

**SKHHP Executive Board  
December 16, 2022, 1:00 – 3:00 PM  
Virtual – Zoom Meeting**

**Video conference:**

<https://zoom.us/j/99857398028?pwd=eXFiMmJpQm1abDZmMmRQbHNOYS8ydz09>

**OR by phone:** 253-215-8782

**Meeting ID:** 998 5739 8028 | **Password:** 085570

**Or in person public attendance at:**

City of Auburn Annex  
Annex Conference Room 2  
1 East Main Street  
Auburn, WA 98001

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<b>I.</b>	<b>CALL TO ORDER</b>		1:00
	ROLL CALL		
	INTRODUCTIONS OF ADVISORY BOARD MEMBERS AND OTHER ATTENDEES		

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<b>II.</b>	<b>REVIEW AGENDA/AGENDA MODIFICATIONS</b>		
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<b>III.</b>	<b>APPROVAL OF NOVEMBER 18, 2022 MINUTES</b>	<a href="#">Page 3</a>	
	(ATTACHMENT A)		
	<b>Motion</b> is to approve the November 18, 2022 SKHHP Executive Board meeting minutes		

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<b>IV.</b>	<b>NEW BUSINESS</b>		
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<b>a.</b>	<b>2022 SKHHP HOUSING CAPITAL FUND RECOMMENDED ALLOCATIONS</b>	<a href="#">Page 9</a>	1:15 – 2:00
	(ATTACHMENT B)		
	<u>Purpose:</u> Executive Board recommendation for 2022 SKHHP Housing Capital Fund allocations.		
	<u>Background:</u> The application for the 2022 funding round for the SKHHP Housing Capital Fund opened in July with applications due on September 15. The Advisory Board began discussion at their October and November meetings and recommends funding two projects for a total of \$1,3093,308.		
	<u>Staff presentation:</u> Angela San Filippo and Advisory Board members Maju Qureshi and Andrew Calkins		

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**Motion is to approve funding recommendation as presented and forward recommendation to member City Councils for approval**

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**b. 2023 EXECUTIVE BOARD MEETING SCHEDULE** [Page 19](#) 2:00 – 2:15  
(ATTACHMENT C)

Purpose: Approve 2023 Executive Board meeting schedule.

Background: The current meeting schedule is the 3<sup>rd</sup> Friday of each month from 1:00 pm – 3:00 pm. Meetings have been held virtually since April 2020 with an in person option for public attendance beginning in spring of 2022.

Staff presentation: Angela San Filippo

**Motion is to approve 2023 Executive Board meeting schedule**

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**V. EXECUTIVE SESSION** 2:15 – 2:30  
Consistent with RCW 42.30.120(g), to evaluate the qualifications of an applicant for public employment.

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**VI. UPDATES/ANNOUNCEMENTS** 2:30

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**VII. ADJOURN** 3:00

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**SKHHP Executive Meeting  
November 18, 2022**

**MINUTES**

**I. CALL TO ORDER**

Vice-Chair Dan Ralph called the virtual meeting to order at 1:00 PM.

Welcome to SKHHP Program Coordinator, Dorsol Plants.

**a. ROLL CALL/ESTABLISHMENT OF QUORUM**

**Executive Board members present:** Executive Board members present: Colleen Brandt-Schluter, City of Burien; Joseph Cimaomo, City of Covington; Traci Buxton, City of Des Moines; Brian Davis, City of Federal Way; Dana Ralph, City of Kent; Eric Zimmerman, City of Normandy Park; Ryan McIrvine, City of Renton; Sunaree Marshall, King County; De'Sean Quinn, City of Tukwila.

**Other attendees:** Angela San Filippo, SKHHP; Dorsol Plants, SKHHP; Heather Rowlett, Navos; Ravenna Candy, Navos; Tara Stordahl, Navos; Teena Ellison, Compass Housing Alliance; Rae Trotta, CSH; Theresa Tanoury, CSH; Laurel Humphrey, City of Tukwila; Amy Arrington, City of Normandy Park; Bambi Chavez, HDC; Marty Kooistra, Civic Commons; Matt Torpey, City of Maple Valley; McCaela Daffern, King County; Merina Hanson, City of Kent; Nicole Nordholm, City of Des Moines; Hannah Bahnmler, City of Renton; Jason Gauthier, SSHAP; Reagan Binganisi.

