

Five Year Outlook on DCHS Housing Funding Streams

Health, Housing, and Human Services Committee

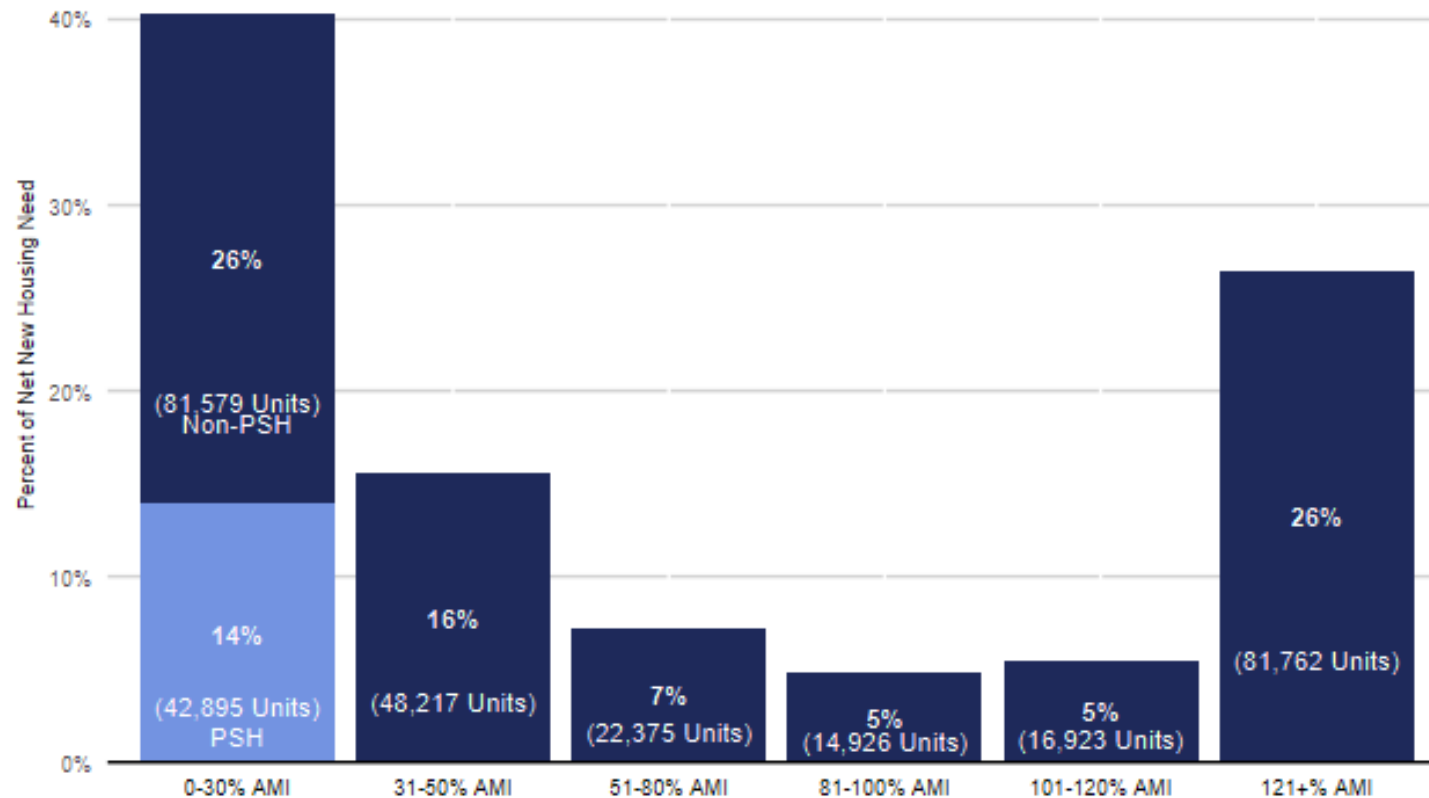
September 11, 2025

 King County

DCHS
Department of Community
