

2024 Housing Bond Close-Out

HOUSING COMMITTEE

MAY 4, 2026

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2024 Housing Bond Close-Out

Council Priority Alignment

- ▶ Affordable Housing, Great Neighborhoods

Purpose

- ▶ Propose options to close-out the 2024 Affordable Housing Bond for Committee discussion and action, if desired.

Key Takeaways

- ▶ After recent approvals and holds for active RFPs, the balance remaining in the 2024 Affordable Housing Bond is \$8,681,377.
- ▶ The allocation goal established in the Affordable Housing Funding Policy for Rental Housing Production has been exceeded. Staff recommends balancing the overage against Housing Rehab (\$1 M) Innovation (\$3.6 M) and Supportive Housing (\$1 M).
- ▶ Two proposals for Rental Housing Preservation have been submitted totaling \$8.1 M, and three proposals totaling \$12.1 M have been deferred from the recent RFP.
- ▶ Multiple options are available to close-out the 2024 bond, including opening a Summer RFP, re-allocating available balance to fund NOAH proposals or deferred developments, and holding the balance while policy changes are deliberated.

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Housing Trust Fund Forecast

Housing Trust Fund Balance	
Housing Trust Fund Current Balance	\$40,748,377
Less Approved Developments 4/27	(\$26,467,000)
Less Holds for RFPs in Process	(\$5,600,000)
Housing Trust Fund Ending Balance <i>(if all recommended projects are approved)</i>	\$8,681,377

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Deferred and Proposed Developments Summary

Project Name	Developer	Address	Council District	Type	Total # Afford. Units	City Funding Requested	City Cost Per Unit	Location Score	Negotiated Affordability
Rental Housing Production									
The Grier Reserves	DreamKey Partners, Inc.	3500 Ellington Street	1	Rental	150	\$ 7,000,000	\$ 46,667	29.0	99
Nevin Trace	Woda Cooper Companies, Inc.	6230 Statesville Rd	2	Rental	144	\$ 4,320,000	\$ 30,000	19.9	99
					Subtotal	\$ 11,320,000			
Innovation									
Modular Home + ADU	West Side CLT (West Side Community Land Trust)	5 Scattered Sites	2	Modular + ADU	10	\$ 800,000	\$ 80,000	n/a	TBD
					Subtotal	\$ 800,000			
Rental Preservation & Anti-Displacement									
The Resene at Waterford Lake	Ascent Housing + Housing Impact Fund	8725 Kody Marie Court	6	Rental Preservation	140	\$ 3,250,000	\$ 23,214	15.80	20
Kimmerly Glen	Ascent Housing + Housing Impact Fund	4908 Endolwood Drive	5	Rental Preservation	260	\$ 4,850,000	\$ 18,654	19.10	20
					Subtotal	\$ 8,100,000			
					Total	\$ 20,220,000			

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Bond Close-Out Options

- ▶ **Open a Summer Request for Proposal (RFP) round to activate remaining funds in current investment categories**
- ▶ **Re-allocate available balance across categories to fund proposed Rental Preservation (NOAH) developments**
- ▶ **Hold balance while policy changes are deliberated**

Staff Analysis

- ▶ **NOAH proposals represent a ready-now opportunity to preserve units, prevent displacement, and support vulnerable populations, but would effectively exhaust the 2024 bond funding.**
- ▶ **There are upcoming opportunities in the Shelter/Supportive Housing and Homeownership categories. Can potentially be advanced with federal funds.**
- ▶ **Staff have worked to cultivate Innovation opportunities but no concrete proposals to-date.**
- ▶ **Site Acquisition category could be a risk. City has not received any fee-in-lieu payments in FY 2026 so HTF balance is the only funding currently available for this activity.**

Housing Trust Fund Allocation Goals

Investment Category	Goal	Balance	Hold for RFPs in Process	Approved HTF Investments	Category-to-Goal	Staff Balancing Recommendation	Balance
Rental Housing Production	\$35 M	\$11,213,000	-	\$16,813,000	(\$5,600,000)	\$5,600,000	\$0
Homeownership	\$25 M	\$12,371,000	-	\$9,654,000	\$2,717,000	-	\$2,717,000
Rental Housing Preservation	\$14 M	-	-	-	\$0	-	\$0
Supportive Housing and Shelter Capacity	\$9 M	\$2,750,000	-	-	\$2,750,000	(\$1,000,000)	\$1,750,000
Housing Rehab and Emergency Repair	\$5 M	\$5,000,000	\$4,000,000*	-	\$1,000,000	(\$1,000,000)	\$0
Innovation Pilot Fund	\$5 M	\$5,000,000	-	-	\$5,000,000	(\$3,600,000)	\$1,400,000
Site Acquisition	\$5 M	\$2,600,000	-	-	\$2,600,000	-	\$2,600,000
Administration & Evaluation	\$2 M	\$1,814,377	\$1,814,377*	-	\$0	-	\$0
Total	\$100 M	\$40,748,377	\$5,600,000	\$26,467,000	\$8,467,000	-	\$8,467,000

*Requests for Proposals are currently in process for these categories. Holds represent the estimated investment.

Upcoming Committee Topics

► Affordable Housing Funding Policy [referral]

- Committee will continue discussion of the policy and propose updates to investment priorities and allocation goals.

► Public Development Model [referral]

- Staff will propose a recommendation to activate further exploration of this model, as directed by Committee at the January meeting.

► Accessory Dwelling Units [referral]

- Committee will review the Accessory Dwelling Unit pilot program and provide feedback and direction.

2026 Housing Bond and Policy Revisions

► May

- May 4 – Manager’s Budget
- May 11 – Budget Public Hearing
- May 18 – Council Straw Votes

► June

- June 1 – Housing Committee discuss investment priorities and allocation goals based on proposed bond amount and public input.
- June TBD – Based on Committee direction and discussion, staff propose policy revisions for Housing Committee discussion.

► July

- July 6 – Housing Committee finalizes policy revision. Action to move forward to full Council if desired.

Discussion