



King County

Urban Consortium Joint Recommendations Committee

Meeting Materials for Thursday, May 26th 2016

Click on a link below or use the Acrobat bookmarks to access documents

Item	Info
Agenda	Agenda for May 2016 Meeting
Attachment A	Approved April 2016 JRC Meeting Minutes
Attachment B	Housing & Community Development Organization Chart
Attachment B.1	Estimated 2017 CDBG funds
Attachment C	City of Renton and Renton Housing Authority: Sunset Area Transformation Plan.
Attachment C.1	Choice Neighborhoods Initiative Handout

Please note that page size and orientation may vary. Check your printer settings before printing.



King County
JRC Members

Ken Hearing
Mayor North Bend
Sound Cities
Association, Chair

De'Sean Quinn
Tukwila,
Councilmember
Sound Cities
Association,
Vice Chair

Dan Grausz
Mercer Island
Councilmember
Sound Cities
Association

Pam Fernald
SeaTac,
Councilmember
Sound Cities
Association

Terry Mark
King County,
DCHS Deputy
Director

Gary Prince
King County,
DOT, TOD Program
Manager

John Starbard
King County, DPER
Director

Leslie Miller
Kirkland
Human Services
Coordinator

Carol Ann Witschi
Councilmember,
City of Renton

Dana Hinman.
Director of
Administration
City of Auburn

Jeff Watson
Federal Way
Community
Services Manager

Steve Walker
Seattle, Director of
Office of Housing

Agenda

JOINT RECOMMENDATIONS COMMITTEE (JRC) MEETING

Thursday, May 26, 2016

9:30 AM - 11:30 AM

**South Renton Treatment Plant Admin Building
1200 Monster Road S.W., Renton, WA 98057**

[Directions and map](#)

<http://www.kingcounty.gov/environment/wtd/About/System/South.aspx>

I. Welcome and Introductions

II. April 28, 2016 Meeting Minutes

5 Min

Attachment A – Action Item All

III. 2018-2020 Interlocal Cooperative Agreement for King County Urban County Consortium Discussion.

40 Min

Interlocal Agreements - Info Item

Available on Web: <http://www.kingcounty.gov/depts/community-human-services/housing/consortium.aspx>

- Community Development Block Grant (CDBG)
- HOME Investment Partnership
- Emergency Solutions Grant (ESG)
- Regional Affordable Housing Program (RAHP)
- Housing Finance Program Guidelines
- King County Consortium Community Development Block Grant Guidelines
- Housing Repair Program Guidelines

Attachment B – Housing and Community Development Organization Chart

IV. Choice Neighborhood Initiative – Request from City of Renton

10 Min

Attachment C – Action Item All

V. Round Table Discussion / Other Items

- Follow up to Round Table questions raised at April 28, 2016 meeting.

ADJOURN

Next Meeting:

Date September 22, 2016 9:30 AM - 11:30 AM

Location: South Renton Treatment Plant, Renton WA

<http://www.kingcounty.gov/depts/community-human-services/housing/consortium.aspx>

JOINT RECOMMENDATIONS COMMITTEE MEETING

Thursday, April 28, 2016

9:30 a.m. – 11:30 a.m.

Renton Treatment Center

Members Present:

De'Sean Quinn, Councilmember, City of Tukwila, JRC Vice-Chair (Sound Cities Association)
Dan Grausz, Councilmember, City of Mercer Island (Sound Cities Association)
Pam Fernald, Councilmember, City of SeaTac (Sound Cities Association)
Leslie Miller, Human Services Coordinator, City of Kirkland Parks and Community Services
Jeff Watson, Community Services Manager, City of Federal Way
Carol Ann Witscht, Councilmember, City of Renton
John Starbard, Director, King County Department of Permitting and Environmental Review
Terry Mark, Deputy Director, King County Department of Community and Human Services (DCHS)
Tom Mack, for Steve Walker, Director of Housing, City of Seattle

Members Not Present:

Ken Hearing, Mayor, City of North Bend, JRC Chair (Sound Cities Association)
Dana Hinman, Director of Administration, City of Auburn
Gary Prince, Transit Oriented Development Manager, King County Department of Transportation

King County Staff:

Kathy Tremper, Coordinator, Housing and Community Development (HCD), DCHS
David Mecklenburg, Project Manager, HCD, DCHS
Mark Ellerbrook, Regional Housing and Community Development Manager, HCD, DCHS
Elaine Goddard, Administrative Staff Assistant, DCHS

Guests:

Evie Boykan, City of Tukwila
Colleen Brandt-Schluter, City of SeaTac
Dianne Utecht, City of Renton
Lori Fleming, City of Burien
Alaric Bien, City of Redmond

I. Welcome and Introductions

Councilmember De'Sean Quinn, Vice Chair acting in the Chair's absence opened the meeting at 9:37 a.m. He welcomed guests and asked for introductions.

