



## ARCH EXECUTIVE BOARD AGENDA

May 14th, 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 March 2025 Meeting Minutes](#)
- 4) Public Comment
- 5) Reports / Action Items
  - a. [Credit for Sub-Regional Housing Investments](#)
  - b. [ARCH 2027-28 Budget and Work Program](#)
  - c. [East King County Downpayment Assistance Program Update](#)
  - d. [2026 ARCH Housing Trust Fund Priorities and Parity Goals](#)
  - e. [King County Executive Order](#)
  - f. [ARCH 1st Quarter 2026 Report](#)
- 6) Other Business
  - a. Verbal Updates
    - HUD 2026 Area Median Income: 4.6% increase for King County
    - Celebrating Mike Stanger retirement (June 11 @ 3:30pm)
    - Governance Study Update: ACE, Investment Committee, Task Force
- 7) Adjournment

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

Approval of the March 2026 Executive Board Meeting minutes

**Attachments**

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

**A REGIONAL COALITION FOR HOUSING (ARCH)**  
Summary Minutes to Executive Board Meeting

Date March 12, 2026  
9:00 am

Hybrid Meeting

**Board Members Present:**

Nathan McCommon - Chair, City of Bellevue, Deputy City Manager  
Jeff Swanson, 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  
Debbie Bent – Vice-Chair, City of Kenmore, Community Development Director  
Kyle Stannert, City of Bothell, City Manager  
Carol Helland, City of Redmond, Director of Planning and Community Development  
Dean Hachamovich, City of Clyde Hill, Mayor  
Jelani Jackson, King County, Acting Dep Dir for the Dept of Community and Human Services - Housing and Community Development

**Board Members Absent:**

Wally Bobkiewicz, City of Issaquah, City Administrator

**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  
Sophie Glass, ARCH, Government Affairs, Policy and Communication Manager  
Adam Matza, ARCH, Rental Program Officer  
Jason Gauthier, South Sound Housing Affordability Partners, Manager  
McCaela Daffern, King County, Affordable Housing Committee Manager  
Ian Lefcourte, City of Redmond, Senior Planner  
Sabrina Velarde, City of Bellevue, Housing Stability Program Coordinator  
Remy Golla, KCRHA, Legislative Affairs Analyst

**1. CALL TO ORDER**

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

Chair McCommon introduced the new King County Board member, Jelani Jackson.

**2. APPROVAL OF THE AGENDA**

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

*Jared Hill moved to approve the agenda. Kurt Triplett seconded the motion. All voted in favor of approving the agenda for March 12, 2026.*

### 3. APPROVAL OF THE MINUTES

Chair McCommon asked if there were any corrections to the meeting minutes for February 12, 2026. No corrections were requested.

*Kurt Triplett moved that the meeting minutes for February 12, 2026, be approved. Scott Pingel seconded the motion. All voted in favor of approving the meeting minutes for February 12, 2026.*

### 4. PUBLIC COMMENT – none

### 5. REPORTS / ACTION ITEMS

#### 5a) Eastside Investment Committee Recommendation (Governance Task Force)

Chair McCommon introduced this item by reminding the Board that there were four Board members on the Task Force – Chair McCommon, Kyle Stannert, Kurt Triplett and Wally Bobkiewicz. This item was a follow up on the results of the Governance Study with regards to the vetting of Housing Trust Fund projects that the Community Advisory Board had done. The presentation was handed over to Director Masters.

The 2026 Board Work Plan was displayed. Additional background was provided that the Governance Study came out of the 2024 Strategic Plan. This item particularly related to two of the key objectives of that Strategic Plan that were: 1) To engage elected officials to build understanding and support; 2) Streamline decision-making and approval processes. The Governance Task Force had recommended proceeding to create a pilot Council of Elected Officials. They recommended that the current legal structure of ARCH be maintained. They recommended that the quality and consistency of information and communication from ARCH be enhanced in alignment with the Strategic Plan. It also had been recommended to study replacing the Community Advisory Board with an Investment Committee to approve projects. Then the Executive Board would be focused on organizational oversight and final approvals.

Director Masters reminded the Board of the presentation from the January meeting. The challenges of the current processes at that time had been discussed. A recap of those challenges was presented: CAB member engagement and expertise; large size of CAB and recruitment was limited to East King County; increase in number, scale and complexity of projects; increasing importance of coordination with other funders as ARCH share of funding decreases; majority of local funds that ARCH administers now directed outside of CAB process.

In assessing the CAB these things were considered: ARCH Community Engagement Plan; CAB Members Survey and 2025 Round Debrief; Funder interviews – best practices from other affordable housing programs. At this meeting the focus was what was learned from other funders.

Interviewees included public funders at state and local levels, private lenders focused on affordable housing and community development and small and large programs with diverse types of funding. The topics included policy, process, decision-making and pros/cons of each process.

A summary of best practices was shared that included:

- Streamlined, nimble processes that allow for creativity and timely funding coordination
- High level of technical expertise and industry knowledge to vet projects
- Transparency into the funding process for key decision-makers
- For public funders: political and policy considerations were addressed outside of the technical review

The roles of staff and committees were outlined. Professional staff play a significant role in assessing projects and develop funding recommendations. Committees can vet and enhance staff recommendations with added external expertise. A committee could add transparency/visibility for decision/makers so ARCH would be held to higher standards.

ARCH had unique strengths and challenges. They were fully staffed and had extensive experience in housing development and finance. Applications were increasing and there were more sources to coordinate. ARCH's process had to support multiple decision-makers.

Recommendations were presented for a new Eastside Investment Committee. The role would be to review and approve staff recommendations. They would identify risks and advise on conditions. It was recommended to be made up of 6 to 8 members. The focus would be on lender/investor reps, development/asset management, planning and supportive services experts. The nominations would be brought by staff to the Board. The Board would approve members. The Board was invited to discuss whether elected officials would be involved.

The Recommendation Process would follow this sequence:

- ARCH staff would prepare reports and develop draft recommendations for Committee review
- City staff would consult on projects in their jurisdiction
- All projects presented at meeting of ARCH liaisons
- In October staff would circulate reports prior to committee meeting
- Staff would do a formal presentation of the draft recommendations. It was recommended to do this virtually. Committee would discuss risks and conditions. Committee would approve recommendations. A second meeting might be necessary if more analysis or information was needed.
- Recommendations would be brought to the Board.

A proposed timeline for 2026 was presented. Funding applications were due in September. The goal was to select the committee members by the July Board meeting with a deadline of September. Staff would report on the progress and implementation in 2026. The Task Force and the Board would continue discussion on long-term recommendations for ARCH's structure.

Director Masters invited questions. Chair McCommon summarized the presentation by saying that this was seeking to be more effective with the right people in the right place with the right process. It was a smaller size to be more manageable. There was confidence that the people selected would have expertise that was needed while minimizing potential for conflicts of interest. It was a good idea to have the city staff be involved in the selection of committee members rather than be on the committee.

Kurt Triplett added that the staff could handle this process if it was not possible to form the Investment Committee this year. The Community Advisory Board would not be convened either way. They hoped the Board would give permission to proceed as fast as possible. Kurt agreed that city staff should be used as stakeholders for projects in their city rather than on the Investment Committee.

Kyle Stannert was unable to attend the group meeting of the Task Force, but Director Masters had updated him. Kyle felt strongly that city staff should be involved as stakeholders for their own city projects. Kyle had hesitation that it was recreating CAB. It made sense to give it a try as a pilot. There was a question as to how the ILA would get suspended in regard to the CAB's role. A CAB should still be maintained to meet at least 4 times a year.

Carol Helland agreed with the previous comments. City staff should not be on the committee, but they should be consulted. Were there any members of the current CAB that would have the technical expertise to populate the Investment Committee? Patrick Tippy said there were two or three that would have the skillset that would be ideal. They wanted to overlay that with whatever conflict of interest requirements were brought forward. That had been a challenge. Carol thought it would have the advantage of providing some continuity of understanding ARCH projects.

Chair McCommon noted that there would come a point in time that if suitable candidates had not been found for the Investment Committee they might have to dispense with the Investment Pilot this year for consideration next year. Regarding having an elected member in the committee, it might be easy to find a candidate from the Council of Elected Officials.

Carol Helland did not think it would be good to mix the technical committee roster with a political position. Was it a recommendation from the Task Force? Chair McCommon said it was an idea that was put forward to be brought to the Board for discussion.

Carol Helland did not think it would be good to use electeds on a technical advisory committee.

Chair McCommon noted that opinion. The way the Council of Electeds was being set up, it was a body that could be consulted at will.

Debbie Bent agreed that city staff should not be on the committee. Also having electeds on there would make it more political than it should be. Staff could always be consulted. The challenge is finding the right people, but potential conflict of issue should be kept in view. There are concerns about the timing with the application process. It might make more sense to wait till next year.

Chair McCommon said there seemed to be a consensus that city staff should not be on the committee. Was there anyone who felt strongly that staff should be on the committee? Wally Bobkiewicz was not in the meeting, but Director Masters said Wally got more comfortable with not having city staff on the committee.

Jeff Swanson asked how the city liaisons group that met on a regular basis tied into this process. Patrick Tippy explained that whatever jurisdiction a project was in, those city planners would be consulted to validate facts of that project including appropriate zoning and timeline of development. The whole slate of applications would be shared with the liaison group, but individual city staff would be consulted on projects in their jurisdiction. That would happen before staff recommendations were finalized. Jeff Swanson leaned towards not having city staff on the Investment Committee. It seemed they were looking for community members with technical experience.

Dean Hachamovich agreed strongly with Jeff Swanson said.

Chair McCommon returned to the question on elected official participation. They would not be included for the Investment Committee but would be consulted as members of the Elected Officials Committee. The Chair looked for agreement and received thumbs ups.

Chair McCommon brought up the question of the skillset priorities of the committee members. Director Masters was asked for clarification. Director Masters shared that other funders said the heavy emphasis was on the finance background like lenders or investors. There may be a couple seats for someone who might be a retired developer or from a human services background. Occasionally there would be a planner. The primary focus was on finance expertise. Did the Board agree with this balance?

Carol Helland said the mix of expertise was great. Having talked to bankers and finance professionals it seemed to present a unique opportunity to educate them about the difficulties of creating these funding stacks and some of the friction that got created by financial institutions. It was an area in which there had not been much progress. The impact of the financial industry should be highlighted.

Kurt Triplett agreed with Carol's statements. The only other skillset it might be good to look at would be a real estate attorney. Sometimes there were contracts or covenants that weren't written as well as they wanted.

Alison Van Gorp commented that they all had goals for permanent supportive housing and emergency housing. That was a big piece of where they needed to go with housing. Having people who had experience on the operational and services side and helping with what were the best practices for integrating those services and delivering them in the projects would be helpful.

Director Masters invited the Board to continue to give more feedback in the future.

Kurt Triplett said that in the future they should talk about Kyle's comment about the issue with the ILA. It needed to be addressed.

### **5b) ARCH 2027-2028 Budget and Work Plan**

Director Masters reminded the Board that last month they had been given a general briefing on all the factors that were forming the budget this year. They had gone extensively through all the Work Program. At this meeting they would be looking at the actual numbers for the baseline budget particularly for the Rental Program. Some options would be presented for discussion. They would also be asked for feedback on the approach to the Work Program this year. A template had been shared at the last meeting and at this meeting they would discuss how to use it.

The Baseline 2027-2028 Budget was estimated to maintain existing services and staff. A couple of significant cost drivers were the City of Bellevue compensation study as well as updated IT and insurance costs. Overall growth in the budget was 8.3%. Revenues that came from administrative fees remained relatively flat. Member dues looked different depending on the jurisdiction. Population data had been updated that was used to calculate per capita dues. Some cities were growing much faster than others.

Director Masters walked the Board through options to deal with growth in the Rental Program. There were several areas of staff time involved in administering the Rental Program. The biggest was the Annual Compliance Report process. 30% of staff time was on the ACR reviews. Other staff time was spent on Annual Property Audits, new property onboarding, ongoing property support, general administration and program development and tenant support and engagement. A chart of the distribution of rental units by city was displayed. There were going to be around 2920 units at the beginning of 2027. This would be about double the number of units from time of the first staff position.

Four options were presented.

- Option 1 – No new staff
  - Description - Reduce services, fewer audits, less support (Some audits are required)
  - Budget Impact - No budget impact
  - Advantages/Disadvantages – Less able to meet needs of the program's primary customers; reputational impact to the program and ARCH
- Option 2 – Add 1 FTE
  - Description – New full-time staff to share workload in all areas; allows for program growth into the future
  - Budget impact - \$158,000 in 2027; \$169,000 in 2028
  - Advantages/Disadvantages – Improves administration in all areas of the program; room for future growth in the program; easier to recruit a full-time role
- Option 3 – Add 0.6 FTE
  - Description – New part-time staff working 3 days a week will supplement capacity in priority areas
  - Budget Impact - \$103,000 in 2027; \$110,000 in 2028
  - Advantages/Disadvantages – Improves administration of program; Less room for future growth; Harder to recruit a part-time role. If the program later requires full time staff, will make retention a challenge.
- Option 4 – Contracted Seasonal Employee
  - Description - Contract with a temp agency for hourly support 4 months/year. Re-train new temp employees annually.
  - Budget Impact - Estimated \$41,000 in 2027; \$43,000 in 2028
  - Advantages/Disadvantages – Greater effort to re-train staff on an annual basis; risk that temporary employees lack the necessary skillsets; helps ARCH keep up with ACR reviews but doesn't help in other areas.

Across member dues, the impact was displayed in a chart. Chair McCommon asked since the population for the member dues calculation was coming from 2024 would there be a change to 2025 data to make the dues more current? Director Masters said this was the most current information from the American Community Survey that was five-year data.

Chair McCommon asked if there was any other revenues or fees that would supplement the member dues to pay for this service. Director Masters said there was one unit that would soon be paying a monitoring fee. That was a concept they had discussed that had not been put in place widely yet. Members do collect application fees from MFTE projects that went into city accounts. Those could be used to go towards ARCH dues.

David Pyle asked if the dues are divided up by population not by rental unit per city? Director Masters said that had been decided when the position was first created. A couple of years ago there had been discussion about changing the methodology for dues. That conversation could be brought back but previously the Board had decided that the simpler approach was the way to go. David Pyle noted that a city might have many rental units in comparison to its population but would not be paying proportionally for the monitoring. In other words, cities that don't have many rental units are subsidizing the cities that have a lot of rental units.

Susie asked Director Masters to explain how the Associate Planner position was funded. Director Masters said the Associate Planner position that supported the front end of the MFTE program was funded differently by using a methodology generally related to the degree of use of that position by each city. That was an option that could be used for the Rental position.

Jeff Swanson shared the perspective that ARCH was helping all the member cities address the affordable housing issue as a region. ARCH was helping with compliance with affordable housing requirements. The economics across each jurisdiction were so different. The goal was to pool the region's resources to yield the most affordable housing units possible. That meant the burden shifting might not be equitable. The cities in which it did not really work to have affordable rental units needed to have skin in the game. That meant supporting ARCH as this scaling occurred. ARCH provided a service that the cities were struggling to provide.

Chair McCommon appreciated that perspective.

Dean Hachamovich agreed strongly with both Jeff Swanson and David Pyle. There was a discussion that David set up that should be had at the next meeting. Perhaps a group could discuss it before the next meeting. The tension was between financial burden and getting credit from the various enforcing agencies. ARCH was the best regional approach to this issue. The challenge was the financial burden that hit city budgets that were hurting, but multiple enforcement agencies were demanding things from cities. The benefits of ARCH might not show through to the taxpayers.

Alison Van Gorp added that the power of ARCH was in the collective and working regionally to address the housing needs. All contributed through the Housing Trust Fund. If all pitched in to address the housing issue it did not make sense to say they would not also pitch in to monitor and steward it on an ongoing basis.

David Pyle also said that under the new updated housing guidance from Commerce that organizations like ARCH with pooled resources needed to put effort into clearly defining how they are allocating those resources for purposes of reporting under HB 1220. They should put effort into determining how they are going to report those shared resources. As long as the Council understood the value they got back in regard to being compliant with their obligations to HB 1220 they would be in a better place to get support for those expenses.

Carol Helland appreciated all the comments. To Lindsay's point it had been discussed a while ago, but it had been set up for the reasons that everyone talked about. It could be explained better to Councils provided they talked about how they ensured that communities that weren't as successful in providing affordable housing were getting benefit from ARCH under HB 1220. The problem with moving away from this dues methodology was that the cities that were most successful in producing affordable rental units would be punished.

Dean Hachamovich commented that the best way to explain this to cities was to get cities credit with Commerce, Futurewise, Growth Management Hearings Board and King County Affordable Housing etc. That would be the most powerful explanation to the cities. When it was said "cities that are more effective in providing" you might be encoding there cities whose economics that work with the current system. It would be better to get credit for the cities that were paying.

Kurt Triplett appreciated all the perspectives. The focus on getting the regional credit was critical. Kurt would be happy to participate in any future subgroup to further discuss the right way to allocate these.

*(Kurt Triplett had to leave the meeting at this point)*

Jared Hill said that the price increase was a little alarming. Budgets were very tight. Option 1 and Option 4 would be the most feasible for them.

Kyle Stannert said they were being brought this information out of context with the overall budget. They had the budget in their packets, but they haven't questioned was there something they should stop doing. Monitoring was needed for the organization's credibility. Was there something else compared to this that was less important? Those were conversations they needed to have.

Director Masters asked to finish the rest of the content. This was just one piece of the Work Program. The staff was busy in all the other areas. It was important to communicate to individual jurisdictions what the services were that they were receiving from ARCH from the Work Program. A slide with the Work Program areas was displayed with areas highlighted that took place with individual member jurisdictions. Much of it was ongoing. The bulk of the work that was done was with individual jurisdictions. A Member Work Program Template was shared. That showed by city where work was needed from ARCH. Draft criteria for assessing future requests were shared. Those were: Clarity; Impact; Leadership Support; Timeliness; ARCH's Value; Value for Coalition.

Staff recommended that the Board provide feedback and identify questions or concerns regarding the baseline budget and options to address Rental Program growth. The Board was asked to provide direction on options to bring back to the May meeting. Feedback was also requested on the draft Work Program template for ARCH members and criteria for member requests.

Director Masters said they would be reaching out to city staff regarding the Work Program and would copy Board members to get the ball rolling as far as what projects and planning efforts they would be putting in.

Carol Helland asked if the budget numbers were intended to be two-year numbers or one-year numbers. Director Masters said the numbers for the Options were the year-one numbers. The year two number could be different than year one.

Chair McCommon endorsed Kyle's comment about the totality of the services of ARCH and how they could understand options and the trade off between those options. Perhaps phasing should be looked at.

Jared Hill said if they were looking to narrow down then Option 2 should be worked away from.

Carol Helland commented that Option 1 was not a good option since it just represented the status quo. In light of the circumstances from the audit a few years ago, it would not be a good look to do less monitoring.

Director Masters acknowledged Kyle Stannert's comment about perhaps finding something else that could be given up. Direction was invited regarding what services could be eliminated or diminished.

Jeff Swanson commented that the issue that they were facing was related to growth and scale. Affordable housing was not a flat line. It was an inherent challenge in running cities or businesses.

Debbie Bent compared this issue to building new capital projects. You had to monitor what you built. All were facing the question of the core things they had to do. Other things might be nice to do but possibly could be shaved off. All jurisdictions were going through that. They needed to show due diligence that ARCH was going through that process just as the cities were. They would have to communicate this to the Councils when they bring a budget increase.

David Pyle said they were a victim of their own success. As more units were brought online, monitoring was necessary. The issue was how to tell the story to their Councils. What were the next steps? The budget needed to be approved by June, but their Council did not get into their budget discussions till later in the year. Would the Council of the Elected Officials be involved in this process? What would their role be? How could they be sure their Council would be on board with the increases?

Director Masters said this was a core Board function to adopt a recommendation for the budget. Councils had to approve it but they trusted the Board to come up with something that met the range and abilities of all the members. Director Masters planned to work with the Chair and Vice-Chair to sort through the range of comments and see if there were any other creative options that helped lessen the burden in the short term but not leave the core responsibilities. It could be necessary to call on the Board for additional feedback before the next meeting.

Next month instead of a meeting there would be an Investment Celebration. So, in May they would sort through the options and what they wanted to do. In June they needed to have something adopted as required by the ILA. Board members were invited to reach out individually for comments and questions.

### **5c) King County CDBG 2027-2029 Interlocal Cooperation Agreement (ICA) Review**

Director Masters said there was a call out from King County regarding allocation of CDBG funds (Community Development Block Grant). There was a three-year agreement with many of the cities that were part of ARCH. It was historically an important source of funding for ARCH. In the packet were a range of projects that it helped fund. The participating cities were displayed. CDBG funds were stewarded through the Housing Trust Fund process. The call was for the cities that had received that invitation to comment to make sure they participated. If there were enough comments or agreement to do something different there would be a meeting held by the County for the whole consortium. Information would be shared about that meeting.

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

Sophie Glass offered to come as needed to speak to member city councils to provide an update on the legislative session.

Director Masters notified the Board that HUD had put out a proposed rule to deny housing assistance to households that had mixed immigration status. It would lead to a loss of housing assistance for many families. Previously when this had been proposed there had been enough opposition to cause it to be withdrawn. There was hope that an advocacy push would be effective. There was a template letter that would be provided to the Board after the meeting. This would affect household in private landlord units using Section 8 vouchers as well as units ARCH had funded that were using that same resource.

Members were encouraged to RSVP for the Investment Celebration.

Mike Stanger would be retiring, and his successor had been recruited. Andrew Bjorn would start April 6. Meetings would be set up to introduce him to city staff.

**7) ADJOURNMENT**

The meeting was adjourned at 10:33 am.

## ITEM 5A: Credit for Sub-Regional Housing Investments

Update on exploring policy solutions for jurisdictions to receive “credit” for their investments in sub-regional entities like ARCH

### Background

The passage of HB 1220 in 2021 through the Washington State Legislature substantially changed how jurisdictions plan for affordable housing under the Growth Management Act. The legislation resulted in the following changes:

- **Plan for and Accommodate:** Instead of “Encourage the availability of affordable housing,” RCW 36.70A.020(4) now establishes a stronger standard to the development of comprehensive plans, development regulations, policies and strategies to “plan for and accommodate housing affordable to all economic segments of the population of this state.”
- **Housing Needs:** Housing elements must include an inventory and analysis of existing and projected housing needs at all income levels, including supportive housing (RCW 36.70A.070(2)(a)).
- **Land Capacity:** Housing elements must identify sufficient capacity of land for housing at all income levels and a variety of supportive housing types (RCW 36.70A.070(2)(c)).
- **Adequate Provisions:** Housing elements must make adequate provisions for existing and projected needs of all economic segments of the community (RCW 36.70A.070(d)), including:
  - (i) Incorporating consideration for low, very low, extremely low, and moderate-income households;
  - (ii) Documenting programs and actions needed to achieve housing availability including gaps in local funding, barriers such as development regulations, and other limitations;
  - (iii) Consideration of housing locations in relation to employment location; and
  - (iv) Consideration of the role of accessory dwelling units in meeting housing needs;
- **Disparate Impacts Analysis:** Housing elements must identify and begin to implement approaches to undo local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing
- **Anti-displacement:** Housing elements must identify areas at risk of displacement and establish anti-displacement policies.
- **Progress Reports:** Jurisdictions must provide the Department of Commerce with a report detailing progress in implementing Comprehensive Plan five years after its adoption (RCW 36.70A.130(9)(A)).

The King County Countywide Planning Policies (CPPs) further elaborated on these policy goals and crafted an approach to allocating the region’s housing needs for moderate, low, very low, and extremely low-income households, as well as emergency housing, emergency shelters, and permanent supportive housing. The CPPs also included relevant policies related to sub-regional collaboration, and a County Comprehensive Plan Review Guide provided further guidance on this topic (see **Attachment 1**).

County staff (in the Department of Community and Human Services, or DCHS) have recently formed a CPP Housing Chapter Monitoring and Reporting Work Group whose purpose is to develop “a public-facing tool that tracks countywide and jurisdictional progress toward planning for and accommodating housing needs.” They hope to release a draft of this tool for cities to review sometime this summer. The county’s Affordable Housing Committee (AHC) will receive a briefing in November, and staff expect to launch the tool around the first of the year. The work group is wrestling with the very same issues discussed in this memo.

Department of Commerce has also published [guidance](#) including a recommendation that “all jurisdictions complete a checklist to document which available local funding tools or incentives are already being used, and which tools can be implemented to help close the funding gap.” The guidance provides sample checklists for adequate measures that lists several types of local funding. The guidance addresses contributions to regional funds for affordable housing, acknowledging that “creating affordable housing involves any funding sources and organizations.” (See **Attachment 2** for excerpts of this guidance.)

