



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

July 21, 2003

Ordinance 14718

Proposed No. 2003-0295.1

Sponsors Hague and Phillips

1 AN ORDINANCE authorizing the county executive to
2 execute an interlocal cooperation agreement with cities and
3 towns within King County, in accordance with 2002
4 Washington Laws Chapter 294 (Substitute House Bill
5 2060).

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7

8 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

9 SECTION 1. The county executive shall execute an interlocal cooperation
10 agreement with cities and towns within King County who choose to participate in a

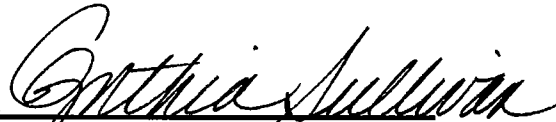
Ordinance 14718

11 regional affordable housing program. The executed interlocal agreement shall be in
12 substantially the same form as the agreement attached to this ordinance.
13

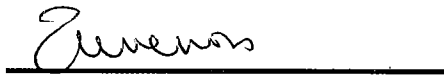
Ordinance 14718 was introduced on 6/30/2003 and passed by the Metropolitan King
County Council on 7/21/2003, by the following vote:

Yes: 11 - Ms. Sullivan, Ms. Edmonds, Mr. von Reichbauer, Ms. Lambert, Mr.
Phillips, Mr. Pelz, Mr. Constantine, Mr. Hammond, Mr. Gossett, Mr. Irons
and Ms. Patterson
No: 0
Excused: 2 - Mr. McKenna and Ms. Hague

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Cynthia Sullivan, Chair

ATTEST:


Anne Noris, Clerk of the Council

APPROVED this 30 day of July, 2003.


Ron Sims, County Executive

2003 JUL 30 PM 4:08
KING COUNTY COUNCIL
CLERK

RECEIVED

Attachments A. Proposed Regional Affordable Housing Program Interlocal Cooperation Agreement

PROPOSED

**REGIONAL AFFORDABLE HOUSING PROGRAM
INTERLOCAL COOPERATION AGREEMENT**

**An Agreement for the use of SHB 2060 Local Low-Income
Housing Funds in King County**

THIS AGREEMENT is entered into between King County, a municipal corporation and political subdivision of the State of Washington, 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, the King County Countywide Planning Policies, hereinafter referred to as the "CPPs", developed pursuant to the Washington State Growth Management Act, have established standards for cities to plan for their share of regional growth and affordable housing;
and

WHEREAS, to implement the CPPs, the King County Growth Management Planning Council appointed a public-private Housing Finance Task Force in 1994, hereinafter referred to

as the "HFTF", to recommend potential fund sources for affordable housing for existing low-income residents and for meeting the affordable housing targets for future growth; and

WHEREAS the HFTF recommended a document recording fee as a source of regional dollars for low-income housing development and support, and recommended that representatives of the County, Cities and the housing community work together to make decisions about the use and administration of such a fund; and

WHEREAS in March 2002, Substitute House Bill 2060, hereinafter referred to as SHB 2060, was passed by the Washington State Legislature and was signed into law by the Governor as Chapter 294, 2002 Washington Laws in April 2002, and was effective on June 13, 2002.

SHB 2060 provides, in large part, that:

A surcharge of ten dollars per instrument shall be charged by the county auditor for each real property document recorded, which will be in addition to any other charge authorized by law;

After retention of up to five percent (5%) for collection administration, forty percent (40%) of the revenue will be transmitted monthly to the state treasurer, and sixty percent (60%) of the revenue will be retained by the county and deposited into a fund that must be used by the county and its cities and towns for housing projects or units within housing projects that are affordable to very low-income households at or below fifty percent (50%) of the area median income. The local portion of the funds

must be allocated pursuant to an interlocal agreement between the county and the cities within the county that is consistent with countywide and local housing needs and policies, and pursuant to the eligible activities listed in the SHB 2060 legislation; and

WHEREAS, existing Interlocal Cooperation Agreements or Joint Agreements between King County and cities in the King County Community Development Block Grant Consortium, hereinafter referred to as the “CDBG Agreements”, and/or existing Interlocal Cooperation Agreements between King County and cities in the King County HOME Investment Partnerships Program Consortium, hereinafter referred to as the “HOME Agreements”, are not modified by this Regional Affordable Housing Program Agreement; and