Councilmember Ryan McIrvine joined at 1:05 PM

**II. REVIEW AGENDA/AGENDA MODIFICATIONS**

No agenda modifications.

**III. APPROVAL OF OCTOBER 21, 2022, MINUTES**

Joseph Cimaomo moved to approve the October 21st, 2022 minutes as presented; Ryan McIrvine seconded the motion. Motion passed unanimously (9-0).

**IV. OLD BUSINESS**

**a. 2023 FEDERAL LEGISLATIVE PRIORITIES**

Before the Executive Board are draft 2023 federal legislative priorities.

Andrew Calkins with King County Housing Authority provided an overview of each priority at the October Executive Board meeting followed by discussion and question and answer with the Board.

After the discussion, staff followed up with draft 2023 federal legislative priorities to share with their staff and Councils with the intention to vote on the draft legislative priorities at this meeting.

Are there any questions, concerns, feedback Board members want to share before making a motion?

Traci Buxton highlighted the support and creation of diverse housing options while retaining local land use authority, giving cities the freedom to decide options that suits their needs. Traci also expressed support for robust supportive services, especially in the workforce development sector. Also highlighting the request for funding for SKHHP. Huge thank you for the work going into the creation of the Legislative Priorities.

De'Sean Quinn thanked the staff for the hard work putting the Legislative Priorities together. A consideration when receiving federal dollars is that they use a formula based on population not need, this could be a justification for the direct allocation to SKHHP. It acknowledges that we have diverse communities but the limits by populations don't always meet the need across King County.

Traci Buxton made a motion to approve the 2023 federal legislative priorities, Ryan McIrvine seconded. Motion passed unanimously (9-0).

#### **b. Update on SKHHP housing capital fund applications**

Angela San Filippo provided an update on the Advisory Board review and recommendation process.

Traci Buxton asked if the December Executive Board meeting would be Angela's last meeting as SKHHP Executive Manager. Angela confirmed it would be her last meeting in the role.

#### **c. Update on Executive Manager Hiring Process**

After the Board approved the position description, classification, and agreed on the overall recruitment and hiring process the Executive Manager position opened on October 28.

The first review date was November 14, after staff review of applications there are several candidates that will be invited for interviews.

The next steps in the process as agreed on at the October Executive Board meeting are as follows:

- 1<sup>st</sup> interviews with staff work group and Advisory Board members
- 2<sup>nd</sup> interviews with Executive Board members and carryover representative from first interviews

Should there be a consensus from 2<sup>nd</sup> interviews the final recommendation will be brought to the full Executive Board in an executive session for a final decision.

Angela San Filippo will be reaching out to adjust times for the 2<sup>nd</sup> Interviews as some scheduling has changed. She will attempt to reschedule in the week of December 6<sup>th</sup>.

### **V. NEW BUSINESS**

#### **a. Q3 Progress and Budget Report**

Each quarter staff prepare a progress and budget report to serve as an accountability tool as well as progress update for Executive Board members as well as a tool for Executive Board members to communicate with their Council and staff on the work that SKHHP has been doing during that quarter.

San Filippo provided an overview of the progress and budget report.

No questions, discussion, or feedback was shared. The final progress and budget report will be sent as a follow-up to the Board.

## **VI. Educational Item**

### **a. Housing First**

Through previous educational topics, Executive Board members have heard recent data and research into the connection between affordable housing and homelessness.

Today will be an opportunity to hear directly from housing providers on housing first. Housing first is an evidenced based philosophy and presenters will bring forward examples from local providers working in South King County communities.

Dorsol Plants provided introductions to speakers and overview of the educational item agenda.

Rae Trotta and Theresa Tanoury from Corporation for Supportive Housing (CSH) opened the training by providing an overview of “Housing First” and Supportive Housing. Rae has 15 years of experience as a “Housing First” service provider in the Oregon area. CSH is a national non-profit organization, that provides supportive housing across the United States.

Rae explained that “Housing First” is the framework and approach that believes all people deserve safe housing with dignity. Supportive Housing is the intervention, an evidence based programmatic solution for housing our most vulnerable members.

CSH defines their Supportive Housing with several key characteristics. First, is that it is permanent, and the subsidy stays with the person with no expiration date. Secondly, the unit must be truly affordable, and the affordability is planned out over a minimum of 30 years. Additionally, all services provided are tenant centered and are not required to access housing. Finally, while housing is provided without conditions, staff ensure the resources and support for individuals to succeed and thrive are available in their new homes.

