



**EDI Housing Affordable through the Work Force (HATWF)
Funding Request**

Background:

In the summer of 2011, Whatcom County Council approved the EDI Impact Fee Loan Program known as the Housing Affordable through the Work Force program. This program was initiated to support investments in affordable housing. Using the Public Utilities Improvement Fund for loans to cover the construction costs associated with public infrastructure was identified as an eligible use of funds. funded through the Economic Development Investment fund in the amount of \$1,200,000 and initiated to encourage more affordable housing opportunities. Loans reduce the high cost of housing by offering loans to cover the cost of eligible public facility costs. These include Water/Sewer/Storm Drainage utility connection fees and impact fees.

This program has been supplemented with additional funding in the amount of \$500k in each of the following years: 2018, 2021 and 2023.

The program has been very successful over the last 13 years as 153 loans have been granted for a total amount of \$2,486,725.48. The majority of those loans have been for single-family owner-occupied affordable homes. These single-family owner-occupied affordable home impact fee loans have a loan term of 50 years or paid back at the time of sale.

A smaller number of these impact fee loans have been granted to eligible builders for renter occupied attached housing intended to maintain long term affordability. These loans are secured through a recorded Declaration of Restrictive Covenant with the housing agency and have a loan term of 20 years.

Of the 153 loans dispersed, 33 have been repaid in the amount of \$514,304.47. The loan repayments are deposited back into the EDI Fund.

Request:

The current fund balance for this program is \$86,740.64. Housing agencies typically apply up to 10 loans for each project. The impact fee loans average \$18k each depending on the jurisdiction. If another 2024 application is submitted we will not have enough budget authority to approve funding.

We are seeking a recommendation from the EDI Board for funding in the amount of \$250k to ensure adequate budget authority is available future EDI loan application requests for the remainder of 2024. New funding will be requested during the upcoming biennial budget process to ensure \$500k is available for 2025-2026.