WHEREAS, the City and King County agree that affordable housing is a regional issue, that cooperation between the Cities and the County is beneficial to the region, and that a regional approach to utilizing the SHB 2060 funds will allow those funds to be used in the most productive manner; and

WHEREAS, it is mutually beneficial and desirable to enter into a cooperative agreement in order to administer the SHB 2060 revenue as a regional fund, as authorized by the Intergovernmental Cooperation Act, RCW 39.34, and, as required by SHB 2060;

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING
CIRCUMSTANCES AND IN CONSIDERATION OF THE MUTUAL PROMISES
CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

I. Definitions and Interpretation.

Capitalized terms used herein shall have the following meanings unless the context in which they are used clearly requires otherwise.

“Joint Recommendations Committee” or “JRC” means the inter-jurisdictional body developed pursuant to the CDBG Agreements and the HOME Agreements. The JRC is currently composed of five (5) Cities’ representatives and four (4) King County representatives. The King County Executive appoints the four County representative seats. The King County Consortium’s HOME-only cities rotate one of the City representative seats, and the Suburban Cities Association selects the four remaining City representative seats. A small city representative is a priority for one of the four remaining City seats. JRC members are appointed for a term two years, with the exception of the alternating HOME-only cities’ seat, which revolves every year.

“HOME Working Group” means the staff work group consisting of staff representatives from participating Cities and from the County that work together to recommend annual capital fund allocations for housing projects and related policies to the inter-jurisdictional Joint Recommendations Committee.

“2060 Planning Group” means the planning group consisting of staff representatives from the Cities, from the County, and from the housing community that worked together between August 2002 and October 2002 to develop guidelines for the local portion of the SHB 2060 funds, pursuant to the recommendations of the HFTF.

II. General Agreement

The purpose of this agreement is to establish the “Regional Affordable Housing Program”, hereinafter “RAHP”, to be administered by King County in cooperation with Cities and Towns within the County that choose to participate in the program. The local portion of SHB 2060 revenue shall be administered as a regional fund by the King County Housing and Community Development Program in a manner that is consistent with countywide and local housing needs and policies.

The City and the County agree to cooperate in undertaking RAHP activities.

III. General Administration, Distribution and Use of the RAHP.

A. Expansion and role of the JRC. The JRC shall be the body that reviews and adopts annual RAHP fund allocations and related allocation policies, consistent with the King County Council-adopted RAHP Guidelines, the Consolidated Housing and Community Development Plans of the King County Consortium and the City of Seattle, and other local housing plans, as applicable. The membership of the JRC, as

authorized by the CDBG and HOME Agreements, and as defined herein, shall be expanded to include an appointment from the City of Seattle. The Seattle JRC representative will attend meetings that concern the SHB 2060 fund and will be entitled to vote solely on SHB 2060 issues and not on other King County Consortium matters coming before the JRC. The Seattle representative shall be an elected official, department director or comparable level staff.

B. Incorporation by reference of certain amendments to the King County Consortium's CDBG and HOME Agreements. CDBG and HOME Agreement Cities and the County agree to convene a special working group in 2003 to recommend changes and/or expansion of the representation of cities on the JRC in the CDBG and HOME Agreements. The special working group shall make recommendations on the constitution of the JRC in time for CDBG and HOME Agreement cities to reach agreement on amendments by December 31, 2003. Amendments made to the CDBG and HOME Agreements concerning the representation of cities on the JRC, shall be incorporated by reference into this RAHP Agreement and the RAHP Guidelines. Amendments to the CDBG and HOME Agreement cities' representation on the JRC shall not alter the City of Seattle's seat on the JRC for RAHP purposes.

C. Expansion of the HOME Working Group. The HOME Working Group, as defined herein, shall be expanded to include an appointment from the City of Seattle's Office of Housing, and shall be re-named the "RAHP/HOME Working Group". Seattle staff will be entitled to participate solely in making SHB 2060 program recommendations

and not in other King County Consortium matters coming before the RAHP/HOME Working Group. Each city that participates in the RAHP is entitled to have a staff person on the RAHP/HOME Working Group.

