

08-153

**INTERLOCAL COOPERATION AGREEMENT
REGARDING THE
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

THIS AGREEMENT is entered into by and between King County (hereinafter the "County") and the City of Woodinville, (hereinafter the "City") said parties to this Agreement each being a unit of general local government in the State of Washington.

WITNESSETH:

WHEREAS, the federal government, through adoption and administration of the Housing and Community Development Act of 1974 (the "Act"), as amended, will make available to King County Community Development Block Grant funds, hereinafter referred to as "CDBG", for expenditure during the 2009-2011 funding years; and

WHEREAS, the area encompassed by unincorporated King County and all participating cities, has been designated by the United States Department of Housing and Urban Development ("HUD"), as an urban county for the purpose of receiving CDBG funds; and

WHEREAS, the Act directs HUD to distribute to each urban county a share of the annual appropriation of CDBG funds based on formula, taking into consideration the social and economic characteristics of the urban county; and

WHEREAS, the Act allows participation of units of general government within an urban county in undertaking activities that further the goals of the CDBG program within the urban county; and

WHEREAS, the CDBG Regulations require the acceptance of the consolidated housing and community development plan ("Consolidated Plan") by participating jurisdictions; and

WHEREAS, King County shall undertake CDBG/HOME Program-funded activities in participating incorporated jurisdictions as specified in the Consolidated Plan by granting funds to those jurisdictions and to other qualifying entities to carry out such activities; and

WHEREAS, King County is responsible to the federal government for all activities undertaken with CDBG funds and shall ensure that all CDBG assurances and certifications King County is required to submit to HUD with the Annual Action Plan are met; and

WHEREAS, King County and the participating jurisdictions agree that it is mutually desirable and beneficial to enter into a consortium arrangement pursuant to and authorized by the National Affordable Housing Act of 1990, as amended, 42 USC 12701 et. seq. and 24 CFR Part 92 for purposes of the HOME Investment Partnerships Program, hereinafter referred to as "HOME Program", and to cooperate in undertaking HOME Program activities; and

WHEREAS, King County and the participating jurisdictions are committed to targeting CDBG and HOME Program funds to ensure benefit for very low to moderate-income persons as defined by HUD; and

WHEREAS, King County and the participating jurisdictions recognize that needs of very low to moderate-income persons may cross jurisdictional boundaries and therefore can be considered regional and sub-regional needs as well as local needs; and

WHEREAS, King County, in conjunction with the participating jurisdictions, must submit an Annual Action Plan to HUD, which is a requirement to receive CDBG funds; and

WHEREAS, the purpose of this Interlocal Cooperation Agreement, entered into pursuant to and in accordance with the State Interlocal Cooperation Act, RCW Chap. 39.34, is to form an urban county consortium, ("Consortium"), for planning the distribution and administration of CDBG, HOME Program, and other federal funds received on behalf of the Consortium from HUD, and for execution of activities in accordance with and under authority of the Act:

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING CIRCUMSTANCES AND IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, IT IS AGREED THAT:

I. GENERAL AGREEMENT

King County and participating jurisdictions agree to cooperate to undertake, or assist in undertaking, activities which further the development of viable urban communities, including the provision of decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low- and moderate income, through community renewal and lower income housing assistance activities, funded from annual CDBG and HOME Program funds from federal Fiscal Years 2009, 2010 and 2011 appropriations, from recaptured funds allocated in those years, and from any program income generated from the expenditure of such funds.

II. GENERAL DISTRIBUTION OF FUNDS

The annual distribution of CDBG and HOME Program funds for the King County urban county Consortium shall be governed by the following provisions:

- A. The amount needed for administration of the Consortium's CDBG, HOME Program and related federal programs that benefit the Consortium shall be reserved by the County. This amount (hereinafter referred to as the "Administrative Setaside") is contingent upon review by the Joint Recommendations Committee ("JRC"), as provided in Section IV, and approval by the Metropolitan King County Council, as provided by Section V. To the extent that is reasonable and feasible, the County and the Committee shall strive to ensure that some portion of the allowable 20 percent of CDBG for planning and administration remains available for the purposes outlined in II. D. below.

- B. Five percent of the funds available from the CDBG entitlement and program income shall be reserved for the Housing Stability Program, a public service activity in support of homeless prevention and in support of the affordable housing requirements under the implementation of the state Growth Management Act (RCW Chapter 36.70A).
- C. Twenty-five percent of the funds available from the CDBG entitlement and program income shall be reserved for the Consortium-wide Housing Repair program. The JRC may periodically review and recommend increases or decreases to this percentage if, in its judgment, there has been a substantial change in the Consortium's overall funding or in the need for housing repair that justifies an increase or decrease.
- D. The remaining entitlement and program income funds, including any remaining balance of the 20 percent allowable for planning and administration, as well as any recaptured or prior year funds, shall be divided between two sub-regions of the county—the north/east sub-region and the south sub-region. These funds shall be made available on a competitive basis for a variety of eligible activities consistent with the Consolidated Housing and Community Development Plan.
 - 1. The north/east sub-region shall include those cities in the north and east and those portions of unincorporated King County that lie north of Interstate 90. The cities of Mercer Island, Newcastle, Issaquah, and North Bend, which are at or near the Interstate 90 border, along with their designated potential annexation areas, also shall be included in the north/east sub-region.
 - 2. The south sub-region shall include those cities south of Interstate 90 and those portions of unincorporated King County that lie south of Interstate 90, except for the cities of Mercer Island, Newcastle, Issaquah, and North Bend and their potential annexation areas, which are part of the north/east sub-region.
 - 3. The formula for dividing the funds between the two sub-regions shall be based on each sub-region's share of the Consortium's low-and moderate-income population.

III. USE OF FUNDS: GENERAL PROVISIONS

- A. Funds shall be used to support the goals and objectives of the Consolidated Plan.
- B. Funds shall be used in accordance with the CDBG regulations at 24 CFR Part 570, Home Program regulations at 24 CFR Part 92, and all other applicable federal regulations.

IV. JOINT RECOMMENDATIONS COMMITTEE

An inter-jurisdictional Joint Recommendations Committee (“JRC”) shall be established.

