King County

Housing Finance Program

2020 Capital Funding for Affordable Housing Projects

PROJECT REVIEW MEMO

I. OVERVIEW

1A. PROJECT INFO

Sponsor/owner	**Imagine Housing**
Development consultant	**N/A**
Project name	**Samma Senior Apartments**
Project location	**Bothell, WA**

Project type..... ☒ **Rental** ☒**TOD** ☐ **PSH** ☐**HO** ☐ **DPA**

Project activity..... ☒ **New Construction** ☐ **Rehabilitation** ☒ **Acquisition**

Brief description

This is new construction of 76 units of senior housing in Northeast King County. The site has an existing building that will be torn down as part of the re-development of the site.

1B. PROJECT COST

Total development cost (TDC)	**$23,726,283**
Total residential development cost	**$23,726,283**
Cost per residential unit/ per square foot	**$312,187/ $514**
Total non-residential development cost	N/A

1C. KING COUNTY REQUEST

King County Funds requested	**$5,350,000**
% of TDC/ Cost per unit	**22%/ $70,394**
KC Loan term/ interest rate	**50 years/ 1% simple interest Hard Debt on TOD**

Project applied for funding in prior rounds..... ☒ **YES** ☐ **NO**

Project previously awarded KC funds	**$0**

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Does request deviate from HFP guidelines.....☐ **YES** ☒ **NO**

II. PROJECT DESCRIPTION

2A. HOUSING MODEL

of residential units/ managers/ total units..... **76 units**

Project total square feet / # of floors..... **46,101sf/ 5 Floors**

Project residential sf/commercial sf ..... **46,101sf/ NA**

Unit distribution - Income & AMI

Unit/Income	30% AMI	40% AMI	50% AMI	60% AMI	80% AMI	**Total**	Mgr/ CAU
Studio			76			76	**0**
1 Bedroom							
2 Bedroom							
3 Bedroom							
4 Bedroom							
Total			**76**			76	**0**

Average unit sizes ..... Studio 403 sf

Other type of unit. ..... 8 ADA units

Target population

The project intends to serve 76 seniors ages 55+. 20% (16) of the units, will be set aside for seniors with disabilities.

2B. CONSTRUCTION TYPE, SITE, & LOCALITY CHARACTERISTICS

Construction type..... ☒ **Wood Frame** ☐ **Steel Construction** ☐ **Combo**

Construction begins/ Construction period..... **2/28/2022/ 15 months**

Evergreen Sustainable Design Std. (ESDS) Score..... 59

Project intends to meet higher energy standards (Net-Zero, Passive House, etc.) or include energy efficient systems (solar panels, water systems, etc.)?..... ☒ **YES** ☐ **NO**

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Development Processes

Is zoning compatible?.....☒ **YES** ☐ **NO**

Bothell City Council has recently approved zoning code changes to permit higher buildings in the Downtown Subarea if it creates more affordable housing. The project site is zoned SR522 Corridor District. The proposed project meets the current site's zoning. Prior to issuance of building permits, there will be a boundary line adjustment to accommodate the permitted site plan. The City of Bothell will provide boundary line adjustments with the adjacent city park to create parking and a fire truck lane on the east side of the proposed building. Property area will not change.

Challenges in development of the site?..... ☒ **YES** ☐ **NO**

The site has poor soil conditions and will require concrete piles for building support.

Neighborhood

Describe the neighborhood.....☐ **Single Family** ☐**Multifamily** ☒**Commercial** ☐**Mixed-use**

The site is located in the Bothell Downtown area off Bothell Way NE, a street with mostly commercial businesses. The Bothell Downtown area has numerous new construction market-rate buildings completed and under development.

Transit Oriented Development Eligible project?..... ☒ **YES** ☐ **NO**

- ○ ½ mile to high capacity transit?..... ☒ **YES** ☐ **NO**
- ○ Multi-modal?..... ☒ **YES** ☐ **NO**
- ○ Walk/transit score..... **71/ 64**
- ○ Close proximity to community resources and/or services? ☒ **YES** ☐ **NO**

The project site is located within walking distance of a bus stop with multiple routes: 230, 372, 522.

