

# REGIONAL EQUITABLE DEVELOPMENT INITIATIVE (REDI) FUND

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# Growing Transit Communities (2010-2013)

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- Three-year planning effort led by Puget Sound Regional Council (PSRC)
- Toolkit of 24 strategies and actions
- Regional Compact to promote sustainable communities

## The Growing Transit Communities Strategy

October 2013



**Growing Transit Communities**



# REDI Fund Strategy

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- ❑ Leverages public funding to create a low-interest regional acquisition loan fund
- ❑ Secures land for affordable housing near high capacity transit stations and frequent transit service
- ❑ Built on regional coordination across King, Pierce and Snohomish Counties
- ❑ Modeled on TOD Funds in



1. Establish a regional program to support thriving and equitable transit communities
2. Build partnerships and promote collaboration
3. Engage effectively with community stakeholders
4. Build capacity for community engagement
5. Evaluate and monitor impacts and outcomes



6. Conduct station area planning
7. Use land efficiently in transit communities
8. Locate, design and provide access to transit stations to support TOD
9. Adopt innovative parking tools
10. Invest in infrastructure and public realm improvements



11. Assess current and future housing needs in transit communities
12. Minimize displacement through preservation and replacement
13. Direct housing resources to support transit-dependent populations
14. Implement a TOD property acquisition fund
15. Expand value capture financing as a tool for infrastructure and affordable housing
16. Make surplus public lands available for affordable housing
17. Leverage market value through incentives
18. Implement regional fair housing assessment



19. Assess community needs
20. Invest in environmental and public health
21. Invest in economic vitality and opportunity
22. Invest in equitable mobility options
23. Invest in equitable access to high quality education
24. Invest in public safety in transit communities

# Implementation of REDI Fund

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- ❑ \$5 million in public funds raised to leverage private capital
- ❑ Enterprise Community Partners selected as Administrative Agent to raise private capital and develop a business plan
- ❑ Public partners worked to develop shared understanding of the goals, structure and basic terms and the REDI Fund
- ❑ Legislation adopting the Interlocal Agreement currently traveling through



**King County**



# Investment into REDI Fund

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- ❑ Three investment tiers
- ❑ Public funds provide “top loss” to attract private investment and ensure a lower interest rate
- ❑ Blended interest rate of 3.5 to 4%
- ❑ Up to 7-year loan terms
- ❑ Master credit agreement among all

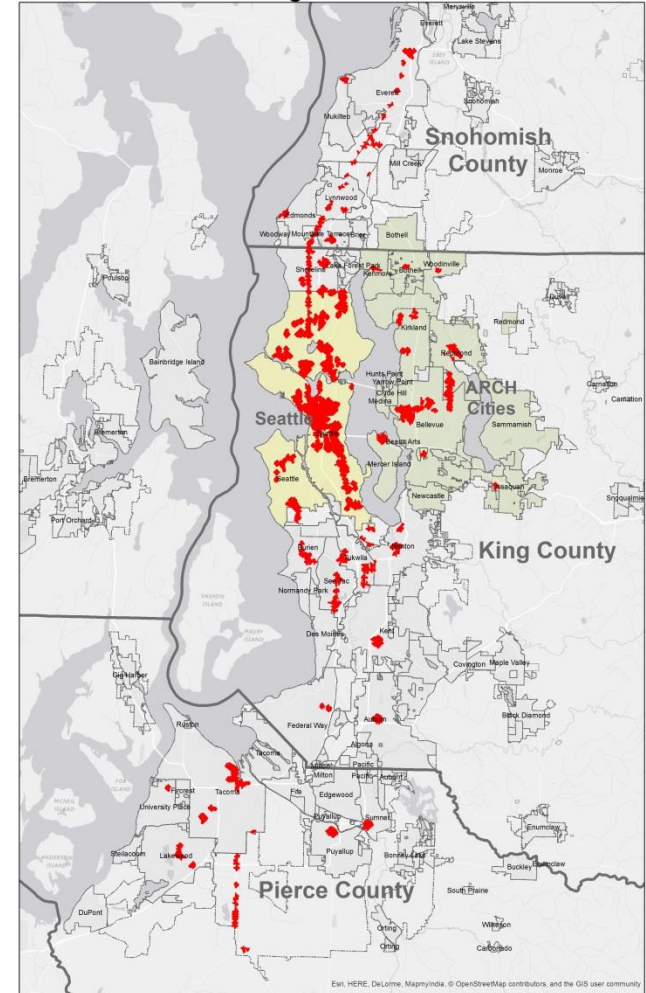
Tier	Source	\$ Amount
Top Loss	A Regional Coalition for Housing (ARCH)	500,000
	King County	1,000,000
	State of Washington	2,500,000
	City of Seattle	1,000,000
Subordinate	Living Cities	3,500,000
	King County Housing Authority	2,000,000
Senior Debt	Enterprise	10,500,000
	<b>TOTAL FUND SIZE</b>	<b>\$21,000,000</b>

