



**COMMUNITY DEVELOPMENT DEPARTMENT
501 North Anderson Street, Ellensburg WA 98926**

MINUTES OF ELLENSBURG CITY AFFORDABLE HOUSING COMMISSION

Date and Time: Affordable Housing Commission meeting, January 4, 2023 - 4:30 p.m.

Place of Meeting: Hybrid Meeting In-person and via Zoom

Present (in-person): John Perrie

Present (virtual): Sarah Bedsaul, Hannah Tower, Sarah Beauchamp, Jordan Ruhle

Absent:

Others Present: Jamey Ayling, Community Development Director; Marsha & Stephen Greenfield, Daniel Witkowski

Others Present Via Zoom: Tahania Peratrovich, Kim Funston

1. CALL TO ORDER AND ROLL CALL OF MEMBERS

Ayling called the meeting to order at 4:30 pm. Roll call completed.

2. APPROVAL OF THE AGENDA

Commissioner Perrie made a motion to approve the agenda. **Motion passed 5-0.**

3. APPROVAL OF MINUTES

Commissioner Perrie made a motion to approve minutes from November 2, 2022, as presented. **Motion passed 5-0.**

4. NEW BUSINESS

A. Introduce candidates for the vacant commission seats. Jeannette Ibarra-Ortega, Daniel Witkowski, Joseph Chang, Tahania Peratrovich, Kim Funston

Daniel Witkowski (present) and Kim Funston (virtual) spoke to the Commission about their interest in being a Commissioner.

B. Review Catherine Park proposal process and update on applications received.

Habitat for Humanity submitted a letter of interest and application. Proposal was discussed.

Inversion Build submitted a letter of interest. Proposal was discussed. They are not asking for monies so it would be 80% AMI.

Commissioners agreed that both submittals will move forward. At the next meeting the applications will be discussed in depth and the Commission will determine if or which project will be recommended to move forward to City Council.

5. UNFINISHED BUSINESS

a. Housing Action Plan Implementation

Ayling provided a progress update on #12 & #13 on the list.

6. CITIZEN COMMENT

Stephen Greenfield commented on concerns over the Catherine Park development siting concern over the potential negative changes to the neighborhood and his parcel.

Marsha Greenfield commented on concerns over the Catherine Park development affecting her son's mental health negatively.

Tahania Peratrovich (virtual) spoke to the Commission about her interest in being a Commissioner.

7. STAFF UPDATE/DISCUSSION ITEMS

a. Monthly Budget Report was presented by Director Ayling.

A subcommittee was formed for interviews of the Commission applicants. Interviews will be scheduled.

Inversion Build will be given 30 days to submit their application for Catherine Park.

8. Commission Representative Update

Commission Representative role was clarified.

Next meeting scheduled for February 8, 2023, 4:30 pm

9. Adjourned at 5:30 pm

AFFORDABLE HOUSING APPLICATION

Signature of Authorized Applicant
Representative
(See Attached Authorization)

Date signed	09/30/2022
Name of Authorized Applicant Representative and their title	Brett D'Antonio, CEO
Project Name	Catherine Park
Agency Name	Habitat for Humanity Seattle King-Kittitas County
Contact Person	Emily Freeborn
Mailing Address	560 Naches Ave SW
City	Renton
State	Washington
Zip Code	98057
Phone Number	253-590-6977
Email Address	emily.freeborn@habitatskc.org
Primary Street Address	501 N ANDERSON ST
City	Ellensburg
State	Washington
Zip Code	98926
Tax Parcel ID#	694034
Check all that apply	• Acquisition • New Construction
Select one	nonprofit organization 501(c) 3
Select one	Yes
If you answered yes, please indicate funding	City of Ellensburg Sales Use Tax

source

Please indicate City sales tax funding request

Sales tax funding request

\$\$ Amount	\$675,000
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Total project budget

\$\$ Amount	\$4,378,094
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Briefly summarize your proposed project in a couple of paragraphs; include a general statement of the project's overall purpose, scope, and intent. (300 words or less)

Habitat for Humanity (HFH SKKC) serving King and Kittitas Counties provides homeownership opportunities to low and very low income families. This project of 10 cottage style homes would serve a range of household sizes ranging from 1-6 with all homes sold to those making less than 80% AMI, with three of the homes reserved for those making 60% AMI or less. The amount of our request is \$675,000 to support the site work and construction of three homes within the development.

