

September 15, 1988  
1329C:CM:clt

INTRODUCED BY Gruger

PROPOSED NO. 88 - 700

MOTION NO. 7310

A MOTION authorizing the King County Executive to enter into an agreement with the Seattle Housing Authority for purpose of designating the use of payment in lieu of taxes paid to King County.

WHEREAS, the Seattle Housing Authority is authorized by R.C.W. 35.82.210 to make payments in lieu of taxes to King County, and

WHEREAS, these payments may be made voluntarily, and

WHEREAS, these funds may be freed from certain restrictions by being remitted to a unit of local government and then granted back to the housing authority, and

WHEREAS, the Seattle Housing Authority has met the legal requirements for making payments in lieu of taxes, and

WHEREAS, the tenants of the Seattle Housing Authority-owned Cambridge Apartments in the City of Seattle are low income, and may have special housing needs addressed by programs sponsored by the county, and

WHEREAS, capital improvements are needed to upgrade individual apartment units and basic systems in the Cambridge Apartments, and

WHEREAS, the executive and the Seattle Housing Authority have negotiated an agreement which will result in improved living facilities and services to the tenants of the Cambridge Apartments;

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33

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

The King County executive is authorized to enter into a cooperative agreement with the Seattle Housing Authority for the purpose of designating the use of \$264,499 in payment in lieu of taxes for physical improvements and necessary operating subsidies for the Cambridge Apartments.

PASSED this 19th day of September, 19 88.

KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON

Gary Grant  
Chair

ATTEST:

Dorothy M. Stevens  
Clerk of the Council

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33

AGREEMENT FOR THE DESIGNATED USE OF PAYMENT IN LIEU OF TAXES PAID TO KING COUNTY BY THE SEATTLE HOUSING AUTHORITY UNDER THE REVISED CODE OF WASHINGTON CHAPTER 35.82.210.

THIS AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, 1988 by and between King County and the Seattle Housing Authority.

WITNESSETH:

WHEREAS, the Cambridge Apartments are in the City of Seattle and are owned and managed by the Seattle Housing Authority; and

WHEREAS, the tenants of the Cambridge Apartments are low income and many residents are people with special housing needs who receive treatment from County-sponsored programs; and

WHEREAS, capital improvements are needed to upgrade individual apartment units in the Cambridge Apartments and basic systems in the Cambridge Apartments;

WHEREAS, housing for people with special housing needs and housing rehabilitation of rental units complements King County's existing housing programs and strategies for low-income people; and

WHEREAS, the Seattle Housing Authority may make payment in lieu of taxes to King County pursuant to R.C.W. 35.82.210 and is willing to do so to make necessary capital improvements to the Cambridge apartments and to provide funds for necessary operating subsidies;

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING CIRCUMSTANCES AND IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, IT IS AGREED THAT:

I. GENERAL AGREEMENT

King County and the Seattle Housing Authority (Authority) agree to cooperate and use payment in lieu of taxes (PILOT) to make necessary capital improvements to the Cambridge Apartments and to subsidize

operating costs incurred by the Authority for years covered by the Agreement (1988-1990). Available and estimated funds available for use are not to exceed the following:

Federal Fiscal Year 1987	\$ 86,999.35
Federal Fiscal Year 1988 (projected)	85,500.00
Federal Fiscal Year 1989 (projected)	<u>92,000.00</u>
	\$264,499.35

## II. USE OF FUNDS: GENERAL PROVISIONS

- A. Capital improvements of the Cambridge Apartments will be made according to a Capital Improvement Program approved by the Authority's Board of Commissioners.
- B. No more than 25% of the annual PILOT payment made by the Authority to King County may be used for operating subsidies.
- C. Repair costs incurred by the Authority from October 1, 1987 to the effective date of this Agreement may be paid from 1987 funds. Prior costs eligible for reimbursement are described in Attachment A.

## III. DUTIES OF THE KING COUNTY PLANNING AND COMMUNITY DEVELOPMENT DIVISION

### STAFF

King County Planning and Community Development Division staff, hereinafter referred to as County staff, shall fulfill the following duties:

- A. Review the Authority's annual Capital Improvement Program (CIP) budget and operating budget no less than one time per year to determine the scope of planned CIP and operating subsidies for the upcoming calendar year.
- B. Review the Authority's progress no less than one time per year to determine progress in accordance with the CIP for the Cambridge Apartments.

- C. Report to the Director of the King County Department of Parks, Planning and Resources annually to identify CIP progress by task and cost and operating subsidy expenditures.

IV. DUTIES OF THE DIRECTOR OF THE KING COUNTY PARKS, PLANNING AND RESOURCES DEPARTMENT

- A. Upon receipt of the annual report from Planning and Community Division staff, the Director of the Parks, Planning and Resources Department (Director) will transmit copies of the report to the King County Executive and to the Chairman of the King County Council.
- B. The Director may initiate in writing any amendments to this Agreement.

