City of Kenmore

City of Kenmore - 18120 68th Avenue NE Kenmore, WA 98028 Phone: 425-398-8900
Agendas also available at www.kenmorewa.gov E-mail: cityhall@kenmorewa.gov

City Council Meeting Agenda

February 8, 2021, 7 PM via Zoom

LINK:https://us02web.zoom.us/j/81037971604

Or iPhone one-tap :

US: +12532158782,,81037971604# or +13462487799,,81037971604#

Or Telephone: Dial US:US: +1 253 215 8782

Webinar ID: 810 3797 1604

I. CALL MEETING TO ORDER - 7 PM

II. ROLL CALL

III. FLAG SALUTE

IV. AGENDA APPROVAL

V. PROCLAMATION

A. Black History Month February 2021 to be accepted by Community Leader Maurice Leary

VI. PRESENTATION

A. Republic Services Winter 2021 Update with guest Russell Joe, Municipal Relationship Manager
Republic Services January 2021 Presentation

VII. PUBLIC COMMENTS

A. We want to welcome our community members to the Council's meeting. In this forum, the Council cannot engage or dialogue with the public; the primary role of the Council is to listen. All comments must be addressed to the Mayor and City Council. Please use the "raise hand" feature if you wish to speak. The Clerk will acknowledge your request and call your name when it is your turn. Your time will start when we confirm that we can hear you. Please state your name, city of residence for the record and keep your comments to the allotted time. Your time cannot be granted to another and your clock time will not be reset unless there are extenuating circumstances *and* the Presiding Officer has expressly allowed it. Screen-sharing is not allowed; you can submit materials to the Council or Clerk in advance. This meeting is being recorded. Thank you for taking the time express your comments.

VIII. CONSENT AGENDA

A. Minutes:
City Council January 19, 2021 Meeting

B. Approve Check #s 46593 through 46639 in the amount of $1,477,086.66.
Voucher Approval Report dated 1-16-21

C. Ratify the Amended Pandemic and Public Health Emergency Response and Recovery Proclamation 20-02.3
Agenda Bill - Family First Coronavirus Response Act Extension
Amendment - Pandemic Policy Proclamation 20-02.3 - (December 2020)

D. Authorize City Manager to execute Contract No. 21-C2677 with King County to accept 2021-2022 Waste Reduction & Recycling Grant Funds
Agenda Bill -King County Waste Reduction & Recycling Grant
Draft KCWRR Agreement 21-C2677

E. Cancel February 16, 2021 Council Meeting

IX. BUSINESS AGENDA

A. A Regional Coalition for Housing (ARCH) 2021 Work Program & Budget; 2021 Housing Trust Fund Projects, presented by Nancy Ousley and ARCH Representative, *for Approval*
Agenda Bill - ARCH
ARCH Budget and Work Program
ARCH Housing Trust Fund Recommendation Amended 2.2.21 (uploaded 2.3.21)
2020 HTF Recommendations Presentation (uploaded 2.4.21)

X. STAFF REPORT

XI. COUNCILMEMBER REPORTS & COMMENTS

XII. ADJOURNMENT

UPCOMING MEETINGS:

A. February 22, 2021 - 7PM
March 8, 2021 - 7PM
March 15, 2021 - 7 PM

City of Kenmore, Washington
Proclamation

WHEREAS, Black History Month is meant to recognize and pay tribute to the many contributions of Black and African Americans to this history, society, and culture of the United States of America; and

WHEREAS, through bravery, perseverance, faith and resolve – often in the face of prejudice and hardship – Black and African Americans have enhanced and advanced every aspect of American life; and

WHEREAS, for over two and a half centuries, Black and African Americans have struggled against the cruelties of slavery, discrimination in housing, the workplace, academic institutions, colleges, and universities, have faced disproportionately economic hardships and social inequalities; and

WHEREAS, despite extraordinary human trials, Black and African Americans have fiercely, lovingly, and courageously shaped American society and values through service, leadership, intellectual power, and the development of moral character in every walk of life, enterprise; and

WHEREAS, this nation is strengthened and enriched by citizens of every race, religion, color, and creed. This month, we celebrate the cultural heritage, diverse contributions, and unbreakable spirit of Black and African Americans; and

WHEREAS, Black History Month challenges us to learn from the deeds of people of national and local renown, as well as Black and African Americans in every walk of life who have contributed to their country and communities in ways that make them American heroes; and

WHEREAS, Black History Month summons every member of our Kenmore community to strive and build on togetherness, cultural awareness, celebrating our diversity, celebrating our intersectionality, for a future that does not compromise any American's right to equality and access to the quest for knowledge, economic achievement, spiritual development, and cultural richness;

NOW, THEREFORE, I, David Baker, Mayor of the City of Kenmore, on behalf of the City Council, do hereby proclaim February 2021 *"Black History Month"* in the City of Kenmore. The City makes this proclamation to celebrate the Black and African American community and as an affirmation of the City's commitment to protect and serve everyone who resides in, works in, or visits Kenmore without discrimination and of its belief in the dignity, equality, and civil rights of all people.

IN WITNESS WHEREOF, signed this 8th day of February 2021.

Signed:_____________________
Mayor David Baker

Attested:_________________________
City Clerk Anastasiya Warhol

Community Support Update

Kenmore Update – Winter 2021

Russell Joe
Municipal Relationship Manager

Natalie Caulkins
Recycling Coordinator

REPUBLIC SERVICES

Priority on Safety and Community Outreach

Protecting Kenmore and our employees with proper PPE

Additional and more frequent cleaning and sanitation procedures

Despite high residential volumes, drivers 39% more safe than industry average

Secret Santa Kenmore Elementary gift drive

Public education to address contamination and better recycling practices

Deployed measures to protect employees and ensure continued community involvement

Shifting Volumes from Pandemic

Small and large container volumes decreased dramatically as businesses, bars, restaurants and schools closed.

Residential volumes increased as much as 30% during the shelter-in-place weeks.

- Residents forced to remain home
- More family with children home from college and school
- Increased amounts of aluminum, plastic and glass
- Long standing increases in e-commerce and at-home delivery

Residential volume increases drive additional costs due to added routes and disposal

Environmental Education Research Center

Preliminary design sketch of the Environmental Education Research Center (EERC)

2020: In lieu of gift baskets, redirected funds as $200 donation to nonprofits, including EERC

2021: Republic Services committed to funding approx. $5,000 to increase public education

Educational events such as Earth Day and American Recycles Day

Producing up-to-date educational materials from the ground up

Partnering to provide an engaging, interactive community center for recycling education and civic engagement at Saint Edwards State Park.

Kenmore Secret Santa – Six Years of Giving

Despite working from home, we still rallied together

Drivers, accountants, administrators, and operations staff contributed

About 40 wishes were fulfilled for 10 children

Republic Services is not just a waste hauler, we are also a community partner. We hope these gifts brought comfort to the families, knowing others care.

Commitment to City of Kenmore

SAFETY

Safety Amplified

0
Goal: Employee Fatalities

39%
Reduce our OSHA Total Recordable Incident Rate (TRIR) to maintain high safety rate that is 39% higher than our competitors

Sustainability Innovation Focus

CLIMATE LEADERSHIP

Education and Outreach

EERC
Funding commitment from Republic Services for 2021

Events
Recycling outreach for Earth Day event and America Recycles Day

2020 Funding
Provided special 2020 seed money

COMMUNITIES

Charitable Giving

Kenmore Secret Santa
Six years of fulfilling wishes for low-income families

24
Republic Services employees participated in the toy drive

~40
Holiday wishes fulfilled

Republic Services is committed to the successful, thriving community of Kenmore.

Russell Joe
Municipal Relationship Manager

e: Rjoe@RepublicServices.com
c: (425) 503-5994

Natalie Caulkins
Recycling Coordinator

e: Ncaulkins@republicservices.com
p: (425) 646-2432

City of Kenmore
City Council Meeting
Special Meeting Minutes
January 19, 2021

These minutes are created to capture Council action. This is not a verbatim transcript. Meeting video and audio is available on the City YouTube channel.

CALL SPECIAL MEETING TO ORDER:

Mayor Baker called the meeting to order at 7:00 p.m. via Zoom.

PRESENT:

Councilmembers:	Mayor David Baker Deputy Mayor Nigel Herbig Councilmember Joe Marshall *via phone* Councilmember Debra Srebnik Councilmember Corina Pfeil Councilmember Melanie O'Cain Councilmember Angela Kugler *delayed entrance, audio issue*
Staff:	City Manager Rob Karlinsey City Clerk Anastasiya Warhol City Attorney Curtis Chambers City Engineer John Vicente Senior Civil Engineer Ken Vaughan Community Development Director Debbie Bent Principal Planner Lauri Anderson Environmental Services Director Richard Sawyer
Speaking Guests:	Outgoing Planning Commissioner Mike Mulcare Suzanne Greathouse – Planning Commissioner Tracy Banaszynski – Planning Commissioner Mark Ohrenscchall – Planning Commission Mike Vanderlinde – Planning Commission Nathan Loutsis – Planning Commission Dwight Thompson – Planning Commission John Peeples, Kenmore Resident Janet Hays, Kenmore Resident David Morton, Redmond Resident Suzanne (no last name given), Kenmore Resident Elizabeth Mooney, Kenmore Resident

FLAG SALUTE

Mayor Baker led the flag salute.

CONSENT AGENDA

A. Minutes: January 4 Special Meeting
January 4, 2021 Special Meeting Minutes

B. Authorize the City Manager to execute the 2020 King Conservation District Member Jurisdiction Grant Contract No. 20-C2665 in the amount of $198,000 for Squire's Landing Waterfront & Natural Open Space Access Project
Agenda Bill - KCD Grant Authorization
KCD Grant Contract
KCD Contract Exhibit

C. Authorize the City Manager to Execute Agreement 20-C2233 in an amount not to exceed $299,999 for stormwater system cleaning, vactor services, and pipe inspection.
Agenda Bill - Stormwater System Cleaning/Vactor Contract

MOTION: Councilmember Pfeil moved to approve the consent agenda as presented, including the items listed above. Deputy Mayor Herbig seconded the motion.
VOTE: 7 Yes, 0 No, 0 Abstain. MOTION CARRIED.

BUSINESS AGENDA

A. **Bid Award: Authorize the City Manager to execute Contract 20-C2143 with KLB Construction in the amount of $9,805,000 to construct the 68th Avenue NE Pedestrian and Bicycle Safety Improvements (T-42) Project, presented by City Engineer John Vicente,** ***for Discussion and Authorization***

Senior Civil Engineer Kent Vaughan offered a short presentation regarding the project timeline and the lowest responsible bidder.

MOTION: Deputy Mayor Herbig moved to Authorize the City Manager to execute Contract 20-C2143 with KLB Construction in the amount of 9,805,000 to construct the 68th Avenue NE Pedestrian and Bicycle Safety Improvements Project. Councilmember O'Cain seconded the motion.
VOTE: 7 Yes, 0 No, 0 Abstain. MOTION CARRIED.

B. **Microsoft Air Quality Sensors Update, presented by Environmental Services Director Richard Sawyer, *for Discussion***

Environmental Services Director Richard Sawyer offered an update o the Air Quality Sensors and data. He presented to the Council and public where on the City website this information will continue to be shared.

C. **Joint Meeting with the Planning Commission; Review recommendations on affordable housing process. Presented by the Planning Commission and Development Services Director Debbie Bent, *for Discussion***

Community Services Director Debbie Bent and Principal Planner Lauri Anderson welcomed the Planning Commission to the discussion. The Planning Commission presented to the council recommendations on the affordable housing process. The Council affirmed the direction of the Planning Commission and encouraged them to continue the work.

STAFF REPORTS

ADJOURNMENT

Mayor Baker adjourned the special meeting at approximately 8:41 p.m.

____
David Baker, Mayor

ATTEST:

____
Anastasiya Warhol, City Clerk

Voucher Certification and Approval

City of Kenmore
DATE RANGE:
01/16/2021 - 01/22/2021

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and the the claim is a just, due and unpaid obligation against the City of Kenmore and that I am authorized to authenticate and certify to said claim. The following checks and electronic payments are approved for payment:

Total Check #s 46593 through 46639: $1,477,086.66

1-25-21
City Manager / Date

1/25/2021
Finance Director / Date

Vendor Name	Check #	Date	Description	Amount
AGORA REFRESHMENTS	46593	01/22/2021	City Hall Filtered Water Services	151.66
AMERICAN PLANNING ASSOCIATION	46594	01/22/2021	Membership 4/1/21 - 3/31/22	668.00
AMERICAN PUBLIC WORKS ASSOCIATION	46595	01/22/2021	2/1/21 - 1/31/22 Membership Dues	1,640.00
AMERICAN SOCIETY OF COMPOSERS	46596	01/22/2021	2021 Music Licensing	367.00
ASSOCIATION OF WA CITIES	46597	01/22/2021	2021 AWC Retro Safety Alliance	1,537.16
ASSOCIATION OF WA CITIES	46598	01/22/2021	2021 AWC Drug & Alcohol Consortium	475.00
ASSOCIATION OF WA CITIES	46599	01/22/2021	2021 Membership Dues	17,510.00
CARAHSOFT TECHNOLOGY CORPORATION	46600	01/22/2021	Cost Allocation Software	3,630.00
CASCADE PEST CONTROL	46601	01/22/2021	Monthly Rhododendron Park Pest Control	143.00
CECCANTI, INC.	46602	01/22/2021	19-C1977 Dec. W. Samm. Bridge Construction	865,124.43
CITY OF LAKE FOREST PARK	46603	01/22/2021	2021 Emergency Management Coalition	49,950.00
COMCAST BUSINESS	46604	01/22/2021	1/10-2/9/21 Squire's Landing Internet	69.95
COMCAST BUSINESS	46605	01/22/2021	1/14-2/13/21 City Hall Cable & Internet	152.09
DGR DEVELOPMENT, INC.	46606	01/22/2021	Refund Deposit PRJ17-0089/ENG18-0809	7,500.00
GRANICUS LLC	46607	01/22/2021	2021 Website Host - Communications Cloud	14,890.46
HONEY BUCKET	46608	01/22/2021	1/11-2/7/21 PW Yard Rental	156.75
INTERNATIONAL CITY/CNTY MGMT ASSOC	46609	01/22/2021	N. Ousley 2021 Membership	1,365.48
INTERNATIONAL INST OF MUNI CLERKS	46610	01/22/2021	2021 City Clerk Membership	210.00
KBA INC.	46611	01/22/2021	18-C1846 Dec. W. Samm. Bridge Prof. Svcs	65,429.49
KING COUNTY POLICE CHIEFS ASSOCIATION	46612	01/22/2021	2021 Annual Dues	50.00
MSPT XXII, LLC C/O FLYWAY	46613	01/22/2021	Jan. Hangar/Town Square Trash Svc.	500.00
MSPT XXII, LLC C/O FLYWAY	46614	01/22/2021	Feb. Pre-Pay Hangar/Town Square Trash Svc.	500.00

