

05/26/99

LP:dl
cdbghmor
Clerk 05/27/99

Introduced By: Cynthia Sullivan

Proposed No.: 1999-0305

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ORDINANCE NO. **13556**

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AN ORDINANCE relating to the housing and community development program; authorizing the county executive to enter into three-year interlocal cooperation agreements with participating jurisdictions within King County for the purposes of administering the Community Development Block Grant and HOME Investment Partnerships funds from the United States Department of Housing and Urban Development received on behalf of the consortium, and undertaking housing and community development activities within those jurisdictions.

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BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

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SECTION 1. The county executive is hereby authorized to enter into interlocal

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cooperation agreements with those cities eligible and willing to participate with King County

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in an urban consortium for the purposes of administering federal Community Development

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Block Grant, HOME Investment Partnerships and other federal grant funds from the United

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States Department of Housing and Urban Development, and planning and undertaking

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community development and housing activities within the consortium.

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SECTION 2. In accordance with Section 495 of the King County Charter and K.C.C.

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4.04.040B.7, the county council hereby further authorizes the county executive to enter into

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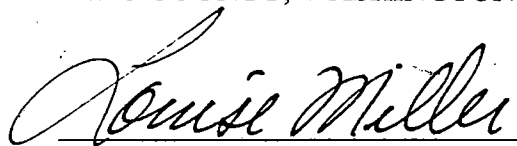
attached interlocal agreements, which are anticipated to be in effect for a three-year period,

1 and renewable for subsequent three-year periods under certain conditions, thereby requiring
2 the payment of funds from appropriations of subsequent fiscal years.

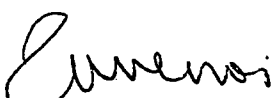
3 INTRODUCED AND READ for the first time this 1st day of June, 1999.

4 PASSED by a vote of 12 to 0 this 14th day of June, 1999.

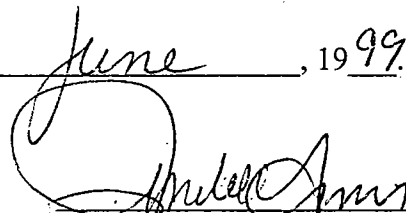
5 KING COUNTY COUNCIL
6 KING COUNTY, WASHINGTON

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8 Chair

9 ATTEST:

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11 Clerk of the Council

12 APPROVED this 21 day of June, 1999.

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14 King County Executive

15 Attachments: Community Development Block Grant Interlocal Cooperation Agreement
16 HOME Investment Partnerships Program Interlocal Cooperation Agreement
17 Community Development Block Grant Joint Agreement

**COMMUNITY DEVELOPMENT BLOCK GRANT
INTERLOCAL COOPERATION AGREEMENT**

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

WITNESSETH:

WHEREAS, the federal government, through adoption and administration of the Housing and Community Development Act of 1974 (the "Act"), as amended, will make Community Development Block Grant ("CDBG") funds available to King County, for expenditure during the 2000—2002 funding years; and

WHEREAS, the area encompassed by unincorporated King County and any participating cities, has been designated by the United States Department of Housing and Urban Development ("HUD"), as an urban county for the purpose of receiving CDBG funds; and

WHEREAS, the Act directs HUD to distribute to each urban county the annual appropriation of CDBG funds based on the population characteristics of the urban county; and

WHEREAS, the Act allows joint participation of units of general government within an urban county, and a distribution of CDBG funds to such governmental units; and

WHEREAS, the CDBG Regulations require the acceptance of the consolidated housing and community development plan ("Consolidated H&CD Plan") by participating jurisdictions; and

WHEREAS, King County will undertake CDBG-funded activities in participating incorporated jurisdictions as specified in the Consolidated H&CD Plan by granting funds to those jurisdictions to carry out such activities; and

WHEREAS, King County is responsible to the federal government for all activities undertaken with CDBG funds and will ensure that all CDBG assurances and certifications King County is required to submit to HUD with the Annual Action Plan will be met; and

WHEREAS, King County and the participating jurisdictions are committed to targeting CDBG funds to ensure benefit to low- and moderate-income persons as defined by HUD; and

WHEREAS, King County and its consortium members recognize that the needs of low- and moderate-income persons may cross jurisdictional boundaries and can therefore be considered regional needs; and

WHEREAS, King County and the participating jurisdictions must submit an Annual Action Plan to HUD which is a requirement to receive CDBG funds; and

WHEREAS, the purpose of this Interlocal Cooperation Agreement, which is entered into pursuant to and in accordance with the State Interlocal Cooperation Act, RCW Chap. 39.34, is to form an urban county consortium, ("Consortium"), for planning the distribution and administration of CDBG and other federal funds received on behalf of the Consortium from HUD, and for execution of activities in accordance with and under authority of the Act;

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

I. GENERAL AGREEMENT

King County and participating jurisdiction agree to cooperate to undertake, or assist in undertaking, activities which further the development of viable urban communities, including the provision of decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income, through community renewal and lower income housing assistance activities, specifically urban renewal and publicly assisted housing, funded from annual CDBG funds from federal Fiscal Years' 2000, 2001, and 2002 appropriations, from recaptured funds allocated in those years, and from any program income generated from the expenditure of such funds.

II. GENERAL DISTRIBUTION OF FUNDS

The distribution within the County of CDBG Funds under Title I of the Act shall be governed by the following provisions, exclusive of the Cities of Auburn, Bellevue, and Seattle.

- A. The amount needed for administration of the Consortium's CDBG and other federal programs which benefit the Consortium shall be reserved by the County. This amount, hereinafter referred to as the "Administrative Setaside, is contingent upon review by the Joint Recommendations Committee ("the Committee"), as provided in Section VIII.C.1., and approval by the Metropolitan King County Council, as provided by Section XIII.B.
- B. In addition to the administrative setaside referred to in Section II.A., each year 25% of the public service funds available, not to exceed \$300,000, will be subtracted from the entitlement and reserved for the Housing Stability Program, a public service activity in support of the affordable housing requirements under the implementation

of the state Growth Management Act (RCW Chapter 36.70A). This public service setaside will be administered by the County with input from a working group of the participating cities and County staff. This public service setaside will be subject to the same percentage of decrease as the annual public service funds if there are any reductions during the year.

- C. Of the grant amount remaining after the setasides referred to in Sections II.A. and II.B. ("the Adjusted Grant Amount"), any city which is a participant in this Agreement may be eligible to receive a direct pass-through share ("the pass-through"), provided that:
1. The City's share of the Adjusted Grant Amount equals \$50,000 or more based upon the city's percentage of the Consortium's low- and moderate-income persons, as defined by HUD, or the city's share is less than \$50,000 but the City received a pass-through in the previous year and wishes to continue receiving a pass-through;
 2. The City participates in developing the Consortium's Consolidated H&CD Plan by identifying its non-housing community development needs;
 3. The City may apply for planning dollars from the County and Small Cities Fund, as defined in Section II.D. below, the year prior to accepting a pass-through, the amount to be at least what the City would have received for planning and administration had they been a pass-through city;
 4. In the fall before the first program year it becomes a pass-through city, the City may elect to take the entire pass-through and allocate all their funds, or to take a partial pass-through and allocate only their public services or capital funds, depending on which needs they have identified and on whether the city can meet the Consortium's schedule for allocating the funds and for submitting proposed projects to HUD. If the new pass-through city chooses to allocate only part of their pass-through funds, the Joint Recommendations Committee will allocate the remaining funds to one or more regional projects benefiting residents of the city and surrounding area. In any case, the City will continue to receive its planning allocation; and
 5. The participating City agrees to abide by Consortium requirements to receive a pass-through of CDBG funds or their ability to receive a pass-through will be revoked. The responsibilities of these pass-through jurisdictions are defined in Section X. Participating cities may elect not to receive a direct pass-through but may compete for County and Small Cities Funds, as defined in Section II.D., below.
- D. The funds remaining in the Adjusted Grant Amount after the distribution of the pass-through funds referred to in Section II.C. shall be referred to as the County and Small

Cities Fund, and shall be allocated on a competitive basis to projects serving the cities not qualifying to receive or not electing to receive a pass-through, and/or projects serving the unincorporated areas of the county.

