



Community, Housing, & Human Services Board

Vision: To provide opportunities that enhance the quality of life for Spokane's extremely low to moderate income populations.

December 4, 4:00 PM
City Council Briefing Center
Lower Level, City Hall

TIMES GIVEN ARE AN ESTIMATE AND ARE SUBJECT TO CHANGE

4:00 – 4:10 Call to Order - Board Chair

- 1) Approval of Agenda: **ACTION**
- 2) Public Comment - Please restrict comments to items relevant to the CHHS Board
- 3) Approval of the November Meeting Minutes: **ACTION**

4:10 – 5:15 Discussion

- 1) 2019 Analysis of Impediments to Fair Housing Choice – Open Public Comment Period - **ACTION**
- 2) Project Profiles: Housing Acquisition and Capital Improvements – George Dahl
- 3) Consolidated Plan update – George Dahl
- 4) Election of Officers - **ACTION**
- 5) Approve Dual Committee Participation of Arlene Patton - **ACTION**
- 6) Approve Essential Repair Program annual contract – **ACTION**
- 7) Award Single Family Rehab Program Manager RFP and CY 2020 Contract – **ACTION**
- 8) Allocate HOME Multi Family Housing Program Funds - **ACTION**

5:15 – 5:30 Director Report – Tim Sigler

5:30 – 5:45 Council Update

5:45 – 5:55 Committee Updates

- 1) Affordable Housing Committee
- 2) Evaluation and RFP Committee

5:55 – 6:00 Announcements

2019 Board Meeting Schedule

All Board meetings are held in City Hall in the City Council Briefing Center from 4:00 – 6:00 p.m. unless otherwise posted.

February 6, 2019

March 6, 2019 – Cancelled

April TBD (Board Retreat TBD)

May 1, 2019

June 5, 2019

August 7, 2019

September 4, 2019

October 2, 2019

November 6, 2019

December 4, 2019

AMERICANS WITH DISABILITIES ACT (ADA) INFORMATION: The City of Spokane is committed to providing equal access to its facilities, programs and services for persons with disabilities. The Spokane City Council Chamber in the lower level of Spokane City Hall, 808 W. Spokane Falls Blvd., is wheelchair accessible and also is equipped with an infrared assistive listening system for persons with hearing loss. Headsets may be checked out (upon presentation of picture I.D.) at the City Cable 5 Production Booth located on the First Floor of the Municipal Building, directly above the Chase Gallery or through the meeting organizer. Individuals requesting reasonable accommodations or further information may call, write, or email Human Resources at 509.625.6363, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or msteinolfson@spokanecity.org. Persons who are deaf or hard of hearing may contact Human Resources through the Washington Relay Service at 7-1-1. Please contact us forty-eight (48) hours before the meeting date.

Username: COS Guest Password:

	Feb. 6	March 6 Meeting Cancelled	April 10	May 1	June 5	July 3 Meeting Cancelled	Aug. 7	Sept. 4	Oct. 2	Nov. 6	Dec 5
Mike Fagan – Council Member	X		X				X				
Gordon Graves	X			X	X			X	X	X	
Joe Johnston	X										
Adriane Leithauser	X		X	X	X			X	X	X	
Rebecca Sero	X		X				X	X	X	X	
Ben Stuckart – Council Member				X							
Anne Stuyvesant-Whigham	X		X	X	X		X		X	X	
Kim Taylor	X		X	X				X	X	X	
Dillon Thorpe	X		X	X	X		X	X	X		
Pam Tietz – CoC Rep											
Kathleen Torella – County Rep			X	X			X	X	X	X	
Diane Zemke	X		X	X	X		X	X		X	
Melody Dunn	X		X	X	X		X	X	X	X	

STANDING COMMITTEE MEETING INFORMATION

Affordable Housing Committee: Second Tuesday of each month, 11:30 to 1:00. Union Gospel Mission

Arlene Patton, Adriane Leithauser, Phil Altmeyer, Andy Hoy, Mark Muszynski, Art Noll, Patricia Kienholz, Gordon Graves, Diane Zemke

Evaluation & Review Committee: *Kim Taylor, Rebecca Sero, Diane Zemke, Arlene Patton, Fran Papenleur, Amme Paluch, Anne Whigham, Jessie Norris, Sarah Clements-Sampson, Mike Crowley, Mark Muszynski, Rowena Pineda*

Executive Committee: Third Wednesday of each month, 1:30 to 3:00 P.M. City Hall, 6th floor Conference Room - *Diane Zemke, Anne Whigham, Kim Taylor, Adriane Leithauser, Rebecca Sero, Tim Sigler*

CA/CD: First Tuesday of each month, 5:30 - 7:00 P.M. West Central Community Center, Newton Room

Refer to <https://spokanechhs.org/> for information on Board-related meetings and events

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Community, Housing, & Human Services (CHHS) Board

November 6, 2019
Meeting Minutes

Meeting called to order at 4:01 PM.

Attendance

- **Board Members Present:** Melody Dunn, Gordan Graves, Adriane Leithauser, Kim Taylor, Rebecca Sero, Anne Stuyvesant-Whigham (Chair), Kathleen Torella, Diane Zemke
- **Staff Present:** Kelly Burnett, George Dahl, Kelly Keenan, Tim Sigler, Paul Trautman, Niki Madunich, Kirstin Davis
- **Guests Present:** Barry Barfield, Jesse Johnson, Bob Hutchinson, Jeri Rathbun, Jason McAllister

Approval of the Agenda

Prior to agenda approval an additional topics were added including Analysis of Impediments to Fair Housing to be presented by George Dahl and Communications and Promotions for Volunteer Recruitment presented by Kirsten Davis.

Motion to approve agenda with additional presentations by staff added made by CHHS Board Member Melody Dunn and seconded by CHHS Board Member Gordon Graves.

➤ AGENDA APPROVED

Public Comment

No public comments were offered by meeting attendees.

Approval of the October 2019 Meeting Summary

Anne Stuyvesant-Whigham requests it be noted that she was not in attendance of the September 2019 board meeting.

Motion to approve the October Meeting Summary with the above changes by CHHS Board Member Diane Zemke and seconded by CHHS Board Member Kim Taylor.

➤ MEETING SUMMARY APPROVED

Introductions: CHHS Board members, City Staff and guests present introduced themselves.

Prospective Board Member Approval and Introduction: The four prospective board members present were each asked to introduce themselves and explain their interest and motivations for joining the board.

Bob Hutchinson is the Executive Director for Project ID, a local nonprofit organization providing services for underserved populations in the Spokane area. Bob is interested in joining the board to provide their perspective and awareness to this population including their struggle to find safe and affordable housing.

Jason McCallister is a private business owner and mental health therapist working in the Northern portion of Spokane county providing services to underserved populations located there. Jason hopes his board participation will bring attention and resources to local mental health concerns.

Barry Barfield worked at Gonzaga Prep for 28 years as an ethics professor and prior to that as a real estate attorney. Barry's professional background has familiarized him with housing requirements and his work in ethics has inspired him to seek to be of service to his community.

Jeri Rathbun is almost a lifelong resident of Spokane and has a background in public health including her Master's Degree from Eastern Washington University. She currently works with Empire Health Foundation administering grants and is looking forward to being of service to the community. Her skillset includes the ability to make meaningful connections and she looks forward to using that to help her deepen relationships and connections with service providers through her work with the board.

The fifth prospective board member, Ike Okoli, was unable to attend the meeting due to his membership in the National Guard.

Board chair Anne Stuyvesant-Whigham recommended that all five prospective members be approved to serve on the board. There will be three vacant seats available to be filled in December 2019 and two additional in January 2020.

Motion to accept and approve prospective board members made by CHHS board member Kim Taylor and seconded by CHHS board member Melody Dunn.

➤ PROSPECTIVE BOARD MEMBERS APPROVED

Orientation for new board members will be held in December prior to the December 4th meeting of the CHHS board meeting. Orientation invitations will be sent via email.

HOME RFP Update

City Staff member Paul Trautman provided an update on the current HOME RFP. The current RFP is for Multifamily Housing projects, applications received will be reviewed by the Affordable Housing Committee (AHC) November 21. The AHC will also review the upcoming Single Family Rehabilitations RFP on that date. Currently only two responses have been received for the Multifamily Housing project RFP, there is \$2.5 million available for disbursement. Underwriting for those applications is underway and will be presented to the RFP committee for review and recommendation of applications prior to presentation to the board. There is some concern regarding low response rate and lack of traditional applicants in this round of funding. Some of those historical applicants are engaged in projects currently while others may submit requests at a later date. It is expected that the Housing Authority will submit a multifamily request for funding as early as 2020. The city is looking to increase and encourage new participants for funds and specific goals for some property in the Hillyard neighborhood. There's a property currently under code enforcement liens with good multifamily zoning assigned and HOME funds could be utilized to create new housing with that property.

It's important to note that the downturn in multifamily applicants may be attributable to the changes in funding availability from the state. Prior to the Affording Housing Tax Credit (AHTC), the state would release funds which could be bundled with city funds in order to fully fund projects. In recent years the legislature has neglected to set aside funds for such projects and has increased restrictions to a level not seen before. Developers are dying on the vine with no money to nurture their projects. The AHTC meanwhile is a newer and more complex program which rewards higher expenses, which encourages developers to drive up costs in order to maximize the tax benefit available, the effect of which is to drive down overall production. The application due date for the AHTC is in January; Catholic Charities and Community

Frameworks will be competing for those tax dollars. One requirement of the AHTC is that at least half the units must be set aside for the homeless or as transitional housing. The main objective of the program is to increase supply of housing. AHTC monies are all federal and have no local dollars allocated.

HUD has lifted the 2 year limit on funds, so even if not used in this funding cycle, the dollars will be available for future applications.

Communications and Promotions for Volunteer Recruitment

City staff member Kirstin Davis needs volunteers from the board to help with the city's efforts of volunteer recruitment. The city is looking for volunteers to participate in 15-30 second videos about why board members volunteer. Videos will be continually rotated to show the diversity of both opportunities and volunteers themselves. Coaching before filming is available to anyone who would like to volunteer. Anyone interested in participating should contact Tim Sigler who will relay to Kirstin for outreach.

CDBG Capital - Policy and Procedure

City staff member George Dahl presented an update on the proposed change to funding procedures given at last month's board meeting. The original briefing has been provided and includes an additional appendix to address board recommendations given in October. There is no action required today, unless the board would like to approve and move forward with the new procedure as proposed.

The current RFP process for funding requests typically takes between 3-4 months to work through from receipt of applications to approval. Moving to the proposed plan would shorten that timeframe to one month and would allow the city to be more responsive to community needs.

The proposed Perpetual Housing and Capital Improvements Program (PHCIP) would be hosted on the CHHS website and would accept applications year round, during designated monthly submission times. Proposals would be accepted Monday-Friday in the second week of the month. City staff will review the requests to determine eligibility and those eligible requests will be forwarded to the board for approval. Applicants will have access to staff for technical assistance during the submission week, but staff assistance time will be by appointment only.

PHCIP available funds will be split 80/20 with 80% allocated for projects seeking \$50k or more and 20% for projects seeking less than \$50k. A tentative draft for the website shows resources available online would include an overview of the program, funding priorities and application resources.

Board Feedback:

To clarify - proposals received will not go through the Affordable Housing Committee?

No, requests will be reviewed by city staff and those eligible will be forwarded directly to the CHHS board for approval. The Affordable Housing Committee meet at most once a month, but can go several months between meetings. Skilling the committee ensures monthly approvals and eliminates one step and an additional month from the approval process. There may be some more outliers that necessitate committee involvement due to their size, scope and complexity but those will be handled on a case-by-case basis. Taking the majority of approvals directly to the board will create an opportunity for all board members to be involved in the approval process regardless of their committee participation, making it an educational

opportunity for all members. The board schedule is posted online, and the scheduling of the monthly submission weeks will reflect any skipped months.

More funding approvals could be a way to increase community engagement. Would it be possible to keep a tally of the money and projects approved through this process, maybe added to the Director's report to the board? This information could also be included in public relations communications.

Yes, this information can be communicated to the board and dissemination to the public would assist with the current goal of CHHS department to communicate more effectively the work performed by the city.

Motion to adopt PHCIP proposal as presented made by CHHS board member Diane Zemke and seconded by CHHS board member Adriane Leithauser.

