# CLARK COUNTY
# STAFF REPORT

**DEPARTMENT:** Community Services

**DATE:** 07/12/16

**REQUESTED ACTION:** The Board of County Councilors approve removal of County housing affordability requirements on property currently owned by Columbia River Mental Health that will be sold; and authorize the County Manager to sign corresponding documents supporting the removal of affordability requirements.

_X_ Consent ____ Hearing ____ County Manager

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## BACKGROUND

Columbia River Mental Health Services 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 Condominiums at 7300 NE 16th Avenue, Vancouver, WA.

When utilizing HOME funds to purchase the above properties, requirements were put in place via a Covenant and Deed 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 until October 31, 2041 for the single home property, and December 31, 2047 for the Forest Creek Condos. In addition to the affordability requirements, the Forest Creek property has a Promissory Note for repayment to the County by Columbia River Mental Health Services of the HOME loan funds utilized to purchase that property, with 1.5% interest per year, due December 31, 2047; or upon sale or transfer.

Columbia River Mental Health is selling both properties so they can focus on services to their customers, and not invest resources in property management. To facilitate the sale of these properties, the County seeks approval by the Board of County Councilors to remove the Deed of Trust and Covenant on these properties. The Promissory Note in place for Forest Creek Condominiums will be paid to the county in full upon sale of the property. The revenue to the County from the repayment of the Promissory Note must be returned to the HOME Program as "program income" and utilized for the purposes of creating new affordable housing opportunities in Clark County.

There is no General Fund impact. The requested action will not impact current staffing, or salaries/benefits. By selling these properties, the county will likely gain increased income from property tax payments.

## COUNCIL POLICY IMPLICATIONS
There are no known Council policy implications.

## ADMINISTRATIVE POLICY IMPLICATIONS
There are no known administrative policy implications.

## COMMUNITY OUTREACH
Not Applicable.

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**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 | 1938/HOME |
| Company Name | U.S. Department of Housing and Urban Development |

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For questions please contact Michael Torres or Lynn Mueller at 360-397-2130.

7/7/2016
Michael A. Torres, Program Manager II

Vanessa Gaston, Director

**APPROVED: _____**
**CLARK COUNTY, WASHINGTON**
**BOARD OF COUNTY COUNCILORS**

DATE: _____

SR#_____

**APPROVED: _____**
**Mark McCauley, County Manager**