Housing WA. ANNUAL CONFERENCE

Housing +

Delivering community assets alongside affordable housing

Vision • partnership • community impact • stewardship

Welcome and introductions



Colin Morgan-Cross

Affordable housing development

Mercy Housing Northwest



Tina Vlasaty

Community development finance

LISC



Michelle Morlan

Development services and partnerships

Lotus Development Partners

Housing +: the questions behind the projects

Non-housing spaces that are co-located with affordable housing developments that deliver connected but distinct community value

Community value

How does the non-housing strengthen the project, neighborhood, and community, and expand impact?

Project feasibility

What does the non-housing require from design, funding, and schedule?

Partner alignment

Which values, roles, expectations, and decisions need early agreement?

Lasting stewardship

How will the spaces remain useful and financially sound?

Process Framework for Housing+ projects

1

Purpose

The “Why” – community outcomes and benefits

2

Program & Partners

What spaces and services are needed and who provides them?

3

Ownership & Structure

Who owns, operates, and decides?

4

Funding

What are the funding sources and how do they map to each use?

5

Stewardship

How will the spaces work over time?

White Center HUB: project overview

CASE STUDY **01**



Community purpose

Multi-use facility focused on:

- fostering connection,
- expanding access to essential services, and
- supporting collaborative community efforts

Project program

- Youth-focused programming
- Health, and wellness, including mental and dental care
- Community space and meeting rooms
- Recording studio

Key partners

White Center Community Development Association, Community Roots Housing, Health Point, FEEST, SWYFS, YES Foundation

White Center HUB: structure and funding

CASE STUDY 01

Ownership and roles

Community Facility - White Center HUB
100% WCCDA
Long term ground lease

Housing - Canopy
51% WCCDA
49% Community Roots Housing

Ownership structure flips after compliance period

Funding approach

$34M project budget

$10M	NMTC Equity (4 CDEs)
$2M	Permanent Loan
$12M	Private grants & Capital Campaign
$10M	State & Federal Allocations

Long-term operations

Community Facility
Fully managed by WCCDA, shared maintanance agreement

Housing
Property managed by Community Roots Housing with capacity building for WCCDA
Expectation of WCCDA management in the future

White Center HUB: lessons learned

CASE STUDY **01**

1	**What strengthened the project**	Deep and long-term relationships with the community and partner organizations
2	**Where complexity showed up**	The financing structure of the project included multiple CDEs, bridge loan with three CDFI lenders. Make sure that entire development team and all lenders understood the project vision and structure.
3	**What we would address earlier**	Understand of value and power that WCCDA brings to the partnership as community based organization. Where to better use their leverage in negotiations.

White Center HUB: panel reflections

CASE STUDY 01

1 Which early decision mattered most?

Securing Health Point as an anchor tenant

2 Where did expectations need more clarity?

Operationalize and implementation of agreements. How do they find their way from leadership to front line staff

3 What would you repeat or change?

Community summits were critical to inform, shape and hold the project accountable to community needs and aspirations

Kent Multicultural Village: project overview

CASE STUDY 02



Community purpose

Help meet the need for inclusive, affordable housing and services for people with Intellectual/Developmental disabilities with Family Resource Center and inclusive Early Childhood Education

Project program

- MHNW & ODMF: 233 affordable homes
- ODMF: Early learning Center (ELC) and Family Resource Center (FRC)
- Project Feast: Culinary training center & cafe

Kent Multicultural Village: structure and funding

CASE STUDY 02

Ownership and roles

- Shared ownership between MHNW & ODMF)
- Sublease structure with ODMF for non-housing, with long-term ownership goal
- Flexible ownership for Project Feast

Funding approach

Non-Res Sources:

$2.56M	Private./Foundation
$22.4M	Public/Govt. Sources
$5M	LIHTC CSF Equity
$1M	MHNW Community Impact Fund
$31M	Total
+	
$155M	Housing
$186M	Total

Long-term operations

- Managed by Mercy Housing Northwest, partners have defined spaces and services
- Condominium agreements and subleases include operations and maintenance roles

Kent Multicultural Village: lessons learned

CASE STUDY 02

1	**What strengthened the project**	• Community-rooted vision strengthened the project and its case for funding • Flexibility and adaptability of partners to changing realities in pursuit of project goals
2	**Where complexity showed up**	• Misalignment of capital funding sources • Structuring challenges with LIHTC • Partnership ownership included both housing/non-housing spaces
3	**What we would address earlier**	• Envisioning operations 2-3 years ahead of time • Understanding decisions needed during design/construction and who will make those decisions

Kent Multicultural Village: panel reflections

CASE STUDY 02

1 Which early decision mattered most?

Approached from Day One in the spirit of partnership

2 Where did expectations need more clarity?

Housing funder requirements; board engagement and agreement drafting

3 What would you repeat or change?

Repeat: grounding in community engagement; adaptability on ownership role to achieve higher order goals
Change: better integration of non-housing funding into larger project; policy changes to promote co-location

The Northern on Pac Ave: project overview

CASE STUDY 03



Community purpose

Affordable family housing with welcoming spaces and resources for residents and neighbors

Project program

MHNW: 80 affordable homes

Nourish Pierce County: No-cost food market

The Northern on Pac Ave: structure and funding

CASE STUDY 03

Ownership and roles

- Nourish entered partnership during construction
- 15-year sublease structure for Food Market

Funding approach

Non-Res Sources:

$1M State – BCF
$1M MHNW Community Impact Fund
$2.5M LIHTC CSF Equity
$4.5M Total
+
$50M Housing
$55M Total

Long-term operations

- Managed by Mercy Housing Northwest
- Lease outlines shared maintenance and operating roles

The Northern on Pac Ave: lessons learned

CASE STUDY 03

1	**What strengthened the project**	• Community engagement to identify food access as a priority • Strong community leadership buy-in • MHNW Community Impact Fund commitment
2	**Where complexity showed up**	• LIHTC Community Services Facilities does not allow 3rd party ownership of condominium • Strategies to advance the project and allow flexibility to bring in partner
3	**What we would address earlier**	LIHTC CSF limitations on ownership

The Northern on Pac Ave: panel reflections

CASE STUDY 03

1 Which early decision mattered most?

Responding to community voice for food access

2 Where did expectations need more clarity?

LIHTC CSF and Investor requirements

3 What would you repeat or change?

Repeat: flexible funding sources for non-Housing spaces
Change: aligning funding priorities for co-located projects

A practical framework for early decisions

1

Purpose

What community outcomes matter most?

2

Program & Partners

What spaces and services are needed and who provides them?

3

Ownership & Structure

What are the ownership goals?

Decision-making and roles?

4

Capital

Which sources fit each use?

How do sources align in timing and requirements?

5

Stewardship

How will the spaces work over time?

How are we accountable to impact?

Accountability

Question for Discussion:

What do successful Housing + projects do differently?

Define the "North Star" community value	Be clear about Purpose, who benefits, what accountability exists, and what the spaces should accomplish; then remain adaptable
Treat the non-Housing spaces as their own workstream, but stay connected across uses	Track scope, budget, funding, schedule, and decisions separately, but stay aware of cross-use impacts Connect funder priorities & engagement
Plan for use and long-term stewardship, not only construction	Resolve operating roles, costs, and adaptability before opening.

Housing WA. ANNUAL CONFERENCE

Questions and discussion

What do successful Housing + projects do differently?

What would help move your Housing + project forward?

Colin Morgan-Cross • Tina Vlasaty • Michelle Morlan