Supportive Housing is not the solution for everyone in the community. It’s an expensive and intensive intervention with evidence-based practices for the most vulnerable. “Housing First” programs show a high housing retention rate, meaning our most vulnerable are not left on the street. Data also shows that communities with “Housing First” spend less on higher cost intervention systems such as Emergency Medical Services or Law Enforcement responses.

Rae discussed several reasons why supportive housing exists. Reasons included a history of systemic racism in the housing market, including Redlining, Block Busting, and Racially Restrictive Housing Covenants as just a few examples. These barriers are deeply ingrained in our country and are still having direct impacts today.

Rae reviewed the seven core components of CSH’s Supportive Housing model which include: quick access to housing, units that are targeted to serve the most vulnerable, provides lease/tenant protections, centered on tenant choice, robust supportive services with assertive engagement, embrace a harm reduction approach, and tenancy is not dependent on participating in services. A crucial factor of success is that housing retention

through program support starts on day one. Staffing is a key component of this, you must ensure that there are enough staff to truly create a supportive housing environment.

Question about the challenges of mixing populations such as families and single adults and whether there were concerns about capacity. Rae provided examples from Portland, Oregon on how a recent shift in service has been to move toward mixed income properties. Their experience with programs that offer only Supportive Housing onsite such as a 100-unit model are that they struggle to maintain proper staffing levels due to the high acuity demands in the space. Currently, CSH does still separate their housing by service type with programs specific to families, unaccompanied youth, and single adults.

Teena Ellison from the Compass Housing Alliance has over twenty years of experience designing "Housing First" programs. Teena has used the information and training from CSH to develop programs here in King County. Compass Housing utilizes many mixed unit properties, with only a set number of units being set aside for supportive housing.

Compass Housing will be opening the Health Through Housing program in Auburn first as emergency shelter, to be converted to 100% permanent supportive housing once it fully opens. To qualify for the program, you will have to meet the definition of chronic homelessness and have a diagnosed disability.

Teena acknowledged the question what does "Housing First" mean when it comes to permitted behavior in the program. The services provided are not mandatory, but Compass Housing prioritizes developing a trusting relationship with the individual. People will use substances, and there will be challenges, but there are expectations that the staff work with residents to maintain housing while modifying the behavior. This is accomplished by building a community through on-site through meals, activities, and providing supportive services like substance abuse treatment.

Ravenna Candy is a director at the Multicare Behavioral Health Network, and over the past 19 years has developed numerous programs in King County for Navos. Working closely with King County and UW School of Medicine to collect and track metrics over the last twenty years to demonstrate that clients succeed in their programs. Most participants graduate in an average of three years and have a housing voucher, so they maintain housing after leaving the program.

One area of focus for Ravenna has been trauma informed housing. Recognizing that many supportive housing sites were in rougher areas and not well maintained, creating a sense of safety in the home is essential for building stability. Ravenna has worked directly with architects to develop programs that do not traumatize someone who has already experienced trauma through safe and proper design.

Ravenna noted that some communities struggle to welcome supportive housing. Her strategy has been to keep programs small and blended in the community. Often neighborhoods begin to benefit from supportive housing in the area because the property is well maintained and supported.

Ravenna noted the often perceived stereotype that the people Navos serve are dangerous, or that supportive housing will drive down property values. Her experience has been the opposite, people served through Navos tend to be vulnerable and easily taken advantage of. .

Rae Trotta was asked to speak more about the the “Housing First” model not requiring services. Rae responded by talking about how the philosophy is human focused and about seeing the person for who they are. Creating a sense of safety and participation empowers a person to make better decisions for themselves.

Tara Stordahl is a new Housing Department Manager at Navos. She spoke to some of the strengths of the “Housing First” model being the ability for the participant to truly buy into the program. Navos makes it clear through all aspects of service that they genuinely have the goal to safely house and keep people off the street.

Heather Rowlett has worked over the past fifteen years with incarcerated mothers before beginning her work at Navos. The strength of “Housing First” is about removing paternalism from providing housing to the community. When we think we should be deciding for folks instead of coming beside them in community we create more problems.

Dana Ralph thanked the presenters for bringing forward information on such a challenging but important topic.

