

**WHATCOM COUNTY CONTRACT
 INFORMATION SHEET**

Whatcom County Contract No.
202012001

Originating Department:	Executive Office
Division/Program: <i>(i.e. Dept. Division and Program)</i>	Non-Departmental
Contract or Grant Administrator:	Tyler Schroeder, Deputy Executive
Contractor's / Agency Name:	Opportunity Council
Is this a New Contract? <input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> No <input checked="" type="radio"/> No If not, is this an Amendment or Renewal to an Existing Contract? <input type="radio"/> Yes <input checked="" type="radio"/> No If Amendment or Renewal, (per WCC 3.08.100 (a)) Original Contract #: _____	
Does contract require Council Approval? <input type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> No <input checked="" type="radio"/> No If No, include WCC: _____ Already approved? Council Approved Date: _____ (Exclusions see: Whatcom County Codes 3.06.010, 3.08.090 and 3.08.100)	
Is this a grant agreement? <input type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> No <input checked="" type="radio"/> No If yes, grantor agency contract number(s): _____ CFDA#: _____	
Is this contract grant funded? <input type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> No <input checked="" type="radio"/> No If yes, Whatcom County grant contract number(s): _____	
Is this contract the result of a RFP or Bid process? <input type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> No <input checked="" type="radio"/> No If yes, RFP and Bid number(s): _____ Contract Cost Center: <u>n/a</u>	
Is this agreement excluded from E-Verify? <input type="radio"/> No <input checked="" type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> Yes <input type="radio"/> No If no, include Attachment D Contractor Declaration form.	
If YES, indicate exclusion(s) below: <input type="checkbox"/> Professional services agreement for certified/licensed professional. <input type="checkbox"/> Goods and services provided due to an emergency <input type="checkbox"/> Contract work is for less than \$100,000. <input type="checkbox"/> Contract for Commercial off the shelf items (COTS). <input type="checkbox"/> Contract work is for less than 120 days. <input type="checkbox"/> Work related subcontract less than \$25,000. <input type="checkbox"/> Interlocal Agreement (between Governments). <input type="checkbox"/> Public Works - Local Agency/Federally Funded FHWA.	
Contract Amount:(sum of original contract amount and any prior amendments): \$ _____ This Amendment Amount: \$ _____ Total Amended Amount: \$ _____	Council approval required for; all property leases, contracts or bid awards exceeding \$40,000 , and professional service contract amendments that have an increase greater than \$10,000 or 10% of contract amount, whichever is greater, except when: 1. Exercising an option contained in a contract previously approved by the council. 2. Contract is for design, construction, r-o-w acquisition, prof. services, or other capital costs approved by council in a capital budget appropriation ordinance. 3. Bid or award is for supplies. 4. Equipment is included in Exhibit "B" of the Budget Ordinance. 5. Contract is for manufacturer's technical support and hardware maintenance of electronic systems and/or technical support and software maintenance from the developer of proprietary software currently used by Whatcom County.
Summary of Scope: _____	
This transfer option agreement between Whatcom County and Opportunity allows for the transfer of property located at 1000 North Forest Street for the purposes of developing 60 permanently affordable homes for seniors.	
Term of Contract: <u>5 years</u> Expiration Date: <u>12/31/2025</u>	

Contract Routing:	1. Prepared by: <u>T. Schroeder</u>	Date: <u>11/10/2020</u>
	2. Attorney signoff: <u>C Quinn</u>	Date: <u>11/18/2020</u>
	3. AS Finance reviewed: <u>hbennett</u>	Date: <u>11/18/2020</u>
	4. IT reviewed (if IT related): _____	Date: _____
	5. Contractor signed: _____	Date: _____
	6. Submitted to Exec.: _____	Date: _____
	7. Council approved (if necessary): <input checked="" type="checkbox"/> <u>AB2020-545</u>	Date: <u>11-24-2020</u>
	8. Executive signed: <input checked="" type="checkbox"/> _____	Date: <u>12-22-2020</u>
	9. Original to Council: _____	Date: _____



TRANSFER OPTION AGREEMENT

This TRANSFER OPTION AGREEMENT (this "Agreement") is entered into as of the 1st day of Dec, 2020, by and between WHATCOM COUNTY, (the "Grantor"), and OPPORTUNITY COUNCIL, a Washington non-profit tax exempt corporation (the "Grantee").

RECITALS

A. Grantor is the owner of certain real property located at 1000 and 1010 North Forest Street in Bellingham, Washington described on Exhibit A hereto (the "Property") .

B. Grantee desires to obtain, and Grantor desires to grant, an exclusive option to receive the Property or its use pursuant to the terms, covenants and conditions set forth in this Agreement.

