Item No. 8(g)
June 2, 2014

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT:
Resolution No. 8751 authorizing execution of an Interlocal Cooperation Agreement with King County regarding renewal of the HOME Investment Partnerships Program (HOME Program). The agreement was established in 2000; this renewal is for the years 2015 through 2017.

FISCAL IMPACT:
There is no fiscal impact to the City as HOME Program funds are made available by the U.S. Department of Housing and Urban Development (HUD) and managed through King County. Per the terms of the Interlocal Cooperation Agreement, all geographic areas and participating jurisdictions are to benefit fairly from HOME Program funded activities throughout the agreement period, so far as it is feasible.

STAFF CONTACTS:
Chris Salomone, Director, 452-6191
Dan Stroh, Planning Director, 452-5255
Arthur Sullivan, ARCH Program Manager, 861-3677
Department of Planning & Community Development

POLICY CONSIDERATION:
Shall Bellevue renew the Interlocal Cooperation Agreement with King County, participating in a regional approach to the distribution and administration of federal HOME Program funds? Proposed changes to the Interlocal are limited to (1) technical changes required by HUD that address process for future amendments; and (2) adding City of Kirkland as a HOME Consortium member.

Bellevue's participation in the HOME Program Consortium is consistent with Comprehensive Plan policies HO-22 and HO-32 that promote:

- regional cooperation to address affordable housing needs, and
- utilizing all available federal, state, and local options for financing affordable housing.

BACKGROUND:

HOME Program Consortium funds are made available by HUD, are administered by King County, and countywide allocation decisions are made by the Joint Recommendations Committee (JRC). Local housing programs or developers may apply for HOME funds to help meet locally identified affordable housing needs, including new affordable rental housing, rehabilitation and preservation of existing rental housing, and first-time homeownership programs.

The City has participated in this agreement with King County since 2000. Technical changes required by HUD that address the process for future amendments are included in the 2015-2017 Interlocal. The changes allow King County to make future amendments for technical HUD requirements through a process of notice to cities without requiring Council authorization and re-

execution of the HOME Agreement. Amendments by King County will only be allowed for HUD-required technical changes and not for other amendments that the City and County may negotiate. The 2015-2017 HOME Interlocal also adds a new member, the City of Kirkland, to the HOME-only Consortium. Previously Kirkland participated in the combined HOME and CDBG Interlocal, but will now self-administer their CDBG funds. If not for these technical changes, the 2015-2017 agreement was expected to renew automatically.

If Bellevue declines to renew the Interlocal Cooperation Agreement and not participate in the HOME Program Consortium, Bellevue's allocation of HOME Program funds would revert to the State to be administered through the State Housing Trust Fund. Bellevue would not be a participant on the JRC HOME Program advisory group, and affordable housing projects in Bellevue would not be eligible for funding by the King County HOME Program.

OPTIONS:
If Bellevue chooses to continue participation in the HOME Program Consortium, approval of the 2012-2014 HOME Program Interlocal Cooperation Agreement with King County is needed by King County and HUD by July 11, 2014.

1. Adopt Resolution No. 8751 authorizing execution of an Interlocal Cooperation Agreement between the City and King County regarding renewal of the HOME Investment Partnerships Program (HOME Program).
2. Do not adopt the Resolution and provide alternative direction to staff.

RECOMMENDATION:
Continue Bellevue's participation in the HOME Program Consortium and adopt Resolution No. 8751 authorizing execution of an Interlocal Cooperation Agreement between the City and King County regarding renewal of the HOME Investment Partnerships Program (HOME Program).

MOTION:
Move to continue Bellevue's participation in the HOME Program Consortium and adopt Resolution No. 8751 authorizing execution of an Interlocal Cooperation Agreement between the City and King County regarding renewal of the HOME Investment Partnerships Program (HOME Program).

EFFECTIVE DATE:
If approved, this Resolution becomes effective immediately upon Council adoption.

ATTACHMENTS:

1. HOME Investment Partnerships Program Interlocal Cooperation Agreement for 2015-2017.
2. Proposed Resolution No. 8751.

HOME INVESTMENT PARTNERSHIPS PROGRAM
INTERLOCAL COOPERATION AGREEMENT

THIS AGREEMENT is entered into between King County, hereinafter referred to as the "County," and the City of _____ hereinafter referred to as the "City," said parties to the Agreement each being a unit of general local government of the State of Washington.