and Human Services

King County needs 195,000 units of affordable housing by 2044

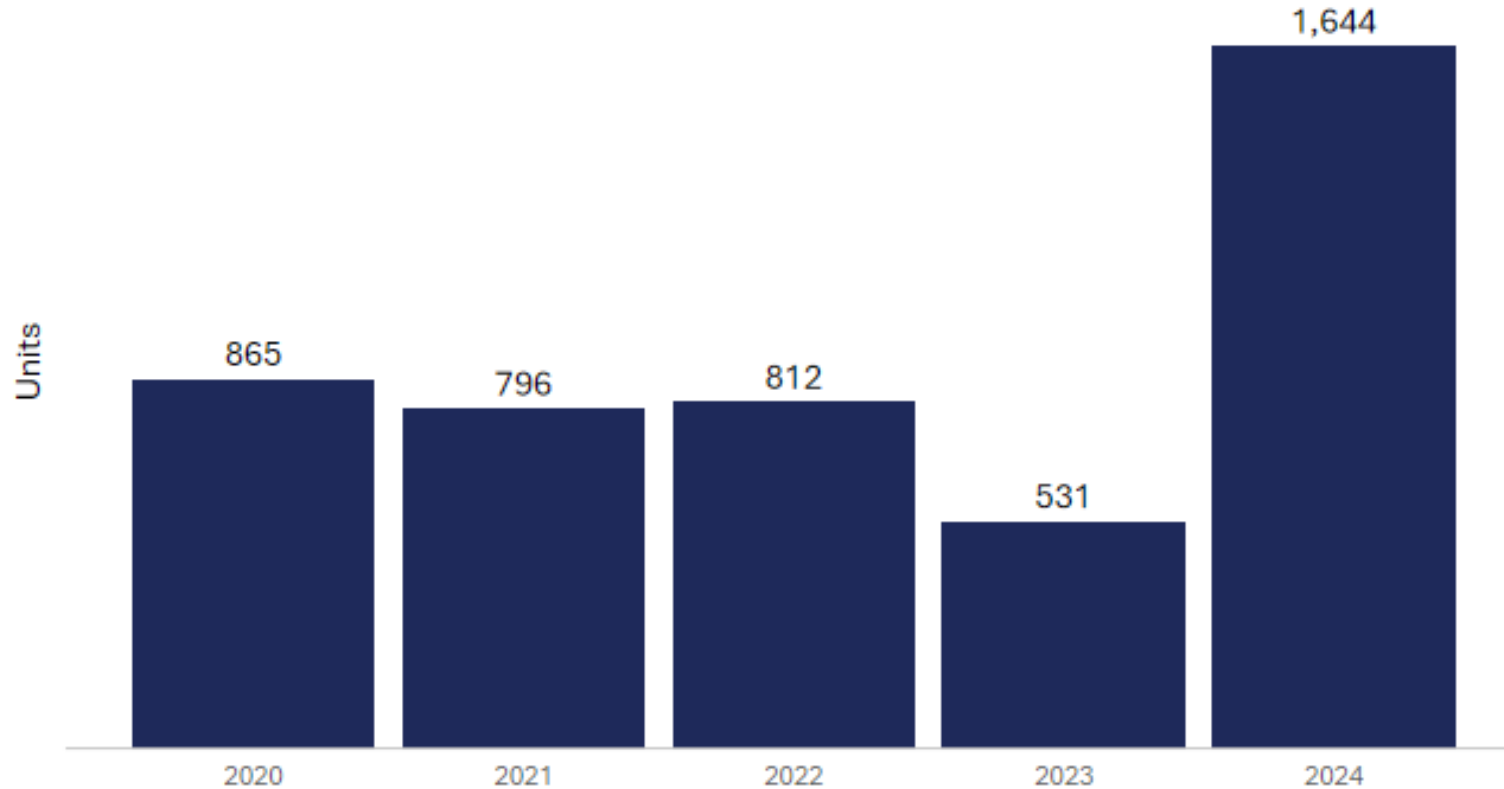
King County Countywide Net New Housing Needed, by Area Median Income (AMI), 2019-2044