Nonresidential

Proposed commercial spaces?..... ☐ **YES** ☒ **NO**

N/A

Parking requirements?..... ☒ **YES** ☐ **NO**

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36 at grade parking stalls are proposed, 11 of which will be tucked under the building and reserved for accessible and electric vehicle parking. The City of Bothell amended their parking requirements in September 2020, reducing parking densities for transit oriented senior multifamily projects. Minimum parking now required is 23 stalls for the total project for staff an guests. Samma will exceed the minimum required stalls by providing at least 36 stalls for residents, staff, and guests.

Environmental

Environmental/site concerns

The most recent Phase I was completed on 9/9/2020, and a Phase II was not recommended. A Phase II was previously completed 2/26/2020.

Limited survey for asbestos was performed, and while no asbestos was detected, due to the age of the structure built in 1962, there is an assumption that asbestos exists in the structure and will be abated according to State demolition and disposal regulations.

Limited survey for lead based paint was performed, and while no lead based paint was detected, due to the age of the structure built in 1962, there is an assumption that lead based paint exists in the structure and will be abated according to State demolition and disposal regulations.

Any mold discovered within the existing building during demolition, will be abated according to state demolition and disposal regulations.

Limited wetland survey found no wetlands on the property. There are wetlands adjacent to the property and portions of the wetland buffer encroach into the property.

The City of Bothell will require a Critical Area Survey to include adjacent wetlands and critical areas. The Critical Area Survey will be submitted with the Site Plan Approval application to the City Planning Department.

King County Community Development program is working with Imagine on the NEPA triggered from ARCH CDBG award.

The project site is a City surplus greyfield, intended to be re-developed and contribute to the downtown revitalization.

Site currently has a condemned and derelict structure on site that will require demolition, asbestos and lead paint abatement.

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Proposed feasible mitigation measures (in budget) to address issues? ..... ☒ **YES** ☐ **NO** ☐ **N/A**

Budget includes $10,000 for building environmental abatement. $55,000 is budgeted for demolition of existing structure.

Development Incentives & Restrictions

Development incentive programs in project location?..... ☒ **YES** ☐ **NO**

The City of Bothell owns the property and is selling the property to Imagine Housing below fair market value as an incentive to develop affordable housing. This City-owned surplus property was created out of the SR-522 re-alignment through downtown Bothell as part of their new Downtown Revitalization Plan. Bothell placed the property on the open market in spring 2019, and Imagine Housing entered into a Purchase Agreement with the City in November 2019 with a December 2020 closing date. ARCH awarded the project $750,000 to be used for the property purchase in 2019.

Restrictions in development?..... ☒ **YES** ☐ **NO**

Historic preservation consideration is underway. Since the application was submitted, the NEPA process initiated a historic landmark review of the existing building and determined it is eligible for historic landmark status. Imagine Housing, State Historic Preservation Office, Washington State Department of Archeology + Historic Preservation, and King County DCHS are currently developing measures to mitigate adverse effects for inclusion in a Memorandum of Agreement to be approved prior to NEPA clearance.Mitigation options have been narrowed down to the following three measures, which Imagine Housing has agreed to include in the MOA:

1. Formal Level II documentation based on DAHP Documentation Standards

2. Placement of an outdoor interpretive sign adjacent to the proposed public path leading to Bothell Landing Park. The interpretive sign will include a photo of the existing building and a narrative about the Architect and building.

3. Complete an inventory report of the nine to ten known remaining buildings designed by the Architect who designed the existing building. The inventory report will be formatted for inclusion in the DAHP WISSARD Architectural Data Base.

2C. ROLES & RESPONSIBILITIES

Project development consultant? .....☐ **YES** ☒ **NO**

The ownership entity will be a Limited Liability Company (LLC). The sponsor, Imagine Housing, will be the Managing Member, a non-profit organization. The Investor Member (TBD) will be the equity investor. An operating agreement will outline the rights and responsibilities of each member.

General contractor selection process

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Imagine Housing completed a General Contractor selection process in July 2020 through a request for qualifications, schematic cost estimate, and proposed construction timeline issued to ten General Contracting firms with affordable housing construction experience.

Four general contractors responded to the request and Imagine Housing interviewed and scored each general contractor with scoring criteria of: 40% qualifications, 40% schematic cost estimate, and 20% proposed construction timeline.