### **Policy Concerns from ARCH Members**

Five years have passed since HB 1220 was codified into law, and during that time ARCH members have surfaced three major problems, as described below.

**Problem Statement 1: Unrealistic Housing Need Numbers.** While many cities in Washington State have carved out the land capacity needed for affordable housing at all income levels, and taken steps to advance affordable housing, most cities recognize that they will fall far short of producing real housing to meet their assigned needs due to a lack of resources to fund deeply affordable housing. To meet the ambitious housing needs of King County, massive subsidies are required – subsidies that are not currently available at the federal, state, regional or local levels. Even if local jurisdictions were to adopt some or even all of the available options for local funding, these resources would not be adequate to fully meet the region’s entire spectrum of need.

### **Problem Statement 2: Confusion Around Housing Need Numbers**

The language of the GMA and CPPs both lack clarity about specific expectations and consequences regarding actual production of housing toward jurisdictions’ allocated need numbers, leaving significant room for interpretation about what “plan for and accommodate” and “adequate provisions” mean in practice. Many stakeholders continue to refer to these numbers as “housing targets” or “production goals.”

While legislation and guidance do not currently indicate fines or penalties for falling short of meeting local housing needs, cities are still anxious about the repercussions of under-producing adequate housing numbers during the 5-year progress reports to the Department of Commerce. For some ARCH members, they are concerned that future state or county legislation will impose penalties on cities that produce significantly less housing compared to their needs. Other members are facing immediate legal challenges to demonstrate compliance with the “adequate

provisions” standard and other requirements under HB 1220. Moreover, there is not guidance that spells out that jurisdictions can get numerical “credit” towards their housing goals as a result of contributions to sub-regional entities.

### **Problem Statement 3: Disincentives for Sub-Regional Collaboration and Shared Investment**

In practice, funding affordable housing takes significant collaboration from the state down to the local level. However, when housing needs numbers are established on a jurisdiction-by-jurisdiction basis, it encourages cities to guard their own resources. ARCH members have begun to express hesitation about investing through a regional collaboration since the units constructed outside their jurisdiction will not clearly be measured towards their own housing needs numbers.

This dynamic results in a counterproductive effect of slowing down investment in housing, since it can take single jurisdictions years to accumulate sufficient funding to build affordable housing. It also creates inefficiencies for ARCH to administer multiple funds with geographic restrictions, rather than letting dollars flow quickly to the most competitive, shovel-ready projects. Conversely, when multiple jurisdictions contribute their limited dollars on an annual basis through ARCH, it creates a multimillion-dollar pool that generates hundreds of units of housing each year given ARCH’s track record of leveraging each dollar.

### **Potential Policy Solutions**

ARCH has drafted the following policy concepts for discussion to create better clarity, incentivize collaboration and ensure scarce local resources can continue to be pooled and leveraged. These concepts are primarily aimed at the 3<sup>rd</sup> problem statement articulated above.

#### **Policy Option 1 – Codify Subregional “Adequate Provisions”**

Clarity around whether contributions to subregional entities constitute an “Adequate Provision” only exists in guidance, not in statute. Commerce’s guidance states that, “Each jurisdiction may acknowledge their contribution [to subregional entities] in their housing element to show part of their efforts to “make adequate provisions for existing and projected housing needs.” And the King County Affordable Housing Committee Housing - Focused Draft Comprehensive Plan Review Guide states, “Jurisdictional contributions to these subregional collaborations would be considered an appropriate accommodation in response to CPP H-12.”

To ensure that financial contributions to subregional entities constitute an “Adequate Provision” and generally provide greater clarity about what “adequate provisions” means, the RCW could be amended via the state legislative process. RCW 36.70A.070(d) to specify a new sub-section (v) that reads, “Making financial contributions to affordable housing, including through subregional housing entities.”

## **Policy Option 2: Calculate Quantitative Credit for Subregional Investments through CPP Monitoring**

The Department of Commerce defers to local jurisdictions to determine how their contributions to subregional housing entities can be documented consistently. ARCH could work with King County to develop this guidance regarding quantitative credit towards meeting housing needs as part of the annual monitoring and reporting process. A formula would need to be developed to convert subregional financial contributions into a certain number of affordable housing units. Note that the GMA does not specify that jurisdictions must make financial contributions to affordable housing, and therefore there is not a clear standard for what constitutes a meaningful level of contributions to constitute an “adequate measure”. That said, ARCH members have expressed interest in a *quantitative* method of receiving credit, as opposed to the *qualitative recognition* for contributions to sub-regional entities that is already expected to be captured in the King County Monitoring and Reporting Dashboard.

### **Next Steps**

Staff are seeking initial feedback from the Board on the policy options above. Based on this feedback, ARCH may refine potential policy solutions through the following steps:

- Include one or more of these concepts in a legislative/policy workshops for ARCH member staff in early summer 2026 to discuss the pros and cons of the policy options, and test whether ARCH members are interested in pursuing them further.
- Provide updates and seek feedback from the ARCH Council of Elected Officials.
- Seek input from relevant stakeholders with an interest in this policy issue (Sound Cities Association, Association of Washington Cities, South King Housing and Homelessness Partners, and South Sound Housing Affordability Partners).
- Solicit guidance from Commerce and King County staff.
- Report back to the ARCH Executive Board in June, July, and September.
  - This could include an invitation for King County or Commerce staff to share information about monitoring efforts.
- Craft a final policy that ARCH members can consider supporting via their own advocacy processes.
- Represent ARCH members on the county’s CPP work group to help develop monitoring and reporting standards.

### **Staff Recommendation**

Staff recommend that the Board: (1) provide initial feedback on the policy options and suggest other policy ideas; and (2) discuss whether any additional steps are needed to advance this issue.

### **Attachments**

1. King County Countywide Planning Policies – Policies Related to Subregional Collaboration
2. Department of Commerce – Housing Element Guidance Related to Subregional Collaboration

## **Attachment 1**

### **King County Countywide Planning Policies – Policies Related to Subregional Collaboration**

The Countywide Planning Policies (CPPs) create a shared and consistent framework for growth management planning for all jurisdictions in King County in accordance with RCW 36.70A.210. The King County CPPs stipulate that the Affordable Housing Committee (AHC) is responsible for reviewing monitoring and reporting data collected from jurisdictions annually from 2025-2030. Details from the King County CPPs regarding subregional collaborations are described below.

#### **CPP H-7:**

Work cooperatively with the Puget Sound Regional Council, subregional collaborations and other entities that provide technical assistance to local jurisdictions to support the development, implementation, and monitoring of strategies that achieve the goals of this chapter.

#### **CPP H-12:**

Adopt and implement policies that improve the effectiveness of existing housing policies and strategies and address gaps in partnerships, policies, and dedicated resources to meet the jurisdiction's housing needs.

- According to the [King County Affordable Housing Committee Housing - Focused Draft Comprehensive Plan Review Guide](#), **“Jurisdictional contributions to these subregional collaborations would be considered an appropriate accommodation in response to CPP H-12.”**

#### **CPP H-27:**

Monitor progress toward meeting countywide and jurisdictional housing needs and eliminating disparities in access to housing and neighborhood choices. Where feasible, use existing regional and jurisdictional reports and monitoring tools and collaborate to reduce duplicative reporting.

##### **a) Jurisdictions, including the County for unincorporated areas, will report annually to the County:**

- 1) In the first reporting year, total income-restricted units, total units, by tenure, area median income limit, address, and term of rent and income restrictions, for which the jurisdiction is a party to affordable housing covenants on the property title created during the reporting period. In future years, report new units created and units with affordability terms that expired during the reporting period;
- 2) Description and magnitude of land use or regulatory changes to increase zoned residential capacity including, but not limited to, single-family, moderate-density, and high-density;

- 3) New strategies (e.g., land use code changes, dedicated fund sources, conveyance of surplus property) implemented during the reporting period to advance the policies of this chapter. This includes strategies to increase housing diversity, strategies to increase the supply of income-restricted units in the jurisdiction and implementation details identified in the jurisdiction's comprehensive plan; and
  - 4) **The value of jurisdictional contributions to subregional collaborations to support preservation or creation of income-restricted housing within the subregion made during the reporting period. Contributions may include, but are not limited to, cash loans and grants, land, and fee waivers.**
- b) The County will, where feasible, consolidate housing data across jurisdictions and report annually on:
- 1) Countywide housing inventory of:
    - i. Total housing units, by affordability to area median income bands;
    - ii. Total income-restricted units, by area median income limit;
    - iii. Number of units lost to demolition, redevelopment, or conversion to non-residential use during the reporting period;
    - iv. Of total housing units, net new housing units created during the reporting period and what type of housing was constructed, broken down by at least singlefamily, moderate-density housing types, and high-density housing types;
    - v. Total income-restricted units by tenure, area median income limit, location, created during the reporting period, starting in 2021;
    - vi. Total net new income-restricted units and the term of rent and income restrictions created during the reporting period, starting in December 2022;
    - vii. Share of households by housing tenure by jurisdiction; and
    - viii. Zoned residential capacity percentages broken down by housing type/number of units allowed per lot;
  - 2) The County's new strategies (e.g., dedicated fund sources, conveyance of surplus property) implemented during the reporting period to increase the supply of restricted units in the county, including geographic allocation of resources;
  - 3) The County's new strategies implemented during the reporting period to reduce disparate housing outcomes and expand housing and neighborhood choice for Black, Indigenous, and other People of Color households and other population groups identified through policy H-5;
  - 4) Number of income-restricted units within a half mile walkshed of a high-capacity or frequent transit stations in the county;
  - 5) Share of households with housing cost burden, by income band, race, and ethnicity;
  - 6) Tenant protection policies adopted by jurisdictions in King County; and

- 7) Number of individuals and households experiencing homelessness, by race and ethnicity.
- c) Where feasible:
- 1) Jurisdictions will collaborate to report net new units accessible to persons with disabilities; and
  - 2) King County will collaborate with the King County Regional Homelessness Authority and public funders to report total net new permanent supportive housing, emergency housing, and emergency shelter units/beds

CPP H-28:

**The County will provide necessary, ongoing information on jurisdictions' progress toward planning for and accommodating their housing needs** using public-facing tools such as the King County's Affordable Housing Dashboard. The Affordable Housing Committee will establish standardized benchmarks, housing data trends, and comparative standards to aid in assessing local progress relative to countywide trends and other jurisdictions. **Measurement will include** at a minimum, the meaningful actions taken by a jurisdiction to implement their comprehensive plan housing element, housing unit production within jurisdictions, as well as **credit jurisdictions for direct funding and other contributions to support the preservation or creation of income restricted units through subregional collaborations.**

*The King County Affordable Housing Committee Housing - Focused Draft Comprehensive Plan Review Guide* provides additional clarification regarding this "credit."

**The word "credit" used in policy H-28 means to report on funding and other contributions made by jurisdictions to support the preservation or creation of income-restricted units through subregional collaborations, e.g., A Regional Coalition for Housing (ARCH) and South King Housing and Homelessness Partners (SKHHP).**

The AHC will determine how to collect and report this data sometime in 2024 or 2025. AHC staff will develop this reporting structure in close consultation with ARCH and SKHHP staff, jurisdictional planners, and human services staff from around the county. Ultimately, the AHC—which includes representatives from Seattle, King County, Sound Cities Association, and nonprofit and business leaders—will approve the reporting strategy.

**The AHC will likely report, at a minimum, the total dollar amount of capital funding a jurisdiction contributed to ARCH or SKHHP in the prior calendar year to help accelerate the development or preservation of affordable homes**

**in King County.** The AHC will include other data points based on interest and feasibility, but could include data such as:

- Data that puts funding contributions in the context of the number of people that live in a jurisdiction or size of that jurisdiction's budget;
- The estimated total number of income-restricted units that could be built with that contribution, based on the average cost per unit;
- details about the project that was awarded the funds, such as unit count by AMI, location, whether it's a rental or ownership project, etc.; and
- The amount of funding the jurisdiction provided to support ARCH and SKHHP operations.

**CPP H-29:**

Five years after adoption of a periodic update to a comprehensive plan, the Growth Management Planning Council or its designee [AHC] will review monitoring and reporting data collected through annual reporting and other local data and analysis. The Growth Management Planning Council will identify significant shortfalls in planning for and accommodating housing needs, provide findings that describe the nature of the shortfalls, and make recommendations that jurisdictions take action to address shortfalls.

## Attachment 2

### Department of Guidance – Housing Element Guidance Related to Subregional Collaboration

To guide local governments in updating their comprehensive plans and regulations, Commerce developed “[Book 2: Guidance for Updating your Housing Element.](#)” With regards to supporting subregional entities like ARCH, Commerce states:

Creation of affordable housing involves many funding sources and organizations. Therefore, some jurisdictions in Washington have decided to pool resources and local funding streams to fund affordable housing in a region, even though the affordable housing may not be developed in every jurisdiction that contributes resources. **In this and similar cases, jurisdictions may decide collectively how the contribution to affordable housing can be documented consistently by all jurisdictions who have pooled resources.**

This contribution does not change each jurisdiction’s responsibility to plan for and accommodate the housing needs allotted to the jurisdiction with respect to land capacity. In other words, each jurisdiction must still have sufficient land capacity for their share of countywide housing needs, irrespective of contributions. **It may, however, provide a way to shift needs to the recipient jurisdiction at the countywide level in the allocation process.**

**Each jurisdiction may acknowledge their contribution in their housing element to show part of their efforts to “*make adequate provisions for existing and projected housing needs.*”** Nevertheless, this documentation of contribution does not eliminate the need for a jurisdiction to show sufficient capacity for their share of countywide housing needs and complete the identification of barriers and actions to address affordable housing needs, including gaps in funding.

The Department of Commerce also issued “Appendix B: Adequate provisions checklists.” This appendix provides checklists to use in documenting barriers and programs and actions to achieve housing availability (RCW 36.70A.070(2)(d)), as well as examples of how to complete each of these steps and document the work. These checklists include the following:

- Exhibit B1: Moderate Density housing barrier review checklist
- Exhibit B2: Low-Rise or Mid-Rise housing barrier review checklist
- Exhibit B3: Supplemental barrier review checklist for PSH and emergency housing Exhibit
- B4: Accessory dwelling unit barrier review checklist
- Exhibit B5: Checklist for local option tools for addressing affordable housing funding gaps

- Exhibit B6: Example completed Moderate Density barriers review checklist
- Exhibit B7: Example completed local option tools for addressing affordable housing funding gaps checklist

See the full checklist here: [Appendix B: Adequate provisions checklists](#).

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

Continued discussion and direction on the 2027-28 ARCH Budget and Work Program

### Background

This item is a continuation of the 2027-28 ARCH Budget and Work Program topic from the February and March Executive Board meetings, which covered:

- Baseline budget and underlying revenue and expense assumptions
- Methodology for calculating member dues
- Areas of growth and change across ARCH's Work Program
- Budget options for addressing growth in the Rental Program
- New template for communicating ARCH's work program with individual members
- Criteria for prioritizing requests for ARCH services on an ongoing basis

### Objectives for the May Board meeting include:

1. Provide direction on a preferred budget option to bring back the June meeting for Board approval
2. Provide feedback on the draft Work Program and guidance on priorities for ARCH in 2027-28

### Board Discussion and Direction to Date

The Executive Board discussed and provided feedback on the following related topics, as summarized below:

- **Baseline Budget.** Executive Board members were briefed and proposed no modifications to the baseline budget. Primary cost factors included: estimated increases in insurance and IT services, wage adjustments to incorporate Bellevue's compensation study and proposed inflation, and higher common area maintenance charges associated with ARCH's lease.
  - The attached memo from Bellevue IT documents the services that ARCH is receiving under this new cost structure (see Attachment 2).
- **Rental Program Options.** Executive Board members provided a range of feedback on the draft budget options for the Rental Program, including concern with the costliest options as well as concern with maintaining the status quo.
  - A request was made to evaluate how other areas of work within ARCH's work program could be reduced and work shifted among staff to accommodate the increase in Rental Program work.
  - Board members did not support options that would result in a reduced scope of compliance monitoring services, such as reduced frequency of audits and trainings.
- **Member Dues.** Executive Board members were briefed on the current method of allocating member dues and raised questions about sharing the cost of monitoring units across the region on a per capita basis.
  - Support was generally expressed for maintaining a collective approach to funding monitoring, and Board members did not provide direction to modify the existing dues method.
- **"Credit" for Housing Investments.** While Board members concurred with the

collective benefit and responsibility for creating and monitoring affordable units, some expressed concern about how new State and County policies will apportion credit for investments that benefit the East King County region as a whole, and emphasized the importance of addressing this policy issue.

- **Work Program Criteria.** Board members concurred with the proposed criteria for evaluating future requests for ARCH services.

**Updated Budget Options for 2027-28**

Staff have incorporated the Board’s feedback and brought back an updated and narrowed set of options for discussion and direction. It should be noted that refinements to the budget resulted in a reduction in costs compared to the March estimate, resulting in an estimated increase of **6.9% in 2027 and 5.0% in 2028 for the baseline budget.**

- **Option 1.** This option creates a new position to support the Rental Program starting in 2027, improving ARCH’s administration in all areas of the program in the near-term.
- **Option 2.** This option **maintains current staffing in 2027** and creates **one new position in 2028**. In 2027, a portion of the Rental Program workload would be re-distributed among existing ARCH staff members who would have to re-prioritize work streams to take on these responsibilities. This would entail the following:
  - Training 2-3 other existing ARCH staff to conduct ACR analysis and take responsibility for a portion of ACR reviews
  - Shifting a portion of on-site file audits to another staff member
  - Shifting the coordination of marketing new rental properties to another staff member, and prioritizing communications capacity to meet Rental Program needs, such as creating and distributing training videos to supplement direct trainings by ARCH staff

Option 2 is crafted based on staff’s assessment of the aspects of the Rental Program workload that could realistically be accomplished by other staff for the next year, resulting in delays but not elimination of other critical ARCH programs and services. Staff do not recommend this approach as a long-term solution as the number of rental properties will continue to grow each year. The estimated impact of on operating expenses is shown below:

	<b>2027</b>	<b>2028</b>
<b>Baseline</b>	6.9% increase	5.2% increase
	<b>Combined 2-year: 11.8%</b> increase over 2025-26 biennium	
<b>Option 1</b>	12.4% increase	5.2% increase
	<b>Combined 2-year: 17.6%</b> increase over 2025-26 biennium	
<b>Option 2</b>	6.9% increase	10.5% increase
	<b>Combined 2-year: 14.7%</b> increase over 2025-26 biennium	

Other options for part-time staff or hourly contractors presented at the March meeting are not included, as these represent less of a clear solution relative to their cost and risk. For example, a part-time position does not create significant cost savings compared to full-time, while the effort to re-train contractors on an annual basis could lead to inconsistent quality of monitoring.

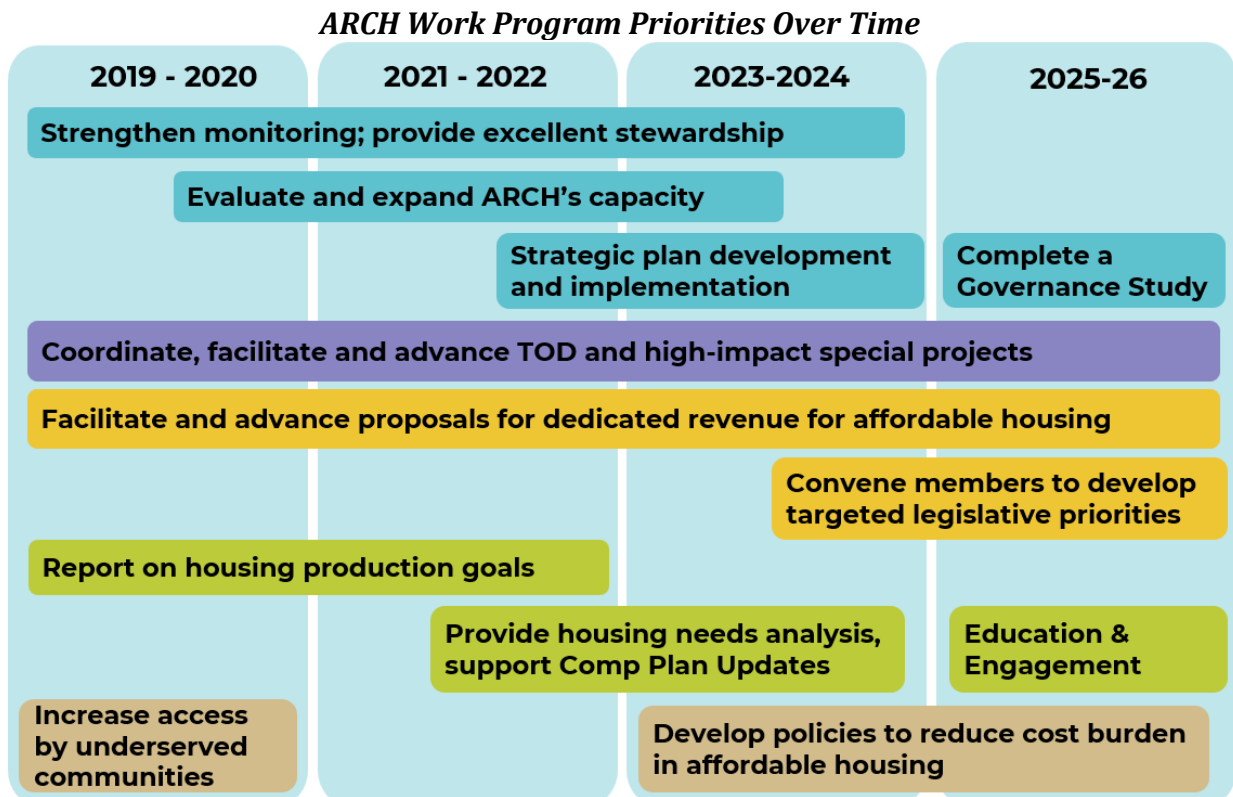
The impact on individual member dues is detailed in the full budget in **Attachment 1**. Members with higher-than-average increases in member dues are attributable to the following factors:

- **Bothell and Redmond** saw faster increases in population than other jurisdictions (3.53% and 4.92% population growth, respectively, compared to 1.3% for all cities' populations)
- **Woodinville** is now included in the "additional dues" paid by cities with incentive or inclusionary programs that have projects with completed contracts (accounting for approximately \$4,000 annually)

One final sub-option the Board could discuss is whether to use one-time ARCH reserves to reduce the impact of additional dues in 2028. This option would present a short-term solution, potentially deferring all or a portion of the full impact of needed increases until the next biennium.

### **ARCH Work Program Priorities for 2027-28**

Since 2019, the ARCH Executive Board has elevated select priorities within ARCH's Work Program. This exercise has been important to help align the Board to common goals and communicate the Board's priorities to the public and member councils. Some priorities have been multi-year areas of emphasis, such as proposals for funding and supporting TOD projects. Progress made toward ARCH's priorities in the 2025-2026 Work Program is described in the table on the following page, along with a description of the ongoing relevance of those priorities.



