

Title 24
HOUSING AND COMMUNITY DEVELOPMENT

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24.04 GENERAL PROVISIONS

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24.04.010 Policy. It is declared to be the policy of King County to partner with the cities and towns in King County for planning the distribution and administration of federal community development block grant, HOME investment partnership and emergency shelter grant funds, as well as local regional affordable housing program funds generated by Chapter 24, Laws of Washington 2002, and other federal, state or local funds that may become available in the future to serve the needs of very low-, low- and moderate-income households and communities throughout King County. This title authorizes King County consortia partnerships and activities that further the development of viable urban communities, including the provision of decent affordable housing, a suitable living environment and expanding economic opportunities, principally for persons at very low-, low- and moderate-income levels. (Ord. 15571 § 1, 2006: Ord. 3856 § 1, 1978: Ord. 3269 § 101, 1977).

24.04.020 Findings.

A. The best interests and general welfare of King County are served by consortia partnerships between King County and its cities and towns. Such partnerships recognize that the housing and community development needs of very low-, low- and moderate-income households cross jurisdictional boundaries and are, therefore, appropriately addressed as regional and subregional needs as well as local needs.

B. Federal funds made available to the King County consortia through the United States Department of Housing and Urban Development, as well as local funds made available through the regional affordable housing program, and other federal, state or local funds that may become available to the King County consortia to serve the housing and community development needs of very low-, low- and moderate-income households, are best used to support the goals and objectives of the consolidated housing and community development plan that is adopted by the county council. (Ord. 15571 § 2, 2006: Ord. 11684 § 16, 1995: Ord. 10504 § 2, 1992: Ord. 6927 § 1, 1984: Ord. 3269 § 102, 1977).

24.08 DEFINITIONS

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24.08.010 Generally. For the purpose of this title, the following terms have the meanings ascribed to them in this chapter. (Ord. 3269 § 2, 1977).

24.08.020 Community development block grant - CDBG. "Community development block grant" or CDBG means the federally funded program authorized by the Housing and Community Development Act of 1974, P.L. 93-383, as amended. (Ord. 15571 § 4, 2006; Ord. 3269 § 201, 1977).

24.08.022 Community development block grant consortium – CDBG consortium. "Community development block grant consortium" or "CDBG consortium" means the alliance of King County and the cities and towns in King County that do not receive their own community development block grant funds directly from HUD and that choose to participate in the King County CDBG program. (Ord. 15571 § 5, 2006).

24.08.025 Consolidated housing and community development plan. "Consolidated housing and community development plan" or "consolidated plan" means the HUD-required plan for the use of federal housing and community development funds that is adopted by the county council, under Ordinance 15054, Section 2. (Ord. 15571 § 6, 2006).

24.08.055 Emergency shelter grant - ESG. "Emergency shelter grant" or "ESG" means the federally funded program authorized by Title IV of the McKinney-Vento Homeless Assistance Act of 1987, P.L. 100-77, as amended. (Ord. 15571 § 11, 2006).

24.08.066 HOME. "HOME" means the federal HOME Investment Partnerships Act (HOME) enacted as Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990. (Ord. 10504 § 7, 1992).

24.08.0665 Home consortium. "HOME consortium" means the alliance of King County and the cities and towns in King County that do not receive their own HOME funds

directly from HUD and choose to participate in the King County HOME program. (Ord. 15571 § 12, 2006).

24.08.086 Housing and community development funds. "Housing and community development funds" means fund sources that are targeted to serve the housing and community development needs of very low-, low- and moderate-income households. (Ord. 15571 § 18, 2006).

24.08.120 HUD. "HUD" means the United States Department of Housing and Urban Development. (Ord. 3269 § 210, 1977).

24.08.153 Joint recommendations committee - JRC. "Joint recommendations committee" or "JRC" means the interjurisdictional committee established in accordance with K.C.C. 24.13.020. (Ord. 15571 § 25, 2006).

24.08.156 King County consortia. "King County consortia" means consortium partnerships between King County and its cities and towns for the purpose of administering and distributing housing and community development funds regionally and subregionally, including, but not limited to the CDBG consortium, the HOME consortium and the regional affordable housing program consortium. (Ord. 15571 § 26, 2006).

24.08.160 Low-income household. "Low-income" means a household whose total income is higher than that of a very low-income household but no higher than fifty percent of the median income level for the county as defined by HUD. Specific low-income levels vary according to household size. (Ord. 15571 § 27, 2006: 3269 § 214, 1977).

24.08.170 Median-income. "Median-income household" means a household whose income is at the median income level for the county as defined by HUD. Specific median-income levels vary according to household size. (Ord. 15571 § 28, 2006: Ord. 3269 § 215, 1977).

