



## CITY OF KIRKLAND

Department of Planning and Community Development  
123 Fifth Avenue, Kirkland, WA 98033 425-587-3225  
[www.kirklandwa.gov](http://www.kirklandwa.gov)

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### MEMORANDUM

**To:** Kurt Triplett, City Manager

**From:** Dawn Nelson, Planning Supervisor, Planning and Community Development  
Sharon Anderson, Human Services Coordinator, Parks and Community Services  
Michael Cogle, Interim Deputy Director, Parks and Community Services  
Jennifer Schroder, Director, Parks and Community Services

**Date:** July 28, 2011

**Subject:** FINAL COMMUNITY DEVELOPMENT BLOCK GRANT DETERMINATION

### RECOMMENDATION

Authorize the Mayor to sign the attached letter to King County and the Department of Housing and Urban Development (HUD). The letter acknowledges the City of Kirkland's intent to remain part of the King County Community Development Block Grant (CDBG) Consortium as a member of the urban county, rather than as a joint agreement city. Because King County is in the process of requalifying as an urban county with HUD, they must receive the City's decision by August 8, 2011. **There are ongoing conversations between Kirkland, King County and HUD that may modify this recommendation prior to the Council meeting on August 2<sup>nd</sup>. If any change is proposed, it will be sent out to the Council as soon as possible.**

### BACKGROUND

On May 17, 2011 the City Council adopted Resolution [R-4880](#), identifying the City's intent to participate in the King County CDBG Consortium as a joint agreement city if it was eligible to do so, or as a member of the urban county if it was not. (Background information for that decision is contained in the [May 3, 2011 Council agenda item](#).) HUD informed staff in early July that the City is not eligible to participate as a joint agreement city because the City's population on the official determination date used by HUD did not exceed the 50,000 threshold.

Staff has reviewed and requested reconsideration of this determination with both the HUD Region X office in Seattle and with HUD headquarters in Washington DC. The issue is that the population information that HUD is required by law to use is the official US Census Bureau data that is available on June 30, 2011. As of that date, the Census Bureau had not updated Kirkland's population to acknowledge the June 1<sup>st</sup> annexation; instead it is still using the April 1, 2010 census data. It is anticipated that the Census Bureau's next update, to be released in the summer of 2012, will reflect the June 1, 2011 annexation.

The City is exploring two options at this time:

- Remain part of CDBG consortium for the next three years. A copy of the existing agreement which is set for automatic renewal is included as Attachment 2. It may not be possible for Kirkland to withdraw from this agreement. This is one of the items under continued discussion that staff hopes to clarify before the Council meeting.
- Not participate for in the King County CDBG consortium in 2012 and see if the population determination comes in to allow joint agreement status for 2013. (This option offers an opportunity to seek CDBG funding from the State of Washington in FY2012.)

The pros and cons of these options are identified briefly below.

***Advantages of Remaining in CDBG Consortium***

- Kirkland residents with low and moderate incomes have access to the Housing Repair and Housing Stability programs administered by King County.
- Kirkland public service agencies can apply to King County for CDBG operating funding.
- Kirkland public service agencies can apply to King County for CDBG capital facilities funding.
- Kirkland continues to receive credit for a portion of the capital funding that is allocated to ARCH for its housing trust fund.
- Kirkland staff can continue to participate in making funding recommendations to the Joint Regional Committee (JRC).

***Disadvantages of Remaining in CDBG Consortium***

- Based on HUD regulations, the City would be required to remain in the consortium for the entire three year period (2012 through 2014) regardless of official population determination from HUD and eligibility to receive CDBG funds directly (which would allow joint agreement status).

***Advantages of Not Participating in CDBG Consortium***

- Would be able to enter in a joint agreement interlocal with King County in 2013 or 2014, when HUD determines that Kirkland is eligible to receive CDBG funds directly.
- Would be able to receive CDBG funding from Washington State for FY2012. However, there is no direct funding that would come to the City through this program. Instead, the City would be required to compete with other jurisdictions and agencies across the state for funding for specific projects.