## 2025-26 ARCH Work Program Priorities: Progress and Ongoing Relevance

2025-2026 Work Program Priority	Progress to Date	Ongoing Relevance / Opportunities
<ul style="list-style-type: none"> <li>Implement annual engagement efforts with ARCH member stakeholders (including staff, planning commissioners and elected officials) to increase knowledge and understanding of affordable housing in the region</li> </ul>	<ul style="list-style-type: none"> <li>Hired a government affairs, policy and communications manager staff.</li> <li>Implementing a pilot ARCH Council of Elected Officials with an educational focus</li> </ul>	<ul style="list-style-type: none"> <li>Relevant to ARCH’s continued implementation of its Strategic Plan and Governance Study recommendations to increase engagement of elected officials.</li> </ul>
<ul style="list-style-type: none"> <li>Convene ARCH coalition members to develop targeted legislative priorities related to funding for affordable housing and/or reducing barriers to affordable housing development</li> </ul>	<ul style="list-style-type: none"> <li>12 out of 12 members with leg. agendas incorporated all or part of ARCH priorities for the 2026 session</li> <li>Shared information and helped to coordinate ARCH members around funding-related bills (see below on REET flexibility)</li> <li>Faith-owned land bill was adopted and incorporated ARCH analysis</li> </ul>	<ul style="list-style-type: none"> <li>State legislation continues to drive local planning and program implementation</li> </ul>
<ul style="list-style-type: none"> <li>Facilitate and advance proposals for dedicated revenue sources for affordable housing in East King County</li> </ul>	<ul style="list-style-type: none"> <li>Successful passage of legislation allowing interlocal housing investments as an option for REET funds</li> </ul>	<ul style="list-style-type: none"> <li>King County initiating a work group process to explore countywide revenue sources for affordable housing</li> </ul>
<ul style="list-style-type: none"> <li>Complete a study of ARCH’s legal and governance structure to facilitate changes that streamline processes and better advance ARCH’s mission</li> </ul>	<ul style="list-style-type: none"> <li>Study completed in 2025</li> <li>Implementation of structure changes on a pilot basis in 2026</li> </ul>	<ul style="list-style-type: none"> <li>Task Force work ongoing</li> <li>Potential for ILA changes to make pilot recommendations permanent</li> </ul>
<ul style="list-style-type: none"> <li>Assist members to implement policies to reduce cost burden in affordable housing</li> </ul>	<ul style="list-style-type: none"> <li>Policy study and recommended local options were finalized in 2024</li> <li>No members decided to advance these policies</li> </ul>	<ul style="list-style-type: none"> <li>HB 1217 established statewide rent stabilization policies</li> <li>WSHFC is advancing minor policy and programmatic changes</li> </ul>
<ul style="list-style-type: none"> <li>Pursue partnerships and advance the development of high impact special projects, including transit-oriented development projects and other projects on public lands</li> </ul>	<ul style="list-style-type: none"> <li>Special projects on public or faith owned land have been completed or initiated in Bellevue, Redmond, Bothell, Issaquah and Kenmore.</li> </ul>	<ul style="list-style-type: none"> <li>Relevant to continued Strategic Plan implementation</li> <li>Public and faith owned land remain strategic opportunities for affordable housing</li> <li>HB 1859 provides more options to encourage use of faith owned land for affordable housing</li> </ul>

Staff have drafted the following priorities for 2027-28 for the Board's consideration (new or revised text is shown in red), which carry forward all existing priorities except for the priority to assist with policies to reduce cost burden:

- Continue to expand the pipeline of affordable housing projects in East King County through partnerships and development of special projects, including projects on public, nonprofit and faith-owned land.
- Facilitate and advance proposals for dedicated revenue sources for affordable housing in East King County and ensure that countywide sources benefit ARCH communities.
- Implement education and engagement efforts with ARCH member stakeholders (including staff, planning commissioners, elected officials) and community members to increase affordable housing support, connections and leadership in the region.
- Convene coalition members to develop targeted legislative priorities related to funding for affordable housing, reducing barriers to affordable housing development, and supporting regional approaches to affordable housing.
- Complete implementation of recommendations from ARCH's Governance Study to streamline decision-making, increase alignment and empower the coalition to tackle policy and funding challenges.
- Support preservation of existing affordable housing through policy and funding solutions
- Maintain excellence in ongoing stewardship of Rental Program by ensuring staffing keeps up with program growth and seeking ways to streamline program implementation.

### **Draft ARCH Work Program and Member Jurisdiction Summaries**

Staff have also prepared a **Draft 2027-28 ARCH Work Program and Member Jurisdiction Summaries (Attachment 3)**. These incorporate input from ARCH members and staff.

Following is a summary of key updates from the previous Work Program:

- Re-organization:
  - Re-organized content to establish clearer sub-sections for the ARCH Rental and Homeownership Programs and move Trust Fund-related monitoring to the Investments section
  - Merged "Interlocal Planning" content with other sections on Local, State and Regional Policy and Planning.
- Investments and Special Projects:
  - Added the Bellevue Affordable Housing Fund and other local housing funding sources to the programs that ARCH helps to administer on behalf of members
  - Expanded on description of support for faith-owned/nonprofit land
  - Added description of ongoing work to support property owners with long-term sustainability, and act as a connector between developers and CBOs
  - Updated work with private funders to reflect current opportunities and sunset work on the REDI fund and MSFT Bridge loan pilot
- Policy and Planning:
  - Added a description of ongoing work to convene ARCH liaisons

- Added a policy topic for “Sub-Regional Collaboration” and “Implementation of State Legislation” and removed HB 1110 implementation which is substantially complete
- Removed tenant protection policies as a standalone policy work item (but still included under “Other Support” that could be provided to members if requested).
- Updated regional planning to include the upcoming dedicated revenue work group and remove coordination with homelessness efforts that are more geared toward service providers
- Program Implementation
  - Updated table of city incentive/inclusionary programs and re-organized ARCH roles/responsibilities
  - Added maintenance of a new web-based rental housing search tool that is currently in development
  - Included description of existing efforts not currently captured in the work program, including coordination with KC Assessor’s office, implementation of downpayment assistance program updates, and pursuing preservation of existing homeownership units
- Outreach and Engagement:
  - Added more detail regarding current education and engagement efforts
  - Updated the “Equitable Access to Affordable Housing” to include ARCH’s partnerships with other organizations, and planned work with the Board to consider of becoming a part of the Black Home Initiative.
- Administration
  - Added the Eastside Investment Committee and ARCH Council of Elected Officials and removed work related to the Community Advisory Board
  - Updated organizational planning to include completion of the Governance Study implementation, and moved potential work with non-ARCH cities to be under the Board’s scope of work
- Member Jurisdiction Summaries and Criteria
  - Work with individual members is organized in a consistent template matching the sections of the ARCH Work Program
  - Criteria for prioritizing requests for services is incorporated

### **Next Steps**

Staff are seeking direction from the Board on the budget options and draft ARCH Work Program to incorporate into a final recommendation for the Board’s approval at the June meeting.

### **Staff Recommendation**

Staff recommend the Board:

- (1) Identify a preferred budget option to bring back for final adoption at the June meeting
- (2) Provide guidance on ARCH’s priorities for 2027-28, and any other feedback on the draft Work Program

## Attachments

1. DRAFT 2027-28 Baseline ARCH Administrative Budget and Options 1 & 2
2. Bellevue IT Memo RE: Technology Support for ARCH
3. Draft ARCH Work Program for 2027-28 and Member Jurisdiction Summaries

# DRAFT 2027-28 Baseline ARCH Administrative Budget and Options 1 & 2

For ARCH Executive Board Review

May 2026

	2025-2026 Adopted Budget		Baseline 2027-28 Budget				Option 1				Option 2			
	2025	2026	2027	2028	% change '26-'27	% change '27-'28	2027 +1 FTE	2028	% change '26-'27	% change '27-'28	2027 Baseline	2028 +1 FTE	% change '26-'27	% change '27-'28
<b>I. TOTAL EXPENSES</b>	\$ 2,720,754	\$ 2,827,690	\$ 3,022,407	\$ 3,172,430	6.9%	5.0%	\$ 3,179,300 \$ 156,893	\$ 3,337,846	12.4%	5.0%	\$ 3,022,407	\$ 3,333,767	6.9%	10.3%
<b>A. Personnel</b>	\$ 2,427,721	\$ 2,532,678	\$ 2,663,210	\$ 2,802,357	5.2%	5.2%	\$ 2,815,990	\$ 2,965,702	11.2%	5.3%	\$ 2,663,210	\$ 2,959,724	5.2%	11.1%
Salaries	\$ 1,848,491	\$ 1,911,173	\$ 2,029,427	\$ 2,149,263			\$ 2,142,367	\$ 2,271,052			\$ 2,029,427	\$ 2,265,253		
Benefits	\$ 579,230	\$ 621,505	\$ 633,783	\$ 653,094			\$ 673,623	\$ 694,650			\$ 633,783	\$ 694,471		
<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%	\$ 137,461	\$ 137,563	9.7%	0.1%	\$ 133,348	\$ 139,462	6.5%	4.6%
Rent & Utilities	\$ 42,000	\$ 44,133	\$ 52,497	\$ 54,072	19.0%	3.0%	\$ 52,497	\$ 54,072	19.0%	3.0%	\$ 52,497	\$ 54,072	19.0%	3.0%
Telephone	\$ 7,840	\$ 8,075	\$ 8,275	\$ 8,523	2.5%	3.0%	\$ 8,275	\$ 8,523	2.5%	3.0%	\$ 8,275	\$ 8,523	2.5%	3.0%
Internet	\$ 3,042	\$ 3,164	\$ 3,134	\$ 3,228	-0.9%	3.0%	\$ 3,134	\$ 3,228	-0.9%	3.0%	\$ 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%	\$ 35,274	\$ 36,332	37.0%	3.0%	\$ 33,964	\$ 36,255	31.9%	6.7%
Travel/Training	\$ 7,150	\$ 7,365	\$ 9,800	\$ 10,094	33.1%	3.0%	\$ 10,500	\$ 10,815	42.6%	3.0%	\$ 9,800	\$ 10,815	33.1%	10.4%
T Equipment Replacement / Bellevue software	\$ 8,600	\$ 5,000	\$ 8,286	\$ 6,678	65.7%	-19.4%	\$ 10,089	\$ 6,678	101.8%	-33.8%	\$ 8,286	\$ 8,535	65.7%	3.0%
Office Supplies	\$ 2,700	\$ 2,678	\$ 2,758	\$ 2,841	3.0%	3.0%	\$ 2,758	\$ 2,841	3.0%	3.0%	\$ 2,758	\$ 2,841	3.0%	3.0%
Postage/Printing	\$ 2,500	\$ 2,678	\$ 2,678	\$ 2,758	0.0%	3.0%	\$ 2,678	\$ 2,758	0.0%	3.0%	\$ 2,678	\$ 2,758	0.0%	3.0%
Periodical/Membership	\$ 15,450	\$ 15,914	\$ 4,456	\$ 4,590	-72.0%	3.0%	\$ 4,456	\$ 4,590	-72.0%	3.0%	\$ 4,456	\$ 4,590	-72.0%	3.0%
Translation and Interpretation	\$ 5,000	\$ 5,150	\$ 1,500	\$ 1,545	-70.9%	3.0%	\$ 1,500	\$ 1,545	-70.9%	3.0%	\$ 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%	\$ 6,300	\$ 6,180	17.5%	-1.9%	\$ 6,000	\$ 6,300	11.9%	5.0%
<b>C. In-Kind Admin/Services</b>	\$ 46,495	\$ 48,223	\$ 138,000	\$ 143,540	186.2%	4.0%	\$ 138,000	\$ 143,540	186.2%	4.0%	\$ 138,000	\$ 143,540	186.2%	4.0%
Insurance	\$ 33,280	\$ 34,611	\$ 68,000	\$ 70,040			\$ 68,000	\$ 70,040			\$ 68,000	\$ 70,040		
IT Services	\$ 13,215	\$ 13,611	\$ 70,000	\$ 73,500			\$ 70,000	\$ 73,500			\$ 70,000	\$ 73,500		
<b>D. Professional Services / Consulting</b>	\$ 120,750	\$ 121,523	\$ 87,849	\$ 91,041	-27.7%	3.6%	\$ 87,849	\$ 91,041	-27.7%	3.6%	\$ 87,849	\$ 91,041	-27.7%	3.6%
Consultant Contracts	\$ 25,750	\$ 26,523	\$ 27,849	\$ 29,241			\$ 27,849	\$ 29,241			\$ 27,849	\$ 29,241		
Outside Legal Counsel Contract	\$ 95,000	\$ 95,000	\$ 60,000	\$ 61,800			\$ 60,000	\$ 61,800			\$ 60,000	\$ 61,800		

	2025-2026 Adopted Budget		Baseline 2027-28 Budget				Option 1				Option 2			
	2025	2026	2027	2028	% change '26-'27	% change '27-'28	2027 +1 FTE	2028	% change '26-'27	% change '27-'28	2027 Baseline	2028 +1 FTE	% change '26-'27	% change '27-'28
<b>II. TOTAL INCOME</b>	\$ 2,720,754	\$ 2,827,690	\$ 3,022,407	\$ 3,172,430	6.9%	5.0%	\$ 3,179,300	\$ 3,337,846	12.4%	5.0%	\$ 3,022,407	\$ 3,333,767	6.9%	10.3%
<b>A. Member Contributions (General Fund \$)</b>	\$ 2,377,357	\$ 2,460,218	\$ 2,646,426	\$ 2,775,032	7.6%	4.9%	\$ 2,803,320	\$ 2,940,448	13.9%	4.9%	\$ 2,646,427	\$ 2,936,369	7.6%	11.0%
Beaux Arts Village	\$ 3,187	\$ 3,294	\$ 3,543	\$ 3,715	7.6%	4.9%	\$ 3,753	\$ 3,936	13.9%	4.9%	\$ 3,543	\$ 3,931	7.6%	11.0%
Bellevue	\$ 600,541	\$ 622,327	\$ 664,125	\$ 696,035	6.7%	4.8%	\$ 702,461	\$ 736,477	12.9%	4.8%	\$ 664,125	\$ 735,457	6.7%	10.7%
Bothell	\$ 172,748	\$ 178,110	\$ 195,861	\$ 205,699	10.0%	5.0%	\$ 208,385	\$ 218,912	17.0%	5.1%	\$ 195,861	\$ 218,578	10.0%	11.6%
Clyde Hill	\$ 11,205	\$ 11,553	\$ 12,314	\$ 12,932	6.6%	5.0%	\$ 13,101	\$ 13,763	13.4%	5.1%	\$ 12,314	\$ 13,742	6.6%	11.6%
Hunts Point	\$ 3,187	\$ 3,294	\$ 3,543	\$ 3,715	7.6%	4.9%	\$ 3,753	\$ 3,936	13.9%	4.9%	\$ 3,543	\$ 3,931	7.6%	11.0%
Issaquah	\$ 157,108	\$ 162,807	\$ 173,157	\$ 181,477	6.4%	4.8%	\$ 183,152	\$ 192,021	12.5%	4.8%	\$ 173,157	\$ 191,755	6.4%	10.7%
Kenmore	\$ 88,579	\$ 91,517	\$ 97,742	\$ 102,562	6.8%	4.9%	\$ 103,736	\$ 108,885	13.4%	5.0%	\$ 97,742	\$ 108,725	6.8%	11.2%
Kirkland	\$ 366,910	\$ 380,220	\$ 405,092	\$ 424,556	6.5%	4.8%	\$ 428,475	\$ 449,224	12.7%	4.8%	\$ 405,092	\$ 448,601	6.5%	10.7%
Medina	\$ 10,538	\$ 10,865	\$ 11,560	\$ 12,140	6.4%	5.0%	\$ 12,299	\$ 12,920	13.2%	5.1%	\$ 11,560	\$ 12,901	6.4%	11.6%
Mercer Island	\$ 95,259	\$ 98,405	\$ 103,925	\$ 109,055	5.6%	4.9%	\$ 110,314	\$ 115,795	12.1%	5.0%	\$ 103,925	\$ 115,625	5.6%	11.3%
Newcastle	\$ 50,076	\$ 51,819	\$ 55,293	\$ 57,981	6.7%	4.9%	\$ 58,573	\$ 61,440	13.0%	4.9%	\$ 55,293	\$ 61,353	6.7%	11.0%
Redmond	\$ 293,990	\$ 304,655	\$ 338,315	\$ 354,570	11.0%	4.8%	\$ 357,843	\$ 375,172	17.5%	4.8%	\$ 338,315	\$ 374,652	11.0%	10.7%
Sammamish	\$ 243,510	\$ 251,257	\$ 266,409	\$ 279,701	6.0%	5.0%	\$ 283,188	\$ 297,402	12.7%	5.0%	\$ 266,409	\$ 296,956	6.0%	11.5%
Woodinville	\$ 47,952	\$ 49,440	\$ 57,066	\$ 59,843	15.4%	4.9%	\$ 60,459	\$ 63,422	22.3%	4.9%	\$ 57,066	\$ 63,331	15.4%	11.0%
Yarrow Point	\$ 4,615	\$ 4,758	\$ 4,730	\$ 4,967	-0.6%	5.0%	\$ 5,032	\$ 5,286	5.8%	5.1%	\$ 4,730	\$ 5,278	-0.6%	11.6%
King County	\$ 227,952	\$ 235,897	\$ 253,751	\$ 266,083	7.6%	4.9%	\$ 268,795	\$ 281,857	13.9%	4.9%	\$ 253,751	\$ 281,552	7.6%	11.0%
<b>B. Bellevue Detail (General Fund + 1590)</b>	\$ 776,623	\$ 814,799	\$ 860,106	\$ 903,433	6%	5%	\$ 898,441	\$ 943,875	10.3%	5.1%	\$ 860,106	\$ 942,855	5.6%	9.6%
Cash Contributions	\$ 315,522	\$ 338,836	\$ 270,311	\$ 282,037	-20%	4%	\$ 308,646	\$ 322,479	-8.9%	4.5%	\$ 270,311	\$ 321,458	-20.2%	18.9%
In-Kind Contributions	\$ 461,101	\$ 475,963	\$ 589,795	\$ 621,397	24%	5%	\$ 589,795	\$ 621,397	23.9%	5.4%	\$ 589,795	\$ 621,397	23.9%	5.4%
Personnel (Gen Fund + 1590)	\$ 414,606	\$ 427,740	\$ 451,795	\$ 477,857			\$ 451,795	\$ 477,857			\$ 451,795	\$ 477,857		
Insurance	\$ 33,280	\$ 34,611	\$ 68,000	\$ 70,040			\$ 68,000	\$ 70,040			\$ 68,000	\$ 70,040		
IT Services	\$ 13,215	\$ 13,611	\$ 70,000	\$ 73,500			\$ 70,000	\$ 73,500			\$ 70,000	\$ 73,500		
<b>C. Other Income</b>	\$ 167,315	\$ 175,000	\$ 180,000	\$ 190,000	2.9%	5.6%	\$ 180,000	\$ 190,000	2.9%	5.6%	\$ 180,000	\$ 190,000	2.9%	5.6%
Administrative Fees	\$ 165,000	\$ 135,000	\$ 100,000	\$ 100,000			\$ 100,000	\$ 100,000			\$ 100,000	\$ 100,000		
Interest Earnings	\$ 2,315	\$ 40,000	\$ 80,000	\$ 90,000			\$ 80,000	\$ 90,000			\$ 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%	\$ 500,000.00	\$ 500,000.00	11%	0%	\$ 500,000.00	\$ 500,000.00	11%	0%
Staffing/Administrative Expenses	\$ 150,000	\$ 150,000	\$ 200,000.00	\$ 200,000.00			\$ 200,000.00	\$ 200,000.00			\$ 200,000.00	\$ 200,000.00		
Other Services/Consulting	\$ 300,000	\$ 300,000	\$ 300,000.00	\$ 300,000.00			\$ 300,000.00	\$ 300,000.00			\$ 300,000.00	\$ 300,000.00		
<b>B. Contingent Revenue</b>	\$ 450,000	\$ 450,000	\$ 500,000.00	\$ 500,000.00	11%	0%	\$ 500,000.00	\$ 500,000.00	11%	0%	\$ 500,000.00	\$ 500,000.00	11%	0%
Excess Administrative, Service Fees	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000			\$ 150,000	\$ 150,000			\$ 150,000	\$ 150,000		
Grant Funding	\$ 145,000	\$ 145,000	\$ 150,000	\$ 150,000			\$ 150,000	\$ 150,000			\$ 150,000	\$ 150,000		
Board-Approved Reserves	\$ 155,000	\$ 155,000	\$ 200,000	\$ 200,000			\$ 200,000	\$ 200,000			\$ 200,000	\$ 200,000		

# MEMORANDUM



Information Technology

To: Lindsay Masters, ARCH Executive Director

From: Julie David, Bellevue Business Manager, Information Technology

CC: Nathan McCommon, Bellevue Deputy City Manager  
Genesee Adkins, Bellevue Deputy City Manager  
Joe Todd, Bellevue Deputy City Manager  
Emil King, Bellevue Director of Community Development  
Sabra Schneider, Bellevue Chief Information Officer

Date: May 4, 2026

Subject: Technology Support for ARCH

The city of Bellevue Information Technology Department (ITD) has historically provided light technology support for ARCH, supporting the physical move of offices, network troubleshooting, configuring laptops with office, security, and phone software (worth approximately \$700 per person, currently), and resolving help desk tickets. ITD has also supported GIS mapping and database projects. Historically, ARCH has been billed at a rate of \$12,830 per year, an in kind amount the Community Development Department has contributed to support the Executive Director position. As the team for ARCH has grown over the past several years, the technology support costs have also grown.

With regular city of Bellevue employees, ITD charges rates based on the number of connected desktop computers, laptop computers, mobile devices, and connected printers. These rates are likely to be somewhere between \$10,500 and \$11,000 in 2027, per connected device. ARCH currently has 13 connected devices, which, if added to the support model would cost ARCH around \$136,500 additional dollars in 2027. ARCH has budgeted \$70,000 for technology services per year in 2027/28, roughly half the regular cost, to reflect a decreased support model.

Regular rates include a full suite of IT support, including networking, security, help desk, application development, web design, GIS mapping, IT project management, equipment replacement and data analytics. ITD consistently has more demand for services than staff available and all departments are asked to prioritize their key needs. ITD partners with departments to deliver those needs, tied closely to Council and City Priorities. City staff are also required to use Bellevue standard technology tools and systems. ARCH currently uses tools and systems outside of those standards that may be challenging for ITD staff to support.

# MEMORANDUM



Information Technology

Currently, ARCH receives project-based support (prioritized with Community Development) and ticket-based support. Ticket-based support means the work generally takes 40 hours or less per ticket to complete. ITD also provides basic security services and software across the ARCH devices.

<b>Current Services</b>	<b>Full Services</b>
Office + suite of software	Office + suite of software
Help desk for basic support	Help desk for basic support
Network support and troubleshooting	Network support and troubleshooting
Mapping and GIS Support	Mapping and GIS Support
Database and data support	Application development
	Data analytics and insights
	Access and support for enterprise applications
	Customer engagement and service tools
	Web and graphic design

Thank you for your ongoing partnership with ITD.

# ARCH WORK PROGRAM: 2027-28

*DRAFT as of May 2026*

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[Attachment A](#): Member Jurisdiction Work Program Summaries

# Introduction and Priorities for 2027-28

**A Regional Coalition for Housing** is a partnership of King County and East King County Cities that has successfully collaborated for over three decades to preserve and increase housing for low and moderate income households. ARCH works with its members to develop housing policies, strategies and regulations; efficiently administer housing programs; coordinate city investments in affordable housing; and assist people looking for affordable rental and ownership housing. The ARCH Work Program includes services that ARCH provides to individual member jurisdictions, as well as shared programs and activities coordinated for the benefit of all ARCH members.

## 2027-28 Priorities

In 2027-28, ARCH will elevate the following priorities in its Work Program:

- Continue to expand the pipeline of affordable housing projects in East King County through partnerships and development of special projects, including projects on public, nonprofit and faith-owned land.
- Facilitate and advance proposals for dedicated revenue sources for affordable housing in East King County and ensure that countywide sources benefit ARCH communities.
- Implement education and engagement efforts with ARCH member stakeholders (including staff, planning commissioners, elected officials) and community members to increase affordable housing support, connections and leadership in the region.
- Convene coalition members to develop targeted legislative priorities related to funding for affordable housing, reducing barriers to affordable housing development, and supporting regional approaches to affordable housing.
- Complete implementation of recommendations from ARCH's Governance Study to streamline decision-making, increase alignment and empower the coalition to tackle policy and funding challenges.
- Support preservation of existing affordable housing through policy and funding solutions
- Maintain excellence in ongoing stewardship of Rental Program by ensuring staffing keeps up with program growth and seeking ways to streamline program implementation.

# I. AFFORDABLE HOUSING INVESTMENT

## A. Local Investment Coordination and Administration

ARCH works on behalf of members to recommend and implement investment of public funding for the development and preservation of affordable housing. ARCH manages multiple types of funding through coordinated processes aimed at maximizing the impact of local investment and streamlining access to capital for affordable housing developers. Current programs include:

- **ARCH Housing Trust Fund.** Pooled funds contributed by ARCH members for investment in eligible projects anywhere within the ARCH sub-region.
- **Bellevue Housing Stability Program and Affordable Housing Fund.** Local 0.1% sales tax funds authorized by HB 1590 for capital, operations and maintenance and services in eligible projects within Bellevue; Fee in lieu funds and other one-time funds reserved for affordable housing.
- **Issaquah Inclusive Housing Investment Pool.** Local 0.1% sales tax funds authorized by HB 1590 and other local funds for eligible projects within Issaquah.
- **Other Local Housing Investments.** Other local funds that may be administered by ARCH in coordination with the Trust Fund include **fee in lieu funds, levy funds, REET funds or other sources directed by individual cities.**

ARCH's responsibilities fall into the following categories:

### Investment Planning:

- **Parity Goals.** Maintain annual goals for individual member investments through the ARCH HTF, while pursuing broader strategies to increase overall investment levels in affordable housing in East King County.
- **Project Pipeline Management.** Work with member cities and project sponsors to develop a robust pipeline of projects to be funded over the next five years (see related work on special projects below). Actively vet potential projects, and lead funding policy and prioritization discussions with the ARCH Executive Board to facilitate planning and decision-making.
- **East King County Development Capacity.** Support existing affordable housing developers and owners, and work to expand the pool of development organizations interested in working in East King County. Connect East King County community-based organizations with developers, funding opportunities, and other resources geared at community driven development.