Source: King County Countywide Planning Policies

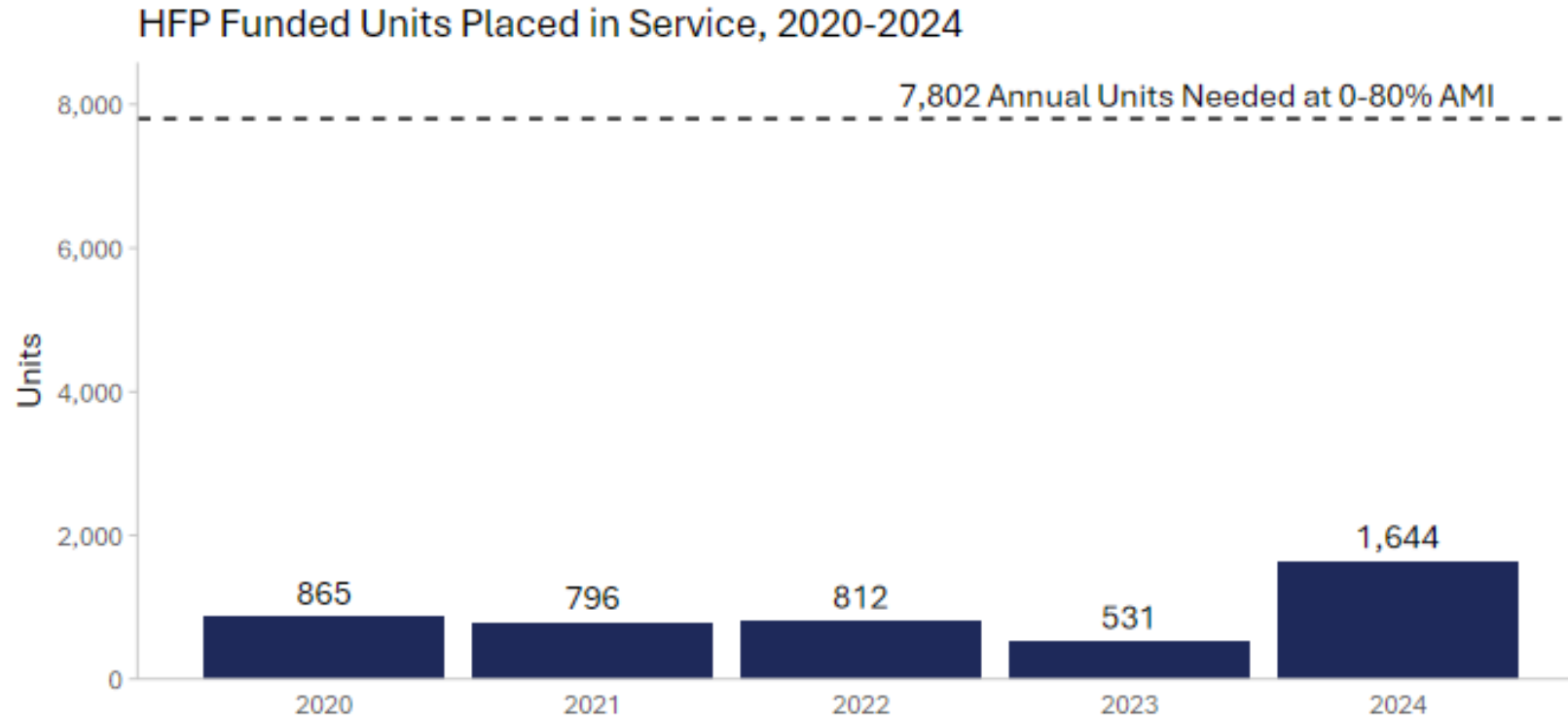
How are we doing? King County funding generated 4,600 affordable units over last 5 years

HFP Funded Units Placed in Service, 2020-2024



Source: King County Housing Finance Program Data

These units provided approximately 12% of regional need over 5 years



Note: Annualized 0-80% AMI need based on Countywide Planning Policies need numbers adopted in Ordinance 2023-0224.

Source: King County Housing Finance Program Data; King County Countywide Planning Policies

Notes: 7,802 units needed annually represents the annualized number of units needed by 2044.

