



King County

Housing, Homelessness and Community Development Division

Department of Community and Human Services

401 Fifth Avenue, Suite 500
Seattle, WA 98104

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May 24, 2023
VIA EMAIL

The Honorable Salim Nice, Mayor
City of Mercer Island
9611 SE 36th Street
Mercer Island, WA 98040
salim.nice@mercerisland.gov

RE: INTERLOCAL COOPERATION AGREEMENT RENEWAL

Dear Mayor Nice,

I am writing to you regarding the continued participation by the City of Mercer Island in the King County Community Development Block Grant (CDBG) Consortium, the King County HOME Investment Partnerships (HOME) Program Consortium, and the Regional Affordable Housing Program (RAHP) Consortium. The Interlocal Cooperation Agreements (ICA) for the CDBG Consortium and HOME Consortium cover 2015-2017, which were renewed with no changes for years 2018 – 2020 and 2021-2023. This letter is to notify you that these ICAs will be automatically renewed for the years 2024-2026 unless you notify King County and the United States Department of Housing and Urban Development (HUD) that the City of Mercer Island has decided to **not** participate in one or both of them during the 2024-2026 term.

King County Code, Title 24, Chapter 13 (KCC 24.13) sets out the framework for King County to enter into consortia relationships through interlocal cooperation agreements to partner in the distribution and administration of funds made available through the HUD and affordable housing funds established by Section 36.22.178 of the Revised Code of Washington (RCW).

Pursuant to KCC 24.13, it is the policy of King County to partner and form urban county consortia with the cities and towns in King County outside of the City of Seattle¹ for the HUD-administered CDBG and HOME programs. As a member of the King County CDBG Consortium, your city will also participate with King County regarding the distribution and administration of federal Emergency Solutions Grant (ESG) funds. In addition, King County also partners with all cities and towns in King County for Regional Affordable Housing Program (RAHP) document recording surcharge fee funds for affordable housing, governed by RCW 36.22.178, which requires the County to enter into Interlocal agreements.

¹ As a large metropolitan city, Seattle receives an independent allocation of CDBG, ESG and HOME Program funds directly from HUD.

The King County Housing, Homelessness, and Community Development Division administers the CDBG, ESG, HOME, and RAHP Consortia funds on behalf of the participating city members and staffs of the inter-jurisdictional Joint Recommendations Committee (JRC) of the consortia. The JRC reviews and recommends policy matters and project selections concerning consortia funds to the King County Executive.

Benefits of Continued Participation in the King County CDBG Consortium

Participation in the King County CDBG Consortium is advantageous for the following reasons:

- Low- and moderate-income homeowners in your city can apply for home repair grants or loans;
- Low- and moderate-income residents who are homeless or at risk for homelessness may be eligible for assistance to help them remain in their homes or to move into permanent housing;
- Nonprofit organizations that serve residents of your city can apply for funds to acquire, construct and/or rehabilitate human service facilities or housing that serve low- and moderate-income residents;
- Nonprofit organizations that serve residents of your city can apply for funds for human service programs that serve low- and moderate-income residents;
- Your city can apply for CDBG funds for public infrastructure and park projects that serve low- and moderate-income neighborhoods; and
- Your city can participate in the city/county staff work group that develops recommendations for the Joint Recommendations Committee on specific projects to receive CDBG funds, as well as program guidelines.

If your city chooses to remain with the urban county, it is ineligible to apply for grants under the State CDBG program while it is part of the urban county.

Benefits of Continued Participation in the King County HOME Consortium

Participation in the HOME Consortium is advantageous for the following reasons:

- Your city and affordable housing developers serving your city may apply for HOME funds to help meet locally identified affordable housing needs, including affordable rental housing and first-time homeownership programs through the County's process;
- Your city and affordable housing developers serving your city may apply for HOME funds to support the rehabilitation and preservation of affordable housing in your jurisdiction;
- Your city can participate in the city/county staff working group that develops recommendations for the inter-jurisdictional Joint Recommendations Committee on specific projects to receive HOME funds, as well as program guidelines; and
- Your city is a participant in the ESG program as the urban county receives ESG funding.

RAHP Agreement

The RAHP Agreement governs the administration of funds for housing affordable to households at or below 50 percent of AMI. The RAHP agreement has an automatic renewal clause that allows it to renew for subsequent three-year periods and is renewing without changes for the 2024-2026 period. The RAHP Guidelines may be updated through the JRC by recommendations from the RAHP Planning group.

Next Steps

If your city decides not to participate in the King County CDBG and HOME Consortium for the 2024-2026 term, you must notify the County and HUD in writing no later than June 24, 2023. A decision to not participate would be effective for the entire three-year period (January 1, 2024–December 31, 2026) unless your city were to specifically request to be included in a subsequent year for the remainder of the three-year period.

If King County and HUD do not receive a notice of your decision to not participate by the **June 24th deadline**, the City of Mercer Island will continue participating in the Consortium. The existing ICAs include automatic renewal provisions, and no further action is needed at this time.

If your city decides not to participate in the King County CDBG Consortium and/or the King County HOME Consortium, please send written notification to:

King County Housing, Homelessness, and Community Development Division
ATTN: Simon Foster, Division Director
401 Fifth Avenue, Suite 500
Seattle, WA 98104

and

John W. Peters, Director
U.S. Department of Housing and Urban Development
Office of Community Planning and Development
909 First Avenue, Suite 300
Seattle, WA 98104-1000

Mayor Nice
May 24, 2023
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We look forward to your continued participation in the King County Consortia and thank you for your attention to this matter.

Sincerely,

Simon P. Foster

Simon P. Foster
Division Director

cc: Leo Flor Director, DCHS
John W. Peters, Director, Office of Community Planning and Development, U.S. Department of Housing and Urban Development
Kristin Pula, Capital Programs Manager, HHCDD, DCHS
Laurie Wells, Community Development Lead Program Manager, HHCDD, DCHS
Jenny Huston, Executive Program Assistant IV, King County Executive's Office
Kelly Rider, Chief of Staff, DCHS
Karan Gill, Deputy Chief of Staff, King County Executive's Office





2024-2026 ICA Renewal Mercer Island17171

Final Audit Report

2023-05-23

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