➤ PHCIP PROPOSAL APPROVED

Analysis of Impediments to Fair Housing Choice

Staff member George Dahl provided an overview of the Analysis of Impediments to Fair Housing Choice (AI). The consolidated planning process requires analysis be done every 3-5 years, it was last completed in 2014/15. Previously, during Obama administration a similar report, Assessment of Fair Housing was required and was very detailed in requirements. Under the current administration that requirement has been suspended and thus the AI is the current federal requirement. The AI requirements are outdated and there is little guidance offered for its completion. The Northwest Fair Housing Alliance was commissioned to create the document. A public hearing will be held at the December board meeting and the Alliance will be present to officially present their findings, which include 10 specific local impediments. After the public hearing, the report will be available for public comment and final review and adoption will occur at the February board meeting.

Board Feedback

The AI seems like a good example of work that could be used to increase public engagement with additional communication. Is it possible to explore additional avenues in order to get the word out about public comment?

Yes, city staff will investigate new avenues of communication in an attempt to increase public engagement. The board should also be aware that there are some big projects coming to fruition in the coming year including the CHAS Dental clinic in the East central neighborhood which was largely funded by a \$750k CHHS investment, making it the largest contributor to the project. The Rose Apartments, which currently sit on DOT land will be moved from their current site and rehabbed into affordable housing units also utilizing board funding.

Board Nominations:

In October, The Executive board put forward nominations for Chair and Vice chair:

Chair - Adriane (2 year term)

Vice Chair - Rebecca Sero and Dillion Thorpe (1 year term)

The floor was opened for additional nominations from the board; nominations were closed with no additional nominations.

Director Report

Staff member Tim Sigler provided the Director's report including the following items:

- On October 21 City Council approved the purchase of the S Cannon St warming center site which is currently in due diligence. The council selected Jewels Helping Hands to

operate the warming center. The warming center was allocated \$740k to run 24/7 for a period of six months. Once the initial 6 month period has elapsed, the warming center property may be repurposed into a permanent shelter for youth and young adult populations.

- Police, Fire, Code Enforcement, BNSF Railroad and the Health District all met 11/6 to discuss concerns regarding safety and training and develop plans for action items moving forward.
- Project ID is hosting a blanket drive for Jewels in December.
- Council also approved funds for Catholic Charities to open overnight overflow space for families if Family Promise is full (that location can accommodate up to 45 people) as well as for VOA Hope House and Women's Hearth to expand their hours and be open weekends for a full year.
- Truth Ministries will expand services for 50 men each night and remove barriers during the winter (\$2 entry fee).
- VOA or City Gate may expand their capacity for 50 women through the winter - proposal will go to council.
- The Salvation Army (TSA) is working toward opening a long-term permanent shelter which will include dual diagnosis services. They are currently scouting locations. Once the shelter is open it will utilize the coordinated entry system, which is currently only operated through SNAP.
- The Envision Center has secured its first rent paying partner and new partners wishing to share the space will be required to commit to 40 hours per week at the Center. Currently there are 15 agencies represented including Worksource, substance abuse re-entry services, CHAS, and ACI navigators
- The CHHS department is looking to increase communication to the public with more targeted social media and elevated web presence so that the public can more fully grasp the scope of the work performed, not just homeless services.
- Website updates are coming to encourage philanthropy to city-funded groups
- CHHS is looking into procuring a project management software which should also assist with external communication.
- With recent and upcoming staffing changes at the city, all staff members are currently union represented and employment secure with the exception of Acting Director. It is Tim's intention to apply for the permanent appointment.
- A staff survey was sent out recently and feedback provided will be used to make decisions in the future.

Council Update:

No representatives were present from City Council. No update was provided at this time.

CHHS board would like to encourage the participation and appointment of a City Council member to the CHHS board. This information will be relayed to the council next week at the latest.

Committee Updates

No committee updates were given.

Meeting Adjourned at 6:08 PM.

The next CHHS Board Meeting is scheduled for **December 4, 2019 from 4-6pm**



Analysis of Impediments to Fair Housing Choice (AI)

Public Hearing

December 4, 2019

Community, Housing and Human Services Department (CHHS)
&
Northwest Fair Housing Alliance



Fair Housing Planning

Local Jurisdiction Requirements

- *Conduct an analysis to identify impediments to fair housing choice (AI);*
- *Take appropriate actions to overcome the effects of any impediments identified through the analysis; and*
- *Maintain records reflecting the analysis and actions taken in this regard*

The AI

- Serves as the substantive, logical basis for Fair Housing Planning

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- Serves as the substantive, logical basis for Fair Housing Planning
- Provides essential & detailed information to policy makers, administrative staff, housing providers, lenders, & fair housing advocates

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- Provides essential & detailed information to policy makers, administrative staff, housing providers, lenders, & fair housing advocates
- Assists in building public support for fair housing efforts both within a State, or Entitlement jurisdictions boundaries

The AI (background)

Update every 3-5 years

- *1994*
- *1997*
- *2003*
- *2008*
- *2014/15*
- *2019/20*

Analysis of Impediments (AI)

Analysis of Fair Housing Choice (fed)

- *Race*
- *Color*
- *Religion*
- *Sex*
- *Disability*
- *Familial Status, or*
- *National Origin*

Analysis of Impediments (AI)

Analysis of Fair Housing Choice (state)

- *Marital Status*
- *Creed*
- *Sexual Orientation*
- *Veteran, or Military Status*

Analysis of Impediments (AI)

Analysis of Fair Housing Choice (local)

– *Source of Income (SMC Title 18)*

Impediments to Fair Housing

Impediments include the following:

- *Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin (protected classes) which restrict housing choices, or the availability of housing choices*
- *Any actions, omissions, or decisions which have the effect of restricting housing choices, or the availability of housing choices on the basis of a protected class*

Spokane AI

IMPEDIMENT 1:

Fair housing complaints based on disability discrimination are filed with administrative enforcement agencies at a significantly greater rate than any other protected class.

Impediment 1

Recommended Actions:

- *Provide fair housing education for housing providers about Fair Housing Act requirements for assessing and granting requests for reasonable accommodations and modifications.*
- *Provide advocacy for people with disabilities.*

Spokane AI

IMPEDIMENT 2:

People with disabilities have need for assistance requesting and advocating for reasonable accommodations.

Impediment 2

Recommended Actions:

- *Provide training and technical assistance to advocates who work with people with disabilities about how to request reasonable accommodations and verify disability and need for reasonable accommodations.*

Spokane AI

IMPEDIMENT 3:

People of color and people with disabilities are more likely to be tenants than home owners, and therefore at greater risk of housing instability and homelessness due to market forces (e.g., low vacancy rates, rising rents, and high cost of application and screening fees), and 20 day no cause tenancy termination.

Impediment 3

Recommended Actions:

- *Adopt local ordinance protections that limit the reasons tenancies can be terminated, provide more notice to tenants of terminations, limit the amount of application, screening, and move-in fees that can be charged, and require increased notice prior to raising rent or limit rent increases to a certain percentage over a specific amount of time.*

Spokane AI

IMPEDIMENT 4:

Source of income discrimination and housing provider refusal to accept housing subsidies limits housing choice for people with disabilities who rely on non-employment income such as SSI and SSDI , people with disabilities and people of color who are disproportionately represented in the section 8 voucher program, and veterans with disabilities who receive VASH vouchers.

Impediment 4

Recommended Actions:

- *Provide education for housing consumers and providers about source of income protections in the WA RLTA and SMC Title 18.*
- *Fund testing to support source of income discrimination complaints by rental applicants. Source of income is not a protected class in the Fair Housing Act, therefore HUD Fair Housing Initiative Program grants, which primarily fund the local fair housing organization, cannot be used to investigate or advocate for discrimination based on denial of section 8 vouchers.*

Spokane AI

IMPEDIMENT 5:

Overly broad criminal history screening policies limit access to housing for many rental applicants, and have a disparate impact on people color, who are statistically overrepresented among those who are criminal justice system involved.

Impediment 5

Recommended Actions:

- *Provide education for housing providers about the need for screening policies and procedures to comply with the Fair Housing Act.*
- *Adopt a “ban the box” ordinance that prohibits soliciting or considering older and less serious criminal history in rental applications.*

Spokane AI

IMPEDIMENT 6:

People of color are overly represented in the homelessness population compared to their percentages in the overall Spokane population.

Impediment 6

Recommended Actions:

- *Include people of color, in addition to people with disabilities, as a priority factor to be considered during Continuum of Care Coordinated Entry.*

Spokane AI

IMPEDIMENT 7:

Multi-family housing continues to be built out of compliance with the Fair Housing Act's design and construction accessibility requirements

Impediment 7

Recommended Actions:

- *Provide fair housing design and construction training for developers, contractors, architects, engineers, and city planning and development personnel.*

Spokane AI

IMPEDIMENT 8:

Single-family and low-density zoning limits the building of multi-family rental housing to areas of the city where people of color and those with disabilities, most often renters, are already concentrated, and limits opportunity to move to neighborhoods with the highest percentages of white residents, thereby serving to reinforce historic patterns of segregation.

Impediment 8

Recommended Actions:

- *Explore feasibility of amending land use and zoning ordinances to allow for more variety of housing units, including small and large multi-family housing buildings, in more residential zones.*

Spokane AI

IMPEDIMENT 9:

There are insufficient vacant affordable rental units in multi-family housing communities, which limits housing choice for renters, including people with disabilities and people of color who are more often renters than homeowners.

Impediment 9

Recommended Actions:

- *Increase incentives for affordable housing development, utilizing a variety of means, including community land trusts, tax credits, modification of land use regulations and permitting requirements, and sale of surplus city property at reduced-market value in exchange for guaranteed housing of low-income people.*

Spokane AI

IMPEDIMENT 10:

People with limited English proficiency need fair housing information provided in Spanish, Russian, Marshallese, Vietnamese and Arabic.

Impediment 10

Recommended Actions:

- *Provide translation of existing HUD and locally developed fair housing brochures, public service announcements, and websites.*

Public Comment

Copies of the Draft AI

- Available online
 - <https://my.spokanecity.org/chhs/documents/>
- Hard Copies
 - Available on request

Public Comment

Open Comment Period

- Until Friday, January 24, 2019 at 5:00 PM
- Public comment
 - In-person – 808 W. Spokane Falls Blvd
 - Phone – (509) 625-6325
 - Email spokanechhs@spokanecity.org

Questions?

Thank You



Community, Housing and Human Services Department

Project Profiles

Housing, Acquisition and Capital Improvements

November 2019



Agency/Organization: Spokane Housing Ventures

Project: Jayne Auld Manor

Location: 2830 E. Francis Ave.

Neighborhood: Hillyard

Year Funded: 2018/19

Units of Affordable Housing: 38 Units

CHHS Contribution: \$388,850 (CDBG) and \$320,000 (HOME)

Project Overview: The Jayne Auld Manor will house workforce families in a 38-unit, three story apartment building and five duplex buildings. The property located in the Hillyard Neighborhood at 2830 E. Francis is 1.8-acres and near resources and amenities that could benefit families, including Arlington Elementary School, Harmon-Shipley Park and the Hillyard Aquatics Center.

Spokane Housing Ventures has secured funds from the City of Spokane; a \$320,000 U.S. Housing and Urban Development forgivable loan through its Home Investment Partnerships Program and a \$388,850 HUD Community Development Block Grant. This project will also benefit from the City's Multi-Family Tax Exemption.

The Jayne Auld Manor also received additional funding from the Washington Housing Trust Fund and the Washington State Housing Finance Commission.

Additional Resources: <https://my.spokanecity.org/news/stories/2018/08/23/spokane-housing-ventures-to-build-jayne-auld/>



Agency/Organization: CHAS & Lutheran Community Services Northwest (partnership)

Project: Geriatric Health Clinic

Location: 914 W. Carlisle Ave.

Neighborhood: Emerson/Garfield

Year Funded: 2018/19

CHHS Contribution: \$335,400 (CDBG)

Project Overview: Rehabilitation of former Christ Clinic to once again provide affordable health care in north central Spokane. The North Central Clinic has a care team specializing in providing specialty care for individuals over 60 years of age. We are excited to offer a clinic that meets the needs of senior members of our community. At CHAS Health North Central clinic, we have an easily accessible clinic, friendly providers and staff with a background in geriatric medicine.

Services Provided:

- Primary Care
- Pharmacy
- Nutrition
- Behavioral Health

Additional Resources: <https://chas.org/locations/north-central-clinic>



Agency/Organization: Community Frameworks

Project: One South Madelia

Location: 1 S. Madelia St.