24.08.190 Moderate-income household. "Moderate-income household" means a household whose total income is higher than that of a low-income household but no higher than eighty percent of the median income for the county as defined by HUD. Specific moderate-income levels vary according to household size. (Ord. 15571 § 30, 2006: Ord. 3269 § 216, 1977).

24.08.233 Regional affordable housing program – RAHP. "Regional affordable housing program" or "RAHP" means the local fund program for low-income housing created under RCW 36.22.178. (Ord. 15571 § 37, 2006).

24.08.235 Regional affordable housing program consortium – RAHP consortium. "Regional affordable housing program consortium" or "RAHP consortium" means the alliance of King County and the cities and towns in King County that choose to participate in order to administer the RAHP funds as a regional fund. (Ord. 15571 § 38, 2006).

24.08.0255 Very low-income household. "Very low-income household" means a household whose total income is no higher than thirty percent of the median income level for the county as defined by HUD. Specific very low-income levels vary according to household size. (Ord. 15571 § 41, 2006).

24.10 HOUSING-RELATED PROCUREMENT PROCESSES

Sections:

- 24.10.010 Consultation by executive with council regarding department of community and human services's housing-related procurement processes - reports by department of community and human services.

24.10.010 Consultation by executive with council regarding department of community and human services's housing-related procurement processes - reports by department of community and human services.

A. During each of the following stages, the executive shall consult with the council regarding the department of community and human services's housing-related procurement processes:

1. Priority-setting;
2. Public stakeholder and community meetings;
3. Review of draft competitive housing procurement documents;
4. Review and selection of applications by the department; and
5. Award-decision notifications.

B.1. The department of community and human services shall report to the council annually, either by memorandum or through system performance dashboards, regarding the housing-related moneys awarded by the department during the prior calendar year.

2. The memorandum or dashboards shall include information on each funded project including:

- a. location;
- b. number of dwelling units or estimated number of individuals served;
- c. amount awarded by the county;
- d. estimated total development cost for each project or annual award for each contract; and
- e. eligible income levels for residents.

3. The memorandum or dashboards shall also include updates on previously awarded projects under development, until the projects have been certified for occupancy. (Ord. 19359 § 3, 2021).

24.13 CONSORTIA TO PLAN THE DISTRIBUTION AND ADMINISTRATION OF FUNDS

Sections:

- 24.13.010 Interlocal agreements.
24.13.020 Joint recommendations committee.
24.13.030 Consolidated housing and community.

24.13.010 Interlocal agreements. The formation of King County consortia to plan the distribution and administration of housing and community development funds, including, but not limited to the CDBG consortium, the HOME consortium and the RAHP consortium, may be established by interlocal agreements that are approved by the county council by ordinance and by the legislative authorities of the participating jurisdictions.

King County consortia interlocal agreements for housing and community development funds shall address general distribution of funds, use of funds, responsibilities and powers, general terms and the establishment of the joint recommendations committee. The types of consortia interlocal agreements may include, but are not limited to:

A. A CDBG agreement for cities that do not qualify to receive their own CDBG funds, but that instead participate in both the CDBG and HOME consortia. All funds are allocated

consortium-wide and subregionally to the north/east and south subregions of the county in accordance with the consolidated housing and community development plan.

B. A CDBG joint agreement for cities that choose to participate in the King County CDBG consortium for the purpose of planning and implementing a joint community development and housing program, even though they could qualify to receive their own CDBG funds directly from HUD. These cities also participate in the HOME consortium. Joint agreement cities retain a portion of CDBG funds to allocate to projects that are selected by the city, and contribute a portion of funds to consortium-wide programs and administration of funds. All funds allocated by the joint agreement city and through the consortium-wide process must be consistent with the consolidated housing and community development plan;

C. A HOME agreement for cities that receive their own CDBG funds directly from HUD but do not qualify to receive their own HOME funds. These cities participate only in the HOME consortium. HOME funds are allocated consortium-wide pursuant to the consolidated housing and community development plan; and

D. A RAHP agreement for all cities in the county that choose to participate in the regional affordable housing program. RAHP funds are allocated regionally pursuant to guidelines adopted by the county council. (Ord. 15571 § 44, 2006).

24.13.020 Joint recommendations committee. The King County consortia may establish a joint recommendations committee that is advisory to the executive and that reviews and recommends specific projects and program guidelines to be undertaken with housing and community development funds, consistent with the consolidated plan. The joint recommendations committee shall be composed of county representatives and representatives from cities participating in a consortium established by interlocal agreement.

The executive shall appoint the county representatives on the joint recommendations committee. The consortia city representatives on the joint recommendations committee shall be chosen from amongst the participating cities, in accordance with the applicable interlocal agreements.

