



## ARCH EXECUTIVE BOARD AGENDA

February 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 January 2025 Meeting Minutes](#)
- 4) Public Comment
- 5) Reports / Action Items
  - a. [ARCH Interlocal Agreement Extension](#)
  - b. [Strategic Plan Dashboard Update and ARCH Q4 2025 Report](#)
  - c. [ARCH 2027-28 Budget and Work Plan](#)
  - d. [ARCH Council of Electeds Pilot Update](#)
- 6) Other Business
  - a. Verbal Updates
    - Legislative updates
    - Status of Funding Approvals: HTF Approvals, Bellevue and Issaquah Funding Approvals
    - Project Updates:
      1. Larus Senior Apartments (Kenmore)
      2. Prisma Closing and Groundbreaking (Redmond)
    - [ARCH Rental Program Explainer Video](#)
- 7) Adjournment

**ITEM 3: Approval of the December 11, 2025, Meeting Minutes**

Approval of the January 2026 Executive Board Meeting minutes

**Attachments**

- A. Summary Minutes to the Executive Board Meeting January 8, 2026

# A REGIONAL COALITION FOR HOUSING (ARCH)

## Summary Minutes to Executive Board Meeting

Date January 8, 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  
Carol Helland, City of Redmond, Director of Planning and Community Development  
David Pyle, City of Sammamish, Director of Community Development  
Maia Knox, City of Clyde Hill, Assistant City Manager  
Wally Bobkiewicz, City of Issaquah, City Administrator  
Sunaree Marshall, King County, Housing, Homelessness, and Community Development – Dep Div Director

### Board Members Absent:

Debbie Bent – Vice-Chair, City of Kenmore, Community Development Director  
Kyle Stannert, City of Bothell, City Manager

### Others Present:

Lindsay Masters, ARCH, Executive Director  
Susie Levy, ARCH, Local Housing Programs Manager  
Diana Heilman, ARCH, Senior Administrative Assistant  
Patrick Tippy, ARCH, Investments Manager  
Mike Stanger, ARCH, Senior Planner  
Chris Keenan, ARCH, Program Manager  
Hannah Bahnmler, City of Bellevue, Senior Affordable Housing Planner  
Jason Gauthier, South Sound Housing Affordability Partners, Manager  
Remy Golla, KCRHA, Legislative Affairs Analyst  
Michelle Lambert, King County, Homeownership Funding Team  
McCaela Daffern, King County, Affordable Housing Committee Manager

### 1. CALL TO ORDER

Chair McCommon called the meeting to order at 9:02 am.

### 2. APPROVAL OF THE AGENDA

Chair McCommon asked if there were any changes to be made to the January 8, 2026, agenda. No changes were requested. Chair McCommon requested a motion to approve the agenda.

*Maia Knox moved to approve the agenda. David Pyle seconded the motion. All voted in favor of approving the agenda for January 8, 2026.*

### 3. APPROVAL OF THE MINUTES

Chair McCommon asked if there were any corrections to the meeting minutes for December 11, 2025. No corrections were requested.

*Carol Helland moved that the meeting minutes for December 11, 2025, be approved. Scott Pingel seconded the motion. All voted in favor of approving the meeting minutes for December 11, 2025.*

4. **PUBLIC COMMENT** – none

5. **REPORTS / ACTION ITEMS**

Director Masters announced that Sunaree Marshall was transitioning from King County to a position with the Seattle Mayor's office. Sunaree expressed appreciation for the time working with the ARCH Board and staff. Chair McCommon congratulated Sunaree.

**5a) ARCH Community Engagement Update**

Director Masters reminded the Board of the big picture perspective of the 2026 work schedule. A slide was displayed outlining the upcoming work priorities. In the new year the Board would be dealing with the Governance Study recommendations with a specific focus on the Community Advisory Board. This tied in to the issue of community engagement. They would also be developing the Budget and Work Program.

Director Masters introduced an update on the Community Engagement plan presented by Sophie Glass. A more comprehensive approach was being taken with regards to community engagement throughout the ARCH Work Program. The goals of the briefing were to:

- Understand the larger context of community engagement throughout ARCH's work
- Seek Board feedback on potential future areas of community engagement based on input from CBOs
- Inform the Board's deliberation on the Community Advisory Board

Director Masters turned the presentation over to Sophie. Sophie discussed the meaning of the word community. The focus was on community members and community-based organizations (CBOs). The reason ARCH sought to engage community members was to create projects that would best serve its residents and remain sustainable community assets over the long term. CBOs were important because they provided the support of context for the policies to work. They paved the way for policy success. Historically, community engagement was narrowly focused on the Community Advisory Board. The question would be how to broaden this in the future. They were shifting to a more expansive approach because there were limitations in the past. The CAB was only focused on project funding. Other work was being done but there would be more capacity now with the increase in staffing. There wasn't previously a cohesive strategy for communication engagement. It happened ad hoc. They were looking at the public as a whole. There is no such thing as "the public". It was not informed by data. There had been confusion in the community as to what ARCH did. There needed to be attention to the CBOs and community members that were not represented in formation of policies.