Neighborhood: East Central

Year Funded: 2017/18

Units of Affordable Housing: 36 units

CHHS Contribution: \$300,864.35 (HOME)



Project Overview: 1 South Madelia provides 36-units of housing serving large households, disabled people, and low income workers. The project is located on 1.1 acres on a city block 1.5 miles east of downtown Spokane in a neighborhood which has been targeted by the City of Spokane for redevelopment. The project has created an 18-unit apartment building with an elevator on one parcel, and 18 townhouse style units on an adjacent parcel. This project, once the site of a used car lot, is now affordable housing for over 115 new neighborhood residents. This attractive apartment and townhouse complex establishes new housing for seven households with disabilities and creates 18 large 3-bedroom units to serve large households.

Additional Resources: <https://www.spokesman.com/stories/2017/aug/05/new-affordable-housing-on-east-sprague-seen-among/>



Agency/Organization: Habitat for Humanity

Project: Derelict Single-family Home Program

Location: Multiple

Neighborhood: Citywide

Year Funded: 2019

Units of Affordable Single-family Housing: 6 (to date)

CHHS Contribution: \$1,500,000 (CDBG)



Project Overview: Acquisition and rehabilitation of derelict single family homes throughout the City of Spokane. Habitat for Humanity has partnered with the Association of General Contractors (AGC) Headstart to Construction Trades Program (also funded by CHHS) and NewTech Skill Center to assist with the rehabilitation of these homes. This partnership provides job skills training in the construction trades for high school students and individuals with high barriers to employment. The result is living wage employment placement in our community, while providing affordable housing to qualified homebuyers through Habitat's Homeownership Program.

This program has received tremendous neighborhood support as derelict nuisance homes are being reactivated.

Address	Neighborhood
1819 W Sharp Ave	West Central
1823 W Sharp Ave	West Central
2111 W Mallon Ave	West Central
2202 W Mallon Ave	West Central
2217 W Mallon Ave	West Central
2321 E Boone Ave	Chief Garry Park



Agency/Organization: SNAP

Project: Single Family Rehab Program

Location: Multiple

Neighborhood: Citywide

Year Funded: Calendar year 2019

Housing Units Preserved: (to date)

CHHS Contribution: \$1,298,886 (CDBG)

Project Overview: Program established in 1977, this program helps an average of 25 low-income homeowners each year with major repairs to restore safe and energy efficient homes. Typical rehabilitation projects include roof replacement, sewer line replacement, exterior siding, new flooring, and new electrical service. The average rehabilitation project is \$24,000 which is provided as a loan with monthly payments. The majority of homeowners receiving assistance are below 80% AMI, elderly, and female head of household.

Additional resources: <https://www.snapwa.org/home-repair>



Agency/Organization: SNAP

Project: Essential Home Repair Program

Location: Multiple

Neighborhood: Citywide

Year Funded: Calendar year 2019

Housing Units Preserved: (to date)

CHHS Contribution: \$592,123 (CDBG)

Project Overview: Program established in 2005, helps an average of 255 low-income homeowners each year with small but critical repairs that keep homes habitable. Typical repairs are plumbing leaks, roof leaks, failed furnace, and failed hot water heater. The average repair cost is \$2,000 which is provided as a grant. The majority of homeowners receiving assistance are below 30% AMI, elderly, and female head of household.

Additional resources: <https://www.snapwa.org/services-we-provide/i-need-help-with-housing/essentialhomerepair/>
<https://www.spokesman.com/stories/2018/nov/30/repairing-home-sweet-home-snap-provides-essential-/>



Agency/Organization: SNAP

Project: Rental Repair Pilot Program

Location: Multiple

Neighborhood: Citywide

Year Funded: Calendar year 2019

Rental Units Rehabilitated: 0 (to date)

CHHS Contribution: \$382,283 (CDBG)

Project Overview: This new program is designed to help owners of small rental properties to maintain and improve their rental housing. No project has yet been completed. Eligible repairs include roofs, sewer pipe, Building/Code Enforcement violations, security improvements, handicap accessibility, and energy efficiency. Repair funds are provided as a loan with monthly payments. Per HUD requirements, projects must benefit renters below 80% AMI with rents below HUD Fair Market Rent for 5 years.



Agency/Organization: CHAS Health in partnership with Providence Health Care

Project: Northeast Spokane Dental Clinic

Location: 203 E. Dalke Ave.

Neighborhood: Nevada Heights

Year Funded: 2019

CHHS Contribution: \$240,000 (CDBG)

Project Overview: This is the largest dental clinic (19 operatories) CHAS Health has embarked on and will address a significant gap in access to oral health services targeted to low-income and uninsured dental patients. In addition, this clinic will host dental residents as part of a new Dental Residency Program in partnership with Providence Health Care. The Dental Residency will help to increase the number of trained dentists in the Inland Northwest who are committed to community-based care. In addition to the outpatient dental clinic operated by CHAS Health, the Dental Residency also includes an inpatient dental clinic at Providence Sacred Heart Medical Center to serve patients with more complex dental needs. Hospital dental residencies are common in major medical centers throughout the United States. However this will be the first of its kind in Eastern Washington.



Agency/Organization: Inland Empire Residential Resources Inc.

Project: Sprague Union Terrace

Location: 1420 E Sprague Ave.

Neighborhood: East Central

Year Funded: 2013

Units of Affordable Housing: 37 units

CHHS Contribution: \$500,000 (HOME), \$596,519 (NSP 1),
\$1,330,000 (NSP 3)



Project Overview: The Sprague Union Terrace project is one of the several catalysts for the revitalization of East Sprague, where Spokane's University and the International Districts meet. A four story, 38,000 square foot mixed use structure with wood frame construction and elements of masonry. Ground floor includes two commercial suites. Second through fourth levels consist of 37 total units of affordable housing. The project is financed through many resources which include the Washington State Housing Trust Fund, and Neighborhood Sustainability Funds.



Agency/Organization: Second Harvest

Project: Wolff Family Child Hunger Solution Center

Location: 402 N. Perry St.

Neighborhood: East Central

Year Funded: 2019

CHHS Contribution: \$550,000 (CDBG)



Project Overview: Strategic planning identified an opportunity to acquire additional space at nearby 402 N. Perry St. The building is near the existing Second Harvest distribution center, which is in the city core and centrally located for ease of access by volunteers and partner agencies. The second facility will add 21,000 square feet, including 13,000 square feet of warehouse space. Plans for renovation include a permanent home for a new Bite2Go Volunteer Center, a flexible training space for nutrition education classes and student leadership opportunities, and convening space for community partners. Preparation for the opportunity included dedication of \$350,000 in facilities reserves by Second Harvest's governing board and leveraging a \$550,000 Community Development Block Grant from the City of Spokane.

Additional resources: <https://2-harvest.org/feeding-kids-first/>



Agency/Organization: CHAS Health

Project: East Central Dental Clinic

Location: 500 S. Stone St.

Neighborhood: East Central

Year Funded: 2019/20

CHHS Contribution: \$750,000 (CDBG)



Project Overview: Construction of new dental clinic on East Central Community Center campus to provide accessible and affordable oral care. The facility will be able to serve 4,000 people each year and will have two full-time dentists and hygienists along with operations and outreach staff. The CHAS Health Dental Clinic is projected to open in 2020.

Additional resources: <https://my.spokanecity.org/news/stories/2019/10/31/east-central-celebrates-community-investment-projects/>



Agency/Organization: Family Promise Spokane

Project: Open Doors Family Emergency Shelter

Location: 2002 E. Mission Ave.

Neighborhood: Chief Garry Park

Year Funded: 2019

Units of Affordable Housing: 8 units

CHHS Contribution: \$950,000 (CDBG)

Project Overview: Acquisition and rehab of former Cassano's building to provide emergency shelter programming for homeless families with children. Additionally, this building has 8 units of affordable housing located on the top level.

Additional resources: <https://my.spokanecity.org/news/stories/2019/04/05/spokane-gives-helps-new-shelter/>

<https://my.spokanecity.org/news/stories/2019/04/12/helping-families-on-their-worst-day/>



Agency/Organization: Greater Spokane County Meals on Wheels

Project: Meals on Wheels Building Acquisition

Location: 218 N. Crestline St.

Neighborhood: East Central

Year Funded: 2018

CHHS Contribution: \$247,150 (CDBG)



Project Overview: Project allowed Greater Spokane County Meals on Wheels to acquire existing community kitchen in an effort to reduce monthly lease/operations costs. In addition to the building acquisition, CHHS helped Meals on Wheels expand their property lines (north & south) for future expansion of services.



Agency/Organization: Proclaim Liberty, Inc.

Project: Liberty Park Terrace Phase II

Location: 1421 E Hartson Ave,
610, 622 & 628 S. Perry St.

Neighborhood: East Central

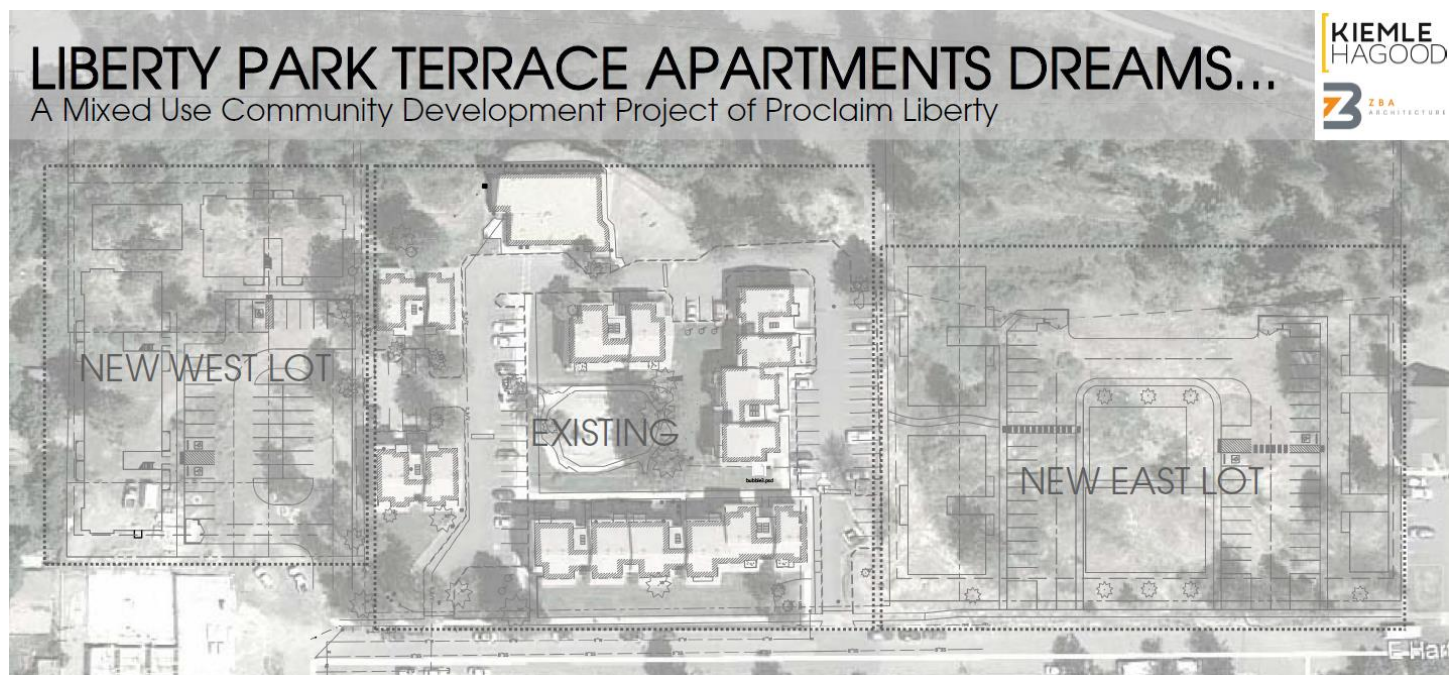
Year Funded: 2018

Units of Affordable Housing: 40+ units planned

CHHS Contribution: \$402,345 (CDBG)



Project Overview: Land acquisition for development of future affordable housing project and expanded ECEAP programming (20 new spots and 2 new classrooms). Project completion anticipated by late 2023.



Agency/Organization: Inland Empire Residential Resources Inc.

Project: 117 S. Perry Demo/rebuild

Location: 117 S. Perry St.

Neighborhood: East Central

Year Funded: 2019

Units of Affordable Housing: 1 new single-family home

CHHS Contribution: \$32,386.47 (CDBG)

Project Overview: Demolition of derelict single-family home followed by construction of new single-family home for a qualified low income homebuyer.



