials (ACE)**

ARCH is seeking the Board's direction to implement the Task Force's recommendation in 2026. This would be a trial year as the Task Force and Executive Board consider longer-term questions about whether to make the Committee a permanent part of ARCH's structure, and/or recommend any changes to the involvement by elected officials in the funding process.

If directed to proceed, staff would begin the process to recruit committee members for approval by the Board at a subsequent meeting. Staff anticipate recruitment would occur primarily through sharing the opportunity through existing professional networks. Staff would report back to the Board in the coming months as this effort proceeds.

#### **Staff Recommendation**

Staff Recommend that the Executive Board:

1. Discuss the Task Force recommendations outlined in Attachment 1, including considering the following questions:
  - a. Does the Board have any specific priorities for the skillset of Committee members?
  - b. Are there any concerns with including 1 elected official as a non-voting member to provide greater transparency into the funding process?
  - c. Should city staff be considered as potential members of the Committee? (Note that ARCH already consults with city staff to vet the feasibility of projects proposed in their jurisdiction.)
2. Provide direction to ARCH staff to begin recruitment of members to the new Eastside Investment Committee for the Board's approval at a subsequent meeting.

#### **Attachments**

1. ARCH Governance Task Force Recommendation: Eastside Investment Committee

## Attachment 1

# ARCH Governance Task Force Recommendations

## Eastside Investment Committee

The ARCH Governance Task Force recommends formation of a new committee made up of professionals with relevant expertise to assist staff with developing recommendations to the Executive Board for the 2026 funding round. The primary goals of the recommendation are to leverage the value of staff and technical experts and streamline ARCH's process to ensure that local resources can be coordinated and invested successfully with other public and private funding sources.

### 1. Committee Role

The Committee will assist to:

- Review and approve staff drafted recommendations
- Identify risks and advise on funding conditions

### 2. Committee Makeup

Over the next 2 to 4 months, ARCH staff would recruit and recommend members for approval by the Executive Board, as follows:

- 6-8 voting members with professional and technical expertise
- 1 non-voting member who is an elected official from an ARCH jurisdiction, with recruitment focused on members from the new ARCH Council of Elected Officials (ACE)
- Voting members should have valuable technical expertise, with a focus on lender/investor representatives, and other professionals with expertise in development/asset management, planning, and supportive services.

### 3. Committee Process

ARCH staff will facilitate the Committee process as follows:

- Meetings will be conducted virtually to optimize participation.
- Committee members will receive an orientation to ARCH's available funding, priorities and review criteria
- Staff will prepare reports and meet internally to develop draft recommendations
- Staff will circulate reports with draft recommendations to the Committee in October.

- The Committee will meet over 1-2 meetings to review and approve recommendations. Meetings will include:
  - Brief staff presentation of projects covering recommended awards and potential conditions
  - Discussion of project risks/conditions
  - Committee approval of recommendations; if the Committee is unable to come to a consensus, staff will capture areas of disagreement. A second meeting may be scheduled if more analysis or information is necessary to resolve areas of concern.
- Final recommendations are advanced by staff to the ARCH Executive Board for approval before transmittal to member councils for final approval.

## **ITEM 5B: 2027-28 ARCH Budget and Work Program**

Continued discussion of ARCH 2027-28 Administrative Budget and Work Program

### **Background**

At the February meeting, the ARCH Executive Board received a preliminary briefing to inform its development of the 2027-28 ARCH Budget and Work Program. The briefing covered:

- Factors underlying ARCH's baseline budget to continue current levels of staffing
- Methodology for calculating member dues
- Areas of growth and change across ARCH's Work Program, particularly:
  - Continued growth in the ARCH Rental Program that is on track to outpace current staff capacity
- Initial discussion on the approach for development of the next Work Program, including a goal to clarify how members add items to the Work Program and access ARCH services on an ongoing basis
- Timeline for development and adoption of a final Budget and Work Program

At the March meeting, the Board will continue its discussion of ARCH's Budget and Work Program. Objectives for the briefing include:

- Review a draft baseline budget that maintains current staffing
- Solicit Board feedback on budget options that address growth in the ARCH Rental Program
- Review the Work Program template, next steps for collecting member inputs, and draft criteria for reviewing member services requests

Staff will incorporate the Board's feedback and bring a subsequent draft to the May meeting (note the regular April Board meeting will be replaced with an event to celebrate recent funding awards).

### **Draft Baseline ARCH Administrative Budget for 2027-28**

A first draft of ARCH's baseline Administrative Budget is shown in Attachment 1, incorporating assumptions shared at the February meeting, as well as updated figures for insurance, IT services, and legal services that are included under Bellevue's in-kind contributions. It should be noted that conversations are ongoing to confirm the estimates for these services, which act as a credit against Bellevue's member dues to ARCH. The budget also reflects Bellevue's current estimates for benefit contribution rates and general wage increases, although these will not be finalized in the City's budget until August.

The draft estimate of \$70,000 for IT services is a relatively significant increase from ARCH's current budget, but at the same time is lower than the typical charges to City departments. This proposal is based on the fact that ARCH uses fewer IT services compared to other City departments, having historically provided for its own website, phones, internet and other select IT needs, such as contracting with external vendors for development and maintenance of program databases. However, the basic services provided by Bellevue IT continue to meet important needs such as equipment servicing and cybersecurity.

When adding in-kind expenses to the personnel increases that incorporate Bellevue’s most recent compensation study, **ARCH’s overall baseline budget is estimated to increase by 8.3%**. This reflects reductions in the budget where possible without impacting basic ARCH services, including a reduction in the budget for outside legal services. With implementation of the new legal templates approved by the ARCH Board, staff have seen valuable time savings with recent financing transactions. Based on these initial experiences, staff anticipate spending less per transaction than previously budgeted.

The draft budget also includes estimated member dues. As noted in the February meeting, member dues are primarily calculated on a per capita basis. Base member dues cover the majority of ARCH’s budget (11 FTEs plus operating expenses). Member dues from King County, Beaux Arts and Hunts Points are calculated based on a proportionate increase to overall base dues. One additional FTE is covered by cities with incentive programs, one is covered by Bellevue’s Housing Stability Program, and one is covered by other non-member administrative income.

Per capita member dues in the draft budget are based on the most recent population estimates from the 5-year American Community Survey (2020-2024). Some cities’ populations are growing faster than others, with an overall population increase of 1.15% across member jurisdictions over the last two years.

