



**CITY OF KIRKLAND**  
**Department of Parks & Community Services**  
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## **MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Lynn Zwaagstra, Director  
Leslie R. Miller, Human Services Supervisor

**Date:** June 4, 2020

**Subject:** RESOLUTION AUTHORIZING DISTRIBUTION OF COMMUNITY DEVELOPMENT  
BLOCK GRANT COVID-19 FUNDS

### **RECOMMENDATION:**

City Council conduct a public hearing on the proposed distribution of Community Development Block Grant COVID-19 funds and approve a Resolution adopting the proposal; any changes that occur because of the hearing should be incorporated into the final document.

### **BACKGROUND DISCUSSION:**

The primary objective of the Federal Community Development Block Grant program is to support the development of viable urban communities by providing decent housing, a suitable living environment via community facilities and public infrastructure, and expanded economic opportunities, principally for persons of low and moderate income. Funds are distributed to communities nationwide on a formula basis. The three areas where CDBG funds can be used are capital projects serving low- and moderate-income residents; public service programs serving low- and moderate-income residents; and planning and administration in support of these activities.

The City currently receives its CDBG funds through an agreement with King County as part of a CDBG Consortium of 34 cities and towns. A Joint Recommendations Committee (JRC), comprised of officials representing the participating cities, the Sound Cities Association, and King County, advises the County on CDBG funding and program decisions.

Since 2015 the City of Kirkland has chosen the option of participating within the King County Consortium as a Joint Agreement City. With this option the King County Consortium "passes through" a portion of the CDBG funds to larger member cities known as Joint Agreement cities. These cities allocate their portion of the funds to meet locally identified needs through their own allocation process. Efforts are made by the Consortium to coordinate multi-jurisdictional projects with the Joint Agreement cities. In addition to Kirkland, the cities of Burien, Redmond, Renton, and Shoreline are currently Joint Agreement cities within the County Consortium.

As a participating Joint Agreement City Kirkland and King County each receive some of the CDBG funds attributable to the City, with each having different responsibilities for program administration. The County retains half of available planning/administration funds to provide contract oversight and satisfy Federal administrative requirements. The City retains the other

half of the planning and administration allocation, which helps to pay for City staff to provide the necessary program support. The City also receives public service dollars to grant and allocates capital funds towards eligible projects that are selected by the City.

As part of the interlocal agreement with King County, Kirkland must develop a plan for allocating our portion of CDBG funds every year. Funds for public services and capital projects must be utilized to benefit those with low to moderate income and be consistent with the King County Consortium Consolidated Housing and Community Development Plan.

Distribution of Kirkland's portion of CDBG funds is determined by the City Council through a Council resolution. Traditionally Kirkland has transferred the capital CDBG funds to the ARCH Housing Trust Fund to support the creation of low-income housing and housing for those experiencing homelessness.

### **Special CDBG COVID-19 Funds**

The Coronavirus Aid, Relief, and Economic Security (CARES) Act passed by Congress and signed into law on March 27<sup>th</sup>, 2020 included up to \$5 billion in CDBG supplemental funding. Of that amount, \$2 billion are to be distributed to states and entitlement jurisdictions using the same statutory formula used to distribute the regular, annual 2020 CDBG allocations.

Based upon the determined formula, Kirkland's allocation is \$229,016. For regular CDBG allocations, King County retains 10% of the available funds for planning and administration purposes. City staff advocated for King County to reduce the amount it retains in order to allow for as much of the money as possible to go directly to agencies providing direct services. King County reduced its percentage withholding to 2%, so \$224,436 of Kirkland's allocation is available for the City to distribute.

City staff worked closely with colleagues at the City of Bellevue and City of Redmond to coordinate distribution of our COVID-19 dollars. Because of the regulations that are attached to CDBG dollars, city staff determined that supporting COVID-19 response of our providers of homeless services were the best use of the dollars. The intent of these dollars is to reimburse for activities to prevent, prepare for, and respond to the coronavirus. The four providers of emergency shelter services on the Eastside are Catholic Community Services of Western Washington (families with children), Congregations for the Homeless (men), Friends of Youth (young adults) and The Sophia Way (women). In order to streamline the distribution of these dollars to benefit both cities and the agencies receiving the funds, the three cities decided to fund one or two agencies per city instead of all cities providing partial funding to all four agencies.

City staff determined to assign distribution in the following way:

City of Bellevue: \$244,812 to Congregations for the Homeless  
\$244,811 to The Sophia Way

City of Kirkland: \$224,436 to Catholic Community Services of Western Washington

City of Redmond: \$212,736 to Friends of Youth

**FUNDING DISTRIBUTION RECOMMENDATION:**

City staff makes the following recommendation for the supplemental Kirkland funds:

Planning and Administration Funding Recommendation: Allocate no funding to administer the distribution of the COVID-19 funds.

Public (Human) Services Funding Recommendation: Allocate the entire available funding of \$224,436 for human services to Catholic Community Services of Western Washington.

**Attachment** Resolution CDBG-CV Funding