

Dow Constantine
King County Executive
401 Fifth Avenue, Suite 800
Seattle, WA 98104-1818
206-263-9600 Fax 206-296-0194
TTY Relay: 711
www.kingcounty.gov

July 27, 2010

Stephen Norman Executive Director, King County Housing Authority 600 Andover Park West Tukwila, Washington 98188

Dear Mr. Norman:

I am confirming King County's commitment to \$6 million of capital funding in support of the Seola Gardens in unincorporated South King County. This follows the original commitment letter from County Executive Sims on June 13, 2008 and the Memorandum of Understanding between King County and the King County Housing Authority on November 17, 2009.

The County will provide up to \$2.5 million in support of eligible housing costs to support housing at Seola Gardens. KCHA will submit applications to the Department of Community and Human Services' annual competitive funding rounds in 2010 and 2011, and funding awards will be subject to standard application review for project feasibility and eligible housing costs.

The County remains committed to providing the additional \$3.5 million and is considering a range of funding sources. We will continue to advise KCHA representatives of these options and their attendant timelines. It is the County's commitment that these funds will be made available by the end of 2014.

We understand that with this commitment, KCHA will be moving forward with construction of the project, utilizing bridge financing that will subsequently be reimbursed with County funds.

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I applaud the King County Housing Authority for developing this much needed housing and support for our low income residents. Your innovative work in transforming King County communities is appreciated. I look forward to future collaborations.

Sincerely,

Dow Constantine

King County Executive

cc: Jackie MacLean, Director, Department of Community and Human Services

Caroline Whalen, Director, Department of Executive Services Dwight Dively, Director, Office of Management and Budget

Alan Painter, Housing Policy Advisor, King County Executive's Office