### Funding Recommendations and Coordination:

- **Competitive Annual Funding Round.** Advertise the collective set of available funds and manage competitive processes on behalf of member cities. Develop funding priorities and evaluation criteria for decision-makers, review funding applications and facilitate

coordinated recommendations. For the ARCH Housing Trust Fund, facilitate final recommendations by the ARCH Executive Board and approvals through member councils.

- **Eastside Investment Committee.** In 2027-28, implement a streamlined advisory process that enhances funding coordination, leverages local dollars and ensures expert advice to members.
- **Public Funding Coordination.** Work collaboratively with public funders at the State and local levels to promote shared affordable housing goals and equitable geographic distribution of resources. Review and provide input to other funders for Eastside projects that apply for County (HOF, RAHP, HOME, TOD, etc.) and State (Tax Credit, State Housing Trust Fund, CHIP) resources. Provide input to the King County Joint Recommendations Committee (JRC) on behalf of participating Eastside jurisdictions. Assist with evaluating and making a recommendation regarding CDBG allocations for affordable housing.
- **Private Funding Coordination.** Work with private investors and lenders to maximize leverage of ARCH members' investments into affordable housing and negotiate public benefits from investment of housing funds. Engage with **WSHFC on alignment of the ELAP and Evergreen Housing Impact Fund, both funded by Microsoft, to advance projects in the ARCH pipeline.** Coordinate with Amazon to ensure projects in ARCH pipeline are considered for Amazon Housing Equity Fund program.

#### Contracting and Reporting:

- **Contract Development and Administration.** Maintain updated standard legal templates. Prepare contract documents with legal counsel and facilitate execution of contracts with the Administering Agency (Bellevue). Review and approve disbursement of funds to awarded projects in accordance with executed contracts.
- **Reporting.** Maintain data for required reporting, including:
  - Centralized Trust Fund Reports. Work with Administering Agency to maintain records and produce regular financial reports for ARCH Trust Fund accounts.
  - HB 1406 Reports. Implement procedures to manage contributions, commitments and expenditures of pooled sales tax revenue authorized by HB 1406. Work with the Department of Commerce to ensure timely and complete reporting in compliance with state requirements.

## **B. Special Projects and Technical Assistance**

ARCH provides expertise to advance special projects and initiatives that require unique financing, land use or partnership strategies that leverage significant development opportunities, including projects on underutilized public, nonprofit or faith community property. Activities include:

Surplus/Underdeveloped Public Property. Assist with evaluation of surplus or underutilized public property for suitability of affordable housing. Complete financial feasibility studies to inform potential property offerings and advise on strategy. Support ARCH members through the stages of feasibility analysis, RFP development, property offering, developer selection and contracting.

Nonprofit and Faith-Owned Land. Engage and provide technical assistance to nonprofit and faith community property owners interested in supporting affordable housing. Provide referrals and recommendations, coordinate with local planning efforts and facilitate potential partnerships.

Transit-Oriented Development Sites. Assist cities with advancing and coordinating affordable housing projects near transit. Partner with Sound Transit, King County Metro and other public agencies to maximize opportunities on public property. Current opportunities include sites in Bel-Red, Wilburton, Marymoor, Kirkland, Bothell, and Kenmore.

Strategic Predevelopment Investment. With approval of the Executive Board, invest in 3<sup>rd</sup> party predevelopment studies such as design, survey, geotechnical, environmental or other professional services, to investigate feasibility of special projects.

## C. Preservation and Asset Management

ARCH oversees contracts and regulatory agreements with owners of projects supported through direct investment, and coordinates with property owners and other funders to ensure the long-term preservation and sustainability of existing affordable housing. Activities include:

### Loan Monitoring and Evaluation

- Monitor project income and expenses to determine cash flow payments
- Conduct long-term sustainability monitoring of projects and owners including tracking physical capital needs and financial performance of properties.
- Work with legal counsel to review and approve requests for contract amendments, subordination and other agreements
- Coordinate with WSFHC, per an established MOU, to monitor properties and streamline processes for owners and funders.
- Collect annual compliance data and evaluate program beneficiaries

### Support Recapitalization and Long-Term Sustainability

- Proactively problem-solve financial and/or organizational challenges in partnership with project owners and other funders
- Support ARCH borrowers with refinancing and rehabilitation efforts to extend useful lives of buildings, strength property financials, and improve housing quality for residents
- Support owners in connecting with Energy Smart Eastside or other efficiency programs that provide incentives to cover rehabilitation expenses, improve operational efficiency, and improve resident health and safety.

### Preservation of At-Risk Affordable Housing.

- Work with member cities to facilitate acquisitions or other strategies to preserve existing housing where affordability is at risk of being lost, including at-risk manufactured housing communities and naturally occurring affordable housing.
- Assist with responding to notices of sale of HUD assisted properties received by member cities, or other information indicating an impending loss of existing affordable housing.

## II. HOUSING POLICY AND PLANNING

### A. Local Policy, Planning and Code Development

ARCH provides assistance directly to member jurisdictions on a range of local planning efforts (see *Attachment A* for more detail). These efforts may take different forms, such as:

- **Housing Element Updates.** Work with members to update comprehensive plan housing elements (may include data analysis, policy writing, outreach, presentations, etc.)
  - Assist with understanding and complying with new housing-related requirements under the Growth Management Act and Countywide Planning Policies.
  - Prepare an east King County housing needs analysis with focused analyses for each city—including projected affordable housing needs—to fulfill GMA requirements.
- **Housing Strategy and Action Plans.** Assist members to prepare housing strategies to implement housing elements and create council work plans. Current local plans and strategies may be found on ARCH's [website](#).
- **Incentive Program Design and Economic Analysis.** Provide economic analysis and policy and program development support to design local housing incentive programs, including height/density/FAR bonuses, property tax exemptions, impact fee waivers, parking reductions and other incentives. Provide standard tools or models that can be used by member cities/staff to evaluate and design their individual programs.
- **Land Use Code Amendments.** Assist city staff on land use and other code amendments in order to implement comprehensive plan policies.
- **Other Support.** Other areas in which ARCH could provide support to member cities include but are not limited to: review of tenant protection regulations, preservation of valuable community housing assets, assistance to households displaced by development activity, or negotiation of agreements for specific development proposals.

#### Coordination of Local Efforts

ARCH also provides support to facilitate collaboration and alignment of local planning efforts, including:

- **ARCH Liaisons.** Convene a regular meeting of member housing staff working on relevant policy, planning and programs to share knowledge, identify best practices and create peer connections.
- **Data Collection, Analysis and Reporting.** Maintain and provide reporting on local housing and demographic data, buildable lands, and members' progress toward meeting GMA and CPP housing requirements. Document members' investment in affordable housing in other jurisdictions and reflect these contributions in ongoing reporting.
- **Incentive/Inclusionary Housing Program Policies.** As program implementation issues arise, assist member jurisdictions to develop coordinated policy solutions that incorporate input from the diverse range of stakeholders. Work with member city staff to develop code amendments that adapt programs to new knowledge and best practices (e.g., monitoring fees, rent limit policies, etc.).
- **Implementation of State Legislation.** Coordinate members implementing state legislation with affordable housing components, such as HB 1494 (TOD Bill). Support may include

convening working groups, coordinating community engagement efforts, and recommending common approaches to ensure effective program administration.

**Information Systems.** Maintain a centralized ARCH database of affordable housing programs, projects, properties and investments to support ongoing reporting, program evaluation and efficient work streams. **Continue to refine and enhance the database** to meet local planning and program needs, facilitate reporting on local and regional progress in meeting affordable housing needs at various income levels, and inform program and funding policies and priorities.

## B. State and Regional Policy and Funding Engagement

ARCH supports policy and planning activities at the state and regional level for the benefit of ARCH members, with a focus on targeted policy efforts that increase funding and reduce barriers that contribute to the cost of affordable housing development.

**Long-Term Funding/Dedicated Revenue Strategy.** Continue work on a long-term funding strategy for the ARCH Trust Fund. Facilitate conversations with member cities on identifying and exploring dedicated sources of revenue for affordable housing at the local and regional level (e.g., REET, property tax levy, commercial linkage fee, etc.). Provide relevant data and develop options for joint or individual revenue approaches across ARCH member cities and help inform potential shared state legislative priorities to authorize local options for funding.

**Support for Sub-Regional Collaboration.** Support policies that encourage and incentivize sub-regional collaboration such as giving “credit” to jurisdictions that pool resources and make investments in affordable housing in neighboring jurisdictions.

**Regional Planning Efforts.** ARCH will participate in broader regional planning efforts to advance Eastside priorities and ensure that the perspectives of communities in East King County are voiced in regional housing and homelessness planning. Examples include:

- King County GMPC Affordable Housing Committee / Housing Inter-Jurisdictional Team
- **King County Dedicated Revenue Work Group**

**State Legislative Policy.** ARCH supports members to develop and advance targeted state legislative priorities related to funding for affordable housing and/or reducing barriers to affordable housing development. Activities include:

- Convene coalition members and engage the Executive Board and **ARCH Council of Elected Officials** (ACE) to identify strategic legislative priorities for member councils’ consideration.
- Coordinate and explore opportunities to partner with relevant organizations working on affordable housing (e.g., AWC, SCA, WLIHA, HDC, Black Home Initiative).
- Collaborate with ARCH members’ government relations and other key personnel to support implementation of identified legislative priorities, including providing analysis and talking points, informing strategy, coordinating advocacy efforts, and providing timely updates.
- Provide presentations to member councils regarding legislative priorities and updates during or after the legislative session.

# III. HOUSING PROGRAM IMPLEMENTATION

## A. Affordable Housing Incentive and Inclusionary Programs

ARCH partners with member cities to administer local housing incentive and inclusionary programs, including mandatory inclusionary, voluntary density bonus, multifamily tax exemption (MFTE) and other programs. Existing programs administered by ARCH include:

Jurisdiction	Incentive/Inclusionary Programs
Bellevue	Inclusionary program, voluntary density bonuses, MFTE, impact fee waivers.
Bothell	Inclusionary housing, voluntary height bonus, MFTE.
Issaquah	Development agreements, voluntary and inclusionary programs, impact and permit fee waivers.
Kenmore	Development agreements, voluntary and inclusionary programs, MFTE, impact fee waivers.
Kirkland	Inclusionary program, impact fee waiver, MFTE.
Mercer Island	Voluntary height bonuses, impact fee reductions.
Newcastle	Inclusionary program, voluntary density and FAR bonuses,
Redmond	Inclusionary program, MFTE, impact fee waivers.
Sammamish	Inclusionary and voluntary density bonuses, impact fee waivers.
Woodinville	Inclusionary program, MFTE.
King County	Development agreements.

ARCH roles and responsibilities typically include:

- Work with member city staff and legal counsel to align incentive and inclusionary programs with a unified set of administrative policies, practices and templates for legal agreements
- Work with developers/applicants and city staff to establish and communicate applicability of codes and policies to proposed developments
- Develop contracts and covenants containing affordable housing requirements:
  - Review and approve proposed affordable housing (unit count, location/distribution, bedroom mix, and quality)
  - Draft agreements, ensuring city specific requirements are captured (Bellevue MFTE rent stabilization, parking inclusion and relocation assistance)
  - Coordinate with city staff, and development team, to ensure timely review, execution and recordation of agreements

- **Oversee MFTE process including:**
  - Review and recommend approval of MFTE applications
  - Draft MFTE conditional and final certificates for city approval
  - Register MFTE certificates with County Assessor and file annual MFTE reports with State Commerce
- Review and recommend approval of alternative compliance proposals
  - For fee in lieu projects, calculate fees and ensure execution of accompanying agreement if required
- Support cities on implementation of middle housing code updates as needed.
- Maintain project pipeline and transition projects to applicable teams
- Track city incentive programs across member-cities and update ARCH website as needed
- Provide periodic review of project pipeline for each municipality
- Provide ad hoc reporting on project data as requested
- On-going compliance monitoring (see ARCH Rental and Homeownership Programs, below).

## B. ARCH Rental Program

ARCH provides long-term oversight of affordable housing created through city policies to ensure stewardship of these critical public assets for residents, owners and the broader community. For rental housing, this includes:

- **Lease-Up.** Ensure implementation of affordable housing requirements during lease-up of new properties.
- **Compliance Monitoring.** Ensure compliance with rent and income restrictions through timely annual report reviews and supplemental on-site file audits. Implement standard remedies for non-compliance, and work with member jurisdictions when enforcement efforts are needed.
- **Training and Technical Assistance.** Provide ongoing training and technical assistance to property managers
- **Program Guidance.** Maintain written standards for eligibility, leasing and other program requirements and communicate updated annual income and rent limits
- **Resident Support.** Respond to tenant issues and questions, mediate issues between properties, tenants and prospective renters, maintain renter resources and provide appropriate referrals.
- **Housing Search.** Maintain a web-based affordable housing rental search tool, including updating rental options and area median income data.

## C. ARCH Homeownership Program

ARCH serves as the steward of affordable resale restricted homes created through local policies and programs. Activities include:

- **Marketing and Buyer Selection for New Homes.** Coordinate with developers and listing agents to market and select buyers for new construction homes.

- Resales. Oversee resales to ensure ongoing compliance with affordability, buyer eligibility and other program requirements and collect program fees to ensure sustainable operations
- Monitoring. Implement policies and procedures for monitoring compliance and work with cities to address non-compliance.
- Property Taxes. Coordinate with the King County Assessor to ensure affordable property tax assessments for eligible ARCH homeowners.
- Homeowners Communication. Distribute annual communications with relevant homeowner resources and respond to homeowners in financial distress.
- Program Documents. Maintain program guides and FAQs and work with member planning and legal staff to make improvements to boilerplate legal documents.
- Foreclosure prevention and homeowner support. Support homeowners in financial distress and preserve homes at risk of foreclosure. Explore strategies to support ARCH homeowners facing HOA special assessments.
- Lender Partnerships. Build relationships with lenders to improve ARCH homebuyers' access to financing options.
- Downpayment Assistance. Implement recommended updated to the East King County Downpayment Assistance program with the Washington State Housing Finance Commission to provide effective financial assistance to income-eligible first-time homebuyers in East King County.
- Preservation. Explore strategies to preserve expiring units and re-capture lost affordability.

# IV. MEMBER EDUCATION, ENGAGEMENT AND COMMUNITY OUTREACH

## A. Education Efforts and Elected Official Engagement

ARCH leads education and engagement efforts to build understanding, support and commitment to affordable housing, key policy and funding tools, and collaboration through ARCH. This may take a variety of forms, including:

- **Newly Elected Officials Orientation.** Offer ARCH orientation sessions for newly elected local officials each year. This orientation will provide information about affordable housing in East King County and the role ARCH plays in supporting member jurisdictions.
- **ARCH Council of Elected Officials.** Work with the ARCH Executive Board to determine if the ARCH Council of Elected Officials (ACE) should transition from a pilot to a permanent structure. If so, support ACE meetings and work with individual ACE members ahead of meetings to allow them to present on best practices and resources. Maintain contact with ACE members to ensure ACE meetings are achieving desired results.
- **Educational Reports and Presentations.** Prepare and deliver reports and presentations to councils, planning commissions and member staff and the community on current housing conditions, successful housing policies and programs, and related topics.
- **Annual ARCH Celebration.** Organize an annual event to celebrate accomplishments such as local affordable housing investments, planning accomplishments, or other milestones. Invite key partners to share successes and strengthen collaboration, and support related events led by other organizations.
- **Federal Delegation Support.** ARCH will work with its federal delegation to understand affordable housing challenges and advance housing opportunities in East King County. This includes participating in affordable housing tours while members of US Congress are in their home districts.

## B. Community Outreach, Communications, and Assistance for the Public

Office Hours. Provide published office hours for appointments or walk-in customer service. Open office hours will be advertised on the ARCH website and ARCH Facebook page and shared with partner organizations.

ARCH Mailing List and Assistance for Community Members Seeking Affordable Housing.

- Maintain up-to-date information on affordable housing in East King County (rental and ownership) and distribute to people looking for affordable housing.
- Continue to maintain a mailing list of households interested in affordable ownership and rental housing and advertise newly available housing opportunities.
- Work with other community organizations and public agencies to develop appropriate referrals for different types of inquiries received by ARCH (e.g., rapid re-housing, eviction prevention, landlord tenant issues, building code violations, fair housing complaints, etc.).

#### ARCH Website and Other Communications Channels.

- Continually update and build on information in the ARCH website to reach various audiences including affordable housing seekers, property managers and others.
- Provide information on the most urgently needed resources in the community, including rental assistance, no-cost legal services, mortgage assistance, and senior resources available in East King County.
- Encourage ARCH members to link to these shared resources from their websites.
- Utilize other communication channels to share useful information, such as short explainer videos, a quarterly e-newsletter, and social media channels.

#### Community Engagement and Outreach.

- Host ARCH events to share information about ARCH programs with diverse communities
- Participate in city and community events and build connections with community groups, faith communities, developers, nonprofits and others interested in housing issues.
- Build relationships and share information with community-based organizations (CBOs) to cultivate knowledge and interest in affordable housing
- Hold an annual “Together in Housing” event geared towards engaging CBOs regarding ARCH’s affordable housing programs.
- Advise and support ARCH members in seeking feedback from their community members regarding affordable housing policies

## **C. Equitable Access to Affordable Housing in East King County**

Affirmative Marketing of Rental and Homeownership Opportunities: Using ARCH’s database of CBOs (including many that serve communities of color and immigrant and refugee communities), provide timely notices regarding new affordable housing. Provide CBOs with guidance as needed to support their networks in accessing these units.

Increasing Access to Homeownership: Implement policies and partnerships to increase access to homeownership for households historically excluded and to increase homeownership rates for populations that have seen a decline in homeownership levels in Washington State. **Sustain existing partnerships with King County Housing Authority’s Dreams to Keys program, WSHFC Covenant Homeownership Program, and other partners, and continue to develop additional partnerships.** Collect and analyze data on existing programs to determine potential gaps in access by different populations.

**Black Home Initiative: With the ARCH Executive Board, work to consider becoming an official member of the Black Home Initiative, allowing East King County to become a part of policy, outreach and engagement work aimed at increasing Black homeownership rates across the region.**

## V. ADMINISTRATION

### A. Administrative Procedures

Maintain administrative procedures that efficiently and transparently provide services to ARCH members and the public. Activities include:

- Prepare the ARCH Budget and Work Program and ensure equitable allocation of administrative costs among ARCH members.
- Prepare quarterly budget and work program progress reports, Trust Fund reports, and monitor expenses to stay within budget.
- **Establish and maintain an Eastside Investment Committee, including recruitment of members with expertise in housing finance, development and operations.**
- Staff the Executive Board.
- **Staff the ARCH Council of Elected Officials**
- Work with Administering Agency to streamline financial systems.
- Maintain updated bylaws and ensure timely renewal of the ARCH Interlocal Agreement.

### B. Organizational Assessment and Planning

The ARCH Executive Board will continue to evaluate and plan for ARCH's organizational capacity to accomplish its Work Program and broader mission, including its organizational structure, legal structure, staffing resources, capital resources and other aspects of the organization. This includes considering staffing options to manage the growing number of affordable units in the ARCH Rental and Homeownership Programs.

Since 2024, ARCH has advanced actions under its Strategic Plan to *Build More Affordable Housing Faster*, including organizational changes aimed at streamlining decision-making, empowering the coalition to tackle major policy challenges, and increasing education and engagement of elected officials. **In 2027-28, ARCH will complete implementation of recommendations from its Governance Study, including determining whether to advance any amendments to the ARCH Interlocal Agreement.** The Board will continue to monitor progress on ARCH's Strategic Plan and make adjustments to respond to new conditions and opportunities.

As requested, the Board may evaluate opportunities for ARCH to support non-member cities interested in creating affordable housing in north and east King County. Such collaboration should provide mutual benefits and may take the form of agreements to provide services for specific projects.

# Attachment A

## Member Jurisdiction Work Program Summaries

ARCH provides a wide range of services that support individual members with *Affordable Housing Investment, Special Projects, Local Policy and Planning, Program Implementation* and *Outreach and Engagement*. The following summaries describe expected services for individual members over the 2027-28 timeframe. These summaries may be updated as new plans, policies, programs or projects are established.




As members update their individual work plans, ARCH will prioritize member requests for services using the following criteria:

- **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.

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# Beaux Arts, Clyde Hill, Medina, Hunts Point, Yarrow Point - ARCH Work Program

 <b>Affordable Housing Investment, Special Projects</b>	
<i>Item</i>	<i>Description / ARCH Support</i>
Annual investment through the ARCH Housing Trust Fund	Administer HB 1406, general funds or other local funds contributed to Trust Fund from Clyde Hill, Medina, Hunts Point, and Yarrow Point.  Provide reporting to the State on HB 1406 funds from Clyde Hill, Medina and Yarrow Point.
Public surplus / underutilized property	Support evaluation of affordable housing development options on underutilized properties as opportunities arise, including on potential property in Clyde Hill and Medina.  Help to analyze cost effectiveness and financial feasibility of various options.
Nonprofit/faith owned property	Support evaluation of faith owned property for potential affordable housing development, if available.
 <b>Local Policy and Planning</b>	
<i>Item</i>	<i>Description / ARCH Support</i>
Regulatory flexibility	Engage in conversations with Department of Commerce and regional partners on a mechanism to allow credit to be applied for local targets from subregional investment.
Land use, tax and financial incentives for affordable housing	Support development of an affordable housing fee in lieu program in Clyde Hill – provide updated economic analysis as requested.  Assist with exploration of a potential affordable ADU tax exemption program in Yarrow Point, including outreach to other ARCH members and King County to gauge broader interest and feasibility.
 <b>Outreach and Engagement</b>	
<i>Item</i>	<i>Description / ARCH Support</i>
Civic education on housing	Provide support to staff as needed on communications materials and outreach to the community on questions related to affordable housing development and housing targets.