MSPT XXII, LLC C/O FLYWAY	46615	01/22/2021	Mar. Pre-Pay Hangar/Town Square Trash Svc.	500.00
NATIONAL LEAGUE OF CITIES	46616	01/22/2021	2021 Dues	1,563.00
PIXELEYES GRAPHICS & DESIGN	46617	01/22/2021	Newsletter Printing	780.00
PUGET SOUND CLEAN AIR AGENCY	46618	01/22/2021	2021 Clean Air Assessment	19,396.00
QUADIENT LEASING USA, INC.	46619	01/22/2021	1/27-4/26/21 Postage Machine Lease	710.14
QUALITY BUSINESS SYSTEMS INC.	46620	01/22/2021	10/1/20-12/31/20 1st Fl. Copier B/W & Color	560.01
SESAC	46621	01/22/2021	2021 Music License Fee	483.00
SHERWIN WILLIAMS CO. #8099	46622	01/22/2021	Hangar Painting Supplies	111.75
SOUND CITIES ASSOC	46623	01/22/2021	2021 Membership Dues	15,539.29
STAN YAO	46624	01/22/2021	Refund Deposit PRJ2006-036/ENG16-0476	7,804.00
STAPLES ADVANTAGE	46625	01/22/2021	Fleet Vehicles/Zip Ties	96.84
STAPLES ADVANTAGE	46626	01/22/2021	Hangar Maintenance Supplies/Gloves	13.08
STAPLES ADVANTAGE	46627	01/22/2021	City Hall Maintenance Supplies/Gloves	10.81
STAPLES ADVANTAGE	46628	01/22/2021	City Hall Maint. Supplies/Sanitizer/Gloves	709.88
STAPLES ADVANTAGE	46629	01/22/2021	Vacuum Bags for Public Works Office	13.55
TRAVELERS	46630	01/22/2021	#2826G8235 Stephanie Bond Notary Dues	40.00
TRAVELERS	46631	01/22/2021	#2663G4235 Anastasiy Warhol Notary Dues	40.00
UNITED STATES POSTMASTER	46632	01/22/2021	Postage-send to Consolidated Press for Newsletter	1,828.98
VERIZON WIRELESS	46633	01/22/2021	Cell Phone Chgs	233.23
WA ASSOC OF BUILDING OFFICIALS	46634	01/22/2021	2021 Dues	95.00
WA ASSOC. OF SHERIFFS & POLICE CHIEFS	46635	01/22/2021	2021 Dues - Chief Brandon Moen	180.00
WA CITIES INSURANCE AUTHORITY	46636	01/22/2021	2021 Liability/Program Assessments	382,432.00
SOFTWAREONE, INC.	46637	01/22/2021	2021 Microsoft Office 365 Annual Licenses	11,908.84
SOFTWAREONE, INC.	46638	01/22/2021	Void - Incorrect Amount	-
SOFTWAREONE, INC.	46639	01/22/2021	2021 Microsoft Office 365 Annual Licenses/Addtl. Chg.	16.79
TOTAL				$ 1,477,086.66

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Amendment to the Pandemic and Public Health Emergency Response and Recovery Proclamation 20-02 Move to: Ratify the Amended Pandemic and Public Health Emergency Response and Recovery Proclamation 20-02.3	For Council Meeting Agenda of: Feb. 8, 2021 Department: City Manager's Office Prepared by: Rob Karlinsey, City Manager Initial & Date Approved by City Attorney: KW via email Approved by Finance Director: ____LS______ Approved by City Manager: ___RGK___ Exhibits/Attachments: Pandemic and Public Health Emergency Response and Recovery Proclamation 20-02.3

INFORMATION/BACKGROUND:

At the March 5, 2020 City Council meeting, the Kenmore City Council adopted Proclamation 20-02, approving the Pandemic and Public Health Emergency Response and Recovery Policy. The proclamation has since been amended twice by the City Council, on April 27th and July 13th of 2020.

A number of City employees have been utilizing the pandemic-related leave benefit under the Families First Coronavirus Response Act (FFCRA) that was passed by Congress last spring. The benefit provides employees up to ten (10) days of emergency paid sick leave and up to twelve (12) weeks of public health emergency leave (the first two weeks unpaid) in connection with pandemic-related medical and childcare needs. Any time-off not qualifying under the FFCRA may be covered by the employee's use of accrued City leave or leave without pay.

This leave benefit expired on its own terms on December 31, 2020. Although Congress did not extend the FFCRA, in December 2020 it passed another relief package that allows for employers to voluntarily extend "FFCRA-like" leave benefits through March 31, 2021.

In late December 2020, the City Manager signed Emergency Proclamation 20-02.3 allowing for the FFCRA leave benefits offered by the City to be extended through March 31, 2021. This proclamation also clarifies the return-to-work requirements for employees who may have been infected with COVID-19.

Proclamation 20-02.3~~2~~ – Amendment:
Pandemic and Public Health Emergency Response and Recovery

1. PURPOSE: The purpose of this policy is to provide guidance and establish procedures in the event a pandemic illness or public health emergency is expected to, or currently is taking place, which may affect the operations of the City of Kenmore and/or pose a risk to the health or safety of staff and the community at large.

2. SCOPE: This policy applies to all City of Kenmore departments and employees.

3. DEFINITIONS:

   A. Outbreak: a widespread occurrence of an infectious disease in a community at a particular time with a hospitalization and/or mortality rate significantly higher than the common flu.
   B. Pandemic: a disease that is prevalent over a region, country, or the world.
   C. Families First Coronavirus Response Act (FFCRA): Federally mandated leave program, ~~through~~ voluntarily extended by the City through ~~December~~ March 31, ~~2020~~2021, that provides for Emergency Paid Sick Leave (EPSL) and Public Health Emergency Leave (PHEL).

4. REFERENCES:
   A. Chapter 7.05 RCW – Local Health Departments
   B. Chapter 7.08 RCW – Combined City-County Health Departments
   C. Chapter 70.26 RCW – Pandemic Influenza Preparedness
   D. RCW 38.52.070 – Emergency Powers
   E. Chapter 8.30 KMC – Emergency Operations Plan
   F. City of Kenmore Comprehensive Emergency Management Plan
   G. City of Kenmore Personnel Policies
   H. Washington Department of Health: doh.wa.gov
   I. Public Health – Seattle & King County: www.kingcounty.gov/depts/health.aspx
   J. Families First Coronavirus Response Act under the authority of the U.S. Department of Labor Wage and Hour Division

5. POLICY: It is the policy of the City of Kenmore to take all appropriate measures needed to address a pandemic and protect public health. Protecting the community and City staff is a top priority and this policy establishes some of the actions that may be taken, and the

authority, granted to address a pandemic.

6. PROCEDURES: The following procedures are established to minimize disease exposure and maintain continuity of City operations in the event that a pandemic becomes a threat to the health or safety of City employees, their families, and the community at large.

   A. Declaration of Pandemic and/or Public Health Emergency: Public health professionals at organizations such as the Centers for Disease Control and Prevention (CDC), Washington State Public Health Department, Washington State Governor, and/or King County/Seattle Public Health Department may declare that a pandemic, outbreak, or public health emergency exists. Such declarations may contain instructions or recommendations to both private and public sector entities. The City will follow all mandatory instructions and will implement recommendations to the extent it determines these to be applicable and/or feasible or practicable under the particular circumstances.

   B. Procedures to help minimize the spread of germs: Employees are urged to practice standard Non-Pharmaceutical Interventions ("NPI's"), including covering coughs by coughing into a tissue or, if a tissue is not available, into their elbows, regular hand washing, regular use of alcohol hand sanitizer, and avoiding touching eyes, nose, or mouth. Hands and work surfaces should be disinfected frequently. Employees are also urged to utilize social distancing such as maintaining a distance of six feet from others when practical to do so.

   C. Proclamation of Emergency/Disaster Due to Pandemic: Upon the City's proclamation of emergency/disaster due to pandemic, the following shall apply:

      i. Employees who have a communicable illness or are experiencing flu-like symptoms (as then-defined by the applicable health authorities), are prohibited from coming to work and are encouraged to consult their physician.

      ii. Employees reporting to work who exhibit symptoms of a communicable illness will be sent home and encouraged to consult their physician. Unless otherwise prohibited by law, the employee shall be required to utilize accrued leave, if any, pursuant to adopted Personnel Policies or applicable collective bargaining agreement if they are sent home due to symptoms of an illness.

      iii. If the illness of an employee or member of an employee's household interferes with reporting to work in a timely manner, the employee is responsible for notifying their supervisor pursuant to the provisions of the Personnel Policies or applicable collective bargaining agreement. Employees must not return to work until they have been free of illness symptoms (fever, chills, sore throat, etc.) for at least 24 hours (or ~~any longer applicable incubation period determined by the appropriate health authority) or are deemed no longer infectious by a medical professional~~as otherwise provided for in applicable guidelines published by the appropriate health authorities).

iv. Except as otherwise provided or prohibited by law, employees are required to first utilize their accrued sick leave and then any other accrued paid time off (vacation leave, compensatory time, or floating holidays) while recovering from, or caring for a spouse or dependent recovering from, illness.

v. If the school or place of care of an employee's child is closed due to pandemic, the employee may use accrued sick leave (or other accrued paid time off, to the extent the employee does not have sufficient sick leave), to care for the child.

vi. Employees may donate accrued sick leave to employees who do not have enough accrued leave balances to cover their absence, in accordance with the City's shared leave policy.

vii. When quarantine of an employee is ordered by State or County Health Officials due to a pandemic illness, employees may use accrued sick leave (or other accrued paid time off, to the extent the employee does not have sufficient sick leave) for the period of quarantine.

~~vii.~~viii. In response to the Covid-19 pandemic, the City provides emergency paid sick leave and public health emergency leave in accordance with the FFCRA.

~~viii.~~ix. At the discretion of the City Manager or designee, City Hall may alter its business practices, hours of business, and services provided. Examples of potential measures that could be taken include but are not limited to:

a. The City may implement temporary emergency procedures to minimize in-person contact between employees. Such measures may include greater use of e-mail, phone, and teleconferences as opposed to in-person meetings and contact.

b. Reduced Reception and Front Counter Service: The City may alter how it conducts business with the public by limiting or halting services at counters/areas of the City Hall and other facilities where front-line services are typically provided.

c. Partial Work from Home Schedules: Some staff may be permitted or assigned to work from home.

d. Full or partial City Hall Closure: City Hall may be partially or fully closed. During closure, staff who are able to reasonably work from home, whether in full or partial shifts, will be allowed to do so, and City managers and supervisors will coordinate this directly with the subject employees. To the extent they are not able to fully or partially work from home, staff will be provided leave in accordance with the provisions of the Families First Coronavirus Response Act (FFCRA), to the extent applicable. If FFCRA is not applicable, employees may use their accrued paid time off benefits in connection with absences due to City Hall closure. If the employee does not have accrued paid time off, the employee may be granted an unpaid leave of absence in accordance with normal City policy.

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic:	For Council Meeting Agenda of: February 8, 2021
2021-2022 King County Waste Reduction & Recycling Grant funding	Department: Public Works Prepared by: Jennifer Gordon, Public Works Operations Manager Initial & Date Approved by Department Head: JG 1.14.21 Approved by City Attorney: N/A Approved by Finance Director: Approved by City Manager: RK 1.14.21
Proposed Council Action/Motion: **Authorize City Manager to execute contract 21-C2677 with King County to accept 2021-2022 Waste Reduction & Recycling Grant funds.**	**Exhibits/Attachments:** Draft Agreement Contract 21-C2677

INFORMATION/BACKGROUND:

King County and the City of Kenmore adopted the 2001 King County Comprehensive Solid Waste Management Plan, which includes waste reduction and recycling goals. To help meet these goals, the King County Solid Waste Division has established a waste reduction and recycling grant program for the cities that operate under the King County Comprehensive Solid Waste Management Plan. This program provides funding to further the development and/or enhancement of local waste reduction and recycling projects and for broader resource conservation projects that integrate with waste reduction and recycling programs and services. This grant program does not fund household hazardous waste collection activities. Program eligibility and grant administration terms are discussed in the Grant Guidelines, attached to the Agreement as Exhibit B and incorporated by reference. Grant funding for this program is subject to the budget approval process of the King County Council.

Grant funding approved by the King County Council is available to all King County cities that operate under the King County Comprehensive Solid Waste Management Plan. The City will spend its grant funds to fulfill the terms and conditions set forth in the scope of work, which is attached to the Agreement as Exhibit A. The County expects that any information and/or experience gained through the grant program by the City will be shared with the County and other King County cities.

FISCAL CONSIDERATION:
100% grant funding; no local City funds will be used to support the residential recycling events.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED: Environmental Stewardship

CPA # 6203481

INTERAGENCY AGREEMENT FOR 2021 and 2022

Between

KING COUNTY and the CITY OF KENMORE

This two-year Interagency Agreement “Agreement” is executed between King County, a Charter County and political subdivision of the State of Washington, and the City of Kenmore, a municipal corporation of the State of Washington, hereinafter referred to as "County" and "City" respectively. Collectively, the County and City will be referred to as “Party” or “Parties.”

PREAMBLE

King County and the City of Kenmore adopted the 2019 King County Comprehensive Solid Waste Management Plan (Comp Plan), which includes waste reduction and recycling goals. In order to help meet these goals, the King County Solid Waste Division has established a waste reduction and recycling grant program for the cities that operate under the Comp Plan . This program provides funding to further the development and/or enhancement of local waste reduction and recycling projects and for broader resource conservation projects that integrate with waste reduction and recycling programs and services. This grant program does not fund household hazardous waste collection activities. Program eligibility and grant administration terms are discussed in the Grant Guidelines, attached to this Agreement as Exhibit B and incorporated herein by reference. Grant funding for this program is subject to the budget approval process of the King County Council.

Grant funding approved by the King County Council is available to all King County cities that operate under the Comp Plan. The City will spend its grant funds to fulfill the terms and conditions set forth in the scope of work, which is attached hereto as Exhibit A and incorporated herein by reference. The County expects that any information and/or experience gained through the grant program by the City will be shared with the County and other King County cities.

I. PURPOSE

The purpose of this Agreement is to define the terms and conditions for funding to be provided to the City by the County for waste reduction and recycling programs and/or services as outlined in the scope of work and budget attached as Exhibit A.

II. RESPONSIBILITIES OF THE PARTIES

The responsibilities of the Parties to this Agreement shall be as follows:

A. The City

1. Funds provided to the City by the County pursuant to this Agreement shall be used to provide waste reduction and recycling programs and/or services as outlined in Exhibit A. The total amount of funds available from this grant in 2021 and 2022 shall not exceed **$31,076**.