- A. **Composition**—The JRC shall be composed of three county representatives and eight cities representatives.
1. The three county representatives shall be King County Executive staff with broad policy responsibilities and/or department directors. County representatives shall be specified in writing and, where possible, shall be consistently the same persons from meeting to meeting.
 2. Four of the cities representatives shall be from those cities signing this interlocal cooperation agreement, two from each sub-region.
 3. The remaining four cities representatives shall be from cities that qualify to receive CDBG entitlement funds directly from HUD and that are not signing this agreement, but are signing either Joint agreements or HOME Program-only agreements. These latter four representatives shall have no vote on matters specific to the jurisdictions that are parties to this agreement.
 4. The chairperson and vice-chairperson of the JRC shall be chosen from among the members of the JRC by a majority vote of the members for a term of one year beginning with the first meeting of the calendar year. Attendance of five members shall constitute a quorum.
- B. **Appointments**—The King County Executive shall appoint the three county representatives. The participating cities shall provide for the appointment of their shared representatives in a manner to be determined by those cities through the Suburban Cities Association or other agreed-upon mechanism for the execution of shared appointing authority. The Suburban Cities Association or other agreed mechanism will select four jurisdictions of varying size from among those signing this agreement, two from the north/east sub-region and two from the south sub-region. The cities representatives shall be elected officials, chief administrative officers, or persons who report directly to the chief administrative officer and who have broad policy responsibilities; e.g., planning directors, department directors, etc. Members of the JRC shall serve for two years, or at the pleasure of their respective appointing authorities.
- C. **Powers and Duties**—The JRC shall be empowered to:
1. Review and recommend to the King County Executive all policy matters concerning the Consortium CDBG and HOME Program, including but not limited to the Consolidated Plan and related plans and policies.

2. Review and recommend to the King County Executive the projects and programs to be undertaken with CDBG funds and HOME Program funds, including the Administrative Setaside.
 3. Monitor and ensure that all geographic areas and participating jurisdictions benefit fairly from CDBG and HOME Program funded activities over the three-year agreement period, so far as is feasible and within the goals and objectives of the Consolidated Plan.
- D. Advisory Committees to JRC—In fulfilling its duty to review and recommend projects and programs to be undertaken with the CDBG and HOME Program funds, the JRC shall consider the advice of inter-jurisdictional advisory committees. Sub-regional advisory committees, made up of one representative from each participating jurisdiction in a sub-region that wishes to participate, shall be convened to assist in the review and recommendation of projects and programs to be undertaken in that sub-region. The JRC may also solicit recommendations from other inter-jurisdictional housing and community development committee

V. RESPONSIBILITIES AND POWERS OF KING COUNTY

- A. Notwithstanding any other provision contained in this Agreement, the County as the applicant and grantee for CDBG and HOME Program funds has responsibility for and assumes all obligations in the execution of the CDBG and HOME Programs, including final responsibility for selecting and executing activities, and submitting to HUD the Consolidated Plan, Annual Action Plans, and related plans and reports, including the Analysis of Impediments to Fair Housing Choice and the Fair Housing Action Plan. Nothing contained in this Agreement shall be construed as an abdication of those responsibilities and obligations.
- B. The Metropolitan King County Council shall have authority and responsibility for all policy matters, including the Consolidated Plan, upon review and recommendation by the JRC.
- C. The Metropolitan King County Council shall have authority and responsibility for all fund allocation matters, including approval of the annual CDBG and HOME Program Administrative Setasides and appropriation of all CDBG and HOME Program funds.
- D. The King County Executive, as administrator of the CDBG and HOME Programs, shall have authority and responsibility for all administrative requirements for which the County is responsible to the federal government.
- E. The King County Executive shall have authority and responsibility for all fund control and disbursements.
- F. The King County Executive shall have the authority and responsibility to staff the JRC and provide liaison between HUD and the urban county Consortium. County

Executive staff shall prepare and present to the JRC evaluation reports or recommendations concerning specific proposals or policies, and any other material deemed necessary by the JRC to help it fulfill its powers and duties in IV. C., above.

- G. King County Executive staff shall have the authority and responsibility to communicate and consult with participating jurisdictions on CDBG and HOME Program policy and program matters in a timely manner.
- H. King County Executive staff shall have the authority and responsibility to convene sub-regional advisory committees made up of representatives from participating jurisdictions in the sub-region, to advise the JRC on the allocation of the sub-regional funds.
- I. King County Executive staff shall provide periodic reports on clients served by jurisdictions in the Housing Stability and Housing Repair programs and on the status of CDBG and HOME Program funded projects and make them available to all participating jurisdictions and the JRC.
- J. King County Executive staff shall solicit proposals, administer contracts, and provide for technical assistance, both in the development of viable CDBG and HOME Program proposals and in complying with CDBG and HOME Program contractual requirements.
- K. King County shall have environmental review responsibility for purposes of fulfilling requirements of the National Environmental Policy Act, under which King County may require the local incorporated jurisdiction or contractor to furnish data, information, and assistance for King County's review and assessment in determining whether an Environmental Impact Statement is required.

VI. RESPONSIBILITIES OF THE PARTICIPATING CITIES

- A. All participating cities shall cooperate in the development of the Consolidated Plan and related plans.
- B. All participating cities shall assign a staff person to be the primary contact for the County on CDBG/HOME Program issues. The assigned CDBG/HOME Program contact person is responsible for communicating relevant information to others at the participating city, including any representative the city may choose to send to the sub-regional advisory committee, if that representative is not the CDBG/HOME Program contact person.
- C. At its discretion, a participating city may assign a representative to attend meetings of the sub-regional advisory committee. This representative may or may not be the City's CDBG/HOME Program contact person. It may be the CDBG/HOME Program contact person, a different staff member, an elected official, or a citizen.