The 2025-2026 Communications and Engagement Plan was presented. This had been developed with input from the Board and CBOs. There was a commitment to it being a living document.

The five goals were displayed with focus on Goal 5: Community members have trusting, accountable, and mutually beneficial partnerships with ARCH so that underrepresented populations can better access ARCH's programs.

Different tactics were shared. These included: presentations at CBO staff meetings, tabling at fairs and festivals, hosting COB-focused events, 1 on 1 meetings, affirmative marketing, office hours support, public sessions and housing development partnerships.

The accomplishments of the last quarter of 2025 were shared. A Together in Housing event for CBO's was held in October 2025. There was good back and forth dialogue at that event. Raquel Rodriguez had spoken to group of expectant parents at Ayan Maternity Health in October 2025. There were meetings with Habitat for Humanity, CISC and Affordable Housing for Military Families. Bellevue had an Affordable Housing Strategy Event that Raquel attended and good discussions occurred. If other member cities wanted an ARCH presence at their events those opportunities would be welcomed.

The Communication Plan needed to be a living document so that it would be responsive to the community. In the listening that had been done with the community, feedback that was obtained included:

- We want to be involved in shaping affordable housing policy
- We want to know more about the housing development process
- Our community gets discouraged by the lack of affordable housing options

Sophie presented thoughts as to how to be responsive to this feedback. A Draft Policy Engagement approach was presented answering the "Why" of engaging the community in policy formation. Many of the members had just gone through their comprehensive plan engagement process. Some CBOs served multiple ARCH members and got redundant questions. The example of middle-housing was an instance of where ARCH was a vehicle for coordinating engagement, policy development, decision-making and implementation.

Potential next steps were:

- ARCH staff would meet with city staff to discuss how to streamline policy education and engagement
- ARCH staff would meet with CBOs to get feedback on what types of housing-related civic education and policy topics would be most beneficial

CBOs were also interested in being involved in development engagement, which could have different benefits, including:

- More responsive housing developments.
- Increased community capacity for understanding the development process.
- Streamlining development-related engagement and decreased burden of CBOs being approached by many developers.

At the most robust, community engagement around development structure has to do with ownership structure. CBOs could be involved in design decisions. It was important to determine who would be the best service providers. Which residents would be referred to which buildings? ARCH could play a role in any of these phases.

Potential next steps for development engagement were:

- Meet with individual CBOs that expressed interest in affordable housing development
- Hold information sessions for CBOs that were interested in learning more about the affordable housing development process
- TBD based on Community Advisory Board evolution

The Board was invited to provide feedback.

Chair McCommon expressed appreciation of the launch of this work. There was high value in the eight tools. There was a variety of types and availability, meeting people where they were. Chair McCommon asked for clarification on whether the ARCH team would act as facilitator and advisor. It was good to consult the staff and to capture the momentum of the CBOs.

Kurt Triplett expressed appreciation for the work and the background. A concern was expressed regarding the Department of Defense designation as the Department of War. That name has not been approved by Congress.

Kurt loved all the engagement in policy but there was so much that could be done and not all was possible. It would be important to keep going back to the lens of building more affordable housing faster. The concept of helping CBOs be part of requirements that the State was imposing made sense to decrease their burden and be more efficient. It would be good to start with what was already in the system that we had to respond to rather than expanding. There was so much State intervention that it would be better to influence the policies that were coming from the State rather than develop policy from the ground up. Processing both ground up and top down at the same time would pull the ARCH staff in too many different directions.

Sunaree Marshall guessed that many CBOs were not jurisdiction specific so there was a good role for ARCH to streamline the communication and collective action. Non-housing focused CBOs had a hard time understanding where affordable housing came from and what the drivers were. Having simple explanatory materials was very helpful especially as they had staff turnover. Was there some ability to reach people who wanted to move to the Eastside but thought it was unattainable? A good summary report was done of engagement at the end of the Community Partner's Table for the Affordable Housing Committee. There were some parallels to ARCH. McCaela Daffern would send it to Sophie.

Director Masters summarized that they knew they could not do community engagement in everything aspect of ARCH's work. The Community Advisory Board had been the most meaningful effort for community members to have a direct role in what housing was getting funded, but there was a lot more prior and after that which influences what affordable housing was being built, beginning with policy and proceeding to funding, design and partnership development. There was always some tension between building faster and community involvement. They were open to where the strategic place for ARCH was in having the community involved to make housing better and help more to be built faster. The Board's feedback was valuable.

Chair McCommon asked about advising on policy. Whose policy?

Director Masters said you could interpret that as being what are ARCH's policies around funding or what are the member's policies around what type of housing was being incentivized. Both are open to discussion. Sophie meant that many were engaging in the same planning efforts due to State requirements and those presented opportunities to streamline some of that outreach.

