

MEMORANDUM

TO: Satpal Sidhu, County Executive

FROM: Tyler Schroeder, Deputy Executive

RE: Housing Authority of the City of Bellingham –
Samish Way Redevelopment Project, Phase 3 Interlocal Agreement

DATE: September 13, 2021

Attached is an interlocal agreement between Whatcom County and Housing Authority of the City of Bellingham for your review and signature.

- **Background and Purpose**

The insufficient supply of affordable housing in Whatcom County has created housing instability for low-income households. The Housing Authority of the City of Bellingham owns Samish Commons, which provides apartments to low-income households in Whatcom County. Phase 3 of the development of Samish Commons includes the construction of 49 new apartments which will be offered to low-income households and create an opportunity for households to secure stable housing.

This interlocal agreement was approved by Council on August 10th, however, shortly thereafter, the contractor requested changes to the loan terms that were significant enough to deem review and approval by the County Council. The loan term was changed to better accommodate the BHA's financing plan. The proposed loan terms are to satisfy lending requirements from BHA's other private loan and tax credit funders and are similar to the terms that the City of Bellingham provide for affordable housing projects through the Bellingham Home Fund.

- **Funding Amount and Source**

Funding for this Agreement may not exceed \$725,000 and is provided through the EDI Fund. Council approval is required per RCW 39.34.030(2) for agreements between public agencies.