The executive shall staff the joint recommendations committee. The committee shall meet regularly in accordance with a schedule that the committee shall establish at the beginning of each calendar year. Joint recommendations committee meetings shall be open to the public. (Ord. 15571 § 45, 2006).

24.13.030 Consolidated housing and community development plan. The overarching policies, goals and objectives for planning the distribution and administration of federal housing and community development funds and related state and local funds shall be developed in the consolidated housing and community development plan. A new consolidated plan shall be adopted by the county council at least every five years or as authorized by HUD.

The executive shall develop the consolidated plan in accordance with HUD regulations, and in consultation with the cities in the King County consortia, other governmental offices, community-based agencies, service providers, housing developers and the public.

The executive shall take advice from the joint recommendations committee on the proposed consolidated plan, and the executive shall propose the final consolidated plan to the county council for adoption by ordinance. (Ord. 15571 § 46, 2006).

24.18 VERY LOW-, LOW- AND MODERATE-INCOME HOUSEHOLDS AND COMMUNITIES

Sections:

- 24.18.010 Appropriation.
- 24.18.020 Authority.

24.18.010 Appropriation. The county council may annually appropriate federal CDBG, HOME and ESG funds, as well as RAHP funds and other funds that are, or may become, available for the housing and community development needs of very low-, low- and moderate-income households and communities in accordance with the consolidated housing and community development plan. Funds appropriated for those purposes are intended to support housing and community development programs that may include, but are not limited to, the following:

- A. Development, preservation and rehabilitation of rental housing affordable to very low-, low- and moderate-income households;
- B. Preservation, rehabilitation and repair of the housing owned by very low-, low- and moderate-income households;
- C. Development of ownership housing for very low-, low- and moderate-income households;
- D. Access to renter and ownership housing for very low-, low- and moderate-income households and households with special needs;
- E. Homelessness prevention for very low-, low- and moderate-income households;
- F. Homeless housing programs and services for very low-, low- and moderate-income households;
- G. Human services for very low-, low- and moderate-income households;
- H. Development and preservation of community facilities that primarily serve very low-, low- and moderate-income households and communities;
- I. Public infrastructure and other improvements of the living environment in very low-, low- and moderate-income communities; and
- J. Expanding economic opportunities for very low-, low- and moderate-income households. (Ord. 15571 § 49, 2006).

24.18.020 Authority.

A. The executive may administer the CDBG, HOME, ESG and RAHP fund programs, as well as other housing and community development fund sources that might become available to serve very low-, low- and moderate-income households and communities in King County. The executive shall administer the housing and community development fund programs in compliance with all applicable fund program rules, regulations and guidelines, and in accordance with the King County consortia interlocal agreements and the consolidated housing and community development plan.

B. The executive may appoint the county representatives on the joint recommendations committee and shall staff the committee. In administering the housing and community development fund programs, the executive shall consider the joint recommendations committee's recommendations as to choice of projects and programs to be undertaken with housing and community development funds, administrative program guidelines and other issues relevant to program administration that might arise.

C. The executive may control the housing and community development funds annually appropriated by the county council, including CDBG, HOME, ESG and RAHP funds. The executive may disburse funds in the manner that is most appropriate to the housing and community development program area, but only if the disbursement complies with the applicable fund program laws, rules, regulations, guidelines and the consolidated housing and community development plan. (Ord. 15571 § 50, 2006).

24.22 INTERIM LOAN PROGRAM FOR PROPERTY ACQUISITION FOR LOW-INCOME HOUSING

Sections:

- 24.22.010 Authorization of program agreements
- 24.22.020 Purpose - requirements - total loan limits.
- 24.22.030 Loan requirement.
- 24.22.040 Funding source restrictions - interest rate - maximum term - loan-to-value ratio – lien affordability covenant agreements - process to secure permanent financing required - insurance.
- 24.22.050 Procedures for compliance - establishment by department of community and human services.
- 24.22.060 Decisions at county's discretion - no rights to funding.

24.22.010 Authorization of program agreements. The executive is hereby authorized to develop and administer in the department of community and human services an interim loan program to facilitate acquisition of property for low-income housing. The executive is further authorized to enter into interim loan agreements with low-income housing developers. The interim loan program and its interim loan agreements shall comply with policies and requirements in this chapter. (Ord. 16693 § 2, 2009).

