

**AMENDMENT #1
ORIGINAL INTERLOCAL COOPERATION AGREEMENT #C20170287**

RECITALS

WHEREAS the jurisdictions of Anacortes, Blaine, Burlington, Concrete, Coupeville, Everson, Ferndale, Hamilton, Island County, La Conner, Langley, Lynden, Lyman, Mount Vernon, Nooksack, Oak Harbor, Skagit County, Sumas, Whatcom County are Parties to Interlocal Cooperative Agreement (Skagit County Contract number #C20170287) hereafter "Agreement" establishing the Skagit County HOME Consortium for the purpose of establishing a regional HOME Consortium to receive and administer federal funds under the HOME Investment Partnership Program; and

WHEREAS the Agreement designated Skagit County as the "Lead Agency" for the Skagit County HOME Consortium; and

WHEREAS the Agreement allows pursuant to its terms for the Lead Agency to allow the addition of new Skagit County Home Consortium members; and

WHEREAS the City of Sedro-Woolley has expressed interest and wants to join as a member of the Skagit County HOME consortium, and

WHEREAS Skagit County, as the Consortium Lead Agency, wishes to exercise its authority to add the City of Sedro-Woolley as a Party to the Skagit County HOME Consortium.

NOW, THEREFORE, Skagit County, HOME Consortium Lead Agency, and the City of Sedro-Woolley agree to amend Skagit County Contract number #C20170287 as follows:

TERMS OF AMENDMENT

1. The first paragraph on page one of the agreement is amended to add Sedro- Woolley as a Party to the Agreement and Member of the Skagit County HOME Consortium.

The first paragraph on page 1 of the Agreement shall hereby be as follows:

This Interlocal Cooperation Agreement (hereinafter Agreement) is entered into by and between Skagit County (hereinafter Lead Agency), and Anacortes, Blaine, Burlington, Concrete, Coupeville, Everson, Ferndale, Hamilton, Island County, La Conner, Langley, Lynden, Lyman, Mount Vernon, Nooksack, Oak Harbor, **Sedro-Woolley**, Sumas, Whatcom County (hereinafter Members) for the purpose of establishing a regional HOME Consortium to receive and administer federal funds under the HOME Investment Partnership Program. This Agreement will become effective upon adoption by the Members and approval by the U.S. Department of Housing and Urban Development (HUD).

2. The City of Sedro- Woolley hereby agrees to be bound by the terms and conditions of the Attached Agreement (Attachment "A") as a Member of the Skagit County HOME Consortium.

This Amendment shall be effective upon execution by both Skagit County and the City of Sedro-Woolley.

All other terms and conditions of the original contract shall remain in effect.

DATED this 30 day of September, 2019.

BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON

Lisa Janicki
Lisa Janicki, Chair

Recused

Ron Wesen, Commissioner

Kenneth A. Dahlstedt
Kenneth A. Dahlstedt, Commissioner

Attest:

Katie Williams
Clerk of the Board

For contracts under \$5,000:
Authorization per Resolution R20030146

Recommended:

Samuel Johnson
Department Head

County Administrator

Approved as to form:

M. C. (9/26/2019)
Civil Deputy Prosecuting Attorney

Approved as to indemnification:

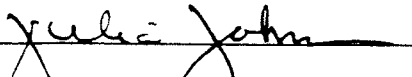
Sharon B. (9-27-19)
Risk Manager

Approved as to budget:

Justa Payne
Budget & Finance Director

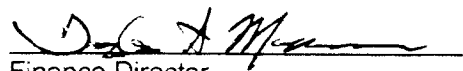
DATED this 25th day of September 2019.