2. This Agreement provides for distribution of 2021 and 2022 grant funds to the City. However, grant funds are not available until January 1, 2021.

3. During this two-year grant program, the City will submit a minimum of two (2), but no more than eight (8), progress reports to the County in a form determined by the County. Reports must be signed by a City official. These reports will include:

    a. a description of each activity accomplished pertaining to the scope of work; and

    b. reimbursement requests with both a Budget Summary Report Form, which is attached hereto as Exhibit D and incorporated herein by reference, and an Expense Summary Form, which is attached hereto as Exhibit E and incorporated herein by reference, unless the City has a spreadsheet similar to the Expense Summary Form already in use, in which case the City is free to use that spreadsheet instead of the Expense Summary Form. The City will submit the form or similar spreadsheet and not submit backup documentation for grant expenses. If backup documentation is submitted, SWD will not retain it. The City shall maintain this documentation in its records.

    If the City chooses to submit up to the maximum of eight (8) progress reports and requests for reimbursement during the two-year grant program, they shall be due to the County on the last day of the month following the end of each quarter (April 30, July 31, October 31, January 31), except for the final progress report and request for reimbursement, which shall be due by March 17, 2023.

    If the City chooses to submit the minimum of two progress reports and requests for reimbursement during the two-year grant program, they shall be due to the County by March 18, 2022 and March 17, 2023.

    Regardless of the number of progress reports the City chooses to submit, in order to secure reimbursement, the City must provide in writing to the County by the 5th working day of January 2022 and January 2023, the dollar amount of outstanding expenditures for which the City has not yet submitted a reimbursement request.

4. If the City accepts funding through this grant program for the provision of waste reduction and recycling programs and projects for other incorporated areas of King County, the City shall explain the relationship with the affected adjacent city or cities that allows for acceptance of this funding and the specifics of the proposed programs and projects within the scope of work document related thereto.

5. The City shall be responsible for following all applicable Federal, state, and local laws, ordinances, rules, and regulations in the performance of work described herein. The City assures that its procedures are consistent with laws relating to public contract bidding procedures, and the County neither incurs nor assumes any responsibility for the City's bid, award, or contracting process.

6. During the performance of this Agreement, neither the City nor any Party subcontracting under the authority of this Agreement shall discriminate on the basis of race, color, sex, religion, nationality, creed, marital status, sexual orientation, age, or presence of any sensory, mental, or physical handicap in the employment or application for employment or in the administration or delivery of or access to services or any other benefits under this Agreement as defined by King County Code, Chapter 12.16.

7. During the performance of this Agreement, neither the City nor any Party subcontracting under the authority of this Agreement shall engage in unfair employment practices as defined by King County Code, Chapter 12.18. The City shall comply fully with all applicable federal, state, and local laws, ordinances, executive orders and regulations that prohibit such discrimination. These laws include, but are not limited to, RCW Chapter 49.60 and Titles VI and VII of the Civil Rights Act of 1964.

8. The City shall use recycled paper for the production of all printed and photocopied documents related to the fulfillment of this Agreement. The City shall use both sides of paper sheets for copying and printing and shall use recycled/recyclable products wherever practical.

9. The City shall maintain accounts and records, including personnel, financial, and programmatic records, and other such records as may be deemed necessary by the County, to ensure proper accounting for all project funds and compliance with this Agreement. All such records shall sufficiently and properly reflect all direct and indirect costs of any nature expended and service provided in the performance of this Agreement.

   These records shall be maintained for a period of six (6) years after termination hereof unless permission to destroy them is granted by the Office of the State Archivist in accordance with RCW Chapter 40.14. These accounts shall be subject to inspection, review, or audit by the County and/or by federal or state officials as so authorized by law.

10. The City shall maintain a record of the use of any equipment that costs more than $1,000 and is purchased with grant funds from King County for a total period of three (3) years. The records shall be compiled into a yearly evaluation report, a copy of which shall be submitted to King County by March 31 of each year through the year 2025.

11. The City agrees to credit King County on all printed materials provided by the County, which the City is duplicating, for distribution. Either King County's name and logo must appear on King County materials (including fact sheets, case studies, etc.), or, at a minimum, the City will credit King County for artwork or text provided by the County as follows: "artwork provided courtesy of King County Solid Waste Division" and/or "text provided courtesy of King County Solid Waste Division."

12. The City agrees to submit to the County copies of all written materials which it produces and/or duplicates for local waste reduction and recycling projects which have been funded through the waste reduction and recycling grant program. Upon request, the City agrees to provide the County with a reproducible copy of any such written materials and authorizes the County to duplicate and distribute any written materials so produced, provided that the County credits the City for the materials.

13. The City will provide the King County Project Manager with the date and location of each Recycling Collection Event provided by the City, as well as copies of any printed materials used to publicize each event, as soon as they are available but no later than thirty (30) days prior to the event. If there is any change in the date or the location of an event, the City will notify the County a minimum of thirty (30) days prior to the event. If the event brochure is required for admission to the City's event, the City is exempt from having to provide the brochure to King County.

14. If the City accepts funding through this grant program for the provision of recycling collection events for adjacent areas of unincorporated King County, the City shall send announcements of the events to all residences listed in the agreed upon areas listed in Exhibit A. The announcements and all other printed materials related to these events shall acknowledge King County as the funding source.

15. This project shall be administered by Jennifer Gordon, Public Works Operations Manager, or designee.

B. <u>The County</u>:

1. The County shall administer funding for the waste reduction and recycling grant program. Funding is designated by the city and is subject to the King County Council's budget approval process. Provided that the funds are allocated through the King County Council's budget approval process, grant funding to the City will include a base allocation of $10,000 per year with the balance of funds to be allocated according to the City's percentage of King County's residential and employment population. However, if this population based allocation formula calculation would result in a city receiving less than $10,000 per year, that city shall receive an additional allocation that would raise their total grant funding to $10,000 per year.

2. Within forty-five (45) days of receiving a request for reimbursement from the City, the County shall either notify the City of any exceptions to the request which have been identified or shall process the request for payment. If any exceptions to the request are made, this shall be done by written notification to the City providing the reason for such exception. The County will not authorize payment for activities and/or expenditures which are not included in the scope of work and budget attached as Exhibit A, unless the scope has been amended according to Section V of this Agreement. King County retains the right to withhold all or partial payment if the City's report(s) and reimbursement request(s) are incomplete (i.e., do not include proper documentation of expenditures and/or adequate description of each activity described in the scope of work for which reimbursement is being requested), and/or are not consistent with the scope of work and budget attached as Exhibit A.

3. The County agrees to credit the City on all printed materials provided by the City to the County, which the County duplicates, for distribution. Either the City's name and logo will appear on such materials (including fact sheets, case studies, etc.), or, at a minimum, the County will credit the City for artwork or text provided by the City as follows: "artwork provided courtesy of the City of Kenmore" and/or "text provided courtesy of the City of Kenmore."

4. The County retains the right to share the written material(s) produced by the City which have been funded through this program with other King County cities for them to duplicate and distribute. In so doing, the County will encourage other cities to credit the City on any pieces that were produced by the City.

5. The waste reduction and recycling grant program shall be administered by Lucy Auster, Project Manager, King County Solid Waste Division, or designee.

III. DURATION OF AGREEMENT

This Agreement shall become effective on either January 1, 2021 or the date of execution of the Agreement by both the County and the City, if executed after January 1, 2021, and shall terminate on June 30, 2023. The City shall not incur any new charges after December 31, 2022. However, if execution by either Party does not occur until after January 1, 2021, this Agreement allows for disbursement of grant funds to the City for County-approved programs initiated between January 1, 2021 and the later execution of the Agreement provided that the City complies with the reporting requirements of Section II.A of the Agreement.

IV. TERMINATION

A. This Agreement may be terminated by King County, in whole or in part, for convenience without cause prior to the termination date specified in Section III, upon thirty (30) days advance written notice.

B. This Agreement may be terminated by either Party, in whole or in part, for cause prior to the termination date specified in Section III, upon thirty (30) days advance written notice. Reasons for termination for cause may include but not be limited to: nonperformance; misuse of funds; and/or failure to provide grant related reports/invoices/statements as specified in Section II.A.3. and Section II.A.4.

C. If the Agreement is terminated as provided in this section: (1) the County will be liable only for payment in accordance with the terms of this Agreement for services rendered prior to the effective date of termination; and (2) the City shall be released from any obligation to provide further services pursuant to this Agreement.

D. Nothing herein shall limit, waive, or extinguish any right or remedy provided by this Agreement or law that either Party may have in the event that the obligations, terms and conditions set forth in this Agreement are breached by the other Party.

V. AMENDMENTS

This Agreement may be amended only by written agreement of both Parties. Amendments to scopes of work will only be approved if the proposed amendment is consistent with the most recently adopted King County Comprehensive Solid Waste Management Plan. Funds may be moved between tasks in the scope of work, attached as Exhibit A, only upon written request by the City and written approval by King County. Such requests will only be approved if the proposed change(s) is (are) consistent with and/or achieves the goals stated in the scope and falls within the activities described in the scope.

VI. HOLD HARMLESS AND INDEMNIFICATION

The City shall protect, indemnify, and hold harmless the County, its officers, agents, and employees from and against any and all claims, costs, and/or issues whatsoever occurring from actions by the City and/or its subcontractors pursuant to this Agreement. The City shall defend at its own expense any and all claims, demands, suits, penalties, losses, damages, or costs of any kind whatsoever (hereinafter "claims") brought against the County arising out of or incident to the City’s execution of, performance of, or failure to perform this Agreement. Claims shall include but not be limited to assertions that the use or transfer of any software, book, document, report, film, tape, or sound reproduction or material of any kind, delivered hereunder, constitutes an infringement of any copyright, patent, trademark, trade name, and/or otherwise results in unfair trade practice.

VII. INSURANCE

A. The City, at its own cost, shall procure by the date of execution of this Agreement and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with performance of work pursuant to this Agreement by the City, its agents, representatives, employees, and/or subcontractors. The minimum limits of this insurance shall be $1,000,000 general liability insurance combined single limit per occurrence for bodily injury, personal injury, and property damage. If the policy has an aggregate limit, a $2,000,000 aggregate shall apply. Any deductible or self-insured retentions shall be the sole responsibility of the City. Such insurance shall cover the County, its officers, officials, employees, and agents as additional insureds against liability arising out of activities performed by or on behalf of the City pursuant to this Agreement. A valid Certificate of Insurance and additional insured endorsement is attached to this Agreement as Exhibit C, unless Section VII.B. applies.

B. If the Agency is a Municipal Corporation or an agency of the State of Washington and is self-insured for any of the above insurance requirements, a written acknowledgement of self-insurance is attached to this Agreement as Exhibit C.

C. If the Agency is a Municipal Corporation or an agency of the State of Washington and is a member of the Washington Cities Insurance Authority (WCIA), a written acknowledgement/certification of current membership is attached to this Agreement as Exhibit C.

VIII. ENTIRE CONTRACT/WAIVER OF DEFAULT

This Agreement is the complete expression of the agreement of the County and City hereto, and any oral or written representations or understandings not incorporated herein are excluded. Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver of breach of any provision of this Agreement shall not be deemed to be waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of this Agreement unless stated to be such through written approval by the County, which shall be attached to the original Agreement.

IX. TIME IS OF THE ESSENCE

The County and City recognize that time is of the essence in the performance of this Agreement.

X. SEVERABILITY

If any section, subsection, sentence, clause or phrase of this Agreement is, for any reason, found to be unconstitutional or otherwise invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions.

XI. NOTICE

Any notice required or permitted under this Agreement shall be deemed sufficiently given or served if sent to the King County Solid Waste Division and the City at the addresses provided below:

Lucy Auster, Project Manager, or a provided designee
King County Solid Waste Division
Department of Natural Resources and Parks
Lucy.auster@kingcounty.gov

If to the City:

Jennifer Gordon, Public Works Operations Manager, or a provided designee
City of Kenmore
18120 68th Avenue NE
Kenmore, WA 98028

IN WITNESS WHEREOF this Agreement has been executed by each Party on the date set forth below:

City of Kenmore	**King County**
______________________________	BY______________________________
Rob Karlinsey, City Manager	Pat D. McLaughlin, Director Solid Waste Division
	For Dow Constantine, King County Executive
______________________________	______________________________
Date	Date

Exhibit A
King County Waste Reduction and Recycling Grant Program
City of Kenmore
2021/22 Scope of Work

A. Basic Information

1. City of Kenmore

2. Grant project manager:

Jennifer Gordon
Public Works Operations Manager
City of Kenmore
18120 68th AVE NE
Kenmore, WA 98028-0607
TEL – (425) 398-8900
FAX - (425) 481-3236
Email - jgordon@kenmorewa.gov

3. Contractor name:

Olympic Environmental Resources
4715 SW Walker Street
Seattle, WA 98116
TEL - (206) 938-8262
Email – pauldevine@msn.com

4. 2021/22 Budget: $31,076.00

B. Scope of Work

1. Task One: Recycling Collection Events

A. Schedule - Spring and Fall, 2021/22

B. Task Activities

- Total Number of Recycling Collection Events – Four
- Materials to be collected:
  - Appliances
  - Refrigerators and Freezers+
  - Ferrous Metals
  - Non-ferrous Metals
  - Tires+
  - Lead Acid Batteries
  - Household Batteries
  - Porcelain Toilets and Sinks+
  - Propane Tanks+

- Mattresses+
- Cardboard
- Reusable Household Goods++
- Textiles++
- Bulky Yard Debris
- Clean Scrap Wood
- Electronic Equipment
- Shredded Paper

+User fees apply
++If service provider is available

- The following educational materials will be distributed:
  - Information on City Recycling Programs.
  - Educational Materials produced by King County Department of Natural Resources and Local Hazardous Waste Management Plan.
  - Other educational materials as appropriate.

- Event promotional methods
  - By distributing a promotional flyer through direct mailings to Kenmore residents.
  - By notices in City newsletters (whenever possible).
  - By posting a notice at City Hall and on the City cable channel and City web site (if available).
  - By publicizing the event through the King County Solid Waste Division Promotional Activities.

C) Task evaluation. Event reports will include:

- Number of vehicles attending
- Volume of each material collected
- Event cost by budget category
- Event comments
- Graphic or tabular comparison of 2021/22 volumes and vehicles with prior year's events.

D) Task Performance Objectives:

The City plans to send out approximately 6,600 promotional flyers to Kenmore households per event and publicize the event through King County promotional activities, including County websites and telephone assistance. The City anticipates collecting 150-175 tons of material from the local waste stream per year. The benefits expected by the collection of these materials will be to divert them from the waste stream and process them for recycling. The event will also provide an opportunity to recycle moderate risk waste. The King County Health Department and Washington State Department of Ecology will pay for event expenses as well.