## Bellevue - ARCH Work Program



### Affordable Housing Investment, Special Projects

Item	Description / ARCH Support
Annual investment through the ARCH Housing Trust Fund	Administer HB 1406, general funds and other local funds contributed to Trust Fund. Provide reporting to the State on HB 1406 funds.
Bellevue Housing Stability Program (HSP)	<p>On an annual basis, verify and advertise available HSP funds for capital, operating and maintenance and services funds. Solicit application interest and provide in-depth review of funding applications. Develop recommendations with Bellevue staff, ensuring coordination with the Trust Fund and other regional and state funding processes. Coordinate with City staff and present recommendations to the Bellevue City Council for approval.</p> <p>Prepare contract documents in consultation with legal counsel and facilitate approval of contracts. Review and approve disbursement of funds to awarded projects in accordance with executed contracts. Maintain contract data and assist with regular reporting to the Bellevue City Council.</p> <p>Provide advice and support for other City initiatives funded through HSP, such as acquisition and preservation partnerships. Support may include assisting with overall outreach and engagement, evaluation of project feasibility, development of funding terms and conditions and preparation of project agreements.</p> <p>Collaborate with housing and human services staff to evaluate program outcomes and recommend updates to the HSP framework.</p>
Public surplus property	<p>Continue to support Wilburton TOD and Kelly TOD projects on city-owned land. This includes updating templates to accommodate 99-year leases and a pre-development award for Wilburton.</p> <p>Continue to support Office of Housing to explore re-use of underutilized Bellevue School District properties for housing. Support may include partnership strategy, potential partnership agreements, development of funding terms and conditions if needed.</p>
Nonprofit/faith owned property	<p>Support nonprofits and faith-based organizations interested in taking advantage of the city's C1 Density Bonus program by providing program eligibility consultation, preliminary funding strategy support and connections to affordable housing developers/organizations This could include initial meetings with Overlake Presbyterian Church and ongoing conversations with Jubilee Reach.</p> <p>Continue to monitor and advance development progress of Forest Edge and Peter's Ridge.</p>

Other funding strategies and programs	<p>Support other investments (fee in lieu, CIP funds, etc.) from Bellevue’s Affordable Housing Fund as funds become available. Support includes advertising, marketing, reviewing applications, developing recommendations in coordination with HSP and Trust Fund processes, and contracting.</p> <p>Support analysis and implementation of relevant funding strategies and programs from Bellevue’s Affordable Housing Strategy:</p> <ul style="list-style-type: none"> <li>• Advise on the implementation of the Flexible Project Fund to provide expedited short-term loans to acquire NOAH properties for affordable housing.</li> <li>• Explore new local revenue sources for affordable housing such as levies, increment revenue, fees and bonding, with consideration for regional coordination and the need for supportive services.</li> <li>• Assess the state of the existing affordable housing portfolio for operational and maintenance need</li> </ul> <p>Coordinate and provide guidance to Bellevue’s Environmental Stewardship Initiative (ESI) to make sustainability programs and funding accessible and useful to affordable housing owners and low-income households.</p>
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 **Local Policy and Planning**

<i>Item</i>	<i>Description / ARCH Support</i>
Land use, tax and financial incentives for affordable housing	<p>Support analysis and implementation of relevant land use and tax incentives from Bellevue’s Affordable Housing Strategy:</p> <ul style="list-style-type: none"> <li>• HOMA MFTE</li> <li>• BelRed upzones and MFTE</li> <li>• TOD bill implementation</li> <li>• C-1 expansion (2027)</li> <li>• Sales and use tax exemption for utilization of vacant parking lots for affordable housing</li> </ul>
Housing diversity	Work with Office of Housing and Development Services to analyze pathways to remove barriers to middle housing.
Regulatory flexibility / reducing barriers	Support implementation of HB 2266 (STEP Housing).
Streamline processes	<p>ARCH will support analysis of these items:</p> <ul style="list-style-type: none"> <li>• Exempt certain affordable housing projects from design review</li> <li>• Consider expanding eligibility of expedited permitting and fee waiver program to more affordable housing projects</li> <li>• Create and recommend a process to acquire and hold land for the development of affordable housing</li> </ul>



## Program Implementation

<i>Item</i>	<i>Description / ARCH Support</i>
Land use, MFTE, fee waiver incentive program administration	<p>Administer affordable housing code requirements for Bellevue's incentive programs, including:</p> <ul style="list-style-type: none"> <li>• MFTE program (8, 12 and 20-year nonprofit homeownership projects)</li> <li>• Voluntary bonus programs (citywide, Downtown, and East Main TOD, and C1),</li> <li>• Mandatory inclusionary zoning (BelRed, Eastgate, Neighborhood Mixed Use, and other mixed-use districts citywide)</li> <li>• Transportation fee waiver</li> <li>• Permit fee reduction</li> </ul> <p>Implement SOPs with DS and OH to coordinate work streams across departments.</p>
Rental Program	Monitor 647 affordable rental units in 27 existing projects. Provide lease-up support, training and monitoring for new rental projects as they come online.
Homeownership Program	<p>Steward 67 existing affordable ARCH homes in Bellevue.</p> <p>Work with OH to explore options for reinvestment in ARCH homes.</p>



## Outreach and Engagement

<i>Item</i>	<i>Description / ARCH Support</i>
Housing access and education	<p>Support creation of an education and communication plan for regular community dialogue on housing needs and the benefits of housing choices.</p> <ul style="list-style-type: none"> <li>• Create accessible and easy to understand resources guides for homeowners, tenants, and landlords to increase housing stability in the community.</li> <li>• Work with ARCH to create a centralized, user-friendly hub for affordable housing seekers. Implement improvements like creating a centralized affordable housing search tool; develop a step-by-step housing application guide; improving accessibility; and language access.</li> </ul>

## Bothell - ARCH Work Program



### Affordable Housing Investment, Special Projects

<i>Item</i>	<i>Description / ARCH Support</i>
Annual investment through the ARCH Housing Trust Fund	Administer HB 1406 funds contributed to Trust Fund. Provide reporting to the State on HB 1406 funds.
Public surplus property	BRIDGE Bothell United Methodist Church Project - Assist the city, BUMC and developer as needed to help the project close successfully; Assist the city with CHIP contracting support; coordination with WSHFC to support developer in securing the expiring HUD Difficult to Develop Designation.  Assist with evaluation of remaining City-owned (Lots E, F, G, and city hall lots) or publicly owned property for potential affordable housing development in downtown Bothell.
Nonprofit/faith owned property	Provide support to any nonprofit or religious organizations in Bothell with interest in developing affordable housing on-site through WA state law incentives.



### Local Policy and Planning

<i>Item</i>	<i>Description / ARCH Support</i>
Housing Plans	Support development and implementation of affordable housing strategies from Bothell's final Housing Action Plan and Downtown Plans (expected adoption in late 2026). Potential HAP actions include continued preservation of manufactured housing, additional evaluation of local renter protection policies on top of state policies, and financial assistance for homeowners to build for ADUs.
Land use, tax and financial incentives for affordable housing	Support continual evaluation, expansion and refinement of Bothell's inclusionary and MFTE policies, as well as implementation of HB 1491 (TOD Bill).



### Program Implementation

<i>Item</i>	<i>Description / ARCH Support</i>
Land use, MFTE, fee waiver incentive program administration	Administer affordable housing code requirements for inclusionary zoning, voluntary height bonus and MFTE programs.
Rental Program	Provide lease-up support, training and monitoring for new rental projects.
Homeownership Program	N/A



### Outreach and Engagement

<i>Item</i>	<i>Description / ARCH Support</i>
Civic education in housing, staff outreach events, etc.	Work with Bothell's Communications team, Human Services coordinator, and Community Development on education and outreach for programs such as finding affordable housing, ADU opportunities, financial assistance for preservation of homes for homeowners, etc.

## Issaquah - ARCH Work Program



### Affordable Housing Investment, Special Projects

<i>Item</i>	<i>Description / ARCH Support</i>
Annual investment through the ARCH Housing Trust Fund	Administer HB 1406, HB 1590 (IHIP) or other local funds contributed to Trust Fund. Provide reporting as required.
Issaquah Inclusive Housing Investment Pool (IHIP)	<p>On an annual basis, verify and advertise available IHIP funds through the ARCH Housing Trust Fund process, with priorities established by the City of Issaquah.</p> <p>Review IHIP applications and prepare staff reports. Facilitate recommendations and award approval in tandem with Trust Fund recommendations.</p> <p>Administer approved awards through Issaquah's ARCH Trust Fund account. Review and approve disbursement of funds to awarded projects in accordance with executed contracts. Maintain contract data and assist with reporting to Issaquah City Council.</p>
Trailhead Transit-Oriented Development	Prepare and administer approved capital contracts and covenants for KCHA and LEO. Provide marketing support when project opens in 2028.
Public surplus / faith-owned property	Provide technical assistance to Our Savior Lutheran Church and/or other faith communities or nonprofits with underutilized land.



### Local Policy and Planning

<i>Item</i>	<i>Description / ARCH Support</i>
Housing Plans	<p>On an annual basis, prepare housing-related data for Issaquah's housing dashboard.</p> <p>Provide advice and guidance for Issaquah's Housing Strategy update in 2027.</p>
Land use, tax and financial incentives for affordable housing	<p>Provide policy, economic analysis and fiscal impact analysis for updates and potential expansion of Issaquah's MFTE and IZ programs in Central Issaquah.</p> <p>Help to evaluate potential projects/opportunities that arise under current or amended Development Agreements (e.g., Lakeside, Rowley) and prepare contractual agreements as needed.</p>
Regulatory flexibility / reducing barriers	Provide feedback on City's proposals to reduce code-related barriers to housing development in Central Issaquah.
Streamline processes	Connect Issaquah with other jurisdictions pursuing similar efforts regarding pre-approved ADU plans.



## Program Implementation

<i>Item</i>	<i>Description / ARCH Support</i>
Land use, MFTE, fee waiver incentive program administration	Administer affordable housing code requirements for Central Issaquah bonus program, pioneer program, inclusionary zoning, fee waiver and MFTE programs.
Rental Program	<p>Monitor 104 affordable rental units in 6 existing projects. Facilitate timely communication with property owners/managers and the city regarding rental units with expiring rent restrictions (i.e., Highlands at Wynhaven).</p> <p>Provide lease-up support, training and monitoring for any new rental projects coming online.</p> <p>Work with the city to establish alternative monitoring plan for High Street as needed.</p>
Homeownership Program	<p>Steward 277 existing affordable ARCH homes in Issaquah. Provide pricing, marketing, buyer selection and qualification for new affordable homes produced through city agreements.</p> <p>Support the city with strategies to preserve affordability and support ARCH homeowners facing special assessments or other challenges.</p>



## Outreach and Engagement

<i>Item</i>	<i>Description / ARCH Support</i>
Civic education in housing, staff outreach events, etc.	N/A

## Kenmore - ARCH Work Program



### Affordable Housing Investment, Special Projects

<i>Item</i>	<i>Description / ARCH Support</i>
Annual investment through the ARCH Housing Trust Fund	Administer HB 1406, general funds or other local funds] contributed to Trust Fund. Provide reporting to the State on HB 1406 funds.
Other local investments	e.g., fee-in-lieu, etc.
Public surplus, nonprofit/faith-owned property	Work with City staff, Imagine Housing and Habitat on the Approach (Holt property).  Advance other opportunities to site affordable housing in Kenmore, such as near ST3 transit investments, or on other public, nonprofit, and faith-based community property. Help evaluate and identify potential properties, partners, and financing strategies.



### Local Policy and Planning

<i>Item</i>	<i>Description / ARCH Support</i>
Housing Plans	Develop an updated Housing Strategy Plan and implement associated actions.
Land use, tax and financial incentives for affordable housing	Create updates to the IZ and MFTE programs that consider TOD and expansions to downtown and Lakeside.
Housing diversity	Provide support for evaluating strategies for MHC preservation / anti-displacement policies.  Explore other equity and anti-displacement policies.



### Program Implementation





<i>Item</i>	<i>Description / ARCH Support</i>
Land use, MFTE, fee waiver incentive program administration	Administer affordable housing code requirements for inclusionary zoning, fee exemption, voluntary density bonus and MFTE programs.
Rental Program	Monitor 56 affordable rental units in 1 existing project. Provide lease-up support, training and monitoring for new rental projects.
Homeownership Program	N/A



### Outreach and Engagement

<i>Item</i>	<i>Description / ARCH Support</i>
Civic education on housing	Support City and consultant outreach on the development of the updated Affordable Housing Strategy and implementation initiatives.

## King County - ARCH Work Program

 <b>Affordable Housing Investment, Special Projects</b>	
<i>Item</i>	<i>Description / ARCH Support</i>
Annual investment through the ARCH Housing Trust Fund	Work with the ARCH Executive Board to make award recommendations for annual CDBG allocations from Kirkland, Redmond, and N/E Joint Agreement Cities.
Public surplus property	Work with King County staff to encourage efforts to develop affordable housing on underutilized county property (e.g., King County Metro Park & Rides).
 <b>Local and Regional Policy and Planning</b>	
<i>Item</i>	<i>Description / ARCH Support</i>
Housing Plans	Participate in King County's Housing Action Plan development and implementation.
Land use, tax and financial incentives for affordable housing	Participate in study of MFTE and inclusionary zoning in urban unincorporated King County.
Data and reporting	Support the Affordable Housing Committee in executing the CPP Housing Chapter accountability framework. This includes supporting King County's data collection and reporting on affordable housing production and preservation.
 <b>Program Implementation</b>	
<i>Item</i>	<i>Description / ARCH Support</i>
Rental Program	Monitor 478 affordable rental units in 2 existing projects. Provide lease-up support, training and monitoring for new rental projects.
Homeownership Program	Steward 236 existing ARCH homes in unincorporated King County. Administer process for expiring covenants in Redmond Ridge East including working with sellers to consider incentives to maintain the home as affordable and remove expired covenants at point of sale as requested. By the end of 2026, there will be 133 homes with in-force covenants.
 <b>Outreach and Engagement</b>	
<i>Item</i>	<i>Description / ARCH Support</i>
Civic education on housing, staff outreach events, etc.	N/A

## Kirkland - ARCH Work Program



### Affordable Housing Investment, Special Projects

<i>Item</i>	<i>Description / ARCH Support</i>
Annual investment through the ARCH Housing Trust Fund	Administer HB 1406, general funds, fee in lieu funds and any other local funds contributed to Trust Fund.  Provide reporting to the State on HB 1406 funds.
Other local investments	Support the City to analyze alternative compliance and fee-in-lieu proposals for inclusionary affordable units. Contract for fee-in-lieu funds as available.
Public surplus property	Support city staff in evaluating inclusion of affordable housing and pursuing strategies to maximize affordability for sites that may present future opportunities for City partnership.
Nonprofit/faith owned property	Support City's engagement and technical assistance for faith organizations to consider affordable housing development.
Other property evaluation	Support city engagement with private property owners in the 85 <sup>th</sup> Street Station Area to consider affordable housing development.



### Local Policy and Planning

<i>Item</i>	<i>Description / ARCH Support</i>
Housing Plans and Data	Continue to provide affordable housing project data 1-2x/year to support Kirkland's Housing Dashboard.  Consider updating Kirkland's Housing Strategy in 2028.
Land use, tax and financial incentives for affordable housing	Support Kirkland's implementation of HB 1859 land use bonuses for faith owned land.  Support Kirkland's implementation of HB 1491 related to Transit-Oriented Development.  Evaluate affordable housing policies related to any middle housing code updates.  Evaluate existing affordable housing requirements citywide. Adopted task on Kirkland's 2026-2028 Planning Work Program.
Housing diversity	Consider updates to optimize middle housing; ARCH to support evaluation related affordable housing policies.
Streamline processes	Evaluate consolidation of low-density zones.



## Program Implementation

<i>Item</i>	<i>Description / ARCH Support</i>
Land use, MFTE, fee waiver incentive program administration	Administer affordable housing code requirements for inclusionary zoning, fee exemption and MFTE programs.
Rental Program	Monitor 395 affordable rental units in 18 existing projects. Provide lease-up support, training and monitoring for new rental projects as they come online.
Homeownership Program	Steward 60 existing affordable ARCH homes in Kirkland. Provide pricing, marketing, buyer selection and qualification for new affordable homes produced through city agreements.



## Outreach and Engagement

<i>Item</i>	<i>Description / ARCH Support</i>
Civic education in housing, staff outreach events, etc.	N/A

## Mercer Island - ARCH Work Program



### Affordable Housing Investment, Special Projects

<i>Item</i>	<i>Description / ARCH Support</i>
Annual investment through the ARCH Housing Trust Fund	Administer general funds or other local funds contributed to Trust Fund. Provide reporting as required.
Other local investments	Support the City to invest any fee in lieu funds that may be collected through its inclusionary program.  Support the City to explore other potential funding sources for affordable housing such as the CHIP program.
Public surplus property	Work with City staff on any potential surplus property as it becomes available.
Nonprofit/faith owned property	Work with local churches and nonprofits as requested to provide them with options for affordable housing production.



### Local Policy and Planning

<i>Item</i>	<i>Description / ARCH Support</i>
Land use, tax and financial incentives for affordable housing	Support policy and economic analysis regarding affordable housing when implementing land use and MFTE incentives in TOD areas (see HB 1491).  Consider land use incentives for faith owned land if potential sites are identified.
Housing diversity	Evaluate affordable housing policies when adopting permanent regulations for middle housing and ADUs.



### Program Implementation

<i>Item</i>	<i>Description / ARCH Support</i>
Land use, MFTE, fee waiver incentive program administration	Administer affordable housing code requirements for local inclusionary and fee reduction programs.
Rental Program	Monitor 28 affordable rental units in 2 existing projects. Provide lease-up support, training and monitoring for new rental projects.
Homeownership Program	N/A



### Outreach and Engagement

<i>Item</i>	<i>Description / ARCH Support</i>
Civic education in housing, staff outreach events, etc.	N/A

## Newcastle - ARCH Work Program



### Affordable Housing Investment, Special Projects

<i>Item</i>	<i>Description / ARCH Support</i>
Annual investment through the ARCH Housing Trust Fund	Administer HB 1406, general funds or other local funds contributed to Trust Fund. Provide reporting to the State on HB 1406 funds.
Public surplus property	Provide assistance on 3 potential surplus city properties to evaluate affordable housing disposition and development options, identify potential development partners and pursue funding strategies.
Nonprofit/faith owned property	Assist with providing technical assistance to faith organizations with interest in affordable housing development.



### Local Policy and Planning

<i>Item</i>	<i>Description / ARCH Support</i>
Housing Plans	Provide an updated housing needs analysis to inform the city's housing work plan.
Land use, tax and financial incentives for affordable housing	Assist with evaluating affordable housing incentives and requirements with the updated Newcastle Downtown Plan.
Housing diversity	Assist with evaluating options for affordable housing in any future updates to middle housing codes.



### Program Implementation

<i>Item</i>	<i>Description / ARCH Support</i>
Land use, MFTE, fee waiver incentive program administration	Administer affordable housing code requirements for inclusionary zoning and voluntary bonus programs.
Rental Program	Monitor 46 affordable rental units in 3 existing projects. Provide lease-up support, training and monitoring for new rental projects.
Homeownership Program	Steward 6 existing affordable ARCH homes in Newcastle. Provide pricing, marketing, buyer selection and qualification for new affordable homes produced through city agreements.



### Outreach and Engagement

<i>Item</i>	<i>Description / ARCH Support</i>
Civic education in housing, staff outreach events, etc.	N/A

## Redmond - ARCH Work Program



### Affordable Housing Investment, Special Projects

<i>Item</i>	<i>Description / ARCH Support</i>
Annual investment through the ARCH Housing Trust Fund	Administer HB 1406, general funds and other local funds contributed to Trust Fund. Provide reporting to the State on HB 1406 funds.
Other local investments	Supports the City in analysis of alternative compliance and fee-in-lieu proposals for inclusionary affordable units. Contract for fee-in-lieu funds as applicable.  Support implementation of other local investments in affordable housing as funds may be appropriate in the budget.
Public surplus property	Collaborate with Redmond and Sound Transit to support affordable housing development on surplus property at Marymoor Station. Assist with financial modeling, funding strategies, RFP development and proposal review.  Work with City staff on surplus property/land banking/community land trust/other similar approaches to increasing affordable housing proposals, and explore ARCH-wide approaches to this work.
Nonprofit/faith owned property	Provide technical assistance to one or more faith-based organization planning to develop their property for affordable housing.



### Local Policy and Planning

<i>Item</i>	<i>Description / ARCH Support</i>
Housing Plans	Provide data and guidance to support Redmond's updated Housing and Human Services Action Plan and contribute to implementation of relevant actions.
Land use, tax and financial incentives for affordable housing	Support evaluation and potential implementation of new MFTE options, including 20-year and 12-year extension options.  Help to explore additional incentives to build affordable homeownership housing.
Housing diversity	Continue to refine standards to promote middle housing development and on-site affordable housing production.



### Program Implementation

<i>Item</i>	<i>Description / ARCH Support</i>
Land use, MFTE, fee waiver incentive program administration	Administer affordable housing code requirements for inclusionary zoning, fee exemption and MFTE programs.





Rental Program	Monitor 923 affordable rental units in 43 existing projects. Provide lease-up support, training and monitoring for new rental projects as they come online.
Homeownership Program	Steward 118 existing affordable ARCH homes in Redmond. Provide pricing, marketing, buyer selection and qualification for new affordable homes produced through city agreements.



## Outreach and Engagement

<i>Item</i>	<i>Description / ARCH Support</i>
Civic education in housing, staff outreach events, etc.	N/A

## Sammamish - ARCH Work Program

 <b>Affordable Housing Investment, Special Projects</b>	
<i>Item</i>	<i>Description / ARCH Support</i>
Annual investment through the ARCH Housing Trust Fund	Administer HB 1406, general funds or other local funds contributed to Trust Fund. Provide reporting to the State on HB 1406 funds.
Other local investments	Assist with managing and, when directed by the City, investing Sammamish fee in lieu funds alongside the ARCH Trust Fund, consistent with city guidelines.
Nonprofit/faith owned/public property	Work with public and religious bonus parcel owners on feasibility of their sites for potential affordable housing development.
 <b>Local Policy and Planning</b>	
<i>Item</i>	<i>Description / ARCH Support</i>
Land use, tax and financial incentives for affordable housing	Assist with continued evaluation of affordable housing incentives and requirements in the Sammamish Town Center as well as other centers and future subareas.
Bonus Parcel Capacity Analysis	Support the City in understanding the capacity of bonus parcel sites.
 <b>Program Implementation</b>	
<i>Item</i>	<i>Description / ARCH Support</i>
Land use, MFTE, fee waiver incentive program administration	Administer affordable housing code requirements for inclusionary zoning, fee exemption and density bonus programs.
Rental Program	Monitor 48 affordable rental units in 2 existing projects. Provide lease-up support, training and monitoring for new rental projects.
Homeownership Program	Steward 7 existing affordable ARCH homes in Sammamish. Provide pricing, marketing, buyer selection and qualification for new affordable homes produced through city agreements, including 3 new affordable homes at the Brownstones West development.
 <b>Outreach and Engagement</b>	
<i>Item</i>	<i>Description / ARCH Support</i>
Nonprofit/public/faith-based owner and developer outreach	Market the City's affordable housing incentives available to bonus parcels and help to assess feasibility.

## Woodinville - ARCH Work Program



### Affordable Housing Investment, Special Projects

<i>Item</i>	<i>Description / ARCH Support</i>
Annual investment through the ARCH Housing Trust Fund	Administer HB 1406, general funds or other local funds contributed to Trust Fund. Provide reporting to the State on HB 1406 funds.
Public surplus property	Support exploration of potential development of affordable housing on the WDOT Park & Ride.
Nonprofit/faith owned property	Provide support to nonprofit providers (CIRC/Transforming Age) to ensure long-term preservation of existing affordable housing.



### Local Policy and Planning

<i>Item</i>	<i>Description / ARCH Support</i>
Land use, tax and financial incentives for affordable housing	Help review analysis and share best practices/policies as needed to inform potential expansion of Woodinville's inclusionary zoning and MFTE policies.



### Program Implementation

<i>Item</i>	<i>Description / ARCH Support</i>
Land use, MFTE, fee waiver incentive program administration	Administer affordable housing code requirements for inclusionary zoning (interim) and MFTE programs and related development agreements.  Support contracting and monitoring of affordable housing requirements for the Midtown Woodinville (former Molbak's) development.
Rental Program	Monitor 26 affordable rental units in 1 existing project. Provide lease-up support, training and monitoring for new rental projects.
Homeownership Program	Steward 20 existing affordable ARCH homes in Woodinville. Provide pricing, marketing, buyer selection and qualification for new affordable homes produced through city agreements.



### Outreach and Engagement

<i>Item</i>	<i>Description / ARCH Support</i>
Civic education in housing, staff outreach events, etc.	N/A

## ITEM 5C: East King County Downpayment Assistance Program Update

Informational update on implementation of the East King County Downpayment Assistance Program recommended changes.

### Background

The ARCH East King County Downpayment Assistance Program (DPA) was first established in 2005 by ARCH, the Washington State Housing Finance Commission (WSHFC), and King County. The program is administered through WSHFC and currently provides up to \$30,000 in downpayment assistance for qualified homebuyers purchasing in East King County.

In November 2025, the ARCH Executive Board was briefed on recommendations developed by WSHFC, King County and ARCH staff to strengthen and extend the impact of the program. The recommendations were intended to better meet the needs of eligible buyers in the current marketplace, align with the ARCH Homeownership Program, and result in faster utilization of program funds. Along with updating program policies, staff recommended clarifying and simplifying administrative responsibilities in ARCH and the Administering Agency.

The November Board agenda materials included a detailed summary of the recommended policy changes. As a reminder, these included:

- **Increasing the maximum DPA loan** from \$30,000 to \$75,000 for low-income buyers under 80% AMI and \$50,000 for buyers earning up to 100% AMI. This change was designed to address higher home prices since the program was first established and better bridge the gap for income-eligible homebuyers.
  - *Notably, this element of the recommendation assumed a revised loan allocation in which all program funders would increase their maximum contribution per loan. This allocation approach was reviewed and vetted by staff from all funder agencies, but was not specifically laid out in the recommendation memo to councils.*
- **Reducing required minimum contribution** for borrowers from 2% to 1% to improve affordability for income-eligible homebuyers.
- **Expanding eligibility** from 80% AMI to 100% AMI to align with more homes in ARCH's Homeownership Program.
- **Lowering the interest rate** from 4% to 1% to improve affordability for income-eligible homebuyers and align with other programs administered by WSHFC.
- **Removing "ARCH" from the program name** to better distinguish the DPA program from ARCH's Homeownership Program

In December 2025, the ARCH Executive Board voted to approve staff and partner agencies' recommendations and directed staff to transmit the Executive Board's recommendations and facilitate accompanying resolutions from member cities/towns, as part of the 2025 Housing Trust Fund allocation process.

### **Status Update: Council Approvals and WSHFC Letter**

As of April 14<sup>th</sup>, 2026, all cities and towns that contributed to the DPA program had completed adoption of resolutions authorizing the proposed program changes, consolidating administrative responsibilities in ARCH, empowering the ARCH Administering Agency to execute amendments to the agreement on behalf of the member cities, and ratifying/affirming all prior agreements and instruments previously executed by the ARCH Administering Agency under prior versions of the agreement.

Staff are currently working with the Washington State Housing Finance Commission (WSHFC) and King County to finalize a Third Amended and Restated Agreement for the program, consistent with the recommended changes as approved by the participating member cities/towns.

Through this process, ARCH and King County received a communication from WSHFC indicating that they are unable to increase their per-transaction contribution above \$15,000, as was assumed in the original loan allocation approach. WSHFC shared that raising the cap for the East King County DPA Program would require corresponding increases across other DPA programs, including some which operate at significantly higher volumes—often exceeding 1,000 loans annually. The full communication from WSHFC can be found in **Attachment 2**.