The three homes would serve households at or below 60% AMI. Habitat ensures permanent affordability by creating a land trust. This method ensures the homes remain affordable through its 99-year. The land lease is renewable, inheritable, includes resale restrictions and a resale formula that allows for equity creation that provides the owner an average of \$48,300 in equity creation, based on past land trust resale properties.

The proposed development offers 10 two-story cottage style homes which will offer a blend of 2 bedroom 2 bath and 3 bedroom 2 bath homes. Each cottage home offers a flex space which could be used as an office, small den or for a growing family. The home floor plan is designed with efficiency in mind to keep costs down while not sacrificing the flow of a home plan or style. This development would embrace the community

living approach by constructing the cottage homes along the perimeter with each home facing inward towards the ample green space. Each home offers an oversized front porch which will allow an enjoyable park-like living. This overall approach is intended to increase construction efficiencies while not sacrificing the green space. With this cottage style approach, Habitat for Humanity would be building not...

... just homes but a community centered living style.

Please select the primary target population and household income for each unit or group of units requested to be funded by City sales tax. If a unit has the potential to be targeted to more than one population group listed, please type in “multiple population groups” and describe in the notes field provided below.

At or below 30%

35%

40%

45%

50%

55%

60%

% of Area Median Income	60%
Population group	Mixed
Qty	3
Unit type	2-3 Bed Cottage Home
Tenant monthly rent/mortgage	\$500-\$700

Above 60%*

% of Area Median Income	80%
Population group	Mixed

Qty	7
Unit type	2-3 Bed Cottage Home
Tenant monthly rent/mortgage	950-1100
If applicable, multiple population group notes	Mixed population to apply.
Please include ALL housing units in the project. Projects proposed for City funding must serve households earning 60% or less of Area Median Income and meet one or more of the identified population groups in Section H. If applicant is applying for City funding for a mixed-income development the funding request must be proportional to the number of units that will serve households earning 60% or less of Area Median Income and meet one or more of the identified population groups in Section H.	
At or below 30%	
35%	
40%	
45%	
50%	
55%	
60%	
2 Bed	2
3 Bed	1
Total Units	3
Above 60%*	
2 Bed	3
3 Bed	4
Total Units	7
Total	
2 Bed	5
3 Bed	5
Total Units	10

of ADA Compliant Units

2 Bed	0
3 Bed	0
Total Units	0

Average Square feet

2 Bed	1100
3 Bed	1200
Total Units	1150

The following targets have been identified as having a tangible benefit for intended residents. Please check all that apply to the proposed project location.

- Within 1/2 miles of public transit stop
- Within 1/2 mile of park or recreation area
- Within 1/2 mile of public school
- Within 1/2 mile of senior center
- Within 1/2 mile of grocery store with fresh food
- Within 1/2 mile of medical services

Please describe how this project will provide opportunities for beneficiaries to build financial stability. (100 words or less)

Kittitas County is a cost-burdened community with those at 80% or lower AMI paying more than 30% of their monthly income towards their housing costs. Habitat for Humanity SKKC provides families and individuals the opportunity to attain financial stability through an affordable mortgage and a permanently affordable housing opportunity. The Homeowner Service Team works with clients to provide them with Housing Counseling. Additionally, homebuyers attend financial workshops and courses to become fully prepared for home ownership. HFH SKC homebuyers not only obtain a wealth of knowledge, assistance and preparation but equity through the shared appreciation at 1.5% per year.

Please describe how the proposed project will promote a sense of place and community for intended residents and the greater Ellensburg community. (100 words or less)

A sense of place and community is created where Habitat builds as it utilizes a sweat equity model that requires at least 250 hours of volunteer labor by each homeowner. Before the

families move in they are well acquainted with their neighbors with whom they've worked alongside them helping build each other's homes. Co-founder of Habitat, Clarence Jordan stated: "What the poor need is not charity but capital, not caseworkers but coworkers. And what the rich need is a wise, honorable and just way of divesting themselves of their overabundance."

Please describe other tangible benefits the project will have for the intended beneficiaries as well as the greater Ellensburg community. (200 words or less)

The creation of homeownership units as opposed to rental units and the wealth creation that follows the ownership of real estate leads to low income families in the community being able to move up in the housing continuum from renters to owners and ideally from Habitat homeowners to one day being able to afford a unit on the open market, unsubsidized. The equity creation is realized through the ownership model and passed through generations of the families creating more economic opportunities for the individuals and community. Other tangible benefits of the project include housing the vital workforce of Ellensburg which includes public school employees, city and county employees, agricultural workers and those within the service industry. By providing housing for the workforce, the City of Ellensburg is taking care of the workforce that keeps stability in a rural community.

