ORDINANCE No. 118687

COUNCIL BILL No. 111825

AN ORDINANCE relating to the Holly Park redevelopment project; and authorizing the Mayor to execute a Memorandum of Agreement with the Housing Authority of the City of Seattle.

COMPTROLLER FILE No. _____

Introduced: AUG - 4 1997	By: CHOW
Referred: AUG - 4 1997	To: Health, Housing, Human Services, Education & Libraries Committee
Referred:	To:
Referred:	To:
Reported:	Second Reading:
Third Reading: AUG 11 1997	Signed: AUG 11 1997
Presented to Mayor: 8-12-97	Approved: AUG 15 1997
Returned to City Clerk: AUG 15 1997	Published: 1tle 2pp
Vetoed by Mayor:	Veto Published:
Passed over Veto:	Veto Sustained:

US5047

The City of Seattle--Legis

REPORT OF COMM

Honorable President:

Your Committee on _____

to which was referred the within Council Bill No. _____
report that we have considered the same and respectfully reco

Passed as amended 4-0

8-11-97 Full Council Action: Pass
(excuse

NO DISC

x Cas Chow

Committee Cha

The City of Seattle--Legislative Department

Date Reported and Adopted

REPORT OF COMMITTEE

Honorable President:

Your Committee on _____

to which was referred the within Council Bill No. _____
report that we have considered the same and respectfully recommend that the same:

Passed as amended 4-0 8/7/97

8-11-97 Full Council Action: Pass 8-0
(excused: Donaldson)

X _____
Committee Chair

No Disk

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August 11, 1997
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(Ver. 1)

ORDINANCE 118687

AN ORDINANCE relating to the Holly Park redevelopment project; and authorizing the Mayor to execute a Memorandum of Agreement with the Housing Authority of the City of Seattle.

WHEREAS, the Housing Authority of the City of Seattle has requested capital contributions from The City of Seattle to provide partial funding for Phase I of the redevelopment of the 102-acre public housing community in southeast Seattle known as Holly Park; and

WHEREAS, Resolution 29579, passed by the City Council on June 2, 1997, provides that City funding for Phase I of the redevelopment of Holly Park shall not be released until the City Council has approved by ordinance, and the City and the Housing Authority of the City of Seattle have executed, a memorandum of agreement consistent with certain terms and conditions set forth in Resolutions 29579 and 29578; NOW THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Mayor is hereby authorized to execute, for and on behalf of The City of Seattle, a Memorandum of Agreement ("MOA"), substantially in the form attached hereto as Exhibit A, with the Housing Authority of the City of Seattle concerning the Holly Park redevelopment project.

Section 2. Notwithstanding the provisions of Ordinance 118605, Utility Funding (as defined in the MOA) shall not exceed actual costs or One Million Eight Hundred Thousand Dollars ($1,800,000), whichever is less.

Section 3. Commencing March 1, 1998 and continuing until March 1, 2004 the Director of Housing and Human Services and the Director of the Office of Management and Planning shall provide annual reports to the City Council that include, at a minimum, the status of the Housing Authority of the City of Seattle's compliance with the Annual Production Targets (attached as Attachment C to the MOA), the status of development of the Community Facilities (as defined in the MOA), the requests for and use of funds from the City by non-profit housing organizations for the Partnership Units (as defined

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in the MOA), and summaries of the monthly and quarterly reports provided by the Housing Authority of the City of Seattle to the Department of Housing and Human Services.

Section 4. No later than March 1, 1998, the Director of Housing and Human Services and the Director of the Office of Management and Planning shall submit to the City Council a proposed framework and schedule for reviewing funding requests from the Housing Authority of the City of Seattle for Phases II and III of the Holly Park redevelopment project.

Section 5. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 11th day of August, 1997, and signed by me in open session in authentication of its passage this 11th day of August, 1997.

President _____ of the City Council

Approved by me this 15th day of August, 1997.

Mayor

Filed by me this 15 day of August, 1997.

City Clerk

(Seal)

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118687

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is made between the Housing Authority of the City of Seattle, a public body corporate and politic under the laws of the State of Washington, and The City of Seattle, a Washington municipal corporation.

RECITALS

A. SHA received a Forty-seven Million One Hundred Thousand Dollar ($47,100,000) HOPE VI Revitalization Demonstration Project Implementation Grant from HUD to partially fund the redevelopment of the 102 acre public housing community known as Holly Park in Southeast Seattle into a mixed-income housing community in partnership with the current residents of Holly Park and private and public entities.

B. The City Council adopted Resolution 29479 on November 12, 1996 affirming its intent to make capital contributions to Phase I and directing the development of the City's financial contribution plan for Phase I.

C. The City Council adopted Resolution 29579 on June 2, 1997, a copy of which is attached hereto as Attachment A, approving a financial contribution plan not to exceed Six Million Three Hundred Thousand Dollars ($6,300,000) for Phase I.

D. The City Council adopted Resolution 29578 on June 2, 1997, a copy of which is attached hereto as Attachment B, accepting the Replacement Housing Plan.

E. Resolution 29579 provides that the City Funds for Phase I shall not be released until the City Council has adopted by ordinance, and the City and SHA have executed, a memorandum of agreement consistent with certain conditions set forth in Resolutions 29578 and 29579.

NOW, THEREFORE, the parties agree as follows:

1. DEFINITIONS

The following words and terms have the following meanings for purposes of this Agreement:

1.1. "ACC" means the Annual Contributions Contract between SHA and HUD, as amended.

1.2. "Agreement" means this Memorandum of Agreement.

1.3. "Annual Production Targets" means the annual production targets for Phases I, II and III, including number, type, affordability, funding and/or completion of units or other assistance, as established in Sections I-IV of the Annual Production Targets, attached to this Agreement as Attachment C.

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1.4. "Change of Use" means any failure during the term of this Agreement to provide and make continuously available for residential occupancy the housing units (including number, type and affordability level) as specified in Sections I-III of the Annual Production Targets.

1.5. "City" means The City of Seattle.

1.6. "City Contribution Agreements" means each and every City agreement, debt instrument, security document, financing statement or other document executed by SHA concerning City Funds for Phase I, Phase II or Phase III, including, without limitation, promissory notes, deeds of trust, loan agreements, grant agreements, regulatory agreements and service and contribution agreements, and amendments and modifications thereto.

1.7. "City Funds" means funds, credits, facilities, equipment or services provided by the City pursuant to this Agreement.

1.8. "Community Facilities" means the non-residential structures identified as the Campus of Learners and the Family Center in the City's Department of Construction and Land Use Master Use and Construction Application and Permit Number 9704058 submitted by SHA on July 8, 1997. Such structures include space for classrooms; space for child care, Head Start and youth tutoring; a Seattle Public Library branch library; and other community and social service office spaces.

1.9. "Cost Certification" means certification of actual project expenditures at the end of each phase by an independent CPA licensed in the State of Washington, in accordance with generally accepted auditing standards and government auditing standards issued by the Comptroller General of the United States.

1.10. "DHHS" means the City's Department of Housing and Human Services.

1.11. "Federal Operating Subsidies" means operating subsidies made available to SHA through an ACC.

1.12. "HUD" means the U.S. Department of Housing and Urban Development.

1.13. "MBE" means a business that has been certified by the Washington State Office of Minority and Women's Business Enterprises as a minority business enterprise and is eligible to participate in the City's Women and Minority Business Enterprise Program under SMC Section 20.46A.100.

1.14. "NOFA" means notice of funding availability.

1.15. "OMP" means the City's Office of Management and Planning.

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1.16. "Other Financing Documents" means all promissory notes, loan agreements, mortgages, deeds of trust, security agreements, grant agreements, ground leases, master leases, condominium declarations, restrictive covenants, commitments, subscription agreements, partnership or joint venture agreements, or other agreements or instruments relating to any financing of any kind, other than City Funds, for Phase I, Phase II or Phase III.

1.17. "Partnership Units" means the 221 off-site rental housing units identified in Section II.C of the Annual Production Targets that are anticipated to be developed, leased and managed by non-profit housing organizations, owned by SHA as Public Housing, and approved by HUD.

1.18. "Phase I," "Phase II" and "Phase III" mean, respectively, Phase I, Phase II, and Phase III of the redevelopment of Holly Park as approved by City's Department of Construction and Land Use Master Use Permit Number 9400126 issued on June 13, 1997.

1.19. "Project Savings" means the excess, if any, of the sum of all revenues (excluding Utility Funding) above the sum of all expenditures (excluding Utility Funding).

1.20. "Public Housing" means units of housing available to persons eligible under HUD regulations to participate in the public housing program, the operation of which is subsidized by an ACC.

1.21. "Public Infrastructure" means the water, wastewater and/or drainage infrastructure (i) that is required to be constructed or installed under SMC 21.04.060.B, SMC 21.16.270.B and/or SMC chapter 23.53, respectively, and any rules or policies that may be promulgated thereunder, (ii) that is required to be transferred to the City upon completion of construction and (iii) that serves dwelling units of households with aggregate annual incomes less than or equal to 50% of median income, as defined in Ordinance 118605.

1.22. "Replacement Housing Plan" means Attachment A (two pages) to Resolution 29578.

1.23. "SHA" means the Housing Authority of the City of Seattle.

1.24. "SMC" means Seattle Municipal Code.

1.25. "Utility Funding" means funds, credits, facilities, equipment or services (a) from Seattle City Light to extend the City's electrical distribution system, and (b) from Seattle Public Utilities to construct Public Infrastructure.

1.26. "WBE" means a business that has been certified by the Washington State Office of Minority and Women's Business Enterprises as a women's business enterprise and is eligible to participate in the City's Women and Minority Business Enterprise Program under SMC Section 20.46A.100, as the same may be amended.

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1.27. "WMBE" means any business eligible to participate in the City's WMBE Program pursuant to SMC Section 20.46A.100, as the same may be amended.

1.28. "WMBE Ordinance" means SMC Chapter 20.46A, as the same may be amended.

1.29. "WMBE Program" means the City's Women's and Minority Business Enterprises Program, as the same may be amended.

2. TERM OF THE AGREEMENT

This Agreement shall remain in effect until SHA provides, and the City accepts, certification that the numbers and types of housing units identified in Sections I-III of the Annual Production Targets have remained affordable at the levels specified in the Annual Production Targets and occupied by (or held for rental or sale solely to) eligible tenants or purchasers for a minimum of forty (40) years from the initial date of occupancy of each unit, unless earlier terminated or amended as provided in this Agreement.

3. CITY CONTRIBUTIONS

3.1. Phase I

Subject to the terms and conditions set forth or incorporated in this Agreement, including the schedule, performance measures and policies, terms and conditions of each source of City Funds, the City will contribute to Phase I for the purposes set forth in this Agreement, City Funds, not to exceed a value in aggregate of Six Million Three Hundred Thousand Dollars ($6,300,000), from the sources set forth below:

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Holly Park Phase I City Contributions and Uses

SOURCE	AMOUNT	USE
HOME Program (Ord. 118604)	$1,242,315	Down payment assistance to home buyers with annual household income at or below 80% of median income.
1986 Housing Levy (Ord. 118601)	$590,421	Housing units for households with annual incomes at or below 50% of median income.
General Fund (subject to passage of an appropriation ordinance)	$801,579	Housing units for households with annual incomes at or below 50% of median income, public improvements or Community Facilities.
Utility Funding (subject to 1998 and 1999 appropriations)	$1,800,000 (funds, equipment or services) (actual costs up to this amount)	Public Infrastructure and electrical distribution.
Capital Facilities Bond Program, Concert Hall Bonds, and General Fund (Ord. 118602)	$1,202,685	Housing units for households with annual incomes at or below 50% of median income.
Urban Renewal Closeout Subaccount (Ord. 118603)	$413,000	Public Infrastructure and other public improvements serving housing units for households with annual incomes at or below 50% of median income.
Enterprise Community Grant from HUD	$250,000	Community Facilities.
TOTAL	$6,300,000	

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3.1.1. Schedule

City Funds for Phase I for a particular year shall not exceed the amounts set forth in the schedule below.

City Financial Plan to Contribute to Holly Park Redevelopment Phase I				
	1997	1998	1999 *	Total City Contribution
Home Program*				
Homeowner (MHPK)*			1,000,000	1,000,000
Homeowner*		30,960	211,355	242,315
1986 Levy		590,421		590,421
General Fund**	801,579			801,579
Utility Funding***	500,000	900,000	400,000	1,800,000
CFB Program	289,685	913,000		1,202,685
Urban Renewal	413,000			413,000
Enterprise Community		250,000		250,000
Total City Contribution By Year	2,004,264	2,684,381	1,611,355	6,300,000

*HOME funds may be used for down-payment assistance only, must be released directly to home buyers, and will likely be used from 1998-2003.

**General Fund is subject to an appropriation ordinance.

***See Section 3.1.3.4 below.

3.1.2. Performance Measures

The City shall not be obligated to release or provide any City Funds for Phase I until SHA delivers detailed cost estimates (that are reviewed by the City and are determined to be in accordance with NOFA standards) for all housing units to be completed by the end of Phase I. The City shall not be obligated to release or provide City Funds for 1998 until SHA shall have provided information to demonstrate and shall have certified to DHHS (and DHHS shall have verified to its satisfaction) that SHA has complied with all terms of this Agreement and SHA has met the annual production targets for 1997, including number, type, affordability, and funding and/or completion of units or other assistance, as established in Sections I.A-E and IV of the Annual Production Targets. Before the City will release or provide City Funds for 1999, SHA shall have provided information to demonstrate and shall have certified to DHHS (and DHHS shall have verified to its satisfaction) that no event of default has occurred under this Agreement and SHA has met the annual production targets for 1998, including number, type, affordability, and funding and/or completion of units or other assistance, as established in Sections I.A-E and IV of the Annual Production Targets.

3.1.3. Policies, Terms and Conditions

3.1.3.1. HOME Program funds may be used only for loans (secured by second position deeds of trust) to households with incomes at or below 80% of median income to acquire units constructed and available for immediate occupancy during Phase I. Use and release of these

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funds are further subject to applicable federal laws and regulations, applicable policies in the City's Consolidated Plan, applicable policies in the 1995 Housing Levy Home Buyer Assistance Policies as adopted by the City Council for the 1995 Housing Levy (as the same may be amended) but excluding policies permitting loans only to first time home buyers, execution and delivery of loan documents acceptable to the City and satisfaction of funding conditions therein, the terms of this Agreement, and, with respect to One Million Dollars ($1,000,000), Ordinance 118604 passed by the City Council on June 2, 1997. In addition, with respect to Two Hundred Forty-two Thousand Three Hundred Fifteen Dollars ($242,315), availability is subject to appropriation by the United States Congress and approval by the City Council of the 1998 and 1999 HOME allocation schedules in the City's Consolidated Plan.

3.1.3.2. Availability, use and release of 1986 Housing Levy funds are subject to resolution of King County Superior Court Cause No. 97-2-16688-8SEA, *Brower v. City and SHA,* policies in the 1993-94 Large Family Program Plan adopted by City Council for the 1986 Housing Levy, the Housing Cooperation Agreement dated August 27, 1987 between SHA and the City for Implementation of Housing Levy Proceeds, the terms of this Agreement, and Ordinance 118601 passed by the City Council on June 2, 1997.

3.1.3.3. Availability, use and release of Eight Hundred One Thousand Five Hundred Seventy-nine Dollars ($801,579) of General Fund funds are subject to appropriation of Eight Hundred One Thousand Five Hundred Seventy-nine Dollars ($801,579) for Phase I from the General Fund by ordinance (and any terms or conditions therein), SHA's execution and delivery of City Contribution Agreements acceptable to the City and satisfaction of the funding conditions therein, and the terms of this Agreement.

3.1.3.4. Utility Funding shall be used only to construct the electrical distribution system and for Public Infrastructure. Use and release of Utility Funding for electrical distribution are subject to SHA's execution and delivery of City Contribution Agreements acceptable to the City and satisfaction of the funding conditions therein and the terms of this Agreement. Use and release of Utility Funding for Public Infrastructure are subject to SHA's execution and delivery of City Contribution Agreements acceptable to the City and satisfaction of the funding conditions therein, the terms of this Agreement, Ordinance 118605 passed by the City Council on June 2, 1997, and appropriations of such Utility Funding. Notwithstanding the provisions of Ordinance 118605, Utility Funding shall not exceed actual costs for the electrical distribution system and Public Infrastructure or $1,800,000, whichever is less.

3.1.3.5. Use and release of Capital Facilities Bond Program funds, Concert Hall Bond funds and General Fund funds, as identified in Ordinance 118602, are subject to SHA's execution and delivery of City Contribution Agreements acceptable to the City and satisfaction of the funding conditions therein, the terms of this Agreement, Ordinance 118602 passed by the City Council on June 2, 1997, and the relevant ordinances authorizing issuance of the bonds.

3.1.3.6. Use and release of Urban Renewal Closeout Subaccount funds are subject to SHA's execution and delivery of City Contribution Agreements acceptable to the City and satisfaction

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of the funding conditions therein, the terms of this Agreement, and Ordinance 118603 passed by the City Council on June 2, 1997.

3.1.3.7. Enterprise Community Grant funds may be used only for construction of the Seattle Public Library branch library portion of the Community Facilities. Use and release of these funds are subject to SHA's execution and delivery of City Contribution Agreements acceptable to the City and satisfaction of the funding conditions therein, the terms of this Agreement, the City's Enterprise Community Strategies as approved by HUD, the City's Enterprise Community Agreement with the State of Washington, and applicable federal laws and regulations.

3.2. Phase II

The City shall not be obligated to approve, release or provide City Funds for Phase II until SHA has provided information to demonstrate and has certified to DHHS (and DHHS has verified to its satisfaction) that SHA has complied with all terms of this Agreement, that SHA has met the annual production targets for Phase I, including number, type, affordability, funding and/or completion of units or other assistance, as established in Sections I.A-E, II-IV of the Annual Production Targets; and that the Community Facilities have been fully funded. The City may specify that Phase II funds or services must be released or provided in a manner consistent with Section 3.1 above. SHA acknowledges that if Phase II construction is not completed, up to 75 units of Public Housing could be lost. Therefore, SHA shall immediately notify the City of any delay in initiation or completion of Phase II construction and shall, within 30 days thereafter, meet with the City to develop an alternative plan for replacement of the 75 Public Housing Units. The foregoing provision is not a waiver of any other right or remedy available to the City for SHA's breach or nonperformance under this Agreement. SHA is required to inform Council before applying for 1995 Housing Levy funds in meeting the housing targets as established in Section II.A-C of the Annual Production Targets for Phase II.

3.3. Phase III

The City shall not be obligated to approve, release or provide City Funds for Phase III until SHA has provided information to demonstrate and has certified to DHHS (and DHHS has verified to its satisfaction) that SHA has complied with all terms of this Agreement, that SHA has met the annual production targets for Phase II, including number, type, affordability, funding and/or completion of units or other assistance, as established in Sections I.A-E, II-IV of the Annual Production Targets; and that the Community Facilities have been completed as required by Section 6 below. The City may specify that Phase III funds or services must be released or provided in a manner consistent with Section 3.1 above. SHA is required to inform Council before applying for 1995 Housing Levy funds in meeting the housing targets as established in Section II.A-C of the Annual Production Targets for Phase III.

4. REPLACEMENT HOUSING PLAN

SHA shall comply with the Replacement Housing Plan as follows:

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4.1. Annual Production Targets

SHA shall satisfy the Annual Production Targets. SHA shall provide certification satisfactory to DHHS that the Annual Production Targets for each year have been met by December 31 of such year, beginning in 1997 and continuing through 2006.

4.2. Partnership Units

The Partnership Units shall be developed subject to the following conditions:

4.2.1. Funding and Operating Subsidies

The City may contribute funding to non-profit housing developers not to exceed the amount of subsidy that DHHS determines would be required to make the development of Partnership Units feasible with rents affordable to households with annual incomes at or below 50% of median income; however, for Phase I, such funding shall be limited to no more than Four Million Dollars ($4,000,000). Any increase above this amount shall be subject to Council approval. SHA shall provide additional capital funds to non-profit housing developers to make the development of Partnership Units feasible with rents affordable to households with incomes at or below 30% of median income. SHA shall (subject to annual federal appropriations) also provide Federal Operating Subsidies to make the development of Partnership Units feasible with rents affordable to households with annual incomes at or below 0-30% of median income. When producing the 221 Partnership Units, SHA shall not use state housing funds to reduce affordability below 50% of median income for Phase I. This shall be reviewed for Phase II and Phase III.