**II. Review March 24, 2016 Meeting Minutes
Attachment A – Action Item, All**

MOTION: Councilmember Pam Fernald made a motion to accept the March 24, 2016 meeting minutes as noted with minor edits. Terry Mark seconded the motion. The motion was approved unanimously.

**III. Review Prior Year Community Development Block Grant (CDBG) and/or HOME projects regarding timely expenditure of funds
Attachment B – Information Item**

Kathy Tremper provided information to the JRC regarding the status of CDBG Capital projects. There were no projects in danger of meeting their timely expenditure requirements for the CDBG program, therefore this became an information item rather than Action as noted on the JRC Calendar. All awarded contracts are substantially underway and the County's drawdown ratio is within the acceptable threshold.

**IV. ARCH 30 Bellevue CDBG Award Scope Revision
Attachment C – Action Item, CDBG Consortium and Joint Agreement City Members**

Mark Ellerbrook informed the group of a change request regarding funding of the 30 Bellevue housing development. The JRC approved funding for pre-development and site preparation costs for this project. However, after further review it was determined that while these costs are eligible per the Federal Department of Housing and Urban Development (HUD) regulations, they fall within the administrative category and are charged against the Consortium's 20 percent ceiling threshold. The JRC was asked to approve the change of scope of the funded project to cover acquisition costs.

Jeff Watson asked whether ARCH has been notified of this change. ARCH is a partner on this project and understands our commitment and the complexity of funding rules. This change is consistent with the commitment to the project. ARCH is appreciative of what this will do to move things forward.

A concern was raised related to timing and whether this change will impact the CDBG funding rule to use funds within 17 months of an award. Kathy Tremper responded that per the report in Agenda Item III, the County is well under the 1.5 threshold, so this should not be a problem.

Councilmember De'Sean Quinn commented that we must be nimble to keep projects moving. It is important to keep in mind how difficult and time consuming an affordable housing deal can be. They are not as straightforward as a private development. We need to communicate with all funders and know that problems can arise that do not occur with for-profit agencies.

MOTION: John Starbard moved to change of the scope from predevelopment soft costs to acquisition. Councilmember Pam Fernald seconded the motion. The motion was approved unanimously.

**V. Sunflower Homeownership Project
Attachment D – Action Item, All**

Mark Ellerbrook explained the project history. Sunshine Homeownership is a project which will produce several single-family homes for low to moderate income homeowners near Vashon town center and meets a critical need of affordable housing. King County helped acquire land for this project in 2002 but due to several factors, including infrastructure, building codes and bank and finance issues, the project has not been completed. The non-profit overseeing this project has an outstanding loan which the current bank is calling in. The original loan balance was \$250,000, but County staff have been able to negotiate it down to \$135,000. The County has invested over \$700,000 in this project and the agency has several pre-qualified buyers lined up to purchase the homes once they are complete. The JRC is asked to approve \$135,000 in 2015 Regional Affordable Housing Program (RAHP) funds to repay the loan so that the project can move forward. This payoff would release the bank's lien and deed of trust and make the County primary lien holder on the property.

The board had several concerns regarding the delay in the project and request for the transaction. The JRC would like better visibility of these types of issues before they become critical. Councilmember Pam Fernald felt that the County provided full transparency and the JRC has done due diligence. Mark Ellerbrook agreed and noted HCD will provide quarterly status reports of ongoing projects to ensure they are staying on track. Members agreed this would be a good practice.

It was also noted that smaller communities often do not have the same capacity for projects as a big developer. Vashon HouseHold has only a few staff. The County needs to work with these types of groups to ensure affordable housing is available in all areas.

With the bank loan paid, the County should be in a stronger position to ensure the project is completed. Timelines should be put in place and milestones tracked. It is expected that the project will take an additional 18-24 months.

It was noted that the Vashon community faces many unique challenges and the County needs to show its support. The Committee would like the County to vet the issues brought up so the JRC can better understand what is happening. Mark Ellerbrook will come back with additional information. The County will ensure protections and exit strategy if this falls through.

MOTION: Jeff Watson moved to approve the use of \$135,000 from 2015 RAHP funds, subject to condition that staff return in May with a response to committee questions. Councilmember Dan Grausz seconded the motion. The motion was approved unanimously.

VI. Information Items

- **Housing Repair Program, Attachment E**

Mark Ellerbrook shared first quarter updates on Housing Repair activities. The consolidated document showed the number of loans in each district. This program continues to see high demand, and continues to be very successful.

- **Housing Finance Pre-Applications, Attachment F**

Mark Ellerbrook shared the list of Housing Finance Pre-applications. This shows what projects may be coming forward for the affordable housing funding round. The County is trying to work with agencies as early as possible in order to see what may be coming up. There is not enough money so agencies need to know what the County's priorities are before they invest excessive work for no reward. Proposals will come in mid-July.