Jurisdiction	2022 Population	2024 Population	Change from 2022 to 2024		Percent of ARCH-wide population (2024)
Beaux Arts Village	258	233	-25	-9.69%	<b>0.0%</b>
Bellevue	150,606	151,847	1,241	0.82%	<b>24.0%</b>
Bothell	47,917	49,610	1,693	3.53%	<b>7.8%</b>
Clyde Hill	3,108	3,119	11	0.35%	<b>0.5%</b>
Hunts Point	323	289	-34	-10.53%	<b>0.1%</b>
Issaquah	39,400	39,591	191	0.48%	<b>6.3%</b>
Kenmore	23,611	23,741	130	0.55%	<b>3.8%</b>
Kirkland	92,015	92,621	606	0.66%	<b>14.6%</b>
Medina	2,923	2,928	5	0.17%	<b>0.5%</b>
Mercer Island	25,464	25,307	-157	-0.62%	<b>4.0%</b>
Newcastle	12,931	12,989	58	0.45%	<b>2.1%</b>
Redmond	73,728	77,353	3,625	4.92%	<b>12.2%</b>
Sammamish	66,586	66,463	-123	-0.18%	<b>10.5%</b>
Woodinville	13,301	13,438	137	1.03%	<b>2.1%</b>
Yarrow Point	1,280	1,198	-82	-6.41%	<b>0.2%</b>
King County (unincorporated)	72,700	72,609	-91	-0.13%	<b>11.4%</b>
<b>TOTAL</b>	<b>626,151</b>	<b>633,336</b>	<b>7,185</b>	<b>1.15%</b>	<b>100%</b>

### ARCH Rental Program Staffing

ARCH's Rental Program focuses on administering city affordability programs and monitoring rental units that do not have any other monitoring entity or public funds included. Staffing is focused on private development with land use requirements, development agreements, land use incentives and MFTE. Occasionally, ARCH will also monitor other projects when cities request support for specific monitoring of investments that would otherwise have no oversight.

The Board approved the first dedicated staff position for rental monitoring as part of ARCH's 2020 budget. Initially, the position was also responsible for the upstream work with developers to implement code requirements, select units and develop agreements for all incentive and MFTE programs among ARCH members. However, this workload was not sustainable for one position, and a separate planner position was later created to divide the two bodies of work.

In February, staff briefed the Board on all the areas within ARCH's Work Program. Each area of work has seen growth and change in recent years, but the workload related to the Rental Program in particular will clearly outpace current staff capacity. As the portfolio has increased, staff are already making difficult choices about how to respond in a timely fashion to property managers and tenants, keep up with ongoing compliance work, and conduct a minimum number of property audits.

### ARCH Rental Program Properties and Units by Jurisdiction (March 2026)

Jurisdiction	Properties Monitored in 2025	Properties Coming online in 2026	Total Properties by 2027	Affordable Units Monitored in 2025	Units coming online in 2026	Total Affordable Units by 2027
Bellevue	26	1	27	612	35	647
Issaquah	6	1	7	103	3	106
Kenmore	5	2	7	56	4	60
King County	5		5	478		478
Kirkland	22	5	27	395	76	471
Mercer Island	1	1	2	13	15	28
Newcastle	4		4	46		46
North Bend	1		1	28		28
Redmond	49	2	51	923	59	982
Sammamish	2		2	48		48
Woodinville	1		1	26		26
<b>Grand Total</b>	<b>122</b>	<b>12</b>	<b>134</b>	<b>2728</b>	<b>192</b>	<b>2920</b>

## Options to Meet Growth in ARCH Rental Program Workload

To meet the growing needs of the Rental Program, staff have developed the following options for the Board's consideration:

1. Do not add any new capacity and reduce scope of Rental Program services
2. Add 1 FTE
3. Add 0.6 FTE
4. Contract for temporary staff for 4 months/year during the annual compliance reporting season

To help the Board assess these options, staff have summarized the core services within the Rental Work Program and analyzed the implications of each option across these services.

<b>Rental Work Program Area</b>	<b>ARCH Services</b>	<b>Current Percent of Staff Time</b>
<b>Annual Compliance Report (ACR) Reviews</b>	Identify compliance contacts annually. Collect and analyze annual compliance reports from all properties. Resolve any non-compliance issues found. In 2025, 97 ACRs were reviewed, plus an additional 8 projects in their quarterly reporting period.	30%
<b>Annual Property Audits</b>	Previous goal was to conduct cyclical audits for 20% of portfolio, plus new properties, MFTE properties and properties with significant ACR issues.	5%
<b>New Property Onboarding</b>	Provide training, review leasing materials for compliance, and collect lease-up reports every 90 days until properties are fully occupied. Assist with marketing new properties. Roughly 10-15 new properties a year.	13%
<b>Ongoing Property Support</b>	Respond to ongoing technical assistance requests. Offer monthly virtual drop-in trainings. Support marketing vacant units that properties have difficulty filling. In 2025, approximately 40% of property contacts turned over, leading to extensive re-training.	25%
<b>General Administration and Program Development</b>	Update and communicate annual income/rent limits and utility allowances. Provide quarterly program reporting to the Executive Board and the public. Maintain and update process and policy guides and forms. Maintain ARCH website with upcoming properties, FAQs, apartment list etc. Respond to member data requests, advise on local program development.	12%
<b>Tenant Support and Engagement</b>	Mediate issues between properties, tenants and prospective renters. Staff events and outreach efforts for ARCH and member jurisdictions. Maintain renter resources and provide appropriate referrals. Answer questions from prospective renters.	15%

## Analysis of Options to Address ARCH Rental Program Growth

	<b>Option 1: No new staff (maintain 1 FTE)</b>	<b>Option 2: Add 1 new staff (total 2.0 FTE)</b>	<b>Option 3: Add part-time FTE (total of 1.6 FTE)</b>	<b>Option 4: Contracted seasonal employee</b>
<b>Description</b>	Reduce services where possible – fewer audits, less support for properties, tenants, etc.	New full time staff to share all workload; allows for program growth into the future	New part-time staff working 3 days/week will supplement capacity in priority areas (ACRs, audits, ongoing property support)	Contract with a temp agency for hourly support 4 months/year. Re-train new temp employee annually.
<b>Budget Impact</b>	No Impact	\$158,000 in 2027 \$169,000 in 2028	\$103,000 in 2027 \$110,000 in 2028	Estimated \$41,000 in 2027, \$43,000 in 2028 (~\$60/hour)
<b>Advantages and Disadvantages</b>	Less ability to meet needs of the program’s primary customers (property managers and tenants) – over time may impact the reputation of the program and ARCH.	Improves ARCH’s administration in all areas of the program, and leaves room for future growth in the program. Fewer challenges anticipated to recruit a full time position.	May be harder to recruit. Improves ARCH’s ability to administer the program, but leaves less room for future growth. If the program later requires full time staff, will make retention a challenge.	Greater effort to re-train staff on an annual basis – some risk that temporary employees will lack the necessary skillsets to perform the work. Maintains ARCH’s ability to keep up with ACR reviews but doesn’t help in other areas.
<b>Annual Compliance Report (ACR) Reviews</b>	Estimate 7-8 months to complete ACRs (Took 6-7 months in 2025, previously took 3-4 months). Will take longer as number of properties increases.	Estimate ACR reviews completed in 3 months	Estimate ACR reviews completed in 4-5 months	Counting time to re-train annually, estimate ACR reviews in 3-5 months
<b>Annual Property Audits</b>	<b>Eliminate cyclical audits,</b> Prioritize new properties and MFTE properties. May eventually have to <b>eliminate audits of properties with more extensive non-compliance found in the ACR process.</b>	Restore cyclical audits for 20% of all properties. Restore in-person site visits.	Restore cyclical audits for 20% of all properties. Restore in-person site visits.	<b>Eliminate cyclical audits,</b> Prioritize new properties and MFTE properties. May eventually have to <b>eliminate audits of properties with more extensive non-compliance found in the ACR process.</b>