Agency/Organization: Community Frameworks

Project: 2222 E. Cataldo Single-family New Construction

Location: 2230 E. Cataldo Ave. & 2226 E. Cataldo Ave.

Neighborhood: Chief Garry Park

Year Funded: 2018/19

Units of Affordable Housing: 2 new single-family homes

CHHS Contribution: \$6,569.22 (CDBG)

Project Overview: Construction of 2 new single-family homes for qualified low-income homebuyers in the Chief Garry Park neighborhood.



BRIEFING PAPER
Community, Housing and Human Services Board
Consolidated Plan Update
December 4, 2019

SUBJECT: Staff progress on the 2020 – 2024 Consolidated Plan

BACKGROUND: Every five years the City of Spokane submits a Consolidated Plan to HUD. The Consolidated Plan requires an update to the Analysis of Impediments to Fair Housing Choice (AI) as a local tool for addressing community need. CHHS is presenting a copy of the draft AI at the December 4th CHHS Board meeting to initiate public review and comment. Staff have also been working on a community survey to assist with identifying community needs and goals. Staff will continue working on the Consolidated Plan with the goal of having a draft version ready for public review and comment during the April CHHS Board Meeting.

The list below outlines primary sections of the Consolidated Plan

Primary Section	Code & Description
Setup	AD-25: Administration AD-50: Verify Grantee/PJ Information in IDIS AD-55: Verify Grantee/PJ – Program Contacts
Executive Summary	ES-05: Executive Summary
The Process	PR-05: Lead & Responsible Agencies PR-10: Consultation PR-15: Citizen Participation
Needs Assessment	NA-05: Overview NA-10: Housing Needs Assessment NA-15: Disproportionately Greater Need: Housing Problems NA-20: Disproportionately Greater Need: Severe Housing Problems NA-25: Disproportionately Greater Need: Housing Cost Burdens NA-30: Disproportionately Greater Need: Discussion NA-35: Public Housing NA-40: Homeless Needs Assessment NA-45: Non-Homeless Special Needs Assessment NA-50: Non-Housing Community Development Needs
Market Analysis	MA-05: Overview MA-10: Number of Housing Units MA-15: Cost of Housing MA-20: Condition of Housing MA-30: Homeless Facilities MA-35: Special Needs Facilities & Services MA-40: Barriers to Affordable Housing MA-45: Non-Housing Community Development Assets MA-50: Needs & Market Analysis Discussion

Primary Section	Code & Description
Strategic Plan	SP-05: Overview SP-10: Geographic Priorities SP-25: Priority Needs SP-30: Influence of Market Conditions SP-35: Anticipated Resources SP-40: Institutional Delivery Structure SP-45: Goals SP-50: Public Housing Accessibility and Involvement SP-55: Barriers to affordable housing SP-60: Homelessness Strategy SP-65: Lead based paint Hazards SP-70: Anti-Poverty Strategy SP-80: Monitoring
Annual Action Plan	AP-15: Expected Resources AP-20: Annual Goals & Objectives AP-35: Projects AP-50: Geographic Distribution AP-55: Affordable Housing AP-60: Public Housing AP-65: Homeless and Other Special Needs Activities AP-75: Barriers to affordable housing AP-85: Other Actions AP-90: Program Specific Requirements

Potential areas for CHHS Board assistance:

- NA-15: Disproportionately Greater Need: Housing Problems
- NA-20: Disproportionately Greater Need: Severe Housing Problems
- NA-25: Disproportionately Greater Need: Housing Cost Burdens

TIMELINE: CHHS must submit the 2020 – 2024 Consolidated Plan no later than August 16, 2020.

- First draft will be presented at the May 2020 CHHS Board Meeting
- Final draft will be presented at the July/August 2020 CHHS Board Meeting

IMPACT: No impact at this time

ACTION: None required, this briefing paper is for informational purposes only. Any CHHS Board member wishing to participate in the data analysis is encouraged to reach out to George Dahl at gdahl@spokanecity.org for more information. The following pages represent a draft community survey staff plans to conduct during the month of December. Please provide feedback to George as well.

RESOURCES:

Consolidated Plan in IDIS Desk Guide

<https://files.hudexchange.info/resources/documents/eCon-Planning-Suite-Desk-Guide-IDIS-Conplan-Action-Plan-Caper-Per.pdf>

Consolidated Plan

<https://www.hudexchange.info/programs/consolidated-plan/>

Consolidated Plan: Community Survey Questions

- Are you the current head of your household?
 - Yes
 - No
- What is your household size?
 - 1 person household
 - 2 person household
 - 3 person household
 - 4 person household
 - 5 person household
 - 6 person household
 - 7 person household
 - 8 person household
 - 9 person household
- What is your age?
 - Under 18 years of age
 - 19-24 years old
 - 25-34 years old
 - 34-44 years old
 - 45-54 years old
 - 55-65 years old
 - 65 years or older
- Are you a renter, or a homeowner?
 - Renter
 - Homeowner
 - Homeless
- What is your annual household income range?
 - Less than \$19,350 (30% AMI)
 - Between \$19,351 and \$32,300 (50% AMI)
 - Between \$32,301 and \$38,760 (60% AMI)
 - Between \$38,761 and \$51,650 (80% AMI)
 - Greater than \$64,600 (100% AMI)
- How long have you lived in your current residence?
 - Less than 1 year
 - 1-5 years
 - 6-10 years
 - Greater than 10 years
- Are you a resident of the City of Spokane?
 - Yes
 - No

- What is the zip code of your current residence?
 - *Fill in the blank*
- Please rank the following items that are important to Spokane's future?
 - Keeping housing affordable
 - Encouraging home ownership
 - Maintaining pride in ownership
 - Developing a good mix of housing types
 - Encouraging housing for the low-income and homeless throughout the entire City
 - Preserving existing homes
 - Rehabilitating older neighborhoods
- What percentage of your monthly income pays for housing (mortgage or rent)?
 - Less than 30%
 - Between 30% and 50%
 - Between 50% and 80%
 - Greater than 80%
- Homeownership is affordable in the City of Spokane
 - Agree
 - Neutral
 - Disagree
 - Comment:
- Rental housing is affordable in the City of Spokane
 - Agree
 - Neutral
 - Disagree
 - Comment:
- The City of Spokane needs more affordable housing options
 - Agree
 - Neutral
 - Disagree
 - Comment:
- Affordable housing is one of the most urgent needs in the City of Spokane
 - Agree
 - Neutral
 - Disagree
 - Comment:
- What target populations most need new, safe and affordable housing?
 - Seniors
 - Disabled
 - Veterans
 - Homeless Singles
 - Homeless Families
 - Other:

- Please select what you think is Spokane's most pressing community development need
 - Need for safe affordable housing choice
 - Need to provide for basic and special needs and reduce homelessness
 - Need for community development, infrastructure and economic opportunities
 - Other:

Affordable Housing Committee BRIEFING PAPER
Community, Housing & Human Services Board
Award SF Rehab Program Manager RFP & CY2020 Contracts
December 4, 2019

Subject

Affordable Housing Committee recommendations for awarding Housing Repair Programs Manager RFP and associated Calendar Year 2020 contracts.

Background

Every 5 years, CHHS must formally procure a nonprofit Program Manager for day-to-day management of the Single Family Rehabilitation (now including Rental Repair) programs. CHHS widely distributed a Request for Proposals (RFP) that received one response from SNAP. The Affordable Housing Committee reviewed SNAP's RFP proposal, SNAP's CY2015-2019(YTD) performance, and SNAP's CY2020 contract proposals.

Single Family Rehabilitation Program RFP & CY2020 Contract

Single Family Rehabilitation provides loans to low-income homeowners for necessary and substantial home repairs. Loans are 3% interest for 15 years and typically capped at \$40,000. Rental Repair (now a subset of Single Family Rehabilitation) provides loans to owners of small rental properties for necessary repairs and improvements when rents are affordable and predominantly serving low-income renters. Loans are 3% interest for 10 years and typically capped at \$15,000 per rental unit.

SNAP's Program Manager RFP response proposes \$1,967,062 for a Calendar Year (CY) 2020 contract to deliver the Single Family Rehabilitation Program (including Rental Repair loans). See the attached "2015-2019 Performance & 2020 RFP Proposal" that summarizes SNAP's recent Program Manager costs and performance.

The Affordable Housing Committee unanimously recommended awarding the Program Manager RFP to SNAP. The Committee also unanimously recommended awarding this CY2020 Single Family Rehabilitation contract to SNAP.

Single Family Rehabilitation Program Manager			
Home Rehabilitation	CY2020 Proposal	Rental Repair	CY2020 Proposal
Forecasted Rehab Loans	33	Forecasted Units Repaired	10
Admin/Mgmt	\$312,803	Admin/Mgmt	\$78,091
Construction	<u>\$1,240,293</u>	Construction	<u>\$335,875</u>
Total Contract	\$1,553,096	Total Contract	\$413,966
Total Contract: \$1,967,062			

Essential Repair Program CY2020 Contract

Essential Repair provides small home repairs as grants, up to a \$6,000 lifetime limit, to help low-income homeowners safely remain in their home. CHHS has allocated \$150,000 additional funds as grants up to \$10,000 each to support Single Family Rehabilitation program borrowers who cannot otherwise afford a necessary loan. See the attached “2016-2019 Performance & 2020 Contract Proposal” that summarizes SNAP’s recent Essential repair program costs and performance.

The Affordable Housing Committee unanimously recommended awarding this CY2020 Essential Repair contract to SNAP.

Essential Repair	CY2020 Proposal
Forecasted Repair Grants	275
Admin/Mgmt	\$135,600
Const Funds	\$300,000
SF Rehab Grants	<u>\$150,000</u>
Total Contract	\$585,600

Impact

These contracts will cumulatively benefit 318 low-income families with home repairs necessary for occupants to safely remain in their homes.

Actions

Award the Housing Programs Manager RFP to SNAP.

Recommend a \$1,967,062 CY2020 Single Family Rehabilitation program contract with SNAP, including:

- \$1,553,096 Single Family Rehabilitation to benefit 33 low-income homeowners with home rehabilitation loans.
- \$413,966 Rental Repair to benefit 10 affordable rental housing units with rental repair loans.

Recommend a \$585,600 CY2020 Essential Repair program contract with SNAP, including:

- \$435,600 benefitting 260 low-income homeowners with home repair grants.
- \$150,000 home repair grants up to \$10,000 for about 15 Single Family Rehabilitation program borrowers who otherwise cannot afford a necessary Single Family Rehabilitation loan.

BRIEFING PAPER ATTACHMENT

11/21/2019 Affordable Housing Committee 2015-2019 Performance & 2020 RFP Proposal Single Family Rehabilitation & Rental Repair Program



COMMUNITY, HOUSING, AND
HUMAN SERVICES DEPARTMENT
808 W. SPOKANE FALLS BLVD.
SPOKANE, WASHINGTON 99201
509.625.6325

Every 5 years CHHS must formally procure a nonprofit Program Manager. SNAP recently submitted the sole response to the CHHS Housing Repair Programs Manager Request for Proposals (RFP) for the Single Family Rehabilitation program and Rental Repair program. CHHS prepared this summary of both program, SNAP's past Program Manager performance, and SNAP's CY2020 budget proposal focusing on administrative and management costs.

The Committee could recommend:

- Award the Housing Programs Manager RFP to SNAP
- Execute a CY2020 contract for Single Family Rehabilitation totaling \$1,553,096 (\$312,803 admin/management and \$1,240,293 loan costs) to benefit 33 homeowners
- Execute a CY2020 contract for Rental Repair totaling \$413,966 (\$78,091 admin/management and \$335,875 loan costs) to benefit 10 rental properties

The Single Family Rehabilitation Program

Since 1977, CHHS has utilized contracted program managers to deliver loans to low-income homeowners for substantial home repairs. Since 2015, SNAP has served as Program Manager.

SNAP's past performance as Program Manager: (See table and graphs below)

In the last 2 years, SNAP increased the number of program contractors, improved loan policies, and reduced project delivery to 75 days. Conversely, SNAP has consistently not achieved their loans-per-year production goals. Note that CHHS emphasizes loan quality over loan quantity.

The table below shows SNAP's annual performance from 2015 thru October 2019. Currently, SNAP has completed only 16 units. However, SNAP has approved 15 additional loans that may be completed by year end if borrowers don't withdraw from the program. SNAP proposes to retain 1 new FTE added in 2019 that has helped speed project completions. CHHS has found no SNAP management or compliance deficiency in our annual Program Manager monitorings.

