

January 8, 1992

INTRODUCED BY Cynthia Sullivan

PROPOSED NO. 92-21

MOTION NO. 8498

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A MOTION authorizing the direct sale of properties acquired with King County Housing Opportunity Funds (HOF) to nonprofit organizations.

WHEREAS, the King County council adopted the Affordable Housing Policy Plan as the housing element of the King County Comprehensive Plan, which contains policies and a broad work program of land use strategies to improve housing affordability and housing assistance programs for low-income families and individuals, and

WHEREAS, the 1992 King County Comprehensive Housing Affordability Strategy (CHAS), adopted by the King County council on October 7, 1991 and approved by the United States Department of Housing and Urban Development, identifies housing needs for low-income populations, the homeless, and special populations, and develops strategies and housing production goals to address the housing needs of those who lack adequate resources, and

WHEREAS, the CHAS identifies nearly 85,000 households in King County who are in need of housing assistance or at risk of displacement from affordable housing, and

WHEREAS, the federal and state governments have created various programs that provide matching funds to assist nonprofit organizations, public housing authorities, and local governments to develop housing for homeless, displaced, and special needs individuals, and

WHEREAS, federal and state programs require that applicants obtain matching capital from local sources in order to apply for funds, and

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1 WHEREAS, the King County Housing Opportunity Fund (HOF) was established
2 in 1990 to assist with the development of affordable housing for the county's
3 homeless, displaced, and special needs groups and to enable nonprofit
4 organizations, public housing authorities, and local governments to better
5 compete for federal and state funding, and

6 WHEREAS, the HOF is capitalized with Real Estate Excise Tax revenues,
7 and

8 WHEREAS, there exist statutory restrictions on the use of Real Estate
9 Excise Tax revenues and these restrictions require the county to maintain
10 a property interest in projects funded by the HOF and this property interest
11 can be secured by means of a real estate contract, and

12 WHEREAS, nonprofit organizations have been selected for HOF funding
13 in accordance with council-approved guidelines to acquire and improve
14 property with funding from the HOF, and

15 WHEREAS, the organizations selected for \$5,221,365 in HOF funding
16 in 1990 and 1991 have leveraged \$23,933,115 in matching capital funds
17 from federal, state, and other sources, and

18 WHEREAS, the additional matching funds obtained by organizations
19 that also receive HOF funding better enables the county to meet its goals
20 for low-income housing production identified in the 1992 CHAS, and
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WHEREAS, a negotiated direct sale by means of a real estate contract is in the best interest of the public because it enables the county to satisfy the statutory requirements on the expenditure of Real Estate Excise Tax revenues and to utilize significant capital obtained by nonprofit organizations from noncounty sources in order to better meet the county's identified affordable housing goals;

NOW, THEREFORE, BE IT MOVED by the Council of King County:

A. The statutory requirements on the use of Real Estate Excise Tax and the ability of nonprofit organizations to use HOF funds to leverage funds from other sources to meet county housing needs constitute unique circumstances which make a negotiated direct sale of property acquired with HOF funds in the best interests of the public.

B. The King County executive is hereby authorized and directed to enter into real estate contracts for a term of thirty-five years with nonprofit agencies which have been selected by December 31, 1992 to acquire and improve property for low-income housing in accordance with the policies and procedures specified in the program policies of the HOF contained in Ordinance 9369, as amended.

PASSED this 27th day of January, 1992

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Aubrey Singer
Chair

ATTEST:

Janet Masuo
DEPUTY Clerk of the Council

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