To ensure the construction cost estimate from each proposal were based on equal assumptions and material estimates, Imagine Housing hired a Quantity Surveyor to prepare a complete bill of materials for each general contractor to assign labor and material costs. This method gave Imagine Housing greater confidence in hard costs included in the budget. Imagine Housing has hired Synergy Inc. as their general contractor for this project.

Imagine Housing selected Architectural and Engineering services through a qualifications and competitive fee process. A&E RFQ Fee Proposal requests were issued to at least three pre-selected firms, each proposing firm was interviewed, and selections were based on scoring of qualifications and fee competitiveness. Imagine Housing selected the A&E firms based on best score. Imagine Housing has hired Third Place Design Cooperative as their architect and 30 Analytics/O'Brien & CO as consultants for the Passive House and UHEE elements.

Who will manage construction?

Synergy Inc. will manage the construction.

III. FINANCING & MARKET ANALYSIS

3A. SOURCES & USES

Permanent Residential Sources of funding

Source	Proposed Amount	Committed Amount	TOTAL
4% LIHTC Equity	$7,599,377	$0	$7,599,377
WCRA Perm Loan	$4,899,407	$0	$4,899,407
State	$3,000,000	$0	$3,000,000
State UHEE	$496,159	$0	$496,159
King County TOD	$5,350,000	$0	$5,350,000
ARCH	$500,000	$750,000	$1,250,000
Imagine Housing Social Impact Investment Fund	$490,000	$0	$490,000
Deferred Developer Fee	$600,580	$0	$600,580

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GP Equity	$760	$0	$760
HDC Exemplary Buildings	$40,000	$0	$40,000
TOTAL	$22,976,283	$750,000	$23,726,283

Proposed commercial spaces?..... ☐ **YES** ☒ **NO**

N/A

Permanent Residential Uses of funding

Type	Amount	Comments
Acquisition Costs	$780,000	Acquisition cost are less than appraisal value
Construction/ Rehab Costs	$15,596,627	Cost seem reasonable for this type of project
Soft Costs	$3,809,111	Cost seem reasonable
Financing Costs	$1,601,614	Cost seem reasonable
Capitalized Reserves	$371,524	Costs seem reasonable
Other Development Costs	$1,567,407	Costs seem reasonable
TOTAL	$23,726,283	

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3B. COST EFFECTIVENESS

Appraisal, Acquisition, & Construction

Appraised value/date/tax assessor value..... $930,000 – September 3, 2020

Appraisal value greater than (or equal to) acquisition costs?..... ☒ **YES** ☐ **NO**

Developer fee..... $1,796,337

Developer's fee is $1,796,337, 8% of TDC. Imagine is proposing $600,580 in deferred developer fees and $399,217 in sponsor predevelopment funding.

Third-Party Construction Consultant Report

Notable departures in construction costs with comparable projects?..... ☒ **YES** ☐ **NO**

Based on the third-party consultant's review of the construction documents and their experience with similarly completed projects, the total proposed budget appears to be within the reasonable range of anticipated costs in the subject locale for a project of this scope.

The report listed the following;

1. Costs included for Painting appear to be lower than the anticipated range.
2. The costs included for Siding appear to be higher than the anticipated range.
3. The costs included for Waterproofing appear to be lower than the anticipated range and should be clarified.
4. The costs included for Window Treatments appear to be lower than the anticipated range

Suggestions to revisions in project design or project team?..... ☐ **YES** ☒ **NO**

Appropriateness of contingency

The budget includes a hard cost contingency in the amount of $664,020, or 6% of the total hard cost budget, held in design contingency. The third-party report recommends a 5-10% contingency for a project of this scope and size on a GMP or Guaranteed Maximum Price contract. For a Stipulated Sum contract, the contingency can be held in the Development Budget.

Will federal wages be triggered?..... ☐ **YES** ☒ **NO**

Budget is assuming residential state prevailing wage rates.

3C. MARKET DEMAND

Market study required ..... ☒ **YES** ☐ **NO**

Date conducted..... **8-20-2020**

Capture rate/ Lease-up rate ..... **4.3%/ 8 units per month**

Notable findings

Marketability will be good overall, with the project design suitable for the targeted tenant profile of seniors ages 55 and older.