## **5b) Governance Study: Community Advisory Board Evaluation**

Director Masters referred to the Governance Study and the original objectives to engage elected officials and streamline processes. There were some big policy challenges that they had struggled with. Director Masters recapped where the Board landed on the consultant's recommendations. The Board approved the Task force recommendations in November. Some things required further study. The Task Force recommendation on the Community Advisory Board was to completely replace the CAB with a different group. That involved not only replacing CAB but changing the whole structure and everything around CAB. The Alford group's provided one concept for streamlining CAB and increasing elected official involvement in the process to increase buy-in. They also wanted to help ARCH increase the type of expertise they could utilize.

Director Masters described the analysis needed to support the Board in weighing these ideas. To assess CAB the following issues had to be considered.

- ARCH Community Engagement Plan
- CAB Survey feedback and staff observations
- Funder Interviews – learning best practices
- Continued work on bigger structure around CAB

This would all come back to the Task force and they would bring to the Board formal recommendations.

The briefing goals for this meeting were:

- Understand ARCH Interlocal Agreement requirements, current challenges and benefits of the CAB
- Understand ARCH funding process in a broader context and the range of possibilities for community involvement
- Provide feedback on key policy and practical questions for Task Force consideration

The ARCH Interlocal Agreement had the CAB in it from the beginning of the organization. It had not changed much. Director Masters reviewed the terms in the ILA. Recruitment took up a lot of staff time. The requirement for members was broad. There was not a legal requirement that the Board consult the CAB before making funding recommendations.

The CAB roster was shared. They had always tried to get a variety in terms of geography. They looked for a variety of occupations that would relate to housing. That was a challenge, along with turnover of members.

A survey of CAB members was conducted at the end of the funding round last year. The results included the following:

- Benefits
  - Brings diverse perspectives
  - Transparency on how funding is decided
- Challenges
  - Lack of engagement / consistent participation
  - Inadequate funding compared to number of worthy proposals
  - Inadequate subject matter knowledge, some bias among members
- Overall Experiences matched expectations
- What additional areas of expertise are most needed to enhance the CAB's ability to recommend projects?
  - Real estate finance/lending
  - Neighborhood engagement
  - Property or asset management
  - Legal or real estate background
  - Social services/behavioral health
  - Architectural /design/engineering

The survey also asked about the benefits and challenges of CAB. The challenges were many. This included funding limitations, deciding what projects to cut and frustration with the “up and down” nature of the funding amount. They expressed concern about having subject matter knowledge. Engagement was a struggle for the members and staff. People were not prepared for the meetings. There was a lot of information to absorb in a short period of time. Staff tried to divide CAB into subsets.

Staff observed that there were more projects to look at. Applications increased significantly. There were only two months to develop recommendations. The complexity of the finance issues and project types did not match CAB member expertise. Most of the funding was being directed outside of CAB. There were three sets of decision-makers to coordinate. More effort had to go in to effectively coordinating with other public and private funding sources.

A slide displayed the Housing Investment Programs Workflow. Also shared were a list of funding sources and amounts requested. Negotiations with the State and County were carried out every year to determine what they would be able to get to and how that informed ARCH decisions. Besides general funds that were flexible there were also funds that were restricted.

The Task force felt it did not make sense to continue CAB in its current form. It was a difficult decision. Potential changes were discussed if the CAB was retained. Some would require ILA change. Ideas included:

- Membership changes to recruit members with great commitment and/or expertise

- Process change
- Explore better integration of City and ARCH recommendation processes (particularly with Bellevue and Issaquah)
- Provide input into funding priorities rather than project funding
- Provide input at early stage of project development (These options also required re-consideration of CAB membership)

Board feedback was requested on what attributes of the funding process were important for ARCH member cities to maintain confidence in ARCH's recommendations. These attributes were:

- High rate of leverage of local funds
- Timely /efficient
- Transparency into decision making
- Meet specific policy priorities
- Vetting by community members

Chairman McCommon encouraged Board feedback and thanked Director Masters for the good summary of the complexity and the evidence. The key question was what was the value?

Carol Helland commented that all the attributes of the funding process were important. The "high rate of local funds" attribute was really important. Would having people more informed on investment and real estate increase the level of local funds? If so, that would be a good rationale for changing the composition of the CAB. It did need to be timely and efficient and staff recommendations were a good place to start because staff had unique knowledge. Transparency in decision making was going to be important. If there were investment professionals on the new Investment Board it might result in leveraging support from their colleagues. Representation from that community that has been vocal about ARCH policies might be a good opportunity. Community input on policy priorities might be the best way to engage a composition of community members to influence ARCH objectives and outcomes. There were many different levers that could enhance their ability to meet those objectives.

Director Masters asked where community voice would be most important? Would it be in planning, program implementation, or in the funding process? The Board, City Councils and staff were primary voices in the decision-making process. Community voices didn't come in until the end. The Board could consider change to other parts of the governance structure and decision-making process within which a community voice could play a part.

Director Masters asked if there was any early preference on what role, if any, the CAB should play?