Sunaree Marshall asked if there were more examples of working with individual neighbors and communities to articulate the need for Supportive Housing. Teena Ellison recommended talking to the community about housing the most vulnerable is a better investment of philanthropic and taxpayer dollars and Compass Housing Alliance provides a contact for the neighbors to call if they have concerns or issues about the supportive housing.

Ravenna Candy added that after buying a supportive housing unit in a neighborhood, she will go door to door and over time the concerns and feelings of animosity change to transparency. Every family has someone struggling with their mental health or housing, and those are the individuals that supportive housing serves.

Dana Ralph asked how accountability in a “Housing First” model works when someone is creating an unsafe environment. Raveena Candy spoke about the importance of staff presence as part of the supportive environment. Through assertive community treatment a multi-disciplinary support network is built around the person seven days a week. Tara Strodahl added that her staff interact with tenants at least every other day making sure the property is clean, safe, and maintained. The staff are part of the daily structure.

Eric Zimmerman asked about the evidence for an acceptable success rate for the residents, and what metrics define success. Additionally, what means of verification exist for the validity of the long-term result. Ravenna Candy spoke to seventeen years of data provided every six months in collaboration with the UW School of Medicine to collect data and analyze their programs. On average it takes about three years to graduate, and data

collected after graduation shows a roughly 90% success rate as defined by housing retention and reduced hospital visitation.

Eric Zimmerman asked for a cost per beneficiary figure. Ravenna Candy has worked with King County to collect that data and did not have the exact figure at the meeting but would work with SKHHP Staff to provide it.

## **VII. UPDATES/ANNOUNCEMENTS**

Angela San Filippo shared that the City of Des Moines is developing their housing action plan. She provided a link to the online information. Traci Buxton spoke highly of the work of city staff, and the excitement of working on the housing action plan and the comprehensive plan.

Sunaree Marshall provided information that the City of Burien collected on cost savings associated with "Housing First" in response to Eric Zimmerman's question. Sunaree has also taken a new position at King County as Deputy Division Director for Housing, Homelessness, and Community Development. She will continue to serve with SKHHP during the hiring process.

## **VIII. ADJOURN**

Dana Ralph adjourned the meeting at 3:00 pm





## Memorandum

South King Housing and Homelessness Partners

**TO:** SKHHP Executive Board  
**DATE:** December 8, 2022  
**RE:** 2022 SKHHP Housing Capital Fund Recommendation

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### OVERVIEW

Three SKHHP Advisory Board has completed its review of the three applications for the 2022 SKHHP Housing Capital Fund. The Advisory Board recommends funding for two projects. Recommendations total \$1,393,308 as summarized in the attached table, Proposed Funding Sources. Following is a summary of the applications, the Advisory Board recommendation and rationale, and proposed contract conditions for the two proposals recommended for funding at this time. Also enclosed is an economic summary of the projects recommended for funding.

### ATTACHMENTS:

1. Proposed funding sources
2. Project economic summaries

### 1. HABITAT FOR HUMANITY SEATTLE-KING AND KITTITAS COUNTIES

**Funding request:** \$300,000 (secured grant)

**Advisory Board recommendation:** \$300,000 (secured grant)

See attached proposed funding sources for distribution of City funds

### PROJECT SUMMARY

Habitat for Humanity is requesting grant funds in the amount of \$300,000 for a homeownership project located in Burien. The proposed project is phase I of II of a new development that will result in 40 affordable condominiums. Phase I consists of the construction of 20 three bedroom townhomes, 1.5 bath houses for households earning up to 50% of area median income (AMI).

The project proposal is to provide permanent affordability through a land trust administered by Habitat and sold with an individual ground lease that allows Habitat the

right of first option to purchase the home upon resale with a set 1.5% appreciation calculation in the lease agreement.

As part of Habitat's homeownership model, homebuyers are required to put in 250 hours of sweat equity. The project also requires a Condominium Owners Association (COA) comprised of residents. The COA will address property issues and guidelines established in the land lease. Through the COA, reserves are established for the repair and maintenance of the buildings and to address ongoing landscape and maintenance. The reserve fund will be managed by the COA and funded through a monthly fee that is part of the overall housing costs and included in the 33% housing to household income ratio provided to homebuyers.

## **FUNDING RATIONALE**

The Advisory Board supports the intent of this application for the following reasons:

- The project was approved for participation in the City of Burien affordable housing demonstration program.
- The project strongly aligns with SKHHP Housing Capital Fund priorities including: providing homeownership opportunities, collaboration with local community-based organizations, direct experience and connection to populations they are proposing to serve, and advancing racial equity.
- The project schedule indicates construction to begin in 2022 and certificate of occupancies issued in 2024.
- The site has convenient access to transit, shopping, and services.
- The project provides significant financial leverage of other sources.