### **Proposed Next Steps**

Following this communication, ARCH consulted with legal counsel and partner staff at King County to determine implications and options for the proposed program update. Given the inability of WSHFC to modify their cap, partner staff are proposing to move forward with the program updates as outlined and approved, with a **revised maximum total DPA of \$65,000 per transaction for borrowers at or below 80% AMI, and \$40,000 for borrowers between 80%-100%AMI**. These increases, together with the remainder of the program updates, are still significant improvements from the current program that will make the DPA more desirable and impactful for lower income buyers in East King County.

The updated maximum DPA numbers, based on WSHFC's maximum contributions, remain consistent with board recommendations and subsequent councils' actions. ARCH staff will continue working with the Bellevue City Attorney, King County, and WSHFC to finalize and execute a Third Amended and Restated Agreement for the program, consistent with the resolutions approved by the participating member cities and towns. At present, ARCH staff reasonably expect said agreement, and any related program policies and procedures, will be finalized and executed by July 2026.

Once executed, ARCH staff and the DPA partners look forward to marketing the updated DPA program to potential homeowners and with ARCH's partner lenders who support many ARCH buyers with financing.

### **Attachments**

- 1) Updated draft spending model for DPA implementation of proposed updates
- 2) WSHFC Letter: Modernization of the ARCH Down Payment Assistance Program

## Attachment 1

*Draft spending model for DPA implementation of proposed updates:*

### **If applicant is eligible for HOME funds:**

1. Max DPA is \$65K
2. Use maximum possible County HOME funds.
3. Use WSHFC's full \$15,000
4. ARCH covers remainder up to \$25,001

### *Examples – HOME Eligible Buyers*

Scenario	King County	WSHFC	ARCH	Total DPA Amount
Example 1: \$425,000 priced home, max \$65k DPA	\$24,999	\$15,000	\$25,001	\$65,000
Example 2: \$300,000 priced home, \$60k DPA	\$24,999	\$15,000	\$20,001	\$60,000

### **If applicant is not eligible for HOME funds:**

1. Max DPA is \$40K
2. Use WSHFC's full \$15,000
3. ARCH covers remainder up to \$25,001

### *Examples – Non-HOME Eligible Buyers*

Scenario	King County	WSHFC	ARCH	Total DPA Amount
Example 1: \$425,000 priced home, max \$40k DPA	\$0	\$15,000	\$25,000	\$40,000
Example 2: \$300,000 priced home, \$35k DPA	\$0	\$15,000	\$20,000	\$35,000



WASHINGTON STATE  
HOUSING FINANCE  
COMMISSION

*Opening doors to a better life*

Nicole Bascomb-Green  
*Chair*

Steve Walker  
*Executive Director*

April 10, 2026

Lindsay Masters  
A Regional Coalition For Housing  
16305 NE 87<sup>th</sup> Street, Suite 119  
Redmond, WA 98052

Re: Modernization of the ARCH Down Payment Assistance Program

Dear Lindsay,

The ARCH Down Payment Assistance Program has been in place for more than 20 years, with its first loan closing in late 2005. Over this time, it has successfully supported homeownership, and we value the partnership and its positive outcomes. We also appreciate the efforts underway to modernize the program to better reflect current market conditions, including changes in home prices, interest rates, and the broader housing environment.

We are largely supportive of the proposed program updates. The reduced interest rate on the DPA loan, improved clarity regarding roles and processes among ARCH, King County, and the Commission, and the program renaming to reduce confusion with ARCH Homes are all positive and welcome improvements.

The Commission is able to increase its per-transaction contribution from \$12,000 to \$15,000. However, we are not able to increase our contribution beyond this level at this time. Raising the cap for the ARCH DPA would require corresponding increases across our other programs, which are also capped at \$15,000 and operate at significantly higher volumes—often exceeding 1,000 loans annually. These loans typically involve minimal initial homeowner equity and carry extended risk exposure, with many borrowers requiring five to ten years to reach a point where a sale would not result in a loss.

Given this broader risk profile, expanding our contribution beyond the proposed level would represent an additional exposure that we are not able to prudently assume at this time. While the direct impact to the ARCH program may be limited, the cumulative effect on our overall portfolio would be material.

## Washington State Housing Finance Commission

We remain fully supportive of the other enhancements being made to the program and believe they will increase its effectiveness and benefit to Eastside homebuyers. We apologize for any prior confusion regarding this issue and look forward to proceeding with the program modernization within the scope outlined above.

Again, thank you for your partnership. Please feel free to reach out to me if you have questions.

Best,

*Lisa DeBrock*

Lisa DeBrock  
Homeownership Director

Cc: Steve Walker  
Lucas Loranger  
Corinna Obar  
Dietrich Schmitz

## ITEM 5D: 2026 Trust Fund Priorities and Parity Goals

Briefing and discussion of 2026 ARCH Trust Fund priorities and parity goals for investment in the ARCH Trust Fund.

### Background

In April, ARCH convened its second annual celebration of local investments in affordable housing, marking a historic funding round that advanced more affordable housing than at any time in ARCH's history. The event featured Executive Board and elected leadership as well as two panels of community partners and developers, who discussed key factors to their success in building and operating affordable housing. The event highlighted the importance of regional partnership and funding in advancing production and preservation of affordable housing.

At the May meeting, ARCH is seeking initial input from the Executive Board on ARCH's 2026 funding priorities and direction about how and whether to continue calculating "parity goals" for member investment.

### ARCH Housing Trust Fund Priorities

ARCH maintains a broad set of funding priorities for the Housing Trust Fund. These priorities have historically reflected long-term policy goals intended to ensure the program serves a wide range of needs and promotes housing opportunities throughout the region. Priorities include population goals, geographic distribution, transit-oriented development and more.

Since 2024, ARCH has also elevated select priorities for timely delivery of housing and maximizing unit creation in line with its Strategic Plan to "Build More Affordable Housing Faster," while maintaining its broader set of priorities in a separate section. (See **Attachment 1** for the most recent 2025 priorities.)

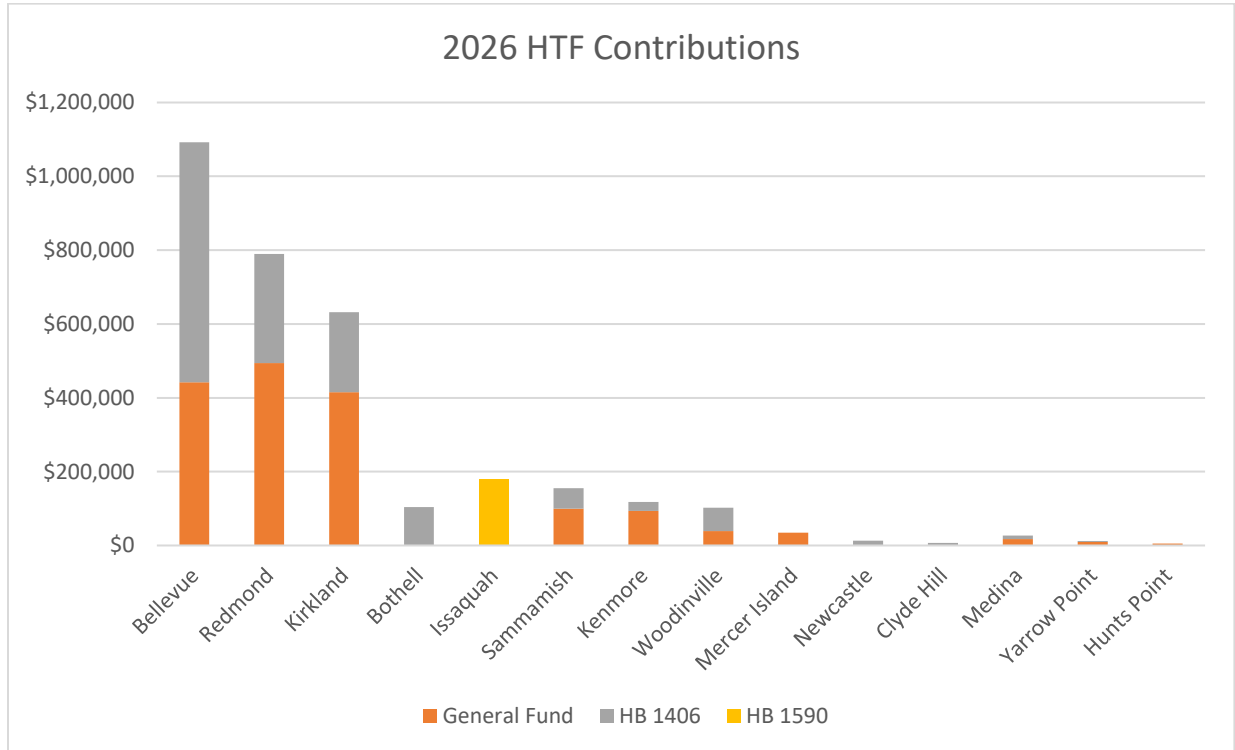
In 2026, ARCH is considering re-vamping its priorities as follows:

- **Removing specific population** targets but maintaining a broad objective to serve seniors, special needs, homeless, families and general population
- **Adding a priority for affordability levels at 30% AMI and 50% AMI**, in alignment with ARCH member housing allocations assigned through the Growth Management Act and Countywide Planning Policies
- **Expanding on preservation** to describe a broader range of potential projects as ARCH is seeing funders across the state shift to prioritize preservation
- **Removing the priority for innovative and sustainable development solutions**, which has not served as a useful priority to distinguish proposals
- **Expanding on the timely delivery of housing to include sponsor capacity** to ensure that projects are evaluated based on the financial capacity and human resources available to complete the meet their proposed schedules.

Staff welcome feedback from the Executive Board on these potential changes ahead of the June meeting when the Board will be asked to approve a final set of priorities.

## ARCH Funding Availability in 2026

In the first quarter, ARCH reached out to members and confirmed planned contributions to the Trust Fund for 2026. Total contributions amount to roughly \$3.3 million, not including federal CDBG funds that ARCH typically allocates. If CDBG funds are included in the federal budget at levels similar to recent years, ARCH cities would have another \$500k in funding available. ARCH will also plan to advertise funds from any de-obligated awards.

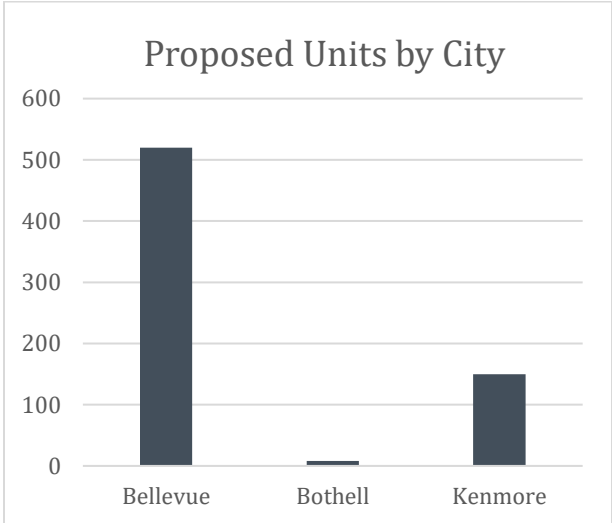
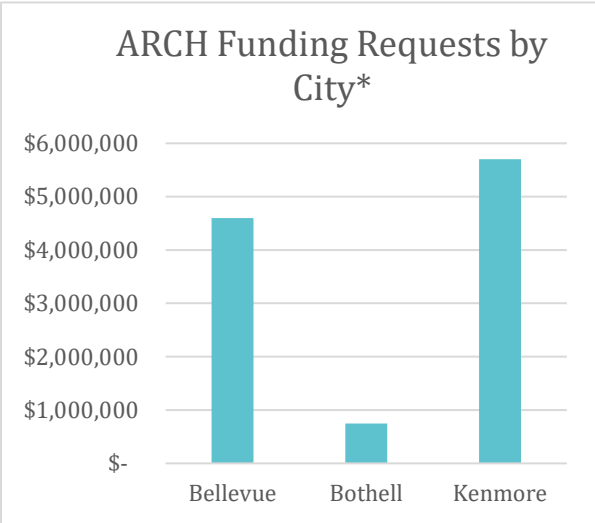
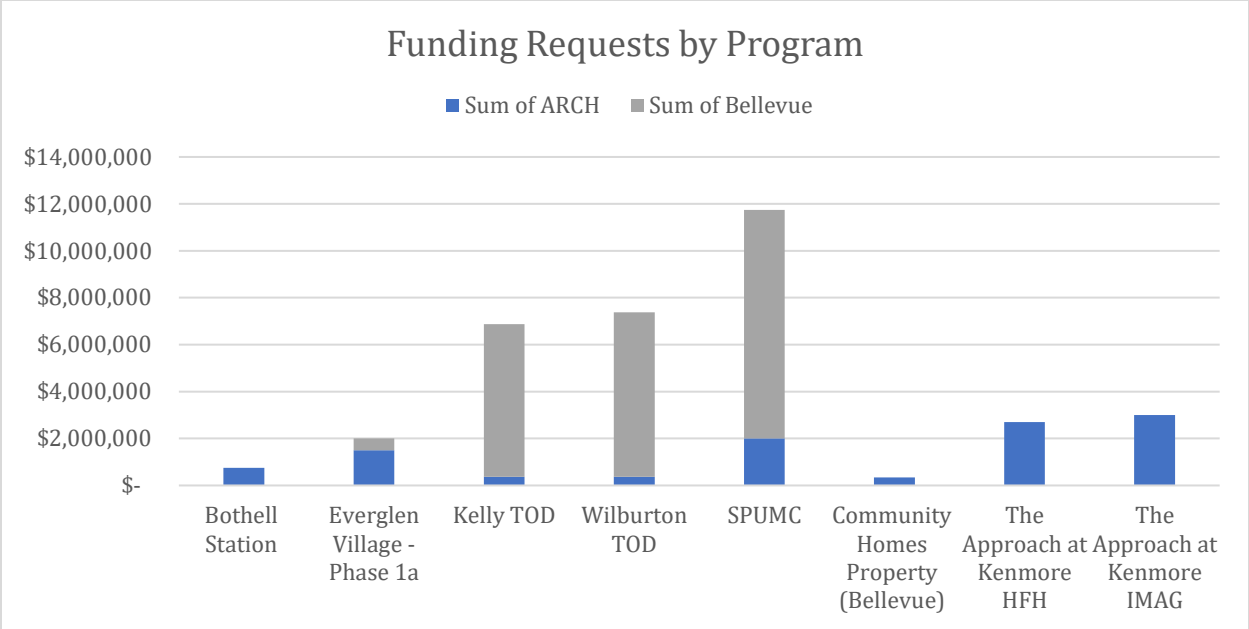


In addition to pooled HTF funds, ARCH is also communicating with individual members about other local funding sources that could be advertised this year. This includes the ongoing funding streams from Bellevue and Issaquah's dedicated sales tax revenues, as well as fee in lieu and other one-time funding sources from Sammamish and potentially other cities. The result may be a larger number of funds that are geographically restricted.

## Application Interest

In the first quarter of this year, ARCH also solicited early application interest ahead of the formal funding round. This annual process helps to market local funding to the development community, provide ARCH with data on the potential pipeline of affordable housing projects and opportunities, and facilitate communication with applicants, other funders and ARCH members. In past years, this early indication of interest has helped ARCH to work with individual cities to identify additional funding for projects.

This year, ARCH received information about **eight potential funding requests totaling \$35 million**. The following charts summarize the number of units and funding requests by project location.



*\*Excluding requested Bellevue funds*

As in recent years, the expected demand for funding will exceed ARCH's available resources. Proposed projects are also assuming additional investment from the State Housing Trust Fund, CHIP Program and King County.

Note that the data above includes two projects on City-owned sites in Bellevue, but does not include other potential special projects located on surplus public or faith-owned land that are in earlier stages of development or exploration. ARCH plans to provide a briefing on these opportunities at another meeting this year.

### **ARCH Parity Goals and Trends in Member Contributions**

Since 1998, ARCH has utilized voluntary “Parity Goals” to encourage proportional member contributions for affordable housing. Over the years, this concept has been used to engage members on annual contributions to the ARCH Trust Fund and encourage a variety of forms of voluntary contributions to affordable housing, including land donations and fee waivers.

The original goal range of \$1 to \$2 million was set based on the level of contributions cities were making in the late 1990s, rather than a goal to fund a specific number of housing units or grow investment over time. This goal is distributed among cities based on their population and projected housing and job growth. In 2017, ARCH members made an agreement to increase parity goals to account for inflation.

After adjusting for inflation through 2025, the updated parity goal range for all cities is now **\$2.45 to \$5.11 million**.

#### **ARCH PARITY GOAL RANGES – updated for inflation**

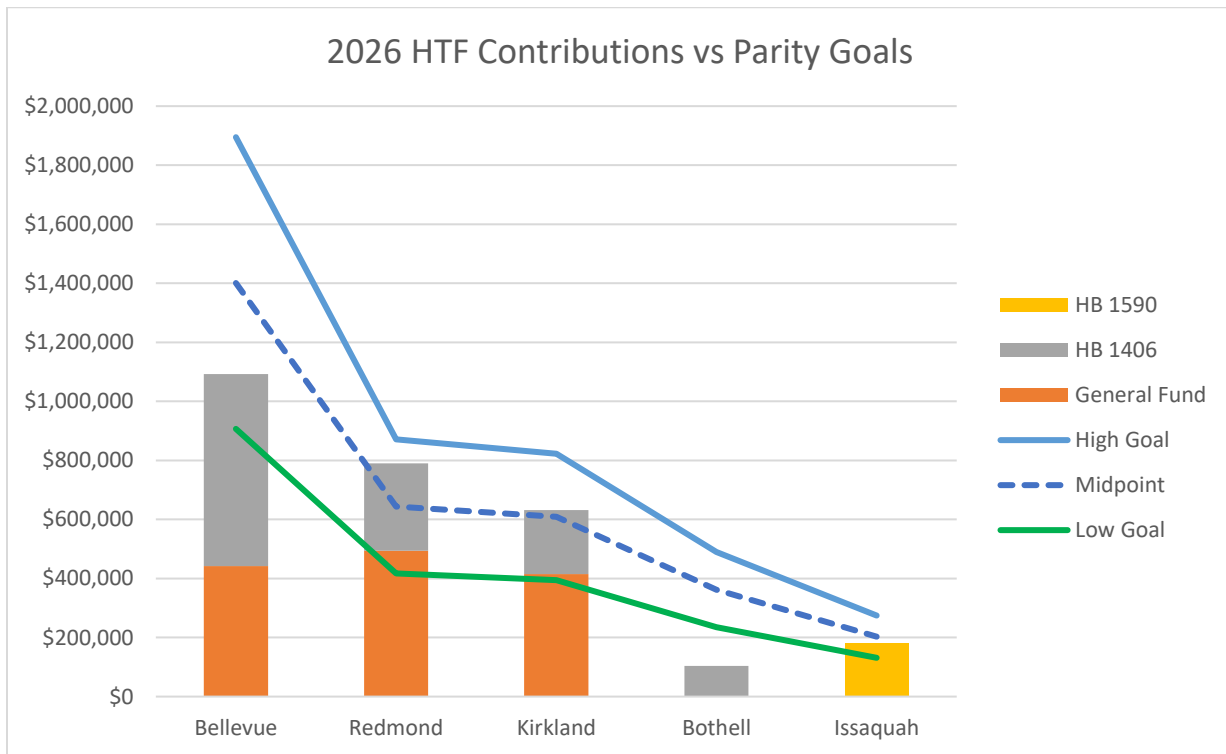
	<b>LOW</b>	<b>MID</b>	<b>HIGH</b>
<b>1998</b>	\$1,122,000	\$1,733,380	\$2,344,760
<b>2017</b>	\$1,780,000	\$2,750,500	\$3,721,000
<b>2018</b>	\$1,839,000	\$2,841,000	\$3,843,000
<b>2019</b>	\$1,878,000	\$2,901,000	\$3,924,000
<b>2020</b>	\$1,913,000	\$2,955,000	\$3,997,000
<b>2021</b>	\$2,011,000	\$3,107,000	\$4,203,000
<b>2022</b>	\$2,188,000	\$3,380,000	\$4,572,000
<b>2023</b>	\$2,306,000	\$3,562,500	\$4,819,000
<b>2024</b>	\$2,386,000	\$3,686,000	\$4,986,000
<b>2025</b>	\$2,446,000	\$3,778,500	\$5,111,000

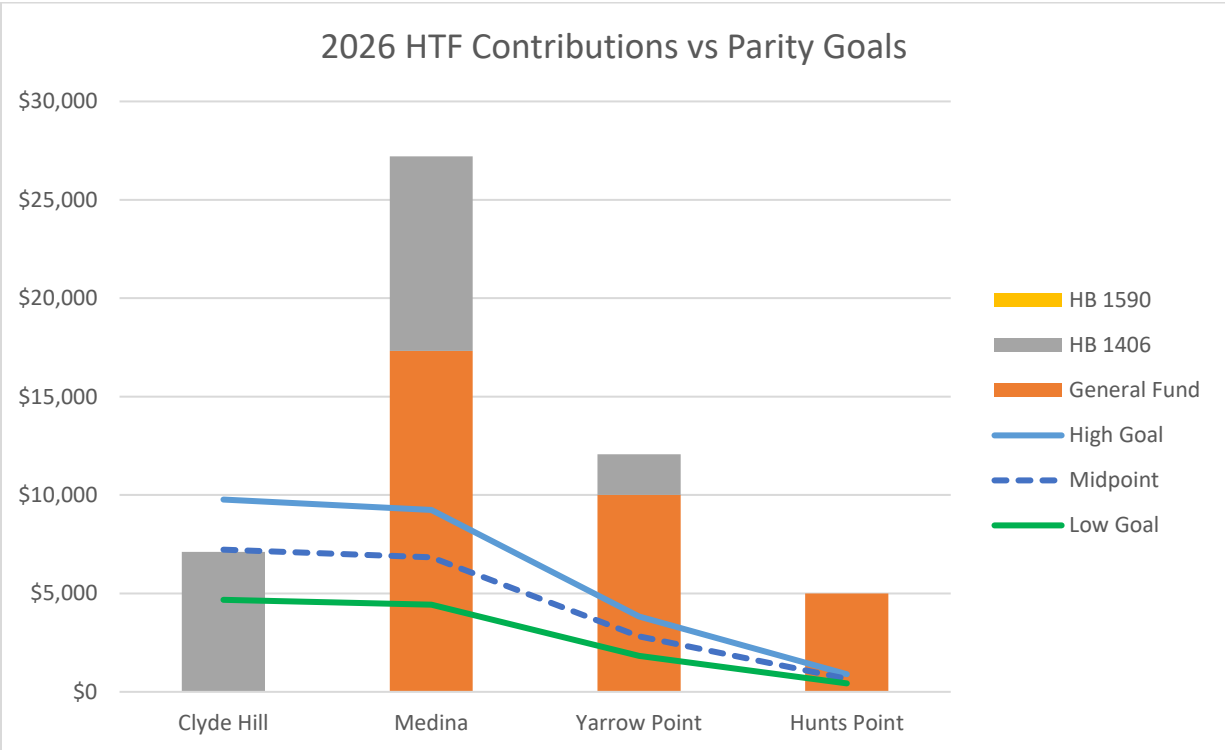
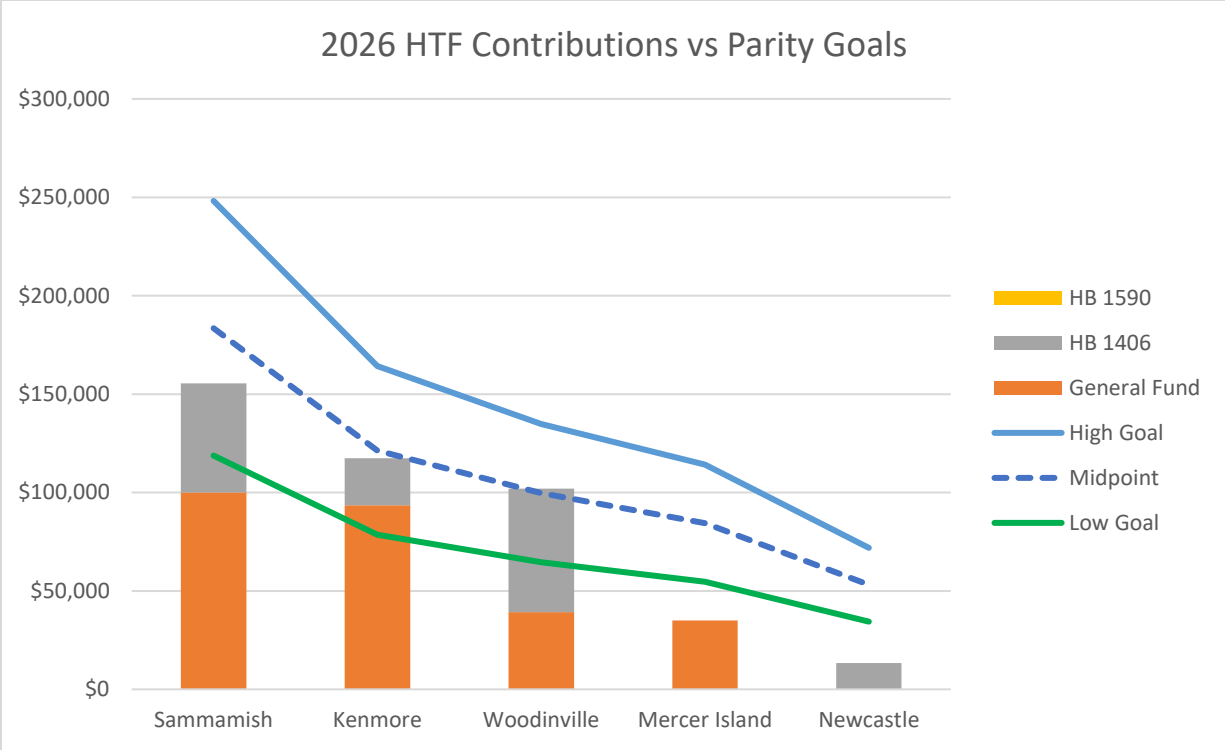
This year, confirmed local contributions from ARCH members (\$3.3M) fall short of the mid-point of the goal range, although this does not take into account funding from CDBG or potential contributions of land and fee waivers that could be associated with projects funded this year.

