King County

Housing Finance Program

2020 Capital Funding for Affordable Housing Projects

PROJECT REVIEW MEMO

I. OVERVIEW

1A. PROJECT INFO

Sponsor/owner	**Renton Housing Authority (RHA)**
Development consultant	**Brawner and Company**
Project name	**Sunset Gardens**
Project location	**Renton (East Highlands Neighborhood)**
Project type	☒ **Rental** ☒**TOD** ☒ **PSH** ☐**HO** ☐ **DPA**
Project activity	☒ **New Construction** ☐ **Rehabilitation** ☒ **Acquisition**

Brief description

This is new construction of 76 units, 75% of which is permanent supportive housing serving homeless households in South 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)	**$42,229,133**
Total residential development cost	**$28,719,133**
Cost per residential unit/ per square foot	**$377,883 per unit, $523.28/sf**
Total non-residential development cost	**$13,510,000**

1C. KING COUNTY REQUEST

King County Funds requested	**$3,000,000**
% of TDC/ Cost per unit	**10%, $39,473**
KC Loan term/ interest rate	**50 years, 1%**
Project applied for funding in prior rounds	☒ **YES** ☐ **NO**
Project previously awarded KC funds	**No**

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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, no manager's unit, 76 Total**

Project total square feet / # of floors..... **73,716 sf / 4 FLOORS**

Project residential sf/commercial sf ..... **54,882 sf / 18,834 sf**

Unit distribution - Income & AMI

Unit/Income	30% AMI	40% AMI	50% AMI	60% AMI	80% AMI	**Total**	Mgr/ CAU
Studio	9		9			18	
1 Bedroom	25		25			50	
2 Bedroom	4		4			8	
3 Bedroom							
4 Bedroom							
Total	**38**		**38**			**76**	

Average unit sizes ..... **Studios 440sf, 1 BR 545sf, 2 BR 720sf**

Other type of unit. ..... 4 ADA units

Target population

Project intends to serve 75% homeless (56 units) with 50% of total units (38) set-aside for homeless veterans. 17 of the homeless units will serve chronically homeless.

2B. CONSTRUCTION TYPE, SITE, & LOCALITY CHARACTERISTICS

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

Construction begins/ Construction period..... **10/1/2021, 15 months**

Evergreen Sustainable Design Std. (ESDS) Score..... 66

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**

Current zoning is Center Village and allows for the project.

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

No major site challenges.

Neighborhood

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

Project site is in the Sunset neighborhood of Renton, which is going through a revitalization. The goal of the Sunset Area Transformation plan, a joint effort by the City of Renton, the Renton Housing Authority and several other institutions, is to transform the Sunset neighborhood into a more vibrant, diverse and equitable mixed-use regional center. The project site is located within walking distance to many grocery stores and multiple bus routes.

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

- ○ ½ mile to high capacity transit?..... ☒ **YES** ☐ **NO**
- ○ Multi-modal?..... ☒ **YES** ☐ **NO**
- ○ Walk/transit score..... **77/36**
- ○ Close proximity to community resources and/or services? ☒ **YES** ☐ **NO**

Site is located near bus route 240.

1w

Nonresidential

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

The ground floor will include roughly 14,000 square feet of office space to house the Renton Housing Authority's main office. The office space will be segregated into a separate stand-alone legal property via a condominium structure. The Partnership will lease the office space to RHA with the option to purchase the space after construction completion. The project budget includes hard debt payment for the non-residential portion of the project.

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

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Parking requirements and proposed parking include 25 residential stalls and 47 commercial stalls.

Environmental

Environmental/site concerns

The Phase I ESA was completed 9/6/2019, and a Phase II is not recommended.

Asbestos - The identification of suspect asbestos containing materials was found in accessible areas of the existing building. Sampling of suspect material was not performed and is anticipated to be performed in the next 60 days.

Lead Based Paint – Due to the date of construction in1982, the potential use of lead-based paint was minimized due to regulatory requirements which took effect in 1979.

Mold – Property did not visibly contain mold.

Wetlands - Review of NWI data did not identify any wetlands.

The environmental assessment has revealed no evidence of recognized environmental conditions (RECs), historical recognized environmental conditions (HRECs), controlled recognized environmental conditions (CRECs), significant data gaps, or significant business environmental risks in connection with the Project. No further action or investigation is recommended at this time.

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

Existing asbestos and lead based paint (if found), will be abated during demolition. Budget includes costs for abatement and demolition under “New Building”. A visual report is included in the Phase I, but further testing will be completed in conjunction with the demolition process.

Development Incentives & Restrictions

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

No incentives to build on this site.

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

No listed restrictions in development.

2C. ROLES & RESPONSIBILITIES

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

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Brawner and Company is the financing and development consultant on this project and take the lead on financing and overall project management.