Sunaree Marshall suggested contacting other agencies dealing with the same thing such as SKHHP. Their community advisory board gave helpful input on the priorities. King County staff had gone through the process and had thoughts on what could shift. They were considering some of the same questions.

Kurt Triplett asked the Board members how many of their councilmembers or staff ever asked a question about the CAB? How much did it matter to the councils?

Carol Helland said their council knew the process, but it was not that important to them once the Executive Board had made the recommendation. They might be more compelled by an investment laden group giving their professional expertise. Across the continuum of six different steps in the process, parity for funding goals is uniquely Executive Board with respect to funding contributions. The CAB could be persuasive during city budget processes. It could be an educational opportunity for the CAB to share what they were seeing in the funding gap. They could make input on funding priorities and early design and feasibility. They could help determine if the projects were aligned with the jurisdiction's goals.

Maia Knox was trying to get a better sense of the value CAB added. Was there a time when the CAB review and ranking changed the thought of ARCH staff on projects? Patrick Tippy answered that CAB might see

elements of projects and how they aligned with various priorities in a different way than staff might, given the range of their personal and professional backgrounds. These perspectives were more likely to deviate from the Board's priorities.

Maia Knox said if the CAB was going to be retained (which did not seem to be the best option) it should be diminished in size with reduced touch points with them, and their input should be earlier in the process.

### 5c) Legislative Updates

Director Masters introduced Sophie Glass to present a briefing on the 2026 legislative session.

Sophie Glass presented a big picture of ARCH's legislative priorities for 2026 that were developed last summer, and legislation anticipated to be relevant to those priorities

1A. Provide local revenue options to support affordable housing (such as a graduated local Real Estate Excise Tax).

- HB 1867 REET (Rep. Ramel)
- SB 5576 – Short Term Rental Tax (Rep. Lovelett)

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

- Capital budget resources for the State Housing Trust Fund, CHIP program etc.
- Potential capital budget appropriation for Workforce Housing Revolving Loan Fund
- HB 1808 – Affordable Homeownership Revolving Loan Fund: Establishing a dedicated account and construction loan produce to finance affordable homeownership development (Rep. Zahn)

2A. Establish development and tax incentives to support affordable rental and ownership housing on properties owned by religious organizations.

- HB 1859 – Affordable Housing on Faith Owned Land: Expanding opportunities for affordable housing developments on properties owned by religious organizations. (Rep. Salahuddin) – briefing memo in Board packet.

2B. Support other policies that expand access to land for a range of affordable housing types (such as surplus property policies).

- HB 1974 – Land Banking: Establishing land banking authorities for the purpose of affordable housing. (Rep. Hill)

New this year in developing ARCH legislative priorities were general policy principles that will allow ARCH to be responsive if things occur to affect ARCH policies.

General 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).

- Grand Boulevards/Commercial Rezoning Bill (Sen. Alvarado; waiting exact bill#)

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

- 1590/1406 flexibility – in the use of funds (Sen. Alvarado – awaiting exact bill #)
- Support for operation and maintenance funding (awaiting exact bill #)

General Policy Principle 3 – ARCH encourages its members to consider these legislative priorities as they create their own legislative agendas.

Sophie pointed out that the member jurisdictions did reference the ARCH legislative priorities when crafting their own legislative agendas and expressed appreciation for that. A slide was displayed detailing the level of alignment between the ARCH legislative priorities and the member's legislative agendas.

Sophie emphasized that the ARCH staff were

there to support the members through meetings, briefing papers, talking points, and email updates on a regular basis. Board members were encouraged to let Sophie know if they want to be added to the email distribution list.

Questions were invited.

Chair McCommon appreciated the slide on the member alignment on their legislative agendas. It was good context.

Carol Helland commented on Senator Alvarado's bill on residential uses. Redmond was not in favor of that. Carol asked if it would be useful in the materials that Sophie created to keep track of where the member cities were in their perspective on individual bills so they didn't step on each other's toes. That bill had the ability to harm jurisdictions that have leaned in to mixed use and rely on ground level retail and commercial to provide their job's growth targets.

## **6) OTHER BUSINESS**

### **6a] Verbal Updates**

- Patrick Tippy shared that at the end of last year they were successful in completing a Memorandum of Understanding with WSHFC related to compliance monitoring and sharing information related to that. Almost  $\frac{3}{4}$  of the HTF units had WSHFC funding. That would create benefit from WSHFC's extensive staffing in the compliance area. They could have joint conversations with building owners when there were concerns about properties.
- Patrick shared that they had a high alignment with the state on funding awards. 53% of the State's allocations of funding to King County this round were going to projects in ARCH member cities. This was \$35.5 million dollars to 9 projects on the Eastside. They were scheduling advancing recommendation packets. Six members had not scheduled those yet. If there were questions on the materials for member councils, Patrick invited them to address those questions to him.
- Susie Levy told the Board that a Memorandum Of Understanding had been established with KCHA specifically with the Housing Choice Voucher Homeownership Program (Dreams to Keys). This was in line with the policy update the Board made in the summer to the Homeownership Program.
- Director Masters thanked the Board for feedback on her performance evaluation at the end of the year. It was expressed that there was interest from the Board members to have one on one engagement. Almost all the members had been scheduled for these meetings.