- E. If the monies assigned to a project during the period of this Agreement exceed the actual cost of the project, or if the project is later reduced or canceled, then the excess monies or recaptured funds; will be recaptured by the County and will be redistributed as follows:
 - 1. Administrative setaside funds, as defined in Section II.A. and public service setaside as defined in Section II.B. which are recaptured shall be returned to the Consortium and be distributed to the Pass-through Cities and County and Small Cities Funds based on their percentage of the Consortium's low- and moderate-income persons, as defined by HUD.
 - 2. Funds recaptured from a project funded through a City's pass-through fund, as defined in Section II(C), shall be returned to the City's pass-through fund, unless the City no longer qualifies for a pass-through as provided in Section II.C.1., in which case the funds shall be returned to the County and Small Cities Fund.
 - 3. Funds recaptured from a project funded through the County and Small Cities Fund, as defined in Section II(D), shall be returned to the County and Small Cities Fund.
- F. Unallocated or recaptured funds from 1987 and prior years (e.g., unallocated or recaptured "Population," "Needs," or "Joint" funds) shall be returned to the Consortium and be distributed to the Pass-through Cities and the County and Small Cities Funds based on their percentage of the Consortium's low-and moderate-income persons, as defined by HUD.
- G. Funds received by a jurisdiction or CDBG subrecipient generated from the use of CDBG funds, hereinafter referred to as program income, shall be returned to the fund which generated the program income as follows, unless an exception is specifically recommended by the Committee and approved by the Metropolitan King County Council:
 - 1. That portion of the program income which is interest or fee income generated through Community Development Interim Loan (CDIL) and Section 108 loan guarantee projects (as provided in Section 108 of the Act), both of which use all or a portion of the Consortium's total available CDBG funds, shall be returned to the Consortium. The funds shall be used for the direct costs (e.g., staff, attorney, and bank fees, advertising costs, contract compliance costs), necessary for the marketing, negotiation, and implementation of the interim loan and 108 loan activities, and for other Consortium-wide or subregional capital projects or programs, including other Consortium-wide economic development projects or

programs. Use of the funds shall be recommended by the Committee each year after review by an inter-jurisdictional staff group.

2. Program income generated from a project (including housing repair) funded through a city's pass-through fund, as defined in Section II.C., shall be returned to the City's pass-through fund, unless the City no longer qualifies for a pass-through as provided in Section II.C.1., in which case the program income shall be returned to the County and Small Cities Fund.
3. Program income generated from a project (including housing repair) funded through the County and Small Cities Fund, as defined in Section II.D., shall be returned to the County and Small Cities Fund.
4. Program income generated from projects funded in 1987 (except for housing repair) and prior years shall be returned to the Consortium and be distributed to the Pass-through Cities and the County and Small Cities Funds according to their share of the Consortium's low- and moderate-income persons, as defined by HUD.

III. USE OF FUNDS: GENERAL PROVISIONS

- A. The County and each of the Pass-through Cities shall specify activities and projects which it will undertake with the funds described in Section II. above.
- B. The County and each of the Pass-through Cities shall ensure that CDBG funds are targeted to activities which can document predominant (51%) benefit to low- and moderate-income people and that the overall program meets or exceeds HUD's requirements for the percentage of funds spent to benefit low- and moderate-income persons in King County.
- C. Pass-through Cities may exchange their CDBG funds with other Pass-through Cities for general revenue funds. The use of general revenue funds obtained by a pass-through City in this manner shall be consistent with the general intent of the community development program, but shall not be considered CDBG program income.
- D. The County and each of the Pass-through Cities shall conduct the appropriate citizen participation activities as required by HUD regulations.
- E. Approval of projects must be secured through formal grant applications (proposals) to King County; approval of activities shall be secured when the annual program is approved or amended.

- F. General administrative costs incurred by Pass-through Cities shall be paid for out of the pass-through or from local funds. Costs incurred in administering specific projects may be included in project costs.

IV. USE OF ADMINISTRATION FUNDS

- A. A pass-through city may reserve a portion of its entitlement share to cover administrative costs of its local CDBG Program or to fund planning projects, however, this amount must be reserved by spring of each year and will be based upon the City's proportion of low- and moderate-income persons, as defined by HUD.
- B. In addition to the responsibilities outlined in Section X., Pass-through Cities may use additional pass-through funds to cover part of their administrative costs if:
1. Planning ceiling (the maximum amount allowed by HUD for planning and administration activities which cannot exceed 20% of the annual entitlement plus program income) is available;
 2. The City runs a competitive process for the distribution of the CDBG funds; and
 3. City staff participate in Consortium-wide planning processes such as development of the Consolidated H&CD Plan and the HOME Consortium Working Group.
- C. Requests from Pass-through Cities to use the balance of planning ceiling, if available, to cover additional administrative costs will take priority over requests for planning projects.
- D. Pass-through city staff who are supported with administrative funds would also be expected to assist in preparing and/or presenting information to the Committee.

V. USE OF PUBLIC SERVICE FUNDS

A Pass-through city may reserve a portion of its entitlement share to cover public service activities; however, the amount must be reserved by spring of each year and will be based upon the city's proportion of low- and moderate-income persons, as defined by HUD.

VI. PROGRAM INCOME

- A. The participating jurisdiction must inform King County of any income generated by the expenditure of CDBG funds received by the participating jurisdiction.

- B. Any such program income is subject to requirements set forth in Section II.G. of this Agreement.
- C. Any program income the participating jurisdiction is authorized to retain may only be used for eligible activities in accordance with all applicable CDBG requirements.
- D. King County has the responsibility for monitoring and reporting to HUD on the use of any such program income and thereby requires appropriate record keeping and reporting by the participating jurisdiction as stated in the signed certification to receive "Pass-through City" status and in each city's contract to receive CDBG planning and administration funds.
- E. In the event of close-out or change in status of the participating jurisdiction any program income that is on hand or received subsequent to the close-out or change in status shall be paid to King County Consortium.

VII. REAL PROPERTY

- A. Participating jurisdictions owning community facilities acquired or improved in whole or in part with CDBG funds must comply with change of use restrictions as required by HUD and the policies adopted by the Committee as found in the Consolidated H&CD Plan.
- B. The participating jurisdiction must notify King County prior to any modification or change in the use of real property acquired or improved in whole or in part with CDBG funds. This includes any modification or change in use from that planned at the time of the acquisition or improvement, including disposition.
- C. The jurisdiction shall reimburse King County in an amount equal to the current fair market value (less any portion thereof attributable to expenditures of non-CDBG funds) of property acquired or improved with CDBG funds that is sold or transferred for a use which does not qualify under the CDBG regulations.
- D. Program income generated from the disposition or transfer of property prior to or subsequent to the close-out, change of status, or termination of the cooperation agreement between the county and the participating jurisdiction shall be subject to the requirements set forth in Section II.G. and Section VI.

VIII. JOINT RECOMMENDATIONS COMMITTEE

A Joint Recommendations Committee shall be established.