The Rental Repair Program

From 2004 – 2013, CHHS offered a Rental Repair pilot program that provided loans to owners of small rental properties needing basic repairs. This program closed because few loans were made. In 2019, CHHS restarted Rental Repair to re-test program interest. This program provides loans to owners of small rental properties needing basic repairs. Loans are capped at the lesser of \$15,000 per-rental-unit or 100% loan-to-value. For 5 years, repaired properties must rent for less than HUD Fair Market Rent and at least 51% of renters must be below 80% AMI. Project tenants must be protected from lead-based paint hazards, unreasonable construction conditions, and short-term rent increases. Property owners must comply with Fair Housing, handicap accommodation, and Affirmative Marketing.

SNAP's Performance as Program Manager: (See table below)

SNAP started Rental Repair program management in April 2019. They had 5 rental property owners seeking loans but 4 owners withdrew due to program requirements. One owner is proceeding. This accounts for the limited project expenditures to date.

SINGLE FAMILY REHAB: SNAP's Past Performance & CY2020 Budget Proposal

SNAP proposes a \$312,803 admin & management budget (a 6% reduction from CY2019) to deliver \$1,240,293 of Single Family Rehabilitation loans benefitting 33 homeowners.

Single Family Rehab	CY2015 & 2016	CY2017	CY2018	CY2019 (Jan - Oct)	CY2020 Proposal
Contracted Amounts					
Admin/Mgmt	\$442,047	\$326,102	\$313,365	\$332,505	312,803
Construction	\$1,310,899	\$801,840	\$975,275	\$966,381	\$1,240,293
Total Contract	\$1,752,946	\$1,127,942	\$1,288,640	\$1,298,886	\$1,553,096
Expended Amounts (% of contract line item)					
Admin/Mgmt	\$437,015 (99%)	\$255,665 (78%)	\$230,464 (74%)	\$287,235 (86%)	TBD
Const Funds	\$1,099,727 (84%)	\$524,758 (65%)	\$631,046 (65%)	\$526,326 (54%)	TBD
Total Expended	1,536,742 (88%)	\$780,423 (69%)	\$861,510 (67%)	\$813,561 (63%)	TBD
Forecasted Rehab Loans	49	30	33	36	33
Completed Rehab Loans	44 (90%)	24 (80%)	22 (67%)	16 (44%)	TBD
Average Loan Amt	\$22,710	\$21,865	\$28,684	\$22,091	\$26,843
30% AMI Homeowners	5 (11%)	4 (16%)	3 (14%)	1 (16%)	TBD
50% AMI Homeowners	6 (14%)	10 (42%)	8 (36%)	6 (38%)	TBD
80% AMI Homeowners	33 (75%)	10 (42%)	11 (50%)	9 (56%)	TBD
Elderly	9 (20%)	5 (21%)	13 (59%)	12 (75%)	TBD
Female Head of Household	30 (68%)	21 (88%)	10 (45%)	6 (32%)	TBD

RENTAL REPAIR: SNAP's Past Performance & CY2020 Budget Proposal

SNAP proposes a \$78,091 admin & management budget (a 5% reduction from CY2019) to deliver \$335,875 of Rental Repair loans benefitting 10 rental properties.

Rental Repair Program	CY2019 (Jan - Oct)	CY2020 Proposal
Contracted Amounts		
Admin/Mgmt	\$82,060	\$78,091
Construction	\$300,223	\$335,875
Total Contract	\$382,283	\$413,966
Expended Amounts (% of contract line item)		
Admin/Mgmt	\$2,474	TBD
Const Funds	\$1,271	TBD
Total Expended	\$3,745	TBD
Forecasted Rental Repair Loans	10	10
Completed Rental Repair Loans	0	TBD

SNAP's Past Performance as Single Family Rehabilitation Program Manager

Project Delivery

Average Days from Approved Loan to Completed Construction

CY2015: 131

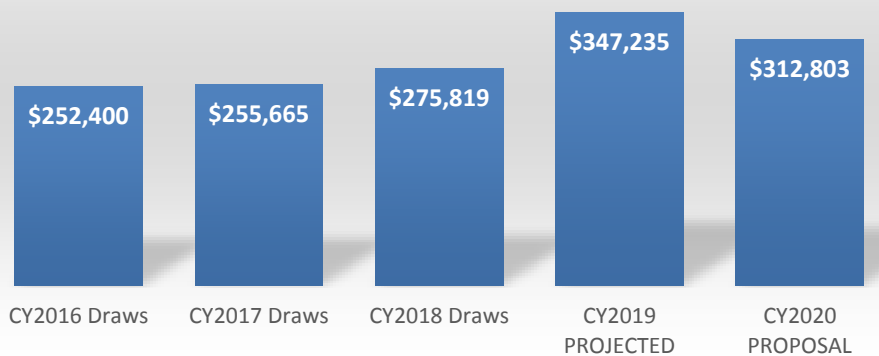
CY2016: 119

CY2017: 81

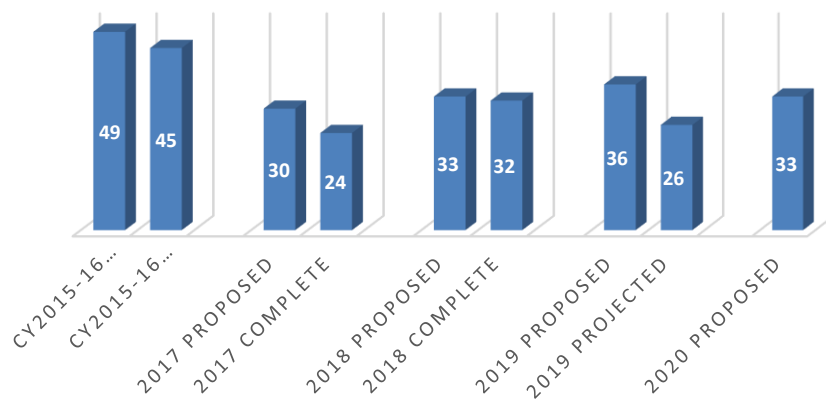
CY2018: 75

CY2019: 75

SNAP Annual Admin/Mgmt Draws 2015-2020



SNAP PROPOSED VS. DELIVERED UNITS 2015-2020



BRIEFING PAPER ATTACHMENT

11/21/2019 Affordable Housing Committee 2016-2019 Performance & 2020 Contract Proposal Essential Repair Program



COMMUNITY, HOUSING, AND
HUMAN SERVICES DEPARTMENT
808 W. SPOKANE FALLS BLVD.
SPOKANE, WASHINGTON 99201
509.625.6325

Each year, CHHS makes a non-competitive subrecipient CDBG allocation to SNAP's Essential Repair program. This program provides minor home repairs as grants to low-income homeowners. The Affordable Housing Committee is asked to review SNAP's admin & management cost proposal and recommend a CY2020 contract to the CHHS Board.

The Committee could recommend:

- Execute a CY2020 SNAP Essential Repair program contract totaling \$435,600 (\$135,600 admin/management and \$300,000 home repair grants) benefitting 260 homeowners.
- Add \$150,000 home rehabilitation grants benefitting about 15 Single Family Rehab borrowers.

Essential Repair Program

Since 2005, CHHS has funded SNAP's Essential Repair subrecipient program. This program provides small home repairs as **grants** to low-income homeowners. Typical Essential Repairs include repairing leaking plumbing and roofs. SNAP's program provides low-income homeowners up to \$6,000 per lifetime of Essential Repair grant assistance.

Program Performance: SNAP's Essential Repair Program recent performance (including CY2019 year-to-date) is shown below. SNAP is expected to meet or exceed its planned production goal of 250 homeowners assisted. Program administrative, management, and grant funds have been drawn as planned.

Since 2016, CHHS has annually provided \$150,000 additional funds to be provided as grants up to \$10,000 to support certain Single Family Rehabilitation borrowers. These borrowers need grant assistance because they lack sufficient home equity to borrow all needed rehabilitation funds or they lack sufficient income to make payments on the needed loan amount. If SNAP is selected as Single Family Rehabilitation Program Manager then CHHS wishes to add \$150,000 to the CY2020 contract to support Single Family Rehab borrowers.

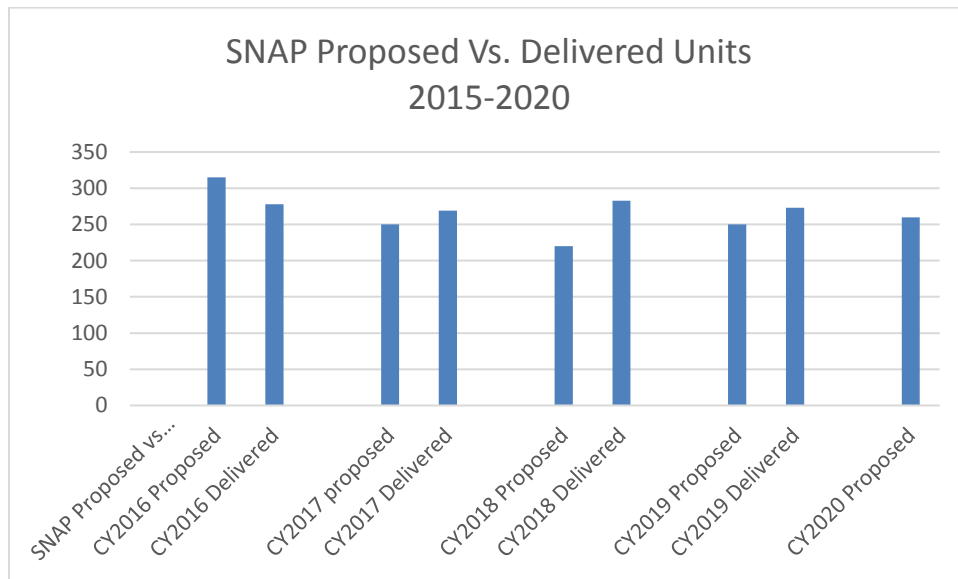
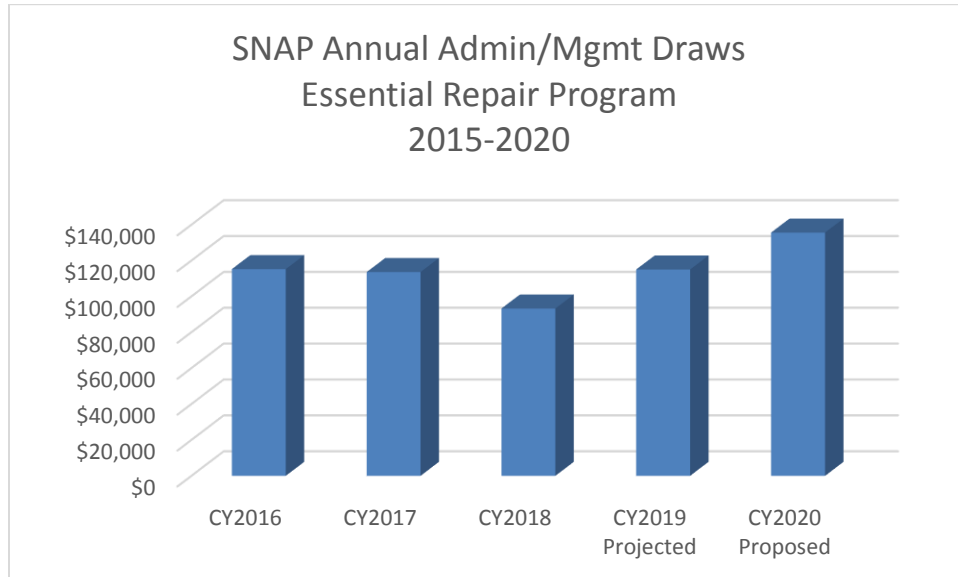
CY2020 Budget Proposal

For CY2020, CHHS offered SNAP a 5% increase in repair grants. In response, SNAP has proposed the following CY2020 administrative/management cost to deliver granted repairs to 260 homeowners. These admin/management costs are a 12% increase from CY2019.

