



# Committee of the Whole

Heidi Beazizo

Council Initiated:

Yes

No

**ECAF:** 2025-3168

**Motion:** 25-461

**Type:**

Contract

Board Appt.

Code Amendment

Budget Action

Other

**Requested Handling:**

Normal

Expedite

Urgent

**Fund Source:**

General Fund

Other

N/A

**Executive Rec:**

Approve

Do Not Approve

N/A

**Approved as to**

**Form:**

Yes

No

N/A

**Subject:** 2025 Affordable Housing and Behavioral Health (AHBA) Capital Fund Plan Update.

**Scope:** An update to the AHBA plan is reviewed and approved annually in conjunction with the budget.

The plan is broken into two sections. Section 1 (reviewed in this staff report) covers the Human Services portion of the plan and Section 2 focuses on Facilities and Fleet (see associated Staff Report by Deb Bell).

A comparison of the 2024 Adopted Plan ([Motion 24-417](#)) and the proposed update is attached in Exhibit A.

**Substantive Changes from the prior year include:**

- Revenue adjustment due to lower than anticipated sales tax receipts
- Accounting for two \$1 million investments to two Public Housing Authorities previously approved in 2023
- Adjusted anticipated spending in Supportive Housing Services to better reflect actual costs based on current service contract negotiations
- Removal of 2026 funding for Housing Operations and Maintenance (O&M) at non-County owned facilities due to units not coming online until 2027
- Redistribution of \$3 million approved in the 2025-2026 Adopted Budget for Secure Withdrawal Management (SWM) but not awarded
- Introduction of \$1.06 million to fulfill a \$4 million funding ILA with Everett Gospel Mission to increase bed capacity (initial funding provided through CDMH). Movement assists in balancing CDMH due to similarly impacted sales tax receipts
- Estimated number of housing units for the six-year period:
  - 626 Affordable Units
  - 121 NSC Units
  - 215 Non-County Owned Supportive Units

**Duration:** The AHBA Plan is updated annually in conjunction with the budget.

**Fiscal Impact:**  Current Year  Multi-Year  N/A

**Authority Granted:** Motion 25-461 approves the 2025 Housing and Behavioral Health Capital Fund Investment Plan and is substantively similar to Motion 24-417 with the following administrative corrections:

# Committee of the Whole

Heidi Beazizo

- Removes the September 15<sup>th</sup> due date for the annual plan update and aligns delivery with the Executive's Proposed Budget
- Adds a reference to a funding set aside for the two Public Housing Authorities and allows the two associated ILAs to bypass the Technical Advisory Committee/Policy Advisory Board consistent with Council's approval in [Motion 23-492](#).

**Background:** A one-tenth of one percent sales tax comprises most of the plan funding (known as HB 1590 dollars) and is deposited into the Affordable Housing and Behavioral Health Program Fund. The plan is also funded through the Affordable and Supportive Housing Tax Credit Fund (known as HB 1406 funding), which credits state collected sales taxes back to the County.

On October 14, 2019, the Snohomish County Council passed [Ordinance 19-062](#), adding a new Chapter 122 to the Title 4 SCC, allowing a credit to be deducted from the amount of tax otherwise required to be collected or paid to the Department of Revenue to be utilized for the acquisition, rehabilitation, construction, operations, and maintenance of affordable or supportive housing. These funds are credited to the County pursuant to [RCW 82.14.540](#) (passed as HB 1406 in 2019).

On December 15, 2021, Council established a one-tenth of one percent sales and use Tax in [Ordinance 21-098](#) (in accordance with [RCW 82.14.530](#) and passed in HB 1590) to provide for affordable housing and behavioral health facilities creation, operations, maintenance, and associated services. [SCC 4.126.060](#) requires ongoing quarterly reporting to Council on programs supported by the fund.

**Prior Year's Plans:**

2024 – [Motion 24-417](#)

2023 – [Motion 23-492](#) (first year)

**Other Related Actions:**

[Motion 24-231](#) approved the Bridge Housing Operations and Maintenance Plan authorizing the hiring of six FTE's in Facilities and Fleet to manage/maintain the NSC's.

