



King County Executive
RON SIMS

June 20, 2001

Mel Martinez, Secretary
U.S. Dept of Housing and Urban Development
451 Seventh Street SW
Washington, DC 20410

Dear Secretary Martinez:

I am writing to convey King County's commitment of programmatic and financial resources to assure the success of the King County Housing Authority's HOPE VI redevelopment plan for Park Lake Homes.

The new Park Lake Homes will provide improved public housing, new workforce housing and homeownership opportunities for 400 families as well as critically needed open space and community facilities for the larger White Center community. In addition, the redevelopment of this 95 acre site will provide significant, and badly needed improvements, to existing community infrastructure and will result in better surface water drainage, pedestrian and vehicular circulation and new utilities.

The Park Lake Homes initiative reflects a strategic investment by government in addressing the most concentrated pocket of poverty in King County. The redevelopment of Park Lake is a critical element in a larger, longer term revitalization plan for White Center and is expected to encourage significant additional private sector investment in the community.

The siting of 331 additional housing units within a suburban core also supports the County's commitment to accommodate population growth inside current growth management boundaries. Efficient utilization of in-fill development opportunities will reduce the need for costly extensions of infrastructure at the region's peripheries.

In view of the above, King County is pleased to make the following commitments:

- Provision of \$10 million in capital funds to defray the costs of housing, facility and infrastructure development, including surface water management, roads and pedestrian connections, and park and open space improvements. King County has an annual total Capital Budget of \$390 million, and will provide funds subject to revenue fluctuations, changes in State law regarding revenues, and legislative approval from appropriate capital improvement project budgets as necessary to advance the development of the project.

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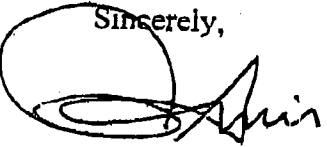
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- Credit enhancement for certain bonds issued by the Housing Authority in connection with this project. The County and the Authority have an extensive and successful history of collaborating on bond issuances. The County's contingent loan agreement with the Authority will provide the County's double A rating for KCHA's tax exempt bond issuance.
- Utilization of County owned property bordering Park Lake to facilitate appropriate design of open spaces, pedestrian trails, and surface water retention facilities. This may include a land swap to facilitate creation of a new public park within or adjacent to Park Lake Homes.

We look forward to a successful partnership with KCHA and HUD in making this proposal a reality.

Sincerely,



Ron Sims
King County Executive