ESSENTIAL REPAIR: SNAP's Past Performance & CY2020 Budget Proposal

Essential Repair	CY2016	CY2017	CY2018	CY2019 Jan - Oct	CY2020 Proposal
Contracted Amounts					
Admin/Mgmt	\$115,201	\$113,574	\$93,200	\$120,776	135,600
Repair Funds	\$453,217	\$417,160	\$276,800	\$290,000	\$300,000
SF Rehab Grants	<u>\$102,000</u>	<u>\$200,000</u>	<u>\$150,000</u>	<u>\$150,000</u>	<u>\$150,000</u>
Total Contract	\$670,418	\$730,734	\$520,000	\$560,776	\$585,600
Expended Amounts (% of line item)					
Admin/Mgmt	\$70,885 (62%)	\$99,100 (87%)	\$103,615 (99%)	\$104,046 (86%)	TBD
Const Funds	\$445,571 (98%)	\$303,673 (100%)	\$214,600 (81%)	\$167,695 (58%)	TBD
SF Rehab Grants	<u>102,000 (100%)</u>	<u>164,575 (82%)</u>	<u>\$150,000 (100%)</u>	<u>\$82,028 (55%)</u>	TBD
Total Expended	\$618,456	\$567,150	\$375,237	\$353,769	TBD
Forecasted Home Repairs	315	250	220	250	260
Completed Home Repairs	278	269	283	223	TBD
Average Total Cost/Unit	\$2,224	\$2,108	\$1,326	\$1,586	TBD
30% AMI Homeowners	153 (55%)	161 (60%)	112 (51%)	105 (47%)	TBD
50% AMI Homeowners	117 (42%)	101 (37%)	97 (45%)	103 (46%)	TBD
80% AMI Homeowners	8 (3%)	7 (3%)	9 (4%)	17 (7%)	TBD
Elderly	161 (58%)	131 (49%)	143 (66%)	153 (68%)	TBD
Female Head of Household	176 (63%)	161 (60%)	139 (64%)	152 (68%)	TBD

SNAP's Essential Repair Program Past Performance



Affordable Housing Committee BRIEFING PAPER
Community, Housing & Human Services Board
Allocate HOME Multifamily Housing Program Funds
December 4, 2019

Subject

Affordable Housing Committee recommendation to allocate \$780,000 to Community Frameworks for the Sinto Commons affordable housing project.

Background

The CHHS Multifamily Housing Program (MFHP) loans HOME funds for development of permanent and affordable rental housing. Community Frameworks requested \$780,000 HOME funds from the Fall 2019 MFHP RFP (staff underwrite attached). Their Sinto Commons project will construct 47 affordable rental housing units at 441-509 W Sinto.

Sinto Commons will include 8 studio, 11 1-bedroom, 25 2-bedroom, and 3 3-bedroom apartment units. All units will be affordable to 30%, 40% and 60% of Area Median Income (AMI) renters under 40-year commitments to the Housing Trust Funds and Housing Finance Commission. One-half of all units will serve homeless individuals and families and include onsite services and rent assistance.

Eleven of the 47 rental units will be committed as MFHP HOME units affordable to 30% AMI renters for 30 years. These HOME funds are offered as loan forgiven over the 30-year MFHP affordability period.

This project has secured \$350,000 Spokane County funding. The project has applied for \$3,000,000 Housing Trust Funds, and \$8,622,791 9% Housing Tax Credits. The project has also applied for \$1,200,000 National Housing Trust Fund for operating reserves to subsidize operating losses due to very low rent. All requested funds must be awarded for the project to be viable as proposed.

The Affordable Housing Committee unanimously recommends awarding \$780,000 HOME funds to this project.

Impact

These HOME funds will help create 47-units of affordable rental housing serving homeless and low-income renters in the City of Spokane.

Actions

Recommend that City Council commit \$780,000 HOME funds to the Community Frameworks Sinto Commons affordable housing new construction project. Loan conditions include: a) reduce HOME funding if total funding sources exceed uses, and b) demonstrate sufficient rent revenue and/or operating reserves for 30 years of adequate cash flow.



SINTO COMMONS

Borrower Name: Community Frameworks

Project Location: 441-509 W. Sinto

HOME Funds Requested: \$780,000 (Grant)

Affordable Housing Committee Scoring Sheet									
Do Not Fund			Neutral			Yes, Fund This Project			
1	2	3	4	5	6	7	8	9	10
Reviewer's Comments:									

Project Summary

Community Frameworks (CF) requests a \$780,000 HOME grant to help construct a 4-story, 47,316 square foot, 47-unit apartment building on 5 lots located at 441-509 W Sinto. CF currently owns the land that it purchased in 2019 slightly under appraised value.

This project will provide rental housing for 46 low-income renters at 30%, 40% and 60% AMI. One-half of all units are committed to 30% AMI renters. CF offers 11 HOME assisted units (6 1-Br, 4 2-Br, and 1 3-Br) all at 30% AMI. This new construction project must maintain HOME-unit affordability for 30 years. The requested HOME loan will be fully forgivable over 30 years because all HOME units are committed to 30% AMI renters.

The project is designed as a mix of unit sizes serving a varied population of household sizes, income levels, and disability characteristics. The entire project will serve a total of 23 renters at 30% AMI, 5 renters at 40% AMI, 18 renters at 60% AMI, and 1 unrestricted resident manager. There will be 8 Studio units (408 sq ft), 11 1-bedroom (576 sq ft), 25 2-bedroom (816 sq ft), 3 3-bedroom (1,152 sq ft) units. Four units (more than required) will be fully handicap accessible, all units will be handicap "visitable", and all units will be adaptable for the sensory impaired. The project will have an elevator, laundry room on each floor, indoor common areas, and outdoor play areas.

The project has a \$350,000 Spokane County funding commitment. The project has applied to the Commerce National Housing Trust Fund for \$3M construction plus \$1.2M operating subsidy to pay rent for 13 units serving 30% AMI and formerly homeless renters. The project will soon submit a strong application for Low Income Housing Tax Credits (LIHTC) that should provide more than \$8.6M to the project. To be LIHTC competitive, CF has committed one-half of all units as Permanent Supportive Housing for the homeless (<30% AMI) with an emphasis on households with children. Onsite services are provided.

This project meets the following City HOME funding priority:

<u>City Priority</u>	<u>Number of City HOME Units</u>
<input checked="" type="checkbox"/> Unit(s) at 30% AMI	11 HOME units at 30% AMI
<input type="checkbox"/> Unit(s) at 50% AMI in City Target Investment Area or Centers & Corridors	
<input checked="" type="checkbox"/> 3 or more bedroom unit(s) at 50% AMI	1 HOME unit at 30% AMI

Site & Development Schedule

The project site is both vacant and developed land located at 441-509 W Sinto. CF purchased these 5 parcels in May 2019 for \$385,000 which was below a December 2018 appraised value of \$430,000. Later, CF purchased the City-vacated alley for \$26,350. The property is 5 parcels where 4 parcels are vacant land and 1 parcel has a house (currently occupied, tenant to be relocated at project expense) to be demolished.

A December 2018 Phase 1 Environmental Site Assessment found no recognized environmental condition. Area zoning allows the proposed multifamily development. The site is in an established neighborhood and are near schools, services, transit, and grocery.

The project schedule plans a successful Low Income Housing Tax Credit application (January 2020), a 9-month financing closing period (typical for LIHTC projects), 1-year construction period starting at close of financing, and 3 months to full lease-up.

Proposed Schedule	
Task	Date
Phase 1 Environmental Review	Completed Dec 2018
Purchase Land/Building	Completed May 2019
Permitting	Sept 2020
All Funding Applications Submitted	Jan 2020
All Funding Sources Committed	Oct 2020
Construction Start	Oct 2020
Construction Completed	Oct 2021
100% Leased	Jan 2022

Development Team

- Borrower: Community Frameworks
- Architect: ZBA Architects (Spokane). Has extensive experience designing affordable housing projects.
- Legal: Jeff Nave, Foster Pepper (Spokane) has extensive LIHTC and affordable housing experience.
- Contractor: To be determined.
- Lender: Banner Bank letter of interest for construction-period loan. There is no long-term bank loan.
- Property Manager: Goodale & Barbieri (Spokane). Has extensive management experience with LIHTC, Commerce, and HOME funded projects.

The Borrower

Borrower Community Frameworks (CF) is a 501(c)(3) nonprofit corporation organized to create, build, and preserve homes for renters, first-time home buyers, and people with specialized shelter and service needs. CF is a highly experienced affordable housing owner and developer. CF has completed four City-HOME-funded affordable rental housing projects between 2012 and 2016. CF will contract for voluntary, onsite services to tenants via a pending contract with Transitions for Women. Services will be paid from cash flow drawn which is driven by Spokane Housing Authority's written commitment for Project-Based Vouchers and a proposed National Housing Trust Fund grant for operating reserves.

Borrower's Past Projects (not a complete list)

Project Name & Address	Total Units	Year Complete	Role	Funding
22 North (Bellingham)	40	2018	Developer	HTF, LIHTC
Nueva Vista II (Kennewick)	28	2018	Developer	HTF, LIHTC
Transitions Village (Spokane)	24	2018	Developer	HTF, LIHTC, UHEE
Teen Center (Walla Walla)	6	2017	Developer	CDBG, BCF, HTF
1 S Madelia (Spokane)	36	2017	Owner/Developer	HTF, LIHTC, HOME
West 315 (Spokane)	33	2016	Owner/Developer	HTF, LIHTC, HOME

Borrower's Projects Underway (not a complete list)

Project Name	Total Units	Completion	Role	Funding
Pendleton Place (Bremerton)	72	2022	Developer	HTF, LIHTC
Highland Village I (Airway Heights)	24	2021	Owner/Developer	HTF, FHLB
Shelton Veterans Village (Shelton)	30	2020	Developer	HTF, FHLB
Orting Veterans Village (Orting)	35	2020	Developer	HTF, FHLB
Kennewick Micro Home (Kennewick)	16	2020	Developer	CDBG

Borrower's Financial Statement Summary

Audited statements were prepared by Loveridge Hunt & CO of Bellevue. There were no findings. Net Assets and Ending Net Assets are consistent and indicate a stable organization able to fulfil its mission. Revenues are primarily from development fees, grants, and rents. Expenses are concentrated in development services. Revenues and expenses have grown year-upon-year showing the organization continues to expand its operations. Income before Depreciation is varied due to irregular fee collection but income is consistently positive indicating the organization is operationally solvent.

Key Factors	Audited 2018	Audited 2017	Audited 2016	Audited 2015
Total Revenues	\$3,940,471	\$7,595,517	\$4,580,674	\$10,892,724
Total Operating Expenses	\$3,685,695	\$8,275,349	\$4,878,466	\$10,285,291
Depreciation	\$296,423	\$262,677	\$261,412	\$257,860
Excess Rev. over Exp. Less Depreciation	\$551,145	\$(417,155)	\$(36,380)	\$865,293
Total Cash & A/R	\$2,064,667	\$1,395,871	\$1,126,989	\$1,960,243
Total Assets	\$16,787,202	\$16,193,923	\$17,820,870	\$17,206,622
Total Liabilities	\$6,302,250	\$5,963,693	\$6,910,808	\$6,560,874
Net Assets	\$10,484,952	\$10,230,230	\$10,910,062	\$10,645,748
Beginning Net Assets	\$10,230,230	\$10,910,062	\$10,645,748	
Ending Net Assets	\$10,484,952	\$10,230,230	\$10,910,062	\$10,645,748

CF finances are consistent with standard metrics despite year-to-year variation. CF current ratio varied in 2015 and 2018 with the substantial reduction in annual short-term debt payments. CF reliance on deferred/forgivable public debt results in little long-term debt when compared to assets. All years reviewed indicate that the borrower can meet its financial obligations in the short and long term.

Financial Ratios	Audited 2018	Audited 2017	Audited 2016	Audited 2015	<i>Standard</i>
Current Ratio	10.76	1.7	2.61	17.93	<i>>1.2</i>
Working Capital	\$2,961,950	\$1,056,977	\$3,829,503	\$4,977,582	<i>Positive</i>
Days Cash	132	45	74	50	<i>>90 days</i>
Receivable Turnover (x/yr)	6	15	28	19	<i>>4 times</i>
Avg. Collection Period (days)	58	24	13	19	<i><90 days</i>
Long-Term Debt to net Assets	.52	.39	.37	.55	<i><5.0</i>

Project Financing

Total Development Costs

Community Frameworks prepared the development budget using architect-provided construction cost estimate. This estimate includes a construction cost escalator to forecast actual costs for the planned construction start in late 2020. Construction cost includes added costs of residential prevailing wages and Washington State Evergreen Standards. This project proposes capitalizing operating reserves at initial financing with National Housing Trust Fund. These granted reserves will fill recurring operating budget shortfalls caused by expenses exceeding rent revenue for 30% AMI renters. This is a nonstandard use of reserves.