RHA is the sponsor and developer of Sunset Gardens. RHA will partner with a tax credit investor to form Sunset Gardens LLLP to fund and manage the project for the 15-year tax credit period. This partnership will help provide equity for the development.

General contractor selection process

The Renton Housing Authority will follow all Agency procurement guidelines in soliciting bids and selecting a general contractor. RHA will secure at least three bids and the highest qualified firm will be selected. All procurement will be completed by the partnership. RHA has already selected an architect, SMR Architects, and contractor, Andersen Construction, under a competitive RFP process.

Who will manage construction?

McCullough Allen, the owner's representative, will manage construction

III. FINANCING & MARKET ANALYSIS

3A. SOURCES & USES

Permanent Residential Sources of funding

Source	Proposed Amount	Committed Amount	TOTAL
King County	$3,000,000	$0	$3,000,000
State Housing Trust Fund	$3,000,000	$0	$3,000,000
9% Equity	$17,719,133	$0	$17,719,133
Bonds	$5,000,000	$0	$5,000,000
TOTAL	$28,719,133	$0	$28,719,133

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

Commercial space will include the construction of the RHA offices on the ground floor of the building. TDC for commercial is $13,510,000, and $8,260,000 of RHA internal unrestricted funds have been committed. $5,250,000 of permanent financing for non- residential is proposed. The operating pro forma shows residential cash flow paying hard debt on the commercial bank debt, which is not allowable, and would need to be restructured such that only commercial income pays for commercial debt.

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Permanent Residential Uses of funding

Type	Amount	Comments
Acquisition Costs	$2,250,000	Closing, title and recording costs under "Other"
Construction/ Rehab Costs	$20,073,381	Demolition, Sitework and Abatement costs are listed under "New Building" costs.
Soft Costs	$3,243,952	Costs are reasonable
Financing Costs	$1,330,493	Costs are reasonable
Capitalized Reserves	$1,113,250	$390,000 listed for operating reserves, $190,000 listed for replacement reserves, and $533,520 for other - Reserve required between the time period of RAD section 8 rents and SVC section 8 rents.
Other Development Costs	$707,786	Costs are reasonable
TOTAL	$28,719,133	

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3B. COST EFFECTIVENESS

Appraisal, Acquisition, & Construction

Appraised value/date/tax assessor value..... $2,575,800, tax assessment

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

Developer fee..... $0 Developer's fee, $985,000 Dev. Consultant fee

$985,000 is included in the budget for the developer's consultant fee, this is 2% of TDC. RHA owns the land.

Third-Party Construction Consultant Report

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

The third-party construction report states that the total proposed budget appears to be slightly higher than the general range of anticipated costs in the subject locale for a project of this scope.

Remediation of hazardous materials should be considered as an allowance as the sampling of suspect materials has not yet been performed.

The costs identified for Concrete appear to be higher than the anticipated range.

The costs identified for Mechanical appear to be lower than the anticipated range.

The costs for Doors, Windows, Frames, and Hardware appear to be lower than the anticipated range.

The costs for Woods and Plastics appear to be lower than the anticipated range.

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

Third-party reviewer has no recommendations.

Appropriateness of contingency

The budget does not include a hard cost contingency. For new construction, a total contingency of 5-10% is recommended for 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**

Project will trigger Davis Bacon-Non-Residential due to the proposed 76 vouchers.

3C. MARKET DEMAND

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

Date conducted..... **9/1/2020**

Capture rate/ Lease-up rate ..... **3% for homeless, 28% for veterans, 16 units per month**

Notable findings

Because the subject is serving homeless with likely nominal to near zero annual incomes, the bulk of this homeless population would not have the minimum income required to pay the full restricted program rent assuming a LIHTC operation without subsidies.
Assuming a homeless housing project as outlined in this report, it is the opinion of Kidder Mathews that the baseline demand is sufficiently deep to justify development in the current market.

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 9% round application...	**Applying for 9% round in 11/2020**
Projected LIHTC pricing	**$.95**
9%LIHTC self-score.....	**184**

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

Project received a LOI from RBC with $.95 pricing.

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

Brawner listed the project as 2% below TDC limits.

Debt & Contributions

Amount of private permanent debt proposed ..... **$5,000,000 bonds - private debt**

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

Hard debt includes $5,000,000 in private permanent bonds, RHA did not submit an LOI. $5,250,000 permanent financing for non-residential, and $3,000,000 in proposed funding from Commerce of HTF, for a total of $13,250,000. Even with all this proposed debt, the DCR in Year 1 is 1.36, which is very high. In addition, non-residential debt should not be included as a payment from in residential cash flow.

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

Proposed project is leveraging all avaible public funds. The project has a very healthy cash flow and could leverage a private loan on the residential side. The proforma shows the permanent financing for the non-residential portion paid through hard debt. Removing the this amount, would increase further increase cash flow.