4.2.2. NOFA Process

Applications for capital funding and Federal Operating Subsidies for the Partnership Units will be reviewed through the existing DHHS-administered NOFA process for multifamily housing projects. Non-profit developers whose projects have already been approved for funding through a DHHS-administered NOFA process for multifamily housing projects may resubmit their applications, as prospective Partnership Units, for Federal Operating Subsidies and additional capital funding from SHA. Operating subsidies from the 1995 Housing Levy Operating and Maintenance Trust Fund Program will not be available for Partnership Units. DHHS and SHA shall jointly review funding applications for Partnership Units. Qualification as a Partnership Unit requires funding approval by both DHHS and SHA.

4.3. On- or Off-Site Units to be Developed by SHA

No funds from any City source shall be used to develop the 62 additional units on- or off-site, identified in Section III of the Annual Production Targets.

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4.4. Average Unit Sizes

Phase I off-site units, identified in Sections II.B-D and III of the Annual Production Targets, shall average no less than 1.25 bedrooms per unit. The average number of bedrooms per unit for Phase II off-site units identified in Sections II.B-D and III of the Annual Production Targets shall be determined on or before July 1, 1998. The average number of bedrooms per unit for Phase III off-site units identified in Sections II.B-D and III of the Annual Production Targets shall be determined on or before July 1, 2000.

4.5. Term of Occupancy and Affordability

All housing identified in Sections I-III of the Annual Production Targets shall be available for occupancy solely by households with annual incomes at or below the percentage of median income specified in the Annual Production Targets for a minimum of forty (40) years from the initial date of occupancy of each unit. Subject to requirements associated with any City Funds used for such housing under applicable laws, ordinances, regulations and policies, SHA may request review and modification of this Section: (a) ten (10) years from the effective date of this Agreement; or (b) if Federal Operating Subsidies are reduced or withdrawn.

4.6. Bond-Financed Units

Housing units that SHA constructs to meet its obligations under Section II.B of the Annual Production Targets must be net new housing to SHA's housing stock and shall not count as replacement units for any other project involving demolition of Public Housing.

5. USE OF PROJECT SAVINGS OR ADDITIONAL FUNDS

Within one hundred twenty (120) days after completion of each phase, SHA shall complete a Cost Certification and shall provide the Cost Certification to DHHS. Any Project Savings identified through Cost Certification or any additional funds identified by SHA shall be used for housing identified in Sections II.A-C and III in the Annual Production Targets or to reduce anticipated City contributions to future phases.

6. COMMUNITY FACILITIES

On or before March 1, 1998, SHA shall submit to OMP a facilities plan for the Community Facilities, which shall include, but not be limited to, a schedule of tenants, services to be provided by such tenants, forms of lease agreements, anticipated tenant improvements, and a draft management and operating plan, and SHA shall submit to OMP a long term lease agreement for the Seattle Public Library branch library. SHA shall complete construction of the Community Facilities on or before December 31, 2000.

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7. REPORTING REQUIREMENTS

7.1 SHA Reports

SHA shall submit the following reports to DHHS:

7.1.1 Monthly reports that include, at a minimum, on-site project development reports as outlined in the City Contribution Agreements, and if not already included in the on-site project development reports, information on project performance, schedule, finance (including the status of all non-City fund sources), budget, adjustments, forecasts, redesign, value engineering, copies of applications for funding, apprenticeship utilization, wage rates, and WMBE compliance, and any substantive variance from approved project plans. SHA shall submit the first monthly report one month from the date of execution of City Contribution Agreements or receipt of any City Funds, whichever is earlier, and shall continue to submit such reports on a monthly basis until all on-site Annual Production Targets have been met.

7.1.2 Quarterly reports on the status of SHA's compliance with the Annual Production Targets. Specific reporting requirements will be outlined in the City Contribution Agreements and will include, at a minimum, information on numbers and types of units planned, fully funded or constructed during the previous quarter; any Change of Use; status of capital funding commitments required from SHA, as well as HUD approvals required; early warning of problems developing that could affect meeting future milestones. SHA shall submit the first quarterly report, for the 4th quarter of 1997, on or before February 1, 1998, and shall continue to submit such reports on a quarterly basis until all Annual Production Targets have been met.

7.1.3 Immediately upon Change of Use, or reduction or withdrawal of Federal Operating Subsidies, or any material change in the plans for the Community Facilities, reports of such occurrence(s).

7.1.4 Within thirty (30) days of Cost Certification, report of final sale of tax credits. Within thirty (30) days of closing, report of sale of bonds.

7.1.5 No later than December 31, 1997, a private fund-raising plan to finance construction of the Community Facilities.

7.2 SHA Cooperation

SHA will cooperate with and assist OMP and DHHS to prepare all reports that DHHS and/or OMP provide to the City Council in connection with the Holly Park redevelopment project.

8. NOTICE AFFECTING PERFORMANCE

SHA shall immediately notify the Director of DHHS of any matters affecting the eligibility or capacity of SHA to continue performance of this Agreement, or to comply with any provision hereof, immediately after SHA's discovery of the same.

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9. ACCESS TO RECORDS; AUDITS

The City, the State Auditor, the United States and their designated agents shall have access at any time during normal business hours and as often as necessary, after reasonable notice in advance to SHA, to any bank accoun. and SHA books, records, documents, accounts, files, reports, and other property and papers of SHA relating to the Holly Park redevelopment project for the purpose of making an audit, survey, examination, excerpt or transcript.

10. CITY REQUIREMENTS

10.1. Discrimination Prohibited

SHA shall comply with all applicable equal employment opportunity and nondiscrimination laws of the United States, the State of Washington, and The City of Seattle, including the Seattle Municipal Code ("SMC"), notably SMC Ch. 20.44, and rules, regulations, orders, and directives of the associated administrative agencies and their officers. SHA will furnish to the Director of the Executive Services Department or his designee upon his request and on such form as may be provided by the Director of the Executive Services Department therefor, a report of the affirmative action taken by SHA in implementing the terms of this section, and will permit access to its records of employment, employment advertisements, application forms, other pertinent data and records by the Director of the Executive Services Department for the purpose of investigation to determine compliance with this Section. The provisions of this section shall be inserted into all contracts and subcontracts for work involving City Funds.

10.2. Women's and Minority Business Utilization

This Agreement hereby incorporates by reference the WMBE Ordinance. SHA shall fulfill all obligations of a contract-awarding authority under the WMBE Ordinance. Without limiting the foregoing, SHA shall:

(a) Ensure that each contractor meets the set-asides for WBEs and MBEs established for the contract, if any;

(b) Make affirmative efforts to utilize WMBEs in performing the contract, whether as contractors, subcontractors, suppliers, or in any other capacity;

(c) Require that all contractors and subcontractors make affirmative efforts to utilize WMBEs in performance of the contract;

(d) Maintain records reasonably necessary for monitoring compliance with the provisions of SMC Ch. 20.46A, and submit such information as may be requested by the City's Director of the Executive Services Department in order to monitor and enforce compliance;

(e) Require that contractors and subcontractors maintain records reasonably necessary for monitoring the contractors' and subcontractors' compliance with the provisions of SMC Ch.

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20.46A, and that the contractors and subcontractors submit such information as may be requested by the City's Director of the Executive Services Department in order to monitor and enforce compliance; and

(f) Include in contracts the provisions required by the WMBE Ordinance.

10.3. Prevailing Wage Law

SHA shall comply, and shall cause its contractors to comply, with all applicable prevailing wage laws. SHA shall pay or cause to be paid wages at least equal to the "prevailing wages" established by the State of Washington for public works projects, and shall furnish to the City such documentation of those payments as the City may require; provided, that if higher wage rates are imposed by federal law or the terms of any other financing for Phase I, II or III, or if any law applicable to SHA requires payment of higher wages, nothing herein is intended to relieve SHA of its obligation, if any, to pay, or cause its contractors to pay, the higher rates. Disbursement of City Funds may be conditioned upon receipt by the City of evidence satisfactory to the City that wages have been paid in compliance with this Section and the applicable State of Washington prevailing wage rates.

10.4 Public Bidding

SHA shall comply with applicable public bidding law, and shall, at the request of the City, certify and warrant such compliance.

10.5 Performance Bond

Prior to disbursement of City Funds, SHA shall provide evidence satisfactory to the Director of DHHS of compliance with Chapter 39.08 of the Revised Code of Washington.

10.6 Residential Antidisplacement and Relocation Assistance Plan for Holly Park

SHA shall comply with the City's Residential Antidisplacement and Relocation Assistance Plan for Holly Park as set forth, and adopted, in Resolution 29678 attached hereto as Attachment B.

10.7 Compliance with Applicable Law

SHA shall comply, and shall cause its contractors to comply, with all applicable City, state and federal law, and shall, in accordance with policies and procedures of the Director of DHHS, certify such compliance to the City upon request by the City. SHA shall hold the City harmless from any loss, damage, expense, claim or demand (including costs and attorneys' fees) resulting from SHA's failure to comply with any applicable City, state or federal law or SHA's failure to maintain adequate records to demonstrate such compliance.

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11. GENERAL PROVISIONS

11.1. Amendment

No modification to or amendment of this Agreement shall be effective unless a written amendment, approved by the City Council by ordinance, is executed by the authorized representatives of SHA and the City.

11.2. Choice of Law

This Agreement shall be construed in accordance with and governed by the laws of the State of Washington.

11.3. Captions

The Section captions used in this Agreement are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

11.4. Gender

The use of any gender herein shall be deemed to include the other gender, and the use of the singular herein shall be deemed to include the plural and vice-versa, wherever appropriate.

11.5. Severability

The invalidity of any clause, part or provision of this Agreement shall not affect the validity of all remaining portions thereof that are severable from the invalid clause, part or provision.

11.6. Default and Remedies

11.6.1. The City's Rights

The following are events of default by SHA under this Agreement:

(a) Failure by SHA to comply with any term or provision of this Agreement within ninety (90) days of written notification from the City of SHA's breach or nonperformance of any term or condition; provided that if the breach or nonperformance cannot reasonably be cured within ninety (90) days then so long as SHA is diligently pursuing cure and such cure is completed within a reasonable period, it shall not be an event of default.

(b) An event of default under any City Contribution Agreement.

(c) An event of default under any Other Financing Document.

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Upon the occurrence of an event of default by SHA:

(a) the City may cease making disbursements and providing credits, facilities, equipment and services from all City Funds under this Agreement and any City Contribution Agreement;

(b) upon demand by the City, SHA shall pay the City an amount equivalent to the value of all City Funds that have been provided under this Agreement or any City Contribution Agreement;

(c) the City may terminate this Agreement; and

(d) the City may seek specific performance.

The remedies set forth above and in the City Contribution Agreements are cumulative, not mutually exclusive, and not in substitution for any rights or remedies available at law or in equity, including, but not limited to, specific performance. The commencement of proceedings to enforce a particular remedy shall not preclude the discontinuance of the proceedings and the commencement of proceedings to enforce a different remedy.

11.6.2 SHA's Rights

If the City fails to perform any material obligation under this Agreement within ninety (90) days of written notification from SHA of the City's breach or nonperformance, SHA may exercise such rights or remedies available at law or equity; provided that SHA shall not pursue any such rights or remedies if the breach or nonperformance cannot reasonably be cured within ninety (90) days and the City is diligently pursuing cure.

11.7. Non-Waiver

Failure to promptly enforce compliance with any term or provision of this Agreement shall not constitute a waiver or limitation of any right or remedy under this Agreement. No waiver shall be effective unless in writing. A waiver of any breach of this Agreement shall not constitute a waiver of any subsequent breach of the same or different provision of this Agreement.

11.8. No Assignment

Except as expressly provided in this Agreement, neither SHA nor the City shall assign any of its rights or interests or delegate any of its obligations or duties under this Agreement without the prior written approval of the other. SHA's role in the redevelopment of Holly Park, as contemplated by this Agreement, constitutes material consideration to the City, without which the City would not have authorized the funding contemplated by this Agreement.

11.9. Notice

Any notice provided for under this Agreement shall be sufficient if in writing and delivered personally to the following addressee or deposited in the United States mail, postage prepaid,

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certified mail, return-receipt requested, addressed as follows, or to such other address as the receiving party specifies in writing:

If to the City:
Mayor
City of Seattle
12th Floor
Municipal Building
600 Fourth Avenue
Seattle, Washington 98104

If to SHA:
Executive Director
Seattle Housing Authority
120 Sixth Avenue North
Seattle, Washington 98109

12. EXHIBITS

Attachment A: Resolution 29579
Attachment B: Resolution 29578
Attachment C: Annual Production Targets

NOTICE: ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT, ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

EXECUTED the dates shown below.

THE CITY OF SEATTLE

By:_____ Date: _____

_____
(print name)

Its:_____

THE HOUSING AUTHORITY
OF THE CITY OF SEATTLE

By:_____ Date: _____

_____
(print name)

Its:_____

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STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this __ day of _____, 199_, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me personally known (or proved on the basis of satisfactory evidence) to be the Mayor of The City of Seattle, the Washington municipal corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument.

WITNESS my hand and seal hereto affixed the day and year in this certificate above written.

_____
Print Name:_____
NOTARY PUBLIC in and for the State of Washington, residing at _____
My Commission expires _____

(seal or stamp)

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this __ day of _____, 199_, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me personally known (or proved on the basis of satisfactory evidence) to be the _____of the Housing Authority of the City of Seattle, the Washington public body corporate and politic that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said public body for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute the said instrument.

WITNESS my hand and seal hereto affixed the day and year in this certificate above written.

_____
Print Name:_____
NOTARY PUBLIC in and for the State of Washington, residing at _____
My Commission expires_____

(seal or stamp)

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certified mail, return-receipt requested, addressed as follows, or to such other address as the receiving party specifies in writing:

If to the City:

Mayor
City of Seattle
12th Floor
Municipal Building
600 Fourth Avenue
Seattle, Washington 98104

If to SHA:

Executive Director
Seattle Housing Authority
120 Sixth Avenue North
Seattle, Washington 98109

12. EXHIBITS

Attachment A: Resolution 29579
Attachment B: Resolution 29578
Attachment C: Annual Production Targets

NOTICE: ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT, ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

EXECUTED the dates shown below.

THE CITY OF SEATTLE

By: _____ Date: August 15, 1997

THE HOUSING AUTHORITY
OF THE CITY OF SEATTLE

By: _____ Date: 9.6.97

(Acknowledgment for both signatories to be added)

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Ver. 3
6/2/97

Attachment A

RESOLUTION 29579

A RESOLUTION to approve the City of Seattle's financial plan to allocate $6.3 million dollars toward the Holly Park redevelopment project phase I.

WHEREAS, the Seattle Housing Authority (SHA) received $47.1 Million HOPE VI Revitalization Demonstration Project Implementation Grant from the US Department of Housing and Urban Development (HUD) toward redeveloping the 102-acre Holly Park distressed public housing site in Southeast Seattle as a mixed-income redevelopment in partnership with existing residents; and

WHEREAS, Holly Park is within the Enterprise Community designation and will receive a portion of that grant award; and

WHEREAS, Resolution 29479, adopted by the Seattle City Council on November 12, 1996, affirmed the City of Seattle's intent in the future to make capital contributions to the redevelopment of Holly Park and directed the development of the City's financial contribution plan; and

WHEREAS, Capital Facilities Bond Program, Community Development Block Grant, Cumulative Reserve Fund, Enterprise Community Grant, General Fund, HOME, 1995 Low-income Housing Levy and Urban Renewal Fund as potential funding sources for City's contribution to Holly Park Phase I redevelopment were considered in preparing the financial plan; and

WHEREAS, guiding principles in developing the financial plan included minimizing financial impact on any one potential resource, giving greater consideration to funding resources with remaining balances, and funding resources that meet Holly Park project cash flow needs over three years, and contribute to families and individuals earning less than 55% of the area median income; and

WHEREAS, the Executive has proposed that Seattle Public Utilities and the Department of Housing and Human Services provide for certification and funding of certain water and sewer infrastructure extensions that serve residences of very low-income households: NOW THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR CONCURRING, THAT:

Section 1. The City Council hereby approves and adopts the finance plan shown in Exhibit A that identifies the sources, amount, and allocation schedule for the City contribution for Phase I of the Holly Park redevelopment project of not to exceed SIX MILLION THREE HUNDRED THOUSAND DOLLARS ($6,300,000).

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Section 2. The funds approved in the finance plan shown in Exhibit A shall not be released by the City until the City has adopted by ordinance, and the City and the Seattle Housing Authority have executed, a Memorandum of Agreement ("MOA") between the City and the Seattle Housing Authority that includes provisions consistent with the following conditions.

1. Community facilities shall be fully developed as proposed in Phase I.
2. Funding for Phase I shall be released in stages according to a disbursement table consistent with the timeframe and intent of the table in Exhibit 1 of this resolution, and contingent upon satisfaction of the annual targets for replacement housing required by Attachment A of Resolution 29578.
3. Any savings generated or additional funds identified shall be used to address the following priorities: replacement housing; community facilities; and consideration of reduction of possible City contribution in Phases II and III.
4. The Council shall receive reports regularly and in addition as soon as practicable upon discovery of significant deviation from the redevelopment proposal. Reports shall include information on project performance, schedule, finance, budget, adjustments, forecasts, redesign, value engineering, copies of applications for funding, status of sale of tax credits, replacement housing production, apprenticeship utilization, wage rates and W/MBE compliance, and any variance from approved project plans.
5. SHA shall be responsible for satisfaction of the replacement housing targets for number of units or rental assistance and related affordability levels as identified in Attachment A of Resolution 29578.
6. SHA shall be responsible for meeting annual production targets for each year in Phase I and overall production targets for Phases II and III as identified in Attachment A of Resolution 29578. Prior to approval of City contribution, if any, for funds for Phases II and III, similar annual production targets shall be established for Phases II and III based on the overall Phase II and III production targets as identified in Attachment A of Resolution 29578.
7. All replacement housing must be provided and remain in use at their required affordability levels as established in Attachment A of Resolution 29578 for a minimum

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of forty (40) years from the date of initial occupancy, subject to review in ten (10) years or if federal operating subsidies are reduced or withdrawn.

8. Non-profits shall be the developers, in partnership with SHA, of the 221 off-site units produced with additional fundin and rent subsidies (as identified on Attachment A of Resolution 29578). Non-profits may be permitted to use City funds to ensure affordability of the units serving families with incomes at 50% of median income; however, for Phase I, such funds shall be limited to no more than $4 million, any increase above this amount shall be subject to Council approval. SHA shall be responsible for providing the additional funds to bring the affordability levels of those units down from 50% of median income to 30% of median income; no use of additional City funds shall be permitted to bring the affordability down from 50% of median income to 30% of median income. SHA shall also be responsible for providing 221 transferable operating subsidies or project-based Section 8 certificates to bring the affordability of the 221 units down from 30% of median income to 0-30% of median income, subject to final HUD approval. The MOA shall establish the appropriate funding mechanism for these units.

9. SHA may be the developer of the 62 additional units on- or off- site (as identified on Attachment A of Resolution 29578); however, SHA shall not be allowed to use City funds for the production of those units. If another developer is selected to produce some or all of those units, the same restrictions on City funds sources shall apply.

10. The MOA should identify and include any necessary changes to City funding conditions to make them compatible with other fund sources, so long as those funding conditions do not conflict with the conditions and intent contained in this resolution or Resolution 29578. The MOA should also include additional details as appropriate and should define any key terms.

The MOA and ordinance approving it shall be presented to the Council no later than July 31, 1997.

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Adopted by the City Council the 2 day of June, 1997, and signed by me in open session in authentication of its adoption this 2 day of June, 1997.

President of the City Council

THE MAYOR CONCURRING:

Norman B. Rice, Mayor

Filed by me this 9 day of June, 1997.

City Clerk

(Seal)

Exhibits:
A. City Finance Plan to Contribute to Holly Park Redevelopment Phase I
B. Holly Park Phase I City Contributions and Uses

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6/2/97

Exhibit A

City Financial Plan to Contribute to Holly Park Redevelopment Phase I				
	1997	1998	1999	Total City Contribution
Home Program				
Homeowner (MHPK)	500,000	500,000		1,000,000
Homeowner		30,960	211,355	242,315
1986 Levy		590,421		590,421
General Fund	801,579			801,579
Utility Support	500,000	900,000	400,000	1,800,000
CFB Program	202,685		1,000,000	1,202,685
Urban Renewal		413,000		413,000
Enterprise Community		250,000		250,000
Total City Contribution By Year	2,004,264	2,684,381	1,611,355	6,300,000

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Exhibit B

Holly Park Phase I City Contributions and Uses

SOURCE	AMOUNT	USE
HOME Program (C.B. 111712)	$1, 242,315	Down payment assistance to low-income first-time home buyers.
1986 Housing Levy (C.B. 111709)	$590,421	Construction of very-low-income housing units.
General Fund	$801,579	Very-low-income housing, public infrastructure or community facilities.
Utility funds (C.B. 111714)	$1,800,000	Public infrastructure serving very-low-income residences.
Capital Facilities Bond Program, Concert Hall Bonds, and General Fund (C.B. 111710)	$1,203,685	Very-low-income housing.
Urban Renewal Closeout Subaccount (C.B. 111711)	$413,000	Very-low-income housing.
Enterprise Community Grant from HUD	$250,000	Community learning facilities.
TOTAL	**$6,300,000**	

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Attachment B

RESOLUTION 29578

A RESOLUTION accepting a replacement housing plan establishing strategies and production targets for replacement housing, and adopting an antidisplacement and relocation assistance plan, for the Holly Park redevelopment project.