For more traditional low-income tenants, supply and demand appear favorable. Vacancies are generally low. Developing or potential supply likely will not materially change this supply/demand balance, as the development currently under consideration is less than sufficient to meet demand. Potential demand is also supported by income banding. Overall, the subject will be marketable to tenants earning 50% or less of the area median income.

3D. FINANCING

How will construction be financed?..... ☒ **Construction Loan** ☒ **LIHTC** ☒**Bonds** ☒ **Other**

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Preliminary letters of interest provided? .....☒ **YES** ☐ **NO**

LIHTC Project

Proposed use of LIHTC?..... ☒ **YES** ☐ **NO**

Anticipated 4%/9% round application...	4%
Projected LIHTC pricing	$.92
4%/ 9%LIHTC self-score.....	94

Were Letters of Interest provided? How does pricing and self-score compare to comparable projects?

Projected self-score of 94 points appears very competitive based on scores from the last round.

Boston Financial, Enterprise Community Investment, Redstone Equity, Raymond James and Regions, have provided LOIs for equity funding. All equity letters have a pricing of $.92.

JPMorgan Chase provided a perm and construction letter of interest.

WCRA provided a permanent loan letter of interest.

Is project subject WSHFC TDC limits?..... ☒ **YES** ☐ **NO**

The project's TDC does not exceed the Washington State Housing Finance Commission's maximum TDC Limits recently published in the 2021 application.

Debt & Contributions

Amount of private permanent debt proposed **$6,030,747**

Is debt coverage sufficient?..... ☒ **YES** ☐ **NO** ☐ **N/A**

Hard debt includes $4,899,407 of permanent loan financing, $5,350,000 of proposed King County TOD funds and $490,000 of Imagine Housing Social Impact loan. Hard debt coverage ratio is 1.15 in year 1.

Could project leverage other financial resources not yet identified? ..... ☐ **YES** ☒ **NO**

The project seems feasible with the proposed sources. The project is applying for most sources available for this type of project.

Sponsor contributions? ..... ☒ **YES** ☐ **NO**

Imagine Housing is providing a $490,000 loan in Imagine Housing Social Impact Investment Funds, $600,580 in deferred developers fee, and $760 in general partner equity. Imagine is also proposing a $399,217 predevelopment loan.

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Proposed fundraising? ..... ☐ **YES** ☒ **NO**

The project is not proposing fundraising.

IV. PROJECT SERVICES & OPERATIONS

4A. OPERATING PRO FORMA

Annual operating expense total/ per unit... **$430,064 For the first full year/ $5,659 per unit**

Rent & utility allowance schedule within AMI limits? ..... ☒ **YES** ☐ **NO**

Rents are in line with WSHFC 2020 rent limits. Utility allowance is based on the Energy Consumption Model.

Proposed project-based or tenant-based rent subsidies? ..... ☐ **YES** ☒ **NO**

N/A

Expected vacancy rate

Expected vacancy 5%, typical for this type of project.

Expense comparison

Operating costs for the elevator are slightly higher for this project, which is understandable for a senior project. Overall total operating expense for this project are slightly higher than the median and slightly lower than the average for similar affordable housing projects of this size.

Replacement & operating reserve payments

Replacement reserves in year 1 is $26,600, or $350 per unit, typical for this kind of project. Capitalized operating reserve is budgeted for $163,801, and $26,600 capitalized replacement reserves.

If TOD project, are TOD loan repayment terms included in proforma? ..... ☒ **YES** ☐ **NO** ☐ **N/A**

4B. PROPERTY MANAGEMENT

Property Management Plan

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Imagine Housing currently contracts with Allied Residential, who has served Imagine Housing projects since early 2019. Allied is experienced in providing services to low income senior communities. Allied currently provides property management services to King County Housing Authority in addition to other owners.

Imagine Housing will closely oversee all work by external property management and ensure that they are effectively and efficiently managing and maintaining their properties.

Property management staff will include1 FTE property manager, 1 FTE maintenance technician, and 1 FTE janitorial staff.