RECITALS

WHEREAS, King County is an urban county, as defined by 24 CFR 92.2 and 24 CFR 570.3; and

WHEREAS, a unit of general local government that is located within in an urban county may be part of a HOME consortium only through the urban county; and

WHEREAS, the City and King County agree that it is mutually desirable and beneficial to enter into a consortium arrangement for purposes of the HOME Investment Partnerships Program, hereinafter referred to as "HOME Program";

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING CIRCUMSTANCES, AND IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, IT IS AGREED THAT:

1. This Agreement is made pursuant to the National Affordable Housing Act of 1990, as amended, 42 USC § 12701 et. seq. (the "Act") and RCW 39.34, the Intergovernmental Cooperation Act.
2. The City and the County agree to cooperate to undertake or assist in undertaking HOME Program housing assistance activities which are eligible under 24 CFR Part 92.
3. The County is hereby authorized to act as the representative member on behalf of the Consortium for the purposes of the HOME Program. The County as the applicant, grantee and lead entity for the HOME Program funds has responsibility for and assumes all obligations in the executing the HOME Program, including the ability to adopt amendments to this Agreement for the purpose of adding new members on behalf of the HOME Consortium and for the purpose of incorporating changes necessary to meet U.S. Department of Housing and Urban Development (HUD) requirements for consortium agreements under the applicable HUD notice of procedures for designation of consortia as a participating jurisdiction for HOME; final responsibility for selecting and executing activities; ensuring compliance with federal requirements and submitting to HUD the Consolidated Housing and Community Development Plan (Consolidated Plan), Annual Action Plans, and related plans and reports, including the Analysis of Impediments to Fair Housing Choice and the Fair Housing Action Plan. Nothing contained in this Agreement shall be construed as an abdication of those responsibilities and obligations.

The City agrees to cooperate fully with the County in the development and preparation of the Consolidated Plan and related plans, and to prepare and provide those elements specifically pertaining to the City.

4. This Agreement shall remain in full force and effect for the period necessary to plan and carry out all activities that will be funded from HOME funds awarded for the **2015, 2016 and 2017** federal fiscal years, the three-year qualification period that coincides with the Agreement for the Distribution and Administration of the King County Consortium's Community Development Block Grant, or until the County's designation as a participating HOME jurisdiction or an urban county is rescinded by the United States Department of Housing and Urban Development, whichever is shorter.

5. This Agreement will be automatically renewed for participation in successive qualification periods of three federal fiscal years each. No later than the date specified by HUD's consortia designation notice or HOME Consortia web page, King County shall notify each HOME consortium member in writing of its right to decide not to participate in the Consortium for the next qualification period, and King County will send copies of those written notices to the HUD local field office by the date specified in the qualification notice. Unless the County or the City provides written notice it wishes to amend the Agreement, or elects not to participate in the new qualification period in writing to both King County and the HUD local field office by the date set forth in the HUD qualification notice applicable to subsequent three-year qualification periods, this Agreement shall automatically renew. Before the beginning of each new qualification period, King County shall submit to HUD a statement of whether or not any amendments have been made to this Agreement, a copy of each amendment, and if the Consortium's membership has changed, the state certification required under 24 CFR, Section 92.101(a)(2)(i). This automatic renewal provision will be void if King County fails to submit a copy of each amendment to this Agreement as required under this automatic renewal provision.

6. The City and the County agree to adopt any amendments to this Agreement other than the incorporation of changes necessary to meet the requirements for cooperation agreements set forth in the applicable HUD HOME consortia qualification notice for a subsequent three-year qualification period, which King County as the lead entity shall act upon pursuant to Section 3 of this Agreement. King County shall submit any other amendments adopted by the City and County to the HUD local field office by the applicable deadline.

7. During the term of this Agreement, neither the County nor the City may withdraw from participation from their respective obligations under this Agreement.

8. By executing the HOME Agreement, the City understands that it may not participate in a HOME consortium except through the County, regardless of whether the County receives a HOME formula allocation.

9. This Agreement shall be executed in three counterparts, each of which shall be deemed an original, by the chief executive officers of the County and the City, pursuant to the authority granted them by their respective governing bodies. One of the signed Agreements shall be filed by the County with the Region X office of HUD, one shall be filed with the City and one shall be filed with the County. Prior to its taking effect, the fully executed Agreement

shall be filed with the County Auditor, or, alternatively, listed by subject on a public agency's web site or other electronically retrievable public source.

10. The parties to this Agreement hereby agree to affirmatively further fair housing and to ensure that no HOME funds are expended for activities that do not affirmatively further fair housing within the boundaries of their jurisdiction or for activities that impede the County's actions to comply with its fair housing certification. For purposes of this section, "affirmatively furthering fair housing" includes participation in the process of developing an Analysis of Impediments to Fair Housing Choice and a Fair Housing Action Plan. While King County has the primary responsibility for the development of these reports to HUD pursuant to Section 3 of this Agreement, upon request, the City shall provide assistance to the County in preparing such reports.

11. Joint Recommendations Committee Composition. An inter-jurisdictional Joint Recommendations Committee ("JRC") shall be established through the **2015 – 2017** Consortium Interlocal Cooperation Agreement.

    The JRC shall be composed of three county representatives and eight cities representatives.

    The three county representatives shall be King County Executive staff with broad policy responsibilities and/or department directors. County representatives shall be specified in writing and, where possible, shall be consistently the same persons from meeting to meeting.

    Four of the cities representatives shall be from non-entitlement consortium cities signing the King County Consortium Regular Interlocal Cooperation Agreement Regarding the Community Development Block Grant (CDBG) Program, two from each sub-region, as appointed by Sound Cities Association.