WHEREAS, the Holly Park Redevelopment Plan (HOPE VI plan), developed through extensive collaboration including participation of Holly Park residents, the greater Southeast Seattle Community, and the City, envisions and embraces a major community revitalization effort predicated on eliminating an isolated, very large concentration of very low income housing at Holly Park; and

WHEREAS, the Housing Authority of the City of Seattle ("SHA"), in partnership with Holly Park residents, other community representatives, and City staff, is now preparing to construct the first phase of a multi-phased project to redevelop the 102-acre Holly Park distressed public housing site in Southeast Seattle as a mixed-income community; and

WHEREAS, the SHA submitted its HOPE VI plan to the U.S. Department of Housing and Urban Development (HUD) in 1995, including a request for the maximum grant amount of $50 million, 400 project-based Section 8 rent subsidy certificates, and a $25 million Development fund request as leverage to produce up to 500 off-site replacement units; and

WHEREAS, HUD approved the HOPE VI plan in 1995 with its original goals for replacement housing, including the 400 project-based section 8 rental-support certificates, and subsequently funded the Plan with $47.1 million and 250 new tenant-based section 8 rental assistance vouchers, and approved the demolition plan for Holly Park; and

WHEREAS, the 104th Congress of the United States repealed HUD's replacement housing requirements for public housing redevelopment, and eliminated all funding for new public housing development and replacement, and further eliminated the provision of any new project-based Section 8 rental-support certificates, significantly impacting the redevelopment project's budget; and

WHEREAS, the City affirmed, by Resolution 29303 adopted March 11, 1996, its support for the Holly Park redevelopment and established framework principles to guide City decisions. including the principle of pursuing a variety of off-site housing replacement options that reduce the geographic concentration -- and assure no net loss of -- very low income housing stock and units within the City of Seattle; and

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(Ver. 2)

WHEREAS, the Holly Park Board of Governors, in collaboration with Holly Park residents, have approved a plan that would demolish the existing 871 deteriorated public housing units and construct on site 1200 new units of mixed income housing, community facilities, parks, open spaces and other public infrastructure; and

WHEREAS, the SHA has adopted a phased relocation plan for Holly Park residents in compliance with the Uniform Relocation Act, assuring that every family currently living at Holly Park will not be displaced, and will be counseled in their native language, offered an unprecedented range of relocation options, relocated, and rehoused at the expense of the SHA; and

WHEREAS, the SHA and the Holly Park Board of Governors presented to the City Council at its Business Meeting of October 28, 1996 and to its Health, Housing, Human Services, Education and Libraries Committee meeting of November 5, 1996, a housing replacement plan that would, over the course of an anticipated eight-year demolition and redevelopment period, pursue a variety of housing replacement options that reduce the geographic concentration of extremely low income households; and

WHEREAS, the City stated its intent in Ordinance 118039 to make capital contributions to the redevelopment of Holly Park, and City Council Resolution 29479 adopted November 12, 1996 affirms the City's intent to contribute funds toward the capital construction costs of Phase I, totaling Six Million Three Hundred Thousand Dollars ($6,300,000), and requires a finance plan to establish the sources of funding; and

WHEREAS, in October 1996 HUD issued streamlined regulations specifying the contents of a Residential Antidisplacement and Relocation Assistance Plan for projects assisted by local jurisdictions using certain federal housing and community development funds; and

WHEREAS, the City Council's Committee of the Whole held meetings on April 21, May 5, May 27, and June 2, 1997 to discuss the proposed replacement housing plan; the Committee of the Whole held a public hearing on May 22, 1997, to hear public testimony on the proposed replacement housing plan and the proposed redevelopment of Holly Park; on May 27 and June 2, 1997, the Committee of the Whole met to consider possible alternatives to the proposed replacement housing plan; and the Committee of the Whole recommended the full Council accept an alternative replacement housing plan that would provide one-for-one replacement of housing units for families with incomes at or below 30% of median income; and

WHEREAS, the Council strongly urges SHA to use experienced developers to develop the home ownership portion of Holly Park; **Now, Therefore,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR CONCURRING, THAT:

NOTICE: IF THE DOCUMENT IN THIS FRAME IS LESS CLEAR THAN THIS NOTICE IT IS DUE TO THE QUALITY OF THE DOCUMENT.

Section 1 The City accepts the Holly Park Replacement Housing Plan attached to this resolution as Attachment A.

Section 2. SHA shall be required to implement the Replacement Housing Plan consistent with the conditions set forth in this Resolution and the Memorandum of Agreement ("MOA") between the City and SHA to be adopted by ordinance pursuant to Resolution 29579.

Section 3. Implementation of the Replacement Housing Plan shall include the following conditions:

1. SHA shall be responsible for satisfaction of the replacement housing targets for number of units or rental assistance and related affordability levels as identified in Attachment A.
2. SHA shall be responsible for meeting annual production targets for each year in Phase I and overall production targets for Phases II and III as identified in Attachment A. Prior to approval of City contribution, if any, for funds for Phases II and III, similar annual production targets shall be established for Phases II and III based on the overall Phase II and III production targets as identified in Attachment A.
3. All replacement housing must be provided and remain in use at their required affordability levels as established in Attachment A for a minimum of forty (40) years from the date of initial occupancy, subject to review in ten (10) years or if federal operating subsidies are reduced or withdrawn.
4. Non-profits shall be the developers, in partnership with SHA, of the 221 off-site units produced with additional funding and rent subsidies (as identified on Attachment A). Non-profits may be permitted to use City funds to ensure affordability of the units serving families with incomes at 50% of median income; however, for Phase I, such funds shall be limited to no more than $4 million, any increase above this amount shall be subject to Council approval. SHA shall be responsible for providing the additional funds to bring the affordability levels of those units down from 50% of median income to 30% of median income; no use of additional City funds shall be permitted to bring the affordability down from 50% of median income to 30% of median income. SHA shall also be responsible for providing 221 transferable operating subsidies or project-based Section 8 certificates to bring the affordability of the 221 units down from 30% of

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median income to 0-30% of median income, subject to final HUD approval. The MOA shall establish the appropriate funding mechanism for these units.

5. SHA may be the developer of the 62 additional units on- or off- site (as identified on Attachment A); however, SHA shall not be allowed to use City funds for the production of those units. If another developer is selected to produce some or all of those units, the same restrictions on City funds sources shall apply.

Section 4. The City affirms the objectives of the Replacement Housing Plan to provide housing options including stock and units for very low income households in other geographic areas of the city and to reduce the geographic concentration of very low income rental housing at Holly Park as significant to the revitalization of Southeast Seattle. The City further offers its help to the SHA in seeking HUD approval necessary to enable the plan to address Seattle objectives, with specific emphasis on securing new project-based Section 8 certificates in exchange for existing transferable operating subsidies.

Section 5. The City further acknowledges the challenges the SHA faces as a result of curtailed federal funding for public housing development, and encourages the SHA to aggressively pursue additional funds and development of new partnerships to maximize the leveraging resources for Holly Park replacement housing. The City also strongly encourages SHA to seek non-housing funds from the state, particularly from community and economic development fund sources, in lieu of some or all of the state funds SHA has requested from housing-related fund sources.

Section 6. The Executive is directed to explore further opportunities for Holly Park replacement housing partnerships, including but not limited to the strategies described in the Replacement Housing Plan.

Section 7. This Resolution is specifically directed to the unique housing resources and community revitalization circumstances of the Holly Park Redevelopment, and does not intend to represent citywide replacement housing policy.

Section 8. SHA shall also implement the Holly Park Replacement Housing Plan consistent with the City's Residential Antidisplacement and Relocation Assistance Plan ("RARAP") for Holly Park as set forth below and adopted herein. The City's RARAP for Holly Park is as follows:

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(1) The SHA shall take reasonable steps to minimize displacement of families and individuals from their homes and neighborhoods as more fully set forth in its adopted relocation plan as approved by HUD and attached to this Resolution as Attachment B, with any modifications hereafter approved by HUD;

(2) the SHA shall provide relocation assistance in accordance with 24 CFR § 42.350; and

(3) the SHA shall provide replacement housing in accordance with the terms of this Resolution and Attachment A but in any event in compliance with 24 CFR § 42.375.

Adopted by the City Council the 2 day of June, 1997, and signed by me in open session in authentication of its adoption this 2 day of June, 1997.

President of the City Council

THE MAYOR CONCURRING:

Norman B. Rice, Mayor

Filed by me this 9 day of June, 1997.

City Clerk

(Seal)

Attachments:

A. Holly Park Replacement Housing Plan
B. Holly Park Relocation Plan

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Resolution 29578 -- Attachment A

HOLLY PARK REPLACEMENT HOUSING PLAN

	Replacement Unit Production Targets								Developer	Affordability
	All Phases	Phase I					Phase II	Phase III		
		1997	1998	1999	2000	Sub-Total	1999-2002	2001-2003		
(Demolition)	**(871)**	(392)				(392*)	(176)	(303)		
Replacement Units										
On-Site Units	**450**									
• Public housing rental units	400	--	88	89	--	177	123	100	SHA	400 @ 0-30% of [redacted]
• Assisted living units for frail elderly	50	--	--	--	--	--	50	0	SHA	50 @ 30% of MI
Off-Site Units	**138**									
• New scattered site units	40	21	--	19	--	40	--	--	SHA	40 @ 0-30% of MI
• Bond-financed units in mixed-income projects	98	--	--	--	20	20	30	48	SHA	98 @ 30% of MI
Off-Site "Units" with Additional Funding and Rent Subsidies • In "exchange" for 221 of the tax credit units built on-site, which are available at up to 55% of MI. Additional funding (cost savings and Federal Home Loan Bank grant funds) enables write down of mortgages, bringing affordability of units built by non-profits from 50% of MI to 30% of MI. Combination of transferred operating subsidies and potential project-based Section 8 certificates then bring affordability of units from 30% of MI to 0-30% of MI.	**221**	--	--	40	40	80	70	71	SHA with Non-profits	221 @ 0-30% of MI
Additional Units On- or Off-Site • On-site or scattered site to be built within project budget, via cost savings and/or production efficiencies	**62**	--	--	--	--	--	31	31	SHA	62 @ 30% of MI
TOTAL, Replacement Units for Public Housing Families	**871**	**21**	**88**	**148**	**60**	**317**	**304**	**250.**		**661 @ 0-30% of MI 210 @ 30% of MI**
Net Change	**0**					(75)	**54**	**0**		

(continued on next page)

HOLLY PARK REPLACEMENT HOUSING PLAN (Continued)

	Replacement Unit Production Targets								Developer	Affordability
	All Phases	Phase I					Phase II	Phase III		
		1997	1998	1999	2000	Sub-Total	1999-2002	2001-2003		
Additional Units On-Site:										
• Low-income/tax credit units	**284**	--	56	56	--	112	111	61	SHA	up to 55% MI
• Affordable home ownership units	**100**	--	5	16	16	37	43	20	SHA	50-80% of [redacted]
• Market rate rental units	**16**	--	8	8	--	16	--	--	SHA	market rate
• Market rate assisted living units	**50**	--	--	--	--	--	50	--	SHA	market rate
• Market rate home ownership	**300**	--	30	40	42	112	127	21	SHA	market rate
Additional Rental Support or Off-Site Units:										
• Tenant-Based Section 8 vouchers	**250**	250	--	--	--	250	--	--	SHA	0-30% of MI
• Rehabilitated off-line units	**122**	--	60	62	--	122	--	--	SHA	0-30% of MI

* Phase I has a total of 414 units, however, 22 of those units had been dedicated to agency use and therefore not counted as housing units.

ATTACHMENT B

HOLLY PARK REDEVELOPMENT

A PLAN FOR

RELOCATION POLICIES

AND PROCEDURES

FINAL

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Epp Associates

August 9, 1996 (revised)

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1. WHY ARE RELOCATION POLICIES AND PROCEDURES NEEDED?

The purpose of this plan is to establish the policies and procedures for vacating and reoccupying Holly Park during its redevelopment program. The intention of this plan is to facilitate construction and redevelopment while minimizing the impact the relocation process will have on the residents of Holly Park.

The Holly Park Plan calls for the demolition of all existing Holly Park units and the new construction of 1,200 mixed income units: 400 units for very low income household (below 50% area median income); 400 units for low income families (between 50-80% area median income); and 400 market rate units. The reconstruction of Holly Park will occur in several phases to accommodate as many residents as possible on-site throughout the multi-year effort. A detailed financing plan and the construction schedule are in process; they will provide the specifics necessary for implementation. As outlined in the original plan, the Relocation Plan addresses the following goals: (1) establish a selection process for rehousing which is fair and equitable, (2) minimize the inconvenience to residents; (3) maximize the range of housing options for both temporary and permanent relocation; and (4) develop a rehousing strategy which facilitates a geographic mix of residents by income level.

The Holly Park Relocation Plan details the policies and procedures for all Holly Park households who must move either permanently or temporarily to accommodate the redevelopment program. At some point all Holly Park households must move. For many households, this will mean one move permanently to another apartment located away from Holly Park. For other households, this will likely mean two moves either to another Holly Park apartment or away from Holly Park while their new apartment is being constructed.

Holly Park households will have many important choices and opportunities resulting from the upcoming redevelopment. This Relocation Plan adopted by the SHA, the Holly Park Community Council, and the Holly Park Board of Governors will ensure that all households are provided with the same information and afforded the same opportunities.

2. WHO IS ELIGIBLE FOR RELOCATION BENEFITS AND ASSISTANCE?

Households living in Holly Park as of May 31, 1996 are eligible for relocation benefits and assistance as long as their tenancy remains in effect. Those households who moved into Holly Park after June 1, 1996 (who received a notification letter of "Non-Eligibility for Relocation Benefits") will be transferred to other SHA developments, but will receive no other relocation benefits (e.g. moving costs) or assistance. Households whose tenancies are terminated by SHA for good cause or leave Holly Park by their own choice will not be eligible for relocation services or benefits.

Each eligible Holly Park household is entitled to only one relocation benefit. If two or more occupants living together want to move to separate apartments, the out-of-pocket payment portion of the benefit (i.e. moving and utility connection costs) may be prorated. However, in all instances, households which decide to separate will not be eligible for two replacement housing benefits (i.e. units, Section 8 vouchers, etc.).

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For purposes of r[illegible]benefits, Holly Park households will [illegible]ified as either "displaced", "temporarily relocated", or "not eligible". T[illegible] definition and benefits for each of these classifications are different and are outlined in the chart on the next page.

3. WHO WILL BE ELIGIBLE TO OBTAIN A NEW HOLLY PARK UNIT?

Approximately 400 apartments at the new Holly Park are targeted as rental opportunities for very low income households. Early projections from an ongoing relocation survey suggests that as many as 450 to 500 households would like to return to the new Holly Park community. Therefore, it will not be possible at this time to give a rehousing guarantee to all households who want to obtain a new Holly Park unit once construction is complete. The SHA will only give such a guarantee to equal the number of available low income rental units as identified by the process defined below.

3.1 Threshold Requirements - "Household in Good Standing" and New Lease

Only those households in "good standing" as defined below and who agree to the new lease requirements – to be developed by SHA and the Holly Park Community Council and approved by the Board of Governors, will be eligible to possibly obtain a new Holly Park unit.

A household in good standing is one which:

(a) Has not had substantiated complaints regarding behavior of household members within the past two years;
(b) Has a satisfactory record of maintaining the unit and grounds for the past two years; and
(c) Has not had any rent delinquencies for the past two year, unless they have entered into a repayment agreement that is being adhered to.

Households which are not currently in good standing, do not remain in good standing or will not agree to the new lease terms will not be eligible for placement in a new Holly Park apartment.

3.2 Selection Process

If more households apply to return to Holly Park than there are available low income aparments at the new Holly Park, the SHA will implement a selection process utilizing priority categories and a lottery to identify households which will receive a rehousing guarantee.

The specific priority categories to be utilized are as follows:

- Households which have a head of household who is 55 years of age or older.
- Households which have a household member who is disabled.
- Households which have a household member who is employed on-site in a position that requires on-site residency.
- Households which are participating or will participate in a formal homeownership program.
- Households which have a household member who is an elected official of the Holly Park Community Council Executive Board.

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HOLLY PARK REDEVELOPMENT: HOUSEHOLD CLASSIFICATION FOR RELOCATION ASSISTANCE

	Displaced Households	Temporarily Relocated Households	Non Eligible Households
Definition	A household who lived at Holly Park as of May 31, 1996, but will move permanently from Holly Park as a result of the redevelopment program. These households will not return to the new Holly Park community once construction is completed.	A household who lived at Holly Park as of May 31, 1996 and will live at the new Holly Park community once the redevelopment program is completed. This includes households that remain on site or are temporarily relocated off-site but who return to the new Holly Park.	A household who moved into Holly Park after May 31, 1996. These households will need to move permanently from Holly Park as a result of the redevelopment program.
Moving Benefits	Households will have the option of utilizing the resident relocation moving business, or accepting a fixed lump sum moving payment provided by the HUD schedule. Households will also be reimbursed for utility connection costs incurred as a result of a move. If households elect to use the resident relocation moving business, they will be entitled to a dislocation allowance of $50.	SHA will contract with a resident business to provide moving services for all households being temporarily relocated. Additionally, SHA will reimburse households for utility connection costs incurred as a result of the move. Households will also receive a $50 dislocation allowance.	None. Residents will not receive assistance with moving costs, payments for utility connections, or a $50 dislocation allowance.
Housing Benefit	Households who will be moving permanently can specify a preference for relocation to decent, safe and affordable housing either in the Section 8 program, at another SHA housing community, or other assisted housing development. If using Section 8, households will be given a range of housing options. If choosing SHA housing, households will be given the opportunity to specify and rank at least two preferences.	Temporary assignment to decent, safe, and affordable housing at either Holly Park or another SHA community, or if resources are available, through the Section 8 program. Households who fall into one or more priority categories will be given priority for remaining on site at Holly Park. Households assigned to another SHA community or to the Section 8 program will be unable to specify a location preference.	Households will be permanently transferred to decent, safe and affordable housing at another SHA community, but will be unable to specify a preference for a development.
Notification	A formal notice informing households of their need to move from Holly Park will be provided at least 90 days before a move is required. Additionally, households will receive a 30 day notice prior to the specific date of their move.	Households will receive no less than a 14 day notice prior to a move date, and preferably a 30 day notice.	Upon move-in, a household received a notice of non-eligibility for relocation benefits. Households will also receive a 30 day notice prior to the specific date that they will need to vacate their Holly Park apartment.

After all the household [illegible]ying for priority status are identified, the remaining households interested in a new Holly Park apartment will be ranked ordered by a lottery (see Section 6, How Will Resources Be Allocated If There is Not Enough). Depending upon a household's ranking, it may or may not receive a rehousing guarantee. SHA will only give such a guarantee equal to the number of available low income rental apartments at the new Holly Park.

Any household which does not receive a rehousing guarantee will be placed at the top of a new Holly Park waiting list in the order of their selected lottery number. However, to accommodate the redevelopment program these households will need to move away from Holly Park, and will not be able to return until they are offered placement through the Holly Park waiting list. For relocation purposes these household's classification will be changed from "temporarily relocated households" to "displaced households", and will generally be entitled to the relocation options and benefits for a "displaced household". If these households prefer the Section 8 program, they will be added to the Section 8 list in the order of their selected lottery number, but after those households which initially selected Section 8. If they prefer SHA housing, they can specify a preference for a particular development as other displaced households.

2.2 Selecting Location of New Holly Park Apartment

At this time, households will not be given any choice in selecting the location (i.e. the part of site) of their new Holly Park apartment. However, the SHA will explore the possibility of providing choice at a later date.

[illegible]

As part of Holly Park's redevelopment, every household will need to move at least once and possibly twice. Many households will want to move permanently from Holly Park, and will not want or be able to return to Holly Park once construction is completed. Other households (approximately 400) will remain at Holly Park or temporarily move off-site while waiting for their new Holly Park apartment.

The SHA has identified five types of housing resources for use either permanently or temporarily by Holly Park households during the relocation program. These resources are as follows:

- Section 8 vouchers
- Other SHA communities
- Other assisted housing opportunities
- New Holly Park - rental opportunities
- New Holly Park - homeownership opportunities

A household's access to a specific housing resources will depend upon whether it is eligible for relocation assistance as well as whether it wants to permanently move from Holly Park or wants to move into the new Holly Park community. The chart below summarizes what resources and choices are available within the three relocation classifications.