- A. Composition. The Committee shall be composed of four County representatives and five Cities representatives. The four County representatives may be representatives of Department Directors or their designees, and/or citizen representatives of unincorporated communities. County representatives shall be specified in writing and should, where possible, be the same person consistently from meeting to meeting. The five participating city representatives and their alternates will include city planning directors or comparable level staff, or elected officials. Two city representatives and their alternates will be from the north/east region of the County and two city representatives and their alternates will be from the south region of the County. An additional revolving position on this Committee shall be rotated between the HOME-only cities of Auburn and Bellevue. The revolving position will be non-voting, except on issues related to the King County HOME Consortium and other federal housing-related funds (excluding CDBG).
- B. Appointments. The King County Executive shall appoint the four County representatives (no more than one representative per unincorporated community or Department). The Suburban Cities Association will select eight different jurisdictions, four to serve as members and four as alternates, which in turn, will assign representatives to this Committee. Priority for one of the positions will be for a small city representative. The revolving HOME position will be appointed annually by the respective jurisdiction. Members of the Committee shall serve for two years, or at the pleasure of their respective appointing authorities.

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

- C. Powers and Duties. The Committee shall be empowered to:
1. Review and recommend to the King County Executive all policy matters on the Consortium's CDBG and HOME Program including the amount of administrative setaside, priorities governing the use of the public services setaside, and projects or programs to be funded with the program income from community development interim loans and Section 108 loan guarantees (as allowed in Section 108 of the Act).
 2. Review, recommend, and endorse the Consolidated H&CD Plan required by HUD.
 3. Review plan and program disagreements between the County and participating jurisdictions and offer recommendations to the King County Executive.
 4. Review and recommend sanctions to be imposed on cities for failure to meet responsibilities as contained in Section X. of this Agreement. Any

recommended sanctions will ensure that the City's low- and moderate-income residents continue to benefit from CDBG funds. Sanctions will be imposed to prevent the King County Consortium from losing a share of its entitlement due to participating cities' inability to meet federal requirements.

5. Review and recommend projects for funding under the Section 108 loan guarantee program (as allowed in Section 108 of the Act).
6. Review and recommend projects for funding from the remainder of any new Pass-through City's funds if that new Pass-through City chooses to take only a partial pass-through as provided in Section II.C.4. above.

IX. RESPONSIBILITIES AND DUTIES OF THE KING COUNTY HOUSING AND COMMUNITY DEVELOPMENT PROGRAM STAFF

Those King County Housing and Community Development Program Staff positions which are funded through the administrative setaside, hereinafter referred to as the Staff, serve as staff to all Consortium partners and the Committee and provides liaison between the Consortium and HUD.

A. Responsibilities to the Joint Recommendations Committee. The Staff shall:

1. Solicit and present to the Committee all applicable federal and County policy guidelines, special conditions, and formal requirements related to the preparation of the Consolidated H&CD Plan, and related to administration of the programs under these plans.
2. Prepare and present written materials required by HUD and the Metropolitan King County Council as components of the Consolidated H&CD Plan to be prepared pursuant to this Agreement, including but not limited to: collection and analysis of data; identification of problems, needs and their locations; development of long and short term objectives; consideration of alternative strategies; and preparation of the administrative budget.
3. Prepare and present to the Committee policy evaluation reports or recommendations, and any other material deemed necessary by the Committee to help the Committee fulfill its powers and duties.
4. Collaborate with City staff working groups and present to the Committee specific sanctions to be imposed on cities which fail to meet their responsibilities as contained in Section X. and as contained in specific annual agreements.

B. Responsibilities to Jurisdictions Which are Parties to This Agreement.

The County will develop strategic plans which will identify housing and community development needs and objectives to address high priority needs in the balance of the County in accordance with the primary goals and requirements of the Act. The Consolidated H&CD Plan, including the housing and community development objectives will meet the HUD requirement for a Community Development Plan. The objectives and any local program criteria outlined within the Consolidated H&CD Plan will be consistent with local comprehensive plans being developed under the Growth Management Act. The Staff shall:

1. Prepare and present to the King County Executive and Council material necessary for the approval of the County and Small Cities portion of the annual program.
2. Present to the Metropolitan King County Council the Consortium's annual program for adoption.
3. Distribute to participating jurisdictions, prior to any Joint Recommendations Committee decision based upon it, information concerning proposals having implications for Consortium-wide funding as provided in Section II.G.1. above. The county will incorporate jurisdictions' feedback in materials forwarded to the Joint Recommendations Committee or the Metropolitan King County Council.
4. Provide regular written reports outlining the outcomes and costs of the Consortium wide housing stability and economic development programs such that this information is available for participating jurisdictions' review and comment prior to the Joint Recommendations Committee's decisions on the programs' budgets for the following year, and provide quarterly status reports to the Pass-through Cities on those housing repair and capital projects which the county is administering on behalf of the Pass-through Cities.
5. Administer the Consortium's CDBG Program:
 - help to identify needs in communities;
 - provide assistance in interpreting HUD regulations;
 - provide technical assistance to cities as necessary to enable them to meet their responsibilities as partners to the Agreement;
 - assist in the development of viable CDBG proposals;
 - review all proposals for CDBG funding;
 - inform participating jurisdictions in a timely way of the amount of capital dollars available for distribution regionally and the requirements regarding eligibility for them.

- develop contracts for funded projects in a timely fashion; public (human) services programs have a high priority and will receive authorization to proceed within 15 working days of the beginning of the program year if all relevant information needed to prepare the contract has been submitted;
 - monitor subrecipient and city-funded projects;
 - monitor and enforce compliance with the federal wage and relocation requirements;
 - reimburse all eligible costs;
 - prepare and submit required documents and reports to HUD; and
 - provide oversight of the CDBG Consortium to ensure compliance with all federal requirements.
6. Upon request by a Pass-through City, staff will develop, administer, and implement a city's CDBG-funded contract. Additionally, multi-jurisdictional projects funded by King County and/or one or more cities will be developed and implemented by Staff.
7. King County shall determine, with the advice of representatives from small cities, the use of the County and Small Cities Funds in a manner consistent with the Consolidated H&CD Plan including its local program criteria.

X. RESPONSIBILITIES AND POWERS OF PASS-THROUGH CITIES

In order to receive a direct share of the entitlement, Pass-through Cities participating in this Agreement shall have the following responsibilities and powers:

- A. Pass-through City Councils may adopt local program criteria which will address housing and community development needs in coordination with the Consortium's timeline for consolidated planning effort and which will be consistent with federal requirements, Consortium-wide policies and local comprehensive plans being developed under the Growth Management Act.
- B. Notify the County of the citizen participation activities undertaken by local jurisdictions as well as any changes made by the jurisdiction to funded CDBG activities in a timely manner as referenced under Section III.D.
- C. Each Pass-through City shall exercise local discretion in determining the use of its pass-through funds in a manner that (1) is consistent with the Consolidated H&CD Plan, (2) recognizes the federal requirement at 24 CFR Part 570.2 that a minimum of 70% of the funds be spent on activities benefiting primarily low and moderate

income persons, and (3) is in accordance with the Consortium's schedule for submission to HUD.

- D. City legislative bodies shall approve or disapprove via motion or resolution all CDBG activities, locations, and budgets submitted by Pass-through City staff. Notice of these actions are to be forwarded to the County in a timely manner.
- E. Pass-through City staff shall review all project proposals for consistency with federal threshold requirements and Consortium-wide policies prior to submission to the County, and ensure that all relevant information necessary to prepare a contract is submitted to the County in a timely manner.
- F. Pass-through City staff shall assist in the development of the Consortium-wide Consolidated H&CD Plan which includes housing and other community development needs, resources, objectives, and adopted projects.
- G. Pass-through City staff shall implement CDBG-funded projects within the program year and submit both vouchers and required reports to the County in a complete and timely manner.
- H. Pass-through City staff shall participate in other Consortium-wide planning activities such as HOME policy development and monitoring the Housing Stability Program.
- I. Pass-through City staff shall collaborate with County staff working group and present to the Committee specific sanctions to be imposed on cities which fail to meet their responsibilities as contained in this section and as contained in specific annual agreements.
- J. Each Pass-through City shall examine its role in recognizing and addressing regional or Consortium-wide needs and may participate in a coordinated funding approach with other jurisdictions and the County to serve their residents.