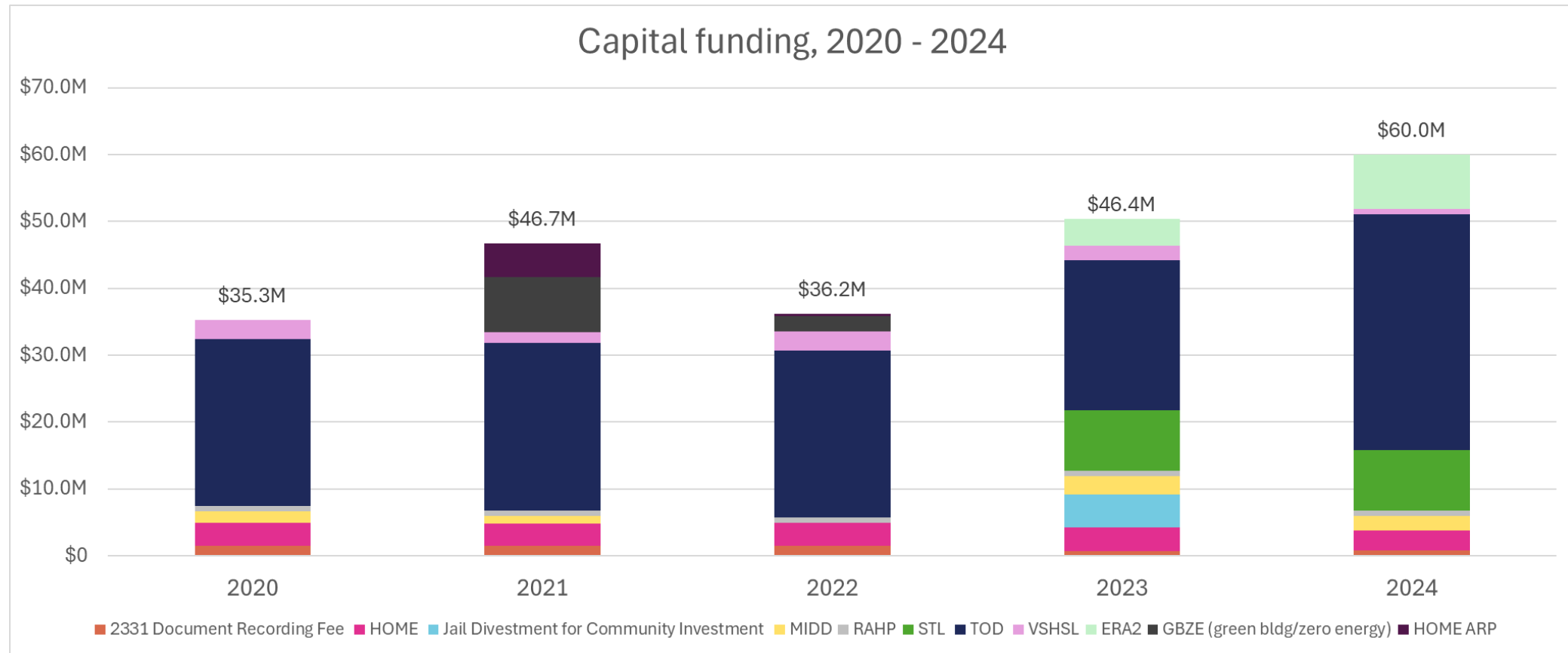
Federal, State, and County determine uses of King County's diverse capital funding sources

- Transit Oriented Development (TOD) Bonds - [RCW 67.28.180](#)
 - <80% AMI
 - Workforce housing near transit
- Short-Term Lodging Tax - [RCW 36.100.040](#)
 - <80% AMI
 - Permanent affordable housing
- MIDD Behavioral Health Sales Tax - [RCW. 82.14.460](#)
 - <30% AMI
 - Capital funds supporting projects serving people with behavioral health and substance use conditions.
- Home Investment Partnerships Program (HOME) - [HUD](#)
 - <60% AMI for rentals, <80% AMI for home ownership
 - Development and preservation of affordable housing