- D. If and when a participating city deems necessary or advisable, it may prepare applications for CDBG or HOME Program funds to address the needs of its residents, consistent with the Consolidated Plan.
- E. Each participating city shall obtain its council's authorization for any CDBG or HOME Program application submitted.
- F. All participating cities shall carry out CDBG or HOME Program funded projects in a manner that is timely and consistent with contractual requirements.
- G. All participating cities owning community facilities or other real property acquired or improved in whole or in part with CDBG or HOME Program funds shall comply with use restrictions as required by HUD and as required by any relevant policies adopted by the JRC.
 - 1. During the period of the use restriction, the participating cities shall notify King County prior to any modification or change in the use of real property acquired or improved in whole or in part with CDBG or HOME Program funds. This includes any modification or change in use from that planned at the time of the acquisition or improvement, including disposition.
 - 2. During the period of the use restriction, if the property acquired or improved with CDBG or HOME Program funds is sold or transferred for a use which does not qualify under the applicable regulations, the participating city shall reimburse King County in an amount equal to the current fair market value (less any portion thereof attributable to expenditures of funds other than CDBG or HOME Program funds).

VII. RESPONSIBILITIES OF ALL PARTICIPATING JURISDICTIONS

- A. All participating jurisdictions shall be considered to be those jurisdictions that have signed this Agreement.
- B. All participating jurisdiction shall fulfill to the County's reasonable satisfaction all relevant requirements of federal laws and regulations that apply to King County as applicant, including assurances and certifications described in Section VIII below.
- C. Each participating jurisdiction or cooperating unit of general local government certifies that it has adopted and is enforcing:
 - 1. a policy that prohibits the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

2. a policy that enforces applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of non-violent civil rights demonstrations within jurisdiction.
- D. Pursuant to 24 CFR 570.501(b), all participating units of local governments are subject to the same requirements applicable to subrecipients when they receive CDBG funds to implement an activity. The applicable requirements include, but are not limited to, a written agreement with the County that complies with 24 CFR 570.503 and includes provisions pertaining to: statement of work; records and reports; program income; uniform administrative items; other program requirements; conditions for religious organizations; suspension and termination; and reversion of assets.
 - E. All participating units of local government understand that they may not apply for grants under the federal Small Cities or State CDBG Programs that receive separate entitlements from HUD during the period of participation in this Agreement.
 - F. All units of local government participating in the CDBG urban county consortium through this interlocal cooperation agreement understand that they are also part of the urban county for the HOME Program and that they may not participate in a HOME Program consortium except through the urban county, regardless of whether the urban county receives a HOME formula allocation.
 - G. All participating units of local government hereby agree to affirmatively further fair housing and to ensure that no CDBG or HOME Program funds shall be expended for activities that do not affirmatively further fair housing within its jurisdiction or that impede the County's actions to comply with its fair housing certification. For purposes of this section, "affirmatively furthering fair housing" includes participation in the process of developing an Analysis of Impediments to Fair Housing Choice and a Fair Housing Action Plan. While King County has the primary responsibility for the development of these reports to HUD pursuant to Section V(A) of this Agreement, upon request, the City shall provide assistance to the County in preparing such reports.
 - H. Participating jurisdictions undertaking activities and/or projects with CDBG funds distributed under this Agreement shall retain full civil and criminal liability as though these funds were locally generated.
 - I. Participating jurisdictions retain responsibility in fulfilling the requirements of the State Environmental Policy Act under which King County has review responsibility only.

VIII. GENERAL TERMS

- A. This Agreement shall extend through the 2009, 2010 and 2011 program years, and shall remain in effect until the CDBG funds, HOME Program funds and program income received with respect to activities carried out during the three-year qualification period are expended and the funded activities completed. This Agreement shall be automatically renewed for participation in successive three-year qualification periods, unless the County or the City provides written notice that it wishes to amend this agreement or elects not to participate in the new qualification period by the date set forth by the United States Department of Housing and Urban Development in subsequent Urban County Qualification Notices. King County, as the official applicant, shall have the authority and responsibility to ensure that any property acquired or assisted with CDBG funds or HOME Program funds is disposed of or used in accordance with federal regulations.
- B. Pursuant to 24 CFR Part 570.307(d)(2), during the period of qualification no included unit of general local government may terminate or withdraw from the cooperation agreement while it remains in effect.
- C. It is understood that by signing this Agreement, the City shall agree to comply with the policies and implementation of the Consolidated Plan.
- D. Parties to this Agreement must take all required actions necessary to assure compliance with King County's certification required by Section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, including Title VI of the Civil Rights Act of 1964, (Title III of the Civil Rights Act), the Fair Housing Act as amended, Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, the Americans with Disabilities Act of 1990, and other applicable laws.
- E. This Agreement shall be executed in three counterparts, each of which shall be deemed an original, by the chief executive officers of the County and the City, pursuant to the authority granted them by their respective governing bodies. One of the signed Agreements shall be filed by the County with the Region X office of HUD, one shall be filed with the City and one shall be filed with the County. Prior to its taking effect, the fully executed Agreement shall be filed with the County Auditor, or, alternatively, listed by subject on a public agency's web site or other electronically retrievable public source.
- F. It is recognized that amendment to the provisions of this Agreement may be appropriate, and such amendment shall take place when the parties to this Agreement have executed a written amendment to this Agreement. The City and the County also agree to adopt any amendments to the Agreement incorporating changes necessary to meet the requirements for cooperation agreements set forth in an Urban County Qualification Notice applicable for a subsequent three-year qualification period, and to submit such amendment to the United States Department of Housing and Urban Development. Failure to adopt such required

amendment shall void the automatic renewal of the Agreement for the subsequent qualification period.

G. This Agreement is made and entered into for the sole protection and benefit of the parties hereto and their successors and assigns. No other person shall have any right of action based on any provision of this Agreement.

KING COUNTY, WASHINGTON

CITY OF
WOODINVILLE

Jackie MacLean
for King County Executive

Richard A. Leahy
By: Signature

Jackie MacLean
Printed Name

RICHARD A. LEAHY
Printed Name

Director, Department of Community and
Human Services
Title

CITY MANAGER
Title

8/22/08
Date

08/06/2008
Date

Approved as to Form:
OFFICE OF THE KING COUNTY
PROSECUTING ATTORNEY
[Signature]

Approved as to Form:
CITY OF
CITY ATTORNEY
[Signature]
Woodinville

Greg A. Rubstella
City Attorney

ATTEST:
CITY OF Woodinville

Jennifer L. Kuhn
Jennifer L. Kuhn
City Clerk



CITY OF WOODINVILLE, WA
REPORT TO THE CITY COUNCIL
 17301 133rd Avenue NE, Woodinville, WA 98072
 WWW.CI.WOODINVILLE.WA.US

To: Honorable City Council **Date:** 8/05/2008
From: Richard A. Leahy, City Manager *RAL*
By: Justina K. Tate, Assistant to the City Manager *JKT*
Subject: Approval of an Interlocal Agreement: Community Development Block Grant

FINANCIAL ACTION SUMMARY		
Expenditure Required	Amount Budgeted/Approved	(Over)/Under Approved Amount
\$0	\$0	\$0

ISSUE: Shall the Council approve an interlocal cooperation agreement with King County for administration of Community Development Block Grant (CDBG) funds?

