



CITY OF LAKE FOREST PARK

CITY COUNCIL

AGENDA COVER SHEET

Meeting Date	November 7, 2024
Originating Department	Executive
Contact Person	Phillip Hill, City Administrator
Title	2025-2026 King County Regional Homelessness Authority (KCRHA) Memorandum of Understanding (MOU)

Legislative History

- First Presentation – KCRHA 2025-2026 MOU Introduction - November 7, 2024 – City Council Regular Meeting
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Attachments:

1. Memorandum of Understanding with KCRHA for 2025-2026 funding
 2. Memorandum from KCRHA with funding recommendations
 3. 2023-2024 King County Regional Homelessness Authority Memorandum of Understanding
 4. KCRHA ILA – Agreement For Homeless Services – North King County Cities along with ILA with King County & City of Seattle
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Executive Summary

At the December 8, 2022, Regular City Council Meeting, Council approved the Interlocal Agreement with the KCRHA (ILA), conditioning the execution of the ILA on a subsequent MOU identifying the services supported by the funding commitment of the City, in the north end sub-region, during the 2023/2024 biennium. Council subsequently approved the MOU in February 2023. The term of the first MOU expires at the end of 2024, necessitating a new MOU should the Council desire to continue funding the severe weather shelter or some other need.

This new MOU provides four options for the City to allocate funding, including, Option 1, continued funding of the severe weather shelter.

Background

Through the ILA, the City committed funding to the KCRHA to provide services for people experiencing homelessness countywide. The Administration identified the source of funding as the Affordable/Supportive Housing budget found on page 30 of the Adopted 2023-24 Biennial Budget. The revenue stream in this budget is a result of House Bill 1406 from the 2019 Legislative session which allocated up to 0.0146% local sales tax credited against the state sales tax for housing investments.

By entering into the ILA, the City agreed to provide funding on a per-capita basis of \$1.20 per resident. With an April 2022 Revised Office of Financial Management population estimate of 13,620, this equates to an annual allocation of \$16,344. The City began receiving funds in 2021 and had amassed a fund balance of \$24,880 to begin the 2023/2024 biennium and will receive roughly \$25,000 during future biennia. This provides the necessary funding for the program through the 2025/2026 biennium and with a small contribution outside of this fund for the 2027/2028 biennium. This assumes no increase in revenue and a modest increase of 3.5% in expenses for each biennium.

	21/22	23/24	25/26	27/28
Revenue	\$ 24,880	\$ 25,000	\$ 25,000	\$ 25,000
Fund Balance	\$ 24,880	\$ 49,880	\$ 42,192	\$ 33,360
Expenditure (3.5% scaler)		\$ 32,688	\$ 33,832	\$ 35,016
Delta		\$ 17,192	\$ 8,360	\$ (1,656)

Fiscal & Policy Implications

Sufficient funds exist to continue supporting this program. With a 3.5% anticipated scaler, the 2025-2026 biennial cost is \$164.00 less than projected.

Alternatives

<i>Options</i>	<i>Results</i>
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Staff Recommendation

Review the Draft MOU between the City of Lake Forest Park and the King County Regional Homelessness Authority and provide direction to the Administration on a form for the Final MOU allocating City funds.