E) Task Impact Objectives:

By hosting Recycling Collection Events, Kenmore can reduce the amount of recyclable material finding their way to the local landfill. The City of Kenmore has a population of approximately 23,320. The City expects, based on past events, that 1,750-2,000 households will actively participate each year by bringing recyclable materials to the event for proper disposal and recycling. This will result in 150-175 tons of material diverted from the local waste stream for recycling per year.

In addition to diverting materials from the City waste stream, attracting residents to events provides an opportunity to distribute educational material on City and King County recycling programs. The educational materials can enhance the knowledge of residents and improve behavior in purchase, handling, and disposal of recyclable materials.

Exhibit B

2021-2022 WRR Grant Guidelines - Revised

Program Eligibility:
The King County Solid Waste Division (SWD) SWD has updated the WRR Recycling Case Studies document (Attachment 3) and created a WRR Case Studies Summary (Attachment 4), which include many creative and innovative project ideas for WRR Grant proposals/scopes of work. These case studies offer ideas for influencing waste prevention and recycling consistent with Title 10 of King County Code, the King County Strategic Climate Action Plan, and the King County 2019 Comprehensive Solid Waste Management Plan, all of which have policies to achieve Zero Waste of Resources by 2030. SWD strongly encourages consideration of these projects in the development of grant proposals and encourages Cities to leverage WRR grant funds with multi-City projects.

Grant funds may be used for a variety of WRR related programs consistent with the Comp Plan. Cities are encouraged to work together to leverage funds and have a greater influence on waste prevention and recycling. Cities may choose to use their funding on one program or a combination of programs. For WRR program ideas, please refer to the Case Studies, which includes the examples below.

Examples of innovative projects:

- City Development of Contracts for "Responsible Recycling."
- King County Solid Waste Division Market Development for Recycled Materials.
- King County Climate Action Through Low Embodied Carbon Purchasing.
- King County SWD: Multicultural Recycling Outreach - Recicla Mas! Es Fascilisimo.
- Regional Code Development for C&D Diversion.
- Purchase School Milk Dispensers and Reusable Cups to Replace Single-use Milk Cartons.
- City of Auburn Commercial Food Waste Outreach.
- City of Bellevue Recycling Unusual of Bulky Items.
- City of Kirkland Organics Contamination Enforcement – Cart Tagging

Please contact Lucy Auster at 206-477-5268 or lucy.auster@kingcounty.gov if you have questions about specific program eligibility and/or consistency with the Comp Plan.

The following are not eligible for funding:

- Collection of garbage, except for residual garbage related to the collection of recyclables.
- Household Hazardous Waste (HHW) education programs.
- Collection of any household hazardous waste items including, but not limited to:
  treated wood, paint, lead acid batteries, oil, gasoline, and antifreeze, fluorescent lights.

Cities should pursue funding for HHW collection or education programs through the King County Hazardous Waste Management Program (Haz Waste) or the Washington State Department of Ecology Local Solid Waste Financial Assistance (LSWFA) Program.

Grant Administration

Requests for Reimbursement:

Cities may submit one request for reimbursement per year during the funding cycle, due no later than March 18, 2022 and March 17, 2023. Alternately, cities may submit requests for reimbursement as frequently as quarterly. A Budget Summary Report Form and an Expense Summary Report Form must be used when submitting requests for reimbursement and will be provided to Cities when the grant agreements are executed.

Accrual Reporting:

By the 5th working days of January 2022 and January 2023, Cities must notify SWD of the amount of their total expenditures for work that has been completed but for which a request for reimbursement has not yet been submitted, so that SWD can accrue the amounts.

Progress Reports

Progress reports describing program activities, accomplishments, and evaluation results must accompany each request for reimbursement. All progress reports must be signed by a City official. Signed reports may be scanned and emailed.

Amendments

Formal amendments to grant Interagency Agreements (IAAs) are unnecessary unless the City wishes to significantly change its scope of work and/or budget. In general, a significant change would be one in which the City wishes to add or delete a task from their scope of work. A minor change, such as moving dollars between tasks, would only require written notification, which may be submitted via e-mail. However, the City should contact SWD when considering changes to their scopes and budgets to determine if a formal amendment is needed.

SWD has streamlined the amendment process to make it easier for Cities to make changes. A City wishing to amend it scope of work will send an email to Lucy Auster with a revised scope of work, including the following:

- A brief description of any new tasks, the amount, and the start and end dates.
- A brief description of additional work you will do in any existing task you wish to move funds into from another task, the amount, and start and end dates.
- A brief description of work currently in your scope that you will not be doing, the amount that will either be going to a new task or moving to an existing task and if so which one, and a start date.

Any work included in the new scope still needs to be consistent with the Comp Plan. Once the new scope of work is approved, SWD will follow up with a unilateral amendment to your agreement, which does not require City signature.

WA cities
Insurance Authority

P.O. Box 88030
Tukwila, WA 98138
Phone: 206-575-6046
Fax: 206-575-7426
www.wciapool.org

10/23/2020 **Ref#:** 13019

King County Solid Waste Division
Attn: Lucy Auster
201 S Jackson St., Suite 701
Seattle, WA 98104

Re: City of Kenmore
2021-22 WRR Grants

Evidence of Coverage - Exhibit C

The City of Kenmore is a member of the Washington Cities Insurance Authority (WCIA), which is a self-insured pool of over 160 public entities in the State of Washington.

WCIA has at least $4 million per occurrence limit of liability coverage in its self-insured layer that may be applicable in the event an incident occurs that is deemed to be attributed to the negligence of the member. Liability coverage includes general liability, automobile liability, stop-gap coverage, errors or omissions liability, employee benefits liability and employment practices liability coverage.

WCIA provides contractual liability coverage to the City of Kenmore. The contractual liability coverage provides that WCIA shall pay on behalf of the City of Kenmore all sums which the member shall be obligated to pay by reason of liability assumed under contract by the member.

WCIA was created by an interlocal agreement among public entities and liability is self-funded by the membership. As there is no insurance policy involved and WCIA is not an insurance company, your organization cannot be named as an additional insured.

Sincerely,

Rob Roscoe
Deputy Director

cc: Joanne Gregory
Jennifer Gordon

Exhibit D

BUDGET SUMMARY REPORT FORM

2021-2022 Waste Reduction & Recycling Grant Program

City: ____________________ Date: ____________________

Address: ____________________ Phone: ____________________

____________________ Invoice #: ____________________

____________________ Report Period: ____________________

Preparer's Name: ____________________ Contract #: ____________________

Total amount requested this period: ____________

Total amount previously invoiced: ____________

Original interlocal amount: ____________

Total amount charged to date: $ -

Amount remaining for completion of interlocal: $ -

Task #	Scope of Work Description (Task/title)	Budget	Current Quarter Costs	Amount Previously Invoiced	Remaining Balance
1					$ -
2					$ -
3					$ -
4					$ -
5					$ -
6					$ -
7					$ -
	TOTALS	$ -	$ -	$ -	$ -

For King County Use

Contract # 0

Project 1126942 Org 720122 Exp.Account 54150 Task 22.000'

Purchase Order # ________ Requisition # ________ Receipt ________

Supplier # ________ Supplier Pay Site ________ Invoice # ________ Payment Type ________

Total charges this period are approved for paymen $ ____________

Project Manager: ____________ Date ____________

Exhibit D

Exhibit E

King County Waste Reduction Recycling Grant **Expense Summary Form**
2021-2022 Grant Cycle
City of ____________
Reimbursement Request # _______
Date _____________
Contract # _________

Task Title & No.	Vendor	Date of Service	Item Description	Invoice No.	Amount Paid
Total					0

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: A Regional Coalition for Housing (ARCH) 2021 Work Program & Budget; 2021 Housing Trust Fund Projects	For Council Meeting Agenda of: 8 February 2021 Department: Executive Prepared by: Nancy Ousley, Assistant City Manager Initial & Date Approved by Department Head: NKO 25 JAN 2021 Approved by City Attorney: N/A Approved by Finance Director: [signature] Approved by City Manager: RMK
Proposed Council Actions/Motions: Motion to Approve the ARCH 2021 Budget and Work Program Motion to Approve Recommended Housing Trust Fund Projects	Exhibits/Attachments: 1. 2021 ARCH Work Program and Budget 2. 2021 Housing Trust Fund Projects

INFORMATION/BACKGROUND:

A Regional Coalition for Housing (ARCH) is comprised of fifteen East King County cities and King County. Through the technical assistance to its members on housing policy and plan development, combined with ARCH Housing Trust Fund investments, ARCH helps local jurisdictions meet the obligations of the Growth Management Act to provide for housing opportunities that are affordable to a wide range of incomes.

Under the terms of the ARCH Interlocal Agreement, each member jurisdiction must annually approve the ARCH Administrative Budget. Each member jurisdiction contributes annually to ARCH to provide administrative and technical support for the organization's housing activities. The ARCH Executive Board has approved the 2021 Administrative Budget proposal (see Attachment) and has forwarded it to members for adoption. This year's ARCH proposed administrative budget is $1,155,261, an increase of 4.1% from the 2020 adopted budget of $1,110,097. Kenmore's share of the 2021 ARCH Administrative Budget is $44,921 which is the same amount as the 2020 Kenmore share.

Under the terms of the ARCH Interlocal Agreement, each member jurisdiction must annually approve the ARCH Work Program. The ARCH Executive Board has approved the 2021 Work Program (see Attachment) and forwarded to the members for approval. ARCH Executive Director Lindsay Masters will be present to brief the Council and answer questions.

Staff recommends Council approval of the ARCH 2021 Administrative Budget and Work Program.

ARCH staff will also discuss Housing Trust Fund Projects that were approved for funding by the Executive Board. Based on the recommendations of the ARCH Citizen Advisory Board, the Executive Board approved funding recommendations for three projects:

- Plymouth/Horizon Housing Eastgate Permanent Supported Housing located in Bellevue;
- Imagine Housing Samma Senior Apartments in Bothell; and
- Inland Group/Horizon Housing Totem Lake in Kirkland.

Microsoft is interested in financing the workforce component of the Inland Group/Horizon House project in Kirkland.

Staff recommends Council approval of the project funding recommendations.

FISCAL CONSIDERATION:

The adopted budget for 2021 can accommodate this amount. Please note that in 2019, the City Council approved directing revenue provided by Affordable and Supportive Housing State Shared Tax authorized by SHB 1406 to ARCH.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

Goal #1: Increase and preserve the options for affordable housing stock

A Regional Coalition for Housing

Together Center Campus
16225 N.E. 87th Street, Suite A-3
Redmond, WA 98052
425-861-3677

MEMORANDUM

Date: May 29, 2020

From: Lindsay Masters, ARCH Executive Manager
To: ARCH Member Councils

Subject: ARCH 2021 Budget and Work Program

Please find attached the 2021 ARCH Budget and Work Program, which was for adopted for recommendation by a unanimous vote of the ARCH Executive Board on April 20, 2020. This memo provides an overview of the recommendation, including the key principles that guided the proposal, highlights from the budget and work program, and information on ARCH's ongoing work to facilitate affordable housing projects and planning.

Background and Principles

In accordance with the ARCH Interlocal Agreement, each year the ARCH Executive Board is responsible for delivering a recommended budget and work program to member councils by June 1 for the following calendar year. In light of the extraordinary challenges currently facing ARCH member communities, the proposed Budget and Work Program for 2021 was developed with the following core principles in mind:

- Acknowledge and prepare for fiscal impacts from the current public health crisis.
- Preserve existing assets to ensure no net loss of affordable housing.
- Continue to make progress on current projects and planning to the greatest extent possible.

These principles recognize the very real economic hardships faced by local governments, while also demonstrating a continued commitment to creating and preserving safe, stable and affordable housing for members of the community also suffering from economic impacts. Now more than ever, we recognize the value of safe, stable and affordable homes for all members of the community.

2021 Administrative Budget and Work Program
The recommended 2021 Administrative Budget and Work Program are shown in **Attachments 1 and 2.**

Administrative Budget
- Member dues are held constant at 2020 levels
- Planned expenses are limited to the minimum necessary to preserve current operations and staffing
- New administrative fees are established to cover any inflation in costs from 2020 and help replenish operating reserves while mitigating any impacts to member dues

Work Program
- ARCH's core services are maintained, including critical monitoring and stewardship functions that will ensure preservation of existing affordable housing assets.
- Priorities established in 2020 are carried over into 2021, reflecting an ongoing commitment to preserve and expand housing opportunities to the greatest extend possible, including:
    - Provide excellent stewardship of affordable housing assets
    - Finalize and begin reporting on measurable goals for production and preservation of affordable housing across ARCH member communities
    - Continue to support proposals for dedicated revenue sources for the Housing Trust Fund to expand production of affordable housing.
    - Recommend options for expanding ARCH's capacity to accomplish its broader mission.
    - Seek opportunities to advance projects and programs with high potential impact and facilitate projects in the pipeline to the greatest extent possible.
    - Respond to emerging needs identified by local communities and member jurisdictions.

Continued Improvements to Monitor and Steward Affordable Units
ARCH is continuing to make significant improvements in monitoring and stewardship of existing affordable housing to ensure long-term preservation of these valuable community resources. Based on a consultant evaluation in 2019, the ARCH Executive Board approved and member councils concurred with the decision to dedicate two new staff positions to these functions.

The staffing levels established in 2019 were the minimum amount deemed necessary to carry out essential responsibilities, given the major growth in the portfolio overseen by ARCH without any growth in staffing since the early-2000s. The value of this portfolio is now immense, saving renter households roughly $50 million annually in rent, and bringing ownership opportunities below market by roughly $375 million to create a pathway to homeownership for many low to middle income households.

The addition of staff capacity, together with a continuing commitment by ARCH's board and management on preserving and strengthening existing programs, has resulted in the following improvements:

Rental Program

- Developed written policies and standard forms to ensure consistent documentation and procedures for verifying income eligibility
- Established procedures for routine on-site file audits to verify compliance data submitted in annual reports
- Expanded data collection and analysis to evaluate program outcomes, and developed a dashboard to track program metrics
- Developed web-based training and resources to train property managers on compliance requirements

Homeownership Program

- Established a comprehensive database to track affordable homes
- Adopted procedures for annual monitoring of owner occupancy requirements
- Conducted in-depth analysis of resale data and adopted a standardized resale formula that, together with modifications to initial home pricing, will better preserve long-term affordability
- Developed a program manual of policies and procedures to ensure clear and consistent implementation of program rules
- Refined income eligibility requirements to ensure affordable homes go to buyers without significant assets
- Adopted a priority policy for buyer selection to target newly developed homes based on income, household size, first time homebuyer status and residency or employment within the community
- Adopted procedures to extend the term of affordability when homes are re-sold
- Adopted administrative fees to strengthen the financial sustainability of the program
- Began tracking demographic information of buyers and applicants on the waitlist, and developed a dashboard to report on key demographic measures

In addition to the above improvements, ARCH staff have stepped up efforts to respond to the growing number of community members in need, providing assistance and referrals to renters and homeowners to a range of resources.

