



Finance, Budget and Administration

Cynthia Foley

Council Initiated:

Yes

No

ECAF: 2024-1353

Motion: 24-269

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: Affordable Housing Preservation Program Awards

Scope: The Office of Recovery and Resilience designated \$4,000,000 in ARPA funds to preserve existing affordable housing stock by addressing issues related to increased operations and maintenance expenses and increased pandemic related costs. There will be a 20-year use restriction on buildings where the funds are applied that requires ongoing maintenance and operation of the facilities for people under 80 percent of the area median income. The table below shows funds allocated under the program.

Organization and the Number of Units Preserved	Funding Award
Catholic Housing Services to preserve 154 units	\$567,644
Compass Health to preserve 129 units	\$475,494
Housing Hope to preserve 578* units	\$2,130,508
YWCA to preserve 224 units	\$825,664
Total	\$3,999,310

*This figure is incorrect in Motion 24-269 and can be corrected at the direction of the Finance, Budget, and Administration Committee. The correct number of units is shown in the table above.

Contracts for these services are still in development. Council approval is sought prior to contract finalization to accommodate ARPA timelines. Motion 24-269 allows the County Executive to execute contracts with the agencies above in the amounts noted above.

A memo dated July 2, 2024, from the Office of Recovery and Resilience filed in the Legistar record, provides additional detail on planned spending (pages 2-3 of the memo) and context for increased housing maintenance needs that arose as a result of the COVID-19 pandemic. The memo notes that “costs for utilities, insurance, maintenance and staffing have outpaced household income,” and while pandemic recovery programs supplemented some of these costs, rental arrears from the eviction moratorium counterbalanced the short-term funding. Additionally, the memo states that Housing Hope found that lack of access to units during the pandemic prevented regular maintenance.

The memo notes that although the pandemic impacted the fentanyl/opioid crisis, social isolation, and availability of behavioral health services, and these factors increased maintenance needs, “the vast majority of the funding is needed for unforeseen costs resulting from staff shortages, supply chain interruptions, inflation, and industry-wide increases.”

Duration: Upon execution through June 30, 2026

Fiscal Impact: Current Year Future-Year N/A

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Expenditures	2024-2026	2027	2028	Total
Fund 130 – ARPA Human Services and Housing	\$3,999,310.00			\$3,999,310.00
Totals	\$3,999,310.00	0	0	\$3,999,310.00

Revenue	2024-2026	2027	2028	Total
				0
Totals	0	0	0	0

Authority Granted: Motion 24-269 authorizes the Executive to approve and sign agreements in a total amount of \$3,999,310 for the Affordable Housing Preservation program in the amounts set forth in the motion.

Background: The 2023 budget, approved in Ordinance 22-059¹, authorized \$80 million in ARPA spending. Of that total, \$29 million was allocated to Housing, Human Services, and Behavioral Health. In the Ordinance, budget note number 8 requested ARPA spending plans for listed categories of ARPA spending.

On August 9, 2023, Council received a memo² outlining planned ARPA expenditures to provide shelter and address homelessness. The memo states, “Based on conversations with highly impacted individuals, businesses, human services providers, and elected officials, the County recommends the following estimated appropriations. Estimated funding may change as outreach continues and programmatic costs are further refined and as the State clarifies its requirements for expenditure of related funds passed in the 2023 Legislative Session.” The memo shows planned expenditure of \$13.5 million in ARPA funding as follows:

- Expanded and enhanced 211 services - \$1,500,000;
- Continued non-congregate sheltering, housing, and services - \$3,000,000;
- Continued emergency housing and services for refugees - \$500,000;
- Preparation for New Start Center services- \$5,000,000;
- Intimate partner violence and Poverty 101 staff training - \$250,000;
- Distributed access and staffing - \$1,000,000;
- Upgrading of facilities to serve as climate and public health response shelters - \$1,500,000; and
- Dispute resolution eviction prevention services - \$750,000.

Requested Action: Move to the GLS agenda to set time and date for a Public Hearing

¹ [2022-0987 - Ordinance 22-059 AMENDED and APPROVED \(legistar.com\)](#)

² [Snohomish County Council - File #: 2023-0865 \(legistar.com\)](#)