	<b>Option 1: No new staff (maintain 1 FTE)</b>	<b>Option 2: Add 1 new staff (total 2.0 FTE)</b>	<b>Option 3: Add part-time FTE (total of 1.6 FTE)</b>	<b>Option 4: Contracted seasonal employee</b>
<b>New Property Onboarding</b>	Continue to provide basic trainings for all new properties coming online. <b>Reduce support for coordination between properties and prospective tenants.</b>	Maintain support for coordination between properties and prospective tenants. Provide more in-depth support for new property managers.	Maintain support for coordination between properties and prospective tenants.	Continue to provide trainings for all properties coming online. <b>Reduce support for coordination between properties and prospective tenants.</b>
<b>Ongoing Property Support</b>	General <b>response times will be delayed</b> (up to 5 days depending on the issue). <b>Eliminate support for marketing vacancies.</b> Contacts will not be updated as regularly.	Faster response times throughout the year (1-2 days). Continue support for marketing vacant units. Add more proactive trainings - maintain stronger relationships with properties.	Somewhat delayed response times (2-3 days). Support marketing vacant units only as time allows.	May help with responsiveness during the time the seasonal employee is under contract, <b>response times will be longer the rest of the year. Eliminate support for marketing vacancies.</b>
<b>General Administration and Program Development</b>	<b>Minimize time for program development, advice to member cities, responses to data requests, update to program guides and reference materials.</b>	More time to support member requests, advise on local program expansion and updates, improve and keep reference materials up to date.	More time to support member requests, advice on local program expansion and update, and keep reference materials up to date.	<b>Minimize time for program development, advice to member cities, responses to data requests, update to program guides and reference materials.</b>
<b>Tenant Support and Engagement</b>	<b>Delayed response times</b> (up to 5 days depending on issue). <b>Reduce attendance at city/other outreach events.</b> Renter resources not kept as current. <b>May eventually discontinue support answering questions from prospective renters.</b>	Maintain faster response times (1-2 days). Maintain regular support for outreach events. More time available to stay current on renter resources.	Maintain faster response times (2-3 days). Maintain occasional support for outreach events.	Potentially faster responses during the months the extra employee is under contract. <b>Reduce attendance at city/other outreach events.</b> Renter resources not kept as current. <b>May eventually discontinue support answering questions from prospective renters.</b>

The following table shows the rough impact of these options on member dues, assuming all Rental Program costs continue to be included in base dues.

	<b>Population, 2024 ACS</b>	<b>Percent of Population</b>	<b>1 FTE (Option 2)</b>	<b>0.6 FTE (Option 3)</b>	<b>Seasonal Employee (Option 4)</b>
<i>Beaux Arts Village*</i>	286	0.05%	\$221	\$147	\$64
<i>Bellevue</i>	151,934	23.95%	\$40,239	\$26,793	\$11,667
<i>Bothell</i>	49,663	7.83%	\$13,153	\$8,758	\$3,814
<i>Clyde Hill</i>	3,142	0.50%	\$832	\$554	\$241
<i>Hunts Point*</i>	340	0.05%	\$147	\$147	\$26
<i>Issaquah</i>	39,643	6.25%	\$10,499	\$6,991	\$3,044
<i>Kenmore</i>	23,811	3.75%	\$6,306	\$4,199	\$1,828
<i>Kirkland</i>	92,719	14.62%	\$24,556	\$16,350	\$7,120
<i>Medina</i>	2,952	0.47%	\$782	\$521	\$227
<i>Mercer Island</i>	25,339	4.00%	\$6,711	\$4,468	\$1,946
<i>Newcastle</i>	13,015	2.05%	\$3,447	\$2,295	\$999
<i>Redmond</i>	77,408	12.20%	\$20,501	\$13,650	\$5,944
<i>Sammamish</i>	66,507	10.49%	\$17,614	\$11,728	\$5,107
<i>Woodinville</i>	13,481	2.13%	\$3,570	\$2,377	\$1,035
<i>Yarrow Point</i>	1,410	0.22%	\$373	\$249	\$108
<i>King County* (unincorporated)</i>	72,609	11.45%	\$15,797	\$10,523	\$4,578
	634,259	100.00%	\$164,750	\$109,750	\$47,750

*\*As noted earlier, the base dues for King County, Beaux Arts and Hunts Points are calculated as a share of the overall impact to base dues, rather than a per capita basis.*

In addition to the options included above, ARCH has explored the option of contracting for professional auditing services. The Department of Commerce recently sought to solicit similar services to support its new state-wide MFTE monitoring program, with a contract scope of \$200,000. After getting no responses to their RFQ, Commerce hired an existing accounting firm already under contract for other work. The cost of these services totaled \$120/hour. Another vendor who ARCH contacted with experience with LIHTC audits provided ARCH with a quote of \$150/hour. ARCH is still exploring this option, but does not anticipate being able to rely heavily on this service due to the cost.

In 2026, ARCH plans to utilize its newly established database to assist with analysis of ACR reports this year. Staff are optimistic this system will create some efficiencies in staff time to review the reports, however it would not reduce the time spent communicating back and forth with properties to obtain complete data and resolve non-compliance.

## ARCH Work Program Development

As discussed at the February Board meeting, ARCH is testing a new Work Program format to better reflect specific work within individual member jurisdictions. Staff welcome input from the Board on the structure of the new template (see Attachment 2). ARCH staff will plan to include Board members in the communication with member liaison staff to collect and finalize individual member content for the Work Program.

ARCH staff are also seeking the Board's input on criteria for ARCH to apply to additional requests for services that aren't identified proactively by members as part of the adopted Work Program. The challenge of meeting all the needs of ARCH members is likely to increase in the next two years, given the increase in required level of effort to plan for and accommodate housing, and the continued adoption of state mandates with local implementation requirements.