24.22.020 Purpose - requirements - total loan limits. The interim loan program will add to the stock of housing for low-income and special needs residents of King County by facilitating acquisition of low-income housing using homeless housing and services program moneys and mental illness and drug dependency housing services moneys in the housing and community development fund. These funding sources are collected and awarded to projects annually but are spent down in a manner that creates a fund balance that is carried over from year to year. The interim loan program will allow the county to loan moneys from these low-cost fund balances to experienced housing developers on a short-term, interim basis to acquire property for affordable and homeless housing for households at or below fifty percent of area median income for King County. Interim loans will be awarded only when the project sponsor can provide satisfactory assurances of project feasibility such that permanent funding for the project is highly likely to be secured and the interim loan amount will be repaid within a reasonable period of time, not to exceed five years. No more than fifteen million dollars shall be made available for interim loans at any time. (Ord. 19203 § 1, 2020; Ord. 18828 § 1, 2018; Ord. 16693 § 3, 2009).

24.22.030 Loan requirement.

A. The department may make interim loans only when the borrower demonstrates that the moneys will be used for eligible purposes, and provides reasonable assurance that permanent funding will be available on acceptable terms for repayment of the moneys before the loan maturity date and that appropriate security is provided by the borrower to ensure guarantee repayment.

B. A single borrower may hold a maximum of one outstanding interim loan.

C. Moneys shall be made available only to acquire affordable and homeless housing for households at or below fifty percent of area median income for King County. Priority shall be afforded to projects proposing development of permanent housing that designates at least twenty-five percent of the units for homeless households at or below thirty percent of area median income for King County. The projects shall submit preliminary plans for providing an appropriate level of supportive services for the targeted homeless population to be served.

D. The borrower must meet each the following criteria:

1. The borrower has developed and operated publicly funded capital projects in King County;
2. The borrower provides annual independent organizational financial audits with no findings of material weaknesses or qualification that would indicate concerns about the financial operations of the borrower;
3. The borrower is in good standing with local public funders and is current with annual report submissions;

4. The borrower's publicly funded properties are well maintained, are performing to industry standards and are in compliance with public funder regulatory and loan agreement terms and requirements for replacement or operating reserve accounts, or both;

5. All borrower projects are current with any debt service including public funder loan payments, taxes and insurance;

6. The borrower's development track record demonstrates that projects were completed within acceptable timelines and within budget; and

7. The borrower demonstrates the ability to secure permanent funding and pay off the interim loan within five years.

E. Proposed use of the property to be acquired shall be compatible with the applicable comprehensive plan.

F. The borrower shall provide a current appraisal of the property. (Ord. 16693 § 4, 2009).

24.22.040 Funding source restrictions - interest rate - maximum term - loan-to-value ratio - lien affordability covenant agreements - process to secure permanent financing required - insurance.

A. Interim loans shall be subject to all applicable funding source restrictions and to all of the department of community and human services's capital housing funding conditions and policies.

B. The interest rate on interim loans shall be three percent simple interest, with accrued interest deferred and paid in full at the time repayment is due.

C. The maximum term for full repayment of an interim loan shall be five years.

D. Up to one hundred percent loan-to-value ratio may be allowed upon showing that the county's interest in repayment is sufficiently assured.

E. All interim loans shall be secured with a lien on the property acquired.

F. An affordability covenant agreement shall be placed in first lien position.

G. The borrower shall begin the process to secure permanent financing from public and private funders, as applicable, within one year from the time the interim loan is made.

H. The borrower shall provide title insurance, liability and property insurance for the property. (Ord. 16693 § 5, 2009).

24.22.050 Procedures for compliance - establishment by department of community and human services. The department of community and human services shall establish application procedures to ensure compliance with lending criteria in this chapter. (Ord. 16693 § 6, 2009).

24.22.060 Decisions at county's discretion - no rights to funding. Decisions whether to approve an interim loan application are within the county's sole and complete discretion. This chapter is not intended to create any right or entitlement to interim loan funding for potentially eligible applicants. (Ord. 16693 § 7, 2009).

24.28 CREDIT ENHANCEMENT PROGRAMS

Sections:

- 24.28.010 Authority.
- 24.28.020 Credit enhancement purpose and design.
- 24.28.030 Reserve funds.
- 24.28.050 King County Housing Authority credit enhancement program – eligibility – process – fees.

24.28.010 Authority.

A. The executive is hereby authorized to implement a project-based credit enhancement program utilizing the county's full faith, credit and resources to make available credit enhancements for workforce housing projects assisting the poor and infirm. For the purposes of this chapter, project-based means that applications will be proposed, reviewed and approved based on the financial viability of each project. The executive is further authorized to enter contingent loan agreements with housing developers, but only if the total amount of outstanding debt benefiting from a project-based credit enhancement under this program shall not exceed two hundred million dollars. The project-based credit enhancement program and its associated contingent loan agreements shall be governed by K.C.C. 24.28.020.