RECOMMENDATION: Approve the interlocal cooperation agreement for the years 2009-2011.

POLICY DECISION: All interlocal agreements require approval of the City Council.

BACKGROUND/DISCUSSION: In the past, the City has participated in an interlocal agreement with King County and a number of other cities in King County to apply for and distribute Community Development Block Grant (CDBG) funds from the Federal Department of Housing and Urban Development (HUD). The CDBG program provides annual grants to large "entitlement cities" and to smaller "non-entitlement cities" through urban counties. The funds can be used for housing and redevelopment activities that benefit low/moderate income citizens.

The County applies for CDBG funding on behalf of the 30 member consortium, including the cities of Beaux Arts, Bothell, Carnation, Clyde Hill, Duvall, Hunts Point, Issaquah, Kenmore, Kirkland, Lake Forest Park, Medina, Mercer Island, Newcastle, North Bend, Redmond, Sammamish, Skykomish, Snoqualmie, Woodinville, Yarrow Point, Algona, Black Diamond, Burien, Covington, Des Moines, Enumclaw, Maple Valley, Pacific, SeaTac and Tukwila. King County distributes the funds in four main program areas.

- 1) 20% to administer the CDBG, HOME and other federal programs
- 2) 5% for the Housing Stability program, an activity to support homeless prevention
- 3) 25% for the Housing Improvement Program (HIP) which provides financial assistance to residents of participating cities to make home improvements
- 4) 50% to Capital Projects for eligible projects consistent with the County's Consolidated Housing and Community Development Plan.

ANALYSIS: Typically, the City of Woodinville does not qualify for CDBG funds, however, by participating in the consortium, qualifying Woodinville residents can apply for CDBG funds through the Housing Improvement Program.

RECOMMENDED MOTION:
I MOVE THAT THE CITY COUNCIL APPROVE THE INTERLOCAL AGREEMENT FOR THE KING COUNTY CDBG GRANT FUNDS CONSORTIUM AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE AGREEMENT AND TO TAKE OTHER NECESSARY ACTIONS TO SUCCESSFULLY IMPLEMENT THE AGREEMENT.

ATTACHMENT A: CDBG Interlocal

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WITNESSETH:

WHEREAS, the federal government, through adoption and administration of the Housing and Community Development Act of 1974 (the "Act"), as amended, will make available to King County Community Development Block Grant funds, hereinafter referred to as "CDBG", for expenditure during the 2009-2011 funding years; and

WHEREAS, the area encompassed by unincorporated King County and all participating cities, has been designated by the United States Department of Housing and Urban Development ("HUD"), as an urban county for the purpose of receiving CDBG funds; and

WHEREAS, the Act directs HUD to distribute to each urban county a share of the annual appropriation of CDBG funds based on formula, taking into consideration the social and economic characteristics of the urban county; and

WHEREAS, the Act allows participation of units of general government within an urban county in undertaking activities that further the goals of the CDBG program within the urban county; and

WHEREAS, the CDBG Regulations require the acceptance of the consolidated housing and community development plan ("Consolidated Plan") by participating jurisdictions; and

WHEREAS, King County shall undertake CDBG/HOME Program-funded activities in participating incorporated jurisdictions as specified in the Consolidated Plan by granting funds to those jurisdictions and to other qualifying entities to carry out such activities; and

WHEREAS, King County is responsible to the federal government for all activities undertaken with CDBG funds and shall ensure that all CDBG assurances and certifications King County is required to submit to HUD with the Annual Action Plan are met; and

WHEREAS, King County and the participating jurisdictions agree that it is mutually desirable and beneficial to enter into a consortium arrangement pursuant to and authorized by the National Affordable Housing Act of 1990, as amended, 42 USC 12701 et. seq. and 24 CFR Part 92 for purposes of the HOME Investment Partnerships Program, hereinafter referred to as "HOME Program", and to cooperate in undertaking HOME Program activities; and

WHEREAS, King County and the participating jurisdictions are committed to targeting CDBG and HOME Program funds to ensure benefit for very low to moderate-income persons as defined by HUD; and

WHEREAS, King County and the participating jurisdictions recognize that needs of very low to moderate-income persons may cross jurisdictional boundaries and therefore can be considered regional and sub-regional needs as well as local needs; and

WHEREAS, King County, in conjunction with the participating jurisdictions, must submit an Annual Action Plan to HUD, which is a requirement to receive CDBG funds; and

WHEREAS, the purpose of this Interlocal Cooperation Agreement, entered into pursuant to and in accordance with the State Interlocal Cooperation Act, RCW Chap. 39.34, is to form an urban county consortium, ("Consortium"), for planning the distribution and administration of CDBG, HOME Program, and other federal funds received on behalf of the Consortium from HUD, and for execution of activities in accordance with and under authority of the Act:

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- D. The remaining entitlement and program income funds, including any remaining balance of the 20 percent allowable for planning and administration, as well as any recaptured or prior year funds, shall be divided between two sub-regions of the county—the north/east sub-region and the south sub-region. These funds shall be made available on a competitive basis for a variety of eligible activities consistent with the Consolidated Housing and Community Development Plan.
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- F. The King County Executive shall have the authority and responsibility to staff the JRC and provide liaison between HUD and the urban county Consortium. County

Executive staff shall prepare and present to the JRC evaluation reports or recommendations concerning specific proposals or policies, and any other material deemed necessary by the JRC to help it fulfill its powers and duties in IV. C., above.