ARCH's Strategic Plan anticipated the need for this type of "strategy screen" in relation to planning services for members, with suggested focus on policy priorities that are applicable to a majority of ARCH membership, and high impact special projects that create more affordable housing faster. ARCH's Strategic Plan also outlined the following decision criteria for the evaluation of strategies more broadly.

### Decision Criteria:

We use the following questions to evaluate our strategies:

- Is our role clear?
- Does it align with our mission and interlocal agreement?
- Are we best positioned to lead, support, or amplify?
- Have we identified, and are we prepared to, address the potential political roadblocks?
- Do we have the capacity at this time to be effective?
- Is it supported by data and are the proposed outcomes measurable and sustainable?
- Will this reduce our ability to be effective with current strategies?
- Is it financially viable now and/ or in the future?
- Have we evaluated the return on investment?

Staff have drafted the following criteria for the Board's consideration to assist ARCH in responding to future requests for services from members:

- Clarity. The scope, timeline and ARCH's desired role in the plan or project is clearly defined.
- Impact. The plan or project is expected to result in greater production or preservation of affordable housing.
- Leadership Support. The plan or project is a high priority for the jurisdiction and is supported by city leadership
- Timeliness. The jurisdiction has a unique opportunity to advance supportive policies or projects, and the opportunity may be missed if not advanced in a timely fashion.
- ARCH's Value. ARCH's participation would add significant value toward achieving affordable housing outcomes due to our unique expertise. In addition, the level of effort needed from ARCH is feasible and appropriate based on the potential impact of the plan, policy or project.
- Value for Coalition. The results of the work will be useful to other ARCH member jurisdictions who anticipate undertaking similar efforts.

Based on the Board's feedback, ARCH would apply a version of these criteria to prioritize future member requests.

### **Feedback and Next Steps**

Staff are seeking feedback from the Board on the budget options above, as well as the approach to the ARCH Work Program. Staff will incorporate this feedback into updated drafts for the Board's consideration at the May meeting, at which time the Board will also discuss which priorities to elevate within ARCH's Work Program. Final adoption of the Budget and Work Program must be completed by June.

### **Staff Recommendation**

Staff recommend the Board:

- (1) Provide feedback and identify questions or concerns regarding the baseline budget and options to address Rental Program growth, including what options to bring back for the May meeting.
- (2) Provide feedback on the draft Work Program template for ARCH Members, and criteria for member requests

### **Attachments**

1. Draft Baseline ARCH Administrative Budget or 2027-28
2. Draft Work Program Template for ARCH Members

# DRAFT 2027-28 Baseline ARCH Administrative Budget





For ARCH Executive Board Review

March 2026

	2025-2026 Adopted Budget		Baseline 2027-28 Budget		% change '26-'27	% change '27-'28
	2025	2026	2027	2028		
<b>I. TOTAL EXPENSES</b>	\$ 2,720,754	\$ 2,827,690	\$ 3,063,025	\$ 3,172,429	8.3%	3.6%
<b>A. Personnel</b>	\$ 2,427,721	\$ 2,532,678	\$ 2,703,828	\$ 2,802,356	6.8%	3.6%
Salaries	\$ 1,848,491	\$ 1,911,173	\$ 2,029,426	\$ 2,149,262		
Benefits	\$ 579,230	\$ 621,505	\$ 674,402	\$ 653,094		
<i>14 FTEs (incl. 1 dedicated to Bellevue Housing Stability Program)</i>						
<b>B. Operating</b>	\$ 125,787	\$ 125,267	\$ 133,348	\$ 135,492	6.5%	1.6%
Rent & Utilities	\$ 42,000	\$ 44,133	\$ 52,497	\$ 54,072	19.0%	3.0%
Telephone	\$ 7,840	\$ 8,075	\$ 8,275	\$ 8,523	2.5%	3.0%
Internet	\$ 3,042	\$ 3,164	\$ 3,134	\$ 3,228	-0.9%	3.0%
Software licensing (website, database, etc.)	\$ 25,000	\$ 25,750	\$ 33,964	\$ 34,983	31.9%	3.0%
Travel/Training	\$ 7,150	\$ 7,365	\$ 9,800	\$ 10,094	33.1%	3.0%
IT Equipment Replacement / Bellevue software	\$ 8,600	\$ 5,000	\$ 8,286	\$ 6,678	65.7%	-19.4%
Office Supplies	\$ 2,700	\$ 2,678	\$ 2,758	\$ 2,841	3.0%	3.0%
Postage/Printing	\$ 2,500	\$ 2,678	\$ 2,678	\$ 2,758	0.0%	3.0%
Periodical/Membership	\$ 15,450	\$ 15,914	\$ 4,456	\$ 4,590	-72.0%	3.0%
Translation and Interpretation	\$ 5,000	\$ 5,150	\$ 1,500	\$ 1,545	-70.9%	3.0%
Misc. (furniture, events, job posting fees, etc.)	\$ 6,505	\$ 5,361	\$ 6,000	\$ 6,180	11.9%	3.0%
<b>C. In-Kind Admin/Services</b>	\$ 46,495	\$ 48,223	\$ 138,000	\$ 143,540	186.2%	4.0%
Insurance	\$ 33,280	\$ 34,611	\$ 68,000	\$ 70,040		
IT Services	\$ 13,215	\$ 13,611	\$ 70,000	\$ 73,500		
<b>D. Professional Services / Consulting</b>	\$ 120,750	\$ 121,523	\$ 87,849	\$ 91,041	-27.7%	3.6%
Consultant Contracts	\$ 25,750	\$ 26,523	\$ 27,849	\$ 29,241		
Outside Legal Counsel Contract	\$ 95,000	\$ 95,000	\$ 60,000	\$ 61,800		
<b>II. TOTAL INCOME</b>	\$ 2,720,754	\$ 2,827,690	\$ 3,063,025	\$ 3,172,429	8.3%	3.6%
<b>A. Member Contributions (General Fund \$)</b>	\$ 2,377,357	\$ 2,460,218	\$ 2,687,044	\$ 2,775,031	9.2%	3.3%
Beaux Arts Village	\$ 3,187	\$ 3,294	\$ 3,598	\$ 3,715	9.2%	3.3%
Bellevue	\$ 600,541	\$ 622,327	\$ 674,050	\$ 696,035	8.3%	3.3%
Bothell	\$ 172,748	\$ 178,110	\$ 199,103	\$ 205,699	11.8%	3.3%
Clyde Hill	\$ 11,205	\$ 11,553	\$ 12,518	\$ 12,932	8.4%	3.3%
Hunts Point	\$ 3,187	\$ 3,294	\$ 3,598	\$ 3,715	9.2%	3.3%
Issaquah	\$ 157,108	\$ 162,807	\$ 175,745	\$ 181,477	7.9%	3.3%
Kenmore	\$ 88,579	\$ 91,517	\$ 99,294	\$ 102,562	8.5%	3.3%
Kirkland	\$ 366,910	\$ 380,220	\$ 411,145	\$ 424,555	8.1%	3.3%
Medina	\$ 10,538	\$ 10,865	\$ 11,751	\$ 12,140	8.2%	3.3%
Mercer Island	\$ 95,259	\$ 98,405	\$ 105,579	\$ 109,055	7.3%	3.3%
Newcastle	\$ 50,076	\$ 51,819	\$ 56,142	\$ 57,981	8.3%	3.3%
Redmond	\$ 293,990	\$ 304,655	\$ 343,370	\$ 354,570	12.7%	3.3%
Sammamish	\$ 243,510	\$ 251,257	\$ 270,753	\$ 279,701	7.8%	3.3%
Woodinville	\$ 47,952	\$ 49,440	\$ 57,944	\$ 59,843	17.2%	3.3%
Yarrow Point	\$ 4,615	\$ 4,758	\$ 4,808	\$ 4,967	1.1%	3.3%
King County	\$ 227,952	\$ 235,897	\$ 257,646	\$ 266,082	9.2%	3.3%
<b>B. Bellevue Detail (General Fund + 1590)</b>	\$ 776,623	\$ 814,799	\$ 870,030	\$ 903,433	7%	4%
Cash Contributions	\$ 315,522	\$ 338,836	\$ 280,235	\$ 282,037	-17%	1%
In-Kind Contributions	\$ 461,101	\$ 475,963	\$ 589,795	\$ 621,397	24%	5%
Personnel	\$ 414,606	\$ 427,740	\$ 451,795	\$ 477,857		
Insurance	\$ 33,280	\$ 34,611	\$ 68,000	\$ 70,040		
IT Services	\$ 13,215	\$ 13,611	\$ 70,000	\$ 73,500		
<b>C. Other Income</b>	\$ 167,315	\$ 175,000	\$ 180,000	\$ 190,000	2.9%	5.6%
Administrative Fees	\$ 165,000	\$ 135,000	\$ 100,000	\$ 100,000		
Interest Earnings	\$ 2,315	\$ 40,000	\$ 80,000	\$ 90,000		
<b>III. RESERVES, CONTINGENT INCOME AND EXPENSES</b>						
<i>Note: This section expresses intended use of any excess revenues above levels needed to cover basic operating costs, as authorized by the ARCH Board, and/or any agreement by an ARCH member to fund work under section 13 of the ARCH Interlocal Agreement</i>						
<b>A. Contingent Expenses</b>	\$ 450,000	\$ 450,000	\$ 500,000.00	\$ 500,000.00	11%	0%
Staffing/Administrative Expenses	\$ 150,000	\$ 150,000	\$ 200,000.00	\$ 200,000.00		
Other Services/Consulting	\$ 300,000	\$ 300,000	\$ 300,000.00	\$ 300,000.00		
<b>B. Contingent Revenue</b>	\$ 450,000	\$ 450,000	\$ 500,000.00	\$ 500,000.00	11%	0%
Excess Administrative, Service Fees	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000		
Grant Funding	\$ 145,000	\$ 145,000	\$ 150,000	\$ 150,000		
Board-Approved Reserves	\$ 155,000	\$ 155,000	\$ 200,000	\$ 200,000		