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

The non-residential portion of the project will be partially funded with RHA internal unrestricted funds.

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

No fundraising is proposed.

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IV. PROJECT SERVICES & OPERATIONS

4A. OPERATING PRO FORMA

Annual operating expense total/ per unit... **$555,442 For the first full year/ $7,308 per unit**

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

Project rents are based on 90% of HUD FMR. 100% of units will be supported with project-based vouchers, and as a result, the rents are based on rent reasonableness of comparable market units. Residents will not pay more than 30% of their income.

The utility allowance schedule is based on the Section 8 U/A.

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

RHA will administer Section 8 subsidy for the 76 units. RHA will utilize existing Public Housing Vouchers through the mixed finance process and will convert them to Section 8 vouchers. There will be a reserve of $533,520 set-aside to cover the time period it takes to convert the Public Housing vouchers to Section 8 vouchers.

Expected vacancy rate

5% vacancy rate, typical for this type of project. 0% vacancy for non-residential.

Expense comparison

Turnover costs are much higher compared to other permanent supportive housing projects (PSH). Overall total operating expenses are slightly lower the median for similar PSH projects.

Replacement & operating reserve payments

Replacement reserves is $30,400 in Year 1, $400 per unit, higher than the usual $350. No operating reserve is listed.

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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Sunset Gardens will be directly managed by a RHA Property Manager. The Property Manager will conduct site visits, will oversee unit turnover, and will ensure property operation in accordance with annual budget and RHA regulations. All RHA Property Managers receive training, attend industry seminars, and receive mentoring from senior RHA administrators. Additionally, RHA will require that the Property Manager either be certified or takes steps toward certification with the National Association of Housing and Redevelopment Officials.

The Property Manager and the Maintenance Operation Supervisor together with certain outside vendor contractors will be responsible for maintaining the property and will work to implement the maintenance and repair programs. The Property Manager and Maintenance Operations staff will be responsible for unit turnover preparations, unit and common area work orders, minor repairs, and regular routine cleaning of the property, as well as program rent-up and compliance.

The project will include a site manager, a leasing assistant, a maintenance lead, and a maintenance technician; all full-time positions on-site. Off-site operating staff will include a half-time regional manager, and a part-time portfolio manager, property manager and accounting manager.

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

Subsidized Units/ Funding per subsidized unit... **76/ $17,862**

Service Funding			
Funder	**Fund Type**	**Amount**	**Awarded?**
RHA	8A- PHA Subsidy (76 units)	$1,357,512	Proposed
FCS	Foundational Community Supports	Up to $140,000	Proposed
Total		$1,497,512	

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

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

This project intends to serve homeless individuals in 75% of the units, however RHA is not requesting King County ORS. The project will have rental subsidies for all 76 units, which will cover all costs and allow the project to cash flow. The proposed staffing model seems light for the homeless population, however RHA has begun conversations with Catholic Community Services regarding the addition of Foundational Community Supports funds, which could pay for additional services staff.

4D. REFERRALS

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

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

RHA will screen 75% of the units for eligible homeless or at-risk households, referred by the local Coordinated Entry system into the RHA Support Services Program. 19 units will not go through CEA; instead RHA will give preference to previous tenants of their Sunset Terrace project, which is a requirement of the voucher conversion. RHA's intention is to run the project using Housing First principles.

Referrals/marketing

RHA, in conjunction with their selected service provider, CCS will deploy outreach activities to communicate vacancies and provide community awareness regarding the services specifically to homeless individuals in King County. In addition to the outreach and marketing efforts RHA also has multiple local partners within the community such as REACH (Evergreen Treatment Services that cater services to both homeless and at-risk family populations).

An admissions specialist will carry out the marketing of the property in accordance with RHA waitlist and the approved Affirmative Fair Housing Marketing Plan. The plan outlines the advertising media to be used, the outreach letters to be mailed out, and the flyers that will be posted to advertise the properties for lease. This will include advertising in the mainstream media, as well as ethnic language media, advertising in community newsletters, and contact with local service providers.

The admissions specialist will also prepare for initial rent-ups, establishing waiting lists, and utilizing news media to inform prospective applications of availability of rental units with certifications of tenant's incomes starting ninety days prior to completion of the construction work at the property. New residents will be screened for eligibility and suitability within RHA criteria, detailed in the RHA Admin Plan.

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

The project will include 2,500 square feet of community, social service spaces and management offices.