Please note a minimum 20 year period of affordability will be required for any housing projects receiving City funding assistance. (200 words or less)

The 10 cottage style homes will be held by a land trust administered by HFHKKC ensuring that more than just 10 families benefit from this public investment of sales tax dollars. Affordability of the development will remain in perpetuity through the use of the 99-year, renewable, inheritable ground lease, well beyond the minimum 40 years required. Because of the resale restriction giving

Habitat the first right of refusal for purchase, the resale will again serve buyers <80% AMI. When homeowners sell their home it is resold to Habitat with the agreed upon resale formula within the ground lease. The resale formula allows a guaranteed modest annual appreciation rate (1.5%) that offers the homeowner the ability to earn equity above and beyond their monthly principal contributions while also allowing Habitat to ensure they can buy the home back from the first owner and re-sell it to another low income homebuyer.

Describe what this project will accomplish and how the proposed housing units will help meet the community's housing needs as identified in the current Ellensburg Housing Needs Assessment data available at: <https://ci.ellensburg.wa.us/1069/Housing-In-Ellensburg>. Please only include information not covered in Section 2 – Community Impacts. (500 words or less)

HFHSKC recognizes that new housing production is needed to accommodate the anticipated growth in the area. Addressing the lack of middle housing continuum is essential in order to meet the demand. The City of Ellensburg 2021 Housing Action Plan shows a need to build an average of 281 units per year between 2020 and 2037. According to Zillow and Redfin market data, the Ellensburg area experienced a boom in home values of nearly 47% between 2014-2019. The market hasn't slowed down and values have stayed steady through mid-2022. With high home values, high cost to construct and high interest rates comes a narrowed window of affordability for those who are already cost burdened. One of the largest barriers to first time homebuyers is a down payment but combined with a high value market this has left no foothold for the low income buyer to partake in one of the most competitive home buying markets. HFHSKC's homeownership method helps break down the hurdles for low income home buyers by providing an affordable mortgage solution and down payment assistance. Combined with a land trust and efficient funding and development practices, HFHSKC creates a smooth entry for those who

never thought homeownership was possible. In 2021, HFHSKKC and the City of Ellensburg made great progress towards the City's goal to increase units with the donation of the land at Water and Bender. Working together and utilizing the sales tax, HFHSKKC will bring 18 new affordable homes to low and very low income homebuyers. This partnership was a step in the right direction and is expected to finish the first six homes by fall of 2023. Much like the Stuart Meadows development, this proposal will help to make a dent in the affordable housing need set forth by the City of Ellensburg. The proposed 10...

... cottage-style home development is an example of the many options that exist for the surplus land in the City. By partnering together and providing a creative approach, we are confident that our team can bring additional affordable homes to the community of Ellensburg which would remain affordable into perpetuity.

Applicant Firm Name	Habitat for Humanity Seattle King Kittitas County
Contact person and title	Emily Freeborn, Public Funding and Grants Manager
Phone Number	253-590-6977
Email Address	emily.freeborn@habitataskc.org
Address	560 Naches Ave SW
City	Renton
State	Washington
Zip Code	98057
Federal Tax ID #	911342397
Unified Business Identifier	601059723
Architect Firm Name	Studio L&L, PLLC

Contact person and title	Lathan Wedin, Architect
Phone Number	509-607-6807
Email Address	lathan@studio.landl.com
General Contractor Firm Name	Habitat for Humanity Seattle-King County
Contact person and title	Patrick Sullivan, COO
Phone Number	206-855-5004
Email Address	patrick.sullivan@habitatskc.org
Property Management Firm Name	TBD
Contact person and title	Mia Walterson, Chief Program Officer
Phone Number	206-855-5213
Email Address	mia.walterson@habitatskc.org

For completed projects, list only projects completed in the last 5 years.