- G. King County Executive staff shall have the authority and responsibility to communicate and consult with participating jurisdictions on CDBG and HOME Program policy and program matters in a timely manner.
- H. King County Executive staff shall have the authority and responsibility to convene sub-regional advisory committees made up of representatives from participating jurisdictions in the sub-region, to advise the JRC on the allocation of the sub-regional funds.
- I. King County Executive staff shall provide periodic reports on clients served by jurisdictions in the Housing Stability and Housing Repair programs and on the status of CDBG and HOME Program funded projects and make them available to all participating jurisdictions and the JRC.
- J. King County Executive staff shall solicit proposals, administer contracts, and provide for technical assistance, both in the development of viable CDBG and HOME Program proposals and in complying with CDBG and HOME Program contractual requirements.
- K. King County shall have environmental review responsibility for purposes of fulfilling requirements of the National Environmental Policy Act, under which King County may require the local incorporated jurisdiction or contractor to furnish data, information, and assistance for King County's review and assessment in determining whether an Environmental Impact Statement is required.

VI. RESPONSIBILITIES OF THE PARTICIPATING CITIES

- A. All participating cities shall cooperate in the development of the Consolidated Plan and related plans.
- B. All participating cities shall assign a staff person to be the primary contact for the County on CDBG/HOME Program issues. The assigned CDBG/HOME Program contact person is responsible for communicating relevant information to others at the participating city, including any representative the city may choose to send to the sub-regional advisory committee, if that representative is not the CDBG/HOME Program contact person.
- C. At its discretion, a participating city may assign a representative to attend meetings of the sub-regional advisory committee. This representative may or may not be the City's CDBG/HOME Program contact person. It may be the CDBG/HOME Program contact person, a different staff member, an elected official, or a citizen.

- D. If and when a participating city deems necessary or advisable, it may prepare applications for CDBG or HOME Program funds to address the needs of its residents, consistent with the Consolidated Plan.
- E. Each participating city shall obtain its council's authorization for any CDBG or HOME Program application submitted.
- F. All participating cities shall carry out CDBG or HOME Program funded projects in a manner that is timely and consistent with contractual requirements.
- G. All participating cities owning community facilities or other real property acquired or improved in whole or in part with CDBG or HOME Program funds shall comply with use restrictions as required by HUD and as required by any relevant policies adopted by the JRC.
 - 1. During the period of the use restriction, the participating cities shall notify King County prior to any modification or change in the use of real property acquired or improved in whole or in part with CDBG or HOME Program funds. This includes any modification or change in use from that planned at the time of the acquisition or improvement, including disposition.
 - 2. During the period of the use restriction, if the property acquired or improved with CDBG or HOME Program funds is sold or transferred for a use which does not qualify under the applicable regulations, the participating city shall reimburse King County in an amount equal to the current fair market value (less any portion thereof attributable to expenditures of funds other than CDBG or HOME Program funds).

VII. RESPONSIBILITIES OF ALL PARTICIPATING JURISDICTIONS

- A. All participating jurisdictions shall be considered to be those jurisdictions that have signed this Agreement.
- B. All participating jurisdiction shall fulfill to the County's reasonable satisfaction all relevant requirements of federal laws and regulations that apply to King County as applicant, including assurances and certifications described in Section VIII below.
- C. Each participating jurisdiction or cooperating unit of general local government certifies that it has adopted and is enforcing:
 - 1. a policy that prohibits the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

2. a policy that enforces applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of non-violent civil rights demonstrations within jurisdiction.
- D. Pursuant to 24 CFR 570.501(b), all participating units of local governments are subject to the same requirements applicable to subrecipients when they receive CDBG funds to implement an activity. The applicable requirements include, but are not limited to, a written agreement with the County that complies with 24 CFR 570.503 and includes provisions pertaining to: statement of work; records and reports; program income; uniform administrative items; other program requirements; conditions for religious organizations; suspension and termination; and reversion of assets.
 - E. All participating units of local government understand that they may not apply for grants under the federal Small Cities or State CDBG Programs that receive separate entitlements from HUD during the period of participation in this Agreement.
 - F. All units of local government participating in the CDBG urban county consortium through this interlocal cooperation agreement understand that they are also part of the urban county for the HOME Program and that they may not participate in a HOME Program consortium except through the urban county, regardless of whether the urban county receives a HOME formula allocation.
 - G. All participating units of local government hereby agree to affirmatively further fair housing and to ensure that no CDBG or HOME Program funds shall be expended for activities that do not affirmatively further fair housing within its jurisdiction or that impede the County's actions to comply with its fair housing certification. For purposes of this section, "affirmatively furthering fair housing" includes participation in the process of developing an Analysis of Impediments to Fair Housing Choice and a Fair Housing Action Plan. While King County has the primary responsibility for the development of these reports to HUD pursuant to Section V(A) of this Agreement, upon request, the City shall provide assistance to the County in preparing such reports.
 - H. Participating jurisdictions undertaking activities and/or projects with CDBG funds distributed under this Agreement shall retain full civil and criminal liability as though these funds were locally generated.
 - I. Participating jurisdictions retain responsibility in fulfilling the requirements of the State Environmental Policy Act under which King County has review responsibility only.