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

RHA intends to partner with service providers that provide case management services to households and individuals accepted into the RHA Support Services Program directly through staff or through contract with additional providers. Households and individuals accepted into the program will receive life skills and work skills training, along with intensive case management services. The Renton Housing Authority intends to work with CCS on to provide homeless services and is looking to other service providers to provide additional services to serve the homeless veterans. A letter of intent between RHA and CCS is included. Case management will be provided to all residents. Services will include residential services and supportive services. Much of RHA service model stems from the fundamentals of the Housing First program developed by the National Alliance to End Homelessness. Additionally, residents will be near the future Sunset Neighborhood Center, which is currently under construction and slated to open by the end of the year, which will provide opportunities for residents to access healthcare, mental health counseling, and education services.

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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**

Project intends to serve 75% homeless individuals with 50% units set-aside to serve veterans.

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

☐ 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)

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☐ 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**

Section 8 vouchers will trigger Davis Bacon wage. While HOME funds would add an additional level of compliance, they would not necessarily have an adverse impact on the project.

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

N/A

VI. SPONSOR CAPACITY

6A. PORTFOLIO & PERFORMANCE

# of sponsor projects in King County portfolio... **3**

KC - Sponsor Projects	
Project Name	**Brief Description**
Sunset Court Apts.	No compliance issues
Kirkland Avenue Townhomes	Completed over 5 years ago
Glennwood Townhomes	Completed over 5 years ago

How have these KC projects performed?

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RHA reports are on time and generally good financial condition.

6B. PIPELINE & DEVELOPMENT CAPACITY

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

# of projects under construction..... **2**

Projects under construction		
Project Name	**Location**	**Brief description**
Sunset Oakes	Renton	The project is 60 units of workforce, expected completion date 12/31/2021.
Renton Crest	Renton	274 units of housing expected to be completed 12/30/2020.

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

How is the sponsor staffed to handle multiple projects?

Sunset Gardens is expected to begin construction as Sunset Oakes is completed. Sunset Gardens would be RHA's only project in development.

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 reports.

Sunset Gardens has a high debt ratio averaging 50%

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**

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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?

RHA is very sensitive of the population it serves and strives to hire staff and engage social service providers who understand the needs of residents. RHA has been providing affordable housing in the Renton Highlands/Sunset Area since the agency's inception 73 years ago. Today RHA operates over 1,500 units of subsidized housing and offers a high-level of services and referrals to all its residents through its One-Stop social services center where service providers use and lease space. RHA and its partners act as a resident resource and will proactively promote family physical and emotional health, self-sufficiency, and educational and vocational growth for residents of Sunset Gardens Apartments. RHA's existing housing communities include a resident population comprised of families from Africa, Russia and Eastern Europe, Spanish speaking countries, and many Asian counties. RHA assists residents with accessing language translation when needed. This level of engagement between RHA and its residents contributes to mutual understanding and a respectful and healthy community.

RHA provides housing to a primarily non-white population, which addresses the disparity in access to affordable housing based on race and ethnicity. Over 53% of RHA's tenants are people of color, and people of color are also more likely to occupy the affordable units at Sunset Gardens because the neighborhood is more diverse than the King County norm. The Sunset Area is substantially more diverse than Renton overall, with a Hispanic population of 24.8% compared to 10.1% for the rest of the city. The Sunset area is comprised of 48% minority residents.

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

RHA understands that supportive housing helps vulnerable people live and thrive in the community. For some of the most vulnerable people in King County— people with mental illness, chronic health conditions, histories of trauma, and other struggles — a home helps them begin to get adequate treatment and start on the path toward recovery

RHA's existing housing communities include a resident population comprised of families from Africa, Russia and Eastern Europe, Spanish speaking countries, and many Asian counties. RHA assists residents with accessing language translation when needed. This level of engagement between RHA and its residents contributes to mutual understanding and a respectful and healthy community. RHA staff undergoes annual cultural training classes to assist in their interaction with the diverse resident population and ensure that they provide quality assistance to their resident population who typically possess diverse values, beliefs, and traditions.

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What is the diversity of the board and senior leadership?

The RHA Board of Commissioners is comprised of three women and two men. One woman is Hispanic and two women are of Caucasian descent and have been long term Renton residents. One woman serves as Resident Commissioner and lives in one of RHA's low income public housing buildings. Two Commissioners are Caucasian men, one of whom was RHA's past executive director, and one of whom is a US Navy Veteran.

VIII. SUMMARY AND RECOMMENDATION

This is RHA's first proposed permanent supportive housing project serving 75% homeless, with 50% of total units serving homeless Veterans and 17 units serving chronically homeless. Permanent supportive housing units in balance of County are a priority for County funding.

The project does not appear to be competitive for 9% tax credits in this round and needs to also secure a State Housing Trust Fund award to be feasible. If these resources are not secured this round, staff recommends partially funding this project until these additional resources can be secured. This will allow staff to continue working with RHA to either increase their 9% score for the next round, or to possibly restructure the project so it can move forward without using that scarce resource.

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