

SNOHOMISH COUNTY COUNCIL
Snohomish County, Washington

AMENDED MOTION NO. 24-425

ALLOCATING AFFORDABLE HOUSING BEHAVIORAL HEALTH–BEHAVIORAL HEALTH FACILITIES FUNDING FOR FOUR AFFORDABLE HOUSING PROJECTS

WHEREAS, RCW 82.14.530 authorizes counties to impose a sales tax for acquisition and construction of affordable housing, which may include emergency, transitional and supportive housing and new units of affordable housing within an existing structure; or acquiring and constructing behavioral health-related facilities or land acquisition for these purpose; or funding operations and maintenance cost of new units of affordable housing and facilities where housing-related programs are provided, or newly constructed evaluation and treatment centers; and

WHEREAS, the Snohomish County Affordable Housing and Behavioral Health (AHBH) Capital Fund has two revenue sources: a sales tax credit back to the County authorized by chapter 388, Laws of 2019 and codified at RCW 82.14.540, and a .01 percent sales tax authorized by chapter 222 Laws of 2020 and codified at RCW 82.14.530; and

WHEREAS, Snohomish County Council passed Ordinance 21-098, imposing a one-tenth of one percent sales tax for affordable housing and behavioral health and adding a new chapter 4.126 to Snohomish County Code; and

WHEREAS, on December 13, 2023, by Amended Motion No. 23-492, the Snohomish County Council approved the 2023 Housing and Behavioral Health Capital Fund Investment Plan (“Investment Plan”), which included provisions related to Council approval of capital projects prior to Investment Plan implementation; and

WHEREAS, on May 16, 2024, a Notice of Funding Opportunity for Affordable Housing Behavioral Health – Capital was published with an application deadline of June 17, 2024, and seven (7) applications were received; and

WHEREAS, on July 25, 2024, the Technical Advisory Committee (TAC) met to review and evaluate the applications based on the established criteria, and to make funding recommendations to the Policy Advisory Board (PAB); and

WHEREAS, on September 12, 2024, the PAB approved the TAC recommendations and recommends the County Council award \$13,000,000 in available AHBH-Capital funds to four agencies to acquire, construct and/or rehabilitate four affordable housing projects; and

WHEREAS, the Investment Plan requires that final approval for the issuance of capital contracts shall be made by the Snohomish County Council;

NOW, THEREFORE, ON MOTION:

1. Council allocates \$13,000,000 in AHBH-Capital funding to four affordable housing projects with approval for the Human Services Department to issue contracts, as more fully described in Attachments A, B, C and D.

2. For the projects described in Attachments A, B, C and D, any of the following changes to a funding application, funding agreement or the scope of work contemplated therein must be approved by Council by motion if:

- A. The County's total funding commitment to the project changes by more than \$100,000;
- B. There is a change of more than 25% in the proposed number of intended beneficiaries of the project;
- C. There is a change in the characteristics of the intended beneficiaries of the project to include:
 - a. Income level(s),
 - b. Target population (e.g., seniors, veterans, people with disabilities, etc.), or
 - c. Change in the location of the project to include a change:
 - i. From one city or town to another city or town;
 - ii. From a city or town to unincorporated Snohomish County;
 - iii. From unincorporated Snohomish County to a city or town; or
 - iv. From a project site not yet identified to an identified project site.


DATED this 30th day of October, 2024.

SNOHOMISH COUNTY COUNCIL
Snohomish County, Washington



Council Chair

ATTEST:



Deputy Clerk of the Council

ATTACHMENT A

MOTION NO. 24-425

Affordable Housing and Behavioral Health - Capital Project Description

Project Sponsor: Integra Property Group

Project Name: Stillaguamish II Apartments

Funding Award: \$3,250,000

Integra Property Group will acquire the Stillaguamish II Apartments located at 18324 Smokey Point BLVD., in Arlington, WA, to preserve its use as housing for seniors and/or low-income persons with disabilities. This property is an expiring rural development project that is at risk of becoming market rate and would then be unaffordable for its current residents. Stilly II is part of a larger community of four elderly and disabled affordable housing buildings in the Stilly Valley Center. The building is a three-story elevator building constructed in 1989, consisting of 42 apartments (38 one-bedroom units and 4 two-bedroom units).