- **Community Development Non-Housing Pre-Applications, Attachment G**

Kathy Tremper shared the list of CDBG Capital Non-Housing pre-applications received in Zoom Grants. She is in the process of qualifying projects to see if they are eligible and that they meet a national objective. She is providing technical workshops to those interested in applying. The list shows that there are many requests, but limited funds. A question was asked how road projects qualify. Road projects would be considered in low-income unincorporated areas. Revenue for roads is diminished, and communities may need to look for other means. Jeff Watson asked if these were set amounts. The amounts are not locked in, but are the current best guess. Agencies will be held to the amount in their actual application. The County also asks for a minimum amount. It was noted that the Renton Diving Academy is not an actual applicant, it was submitted as part of a test of the ZoomGrants system. The County is still in the pilot phase with online application and hope to be able to remove future test items from handouts.

VII. Round table

- Mark Ellerbrook announced that the May meeting will include initial discussion on the Inter-local Cooperative Agreements that will be signed in 2017. The JRC needs to begin foundational conversations earlier rather than later.
- Mark Ellerbrook also said he will bring the HCD Organization chart to the next meeting in order to provide information of how staff work with the JRC.
- Leslie Miller asked for more information regarding the VI-SPDAT (Vulnerability Index-Service Prioritization Decision Assistance Tool) which is used to assess and prioritize clients in the homelessness services system. She attended a meeting and felt that she received conflicting information regarding what is assessed and who receives priority. She has heard that “those needing most services” and “those most vulnerable” will receive priority. She would like a clearer understanding of what this tool is assessing and why.
- The group would also like information on Legislation being developed by Senator Cantwell on tax credits as well as policies set by Seattle and other emergent issues.

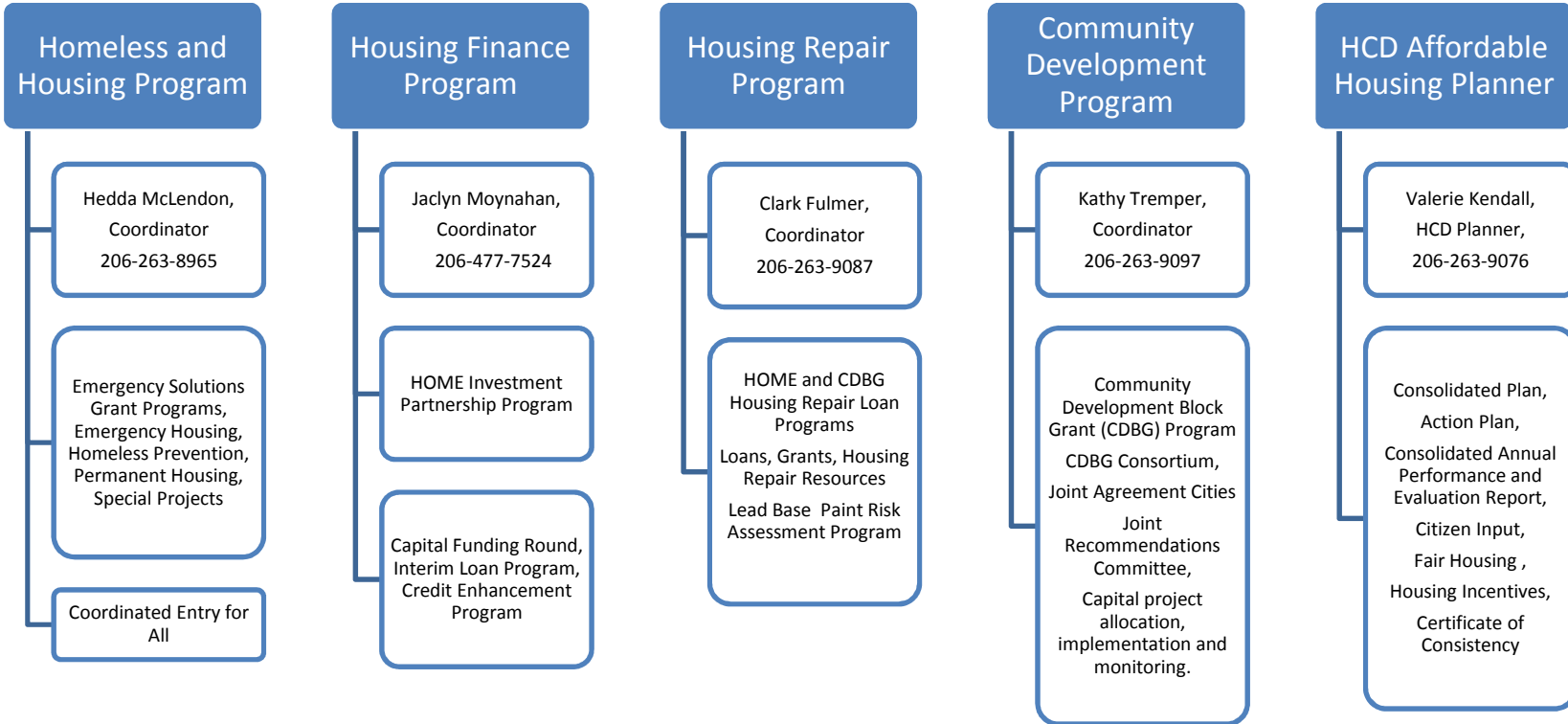
The meeting was adjourned at 11:06 a.m.