## **7) ADJOURNMENT**

The meeting was adjourned at 10:32 am.

## ITEM 5A: Resolution to Renew ARCH Interlocal Agreement

Discussion and vote on Resolution 2026-1 approving a 5-year extension of the ARCH Interlocal Agreement

### Background

The ARCH Interlocal Agreement (ILA) was first adopted in 1992 by the cities of Bellevue, Kirkland, Redmond and King County. The ILA has been amended over the years, with twelve additional cities becoming parties to the agreement. The [current version of the ILA](#) includes the following provision with respect to extension of the agreement:

9. DURATION AND TERMINATION. This Agreement shall be of five years' duration and shall continue in effect for subsequent five-year periods upon affirmative vote of a majority of the membership of the Executive Board. Any vote to continue the Agreement shall be taken between three to six months before the end of the five-year term. This Agreement may be terminated at any time by affirmative vote of a majority of the legislative bodies of the Parties to this Agreement.

The ILA was extended by Board resolution in 2020 and expired on July 1, 2025. Staff have prepared a draft Resolution 2026-1 to extend the term of the ILA through July 1, 2030. As stated above, the interlocal technically requires the renewal to be approved 3 to 6 month prior to expiration. The attached resolution therefore includes language “to ratify and affirm all actions taken by ARCH since the expiration of the previous renewal term.” In the future, ARCH will work to ensure renewals are flagged for action at the appropriate time.

### Staff Recommendation

Staff recommend that the ARCH Board approve Resolution 2026-1 extending the ARCH Interlocal Agreement through July 1, 2030.

### Attachments

1. Resolution 2026-1

**RESOLUTION 2026-1**

**A RESOLUTION OF THE EXECUTIVE BOARD OF A REGIONAL COALITION FOR HOUSING AUTHORIZING A 5 YEAR RENEWAL OF THE INTERLOCAL AGREEMENT ESTABLISHING A REGIONAL COALITION FOR HOUSING (“ARCH”)**

WHEREAS, the Cities of Bellevue, Kirkland, Redmond, Bothell, Woodinville, Issaquah, Mercer Island, Newcastle, Beaux Arts, Clyde Hill, Hunts Point, Medina, Yarrow Point, Kenmore and Sammamish, municipal corporations organized under the laws of the State of Washington, and King County, a subdivision of state government (individually, the “Party”, collectively, the “Parties”) entered into the Amended and Restated Interlocal Agreement for ARCH in 2010, as amended by Amendment No. 1, effective April 5, 2022 (“Interlocal”); and

WHEREAS, Section 9 of the Interlocal provides that the Interlocal shall be of five years' duration and shall continue in effect for subsequent five (5) year periods upon affirmative vote of a majority of the membership of the Executive Board; and

WHEREAS, the Interlocal was effective as of July 1, 2010 and renewed by vote of the Executive Board in 2015 (Resolution 2015-1) and again in 2020 (Resolution 2020-01);

WHEREAS, the Executive Board met on February 12, 2026 to consider and approve the continuation of the Interlocal, as amended, for an additional five (5) year term; and

WHEREAS, the Executive Board desires to reaffirm and renew the Interlocal, as amended, for an additional five (5) year term to July 1, 2030, and to ratify and affirm all actions taken by ARCH since the expiration of the previous renewal term; and

WHEREAS, the each ARCH member city, town, and county remain committed to the cooperative undertaking memorialized in the Interlocal, as amended.

NOW, THEREFORE, BE IT RESOLVED by the Executive Board as follows:

The Executive Board hereby approves and affirms an extension of the Interlocal until July 1, 2030, and hereby ratifies and affirms all actions taken by ARCH in furtherance of the Interlocal since the expiration of the prior renewal.

Passed by a majority vote of the Executive Board of ARCH on this \_\_\_\_ day of \_\_\_\_\_, 2026.

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Nathan McCommon  
Chair, ARCH Executive Board

## ITEM 5B: ARCH 4<sup>th</sup> Quarter 2025 Report and Strategic Plan Dashboard

Submission of Draft 4<sup>th</sup> Quarter 2025 Report and updated Strategic Plan Dashboard

### Background

The ARCH Interlocal Agreement (ILA) requires the submission of “quarterly budget performance and progress reports on the status of the work program elements to the Executive Board and the governing body of each Party.”

The most recent report may be found online:

- [ARCH Fourth Quarter 2025 Report \(Draft\)](#)

Note that this is a *draft* that includes a complete report on work program activities, but not updated financials, which will be finalized after March when the City of Bellevue closes its books for 2025. ARCH’s Q3 financials are included for the time being.