Housing Trust Fund Contributions / HB 1406 Sales Tax

Separate from contributions to ARCH's administrative budget, each year ARCH member jurisdictions are encouraged to contribute on a voluntary basis toward the ARCH Housing Trust Fund (see **Attachment 3** for updated Parity Goals for each jurisdiction). The Trust Fund is a critical program with a long and successful track record of financing local affordable housing projects, which are developed by mission-driven agencies and carefully vetted by a Citizen Advisory Board each year.

The need and demand for these resources remains urgent. In 2019, ARCH received applications for a record $19 million in funding for development of affordable housing, and was able to recommend approximately $5 million based on available funds from 2018 and 2019. These awards will have an important impact in expanding both the production of affordable homes and emergency shelter capacity on the Eastside, but left some projects partially funded with the intent of providing full funding in subsequent funding rounds. In addition, ARCH is working with multiple jurisdictions to ensure affordable housing is included within transit-oriented development projects. These opportunities are also dependent on securing critical public investment.

In 2019, ARCH provided a recommendation memo encouraging all members to implement the sales tax authorized by HB 1406, which allows local jurisdictions to retain a portion of the state's sales tax for affordable housing and related uses. Recognizing the significant impacts to local general funds already materializing from the current public health crisis, ARCH urges all member jurisdictions to ensure timely passage of the required ordinance by the deadline of July 27, 2020 to ensure this valuable revenue stays with local communities.

Conclusion

The ARCH coalition continues to serve an incredible need on the Eastside. The affordable homes created through cooperative local actions and funding over the last three decades are more valuable than ever, as the need for homes that provide stability and affordability is growing dramatically. ARCH remains committed to preserving these assets for the community long-term, and seeking strategic opportunities to continue facilitating additional housing opportunities for the growing number of households in need.

Attachments:

1. 2021 ARCH Administrative Budget
2. 2021 ARCH Work Program
3. Housing Trust Fund Parity Goals

Attachment 1

2021 ARCH Administrative Budget

Final Adopted by Executive Board

April 2020

	2020 Budget		Final 2021 Budget		
		2020 Approved Budget		2021 Recommended Budget	% Change
I. TOTAL EXPENSES	**$**	**1,110,097**	**$**	**1,155,261**	**4.1%**
A. Personnel	**$**	**1,003,399**	**$**	**1,039,303**	**3.6%**
Salary and Benefits	$	1,003,399	$	1,039,303	3.6%
(7.0 FTEs, 2 part-time interns)					
B. Operating	**$**	**67,195**	**$**	**76,456**	**13.8%**
Rent & Utilities	$	24,780	$	24,780	0.0%
Telephone	$	4,586	$	5,500	19.9%
Travel/Training	$	2,600	$	2,730	5.0%
Auto Mileage	$	3,500	$	3,605	3.0%
Copier/Printing Costs	$	1,803	$	1,893	5.0%
Office Supplies	$	3,100	$	3,255	5.0%
Internet/Website Fees	$	2,215	$	2,326	5.0%
Postage	$	1,500	$	1,575	5.0%
Periodical/Membership	$	4,112	$	4,317	5.0%
Misc. (events,etc.)	$	2,000	$	2,100	5.0%
Equipment Replacement	$	2,000	$	3,000	50.0%
Database/software licensing	$	15,000	$	18,375	22.5%
Relocation Costs			$	3,000	N/A
C. In-Kind Admin/Services	**$**	**19,503**	**$**	**19,503**	**0%**
Insurance	$	9,660	$	9,660	
IT Services	$	9,843	$	9,843	
D. Grants and Consultant Contracts	**$**	**20,000**	**$**	**20,000**	**0%**
Consultant Contracts	$	20,000	$	20,000	0%

		2020 Approved Budget		2021 Recommended Budget	% Change
				City Per Capita $1.98 KC Per Capita $0.93	
II. TOTAL INCOME	**$**	**1,110,097**	**$**	**1,155,261**	**4.1%**
A. Member Contributions	**$**	**1,103,897**	**$**	**1,103,897**	**0.0%**
Beaux Arts Village	$	2,000	$	2,000	0.0%
Bellevue	$	281,876	$	281,876	0.0%
Bothell	$	89,384	$	89,384	0.0%
Clyde Hill	$	6,551	$	6,551	0.0%
Hunts Point	$	2,000	$	2,000	0.0%
Issaquah	$	72,244	$	72,244	0.0%
Kenmore	$	44,921	$	44,921	0.0%
Kirkland	$	175,946	$	175,946	0.0%
Medina	$	6,523	$	6,523	0.0%
Mercer Island	$	50,222	$	50,222	0.0%
Newcastle	$	23,006	$	23,006	0.0%
Redmond	$	123,104	$	123,104	0.0%
Sammamish	$	127,494	$	127,494	0.0%
Woodinville	$	23,673	$	23,673	0.0%
Yarrow Point	$	2,401	$	2,401	0.0%
King County	$	75,000	$	75,000	0.0%
Bellevue Detail	**$**	**281,876**	**$**	**281,876**	0%
Cash Contributions	$	86,673	$	86,173	
In-Kind Contributions	$	195,203	$	195,703	
Personnel	$	175,700	$	176,200	
Insurance	$	9,660	$	9,660	
IT Services	$	9,843	$	9,843	
B. Other Income	**$**	**6,200**	**$**	**51,364**	**728.5%**
New Homeownership Program Fees	$	-	$	45,064	
Existing Administrative Fees	$	4,200	$	4,200	
Interest Earned	$	2,000	$	2,100	

III. RESERVES, CONTINGENT INCOME AND EXPENSES

Note: This section expresses intended use of any excess revenues above levels needed to cover basic operating costs.

		2020 Approved Budget		2021 Recommended Budget	% Change
A. Contingent Expenses					
Replenish operating reserves	$	-	$	150,936	N/A
Homeownership Program Staffing/Expenses	$	150,000	$	-	-100%
Other Staffing/Services	$	150,000	$	-	-100%
B. Contingent Revenue					
Excess Administrative Fees	$	150,000	$	150,936	1%
Service Fees	$	150,000	$	-	-100%

Attachment 2

ARCH WORK PROGRAM: 2021

2021 Priorities

In 2021, ARCH will elevate the following priorities in its Work Program:

- Provide excellent stewardship of affordable housing assets
- Finalize and begin reporting on measurable goals for production and preservation of affordable housing in the ARCH region
- Continue to support proposals for dedicated revenue sources for affordable housing
- Recommend options for expanding ARCH's capacity to accomplish its broader mission
- Seek opportunities to advance projects and programs with high potential impact and facilitate projects in the pipeline to the greatest extent possible
- Respond to emerging needs identified by local communities and member jurisdictions

I. AFFORDABLE HOUSING INVESTMENT

A. ARCH Housing Trust Fund

Parity Goals. Develop updated goals for member investments through the ARCH HTF.

Annual Funding Round. Develop funding priorities and evaluation criteria for the annual funding round. Advertise available funds and manage a competitive process on behalf of member cities. Review funding applications and develop recommendations through the Citizen Advisory Board (CAB), with input from member staff. Develop final recommendations by the ARCH Executive Board and facilitate final funding allocations through member councils.

Public Funding Coordination. Work collaboratively with public funders at the State and local levels to promote shared affordable housing goals and equitable geographic distribution of resources. Review and provide input to other funders for Eastside projects that apply for County (HOF, RAHP, HOME, TOD, etc.) and State (Tax Credit, State Housing Trust Fund) funds. Provide input to the King County Joint Recommendations Committee (JRC) on behalf of participating Eastside jurisdictions. Assist N/E consortium members with evaluating and making a recommendation to the County regarding CDBG allocations to affordable housing.

Private Funding Coordination. Work with private investors and lenders to maximize leverage of public investment into affordable housing. Negotiate maximum public benefits from investment of housing funds into private projects.

Project Pipeline Management. Work with member cities and project sponsors to develop a robust pipeline of projects to be funded over the next five years (see related work on Transit Center sites, below). Actively vet potential HTF projects, and lead funding policy and prioritization discussions with the ARCH Executive Board to facilitate planning and decision-making.

Contract Development and Monitoring. Prepare contract documents and distribute funds for awarded projects. Monitor funded projects including evaluating performance and tracking loan payments. Monitor for long term sustainability of previously funded projects.

Centralized Trust Fund Reporting. Work with Administering Agency (Bellevue) to maintain records and produce regular financial reports for the ARCH Trust Fund accounts.

B. Special Projects

Transit-Oriented Development Sites. Assist cities with advancing and coordinating affordable housing projects near transit. Partner with Sound Transit, King County Metro and other public agencies to maximize opportunities on public property. Current opportunities include sites in Bel-Red, Overlake, Downtown Redmond, Issaquah, Kirkland, Bothell, and Kenmore.

Surplus Property/Underdeveloped Property. Assist with evaluation of public surplus or underutilized private property (e.g. faith community properties) for suitability of affordable housing. Provide technical assistance to property owners interested in supporting affordable housing. Develop an inventory of promising public and nonprofit property and begin to engage owners to gauge interest in disposition for housing.

Eastside Shelter Capacity. Support efforts by Eastside shelter providers, Eastside Human Services Forum, and member cities to implement an East King County sub-regional strategic approach to shelter and related services for homeless adults and families. Support the construction of a permanent year-round men's shelter, and support efforts by member jurisdictions to fund long-term operations of shelter for men, women, families, youth and young adults.

Preservation of At Risk Affordable Housing. Work with member cities to facilitate acquisitions or other strategies to preserve existing housing where affordability is at risk of being lost, including at-risk manufactured housing communities. As needed, assist with responding to notices of sale of HUD assisted properties received by member cities, or other information indicating an impending loss of existing affordable housing.

Strategic Predevelopment Investment. With approval of the Executive Board invest in predevelopment studies to investigate feasibility and financial efficiency of special projects.

II. HOUSING POLICY AND PLANNING

A. Local Policy, Planning and Code Development

ARCH provides assistance directly to member cities on a range of local planning efforts. Local planning efforts with individual member cities may be found in *Attachment A*. These efforts may take different forms, such as:

- **Housing Element Updates**. Work with members to update comprehensive plan housing elements.
  - Prepare an east King County housing needs analysis with focused analyses for each city—including projected affordable housing needs—to fulfill GMA requirements.
  - Coordinate local and ARCH affordable housing goals with King County Affordable Housing Committee and Countywide Planning Policies.
  - Assist with policy writing, outreach, presentations, etc. as needed.
- **Housing Strategy Plans**. Assist members to prepare housing strategies to implement housing elements and create council work plans. Cities with recently completed strategy plans include Bellevue, Issaquah, Kenmore, Bothell, Kirkland, Redmond, and Sammamish.
- **Incentive Program Design.** Provide economic analysis and policy and program development support to design housing incentive programs, including land use, property tax, impact fee waivers and other incentives.
- **Land Use Code Amendments.** Assist city staff on land use and other code amendments in order to implement comprehensive plan policies.
- **Other Support.** Other areas in which ARCH could provide support to member cities include preservation of valuable community housing assets, assistance to households displaced by development activity, or negotiation of agreements for specific development proposals. ARCH views this as a valuable service to its members and will continue to accommodate such requests to the extent they do not jeopardize active work program items.

B. Inter-Local / Eastside Planning Activities

Interlocal planning activities are coordinated by ARCH for the benefit of multiple members.

<u>ARCH Regional Affordable Housing Goals and Reporting</u>. Work with member staff and the ARCH Executive Board to report on adopted goals for production and preservation of affordable housing across ARCH member communities.

<u>Eastside Equitable Transit-Oriented Development Plan</u>. Partner with transit agencies and other stakeholders to plan for equitable transit-oriented development on the Eastside. Define shared policy goals and strategies, establish numerical goals for affordable unit production, advance specific site opportunities and manage the affordable housing funding pipeline.

<u>Long-Term Funding/Dedicated Revenue Strategy</u>. Continue work on a long-term funding strategy for the ARCH Trust Fund. Facilitate conversations with member cities on identifying and exploring dedicated sources of revenue for affordable housing at the local and regional level (e.g., REET, property tax levy, 0.1% sales tax, etc.). Provide relevant data and develop options for joint or individual revenue approaches across ARCH member cities and determine any shared state legislative priorities to authorize local options for funding.

Eastside Housing Data Analysis. On an annual basis, provide local housing and demographic data as available. Make information available to members for planning efforts and incorporate into ARCH educational materials.

Housing Diversity/Accessory Dwelling Units (ADUs). Continue to support a diversity of housing options among member cities:

- Accessory Dwelling Units (ADUs): Explore outreach and other ways to promote ADU development (e.g., improve online resources, provide connections to financing options). Explore partnership with eCityGov Alliance to increase accessibility of ADU permitting (e.g., update tip sheets and create streamlined portal through MyBuildingPermit.com). Explore a centralized system for tracking ADU production.
- Facilitate sharing of best practices for encouraging "missing middle" housing types.
- Help jurisdictions develop strategies and codes to address emerging housing types, like micro-housing, small efficiency dwelling units, and others.

C. State Legislative Activities

The ARCH Executive Board will discuss and explore shared legislative priorities for advancing affordable housing in the region. ARCH staff will track relevant state (and, where feasible, federal) legislation. As needed, staff will report to the Executive Board and members, and coordinate with relevant organizations (e.g. AWC, SCA, WLIHA, HDC) to advance shared legislative priorities.

D. Regional/Countywide Planning Activities

ARCH participates in regional planning efforts to advance Eastside priorities and ensure that perspectives of communities in East King County are voiced in regional housing and homelessness planning.

King County GMPC Affordable Housing Committee / Housing Inter-Jurisdictional Team (HIJT). Support efforts to advance the five-year action plan developed by the Regional Affordable Housing Task Force (RAHTF) in 2018. ARCH will help staff the HIJT, which provides support to the Growth Management Planning Council's Affordable Housing Committee (AHC).

Regional Affordable Housing Task Force Action Plan. In addition to staffing the GMPC committee, pursue other opportunities to advance strategies called for in the RAHTF Action Plan. Facilitate discussions as needed with members and the Executive Board to consider actions recommended in the five-year plan.

All Home/ Eastside Homeless Advisory Committee (EHAC). Collaborate with All Home, EHAC and other relevant organizations and initiatives to advance shared work on homelessness. Coordinate allocation of resources, and work on specific initiatives (e.g., coordinated entry and assessment for all populations).

Explore Collaboration with Cities in North and East King County. As requested, engage cities interested in supporting affordable housing in north and east King County that are not currently members of ARCH. Explore collaboration that provides benefits for additional cities and current ARCH member cities.