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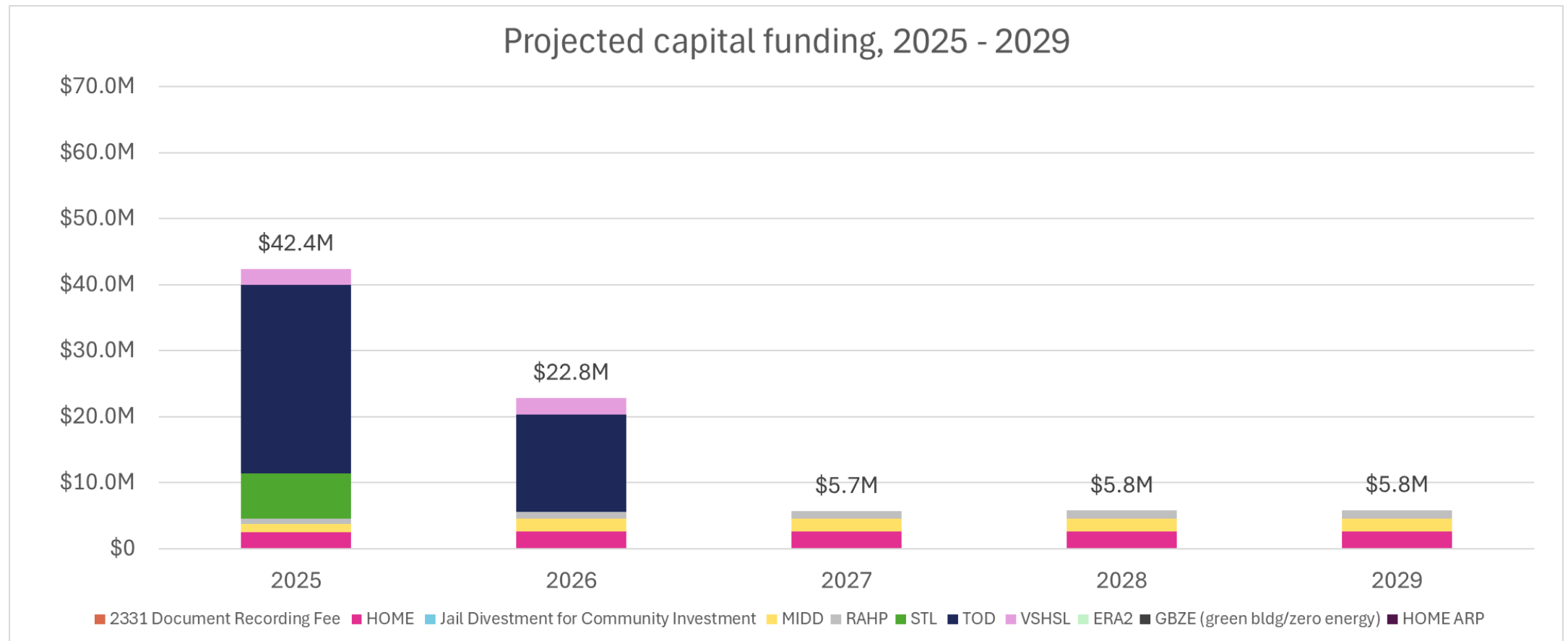
- Document Recording Fees (DRF) – [RCW 36.22.250](#)
 - < 40% AMI
 - High service need households experiencing chronic homelessness
- Regional Affordable Housing Program (RAHP/DRF) - [RCW 36.22.250](#)
 - < 50% AMI
 - Housing for homeless or special needs
- Veterans, Seniors, and Human Services Levy (VSHSL) - [RCW 84.55.050](#)
 - < 80% AMI
 - Housing for very low-income veterans and their households

King County had \$45M/year on average available for housing capital for the last 5 years



Source: King County Housing Finance Program Data

By 2027, King County's available capital investments are expected to decrease to less than \$6M/year



Source: King County Housing Finance Program Data

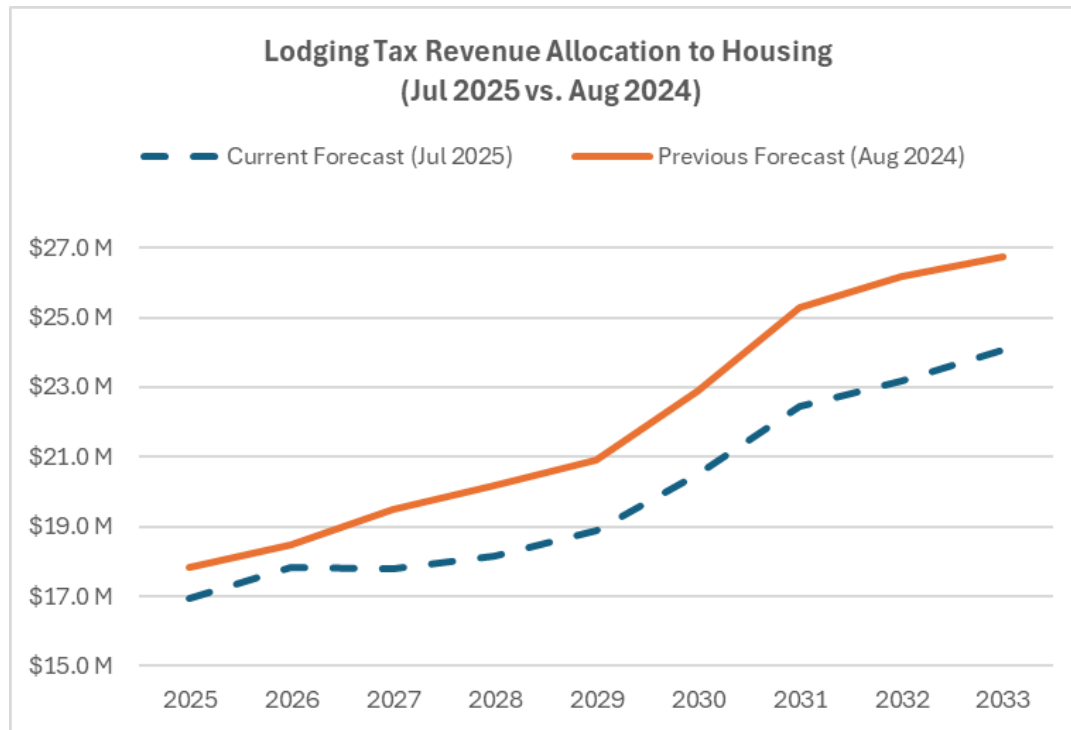
Why: DCHS Housing Capital Funds Nearly Exhausted

