

ORDINANCE NO. 5021

AN ORDINANCE relating to Housing and Community Development; amending the cooperative housing program involving King County, the Housing Authority of King County, several suburban cities, and the federal government; amending Ordinance 3269, Sections 104, 402 and 405 and K.C.C. 24.04.040, 24.16.020 and 24.16.050; adding four new sections to Ordinance 3269 and K.C.C. Chapter 24.08; and adding two new chapters to K.C.C. Title 24.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 3269, Section 104, as amended by Ordinance 3856, Section 3, and K.C.C. 24.04.040, are each hereby amended to read as follows:

Advisory Committee. The County Executive shall appoint, subject to Council confirmation, a Housing Rehabilitation Advisory Committee, which shall advise the Executive and the Council on the progress, performance and future directions of County housing rehabilitation and repair programs. The Advisory Committee shall be composed of eleven members. The Chairman of the Committee shall be the Director of the Department of Planning and Community Development. The term of a Committee member shall be two years.

SECTION 2. Ordinance 3269, Section 402, as amended by Ordinance 3856, Section 6, and K.C.C. 24.16.020, are each hereby amended to read as follows:

Grant Assistance. Grant assistance may be provided to homeowners with incomes equal to or less than the low income level for emergency repairs only. Grant assistance may also be provided to mobile-home owners with incomes equal to or less than the low income level, and such grants may be made for any type of repair eligible under K.C.C. 24.16.050. The amount of the grant shall equal one hundred percent of the actual cost of needed repairs, up to a maximum of one thousand five hundred dollars per dwelling, provided the Director may for good cause authorize an additional amount of up to five percent above the one thousand five hundred

1 maximum.

2 SECTION 3. Ordinance 3269, Section 405, as amended by
3 Ordinance 3856, Section 8, and K.C.C. 24.16.050, are each hereby
4 amended to read as follows:

5 Eligibility and priority. (a) the following types of
6 repairs shall not be eligible for assistance under the block
7 grant housing repair program:

8 (1) Additions to dwellings and finishing work, except
9 where needed to relieve overcrowding conditions;

10 (2) House-to-street sewer connections, except:
11 (1) where a sewage disposal problem exists, or (2) where the
12 connection is part of a community development block grant subsi-
13 dized sewer project. In either case, the special approval of the
14 Director must be obtained before block grant housing repair funds
15 can be committed or expended for these purposes.

16 (b) Repairs shall be approved according to the following
17 order of priority:

18 (1) Emergency repairs;

19 (2) Health and safety repairs including handicapped
20 access;

21 (3) Energy conservation repairs;

22 (4) Building preservation repairs; and

23 (5) All other eligible repairs.

24 NEW SECTION. SECTION 4. There is added to Ordinance 3269,
25 as amended by Ordinance 3856, and K.C.C. Chapter 24.08 a new
26 section to read as follows:

27 Mobile Home. For purposes of K.C.C. Chapter 24.16 only,
28 "mobile home" means a factory-assembled structure made so as to
29 be readily movable on its own chassis; designed to be used and
30 in fact used as a dwelling unit with or without a permanent
31 foundation; and connected to sewer, water, and electrical
32 utilities.

33 NEW SECTION. SECTION 5. There is added to Ordinance 3269,

1 as amended by Ordinance 3856, and K.C.C. Chapter 24.08 a new
2 section to read as follows:

3 Private financial institution. "Private financial institu-
4 tion" means a depository (including banks, savings and loan
5 association, credit unions and other financial institutions),
6 in which deposits are federally insured.

7 NEW SECTION. SECTION 6. There is added to Ordinance 3269,
8 as amended by Ordinance 3856, and K.C.C. Chapter 24.08 a new
9 section to read as follows:

10 Poverty level income. "Poverty level income" means poverty
11 level as determined in accordance with the criteria established
12 by the Director of the Federal Office of Management and Budget.

13 NEW SECTION. SECTION 7. There is added to Ordinance 3269,
14 as amended by Ordinance 3856, and K.C.C. Chapter 24.08 a new
15 section to read as follows:

16 Unified weatherization program. "Unified weatherization
17 program" means the overall effort of King County to provide
18 assistance for retrofit and repair to dwelling units which will
19 result in energy conservation.

20 NEW SECTION. SECTION 8. There is added to Ordinance 3269,
21 as amended by Ordinance 3856, and K.C.C. Title 24 a new chapter
22 entitled LENDER LOW-INTEREST HOUSING REHABILITATION PROGRAM to
23 read as follows (Section 9 through 14):

24 NEW SECTION. SECTION 9. Use of block grant funds
25 authorized. Only community development block grant funds or
26 other federal funds shall be used for the government-funded
27 portion of the lender low-interest housing rehabilitation
28 program as set forth in this chapter.

29 NEW SECTION. SECTION 10. Credit agreement. The County
30 Executive is authorized as part of the lender low-interest
31 housing rehabilitation program to enter into a credit agreement
32 with one or more private financial institutions for the purpose
33 of obtaining private capital to be loaned to eligible homeowners

1 for housing rehabilitation purposes. Repayment of the lenders
2 shall not become a general obligation of the County, but shall
3 be secured by pledging to the lenders all homeowner loan payments,
4 and by establishing a loan guarantee fund consisting of community
5 development block grant funds or other federal funds. The
6 Director shall implement the credit program in accordance with
7 the eligibility standards contained in Section 12 of this
8 Ordinance.