ATTACHMENT B

MOTION NO.24-425

Affordable Housing and Behavioral Health - Capital Project Description

Project Sponsor: Housing Authority of Snohomish County (HASCO)

Project Name: 200th Street Redevelopment

Funding Award: \$2,180,000

The Housing Authority of Snohomish County (HASCO) owns two parcels on 200th St. in Lynnwood, Washington formerly known as Timberglen and Pinewood. HASCO will demolish these two existing residential buildings with 57 existing units and redevelop the two complexes on an approximately 2.5 acres in Lynnwood, WA.

The redevelopment will construct two residential multi-family buildings, combining the two properties into one modern complex, featuring 100 newly constructed units of affordable housing, community gathering spaces, ample onsite parking, and open spaces for residents. This redevelopment not only aims to provide upgraded and sustainable housing for the community but also to create a sense of togetherness and belonging for its residents. HASCO will replace the 57 existing units with 100 new units of affordable housing, with 12 studios, 25 one bedroom and 25 three-bedroom units. All the units will serve 50% AMI levels of affordability. These units will provide an increase in the amount of affordable stock that is usually out of reach for individuals who exceed 30% AMI, and are therefore excluded from receiving any emergency support, making their housing situation evermore precarious.

ATTACHMENT C

MOTION NO. 24-425

Affordable Housing and Behavioral Health - Capital Project Description

Project Sponsor: Catholic Housing Services of Western Washington

Project Name: Monte Cristo Apartments

Funding Award: \$1,358,513

Catholic Housing Services of Western Washington (CHS) proposes site and building improvements for the operation of the historic Monte Cristo Apartments in downtown Everett built in 1925, owned and operated by CHS as affordable housing since 2006. The subject site is located at 1507 Wall ST, Everett, WA., and has a capacity of 69 Low Income apartments. Prior to the acquisition by CHS in 2006, the property was owned by a LIHTC entity. The property was brought up to code in the 1990's to meet the ADA and 504 accessibility requirements at that time which included a wheelchair lift as well as an elevator and unit upgrades. The updates done in the 1990's are the last major systems updates that have been done since.

In 2006, when the property was acquired, some building improvements were done on the exteriors masonry as were some roof repairs. The project will involve the rehabilitation of major systems including structural support, roofing, plumbing, electrical, heating, ventilation, and the air condition systems. Currently, the 69 apartments house individuals with incomes between 30% and 50% AMI, with rent restrictions in place until 2046 from the WA State Dept. of Commerce, WSHFC, Snohomish County and the City of Everett. Twelve (12) of the units at the Monte Cristo are specifically set aside for individuals exiting homelessness, referred to from the Coordinated Entry System. The building is currently at a point where its systems are aging and needs reinvestment to keep this project fully operating.

ATTACHMENT D

MOTION NO. 24-425

Affordable Housing and Behavioral Health - Capital Project Description

Project Sponsor: Housing Hope properties

Project Name: Housing Hope Everett United Church of Christ (EUCC)

Funding Award: \$6,211,487

The Everett United Church of Christ (EUCC) project is new construction of a multifamily housing development on 0.64-acre parcels located at 2624 Rockefeller Ave, in Everett, WA. The subject site will be owned by Housing Hope Properties, and land acquisition is expected to close by mid-July 2024. The EUCC project, is a senior-focused development which includes one 7-story multifamily residential building totaling approximately 57,653 SF. The total dwelling units will offer 60 units of 1 bedroom / 1 bath (536 SF), and 6 units of 2 bedroom / 1 bath (742 SF) configurations. The project contemplates securing State Housing Trust Fund funding from the Fall 2024 NOFA round, and 2024 9% Tax Credits from the Washington Housing Finance Commission's December 2024 tax credit NOFA round. Financing Closing is projected for November 2025. Assuming funding from these sources is committed from these application rounds, the project design and costs will need to be further developed, and the completed design, permitting, NEPA clearance, and finalized financing terms and documents done by mid-2025, to have a November 2025 construction start date. The proposed project schedule has the 15-month construction start in November 2025, and with construction completion and occupancy projected in May 2027.