



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

September 7, 2004

Motion 11990

Proposed No. 2004-0380.2

Sponsors Gossett

1 A MOTION pertaining to funding for the redevelopment of
2 Park Lake Homes, a King County Housing Authority
3 facility located in the urban unincorporated community of
4 White Center.

5

6

7

 WHEREAS, the King County Housing Authority ("KCHA") is an important
8 regional organization as it provides a broad range of federally and locally financed
9 housing programs that serve a variety of housing needs in King County, and

10

11

 WHEREAS, the Park Lake Homes Community was originally developed in the
12 1940s and during its useful life, served as affordable housing for King County residents
at low to moderate income levels, and

13

14

15

 WHEREAS, the King County Housing Authority has begun a major
16 redevelopment and revitalization project of the existing Park Lake Homes public housing
community to be known as "Greenbridge," and

16

17

 WHEREAS, the Greenbridge development represents a complete redevelopment
of the Park Lake Homes facility including new buildings, replacement of existing

18 infrastructure including streets, water lines, sanitary sewers, storm drainage and other
19 utilities, and

20 WHEREAS, upon completion, Greenbridge will provide for nine hundred to one
21 thousand one hundred residential housing units in a mix of housing types that will serve
22 existing residents as well as other area very low and low income households, and

23 WHEREAS, in addition to housing, Greenbridge will include community-oriented
24 uses, which will likely include a branch library, community center, youth and family
25 facilities, Head Start and child care facility, sheriff's office, food bank and neighborhood
26 level retail uses, and

27 WHEREAS, Greenbridge was planned under King County's demonstration
28 ordinance, Ordinance 14662, and serves as a pilot project to showcase innovative
29 approaches to land development and incorporation low-impact design and affordable
30 housing, and

31 WHEREAS, the KCHA was successful in securing a thirty-five million dollar
32 federal Housing and Urban Development ("HUD") Hope VI grant to off-set the one
33 hundred ninety-eight million dollar anticipated project cost, and

34 WHEREAS, in 2001 the county committed ten million dollars in county capital
35 funds to demonstrate to HUD local commitment in the KCHA's Hope VI grant and
36 redevelopment application: the local commitment proved to be instrumental in KCHA
37 receiving the Hope VI grant, and

38 WHEREAS, in 2005 the county will provide eight million dollars in funds for
39 capital infrastructure development and provide another two million dollars in housing
40 funds at such time as residential construction begins, and

41 WHEREAS, the various county departments including, but not limited to, roads,
42 water and land resources and parks and open space, have budgeted capital funds in the
43 current year as well as over the next several years in their respective capital improvement
44 programs in anticipation of making a funding contribution to the Greenbridge
45 development, and

46 WHEREAS, the Joint Recommendation Committee of the King County
47 Consortium recognizes the significance of the Greenbridge project and has therefore
48 recommended that it receive priority funding, and

49 WHEREAS, the KCHA plans to begin infrastructure development beginning in
50 2005 and therefore has a strong financial need to receive all county capital funds as soon
51 as possible, and

52 WHEREAS, HUD provides eligible Community Development Block Grant
53 ("CDBG") communities the opportunity to borrow and loan federal funds for community
54 development projects, and

55 WHEREAS, the county is amenable to providing KCHA with a majority of its
56 capital contribution in 2005 and therefore will seek to finance its commitment by
57 securing a HUD Section 108 loan and a Float loan, and

58 WHEREAS, the county will repay borrowed funds through its various
59 departmental capital improvement funds;

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

61 A. The metropolitan King County council directs the county executive to initiate
62 immediately upon passage of this motion, the loan application process for those loan
63 listed below and to negotiate with HUD the terms and conditions of those loans. The

64 county executive shall endeavor to transmit to council for approval the loan documents at
65 the earliest possible date.

66 1. For the Section 108 loan, as a participating government in the CDBG
67 program, the county shall exercise its option to borrow HUD funds to finance
68 Greenbridge capital infrastructure improvements. The loan, secured by the county's
69 annual CDBG allocation and, if necessary other forms of collateral, shall be for a term
70 not to exceed ten years. The Section 108 funds loaned to the KCHA shall be forgiven
71 provided that KCHA spends the funds in a manner consistent with subsection B.1. and 2.
72 of this motion.

73 2. If any participating county department or departments prefer to borrow funds
74 over a short period of time, which is two and a half years or less, the county, utilizing its
75 allocated, but unspent CDBG funds, shall make available float loan funds to pay for the
76 cost of Greenbridge capital infrastructure projects. As with the Section 108 loan, the
77 participating department or departments shall repay the loan through annual payments
78 from their CIP. The float loan funds loaned to the KCHA shall be forgiven provided that
79 KCHA spends the funds in a manner consistent with subsection B.1. and 2. of this
80 motion.

81 B. The council requests that the county executive work with the KCHA to
82 negotiate the terms and conditions of loans in accordance with the following:

83 1. The KCHA shall only expend funds provided by the county to defray the cost
84 of capital infrastructure or other allowable expenses associated with the Greenbridge
85 project consistent with HUD loan terms and conditions; and

86 2. Statutory county funding source restrictions associated with each of the
87 participating departments.

88 3. The funds may not be used for offsite improvements or other capital projects
89 that do not directly fund eligible Greenbridge capital expenditures.

90 C. The executive shall prepare and transmit with each loan document forwarded
91 for council approval, capital budget detail that clearly depicts the type of loan, the amount
92 of the loan and which county departments shall be responsible for contributing toward its
93 annual debt payment and in what amounts. The council directs the office of management
94 and budget to include the appropriate capital budget information in the 2005 county
95 budget.

96 D. Except for the two million dollars in DCHS approved grants of housing funds,
97 the 108 loan and float loan funds contributed to KCHA represent the entirety of the
98 county's matching commitment to Greenbridge as represented to HUD, as long as the
99 eight million dollars is all for capital investments, and does not include payment of

Motion 11990

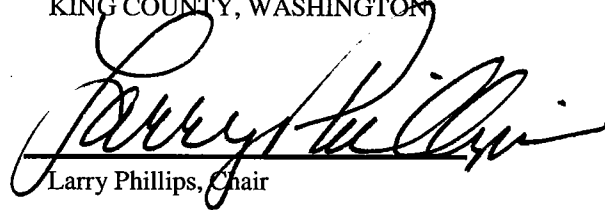
100 interest on the float loan or the 108 loan and does not include fees and costs paid for the
101 advance of funds to the project.

102

Motion 11990 was introduced on 8/16/2004 and passed by the Metropolitan King County Council on 9/7/2004, by the following vote:


Yes: 12 - Mr. Phillips, Ms. Edmonds, Mr. von Reichbauer, Ms. Lambert, Mr. Pelz, Mr. Ferguson, Mr. Hammond, Mr. Gossett, Ms. Hague, Mr. Irons, Ms. Patterson and Mr. Constantine
No: 0
Excused: 1 - Mr. McKenna

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



Larry Phillips, Chair

ATTEST:



Anne Noris, Clerk of the Council

Attachments None