Next meeting will be May 26, 2016 at the same time and location.

Housing and Community Development Program

MARK ELLERBROOK
REGIONAL HOUSING AND COMMUNITY DEVELOPMENT
PROGRAM MANAGER
206-263-1117

Attachment B



A) CDBG Waterfall
CDBG - 2017 Estimates (1)

Date:5/19/2016

Resources

	Entitlement	2016 Program Income	Total Available	*Recaptured Funds	Total Available with Recapture
Reg. Consortium	3,371,141	300,000	3,671,141	0	3,671,141
Kirkland	298,915	0	298,915	0	298,915
Redmond	240,187	0	240,187	0	240,187
Renton	631,333	0	631,333	0	631,333
Shoreline	289,470	0	289,470	0	289,470
2016 Funds Available	4,831,046	300,000	5,131,046	0	5,131,046
Total PI and Entitlement		5,131,046			
Admin 20% Ceiling =	1,026,209				5,131,046
Human Service 15% Ceiling = PI+ENT	769,657				

Verification Column

5,131,046

* Added to Waterfall at 5b and 5c below

Distribution

1. Planning and Admin		20% of (CDBG Entitlement + 2016 PI):	\$1,026,209	Total
Reg. Consortium Cities	734,228			734,228
	Consortium Share JAC = 10%	Joint Agmt Only = 10%		
Kirkland = 20%	29,892	29,892		59,783
Redmond = 20%	24,019	24,019		48,037
Renton = 20%	63,133	63,133		126,267
Shoreline = 20%	28,947	28,947		57,894
	145,991	+	145,991	291,981
Total Administration:				1,026,209
2. Human Services		15% of (CDBG Entitlement + 2016 PI):	\$769,657	
a) Joint Agreement City contribution to HSP				
Kirkland = 5%	14,946			
Redmond = 5%	12,009			
Renton = 5%	31,567			
Shoreline = 5%	14,474			
	72,995			72,995
b) Joint Agreement Cities Human Services				
Kirkland = 10%		29,892		
Redmond = 10%		24,019		
Renton = 10%		63,133		
Shoreline = 10%		28,947		
		145,991		145,991
SubTotal				218,986
		Total Remaining		550,671
c) Reg. Consortium Cities Shelter Allocation (Frozen)				
		180,000		370,671
d) Remaining Consortium Human Services Funds:				
50% Reg Consortium's contribution to HSP		185,336		
50% remaining for Diversion		185,336		
N/E .32%		59,307		59,307
South .68%		126,028		126,028
		Total Human Services		769,657
3. Housing Repair		20% of (CDBG Entitlement + 2016 PI):	\$1,026,209	
Reg. Consortium Cities of KC PI=Ent.	734,228			734,228
Kirkland = 20%		59,783		59,783
Redmond = 20%		48,037		48,037
Renton = 20%		126,267		126,267
Shoreline = 20%		57,894		57,894
		Total HRP		1,026,209
4. Section 108 Greenbridge Repayment				
Reg. Consortium Cities	174,369		Total	174,369
5. Capital Distribution (Balance of Funds):				
a.) Capital Implementation (C14241)				
Capital Activity Delivery				250,947
Kirkland = 2%		5,978		
Redmond = 2%		4,804		
Renton = 2%		12,627		
Shoreline = 2%		5,789		
		29,198		29,198
Balance to Reg. Consortium Cities =				221,749
				250,947
b.) Joint Agreement City Capital Func				
	Recapture	Entitlement + PI	Total	
Kirkland	0	128,533	128,533	0
Redmond	0	103,281	103,281	0 Recapture
Renton	0	271,472	271,472	0 HS
Shoreline	0	124,472	124,472	0
		627,758	627,758	627,758
c.) Consortium Capital Funds				
	Recapture	Entitlement + PI	Total	
	0	1,255,897	1,255,897	1,255,897
Total N/E Sub Region .317%	398,119			
N/E Housing Capital - 40%	159,248			
N/E Other Capital - 60%	238,872			
South Sub Region .683%	857,778		Total	1,255,897

1,026,209

4,104,837 Remaining

769,657

3,335,180 Remaining

1,026,209

2,308,971 Remaining

174,369

2,134,602 Remaining

250,947

1,883,655 Remaining

627,758

1,255,897 Remaining

1121031

134,866

1,255,897

0 Remaining Contingency

Total - Distribution

5,131,046 5,131,046

**City of Renton/Renton Housing Authority Choice Neighborhoods Initiative Application
King County Financial Support**

Issue: The City of Renton and Renton Housing Authority are requesting up to \$3.5 million in affordable housing funds from King County for future projects identified in their Choice Neighborhoods Initiative implementation application to the Dept. of Housing and Urban Development (an up to \$30 million HUD grant). Any funds awarded by the JRC will be identified in the application to help maximize the application points for local leverage. The more total points an application receives the more competitive it will be.