XI. RESPONSIBILITIES OF OTHER CONSORTIUM CITIES

Other Consortium cities must apply for funds through the annual County and Small Cities application process. The Small Cities shall:

- A. Coordinate with County Staff in identifying community development needs and local program criteria for addressing them.
- B. Prepare applications for CDBG funds to address local needs.
- C. Obtain City council authorization for proposed projects.

- D. Carry out funded projects in a timely manner.

XII. RESPONSIBILITIES OF ALL PARTICIPATING JURISDICTIONS

- A. Each participating jurisdiction shall fulfill to the County's satisfaction all relevant requirements of federal laws and regulations which apply to King County as applicant, including assurances and certifications described in Section XIV.D.
- B. Each participating jurisdiction or cooperating unit of general local government has adopted and is enforcing:
1. a policy which prohibits the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
 2. a policy which enforces applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of non-violent civil rights demonstrations within jurisdictions.
- C. Pursuant to 24 CFR 570.501(b), all participating units of local government are subject to the same requirements applicable to subrecipients, excluding the County's Minority and Women Business Enterprises requirements. The applicable requirements include, but are not limited to, a written agreement with the County which complies with 24 CFR 570.503 and includes provisions pertaining to the following items: statement of work; records and reports; program income; uniform administrative items; other program requirements; conditions for religious organizations; suspension and termination; and reversion of assets.
- D. All participating units of local government understand that they may not apply for grants under the federal Small Cities or State CDBG Programs which receive separate entitlements from HUD during the period of participation in this Agreement. Consortium cities which do not receive a direct pass-through of CDBG funds may apply for grants under the County and Small Cities Fund.
- E. All units of local government participating in the CDBG urban county through this interlocal cooperation agreement understand that they are also part of the urban county for the HOME program and may participate in a HOME program only through the CDBG urban county.

XIII. RESPONSIBILITIES AND POWERS OF KING COUNTY ON BEHALF OF THE CONSORTIUM

King County shall have the following responsibilities and powers:

- A. The Metropolitan King County Council shall have authority and responsibility for all policy matters, including the Consolidated H&CD Plan, upon review and recommendation by the Committee.
- B. The Metropolitan King County Council shall have authority and responsibility for all fund allocation matters, including the approval of the annual administrative setaside and the approval and adoption of the Consortium's annual CDBG Program.
- C. The King County Executive shall have the authority and responsibility to approve requested changes to the adopted annual CDBG Program in the following circumstances:
 - 1. The requested change is to a Pass-through City's portion of the adopted annual program, and the change is requested by the legislative body of the Pass-through City; or
 - 2. The requested change is in the County and Small Cities portion of the adopted annual program, and it is limited to a change of project scope or change of project implement or in a specific project, and it is requested by the subrecipient, and the change is made in consultation with the Councilmember in whose district the project is located.
- D. The King County Executive, as administrator of this CDBG Program, shall have authority and responsibility for all administrative requirements for which the County is responsible to the federal government.
- E. The King County Executive shall have authority and responsibility for all fund control and disbursements.
- F. Notwithstanding any other provision contained in this Agreement, the County as the applicant for CDBG funds has responsibility for and assumes all obligations as the applicant in the execution of this CDBG Program, including final responsibility for selecting activities and annually submitting Action Plans with HUD. Nothing contained in this Agreement shall be construed as an abdication of those responsibilities and obligations.

XIV. GENERAL TERMS

- A. This Agreement shall extend through the 2000, 2001, and 2002 program years, and will remain in effect until the CDBG funds and program income received with respect to activities carried out during the three-year qualification period are expended and the funded activities completed. This agreement will be automatically renewed for participation in successive three-year qualification periods, unless the county or the city provides written notice it wishes to amend or elects not to

participate in the new qualification period by the date set forth by the United States Department of Housing and Urban Development in subsequent Urban County Qualification Notices. King County, as the official applicant, shall have the authority and responsibility to ensure that any property acquired or assisted with CDBG funds is disposed of or used in accordance with federal regulations.

- B. Pursuant to 24 CFR Part 570:307(d)(2), during the period of qualification no included unit of general local government may terminate or withdraw from the cooperation agreement while it remains in effect.
- C. It is understood that by signing this Agreement the jurisdictions shall agree to comply with the policies and implementation of the Consolidated H&CD Plan.
- D. Parties to this Agreement must take all required actions necessary to assure compliance with King County's certification required by Section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, including Title VI of the Civil Rights Act of 1964, (Title III of the Civil Rights Act), the Fair Housing Act as amended, Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, the Americans with Disabilities Act of 1990, and other applicable laws.
- E. No CDBG funds shall be expended for activities in, or in support of any participating city that does not affirmatively further fair housing within its own jurisdiction or that impedes the County's actions to comply with its fair housing certification.
- F. It is recognized that amendment of the provisions of this Agreement may become necessary, and such amendment shall take place when all parties have executed a written addendum to this Agreement. The City and the County agree to adopt any amendments to the agreement incorporating changes necessary to meet the requirements for cooperation agreements set forth in an Urban County Qualification Notice applicable for a subsequent three-year qualification period, and to submit such amendment to the United State department of Housing and Urban Development. Failure to adopt such amendment will void the automatic renewal of such qualification period.
- G. Calculations for determining the number of low- and moderate-income persons residing in the County and cities shall be based upon official HUD approved 1990 Census data, and on the official annual estimates of populations of cities, towns and communities published by the State of Washington Office of Program Planning and Fiscal Management.
- H. Participating jurisdictions shall be considered to be those jurisdictions which have signed this Agreement.

- I. Jurisdictions undertaking activities and/or projects with CDBG funds distributed under this Agreement retain full civil and criminal liability as though these funds were locally generated.
- J. King County retains environmental review responsibility for purposes of fulfilling requirements of the National Environmental Policy Act, under which King County may require the local incorporated jurisdiction or contractor to furnish data, information, and assistance for King County's review and assessment in determining whether King County must prepare an Environmental Impact Statement.
- K. Jurisdictions retain responsibility in fulfilling the requirements of the State Environmental Policy Act under which King County has review responsibility only.

CITY OF _____

KING COUNTY, WASHINGTON

Signature of Chief Executive Officer

for Ron Sims, County Executive

Name and Title (printed)

Date: _____

Date: _____

**HOME INVESTMENT PARTNERSHIPS PROGRAM
INTERLOCAL COOPERATION AGREEMENT**

THIS AGREEMENT is entered into between King County, an urban county pursuant to 24 CFR Subpart 92.101 and Subpart 570.3, 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, a unit of general local government that is included in an urban county may be part of a HOME consortium only through the urban county; and

WHEREAS, a metropolitan city or an urban county may be part of a consortium; and

WHEREAS, the City and King County agree that it is mutually desirable and beneficial to enter into a consortium arrangement pursuant to and authorized by 24 CFR Part 92 and 42 USC § 12746 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 agrees to assume overall responsibility for ensuring that the Consortium's HOME Program is carried out in compliance with federal requirements and the housing objectives of the City and the County as adopted in the Consolidated Housing and Community Development Plan (Consolidated H&CD Plan).