## **PROPOSED CONDITIONS**

**Standard conditions** (apply to all projects)

1. The Agency shall provide revised development and operating budgets based upon actual funding commitments, which must be approved by SKHHP staff. If the Agency is unable to adhere to the budgets, SKHHP staff must be immediately notified and new budget(s) shall be submitted by the Agency for SKHHP staff approval. SKHHP staff shall not unreasonably withhold its approval to revised budget(s), so long as such new budget(s) do not materially adversely change the Project. This shall be a continuing obligation of the Agency. Failure to adhere to the budgets, either original or as amended may result in withdrawal of SKHHP's commitment of funds.
2. The Agency shall submit evidence of funding commitments from all proposed public and private funding sources. In the event commitment of funds identified in the application cannot be secured in the time frame identified in the application, the

Agency shall immediately notify SKHHP staff, and describe the actions it will undertake to secure alternative funding and the timing of those actions subject to SKHHP staff review and approval.

3. Funds shall be used by Agency toward specific project costs as included in funding agreement and consistent with RCW 82.14.540. Funds may not be used for any other purpose unless SKHHP staff has given written authorization for the alternate use. If after the completion of the project there are budget line items with unexpended balances, SKHHP and other public funders shall approve adjustments to the project capital sources, including potential reductions in public fund loan balances.
4. Agency shall evaluate and consider the maximization of sustainability features such as in efficient building envelope, heat pumps and propose a plan for the maximization of sustainability.
5. In the event federal funds are used, and to the extent applicable, federal guidelines must be met, including but not limited to: contractor solicitation, bidding and selection; wage rates; and federal laws and regulations.
6. The Agency shall maintain documentation of any necessary land use approvals, permits, and licenses required by the jurisdiction in which the project is located.
7. The Agency shall submit monitoring quarterly reports through completion of the project, and annually thereafter, and shall submit a final budget upon project completion. If applicable, Agency shall submit initial tenant information as required by SKHHP.
8. Agency shall maintain the project in good and habitable condition for the duration of period of affordability.

### Special conditions

1. Funds will be in the form of a **secured grant with no repayment**, so long as affordability and target population are maintained.
2. A covenant is recorded ensuring affordability for at least 50 years, with size and affordability distribution per the following table. Limited changes to the matrix may be considered based on reasonable justification as approved by SKHHP staff.

<b>Affordability</b>	<b>3 bedroom</b>	<b>Total</b>
60%	20	20
<b>Total</b>	<b>20</b>	<b>20</b>

## 2. MERCY HOUSING NORTHWEST – BURIEN FAMILY HOUSING

**Funding request:** \$1,093,308

**Advisory Board recommendation:** \$1,093,308 (forgivable loan)

See attached proposed funding sources for distribution of City funds

### PROJECT SUMMARY

Mercy Housing Northwest is requesting funds in the amount of \$1,093,308 for an 89 unit multifamily mixed income affordable rental housing development in Burien. The project proposal is to provide a mix of 1- 2- and 3-bedroom apartments, for households with mixed incomes from 0-30%, 30-50%, and up to 60% of area median income, and set asides for households with a disability and homeless households.

The proposed project is a partnership with Mary's Place. Mary's Place and Mercy Housing Northwest entered into a memorandum of understanding indicating Mary's Place's intent to subdivide the property and donate an approximate 2 acre portion to Mercy Housing Northwest for the proposed multifamily development.

### FUNDING RATIONALE

The Advisory Board supports the intent of this application for the following reasons:

- The project aligns with Burien's Comprehensive Plan land use designation and has two routes for zoning approval – an applicant pursued site specific rezone or a City initiated area wide rezone as part of the Ambaum Corridor plan, both are currently underway.
- The project strongly aligns with SKHHP Housing Capital Fund priorities including: collaboration with local community-based organizations, direct experience and connection to populations they are proposing to serve, meeting the needs of those and available to those most disproportionately impacted by housing costs, advancing racial equity.
- The project has the opportunity to deliver mixed income housing on a significant scale in a location with access to transit and other amenities.
- The project is part of a partnership with Mary's Place which will create significant shelter and services.
- The project includes over half (54%) of the houses to be family-sized 2 and 3 bedroom units.
- The project serves special needs population through a set aside for households with a disability and formerly homeless households.
- The site has convenient access to transit, shopping, and services.