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Available Housing Resources and Choices
By Household Classification

	Displaced Households	Temporarily Relocated Households	Non Eligible Households
Type of Move	Permanent Will not return to the new Holly Park	Temporary Will get an apartment at the new Holly Park	Permanent Will not return to the new Holly Park
Housing Resources Available	Has potential access to all housing resources except Holly Park.	Has access to another SHA community, potentially remaining at Holly Park, or Section 8 voucher (if resources are available).	Has access only to another SHA community.
Type of Choice Available	Households utilizing a Section 8 voucher or other assisted housing will be given a list of a range of housing options. Households selecting SHA housing will receive an offer of a unit at their preferred SHA community, to the greatest extent feasible and possible. If needed, a household may receive second and possibly third offers, but it will not necessarily be at their preferred community.	Households meeting priorities identified in Section 3.2 will be given priority for on-site temporary relocation, to the maximum extent feasible. All remaining temporary placements on-site will be based upon the demands of construction schedule and phasing. Households being housed temporarily at another SHA community or through the Section 8 program will not be able to state a preference for any specific unit or development.	Households will be offered a unit at another SHA development but will be unable to state a preference for any specific community.

More specific information on each type of housing resource is provided below.

4.1 Section 8 Vouchers

Section 8 vouchers will be utilized by displaced households for permanent replacement housing. If the number of households requesting Section 8 exceeds the 250 allocated vouchers for the Holly Park Redevelopment effort, and if SHA does not commit additional Section 8 resources, a selection process will be implemented as described in Section 6, How Will Resources Be Allocated If There Is Not Enough. (Note: If adequate Section 8 vouchers are available to meet the needs of residents choosing permanent displacement, any remaining Section 8 vouchers may be utilized for temporary relocation purposes.)

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If after being give[illegible]on 8 voucher and notice of comparable [illegible] a household fails to lease an apartment through the Section 8 prog[illegible]m in a reasonable time period, the household will be transferred to another SHA development. Reasonable time period is defined by the current Section 8 program as 60 days for the initial time period, with two 30 day extensions possible. If residents are unable to find an apartment within this 120 day maximum time frame, they will be assigned an SHA unit for permanent rehousing (they will not be able to specify a preference for a certain development).

4.2 Other SHA Housing Communities

Relocation to an apartment at another SHA housing community will be available as a relocation resource for both permanent and temporary moves as follows:

Permanent Moves for Displaced Households: Those households who want to move permanently away from Holly Park will specify a ranked preference for relocation at a minimum of two SHA communities. Households will receive an offer of an apartment at their most preferred community, to the greatest extent feasible and possible. If for some reason a household declines this first offer, a second and possibly third offer of a replacement apartment will be made, but they will not necessarily be at the household's most preferred community. If after the last offer, a household still declines the apartment, it will no longer have a right to replacement housing. It will now be the household's responsibility to find its own housing as it will be deemed to have voluntarily given up its housing. The household must still move from its Holly Park unit.

Permanent Moves for Non-Eligible Households: The small number of households in this classification will only be eligible to receive one offer of an apartment at another SHA community. Additionally, given the tight constraints on SHA housing resources due to the Holly Park relocation program, these households will be unable to specify a preference for any specific community.

Temporarily Relocated Households: Households will be offered a suitable temporary apartment at another SHA community, but will not have any choice of which community or apartment.

4.3 Other Assisted Housing

Relocation to an apartment in assisted housing other than SHA will be available as a permanent replacement housing resource only. SHA will contact other PHAs in the are regarding the availability of units for Holly Park relocatees. SHA will also provide listings of other assisted housing in the Seattle area.

4.4 New Holly Park - Rental Opportunities

Not every household which wants to, or will, return to the new Holly Park community can be accommodated on-site during the reconstruction period. Some families will have to move off-site temporarily. Those households which hold priorities under Section 3.2, Who Will Be Eligible to Obtain A New Holly Park Unit - Selection Process) will be given priority for on-site temporary relocation, to the extent feasible. All remaining temporary placements on-site will be based upon the demands of the construction scheduling and phasing.

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Holly Park households eligible for relocation assistance will be given an initial preference for homeownership units on-site. Households interested in this option and eligible for homeownership can receive a one time lump sum payment of $5,250 as a relocation benefit for use as a downpayment on a home at Holly Park or another location.

Households of Rainier Vista and High Point, which currently have HOPE VI planning grants, will be given second preference for homeownership at Holly Park. Households at other SHA developments will be given third preference for homeownership; however, they will not be eligible for the lump sum payment of $5,250.

5. How Households Select Their Relocation Housing Option

A first step in the relocation program will be for households to select the type of move and relocation housing they prefer. Given the importance of this selection, the SHA and Holly Park Community Council have developed an information program to provide all Holly Park households with the knowledge and understanding necessary to make a fully informed decision. **Households are strongly advised to fully utilize the information program and to carefully and thoroughly consider all relocation options before making a selection. While it may be possible to later change the selection, households will not be eligible for the same benefits as what will initially be available.**

A description of the information program and the process for selecting a preference for relocation housing is described below.

5.1 Relocation Resource Information Sheets/Flyers

As described in Section 4, What Housing Relocation Resources Will Be Available, the relocation program will utilize a number of different housing resources to meet the relocation needs of Holly Park households. To ensure that residents understand the relocation program and the potential choices available to them, the SHA and the Holly Park Community Council will develop one page informational flyers for each relocation resource including: Section 8 voucher program, other SHA developments, homeownership, other assisted housing, and returning to a new Holly Park. These flyers will be translated into the primary languages spoken at Holly Park and distributed to all households.

5.2 Relocation Resource Informational Meetings

SHA and the Holly Park Community Council will schedule a series of informational meetings around each relocation option so that those residents interested in receiving more information or asking specific questions about Section 8, homeownership, etc. will be able to do so.

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5.3 Selecting a Relocation

After the Relocation Informational meetings, each household will meet privately with a Relocation Counselor to make a binding relocation election. The Relocation Counselor will again outline the entire relocation process, and review with the household the resources and choices available for relocation. Detailed specifics on all relocation options will be provided, including the Section 8 program and homeownership opportunities at the new Holly Park. Specifics on how and when moving will occur and what expenses SHA will cover will also be covered. Each resident will receive a Relocation Workbook which will include a summary of their rights and responsibilities (a copy of the latter is provided in Appendix 1).

At this meeting, the household and the SHA will sign a binding agreement which will document:

(a) The household's eligibility for relocation assistance (i.e. housing classification).

(b) The household's decision to either permanently or temporarily relocate, the specific replacement housing resource desired and eligibility for any priority designation.

(c) The appropriate apartment size for the household based upon SHA's occupancy standards.

(d) Any special health considerations for moving assistance, apartment size, or type of apartment.

Along with the agreements, the SHA will provide the household with either a "Notice of Eligibility for Relocation Benefits" or a "Notice of Non-Displacement" as applicable.

5.4 Changing A Relocation Option

Households are strongly advised to carefully and thoroughly consider all relocation options before making a selection. While it may be possible to later change the selection, households will not be eligible for the same benefits as initially available as follows:

(a) Any household which had originally chosen new Holly Park as its first selection and remains at Holly Park during construction, but later decides to move from Holly Park will not be eligible for replacement housing. It will be the household's responsibility to find its own replacement housing since it will be giving up its housing voluntarily. This household will be eligible for receiving moving costs for one move. If the resident has already been moved once on site to accommodate phasing needs, their permanent move off-site will not be paid for. However, if they received no moving costs prior to changing their mind and moving off-site permanently, their move at this time would be paid for.

(b) Any household which had originally chosen new Holly Park as its first selection and moves temporarily to another SHA housing community or a Section 8 apartment, but later decides not to return to Holly Park, will not be required to vacate its replacement housing. These households can continue to reside in such apartments, assuming continuing compliance with

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all less ... and program requirements. These hou... will not be eligible for any further relocation benefits.

(c) Any household which originally elected to take permanent off-site replacement housing, and later decides they would like to return, will be given priority on the new Holly Park waiting list if they notify the SHA within six months of the completion of Phase 1. Upon receipt of such notice, a household will be placed on the waiting list as of that date. Households which notify the SHA after six months of the completion of Phase 1 will not be eligible for priority status on the new Holly Park waiting list. In all instances, the SHA will not be responsible for any costs associated with a household's return to new Holly Park.

6. HOW WILL RESOURCES BE ALLOCATED IF THERE IS NOT ENOUGH?

It is possible that there may be more demand for Section 8 vouchers and new Holly Park apartments than there will be available vouchers and apartments. If either of these events occur, the following selection processes will be utilized:

6.1 Section 8 Vouchers

A selection process will be utilized if the number of families requesting Section 8 vouchers exceeds the 250 allocated for the Holly Park Redevelopment Program and if the SHA does not commit additional Section 8 resources. Those households currently on SHA's Section 8 waiting list will receive first priority for vouchers. All others will be subject to a lottery to determine the order in which households will access Section 8 vouchers. This random lottery will be conducted at a regularly scheduled meeting of the Holly Park Community Council. Households will receive a written notification informing them of their order on the list, and whether or not it is likely that they will receive a Section 8 voucher.

6.2 Holly Park Rehousing Guarantee

A selection process will be utilized if the number of households wanting to return to the new Holly Park exceeds the number of new apartments targeted as rental opportunities for low income households. Those household who meet one or more of the priority categories detailed in Section 3.2, Who Is Eligible to Obtain a New Holly Park Apartment - Selection Process, will receive a guarantee of rehousing. All others will be subject to a lottery to identify the additional households which will receive a guarantee of rehousing. Similar to the process for Section 8 vouchers, a random lottery will be conducted at a regularly scheduled meeting of the Holly Park Community Council to rank the remaining households. Households will then receive a written notification informing them of their order on the list, and whether or not they will receive a Holly Park rehousing guarantee.

7. HOW AND WHEN WILL THE MOVE HAPPEN AND WHO WILL PAY?

All households must move all of their belongings from their current apartments, or subsequent apartments if the initial move is a temporary one. Each

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household will be responsible for packing all belongings and [illegible] furniture for [illegible]. The SHA will make special arrangements to pack, unpack, and move elderly residents and residents with disabilities. The SHA will provide boxes and other moving supplies to all eligible households at least two weeks in advance of a household's moving date. Households are encouraged to return boxes which are in good condition to the SHA or the resident moving business so that they may be recycled for potential use by others.

7.1 Notification Requirements

All households will receive either a "Notice of Eligibility for Relocation Benefit" or a "Notice of Non-Displacement." Households moving permanently will receive a "90 day notice" in advance of their move specifying the relocation housing they will be offered. They will also receive a 30 day notice (which can run within the 90 day notice) prior to the specific date of their move. All households who are moving temporarily will receive a notice preferably 30 days prior to move date, but no less than 14 days. A household may choose to waive the time requirements of such notices if they so desire.

7.2 Potential Moving Schedule

Households moving permanently from Holly Park will move before the first phase of construction starts at Holly Park which is presently scheduled to begin in July 1997. The exact timing of the move will depend upon the type of replacement housing the household will be receiving, but could occur well before July 1997. In all instances, a household will be entitled to both 90 day and 30 day (which can run within the 90 day period) notices in advance of its move specifying the relocation housing it will be offered, though a household may choose to waive the time requirements if it prefers.

A tentative schedule for the Holly Park redevelopment effort is provided in Appendix 2. This schedule will be updated as detailed information becomes available.

Throughout the relocation program, households will not be required to move during the fourth week in November, or during times when a household is otherwise celebrating a culturally or religiously significant event, such as Christmas. Residents, at the time of their individual counseling and selection of their preferred replacement housing option, will be able to specify (in their Relocation/Rehousing Agreement) any dates related to significant cultural or religious events when moving should not be scheduled.

7.3 Being Ready for the Move

Households must be fully packed and ready to move on their specified day. If a household is not ready to move on its specified day, it will be charged a $50.00 not ready fee as an incentive to be ready as well as to cover the moving company's cost. The moving date will then be rescheduled to occur within 48 hours of the original move date. If the household is still not ready on the rescheduled date, the movers will be instructed to assist the household in packing so the move can take place that day. The cost of this packing assistance will be charged to the household.

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Any scheduled move which must be postponed due to the resident must be reported 48 hours prior to the scheduled moving date to avoid the $50.00 penalty charge.

Households must also notify the Post Office, Social Security, Welfare, and other agencies, individuals, companies, etc. of their change of address.

7.4 Moving Costs and Payment

Moving Services: Holly Park households which lived at the development as of May 31, 1996 will not incur any costs associated with moving their belongings to their permanent or temporary replacement apartment as outlined in this Relocation Plan. The SHA will contract with a Holly Park resident business to provide moving services for these households who are moving temporarily. For eligible households which are moving permanently, they will have the option of utilizing the resident relocation moving business or accepting the fixed lump sum moving payment as specified in the HUD schedule.

Households which moved into Holly Park after May 31, 1996 are not eligible for any payments for moving costs.

Utility Reconnection Expenses: Similarly, Holly Park households which lived at the development on May 31, 1996 will be reimbursed for the actual costs associated with transferring existing telephone and cable services. However, the SHA will not cover the cost of telephone, cable, electricity or other utility bill arrearages. Households also will be responsible for notifying the telephone, cable, electric, and other utility companies of the need for a transfer. The SHA will reimburse residents for the actual transfer cost upon presentation of an itemized bill from the utility company.

Households which moved into Holly Park after May 31, 1996 are not eligible for any payments for transferring utility services.

Dislocation Allowance: Households, who are eligible for moving benefits, and who elect to utilize the resident moving business, will receive a $50 dislocation allowance.

8. WHAT HAPPENS TO THE SHA LEASE AND DUE [illegible]

Throughout the redevelopment program, the SHA will continue to enforce all provisions of its lease with every household remaining in SHA housing either at Holly Park or another of its housing communities.

9. WHAT HAPPENS IF THERE IS A PROBLEM OR COMPLAINT?

Any Holly Park household which has an individual complaint with respect to the implementation of these relocation policies and procedures may file a written grievance stating the grounds of their complaint. The SHA will fully review the complaint, and seek to resolve it. The SHA will provide a written response to the complaint detailing its findings and any proposed resolution. If the household is not satisfied with this resolution, it may submit the claim through a special panel set up for this purpose exclusively to expedite

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grievance resolu[illegible] This panel will include one SHA HOPE [illegible] person, one at large repr[illegible]ve, and one resident from another SHA [illegible]velopment. All households who are, or claim to be, permanently displaced, may seek further review of the panel's decision, under the terms of the Uniform Relocation Act, at the HUD Regional Office or in court.

10. WHEN DOES THIS PLAN TAKE EFFECT?

This Plan for Relocation Policies and Procedures will be effective only with the approval of the Holly Park Community Council, the Holly Park Board of Governors, and the SHA Board of Commissioners.

Effective this _____ day of _____, 1996.

_____
for the Holly Park Community Council

_____
for the Seattle Housing Authority

_____
for the Holly Park Board of Governors

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APPENDIX 1

THE MOVING PROCESS

KNOW YOUR RIGHTS AND RESPONSIBILITIES

Dear Holly Park Resident:

The upcoming redevelopment planned for Holly Park requires that you and your neighbors must move. You will have many important choices and opportunities resulting from the redevelopment program. You should carefully and thoroughly consider all your relocation options before making a selection. Once you make a selection, you must pack all your belongings, and move either permanently or temporarily from your Holly Park apartment. It is important that you know your rights and responsibilities.

Your Rights

1. To have the SHA provide you with a choice of relocation assistance and benefits which will provide you with decent, safe and affordable housing as you move from Holly Park or to another Holly Park apartment. The attached chart details available housing resources and choices with the three household classifications.

2. To have the SHA cover all eligible moving-related expenses associated with the relocation including actual moving cost and utility reconnections, and to provide moving assistance to those in need.

3. To have the SHA or its agent provide moving boxes and related packing materials as needed.

4. To have the SHA provide sufficient notice of your move date. For permanent moves, SHA will provide two notices: a 90 day and 30 day notices (the 30 day notice can run within the 90 day notice period). For temporary moves, the SHA will provide preferably 30 days notice, but no less than 14 days notice

5. To have the SHA conduct a fair and open process in full accordance with the policies and procedures detailed in the Holly Park Plan for Relocation Policies and Procedures.

6. To have an avenue within SHA to aggrieve any individual complaints.

Your Responsibilities

1. To specify preference as to whether you wish to move permanently from Holly Park and using what resources, or whether you wish to move temporarily while waiting to occupy a new Holly Park unit.

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2. To move upon during the specific time period irrespec pending grievan related to relocation or continuing occupan however. your rights to a grievance will not be waive by such a move provided notice is filed before the move.

3. To pack all your belongings and prepare furniture for moving. Everything but furniture must be packed in boxes. Furniture must be taken apart when possible.

4. To arrange with utilities to have your services transferred to your new apartment, and to cover all associated arrearage.

5. To notify the post office, welfare, social security, and other agencies, individuals, companies, etc. of your change in address.

6. To be ready to move all your belongings on the specified date, and to be home and ready when the movers arrive.

7. To return usable moving boxes to SHA for potential reuse or recycling.

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Holly Park Replacement Housing Plan
Annual Production Targets

Attachment C

	1997		1998		1999		2000		2001		2002		2003		2004		2005		2006		TOTALS
	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	C
I. ON-SITE UNITS																					
A. Public Housing Rental (Affordability = 0-30% of Median Income)																					400
Phase I	177			88		89															177
Phase II					123			61		62											123
Phase III							100					50		50							100
B. Tax-Credit Rental (Affordability = 0-60% of Median Income)																					284
Phase I	56		56	56		56															112
Phase II					37		37	37	37	37		37									111
Phase III									30		31	30		31							61
C. Market Rate Rental (Affordability = Market Rate)																					16
Phase I	8		8	8		8															16
Phase II																					
Phase III																					
D. Assisted Living (Affordability = 30% of Median Income)																					50
Phase I																					
Phase II							50			50											50
Phase III																					
E. Market Rate Assisted Living (Affordability = Market Rate)																					50
Phase I																					
Phase II							50			50											50
Phase III																					
F. Affordable Home Ownership (Affordability = 50-80% of Median Income)																					100
Phase I			5	5	10	10	10	10	12	12											37
Phase II									8	8	12	12	12	12	11	11					43
Phase III																	10	10	10	10	20

F = Fully Funded
C = Constructed and Available for Immediate Occupancy

Holly Park Replacement Housing Plan
Annual Production Targets

	1997		1998		1999		2000		2001		2002		2003		2004		2005		2006		TOTALS
	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	C
G. Market Rate Home Ownership (Affordability = Market Rate)																					**300**
Phase I			30	30	38	38	38	38	6	6											112
Phase II									22	22	36	36	36	36	33	333					127
Phase III															4	4	38	38	19	19	61
II. OFF-SITE UNITS																					
A. Scattered Site Units (Affordability =0-30% of Median Income)																					**40**
Phase I	21	21	19			19															40
Phase II																					
Phase III																					
B. Bond-Financed Units (Affordability =30% of Median Income)																					**98**
Phase I					20			20													20
Phase II							15		15	15		15									30
Phase III											48			48							48
C. Partnership Units (Affordability = 0-30% of Median Income)																					**221**
Phase I			40		40	40		40													80
Phase II							35		35	35		35									70
Phase III									35		36	35		36							71
D. Off-line Units (Affordability = 0-30% of Median Income)																					**122**
Phase I	60		62	60		62															122
Phase II																					
Phase III																					

F = Fully Funded
C = Constructed and Available for Immediate Occupancy

Holly Park Replacement Housing Plan
Annual Production Targets

Attachment C

	1997		1998		1999		2000		2001		2002		2003		2004		2005		2006		TOTALS
	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	C
III. ON- OR OFF-SITE UNITS																					
Additional On- or Off-Site (Affordability = 0-30% of Median Income)																					**62**
Phase I																					
Phase II							31			31											31
Phase III											31			31							31
IV. OTHER ASSISTANCE																					
Tenant-Based Vouchers (Affordability = 0-30% of Median Income)																					**250**
Phase I		250																			250
Phase II																					
Phase III																					

F = Fully Funded
C = Constructed and Available for Immediate Occupancy

Health, Housing, Human Services, Education & Libraries Committee

1. Co-sponsors: Chow and McIver

AN ORDINANCE relating to low-income housing; appropriating funds from the General Fund for a portion of the costs of the Holly Park redevelopment project, all by a three-fourths vote of the City Council.

2. Sponsor: Chow

AN ORDINANCE relating to the Holly Park redevelopment project; and authorizing the Mayor to execute a Memorandum of Agreement with the Housing Authority of the City of Seattle.