Additionally, the Executive Board set forth a commitment to regularly monitoring progress on ARCH’s Strategic Plan. An updated dashboard incorporating additional progress to date may also be found online:

- [ARCH Strategic Plan Dashboard \(Feb. 2026\)](#)

One of the strategies outlined in the dashboard is the creation of a new database to integrate the multiple datasets maintained by ARCH. As this body of work moves forward, ARCH staff are seeking the Board’s input on specific metrics and reporting the Board would like to see included in future reports.

### Staff Recommendation

N/A

### Attachments

N/A

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

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

### Background

The ARCH Interlocal Agreement (ILA) provides the Executive Board with the authority and responsibility to “develop and recommend a budget and work program” for member councils’ approval by June of each year for the following calendar year. Starting in 2024, the Executive Board has elected to develop biennial budgets to streamline its work and better align with member jurisdictions who also adopt biennial budgets.

At the February meeting, the Board will receive a preliminary briefing to set a foundation for development of the 2027-28 ARCH Budget and Work Program. The objectives for the Board’s initial briefing and discussion on this topic include:

- Share initial assumptions for a **baseline budget** that maintains current levels of staffing and services and recap the methodology for member dues.
- Review the current ARCH Work Program and how members access ARCH services, and **identify areas of change and growth in ARCH’s work** through 2028
- **Discuss the approach for development of the next Work Program**, including:
  - Ways to clarify and formalize how members seek certain ARCH services
  - Desired involvement by the Board in the process
  - Audiences for the Work Program
- Share **the budget and work program timeline** to help Board members ensure coordination with their respective internal budget processes

### Development of Baseline ARCH Administrative Budget for 2027-28

Currently, ARCH staff are working with City of Bellevue to vet and refine assumptions for a baseline budget for 2027-28. The bulk of ARCH’s administrative budget (89%) is made up of salaries and benefits, with other operating expenses and in-kind administrative support from Bellevue making up a much smaller share of the budget.

Draft budget assumptions at this time include:

- Projected cost of living allowances of 2.66% and 2.70% in 2027 and 2028 respectively (based on prior year CPI-W)
- Projected medical/dental contributions of 12.4% combined
- Salary adjustments from a City of Bellevue compensation study conducted in 2024, which re-set salary ranges based on a market study of all employment classifications, and resulted in market adjustments of up to 4% for eligible classifications
- Rent increase of 13.6% in 2026, driven by faster growth in common area maintenance charges than previously estimated
- Increase in the cost of “in-kind” administrative services provided by city of Bellevue (insurance, IT)
  - Insurance expense is nearly double from the last budget cycle
  - IT costs are TBD
- 3-5% increase in other income, made up of homeownership program fees, admin

fees from contract cities, and interest income

- Reduced income from lower volume in home sales is offset by higher estimated interest income
- Outside legal fees are TBD – ARCH will coordinate with the Bellevue City Attorney’s Office to project the level of need for these services.

It should be noted that compensation changes from Bellevue’s 2024 study were not finalized until after ARCH adopted its 2025-26 budget, and therefore this is the first budget cycle that will account for those costs. Bellevue provided an initial reimbursement to cover the delta to new pay rates in 2024. In 2025, ARCH was able to offset costs through salary savings from the initial time period to hire new staff. However, starting in 2026 ARCH has been fully staffed and will have to absorb the full cost of new compensation rates going forward.

### **Income Sources and ARCH Member Dues Methodology**

ARCH member dues are allocated primarily on a per capita basis, with some exceptions. Following is a summary of income sources from member and non-member jurisdictions:

- **“Base Member Dues”** are generally allocated among ARCH member cities on a per capita basis (\$3.11 per capita in 2026).
  - King County’s dues are determined separately, but have generally increased proportionately with other members in recent years (currently \$235,897)
  - Very small jurisdictions pay a minimum dues amount above the per capita formula – this floor is adjusted in proportion to the overall increase in base dues (paid by Hunts Point and Beaux Arts Village, currently set at \$3,294)
- **“Additional Member Dues”** cover 1.0 FTE that is funded by member jurisdictions with local affordable housing incentive programs.
  - Cities with active incentive programs, either having more than 10 completed projects or 3+ projects in the pipeline, pay on a per capita basis.
    - Includes Bellevue, Issaquah, Kirkland, Redmond
  - Cities with less active programs (fewer than 10 completed projects, and less than 3 projects in the pipeline) contribute a minimum (currently \$3,754).
    - Includes Kenmore, Newcastle, Sammamish, Mercer Island
  - Cities with adopted programs that did not yet have participating projects at the time of budget adoption do not yet contribute additional dues.
    - Includes Bothell, Woodinville.
- **Bellevue HB 1590 funds** pay for 1.0 FTE that is dedicated to supporting the Bellevue Housing Stability Program
- **Non-Member Fees** from North Bend and Duvall are reimbursed on an hourly basis

### **Current 2025-26 ARCH Work Program and Areas of Growth and Change**

ARCH’s Work Program has been organized around five areas that encompass core programs and services, with specific support and planning projects for individual jurisdictions described in a separate attachment. The five core areas of the work program are described in the following table, along with a summary of areas of growth and change.

