

## **Media Advisory – Jan. 21, 2009**

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### **Reardon calls for increased affordable-housing support**

Snohomish County Executive Aaron Reardon today announced he will request the County Council increase support for nonprofits that purchase affordable housing for low-income residents through the county's loan guarantee program.

The county has the capacity to offer up to \$40 million in loan guarantees for nonprofits and public housing authorities. This credit enhancement can play a significant role in both securing a loan and reducing the interest rate for the loan. Nearly \$35 million of the \$40 million already has been committed to projects.

Reardon will ask the County Council to increase the loan guarantee limit to \$100 million, providing increased opportunity for nonprofits to preserve, purchase or build new affordable housing.

“Increasing the available limit to enhance additional loans will provide a significant boost to reaching our affordable housing goals,” Reardon said. “This is a way for the county to partner with our community stakeholders and to increase their buying power at no cost to taxpayers.”

Reardon helped secure loan agreements in 2007 for the purchase of 220 affordable housing units in Snohomish County by the Everett Housing Authority and the Young Women's Christian Association (YWCA) of Seattle-King County-Snohomish County by providing bond credit for three purchases.

The agreement provided for the purchase and rehabilitation of three multi-family housing complexes serving families at or below 50 percent of area median income. They are the Wear to Live apartment complex in Everett, Victorian Woods apartment complex in Mountlake Terrace and the Somerset Village complex in Lynnwood.

The acquisition price of the properties was \$28.8 million. The county provided no funding, but its bond credit backing the loans saved the Everett Housing Authority and the YWCA about \$2.4 million in financing.

“The Snohomish County Credit Enhancement program will assist local nonprofit housing providers to increase the production of affordable housing for working people and families with children,” said Ed Petersen, executive director of Housing Hope. “Everyone should have the opportunity to live in a safe, decent, affordable home and this increased capacity through Snohomish County government provides another important tool toward real housing solutions for local households struggling to afford housing costs.”

The loan-guarantee policy is one part of the *Housing Within Reach* plan published by the Housing Consortium of Everett and Snohomish County in June 2008.

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