# Work Program – ARCH Members

## Jurisdiction

 <b>Affordable Housing Investment, Special Projects</b>	
<i>Item</i>	<i>Description / ARCH Support</i>
Annual investment through the ARCH Housing Trust Fund	Include [general funds, REET, HB 1406 funds] in City budget. Approve annual HTF awards.
Other local investments (e.g., HB 1590, fee-in-lieu, etc.)	
Public surplus property	
Nonprofit/faith owned property	
 <b>Local Policy and Planning</b>	
<i>Item</i>	<i>Description / ARCH Support</i>
<b>Housing Plans</b> (e.g., Housing Action Plans, Housing Strategies)	e.g., ARCH prepares housing-related data
<b>Land use incentives for affordable housing</b> (e.g., religious property density bonus, sub-area re-zoning, etc.)	
<b>Local tax and financial incentives</b> (e.g., MFTE, impact fee waivers, permit fee reduction)	
<b>Housing diversity</b> (e.g., code standards for middle housing, ADUs, etc.)	
<b>Regulatory flexibility / reducing barriers</b> (e.g., reduced parking minimums,	
<b>Streamline processes</b> (e.g., pre-approved plans, expedited permitting, administrative design review)	
 <b>Program Implementation</b>	
<i>Item</i>	<i>Description / ARCH Support</i>
Land use, MFTE, fee waiver incentive program administration	
Rental Program	Monitor X affordable units in X projects
Homeownership Program	Steward X affordable homes
 <b>Outreach and Engagement</b>	
<i>Item</i>	<i>Description / ARCH Support</i>
Civic education on housing	e.g., Support one event to educate community members
Provide connections to community-based organizations	

## ITEM 5C: King County CDBG Interlocal Cooperation Agreement (ICA) Review

King County request for input on the ARCH set-aside of N/E Consortium CDBG funds for the Interlocal Cooperation Agreement (ICA) 2027-2029 review period

### Background

King County is awarded federal Community Development Block Grant (CDBG) resources from HUD for a range of investments intended to benefit low- and moderate-income households. These funds are governed by an Interlocal Cooperation Agreement (ICA) between the County and participating cities, which include all ARCH members except for Bellevue. Some CDBG funds are directed by individual “joint agreement” cities (e.g., Kirkland and Redmond), and some funds are directed through the Joint Recommendations Committee (JRC), with funding allocations established through South and North/East sub-regions. The ICA has historically established a “waterfall” of set-asides, including planning and administration, human services, and home repair, with remaining funds available for capital investment in affordable housing and local infrastructure projects.

### Importance of CDBG Funds to ARCH Members

Community Development Block Grant (CDBG) funds have been a significant share of resources invested by ARCH member cities in affordable housing projects, totaling approximately \$10 million over ARCH’s history. While the amount of CDBG funds available has decreased over the years due to federal cuts, it remains a meaningful share of the resources directed through the Housing Trust Fund process. The following table illustrates the range of local projects that have received recent ARCH-directed CDBG funds.