B. The executive is hereby authorized to implement the King County Housing Authority Credit enhancement program utilizing the county's full faith, credit and resources to make available credit enhancement to the King County Housing Authority for workforce housing. The executive is further authorized to enter into contingent loan agreements with the King County Housing Authority, but the total amount of outstanding debt benefiting from a credit enhancement from King County through this program shall not exceed two hundred million dollars. The King County Housing Authority credit enhancement program and its associated contingent loan agreements shall be governed by K.C.C. 24.28.050. (Ord. 18591 § 2, 2017: Ord. 16075 § 1, 2008: Ord. 14269 § 2, 2001: Ord. 13093 § 1, 1998: Ord. 12808 § 2, 1997).

24.28.020 Credit enhancement purpose and design.

A. The project-based credit enhancement program will add to the stock of workforce housing aiding the poor and infirm of King County. The program is intended to create an incentive to develop new types of housing, increased affordability for residents, and realization of multiple growth management goals. Extension of credit enhancements to housing developers to secure favorable financing terms for housing projects should result in tangible benefits to the direct beneficiaries, who are poor and infirm residents of the proposed housing, and other public benefits, as appropriate. Project-based credit enhancements may be utilized for one or more of the following:

1. Enabling the development of needed housing that would not otherwise have been built were the project-based credit enhancement unavailable;
2. Increasing the affordability of individual units that are targeted for lower income households within workforce housing projects; and
3. Providing a payment to King County in lieu of additional project affordability for the purpose of developing affordable housing at another location.

B. Eligible applicants may include public housing authorities, nonprofit organizations, for-profit organizations, local governments, public agencies and public development authorities.

C. Eligible beneficiaries must be the poor and infirm of King County. These persons are commonly recognized as households earning eighty percent or less of the county median income and persons or households with special needs.

D. Project-based credit enhancements are to be used to assist the development of mixed-income projects that add to the stock of workforce housing units in King County, including homeownership opportunities for eligible beneficiaries. Owned housing must remain affordable for subsequent buyers who are eligible beneficiaries or upon resale to an ineligible buyer the county shall recapture the subsidy provided by the credit enhancement. Rental projects must guarantee long term affordability to eligible beneficiaries. Eligible activities shall include new construction and acquisition and/or rehabilitation of existing housing when the final product will yield additional workforce housing units.

E. Projects assisted through the project-based credit enhancement program must be located in urban centers or within close proximity to transit hubs or corridors. Projects proposed to be sited elsewhere may be considered when there are unique opportunities to aid eligible beneficiaries. These projects shall nevertheless demonstrate access to employment, transportation and human services, and adequate infrastructure to support housing development.

F. Applications for project-based credit enhancements should be accepted year round to accommodate timely approval of final financial arrangements for projects. Proposed projects must detail the financial benefit of the project-based credit enhancement over the life of the project and how that benefit will be realized by eligible beneficiaries residing in the project.

G. All projects shall undergo rigorous review for financial, legal and policy compliance by staff from appropriate county agencies, including the housing, homelessness and community development division, the finance and business operations division and the office of the prosecuting attorney. When determined necessary by staff, review by the county's economic development consultant and bond counsel, as well as opinions from a bond rating service, shall be required. Project-based credit enhancements shall be used to improve the credit worthiness of the housing developer, but shall never be used as a sole source of credit worthiness of an applicant. Developers and developer teams shall be competent, experienced and financially stable. Minimum standards for developers and projects shall be established by the executive.

H. Projects shall conform with applicable county requirements for contracting services.

I. All contingent loan agreements resulting in a project-based credit enhancement for a project shall be structured to minimize the county's financial risk and shall ensure the county's right to review all project records and direct corrective measures deemed necessary to prevent financial instability, material or technical default. All agreements shall be reviewed and approved by appropriate county agencies, including the housing, homelessness and community development division, the finance and business operations division, the office of the prosecuting attorney and the office of risk management services, and shall be reviewed by the county's economic development consultant and bond counsel, as appropriate.

J. Projects receiving project-based credit enhancements shall have the option to make a payment in lieu of providing additional project affordability. The payment shall be allocated to the housing and community development fund for the sole purpose of funding development of affordable low-income housing.

K. Projects will vary in financial risk to the county. While financial risks are to be minimized, the county may extend project-based credit enhancements where risks exist, provided the county has adequate financial reserves to cover county credit enhancement obligations.

L. The executive is authorized to collect an application fee between 0.2 and 0.4 percent of the amount of project debt that is credit-enhanced under the project-based credit enhancement program. The application fee shall be payable at the time that a contingent loan agreement is approved. The proceeds of the application fee shall be deposited in the credit enhancement reserve account described in K.C.C. 24.28.030.A. In establishing the level of the fee, the executive shall give primary consideration to the costs incurred by the county for processing an application for a project-based credit enhancement.