# Interlocal Agreement

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- ❑ Minimum Affordability
- ❑ Geographic Distribution
  - ▣ Seattle share = 38%, or ~\$8m
- ❑ Eligible Borrowers and Properties
- ❑ Governance Structure
  - ▣ Advisory Committee
  - ▣ Credit Committee
  - ▣ Oversight Committee

REDI Fund- Potential Eligible Locations- Draft Nov. 2015





# Target Locations

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Within ½ mile walk distance of the following transit access points:

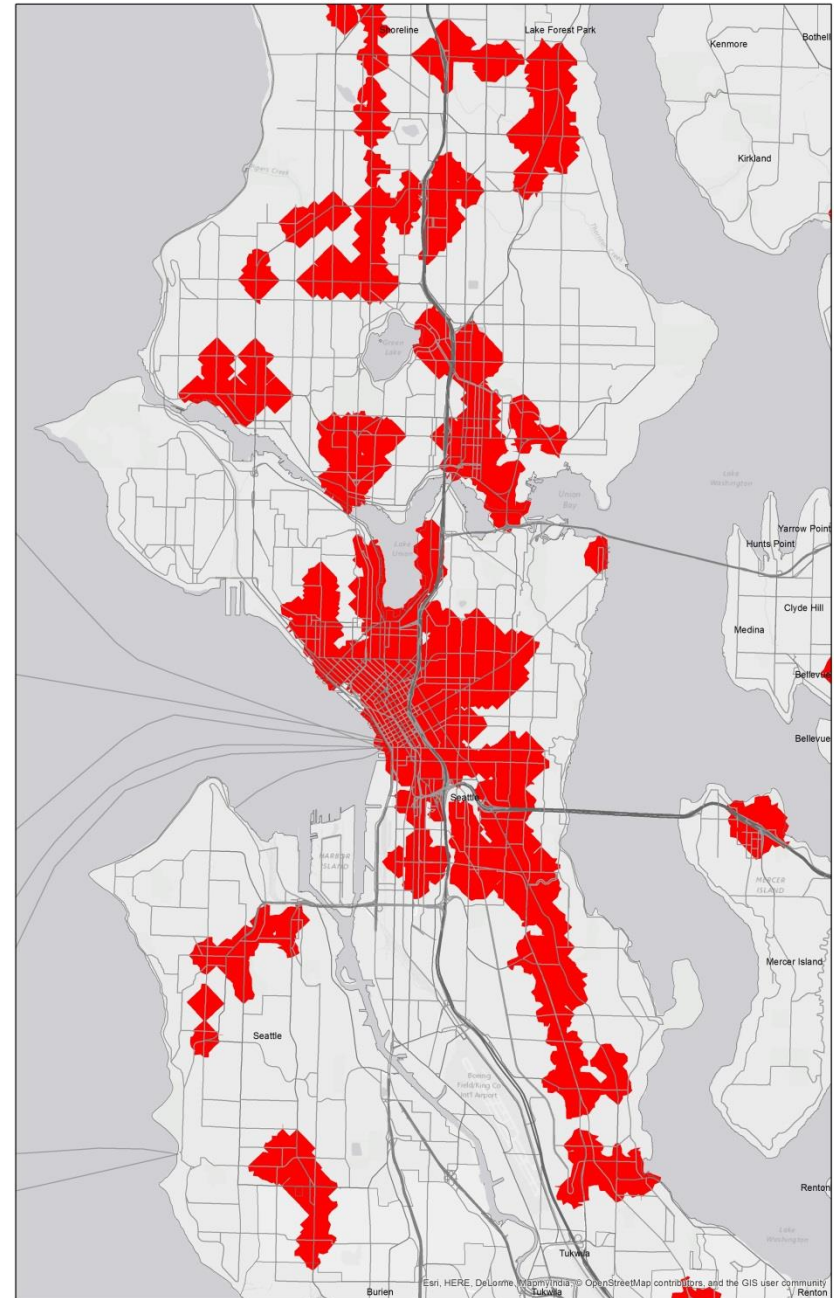
- Light rail stations
- Commuter rail stations

Including both existing and future stations where funding is finalized; and local plans have identified the station area as a preferred location for housing growth

Within ¼ mile walk distance of the following transit access points:

- Bus rapid transit or all-day frequent bus stops with average headways of 23 minutes or less
- Street car stops (including both Seattle trolleys and Tacoma Link)

Where local plans allow a residential density of at least 10 units per gross acre.



# Next Steps

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- Execute Interlocal Agreement
- Investor underwriting and final approvals
- Fund closing and execution of Master Credit Agreement
- Ongoing committee meetings
- Potential future expansion (ST3):
  - Additional \$4 million/year for 5 years starting 3 years after voter approval