III. HOUSING PROGRAM IMPLEMENTATION

A. Administration of Housing Incentive and Inclusionary Programs

ARCH partners with member cities to administer local housing incentive and inclusionary programs, including mandatory inclusionary, voluntary density bonus, multifamily tax exemption (MFTE) and other programs. Specific programs administered by ARCH include:

Jurisdiction	Incentive/Inclusionary Programs
Bellevue	Voluntary density bonuses, MFTE, impact fee waivers.
Bothell	Inclusionary housing.
Issaquah	Development agreements, voluntary and inclusionary programs, impact and permit fee waivers.
Kenmore	Voluntary density bonuses, MFTE, impact fee waivers.
Kirkland	Inclusionary program, MFTE.
Mercer Island	Voluntary density bonus, MFTE.
Newcastle	Inclusionary program, impact fee waivers.
Redmond	Inclusionary program, MFTE.
Sammamish	Inclusionary and voluntary density bonuses, impact fee waivers.
Woodinville	MFTE.
King County	Development agreements.

ARCH roles and responsibilities will typically include:

- Communicate with developers/applicants and city staff to establish applicability of codes and policies to proposed developments
- Review and approve proposed affordable housing (unit count, location/distribution, bedroom mix, and quality)
- Review and recommend approval of MFTE applications.
- Review and recommend approval of alternative compliance proposals
    - For fee in lieu projects, provide invoices and receipts for developer payments
- Develop contracts and covenants containing affordable housing requirements
- Ensure implementation of affordable housing requirements during sale/lease-up
- Register MFTE certificates with County Assessor and file annual MFTE reports with state Commerce.
- On-going compliance monitoring (see Stewardship, below).

MyBuildingPermit.com. Explore feasibility of using MyBuildingPermit.com to take in, review, and process projects (covenants) using land use and/or MFTE programs.

B. Stewardship of Affordable Housing Assets

ARCH provides long-term oversight of affordable housing created through city policies and investment to ensure stewardship of these critical public assets for residents, owners and the broader community.

Affordable Rental Housing Monitoring. Enforce ongoing compliance with affordability requirements in rental housing projects created through direct assistance (e.g. Trust Fund allocation, land donations) from member jurisdictions, and through incentive and inclusionary programs. For Trust Fund projects, monitor project income and expenses to determine cash flow payments, and conduct long-term sustainability monitoring of projects and owners. Proactively problem-solve financial and/or organizational challenges in partnership with project owners and other funders.

Administer a robust compliance monitoring program, including:

- Ensure compliance with rent and income restrictions through timely annual report reviews and supplemental on-site file audits
- Provide training and technical assistance for property managers
- Maintain written standards for eligibility, leasing and other program requirements
- Implement standard remedies for non-compliance
- Respond to tenant issues and questions

In addition, work with cities to implement fee structures that build more sustainable monitoring efforts, and develop formal MOUs with other funders to govern shared monitoring responsibilities. To the extent feasible, establish working relationship with other public organizations that can help assess how well properties are maintained and operated (e.g. code compliance, police, and schools).

ARCH Homeownership Program Stewardship. Provide effective administration to ensure ongoing compliance with affordability and other requirements in ARCH ownership housing, including enforcement of resale restrictions, buyer income requirements, and owner occupancy requirements. Implement adopted policies and procedures for monitoring and work with cities to address non-compliance.

Continue to implement long-term recommendations in the 2019 Program Assessment from Street Level Advisors that support the program objective of preserving long-term affordability, including:

- Work with member planning and legal staff to make improvements to boilerplate legal documents, in consultation with key stakeholders and outside counsel, as needed
- Develop strategies to preserve homes at risk of foreclosure
- Preserve expiring units and pursue strategies to re-capture lost affordability
- Pursue offering brokerage services to provide cost-savings to homebuyers and diversify program revenue
- Plan for additional staff capacity as the number of ARCH homes continues to grow.
- Implement program fees to ensure program financial sustainability

Program Database Development. Continue to improve and refine use of new ARCH Homeownership Program database to collect critical program data and evaluation, compliance monitoring, communication with program participants, and other key functions. Continue to improve and streamline data systems for ARCH Rental Program.

IV. EDUCATION AND OUTREACH

A. Housing 101/Education Efforts

Housing 101. Develop educational tools and conduct or support events to inform councils, member staff and the broader community of current housing conditions, and of successful housing programs. Build connections with community groups, faith communities, developers, nonprofits and others interested in housing issues. Plan and conduct a Housing 101 event to occur no later than the end of 2021.

Private Sector Engagement. Support efforts by ARCH member cities to engage employers and private sector entities in discussions around the need for more affordable housing and identifying options for public-private partnerships.

Share media coverage on topics related to affordable housing in East King County, including work done by cities/ARCH.

B. Information and Assistance for the Public

ARCH Website. Update information on the ARCH website on a regular basis, including information related to senior housing opportunities. Maintain the ARCH web site and update the community outreach portion by incorporating information from Housing 101 East King County, as well as updated annual information, and links to other sites with relevant housing information (e.g. All Home, HDC). Add information to the website on ARCH member affordable incentive programs and fair housing.

Assist Community Members Seeking Affordable Housing. Maintain up-to-date information on affordable housing in East King County (rental and ownership) and distribute to people looking for affordable housing. Continue to maintain a list of households interested in affordable ownership and rental housing and advertise newly available housing opportunities.

Work with other community organizations and public agencies to develop appropriate referrals for different types of inquiries received by ARCH (e.g., rapid re-housing, eviction prevention, landlord tenant issues, building code violations, fair housing complaints, etc.).

C. Equitable Access to Affordable Housing in East King County

Collect and analyze data on existing programs to determine potential gaps in access by different populations, such as communities of color, immigrant and refugee communities, homeless individuals and families, and workers in EKC commuting from other communities. Pursue strategies to increase access to affordable housing in EKC by underserved communities. Develop outreach and marketing efforts to maximize awareness of affordable housing opportunities in East King County, and build partnerships with diverse community organizations.

V. ADMINISTRATION

A. Administrative Procedures

Maintain administrative procedures that efficiently and transparently provide services to both members of ARCH and community organizations utilizing programs administered through ARCH. Activities include:

- Prepare the Annual Budget and Work Program and ensure equitable allocation of administrative costs among ARCH members.
- Prepare quarterly budget performance and work program progress reports, Trust Fund monitoring reports, and monitor expenses to stay within budget.
- Manage the ARCH Citizen Advisory Board, including recruiting and maintaining membership that includes broad geographic representation and a wide range of housing and community perspectives.
- Staff the Executive Board.
- Work with Administering Agency to streamline financial systems.
- Review and update bylaws and ensure timely renewal of the ARCH Interlocal Agreement.

B. Organizational Assessment and Planning

The ARCH Executive Board will continue to evaluate ARCH's organizational capacity to accomplish its Work Program and broader mission. The Board will review ARCH's organizational structure, staffing resources, capital resources and other foundational aspects of the organization to determine any gaps, and assess options for expanding organizational capacity. The assessment will result in recommendations for the following year's work program and budget.

Attachment A
Local Planning Efforts by City

ARCH staff plan to assist members' staff, planning commissions, and elected councils in the following areas:

Bellevue

Implementing Bellevue's Affordable Housing Strategy, including:

- Increasing development potential on suitable land owned by public agencies, faith-based groups, and non-profits housing entities.
- Reviewing parking requirements and other code changes to encourage micro-apartments around light rail stations.
- Updating Wilburton and East Main neighborhood plans, including affordable housing density incentives.
- Developing funding strategy for affordable housing on suitable public lands in proximity to transit hubs including 130th TOD parcels and TOD parcels at the OMFE.

Bothell

Implementing its Housing Strategy Plan.

Establishing an MFTE program.

Evaluating affordable housing provisions related to zoning and other code amendments and implementing those adopted.

Work related to affordable housing component of the city's LIFT program in their downtown areas. Includes assisting with any reporting requirements and potentially exploring additional opportunities for affordable housing on private and city owned properties in the downtown revitalization area.

Evaluating the updated state legislation regarding impact fee waivers for affordable housing and explore potential revisions to local regulations related to impact fee waivers for affordable housing.

Evaluating and implementing affordable housing strategies in its Canyon Park plan.

Supporting updates to policies and codes for affordable housing options, including ADUs, micro-housing, small efficiency dwelling units, and "missing middle" housing.

Issaquah

Preparing the annual Affordable Housing Report Card/Analysis.

Updating and consolidating Title 18 and Central Issaquah Development and Design Standards.

Evaluating and, as needed, implementing development standards and regulations related to the housing policies adopted in the Central Issaquah Plan and Central Issaquah Standards, including inclusionary zoning.

Evaluating and strategizing sequencing potential projects/opportunities such as those near transit facilities, including coordination with potentially utilizing the King County TOD funds.

Initial work on high priority strategies identified in the Housing Strategy Work Plan including:

- Improving marketing and the understanding of ADUs and the development process.
- Facilitating development of a TOD.
- Amending codes to increase allowed diverse housing types such as SROs and cottage housing.
- Supporting housing options and services to assist people experiencing housing insecurity and those with barriers to independent living.

Marketing and maximizing awareness of affordable housing opportunities in Issaquah.

Kenmore

Implementing a high priority item identified in the Housing Strategy Plan.

Completing the Preservation of Affordable Housing/Mobile Home Park project started in 2018, including assistance with developing regulations to implement Council's policy direction on land use and other strategies.

Assisting with technical questions, provide supporting data as needed, and:

- Review proposed code provisions for "missing middle" housing.
- Negotiating agreements where affordable housing is proposed including the Transit Oriented District (TOD) overlay.

Reviewing and developing options and opportunities for partnerships to incorporate affordable housing into transit projects including the siting of parking structures in Kenmore for the Sound Transit ST3 proposal.

Kirkland

Implementing programs to encourage construction of more ADUs.

Housing-related issues in on-going neighborhood plan updates.

Developing regulations to promote transit-oriented development (TOD) at the Kingsgate Park and Ride, including affordable housing.

Housing issues that come before Council Planning and Economic Development Committee and resulting initiatives.

Housing issues related to Station Area Plan (I-405/NE 85th Street).

Affordable housing preservation efforts and initiatives.

Scoping potential affordable housing levy options.

Mercer Island

Reviewing the City's MFTE program and evaluating options for a fee-in-lieu alternative to land use requirements.

Updating the Housing Strategy Plan.

Reviewing components of residential development standards that are associated with housing stock diversity.

Newcastle

Updating the Housing Strategy Plan.

Outreach efforts related to ADUs.

Redmond

Implementing strategies to increase the level of affordability for new housing in Overlake and Southeast Redmond as part of the development of master plans and development agreements, including exploring ways to leverage other resources.

Promoting affordable housing and other programs available to Redmond residents and developers, e.g., Accessory Dwelling Units (ADUs).

Implementing other high priority items identified in the City Council's 2019 Strategic Plan.

Updating the Strategic Housing Plan and the Affordable Housing Strategies Work Plan of June 2016, such as encouraging public/private partnerships to promote the development of affordable housing in urban centers.

Sammamish

Implementing the Housing Strategy Plan.

Finalizing resale requirements and other tasks related to the affordability provisions for site donated to Habitat.

Exploring impacts to and solutions for affordable housing related to code and policy updates during legislative review.

Promoting available housing assistance and affordable housing programs to Sammamish's workforce and residents.

Woodinville

Updating the Housing Strategy Plan.

Reviewing and updating affordable housing and accessory dwelling unit programs and regulations.

Evaluating and developing incentives for affordable housing as provided for in the Downtown/Little Bear Creek Master Plan area.

Reviewing components of residential development standards that are associated with housing stock diversity.

King County

Monitoring affordable housing in the Northridge/Blakely Ridge and Redmond Ridge Phase II affordable housing development agreements.

Attachment 3

ARCH Housing Trust Fund Parity Goals
(May 2020)

Parity goals are voluntary goals established to foster equitable distribution of investment in affordable housing across ARCH member cities. Goals are calculated using cities' population, projected employment and housing, with updates based on the most recent annual Consumer Price Index.

City	Low Goal	High Goal
Beaux Arts Village	$54	$1,855
Bellevue	$696,389	$1,076,709
Bothell	$177,102	$320,955
Clyde Hill	$0	$18,825
Hunts Point	$0	$2,596
Issaquah	$174,597	$355,511
Kenmore	$54,437	$183,257
Kirkland	$351,271	$539,345
Medina	$0	$20,062
Mercer Island	$18,146	$150,045
Newcastle	$13,337	$76,722
Redmond	$302,535	$626,475
Sammamish	$32,662	$392,392
Woodinville	$57,799	$154,876
Yarrow Point	$0	$6,584
Total	$1,878,329	$3,926,210

A REGIONAL COALITION FOR HOUSING

TOGETHER CENTER CAMPUS
16225 N.E. 87TH STREET, SUITE A-3
REDMOND, WA 98052
425-861-3677

MEMORANDUM

TO: City of Bellevue Council Members
City of Bothell Council Members
City of Clyde Hill Council Members
Town of Hunts Point Council Members
City of Issaquah Council Members
City of Kenmore Council Members
City of Kirkland Council Members
City of Medina Council Members
City of Mercer Island Council Members
City of Newcastle Council Members
City of Redmond Council Members
City of Sammamish Council Members
City of Woodinville Council Members
Town of Yarrow Point Council Members

FROM: Kurt Triplett, Chair, ARCH Executive Board

DATE: December 17, 2020

RE: Fall 2020 Housing Trust Fund (HTF) Recommendation

The 2020 ARCH Housing Trust Fund round again demonstrated high demand for funding to support affordable housing development in East King County, with four applications representing requests for over six million dollars in local funds to develop close to 500 units of affordable housing. After careful deliberation, the ARCH Executive Board concurred with the recommendations of the ARCH Citizen Advisory Board (CAB), and is recommending funding of $5,000,000 for three projects, including one project that received a partial award last year.

These recommendations advance projects that meet urgent local priorities, including mixed income workforce housing, affordable housing for seniors, and the first permanent supportive housing project for homeless individuals on the Eastside, which will be developed as part of a master planned community that also includes the previously funded permanent year-round emergency shelter for men.

In the last three decades, the ARCH Trust Fund has supported nearly 4,500 units of affordable housing and shelter beds, more than any other program in East King County, notably creating housing for those with the greatest needs and the fewest opportunities to live in our community. At a time when public resources are scarce but the needs in the community have only grown, your investments will be amplified by the other public and private funding leveraged by these projects, with every $1 of local funding matched by an estimated $27 of other funding.

Following is a description of the applications received, the Executive Board recommendation and rationale, and proposed contract conditions for the proposals recommended for funding at this time. Also enclosed is an economic summary of the projects recommended for funding, and a summary of past projects funded through the Trust Fund to date.