M. The executive is authorized to impose an annual monitoring fee between 0.05 and 0.10 percent of the amount of project debt that is credit enhanced under the project-based credit enhancement program. The proceeds of the monitoring fee shall be deposited in the housing and community development fund and used for program administrative costs. (Ord. 19015 § 11, 2019: Ord. 18872 § 2, 2019: Ord. 18591 § 3, 2017: Ord. 14269 § 3, 2001: Ord. 13093 § 2, 1998: Ord. 12808 § 3, 1997).

24.28.030 Reserve funds.

A. The executive shall establish a project-based credit enhancement reserve account within the housing and community development fund. Interest income generated by the reserve account shall be retained in the reserve account to increase the amount of project-based credit enhancement reserve funds. Moneys contained in the project-based credit enhancement reserve account shall be used if, under the terms of a contingent loan agreement, the county is obligated to make a loan to a housing development that has received project-based credit enhancement.

B. The project-based credit enhancement reserve account shall not exceed an amount equal to one percent of the total credit-enhanced project debt outstanding under the project-based credit enhancement program. Reserve account funds in excess of the required credit enhancement reserve shall be transferred to the housing and community development fund, and used for program administrative costs. (Ord. 18591 § 4, 2017: Ord. 16075 § 3, 2008: Ord. 14269 § 4, 2001).

24.28.050 King County Housing Authority credit enhancement program – eligibility – process – fees.

A. The King County Housing Authority credit enhancement program is hereby created.

B. The King County Housing Authority shall be the only eligible user of the program.

C. All projects financed under the program shall satisfy the requirements of state housing authority law, chapter 35.82 RCW, which requires a minimum of fifty percent of the units in a project be made available to and affordable to eligible beneficiaries, which are households with income at or below eighty percent of the area median income.

D. Credit enhancement under the program will be utilized by the King County Housing Authority to assist in the acquisition, new construction or rehabilitation, or any combination of acquisition, new construction and rehabilitation, of housing that adds to the stock of workforce housing units in King County. The purpose of the King County Housing Authority credit enhancement program is to provide long term affordability to eligible beneficiaries consistent with the requirements of state housing authority law.

E. All properties developed or acquired under the program must be located in areas with access to high capacity transit, schools, jobs or other social amenities that support upward economic mobility.

F. The King County Housing Authority may submit requests to commit credit enhancement under the program on a rolling basis until December 31, 2022, at which time no new credit enhancement commitments shall be made.

G. Credit enhancements under the program shall be provided and underwritten to the financial strength, legal and policy compliance of the King County Housing Authority

and not based on an individual project viability review. Credit enhancements shall be used to provide the King County Housing Authority with ready access to municipal credit markets at the lowest available interest rates.

H. All financial instruments utilized by the King County Housing Authority with credit enhancements under the program shall comply with all state and federal law.

I. All contingent loan agreements resulting in credit enhancement under the program shall be structured to minimize the county's financial risk, and the county shall have recourse to the King County Housing Authority's general revenues as security for its contingent loan agreements.

J. The King County Housing Authority shall provide to the housing, homelessness and community development division its annual audited financial statements within ten days of receipt and participate in an annual credit review by the appropriate county agencies, including the housing, homelessness and community development division, the finance and business operations division and the office of the prosecuting attorney, with review by the county's economic development consultant and bond counsel, as appropriate.

K. The executive is authorized to collect an application fee up to 0.3 percent of the amount of credit enhancement committed under the program. The application fee shall be payable on the effective date of each commitment of county credit enhancement under the program. The proceeds of the application fee shall be deposited in the housing and community development fund and used for program administrative costs.

L. The executive is authorized to impose an annual monitoring fee of up to 0.1 percent of the amount committed under the program's credit enhancement. The proceeds of the monitoring fee shall be deposited in the housing and community development fund and used for program administrative costs. (Ord. 18872 § 3, 2019; Ord. 18591 § 6, 2017).

24.30 HEALTH THROUGH HOUSING IMPLEMENTATION PLAN

Sections:

24.30.010 Definitions.

24.30.020 Initial health through housing implementation plan – proposal – filing with council – ordinance to adopt plan and form the health through housing advisory committee.

24.30.030 Expenditure of proceeds from health through housing fund – implementation plan contents including goals, strategies, performance measures, reporting requirements, annual expenditure plan – reporting – health through housing advisory committee – allocations under implementation plan – implementation plan updates.

24.30.010 Definitions The definitions in this section apply throughout this chapter unless the context clearly require otherwise.