**Requested Action:** Consider taking action

EXHIBIT A TO 2025-3168

Affordable Housing and Behavioral Capital Fund Plan Comparison

ADOPTED 2025-2026 Biennial Fund Plan Approved by Motion 24-417

Revenue	2025	2026	Biennial Total	2025-2030
1590 Sales Tax	\$ 24,587,911	\$ 25,817,306	\$ 50,405,217	\$ 167,244,825
1406 Sales Tax	\$ 1,820,704	\$ 1,911,739	\$ 3,732,443	\$ 12,067,864
Interest	\$ 357,948	\$ 311,449	\$ 669,397	\$ 1,584,961
<b>REVENUE TOTAL</b>	<b>\$ 26,766,563</b>	<b>\$ 28,040,494</b>	<b>\$ 54,807,057</b>	<b>\$ 180,897,650</b>

Expenditure Cost Category	2025	2026	Biennial Total	2025-2030
Affordable Housing Construction/Acquisition	\$ 10,000,000	\$ 10,000,000	\$ 20,000,000	\$ 60,000,000
Permanent Supportive Housing Construction/Acquisition	\$ 10,000,000	\$ 3,000,000	\$ 13,000,000	\$ 25,000,000
BH Facility Construction/Acquisition	\$ 3,000,000	\$ 3,000,000	\$ 6,000,000	\$ 18,000,000
Supportive Housing Services	\$ 3,810,000	\$ 4,770,150	\$ 8,580,150	\$ 38,472,391
Housing Preservation and O&M	\$ 3,420,000	\$ 6,133,050	\$ 9,553,050	\$ 64,798,082
New Start Center O&M	\$ 2,539,540	\$ 2,717,308	\$ 5,256,848	\$ 17,038,376
Operations, Evaluation and Administration	\$ 1,570,492	\$ 1,436,019	\$ 3,006,511	\$ 9,232,710
<b>EXPENDITURE TOTAL</b>	<b>\$ 34,340,032</b>	<b>\$ 31,056,527</b>	<b>\$ 65,396,559</b>	<b>\$ 232,541,559</b>

PROPOSED 2025-2026 Mid-Biennium Plan Update

Revenue	2025	2026	Biennial Total	Variance	2025-2030	Six-Year Variance
1590 Sales Tax	\$ 23,167,903.00	\$ 23,977,289.00	\$ 47,145,192.00	\$ (3,260,025.00)	\$ 153,036,633.00	\$ (14,208,192.00)
1406 Sales Tax	\$ 1,383,573.00	\$ 1,438,916.00	\$ 2,822,489.00	\$ (909,954.00)	\$ 8,990,352.00	\$ (3,077,512.00)
Interest	\$ 536,648.00	\$ 384,233.00	\$ 920,881.00	\$ 251,484.00	\$ 2,028,110.00	\$ 443,149.00
<b>REVENUE TOTAL</b>	<b>\$ 25,088,124.00</b>	<b>\$ 25,800,438.00</b>	<b>\$ 50,888,562.00</b>	<b>\$ (3,918,495.00)</b>	<b>\$ 164,055,095.00</b>	<b>\$ (16,842,555.00)</b>

Expenditure Cost Category	2025	2026	Biennial Total	Variance	2025-2030	Change
Affordable Housing Construction/Acquisition	\$ 18,391,487	\$ 12,000,000	\$ 30,391,487	\$ 10,391,487	\$ 70,391,487	\$ 10,391,487
Permanent Supportive Housing Construction/Acquisition	\$ 14,192,234	\$ 3,000,000	\$ 17,192,234	\$ 4,192,234	\$ 29,192,234	\$ 4,192,234
BH Facility Construction/Acquisition	\$ 6,000,000	\$ 3,000,000	\$ 9,000,000	\$ 3,000,000	\$ 21,000,000	\$ 3,000,000
Supportive Housing Services	\$ -	\$ 6,000,000	\$ 6,000,000	\$ (2,580,150)	\$ 37,598,461	\$ (873,930)
Housing Preservation and O&M	\$ 4,608,513	\$ -	\$ 4,608,513	\$ (4,944,537)	\$ 27,299,370	\$ (37,498,712)
New Start Center O&M	\$ 2,539,540	\$ 2,717,308	\$ 5,256,848	\$ -	\$ 17,038,376	\$ -
Operations, Evaluation and Administration	\$ 1,570,492	\$ 1,436,019	\$ 3,006,511	\$ -	\$ 9,232,710	\$ -
<b>EXPENDITURE TOTAL</b>	<b>\$ 47,302,266</b>	<b>\$ 28,153,327</b>	<b>\$ 75,455,593</b>	<b>\$ 10,059,034</b>	<b>\$ 211,752,638</b>	<b>\$ (20,788,921)</b>

Fund Balance

	2025	2026	2027	2028	2029	2030
<b>ADOPTED 2025-2026</b>	\$ 41,526,541	\$ 39,752,769	\$ 35,474,414	\$ 28,404,863	\$ 18,443,237	\$ 5,384,164
<b>PROPOSED 2025-2026</b>	\$ 51,231,081	\$ 50,004,325	\$ 50,172,417	\$ 47,453,904	\$ 41,686,262	\$ 32,325,696