The City agrees to cooperate fully with the County in the development and preparation of the Consolidated H&CD Plan, 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 2000, 2001, and 2002 federal fiscal years, the three-year qualification period that coincides with the Agreement for the Distribution and Administration of 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. This agreement will be automatically renewed for participation in successive three-year qualification periods, unless the County or the City provides written notice it wishes to amend or elects not to participate in the new qualification period. Such written notice shall be given by the date set forth in an Urban County Qualification Notice applicable to subsequent three-year qualification periods and provided by the United States Department of Housing and Urban Development.
5. The City and the County agree to adopt any amendments to the agreement incorporating changes necessary to meet the requirements for cooperation agreements set forth in an Urban County Qualification Notice applicable for a subsequent three-year qualification period, and to submit such amendment to the United States Department of Housing and Urban Development. Failure to adopt such amendment will void the automatic renewal of such qualification period.
6. During the term of this Agreement, neither the County nor the City may withdraw from participation from their respective obligations under this Agreement.
7. By executing the HOME Agreement, the City understands that it may not participate in a HOME consortium except through the urban county, regardless of whether the urban county receives a HOME formula allocation.
8. 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 counterparts, accompanied by copies of the authorizing resolutions from the County and the City, shall be filed by the County with the Region X office of HUD. A copy shall be filed with the Secretary of State and the Clerk of the King County Council, the County Auditor, and the City pursuant to RCW 39.34.040.
9. The County and the City both hereby agree to affirmatively further fair housing.

10. Joint Recommendations Committee Composition. The Committee shall be composed of four County representatives and five Cities representatives. The four County representatives may be Department Directors or their designees, and/or citizen representatives of unincorporated communities. County representatives shall be specified in writing and should, where possible, be the same person consistently from meeting to meeting. Five participating city representatives and their alternates will include city planning directors or comparable level staff, or elected officials. Two city representatives and their alternates will be from the north/east region of the County and two city representatives and their alternates will be from the south region of the County. An additional revolving position on this Committee shall be rotated between the HOME-only Cities of Auburn and Bellevue. The revolving position will be non-voting, except on issues related to the King County HOME Consortium and other federal housing-related funds (excluding Community Development Block Grant).
11. Appointments. The King County Executive shall appoint the County representatives. The Suburban Cities Association will select eight different jurisdictions, four to serve as members and four as alternates, which in turn, will assign representatives to this Committee. Terms of office shall be for two years. Priority for one of the positions will be for a small city representative. The revolving HOME position will be appointed annually by the respective jurisdiction. Members of the Committee shall serve at the pleasure of their respective appointing authorities.
12. The Joint Recommendations Committee will adopt HOME program policies, consistent with the Consolidated H&CD Plan, developed by the City and County staff working group. The Joint Recommendations Committee will approve funding decisions. All funding decisions must be in accord with adopted policies. Once the policies are adopted, the City, as a representative member of the Consortium, shall also have the right to comment on any program changes prior to their implementation by the County.
13. The chairperson and vice-chairperson of the Joint Recommendations Committee shall be chosen from among the members of the Committee by a majority vote of the members for a term of one year beginning the first meeting of the calendar year. Attendance of five members will constitute a quorum.
14. The City shall participate jointly with the County in the development of the Consortium's HOME Program by participating in development of a HOME Program strategy sufficient to accommodate both the collective and individual housing objectives contained within local comprehensive plans or other adopted plans of both the City and the County.
15. Federal HOME funds, allocated to the Consortium, shall be used to fund housing assistance activities that are the subject of this Agreement. The City and the County shall cooperate in

the establishment of budgets for separate HOME activities. The County intends to enter into contractual agreements with any city, nonprofit organization, or other entity that it selects to implement HOME activities. The County's administrative costs will be paid from the HOME grant, after review and approval by the Joint Recommendations Committee.

16. 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 City and County staff working group and adopted by the Joint Recommendations Committee.

This Agreement is legally binding and valid upon signature of all parties.

CITY OF _____

KING COUNTY, WASHINGTON

Signature of Chief Executive Officer

for Ron Sims, County Executive

Name and Title (printed)

Date: _____

Date: _____

**COMMUNITY DEVELOPMENT BLOCK GRANT
JOINT AGREEMENT**

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

WITNESSETH:

WHEREAS, the federal government through adoption and administration of the Housing and Community Development Act of 1974, as amended (the "Act"), will make Community Development Block Grant ("CDBG"), funds available to both the County and city in the form of entitlement grants; and

WHEREAS, the area encompassed by unincorporated King County and any participating cities is designated by the United States Department of Housing and Urban Development ("HUD") as an urban county for the purpose of receiving CDBG funds; and

WHEREAS, the Act directs HUD to distribute to each urban county the annual appropriation of CDBG funds based on the population characteristics of the urban county; and

WHEREAS, the Act allows joint agreements, whereby entitlement cities may join the urban county, and allows the urban county to distribute CDBG funds to such cities as participating jurisdictions; and

WHEREAS, the CDBG Regulations require the acceptance of the consolidated housing and community development plan ("Consolidated H&CD Plan") by participating jurisdictions; and

WHEREAS, King County will undertake CDBG-funded activities in participating incorporated jurisdictions as specified in the Consolidated H&CD Plan by granting funds to those jurisdictions to carry out such activities; and

WHEREAS, King County is responsible to the federal government for all activities undertaken with CDBG funds and will ensure that all CDBG assurances and certifications King County is required to submit to HUD with the Annual Action Plan will be met; and

WHEREAS, King County and the participating jurisdictions are committed to targeting CDBG funds to ensure benefit to low- and moderate-income persons as defined by HUD; and

WHEREAS, King County and its participating jurisdictions recognize that the needs of low- and moderate-income persons may cross jurisdictional boundaries and can therefore be considered regional needs; and

WHEREAS, King County and the participating jurisdictions must submit an Annual Action Plan to HUD which is a requirement to receive CDBG funds; and

WHEREAS, the purpose of this Joint Agreement, which is entered into pursuant to and in accordance with the State Interlocal Cooperation Act, RCW Chap. 39.34, is for the City to join the urban county consortium, ("Consortium"), for planning the distribution and administration of CDBG and other federal funds received on behalf of the Consortium from HUD, and for execution of activities in accordance with and under authority of the Act;

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

I. GENERAL AGREEMENT

King County and each participating jurisdiction agree to cooperate to undertake, or assist in undertaking, activities which further the development of viable urban communities, including the provision of decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income, through community renewal and lower income housing assistance activities, specifically urban renewal and publicly assisted housing, funded from annual CDBG funds from federal Fiscal Years' 2000, 2001, and 2002 appropriations, from recaptured funds allocated in those years, and from any program income generated from the expenditure of such funds.

II. GENERAL DISTRIBUTION OF FUNDS

The distribution within the County of CDBG Funds under Title I of the Act shall be governed by the following provisions, exclusive of the Cities of Auburn, Bellevue, and Seattle.

- A. The amount needed for administration of the Consortium's CDBG and other federal programs which benefit the Consortium shall be reserved by the County. This amount, hereinafter referred to as the administrative setaside, is contingent upon review by the Joint Recommendations Committee ("the Committee"), as provided in Section VIII.C.1., and approval by the Metropolitan King County Council, as provided in Section XIII.B.
- B. In addition to the administrative setaside referred to in Section II (A), each year 25% of the public service funds available, not to exceed \$300,000, will be subtracted from the entitlement and reserved for the Housing Stability Program, a public service activity in support of the affordable housing requirements under the implementation of the state Growth Management Act (RCW Chapter 36.70A). This public service setaside will be administered by the County with input from a working group of the

participating cities and county staff. This public service setaside will be subject to the same percentage of decrease as the annual public service funds if there are any reductions during the year. In addition, any city participating in this Joint Agreement will have the option of withholding their pro rata share of the Housing Stability Program funds and allocating them to a different eligible public service activity if the City so chooses.