CITY OF SEDRO-WOOLEY



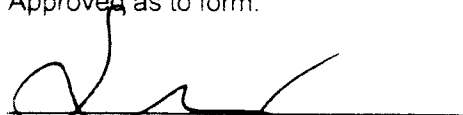
Mayor Julia Johnson

ATTEST:



Finance Director

Approved as to form:



City Attorney

Attachment A

**INTERLOCAL COOPERATION AGREEMENT
TO ESTABLISH A HOME CONSORTIUM AND RECEIVE FUNDS
UNDER THE NATIONAL AFFORDABLE HOUSING ACT
FOR THE PROGRAM YEARS 2018 THROUGH 2020**

This Interlocal Cooperation Agreement (hereinafter Agreement) is entered into by and between Skagit County (hereinafter Lead Agency), and Anacortes, Blaine, Burlington, Concrete, Coupeville, Everson, Ferndale, Hamilton, Island County, La Conner, Langley, Lynden, Lyman, Mount Vernon, Nooksack, Oak Harbor, Sedro-Woolley, Sumas, Whatcom County (hereinafter Members) for the purpose of establishing a regional HOME Consortium to receive and administer federal funds under the HOME Investment Partnership Program. This Agreement will become effective upon adoption by the Members and approval by the U.S. Department of Housing and Urban Development (HUD).

RECITALS

WHEREAS, the three-county region has a shortage of homes that lower-wage workers and other low-income people can afford, using thirty percent of gross household income for housing costs; and

WHEREAS, cooperation among local governments supports existing local efforts aimed at reducing homelessness and increasing the supply of homes lower-wage workers and others can afford to lease or own; and

WHEREAS, the federal government offers funding and technical assistance aimed at increasing the supply of decent, safe and affordable housing available to low-income and very-low-income families, including the HOME Investment Partnerships Program (HOME Program) created in the National Affordable Housing Act of 1990 (NAHA), as implemented by HUD through regulations at Title 24, Code of Federal Regulations, Part 92 (HOME regulations); and

WHEREAS, HOME regulations allow a group of contiguous units of general local governments (UGLGs) to organize as Members that establish a HOME Consortium for the purposes of obtaining HOME grant funding from HUD that will assist in improving the supply of decent, safe and affordable homes for low-income people and will strengthen partnerships among all levels of government and the private sector; and

WHEREAS, the Members have determined that obtaining HOME grant funding will increase their ability to assist with efforts to end homelessness and for the provision of affordable homes for residents with incomes at or below sixty percent of the area median income; and

WHEREAS, the Members are not individually eligible to obtain an allocation of HOME grant funding from HUD; however, the Members can cooperate to establish a HOME Consortium that will be eligible to obtain an allocation of HOME grant funding from HUD; and

WHEREAS, the Members have determined that it will be mutually beneficial and in the public interest to enter into this Interlocal Cooperation Agreement to establish a HOME Consortium in order to become eligible for HOME grant funding; and

WHEREAS, the Interlocal Cooperation Act in Chapter 39.34 of the Revised Code of Washington permits local governments to enter into agreements to cooperate for beneficial

purposes and these purposes can include regional cooperation to establish a HOME Consortium; and

WHEREAS, HOME regulations specify the topics and content that Members must include in an interlocal cooperation agreement that establishes a HOME Consortium, and the HOME regulations require that the HOME Consortium Members select one Member to act as Lead Agency for all Members in communications with HUD and as the HOME grant recipient on behalf of the Consortium; and

WHEREAS, Skagit County has offered to serve as the Lead Agency on behalf of the Members that enter into an interlocal cooperation agreement for the purpose of implementing a regional HOME-funded program to enhance cooperation among local jurisdictions to increase the availability of resources available to local governments to address the housing-related problems of lower-income people and to implement local Plans to End Homelessness; and

WHEREAS, the Lead Agency has offered to administer such federal funds for itself and on behalf of the Members;

NOW THEREFORE, in consideration of the mutual covenants and promises contained in this Agreement, the Members mutually agree to the following terms and conditions.