- The project is expected to provide significant financial leverage of other sources.

## **PROPOSED CONDITIONS**

### **Standard conditions** (apply to all projects)

1. The Agency shall provide revised development and operating budgets based upon actual funding commitments, which must be approved by SKHHP staff. If the Agency is unable to adhere to the budgets, SKHHP staff must be immediately notified and new budget(s) shall be submitted by the Agency for SKHHP staff approval. SKHHP staff shall not unreasonably withhold its approval to revised budget(s), so long as such new budget(s) do not materially adversely change the Project. This shall be a continuing obligation of the Agency. Failure to adhere to the budgets, either original or as amended may result in withdrawal of SKHHP's commitment of funds.
2. The Agency shall submit evidence of funding commitments from all proposed public and private funding sources. In the event commitment of funds identified in the application cannot be secured in the time frame identified in the application, the Agency shall immediately notify SKHHP, and describe the actions it will undertake to secure alternative funding and the timing of those actions subject to SKHHP staff review and approval.
3. Funds shall be used by Agency toward specific project costs as included in funding agreement and consistent with RCW 82.14.540. Funds may not be used for any other purpose unless SKHHP staff has given written authorization for the alternate use. If after the completion of the project there are budget line items with unexpended balances, SKHHP and other public funders shall approve adjustments to the project capital sources, including potential reductions in public fund loan balances.
4. Agency shall evaluate and consider the maximization of sustainability features such as in efficient building envelope, heat pumps and propose a plan for the maximization of sustainability.
5. In the event federal funds are used, and to the extent applicable, federal guidelines must be met, including but not limited to: contractor solicitation, bidding and selection; wage rates; and federal laws and regulations.
6. The Agency shall maintain documentation of any necessary land use approvals and permits required by the jurisdiction in which the project is located.
7. The Agency shall submit monitoring quarterly reports through completion of the project, and annually thereafter, and shall submit a final budget upon project completion. If applicable, Agency shall submit initial tenant information as required by SKHHP.

8. Agency shall maintain the project in good and habitable condition for the duration of period of affordability.

### **SPECIAL CONDITIONS**

1. Funds will be in the form of a **deferred, contingent, forgivable loan**. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by SKHHP Staff.
2. A covenant is recorded ensuring affordability for at least 50 years, with size and affordability distribution per the following table. Limited changes to the matrix may be considered based on reasonable justification as approved by SKHHP staff. **If the project is unsuccessful in securing Housing Choice Vouchers, the project may shift an allocation of units set aside at 30% AMI to either 50% or 60% AMI.**

<b>Affordability</b>	<b>Total</b>
30%	35
30-50%	28
60%	26
<b>Total</b>	<b>89</b>

3. The net developer fee shall be established at the time of finalizing the Contract Budget. Net developer fee is defined as that portion of the developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after being placed in service.
4. SKHHP staff shall review and approve the services budget and services plan for consistency with application.
5. Timeframe for funding commitment. The funding commitment continues for **thirty-six (36) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to SKHHP staff no later than sixty (60) days prior to the expiration date. At that time, the Agency will provide a status report on progress to date and expected schedule for start of construction and project completion. The SKHHP Executive Board will consider a twelve-month extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the Agency will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable period of time.
6. The project will contain a 20% set aside for households with a disability, and 40% set aside for homeless households, unless otherwise approved by SKHHP staff.

### 3. ECOTHRIVE – BURIEN

**Funding request:** \$700,000 - \$1,000,000

#### PROJECT SUMMARY OVERVIEW

EcoThrive is requesting grant funds in the amount of \$700,000 - \$1,000,000 for a homeownership project located in Burien. The project proposal is to provide permanent affordability through a limited-equity cooperative formed by homeowners as well as a community land trust that holds the land in trust. The proposed project is the new construction of 26 houses ranging in size from 350 square feet to 650 square feet for households earning between 30 and 50% of area median income (AMI).

The property currently consists of a single family residential house that is uninhabitable. The property is currently zoned single family residential that allows for 6 dwelling units per acre. EcoThrive has submitted an application for the City of Burien's affordable housing demonstration program that would allow for a greater density of housing than is currently allowed on the property. Estimated approval for the affordable housing demonstration program is March of 2023.