- C. Of the grant amount remaining after the setasides referred to in Sections II.A. and II.B. ("the Adjusted Grant Amount"), the city participating in this Joint Agreement will be eligible to receive a direct pass-through share, provided that:
1. The City's pass-through share will be the larger of a share of the Adjusted Grant Amount based upon the CDBG Consortium's formula (the City's share of the Consortium's total low- and moderate-income persons, as defined by HUD), or the City's HUD-specified entitlement grant amount less the City's pro rata share of the Consortium's administrative setaside, and at the City's option (see II.B. above) less the City's pro rata share of the Housing Stability Program;
 2. The City participates in developing the Consortium's Consolidated H&CD Plan by identifying its non-housing community development needs;
 3. The city agrees to abide by Consortium schedules and requirements to receive a pass-through of CDBG funds. The responsibilities of these pass-through jurisdictions are defined in Section X. Participating cities may elect not to receive a direct pass-through but may compete for County and Small Cities Funds, as defined in Section II.D., below.
- D. The funds remaining in the Adjusted Grant Amount after the distribution of the pass-through funds referred to in Section II.C. shall be referred to as the County and Small Cities Fund, and shall be allocated on a competitive basis to projects serving the cities not qualifying to receive or not electing to receive a pass-through, and/or projects serving the unincorporated areas of the County.
- E. If the monies assigned to a project during the period of this Agreement exceed the actual cost of the project, or if the project is later reduced or canceled, then the excess monies or recaptured funds, will be recaptured by the County and will be redistributed as follows:
1. Administrative setaside funds, as defined in Section II.A. and public service setaside as defined in Section II.B. which are recaptured shall be returned to the Consortium and be distributed to the Pass-through Cities and County and Small Cities Funds based on their percentage of the Consortium's low- and moderate-income persons, as defined by HUD.
 2. Funds recaptured from a project funded through a city's pass-through fund, as defined in Section II (C), shall be returned to the City's pass-through fund, unless the City no longer qualifies for a pass-through as provided in Section

II.C.1., in which case the funds shall be returned to the County and Small Cities Fund.

3. Funds recaptured from a project funded through the County and Small Cities Fund, as defined in Section II.D., shall be returned to the County and Small Cities Fund.
- F. Unallocated or recaptured funds from 1987 and prior years (e.g., unallocated or recaptured "Population", "Needs" or "Joint" funds) shall be returned to the Consortium and be distributed to the Pass-through Cities and the County and Small Cities Funds based on their percentage of the Consortium's low- and moderate-income persons, as defined by HUD.
- G. Funds received by a jurisdiction or CDBG subrecipient generated from the use of CDBG funds, hereinafter referred to as program income, shall be returned to the fund which generated the program income as follows, unless an exception is specifically recommended by the Committee and approved by the Metropolitan King County Council:
1. That portion of the program income which is interest or fee income generated through Community Development Interim Loan (CDIL) and Section 108 loan guarantee projects (as provided in Section 108 of the Act), both of which use all or a portion of the Consortium's total available CDBG funds, shall be returned to the Consortium. The funds shall be used for the direct costs (e.g., staff, attorney, and bank fees, advertising costs, contract compliance costs), necessary for the marketing, negotiation, and implementation of the interim loan and 108 loan activities, and for other Consortium-wide or subregional capital projects or programs, including other Consortium-wide economic development projects or programs. Use of the funds shall be recommended by the Committee each year after review by an inter-jurisdictional staff group.
 2. Program income generated from a project (including housing repair) funded through a city's pass-through fund, as defined in Section II.C., shall be returned to the City's pass-through fund, unless the City no longer qualifies for a pass-through as provided in Section II.C.1., in which case the program income shall be returned to the County and Small Cities Fund.
 3. Program income generated from a project (including housing repair) funded through the County and Small Cities Fund, as defined in Section II.D., shall be returned to the County and Small Cities Fund.
 4. Program income generated from projects funded in 1987 (except for housing repair) and prior years shall be returned to the Consortium and be distributed to the Pass-through Cities and the County and Small Cities Funds according to their share of the Consortium's low- and moderate-income persons, as defined by HUD.

III. USE OF FUNDS: GENERAL PROVISIONS

- A. The County and each of the Pass-through Cities shall specify activities and projects which it will undertake with the funds described in Section II. above.
- B. The County and each of the Pass-through Cities shall ensure that CDBG funds are targeted to activities which can document predominant (51%) benefit to low- and moderate-income people and that the overall program meets or exceeds HUD's requirements for the percentage of funds spent to benefit low- and moderate-income persons in King County.
- C. Pass-through Cities may exchange their CDBG funds with other Pass-through Cities for general revenue funds. The use of general revenue funds obtained by a Pass-through City in this manner shall be consistent with the general intent of the community development program, but shall not be considered CDBG program income.
- D. The County and each of the Pass-through Cities shall conduct the appropriate citizen participation activities as required by HUD regulations.
- E. Approval of projects must be secured through formal grant applications (proposals) to King County; approval of activities shall be secured when the annual program is approved or amended.
- F. General administrative costs incurred by Pass-through Cities shall be paid for out of the pass-through or from local funds. Costs incurred in administering specific projects may be included in project costs.

IV. USE OF ADMINISTRATION FUNDS

- A. A Pass-through City may reserve a portion of its entitlement share to cover administrative costs of its local CDBG Program or to fund planning projects, however, this amount must be reserved by spring of each year and will be based upon the City's proportion of low- and moderate-income persons, as defined by HUD.
- B. In addition to the responsibilities outlined in Section X. Pass-through Cities may use additional Pass-through funds to cover part of their administrative costs if:
 - 1. Planning ceiling (the maximum amount allowed by HUD for planning and administration activities which cannot exceed 20% of the annual entitlement plus program income) is available;
 - 2. The City runs a competitive process for the distribution of the CDBG funds; and

3. City staff participate in Consortium-wide planning processes such as development of the Consolidated H&CD Plan and the HOME Consortium Working Group.
- C. Requests from Pass-through Cities to use the balance of planning ceiling, if available, to cover additional administrative costs will take priority over requests for planning projects.
- D. Pass-through City staff who are supported with administrative funds would also be expected to assist in preparing and/or presenting information to the Committee.

V. USE OF PUBLIC SERVICE FUNDS

A Pass-through City may reserve a portion of its entitlement share to cover public service activities; however, the amount must be reserved by spring of each year and will be based upon the City's proportion of low- and moderate-income persons, as defined by HUD.

VI. PROGRAM INCOME

- A. The participating jurisdiction must inform King County of any income generated by the expenditure of CDBG funds received by the participating jurisdiction.
- B. Any such program income is subject to requirements set forth in Section II.G. of this Agreement.
- C. Any program income the participating jurisdiction is authorized to retain may only be used for eligible activities in accordance with all applicable CDBG requirements.
- D. King County has the responsibility for monitoring and reporting to HUD on the use of any such program income and thereby requires appropriate record keeping and reporting by the participating jurisdiction as stated in the signed certification to receive "Pass-through City" status and in each city's contract to receive CDBG planning and administration funds.
- E. In the event of close-out or change in status of the participating jurisdiction any program income that is on hand or received subsequent to the close-out or change in status shall be paid to King County Consortium.

VII. REAL PROPERTY

- A. Participating jurisdictions owning community facilities acquired or improved in whole or in part with CDBG funds must comply with change of use restrictions as required by HUD and the policies adopted by the Committee as found in the Consolidated H&CD Plan.