VIII. GENERAL TERMS

- A. This Agreement shall extend through the 2009, 2010 and 2011 program years, and shall remain in effect until the CDBG funds, Home Program funds and program income received with respect to activities carried out during the three-year qualification period are expended and the funded activities completed. This Agreement shall be automatically renewed for participation in successive three-year qualification periods, unless the County or the City provides written notice that it wishes to amend this agreement or elects not to participate in the new qualification period by the date set forth by the United States Department of Housing and Urban Development in subsequent Urban County Qualification Notices. King County, as the official applicant, shall have the authority and responsibility to ensure that any property acquired or assisted with CDBG funds or HOME Program funds is disposed of or used in accordance with federal regulations.
- B. Pursuant to 24 CFR Part 570.307(d)(2), during the period of qualification no included unit of general local government may terminate or withdraw from the cooperation agreement while it remains in effect.
- C. It is understood that by signing this Agreement, the City shall agree to comply with the policies and implementation of the Consolidated Plan.
- D. Parties to this Agreement must take all required actions necessary to assure compliance with King County's certification required by Section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, including Title VI of the Civil Rights Act of 1964, (Title III of the Civil Rights Act), the Fair Housing Act as amended, Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, the Americans with Disabilities Act of 1990, and other applicable laws.
- E. This Agreement shall be executed in three counterparts, each of which shall be deemed an original, by the chief executive officers of the County and the City, pursuant to the authority granted them by their respective governing bodies. One of the signed Agreements shall be filed by the County with the Region X office of HUD, one shall be filed with the City and one shall be filed with the County. Prior to its taking effect, the fully executed Agreement shall be filed with the County Auditor, or, alternatively, listed by subject on a public agency's web site or other electronically retrievable public source.
- F. It is recognized that amendment to the provisions of this Agreement may be appropriate, and such amendment shall take place when the parties to this Agreement have executed a written amendment to this Agreement. The City and the County also agree to adopt any amendments to the Agreement incorporating changes necessary to meet the requirements for cooperation agreements set forth in an Urban County Qualification Notice applicable for a subsequent three-year qualification period, and to submit such amendment to the United States Department of Housing and Urban Development. Failure to adopt such required

amendment shall void the automatic renewal of the Agreement for the subsequent qualification period.

- G. This Agreement is made and entered into for the sole protection and benefit of the parties hereto and their successors and assigns. No other person shall have any right of action based on any provision of this Agreement.

KING COUNTY, WASHINGTON

CITY OF WOODINVILLE

for King County Executive

Jackie MacLean

Printed Name

Director, Department of Community and
Human Services

Title

Date

Approved as to Form:
OFFICE OF THE KING COUNTY
PROSECUTING ATTORNEY

Richard A. Leahy

Printed Name

City Manager

Title

Date

Approved as to Form:
CITY OF _____
CITY ATTORNEY

City Attorney

ATTEST:
CITY OF _____

City Clerk

16152

**CITY OF WOODINVILLE
CITY COUNCIL
Regular Meeting**



**Tuesday
August 5, 2008**

**7:00 p.m.
Council Chambers**

CALL TO ORDER

The meeting was called to order by Mayor Hageman at 7:01 p.m.

ROLL CALL

PRESENT: Mayor Hageman, Councilmember Price, Councilmember Glickman, Councilmember Stecker, Councilmember Aspen, and Councilmember Brocha.

ABSENT: Deputy Mayor Vogt.

Also present were: Richard A. Leahy, City Manager; Greg Rubstello, City Attorney; Jim Katica, Finance Director; Justina Tate, Assistant to the City Manager; Jennifer Kuhn, City Clerk; Tom Hansen, Public Works Director; Hal Hart, Planning & Development Services Director; Zach Schmidt, Management Analyst; John McSwain, Chief of Police; and Eddie Zanidache, Cable TV Operator.

Councilmember Glickman moved to excuse Deputy Mayor Vogt. Councilmember Price seconded the motion.

VOTE: All voted in favor of the motion and the motion carried (6-0)

FLAG SALUTE

Mayor Hageman led the flag salute.

APPROVAL OF AGENDA ORDER AND CONTENT

Councilmember Stecker moved for approval of the agenda in order and content with the following changes: move Item 5, Approval of Hotel/Motel Lodging Excise Tax 2008-2010

Spending Plan, and Item 6, Referral of Human Services Applications, to New Business Items 14 and 15. Councilmember Price seconded the motion.

VOTE: All voted in favor of the motion and the motion carried (6-0)

SPECIAL PRESENTATION

PUBLIC COMMENTS

Hal Larsen, owner, McCorry's on the Slough, suggested signage on SR 202 advising drivers they could reach I-405 via 160th rather than crossing the Sammamish River Bridge. He expressed concern with his patrons' ability to exit his parking lot if two lanes were added to the Sammamish River Bridge. Public Works Director Tom Hansen advised he would contact WSDOT regarding signage, as SR202 was a state highway.

Susan Huso, Woodinville, waived her attorney-client privilege and read from the July 30, 2007 opinion of attorney Matthew Davis, Demco law firm, regarding the validity of the right-of-way dedication of the Summers Addition plat of NE 205th Street. She commented on the City's past reference to NE 205th Street in the description of project boundaries.

CONSENT CALENDAR

Councilmember Stecker moved for approval of Consent Agenda Items 1-4, 7 and 8. Councilmember Aspen seconded the motion.

VOTE: All voted in favor of the motion and the motion carried (6-0)

1. Approval of July 1st and 8th, 2008 City Council Minutes

City Council approved the City Council meeting minutes of July 1 and July 8, 2008, as presented.

- 2. Approval of Claims Dated August 5, 2008: Check Nos. 37236 through 37343 in the amount of \$434,101.04**
- 3. Approval of Payroll Dated August 5 2008: Check Nos. 8037-8102, 18788-18799, and 277-278 in the amount of \$172,716.25**
- 4. Approval of Interlocal Cooperation Agreement: Community Development Block Grant**

City Council approved the interlocal agreement for the King County CDBG grant funds consortium and authorized the City Manager to execute the agreement and to take other necessary action to successfully implement the agreement.

7. Approval of Emergency Management Preparedness Grant from WA State Emergency Management

City Council approved the agreement with the Washington State Military Department for Emergency Management Performance Grant Funds; and authorized the City Manager to take other necessary actions to successfully implement this agreement.

8. Approval of Local Agency Agreements with WSDOT for 131st/171st Flood Damage Repair Project

City Council approved the local agency agreements for Federal Emergency Relief Aid with the State of Washington for repair of flood damaged local roads caused by the December 2007 flood; and authorized the City Manager to take other necessary actions to execute and implement the agreement.

BUSINESS ITEMS

9. PUBLIC HEARING: Cable Television Franchise Agreement with Verizon; First Reading of Ordinance No. 467

Assistant to the City Manager Justina Tate provided background on the Verizon cable franchise agreement including Verizon's installation of fiber-to-the-premises (FTTP) to provide voice, data and video signals to customers and the history of negotiations with Verizon via the City's participation in a 10-agency consortium. She reviewed highlights of the franchise including equipment covered by the franchise agreement, 15-year franchise term, anticipated buildout, 5% franchise fee collected on gross revenue, \$2,500 franchise grant, \$20,000 letter of credit to secure Verizon's performance, one government access channel provided by the agreement, collection of a \$0.34 Educational/Governmental grant, and providing residents access to two cable providers.