Project	City	Sponsor	Status	Funding Year(s)	Units/ Beds	Populations Served
John Gabriel House	Redmond	Providence	Completed	2013	74	Seniors
Bellevue Manor	Bellevue	KCHA	Completed	2014	66	Seniors
Parkview DD Homes XI	Kenmore	Parkview	Completed	2014	3	Special Needs - IDD
30 Bellevue	Bellevue	Imagine Housing	Completed	2015/16	62	Families, Homeless
Women & Family Shelter	Kirkland	CCS/Sophia Way	Completed	2017/2019	98	Homeless
Samma Senior Apartments	Bothell	Imagine Housing	Completed	2019/2020	76	Seniors
Hope Starts Here	Bellevue	LifeWire	Completed	2021	25	Special Needs - DV Survivors
Kirkland Heights	Kirkland	KCHA	In Development	2022	276	Families
Searing House	Issaquah	LEO	In Development	2024	4	Special Needs - IDD
Orchard Gardens	Bellevue	Habitat for Humanity	In Development	2025	25	Families - Homeownership

## History of CDBG Capital Allocation Methodology

The County divides the capital funds into two categories, Joint Agreement Cities and Consortium Capital Funds. (Note that Bellevue chooses to receive and administer its own CDBG funds and has historically not directed such funds to capital investments, which entail responsibility for environmental review and other federal compliance.)

- **Joint Agreement Cities** qualify for their own CDBG funds but choose to partner in a regional housing & community development program; these cities are allowed to specify how to direct their portion of CDBG funds and contribute a portion of funds to consortium-wide programs and administration.
  - o ARCH members Kirkland and Redmond are Joint Agreement Cities that have elected to allocate their portion of capital funds through ARCH's annual recommendation process.
  
- **Consortium Cities** partner to distribute CDBG through two sub-regions: North-East and South, with the South sub-region receiving a larger share based on their relatively larger low-income population. *ARCH members include Beaux Arts, Bothell, Clyde Hill, Hunts Point, Issaquah, Kenmore, Medina, Mercer Island, Newcastle, Sammamish, Woodinville and Yarrow Point.*
  - o The North and East King County (N/E) Consortium members have historically agreed to allocate 40% of capital dollars to affordable housing and/or shelter projects as recommended through the ARCH Executive Board. The remaining 60% supports non-housing activities across the N/E Sub Region of the Consortium.

This proportional split has been consistently applied since at least 2013. The aggregate amount of CDBG between the Kirkland and Redmond portion and N/E Housing Capital totaled approximately \$460,000 last year, with the N/E Consortium portion of this amount typically totaling slightly under one third of that total.

The ICA is currently up for its 3-year review. The most recent approved methodology is the 2021 allocation methodology (Attachment A), which serves as the current baseline for annual allocations. For 2026, KC HCD has not yet put forward a specific proposal but has indicated that this year will serve as a renewal year for reviewing and confirming the allocation structure.

## 2026 Proposed Timeline for Methodology Review

King County HCD has outlined the following schedule for engagement, discussion, and decision-making:

- March 2026 – KC HCD prepares and issues letters to Consortium Cities, JACs, and HOME Cities outlining the proposed approach for the renewal cycle.
- April 2026 – Discussion of the allocation methodology at a Consortium meeting, including feedback on continuation of the current structure or exploration of alternatives.
- May 2026 – JRC vote on the renewed allocation plan.

This schedule is intended to ensure adequate time for jurisdictions and partners to review assumptions, raise questions, and consider potential modifications in advance of funding decisions.

## N/E CDBG Housing Allocation



In 2021 the JRC decided it would re-visit the N/E CDBG allocation split every three years, at same time as ICA renewal.



The CDBG housing allocation is separate from the ICA, not included in the ICA.



Reminder – of the N/E CDBG funds, 40% is allocated to housing and goes through ARCH, the other 60% is dedicated to non-housing activities.



County will send email survey to all N/E members in March asking if you want to participate in N/E allocation conversation.



If we get positive responses County will hold a conversation in April and then bring recommendation to JRC for May vote.



### Options for ARCH Member Feedback

As part of the 2026 renewal, ARCH member Consortium cities may consider providing feedback as follows:

1. **Continue with the Existing Allocation Methodology:** Under this option, the Consortium would reaffirm the historic approach, maintaining:
  - 40% of the N/E allocation dedicated to housing capital directed by the ARCH Executive Board. This option offers continuity, predictability, and alignment with established practice dating back more than a decade.
2. **Explore Alternative Allocation Methodologies:** Although no specific proposal has been advanced and no detailed figures are currently available, ARCH can support members in proposing an alternative methodology for allocation of the Consortium resources that better align with:
  - Countywide affordable housing production goals,
  - Shifts in housing needs or service demands,
  - Updated federal guidance or local policy priorities, or
  - Evolving conditions within Consortium jurisdictions.

Examples of alternative approaches could include adjustments to the proportional split, revised percentages for housing versus non-housing capital, or formula-based allocations tied to demographic, need, production allocations or performance metrics. Any exploration of alternatives would require additional data, modeling, and coordination with KC HCD before recommendations could be finalized.

Currently, there is only one ARCH member jurisdiction (Sammamish) with a seat on the JRC. However, all Consortium cities are invited to provide feedback at the Consortium-wide meeting in April.

#### Staff Recommendation

Staff recommend the Board communicate with staff to ensure participation in the County's feedback process and discuss the options for feedback outlined above.

#### Attachments

- A. 2021 CDBG Allocation

2021 CDBG WATERFALL - Estimate

	Entitlement	2021 Program Income
Consortium Cities	3,391,629	0
Burien	493,499	0
Kirkland	389,306	0
Redmond	372,816	0
Renton	713,229	0
Shoreline	323,558	0
<b>2021 Funds Available</b>	<b>5,684,037</b>	<b>0</b>
<b>Total ENT + PI</b>	<b>5,684,037</b>	
<b>2020 Carry-over</b>	<b>521,007</b>	
<b>2020 Recapture</b>	<b>0</b>	
<b>Total Funds Available</b>	<b>6,205,044</b>	
Admin 20% Ceiling	1,136,807	
Human Service 15% Ceiling	852,606	

2020 Carry-over Funds	
Reg. Consortium	438,668
Burien	0
Kirkland	17,468
Redmond	0
Renton	41,752
Shoreline	23,119
<b>Total 2020 Carry-over</b>	<b>\$521,007</b>

2020 Recapture Funds	
Reg. Consortium	0
North/East Sub Region	0
South Sub Region	0
Burien	0
Kirkland	0
Redmond	0
Renton	0
Shoreline	0
<b>Total 2020 Recapture</b>	<b>\$0</b>

