

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5536

(Greenbridge HomeSight Phase III)

A RESOLUTION authorizing the disposition and sale to HomeSight of five lots adjacent to the Greenbridge community, as well as the provision of up to \$1.3 million in construction financing, a \$350,000 note from HomeSight and deferred homebuyer loans in a cumulative amount not to exceed \$20,000, to support low-income homeownership as part of the Greenbridge development

WHEREAS, King County Housing Authority (KCHA) is developing the Greenbridge HOPE VI project in White Center with the objective of providing affordable rental and homeownership opportunities for KCHA residents and other low income residents of King County; and,

WHEREAS, HomeSight has a successful record of partnering with KCHA in developing and selling affordable homes for ownership by low-income households at Greenbridge and the South King County area; and,

WHEREAS, KCHA has acquired five platted lots adjacent to Greenbridge (parcels 0623049238, 0623049392, 7973201730, 7973201735 and 7973201740 and, collectively, the “Lots”) and has demolished substandard housing on the Lots, thereby creating fully serviced finished lots; and,

WHEREAS, KCHA and HomeSight have been awarded home-owner down payment assistance from King County and the State of Washington; and,

WHEREAS, KCHA and HomeSight have negotiated a lot sales price of \$70,000 for each of the Lots which amount will repay KCHA for the property acquisition and infrastructure expenses incurred as part of the redevelopment of Greenbridge; and,

WHEREAS, HomeSight (“Borrower”) has applied to KCHA for financial assistance in the principal amount of up to \$1,300,000 (“Loan”) to finance the construction of five homes on the Lots that will provide homeownership opportunities to low-income persons in King County, Washington (“Project”); and

WHEREAS, HomeSight has already successfully repaid KCHA’s Phase I and Phase II construction loans in an aggregate amount of \$3,000,000 for the construction of 15 homes at Greenbridge; and

WHEREAS, KCHA has also previously provided deferred loans on a portion of the lot price as additional assistance for low income homebuyers; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING, THAT:

1. Lot Disposition to HomeSight. The Board hereby approves the disposition and sale of the Lots to HomeSight for the price of \$70,000 per lot plus associated closing costs and a fixed finance fee of \$5,000, to be evidenced by a note to KCHA. The sales are contingent upon completing documentation of funds previously awarded to KCHA by

King County HOME and Washington State Housing Trust Fund. The Executive Director or a Deputy Executive Director is authorized to execute all documents and related materials necessary or useful to effectuate such disposition.

2. Construction Financing Loan. The Executive Director or a Deputy Executive Director is authorized to make the Loan to the Borrower on the terms set forth in this resolution. Such financing is declared and determined to be necessary for feasibility of the Project. All proceeds of the Loan shall be disbursed pursuant to and subject to the conditions of the Loan Documents, as hereafter defined. The Loan shall be in a principal amount not to exceed \$1,300,000; shall have an initial maturity date not more than 18 months from first disbursement with a fixed finance fee of \$6,000. The Loan shall be governed by the terms of a loan agreement, evidenced by a note and secured by a deed of trust ("Loan Documents").
3. Deferred Homebuyer Loans. The Executive Director or Deputy Executive Director is authorized to make two deferred homebuyer loans at 1.5% annual interest in a principal amount up to a maximum of \$10,000.00 each, a maturity date equal to the earlier of the first resale of the home or thirty years, and upon such other terms as are necessary to achieve the low-income targets of the Project.
4. Ratification and Confirmation. Any actions of KCHA or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.
5. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

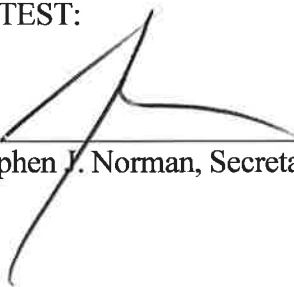
ADOPTED by the Board of Commissioners of the Housing Authority of the County of King at
an open public meeting this 18th day of April, 2016.

HOUSING AUTHORITY OF THE COUNTY OF KING



By: Douglas J. Barnes, Chair
Board of Commissioners

ATTEST:



Stephen J. Norman, Secretary