



CITY OF LAKE FOREST PARK

CITY COUNCIL

AGENDA COVER SHEET

Meeting Date	December 8, 2022
Originating Department	Executive
Contact Person	Phillip Hill, City Administrator
Title	Resolution 1876/Authorizing the Mayor to sign the Agreement For Homeless Services with the King County Regional Homelessness Authority

Legislative History

- First Presentation November 17, 2022 – City Council Special Meeting
 - Second Presentation December 8, 2022 – City Council Regular Meeting
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Attachments:

1. Resolution 1876
 2. Proposed Agreement for Homeless Services
 3. Interlocal Agreement for the Establishment of the King County Regional Homelessness Authority between King County and the City of Seattle
 4. Draft MOU between the City of Lake Forest Park and the King County Regional Homelessness Authority
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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 Agreement for Homeless Services ("Agreement") before Council would facilitate the City of Lake Forest Park becoming a Partner City for the upcoming 2023/2024 Biennium. As the 5-year plan is

overly broad, and the sub-regional plans have yet to be drafted, it is recommended that either an MOU or MOA be entered into between the City and KCRHA as a condition prior to the Mayor signing the Agreement. The MOU/MOA would be brought before the Council in early 2023 for review and approval and would contain details on services supported by the funding commitment of the City, in the north end sub-region, during the 2023/2024 biennium.

Background

Through this proposed Agreement, 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 Agreement, 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 Agreement 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.

	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)

Agreement's 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 Agreement 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 Agreement.

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>
Approval of the agreement with conditions	First step in the City participating in the funding of homelessness resources along the north end. MOU would be brought back before Council in Q1 of 2023.
Do not approve the agreement	The administration will continue working on an agreement to address the concerns of the Mayor and City Council for future consideration.

Staff Recommendation

Review the proposed Agreement for Homeless Services with the King County Regional Homelessness Authority, conditioning the Mayor's execution of the document on agreement by both parties on allocation and expenditure of City funds through an MOU.