



# CITY OF LAKE FOREST PARK

## CITY COUNCIL

### AGENDA COVER SHEET

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<b>Meeting Date</b>	November 17, 2022
<b>Originating Department</b>	Executive
<b>Contact Person</b>	Phillip Hill, City Administrator
<b>Title</b>	King County Regional Homelessness Authority Interlocal Agreement

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#### Legislative History

- First Presentation November 17, 2022 – City Council Special Meeting
  - Second Presentation December 10, 2022 – City Council Regular Meeting
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#### Attachments:

1. Draft, King County Regional Homelessness Authority Interlocal Agreement
  2. Interlocal Agreement for the Establishment of the King County Regional Homelessness Authority between King County and the City of Seattle
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#### Executive Summary

Originally crafted by King County Executive Constantine and City of Seattle Mayor Durkan, the King County Regional Homelessness Authority (KCRHA) was formed to oversee policy, funding, and services for people experiencing homelessness countywide. The legislation approved by both councils includes an Interlocal Agreement between the city and the county that signals unprecedented collaboration between the two governments and the members of King County's other cities represented through the Sound Cities Association.

The Interlocal Agreement (ILA) before Council would facilitate the City of Lake Forest Park becoming a Partner City for the upcoming 2023/2024 Biennium.

#### Background

Through this proposed ILA, the City would be committing funding to the KCRHA to provide services for people experiencing homelessness countywide. If Council chooses to enter into the proposed ILA, the Administration has identified the source of funding as the Affordable/Supportive Housing budget found on page 30 of the Mayor's Proposed 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. The funding came in increments of 0.0073%, the first half available by action of the Council and the second half through a simple the majority vote of city residents. The cost of placing the item on the ballot would have been equivalent to approximately 6-years' worth of funding so the decisions was made not to pursue that portion. To access the funds, the City Council adopted Resolution 1752.

The ILA anticipates 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 has amassed a fund balance of \$24,880 to begin the 2023/2024 biennium and will receive roughly \$25,000 during the biennium. 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.

	<b>21/22</b>	<b>23/24</b>	<b>25/26</b>	<b>27/28</b>
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)

## **ILA Key Components**

### **Article V**

Section 1. Documentation of all costs incurred providing services readily available for review by Partner Cities.

Section 3. Provide an annual report to each Partner City, including services provided to residents of the city.

### **Article VIII**

Section 1. Withdrawal. Commitment is to each biennium. Must withdraw by September 30, preceding the next biennium.

Section 2. Termination. If Partner City loses funding source, the agreement may be terminated with 90 days prior written notice.

Section 3. Effect of Termination or Expiration. Unused funds returned to Partner City and existing contracts funded by Partner City funds assigned to City or terminated. (for Cities in the first ILA with existing contracts, see Exhibit A)

### **Exhibit B**

Funding – LFP has no existing contracts, so funding is calculated at \$1.20 per capita. (April 2022 Revised OFM 13,620) \$16,344 annually

The Administration has not accepted the proposed language bolded at the bottom of this exhibit. While it is not anticipated that the City would contract with another outside organization for homeless services, this language suggests a level of involvement by the KCRHA that would not best serve contract negotiations. Deletion of this proposed language would not preclude the City from informing the

authority as to why additional resources are needed within the City, in addition to and outside of those provided through this ILA.

**Fiscal & Policy Implications**

There are sufficient funds in the 2023/2024 Proposed Biennial Budget to support this program.

**Alternatives**

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

Review the DRAFT Interlocal Agreement between the City of Lake Forest Park and the King County Regional Homelessness Authority and provide the Administration with any requests for clarification or additional information.