1. DEFINITIONS

For the purpose of this Agreement, the terms defined in this section have the meanings given to them:

- A. "Consolidated Plan" is a HUD required document that serves as a planning and budgeting document for the Consortium and as a HOME grant funding application. The Consortium will develop a Consolidated Plan by May 15, 2018.
- B. "Consortium" means the Members and Lead Agency acting together pursuant to this Agreement.
- C. "HOME Regulations" means the rules, regulations and guidelines promulgated pursuant to the NAHA, including but not limited to 24 CFR Parts 91 and 92, as amended.
- D. "Lead Agency" means Skagit County, designated by the Members as the unit of general local government to act in a representative capacity for all Members for the purpose of entering into a HOME grant agreement with HUD.
- E. "Member" means an unit of general local government that is a signatory to this Agreement and therefore becomes a Member of the Consortium.
- F. "Subrecipient" means a Member who carries out HOME-funded activities after entering into a separate written agreement with the Lead Agency.

2. PURPOSE

The purpose of this Agreement is to establish a HOME Consortium that will be eligible for HOME grant funds to increase the Members' ability to assist in the provision of housing affordable for low-income residents.

3. AGREEMENT

- A. **Term:** The term of this Agreement shall be for the qualification period ending June 30, 2021 and includes federal fiscal years 2018, 2019 and 2020. This agreement will auto renew for successive qualification periods as outlined in the renewal section below. The agreement will remain in effect until HOME funds from each federal fiscal year of the agreements specified qualification period and each successive qualification period for which the agreement is renewed, are expended on eligible activities.
- B. **Execution:** This Agreement shall be executed by the appropriate officers of each Member and the Lead Agency pursuant to authority granted them by their respective governing bodies, and a copy of the authorizing resolutions and executed Agreement shall be filed promptly at the offices of the Lead Agency.
- C. **Renewal:** This agreement shall automatically be renewed for the Consortium's participation in successive qualification periods of three federal fiscal years each. No later than the date specified by HUD's consortia designation notice or HOME Consortia web page, the Lead Entity shall notify each Consortium Member in writing of its right to decide not to participate in the Consortium for the next qualification period and the Lead Entity shall send a copy of each notification to the HUD Field Office.

If a Consortium Member decides not to participate in the Consortium for the next qualification period, the Consortium Member shall notify the Lead Entity, and the Lead Entity shall notify the HUD Field Office, before the beginning of the new qualification period. If a consortium member decides not to participate in the consortium the Lead Agency will notify the HUD Field Office prior to the beginning of the new qualification period.

The consortium will adopt any amendment to the agreement that is necessary to meet HUD requirements for consortia agreements in successive qualification periods.

The Lead Agency will submit to the HUD Field Office a statement of whether or not any amendments have been made to the agreement, a copy of each amendment, and, if the consortium's membership has changed, the state certification required under 24 C.F.R. 92.101(a)(2)(i).

The auto renewal provision will be void if the Lead Agency fails to notify a consortium member of its right not to participate for the next qualification period or the Lead Agency fails to submit a copy of each amendment to the agreement as required.

- D. **Consolidated Plan:** The Lead Agency is responsible for preparing and submitting the Consolidated Plan to HUD. The Members shall cooperate in the preparation of the Consolidated Plan by providing input during the preparation of the Consolidated Plan and by assisting the Lead Agency in holding any required public meetings during the preparation of the Consolidated Plan.
- E. **Program Administration:** Skagit County, as Lead Agency, agrees to have decision-making authority regarding the Consolidated Plan and implementation, as well as oversight and authority on issues affecting the Consortium activities. The Lead Agency will be entitled to up to ten percent of the HOME Consortium grant allocation, as well as up to ten percent of program income, for eligible planning and administrative costs. The Lead Agency will provide staff support for a HOME Consortium Advisory

Committee that will assist with preparation of the Consolidated Plan, project selection criteria, and selection of recommended projects for HOME funding agreements.