Background: The City of Renton (City) and Renton Housing Authority (RHA) are currently working with a number of partners to prepare a U.S. Housing and Urban Development (HUD) Choice Neighborhoods Initiative (CNI) implementation grant for the Sunset Area Transformation Plan. The CNI grant would provide up to \$30 million to support the Sunset Area Community Revitalization effort.

HUD released the CNI Notice of Funding Availability (NOFA) on 3/31; applications are due 6/28/2016. Applicants will be competing for \$120 million in FY2016 CNI funds. HUD plans to announce the CNI grant awards in December 2016. If successful, the CNI grant period is five years long, from 2017 through 2021 and will provide the following funds for the Sunset Area Transformation Plan:

- Housing – Up to \$21 million for RHA’s affordable housing development in the Sunset Area;
- Neighborhoods – Up to \$4.5 million for eligible targeted neighborhood improvements ; and
- People – Up to \$4.5 million for “people” supportive services and education.

The CNI was designed to address struggling neighborhoods with distressed public housing through a comprehensive neighborhood transformation. CNI funds help communities transform neighborhoods by revitalizing severely distressed public housing and investing and leveraging investments in well-functioning services, high quality public schools and education programs, high quality early learning programs and services, crime prevention strategies, public transportation, and improved access to jobs.

The City and RHA have been working together for nine years on the plan to revitalize the distressed 100-unit Sunset Terrace public housing project and its surrounding community. Sunset Terrace was built in 1959 and much of the neighborhood’s housing stock was built as war worker housing during WWII.

The 269-acre Sunset Area has significant community needs, including:

- 27 percent of Sunset Area households live in poverty;
- Average annual income \$17,000 less than elsewhere in the City of Renton;
- 75 percent of students in the elementary school qualify for free or reduced lunch programs;
- Violent crime is 2 times higher than the City as a whole;
- 70 percent of housing is rated “substandard” (King County Assessor records);

- Homeownership is below 35 percent, as compared to 55 percent in the City as a whole; and
- Identified “high potential” for indoor environmental hazards such as mold, lead-based paint, and asbestos.

The City, RHA, and other partners have completed many Sunset Area projects and have more in progress.

Recently Completed Projects	Projects in Progress
<ul style="list-style-type: none"> • New Meadow Crest Early Learning Center • New Meadow Crest Inclusive Playground • New Glennwood Townhomes & Kirkland Avenue Townhomes – 24 units of replacement housing for Sunset Terrace • New Highlands to The Landing Pedestrian Connection • Utility upgrades • Sunset Terrace Regional Storm Water Facility • Harrington Avenue Green Connections • New Renton Highlands Library • Design for NE Sunset Boulevard (SR900) improvements 	<ul style="list-style-type: none"> • Sunset Neighborhood Park design, land acquisition and phase I construction • Design and construction of Sunset Lane NE realignment & NE 10th Street extension Colpitts Development Company’s new market rate housing at Sunset Terrace • Design and construction of Phase I of replacement of Highlands 435-Zone reservoir

The King County Housing Authority (KCHA) has agreed to be the Lead Applicant and the Housing Lead and to administer the CNI grant if awarded. The City and RHA will be co-applicants. KCHA is collaboratively working with the City, RHA, and multiple additional partners to help Renton create a successful CNI application. KCHA has administered two large HUD HOPE VI public housing redevelopment projects, Greenbridge and Seola Gardens, both in the White Center area of King County. This experience allows Renton to submit a CNI application and will significantly help Renton’s CNI application to score better.

Since last year, KCHA, RHA, and the City have worked to refine the Sunset Area Transformation Plan to create a more competitive CNI application for 2016. As part of this effort, the group has revised the Housing Strategy to respond to feedback from HUD after last year’s CNI application, to address increased projected housing construction costs, and to create a financially viable and feasible housing model that maximizes the available leverage for the CNI housing funds.

The 2016 revised Sunset Area Transformation Plan includes five RHA projects in the Sunset Area with a total of 148 multi-family rental housing units, including 133 units of new construction in three projects and 15 renovated units in an existing RHA project. The four combined projects include 118 units affordable to households at or below 60% of median income and 30 mixed-income units affordable to households at or below 120% of median income. (HUD encourages 20% or more of the CNI housing units to be mixed-income for optimal scoring.) The total budget for the five Sunset Area housing projects is approximately \$58 million.

