

**INTERLOCAL COOPERATION AGREEMENT  
BETWEEN KITSAP URBAN COUNTY AND THE CITY OF BREMERTON  
TO FORM A HOME CONSORTIUM UNDER THE NATIONAL AFFORDABLE HOUSING  
ACT**

**PROGRAM YEARS 2015-2016 AND AS HEREIN RENEWED**

This agreement is entered into between the City of Bremerton, (hereinafter the "City"), a Washington Municipal Corporation, and Kitsap Urban County (hereinafter the "County"), pursuant to the Interlocal Cooperation Act, chapter 39.34 RCW. Kitsap County Urban County includes Kitsap County, and the cities of Bainbridge Island, Port Orchard and Poulsbo, all Washington Municipal Corporations, pursuant to a separate interlocal agreement among those entities. This agreement will become effective upon adoption by the parties and will continue until terminated as provided herein.

**SECTION 1. RECITALS**

1.1 WHEREAS, the Congress of the United States of America has enacted the National Affordable Housing Act, HOME Investments in Affordable Housing Program, 42 U.S.C. Sec. 12721 (hereinafter the Act) as implemented by the U S Department of Housing and Urban Development (hereinafter "HUD") in 24 CFR Part 92, allowing units of general local government to enter into mutual cooperation agreements to form a consortium for the purpose of obtaining funding as a participating jurisdiction under the HOME Investment Partnership Program (HOME Program);

1.2 WHEREAS, the purpose of the HOME program per 24 CFR Section 92.1 is to strengthen public-private partnerships through the allocation of funds among eligible state and local governments and to expand the supply of decent, safe, sanitary, and affordable housing for low and very low income Americans.

1.3 WHEREAS, it is found that the above listed objectives are pertinent to the concerns and needs of the COUNTY and of the CITY;

1.4 WHEREAS, eligibility for HOME Investment Partnership funds is based upon criteria similar to the criteria for eligibility for Urban County designation for CDBG funds:

1.5 WHEREAS, Kitsap County and the Cities of Bainbridge Island, Port Orchard and Poulsbo have requested Urban County status under the CDBG Program and the City of Bremerton qualifies as a separate entitlement under the CDBG program;

1.6 WHEREAS, Kitsap County and the Cities of Bainbridge Island, Port Orchard and Poulsbo have entered into a separate Interlocal Agreement forming a consortium under the Home Program, which agreement designates Kitsap County as the representative member to administer the Urban County's HOME and CDBG programs;

1.7 WHEREAS, COUNTY shall administer the HOME program as well as the Urban County CDBG program and the CITY will administer its own CDBG program. Both of these programs will be included in the County Consortium Consolidated Plan;

1.8 WHEREAS, the signatory political subdivisions to this agreement have determined that obtaining funding under the HOME Program will increase their ability to provide affordable housing for their low and moderate income residents, and

1.9 WHEREAS, the Department of Housing and Urban Development has specified the minimum provisions which must be included within any intergovernmental agreement for the cooperating governmental bodies to qualify for Urban County eligibility.

1.10 NOW, THEREFORE, in consideration of the mutual promises made herein and the mutual benefits received hereunder, the parties agree as follows:

## **SECTION 2. DEFINITIONS**

2.1 "Member" means a unit of local government which is a signatory to this agreement and therefore of the consortium for the purpose of carrying out eligible activities under 24 CFR Part 92.

2.2 "Representative member" means the unit of local government designated hereafter as the one member to act in a representative capacity for all members for the purpose of this agreement ("lead entity"). The Representative Member will assume overall responsibility for ensuring that the consortium's HOME Program is carried out in compliance with the requirements of 24 CFR Part 91 and 92, the housing objectives of the CITY and COUNTY as adopted in the Consolidated Plan, and will assume responsibility for the requirements concerning the Consolidated Plan.

## **SECTION 3. ACTIVITIES**

3.1 The signatory parties agree to cooperate in undertaking, or assist in undertaking, housing assistance activities for the HOME Investment Partnership Program in compliance with the Consolidated Plan.

3.2 The signatory parties agree to jointly pursue and identify match requirements.

3.3 The signatory parties agree to take affirmative action to further fair housing in their jurisdictions. Such actions may include planning, education and outreach, and enforcement components.

## **SECTION 4. ADMINISTRATION**

4.1 COUNTY will be designated as the Representative Member and agrees to carry out such overall responsibilities with the cooperation of the CITY in accordance with 24 CFR 92.101 as set forth herein

4.2 COUNTY will administer both the Urban County's Community Development Block Grant Program and HOME Investment Partnership Program. The CITY will administer its Community Development Block Grant Program separately.

4.3 COUNTY, as the Representative Member, shall manage the entire HOME allocation on behalf of the consortium, as set forth herein.

