



MEDINA, WASHINGTON

AGENDA BILL

Tuesday, May 26th, 2026

<p>Subject/Topic: ARCH Update: 2027-2028 Work Plan and Budget</p> <p>Dept. Origin: City Manager</p> <p>Category: City Manager's Report</p> <p>Prepared by: Jeff Swanson, City Manager</p> <p>Attachments: (1) February 2026 ARCH Executive Board Meeting Packet (2) March 2026 ARCH Executive Board Meeting Packet (3) May 2026 ARCH Executive Board Meeting Packet</p>	<p>Proposed Council Action/Motion:</p> <p><input type="checkbox"/> Information Only</p> <p><input type="checkbox"/> Receive and File</p> <p><input checked="" type="checkbox"/> Discuss</p> <p><input checked="" type="checkbox"/> Provide Direction</p> <p><input type="checkbox"/> Public Hearing</p> <p><input type="checkbox"/> Adopt/Approve</p> <p><input type="checkbox"/> Other:</p>
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Proposed Council Action

Receive and discuss information regarding ARCH's 2027-2028 Work Plan and Budget and provide direction as needed.

Summary

At the February 2026 ARCH Executive Board meeting, ARCH staff began the process of development and presentation of their 2027-2028 Work Plan and Budget. Subsequent discussions transpired at the March and May.

For background, attached are ARCH Executive Board agenda packets from February, March, and May. Each of these meetings considered ARCH's 2027-2028 work program and related budget.

Relevant page references:

- February packet - Item 5c (pages 14-18)
- March packet - February meeting minutes pertaining to Item 5c (pages 5-9); Item 5b (pages 17-27)
- May packet - March meeting minutes pertaining to Item 5b (pages 7-10); Item 5b (pages 22-63)

(Page references refer to the PDF file pages rather than page numbers if printed at the bottom of pages within the file)

Main issues under consideration:

- (1) ARCH's role in assisting participating communities with policy work pertaining to the cities' obligation to make adequate provisions for affordable housing.
- (2) Growth in baseline budgetary expenses because of COLA's, market adjustments to compensation, and increases in insurance and IT costs.
- (3) Steady volumetric growth in rental assistance program administration over time necessitating an additional position ensuring adequate staff capacity to be responsive to service level demands and controls and verification requirements attached to the funding.

ARCH staff prepared three budgetary options for consideration by the Executive Board:

- (1) Baseline budget increases of 6.9% in 2027 and 5% in 2028. (referred to in the May Executive Board meeting materials as "Baseline 2027-28 Budget")
- (2) Additional FTE added in rental assistance program to budget baseline beginning in 2027. (referred to in the May Executive Board meeting materials as "Option 1").
- (3) Additional FTE added in rental assistance program to budget baseline beginning in 2028. (referred to in the May Executive Board meeting materials as "Option 2").

Following robust discussion the ARCH Executive Board voted to advance the Baseline 2027-28 Budget option.

Council Priorities

This proposal furthers Council Priorities 3 and 5.

1. Financial Stability and Accountability
2. Quality Infrastructure
- 3. Efficient and Effective Government**
4. Public Safety and Health
- 5. Neighborhood Character and Community Building**

Budget/Fiscal Impact:

Medina's member contribution towards administration for 2025 was \$10,538 and for 2026 it is \$10,865. Under the budgetary scenarios described above, Medina's member contribution towards administration would be:

- Baseline 2027-28 Budget - \$11,560 in 2027 and \$12,140 in 2028
- Option 1 - \$12,299 in 2027 and \$12,920 in 2028
- Option 2 - \$11,560 in 2027 and \$12,901 in 2028

Recommendation: Provide direction as needed.

City Manager Approval:



Proposed Council Motion: None.