Project costs compared to staff benchmarks (NDC, 2018 GAO LIHTC cost study, and Nat. Apt. Assoc.):

- Costs at/below benchmarks:
 - Land acquisition, construction contingency, soft costs, developer fee, operating reserves, and replacement reserves.
- Costs above benchmarks:
 - None

Total Development Costs		
Project Cost Categories	Project Total	Staff Analysis
Acquisition	\$ 411,350	Appraised value for 5 lots is \$430,000. The City vacated and sold the alley to Borrower for \$26,350.
Construction Hard Costs	\$10,093,251	\$213/sq foot. Cost is based on architect's estimate. Construction contingency is 8% of construction hard costs. Benchmark is 10% of construction costs.
Project Soft Costs	\$1,909,982	15% of total costs. Benchmark is <26% of total costs.
Developer Fee	\$ 900,000	8% of costs. Benchmark is <10% of costs.
Operating Reserves	\$ 72,627	3 months of operating costs. Benchmark is <6 months.
Replacement Reserves	\$ 141,000	Capitalized at \$3,000/unit. Monthly contribution is \$358 Per Unit Per Annum (PUPA). Benchmark is <\$400 PUPA.
Total Dev Costs	\$12,752,791	Total average cost is \$271,336/unit. WA State average for 9% Tax Credit new construction is \$210,000/unit.

Development Budget Sources & Uses

This project requests funding at the maximum HOME limit of \$780,000 for 11 HOME units at 30% AMI. The project has already received a \$350,000 Spokane County funding commitment. This project has applied for Commerce Housing Trust Funds at the \$3M maximum limit to be repaid from project cash flow (after deducting payments for tenant services).

This project will also apply for 9% Low Income Housing Tax Credits (LIHTC) as the primary source of development financing. This project meets the LIHTC preference for projects with at least ½ of all units serve homeless and/or 30% AMI households. This project self-scores at 178 LIHTC points which would have been sufficient to win funding in the last two LIHTC funding competitions. The project has conservatively estimated tax credit equity at \$.80 of equity for each \$1 of tax credit. An investor has submitted a preliminary Letter of Interest offering \$.88 of equity for each \$1 of tax credit. The actual equity value is likely somewhere in between. CHHS would reduce HOME funds to this project for any tax credit equity increase not offset by lower-than-projected funding source or bona fide higher-than-projected project costs.

Development Budget Sources & Uses			
Source	Amount	Application Status	Funding Uses
City of Spokane HOME	\$ 780,000	This Application.	\$780,000 is the CHHS maximum HOME subsidy to be provided as a loan fully forgiven over 30 years due to all units at 30% AMI.
Commerce Housing Trust Fund	\$3,000,000	Applied Sept 2019 Awards Dec 2019	Application for Commerce' maximum \$3M subsidy. Borrower offers repayment from cash flow.
Spokane County HHAA	\$ 350,000	Committed Aug 2019	Interest only loan paid over 37 years.
9% LIHTC Equity	\$8,622,791	Application Jan 2020 Awards Jan 2020	LIHTC equity is Borrower's estimate. Actual equity value may be higher.
Total Sources	\$12,752,791		

Project Units

Unit Rents				
Bedroom Size	Square Footage	Proposed Rent	HOME Max Rent	Average Rent (Market Study)
Studio	408 Sq Ft	\$438-505	\$332*	\$519
1-Bedroom	576 Sq Ft	\$125-592	\$352*	\$652
2-Bedroom	806 Sq Ft	\$150-790	\$420*	\$707
3-Bedroom	1,152 Sq Ft	\$1,003-1,140	\$482*	\$1,185

*All HOME units will also receive project-based rent assistance committed by Spokane Housing Authority. These vouchers allows the project to collect rent higher than the HOME maximum rent.

Thirteen units will receive project-based vouchers where tenants pay 30% of income as rent and the voucher pays the rent balance up to HUD's Fair Market Rent for 20 years. Ten additional units (accounting for proposed rents at \$125 - \$150) will pay little rent with the foregone rent paid from a proposed \$1.2M National Housing Trust Fund operating reserve. This is a nonstandard use of reserves.

The project offers 11 HOME units at 30% AMI. The maximum HOME rents for these units are shown above. The project's proposed rents exceed HOME maximum rents; however, all 11 HOME units will also receive committed project-based vouchers which provides a higher rent and is allowed by HOME. The project pro forma shows rent revenue paying onsite tenant services followed by cash flow payments to the Commerce Housing Trust Fund loan.

Units Affordability Restrictions			
% AMI Served	# Units	Bedroom Sizes	Tenant-Paid Utilities
30% AMI	23	3 Studio, 6 1-Brm, 13 2-Brm, 1 3-Brm	Electric
40% AMI	5	5 Studio	Electric
60% AMI	18	5 1-Brm, 11 2-Brm, 2 3-Brm	Electric
Resident Manager	1	1 2-Brm	

Valbridge (Spokane) performed a September 2019 Market Study of Sinto Commons which is located in the Central Sub-Market. Market Study excerpts:

- This market has a 1.1% rental vacancy rate where renters occupy older properties at rents higher than those proposed at Sinto Commons.
- This market is mature and "nearly 100% built" where "older improvements must be razed to accommodate new development".
- The "need for housing for families with children is evident. The subject's 23 set-aside units will be very desirable, especially when targeting the lower income."
- Rents for 30% AMI units will be 41-64% below market rent. Rents for 40% AMI units will be 25-45% below market rent. Rents for 60% AMI units will be 13-16% below market rents.
- The "subject will likely be leased at a relatively moderate to fast pace" estimated at "a four-month absorption period". The proposed development "does not burden the existing market rent and/or low-income projects".
- "The project, as proposed, appears to be viable with sufficient demand to allow the subject's 46 income restricted units to absorb into the market."

Operating Pro Forma

Community Frameworks operating pro forma proposes ½ of units at 30% AMI to achieve needed LIHTC application points. This is the maximum proportion of 30% AMI units CHHS recommends to assure projects can sustain monthly expenses. The project proposes a reasonable 5% vacancy.

The project also proposes rental subsidies that increase project cash flow beyond tenant's ability to pay. Spokane Housing Authority has committed project-based vouchers for 13 project units for 20 years. In addition, the project has requested \$1,200,000 from Commerce National Housing Trust Fund for operating reserves to pay planned project losses for 30 years. Borrower will draw these reserves to make up for rent that cannot be paid by <30% AMI tenants who cannot afford scheduled rents. This is a nonstandard use of reserves.

Operating Pro Forma		
Project Cost Categories	Year 1 Totals	Analysis
Gross Rent Revenue	\$344,000/year	Gross rent revenue excludes tenant-paid electric utilities. ½ of all units are committed to 30% AMI renters. 13 units receive project-based voucher rents for 20 years. Revenue falls sharply when these vouchers expire. 10 additional units will have rent foregone but recovered by pre-capitalized National Housing Trust Fund operating reserves.
Services Expense	\$89,775	Annual cost to provide 1.5 FTE onsite services. This expense is paid from rent revenues supported by committed project-based rent vouchers and planned National Housing Trust Fund operating reserves.
Management Expense	25% of Effective Gross Rent	Benchmark is <8% of EGI. Some cost increase is expected due to onsite management, onsite services for homeless renters, multiple funder compliance, various rents, and multiple sources for rents.
Replacement Reserves	\$358 Per-Unit Per-Annum (PUPA)	Benchmark is ≤\$400 PUPA for new construction. These reserves are reasonable.
Income after Expenses (NOI)	\$22,691	Projected revenue is sufficient to pay planned onsite tenant services and generate revenue.
Debt Service	\$13,276	Loan payments must be made from Net Operating Income. Spokane County requires interest-only payments. Commerce requires a portion of cash flow. The pro forma projects a comfortable Debt Coverage Ratio through 20 years of project-based rent vouchers. Cash flow then falters.
Cash Flow	\$9,415	Project cash flow is sufficient to service debts and generate limited cash for unforeseen expenses through project year 19. Project has negative cash starting in year 20. Project could increase cash by renegotiating loan payments or finding new source of rent assistance.

Strengths, Weaknesses, and Staff Recommendation

Notable Strengths:

- The project increases housing supply and housing density on underdeveloped land benefitting a low-income neighborhood with close proximity to municipal services.
- The project's substantial commitment to serving homeless families makes it very competitive for needed Low Income Housing Tax Credits.
- The project has 13 units of committed project based vouchers that support project expenses, including onsite tenant services, for 20 years.

Notable Weaknesses:

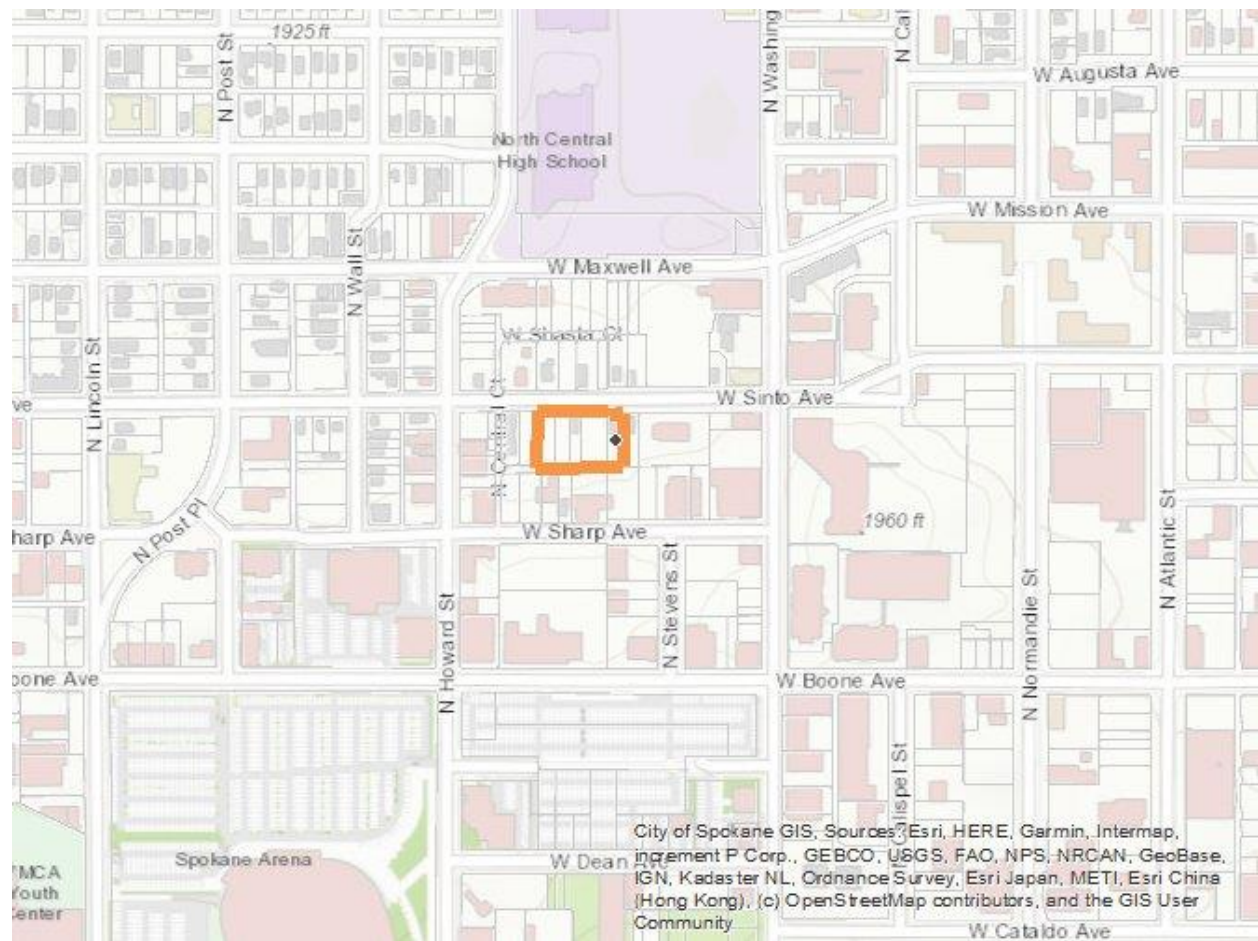
- The project relies on a substantial National Housing Trust Fund operating reserve to offset rent not paid by 10 of 23 units committed to homeless renters. Failure to secure 23 rental subsidies will require significant project changes, such as curtailing onsite services or requiring higher rent payments from 30% AMI renters.
- The project is reliant upon multiple and competitive funding sources. Loss of any one funding source would jeopardize the proposed development budget.

