



Attachment C
Motion 26-133
Affordable Housing Behavioral Health - Housing Capital Project

Project Sponsor: Housing Hope (HH)
Project: EUCC (AKA Rainbow Terrace)

Project Description: The proposed EUCC project is a new construction build in Everett, WA. Site improvements of the project include +/- 26 parking spaces, a courtyard with picnic and table game areas, a companion animal area, possible garden areas, landscaping, buffers, refuse enclosure, stormwater drainage and management, with utilities to accommodate the project. Beacon Development has been contracted to assist with the development and a third-party management company will manage the property upon completion.

Project Location: The property consists of a 0.64-acre on three parcels located at 2624 Rockefeller Avenue in Everett, WA. It is located west of I-5 and north of downtown Everett. The land was acquired July 31st, 2024, for \$1,782,000 and is owned by Everett Ave Senior Housing GP LLC. Housing Hope the sole member of the LLC and plans to remain the Managing Member of the LLLP partnership once the investor is admitted for the Low-Income Housing Tax Credits (LIHTC) financing portion.

Population Served and Services: The project is a senior-focused (age 62 and up) development with tenants having the ability to age-in place to the greatest extent possible. Services include family support with an assigned Family Support Coach as their primary advocate, behavioral health support and education and employment assistance.

Housing Unit Information: The building is a four-story multifamily residential building for a total of 66 units and approximately 54,688 SF. Unit mix consists of one- and two-bedroom units which half will serve senior tenants earning at or below either 30% or 50% of the Area Median Income (33 units of each unit configuration). Fourteen (14) units will be set aside for tenants transitioning from homelessness from the County's Coordinated Entry or coming from the County's Housing Inventory for emergency shelter or shorter emergency bridge housing.

	30% AMI	50% AMI	Total Units
1 BR	30	30	60
2 BR	3	3	6
Total Units=	33	33	66*
*14 of the units will be set aside for those that are homeless at entry			

Financial Summary:

Total Development Cost (TDC): \$37,655,752

Snohomish County 2025 AHBH Housing Requested-not recommended: \$4,047,810

Snohomish County 2026 AHBH Housing Recommended **Option C:** \$4,047,810

Cost per bed to Snohomish County: \$61,330

Current committed and recommended capital funding sources:

<u>Source Name</u>	<u>Source Type</u>	<u>Amounts</u>
Permanent Loan	Private	\$ 2,347,595
LIHTC Equity	Tax Credits – 9%	\$15,870,888 (Reserved)
State HOME	Federal	\$ 1,055,003 (Committed)
State HTF	State	\$ 3,944,997 (Committed)
County AHBH (2024)	County	\$ 6,211,487 (Committed)
County AHBH (2026)	County	\$ 4,047,810 (Recommended)
County HOME (2025)	Federal	\$ 2,025,400 (Committed)
City HOME (2026)	Federal	\$ 100,000 (Committed)
Commerce – CHIP	State	\$ 1,000,000 (Committed)
Deferred Developer Fee	Sponsor	\$ 602,572

Planned 2025 AHBH Snohomish County funding uses for eligible costs:

<u>Category</u>		<u>Amounts</u>
Hard Costs:	Construction Contingency	\$ 4,009,908
Soft Costs:	Interest (<i>During Construction Period</i>)	\$ 37,902

Readiness to Proceed: The project currently has a \$450,000 funding gap, an updated TDC is pending. The project will need to apply for additional funding, continue capital campaigning and possibly rescope/value engineer the project to be fully funded. This project will be able to move forward with the funding commitments as noted in the chart above, if the 2026 Snohomish County AHBH recommendation for \$4,047,810 is awarded. This will require continued capital campaigning for the \$450,000 gap or additional value engineering to close the gap. If the County’s 2026 AHBH funds are not awarded, the project will have a funding gap of \$4,497,810. The project would need to submit requests to additional funding rounds, rescope the project or take on additional debt in the form of bridge loan, course of construction loan or other type of loan.