## ARCH Work Program and Areas of Growth and Change

<b>Affordable Housing Investment</b>	
<p style="text-align: center;"><b>2025-26 Work Program</b></p> <ul style="list-style-type: none"> <li>• Administer ARCH Trust Fund and other local investments in affordable housing, including the Bellevue Housing Stability Program and Issaquah (Inclusive Housing Investment Pool)</li> <li>• Coordinate with other public and private funding</li> <li>• Manage the ARCH Community Advisory Board</li> <li>• Monitor program loans and analyze portfolio health</li> <li>• Provide special project assistance and advice including surplus property planning.</li> </ul>	<p style="text-align: center;"><b>Recent/Expected Changes</b></p> <ul style="list-style-type: none"> <li>• Expanded services to support the greater investments from Bellevue and Issaquah. Note: Bellevue 1590 funds cover 1.0 FTE to support this line of work. The project pipeline and scale of funding requests have been growing, with ARCH hitting a record funding year in 2025.</li> <li>• Expanded services to provide a greater level of support on special projects and surplus property planning. This is likely to expand and accelerate the pipeline of potential affordable housing projects.</li> <li>• Increasing focus and level of coordination with other public funders on preservation and asset management efforts</li> <li>• TBD if new funding sources for affordable housing will be authorized at the local level</li> <li>• Potential change to the structure/makeup of the ARCH Community Advisory Board</li> </ul>
<b>Housing Policy and Planning</b>	
<p style="text-align: center;"><b>2025-26 Work Program</b></p> <ul style="list-style-type: none"> <li>• Support city long range planning, code and policy development, including incentive program design and analysis</li> <li>• Collect and report data for all members and programs</li> <li>• Convene members and facilitate targeted state and regional policy efforts</li> <li>• Support city-specific requests</li> </ul>	<p style="text-align: center;"><b>Recent/Expected Changes</b></p> <p><i>Local</i></p> <ul style="list-style-type: none"> <li>• More jurisdictions are adopting or expanding incentives for affordable housing. Higher standards are now being established to adequately plan for and accommodate affordable housing needs.</li> <li>• Members completed adoption of Comprehensive Plans and are transitioning to implementation and development of local strategies and action plans.</li> <li>• Local implementation of state mandates related to TOD and MFTE expected through 2027-28; other mandates are TBD.</li> </ul> <p><i>State/Regional</i></p> <ul style="list-style-type: none"> <li>• Expanded services to provide additional analysis, coordination and advocacy support on policy priorities at the state level</li> <li>• Convening the pilot ARCH Council of Elected Officials that will discuss policy and legislative issues and provide a vehicle for regional engagement on affordable housing</li> </ul>

## Housing Program Implementation

### 2025-26 Work Program

- Administer city housing incentive and inclusionary programs and development agreements
- Market affordable units in new developments and qualify homebuyers;
- Monitor affordable units in ARCH Rental and
- Administer units in the Homeownership Program
- Report and communicate program outcomes.

### Recent/Expected Changes

- New project starts slowed in the last 2 years, but developer inquiries for new projects are ticking back up. As jurisdictions expand incentives, production may increase.
- Recent local code updates have increased the complexity of regulations and covenants that ARCH is responsible for monitoring.
- **Significant increase in Rental Program units entering the program since 2024; additional growth projected through 2028 expected to exhaust current staff capacity**
- New homes entering the Homeownership Program, but overall sales activity is steady. Staff have spent more time on foreclosure prevention, coordination with lenders/DPA programs, and supporting HOAs.
- ARCH is developing a new database to facilitate the larger number of workstreams across programs

## Education and Outreach

### 2025-26 Work Program

- Provide public information and open office hours to assist people seeking affordable housing in East King County
- Conduct and participate in events to educate members and the broader community about affordable housing.
- Build partnerships with community organizations and public agencies to leverage throughout ARCH's work

### Recent/Expected Changes

- Developed a holistic Communications and Engagement Plan that expands communication with members, the public and other key stakeholders
- Stable levels of requests from the public – in 2025, this included 250 individuals served in the office and 1,810 calls answered on the main line (43% Rental related; 52% Homeownership related; 2% developers and other)
- New partnerships to support marketing affordable housing to diverse populations in East King County

## Administration

### 2025-26 Work Program

- Support ARCH Executive Board
- Ensure fiscal oversight of ARCH's budget and reserves; report quarterly on the budget, work program and Strategic Plan
- Coordinate internal procedures with admin. agency.
- Study and implement improvements to ARCH's organizational and governance structure

### Recent/Expected Changes

- New ARCH Council of Elected Officials launching this year – continuation after 2026 TBD
- New legal templates completed for rental projects (implementation still underway); new Homeownership templates anticipated in 2026.
- Potential changes from future governance recommendations TBD

## Work Program Development

In addition to the five core work program areas above, ARCH has traditionally incorporated member requests in its work program as identified by jurisdiction planning staff. These appear in Attachment A of the Work Program based on what staff know at the time regarding upcoming opportunities. The work plan does not include specific information on timing, support needed from ARCH, or priority level of the work. ARCH has often seen members ultimately not advance these items, while at the same time requesting ARCH support for other items that were not identified.