Health, Housing, Human Services, Education & Libraries Committee

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MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is made between the Housing Authority of the City of Seattle, a public body corporate and politic under the laws of the State of Washington, and The City of Seattle, a Washington m

ORIGINAL

A. SHA received a Forty-sev 47,100,000) HOPE VI Revitalization Demons UD to partially fund the redevelopment of the l : Holly Park in Southeast Seattle into a m ip with the current residents of Holly Park an

B. The City Council adopted irming its intent to make capital contributions he City's financial contribution plan for Phase

C. The City Council adopted l ..... on June 2, 1997, a copy of which is attached hereto as Attachment A, approving a financial contribution plan not to exceed Six Million Three Hundred Thousand Dollars ($6,300,000) for Phase I.

D. The City Council adopted Resolution 29578 on June 2, 1997, a copy of which is attached hereto as Attachment B, accepting the Replacement Housing Plan.

E. Resolution 29579 provides that the City Funds for Phase I shall not be released until the City Council has adopted by ordinance, and the City and SHA have executed, a memorandum of agreement consistent with certain conditions set forth in Resolutions 29578 and 29579.

NOW, THEREFORE, the parties agree as follows:

1. DEFINITIONS

The following words and terms have the following meanings for purposes of this Agreement:

1.1. "ACC" means the Annual Contributions Contract between SHA and HUD, as amended.

1.2. "Agreement" means this Memorandum of Agreement.

1.3. "Annual Production Targets" means the annual production targets for Phases I, II and III, including number, type, affordability, funding and/or completion of units or other assistance, as established in Sections I-IV of the Annual Production Targets, attached to this Agreement as Attachment C.

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MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is made between the Housing Authority of the City of Seattle, a public body corporate and politic under the laws of the State of Washington, and The City of Seattle, a Washington municipal corporation.

RECITALS

A. SHA received a Forty-seven Million One Hundred Thousand Dollar ($47,100,000) HOPE VI Revitalization Demonstration Project Implementation Grant from HUD to partially fund the redevelopment of the 102 acre public housing community known as Holly Park in Southeast Seattle into a mixed-income housing community in partnership with the current residents of Holly Park and private and public entities.

B. The City Council adopted Resolution 29479 on November 12, 1996 affirming its intent to make capital contributions to Phase I and directing the development of the City's financial contribution plan for Phase I.

C. The City Council adopted Resolution 29579 on June 2, 1997, a copy of which is attached hereto as Attachment A, approving a financial contribution plan not to exceed Six Million Three Hundred Thousand Dollars ($6,300,000) for Phase I.

D. The City Council adopted Resolution 29578 on June 2, 1997, a copy of which is attached hereto as Attachment B, accepting the Replacement Housing Plan.

E. Resolution 29579 provides that the City Funds for Phase I shall not be released until the City Council has adopted by ordinance, and the City and SHA have executed, a memorandum of agreement consistent with certain conditions set forth in Resolutions 29578 and 29579.

NOW, THEREFORE, the parties agree as follows:

1. DEFINITIONS

The following words and terms have the following meanings for purposes of this Agreement:

1.1. "ACC" means the Annual Contributions Contract between SHA and HUD, as amended.

1.2. "Agreement" means this Memorandum of Agreement.

1.3. "Annual Production Targets" means the annual production targets for Phases I, II and III, including number, type, affordability, funding and/or completion of units or other assistance, as established in Sections I-IV of the Annual Production Targets, attached to this Agreement as Attachment C.

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1.4. "Default" means any failure during the term of this Agreement to provide and make continuously available for residential occupancy the housing units (including number, type and affordability levels) specified in Sections I-III of the Annual Production Targets.

1.5. "City" means the City of Seattle.

1.6. "City Contribution Agreements" means each and every City agreement, debt instrument, security agreement, financing agreement or other document executed by SHA concerning City Funds for Phase I, Phase II or Phase III, including, without limitation, promissory notes, deeds of trust, loan agreements, grant agreements, regulatory agreements and service and contribution agreements, and amendments and modifications thereto.

1.7. "City Funds" means funds, credits, facilities, equipment or services provided by the City pursuant to this Agreement.

1.8. "Community Facilities" means the non-residential structures identified as the Campus of Learners and the Family Center in the City's Department of Construction and Land Use Master Use and Construction Application and Permit Number 9704058 submitted by SHA on July 8, 1997. Such structures include space for classrooms; space for child care, Head Start and youth tutoring; a Seattle Public Library branch library; and other community and social service office spaces.

1.9. "Cost Certification" means certification of actual project expenditures at the end of each phase by an independent CPA licensed in the State of Washington, in accordance with generally accepted auditing standards and government auditing standards issued by the Comptroller General of the United States.

1.10. "DHHS" means the City's Department of Housing and Human Services.

1.11. "Federal Operating Subsidies" means operating subsidies made available to SHA through an ACC.

1.12. "HUD" means the U.S. Department of Housing and Urban Development.

1.13. "MBE" means a business that has been certified by the Washington State Office of Minority and Women's Business Enterprises as a minority business enterprise and is eligible to participate in the City's Women and Minority Business Enterprise Program under SMC Section 20.46A.100.

1.14. "NOFA" means notice of funding availability.

1.15. "OMP" means the City's Office of Management and Planning.

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1.16. "Other Financing Documents" means all promissory notes, loan agreements, mortgages, deeds of trust, security agreements, grant agreements, ground leases, master leases, condominium declarations, restrictive covenants, commitments, subscription agreements, partnership or joint venture agreements, or other agreements or instruments relating to any financing of any kind, other than City Funds, for Phase I, Phase II or Phase III.

1.17. "Partnership Units" means the 221 off-site rental housing units identified in Section II.C of the Annual Production Targets that are anticipated to be developed, leased and managed by non-profit housing organizations, owned by SHA as Public Housing, and approved by HUD.

1.18. "Phase I," "Phase II" and "Phase III" mean, respectively, Phase I, Phase II, and Phase III of the redevelopment of Holly Park as approved by City's Department of Construction and Land Use Master Use Permit Number 9400126 issued on June 13, 1997.

1.19. "Project Savings" means the excess, if any, of the sum of all revenues (excluding Utility Funding) above the sum of all expenditures (excluding Utility Funding).

1.20. "Public Housing" means units of housing available to persons eligible under HUD regulations to participate in the public housing program, the operation of which is subsidized by an ACC.

1.21. "Public Infrastructure" means the water, wastewater and/or drainage infrastructure (i) that is required to be constructed or installed under SMC 21.04.060.B, SMC 21.16.270.B and/or SMC chapter 23.53, respectively, and any rules or policies that may be promulgated thereunder, (ii) that is required to be transferred to the City upon completion of construction and (iii) that serves dwelling units of households with aggregate annual incomes less than or equal to 50% of median income, as defined in Ordinance 118605.

1.22. "Replacement Housing Plan" means Attachment A (two pages) to Resolution 29578.

1.23. "SHA" means the Housing Authority of the City of Seattle.

1.24. "SMC" means Seattle Municipal Code.

1.25. "Utility Funding" means funds, credits, facilities, equipment or services (a) from Seattle City Light to extend the City's electrical distribution system, and (b) from Seattle Public Utilities to construct Public Infrastructure.

1.26. "WBE" means a business that has been certified by the Washington State Office of Minority and Women's Business Enterprises as a women's business enterprise and is eligible to participate in the City's Women and Minority Business Enterprise Program under SMC Section 20.46A.100, as the same may be amended.

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1.27. "WMBE" means any business eligible to participate in the City's WMBE Program pursuant to SMC Section 20.46A.100, as the same may be amended.

1.28. "WMBE Ordinance" means SMC Chapter 20.46A, as the same may be amended.

1.29. "WMBE Program" means the City's Women's and Minority Business Enterprises Program, as the same may be amended.

2. TERM OF THE AGREEMENT

This Agreement shall remain in effect until SHA provides, and the City accepts, certification that the numbers and types of housing units identified in Sections I-III of the Annual Production Targets have remained affordable at the levels specified in the Annual Production Targets and occupied by (or held for rental or sale solely to) eligible tenants or purchasers for a minimum of forty (40) years from the initial date of occupancy of each unit, unless earlier terminated or amended as provided in this Agreement.

3. CITY CONTRIBUTIONS

3.1. Phase I

Subject to the terms and conditions set forth or incorporated in this Agreement, including the schedule, performance measures and policies, terms and conditions of each source of City Funds, the City will contribute to Phase I for the purposes set forth in this Agreement, City Funds, not to exceed a value in aggregate of Six Million Three Hundred Thousand Dollars ($6,300,000), from the sources set forth below:

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Holly Park Phase I City Contributions and Uses

SOURCE	AMOUNT	USE
HOME Program (Ord. 118604)	$1,242,315	Down payment assistance to home buyers with annual household income at or below 80% of median income.
1986 Housing Levy (Ord. 118601)	$590,421	Housing units for households with annual incomes at or below 50% of median income.
General Fund (subject to passage of an appropriation ordinance)	$801,579	Housing units for Louseholds with annual incomes at or below 50% of median income, public improvements or Community Facilities.
Utility Funding (subject to 1998 and 1999 appropriations)	$1,800,000 (funds, equipment or services) (actual costs up to this amount)	Public Infrastructure and electrical distribution.
Capital Facilities Bond Program, Concert Hall Bonds, and General Fund (Ord. 118602)	$1,202,685	Housing units for households with annual incomes at or below 50% of median income.
Urban Renewal Closeout Subaccount (Ord. 118603)	$413,000	Public Infrastructure and other public improvements serving housing units for households with annual incomes at or below 50% of median income.
Enterprise Community Grant from HUD	$250,000	Community Facilities.
TOTAL	$6,300,000	

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3.1.1. Schedule

City Funds for Phase I for a particular year shall not exceed the amounts set forth in the schedule below.

City Financial Plan to Contribute to Holly Park Redevelopment Phase I				
	1997	1998	1999 *	Total City Contribution
Home Program*				
Homeowner (MHPK)*			1,000,000	1,000,000
Homeowner*		30,960	211,355	242,315
1986 Levy		590,421		590,421
General Fund**	801,579			801,579
Utility Funding***	500,000	900,000	400,000	1,800,000
CFB Program	289,685	913,000		1,202,685
Urban Renewal	413,000			413,000
Enterprise Community		250,000		250,000
Total City Contribution By Year	2,004,264	2,684,381	1,611,355	6,300,000

*HOME funds may be used for down-payment assistance only, must be released directly to home buyers, and will likely be used from 1998-2003.

**General Fund is subject to an appropriation ordinance.

***See Section 3.1.3.4 below.

3.1.2. Performance Measures

The City shall not be obligated to release or provide any City Funds for Phase I until SHA delivers detailed cost estimates (that are reviewed by the City and are determined to be in accordance with NOFA standards) for all housing units to be completed by the end of Phase I. The City shall not be obligated to release or provide City Funds for 1998 until SHA shall have provided information to demonstrate and shall have certified to DHHS (and DHHS shall have verified to its satisfaction) that SHA has complied with all terms of this Agreement and SHA has met the annual production targets for 1997, including number, type, affordability, and funding and/or completion of units or other assistance, as established in Sections I.A-E and IV of the Annual Production Targets. Before the City will release or provide City Funds for 1999, SHA shall have provided information to demonstrate and shall have certified to DHHS (and DHHS shall have verified to its satisfaction) that no event of default has occurred under this Agreement and SHA has met the annual production targets for 1998, including number, type, affordability, and funding and/or completion of units or other assistance, as established in Sections I.A-E and IV of the Annual Production Targets.

3.1.3. Policies, Terms and Conditions

3.1.3.1. HOME Program funds may be used only for loans (secured by second position deeds of trust) to households with incomes at or below 80% of median income to acquire units constructed and available for immediate occupancy during Phase I. Use and release of these

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funds are further subject to applicable federal laws and regulations, applicable policies in the City's Consolidated Plan, applicable policies in the 1995 Housing Levy Home Buyer Assistance Policies as adopted by the City Council for the 1995 Housing Levy (as the same may be amended) but excluding policies permitting loans only to first time home buyers, execution and delivery of loan documents acceptable to the City and satisfaction of funding conditions therein, the terms of this Agreement, and, with respect to One Million Dollars ($1,000,000), Ordinance 118604 passed by the City Council on June 2, 1997. In addition, with respect to Two Hundred Forty-two Thousand Three Hundred Fifteen Dollars ($242,315), availability is subject to appropriation by the United States Congress and approval by the City Council of the 1998 and 1999 HOME allocation schedules in the City's Consolidated Plan.

3.1.3.2. Availability, use and release of 1986 Housing Levy funds are subject to resolution of King County Superior Court Cause No. 97-2-16688-8SEA, *Brower v. City and SHA*, policies in the 1993-94 Large Family Program Plan adopted by City Council for the 1986 Housing Levy, the Housing Cooperation Agreement dated August 27, 1987 between SHA and the City for Implementation of Housing Levy Proceeds, the terms of this Agreement, and Ordinance 118601 passed by the City Council on June 2, 1997.

3.1.3.3. Availability, use and release of Eight Hundred One Thousand Five Hundred Seventy-nine Dollars ($801,579) of General Fund funds are subject to appropriation of Eight Hundred One Thousand Five Hundred Seventy-nine Dollars ($801,579) for Phase I from the General Fund by ordinance (and any terms or conditions therein), SHA's execution and delivery of City Contribution Agreements acceptable to the City and satisfaction of the funding conditions therein, and the terms of this Agreement.

3.1.3.4. Utility Funding shall be used only to construct the electrical distribution system and for Public Infrastructure. Use and release of Utility Funding for electrical distribution are subject to SHA's execution and delivery of City Contribution Agreements acceptable to the City and satisfaction of the funding conditions therein and the terms of this Agreement. Use and release of Utility Funding for Public Infrastructure are subject to SHA's execution and delivery of City Contribution Agreements acceptable to the City and satisfaction of the funding conditions therein, the terms of this Agreement, Ordinance 118605 passed by the City Council on June 2, 1997, and appropriations of such Utility Funding. Notwithstanding the provisions of Ordinance 118605, Utility Funding shall not exceed actual costs for the electrical distribution system and Public Infrastructure or $1,800,000, whichever is less.

3.1.3.5. Use and release of Capital Facilities Bond Program funds, Concert Hall Bond funds and General Fund funds, as identified in Ordinance 118602, are subject to SHA's execution and delivery of City Contribution Agreements acceptable to the City and satisfaction of the funding conditions therein, the terms of this Agreement, Ordinance 118602 passed by the City Council on June 2, 1997, and the relevant ordinances authorizing issuance of the bonds.

3.1.3.6. Use and release of Urban Renewal Closeout Subaccount funds are subject to SHA's execution and delivery of City Contribution Agreements acceptable to the City and satisfaction

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of the funding conditions therein, the terms of this Agreement, and Ordinance 118603 passed by the City Council on June 2, 1997.

3.1.3.7. Enterprise Community Grant funds may be used only for construction of the Seattle Public Library branch library portion of the Community Facilities. Use and release of these funds are subject to SHA's execution and delivery of City Contribution Agreements acceptable to the City and satisfaction of the funding conditions therein, the terms of this Agreement, the City's Enterprise Community Strategies as approved by HUD, the City's Enterprise Community Agreement with the State of Washington, and applicable federal laws and regulations.

3.2. Phase II

The City shall not be obligated to approve, release or provide City Funds for Phase II until SHA has provided information to demonstrate and has certified to DHHS (and DHHS has verified to its satisfaction) that SHA has complied with all terms of this Agreement, that SHA has met the annual production targets for Phase I, including number, type, affordability, funding and/or completion of units or other assistance, as established in Sections I.A-E, II-IV of the Annual Production Targets; and that the Community Facilities have been fully funded. The City may specify that Phase II funds or services must be released or provided in a manner consistent with Section 3.1 above. SHA acknowledges that if Phase II construction is not completed, up to 75 units of Public Housing could be lost Therefore, SHA shall immediately notify the City of any delay in initiation or completion of Phase II construction and shall, within 30 days thereafter, meet with the City to develop an alternative plan for replacement of the 75 Public Housing Units. The foregoing provision is not a waiver of any other right or remedy available to the City for SHA's breach or nonperformance under this Agreement. SHA is required to inform Council before applying for 1995 Housing Levy funds in meeting the housing targets as established in Section II.A-C of the Annual Production Targets for Phase II.

3.3. Phase III

The City shall not be obligated to approve, release or provide City Funds for Phase III until SHA has provided information to demonstrate and has certified to DHHS (and DHHS has verified to its satisfaction) that SHA has complied with all terms of this Agreement, that SHA has met the annual production targets for Phase II, including number, type, affordability, funding and/or completion of units or other assistance, as established in Sections I.A-E, II-IV of the Annual Production Targets; and that the Community Facilities have been completed as required by Section 6 below. The City may specify that Phase III funds or services must be released or provided in a manner consistent with Section 3.1 above. SHA is required to inform Council before applying for 1995 Housing Levy funds in meeting the housing targets as established in Section II.A-C of the Annual Production Targets for Phase III.

4. REPLACEMENT HOUSING PLAN

SHA shall comply with the Replacement Housing Plan as follows:

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4.1. Annual Production Targets

SHA shall satisfy the Annual Production Targets. SHA shall provide certification satisfactory to DHHS that the Annual Production Targets for each year have been met by December 31 of such year, beginning in 1997 and continuing through 2006.

4.2. Partnership Units

The Partnership Units shall be developed subject to the following conditions:

4.2.1. Funding and Operating Subsidies

The City may contribute funding to non-profit housing developers not to exceed the amount of subsidy that DHHS determines would be required to make the development of Partnership Units feasible with rents affordable to households with annual incomes at or below 50% of median income; however, for Phase I, such funding shall be limited to no more than Four Million Dollars ($4,000,000). Any increase above this amount shall be subject to Council approval. SHA shall provide additional capital funds to non-profit housing developers to make the development of Partnership Units feasible with rents affordable to households with incomes at or below 30% of median income. SHA shall (subject to annual federal appropriations) also provide Federal Operating Subsidies to make the development of Partnership Units feasible with rents affordable to households with annual incomes at or below 0-30% of median income. When producing the 221 Partnership Units, SHA shall not use state housing funds to reduce affordability below 50% of median income for Phase I. This shall be reviewed for Phase II and Phase III.

4.2.2. NOFA Process

Applications for capital funding and Federal Operating Subsidies for the Partnership Units will be reviewed through the existing DHHS-administered NOFA process for multifamily housing projects. Non-profit developers whose projects have already been approved for funding through a DHHS-administered NOFA process for multifamily housing projects may resubmit their applications, as prospective Partnership Units, for Federal Operating Subsidies and additional capital funding from SHA. Operating subsidies from the 1995 Housing Levy Operating and Maintenance Trust Fund Program will not be available for Partnership Units. DHHS and SHA shall jointly review funding applications for Partnership Units. Qualification as a Partnership Unit requires funding approval by both DHHS and SHA.

4.3. On- or Off-Site Units to be Developed by SHA

No funds from any City source shall be used to develop the 62 additional units on- or off-site, identified in Section III of the Annual Production Targets.

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4.4. Average Unit Sizes

Phase I off-site units, identified in Sections II.B-D and III of the Annual Production Targets, shall average no less than 1.25 bedrooms per unit. The average number of bedrooms per unit for Phase II off-site units identified in Sections II.B-D and III of the Annual Production Targets shall be determined on or before July 1, 1998. The average number of bedrooms per unit for Phase III off-site units identified in Sections II.B-D and III of the Annual Production Targets shall be determined on or before July 1, 2000.

4.5. Term of Occupancy and Affordability

All housing identified in Sections I-III of the Annual Production Targets shall be available for occupancy solely by households with annual incomes at or below the percentage of median income specified in the Annual Production Targets for a minimum of forty (40) years from the initial date of occupancy of each unit. Subject to requirements associated with any City Funds used for such housing under applicable laws, ordinances, regulations and policies, SHA may request review and modification of this Section: (a) ten (10) years from the effective date of this Agreement; or (b) if Federal Operating Subsidies are reduced or withdrawn.

4.6. Bond-Financed Units

Housing units that SHA constructs to meet its obligations under Section II.B of the Annual Production Targets must be net new housing to SHA's housing stock and shall not count as replacement units for any other project involving demolition of Public Housing.

5. USE OF PROJECT SAVINGS OR ADDITIONAL FUNDS

Within one hundred twenty (120) days after completion of each phase, SHA shall complete a Cost Certification and shall provide the Cost Certification to DHHS. Any Project Savings identified through Cost Certification or any additional funds identified by SHA shall be used for housing identified in Sections II.A-C and III in the Annual Production Targets or to reduce anticipated City contributions to future phases.