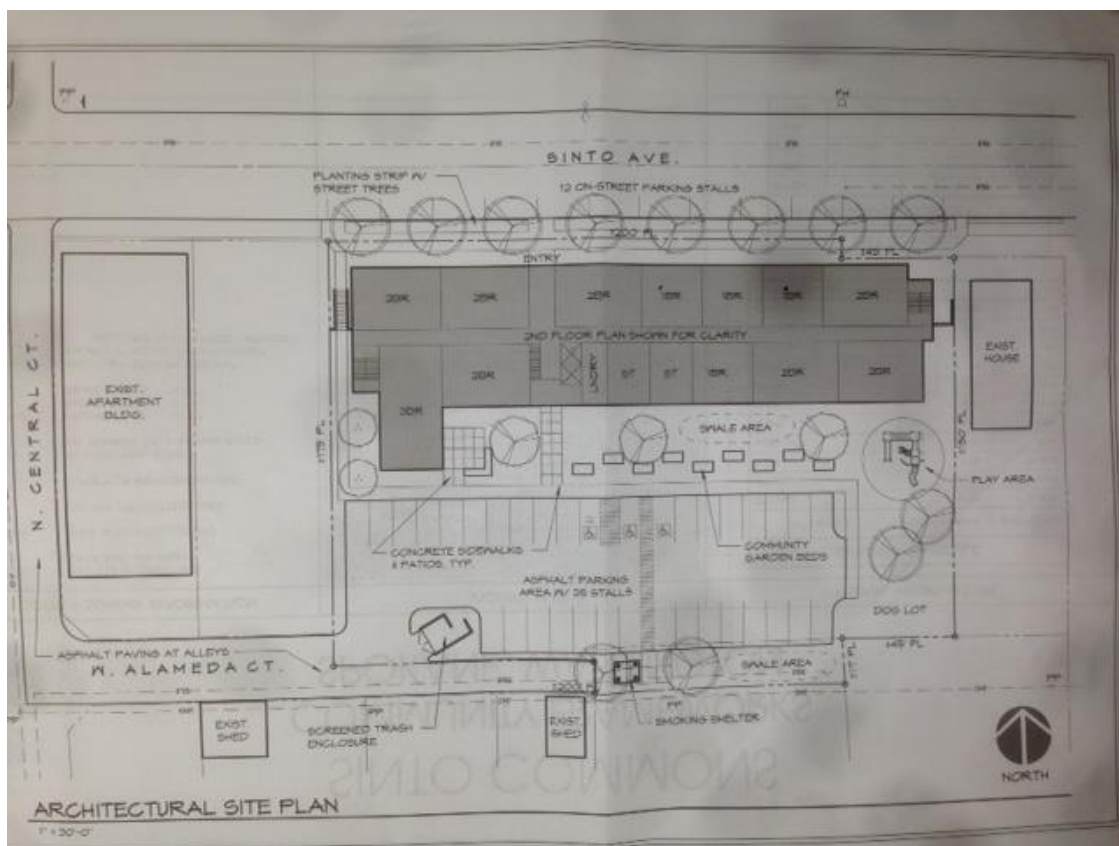
Conditions on any HOME loan:

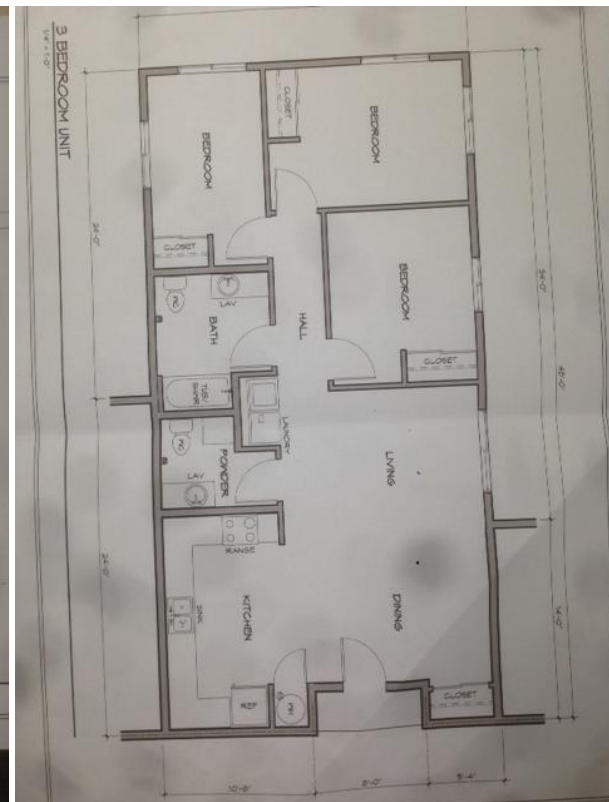
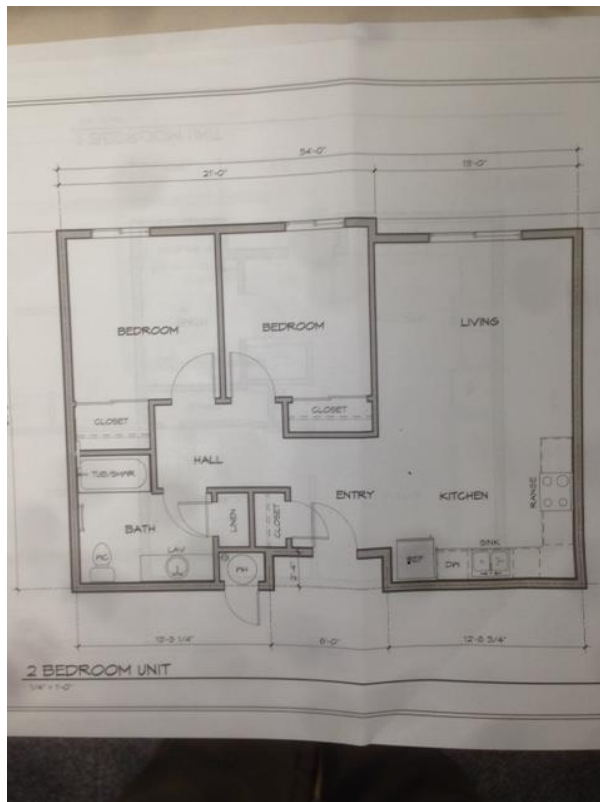
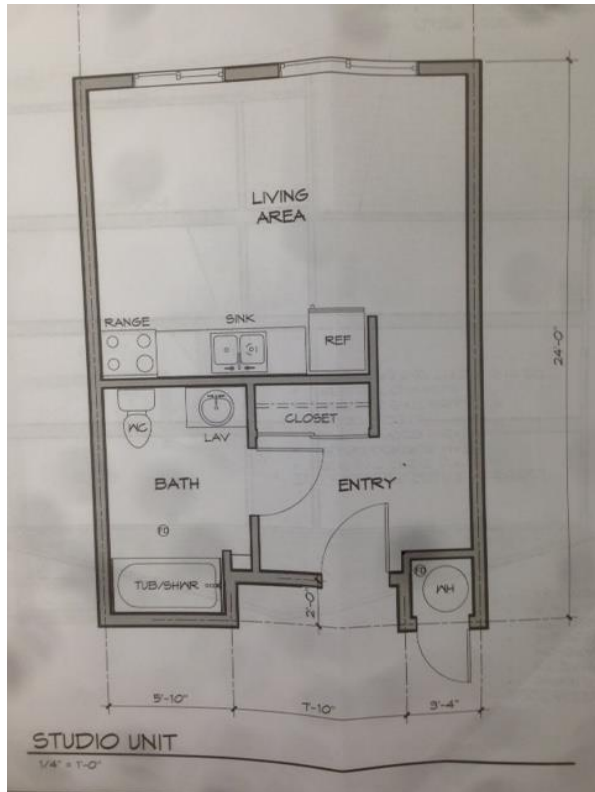
1. CHHS to reduce project HOME funds for any increased tax credit equity not offset by lower-than-projected development funding or bona fide higher-than-projected project cost.
2. Borrower must demonstrate sufficient Commerce National Housing Trust Fund operating reserves to satisfy 30 years of operating expenses.
3. Borrower must demonstrate that project revenues exceed expenses after project year 19.

Staff may adjust actual HOME allocations based upon HUD-required cost allocation or layering reviews.

Project Site: 441-509 W Sinto







[illegible]



City of Spokane
Community, Housing and Human Services Board – Board
Committee Report

COMMITTEE: Affordable Housing
Meeting Date: November 21, 2019

Chair: Diane Zemke
Date of Next Meeting: TBD

Members: Diane Zemke (Chair), Adrienne Leithauser (Vice-Chair), Phil Altmeyer, Gordon Graves, Andy Hoyer, Patricia Kienholz, Mark Muszynski, Arlene Patton, Michone Preston

Guests: Barry Barfield, Chris Davis, Danny Shea

Staff Present: Paul Trautman

Discussion

The Committee discussed proposals for the City's Housing Repair Programs Manager RFP, SNAP's Essential Repair program, and HOME funding applications from FFC and Community Frameworks. The Committee interviewed SNAP staff Chris Davis and Danny Shea who responded to the Housing Repair Programs RFP. Discussion included SNAP's combined services, program production, and program outlook.

Action Items Completed:

Housing Repair Programs Manager RFP:

SNAP submitted the sole proposal to the 2019 CHHS Single Family Rehabilitation Program RFP. SNAP budgeted \$1,553,096 (\$312,803 admin/management and \$1,240,293 loan costs) to deliver 33 loans for home rehabilitation. SNAP also budgeted \$413,996 (\$78,091 admin/management and \$335,875 loan costs) to deliver 10 units of rental rehabilitation. The RFP offers 5 annually-renewable Program Manager contracts for 2020 thru 2024. The Committee reviewed SNAP's 2015-2019 Program Manager performance, discussed SNAP's 2020 proposal, and interviewed SNAP staff.

The Committee unanimously recommends that the CHHS Board approve a \$1,967,062 contract for CY2020 Single Family Rehabilitation and Rental Repair programs admin, management, and rehabilitation loans.

Essential Repair Program

SNAP submitted a admin/management cost proposal to deliver \$300,000 of CDBG home repair grants in CY2020. SNAP budgeted \$435,600 (\$135,600 admin/management and \$300,000 home repair grants) to deliver repairs to 260 homeowners. SNAP also budgeted \$150,000 home rehabilitation grants to benefit about 15 Single Family Rehabilitation program borrowers. The Committee reviewed SNAP's 2015 – 2019 Essential Repair program performance and discussed SNAP's 2020 proposal.

The Committee unanimously recommends that the CHHS Board approve a \$585,600 contract for CY2020 Essential Repair program admin, management, granted repairs, and granted rehabilitation.

HOME MFHP Funding Applications:

The Committee reviewed staff underwriting of Fall 2019 HOME Multifamily Housing Program (MFHP) RFP funding applications from Foundation for the Challenged (FFC) and Community Frameworks (CF)

Community Frameworks (CF) Sinto Commons:

CF requested \$780,000 HOME funds toward construction of a 47-unit apartment building at 441-509 W Sinto serving homeless and family renters at 60%, 40% and 30% AML. This project has also requested construction funding from Low Income Housing Tax Credits, Commerce, and Spokane County as well as operating reserve funding from Commerce National Housing Trust Fund. The Committee discussed the funding sources, housing affordability, and developer's past performance. The Committee conveyed its support for this project to other proposed funders.

The Committee unanimously recommends that the CHHS Board approve a \$780,000 HOME allocation to support 11 HOME-assisted units in this project.

Foundation for the Challenged (FFC) Homes XII:

FFC requested \$200,000 HOME funds toward construction of 2 single-family homes at 2214 & 2216 E Sinto serving disabled renters below 30% AML. This project has also requested construction funding from Commerce and Federal Home Loan Bank (FHLB) as well as operating reserve funding from Commerce National Housing Trust Fund. The Committee discussed funding sources, development costs, operating budget, and developer's performance. The Committee welcomed FFC as a partner in developing needed affordable housing in Spokane.

The Committee unanimously deferred this HOME application until pending Commerce and FHLB applications are awarded in December/January. The Committee asks that staff engage FFC on development budget options relating to construction costs, funding sources, and HOME funding limitations.

Action Items Pending:

- Seek additional HOME affordable housing projects for 2020.

Announcements:

No December meeting is anticipated. Adriane Leithauser will be Affordable Housing Chair in February. Diane Zemke will remain on the Affordable Housing Committee.

Actions Needed by the Board:

Review and approve recommendations for Single Family Rehabilitation Program Manager contract and HOME MFHP funding allocations.