Project Name	Project Type	Number of Units
Sunset Court Apartments	New Construction	50 Units

Suncrest Homes	New Construction	64 Units
Harrington Park Townhomes	New Construction	19 Units
Highland House	Renovation	15 Units

The Sunset Area Transformation Plan includes all of 76 of the remaining Sunset Terrace public housing units, 66 units included on-site as part of the above new construction units and ten project-based Section 8 voucher units to be provided off-site by KCHA as the Lead Applicant for the CNI grant application.

In addition to the housing included in the above Housing Strategy for the CNI grant, the Neighborhood Strategy for the Sunset Area Transformation Plan includes eight to 12 units of new affordable home ownership units to be developed via a partnership with Homestead Community Land Trust.

The City does plan to support RHA’s new Sunset Area housing projects with local funds. For the 2015 CNI application, the City Council approved \$1.9 million in waived fees for housing units in the Sunset Area Transformation Plan. The total number of units included in the plan is smaller this year for viability and feasibility. Consequently, for this year’s CNI application we expect the City Council to approve approximately \$1.3 million in waived fees next month for RHA’s four new replacement housing projects in the Sunset Area Transformation Plan.

Request of King County

In order to help increase the competitiveness of Renton’s CNI application for the Sunset Area Transformation Plan, RHA/Renton is requesting up to \$3.5 million commitment of housing finance program funds, contingent upon Renton’s receipt of the CNI funds, to support RHA’s new housing projects in the Sunset Area Transformation Plan. The request includes two components:

- i) Housing Finance Program capital award for affordable rental housing and housing for homeless families - \$1.5 million to \$2 million for one of the additional Renton Housing Authority (RHA) replacement housing projects in the Housing Strategy for the Sunset Area Transformation Plan
- ii) Housing Finance Program capital award for homeownership – up to \$1.5 million for development of the new homeownership units in the Neighborhood Strategy for the Sunset Area Transformation Plan.

King County awarded \$1.8 million last year to support the construction of the 50-unit Sunset Court Apartments. Twenty percent of the units in the Sunset Court Apartments are set-aside for homeless families. The additional \$1.5 million to \$2 million will support construction of one of the two additional new Sunset Area housing projects, Suncrest Homes or Harrington Park Townhomes as outlined above. Similar to the Sunset Court Apartments, twenty or possibly twenty-five percent of the units in the next county-funded project would be set-aside for homeless families.

For the CNI application, Renton needs a commitment from King County to provide the funds during the five-year CNI grant period (2017-2021) contingent upon receipt of a CNI grant. The actual Sunset Area project and use of King County funds can be determined in the future. If Renton secures a CNI grant, RHA would apply for the housing finance program funds using the standard annual housing finance program application process for one more grant award for \$1.5 million to \$2 million during the five-year CNI grant period. In addition, if Renton secures a CNI grant, the Homestead Community Land Trust would apply for the housing finance program funds

using the standard annual housing finance program application process for up to \$1.5 million for development of 8 to 12 new affordable homeownership units in the Sunset Area during the five-year CNI grant period.

RHA plans to apply to King County for housing finance program funds for an additional Sunset Area housing project regardless of whether Renton receives a contingent commitment at this time. The difference is that the current request will allow Renton to be more competitive for the CNI grant application and decrease the need for more King County resources to help complete both of the additional new construction projects above without CNI funds in the future.

The Sunset Area Transformation Plan was one of the nine finalists last year for a CNI grant, but they did not receive one of the five CNI grant awards in 2015. In April, the approved FH2017 THUD (federal Transportation and Housing & Urban Development departments) appropriations bill included a new CNI provision. Beginning next year, CNI implementation grants will only be awarded to CNI planning grantees. Since Renton has not received a CNI planning grant (and since the Sunset Area Community Revitalization effort is much too far along to start over with a \$500,000 CNI Planning grant for a three-year planning period), the 2016 CNI implementation grant application is Renton’s best and last bid for a CNI implementation grant of up to \$30M to transform the Sunset Area.

Note on Past Investments:

Over the last five years, King County has invested \$\$4.7 million in projects in the Sunset Terrace community. The following table provides more detailed information on these investments.