- 93% of TOD bonds are committed (\$267M of total \$288M appropriated)
 - HFP anticipates awarding remaining \$20.7M by end of 2026
- 72% of short-term lodging bonds are committed (\$18M of \$25M appropriated)
 - HFP anticipates awarding remaining \$6.9M in 2025
- July OEFA shows underlying revenue sources for TOD and short-term lodging bonds do not support additional bonding capacity over the next few years
- Once all bonds committed, HFP will have a few limited sources (HOME, MIDD, RAHP) to support new affordable housing projects
 - Estimate less than \$6M per year 2027-2029

Summary of All TOD Bond Funds			
TOD Bond Year	Appropriation Amount	Committed or Awarded	Balance Available
2016	\$87,000,000	\$85,850,000	\$1,150,000
2019-2020	\$100,000,000	\$100,000,000	\$0
2023-2024	\$45,000,000	\$40,137,759	\$4,862,241
2025	\$56,000,000	\$41,300,000	\$14,700,000
Total	\$288,000,000	\$267,287,759	\$20,712,241

Summary of 2023-2024, and 2025 Short-Term Lodging Bond Funds			
Bond Year	Appropriation Amount	Awarded	To Be Offered for EDI in 2025 HFP RFP
2023-2024; and 2025	\$25,000,000	\$18,049,194	\$6,950,806

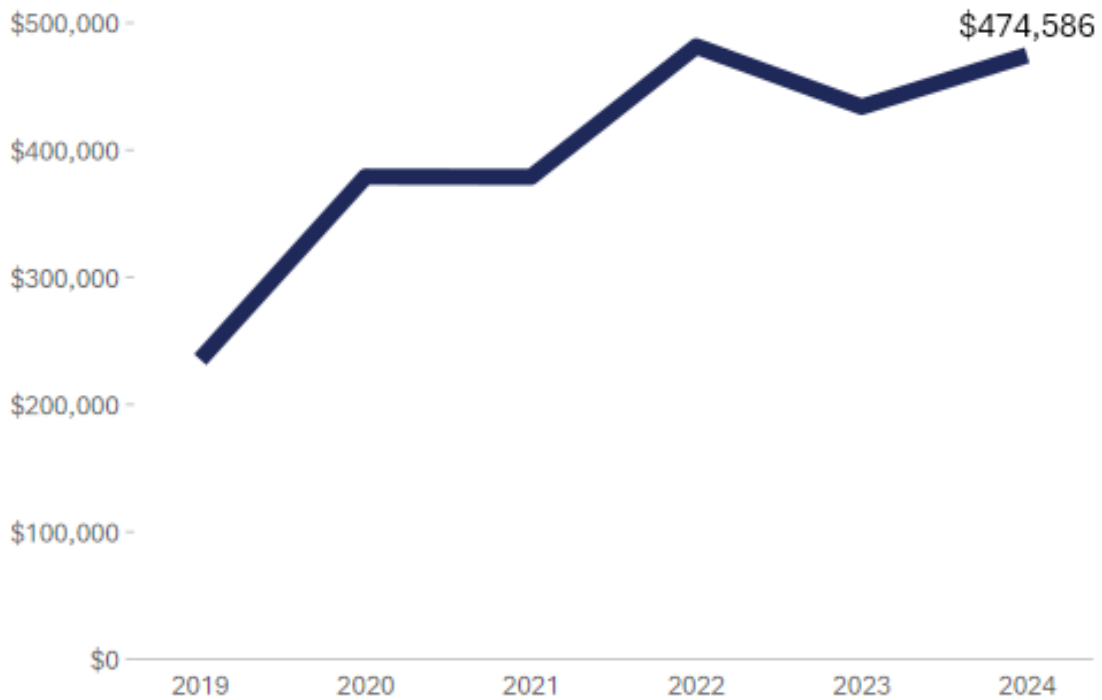
Hotel/Motel lodging tax revenue projections have declined; No capacity for new bonds