A table and graphs showing a comparison of 2026 contributions to the low, midpoint and high parity goals is shown on the following page.

## ARCH 2026 Member Contributions versus Parity Goals

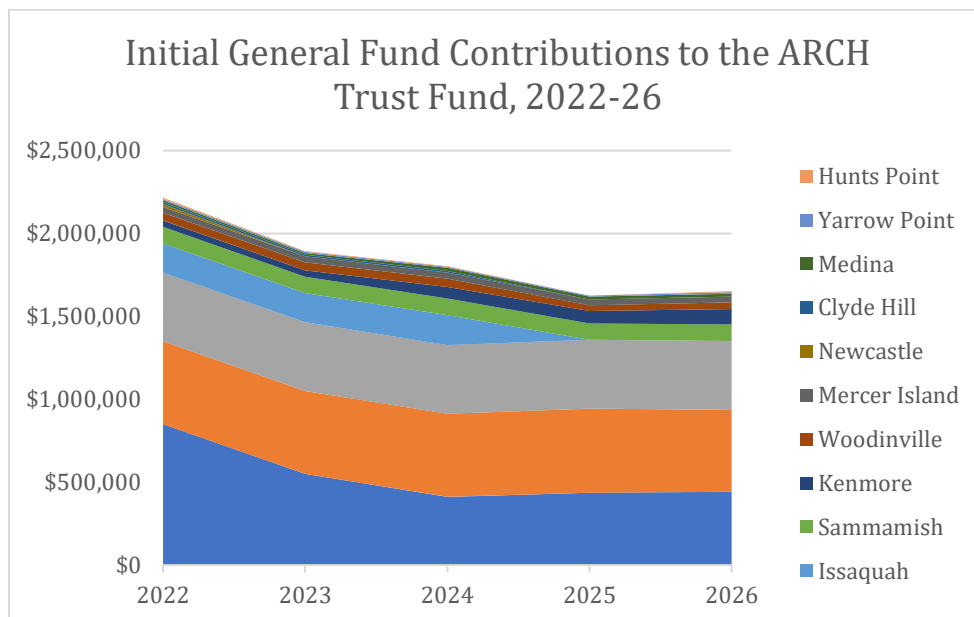
City	Total 2026 Commitment	General Fund	HB 1406	HB 1590	Low Goal	Midpoint	High Goal
<i>Bellevue</i>	\$1,092,000	\$442,000	\$650,000	\$0	\$906,819	\$1,400,823	\$1,894,828
<i>Redmond</i>	\$790,000	\$494,450	\$295,550	\$0	\$416,747	\$643,778	\$870,808
<i>Kirkland</i>	\$631,893	\$415,000	\$216,893	\$0	\$393,899	\$608,483	\$823,066
<i>Bothell</i>	\$104,430	\$0	\$104,430	\$0	\$234,579	\$362,369	\$490,160
<i>Issaquah</i>	\$180,000	\$0	\$0	\$180,000	\$131,380	\$202,951	\$274,523
<i>Sammamish</i>	\$155,487	\$100,000	\$55,487	\$0	\$118,763	\$183,461	\$248,159
<i>Kenmore</i>	\$117,500	\$93,534	\$23,966	\$0	\$78,572	\$121,376	\$164,180
<i>Woodinville</i>	\$102,000	\$39,210	\$62,790	\$0	\$64,510	\$99,653	\$134,795
<i>Mercer Island</i>	\$35,000	\$35,000	\$0	\$0	\$54,623	\$84,380	\$114,137
<i>Newcastle</i>	\$13,333	\$0	\$13,333	\$0	\$34,405	\$53,148	\$71,891
<i>Clyde Hill</i>	\$7,118	\$0	\$7,118	\$0	\$4,676	\$7,224	\$9,771
<i>Medina</i>	\$27,201	\$17,327	\$9,874	\$0	\$4,422	\$6,830	\$9,239
<i>Yarrow Point</i>	\$12,069	\$10,000	\$2,069	\$0	\$1,828	\$2,824	\$3,820
<i>Hunts Point</i>	\$5,000	\$5,000	\$0	\$0	\$429	\$662	\$896
<b>TOTAL</b>	<b>\$3,273,032</b>	<b>\$1,651,521</b>	<b>\$1,441,511</b>	<b>\$180,000</b>	<b>\$2,445,652</b>	<b>\$3,777,962</b>	<b>\$5,110,273</b>





While ARCH has seen steady contributions of HB 1406 pass-through funds, local contributions coming from general fund dollars have not been as stable, and ARCH is seeing a **decline in regular general fund contributions to the Trust Fund, in both the total amount and the number of members who provide general fund dollars**. From 2016 to 2022, between 13 to 14 member cities provided general fund resources to the ARCH Trust Fund. In 2023-24, this dropped to 12 cities, and in 2025 the number dropped to 9 cities. This year (2026), a total of 10 cities are contributing general fund dollars.

This trend is likely contributing to the smaller number of members who are meeting the mid-point of the parity goals. The chart below illustrates initial general fund contributions committed and advertised at the start of the last five funding rounds. Both Redmond and Kirkland provided additional project-specific investments outside of the regular round to help fill funding gaps for projects located in their jurisdictions. This, along with HB 1406 revenues, has helped to counterbalance the decline in other general fund commitments.



### Board Discussion of Parity Goals

Parity goals have provided a useful approach to establishing regional distribution of responsibilities for funding affordable housing. However, in light of constraints on local general funds and the trends highlighted above, ARCH is inviting discussion from the Board on whether other approaches would be more effective as ARCH seeks ways to increase funding to build more affordable housing faster.

Staff are interested in developing one or more options to update the method of establishing parity goals, including:

- Updating the base goals to achieve specific objectives such as maximizing available sources of leverage, or maintaining a certain level of housing production
- Including a formal menu of funding options for cities to consider meeting those goals (e.g., REET funds, local levies, surplus land donations, etc.)

## Staff Recommendation

Staff recommend the Board discuss and provide feedback on:

- Potential changes to ARCH funding priorities
- A revised approach to setting parity goals alongside a menu of funding options, and whether a different approach could be more effective within local budgeting processes

## Attachments

1. ARCH 2025 Funding Priorities
2. ARCH Member Parity Goals (updated for inflation through 2025)

## Attachment 1 ARCH 2025 Housing Trust Fund Priorities

### FUNDING PRIORITIES

ARCH has established priorities for the Housing Trust Fund to align with its adopted Strategic Plan, “Building More Affordable Housing Faster,” elevating the following priorities for 2025:

#### Timely Delivery

- a. **Timely Delivery of Housing.** ARCH will prioritize projects that can demonstrate the ability to advance quickly through the development and entitlement process, execute financing commitments, and deliver housing as rapidly as possible. Staff will evaluate a project’s readiness, sponsor track record, and organizational commitment to timely delivery.

#### Maximizing Unit Creation with ARCH Investment

- b. **Leveraging Private Investment.** ARCH encourages project sponsors to pursue private investment that provides maximum leverage of local resources. Use of the Low-Income Housing Tax Credit and tax-exempt bond programs are highly encouraged, together with other public funders, private lenders, or other creative financing structures.
- c. **Maximizing Competitiveness of Other Sources.** Projects that will maximize unit creation will leverage an ARCH award with other public sources. As the competition has grown for public funding, the importance of aligning projects with scoring criteria has also grown. ARCH will prioritize projects who are maximizing scoring for the County, State, and WSHFC programs. These programs also align with many of ARCH’s long-term policy objectives.
- d. **Cost-Effective Development Approaches.** ARCH encourages project sponsors to propose cost-effective approaches to development that will minimize requests to the Housing Trust Fund. This includes approaches such as utilizing free or discounted property, utilizing in-kind support, using extended amortization periods to increase leverage, redeveloping underutilized property already owned by the sponsor, working with cities to minimize structured parking by demonstrating reduced demand, and creating small/efficient unit layouts (e.g., SROs, co-housing, etc.) that still meet the needs of the proposed population.

## 2. Other Long-Term ARCH Objectives

ARCH continues to support other long-term policy objectives for local investment. These include:

- a. **Populations.** The Housing Trust Fund aims to serve a diverse range of populations. ARCH has set the following long-term goals for use of housing

resources.

Population	Target (%)	Actual % Awarded
Family	56%	58%
Senior	19%	18%
Homeless	13%	16%
Special Needs	12%	8%

Sponsors should be sure to identify funds for ongoing operations and supportive services when appropriate for the intended residents.

- b. **Geographic Equity.** The Housing Trust Fund has a long-term objective of producing housing across East King County. ARCH looks to create broad distribution in the siting of all types of affordable housing over time to maximize choice for individuals and families seeking affordable homes. A map of existing Housing Trust Fund projects is available on the organization's [website](#).
- c. **Preservation. *Projects that preserve housing at risk of conversion to market-rate are a high priority***, particularly when existing low-income residents are likely to be displaced. Preservation projects will be particularly competitive when they can demonstrate an efficient use of resources relative to new construction projects. ARCH will accept applications at any time for such projects and will work to expedite the review process when urgency has been demonstrated.
- d. **Transit-Oriented Development.** Transit-oriented development is designed to support dense, walkable communities that increase access to employment, services, and other opportunities. Several ARCH cities have adopted local plans and policies to support residential density near current and planned transit infrastructure. Multifamily projects, especially those near transit centers or high frequency transit, are encouraged, especially given the scoring priority with WSHFC, Commerce, and other funding sources.
- e. **Racial Equity.** ARCH encourages proposals that advance racial equity through strategies that intentionally dismantle the racially disparate impacts of our current housing system. For example, such strategies may include, but are not limited to: preserving existing communities at risk of displacement, including manufactured housing communities; increasing opportunities for very low-income households to access historically exclusive neighborhoods; creating meaningful project partnerships that give voice and ownership to residents and communities of color; affirmatively marketing new housing

opportunities to communities less likely to access opportunities in East King County; and addressing historic inequities in access to homeownership.

- f. **Shelter and Supportive Housing.** ARCH encourages projects that ensure the availability of shelter and supportive housing on the Eastside for homeless families, single adults, and youth. ***ARCH is particularly interested in projects from experienced providers with a track record of utilizing best practices that leverage operating and services funding*** while thoughtfully and successfully integrating projects into the fabric of existing communities. Providers considering such proposals should work with ARCH, member cities human services staff, and King County to ensure that adequate funding for operations and supportive services is available.
  
- g. **Innovative Sustainable & Environmentally Friendly Solutions.** ARCH encourages project sponsors to design with environmental sustainability in mind. Amenities and materials that meet residents' needs, promote long-term durability, and reduce operating costs are encouraged.

**Attachment 2****ARCH Member Parity Goals***Updated based on CPI through 2025*

	Low Goal	Midpoint	High Goal
Beaux Arts Village	\$347	\$537	\$726
Bellevue	\$906,819	\$1,400,823	\$1,894,828
Bothell	\$234,579	\$362,369	\$490,160
Clyde Hill	\$4,676	\$7,224	\$9,771
Hunts Point	\$429	\$662	\$896
Issaquah	\$131,380	\$202,951	\$274,523
Kenmore	\$78,572	\$121,376	\$164,180
Kirkland	\$393,899	\$608,483	\$823,066
Medina	\$4,422	\$6,830	\$9,239
Mercer Island	\$54,623	\$84,380	\$114,137
Newcastle	\$34,405	\$53,148	\$71,891
Redmond	\$416,747	\$643,778	\$870,808
Sammamish	\$118,763	\$183,461	\$248,159
Woodinville	\$64,510	\$99,653	\$134,795
Yarrow Point	\$1,828	\$2,824	\$3,820
<b>Total</b>	<b>\$2,446,000</b>	<b>\$3,778,500</b>	<b>\$5,111,000</b>

## ITEM 5E: King County Executive – Breaking the Cycle Executive Order

Informational update on King County Executive Zahilay’s “Breaking the Cycle” Executive Order and associated dedicated revenue workgroup.

### Background

On March 31, 2026, King County Executive Girmay Zahilay signed an executive order that is intended to improve housing and shelter options while better integrating behavioral health services. The order establishes the "Breaking the Cycle Initiative," which focuses on expanding affordable housing and shelter options, improving coordination between housing, health and the legal system, and exploring revenue sources to develop new affordable housing.

Pursuant to the Executive Order, the Executive’s Office establishes several interrelated efforts, including:

- **Breaking the Cycle Work Group.** A cross-sector and intergovernmental work group to develop policy, structural and funding recommendations to improve outcomes and coordination in the homelessness, addiction, behavioral health and incarceration continuum.
  - The work group will consist of representatives from 17 different entities including 9 county departments.
  - The work group will convene within 45 days of the executive order and submit a report to the Executive no later than November 30, 2026.
  - A **Breaking the Cycle policy team** within the Executive’ office will assist the work group and monitor implementation of its recommendations.
- **Open 500 Units in 500 days.** The Executive Office intends to work with DCHS, KCHRA and others to ensure 500 units of housing or shelter are opened within 500 days.
- **Activate Underutilized Properties.** The Department of Executive Services will lead an effort to create a comprehensive inventory of underutilized properties that may be suitable for different types of housing, including but not limited to County-owned land and buildings; Properties under long-term lease or operational control by the County; and Sites suitable for temporary or interim use, including tiny house villages, modular shelters, or congregate emergency shelters.
- **Dedicated Revenue Work Group.** The Executive Office will convene a workgroup to explore a dedicated revenue source, including a potential countywide housing levy (under RCW 84.52.105). A dedicated revenue source could support the building, siting, preservation, maintenance, and operations of emergency shelter and affordable housing across King County.
  - This work group will be composed of stakeholders representing government, community-based organizations, private sector, philanthropy, homebuilders, impacted communities, and labor partners.
  - Together, these stakeholders will identify and recommend a dedicated revenue source to build, site and operate emergency shelter and affordable housing units in King County.
  - The work group will convene within 60 days of March 31, 2026 and submit a

final report and recommendation to Executive Zahilay by December 31, 2026.

King County is in the process of identifying internal leadership and staffing to support the dedicated revenue work group. Staff from the Seattle Office of Housing, ARCH and the South King Housing and Homelessness Partners (SKHHP) have been engaged by King County and are expected to participate.

**Relevance to ARCH Strategic Plan and Member Engagement**

Per ARCH’s 2024 Strategic Plan and 2025 ARCH Governance Study, “the biggest barrier to building more affordable housing faster is money and finding other sources of revenue for ARCH.” A countywide housing levy for affordable and emergency housing could be designed in many possible ways with varying costs and benefits to East King County.

ARCH’s goal for participation will be to provide subject matter expertise to inform what funding could accomplish in East King County and how best to coordinate and optimize potential new investments with existing funding and efforts in ARCH member jurisdictions. ARCH Executive Director Lindsay Masters anticipates relaying information from the work group to the Executive Board and other convenings of ARCH members, as appropriate. The ARCH Council of Elected Officials is scheduled to receive an update on this topic at their 5/21/26 meeting.

Under ARCH’s Interlocal Agreement, ARCH has the responsibility to make recommendations to members regarding local and regional affordable housing policies. This responsibility is vested in the Executive Board, which could discuss whether to make any recommendations regarding a potential or proposed countywide revenue source for affordable housing. ARCH staff will continue to keep the Board updated on this planning process as it unfolds.

**Staff Recommendation**

N/A

**Attachments**

1. [ACO-8-34-EO Breaking the Cycle Executive Order](#)

**Document Code No.: ACO-8-34-EO**

**Title:** Breaking the Cycle

**Keywords:** housing, homelessness, breaking the cycle

**Sponsoring Agency:** King County Executive Office



**King County**

**WHEREAS**, Executive Zahilay has established the *4 Bs for a Better Future*—Breaking the Cycle, Building for Affordability, Be in Community, and Better Government—as the guiding priorities of this administration; and

**WHEREAS**, the *Breaking the Cycle* priority recognizes that homelessness, untreated behavioral health needs, and repeated legal-system involvement are interconnected challenges that require urgent, coordinated, and housing-centered solutions; and

**WHEREAS**, these challenges are deeply interconnected and cannot be effectively addressed by any single department, program, provider, or level of government acting alone; and

**WHEREAS**, the expiration of pandemic-era federal funding and the loss of other federal support requires King County to act swiftly, collaboratively, and strategically to prevent further harm and system collapse; and

**WHEREAS**, fragmentation and siloed decision-making across housing, behavioral health, emergency response, and the criminal legal system result in inefficiencies, repeated system involvement, and preventable harm; and

**WHEREAS**, King County continues to face an urgent homelessness crisis requiring immediate expansion of affordable housing options; and

**WHEREAS**, King County has created valuable relationships with private and public partners, and the county should cultivate those partnerships to leverage all available funds to stabilize our housing systems; and

**WHEREAS**, *Breaking the Cycle* requires accelerated decision making and implementation with transparent and frequent communication with partners and the public; cross-system coordination focused on immediate stabilization and long-term recovery; and

**WHEREAS**, effective affordable housing must be paired with behavioral health, housing stabilization, and reentry support in order to break cycles of homelessness, crisis, and system involvement; and

**WHEREAS**, the King County Executive has authority under Article 3 of the King County Charter to direct the administration of executive departments and coordinate intergovernmental action;

**NOW, THEREFORE,** I, Girmay Zahilay, King County Executive, do hereby order and direct:

**Section 1. Establishing the Breaking the Cycle Initiative**

The Breaking the Cycle Initiative (“Initiative”) is hereby established to treat the interconnected crises of homelessness, addiction, and behavioral health challenges and to align housing, health, and criminal legal systems and related funding to truly break the cycling through systems like emergency rooms, jails, living unhoused and improve outcomes. The Initiative refers to the efforts in Sections 2-7 of this order.

**Section 2. Forming the Breaking the Cycle Workgroup**

The Executive Office shall convene a cross-sector and intergovernmental *Breaking the Cycle* Workgroup to further develop policy, structural and funding recommendations to improve outcomes and coordination in the homelessness, addiction, behavioral health and incarceration continuum. The workgroup will examine the components of the continuum that are working, that are not working as intended, and where resources are not producing desired outcomes. The workgroup will also document siloed practices that hinder performance and continuity of care, including any data, regulatory and operational barriers to coordination.

Recommendations developed by the workgroup should include policies and programs that demonstrably improve outcomes; strategies to shift toward performance-based metrics that prioritize what works; and opportunities to eliminate or restructure ineffective investments.

The workgroup will be co-chaired by the Directors of the Department of Community and Human Services and Department of Public Health – Seattle & King County.

The Workgroup shall include a representative from:

1. Department of Community and Human Services (DCHS)
2. Public Health – Seattle & King County
3. King County Sheriff’s Office
4. King County Prosecuting Attorney’s Office
5. Department of Public Defense
6. Department of Adult and Juvenile Detention
7. Jail Health Services
8. Department of Local Services
9. King County Information Technology

The following will also be invited to participate:

10. Representative from King County Council

11. Representative of the King County Superior Court
12. Representative from the King County Regional Homelessness Authority (KCRHA)
13. Representative from Harborview Medical Center
14. Representatives from homelessness, housing and behavioral health service providers
16. Individuals or organizations representing individuals with housing instability lived experience
17. Representatives from other government, nonprofit, advocacy, civic, and philanthropic partners with expertise, experience or interest in addressing the objectives of this Initiative

The workgroup shall convene within 45 days of this executive order and submit a report to the Executive no later than November 30, 2026. The report shall include strategies and recommendations to identify:

1. Tangible, accelerated ways the county can focus on more cross-system coordination to more effectively deliver behavioral health and crisis stabilization services. The taskforce members will review the feedback from community members and providers from the engagement efforts conducted by DCHS to inform the Mental Illness & Drug Dependency behavioral health sales tax renewal plan. This feedback helps identify the gaps in the behavioral health system and provide recommendations for future policy efforts.
2. Data that exists and data that is needed to better understand the continuity of care from a client perspective.
3. Regulatory and operational barriers that can be removed to improve coordination within the existing systems.
4. Existing pathways to service that produce positive measurable outcomes.
5. Evidence based policy and funding recommendations, including policies and programs that demonstrably improve outcomes; strategies to shift toward performance-based metrics that prioritizes what works; and opportunities to eliminate or restructure ineffective investments.
7. Proposals for County budget investments, along with funding and policy recommendations for city, state and federal partners that present opportunities for braided and blended funding to sustain a coordinated continuum of care.
8. Explore potential County organizational structures to help streamline existing efforts around housing. This sub-workgroup will review existing departments, divisions, or other functions of the County government and explore whether creating a standalone

department of housing or other reorganization/restructuring would help better meet the needs of residents.

### **Section 3: Establish a Breaking the Cycle Policy Team**

The Executive Office shall establish a “breaking the cycle” policy team in the Executive Office that will work closely with the workgroup created in Section 2 of this order. In addition to assisting the workgroup, the policy advisors will monitor the implementation of the recommendations emerging from the workgroup. The policy team will consist of the following positions:

- Behavioral & Public Health lead advisor
- Public Safety lead advisor
- Housing & Homelessness lead advisor

### **Section 4: Use data to drive results**

KCIT, who oversees the integrated health data hub, in partnership with DCHS and other departments, shall report to the workgroup outlined in Section 2 what data exists to assess needs across the housing, health, crisis response and criminal legal systems. The data will assess where the gaps in care exist and, using existing research such as the 2023 Criminal Justice Enterprise Data report previously submitted to the King County Council, a review of existing constraints and recommendations that could help better integrate data across different systems. The County will also work towards performance-based evaluations and measures that can, where possible, be integrated into existing grants-funded services to measure outcomes across multiple systems, particularly where those measures may not exist currently.

### **Section 5. Open 500 Units of Supportive Housing in 500 Days**

The Executive Office shall work with DCHS, KCRHA and others to ensure the completion of five hundred units of subsidized housing units across the county within the next five hundred days. The units should primarily be emergency shelter units, low- and moderate-income housing units, and permanent supportive housing units that provide critical behavioral and mental health support. The county should also work to address housing needs that are integrated into other health systems, such as respite bed programs.

The County will identify opportunities for new housing units, including the construction of tiny house villages, and ensure the completion of longer term, supportive housing units. The County will also work to preserve existing units of shelter and housing, to not lose ground on what we currently have.

### **Section 6. Activate Underutilized Properties Suitable for Housing**

All executive branch departments shall cooperate in the creation of a comprehensive inventory of underutilized properties that may be suitable for different types of housing, including but not limited to:

- County-owned land and buildings;
- Properties under long-term lease or operational control by the County; and
- Sites suitable for temporary or interim use, including tiny house villages, modular shelters, or congregate emergency shelters.

The Department of Executive Services shall lead this inventory effort in coordination with DCHS. DCHS will assess the properties' suitability for housing and, where possible, estimate development costs for a range of affordable housing options for the properties. When options are identified, the county will work closely with city partners, KCRHA and others to seek investments for the siting, operations and maintenance of emergency shelter units, and other types of housing units.

### **Section 7: Explore a dedicated revenue source to address the Housing and Homelessness Crisis**

As part of the Breaking the Cycle Workgroup, the Executive Office shall convene a second and distinct workgroup to explore a dedicated revenue source, including a county-wide housing levy, to support the building, siting, preservation, maintenance, and operations of emergency shelter and affordable housing in King County. The need for housing is pressing and urgent across the county, especially housing that is affordable to very low-income households, those experiencing homelessness and housing instability, and housing that supports the behavioral health needs of people who need it the most.

The Executive's office shall convene this workgroup made up of governmental, community-based organizations, private sector, philanthropic, homebuilders, impacted communities and labor partners to identify and recommend a dedicated revenue source to build, site and operate emergency shelter and affordable housing units in King County.