- B. The participating jurisdiction must notify King County prior to any modification or change in the use of real property acquired or improved in whole or in part with CDBG funds. This includes any modification or change in use from that planned at the time of the acquisition or improvement, including disposition.
- C. The jurisdiction shall reimburse King County in an amount equal to the current fair market value (less any portion thereof attributable to expenditures of non-CDBG funds) of property acquired or improved with CDBG funds that is sold or transferred for a use which does not qualify under the CDBG regulations.
- D. Program income generated from the disposition or transfer of property prior to or subsequent to the close-out, change of status, or termination of the cooperation agreement between the County and the participating jurisdiction shall be subject to the requirements set forth in Section II.G. and Section VI.

VIII. JOINT RECOMMENDATIONS COMMITTEE

A Joint Recommendations Committee shall be established.

- A. Composition. The Committee shall be composed of four County representatives and five Cities representatives. The four County representatives may be Department Directors or their designees, and/or citizen representatives from unincorporated communities. County representatives shall be specified in writing and should, where possible, be the same person consistently from meeting to meeting. The five participating city representatives and their alternates will include city planning directors or comparable level staff, or elected officials. Two city representatives and their alternates will be from the north/east region of the County and two city representatives and their alternates will be from the south region of the County. An additional revolving position on this Committee shall be rotated between the HOME-only cities of Auburn and Bellevue. The revolving position will be non-voting, except on issues related to the King County HOME Consortium and other federal housing-related funds (excluding CDBG).
- B. Appointments. The King County Executive shall appoint the four County representatives (no more than one representative for each unincorporated community or Department). The Suburban Cities Association will select eight different jurisdictions, four to serve as members and four as alternates, who in turn, will assign representatives to this Committee. Terms of office shall be for two years. Priority for one of the positions will be for a small city representative. The revolving HOME position will be appointed annually by the respective jurisdiction. Members of the Committee shall serve at the pleasure of their respective appointing authorities.

The chairperson and vice-chairperson of the Committee shall be chosen from among the members of the Committee by a majority vote of the members for a term of one

year beginning the first meeting of the calendar year. Attendance of five members will constitute a quorum.

C. Powers and Duties. The Committee shall be empowered to:

1. Review and recommend to the King County Executive all policy matters on the Consortium's CDBG and HOME Program including the amount of administrative setaside, priorities governing the use of the public services setaside, and projects or programs to be funded with the program income from community development interim loans and Section 108 loan guarantees (as allowed in Section 108 of the Act).
2. Review, recommend, and endorse the Consolidated H&CD Plan required by HUD.
3. Review plan and program disagreements between the County and participating jurisdictions and offer recommendations to the King County Executive.
4. Review and recommend sanctions to be imposed on cities for failure to meet responsibilities as contained in Section X of this Agreement. Any recommended sanctions will ensure that the City's low- and moderate-income residents continue to benefit from CDBG funds. Sanctions will be imposed to prevent the King County Consortium from losing a share of its entitlement due to participating cities' inability to meet federal requirements.
5. Review and recommend projects for funding under the Section 108 loan guarantee program (as allowed in Section 108 of the Act).
6. Review and recommend projects for funding from the remainder of any new Pass-through City's funds if that new Pass-through City chooses to take only a partial pass-through as provided in Section II.C.4. above.

IX. RESPONSIBILITIES AND DUTIES OF THE KING COUNTY HOUSING AND COMMUNITY DEVELOPMENT PROGRAM STAFF

Those King County Housing and Community Development Program Staff positions which are funded through the administrative setaside, hereinafter referred to as the Staff, serve as staff to all Consortium partners and the Committee and provides liaison between the Consortium and HUD.

A. Responsibilities to the Joint Recommendations Committee. The Staff shall:

1. Solicit and present to the Committee all applicable federal and County policy guidelines, special conditions, and formal requirements related to the preparation of the Consolidated H&CD Plan, and related to administration of the programs under these plans.

2. Prepare and present written materials required by HUD and the Metropolitan King County Council as components of the Consolidated H&CD Plan to be prepared pursuant to this Agreement, including but not limited to: collection and analysis of data; identification of problems, needs and their locations; development of long and short term objectives; consideration of alternative strategies; and preparation of the administrative budget.
3. Prepare and present to the Committee policy evaluation reports or recommendations, and any other material deemed necessary by the Committee to help the Committee fulfill its powers and duties.
4. Collaborate with city staff working groups and present to the Committee specific sanctions to be imposed on cities which fail to meet their responsibilities as contained in Section X and as contained in specific annual agreements.

B. Responsibilities to Jurisdictions Which are Parties to This Agreement.

The County will develop strategic plans which will identify housing and community development needs and objectives to address high priority needs in the balance of the County in accordance with the primary goals and requirements of the Act. The Consolidated H&CD Plan, including the housing and community development objectives will meet the HUD requirement for a Community Development Plan. The objectives and any local program criteria outlined within the Consolidated H&CD Plan will be consistent with local comprehensive plans being developed under the Growth Management Act. The Staff shall:

1. Prepare and present to the King County Executive and Council material necessary for the approval of the County and Small Cities portion of the annual program.
2. Present to the Metropolitan King County Council the Consortium's annual program for adoption.
3. Distribute to participating jurisdictions, prior to any Joint Recommendations Committee decision based upon it, information concerning proposals having implications for Consortium-wide funding as provided in Section II.G.1. above. The County will incorporate jurisdictions' feedback in materials forwarded to the Joint Recommendations Committee or Metropolitan King County Council.
4. Provide regular written reports outlining the outcomes and costs of the Consortium wide Housing Stability and economic development programs such that this information is available for participating jurisdictions' review and comment prior to the Joint Recommendations Committee's decisions on the programs' budgets for the following year, and provide quarterly status reports to the Pass-through Cities on those housing repair programs and capital projects which the County is administering on behalf of the Pass-through Cities.

5. Administer the Consortium's CDBG Program:
 - help to identify needs in communities;
 - provide assistance in interpreting HUD regulations;
 - provide technical assistance to cities as necessary to enable them to meet their responsibilities as partners to the Agreement;
 - assist in the development of viable CDBG proposals;
 - review all proposals for CDBG funding;
 - inform participating jurisdictions in a timely way of the amount of capital dollars available for distribution regionally and the requirements regarding eligibility for them.
 - develop contracts for funded projects in a timely fashion; public (human) services programs have a high priority and will receive authorization to proceed within 15 working days of the beginning of the program year if all relevant information needed to prepare the contract has been submitted;
 - monitor subrecipient and city-funded projects;
 - monitor and enforce compliance with the federal wage and relocation requirements;
 - reimburse all eligible costs;
 - prepare and submit required documents and reports to HUD; and
 - provide oversight of the CDBG Consortium to ensure compliance with all federal requirements.

6. Upon request by a Pass-through City, staff will develop, administer, and implement a city's CDBG-funded contract. Additionally, multi-jurisdictional projects funded by King County and/or one or more cities will be developed and implemented by Staff.

7. King County shall determine, with the advice of representatives from small cities, the use of the County and Small Cities Funds in a manner consistent with the Consolidated H&CD Plan including its local program criteria.

X. RESPONSIBILITIES AND POWERS OF PASS-THROUGH CITIES

In order to receive a direct share of the entitlement, Pass-through Cities participating in this Agreement shall have the following responsibilities and powers:

- A. Pass-through City Councils may adopt local program criteria which will address community development and housing needs in coordination with the Consortium's timeline for consolidated planning effort and which will be consistent with federal

requirements, Consortium-wide policies and local comprehensive plans being developed under the Growth Management Act.

