



Snohomish County
Office of the Executive
Aaron Reardon
County Executive

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Snohomish County Executive Aaron Reardon Supports Affordable Housing Project

On Friday October 26, 2007, County Executive Aaron Reardon submitted a proposal to the Snohomish County Council to provide needed support for a new affordable housing initiative sponsored by Housing Hope, Snohomish County's largest affordable housing agency.

The County's support will enable Housing Hope to develop Lincoln Hill Village. The affordable housing development will be located on approximately 1.5 acres in the Stanwood area, and will consist of twenty-four (24) units of affordable housing for very low-income families (at or below 50% of the area median income). Nine units will be three bedroom apartments targeted to large families with children. The sixteen remaining units will be two bedroom apartments for low income families with children. Five of these units will serve homeless families with children as part of the Sound Families Initiative.

“We are pleased to be able to partner with our friends at Housing Hope and the Gates Foundation in order to provide needed housing and services for families in Snohomish County,” said Executive Reardon. “Tackling the challenges of providing affordable housing to working families and the most vulnerable members of society takes creative solutions. Through this proposal, we can leverage funds to provide much needed affordable housing to Snohomish County residents, with no impact whatsoever on the County general fund.”

Under the proposal, the County will provide a low interest, 30-month loan of \$842,500 to Housing Hope. This loan will in turn make the project eligible for nearly \$2.8 million in tax credit financing from the Washington State Housing Finance Commission and funding in the amount of \$842,500 from the State Housing Trust Fund, thus enabling Housing Hope to repay the County's short term loan.

At any given time, the County has approximately \$2.9 million in Community Development Block Grant (CDBG) funds on account in the Federal Treasury. These

are funds the County has awarded to local projects and programs but have not yet been drawn down. The funds are available to the County to lend as low-interest loans to CDBG-eligible housing projects until the awardees are prepared to begin drawing down their allocations. These “float loans” are made for short terms (up to 30 months) and each is fully secured by a letter of credit from a commercial bank approved by Snohomish County. Federal authorization for this program is outlined in Title 24 CFR Section 570.209 and 570.301(b).

“Providing affordable housing is the single most important social issue facing our county today,” said Executive Reardon. “I urge the County Council to approve this proposal.”

For more information, contact Deanna Dawson, Executive Director, Snohomish County Executive Office at (425) 388-3297.