

CLARK COUNTY STAFF REPORT

DEPARTMENT: Community Services

DATE: 05/10/16

REQUESTED ACTION: That the Board of County Councilors approve a transfer of County housing affordability requirements on property currently owned by Columbia River Mental Health Services, and authorize the County Manager to sign documents supporting the transfer.

 X Consent Hearing County Manager

BACKGROUND

Columbia River Mental Health utilized federal HOME Investment Partnerships funds administered by the County in 1997 to purchase a home at 2718 NE 99th Street, Vancouver, WA; and also twelve units at the Forest Creek apartments at 7300 NE 16th Avenue, Vancouver, WA.

When utilizing HOME funds to purchase the above properties, requirements were put in place via Covenants and Deeds of Trust to maintain housing affordable to low-income tenants for a 15 year federal period, and a follow-on County period. The federally-required affordability period has been completed, and the County affordability period continues.

Columbia River Mental Health Services is selling both properties so they can focus on services to their customers, and not invest resources in property management. The prospective buyer is interested in purchasing both the 99th Street house and the Forest Creek units, and has agreed to keep the County housing affordability requirements in place for the remainder of the original County affordability period, ending October 31, 2041 for the single home property, and December 31, 2047 for the Forest Creek apartments. The prospective buyer will also assume the terms of the corresponding HOME loan repayment to the County.

The County seeks approval by the Board of County Councilors to modify the Deeds of Trust and Covenants on these properties and maintain the housing affordable to low-income persons earning between 60 and 80% of area median income or below for the remainder of the County affordability period. Once the Covenants and Deeds of Trust are modified, they will be transferred to the new owner. This is necessary to facilitate the property sale, and maintain the stock of affordable housing available in the County.

There is no General Fund impact. The requested action will not impact current staffing, or salaries/benefits. By transferring these properties from a nonprofit owner to a limited liability corporation, the county will gain increased income from property tax payments while maintaining the affordable units for the community.

- ☐ This is a new program
- ☒ This is a continuation of an existing program

COUNCIL POLICY IMPLICATIONS

There are no known Council policy implications.

ADMINISTRATIVE POLICY IMPLICATIONS

There are no known administrative policy implications.

COMMUNITY OUTREACH

Not Applicable.

BUDGET IMPLICATIONS

YES	NO	
X		Action falls within existing budget capacity.
	X	Action falls within existing budget capacity but requires a change of purpose within existing appropriation
	X	Additional budget capacity is necessary and will be requested at the next supplemental. If YES, please complete the budget impact statement. If YES, this action will be referred to the county council with a recommendation from the county manager.


BUDGET DETAILS

Local Fund Dollar Amount	\$0
Grant Fund Dollar Amount	\$0
Account	N/A
Company Name	N/A

DISTRIBUTIONBoard staff will post all staff reports to The Grid. <http://www.clark.wa.gov/thegrid/>

For questions please contact Michael Torres or Sam Whitley at 360-397-2130.


 Michael A. Torres, Program Manager II


 Vanessa Gaston, Director

APPROVED: _____
CLARK COUNTY, WASHINGTON
BOARD OF COUNTY COUNCILORS

DATE: _____

SR# _____

APPROVED: _____
Mark McCauley, Acting County Manager