**Distribution** \*All current-year PI (EXCLUDING PI allocated to Consortium P&A) spent in following year as carry-over.

1. Planning and Admin					
<b>a) Consortium Cities P&amp;A (20%)</b>				<b>Total</b>	
Reg. Consortium Cities Entitlement	678,326			<b>678,326</b>	
Reg. Consortium Cities 2021 PI*	0				
<b>b) JAC-Consortium Share P&amp;A (10%)</b>				<b>Total</b>	
	Entitlement	2021 JAC PI *			
Burien	49,350	0		49,350	
Kirkland	38,931	0		38,931	
Redmond	37,282	0		37,282	
Renton	71,323	0		71,323	
Shoreline	32,356	0		32,356	
	229,241	0		<b>229,241</b>	
<b>c) JAC P&amp;A (10%)</b>				<b>Total</b>	<b>2021 JAC PI</b>
	Entitlement	2020 Carry-over *			
Burien	49,350	0		49,350	0
Kirkland	38,931	1,941		38,931	0
Redmond	37,282	0		37,282	0
Renton	71,323	4,639		<b>71,323</b>	0
Shoreline	32,356	2,569		32,356	0
	229,241	9,149		<b>229,241</b>	0
<b>Total Planning &amp; Administration:</b>				<b>\$1,136,807</b>	<b>0</b>

2. Human Services					
<b>a) JAC HSP Contribution (5%)</b>				<b>Total</b>	<b>2021 JAC PI</b>
	Entitlement	2020 Carry-over			
Burien	24,675	0		24,675	0
Kirkland	19,465	970		20,436	0
Redmond	18,641	0		18,641	0
Renton	35,661	2,320		37,981	0
Shoreline	16,178	1,284		17,462	0
	114,620	4,574		<b>119,195</b>	0
<b>b) JAC Human Services (10%)</b>				<b>Total</b>	<b>2021 JAC PI</b>
	Entitlement	2020 Carry-over			
Burien	49,350	0		49,350	0
Kirkland	38,931	1,941		40,871	0
Redmond	37,282	0		37,282	0
Renton	71,323	4,639		75,962	0
Shoreline	32,356	2,569		34,925	0
	229,241	9,149		<b>238,390</b>	0
<b>c) Consortium Human Services</b>				<b>Total</b>	<b>2021 Consortium PI</b>
Consortium Cities (15%)	508,744	82,250		<b>590,995</b>	0
<b>Consortium HS BREAKDOWN: 590,995</b>				<b>Total</b>	
<b>Consortium Cities Shelter Allocation (Frozen)</b>				<b>180,000</b>	
Consortium Cities				180,000	
subtract from HS Consortium Funds → (remaining Consortium HS funds)				590,995	-180,000
<b>Remaining Consortium Human Services Funds (50% split of remaining Consortium HS funds)</b>				<b>Total</b>	<b>2021 Consortium PI</b>
	Remaining Funds	2020 Carry-over			
Consortium HSP Contribution (50%)	164,372	41,125		<b>205,497</b>	0
Diversion Funds (50%)	164,372	41,125		205,497	0
	N/E ~34%	55,597	13,910	69,507	0
	South ~66%	108,775	27,215	135,990	0
<b>Total Human Services</b>				<b>\$948,579</b>	<b>0</b>

3. Housing Repair					
<b>a) Housing Repair Funds (25%)</b>				<b>Total</b>	<b>2021 PI</b>
	Entitlement	2020 Carry-over			
Consortium Cities	847,907	137,084		984,991	0
Burien	123,375	0		123,375	0
Kirkland	97,327	4,852		102,179	0
Redmond	93,204	0		93,204	0
Renton	178,307	11,598		189,905	0
Shoreline	80,890	6,422		87,311	0
<b>Total Home Repair Program Funds</b>	<b>1,421,009</b>	<b>159,956</b>		<b>\$1,580,965</b>	<b>0</b>

4. Section 108 Greenbridge Repayment		Total
Consortium Cities		<b>\$174,369</b>

5. Capital Distribution (Balance of Funds):					
<b>a) Capital Implementation (C14241)</b>				<b>250,947</b>	
<b>JAC Capital Activity Delivery (2%)</b>				<b>Total</b>	<b>2021 JAC PI</b>
	Entitlement	2020 Carry-over			
Burien	9,870	0		9,870	0
Kirkland	7,786	388		8,174	0
Redmond	7,456	0		7,456	0
Renton	14,265	928		15,192	0
Shoreline	6,471	514		6,985	0
	45,848	1,830		<b>47,678</b>	<b>0</b>

Consortium Cities Balance <i>(Capital Activity Delivery ~250k)</i>	167,627	35,642		203,269	0
<b>b) JAC Capital Funds (38%)</b>	<b>Entitlement</b>	<b>2020 Carry-over</b>	<b>2020 Recapture</b>	<b>Total</b>	<b>2021 JAC PI</b>
Burien	187,530	0	0	187,530	0
Kirkland	147,936	7,375	0	155,312	0
Redmond	141,670	0	0	141,670	0
Renton	271,027	17,629	0	288,656	0
Shoreline	122,952	9,761	0	132,713	0
	871,115	34,765	0	905,880	0
<b>c) Consortium Capital Funds</b>	<b>Entitlement</b>	<b>2020 Carry-over</b>	<b>2020 Recapture</b>	<b>Total</b>	<b>2021 Consortium PI</b>
Consortium Cities	1,023,804	183,692	0	1,207,496	0
<b>Consortium Breakdown</b>	<b>Entitlement</b>	<b>2020 Carry-over</b>	<b>2020 Recapture</b>	<b>Total</b>	<b>2021 Consortium PI</b>
Total N/E Sub Region ~34%	346,291	62,088	0	408,379	0
N/E Housing Capital - 40%	138,517	24,835	0	163,352	0
N/E Other Capital -60%	207,775	37,253	0	245,028	0
South Sub Region ~66%	677,513	121,560	0	799,073	0
	1,023,804	183,648	0	1,207,452	0
<b>Total Capital Distribution</b>				<b>\$2,364,324</b>	

**Total - Distribution** **\$6,205,044**

**JAC P&A Carry-over → Capital Funds Conversion**  
*JAC P&A 2020 Carry-Over available for capital projects.*

JAC Capital Funds Availability	
Burien	0
Kirkland	1,941
Redmond	0
Renton	4,639
Shoreline	2,569
<b>Total capital project funds available</b>	<b>\$9,149</b>

**Program Income → Carry-over Conversion**  
*Unspent 2021 PI converted to "Carry-over Funds" to be used in 2022. (EXCLUDES Consortium PI allocated to Planning & Admin)*

2020 Carry-over Funds	
Reg. Consortium	0
Burien	0
Kirkland	0
Redmond	0
Renton	0
Shoreline	0
<b>Total 2020 Carry-over Funds</b>	<b>\$0</b>

**Recapture**  
*Unspent entitlement funds to be "Recaptured" and used in 2022.*

2020 Recapture Funds	
Reg. Consortium	0
North Sub Region (~34%)	0
South Sub Region (~66%)	0
Burien	0
Kirkland	0
Redmond	0
Renton	0
Shoreline	0
<b>Total 2020 Recapture Funds</b>	<b>\$0</b>

HSP Contribution Summary		
	Entitlement	PI
JAC HSP Contribution	119,195	0
Consortium HSP Contribution	205,497	0
<b>Total HSP Contribution</b>	<b>324,692</b>	<b>0</b>

## ITEM 5D: Legislative Updates

Update on advancing ARCH's Legislative Priorities for the 2026 Legislative Session.