D. Role of the RAHP/HOME Working Group. The RAHP/HOME Working Group shall make annual RAHP fund allocation and related allocation policy recommendations to the JRC. The RAHP/HOME Working Group recommendations shall be consistent with the King County Council-adopted RAHP Guidelines, the Consolidated Housing and Community Development Plans of the King County Consortium and the City of Seattle, and other local housing plans, as applicable.

Pursuant to the RAHP Guidelines, the RAHP/HOME Working Group shall examine the percentages of RAHP funds distributed to the subregions of the County following the 2004 and 2005 funding rounds, and shall recommend actions to achieve geographic equity by the time the RAHP Agreement expires in 2006. City and County staff will work together to take actions to achieve geographic equity in the distribution of RAHP funds.

E. Administration of RAHP Programs. The King County Housing and Community Development (“HCD”) Program staff shall distribute RAHP funds pursuant to the allocations adopted annually by the JRC, and shall administer the program pursuant to the RAHP Agreement and the King County Council-adopted RAHP Guidelines, attached hereto as Exhibit #1.

King County HCD staff shall provide the RAHP/HOME Working Group, the JRC, and participating jurisdictions with an annual report that provides information about the capital housing projects that were awarded RAHP funds in that year; in addition to the status of capital housing projects that were awarded RAHP funds in a prior year(s).

King County HCD staff shall invite the staff of participating cities to be involved in a focus group to further develop the RAHP Operations and Maintenance (“O&M”) Fund, and to be on the review panel that will recommend O&M funding awards to the JRC.

F. Administrative Costs. King County agrees to pay the costs of administering the Regional Affordable Housing Program. No portion of the sixty percent (60%) of the SHB 2060 revenue retained by King County in a fund for the RAHP shall be utilized for RAHP administration.

G. Interest on the RAHP Fund. Interest accrued on the sixty percent (60%) of the SHB 2060 revenue retained by King County in a fund for the RAHP shall remain with the RAHP fund and will be distributed to projects according to the subregional allocation target formula found in the RAHP Guidelines, attached as Exhibit 1.

H. Sub-Regional Geographic Equity. The parties intend that the RAHP funds shall be awarded to projects throughout King County in a fair and equitable manner over the duration of this agreement. Equity is to be achieved through sub-regional allocation targets, as follows: A fixed percentage of RAHP local funds will be allocated to sub-regions of the County by the end of this 4-year Agreement, as specified by a formula contained in the RAHP Guidelines, attached hereto as Exhibit #1.

I. General Use of Funds. The local portion of the SHB 2060 revenue shall be utilized to meet regional housing priorities for households at or below 50% of area median income, as established in the RAHP Guidelines, attached hereto as Exhibit #1.

J. Compliance with Fair Housing Laws. Parties to this agreement must take actions necessary to ensure compliance with the Federal Fair Housing Act, as amended, the Americans with Disabilities Act of 1990, and other applicable state and local fair housing laws.

IV. Agreement Duration

This Agreement shall remain in full force and effect through December 31, 2006, when this agreement will expire. The 2060 Planning Group will re-convene in the spring of 2006 to evaluate the RAHP and to recommend whether the RAHP Guidelines and the RAHP Interlocal Agreement should be re-negotiated or renewed in their current formats.

V. **General Matters and Recording**

- A. No separate legal or administrative entity is created by this Agreement. Neither the JRC, the RAHP/HOME Working Group, nor the 2060 Planning Group are anticipated to acquire or to hold any real or personal property pursuant to this Agreement. Any personal property utilized in the normal course of the work of such bodies shall remain the property of the person or city initially offering such personal property for the use of any such body.
- B. Pursuant to RCW 39.34.040, this Agreement shall be filed with the King County Auditor.

CITY OF _____

KING COUNTY, WASHINGTON

Signature of Chief Executive Officer

Ron Sims, County Executive

Name and Title (printed)

Date: _____

Date: _____

Approved as to Form:

Signature of City Attorney

Signature of County Prosecuting Attorney

Date: _____

Date: _____