4C. SERVICE MODEL & FUNDING ANALYSIS

Project seeking operating or service subsidies? ..... ☐ **YES** ☒ **NO**

Subsidized Units/ Funding per subsidized unit... **$0**

Service Funding			
Funder	**Fund Type**	**Amount**	**Awarded?**
N/A	N/A	N/A	N/A
Total		Total here	

Requests for service funding feasible? ..... ☒ **YES** ☐ **NO**

Project competitive for ORS funding? ..... ☐ **YES** ☐ **NO** ☒ **N/A**

N/A

4D. REFERRALS

Permanent supportive housing for homeless? .....☐ **YES** ☒ **NO**

Coordinated Entry for All (CEA) participation for ALL homeless units?.....☐ **YES** ☐ **NO** ☒ **N/A**

N/A

Referrals/marketing

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Prospective renters shall be recruited though an affirmative marketing strategy designed to ensure equal access to all appropriate-sized housing units for all persons in any category protected by federal, state, or local laws governing discrimination. Imagine has a comprehensive affirmative fair housing marketing plan that includes print, online media, outreach, referral program, and internal waitlist activities.

Marketing will begin approximately 6 months before property operations are expected to start. The waitlist will open for 2-3 months with a set closure date 3-4 months before operations. If Imagine receives more applications for unit types and set asides than units available, a random order lottery will be generated. People who are not selected in the lottery will be placed on a waiting list.

Community Spaces.....☒ **YES** ☐ **NO**

The Samma project will include a multipurpose community space for partner and volunteer groups to provide onsite recreational activities, services and meals to their residents. Community space activities will be coordinated through a combined effort by Imagine Housing staff and property management.

The Central Community Hub at the ground floor is where the passenger elevator, mailboxes, open media room, business center and the management office are located. Adjoining the Community Hub is the community space with a kitchenette, fitness center, and a community laundry room.

Outdoor amenities provided onsite to residents include:

1. Private ground floor patio adjacent the ground floor community space
2. Raised bed vegetable garden available for use by residents.
3. Public plaza with seating adjacent to an entrance to the Bothell Landing Park
4. Public wetland viewing area adjacent to the wetlands south of the property.
5. Public fitness trail from the wetland viewing area to the Bothell Landing Park.

Resident Services..... ☒ **Referral Services** ☐ **Counseling** ☐**Medical Services** ☐**Financial Assistance**

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Samma will not have dedicated case managers located onsite. For basic needs, property management will refer residents to 9-1-1 for emergencies, the 2-1-1 Community Resources Line, and will provide information regarding services and programs offered at the Northshore Senior Center, and the Northshore YMCA, both located in the City of Bothell.

Offsite Imagine Housing Supportive Service staff will be available for urgent needs and will maintain a frequent presence onsite during lease-up, holidays, and the Energy Assistance season.

Imagine Housing actively partners with a variety of nonprofit organizations in East King County to assist their residents. In most cases, additional funding is not required, as Imagine strives to not duplicate services offered in the community and are referring residents into pre-existing programs. For programs that do require additional funding, such as the behavioral health program with IKRON, Imagine will seek grant support. Imagine Housing's volunteer coordinator organizes volunteer efforts to provide goods and meals for their residents and conducts outreach to the faith-based community, corporations and other volunteer sources.

Imagine currently works with NAMI, IKRON, WeSpeakMedicare, and Providence Elder Place for services and programs to assist seniors. At other senior properties in the Imagine Housing portfolio, these partnerships have resulted in residents being stably housed by offering occasional rental assistance, basic needs, access to mental and other health services as well as recreational activities such as Bingo, Yoga or art classes. Another important partnership is Farms for Life who offers a program providing fresh produce to residents during the summer/fall growing season. Hopelink's Northshore operations will also support this community with their robust menu of programs.

V. FUNDING PRIORITIES

5A. FUNDING PRIORITIES

Which source(s) of King County funds is the project compatible with?

☐ **2331 Document Recording Fee** ☒ **RAHP** ☒ **HOME** ☒ **VSHSL** ☐ **MIDD 2** ☒ **TOD**

The project intends to serve seniors ages 55+ and seniors with disabilities. This project is compatible with multiple sources, but the application is requesting and assuming TOD funding.

This project meets the following 2020 King County RFP priorities:

Homeless/Extremely Low-Income/Affordable Housing

- ☐ A majority of the units (50% or more) are set-aside for homeless individuals and families, and participate in CEA
- ☐ The proposed project serves special needs population such as (but not limited to) households with a member with mental illness, is disabled and/or developmentally disabled, also experiencing homelessness
- ☐ The proposed project provides access to case management and behavioral health services

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☐ The proposed project leverages other resources for both the construction and operations of the project, including social services expenses

System-connected housing

☐ The proposed project will be V**eteran housing**, serving Veterans, Military Service members, and their family members.