- F. **Allocating HOME Program Funding:** The annual allocation of HOME program funds will be based on the recommendation from the HOME Consortium Advisory Committee and adopted in the Consolidated Plan and its annual Action Plan.
- G. **HOME Consortium Advisory Committee:** An Advisory Committee shall be created for the purpose of identifying the general activities and priorities to be undertaken by the Consortium with HOME grant funds. Each Member may appoint a representative to serve on the Advisory Committee. The Advisory Committee will also participate in the development of the Consolidated Plan, establish decision-making procedures for the Consortium, serve in an advisory capacity for the programs and projects funded with HOME expenditures, make recommendations to the Lead Agency's governing body, and provide advice for the successful implementation of the Consolidated Plan and the HOME Consortium's programs.
- H. **Matching Funds:** No Member will be required to accept HOME grant funds, and no matching funds will be required of a Member that does not enter into a separate written agreement for HOME-funded activities. Members shall be responsible for providing matching funds for any HOME pass-through grant funds allocated to and accepted for use by that Member under terms to be specified in a HOME Subrecipient agreement. No matching funds will be required from a Member that does not enter into a HOME Subrecipient agreement.

Matching funds shall be reported to the Lead Agency, in a format to be determined by the Lead Agency, by the end of each program year covered by this agreement.

- I. **Affirmatively Furthering Fair Housing:** The Lead Agency and the Members agree to affirmatively further fair housing with all HOME Consortium funds under this Agreement in compliance with 24 CFR 92.350. Each Member that enters into a HOME Subrecipient agreement will be responsible for compliance with HUD regulations and, if applicable, for their own preparation and submission to HUD of an Analysis of Impediments to Fair Housing Choice. The Members agree that funding activities will be prohibited if a Member does not affirmatively further fair housing within its jurisdiction or impedes actions intended to comply with the Consortium's fair housing certification. The Members acknowledges noncompliance by a Member may provide cause for funding sanctions or remedial actions by HUD.
- J. **Program Income:** Program Income as defined at 24 CFR 92.2 generated by a Member will be held by each Member in a separate account specific to the HOME Program. Program Income will be used first before any additional HOME funds are drawn or requested for reimbursement, and appropriate documentation of the receipt and use of program income will be provided to the Lead Agency in a format to be determined by the Lead Agency and as required for reporting to HUD.
- K. **Indemnification:** Each Member agrees to be responsible and assume liability for its own wrongful and/or negligent acts or omissions or those of their officials, officers, agents, or employees to the fullest extent required by law, and further agrees to save, indemnify, defend, and hold the other Members of the Consortium harmless from such liability. It is further provided that no liability shall attach to Skagit County as Lead Agency by reason of entering into this agreement except as expressly provided herein.

The Members of the Consortium agree to reasonably cooperate in the event litigation is brought against one or more of the Members pursuant to this Agreement by any third party.

4. LEAD AGENCY RESPONSIBILITIES

- A. **Responsibilities:** The Lead Agency will be the governmental entity required to execute all grant agreements for HOME funds received from HUD pursuant to the Consortium's request for HOME funds. The Lead Agency will thereby become and will be held by HUD to have full responsibility for the execution of the HOME Program in compliance with HOME rules, including the requirements of the Consolidated Plan. The Lead Agency will be responsible for leading the development of the Consortium's Consolidated Plan with an annual Action Plan component and for required administrative functions such as reporting on the activities of the Consortium and serving as the liaison between HUD and Consortium Members, for meeting the requirements of other applicable laws, and for the performance of the HOME-funded activities including the HOME-funded projects and activities to be conducted by the Subrecipients.
- B. **Pass-through Grant Funds:** The Lead Agency shall monitor the performance of any Member that receives pass-through HOME funds and will hold a Member jurisdiction accountable, under terms to be specified in HOME Subrecipient agreement, for compliance with the requirements set forth in HUD regulations.
- C. **Administrative Activities for the Consortium:** The Lead Agency agrees to provide administrative functions for the Consortium, and specific administrative tasks include, but are not limited to, coordinating the public participation process, developing necessary forms and implementation agreements with Members that receive pass-through HOME funds, drafting program descriptions, notices of funding availability and requests for proposals, confirming that a Subrecipient is not debarred from federal funds, providing technical assistance to project sponsors, confirming compliance of funded projects as specified in a HOME Subrecipient agreement, and preparing required reports.
- D. **Administrative Activities for Members:** The Lead Agency's administrative obligations to the Members shall be limited to the performance of the administrative and program tasks necessary to make HOME funds available to the Members under terms to be specified in HOME Subrecipient agreements and to provide reporting to HUD on the various projects funded with HOME funds under provisions to be specified in HOME Subrecipient agreements.
- E. **Reporting Requirements:** The Lead Agency will require Subrecipients with HOME-funded activities or projects to provide the Lead Agency with HOME Program activity reports including information about program income, if any, derived from the HOME-funded activities.
- F. **Communication:** The Lead Agency will be responsible for communicating periodically, at least once per quarter, to each Member and other interested parties, providing a Consortium status report, an update on prior communications, and requests for feedback and input on pertinent topics. Additional communication protocol will be established during the development of the Consolidated Plan.