She recommended the Council hold the public hearing and have first reading of Ordinance No. 467 to grant a cable franchise agreement to Verizon Northwest, Inc., and place it on the August 12, 2008 agenda for second reading and adoption.

Councilmember Stecker moved that the City Council open the public hearing on Ordinance No. 467 to grant a Cable Television Franchise to Verizon, Northwest, Inc. Councilmember Aspen seconded the motion.

VOTE: All voted in favor of the motion and the motion carried (6-0)

Councilmember Stecker moved that the City Council open the public testimony portion of the public hearing. Councilmember Glickman seconded the motion.

VOTE: All voted in favor of the motion and the motion carried (6-0)

There were no members of the public present who wished to provide comment.

Councilmember Stecker moved that the City Council close the public testimony portion of the public hearing. Councilmember Glickman seconded the motion.

VOTE: All voted in favor of the motion and the motion carried (6-0)

Discussion followed regarding marketing of the new government access channel, benefits of competition, differences between the Comcast and Verizon franchise agreements, potential future costs of establishing another government access channel, the grant provided via the Comcast agreement that was funded via a subscriber fee, and uses of the \$0.34 EG fee.

Councilmember Stecker moved that the City Council pass first reading of Ordinance No. 467 and place it on the August 12, 2008 agenda for second reading and adoption. Councilmember Glickman seconded the motion.

VOTE: All voted in favor of the motion and the motion carried (6-0)

10. Approval of Local Government Stormwater Grant from Department Of Ecology

Public Works Director Tom Hansen explained a few years ago the Department of Ecology (DOE) determined all cities with 1,000 populations must obtain a National Pollutant Discharge Elimination System (NPDES) Permit as required under the Federal Clean Water Act. DOE provided all Phase II cities a grant to implement the requirements of the permit. He provided an overview and timeline for implementing the permit requirements. Staff recommends the City accept the \$75,000 DOE grant and use the grant funds to defray the costs of implementing the permit requirements and help pay for the City's Stormwater Master Plan. He advised the funds must be used by June 30, 2009.

Discussion followed regarding the cost of the Stormwater Master Plan and commonalities between the NPDES permit requirements and the Stormwater Master Plan.

Councilmember Glickman moved that the City Council approve the Local Government Stormwater Agreement with the State of Washington Department of Ecology in the amount of \$75,000 and direct the City Manager to take other necessary actions to implement this action. Councilmember Price seconded the motion.

VOTE: All voted in favor of the motion and the motion carried (6-0)

11. Approval of Bid Award for SR202/BNRP Southeast Leg Improvements

Mr. Hansen identified the area of construction and described key elements to be constructed including a double left turn lane southbound 131st to eastbound 175th, additional lane along

175th, new traffic signal, and new drainage outfall from the trestle area, advising the majority of work would be completed by October 31, 2008. He reviewed bids received for the project, funding sources and amounts. Staff recommends increasing the project budget to \$4,428,000 including a \$200,000 project contingency, appropriate \$500,000 from the Surface Water Management Fund for construction of drainage improvements, and award construction to West Coast Construction Company, Inc. in the amount of \$3,151,334.02.

Discussion followed regarding connection to the existing outfall and plans for water quality treatment improvements next year, reduction in the project contingency during project design and scope of work on 132nd Avenue NE.

Councilmember Stecker moved that the City Council: 1) increase the BNRP project budget to \$4,428,000, including a \$200,000 project contingency; 2) appropriate \$500,000 from the Surface Water Management Fund for construction of drainage improvements included in the BNRP project; and 3) award the construction contract for the SR202 BNRP Southeast Leg Improvement Project to West Coast Construction Company, Inc. of Woodinville, Washington, in the amount of \$3,151,334.02, and authorize the City Manager to execute a construction contract and take other actions necessary to implement this action. Councilmember Glickman seconded the motion.

VOTE: All voted in favor of the motion and the motion carried (6-0)

12. Approve Contract Addendum with Pertect Engineering for Bottle Neck Relief Project Design

Mr. Hansen requested a contract increase of \$191,900 for added items of work to original scope including design engineering of the outfall from the trestle and other minor scope changes/increases. He reviewed the major items not covered by the original agreement and other scope changes or service not covered. He advised staff has reviewed the increase, agrees the requested time and amounts are reasonable and legitimate, and recommends the Council approve the addendum.

Discussion followed regarding inflationary increases versus costs for additional coordination/meetings, contract extensions, and profit ratio.

Councilmember Stecker moved that the City Council approve Addendum No. 4 to the professional services agreement with Pertect, Inc. in the amount of \$191,900, to increase the total contract amount to \$399,470 and to extend the duration of the agreement to January 31, 2009; and to authorize the City Manager to take necessary actions to execute this action. Councilmember Aspen seconded the motion.

VOTE: All voted in favor of the motion and the motion carried (6-0)

13. Selection of Sammamish River Bridge Alternatives

Rex Meyer, DMJM Harris, explained the intent of tonight's presentation was to select a preferred alternative. He reviewed general site characteristics, surrounding uses, and the status of their study. He reviewed pros and cons of each alternative, performance benefits compared with the NE 131st trestle project, right-of-way area needed and estimated cost of the following:

Alternative 1: Widen existing road with 4-lane bridge
Alternative 2A: New 2-lane bridge north of existing bridge
Alternative 2B: New 4-lane bridge offset to the north
Alternative 3: New 2-lane bridge south of existing bridge (preferred)
No Build Alternative: No roadway or bridge widening

Mr. Meyer reviewed the schedule for environmental review and construction and funding for the project including an unfunded amount. Mr. Hansen described public outreach to businesses and residents and the generally favorable response to a widening project.

Discussion followed regarding preferred alternative 3, State variance required for the trail clearance, negatives associated with retaining the existing bridge, additional cost for a new bridge, and bicycle lanes and sidewalks on the bridge,

Councilmember Stecker moved that the City Council select Alternative No. 3 as the preferred alternative for the Sammamish River Bridge Replacement Project (SRBP). Councilmember Brocha seconded the motion.

