

CITY OF BELLEVUE, WASHINGTON

RESOLUTION NO. 10290

A RESOLUTION authorizing the City Manager, or his designee, to release certain interests in real property, located in Bothell, Washington, that were recorded as part of an ARCH Housing Trust Fund loan for the Samma Senior Apartments affordable housing project.

WHEREAS, ARCH (A Regional Coalition for Housing) is a partnership of East King County Cities, working to preserve and increase the supply of housing for low and moderate income households in the region;

WHEREAS, ARCH supports its member cities by coordinating public investment in the development of affordable housing;

WHEREAS, pursuant to the Amended and Restated Interlocal Agreement for ARCH (dated 7/1/2010), the City of Bellevue, serves as the ARCH administrative and fiscal agent, and is authorized to enter into agreements with third parties for the use and application of Housing Trust Funds contributed by ARCH cities;

WHEREAS, in 2021, ARCH cities authorized a combined total of \$500,000.00 in public funding to be loaned to the Samma Senior Apartments LLC in support of the Samma Senior Apartments affordable housing project – *i.e.* the development of a 76-unit rental apartment building in Bothell, Washington, that shall serve seniors at or below 50% of the area median income;

WHEREAS, in 2022, recognizing the City of Bellevue served as both the administrative and fiscal agent for ARCH, Amazon made a \$2,000,000.00 donation to the City of Bellevue and required it be applied to the Samma Senior Apartments affordable housing project;

WHEREAS, the Samma Senior Apartments LLC and the City of Bellevue, in its capacity as the administrative and fiscal agent for ARCH, subsequently executed and recorded financing documents for a \$2,500,000.00 loan for the Samma Senior Apartments project;

WHEREAS, the City of Bellevue, in its capacity as the administrative and fiscal agent for ARCH, is the holder of a promissory note in the sum of \$2,500,000.00, which is secured by a Deed of Trust, dated October 14, 2022, and recorded October 17, 2022, in the records of King County, Washington, under Recording Number 20221017000300;

WHEREAS, the City of Bellevue, in its capacity as the administrative and fiscal agent for ARCH, is the grantee of a Regulatory Agreement and Declaration of Restrictive Covenants, dated October 14, 2022, and recorded on October 14, 2022, in the records of King County, Washington, under Recording No. 20221014000600;

WHEREAS, the aforementioned deed and covenant encumber real property located in Bothell, Washington, and owned by Samma Senior Apartments LLC;

WHEREAS, subsequent to the recording of the aforementioned deed and covenant, the City of Bothell required Samma Senior Apartment LLC to dedicate 132.72 square feet of its property for Right-of-Way (ROW) purposes, which will accommodate the future Sound Transit SR-522 Bus Rapid Transit project;

WHEREAS, the City of Bothell requires the ROW dedication to be free and clear of any/all encumbrances;

WHEREAS, Samma Senior Apartments LLC has asked the City of Bellevue, in its capacity as administrative and fiscal agent for ARCH, to execute a partial reconveyance and partial release of the recorded interest herein described so it might dedicate 132.72 square feet to the City of Bothell for ROW purposes free and clear of any encumbrances;

WHEREAS, even with the partial reconveyance and partial release, there is sufficient collateral to secure the \$2,500,000 invested by the ARCH cities in the Samma Senior Apartments affordable housing project; and

WHEREAS, the partial reconveyance and partial release is in the best interest of the public and the ARCH member cities.

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The City Manager, or his designee, is authorized to execute and deliver to the appropriate person(s) a "Request for Partial Reconveyance of Deed of Trust without Satisfaction," to partially reconvey the right, title, and interest presently held under a Deed of Trust recorded, on October 17, 2022, in the records of King County, Washington, under Recording No. 20221017000300, as it relates only to the property described in said reconveyance, a copy of which has been given Clerk's Receiving No. _____.

Section 2. The City Manager, or his designee, is authorized to execute and deliver to the appropriate person(s), for purposes of recording, a "Partial Release of Regulatory Agreement and Declaration of Restrictive Covenants," a copy of which has been given Clerk's Receiving No. _____.

Passed by the City Council this 7th day of AUGUST, 2023, and signed in authentication of its passage this 7th day of AUGUST, 2023.

(SEAL)



A handwritten signature in black ink, appearing to read "Lynne Robinson".

Lynne Robinson, Mayor

Attest:

A handwritten signature in black ink, appearing to read "Charmaine Arredondo".

Charmaine Arredondo, City Clerk