6. COMMUNITY FACILITIES

On or before March 1, 1998, SHA shall submit to OMP a facilities plan for the Community Facilities, which shall include, but not be limited to, a schedule of tenants, services to be provided by such tenants, forms of lease agreements, anticipated tenant improvements, and a draft management and operating plan, and SHA shall submit to OMP a long term lease agreement for the Seattle Public Library branch library. SHA shall complete construction of the Community Facilities on or before December 31, 2000.

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7. REPORTING REQUIREMENTS

7.1 SHA Reports

SHA shall submit the following reports to DHHS:

7.1.1 Monthly reports that include, at a minimum, on-site project development reports as outlined in the City Contribution Agreements, and if not already included in the on-site project development reports, information on project performance, schedule, finance (including the status of all non-City fund sources), budget, adjustments, forecasts, redesign, value engineering, copies of applications for funding, apprenticeship utilization, wage rates, and WMBE compliance, and any substantive variance from approved project plans. SHA shall submit the first monthly report one month from the date of execution of City Contribution Agreements or receipt of any City Funds, whichever is earlier, and shall continue to submit such reports on a monthly basis until all on-site Annual Production Targets have been met.

7.1.2 Quarterly reports on the status of SHA's compliance with the Annual Production Targets. Specific reporting requirements will be outlined in the City Contribution Agreements and will include, at a minimum, information on numbers and types of units planned, fully funded or constructed during the previous quarter; any Change of Use; status of capital funding commitments required from SHA, as well as HUD approvals required; early warning of problems developing that could affect meeting future milestones. SHA shall submit the first quarterly report, for the 4th quarter of 1997, on or before February 1, 1998, and shall continue to submit such reports on a quarterly basis until all Annual Production Targets have been met.

7.1.3 Immediately upon Change of Use, or reduction or withdrawal of Federal Operating Subsidies, or any material change in the plans for the Community Facilities, reports of such occurrence(s).

7.1.4 Within thirty (30) days of Cost Certification, report of final sale of tax credits. Within thirty (30) days of closing, report of sale of bonds.

7.1.5 No later than December 31, 1997, a private fund-raising plan to finance construction of the Community Facilities.

7.2 SHA Cooperation

SHA will cooperate with and assist OMP and DHHS to prepare all reports that DHHS and/or OMP provide to the City Council in connection with the Holly Park redevelopment project.

8. NOTICE AFFECTING PERFORMANCE

SHA shall immediately notify the Director of DHHS of any matters affecting the eligibility or capacity of SHA to continue performance of this Agreement, or to comply with any provision hereof, immediately after SHA's discovery of the same.

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9. ACCESS TO RECORDS; AUDITS

The City, the State Auditor, the United States and their designated agents shall have access at any time during normal business hours and as often as necessary, after reasonable notice in advance to SHA, to any bank account and SHA books, records, documents, accounts, files, reports, and other property and papers of SHA relating to the Holly Park redevelopment project for the purpose of making an audit, survey, examination, excerpt or transcript.

10. CITY REQUIREMENTS

10.1. Discrimination Prohibited

SHA shall comply with all applicable equal employment opportunity and nondiscrimination laws of the United States, the State of Washington, and The City of Seattle, including the Seattle Municipal Code ("SMC"), notably SMC Ch. 20.44, and rules, regulations, orders, and directives of the associated administrative agencies and their officers. SHA will furnish to the Director of the Executive Services Department or his designee upon his request and on such form as may be provided by the Director of the Executive Services Department therefor, a report of the affirmative action taken by SHA in implementing the terms of this section, and will permit access to its records of employment, employment advertisements, application forms, other pertinent data and records by the Director of the Executive Services Department for the purpose of investigation to determine compliance with this Section. The provisions of this section shall be inserted into all contracts and subcontracts for work involving City Funds.

10.2. Women's and Minority Business Utilization

This Agreement hereby incorporates by reference the WMBE Ordinance. SHA shall fulfill all obligations of a contract-awarding authority under the WMBE Ordinance. Without limiting the foregoing, SHA shall:

(a) Ensure that each contractor meets the set-asides for WBEs and MBEs established for the contract, if any;

(b) Make affirmative efforts to utilize WMBEs in performing the contract, whether as contractors, subcontractors, suppliers, or in any other capacity;

(c) Require that all contractors and subcontractors make affirmative efforts to utilize WMBEs in performance of the contract;

(d) Maintain records reasonably necessary for monitoring compliance with the provisions of SMC Ch. 20.46A, and submit such information as may be requested by the City's Director of the Executive Services Department in order to monitor and enforce compliance;

(e) Require that contractors and subcontractors maintain records reasonably necessary for monitoring the contractors' and subcontractors' compliance with the provisions of SMC Ch.

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20.46A, and that the contractors and subcontractors submit such information as may be requested by the City's Director of the Executive Services Department in order to monitor and enforce compliance; and

(f) Include in contracts the provisions required by the WMBE Ordinance.

10.3. Prevailing Wage Law

SHA shall comply, and shall cause its contractors to comply, with all applicable prevailing wage laws. SHA shall pay or cause to be paid wages at least equal to the "prevailing wages" established by the State of Washington for public works projects, and shall furnish to the City such documentation of those payments as the City may require; provided, that if higher wage rates are imposed by federal law or the terms of any other financing for Phase I, II or III, or if any law applicable to SHA requires payment of higher wages, nothing herein is intended to relieve SHA of its obligation, if any, to pay, or cause its contractors to pay, the higher rates. Disbu. ment of City Funds may be conditioned upon receipt by the City of evidence satisfactory to the City that wages have been paid in compliance with this Section and the applicable State of Washington prevailing wage rates.

10.4 Public Bidding

SHA shall comply with applicable public bidding law, and shall, at the request of the City, certify and warrant such compliance.

10.5 Performance Bond

Prior to disbursement of City Funds, SHA shall provide evidence satisfactory to the Director of DHHS of compliance with Chapter 39.08 of the Revised Code of Washington.

10.6 Residential Antidisplacement and Relocation Assistance Plan for Holly Park

SHA shall comply with the City's Residential Antidisplacement and Relocation Assistance Plan for Holly Park as set forth, and adopted, in Resolution 29678 attached hereto as Attachment B.

1076 Compliance with Applicable Law

SHA shall comply, and shall cause its contractors to comply, with all applicable City, state and federal law, and shall, in accordance with policies and procedures of the Director of DHHS, certify such compliance to the City upon request by the City. SHA shall hold the City harmless from any loss, damage, expense, claim or demand (including costs and attorneys' fees) resulting from SHA's failure to comply with any applicable City, state or federal law or SHA's failure to maintain adequate records to demonstrate such compliance.

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11. GENERAL PROVISIONS

11.1. Amendment

No modification to or amendment of this Agreement shall be effective unless a written amendment, approved by the City Council by ordinance, is executed by the authorized representatives of SHA and the City.

11.2. Choice of Law

This Agreement shall be construed in accordance with and governed by the laws of the State of Washington.

11.3. Captions

The Section captions used in this Agreement are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

11.4. Gender

The use of any gender herein shall be deemed to include the other gender, and the use of the singular herein shall be deemed to include the plural and vice-versa, wherever appropriate.

11.5. Severability

The invalidity of any clause, part or provision of this Agreement shall not affect the validity of all remaining portions thereof that are severable from the invalid clause, part or provision.

11.6. Default and Remedies

11.6.1. The City's Rights

The following are events of default by SHA under this Agreement:

(a) Failure by SHA to comply with any term or provision of this Agreement within ninety (90) days of written notification from the City of SHA's breach or nonperformance of any term or condition; provided that if the breach or nonperformance cannot reasonably be cured within ninety (90) days then so long as SHA is diligently pursuing cure and such cure is completed within a reasonable period, it shall not be an event of default.

(b) An event of default under any City Contribution Agreement.

(c) An event of default under any Other Financing Document.

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Upon the occurrence of an event of default by SHA:

(a) the City may cease making disbursements and providing credits, facilities, equipment and services from all City Funds under this Agreement and any City Contribution Agreement;

(b) upon demand by the City, SHA shall pay the City an amount equivalent to the value of all City Funds that have been provided under this Agreement or any City Contribution Agreement;

(c) the City may terminate this Agreement; and

(d) the City may seek specific performance.

The remedies set forth above and in the City Contribution Agreements are cumulative, not mutually exclusive, and not in substitution for any rights or remedies available at law or in equity, including, but not limited to, specific performance. The commencement of proceedings to enforce a particular remedy shall not preclude the discontinuance of the proceedings and the commencement of proceedings to enforce a different remedy.

11.6.2 SHA's Rights

If the City fails to perform any material obligation under this Agreement within ninety (90) days of written notification from SHA of the City's breach or nonperformance, SHA may exercise such rights or remedies available at law or equity; provided that SHA shall not pursue any such rights or remedies if the breach or nonperformance cannot reasonably be cured within ninety (90) days and the City is diligently pursuing cure.

11.7. Non-Waiver

Failure to promptly enforce compliance with any term or provision of this Agreement shall not constitute a waiver or limitation of any right or remedy under this Agreement. No waiver shall be effective unless in writing. A waiver of any breach of this Agreement shall not constitute a waiver of any subsequent breach of the same or different provision of this Agreement.

11.8. No Assignment

Except as expressly provided in this Agreement, neither SHA nor the City shall assign any of its rights or interests or delegate any of its obligations or duties under this Agreement without the prior written approval of the other. SHA's role in the redevelopment of Holly Park, as contemplated by this Agreement, constitutes material consideration to the City, without which the City would not have authorized the funding contemplated by this Agreement.

11.9. Notice

Any notice provided for under this Agreement shall be sufficient if in writing and delivered personally to the following addressee or deposited in the United States mail, postage prepaid,

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certified mail, return-receipt requested, addressed as follows, or to such other address as the receiving party specifies in writing:

If to the City: Mayor
City of Seattle
12th Floor
Municipal Building
600 Fourth Avenue
Seattle, Washington 98104

If to SHA: Executive Director
Seattle Housing Authority
120 Sixth Avenue North
Seattle, Washington 98109

12. EXHIBITS

Attachment A: Resolution 29579
Attachment B: Resolution 29578
Attachment C: Annual Production Targets

NOTICE: ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT, ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

EXECUTED the dates shown below.

THE CITY OF SEATTLE

By: Norman B. Rice Date: 12/16/97
Norman B. Rice
(print name)
Its: Mayor

THE HOUSING AUTHORITY
OF THE CITY OF SEATTLE

By: HARRY THOMAS Date: 12/10/97
(print name)
Its: Executive Director

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STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 16 day of December, 199_, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Norman Rice, to me personally known (or proved on the basis of satisfactory evidence) to be the Mayor of The City of Seattle, the Washington municipal corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument.

WITNESS my hand and seal hereto affixed the day and year in this certificate above written.

S. MULVIHILL COMMISSION EXPIRES NOTARY --- PUBLIC MAY 15, 1999 STATE OF WASHINGTON

(seal or stamp)

S Mulvihill
Print Name: Sally Mulvihill
NOTARY PUBLIC in and for the State of Washington, residing at Seattle
My Commission expires 5/15/99

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 17th day of December, 1997 before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Harry Thomas, to me personally known (or proved on the basis of satisfactory evidence) to be the Executive Director of the Housing Authority of the City of Seattle, the Washington public body corporate and politic that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said public body for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute the said instrument.

WITNESS my hand and seal hereto affixed the day and year in this certificate above written.

DONNA C. MORSE NOTARY PUBLIC STATE OF WASHINGTON

(seal or stamp)

Donna C Morse
Print Name: Donna C Morse
NOTARY PUBLIC in and for the State of Washington, residing at Seattle
My Commission expires 6/30/01

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Attachment A

RESOLUTION 29579

A RESOLUTION to approve the City of Seattle's financial plan to allocate $6.3 million dollars toward the Holly Park redevelopment project phase I.

WHEREAS, the Seattle Housing Authority (SHA) received $47.1 Million HOPE VI Revitalization Demonstration Project Implementation Grant from the US Department of Housing and Urban Development (HUD) toward redeveloping the 102-acre Holly Park distressed public housing site in Southeast Seattle as a mixed-income redevelopment in partnership with existing residents; and

WHEREAS, Holly Park is within the Enterprise Community designation and will receive a portion of that grant award; and

WHEREAS, Resolution 29479, adopted by the Seattle City Council on November 12, 1996, affirmed the City of Seattle's intent in the future to make capital contributions to the redevelopment of Holly Park and directed the development of the City's financial contribution plan; and

WHEREAS, Capital Facilities Bond Program, Community Development Block Grant, Cumulative Reserve Fund, Enterprise Community Grant, General Fund, HOME, 1995 Low-income Housing Levy and Urban Renewal Fund as potential funding sources for City's contribution to Holly Park Phase I redevelopment were considered in preparing the financial plan; and

WHEREAS, guiding principles in developing the financial plan included minimizing financial impact on any one potential resource, giving greater consideration to funding resources with remaining balances, and funding resources that meet Holly Park project cash flow needs over three years, and contribute to families and individuals earning less than 55% of the area median income; and

WHEREAS, the Executive has proposed that Seattle Public Utilities and the Department of Housing and Human Services provide for certification and funding of certain water and sewer infrastructure extensions that serve residences of very low-income households: NOW THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR CONCURRING, THAT:

Section 1. The City Council hereby approves and adopts the finance plan shown in Exhibit A that identifies the sources, amount, and allocation schedule for the City contribution for Phase I of the Holly Park redevelopment project of not to exceed SIX MILLION THREE HUNDRED THOUSAND DOLLARS ($6,300,000).

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Section 2. The funds approved in the finance plan shown in Exhibit A shall not be released by the City until the City has adopted by ordinance, and the City and the Seattle Housing Authority have executed, a Memorandum of Agreement ("MOA") between the City and the Seattle Housing Authority that includes provisions consistent with the following conditions.

1. Community facilities shall be fully developed as proposed in Phase I.
2. Funding for Phase I shall be released in stages according to a disbursement table consistent with the timeframe and intent of the table in Exhibit 1 of this resolution, and contingent upon satisfaction of the annual targets for replacement housing required by Attachment A of Resolution 29578.
3. Any savings generated or additional funds identified shall be used to address the following priorities: replacement housing; community facilities; and consideration of reduction of possible City contribution in Phases II and III.
4. The Council shall receive reports regularly and in addition as soon as practicable upon discovery of significant deviation from the redevelopment proposal. Reports shall include information on project performance, schedule, finance, budget adjustments, forecasts, redesign, value engineering, copies of applications for funding, status of sale of tax credits, replacement housing production, apprenticeship utilization, wage rates and W/MBE compliance, and any variance from approved project plans.
5. SHA shall be responsible for satisfaction of the replacement housing targets for number of units or rental assistance and related affordability levels as identified in Attachment A of Resolution 29578.
6. SHA shall be responsible for meeting annual production targets for each year in Phase I and overall production targets for Phases II and III as identified in Attachment A of Resolution 29578. Prior to approval of City contribution, if any, for funds for Phases II and III, similar annual production targets shall be established for Phases II and III based on the overall Phase II and III production targets as identified in Attachment A of Resolution 29578.
7. All replacement housing must be provided and remain in use at their required affordability levels as established in Attachment A of Resolution 29578 for a minimum

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of forty (40) years from the date of initial occupancy, subject to review in ten (10) years or if federal operating subsidies are reduced or withdrawn.

8. Non-profits shall be the developers, in partnership with SHA, of the 221 off-site units produced with additional funding and rent subsidies (as identified on Attachment A of Resolution 29578). Non-profits may be permitted to use City funds to ensure affordability of the units serving families with incomes at 50% of median income; however, for Phase I, such funds shall be limited to no more than $4 million, any increase above this amount shall be subject to Council approval. SHA shall be responsible for providing the additional funds to bring the affordability levels of those units down from 50% of median income to 30% of median income; no use of additional City funds shall be permitted to bring the affordability down from 50% of median income to 30% of median income. SHA shall also be responsible for providing 221 transferable operating subsidies or project-based Section 8 certificates to bring the affordability of the 221 units down from 30% of median income to 0-30% of median income, subject to final HUD approval. The MOA shall establish the appropriate funding mechanism for these units.

9. SHA may be the developer of the 62 additional units on- or off- site (as identified on Attachment A of Resolution 29578); however, SHA shall not be allowed to use City funds for the production of those units. If another developer is selected to produce some or all of those units, the same restrictions on City funds sources shall apply.

10. The MOA should identify and include any necessary changes to City funding conditions to make them compatible with other fund sources, so long as those funding conditions do not conflict with the conditions and intent contained in this resolution or Resolution 29578. The MOA should also include additional details as appropriate and should define any key terms.

The MOA and ordinance approving it shall be presented to the Council no later than July 31, 1997.

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6/2/97

Adopted by the City Council the 2 day of June, 1997, and signed by me in open session in authentication of its adoption this 2 day of June, 1997.

President of the City Council

THE MAYOR CONCURRING:

Norman B. Rice, Mayor

Filed by me this 9 day of June, 1997.

City Clerk

(Seal)

Exhibits:
A. City Finance Plan to Contribute to Holly Park Redevelopment Phase I
B. Holly Park Phase I City Contributions and Uses

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Exhibit A

City Financial Plan to Contribute to Holly Park Redevelopment Phase I				
	1997	1998	1999	Total City Contribution
Home Program				
Homeowner (MHPK)	500,000	500,000		1,000,000
Homeowner		30,960	211,355	242,315
1986 Levy		590,421		590,421
General Fund	801,579			801,579
Utility Support	500,000	900,000	400,000	1,800,000
CFB Program	202,685		1,000,000	1,202,685
Urban Renewal		413,000		413,000
Enterprise Community		250,000		250,000
Total City Contribution By Year	2,004,264	2,684,381	1,611,355	6,300,000

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Exhibit B

Holly Park Phase I City Contributions and Uses

SOURCE	AMOUNT	USE
HOME Program (C.B. 111712)	$1, 242,315	Down payment assistance to low-income first-time home buyers.
1986 Housing Levy (C.B. 111709)	$590,421	Construction of very-low-income housing units.
General Fund	$801,579	Very-low-income housing, public infrastructure or community facilities.
Utility funds (C.B. 111714)	$1,800,000	Public infrastructure serving very-low-income residences.
Capital Facilities Bond Program, Concert Hall Bonds, and General Fund (C.B. 111710)	$1,203,685	Very-low-income housing.
Urban Renewal Closeout Subaccount (C.B. 111711)	$413,000	Very-low-income housing.
Enterprise Community Grant from HUD	$250,000	Community learning facilities.
TOTAL	$6,300,000	

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Attachment B

RESOLUTION 29578

A RESOLUTION accepting a replacement housing plan establishing strategies and production targets for replacement housing, and adopting an antidisplacement and relocation assistance plan, for the Holly Park redevelopment project.