1

Project Type	SF
Activity Type	New Constr
Role (owner, developer, etc.)	own, dev
City and State	Seattle, WA
# Units	13
Project Start Date	1/1/2021
On Time/Budget? Y or N	Y
Placed in Service Date	10/2021
Type of Financing	Office of Ho

2

Project Type	SF
Activity Type	New
Role (owner, developer, etc.)	own, dev
City and State	Sammamish, W

# Units	10
Project Start Date	01/2016
On Time/Budget? Y or N	Y
Placed in Service Date	06/2019
Type of Financing	HOME, SHOP

3

Project Type	SF
Activity Type	New
Role (owner, developer, etc.)	own, dev
City and State	Pacific, WA
# Units	3
Project Start Date	09/2019
On Time/Budget? Y or N	Y
Placed in Service Date	06/2020
Type of Financing	HFHKKK

For pipeline projects, list projects for which you plan to seek funding in the next 12 months or have received at least one funding commitment.

1

Project Type	SF
Activity Type	New Construc
Role (owner, developer, etc.)	own, dev
City and State	North Bend
# Units	7
Project Start Date	5/2021
On Time/Budget? Y or N	Y
Placed in Service Date	12/31/22
Type of Financing	HTF

2

Project Type	MF
Activity Type	New Const
Role (owner, developer, etc.)	own, dev
City and State	Burien, WA
# Units	40
Project Start Date	11/1/22
On Time/Budget? Y or N	Y
Placed in Service Date	12/31/2025
Type of Financing	HTF, HOME,

3

Project Type	SF
Activity Type	New Con
Role (owner, developer, etc.)	own, dev
City and State	Seattle, WA
# Units	12
Project Start Date	8/25/2022
On Time/Budget? Y or N	Y
Placed in Service Date	12/31/2023
Type of Financing	Office of Ho

As applicable, please list similar projects that your organization, or your selected Property Management firm, has managed or currently manages.

1

Projects	Single Fam
City and State	Seattle, W
# Units	13
Unit Type	TH

Target Population	80%
Eff. Date of Mgt. Contract	10/2021
End Date (or current)	NA
2	
Projects	Single Fam
City and State	Pacific, W
# Units	3
Unit Type	TH
Target Population	80%
Eff. Date of Mgt. Contract	6/2020
End Date (or current)	NA
3	
Projects	Single Fam
City and State	Sammamish,
# Units	10
Unit Type	Cottage
Target Population	80%
Eff. Date of Mgt. Contract	01/2019
End Date (or current)	NA
4	
Projects	MF
City and State	Seattle, W
# Units	23
Unit Type	TH
Target Population	80%
Eff. Date of Mgt. Contract	01/2014
End Date (or current)	NA

Notes on target population served

All 80% and under AMI

Please complete all information applicable to your project. Include all financing term assumptions even if they are funder's standard terms. Include funds contributed by applicant through initial start-up capital or expected applicant contribution.

1

Name	Sales Use
Type	City
Proposed Amt.	1,275,000
Committed Amt.	tbd
Date Applied	9/30/22
(Projected) award date	NA
Grant/Loan	Loan
Term	50
Payment Structure	Deferred

2

Name	HTF
Type	State
Proposed Amt.	1,600,000
Committed Amt.	tbd
Date Applied	9/2023
(Projected) award date	NA
Grant/Loan	Loan
Term	25
Payment Structure	Deferred

3

Name	HFH
Type	Private

Proposed Amt.	2,916,188
Committed Amt.	tbd
Date Applied	NA
(Projected) award date	NA
Grant/Loan	Grant
Term	NA
Payment Structure	NA
What other funds are expected, how will the city funds be used to leverage other funds? (100 words or less)	HFHSKC is committed to providing all necessary funding for this project outside of the City funds regardless of future application decisions but we will still pursue these sources nonetheless in order to leverage the City funds. The City funds will be leveraged on a future application to the Housing Trust Fund (HTF) in 2023. Additionally, HFHSKC will apply to HUD SHOP and CHIP funds as they come available.
Your narrative response must focus on the in-kind contributions, volunteers, and pro-bono services that will be used for the proposed project, and not the agency in general. (100 words or less).	HFHSKC will utilize in-kind contributions on our projects including donated appliances, paint, house wrap, and foam board as provided by large scale partnership Habitat for Humanity International provides to HFHSKC. Volunteer labor will be a large part of our project as we utilize both homebuyers and general community support on our construction sites to reduce the cost of labor to build.
Please describe activities that demonstrate active partnerships and/or regular coordination with other relevant public, nonprofit, and private entities that support similar goals or related activities. Examples might include membership on advisory groups, financial contributions, sharing data or best practices, and soliciting input from community partners. Your narrative must focus on community partnerships that will	We recognize the value of partnerships of local community based organizations as well as regional organizations that uphold and share like visions and goals. The local Habitat for Humanity Kittitas office has a strong presence in the local community and has engaged the leaders at Central Washington University's Construction Management Program to collaborate with HFHSKC on the Stuart Meadows build as well