☐ The proposed project serves a MIDD-eligible population (individuals/households exiting treatment facilities or other institutionalized settings); the sponsor is or is partnering with a State-licensed certified mental health provider

Transit-Oriented Development

☒ Project leverages present and future public investment in transit infrastructure.

☒ Repurpose under-utilized publicly owned property or other community assets

☒ Utilize alternative housing models and cost saving construction methods

☒ Serve lower income households between 30% to 50% AMI.

☒ Project is within ½ mile of a high capacity transit station, and is eligible for the:

- ☐ All-County South pool (2016 TOD)
- ☒ All-County North/East pool (2016 TOD)
- ☒ Geographic Set-aside (N/E/S/Seattle) (2019 TOD)

☐ Projects funded with 2016 TOD Allocation Plan funding will be required to set aside 10% of the TOD Bond-funded units for tenant referrals from King County or a King County-approved agency operating criminal justice system diversion programs.

Homeownership Development

☐ Projects that expand homeownership opportunities for 1) Veterans and their families or

☐ 2) Vulnerable Populations who can become homeowners, be stably housed, and avoid intergenerational poverty.

5B. Federal HOME funds

HOME funding requested?..... ☐ **YES** ☒ **NO**

Rents and UA within HOME rent/utility allowance limits?..... ..... ☐ **YES** ☒ **NO**

Within HOME maximum per unit subsidy limits?..... ☐ **YES** ☐ **NO** ☒ **N/A**

N/A

Is sponsor a Community Housing Development Organization (CHDO)?..... ☐ **YES** ☒ **NO**

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Imagine is not applying as their CHDO.

VI. SPONSOR CAPACITY

6A. PORTFOLIO & PERFORMANCE

of sponsor projects in King County portfolio... **15**

KC - Sponsor Projects (sample)	
Project Name	**Brief Description**
30Bellevue	New construction of 63 units in Bellevue. Project placed in service in May 2019.
Athene	New constructions of 91 units for seniors in Kirkland. Project placed in service December 2017.

How have these KC projects performed?

Asset management has no financial performance concerns but notes that Imagine's reporting has been late and requires technical assistance from staff. Projects appear to cashflow adequately.

6B. PIPELINE & DEVELOPMENT CAPACITY

Does the sponsor have other projects under construction and/or under development? ... ☒ **YES** ☐ **NO**

# of projects under construction..... **1**

Projects under construction		
Project Name	**Location**	**Brief description**
Esterra Park 9%	Redmond	New construction of 49 units. Imagine partnered with Inland on this project. County is only funding ORS in this project. Project is schedule to place in service 8/2021.

# of projects under development..... **1**

How is the sponsor staffed to handle multiple projects?

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Imagine Housing will not have other projects under construction/development at the same time as Samma Senior.

6C. SPONSOR FINANCIAL SOUNDNESS

Audit findings, material weaknesses and/or corrective action plan required? ..... ☐ **YES** ☒ **NO**

Sponsor's financial audits consistently clear, steady? ..... ☒ **YES** ☐ **NO**

Operating cash provides appropriate levels of liquidity for operations? ..... ☒ **YES** ☐ **NO**

Portfolio maintains strong debt ratios? ..... ☒ **YES** ☐ **NO**

Summary of audited info for the past two years (Assets, Liabilities, Net Worth, Liquidity, Debt Ratios)

King County Fiscal Team found no concerns on the internal control reported in the 2017 -2018 and Imagine Housing Samma Senior apartment has a debt ratio of 50% in year 2017 and 52% in year 2018.

In addition to audit reports, were unaudited financial statements also reviewed? ☒ **YES** ☐ **NO**

If unaudited financial statements were reviewed, did they show the same trends as audits? ☒ **YES** ☐ **NO**

If Audits were not available, were unaudited financial statements reviewed? ☒ **N/A** ☐ **YES** ☐ **NO**

If more than one applicant submitted financial statements for review summarize the second applicant's financial statements below. ☒ **N/A**

VII. EQUITY & SOCIAL JUSTICE

How will this project impact the target population of residents and the surrounding community?