WHEREAS, the Holly Park Redevelopment Plan (HOPE VI plan), developed through extensive collaboration including participation of Holly Park residents, the greater Southeast Seattle Community, and the City, envisions and embraces a major community revitalization effort predicated on eliminating an isolated, very large concentration of very low income housing at Holly Park; and

WHEREAS, the Housing Authority of the City of Seattle ("SHA"), in partnership with Holly Park residents, other community representatives, and City staff, is now preparing to construct the first phase of a multi-phased project to redevelop the 102-acre Holly Park distressed public housing site in Southeast Seattle as a mixed-income community; and

WHEREAS, the SHA submitted its HOPE VI plan to the U.S. Department of Housing and Urban Development (HUD) in 1995, including a request for the maximum grant amount of $50 million, 400 project-based Section 8 rent subsidy certificates, and a $25 million Development fund request as leverage to produce up to 500 off-site replacement units; and

WHEREAS, HUD approved the HOPE VI plan in 1995 with its original goals for replacement housing, including the 400 project-based section 8 rental-support certificates, and subsequently funded the Plan with $47.1 million and 250 new tenant-based section 8 rental assistance vouchers, and approved the demolition plan for Holly Park; and

WHEREAS, the 104th Congress of the United States repealed HUD's replacement housing requirements for public housing redevelopment, and eliminated all funding for new public housing development and replacement, and further eliminated the provision of any new project-based Section 8 rental-support certificates, significantly impacting the redevelopment project's budget; and

WHEREAS, the City affirmed, by Resolution 29303 adopted March 11, 1996, its support for the Holly Park redevelopment and established framework principles to guide City decisions, including the principle of pursuing a variety of off-site housing replacement options that reduce the geographic concentration -- and assure no net loss of -- very low income housing stock and units within the City of Seattle; and

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WHEREAS, the Holly Park Board of Governors, in collaboration with Holly Park residents, have approved a plan that would demolish the existing 871 deteriorated public housing units and construct on site 1200 new units of mixed income housing, community facilities, parks, open spaces and other public infrastructure; and

WHEREAS, the SHA has adopted a phased relocation plan for Holly Park residents in compliance with the Uniform Relocation Act, assuring that every family currently living at Holly Park will not be displaced, and will be counseled in their native language, offered an unprecedented range of relocation options, relocated, and rehoused at the expense of the SHA; and

WHEREAS, the SHA and the Holly Park Board of Governors presented to the City Council at its Business Meeting of October 28, 1996 and to its Health, Housing, Human Services, Education and Libraries Committee meeting of November 5, 1996, a housing replacement plan that would, over the course of an anticipated eight-year demolition and redevelopment period, pursue a variety of housing replacement options that reduce the geographic concentration of extremely low income households; and

WHEREAS, the City stated its intent in Ordinance 118039 to make capital contributions to the redevelopment of Holly Park, and City Council Resolution 29479 adopted November 12, 1996 affirms the City's intent to contribute funds toward the capital construction costs of Phase I, totaling Six Million Three Hundred Thousand Dollars ($6,300,000), and requires a finance plan to establish the sources of funding; and

WHEREAS, in October 1996 HUD issued streamlined regulations specifying the contents of a Residential Antidisplacement and Relocation Assistance Plan for projects assisted by local jurisdictions using certain federal housing and community development funds; and

WHEREAS, the City Council's Committee of the Whole held meetings on April 21, May 5, May 27, and June 2, 1997 to discuss the proposed replacement housing plan; the Committee of the Whole held a public hearing on May 22, 1997, to hear public testimony on the proposed replacement housing plan and the proposed redevelopment of Holly Park; on May 27 and June 2, 1997, the Committee of the Whole met to consider possible alternatives to the proposed replacement housing plan; and the Committee of the Whole recommended the full Council accept an alternative replacement housing plan that would provide one-for-one replacement of housing units for families with incomes at or below 30% of median income; and

WHEREAS, the Council strongly urges SHA to use experienced developers to develop the home ownership portion of Holly Park; **Now, Therefore,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR CONCURRING, THAT:

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Section 1 The City accepts the Holly Park Replacement Housing Plan attached to this resolution as Attachment A.

Section 2. SHA shall be required to implement the Replacement Housing Plan consistent with the conditions set forth in this Resolution and the Memorandum of Agreement ("MOA") between the City and SHA to be adopted by ordinance pursuant to Resolution 29579.

Section 3. Implementation of the Replacement Housing Plan shall include the following conditions:

1. SHA shall be responsible for satisfaction of the replacement housing targets for number of units or rental assistance and related affordability levels as identified in Attachment A.
2. SHA shall be responsible for meeting annual production targets for each year in Phase I and overall production targets for Phases II and III as identified in Attachment A. Prior to approval of City contribution, if any, for funds for Phases II and III, similar annual production targets shall be established for Phases II and III based on the overall Phase II and III production targets as identified in Attachment A.
3. All replacement housing must be provided and remain in use at their required affordability levels as established in Attachment A for a minimum of forty (40) years from the date of initial occupancy, subject to review in ten (10) years or if federal operating subsidies are reduced or withdrawn.
4. Non-profits shall be the developers, in partnership with SHA, of the 221 off-site units produced with additional funding and rent subsidies (as identified on Attachment A). Non-profits may be permitted to use City funds to ensure affordability of the units serving families with incomes at 50% of median income; however, for Phase I, such funds shall be limited to no more than $4 million, any increase above this amount shall be subject to Council approval. SHA shall be responsible for providing the additional funds to bring the affordability levels of those units down from 50% of median income to 30% of median income; no use of additional City funds shall be permitted to bring the affordability down from 50% of median income to 30% of median income. SHA shall also be responsible for providing 221 transferable operating subsidies or project-based Section 8 certificates to bring the affordability of the 221 units down from 30% of

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median income to 0-30% of median income, subject to final HUD approval. The MOA shall establish the appropriate funding mechanism for these units.

5. SHA may be the developer of the 62 additional units on- or off- site (as identified on Attachment A); however, SHA shall not be allowed to use City funds for the production of those units. If another developer is selected to produce some or all of those units, the same restrictions on City funds sources shall apply.

Section 4. The City affirms the objectives of the Replacement Housing Plan to provide housing options including stock and units for very low income households in other geographic areas of the city and to reduce the geographic concentration of very low income rental housing at Holly Park as significant to the revitalization of Southeast Seattle. The City further offers its help to the SHA in seeking HUD approval necessary to enable the plan to address Seattle objectives, with specific emphasis on securing new project-based Section 8 certificates in exchange for existing transferable operating subsidies.

Section 5. The City further acknowledges the challenges the SHA faces as a result of curtailed federal funding for public housing development, and encourages the SHA to aggressively pursue additional funds and development of new partnerships to maximize the leveraging resources for Holly Park replacement housing. The City also strongly encourages SHA to seek non-housing funds from the state, particularly from community and economic development fund sources, in lieu of some or all of the state funds SHA has requested from housing-related fund sources.

Section 6. The Executive is directed to explore further opportunities for Holly Park replacement housing partnerships, including but not limited to the strategies described in the Replacement Housing Plan.

Section 7. This Resolution is specifically directed to the unique housing resources and community revitalization circumstances of the Holly Park Redevelopment, and does not intend to represent citywide replacement housing policy.

Section 8. SHA shall also implement the Holly Park Replacement Housing Plan consistent with the City's Residential Antidisplacement and Relocation Assistance Plan ("RARAP") for Holly Park as set forth below and adopted herein. The City's RARAP for Holly Park is as follows:

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(1) The SHA shall take reasonable steps to minimize displacement of families and individuals from their homes and neighborhoods as more fully set forth in its adopted relocation plan as approved by HUD and attached to this Resolution as Attachment B, with any modifications hereafter approved by HUD;

(2) the SHA shall provide relocation assistance in accordance with 24 CFR § 42.350; and

(3) the SHA shall provide replacement housing in accordance with the terms of this Resolution and Attachment A but in any event in compliance with 24 CFR § 42.375.

Adopted by the City Council the 2 day of June, 1997, and signed by me in open session in authentication of its adoption this 2 day of June, 1997.

President of the City Council

THE MAYOR CONCURRING:

Norman B. Rice, Mayor

Filed by me this 9 day of June, 1997.

City Clerk

(Seal)

Attachments:

A. Holly Park Replacement Housing Plan
B. Holly Park Relocation Plan

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HOLLY PARK REPLACEMENT HOUSING PLAN

	Replacement Unit Production Targets								Developer	Affordability
	All Phases	Phase I					Phase II	Phase III		
		1997	1998	1999	2000	Sub-Total	1999-2002	2001-2003		
(Demolition)	**(871)**	(392)				(392*)	(176)	(303)		
Replacement Units										
On-Site Units	**450**									
• Public housing rental units	400	--	88	89	--	177	123	100	SHA	400 @ 0-30% o
• Assisted living units for frail elderly	50	--	--	--	--	--	50	0	SHA	50 @ 30% of MI
Off-Site Units	**138**									
• New scattered site units	40	21	--	19	--	40	--	--	SHA	40 @ 0-30% of MI
• Bond-financed units in mixed-income projects	98	--	--	--	20	20	30	48	SHA	98 @ 30% of MI
Off-Site "Units" with Additional Funding and Rent Subsidies	**221**									
• In "exchange" for 221 of the tax credit units built on-site, which are available at up to 55% of MI. Additional funding (cost savings and Federal Home Loan Bank grant funds) enables write down of mortgages, bringing affordability of units built by non-profits from 50% of MI to 30% of MI. Combination of transferred operating subsidies and potential project-based Section 8 certificates then bring affordability of units from 30% of MI to 0-30% of MI.		--	--	40	40	80	70	71	SHA with Non-profits	221 @ 0-30% of MI
Additional Units On- or Off-Site	**62**									
• On-site or scattered site to be built within project budget, via cost savings and/or production efficiencies		--	--	--	--	--	31	31	SHA	62 @ 30% of MI
TOTAL, Replacement Units for Public Housing Families	**871**	**21**	**88**	**148**	**60**	**317**	**304**	**250.**		**661 @ 0-30% of MI 210 @ 30% of MI**
Net Change	**0**					(75)	**54**	**0**		

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HOLLY PARK REPLACEMENT HOUSING PLAN (Continued)

	Replacement Unit Production Targets								Developer	Affordability
	All Phases	Phase I					Phase II	Phase III		
		1997	1998	1999	2000	Sub-Total	1999-2002	2001-2003		
Additional Units On-Site:										
• Low-income/tax credit units	284	--	56	56	--	112	111	61	SHA	up to 55% MI
• Affordable home ownership units	100	--	5	16	16	37	43	20	SHA	50-80% of [redacted]
• Market rate rental units	16	--	8	8	--	16	--	--	SHA	market rate
• Market rate assisted living units	50	--	--	--	--	--	50	--	SHA	market rate
• Market rate home ownership	300	--	30	40	42	112	127	21	SHA	market rate
Additional Rental Support or Off-Site Units:										
• Tenant-Based Section 8 vouchers	250	250	--	--	--	250	--	--	SHA	0-30% of MI
• Rehabilitated off-line units	122	--	60	62	--	122	--	--	SHA	0-30% of MI

* Phase I has a total of 414 units, however, 22 of those units had been dedicated to agency use and therefore not counted as housing units.

ATTACHMENT B

HOLLY PARK REDEVELOPMENT

A PLAN FOR

RELOCATION POLICIES

AND PROCEDURES

FINAL

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Epp Associates

August 9, 1996 (revised)

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1. PURPOSE OF RELOCATION PLAN POLICIES AND PROCEDURES

The purpose of this plan is to establish the policies and procedures for vacating and reoccupying Holly Park during its redevelopment program. The intention of this plan is to facilitate construction and redevelopment while minimizing the impact the relocation process will have on the residents of Holly Park.

The Holly Park Plan calls for the demolition of all existing Holly Park units and the new construction of 1,200 mixed income units: 400 units for very low income household (below 50% area median income); 400 units for low income families (between 50-80% area median income); and 400 market rate units. The reconstruction of Holly Park will occur in several phases to accommodate as many residents as possible on-site throughout the multi-year effort. A detailed financing plan and the construction schedule are in process; they will provide the specifics necessary for implementation. As outlined in the original plan, the Relocation Plan addresses the following goals: (1) establish a selection process for rehousing which is fair and equitable, (2) minimize the inconvenience to residents; (3) maximize the range of housing options for both temporary and permanent relocation; and (4) develop a rehousing strategy which facilitates a geographic mix of residents by income level.

The Holly Park Relocation Plan details the policies and procedures for all Holly Park households who must move either permanently or temporarily to accommodate the redevelopment program. At some point all Holly Park households must move. For many households, this will mean one move permanently to another apartment located away from Holly Park. For other households, this will likely mean two moves either to another Holly Park apartment or away from Holly Park while their new apartment is being constructed.

Holly Park households will have many important choices and opportunities resulting from the upcoming redevelopment. This Relocation Plan adopted by the SHA, the Holly Park Community Council, and the Holly Park Board of Governors will ensure that all households are provided with the same information and afforded the same opportunities.

2. WHO IS ELIGIBLE FOR RELOCATION BENEFITS AND ASSISTANCE?

Households living in Holly Park as of May 31, 1996 are eligible for relocation benefits and assistance as long as their tenancy remains in effect. Those households who moved into Holly Park after June 1, 1996 (who received a notification letter of "Non-Eligibility for Relocation Benefits") will be transferred to other SHA developments, but will receive no other relocation benefits (e.g. moving costs) or assistance. Households whose tenancies are terminated by SHA for good cause or leave Holly Park by their own choice will not be eligible for relocation services or benefits.

Each eligible Holly Park household is entitled to only one relocation benefit. If two or more occupants living together want to move to separate apartments, the out-of-pocket payment portion of the benefit (i.e. moving and utility connection costs) may be prorated. However, in all instances, households which decide to separate will not be eligible for two replacement housing benefits (i.e. units, Section 8 vouchers, etc.).

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For purposes of ... benefits, Holly Park households w... ...ified as either "displaced", "temporarily relocated", or "not eligible". ... definition and benefits for each of these classifications are different and are outlined in the chart on the next page.

[redacted]

Approximately 400 apartments at the new Holly Park are targeted as rental opportunities for very low income households. Early projections from an ongoing relocation survey suggests that as many as 450 to 500 households would like to return to the new Holly Park community. Therefore, it will not be possible at this time to give a rehousing guarantee to all households who want to obtain a new Holly Park unit once construction is complete. The SHA will only give such a guarantee to equal the number of available low income rental units as identified by the process defined below.

3.1 Threshold Requirements - "Household in Good Standing" and New Lease

Only those households in "good standing" as defined below and who agree to the new lease requirements -- to be developed by SHA and the Holly Park Community Council and approved by the Board of Governors, will be eligible to possibly obtain a new Holly Park unit.

A household in good standing is one which:

(a) Has not had substantiated complaints regarding behavior of household members within the past two years;
(b) Has a satisfactory record of maintaining the unit and grounds for the past two years; and
(c) Has not had any rent delinquencies for the past two year, unless they have entered into a repayment agreement that is being adhered to.

Households which are not currently in good standing, do not remain in good standing or will not agree to the new lease terms will not be eligible for placement in a new Holly Park apartment.

3.2 Selection Process

If more households apply to return to Holly Park than there are available low income apartments at the new Holly Park, the SHA will implement a selection process utilizing priority categories and a lottery to identify households which will receive a rehousing guarantee.

The specific priority categories to be utilized are as follows:

- Households which have a head of household who is 55 years of age or older.
- Households which have a household member who is disabled.
- Households which have a household member who is employed on-site in a position that requires on-site residency.
- Households which are participating or will participate in a formal homeownership program.
- Households which have a household member who is an elected official of the Holly Park Community Council Executive Board.

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HOLLY PARK REDEVELOPMENT: HOUSEHOLD CLASSIFICATION FOR RELOCATION ASSISTANCE

	Displaced Households	Temporarily Relocated Households	Non Eligible Households
Definition	A household who lived at Holly Park as of May 31, 1996, but will move permanently from Holly Park as a result of the redevelopment program. These households will not return to the new Holly Park community once construction is completed.	A household who lived at Holly Park as of May 31, 1996 and will live at the new Holly Park community once the redevelopment program is completed. This includes households that remain on site or are temporarily relocated off-site but who return to the new Holly Park.	A household who moved into Holly Park after May 31, 1996. These households will need to move permanently from Holly Park as a result of the redevelopment program.
Moving Benefits	Households will have the option of utilizing the resident relocation moving business, or accepting a fixed lump sum moving payment provided by the HUD schedule. Households will also be reimbursed for utility connection costs incurred as a result of a move. If households elect to use the resident relocation moving business, they will be entitled to a dislocation allowance of $50.	SHA will contract with a resident business to provide moving services for all households being temporarily relocated. Additionally, SHA will reimburse households for utility connection costs incurred as a result of the move. Households will also receive a $50 dislocation allowance.	None. Residents will not receive assistance with moving costs, payments for utility connections, or a $50 dislocation allowance.
Housing Benefit	Households who will be moving permanently can specify a preference for relocation to decent, safe and affordable housing either in the Section 8 program, at another SHA housing community, or other assisted housing development. If using Section 8, households will be given a range of housing options. If choosing SHA housing, households will be given the opportunity to specify and rank at least two preferences.	Temporary assignment to decent, safe, and affordable housing at either Holly Park or another SHA community, or if resources are available, through the Section 8 program. Households who fall into one or more priority categories will be given priority for remaining on site at Holly Park. Households assigned to another SHA community or to the Section 8 program will be unable to specify a location preference.	Households will be permanently transferred to decent, safe and affordable housing at another SHA community, but will be unable to specify a preference for a development.
Notification	A formal notice informing households of their need to move from Holly Park will be provided at least 90 days before a move is required. Additionally, households will receive a 30 day notice prior to the specific date of their move.	Households will receive no less than a 14 day notice prior to a move date, and preferably a 30 day notice.	Upon move-in, a household received a notice of non-eligibility for relocation benefits. Households will also receive a 30 day notice prior to the specific date that they will need to vacate their Holly Park apartment.

After all the household applying for priority status are identified, the remaining households interested in a new Holly Park apartment will be rank ordered by a lottery (see Section 6, How Will Resources Be Allocated If There Is Not Enough). Depending upon a household's ranking, it may or may not receive a rehousing guarantee. SHA will only give such a guarantee equal to the number of available low income rental apartments at the new Holly Park.

Any household which does not receive a rehousing guarantee will be placed at the top of a new Holly Park waiting list in the order of their selected lottery number. However, to accommodate the redevelopment program these households will need to move away from Holly Park, and will not be able to return until they are offered placement through the Holly Park waiting list. For relocation purposes these household's classification will be changed from "temporarily relocated households" to "displaced households", and will generally be entitled to the relocation options and benefits for a "displaced household". If these households prefer the Section 8 program, they will be added to the Section 8 list in the order of their selected lottery number, but after those households which initially select ed Section 8. If they prefer SHA housing, they can specify a preference for a particular development as other displaced households.

2.2 Selecting Location of New Holly Park Apartment

At this time, households will not be given any choice in selecting the location (i.e. the part of site) of their new Holly Park apartment. However, the SHA will explore the possibility of providing choice at a later date.

3. WHAT HOUSING RELOCATION RESOURCES WILL BE AVAILABLE?

As part of Holly Park's redevelopment, every household will need to move at least once and possibly twice. Many households will want to move permanently from Holly Park, and will not want or be able to return to Holly Park once construction is completed. Other households (approximately 400) will remain at Holly Park or temporarily move off-site while waiting for their new Holly Park apartment.

The SHA has identified five types of housing resources for use either permanently or temporarily by Holly Park households during the relocation program. These resources are as follows:

- Section 8 vouchers
- Other SHA communities .
- Other assisted housing opportunities
- New Holly Park - rental opportunities
- New Holly Park - homeownership opportunities

A household's access to a specific housing resources will depend upon whether it is eligible for relocation assistance as well as whether it wants to permanently move from Holly Park or wants to move into the new Holly Park community. The chart below summarizes what resources and choices are available within the three relocation classifications.

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Available Housing Resources and Choices
By Household Classification

	Displaced Households	Temporarily Relocated Households	Non Eligible Households
Type of Area	Permanent Will not return to the new Holly Park	Temporary Will get an apartment at the new Holly Park	Permanent Will not return to the new Holly Park
Housing Resources Available	Has potential access to all housing resources except Holly Park.	Has access to another SHA community, potentially remaining at Holly Park, or Section 8 voucher (if resources are available).	Has access only to another SHA community.
Type of Choice Available	Households utilizing a Section 8 voucher or other assisted housing will be given a list of a range of housing options. Households selecting SHA housing will receive an offer of a unit at their preferred SHA community, to the greatest extent feasible and possible. If needed, a household may receive second and possibly third offers, but it will not necessarily be at their preferred community.	Households meeting priorities identified in Section 3.2 will be given priority for on-site temporary relocation, to the maximum extent feasible. All remaining temporary placements on-site will be based upon the demands of construction schedule and phasing. Households being housed temporarily at another SHA community or through the Section 8 program will not be able to state a preference for any specific unit or development.	Households will be offered a unit at another SHA development but will be unable to state a preference for any specific community.

More specific information on each type of housing resource is provided below.

4.1 Section 8 Vouchers

Section 8 vouchers will be utilized by displaced households for permanent replacement housing. If the number of households requesting Section 8 exceeds the 250 allocated vouchers for the Holly Park Redevelopment effort, and if SHA does not commit additional Section 8 resources, a selection process will be implemented as described in Section 6, How Will Resources Be Allocated If There Is Not Enough. (Note: If adequate Section 8 vouchers are available to meet the needs of residents choosing permanent displacement, any remaining Section 8 vouchers may be utilized for temporary relocation purposes.)

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If after being given a Section 8 voucher and notice of comparable housing a household fails to lease an apartment through the Section 8 program in a reasonable time period, the household will be transferred to another SHA development. Reasonable time period is defined by the current Section 8 program as 60 days for the initial time period, with two 30 day extensions possible. If residents are unable to find an apartment within this 120 day maximum time frame, they will be assigned an SHA unit for permanent rehousing (they will not be able to specify a preference for a certain development).

4.2 Other SHA Housing Communities

Relocation to an apartment at another SHA housing community will be available as a relocation resource for both permanent and temporary moves as follows:

Permanent Moves for Displaced Households: Those households who want to move permanently away from Holly Park will specify a ranked preference for relocation at a minimum of two SHA communities. Households will receive an offer of an apartment at their most preferred community, to the greatest extent feasible and possible. If for some reason a household declines this first offer, a second and possibly third offer of a replacement apartment will be made, but they will not necessarily be at the household's most preferred community. If after the last offer, a household still declines the apartment, it will no longer have a right to replacement housing. It will now be the household's responsibility to find its own housing as it will be deemed to have voluntarily given up its housing. The household must still move from its Holly Park unit.