#### FUNDING RATIONALE

The SKHHP Advisory Board supports the concept of the EcoThrive housing proposal but does not recommend funding at this time. The Advisory Board would welcome an application in the next funding round. This would provide an opportunity for EcoThrive to address the issues identified below:

- Further develop the plan for operational support of the limited equity cooperative and other supportive services.
- Further develop and identify the plan for qualifying households for home loans.
- Sweat equity at 10 hours per month in perpetuity may be a significant challenge for some households.
- Obtain approval for City of Burien Affordable Housing Demonstration Program or pursuit of other land use changes that support the development proposal.
- Include development cost estimate that helps establish soundness of development budget.
- Further development of building design, parking, and conformance with zoning requirements.
- Further develop plan for engaging, connecting, and working with households proposing to serve.

## ATTACHMENT 1: Proposed Funding Sources

Jurisdiction	Total contributed to SKHHP Housing Capital Fund	Habitat for Humanity - Burien	Mercy Housing Northwest - Burien Family Housing	Unallocated
Auburn	\$305,338	\$63,257.27	\$230,532.27	\$11,548.46
Burien	\$146,350	\$30,319.52	\$110,495.25	\$5,535.23
Des Moines	\$51,777	\$10,726.71	\$39,091.99	\$1,958.30
Federal Way	\$243,141	\$50,371.84	\$183,573.11	\$9,196.05
Kent	\$330,312	\$68,431.17	\$249,387.81	\$12,493.02
Normandy Park	\$2,863	\$593.13	\$2,161.58	\$108.28
Renton	\$337,320	\$69,883.02	\$254,678.90	\$12,758.08
Tukwila	\$30,976	\$6,417.34	\$23,387.09	\$1,171.57
<b>Total</b>	<b>\$1,448,077</b>	<b>\$300,000</b>	<b>\$1,093,308</b>	<b>\$54,769</b>



**ATTACHMENT 2: Project Economic Summaries****Applicant:** Habitat for Humanity Seattle-King and Kittitas Counties**Project Name:** Burien**Location:****Project Description:** New development of 20 homeownership condominium units**Financing Sources:**

<b>Funding source</b>	<b>Proposed Amount</b>	<b>Status</b>
SKHHP	\$300,000	Applied
Housing Trust Fund	\$1,125,000	Committed
King County HOME	\$1,547,282	Committed
Fund for Humanity (developer)	\$4,860,994	
CHIP	\$568,500	Committed
<b>TOTAL</b>	<b>\$8,401,776</b>	

**Development Budget:**

<b>Proposed use</b>	<b>Amount</b>	<b>Per Unit</b>
Land acquisition	\$1,020,000	\$51,000
Soft costs	\$414,250	\$20,713
Development costs	\$6,734,026	\$336,701
Other development costs	\$233,500	\$11,675
<b>TOTAL</b>	<b>\$8,401,776</b>	<b>\$420,089</b>

**Applicant:** Mercy Housing Northwest

**Project Name:** Burien Family Housing

**Location:**

**Project Description:** New development of 89 unit mixed-income rental housing

**Financing Sources:**

Funding source	Proposed Amount	Status
SKHHP	\$1,093,308	Applied
Land donation	\$1,750,000	Committed
Bank loan	\$10,390,926	
4% LIHTC equity	\$16,523,298	To apply in 2024
Deferred developer fee	\$2,018,987	
State Housing Trust Fund	\$5,000,000	To apply 2023
Amazon grant	\$5,000,000	Applied
King County	\$4,900,000	Applied
Mercy loan fund (developer)	\$750,000	
<b>TOTAL</b>	<b>\$47,426,519</b>	

**Development Budget**

Proposed use	Amount	Per Unit
Land acquisition (donation)	\$1,750,000	\$19,663
Soft costs	\$5,974,879	\$67,134
Construction costs	\$36,540,135	\$410,563
Other development costs	\$3,161,000	\$35,517
<b>TOTAL</b>	<b>\$47,426,519</b>	<b>\$532,882</b>

**2023 SKHHP Executive Board meeting schedule dates based on continued 3<sup>rd</sup>  
Friday of the month from 1:00 pm – 3:00 pm**

<b>Month</b>	<b>Date</b>
January	20
February	17
March	17
April	21
May	19
June	16
July	21
August	18
September	15
October	20
November	17
December	15