V. RESPONSIBILITIES AND POWERS OF KING COUNTY

King County shall have the following responsibilities and powers:

- A. The King County Council shall have authority and responsibility for all policy matters, including final review and approval of this Agreement.
- B. The King County Executive shall have the authority and responsibility to annually review the progress of the Authority in making improvements to the Cambridge Apartments and to approve requested changes to this cooperation Agreement.

VI. RESPONSIBILITIES AND POWERS OF THE SEATTLE HOUSING AUTHORITY

The Authority shall have the following responsibilities and powers:

- A. Develop and adopt an annual CIP budget and operating budget defining the amount of PILOT to be expended at the Cambridge Apartments.
- B. Provide copies of both approved budgets to the King County Planning and Community Development Division no less than one time per year.
- C. Report at the end of each fiscal year actual expenditures made for capital improvements and operating subsidies.

- D. The Executive Director of the Authority may initiate in writing any amendments to this Agreement.
- E. Report immediately to King County any change of use, ownership or management of the Cambridge Apartments.

#### VII. GENERAL TERMS

- A. This Agreement shall extend through the 1988, 1989, and 1990 calendar years and becomes effective five days after approval by the King County Council provided it is duly signed into law by the King County Executive.
- B. Parties to this Agreement must take all required actions to comply with the provisions of the Civil Rights Act of 1964, the Civil Rights Act of 1968, the Housing and Community Development Act of 1974, as amended, Section 504 of the Rehabilitation Act of 1973, and other applicable laws.
- C. It is recognized that amendment of the provisions of this Agreement may become necessary, and such amendment shall take place when both parties have executed a written addendum to this Agreement.
- D. Participating agencies shall be considered to be those municipal corporations which have signed this Agreement.
- E. The Authority shall retain full civil and criminal liability for activities resulting from the use of funds.
- F. Nothing contained in this Agreement shall be construed as relieving either participating agency of any obligation or responsibility imposed on it by law.
- G. This Agreement does not bind or obligate King County to provide continued operating or capital support in addition to the amounts specified herein or beyond the term of this Agreement.

H. If the Cambridge Apartments cease to be owned and/or operated by the Seattle Housing Authority, this Agreement shall be terminated and the PILOT remitted directly to King County. At its option, however, the Authority may propose an alternate use of PILOT. King County will not unreasonably withhold its approval of the proposed use provided the use is consistent with King County's then-current low-income housing programs and strategies.

KING COUNTY, WASHINGTON

SEATTLE HOUSING AUTHORITY

\_\_\_\_\_  
King County Executive

\_\_\_\_\_  
Signature of Designated Official

\_\_\_\_\_  
Title

APPROVED AS TO FORM

*Kathryn A. Killinger*  
Deputy Prosecuting Attorney

a/003  
8/4/88

CAMBRIDGE APARTMENTS

## 1987 and 1988 ACTUAL EXPENSES TO BE BILLED AGAINST FY 1987 PILOT

Costs from October 1, 1987 through August 31, 1988

Capital repairs for 38 units	\$60,306 <sup>1/</sup>
Operational losses	19,443

Costs from September 1, 1988 through September 30, 1988

Capital repairs	4,944 <sup>2/</sup>
Operational losses	2,306

Total expenditures

Capital repairs	65,250
Operational Losses	<u>21,749</u>
	\$86,999

## 1988 AND 1989 PROJECTED EXPENSES TO BE BILLED AGAINST FY 1988 PILOT

Capital repairs	\$65,000 <sup>3/</sup>
Operational losses	<u>20,500</u>
	\$85,500

## 1989 AND 1990 PROJECTED EXPENSES TO BE BILLED AGAINST FY 1989 PILOT

Capital repairs	\$69,200 <sup>4/</sup>
Operational losses	<u>22,800</u>
	\$92,000

Explanatory Notes

<sup>1/</sup> These are costs for the rehabilitation of dwelling units in order to make them livable. Types of repairs included the repair or replacement of gas ranges; the repair or replacement of refrigerators; painting the units; the replacement or dyeing of carpets; in some units the replacement of kitchen floor coverings; the repair or replacement of tub surrounds; the replacement of medicine cabinets. The average costs were \$1,587 per unit.

<sup>2/</sup> Paint the main stairwell and perform small wall repairs	\$ 3,000
Install security film on the windows of all ground floor apartments	<u>1,944</u>
	\$ 4,944

<sup>3/</sup> Install code required electrical circuits in kitchens, living areas and bathrooms	\$62,800
Install thermostatic valves in radiators in some units	<u>2,200</u>
	\$65,000

<sup>4/</sup> Install thermostatic valves in radiators in balance of units	\$22,800
Replace wood window frames in 20 units with aluminum	15,000
Rehabilitate sewer drain lines	<u>31,400</u>
	\$69,200