C. The Grantee expects to develop the Property, or cause an affiliated entity to develop the Property, as an apartment complex to provide long term affordable rental housing (the "Project").

AGREEMENT

1. For good and valuable consideration, receipt of which is hereby acknowledged, the Grantor grants Grantee the exclusive and irrevocable option to receive or obtain long term lease rights to the Property upon all of the terms, covenants, and conditions set forth in this Agreement, but not before the date the Grantee receives notice from the Washington State Housing Finance Commission that the Project has qualified for an allocation of federal low-income housing tax credits. The Grantor will transfer or lease the Grantor's interest in the Property consistent with RCW 39.33.015 and WCC 1.10.340(b).

2 This Agreement will terminate in five years if the Grantee has either (a) not received the notice described in paragraph 1 above by that date, or (b) not received loans or grants that are adequate to fully fund the development of the Project and cause federal low- income housing tax credits to be available for the Project.

3 This Agreement is conditioned on the Grantee executing an affordable housing covenant, restrictive use agreement or other similar agreement which will be recorded against the property to restrict the usage of 50 to 70 apartments affordable to households with annual income equal or less than 60 percent of the area median income as determined by the WA State Housing Finance Commission, for a period of at least 40 years. It is anticipated that this covenant will be executed prior to the exercise of the Transfer Option. Exercise of the option granted by this Agreement is further conditioned on the Grantor and Opportunity Council entering into a memorandum of understanding setting forth their understanding of the terms and conditions for the development of the Property.

4 The Grantor shall not, without the Grantee's consent, grant any liens or encumbrances not in effect of the date of the Agreement during its term.

5 The Grantee shall not assign this Agreement without the Grantor' s consent except the Grantee may assign this Agreement to a Washington limited liability company controlled by the Grantee.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have executed this Agreement as of the date set forth above.

Each signatory below to this agreement warrants that he/she is the authorized agent of the respective party; and that he/she has the authority to enter into the agreement and to bind the party thereo.

WHATCOM COUNTY:

Approved as to form:

DocuSigned by:
Christopher Quinn 12/22/2020
EC466EF5C88B4FD...

Chief Civil Deputy, Prosecuting Attorney

Approved:

Accepted for Whatcom County:

By: DocuSigned by:
Satpal Sidhu 12/22/2020
7373A1F2A59A4FD...

Satpal Singh Sidhu, Whatcom County Executive

OPPORTUNITY COUNCIL:

Accepted for OPPORTUNITY COUNCIL:

By: DocuSigned by:
Greg Winter 12/22/2020
555C420154704A0...

Greg Winter, Opportunity Council Executive Director

**EXHIBIT A
PROPERTY DESCRIPTION**

Parcel 1 at 1000 North Forest Street

LOTS 7 AND 8, BLOCK 80, "MAP OF THE TOWN OF NEW WHATCOM, WHATCOM CO., WASH. TERR., 1883," NOW A PART OF THE CONSOLIDATED CITY OF BELLINGHAM, WHATCOM COUNTY, WASHINGTON, AS PER THE MAP THEREOF, RECORDED IN BOOK 1 OF PLATS, PAGE 24, IN THE AUDITOR'S OFFICE OF SAID COUNTY AND STATE.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

Parcel 2 at 1010 North Forest Street

LOT 6, BLOCK 80, "MAP OF THE TOWN OF NEW WHATCOM, WHATCOM CO., WASH. TERR., 1883," NOW A PART OF THE CONSOLIDATED CITY OF BELLINGHAM, WHATCOM COUNTY, WASHINGTON, AS PER THE MAP THEREOF, RECORDED IN BOOK 1 OF PLATS, PAGE 24, IN THE AUDITOR'S OFFICE OF SAID COUNTY AND STATE.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

**WHATCOM COUNTY
EXECUTIVE'S OFFICE**

County Courthouse
311 Grand Avenue, Suite #108
Bellingham, WA 98225-4082



Satpal Singh Sidhu
County Executive

MEMORANDUM

To: Whatcom County Council members
Through: Satpal Sigh Sidhu, Whatcom County Executive
From: Tyler Schroeder, Deputy Executive
Subject: Transfer Option Agreement – 1000 N. Forest Street
Date: November 10, 2020

Enclosed for your review and consideration is a Transfer Option Agreement between Whatcom County and the Opportunity Council for the purposes of agreeing to an exclusive option to transfer the property at 100 North Forest Street (Forest Street Annex) to the Opportunity Council for the purpose of developing an affordable housing complex.