VOTE: All voted in favor of the motion and the motion carried (6-0)

Mayor Hageman declared a brief recess.

14. Previously Item No. 5. Approval of Hotel/Motel Lodging Excise Tax 2008-2010 Spending Plan

Discussion ensued regarding concern with using Lodging Tax to create a Woodinville Tourist District LLC, the lack of detail regarding funding proposed for the Washington Wine Highway event particularly in view of plans to pay a 2006 obligation, eligible expenditures, timing of the allocation of the Lodging Tax, past support of the Washington Wine Highway via the Lodging Tax, recommendation of the spending plan by the Tourism Task Force, and reasons for forming an LLC.

The Council requested details regarding the 2006 debt, how the Woodinville Wine Highway event would become self-sustaining, and how the LLC would be structured.

Councilmember Glickman moved that the City Council disapprove the 2008 spending plan for the Hotel/Motel Tax fund and request that staff return to the Council with a corrected staff report. Councilmember Price seconded the motion.

Discussion continued regarding the Chamber of Commerce using lodging tax to repay debt versus proactively promoting tourism.

Councilmember Brocha moved to bring back a corrected staff report on August 12 and have a representative from the Chamber of Commerce and/or Lodging Tax Advisory Committee present to answer questions. Councilmember Glickman seconded the motion.

Council requested budget information for the 2006, 2007 and 2008 Washington Wine Highway events. Discussion continued regarding evolution of the Wine Highway event, whether the City had the right to the Chamber's budget information as a member of the Chamber, and establishing a contract relationship with the Chamber with regard to the expenditure of the Lodging Tax funds.

VOTE: All voted in favor of the motion and the motion carried (6-0)

VOTE: All voted in favor of the motion and the motion carried (6-0)

15. Previously Item No. 6. Referral of Human Services Applications

Council discussed the Finance Committee's desire for Council input regarding priorities for funding the grants, other cities' per capita commitment to human service grants, historical funding of human service grants, benefits the organizations provide to residents, information to be provided with the Finance Committee's recommendations to the Council, priorities used in the past to rank grant requests, level of service to Woodinville residents, and a suggestion for the Finance Committee to review the priorities and to rank grant requests.

Councilmember Glickman moved to refer the 2009/2010 Human Services Grant Applications to the City Council Finance Committee for preliminary evaluation and ranking recommendations. Councilmember Aspen seconded the motion.

VOTE: All voted in favor of the motion and the motion carried (6-0)

REPORTS OF CITY MANAGER

Mr. Leahy requested the Finance Committee members (Councilmembers Brocha, Stecker and Glickman) identify dates they were available to meet.

PUBLIC COMMENTS

Susan Huso, Woodinville, pointed out Woodinville taxpayers were funding the City's defense of their lawsuit and her husband and she were paying their personal attorney costs. She reiterated her frustration that the City refused to identify NE 205th as a street.

Phyllis Keller, Woodinville, expressed disappointment with the lack of publicity regarding the July 20 dedication of the plaque acknowledging the Calkins family's donation of the old Woodinville School property. She asked how such events were announced to the newspaper and the public.

John Sambrook, Woodinville, referred to the human service grants, suggesting in addition or instead of financial support, the City share with these agencies its knowledge/expertise regarding how to plan/manage/improve their performance.

Christy Diemond, Woodinville, Uninformed Consent, referred to a Council comment regarding the City not taking a position on NE 205th Street.

REPORTS OF COUNCILMEMBERS

Councilmember Stecker described walking along SR 202 to the parking area after attending a concert at Chateau Ste. Michelle, noting the shoulder south of Columbia Winery on the east side was obstructed by blackberry vines. Mr. Hansen advised staff would investigate.

Councilmember Aspen reported on the plaque dedication ceremony that was well attended by the Calkins family and the Heritage Society. She reported on the July Park & Recreation Commission meeting and activities at tonight's National Night Out held in the Target parking lot.

Councilmember Brocha reported an unpaved lot near the AM/PM on 156th & Woodinville-Duvall was again being used to park cars with for-sale signs.

Councilmember Price reported his plans to attend the Eastside Transportation Program meeting on Friday. He inquired whether cuts in the King County Sheriff's office would impact service levels in the City. Mr. Leahy relayed the King County Sheriff's assurance that field positions would not be eliminated; reductions would be in administration and investigative positions. Councilmember Price inquired about the State Court of Appeal's ruling that King County's land clearing regulations amount to an in kind indirect tax, fee or charge on new development and suggested the City write a letter to Executive Sims with copies to King County Council opposing an appeal. City Attorney Rubstello advised Ogden Murphy Wallace planned to prepare a white paper on this topic.

Councilmember Glickman requested in light of the current local and national economic climate, an update regarding revenue trends. Mr. Leahy advised that was scheduled for the first meeting in September.

Mayor Hageman reported on the dedication of the plaque commemorating the Calkins family donation of the land for the school, advising it was wonderful to meet the members of the Calkins family. He reported a letter from the Northend Mayors regarding impacts of tolling was presented at a public meeting at UW Bothell last week. He advised there were additional public meetings scheduled regarding tolling. Although studies have shown tolling will change drivers' habits, the Northend Mayors feel the studies under-estimate the impact in this area. Due to an expected increase in transit ridership, Woodinville requested improved transit service including express

buses and relief for drivers that use SR202 as an alternate route.

Mayor Hageman reported on the National Night Out event, expressing his appreciation to the Emergency Preparedness Commission and the Police Department for organizing that event. As the State planned to establish the tax-sourcing baseline on sales July 2008-July 2009, he suggested sending a letter to the Governor and Department of Revenue expressing concern with establishing the baseline for mitigation in a year when sales tax revenues were down.

EXECUTIVE SESSION

- Pursuant to RCW 42.30.110(1)(c), the City Council will conduct an executive session to discuss property acquisition related to the Public Works Facility.

At 10.36 p.m. Mayor Hageman recessed the Council to a 15 minute Executive Session regarding the above matter with no decision following.

ADJOURNMENT

The Council meeting was adjourned at 10:45 p.m. immediately following the conclusion of the Executive Session.


Jennifer Kuhn
City Clerk/CMC