9 NEW SECTION. SECTION 11. Performance of work. Needed
10 repairs to dwellings performed under the program authorized by
11 this chapter shall be performed by the homeowner, either
12 personally or by contract. The homeowner's materials and hired
13 labor costs shall be approved in advance by the County: Provided,
14 that a homeowner shall not be reimbursed for his or her own labor,
15 that of immediate family members or that of residents of the
16 dwelling.

17 NEW SECTION. SECTION 12. Eligibility and priority.

18 A. Assistance in the form of low-interest secured loans
19 up to a maximum amount of \$15,000 may be provided to homeowners
20 with incomes equal to or less than the moderate income level.
21 Loans may consist of a combination of funds from a line of credit
22 from private financial institutions and community development
23 block grant funds or other federal funds.

24 B. Eligibility and priority of specific types of repairs
25 shall be as stated in K.C.C. 24.16.050.

26 NEW SECTION. SECTION 13. Administration.

27 A. The program authorized by this chapter shall be
28 administered by the Department.

29 B. Lump-sum drawdown fund. Subject to the conditions set
30 forth in this section and the HUD regulations contained in
31 24 CFR § 570.513, the Director may draw community development
32 block grant funds from a letter of credit in a lump sum to estab-
33 lish a rehabilitation fund in one or more private financial

1 institutions for the purpose of financing the rehabilitation
2 of privately-owned properties.

3 1. The County Executive is authorized to enter into a
4 written agreement for the deposit of such funds with participating
5 private financial institutions. The agreement shall describe
6 the obligations and responsibilities of the parties and the terms
7 and conditions on which such funds are deposited consistent with
8 the requirements of 24 CFR § 570.513.

9 2. The rehabilitation fund may be used for the following
10 purposes:

11 (a) To make direct rehabilitation loans or grants to
12 homeowners; or

13 (b) To pay interest subsidies, or establish a fund for
14 payment of subsidies, on rehabilitation loans made by private
15 financial institutions with private funds; or

16 (c) To guarantee the repayment of rehabilitation loans
17 made to property owners by private financial institutions with
18 private funds; or

19 (d) To serve as collateral for financing actually
20 extended to the County, where such financing is used to make
21 rehabilitation loans or grants; or

22 (e) To fund reserves and/or pay issuance or adminis-
23 trative costs in connection with the issuance of bonds or notes
24 by the County, where such bond or note proceeds are to be used
25 to fund rehabilitation loans or grants; or

26 (f) For the payment of reasonable administrative fees
27 and charges of the private financial institution related to the
28 provision of financing for the rehabilitation of private property;
29 or

30 (g) For other uses as may be approved by HUD consistent
31 with the objectives of 24 CFR § 570.513.
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1 NEW CHAPTER. SECTION 14. There is added to Ordinance 3269,
2 as amended by Ordinance 3856, and K.C.C Title 24 a new chapter
3 entitled UNIFIED WEATHERIZATION PROGRAM to read as follows
4 (Sections 15 through 19):

5 NEW SECTION. SECTION 15. Use of block grant funds
6 authorized. Community development block grant funds may be used
7 for the purpose of a Unified Weatherization Program for dwelling
8 units occupied by persons whose incomes are at or below 125%
9 of poverty level income. The Block Grant portion of the Unified
10 Weatherization Program may incorporate grant or loan assistance
11 as described in this Ordinance.

12 NEW SECTION. SECTION 16. Grant assistance. Grant
13 assistance may be provided to eligible persons in an amount equal
14 to 100% of the repairs to a maximum of \$300 per dwelling.

15 NEW SECTION. SECTION 17. Loan assistance. Assistance
16 in the form of interest free secured loans up to a maximum of
17 \$2,000 may be provided to eligible persons. The loan obligation
18 shall be payable at the time of the homeowner's sale or transfer
19 of the property or on a schedule agreed upon between the owner
20 and the County if the owner desires earlier repayment. The loan
21 shall be secured by a mortgage or other security interest to the
22 County on the homeowner's property. Payment on the obligation
23 shall be to the Housing and Community Development fund and shall
24 become available for future appropriation under the community
25 development program.

26 NEW SECTION. SECTION 18. Performance of work. Needed
27 repairs to dwellings under the grant and loan assistance programs
28 authorized by this chapter may be performed either by King County;
29 the Housing Authority, acting under an agreement with the County;
30 or by the homeowner, either personally or by contract. The
31 homeowner's material and hired labor costs shall be approved in
32 advance by the County: Provided, that a homeowner shall not be
33 reimbursed for his or her own labor, that of immediate family

1 members, or that of residents of the dwelling.

2 NEW SECTION. SECTION 19. Eligibility and priority. The
3 following types of repairs will be eligible for assistance under
4 the Unified Weatherization Program and shall be approved in the
5 following order of priority:

6 1. Repairs necessary to stop weather infiltration into
7 the dwelling unit; or

8 2. Repairs necessary to maximize efficient use of energy
9 within the dwelling unit such as weatherstripping, interior
10 doors and closing off unused rooms; or

11 3. Repairs necessary to improve heating and cooling
12 efficiency of heating and air conditioning units; or

13 4. Any other repairs to the dwelling units which will be
14 cost effective for saving energy.

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