Background and Purpose

Whatcom County has been in discussion and collaboration with the Opportunity Council to re-develop the County owned property located at 100 N. Forest Street into an affordable housing complex. Over the last few years in review of the County's facilities it has been determined that the "buildings age and current condition deem major renovations or improvements to building are unwise and other options should be explored." As Council is very well aware, it is very important to provide additional affordable housing inventory in Whatcom County. This project is intended to build at least 60 permanently affordable homes for seniors, along with a child care center, at the corner of North Forest Street and Laurel Street in Bellingham.

This proposal and agreement are recommended for council consideration prior to the end of the year, to afford the Opportunity Council the opportunity to apply for an initial capital grant from the Bellingham Home Fund for the project. The project will be funded through the Home Fund, Washington Housing Trust Fund, the Federal Low-Income Housing Tax Credits from Whatcom State Housing Finance Commission, and other private and public sources.

One important factor to consider is the timing of this project. Staff and WSU Extension offices currently located in the facility will need to be relocated prior to the third quarter of 2022, if not sooner. That will allow for the pursuit of project funding in 2021, with construction ready to begin in the third quarter of 2022. Although ambitious, the Administration believes that the relocation of staff within this timeline can be achieved with the collaboration and coordination of the department leaders.

**WHATCOM COUNTY
EXECUTIVE'S OFFICE**

County Courthouse
311 Grand Avenue, Suite #108
Bellingham, WA 98225-4082



Satpal Singh Sidhu
County Executive

Funding Amount and Authorization

Whatcom County has not committed to any funding for this project at this time. This agreement does propose to invest this underutilized property to leverage more than \$20,000,000 for construction from private and public sources. This County land transfer is authorized by RCW 39.33.115 and WCC 1.10.340.

Conclusion

The County Executive recommends that the County Council approve this transfer agreement to invest in this underutilized property for the purpose of very needed affordable housing units.

Please feel free to contact me with any question you may have regarding this important Transfer Agreement.

Thank you.



Date: November 6, 2020
To: Satpal Singh Sidhu, Whatcom County Executive
From: Greg Winter, Opportunity Council Executive Director
Re: Consideration of a Transfer Option Agreement

The Opportunity Council and Whatcom County have a golden opportunity to bring together over \$20,000,000 to build at least 60 permanently affordable homes for seniors, along with a child care center, at the corner of North Forest Street and Laurel Street in Bellingham.

Opportunity Council offers to assemble the \$20,000,000 for construction if the County offers to provide the land as is allowed by the Whatcom County Code 1.10.340 and the Revised Code of Washington 39.33.115.

The County-owned property, the Forest Street Annex at 1000 North Forest Street, can meet high priority, community needs by replacing an aging building. The County's Capital Facilities Overview in 2019 noted some of the current building's deficiencies, concluding, "Building age and current condition deem major renovations or improvements to building unwise and other options should be explored." (Council Agenda AB2019-371, July 9, 2019)

We appreciate your willingness to explore an option that Opportunity Council believes will be a strong contender for millions of dollars of funding from the Bellingham Home Fund, the Washington Housing Trust Fund, the federal Low Income Housing Tax Credits from the Washington State Housing Finance Commission, along with funding from other private and public sources.

This proposed, showcase project, with sixty or more high-quality, permanently affordable homes and a child care center on the ground floor, fits your Policy Vision for 2020-24 and fits the City's Downtown Redevelopment Plan, Comprehensive Plan, and its 2018-2022 Consolidated Plan.

Community Action

A Community Action Agency
serving Whatcom, Island and
San Juan Counties since 1965

Whatcom County
1111 Cornwall Ave., Suite C
Bellingham, WA 98225
(360) 734-5121
(800) 649-5121
Fax (360) 671-0541

Island County
1791 NE 1st Ave.
P.O. Box 922
Oak Harbor, WA 98277
(360) 679-6577
(800) 317-5427
Fax (360) 679-2440

San Juan County
(800) 649-5121

www.opcco.org

All of the homes will be affordable for seniors with low income (gross incomes from \$18,000 to \$36,000 per year) who cannot afford market-price, for-profit apartments. Opportunity Council and its allies will seek additional rent assistance so that seniors with incomes below \$18,000 will be able to afford the rents (currently capped at \$480 per month.)

Time is of the essence. If the County can agree to the proposed transfer option agreement now, then Opportunity Council can apply for a grant from the Bellingham Home Fund when the City invites grant applications in December.

I look forward to talking with you about this potential public private partnership project. If you would like my help presenting this to the County Council and others, it would be my pleasure.

Thank you for your consideration of this request.

Attachment: pdf of ppt slides listing project highlights