1. Plymouth Housing Group/Horizon Housing Eastgate Permanent Supportive Housing

Funding Request:	$500,000 (Deferred, Contingent Loan) 92 Affordable Units; 3 Manager Units
Executive Board Recommendation:	$500,000 (Deferred, Contingent Loan)

Project Summary:
Horizon Housing Alliances is proposing to develop and turn over to Plymouth Housing– a non-profit corporation with a 40-year history of serving the homeless in Seattle King County – a 95-unit permanent supportive housing project located adjacent to the Eastside Men's Shelter by Congregations for the Homeless. Plymouth is an established owner and operator of permanent supportive housing, a model that provides critical wrap-around supportive services such as mental and behavioral health services in a permanent housing setting.

The building will be sited on the upper shelf of the 10-acre King County Solid Waste site in the Eastgate area of Bellevue. The site comprises a larger master development with three components, including the Eastside Men's Shelter, which will share a surface parking lot. Another 300 units for workforce housing on the lower portion of the site completes the development. ARCH has previously awarded funding for the shelter and workforce housing components of the project.

Funding Rationale:

The Executive Board supports the intent of this application for the following reasons:
- The project is the last component necessary to realize the shelter at this location, which remains a high priority for ARCH and its member jurisdictions, particularly the City of Bellevue and King County.
- The project creates permanent supportive housing with a very experienced provider, and benefits from the thoughtful community outreach process coordinated by Congregations for the Homeless
- The project benefits from being built simultaneously with other components by a vertically integrated developer.
- The project scores well for very competitive 9% tax credits.
- The project provides significant financial leverage of other resources.
- Site has convenient access to transit, shopping, and services.

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo.

Special Conditions:

1. The funding commitment continue for twelve (12) months from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the Agency will provide a status report on progress to date and expected schedule for start of construction and project completion. ARCH staff will consider a twelve-month extension only on the basis of documented, meaningful

progress in bringing the project to readiness or completion. At a minimum, the Agency will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable period of time.

2. Funds shall be used by Agency toward soft costs, design, permits and construction. Funds may not be used for any other purpose unless ARCH staff has given written authorization for the alternate use. Spending of construction contingency must be approved in advance by City or Administering Agency. If after the completion of the project there are budget line items with unexpended balances, the public funders shall approve adjustments to the project capital sources, including potentially reductions in public fund loan balances.

3. Funds will be in the form of a deferred, contingent loan. Loan terms will account for various factors, including loan terms from other fund sources, available cash flow and receipt of an asset management fee or deferred developer fee to the Agency and project reserves. Final loan terms shall be determined prior to release of funds and must be approved by ARCH Staff. Based on the preliminary development budget, it is anticipated that loan payments will be deferred throughout the life of the loan.

4. The net developer fee shall be established at the time of finalizing the Contract Budget and will follow ARCH Net Developer Fee Schedule. Net developer fee is defined as that portion of the developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after being placed in service.

5. A covenant is recorded ensuring affordability for at least 50 years, with size and affordability distribution per the following table. Limited changes to the matrix may be considered based on reasonable justification as approved by ARCH staff.

Affordability	Studio	Total
30%	46	46
50%	46	46
Non-restricted	3	3
Total	95	95

6. Based on the availability of adequate support services, at least 75% of the units may be set aside for occupancy for households transitioning out of homelessness, unless otherwise approved by ARCH. Plymouth will work with the Coordinated Entry for All system to seek preference for homeless individuals from Sophia Way and Congregations For the Homeless shelters, while maintaining flexibility to change how units may be filled based on actual experiences at the site and within the community.

2. Imagine Housing Samma Senior Apartments

Funding Request:	$500,000 additional to $750,000 awarded in 2019 (Deferred, Contingent Loan) 76 affordable rental units
Executive Board Recommendation:	$500,000 (Deferred, Contingent Loan)

Project Summary:
Imagine Housing is proposing a 76-unit affordable 55 and older senior rental project utilizing 4% tax credits and tax-exempt bond financing. The project includes set asides of apartments for disabled persons. The project will be built on land to be acquired from the City of Bothell at a reduced price. The site is located on the Bus Rapid Transit corridor which is being expanded with ST3 funding. The City has indicated its strong support for the project including zoning changes for increased height and reduced parking.

The proposed affordable building is five levels of wood construction. Imagine is pursuing an Ultra High Energy Efficiency (UHEE) rating for this building. The design envisions around 40 surface parking spaces. Imagine has also submitted applications for funding from King County and the State Housing Trust Fund. ARCH believes the application will be competitive for King County Transit-Oriented Development housing funds, as well as State funds designated for UHEE projects. Imagine has made substantial progress working through site, design and environmental issues, and is poised to move quickly on the project, if successful in securing a tax credit allocation.

Funding Rationale:
The Executive Board recommends funding with conditions listed below for the following reasons:
- Aligns with local housing strategy.
- The City of Bothell is excited to support this affordable project through discounting land and having worked collaboratively to address land use issues.
- The project would increase affordability within the revitalized Bothell Landing.
- The project is sited at an excellent location for senior housing, with proximity to a major senior center, planned bus rapid transit, parks and trails, and shopping.
- The project will strive to achieve Ultra High Energy Efficiency.
- The project leverages significant funding from other public and private sources.
- The scale of project fits developer's past track record and capabilities.

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo.

Special Conditions:

1. Funds shall be used by the Agency for construction.

2. ARCH's funding commitment shall continue for twelve (12) months from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH

staff no later than sixty (60) days prior to the expiration date. At that time, the Agency will provide a status report on progress to date. ARCH staff will consider up to a 12-month extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the Agency will demonstrate all capital funding is likely to be secured within a reasonable period of time.

3. Funds will be in the form of a deferred, contingent loan. It is anticipated that loan payments will be based on a set repayment schedule and begin after repayment of deferred developer fee with 1% interest. The terms will also include a provision for the Agency to a defer payment if certain conditions are met (e.g. low cash flow due to unexpected costs). Any requested deferment of loan payment is subject to approval by ARCH Staff, and any deferred payment would be repaid from future cash flow or at the end of the amortization period. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by ARCH Staff. The terms are expected to include a provision for the Agency to defer payment if certain conditions are met (e.g., low cash flow due to unexpected costs).

4. A covenant is recorded ensuring affordability for at least 50 years, with affordability generally as shown in the following table. Limited changes to the matrix may be considered based on reasonable justification as approved by ARCH staff.

Affordability	Studio	Total
50% AMI	76	76
TOTAL	76	76

5. Agency shall work with City to minimize parking requirements and dependence on private vehicles, but support residents with alternative modes of transportation, including exploring bus vouchers, shared electric bikes and a van.

6. The net developer fee shall be established at the time of finalizing the Contract Budget and will follow the schedule established by ARCH. Net developer fee is defined as that portion of the developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after being placed in service.

7. To demonstrate Agency's capacity to provide appropriate asset management and property management over its properties, Agency shall:

   A. Establish and maintain an internal system of complaint tracking including documentation of resolution;
   B. Provide ARCH with information related to active complaints regarding property conditions and management at existing properties and prepare an implementation plan to address verified habitability complaints, to be submitted to ARCH by February 15, 2021; and
   C. Provide regular reporting on implementation to ARCH. No funds will be contracted or disbursed until the ARCH has determined the Agency has sufficient property and asset

management capacities and has adequately addressed resident complaints regarding life safety and livability issues.

8. Agency shall maintain the project in good and habitable condition for the duration of period of affordability.

3. Inland Group/Horizon Housing Totem Lake Development

Initial Funding Request:	$4,000,000 (Deferred, Contingent Loan) 80 affordable rental units in 9% deal and 219 affordable units in 4% deal
Executive Board Recommendation:	Up to $4,000,000 based on documented gap (Deferred, Contingent Loan)

Project Summary:
Based on their successful proposal for the Together Center redevelopment, Inland/Horizon seek to create a similarly configured affordable development comprising approximately 300 income-restricted units supplemented by an additional 168 workforce rental units in the redeveloping Totem Lake neighborhood of Kirkland.

The proposed project is located at the site of a former new car dealership will consist of three residential towers with level 1 of sub-grade parking and 2 levels of above grade parking. The first floor will consist of common areas/commercial space and the majority of the residential units will be on the third floor and above. The project proposes to utilize 9% tax credits in 80 units affordable at 30% and 50% AMI, of which 60 would be be set aside for those exiting homelessness. Another 219 units is proposed at 60% AMI, which will be funded through 4% tax credits and tax-exempt bond financing. The developer is in conversations with Hopelink to provide services to the formerly homeless.

Microsoft has indicated interest in financing the workforce component of the project, as well as supplying bridge financing through ARCH for the tax credit portion of the development, similar to the loan provided to the Together Center development.

Funding Rationale:
The Executive Board recommends funding with conditions listed below for the following reasons:

- The project has the opportunity to deliver mixed income housing on a significant scale in a location with access to transit and other amenities.
- The project leverages a significant amount of tax credit and other private financing.
- If successful in obtaining a 9% allocation, the project would provide housing for homeless families as well as other low-income families and individuals.
- If unsuccessful in obtaining a 9% allocation, the project would still deliver a significant amount of housing affordable to a range of incomes.
- The project will deliver a large amount of family-sized, 3-bedroom units.

- The developer is vertically integrated bring economies to the development. The project will be co-located with workforce housing creating a project of around 470 units built simultaneously, bringing an economy of scale.
- The project envisions bringing social services and behavioral health services to the Totem Lake neighborhood.
- The project would allow timely investment of in lieu fees collected from downtown development to invest in another redeveloping neighborhood.
- The project maximizes utilization of the site per zoning.

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo.

Special Conditions:

1. The funding commitment shall continue for eighteen (18) months from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. ARCH staff will grant up to a 12-month extension.

2. Funds shall be used by the Agency towards acquisition. Funds may not be used for any other purpose unless ARCH staff has given written authorization for the alternate use.

3. Funds will be in the form of a deferred, contingent loan. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by ARCH Staff. It is anticipated that loan payments will be based on a set repayment schedule and begin after repayment of deferred developer fee with 1% interest. The terms will also include a provision for the Agency to a defer payment if certain conditions are met (e.g. low cash flow due to unexpected costs). Any requested deferment of loan payment is subject to approval by ARCH Staff, and any deferred payment would be repaid from future cash flow or at the end of the amortization period.

5. The net developer fee shall be established at the time of finalizing the Contract Budget and will follow the ARCH Net Developer Fee Schedule. Net developer fee is defined as that portion of the developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after being placed in service.

6. A covenant is recorded ensuring affordability for at least 50 years, with affordability generally as shown in the following table. Limited changes to the unit mix may be considered based on reasonable justification as approved by ARCH staff. If the project is unsuccessful in securing 9% tax credits in the current round, the project may shift the allocation of units set aside at 30% AMI to either 50% or 60% AMI. The total number of units affordable up to 60% AMI may not be decreased by more than 10% without ARCH Board approval. The total number of units affordable up to 50% AMI may also not be decreased by more than 10% without ARCH Board approval. Decreases of 50% and 60% AMI units greater than 10% may be approved by the ARCH Board, but shall not exceed 20%.

Affordability	Studio	1 BR	2BR	3BR	Total
30%		8	20	12	40
50%		8	20	12	40
60%	22	42	108	47	219
Total	22	58	148	71	299

7. The final loan amount shall be up to $4 million, subject to approval by ARCH staff based on a documented funding gap. ARCH reserves the right to reduce its total loan amount based on changes to the project sources and uses, and unit mix.

8. The Agency shall submit evidence of private funding commitments for all components of the project, including the workforce housing. In the event commitment of funds cannot be secured consistent with the timeframe identified in the application, the Agency shall immediately notify ARCH, and describe the actions it will undertake to secure alternative funding and the timing of those actions subject to ARCH review and approval.

9. Agency must submit for ARCH staff approval a management and services plan which includes coordination of services with outside providers and parking management.

10. Agency shall submit a marketing plan for approval by ARCH staff. The plan should include how the Agency will do local targeted marketing outreach to local, media business and community organizations.

11. The Agency shall work with the city to minimize required parking and to provide alternative transportation options for the residents that reduce reliance on private automobiles, such as provision of public transit passes, bike storage, car sharing programs and other incentives. The Agency may charge for parking, subject to approval by ARCH staff, provided that the Agency has minimized the overall cost burden on residents with the lowest incomes.

12. In the interest of discouraging segregation of residents by income within the project, the Agency shall look for ways to integrate the population across the project with shared amenities, unifying esthetics and other programmatic features to build community within the project.

4. Friends of Youth New Ground Kirkland Redevelopment

Funding Request: $1,069,979 additional to previously invested $250,000 awarded in 2005 (Secured Grant)
24 total affordable beds replacing existing 8 beds

Executive Board Recommendation: $0

Project Summary:
Friends of Youth proposes to redevelop a site currently occupied by their 8-unit transitional living program in the Houghton neighborhood of Kirkland. The existing building would be razed and replaced

by a similarly sized building configured to have 8 suites of congregate housing, each with 3 private bedrooms, for a total of 24 residences. The target population would be clients who are ready for more independent living, likely pursuing education or entry level employment, including young adults who are not current clients of the agency. This would represent a re-balancing of the agency's housing portfolio.

<u>Funding Rationale:</u>
The CAB potentially supports the concept of the Friends of Youth proposal but does not recommend funding at this time. The CAB would welcome an application in the next round. This would provide an opportunity for Friends of Youth to address the issues identified below. In the event Friends of Youth does provide an application to ARCH in the upcoming round, the application should address the following issues:

- Building design, siting and parking and conformance with zoning requirements
- Interior arrangement for congregate/independent living
- On site management necessary for successful congregate living
- Neighborhood outreach
- Capital campaign plan that includes this project and the permanent relocation of the youth shelter, which the agency has indicated is its other top priority

Standard Conditions (Apply to all projects):

1. The Agency shall provide revised development and operating budgets based upon actual funding commitments, which must be approved by ARCH staff. If the Agency is unable to adhere to the budgets, ARCH must be immediately notified and (a) new budget(s) shall be submitted by the Agency for ARCH's approval. ARCH shall not unreasonably withhold its approval to (a) revised budget(s), so long as such new budget(s) does not materially adversely change the Project. This shall be a continuing obligation of the Agency. Failure to adhere to the budgets, either original or as amended may result in withdrawal of ARCH's commitment of funds.

2. The Agency shall submit evidence of funding commitments from all proposed public sources. In the event commitment of funds identified in the application cannot be secured in the time frame identified in the application, the Agency shall immediately notify ARCH, and describe the actions it will undertake to secure alternative funding and the timing of those actions subject to ARCH review and approval.

3. In the event federal funds are used, and to the extent applicable, federal guidelines must be met, including but not limited to: contractor solicitation, bidding and selection; wage rates; and Endangered Species Act (ESA) requirements. CDBG funds may not be used to repay (bridge) acquisition finance costs.

4. The Agency shall maintain documentation of any necessary land use approvals and permits required by the city in which the project is located.