***Disadvantages of Not Participating in CDBG Consortium***

- There are no guarantees that the Census Bureau will issue an updated population in time for the City to be determined eligible to receive funds directly in 2013.
- All of the items identified as advantages of remaining in the consortium would be unavailable for at least one year and possibly more.
- The overall CDBG consortium allocation would be reduced by about \$80,000 and, more significantly, the allocation of capital funds to ARCH would be reduced by about \$80,000 (or 20% of the anticipated funding to ARCH) because of the way the funds are split

between the North/East and South subregions based on percentage of low and moderate income persons. *This would be a significant loss in 2012 because of the number of large projects that ARCH is anticipating will make application this funding cycle, including the South Kirkland Park and Ride.*

### ***CDBG Funding Issues***

A further consideration is the long term fate of the federal CDBG program. The recently approved federal spending bill for 2011 included a 15% reduction in funding from 2010 levels. The allocation for 2012 has not yet been determined, but is assumed to be a 16.2% reduction from 2010 levels. In addition, Redmond recently decided to become a joint agreement city but was informed at the beginning of July that its allocation is projected to be only 55% of what they had anticipated, with the potential for further reductions. The allocation is based on a formula that HUD uses that takes into account the total population, the low and moderate income population and the age of the housing in the city. Kirkland would not have information about its potential CDBG allocation until the population adjustment is made next summer by the Census Bureau and HUD. It is anticipated that, based on Redmond's experience, that the number will be significantly lower than the estimate we had been basing our calculations on in May.

### ***Summary and Recommendation***

With the information that is currently available, staff believes the advantages of remaining in the King County CDBG consortium for the next three years outweigh the disadvantages and uncertainties associated with not participating in the consortium. Therefore, staff is recommending that the City remain in the consortium through 2014.

### **ATTACHMENTS**

1. Draft letter to King County and HUD
2. CDBG Interlocal Agreement for 2009-2011

**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 Kirkland (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 KIRKLAND

Jackie MacLean  
for King County Executive

David Ramsay  
By: Signature

Jackie MacLean  
Printed Name

David Ramsay  
Printed Name

Director, Department of Community and  
Human Services  
Title

Kirkland City Manager  
Title

5/22/08  
Date

8/6/08  
Date

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

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

[Signature]  
City Attorney

ATTEST:  
CITY OF KIRKLAND

[Signature]  
City Clerk

August 3, 2011

**D R A F T**

King County Housing and Community Development Program  
Attn: Cheryl Markham, Program Manager  
401 Fifth Avenue, Suite 510  
Seattle, Washington 98104-1818

Re: Kirkland's Final Community Development Block Grant Status

Dear Ms. Markham;

On June 1, 2011 the City of Kirkland annexed the neighborhoods of Juanita, Finn Hill and Kingsgate thereby increasing the City's population from roughly 49,000 to approximately 80,000. In anticipation of its increased population, on May 17, 2011 the City Council adopted Resolution 4880, identifying the City's intent to participate in the King County CDBG Consortium as a Joint Agreement City, if it was eligible to do so, or as a member of the urban county if it was not.

In July, HUD informed the City that it is not eligible to participate as a joint agreement city because the City's population, on the official determination date used by HUD, did not exceed the 50,000 threshold. Unfortunately, the population information that HUD is required by law to use is the official US Census Bureau data that is available on June 30, 2011. As of that date, the Census Bureau had not updated Kirkland's population to acknowledge the June 1st annexation; instead it is still using the April 1, 2010 census data. It is anticipated that the Census Bureau's next update, to be released in the summer of 2012, will reflect the June 1, 2011 annexation.

With this letter, the City of Kirkland is informing you of its decision to remain part of the regular King County CDBG Consortium. We understand that the interlocal agreement that was signed for the 2009 – 2011 period will automatically renew to cover the years 2012 – 2014.

Thank you for all of the work that you and your staff do to administer the CDBG program on behalf of the cities in King County. Kirkland recognizes the great value that is gained when jurisdictions work cooperatively in support of common goals.

Sincerely,

KIRKLAND CITY COUNCIL

By Joan McBride  
Mayor

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