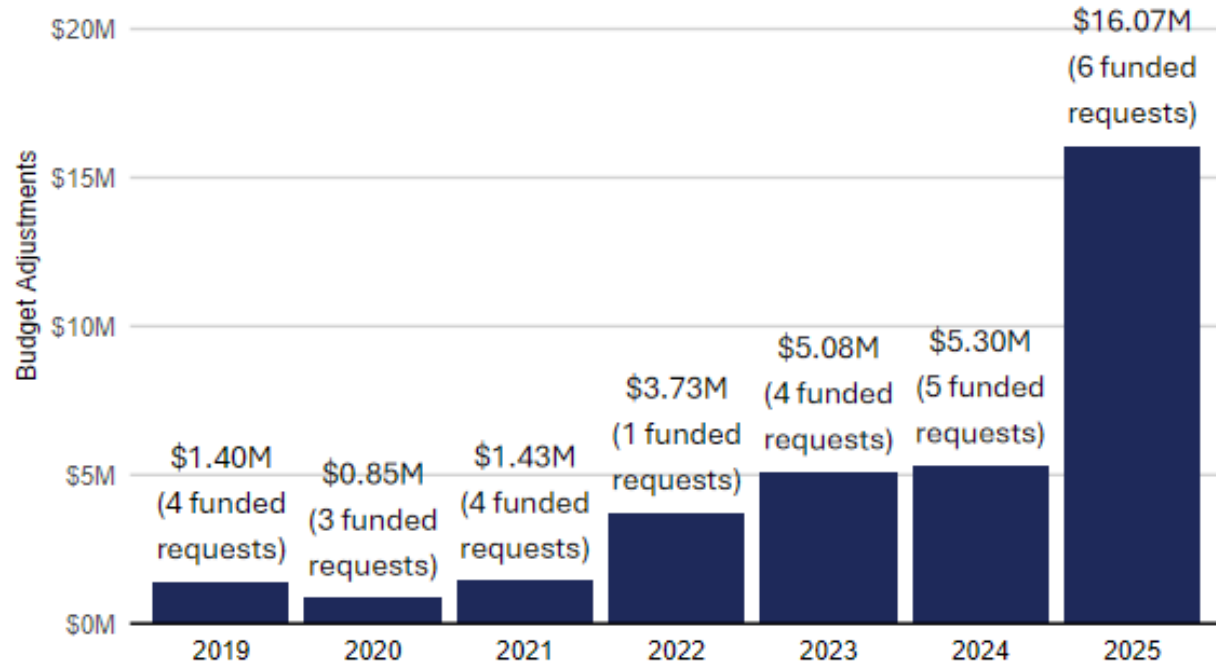
DCHS Housing Allocation Only				
Year	Current Forecast (Jul 2025)	Previous Forecast (Aug 2024)	\$ Change	% Change
2025	\$16.9 M	\$17.8 M	-\$0.9 M	-5%
2026	\$17.8 M	\$18.5 M	-\$0.7 M	-4%
2027	\$17.8 M	\$19.5 M	-\$1.7 M	-9%
2028	\$18.2 M	\$20.2 M	-\$2.0 M	-10%
2029	\$18.9 M	\$20.9 M	-\$2.1 M	-10%
2030	\$20.5 M	\$22.9 M	-\$2.4 M	-11%
2031	\$22.5 M	\$25.3 M	-\$2.8 M	-11%
2032	\$23.2 M	\$26.2 M	-\$3.0 M	-11%
2033	\$24.1 M	\$26.8 M	-\$2.7 M	-10%
2034	\$25.1 M	N/A	N/A	N/A

Development Costs Doubled in 5 Yrs - DCHS added funding to projects to expedite opening homes

Average Total Development Cost Per Unit for King County-funded Projects



King County Gap Funding by Year



Note: Only includes data for projects with 25 or more units. Does not include acquisition projects.



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