5. The Agency shall submit monitoring quarterly reports through completion of the project, and annually thereafter, and shall submit a final budget upon project completion. If applicable, Agency shall submit initial tenant information as required by ARCH.

Attachments

Attachment 1: Recommended Projects and Funding Sources
Attachment 2: Economic Summaries of Recommended Projects
Attachment 3: Past Projects Funded through the Trust Fund

Attachment 1
Recommended Projects and Funding Sources

	Recommended Projects			
	Eastgate Supportive Housing	Samma Senior Apartments	Horizon at Totem Lake	Total 2020 Recommended Funding
Member Cities Funding				
Bellevue	$62,200	$62,200	$497,500	$621,900
Bothell	$8,600	$8,600	$68,800	$86,000
Clyde Hill	$1,900	$1,900	$15,000	$18,800
Hunts Point	$500	$500	$3,900	$4,900
Issaquah	$11,800	$11,800	$94,700	$118,300
Kenmore	$10,700	$10,700	$85,400	$106,800
Kirkland	$321,600	$321,600	$2,573,100	$3,216,300
Medina	$1,000	$1,000	$8,300	$10,300
Mercer Island	$5,500	$5,500	$44,300	$55,300
Newcastle	$4,100	$4,100	$32,500	$40,700
Redmond	$50,800	$50,800	$406,700	$508,300
Sammamish	$15,600	$15,600	$124,600	$155,800
Woodinville	$4,800	$4,800	$38,300	$47,900
Yarrow Point	$900	$900	$6,900	$8,700
	$500,000	$500,000	$4,000,000	$5,000,000
Prior Award		$750,000		
Total Award	$500,000	$1,250,000	$4,000,000	

ATTACHMENT 2: ECONOMIC SUMMARIES OF RECOMMENDED PROJECTS

ECONOMIC SUMMARY: PLYMOUTH HOUSING/PSH AT EASTGATE

1. Applicant/Description: New construction of 95 supportive housing units (92 affordable) for homeless individuals

2. Project Location: 13620 SE Eastgate Way, Bellevue

3. Financing Information:

Funding Source	Funding Amount	Commitment
ARCH	$500,000	
King County	$5,703,705	Committed
Commerce Trust Fund	$2,000,000	Committed
Tax Credits	$19,703,538	Committed
Private Debt	$0	
Sponsor	$2,211	Committed
TOTAL	$27,909,454	

4. Development Budget:

ITEM	TOTAL	PER UNIT @ 92 units	HTF
Acquisition	$2,300,000	$25,000	
Construction	$19,003,073	$206,555	
Design	$370,000	$4,022	
Consultants/Other	$434,750	$4,726	
Developer fee	$1,796,337	$26,087	
Finance costs	$1,070,233	$11,633	
Reserves	$1,191,398	$12,950	
Permits/Fees	$1,1,40,000	$12,391	$500,000
TOTAL	$27,909,454	$303,364	$500,000

5. Debt Service Coverage: Debt service payments will be finalized upon commitment. Basic terms will include a 50-year amortization, cash flow loan, 1% interest, and ability to request a deferral of annual payment to preserve economic integrity of property.

6. Security for City Funds:
- A recorded covenant to ensure affordability and use for targeted population for 50 years.
- A promissory note secured by a deed of trust. The promissory note will require repayment of the loan amount upon non-compliance with any of the loan conditions.

7. Rental Subsidy: None

ATTACHMENT 2: ECONOMIC SUMMARIES OF RECOMMENDED PROJECTS

ECONOMIC SUMMARY: IMAGINE HOUSING / SAMMA SENIOR APARTMENTS

1. Applicant/Description: New construction of 76 affordable rental units for seniors

2. Project Location: 17816 Bothell Way NE, Bothell

3. Financing Information:

Funding Source	Funding Amount	Commitment
ARCH	$1,250,000	$750,000 of which committed in 2019
King County	$5,350,000	Committed
Commerce Trust Fund	$3,496,159	Committed
HDC Grant	40,000	Committed
Tax Credits	$7,599,377	Proposed
Bonds/Private Debt	$4,899,407	Proposed
Deferred Developer Fee/Sponsor	$1,091,340	Committed
TOTAL	$23,726,283	

4. Development Budget:

ITEM	TOTAL	PER UNIT	HTF
Acquisition	$750,000	$10,263	$750,000
Demolition	$55,000	$724	
Construction	$15,541,627	$204,495	$500,000
Design	$1,482,997	$19,513	
Consultants/Other	$1,025,101	$13,488	
Developer fee	$1,796,337	$23,636	
Finance costs	$1,601,614	$21,074	
Reserves	$371,524	$4,888	
Permits/Fees	$1,072,083	$14,106	
TOTAL	$23,726,283	$312,188	$1,250,000

5. Debt Service Coverage: Debt service payments will be finalized upon commitment. Basic terms will include a 50-year amortization, deferral of payments until deferred developer fee is repaid, 1% interest, and ability to request a deferral of annual payment to preserve economic integrity of property.

6. Security for City Funds:

- A recorded covenant to ensure affordability and use for targeted population for 50 years.
- A promissory note secured by a deed of trust. The promissory note will require repayment of the loan amount upon non-compliance with any of the loan conditions.

ATTACHMENT 2: ECONOMIC SUMMARIES OF RECOMMENDED PROJECTS

7. Rental Subsidy: None

ATTACHMENT 2: ECONOMIC SUMMARIES OF RECOMMENDED PROJECTS

ECONOMIC SUMMARY: INLAND/HORIZON TOTEM LAKE

1. Applicant/Description: New construction of 467 rental housing units (299 affordable units) with 60 units set aside for households exiting homelessness

2. Project Location: 12335 12-0th Ave Ne, Kirkland

3. Financing Information:

Funding Source	Funding Amount	Commitment
ARCH	$4,000,000	
King County	$0	
Commerce Trust Fund	$0	
Tax Credits	$65,425,544	Proposed
Private Debt	$32,267,490	Proposed
Deferred Developer Fee	$10,687.675	Committed
TOTAL	$112,380,709	

4. Development Budget:

ITEM	TOTAL	PER UNIT @ 299 units	HTF
Acquisition	$12,650,000	$42,308	$4,000,000
Construction	$71,027,954	$237,552	
Design	$751,229	$2,512	
Consultants/Other	$2,663,337	$8,907	
Developer fee	$12,721,894	$42,548	
Finance costs	$7,594,171	$25,399	
Reserves	$596,524	$1,995	
Permits/Fees	$4,375,500	$14,634	
TOTAL	$112,380,609	$375,855	$4,000,000

5. Debt Service Coverage: Debt service payments will be finalized upon commitment. Basic terms will include a 50-year amortization, cash flow loan, 1% interest, and ability to request a deferral of annual payment to preserve economic integrity of property.

6. Security for City Funds:
- A recorded covenant to ensure affordability and use for targeted population for 50 years.
- A promissory note secured by a deed of trust. The promissory note will require repayment of the loan amount upon non-compliance with any of the loan conditions.

7. Rental Subsidy: None

Attachment 3: Past Projects Funded through the Trust Fund

Project name	Location	ARCH Contributions	Total Units	Popuation Type	Affordability Level (% median income)
30 Bellevue	Bellevue	$ 1,012,926	62	Family	30/40/60
AIDS Housing	Bellevue/Kirkland	$ 130,000	6	Special Needs	30
Andrew's Glen	Bellevue	$ 1,587,187	40	Family/Homeless	30/40/60
Andrew's Heights	Bellevue	$ 400,000	24	Family	25/50
Ashwood Court	Bellevue	$ 1,070,000	51	Senior	35/60
Athene	Kirkland	$ 1,147,126	91	Senior	30/40/60
August Wilson Place	Bellevue	$ 1,058,539	56	Family/Homeless	30/50/60
Avon Villa Mobile Home Park	Redmond	$ 525,000	76	Family	50/80
Avondale Park	Redmond	$ 280,000	18	Homeless	30
Avondale Park Redevelopment	Redmond	$ 1,502,469	60	Homeless	30
Bellevue Manor/Harris Manor	Bellevue/Redmond	$ 1,334,749	107	Senior	30
Cambridge Court	Bellevue	$ 160,000	20	Senior	50
Capella at Esterra Park	Redmond	$ 7,452,906	260	Family/Homeless/ Special Needs	30/40/50/60
CHI Adult Family Home 8	Bothell	$ 150,500	5	Special Needs	30
CHI Shared Living 1	Newcastle	$ 100,500	3	Special Needs	30
Clark Street	Issaquah	$ 355,000	30	Family	50/60
Coal Creek Terrace	Newcastle	$ 240,837	12	Family	50
Copper Lantern	Kenmore	$ 452,321	33	Family/Homeless	50/60/80
Crestline Apartments	Kirkland	$ 195,000	22	Family	45/60
DD Group Home	Bellevue	$ 40,000	5	Special Needs	50
DD Group Home 3	Bellevue	$ 21,000	5	Special Needs	30
DD Group Home 4	Redmond	$ 111,261	5	Special Needs	30
DD Group Home 7	Kirkland	$ 100,000	5	Special Needs	30
DD Group Homes 5 & 6	Redmond/Bothell	$ 250,000	10	Special Needs	30
Dixie Price Apartments	Redmond	$ 71,750	14	Homeless	30
Eastwood Square	Bellevue	$ 600,000	48	Family	50/60
Ellsworth House	Mercer Island	$ 900,000	59	Senior	50
Evergreen Court	Bellevue	$ 2,480,000	64	Senior	50/60/Medicaid

Attachment 3: Past Projects Funded through the Trust Fund

Project name	Location	ARCH Contributions	Total Units	Popuation Type	Affordability Level (% median income)
FFC DD Home II	Kirkland	$ 168,737	4	Special Needs	30
FFC DD Homes	KC	$ 300,000	4	Special Needs	30
Foster Care Home	Kirkland	$ 35,000	4	Special Needs	50
FOY Extended Foster Care	Kirkland	$ 112,624	10	Special Needs	30
FOY New Ground	Kirkland	$ 250,000	7	Special Needs	30
FOY Transitional Housing	Kirkland	$ 247,603	10	Special Needs	30
Francis Village	Kirkland	$ 1,500,000	60	Family/Homeless	30/40/60
Garden Grove Apartments	Bellevue	$ 180,000	18	Family	50/60
Glendale Apartments	Bellevue	$ 300,000	82	Family	50/60/80
Greenbrier Family Apartments	Woodinville	$ 286,892	50	Family	30/50/60
Greenbrier Senior Apartments	Woodinville	$ 196,192	50	Senior	30/50/60
Habitat Issaquah Highlands	Issaquah	$ 318,914	10	Family	50
Habitat Patterson Park	Redmond	$ 446,629	24	Family	50
Habitat Sammamish	Sammamish	$ 972,376	10	Family	50/60
Harrington House	Bellevue	$ 290,209	9	Special Needs	30
Heron Landing	Kenmore	$ 65,000	50	Senior	40
Hidden Village	Bellevue	$ 200,000	78	Family	50
Highland Gardens	Sammamish	$ 291,281	51	Family	30/45/60
Homeowner Downpayment Loan	Various	$ 615,000	84	Family	30/50/60/80
Hopelink Place	Bellevue	$ 500,000	20	Homeless	30
Houghton Apartments	Kirkland	$ 2,827,250	15	Family	60
IERR DD Home	Issaquah	$ 50,209	7	Special Needs	30
John Gabriel House	Redmond	$ 2,330,000	74	Senior	30/40/60
Kensington Square	Bellevue	$ 250,000	6	Homeless	30
Kirkland Plaza Apartments	Kirkland	$ 610,000	24	Senior	50
Lauren Heights	Issaquah	$ 730,381	50	Family	30/50/60
Men's Group Home	Kirkland	$ 150,000	6	Homeless	30
Men's Shelter	Bellevue	$ 1,200,000	50	Homeless	30
Mine Hill	Issaquah	$ 482,380	28	Family	30/50/60

Attachment 3: Past Projects Funded through the Trust Fund

Project name	Location	ARCH Contributions	Total Units	Popuation Type	Affordability Level (% median income)
My Friend's Place	KC	$ 65,000	10	Special Needs	30
Overlake Townhomes	Bellevue	$ 120,000	10	Family	50
Oxford House	Bellevue	$ 80,000	10	Special Needs	50
Pacific Inn	Bellevue	$ 600,000	118	Family	50/60
Parkview DD Condos III	Bellevue	$ 200,000	4	Special Needs	30/50
Parkview DD Homes VI	Bellevue/Bothell	$ 150,000	6	Special Needs	30
Parkview DD Homes XI	Kenmore	$ 200,800	3	Special Needs	30
Parkway Apartments	Redmond	$ 100,000	41	Family	50
Petter Court	Kirkland	$ 100,000	4	Homeless	50
Plum Court	Kirkland	$ 1,000,000	60	Family	30/50/60
Polaris at Eastgate	Bellevue	$ 575,000	298	Family	60
REDI TOD Land Loan	Various	$ 500,000	100	Family	80
Riverside Landing	Bothell	$ 225,000	50	Senior	50/60
Rose Crest	Redmond	$ 1,148,558	50	Family/Homeless	30/50/60
Samma Senior Apartments	Bothell	$ 750,000	54	Senior	40/50/60
Somerset Gardens (Kona)	Bellevue	$ 700,000	198	Family	30/50/80
Sophia's Place	Bellevue	$ 250,000	20	Homeless	30
Spiritwood Manor	Bellevue	$ 400,000	129	Family	50
Stillwater House	Redmond	$ 187,787	19	Special Needs	50
Summerwood	Redmond	$ 1,187,265	112	Family	30/50/60
Terrace Hill	Redmond	$ 442,000	18	Family	35/40/50
Together Center Redevelopment	Redmond	$ 6,750,000	280	Family/Homeless/ Special Needs	30/50/60
Trailhead	Issaquah	$ 4,710,000	155	Family	40/60
UCP Group Homes	Bellevue/Redmond	$ 25,000	9	Special Needs	50
Vasa Creek	Bellevue	$ 190,000	51	Senior	40
Velocity	Kirkland	$ 1,126,744	58	Family/Homeless	30/40/60
Village at Overlake Station	Redmond	$ 1,645,375	308	Family	50/60
Wildwood Apartments	Bellevue	$ 270,000	36	Family	30

Attachment 3: Past Projects Funded through the Trust Fund

Project name	Location	ARCH Contributions	Total Units	Popuation Type	Affordability Level (% median income)
Women/Family Shelter	Kirkland	$ 2,689,000	98	Homeless	50
Youth Haven	Kirkland	$ 332,133	20	Special Needs	30
YWCA Family Apartments	Bellevue	$ 100,000	12	Family	35/40
YWCA Family Village I	Issaquah	$ 4,886,329	97	Family/Homeless	30/50/60
YWCA Family Village II	Issaquah	$ 2,760,000	48	Family	50/60
Total		**$ 74,101,739**	**4591**		