A. "Affordable housing" means residential housing that requires payment of monthly housing costs of no more than thirty percent of an eligible household's income. For the purposes of this chapter, monthly housing costs may include rent and costs for those utilities that provide for water, wastewater, electricity, gas, solid waste and recycling services, but not those utilities that provide for telephone, internet services or cable services.

B. "Affordable housing committee" means the committee of the growth management planning council developed to implement the work of the regional affordable housing task force developed to implement Motion 14754.

C. "At risk of experiencing chronic homelessness" describes a household that:

1. Includes an adult with a developmental, physical or behavioral health disability;

2.a. Is currently experiencing homelessness for only ten to twelve months in the previous three years; or

b. has experienced homelessness for a cumulative total of twelve months within the last five years; and

3.a. Includes one adult that has been incarcerated within the previous five years in a jail or prison;

b. includes one adult that has been detained or involuntarily committed under chapter 71.05 RCW as now existing, as hereafter amended or as superseded; or

c. identifies as a member of a population that is demographically overrepresented among persons experiencing homelessness in King County.

D. "Behavioral health treatment programs and services" means a program or service designed to improve or treat the health of persons with one or more behavioral health condition, including either a mental health condition or a substance use disorder, or both.

E. "Eligible household" means a person, cohabitating persons and the cohabitating dependents of persons within population groups described in RCW 82.14.530 as now existing, as hereafter amended or as superseded, and including any amendments thereto expanding such allowable purposes, as eligible for provision of affordable housing and use of facilities providing housing-related programs and whose income at the time they receive services or placement within affordable housing is at or below thirty percent of the median income in King County.

F. "Experiencing chronic homelessness" refers to a household that includes an adult with a disability, that either is currently experiencing homelessness for at least twelve consecutive months or has experienced homelessness for a cumulative twelve months within the previous three years.

G. "Housing-related services" means services that are provided to eligible households that are either living in affordable housing or experiencing housing instability, which services have the purpose of helping the household gain, maintain or increase housing stability. "Housing-related services" may include but are not limited to: case management; tenant education and supports; financial assistance for essential costs of housing; or assessment and referral to other human services. For the purposes of this definition, housing instability means a household's inability to gain and maintain safe, habitable housing in a community of the household's choice for less than approximately forty percent of the household's income.

H. "Proceeds" means the principal amount of moneys received from the Washington state Department of Revenue from the collection of the additional sales and use tax authorized by K.C.C. chapter 4A.503 and RCW 82.14.530 as now existing, as hereafter amended or as superseded, and any interest earnings on the moneys. (Ord. 19236 § 2, 2021).

24.30.020 Initial health through housing implementation plan – proposal – filing with council – ordinance to adopt plan and form the health through housing advisory committee.

A. No later than August 30, 2021, the executive shall transmit for council review a proposed initial health through housing implementation plan. The implementation plan shall describe the goals, strategies, performance measures, reporting requirements and annual expenditure plan to direct use of the proceeds from 2022 through 2028. The executive shall consult with the affordable housing committee and the chief executive officer of the King County Regional Homelessness Authority in the development of the implementation plan.

B. The executive shall electronically file the implementation plan required in subsection A. of this section with the clerk of the council, who shall retain the original and

provide an electronic copy to all councilmembers, the council chief of staff, the policy staff director and the lead staff for the committee of the whole and the regional policy committee, or their successors. The implementation plan shall be accompanied by a proposed ordinance that should adopt the implementation plan and form the health through housing advisory committee. (Ord. 19236 § 3, 2021).

24.30.030 Expenditure of proceeds from health through housing fund – implementation plan contents including goals, strategies, performance measures, reporting requirements, annual expenditure plan – reporting – health through housing advisory committee – allocations under implementation plan – implementation plan updates.

A.1. Beginning January 1, 2022, if an implementation plan has been adopted by the council in accordance with K.C.C. 24.30.020, then expenditure of proceeds from the health through housing fund shall be consistent with that adopted implementation plan. The implementation plan shall describe the goals, strategies, performance measures, reporting requirements and annual expenditure plan to direct use of the proceeds. Among the goals and corresponding performance measures of the implementation plan shall be the annual reduction of racial and ethnic demographic disproportionality among persons experiencing chronic homelessness in King County. The implementation plan shall also describe responsibilities of a health through housing advisory committee, which is to provide advice to the executive and council and to report annually to the council and the community on the accomplishments and effectiveness of the expenditure of proceeds and name the persons to the committee. Annual reporting provided to the council and the community shall include information on the allocation of the proceeds by jurisdiction.

