



Health and Community Services

Nicole Gorle

Council Initiated:

Yes

No

ECAF: 2025-3809

Motion: 25-575

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 and Behavior Health Fund – Project Award – Housing Authority of Snohomish County – Scope Change

Scope: This motion would approve the scope change for the HASCO project.

Original: Demolish two parcels that currently have 57 units owned by HASCO and redevelop them into one complex on 2.5 acres in Lynwood. Under the new development there will be:

- Two residential multi-family buildings on one complex
- 100 units (12 studios, 25 one bedroom, and 25 three bedroom)
- Features: community gathering space, onsite parking, open space for residents.
- Who it serves: Individuals at or below 50% AMI
- Project award amount - \$2,180,000

PROPOSED NEW SCOPE: There will still be two buildings but instead of joining the parcels, they will remain on separate parcels, one building will be for seniors and one will be for individuals and families. The end goal will get them to a net 119 units.

Instead of the funding covering the entire project, it will essentially cover half now. The new proposal is to split the plan up in two, constructing/financing one building at a time. HASCO is proposing to start with the building serving seniors first.

- One residential building serving seniors
- 60 units (54 one bedroom and 6 two bedroom)
- Features: Four story building, with an elevator, gathering spaces (inside and out)
- Who it serves:
 - Half of the units will serve at or below 30% AMI
 - A quarter of the units will serve at or below 40% AMI
 - A quarter of the units will serve at or below 60% AMI
- Project award amount - \$2,180,000 (total development cost est. \$33,824,798).

Duration: n/a

Fiscal Impact: Current Year Multi-Year N/A

The funding has already been awarded to HASCO, this is just approving the scope change.

Authority Granted: n/a

Health and Community Services

Nicole Gorle

Background: On October 30, 2024 Council approved funding four projects using the Affordable Housing and Behavioral Health Fund through [Motion 24-425](#). The motion stipulated that if any of the four projects were to change in one of the following manners that the change must be approved by Council by motion. Those conditions were:

- If the County's funding commitment changes by more than \$100,000
- If the number of people impacted changes by more than 25%
- Change in who the project is going to serve (income level, target population, location).

According to ECAF, HASCO has indicated that the original plan for the project award is no longer feasible due to rising costs of construction, interest rates, and revision to private activity bonds for low-income housing. Because of this they have submitted a request to change the scope of the project. Due to the scope of the change, Council approval is necessary by motion.

Requested Action:

1. Provide the Clerks with direction to correct the scriveners error on the new attachment B (Project Description) on page 3 of the Motion; and
Funding award says \$1,280,000, it should read \$2,180,000 (the 2 and the 1 got flipped)
2. Move to GLS for consideration