- B. Notify the County of the citizen participation activities undertaken by local jurisdictions as well as any changes made by the jurisdiction to funded CDBG activities in a timely manner as referenced under Section III(D).
- C. Each Pass-through City shall exercise local discretion in determining the use of its pass-through funds in a manner that (1) is consistent with the Consolidated H&CD Plan, (2) recognizes the federal requirement at 24 CFR Part 570.2 that a minimum of 70% of the funds be spent on activities benefiting primarily low and moderate income persons, and (3) is in accordance with the Consortium's schedule for submission to HUD.
- D. City legislative bodies shall approve or disapprove via motion or resolution all CDBG activities, locations, and budgets submitted by Pass-through City staff. Notice of these actions are to be forwarded to the County in a timely manner.
- E. Pass-through City staff shall review all project proposals for consistency with federal threshold requirements and Consortium-wide policies prior to submission to the County, and ensure that all relevant information necessary to prepare a contract is submitted to the County in a timely manner.
- F. Pass-through City staff shall assist in the development of the Consortium-wide Consolidated H&CD Plan which includes housing and other community development needs, resources, objectives, and adopted projects.
- G. Pass-through City staff shall implement CDBG-funded projects within the program year and submit both vouchers and required reports to the County in a complete and timely manner.
- H. Pass-through City staff shall participate in other Consortium-wide planning activities such as HOME policy development and monitoring the Housing Stability Program.
- I. Pass-through City staff shall collaborate with County staff working group and present to the Committee specific sanctions to be imposed on cities which fail to meet their responsibilities as contained in this section and as contained in specific annual agreements.
- J. Each Pass-through City shall examine its role in recognizing and addressing regional or Consortium-wide needs and may participate in a coordinated funding approach with other jurisdictions and the County to serve their residents.

XI. RESPONSIBILITIES OF OTHER CONSORTIUM CITIES

Other Consortium cities must apply for funds through the annual County and Small Cities application process. The Small Cities shall:

- A. Coordinate with County Staff in identifying community development needs and local program criteria for addressing them.
- B. Prepare applications for CDBG funds to address local needs.
- C. Obtain city council authorization for proposed projects.
- D. Carry out funded projects in a timely manner.

XII. RESPONSIBILITIES OF ALL PARTICIPATING JURISDICTIONS

- A. Each participating jurisdiction shall fulfill to the County's satisfaction all relevant requirements of federal laws and regulations which apply to King County as applicant, including assurances and certifications described in Section XIV(D).
- B. Each participating jurisdiction or cooperating unit of general local government has adopted and is enforcing:
 1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
 2. A policy enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of non-violent civil rights demonstrations within jurisdictions.
- C. Pursuant to 24 CFR 570.501(b), all participating units of local government are subject to the same requirements applicable to subrecipients, excluding the County's Minority and Women Business Enterprises requirements. The applicable requirements include, but are not limited to, a written agreement with the County which complies with 24 CFR 570.503 and includes provisions pertaining to the following items: statement of work; records and reports; program income; uniform administrative items; other program requirements; conditions for religious organizations; suspension and termination; and reversion of assets.
- D. All participating units of local government understand that they may not apply for grants under the federal Small Cities or State CDBG Programs which receive separate entitlements from HUD during the period of participation in this Agreement. Consortium cities which do not receive a direct pass-through of CDBG funds may apply for grants under the County and Small Cities Fund.

- E. All units of local government participating in the CDBG urban county through this agreement understand that they are also part of the urban county for the HOME program, and may participate in a HOME program only through the urban county.

XIII. RESPONSIBILITIES AND POWERS OF KING COUNTY ON BEHALF OF THE CONSORTIUM

King County shall have the following responsibilities and powers:

- A. The Metropolitan King County Council shall have authority and responsibility for all policy matters, including the Consolidated H&CD Plan, upon review and recommendation by the Committee.
- B. The Metropolitan King County Council shall have authority and responsibility for all fund allocation matters, including the approval of the annual administrative setaside and the approval and adoption of the Consortium's annual CDBG Program.
- C. The King County Executive shall have the authority and responsibility to approve requested changes to the adopted annual CDBG Program in the following circumstances:
1. The requested change is to a Pass-through City's portion of the adopted annual program, and the change is requested by the legislative body of the Pass-through City; or
 2. The requested change is in the County and Small Cities portion of the adopted annual program, and it is limited to a change of project scope or change of project implementor in a specific project, and it is requested by the subrecipient, and the change is made in consultation with the Councilmember in whose district the project is located.
- D. The King County Executive, as administrator of this CDBG Program, shall have authority and responsibility for all administrative requirements for which the County is responsible to the federal government.
- E. The King County Executive shall have authority and responsibility for all fund control and disbursements.
- F. Notwithstanding any other provision contained in this Agreement, the County as the applicant for CDBG funds has responsibility for and assumes all obligations as the applicant in the execution of this CDBG Program, including final responsibility for selecting activities and annually submitting Action Plans with HUD. Nothing contained in this Agreement shall be construed as an abdication of those responsibilities and obligations.

XIV. GENERAL TERMS

- A. This Agreement shall extend through the 2000, 2001, and 2002 program years, and will remain in effect until the CDBG funds and program income received with respect to activities carried out during the three-year period are expended and the funded activities completed. This agreement will be automatically renewed for participation in successive three-year qualification periods, unless the County or the City provides written notice that it wishes to amend or elects not to participate in the new qualification period by the date set forth by the United States Department of Housing and Urban Development in subsequent Urban County Qualification Notices. King County, as the official applicant, shall have the authority and responsibility to ensure that any property acquired or assisted with CDBG funds is disposed of or used in accordance with federal regulations.
- B. Pursuant to 24 CFR Part 570.307(d)(2), during the period of qualification no included unit of general local government may terminate or withdraw from the agreement while it remains in effect.
- C. It is understood that by signing this Agreement the jurisdictions shall agree to comply with the policies and implementation of the Consolidated H&CD Plan.
- D. Parties to this Agreement must take all required actions necessary to assure compliance with King County's certification required by Section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, including Title VI of the Civil Rights Act of 1964, (Title III of the Civil Rights Act), the Fair Housing Act as amended, Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, the Americans with Disabilities Act of 1990, and other applicable laws.
- E. No CDBG funds shall be expended for activities in, or in support of any participating city that does not affirmatively further fair housing within its own jurisdiction or that impedes the County's actions to comply with its fair housing certification.
- F. It is recognized that amendment of the provisions of this Agreement may become necessary, and such amendment shall take place when all parties have executed a written addendum to this Agreement. The City and the County agree to adopt any amendments to the agreement incorporating changes necessary to meet the requirements for cooperation agreements set forth in an Urban County Qualification Notice applicable for a subsequent three-year qualification period, and to submit such amendment to the United States Department of Housing and Urban Development. Failure to adopt such amendment will void the automatic renewal of such qualification period.
- G. Calculations for determining the number of low- and moderate-income persons residing in the County and cities shall be based upon official HUD approved 1990 Census data, and on the official annual estimates of populations of cities, towns and

communities published by the State of Washington Office of Program Planning and Fiscal Management.

- H. Participating jurisdictions shall be considered to be those jurisdictions which have signed this Agreement.
- I. Jurisdictions undertaking activities and/or projects with CDBG funds distributed under this Agreement retain full civil and criminal liability as though these funds were locally generated.
- J. King County retains environmental review responsibility for purposes of fulfilling requirements of the National Environmental Policy Act, under which King County may require the local incorporated jurisdiction or contractor to furnish data, information, and assistance for King County's review and assessment in determining whether King County must prepare an Environmental Impact Statement.
- K. Jurisdictions retain responsibility in fulfilling the requirements of the State Environmental Policy Act under which King County has review responsibility only.

CITY OF _____

KING COUNTY, WASHINGTON

Signature of Chief Executive Officer

for Ron Sims, County Executive

Name and Title (printed)

Date: _____

Date: _____