5. MEMBERS' RESPONSIBILITIES

- A. **Resolution:** The Members shall adopt a resolution for their unit of local government that authorizes the automatic renewal of this agreement for successive qualification periods.
- B. **Action Plan/Consolidated Plan Submissions:** The Members shall provide input that will assist the Lead Agency with the preparation of a Consolidated Plan.
- C. **Reporting Requirements:** If a Member receives any HOME funds under terms to be specified in a HOME Subrecipient agreement, the Member shall prepare and submit to the Lead Agency for consolidation into a combined report the following reports, if applicable, for submission to HUD according to applicable deadlines: Analysis of Impediments to Fair Housing, Citizen Participation Plan, Minority Business Enterprise/Women's Business Enterprise reports, federal cash transaction reports, and annual HOME Consolidated Action Plan Evaluation Report(s)(CAPER) as well as preparing and submitting any other reporting requirements that are required by HUD.
- D. **Lead Agency and Member Cooperation:** The Lead Agency shall cooperate and work with each Member that receives any HOME pass-through funds under terms to be specified in a HOME Subrecipient agreement for activities to be conducted or performed within the Member's jurisdiction during the Federal Program Years this Agreement is in effect.
- E. **Disallowed Expenditures:** Each Member that receives pass-through HOME funds under terms to be specified in a HOME Subrecipient agreement shall assume full responsibility for repayment of HOME funds for all expenditures made by their jurisdictions that are disallowed by HUD.
- F. **Eligible Expenditures:** Each Member that receives pass-through HOME funds under terms to be specified in a HOME Subrecipient agreement shall assume overall responsibility for ensuring their projects related to the Consortium's HOME Program are carried out in compliance with the requirements set forth in HUD regulations.
- G. **Eligibility Review and Compliance Monitoring:** Each member that receives pass-through HOME funds under terms to be specified in a HOME Subrecipient agreement shall provide monitoring the compliance of projects funded with HOME funds to ensure that they comply with applicable Federal laws and regulations including property standards.

6. SPECIAL PROVISIONS

- A. **Amendments:** All amendments to this Agreement must be in writing and signed by all Members except that the Lead Agency shall have authority to amend to the Agreement on behalf of all Members to add new Members to the Consortium.
- B. **Severability:** Invalidation of any one or more of the provisions of this Agreement shall in no way affect any of the other provisions thereof, which shall remain in full force and effect.
- C. **Financial Obligations of the Parties:** Each party's financial obligations under this Agreement are contingent upon appropriation, budgeting, and availability of specific funds to discharge those obligations. Nothing in this Agreement constitutes a debt, a

direct or indirect multiple fiscal year obligation, a pledge of the credit of either party, or a payment guarantee by either party to the other party. No Member incurs any financial obligation unless it later signs a HOME Subrecipient agreement.

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IN WITNESS THEREOF, the undersigned Members have executed this Agreement;