

Question 1: What is your Agency/Business's role in addressing housing supply in Snohomish County? (your mission, priority goals, market role, etc.)

HOUSING HOPE PROPERTIES – subsidiary of Housing Hope formed to be a Community Housing Development Organization

Housing Hope formed in 1992 by Ed Peterson and a consortium of local churches to address homelessness and affordable housing.

Grown to become a community leader in developing affordable housing units in Snohomish County.

Twin Lakes Landing - December 2017 = 74th completed project;

6 shelter apartments

188 homeless apartments

296 low-income rental apartments,

309 homeownership units,

Nearly **800** affordable units and homes in Snohomish County.

Complex financing arrangements including HOME, CDBG, County and City AHTF, State HTF and HOME, tax-exempt bonds, and both Historic Tax Credits and LIHTC's through the Washington State Housing Finance Commission.

- Resource Development Division grant writing to organizations including the Gates Foundation, Washington Families Fund, FHLB of Des Moines, and numerous charitable foundations. EXAMPLE: HWS2 – \$4.9M In charitable contributions and grants.

TEAMHOMEBUILDING = Homeownership program,

HHP is exclusive grantee in Snohomish County for the USDA Self-Help Technical Assistance Grant. Homeownership for families with incomes ranging from 30% to 80% of AMI.

HOPEWORKS STATION 2

- Current Project - Broadway 65-units, largest multifamily project in the agency's history.
- Thanks in part to financing from HOME award from Snohomish County and the City of Everett;
- Completion: September 2019.

ADDITIONAL FUNCTION – SUPPORT SERVICES

- Nearly 100 employees in our Support Services
- Beyond the scope of this presentation.

Question 2: What are the most significant challenges your agency/business faces in developing housing?

- ***Complexity of Funding Sources and Compliance*** – regulatory and the multitude of funding sources required to make a project viable
- ***Finding New Funding Sources*** – UHEE = Ultra-High Energy Efficient HWS@ is participating in this demonstration program. Challenge added upfront costs to meet the funding requirements. ***EXAMPLES:***
 - *Each unit has a \$2,000 Heat Recovery System,*
 - *Added Exterior Insulation = \$200K increase*
 - *High-Tech Ultra Efficiency Water Heating System costs an additional \$150,000.*
- ***Construction Costs*** – elaborate in Question 3

Question 3: What trends do you observe that you believe may be making it more difficult to create a sufficient supply of housing affordable to Snohomish County residents at all income levels?

Construction Costs - Woods Creek Village - Monroe in 2013 - \$119 psf
Twin Lakes Landing II Marysville preliminary estimates - \$265 psf
Costs have more than doubled over past five years

Why?

- Costs of more energy efficient materials;
- Material costs in general;
- Capacity reduced by attrition and job loss during the 2008 recession;
- Market demand for construction has exceeded the local capacity;
- GCs importing trades and subcontractors from outside the region;

Alternative Construction Practices

TWIN LAKES LANDING

- 50 Units of Residential
- Largest Modular Multifamily Affordable Housing Project in Western Washington
- \$241 psf

Question 4: What are the 3 most important things that County, Cities or Tribes could do to help increase housing affordability in Snohomish County?

- 1) *Mitigation on Impact Fees (City of Everett, City of Marysville, and City of Monroe have been leaders in this regard).*
- 2) *Parking variances from municipalities for creating affordable/homeless household units. About 70% of normal parking capacity.*
- 3) *Design review processes allow discretionary flexibility for cost effective design that balances design intention with the underlying goal of safe, decent, and affordable housing **in a timely manner.***