Permanent Moves for Non-Eligible Households: The small number of households in this classification will only be eligible to receive one offer of an apartment at another SHA community. Additionally, given the tight constraints on SHA housing resources due to the Holly Park relocation program, these households will be unable to specify a preference for any specific community.

Temporarily Relocated Households: Households will be offered a suitable temporary apartment at another SHA community, but will not have any choice of which community or apartment.

4.3 Other Assisted Housing

Relocation to an apartment in assisted housing other than SHA will be available as a permanent replacement housing resource only. SHA will contact other PHAs in the are regarding the availability of units for Holly Park relocatees. SHA will also provide listings of other assisted housing in the Seattle area.

4.4 New Holly Park - Rental Opportunities

Not every household which wants to, or will, return to the new Holly Park community can be accommodated on-site during the reconstruction period. Some families will have to move off-site temporarily. Those households which hold priorities under Section 3.2, Who Will Be Eligible to Obtain A New Holly Park Unit - Selection Process) will be given priority for on-site temporary relocation to the extent feasible. All remaining temporary placements on-site will be based upon the demands of the construction scheduling and phasing

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Holly Park households eligible for relocation assistance will be given an initial preference for homeownership units on-site. Households interested in this option and eligible for homeownership can receive a one time lump sum payment of $5,250 as a relocation benefit for use as a downpayment on a home at Holly Park or another location.

Households of Rainier Vista and High Point, which currently have HOPE VI planning grants, will be given second preference for homeownership at Holly Park. Households at other SHA developments will be given third preference for homeownership; however, they will not be eligible for the lump sum payment of $5,250.

[redacted]

A first step in the relocation program will be for households to select the type of move and relocation housing they prefer. Given the importance of this selection, the SHA and Holly Park Community Council have developed an information program to provide all Holly Park households with the knowledge and understanding necessary to make a fully informed decision. Households are strongly advised to fully utilize the information program and to carefully and thoroughly consider all relocation options before making a selection. While it may be possible to later change the selection, households will not be eligible for the same benefits as what will initially be available.

A description of the information program and the process for selecting a preference for relocation housing is described below.

5.1 Relocation Resource Information Sheets/Flyers

As described in Section 4, What Housing Relocation Resources Will Be Available, the relocation program will utilize a number of different housing resources to meet the relocation needs of Holly Park households. To ensure that residents understand the relocation program and the potential choices available to them, the SHA and the Holly Park Community Council will develop one page informational flyers for each relocation resource including: Section 8 voucher program, other SHA developments, homeownership, other assisted housing, and returning to a new Holly Park. These flyers will be translated into the primary languages spoken at Holly Park and distributed to all households.

5.2 Relocation Resource Informational Meetings

SHA and the Holly Park Community Council will schedule a series of informational meetings around each relocation option so that those residents interested in receiving more information or asking specific questions about Section 8, homeownership, etc. will be able to do so.

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5.3 Selecting a Relo

After the Relocation Informational meetings, each household will meet privately with a Relocation Counselor to make a binding relocation election. The Relocation Counselor will again outline the entire relocation process, and review with the household the resources and choices available for relocation. Detailed specifics on all relocation options will be provided, including the Section 8 program and homeownership opportunities at the new Holly Park. Specifics on how and when moving will occur and what expenses SHA will cover will also be covered. Each resident will receive a Relocation Workbook which will include a summary of their rights and responsibilities (a copy of the latter is provided in Appendix 1).

At this meeting, the household and the SHA will sign a binding agreement which will document:

(a) The household's eligibility for relocation assistance (i.e. housing classification).

(b) The household's decision to either permanently or temporarily relocate, the specific replacement housing resource desired and eligibility for any priority designation.

(c) The appropriate apartment size for the household based upon SHA's occupancy standards.

(d) Any special health considerations for moving assistance, apartment size, or type of apartment.

Along with the agreements, the SHA will provide the household with either a "Notice of Eligibility for Relocation Benefits" or a "Notice of Non-Displacement" as applicable.

5.4 Changing A Relocation Option

Households are strongly advised to carefully and thoroughly consider all relocation options before making a selection. While it may be possible to later change the selection, households will not be eligible for the same benefits as initially available as follows:

(a) Any household which had originally chosen new Holly Park as its first selection and remains at Holly Park during construction, but later decides to move from Holly Park will not be eligible for replacement housing. It will be the household's responsibility to find its own replacement housing since it will be giving up its housing voluntarily. This household will be eligible for receiving moving costs for one move. If the resident has already been moved once on site to accommodate phasing needs, their permanent move off-site will not be paid for. However, if they received no moving costs prior to changing their mind and moving off-site permanently, their move at this time would be paid for.

(b) Any household which had originally chosen new Holly Park as its first selection and moves temporarily to another SHA housing community or a Section 8 apartment, but later decides not to return to Holly Park, will not be required to vacate its replacement housing. These households can continue to reside in such apartments, assuming continuing compliance with

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all less ... and program requirements. These hou... will not be eligible for any further relocation benefits.

(c) Any household which originally elected to take permanent off-site replacement housing, and later decides they would like to return, will be given priority on the new Holly Park waiting list if they notify the SHA within six months of the completion of Phase 1. Upon receipt of such notice, a household will be placed on the waiting list as of that date. Households which notify the SHA after six months of the completion of Phase 1 will not be eligible for priority status on the new Holly Park waiting list. In all instances, the SHA will not be responsible for any costs associated with a household's return to new Holly Park.

5. HOW WILL RESOURCES BE ALLOCATED IF THERE IS NOT ENOUGH?

It is possible that there may be more demand for Section 8 vouchers and new Holly Park apartments than there will be available vouchers and apartments. If either of these events occur, the following selection processes will be utilized:

5.1 Section 8 Vouchers

A selection process will be utilized if the number of families requesting Section 8 vouchers exceeds the 250 allocated for the Holly Park Redevelopment Program and if the SHA does not commit additional Section 8 resources. Those households currently on SHA's Section 8 waiting list will receive first priority for vouchers. All others will be subject to a lottery to determine the order in which households will access Section 8 vouchers. This random lottery will be conducted at a regularly scheduled meeting of the Holly Park Community Council. Households will receive a written notification informing them of their order on the list, and whether or not it is likely that they will receive a Section 8 voucher.

5.2 Holly Park Rehousing Guarantee

A selection process will be utilized if the number of households wanting to return to the new Holly Park exceeds the number of new apartments targeted as rental opportunities for low income households. Those household who meet one or more of the priority categories detailed in Section 3.2, Who Is Eligible to Obtain a New Holly Park Apartment - Selection Process, will receive a guarantee of rehousing. All others will be subject to a lottery to identify the additional households which will receive a guarantee of rehousing. Similar to the process for Section 8 vouchers, a random lottery will be conducted at a regularly scheduled meeting of the Holly Park Community Council to rank the remaining households. Households will then receive a written notification informing them of their order on the list, and whether or not they will receive a Holly Park rehousing guarantee.

6. HOW AND WHERE WILL MOVES HAPPEN AND WHO WILL PAY?

All households must move all of their belongings from their current apartments, or subsequent apartments if the initial move is a temporary one. Each

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household w[illegible]onsible for packing all belongings a[illegible] furniture for t[illegible] The SHA will make special arrangem[illegible] to pack, unpack, and move elderly residents and residents with disabilities. The SHA will provide boxes and other moving supplies to all eligible households at least two weeks in advance of a household's moving date. Households are encouraged to return boxes which are in good condition to the SHA or the resident moving business so that they may be recycled for potential use by others.

7.1 Notification Requirements

All households will receive either a "Notice of Eligibility for Relocation Benefit" or a "Notice of Non-Displacement." Households moving permanently will receive a "90 day n[illegible]e" in advance of their move specifying the relocation housing they will be offered. They will also receive a 30 day notice (which can run within the 90 day notice) prior to the specific date of their move. All households who are moving temporarily will receive a notice preferably 30 days prior to move date, but no less than 14 days. A household may choose to waive the time requirements of such notices if they so desire.

7.2 Potential Moving Schedule

Households moving permanently from Holly Park will move before the first phase of construction starts at Holly Park which is presently scheduled to begin in July 1997. The exact timing of the move will depend upon the type of replacement housing the household will be receiving, but could occur well before July 1997. In all instances, a household will be entitled to both 90 day and 30 day (which can run within the 90 day period) notices in advance of its move specifying the relocation housing it will be offered, though a household may choose to waive the time requirements if it prefers.

A tentative schedule for the Holly Park redevelopment effort is provided in Appendix 2. This schedule will be updated as detailed information becomes available.

Throughout the relocation program, households will not be required to move during the fourth week in November, or during times when a household is otherwise celebrating a culturally or religiously significant event, such as Christmas. Residents, at the time of their individual counseling and selection of their preferred replacement housing option, will be able to specify (in their Relocation/Rehousing Agreement) any dates related to significant cultural or religious events when moving should not be scheduled.

7.3 Being Ready for the Move

Households must be fully packed and ready to move on their specified day. If a household is not ready to move on its specified day, it will be charged a $50.00 not ready fee as an incentive to be ready as well as to cover the moving company's cost. The moving date will then be rescheduled to occur within 48 hours of the original move date. If the household is still not ready on the rescheduled date, the movers will be instructed to assist the household in packing so the move can take place that day. The cost of this packing assistance will be charged to the household.

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Any scheduled move which must be postponed due to the fault of the household must be reported 48 hours prior to the scheduled moving date to avoid the $50.00 penalty charge.

Households must also notify the Post Office, Social Security, Welfare, and other agencies, individuals, companies, etc. of their change of address.

7.A Moving Costs and Payment

Moving Services: Holly Park households which lived at the development as of May 31, 1996 will not incur any costs associated with moving their belongings to their permanent or temporary replacement apartment as outlined in this Relocation Plan. The SHA will contract with a Holly Park resident business to provide moving services for these households who are moving temporarily. For eligible households which are moving permanently, they will have the option of utilizing the resident relocation moving business or accepting the fixed lump sum moving payment as specified in the HUD schedule.

Households which moved into Holly Park after May 31, 1996 are not eligible for any payments for moving costs.

Utility Reconnection Expenses: Similarly, Holly Park households which lived at the development on May 31, 1996 will be reimbursed for the actual costs associated with transferring existing telephone and cable services. However, the SHA will not cover the cost of telephone, cable, electricity or other utility bill arrearages. Households also will be responsible for notifying the telephone, cable, electric, and other utility companies of the need for a transfer. The SHA will reimburse residents for the actual transfer cost upon presentation of an itemized bill from the utility company.

Households which moved into Holly Park after May 31, 1996 are not eligible for any payments for transferring utility services.

Dislocation Allowance: Households, who are eligible for moving benefits, and who elect to utilize the resident moving business, will receive a $50 dislocation allowance.

8. WHAT HAPPENS TO THE SHA'S RESPONSIBILITIES?

Throughout the redevelopment program, the SHA will continue to enforce all provisions of its lease with every household remaining in SHA housing either at Holly Park or another of its housing communities.

9. WHAT HAPPENS IF THERE IS A PROBLEM OR COMPLAINT?

Any Holly Park household which has an individual complaint with respect to the implementation of these relocation policies and procedures may file a written grievance stating the grounds of their complaint. The SHA will fully review the complaint, and seek to resolve it. The SHA will provide a written response to the complaint detailing its findings and any proposed resolution. If the household is not satisfied with this resolution, it may submit the claim through a special panel set up for this purpose exclusively to expedite

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grievance mech[illegible] This panel will include one SHA HOPE [illegible] person, one at large rep[illegible]re, and one resident from another S[illegible]elopment. All households who are, or claim to be, permanently displaced, may seek further review of the panel's decision, under the terms of the Uniform Relocation Act, at the HUD Regional Office or in court.

10. WHEN DOES THIS PLAN TAKE EFFECT?

This Plan for Relocation Policies and Procedures will be effective only with the approval of the Holly Park Community Council, the Holly Park Board of Governors, and the SHA Board of Commissioners.

Effective this ____ day of _____, 1996.

for the Holly Park Community Council

for the Seattle Housing Authority

for the Holly Park Board of Governors

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APPENDIX 1

THE MOVING PROCESS

KNOW YOUR RIGHTS AND RESPONSIBILITIES

Dear Holly Park Resident:

The upcoming redevelopment planned for Holly Park requires that you and your neighbors must move. You will have many important choices and opportunities resulting from the redevelopment program. You should carefully and thoroughly consider all your relocation options before making a selection. Once you make a selection, you must pack all your belongings, and move either permanently or temporarily from your Holly Park apartment. It is important that you know your rights and responsibilities.

Your Rights

1. To have the SHA provide you with a choice of relocation assistance and benefits which will provide you with decent, safe and affordable housing as you move from Holly Park or to another Holly Park apartment. The attached chart details available housing resources and choices with the three household classifications.

2. To have the SHA cover all eligible moving-related expenses associated with the relocation including actual moving cost and utility reconnections, and to provide moving assistance to those in need.

3. To have the SHA or its agent provide moving boxes and related packing materials as needed.

4. To have the SHA provide sufficient notice of your move date. For permanent moves, SHA will provide two notices: a 90 day and 30 day notices (the 30 day notice can run within the 90 day notice period). For temporary moves, the SHA will provide preferably 30 days notice, but no less than 14 days notice

5. To have the SHA conduct a fair and open process in full accordance with the policies and procedures detailed in the Holly Park Plan for Relocation Policies and Procedures.

6. To have an avenue within SHA to aggrieve any individual complaints.

Your Responsibilities

1. To specify preference as to whether you wish to move permanently from Holly Park and using what resources, or whether you wish to move temporarily while waiting to occupy a new Holly Park unit.

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2. To move upon [illegible]uring the specific time period irrespe[illegible] pending grievan[illegible]ated to relocation or continuing occupa[illegible] however. your rights to a grievance will not be waived by such a move provided notice is filed before the move.

3. To pack all your belongings and prepare furniture for moving. Everything but furniture must be packed in boxes. Furniture must be taken apart when possible.

4. To arrange with utilities to have your services transferred to your new apartment, and to cover all associated arrearage.

5. To notify the post office, welfare, social security, and other agencies, individuals, companies, etc. of your change in address.

6. To be ready to move all your belongings on the specified date, and to be home and ready when the movers arrive.

7. To return usable moving boxes to SHA for potential reuse or recycling.

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Holly Park Replacement Housing Plan
Annual Production Targets

Attachment C

	1997		1998		1999		2000		2001		2002		2003		2004		2005		2006		TOTALS
	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	C
I. ON-SITE UNITS																					
A. Public Housing Rental (Affordability = 0-30% of Median Income)																					**400**
Phase I	177			88		89															177
Phase II					123			61		62											123
Phase III							100					50		50							100
B. Tax-Credit Rental (Affordability = 0-60% of Median Income)																					**284**
Phase I	56		56	56		56															112
Phase II					37		37	37	37	37		37									111
Phase III									30		31	30		31							61
C. Market Rate Rental (Affordability = Market Rate)																					**16**
Phase I	8		8	8		8															16
Phase II																					
Phase III																					
D. Assisted Living (Affordability = 30% of Median Income)																					**50**
Phase I																					
Phase II							50			50											50
Phase III																					
E. Market Rate Assisted Living (Affordability = Market Rate)																					**50**
Phase I																					
Phase II							50			50											50
Phase III																					
F. Affordable Home Ownership (Affordability = 50-80% of Median Income)																					**100**
Phase I			5	5	10	10	10	10	12	12											37
Phase II									8	8	12	12	12	12	11	11					43
Phase III																	10	10	10	10	20

F = Fully Funded
C = Constructed and Available for Immediate Occupancy

Attachment C

Holly Park Replacement Housing Plan
Annual Production Targets

	1997		1998		1999		2000		2001		2002		2003		2004		2005		2006		TOTALS
	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	C
G. Market Rate Home Ownership (Affordability = Market Rate)																					300
Phase I			30	30	38	38	38	38	6	6											112
Phase II									22	22	36	36	36	36	33	333					127
Phase III															4	4	38	38	19	19	61
II. OFF-SITE UNITS																					
A. Scattered Site Units (Affordability =0-30% of Median Income)																					40
Phase I	21	21	19			19															40
Phase II																					
Phase III																					
B. Bond-Financed Units (Affordability =30% of Median Income)																					98
Phase I					20			20													20
Phase II							15		15	15		15									30
Phase III											48			48							48
C. Partnership Units (Affordability = 0-30% of Median Income)																					221
Phase I			40		40	40		40													80
Phase II							35		35	35		35									70
Phase III									35		36	35		36							71
D. Off-line Units (Affordability = 0-30% of Median Income)																					122
Phase I	60		62	60		62															122
Phase II																					
Phase III																					

F = Fully Funded
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Holly Park Replacement Housing Plan
Annual Production Targets

Attachment C

	1997		1998		1999		2000		2001		2002		2003		2004		2005		2006		TOTALS
	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	F	C	C
III. ON- OR OFF-SITE UNITS																					
Additional On- or Off-Site (Affordability = 0-30% of Median Income)																					**62**
Phase I																					
Phase II							31			31											31
Phase III											31			31							31
IV. OTHER ASSISTANCE																					
Tenant-Based Vouchers (Affordability = 0-30% of Median Income)																					**250**
Phase I		250																			250
Phase II																					
Phase III																					

F = Fully Funded
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SPONSORSHIP

THE ATTACHED DOCUMENT IS SPONSORED FOR FILING WITH THE CITY COUNCIL BY THE MEMBER(S) OF THE CITY COUNCIL WHOSE SIGNATURE(S) ARE SHOWN BELOW:

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FOR CITY COUNCIL PRESIDENT USE ONLY

COMMITTEE(S) REFERRED TO: _____

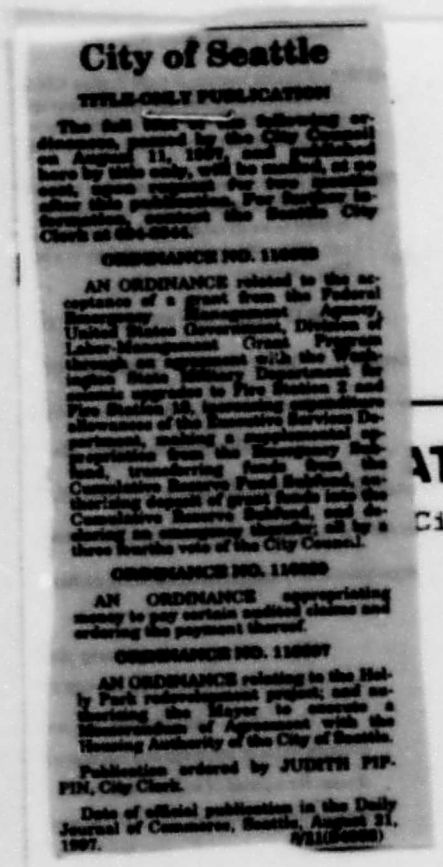
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PRESIDENT'S SIGNATURE

C. S. 20.28

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City of Seattle

TITLE-ONLY PUBLICATION

The full text of the following ordinances, passed by the City Council on August 11, 1997, and published here by title only, will be mailed, at no cost, upon request for two months after this publication. For further information, contact the Seattle City Clerk at 684-8344.

ORDINANCE NO. 118688

AN ORDINANCE related to the acceptance of a grant from the Federal Emergency Management Agency, United States Government, Division of Urban Management Grant Program through an agreement with the Washington State Military Department; amending Ordinance 116029 relative to Fire Station 2 and Fire Station 10, increasing appropriations in the Executive Services Department, making a supplemental appropriation from the Emergency Fund, transferring funds from the Cumulative Reserve Fund Subfund, Unrestricted Account, to the Cumulative Reserve Subfund, Fire Station Account, and authorizing deposit of grant funds into the Cumulative Reserve Subfund, Fire Station Account; and ratifying an emergency therefor, all by a three fourths vote of the City Council.

ORDINANCE NO. 118689

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

ORDINANCE NO. 118687

AN ORDINANCE relating to the Holly Park redevelopment project; and authorizing the Mayor to execute a Memorandum of Agreement with the Housing Authority of the City of Seattle.

Publication ordered by JUDITH PIPPIN, City Clerk.

Date of official publication in the Daily Journal of Commerce, Seattle, August 21, 1997. 8/21(8688)

ATE OF WASHINGTON - KING COUNTY

City Clerk —ss.

No. ORDINANCE TI

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CTOT:118687-118689

was published on

08/21/97

The amount of the fee charged for the foregoing publication is the sum of $, which amount has been paid in full.

K. Patterson

08/21/97 Subscribed and sworn to before me on

M. Olivarez

Notary Public for the State of Washington, residing in Seattle

Affidavit of Publication

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