    The remaining four cities representatives shall be from cities that qualify to receive CDBG funds directly from HUD, but are signing a Joint Agreement Regarding the CDBG Program and a HOME Program Agreement with King County; or receive their own CDBG grant directly from HUD and signing a HOME Program-only Agreement with King County. These latter four representatives shall have no vote on matters specific to the jurisdictions of the King County Consortium Regular Interlocal Cooperation Agreement Regarding the CDBG Program.

    Two of the eight cities representatives shall be rotated among the HOME Program-only Agreement Cities, and two of the eight cities representatives shall be rotated among the cities signing a Joint Agreement Regarding the CDBG Program and a HOME Program Agreement. Those four representatives will vote on issues affecting HOME Program Agreement Cities that are specific to this Agreement.

    For the HOME Program-only Agreement Cities' rotating positions, the HOME Program Agreement Cities will notify the County by the end of the second week in February of each year, who the two HOME Program-only Agreement City representatives will be for that year.

    The chairperson and vice-chairperson of the JRC shall be chosen from among the members of the JRC by a majority vote of the members for a term of one year beginning with the first meeting of the calendar year. Attendance of five members shall constitute a quorum.

12. JRC Appointments. The King County Executive shall appoint the three county representatives. The participating cities of the King County Consortium Interlocal Cooperation Agreement for the Community Development Block Grant Program shall provide for the appointment of their shared representatives in a manner to be determined by those cities through the Suburban Cities Association or other agreed-upon mechanism for the execution of shared appointing authority. The Suburban Cities Association or other agreed mechanism will select four jurisdictions of varying size from among those signing this agreement, two from the north/east sub-region and two from the south sub-region. The cities representatives shall be elected officials, chief administrative officers, or persons who report directly to the chief administrative officer and who have broad policy responsibilities; e.g., planning directors, department directors, etc. Members of the JRC shall serve for two years, or at the pleasure of their respective appointing authorities.

13. Powers and Duties of the JRC. The JRC shall be empowered to:

    a. Review and recommend to the King County Executive all policy matters concerning the King County CDBG Consortium and HOME Program Consortium, including but not limited to the Consolidated Plan and related plans and policies.

    b. Review and recommend to the King County Executive the projects and programs to be undertaken with King County CDBG Consortium funds and HOME Program Consortium funds, including the Administrative Set-aside.

    c. Monitor and ensure that all geographic areas and participating jurisdictions benefit fairly from King County CDBG Consortium and HOME Program Consortium funded activities over the three-year agreement period, so far as is feasible and within the goals and objectives of the Consolidated Plan.

14. Advisory Committees to the JRC. In fulfilling its duty to review and recommend projects and programs to be undertaken with HOME Program funds, the JRC shall consider the advice of inter-jurisdictional advisory committees. Sub-regional advisory committees, made up of one representative from each participating jurisdiction in a sub-region that wishes to participate, shall be convened to assist in the review and recommendation of projects and programs to be undertaken in that sub-region. The JRC may also solicit recommendations from other inter-jurisdictional housing and community development committees.

15. The City shall assist the County in developing the Consortium's HOME Program by participating in development of the Consolidated Plan to accommodate both the collective and individual housing objectives contained within local comprehensive plans or other adopted plans of the City and the County.

16. The City and County shall each assign a staff person to serve as the primary contact for the administration of this Agreement. The assigned contact person is responsible for communicating relevant information to their respective jurisdiction.

17. This Agreement applies to the Consortium's acceptance of other federal housing-related funds which may be allocated by formula to the Consortium. Allocation decisions for these funds will be subject to policies and procedures developed by the advisory committees to the JRC and adopted by the JRC.

18. This Agreement is made and entered into for the sole protection and benefit of the parties hereto and their successors and assigns. No other person shall have any right of action based on any provision of this Agreement.

KING COUNTY, WASHINGTON	CITY OF _____
_____	_____
for King County Executive	By: Signature
Adrienne Quinn	_____
Printed Name	Printed Name
Director, Department of Community and Human Services	_____
Title	Title
_____	_____
Date	Date
Approved as to Form: OFFICE OF THE KING COUNTY PROSECUTING ATTORNEY	Approved as to Form: CITY OF _____ CITY ATTORNEY
_____	_____
	_____ City Attorney
	ATTEST: CITY OF _____
	_____
	_____ City Clerk

3023-RES
5/28/2014

CITY OF BELLEVUE, WASHINGTON

RESOLUTION NO. 8751

A RESOLUTION authorizing execution of an Interlocal Agreement between the City of Bellevue and King County regarding renewal of the HOME Investment Partnerships Program (HOME Program).

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

Section 1. The City Manager or his designee is hereby authorized to execute an Interlocal Agreement between the City of Bellevue and King County regarding renewal of the HOME Investment Partnerships Program (HOME Program), a copy of which Interlocal Agreement has been given Clerk's Receiving No. _____.

Passed by the City Council this _____ day of _____, 2014, and signed in authentication of its passage this _____ day of _____, 2014.

(SEAL)

_____
Claudia Balducci, Mayor

Attest:

_____
Myrna L. Basich, City Clerk