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Imagine works to address the historical racial inequities and barriers that exist within the low-income population as a result of redlining, gentrification, predatory lending, and housing discrimination. With 43% of residents identifying as a person of color, their team works to remove barriers that limit underserved populations from accessing their properties, including communities of color, those living with disabilities, immigrants and refugees, and those who are limited English proficient. All of whom have experienced systemic barriers spanned over generations, impacting their earning potential, intergenerational wealth, and housing stability. In serving historically underserved communities, they address the economic disparity gap through low-barrier, permanent, affordable housing and services, creating access to opportunity and self-sufficiency in the high opportunity areas of the Eastside.

Imagine's community outreach is tailored for the population they intend to serve at each new community. For the senior communities Imagine has a two-pronged approach to community outreach and engagement:

1. Imagine will reach out to local community service groups and our non-profit partners to inform them of their plans to open a new affordable housing community, and provide them with information for individuals they serve to learn more about the new community and how they can be added to the waitlist.

2. Prospective renters will be recruited though an affirmative marketing strategy designed to ensure equal access to all appropriate-sized housing units for all persons in any category protected by federal, state, or local laws governing discrimination. Imagine will have a comprehensive affirmative fair housing marketing plan that includes print, online media, outreach, referral program, and internal waitlist activities.

Does the applicant have a plan for reviewing structures, policies, and programs with an equity and social justice lens? ☒ **YES** ☐ **NO**

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Imagine provides care from a community-based perspective that ensures the inclusiveness of all people. They define diversity as creating communities where everyone feels safe and respected by offering services that invite and promote a diversity of race, ethnicity, religion, socioeconomic status, age, gender, sexual orientation, education, family status, national origin, and ability. They achieve this by advocating for policies and laws to include residents of all abilities in all aspects of the community; ensuring residents understand their rights; establishing and maintaining relationships with organizations and members of the community to promote equality and community engagement; referring residents to resources available that are culturally competent and relevant; and providing opportunities for residents to connect to their immediate and greater communities through community-building activities.

On an annual basis, Imagine's executive team and board develop goals to evaluate their progress, which includes how they provide services to their residents. Upon move-in, each household meets with their property manager. At this time, residents are notified of their right for reasonable accommodation to ensure all residents have equitable access and enjoyment of their dwelling and/or common areas at the community. Residents then meet with their case manager. Case managers educate residents with the support they provide: case management, community programming, basic needs, and referrals. They explain that services are voluntary and led by the needs and wants of the residents. They also collect demographic data at this time, including race, ethnicity, primary language spoken, household type, housing history, veteran status, disability status, and immigrant/refugee status. They collect demographic data to track resident participation at the community, allowing us to see who is participating in services. This data collection allows their services team to analyze trends and identify if certain populations are not utilizing services.

An annual, anonymous survey is administered to households to receive feedback about their experience living at an Imagine community which informs how Imagine can improve their service delivery. Imagine offers an incentive to encourage feedback. They also work with current residents in our design work for future communities through the Housing Development committee and board participation. They work with partner agencies to collaborate on how to improve service delivery through a culturally competent/relevant lens, consider specific population set-asides at future communities, or remove barriers for particular resources.

What is the diversity of the board and senior leadership?

Imagine continues to work toward a stronger alignment of board and senior leadership reflecting those who live in their 15 communities. Imagine is actively recruiting for new board members that represent the diverse expertise needed to support Imagine communities. Their board is 50% women and 50% men; 81% identify as White; 13% identify as Asian/Pacific Islander, and 6% identify as Black/African American. Their leadership team is led by a woman and 40% of senior leadership are women; 60% are men. 80% identify as White and 20% identify as Latinx.

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VIII. SUMMARY AND RECOMMENDATION

Staff recommends funding Imagine's Samma Senior apartments to create 76 units of affordable Senior housing in Bothell. The project has support from the City of Bothell, who owns the property and is selling it to Imagine Housing below fair market value as an incentive to develop affordable housing. Local funder, ARCH, who provided acquisition funding last year, is prioritizing development funding this year, and the project is currently seeking funding from the State Housing Trust Fund. In addition, it's projected 4% LIHTC score is very competitive based on the latest round.

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