2. The executive's selection of persons to serve on the health through housing advisory committee shall provide for the meaningful inclusion on the committee of persons who have experienced homelessness, meaningful inclusion on the committee of persons representative of racial and ethnic communities that are demographically disproportionately represented among persons experiencing chronic homelessness in King County and meaningful inclusion of residents of cities with populations greater than sixty thousand persons and of unincorporated areas. The committee shall include representatives from other county, city, and subregional boards, commissions or committees to promote regional coordination and coordination across King County human services investments.

3. The paramount goal of the implementation plan shall be the creation and ongoing operation of one thousand six hundred units of affordable housing with housing-related services for eligible households in King County that are experiencing chronic homelessness or that are at risk of experiencing chronic homelessness. Affordable housing units for persons experiencing chronic homelessness created in 2021 using proceeds authorized by K.C.C. chapter 4A.503, may be included in the implementation plan's goals, strategies, satisfaction of performance measures and reporting. Affordable housing units, in some cases, may only require support from the proceeds for operating costs and housing related services. Such affordable housing units may also be included in the implementation plan's goals, strategies, satisfaction of performance measures and reporting.

4. The implementation plan shall describe the processes by which the executive shall work with jurisdictions that have dedicated funding and are investing in the development of housing serving households experiencing chronic homelessness or at risk of experiencing chronic homelessness, to align allocation of proceeds with such efforts.

5. The implementation plan shall also include as a goal the creation and operations of a mobile behavioral health intervention program with access for its clients to housing created, operated, or otherwise funded by proceeds. The purpose of the mobile behavioral health intervention program required by this subsection shall be to provide an alternative to

the use of law enforcement to respond to behavioral health crises. The goal required by this subsection A.5. may be satisfied by creating a new program or by supplementing and adapting an existing program.

6. The implementation plan shall describe the process to site affordable housing and behavioral health facilities funded by proceeds. The siting process shall be in accordance with RCW 82.14.530 as now existing, as hereafter amended or as superseded, including the consultation process if a facility is proposed to be located within a city. The implementation plan shall require and describe the consultation process between the county and any city in which the county proposes a facility to be located to jointly identify and mutually agree upon suitable locations for eligible facilities to be purchased or constructed, and the services that will be provided to operate and maintain those facilities, prior to the county entering into any contract or agreement to purchase or construct such facilities. The implementation plan shall describe and require use of an equity and social justice impact review process when siting affordable housing and behavioral health facilities.

7. The implementation plan shall include a communication and partnership plan, including communication protocols that will be used by the county for partnering and working collaboratively with individual cities, as well as through established partnerships such as A Regional Coalition for Housing (ARCH) and South King Housing and Homelessness Partners (SKHHP), and with future partnerships such as two or more cities partnering together to provide eligible facilities and services. The communication and partnership plan shall also describe the approach for how community input will be incorporated into the review process when siting affordable housing and behavioral health facilities.

8. The implementation plan shall describe how allocation of the proceeds will satisfy the requirements of RCW 82.14.530 as now existing, as hereafter amended or as superseded.

9. Included in the implementation plan shall be an expenditure plan for the first eight years the sales and use tax authorized by K.C.C. chapter 4A.503, and RCW 82.14.530 as now existing, as hereafter amended or as superseded, are collected. For each year, the expenditure plan shall include:

a. the forecast of annual debt service associated with bonds issued as authorized by K.C.C. chapter 4A.503 and allocation of proceeds to fully cover the annual debt service;

b. the forecast of annual expenditures for maintenance and operation at structures or facilities built or acquired with proceeds as authorized by K.C.C. chapter 4A.503;

c. the forecast of annual expenditure for supporting those services as authorized by R.C.W. 82.14.530 (2)(c) as now existing, as hereafter amended or as superseded;

d. an allocation of at least nine percent and no more than thirteen percent of each year's proceeds for the provision, delivery and administration of behavioral health treatment programs and services that are not part of the supportive services provided within affordable housing or behavioral health facilities supported by proceeds; and

e. from the annual remaining proceeds after costs associated with bonding described in subsection B.9.a. of this section and allocations for behavioral health described in subsection B.9.d. of this section, an allocation of no more than five percent for administration, no more than one and one-half percent for evaluation and at least one percent for use in supporting and building the capacity of community-based organizations to deliver eligible uses of proceeds for persons and communities that are disproportionately demographically represented among persons experiencing chronic homelessness in King County.

C. No later than June 30, 2027, and every eight years thereafter, the executive shall transmit for council review and adoption by ordinance a proposed update to the

implementation plan, which proposed update shall describe for an additional eight years beyond the term of the then-adopted implementation plan the goals, strategies, performance measures, reporting requirements and expenditure plan to direct use of the proceeds for the respective eight-year period. (Ord. 19236 § 4, 2021).