### Background

One of the key strategies identified in the 2024 ARCH Strategic Plan was to advance cooperative efforts across our coalition on targeted *state and regional legislation and funding focused on creating more housing faster*. The ARCH Executive Board approved ARCH's [2026 Legislative Priorities](#) in September 2025.

### 2026 Legislative Session Support

Throughout the 2026 WA Legislative Session, ARCH staff have offered ARCH members the following support:

- Developed a briefing paper on faith owned land (reviewed by the ARCH Liaisons Group), which included recommendations that were incorporated into HB 1859, which was just delivered to the Governor for his signature.
- Weekly legislative email updates associated with ARCH's legislative priorities that included clear calls to action to advance priorities.
- Talking points for legislators who testified in support of ARCH-related bills.
- Analysis of bills as requested by ARCH members.
- Coordination with bill organizers to ensure ARCH members were able to testify.

### Bills Associated with ARCH's Legislative Priorities

Below are bills that ARCH staff tracked in 2026. Please note that "tracking" does not imply ARCH member support for the bill, but rather ARCH member interest in the bill.

#### ARCH Legislative Priority 1A: Provide local revenue options to support affordable housing (such as a graduated local Real Estate Excise Tax)

Bill	Companion	Name	Status
<a href="#">HB 1867</a> (Ramel)		Local Real Estate Excise Tax (REET) for affordable housing	Did not pass. Incorporated into HB 2442.
<a href="#">SB 5576</a> (Lovelett)	<a href="#">HB 1763</a> (Parshley)	Local tax on short-term rentals (e.g. AirBnB)	Did not pass.
<a href="#">HB 1717</a> (Leavitt)	<a href="#">SB 5591</a> (Bateman)	Creating a sales and use tax remittance program for affordable housing.	Passed the House, awaiting passage in the Senate

#### ARCH Legislative Priority 1B: Encourage state investments and provide funding incentives for local jurisdictions to promote affordable housing (such as expanding the HB 1406 state sales tax credit)

Bill	Companion	Name	Status
<a href="#">HB 1808</a> (Zahn)	N/A	Revolving loan fund for affordable homeownership	Did not pass.
<a href="#">SB 6028</a> (Alvarado)	N/A	Revolving loan fund for mixed income affordable homeownership, including private developers	Did not pass
<a href="#">SB 6256</a> (Slatter)	N/A	Aligns property tax exemptions with WA's affordable housing & transit oriented development priorities	Did not pass.

**ARCH Legislative Priority 2A: Establish development and tax incentives to support affordable rental and ownership housing on properties owned by religious organizations**

Bill	Companion	Name	Status
<a href="#">HB 1859</a> (Salahuddin)	<a href="#">SB 5885</a> (Riccelli) - Stalled	Affordable housing on faith owned land	Passed the House and Senate. On Governor's desk.

**ARCH Legislative Priority 2B: Support other policies that expand access to land for a range of affordable housing types (such as surplus property policies)**

Bill	Companion	Name	Status
<a href="#">HB 1974</a> (Hill)	<a href="#">SB 6214</a> (Riccelli) - Stalled	Establishing land banking authorities	Passed the House, awaiting passage in the Senate.

**ARCH Policy Principle 1: ARCH supports policies and continued state assistance that ensure strong local affordable housing projects, plans, and programs (such as the Multifamily Tax Exemption and inclusionary policies).**

Bill	Companion	Name	Status
<a href="#">SB 6026</a> (Alvarado)	<a href="#">HB 2480</a> (Ramel) - Stalled	Concerning residential development in commercial and mixed-use zones.	Passed the Senate, awaiting passage in the House.

**ARCH Policy Principle 2: ARCH recognizes the importance of maintaining the existing stock of affordable housing in East King County and protecting prior investments.**

Bill	Companion	Name	Status
<a href="#">SB 6027</a> (Alvarado)	<a href="#">HB 2359</a> (Peterson) - Stalled	Allowing for flexibility for use of HB 1590 and 1406 funds for existing housing + Affordable Housing for All Account.	Passed the Senate, awaiting passage in the House.
<a href="#">HB 2442</a> (Berg)	<a href="#">SB 6294</a> (Frame) - stalled	Providing local governments tax resources and fund flexibility, including 1590 funds, and 1406 funds for existing housing.	Passed the House, awaiting passage in the Senate
<a href="#">SB 6167</a> (Goehner)	<a href="#">HB 2153</a> (Connors)	<i>Prohibiting homebuyers from receiving multiple state-funded down payment assistance loans or grants.</i>	<i>Did not pass</i>

**Supplemental Capital Budget**

Below are the supplemental capital budgets as of 2/26/26 (latest available information).

	Governor Proposal	House Capital Budget	Senate Capital Budget
<b>Housing Trust Fund - Total</b>	\$225,687,000	\$164,586,000	\$128,304,000
<b>1(a) Multifamily rental</b>	\$69,437,000	\$50,000,000	\$38,778,000
<b>1(b) PSH Apple Health &amp; Homes</b>			\$(50,000,000)
<b>1(d) Affordable homeownership</b>	\$73,000,000	\$65,000,000	\$35,778,000
<b>1(e) Manufactured home preservation</b>	\$12,500,000		
<b>1(f) Manufactured home coops</b>	\$10,000,000		
<b>1(g) Preservation</b>	\$50,000,000	\$40,000,000	\$44,978,000
<b>1(h) Farmworker housing</b>			\$8,300,000
<b>2) Preconstruction/technical assistance</b>	\$1,500,000		
<b>3(a) Urgent repair fund</b>		\$3,000,000	\$5,000,000
<b>3(b) Risk mitigation investments</b>		\$2,000,000	
<b>4) Project-specific allocations</b>	\$9,250,000	\$4,586,000	\$45,470,000

## Other Housing Legislation

Below are other housing-related bills that might impact ARCH jurisdictions if passed.

- [HB 2418](#) - Permitting Reform: Reforms permitting processes aimed at reducing the uncertainty, time, and cost to build housing.
- [HB 2266](#) - Removing Barriers to Permanent Supportive Housing: Bans zoning restrictions on permanent supportive housing and emergency housing, beyond those applied to other types of housing.
- [SB 5496](#) - Corporate Housing Investors: Limiting Excessive Home Buying by Corporate Investors.

## Next Steps

ARCH staff will provide a legislative session update to the ARCH Council of Elected Officials during their first meeting in 2026. The ARCH Council of Elected Officials will have an active role in shaping ARCH's 2027 Legislative Priorities.

## Staff Recommendation

This content is informational only. No action is required at this time.

## Attachments

None