Project	Year	Amount	Units
Sunset Court	2015	\$1,800,000	50 Units (Rental)
Kirkland Ave Townhomes	2013	\$950,000	18 townhomes (rental)
Glennwood Townhomes	2011	\$1,950,000	8 townhomes (rental)
TOTAL		\$4,700,000	76 Units (Rental)

JRC Options:

- Option 1: Approve \$3.5 million in housing funds to support City of Renton/Renton Housing Authority Choice Neighborhoods Initiative Application. The consequences of this decision would be that \$3.5 million in housing funds will be committed prior to project review and the amount of funding for other King County projects over the next five years will be reduced.
- Option 2: Approve \$1.5 million in housing funds to support City of Renton/Renton Housing Authority Choice Neighborhoods Initiative Application. This would be enough funding for approximately one project, which could be selected through the standard Housing Finance Program underwriting process over the next five years.
- Option 3: Do not approve any funds to support City of Renton/Renton Housing Authority Choice Neighborhoods Initiative Application. This option preserves all future affordable housing funding for

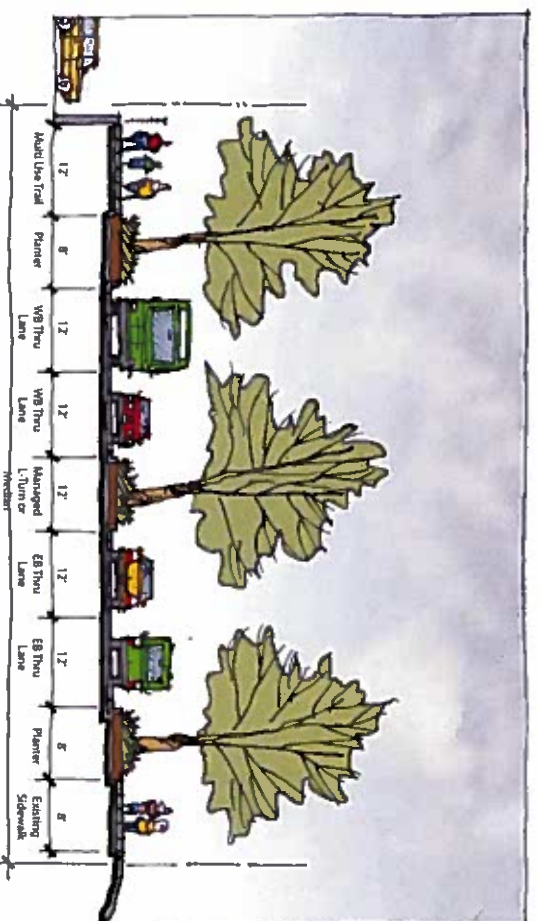
projects that will be considered under the standard HFP process. This may result in Renton's CNI application not receiving maximum leverage points if other leverage sources are not secured.

Staff Recommendation: Option 2: Provide \$1.5 million in housing funds to RHA for a project or projects selected over a five year period and reviewed under the standard HFP procedures. The award should be conditioned on the City of Renton approving the fee waiver requests outlined above, assuring that the City of Renton is invested in the project. It is reasonable to assume that the King County HFP will award \$1.5 million in housing funds to the Sunset Terrace project over the next five years.

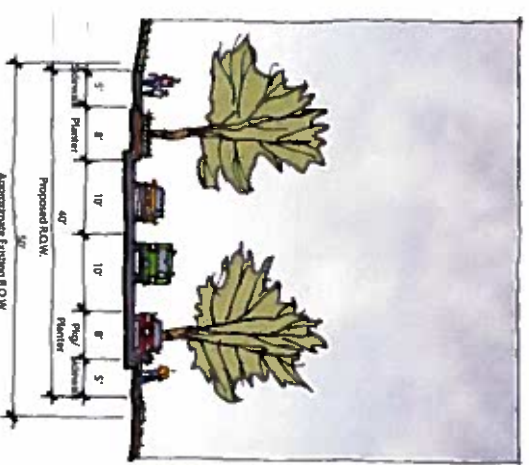
Staff Contact:

Mark Ellerbrook: E-mail: mark.ellerbrook@kingcounty.gov Phone: (206) 263-1117

Complete Streets Concepts



Sunset Boulevard / SR 900 - State Highway



Sunset Lane - Residential Street

Sunset Area Community Vision

Developed by the public and adopted by the Renton City Council.

- The Sunset Area is a destination for the rest of the city and beyond
- The neighbors and businesses here are engaged and involved in the community
- Neighborhood places are interconnected and walkable
- The neighborhood feels safe and secure
- Neighborhood growth and development is managed in a way that preserves quality of life
- The neighborhood is an attractive place to live and conduct business
- The neighborhood is affordable to many incomes
- The neighborhood celebrates cultural and ethnic diversity

Community Need for Revitalization

Revitalization is needed to improve housing, social, educational, employment, and health outcomes for the residents of this area.

