



Memorandum

TO: SATPAL SIDHU, COUNTY EXECUTIVE

FROM: Ann Beck, Human Services Manager

DATE: 5/13/22

RE: Discussion of proposed investments of ARPA funds to support affordable housing projects in 2022.

This notice is to inform Council of an upcoming supplemental budget request for additional ARPA funds to support both preservation and development of affordable housing projects in Whatcom County.

Background and Purpose

Whatcom County has an insufficient supply of affordable housing for both renters and homeowners. This perpetuates housing instability for low income households in the community. During the biennium budget approval, Council approved \$1,000,000 of Whatcom County's ARPA funds in 2022 to support affordable housing projects. Since that time, two important investment opportunities have been identified that require funding in 2022 that exceeds current budget authority.

Mercy Housing seeks support to purchase and preserve affordability of the Evergreen Ridge Apartments in Bellingham. This 143-unit complex currently provides affordable housing for households earning 60% AMI or less but will default to market rate rents unless acquired by an affordable housing organization. Mercy Housing is requesting \$2.6 million from each Whatcom County and \$4.3 million from the City of Bellingham to purchase the complex and keep those units from losing affordability.

Kulshan Community Land Trust seeks \$1.25 million to purchase 8 acres in the City of Ferndale. The land has potential for more than 80 permanently affordable homes marketed as workforce housing and available to families earning 30-80% AMI. Development plans include homeownership opportunities.

The total of these purchases exceeds the current budget authority and a request for an additional \$2.2 million of ARPA funds will be introduced at Council on 6/7/22. (A portion of the Evergreen Ridge purchase will also use 1590 development funds.) The Whatcom County Housing Advisory Committee supported the use of ARPA funds for both these projects at their April meeting, and the County Executive would like to write a letter of support to meet timelines necessary for the success of the projects.

Please call Ann Beck, HS Manager at 6055 if there are any questions. Thank you.