In its next work program, ARCH is seeking to create a more structured process with members for identifying work items that require support from ARCH, as well as a process for handling other requests that may emerge at a later date. Staff are seeking the Board's input on this process, including Board members' desired involvement.

## Next Steps and Timeline

Staff anticipate the following next steps for finalizing the budget and work program:

- *March*: Draft Baseline Budget and options to meet the increase in rental monitoring work at the March meeting. Discuss Board priorities to elevate in the Work Program.
- *April*: Draft Work Program and Updated Budget
- *May*: Potential Vote on Final Budget and Work Program
- *June*: Deadline for Final Budget and Work Program

## Staff Recommendation

Staff recommend the Board:

- (1) Identify questions or concerns from the initial briefing
- (2) Share additional information on factors that could affect ARCH's work in the next two years.
- (3) Provide feedback on development of the ARCH Work Program, including:
  - a. Approach for working with member jurisdiction staff on requests for ARCH services, and Board members' desired involvement

## Attachments

N/A

## ITEM 5D: ARCH Council of Elected Officials

Update on ARCH's pilot Council of Elected Officials.

### Background

In 2024, the ARCH Executive Board completed a Strategic Plan that emphasized increased engagement of elected officials, and a focus on policy and legislative efforts needed to build more affordable housing faster. In 2025, the Board commissioned a governance study that collected input from three focus groups of elected officials that affirmed a desire for greater connection, communication and active participation by elected officials within ARCH's structure. As a result of this study, the ARCH Executive Board approved a formal ARCH Council of Elected Officials (ACE) as a pilot in 2026.

### ARCH Council of Elected Officials' Members

As of 2/4/26, below is the roster of ACE members:

Jurisdiction	Member	Alternate
Bothell	Councilmember Brittany Miles	Deputy Mayor Jenne Alderks
Newcastle	Councilmember Paul Charbonneau	Councilmember Chris Villasenor
Kirkland	Mayor Kelli Curtis	Councilmember Falcone
Mercer Island	Deputy Mayor Daniel Becker	N/A
Issaquah	Councilmember Lindsey Walsh	N/A
Woodinville	Deputy Mayor Randolph	Councilmember Amber Wise
Bellevue	Councilmember Vishal Bhargava	N/A
Kenmore	Councilmember Jon Culver	Mayor Nigel Herbig
King County	TBD	TBD
Points Communities	TBD	TBD
Sammamish	TBD	TBD

### Pre-Convening Efforts

ARCH Government Affairs, Policy, and Communications Manager Sophie Glass will be the primary staff person to support and facilitate the work of ACE. Prior to the first convening of this new body, Sophie is aiming to meet with all ACE members. These conversations will help ARCH to better understand members' goals and concerns to best shape agendas and processes. The first ACE meeting is tentatively scheduled for March 26, 2026.

### ARCH Council of Elected Officials' Agendas (Tentative)

ARCH staff have tentatively outlined the following topics for this year's meetings. Content is organized into the areas of focus for the pilot, including:

- Education
- Public policy
- Elevating successes

Educational content and success stories will be refined based on feedback from the pre-convening engagement. Potential success stories to highlight include: local examples of public land donation; multifamily tax exemption and inclusionary zoning policies; permanent supportive housing; expedited permitting for affordable housing; or other recent successes among ARCH member jurisdictions.

In addition to attendance at ACE meetings, elected officials will also receive support to share ARCH-related communication with their respective jurisdiction councils.

### Meeting 1 – Tentative for 3/26/26

#### General

- Introductions
- Pilot purpose
- Pre-convening interviews summary

#### Education

- Overview of ARCH
- Affordable Housing context in East King County
- Affordable housing tools

#### Public Policy

- 2026 Legislative Session recap of ARCH Legislative Priorities
  - Funding/revenue
  - Faith-owned land

#### Success Story

- TBD

### Meeting 2 in Q2

#### Education

- ARCH Investment Programs and East King County development pipeline
- Affordable housing finance and role of public/local investment
- Revenue tools for affordable housing

#### Public Policy

- Input/discussion: 2027 legislative priorities for ARCH

#### Success Stories

- TBD

### Meeting 3 in Q3

#### Education

- Inclusionary zoning and Multifamily Tax Exemption
- Related statutes/recent legislation
- Land value capture

#### Public Policy

- Input/discussion: 2027 legislative priorities
- Regional revenue?

#### Success Stories

- TBD

## Meeting 4 in Q4

### General

- Evaluation of pilot ACE

### Education

- Affordable homeownership tools
- Shared equity homeownership models, ARCH Homeownership Program
- Black Home Initiative

### Public Policy

- Prepare for 2027 Legislative Session
- State and/or regional revenue

### Success Stories

- TBD

## Staff Recommendation

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

## Attachments

N/A