The workgroup will convene within 60 days of the effective date of this Executive Order and deliver its findings to the Executive. By December 31, 2026, the workgroup shall submit a final report and recommendation to the Executive. DCHS will assist the workgroup in the formation of recommendations.

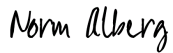
Dated and effective this 31st day of March 2026.



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Girmay Zahilay  
King County Executive

Attest:

DocuSigned by:  
  
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Norm Alberg  
Director, Records and Licensing Services Division, Department of Executive Services

## ITEM 5F: ARCH 1st Quarter 2026 Report

### Submission of 1st Quarter 2026 Report

#### 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 First Quarter 2026 Report](#)

In addition, the City of Bellevue closed its books for 2025 in March and the 4th Quarter 2025 Report has now been updated to include ARCH’s Q4 financials.

- [ARCH Fourth Quarter 2025 Report](#) (Final)

#### Staff Recommendation

N/A

#### Attachments

1. ARCH First Quarter 2026 Report

PREPARED BY:  
A Regional Coalition for Housing

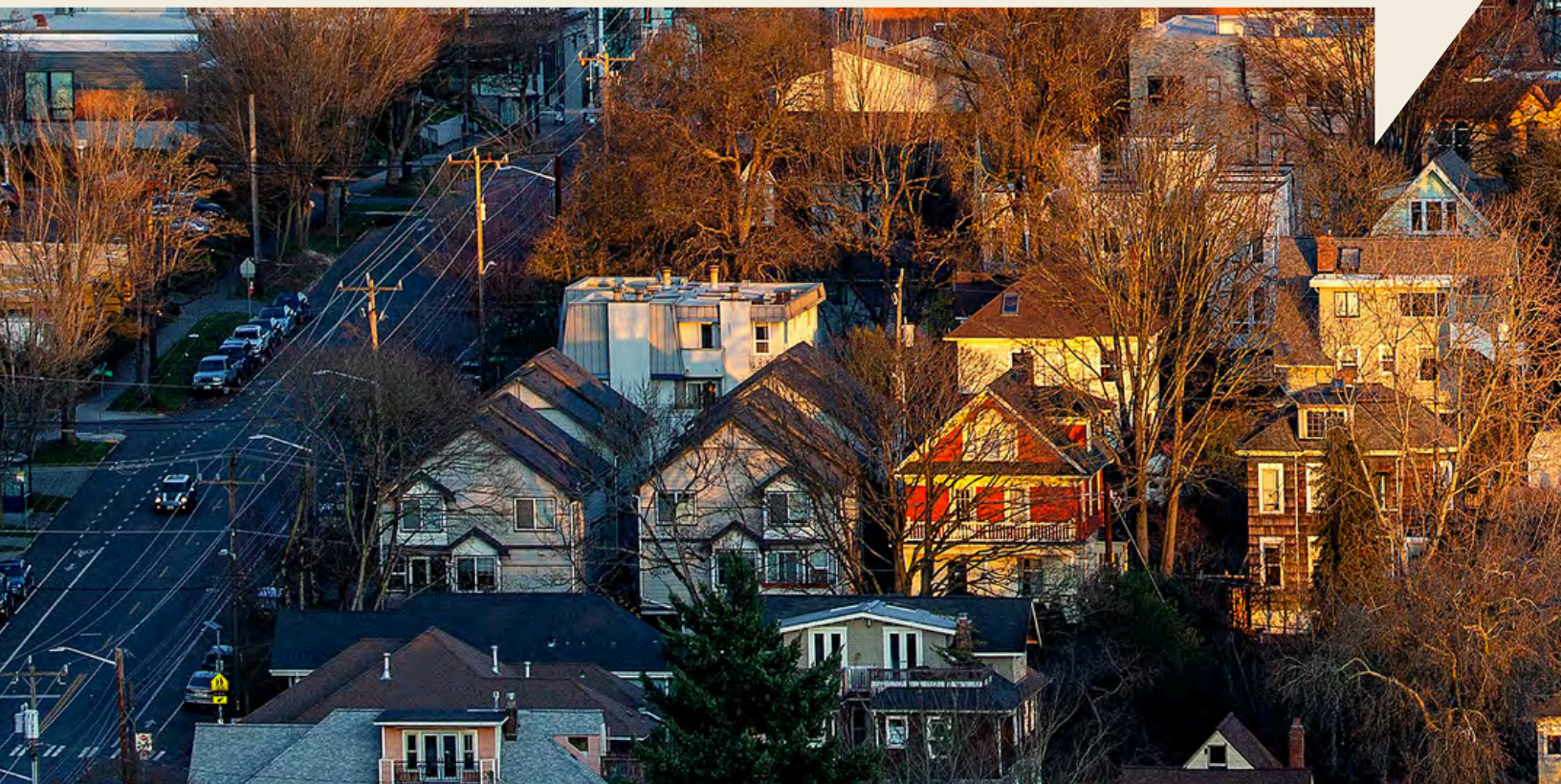


# First Quarter Report



Table of Contents:

- I. Affordable Housing Investment
- II. Housing Policy and Planning
- III. Housing Program Implementation
- IV. Education and Outreach
- V. ARCH Operations



# I. Affordable Housing Investment

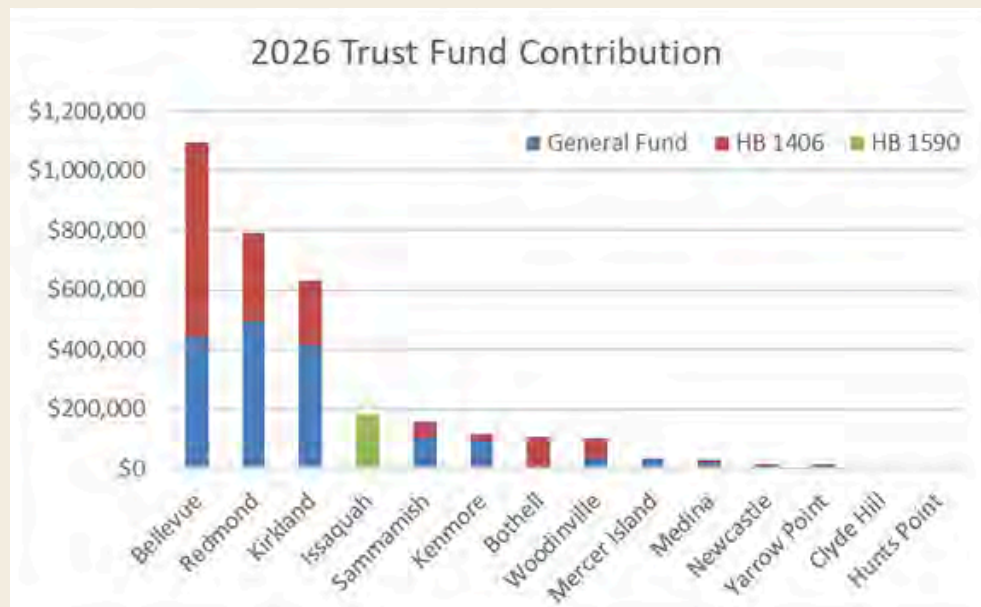
## ARCH Housing Trust Fund & Member City Investments

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

### Quarterly Activities:

- Council approvals of \$4.6M in funding recommendations for 505 units across seven projects.
- JRC approval of \$600k in CDBG funds for ARCH-recommended project
- Bellevue approval of \$37M in HSP and AHF funds for capital and OMS
- Issaquah approval of \$1.88M in IHIP funds
- Confirmation of \$3.2M in member contributions to the 2026 ARCH Trust Fund (see Fig. 1.1)

Figure 1.1. 2026 ARCH HTF Contributions by Member



## NOW OPEN!

473 new affordable housing units opened in Q1 2026:



Cottage Lake Home

- 3-bedroom home for youth with intellectual and developmental disabilities



Ardea Senior Apartments

- 170 units for seniors earning up to 60% AMI in Totem Lake



Polaris & Horizon at Totem Lake

- 40 units for families exiting homelessness (Horizon)
- 259 units for families earning up to 60% AMI (Polaris)

## Investment Project Activity

Figure 1.2. Status of Awarded Projects in Development

Project	City	Total Units	Status
Samma Senior (Imagine)	Bothell	54	Under Construction
Kirkland Heights (KCHA)	Kirkland	276	Under Construction
Spring District TOD (BRIDGE)	Bellevue	234	Under Construction
Redmond Supportive Housing (Plymouth)	Redmond	100	Under Construction
Prisma (Bellwether Housing)	Redmond	328	Under Construction
Amani Home (Congolese Integration Network)	Bellevue	5	Finance Closing
Aventine (LIHI)	Bellevue	66	Finance Closing
Trailhead TOD (KCHA)	Issaquah	155	Finance Closing
Orchard Gardens (Habitat for Humanity)	Bellevue	25	Finance Closing
LEO at Trailhead (Life Enrichment Options)	Issaquah	5	Permitting & Funding Apps
Family Village Redmond (YWCA)	Redmond	20	Permitting & Funding Apps
Kirkland House (Porchlight)	Kirkland	6	Permitting & Funding Apps
Forest Edge (Imagine)	Bellevue	100	Permitting & Funding Apps
Altaire at East Main (SRM & Hopelink)	Bellevue	146	Permitting & Funding Apps
Larus (TWG)	Kenmore	175	Project paused
<b>Total</b>		<b>1,695</b>	

Completed and Occupied	City	Total Units	Status
Children's Homes (Inclusion Homes / Alpha)	Woodinville	3	Complete
Horizon & Polaris at Totem Lake (Inland/Horizon)	Kirkland	300	Complete
Ardea (TWG/Imagine)	Kirkland	170	Complete
<b>Total</b>		<b>473</b>	

## II. Housing Policy and Planning

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

Figure 2.1 ARCH Member Ongoing Housing Policy and Planning Activities

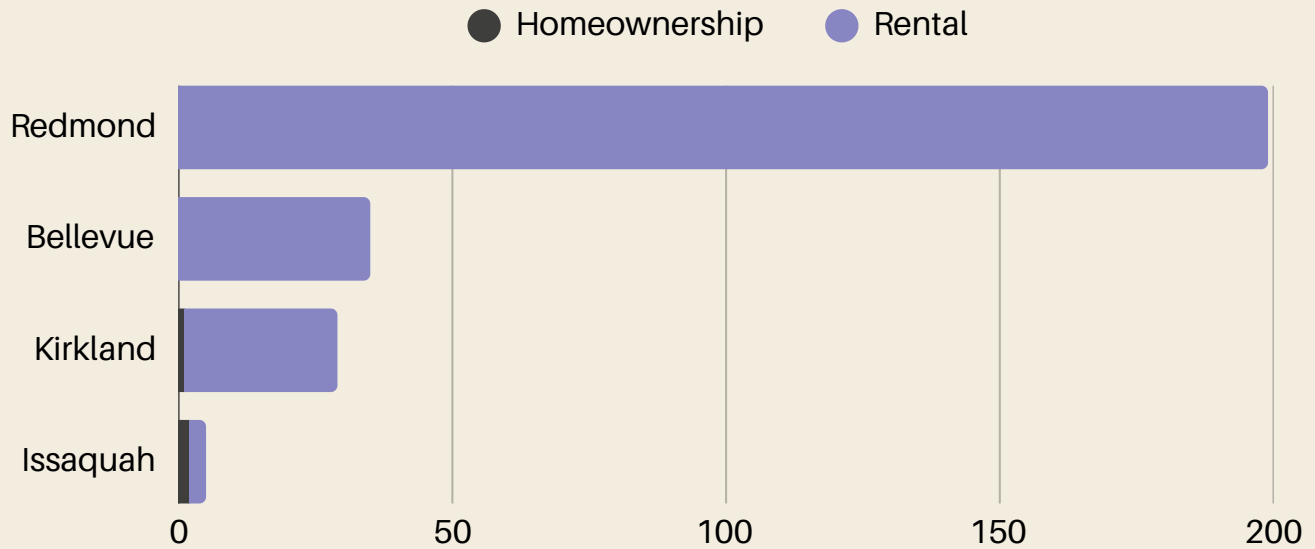
City	Project	Status
Bellevue	Affordable Housing Strategy Update	Council adoption
Bellevue	Housing Opportunities in Mixed-Use Areas Land Use Code Amendment	Council adoption
Bellevue	RFP for City Properties (one Wilburton TOD site, two Bel-Red TOD sites)	Council approval of ground lease terms for Wilburton site
Bellevue	MFTE code amendments	Council adoption
Bellevue	Wilburton Land Use Code Amendments	Director's rule completed
Bothell	IZ and MFTE code updates	Project started
Bothell	Housing Action Plan	Project started
Clyde Hill & Mercer Island	Comprehensive plan appeals	Staff work ongoing
Kenmore	STEP Housing	Draft zoning code submitted
Kenmore	Housing Strategy Update	Scoping
King County	MFTE in urban unincorporated	Research and evaluation
King County	CPP Monitoring	Work begun at AHC and HIJT
Kirkland	Houghton Village Shopping Center future redevelopment	Council direction to list the property for sale
Kirkland	Zoning for faith community properties	Scoping
Newcastle	Newcastle Downtown Plan	Community engagement
Redmond	MFTE extension and 20-year options	ARCH staff analysis
Woodinville	Midtown Development Agreement	Council approval

# III. Housing Program Implementation

## Housing Incentive & Inclusionary Programs

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

Figure 3.1. Units obligated under recorded agreements (Q2 2025 - Q1 2026)



## ARCH Rental Program

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

### New Rental Properties

Conducted ARCH Rental Program trainings, reviewed marketing and leasing materials, and outlined reporting requirements during lease-up period for The Terrapin located in Bellevue including 3 units at 45% and 32 units at 80% AMI.

### Training

- Conducted eight ARCH Rental Program Policies and Procedures trainings
- Held monthly Q & A sessions for property managers

### Compliance Monitoring

- Onsite and digital auditing completed for twenty rental properties. Audit types included compliance, new properties, and State required MFTE
- Updates to Annual Compliance Report (ACR) documents and procedures finalized
- ACR's sent to all properties participating in the ARCH Rental Program
- ACR's due and collected for review March 31<sup>st</sup>

## ARCH Homeownership Program

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

Figure 3.2 ARCH Homeownership Program Monthly Transactions

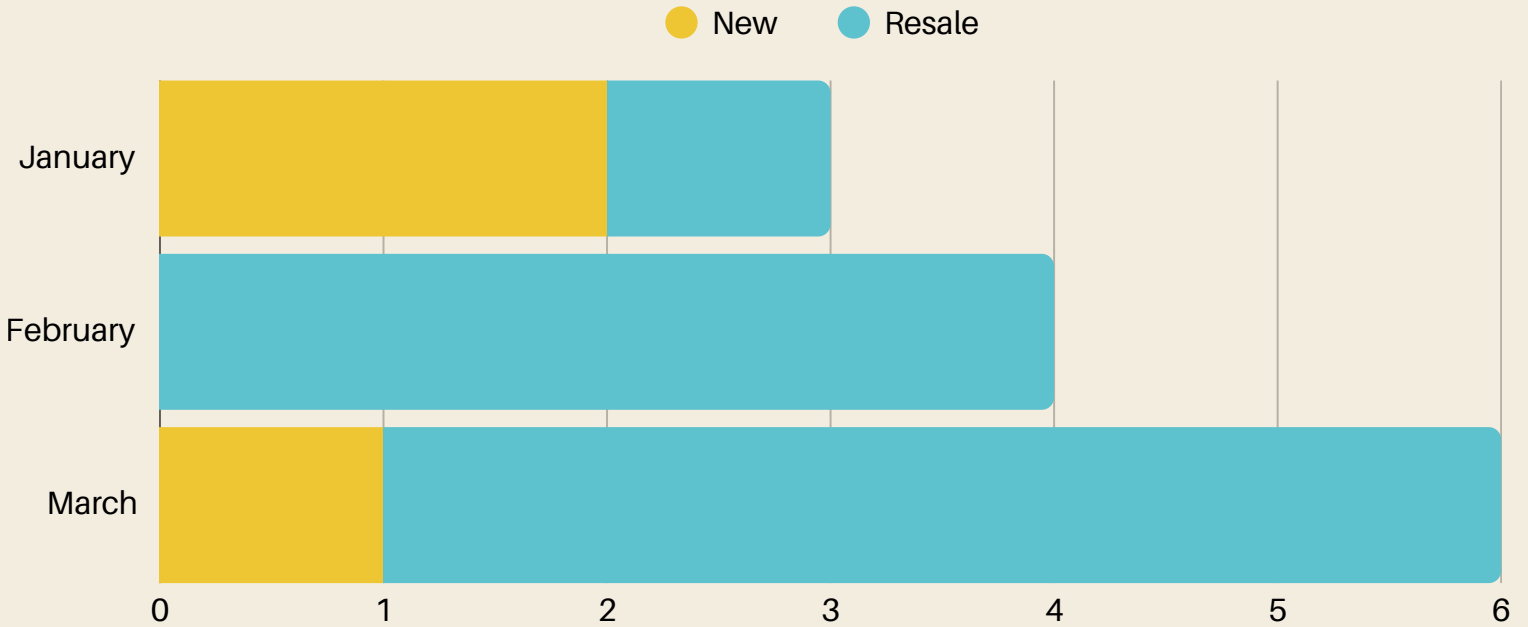
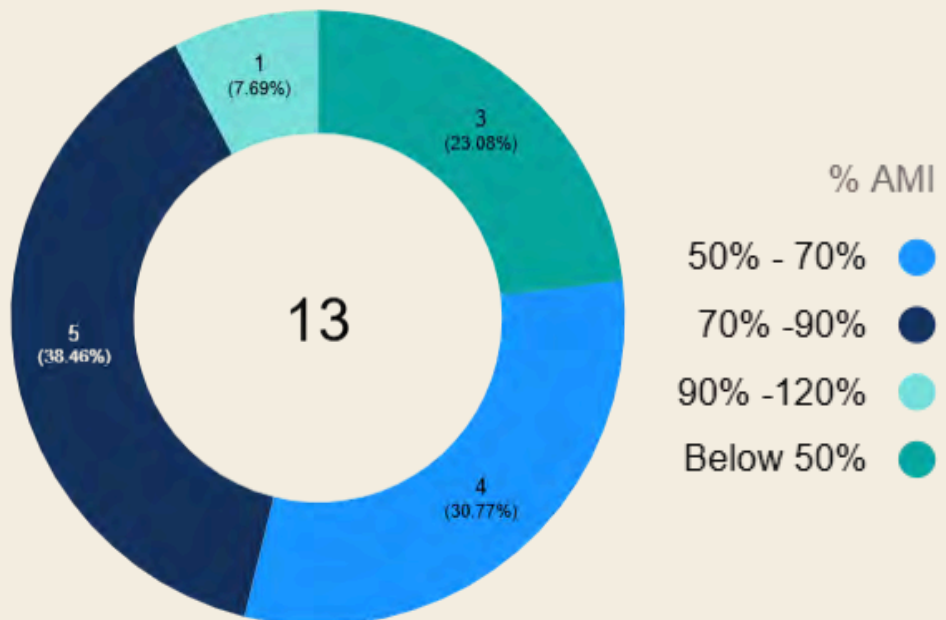
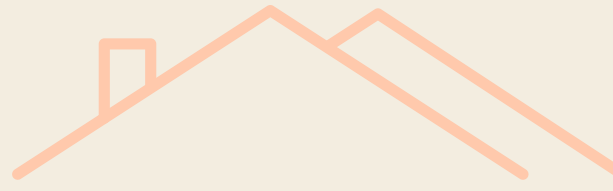


Figure 3.3 Household incomes served by ARCH Homeownership Program in Q1 2026.

### Number of Households





# NEW PROJECTS



## Homeownership

### Penny Lane | Redmond

- 14 total units with 1 affordable
- 3BR
- 80% AMI
- One home sold in Q1



### Canopy Cottages | Redmond

- 26 total units with 1 affordable
- 3BR at 50% AMI
- One home sold in Q1



## Rental

### The Terrapin | Bellevue

- Includes 3 units at 45% and 32 units at 80% AMI
- Very small dwelling units, studios, 1-bedroom, and 2-bedroom units
- 12-year affordability



# IV. Education and Outreach

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

Figure 4.1 Households Seeking Housing on the ARCH Mailing List

	Q1	Q2	Q3	Q4	YTD
New applications for ARCH mailing list	451				451
Ownership Interest	296				296
Rental Interest	332				332
Total Number of Households seeking affordable housing in EKC	12,506				12,506

## ARCH in the Community

ARCH presents and shares affordable housing information with families, individuals and community groups at events throughout the year.

### Community Presentations

ARCH staff connected with the community through a series of tabling events this past quarter, providing information and resources on affordable housing programs. Outreach efforts included visits to Lake Washington Institute of Technology, the Redmond Senior Center’s Lunar New Year celebration, and the UW Bothell campus for their students’ Makers Market. These events offered valuable opportunities to engage directly with community members, answer questions, and increase awareness of ARCH’s homeownership and rental resources.



Lunar New Year at the Redmond Senior center



LWTech Resource Fair

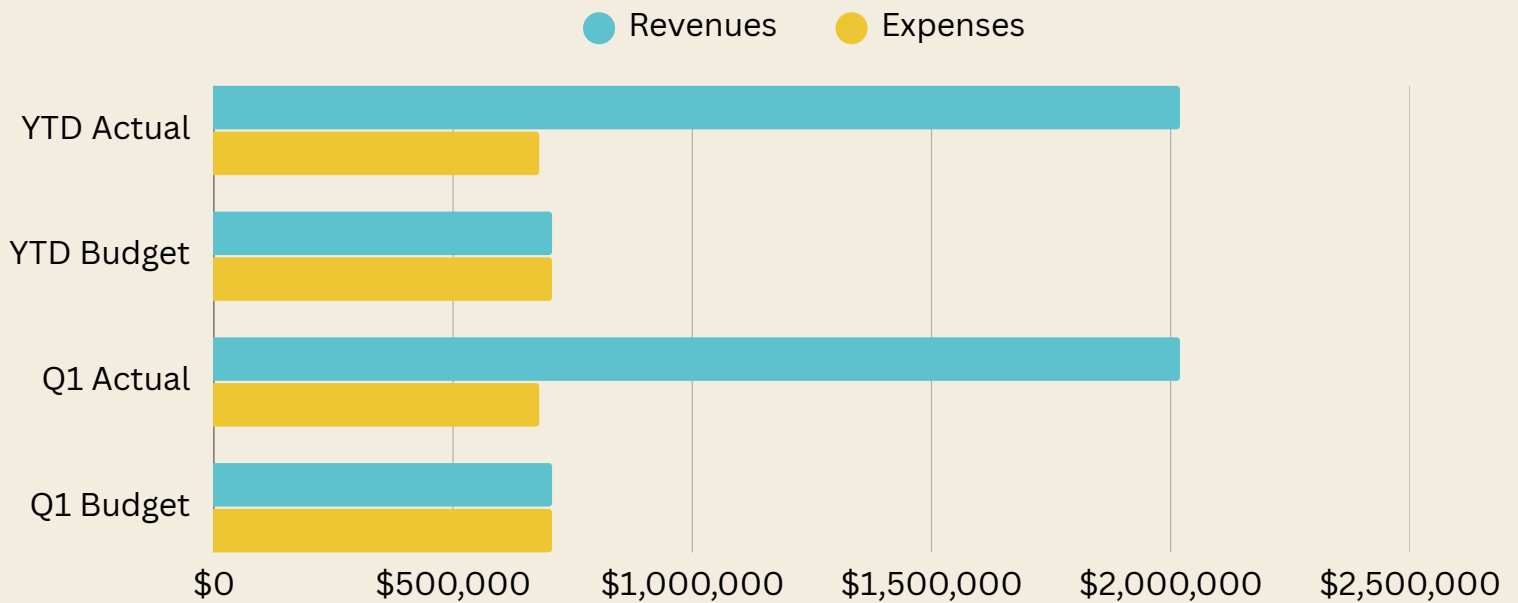


UW Bothell Makers Market

# V. ARCH Operations

**ARCH Operating Fund.** In 2026, ARCH operations beginning cash balance of \$1,673,210. Quarterly revenues were higher than budgeted as billing for membership dues was initiated in Q1. As a reminder, ARCH dues are now being collected once a year instead of quarterly.

Figure 5.1 Summary of Quarterly and YTD Revenues and Expenses



## Thank you

to all member jurisdictions and their dedicated staff.

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

- Coordinating public resources and attracting greater private investment into affordable housing;
- Sharing technical resources and staff between jurisdictions to create a sound base of housing policies and programs;
- Effectively stewarding affordable housing created through local policies and investment;
- Providing one clear point of contact for affordable housing development;
- Directly engaging the community with information and expertise; and
- Advancing policies that will help create more affordable housing faster

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