be used for the proposed project, and not for the agency in general. (300 words or less)

as future builds such as this proposal. Partnerships with the local non-profit, Hope Source are continuing as our team connects resources and refers to like-minded organizations. Our local Kittitas team has engaged with the Central Washington Home Builders Association, OIC, and United Way to further referrals and network within the region. Larger regional partnerships include Rural Community Assistance Coalition (RCAC) as well as working closely with our partners at the state and area office of USDA Rural Development (RD) as we keep a healthy pulse on rural funding opportunities for our service areas. HFHSKKC recognizes that it through our partnerships and networks that we build one another up and are able to work together to provide strong assistance for our communities in need.

Item #121

Site Control - Purchase and Sale Agreement/Optin

Date completed or expected completion	12/1/2022
Notes/Status	We recognize that this is tbd per the City.

Site Control - Closing

Date completed or expected completion	1/30/2023
Notes/Status	Estimated

Feasibility/Due Diligence - SEPA

Date completed or expected completion	3/30/2023
Notes/Status	Estimated

Financing - Appraisal

Date completed or expected completion	12/30/2022
Notes/Status	Estimated

Financing - Financial underwriting

Date completed or expected completion	3/30/2023
Notes/Status	Estimated
Financing - Application/s for other funding source/s	
Date completed or expected completion	2/1/2022
Notes/Status	Estimated
Design/Permitting - Prelim. drawings complete	
Date completed or expected completion	12/30/2022
Notes/Status	Estimated
Design/Permitting - Zoning approval	
Date completed or expected completion	3/30/2023
Notes/Status	Estimated
Design/Permitting - Site plan approval	
Date completed or expected completion	3/30/2023
Notes/Status	Estimated
Design/Permitting - Building/civil permit submitted	
Date completed or expected completion	6/1/2023
Notes/Status	Estimated
Design/Permitting - Building/civil permit issued	
Date completed or expected completion	6/1/2023
Notes/Status	Estimated
Design/Permitting - Other agency permits issued	
Date completed or expected completion	6/1/2023
Notes/Status	Estimated
Construction - Selection of general contractor	
Date completed or expected completion	6/1/2023
Notes/Status	Estimated
Construction - Begin construction	

Date completed or expected completion	7/1/2023
Notes/Status	Estimated
Construction - Issued certificate of occupancy	
Date completed or expected completion	7/30/2024
Notes/Status	Estimated
Occupancy - Selection of management firm	
Date completed or expected completion	NA
Notes/Status	NA
Occupancy - Begin leasing/sales	
Date completed or expected completion	7/30/2024
Notes/Status	Estimated
Amounts in the total project cost must be accounted for in full by assigning them to funding sources as appropriate. Do not combine funding sources in a column. All residential development costs should be included in this budget.	
Acquisition Costs (existing structures, land, closing costs, etc.)	
\$\$ amount of this category	45000
% of total project cost	1%
City funds	0
Applicant funds	45000
Bank funds	0
Construction Costs (demo, new, rehab, overhead/profit, site work, infrastructure costs, etc.)	
\$\$ amount of this category	3,453,594
% of total project cost	78.9%
City funds	1,275,000
Applicant funds	1413094
Bank funds	0
Soft Costs (appraisal, legal, tech. experts, enviro. studies, project mgt., other	

consultants)	
\$\$ amount of this category	409500
% of total project cost	9.4%
City funds	0
Applicant funds	0
Bank funds	409500
Other Development Costs (permits, utility hook-ups, etc.)	
\$\$ amount of this category	470000
% of total project cost	10.7%
City funds	0
Applicant funds	45000
Bank funds	425000
Financing Costs (loan and legal fees, etc.)	
\$\$ amount of this category	0
% of total project cost	0
City funds	0
Applicant funds	0
Bank funds	0
Total Project Cost	
\$\$ amount of this category	4,378,094
% of total project cost	100%
City funds	675,000
Applicant funds	2,103,094
Bank funds	1,600,000
As necessary, include budget narrative to support and/or supplement the information included in the project budget tables above. (100 words or less)	Soft Costs include legal, soft cost contingency, insurance, developer fee, project staff and admin. Other development costs include permit fees and impact fees. Construction Costs include

site improvements, building construction, and construction contingency. The total development costs for this project is estimated at \$4,378,094 . This is an estimate based on past construction costs from recent developments. Total columns are not available to show other leveraged funds we would anticipate in the project which would include CHIP and HUD SHOP. We anticipate applying to HTF dollars for this project if awarded for a total of \$1.6 Million.