- 27% of households live in poverty
- Average income is \$17,000 less than the city as a whole
- 75% of the students at the neighborhood elementary school qualify for free or reduced lunch
- Violent crime rate is 2.5 times higher than the city as a whole
- 35% of the students at the neighborhood elementary school have limited English proficiency
- 70% of neighborhood housing is substandard, based on King County Assessor's records
- Homeownership has dropped below 40%, compared to 55% in the city as a whole
- Area identified by King County Public Health as high potential for indoor air hazards such as mold, lead based paints, and asbestos

"Altogether, we believe the City of Renton has developed a Planned Action that should achieve the FEIS's predicted long-term benefits - neighborhood revitalization, increased opportunities for healthy active lifestyles and local employment, net stormwater treatment improvements, increased aesthetic appeal, and, reductions in regional energy use and GHG emissions. We support full implementation of this Planned Action and look forward to learning from the City of Renton's efforts to redevelop the Sunset Area into a healthy, livable, affordable, viable and green community."

Christine B. Reichgott, Unit Manager,
Environmental Review and Sediment Management Unit,
U.S. Environmental Protection Agency



Sunset Area Community Revitalization OVERVIEW

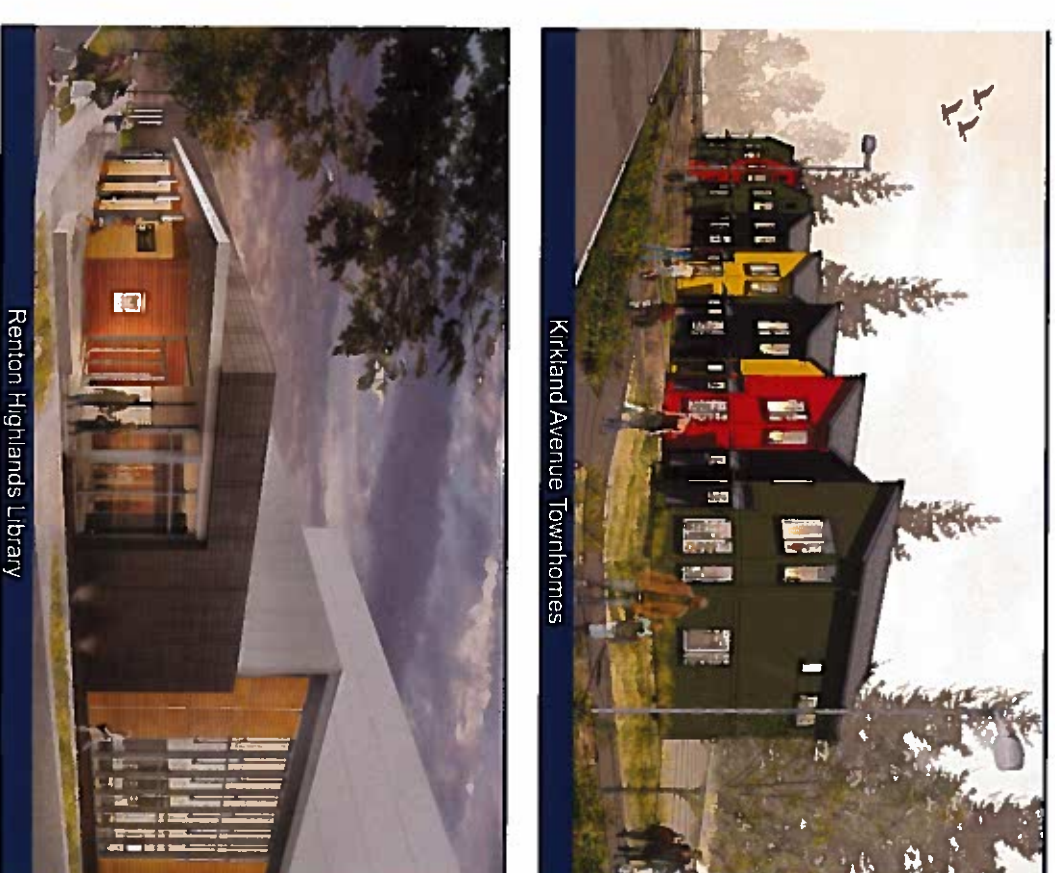
Fall 2014

Investing in Housing • Jobs • Education • Health • Environment • Transportation

Summary

The Sunset Area Community Revitalization Program will leverage public investment to catalyze private property development and create opportunities for market-rate and affordable housing, plus retail investment. Planned improvements will benefit the entire community:

- Complete Streets upgrades to NE Sunset Boulevard and other local streets (see back page)
- Improvements to stormwater drainage systems
- New and rehabilitated parks and recreation facilities
- New public library
- New early childhood learning center
- Better connections to support services for public housing residents
- Sustainable infrastructure
- Bike and walking paths
- Sunset Terrace public housing will redevelop to include new residential units with a mix of public, affordable, and market-rate homes
- Potential capacity for an additional 2,300 new dwelling units and 1.25 million square feet of service/retail space in the 269-acre neighborhood over the next 20 years



Partnerships

We have formed public and private partnerships to generate investment in facilities and infrastructure that will support a vibrant and highly livable community. Additional partnerships are desired.

City of Renton
1055 S. Grady Way
Renton, WA 98057
425-430-6561