4.4 COUNTY agrees to carry out eligible activities in accordance with and to generally follow the requirements of 24 CFR Part 92.

4.5 CITY is responsible for submitting in a timely manner to the Representative Member all information necessary for participation in the consortium as defined in 24 CFR Part 92. This includes all information necessary for the Consolidated Plan, the HOME program description and certifications (24 CFR 92.150), and performance reports. The Consolidated Plan Annual Performance Report, HOME Annual Performance Report, and the Annual Consolidated Plan information shall be provided to the COUNTY by the dates specified by the COUNTY.

4.6 The COUNTY shall have decision making authority over areas specific to the Urban County's CDBG Program as well as its portion of the HOME allocation. The CITY shall have decision-making authority over areas specific to its CDBG entitlement as well as its portion of the HOME allocation.

4.7 The COUNTY is responsible for submitting the Consolidated Plan to the Department of Housing and Urban Development. Development of the Consolidated Plan will require the participation of citizens and organizations as well as input from the CITY. The CITY will provide specific information concerning its housing and non-housing activities as well as its action plan relating to HOME and CDBG activities to the COUNTY to be included in the Consolidated Plan.

4.8 The COUNTY agrees to adopt and implement the HOME projects as approved by the CITY provided such projects are consistent with the HOME Program requirements as set forth in the applicable Code of Federal Regulations.

4.9 Funds received by the Kitsap County HOME Consortium will be allocated between the COUNTY and the CITY based on a proration of the HOME allocation as established by the Federal allocation formula for the year or the most recent formula if a current year formula has not been established. The percentage of distribution between the COUNTY and the CITY shall be as determined in HUD's HOME Consortia Participating Members Percentage Report for each federal fiscal year. Provided, however, that if the federal allocation is reduced due solely to one Party's program activities, the Party that caused the reduction in funds shall have its allocation reduced accordingly.

(a) CITY agrees to set aside 85% of CITY's administrative allocation for reimbursement to COUNTY of COUNTY's actual costs for administration of the CITY's portion of the HOME Program.

(b) CITY will remit Program Income to the COUNTY for reporting to HUD but will retain control of program income generated from its HOME proration to utilize for HOME projects in accordance with applicable federal regulations.

## SECTION 5. TERM OF THIS AGREEMENT

5.1 This agreement shall remain in full force and effect from the date of execution and approval by HUD for the period necessary to carry out all activities that are funded for the final two years of the three year qualification period of federal fiscal years: 2014, 2015 and 2016 and for such future fiscal years as this agreement is automatically renewed.

5.2 The program year start date for the Urban County and the City of Bremerton CDBG programs as well as the HOME consortium HOME program is January 1, 2015, concluding December 31, 2016 except as herein renewed.

5.3 This agreement shall automatically be renewed at the end of each three-year qualification period, unless changes to the agreement are required by HUD that would require the execution of a new agreement, or if the COUNTY or CITY provides written notice that it elects not to participate in the new qualification period. A copy of this notice must be sent to the HUD Field Office. The COUNTY, by the date specified in HUD's urban County qualification notice, shall notify the CITY of its right not to participate in the new qualification period. A copy of this notice must be sent to the HUD Field Office by the date specified in the urban county qualification schedule in Section II.

5.4 The signatory parties agree to adopt any amendment 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 HUD as provided in the urban county qualification notice. A failure of any of the signatory parties to adopt such amendment will void the automatic renewal provision for such qualification period.

5.5 The consortium members are required to remain in the consortium and cannot terminate or withdraw during the entire period.

CITY OF BREMERTON

*Patty Lent*

Patty Lent, Mayor

DATE: *24th MARCH 2015*

Approves As To Form:

*[Signature]*  
City Attorney

ATTEST:

*[Signature]*  
Shannon Corin, City Clerk

KITSAP COUNTY BOARD OF COMMISSIONERS, as Representative Member of Urban County Consortium

*Robert Gelder*

Robert Gelder, Chair

*[Signature]*

Edward E. Wolfe, Commissioner

NOT PRESENT

Charlotte Garrido, Commissioner

DATE: *February 23, 2015*

ATTEST:

*Carolyn S. Gouley*  
for Dana Daniels, Clerk of the Board



**CERTIFICATION**

I hereby find that the terms and provisions of this Intergovernmental Agreement are fully authorized under State and local law, and that the Agreement provides full legal authority for the COUNTY to undertake or assist in undertaking essential community development and housing activities, specifically urban renewal and publicly assisted housing.

TINA R. ROBINSON  
PROSECUTING ATTORNEY

By: Shelley C. Kneip  
Shelley Kneip, Senior Deputy Prosecuting Attorney