Upload all of the following documents:

- 1. Documentation of site control**
- 2. Signed City of Ellensburg pre-funding application submittal**
- 3. Documentation to support collaboration**
- 4. Past 2 years financial and asset statements (NOTE: additional financial information may be requested)**
- 5. Project site/development plan**

- [1._Evidence_of_Site_Control.pdf \(187 KB\)](#)
 - [2._Signed_Affordable_Housing_Application.pdf \(211 KB\)](#)
 - [3._Documentation_of_Support.pdf \(488 KB\)](#)
 - [4._Two_Years_of_Financial_Audits.pdf \(231 KB\)](#)
 - [4.a_2020_Habitat_for_Humanity_SKC_-_Signed_Audit.pdf \(353 KB\)](#)
 - [4.b_FY_2021_Habitat_SKC_Audited_Financials.pdf \(580 KB\)](#)
 - [5._Project_Site_and_Plans.pdf \(1.11 MB\)](#)
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CITY OF ELLENSBURG
CATHERINE PARK

AFFORDABLE HOUSING APPLICATION | COTTAGE HOUSING
HABITAT FOR HUMANITY SEATTLE-KING & KITTITAS COUNTIES



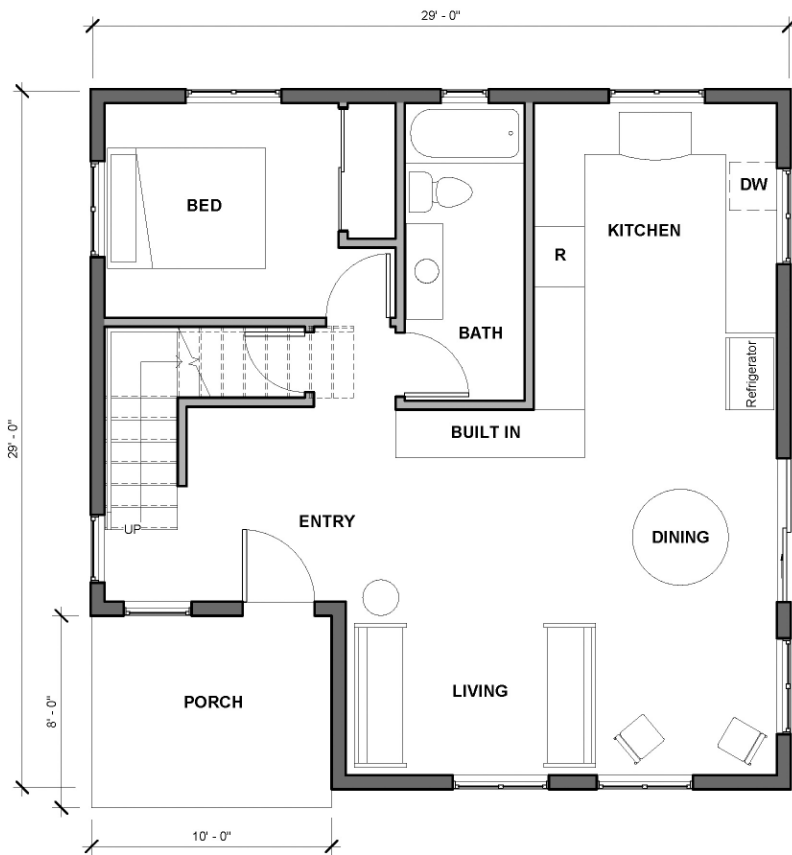


A = 1,110 SF LAYOUT
B = 1,200 SF LAYOUT

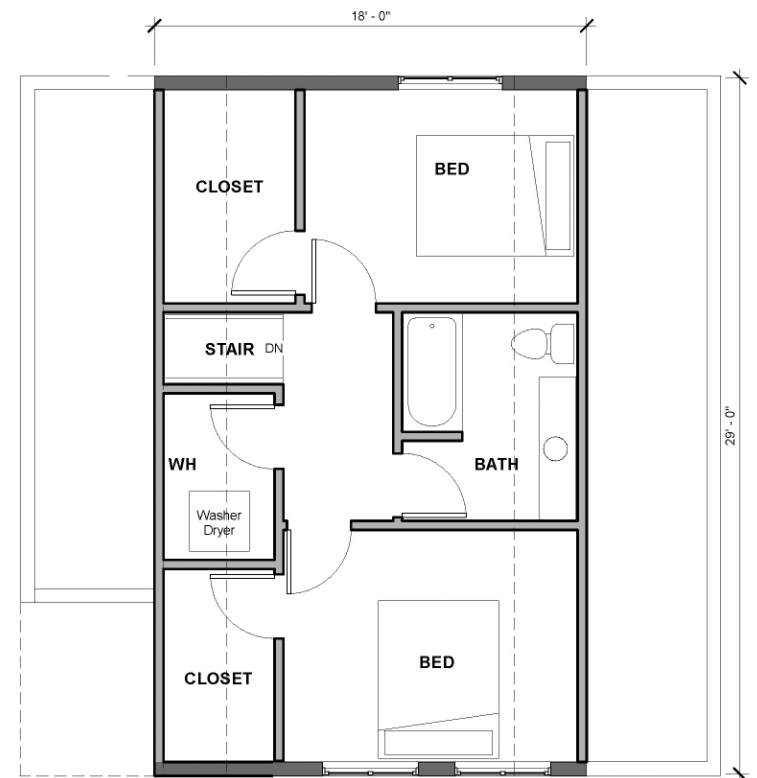
CITY OF ELLENSBURG CATHERINE PARK

AFFORDABLE HOUSING APPLICATION | COTTAGE HOUSING
HABITAT FOR HUMANITY SEATTLE-KING & KITTITAS COUNTIES





MAIN FLOOR | 700 SF



SECOND FLOOR | 500 SF

1,200 SF HEATED AREA
SCHEMATIC LAYOUT B

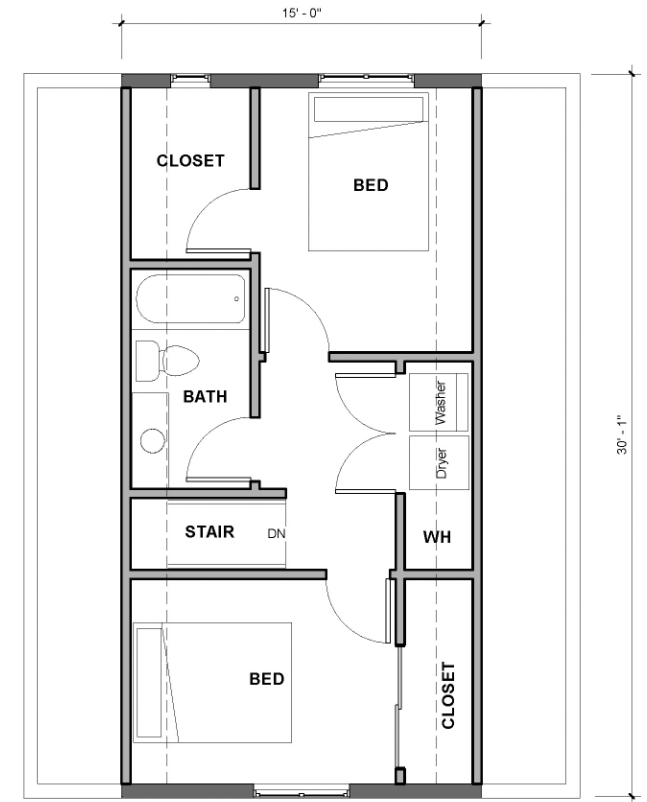
CITY OF ELLENSBURG
CATHERINE PARK

AFFORDABLE HOUSING APPLICATION | COTTAGE HOUSING
HABITAT FOR HUMANITY SEATTLE-KING & KITTITAS COUNTIES





MAIN FLOOR | 660 SF



SECOND FLOOR | 450 SF

1,110 SF HEATED AREA
SCHEMATIC LAYOUT A

CITY OF ELLENSBURG
CATHERINE PARK

AFFORDABLE HOUSING APPLICATION | COTTAGE HOUSING
HABITAT FOR HUMANITY SEATTLE-KING & KITTITAS COUNTIES

