



City of Tukwila
**Planning and Community
 Development Committee**

- ◆ **Kathy Hougardy, Chair**
- ◆ **De'Sean Quinn**
- ◆ **Thomas McLeod**

<u>Distribution:</u>	
K. Hougardy	Mayor Ekberg
D. Quinn	D. Cline
T. McLeod	R. Bianchi
C. Delostrinos Johnson	C. O'Flaherty
	A. Youn
	L. Humphrey

AGENDA

MONDAY, FEBRUARY 6, 2023 – 5:30 PM

THIS MEETING WILL BE CONDUCTED USING A HYBRID MODEL, WITH ATTENDANCE AVAILABLE BOTH ON-SITE AT TUKWILA CITY HALL AND ALSO VIRTUALLY.

ON-SITE PRESENCE WILL BE IN THE HAZELNUT CONFERENCE ROOM (6200 SOUTHCENTER BOULEVARD)

THE PHONE NUMBER FOR THE PUBLIC TO LISTEN TO THIS MEETING IS: 1-253-292-9750, Access Code 225526605#

Click here to: [Join Microsoft Teams Meeting](#)

For Technical Support during the meeting call: 1-206-433-7155.

Item	Recommended Action	Page
1. BUSINESS AGENDA		
a. A resolution approving the South King Housing and Homelessness Partners capital fund allocation. <i>Claire Goodwin, Executive Manager, SKHHP.</i> <i>Laurel Humphrey, Legislative Analyst</i>	a. Forward to 2/13 C.O.W. and 3/6 Regular Meeting.	Pg.1
b. A grant agreement with the Washington State Department of Commerce for the Growth Management Act periodic update. <i>Nancy Eklund, Long-Range Planning Manager</i>	b. Forward to 2/13 Special Meeting Consent Agenda.	Pg.23
2. MISCELLANEOUS		

Next Scheduled Meeting: *March 6, 2023*



The City of Tukwila strives to accommodate individuals with disabilities.

Please contact the City Clerk's Office at **206-433-1800** (TukwilaCityClerk@TukwilaWA.gov) for assistance.



INFORMATIONAL MEMORANDUM

TO: **Planning & Community Development Committee**

FROM: **Laurel Humphrey, Legislative Analyst**
Claire Goodwin, Executive Manager, SKHHP

DATE: **January 23, 2023**

SUBJECT: **Resolution authorizing allocation from SKHHP Housing Capital Fund**

ISSUE

Staff is seeking Council approval of a resolution that authorizes the allocation of \$29,804.43 from the City's existing contributions to the South King Housing and Homelessness Partners (SKHHP) Housing Capital Fund to finance affordable housing projects. This is the first of what will be an annual process.

SUMMARY

SKHHP was created in 2019 through an interlocal agreement of several cities and King County to address housing needs in South King County. There are currently 11 member jurisdictions: Auburn, Burien, Covington, Des Moines, Federal Way, Kent, Maple Valley, Normandy Park, Renton, Tukwila, and King County. Council President Cynthia Delostrinos Johnson serves as Tukwila's representative on the SKHHP Executive Board. The Tukwila City Council approved the SKHHP 2023 Work Plan and Budget on October 18, 2022 via Resolution 2055.

Housing Capital Fund

Substitute House Bill 1406 (2019) authorized cities and counties to recapture a portion of Washington State sales tax for use to support affordable housing initiatives. SKHHP member cities contribute these funds to the SKHHP Housing Capital Fund. This approach allows funds from multiple cities to be pooled and made available to projects across South King County with the goals of leveraging other funds and maximizing the creation of affordable housing overall. In 2020, the Tukwila City Council authorized 10% of its SHB 1406 funds to go toward the Housing Capital Fund, retaining 90% to be used for rental assistance for Tukwila residents due to the impacts of COVID-19. Staff intends to bring options to revisit this ratio to the PCD Committee for consideration in 1st Quarter. Tukwila has contributed \$30,976 to the Housing Capital Fund to date. Per the SKHHP Interlocal Agreement, member City Councils must take separate action on an annual basis to authorize the allocation of Housing Capital Funds already collected.

Recommendation

The SKHHP Executive Board's funding recommendation outlined below reflects the funding guidelines, policies and priorities previously adopted. After careful deliberation, the SKHHP Executive Board concurred with the recommendation of the SKHHP Advisory Board and recommends funding \$1,393,308 for two projects as described in the December 16, 2022 memo (Exhibit A of the resolution).

The SKHHP Executive Board is requesting Tukwila funding of \$29,804.43 (already contributed to the Housing Capital Fund) for the following projects:

1. \$6,417.34 for Habitat for Humanity of Seattle-King and Kittitas Counties – Burien

a. City of Tukwila funds represent 2.1% (\$6,417.34/\$300,000) of SKHHP funds proposed for this project.

b. City of Tukwila funds represent 0.07% (\$6,417.34/\$8,401,776) of the total development costs.

2. \$23,387.09 for Mercy Housing Northwest – Burien Family Housing

a. City of Tukwila funds represent 2.1% (\$23,387.09/\$1,093,308) of SKHHP funds proposed for this project.

b. City of Tukwila funds represent 0.05% (\$23,387.09/\$47,426,519) of the total development costs.

Tukwila has already contributed sales tax credit receipts in the amount of \$30,976 to SKHHP's Housing Capital Fund and with this Council approval those funds may be allocated to the projects recommended by the SKHHP Executive Board. Detailed descriptions of the projects, funding requests, rationale, and recommended conditions of funding for projects by the SKHHP Executive Board are included in the Executive Board memo.

If not approved, SKHHP will not have Tukwila funds to contribute to the regional efforts to advance affordable housing projects that meet urgent local needs and priorities.

RECOMMENDATION

Staff is seeking a Committee recommendation on the resolution to forward to either the February 13, 2023 Special Consent Agenda or Committee of the Whole.

ATTACHMENTS

1. Draft Resolution

DRAFT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AUTHORIZING THE DULY-APPOINTED ADMINISTERING AGENCY FOR SOUTH KING HOUSING AND HOMELESSNESS PARTNERS (SKHHP) TO EXECUTE ALL DOCUMENTS NECESSARY TO ENTER INTO AGREEMENTS FOR THE FUNDING OF AFFORDABLE HOUSING PROJECTS, AS RECOMMENDED BY THE SKHHP EXECUTIVE BOARD, UTILIZING FUNDS CONTRIBUTED BY THE CITY OF TUKWILA TO THE SKHHP HOUSING CAPITAL FUND.

WHEREAS, on February 21, 2019, the City of Tukwila entered into an Interlocal Agreement to form South King Housing and Homelessness Partners (SKHHP) to help coordinate the efforts of South King County cities to provide affordable housing; and

WHEREAS, on May 17, 2021, the City of Tukwila entered into an Interlocal Agreement for the purposes of pooling sales tax receipts with SKHHP to administer funds through the SKHHP Housing Capital Fund; and

WHEREAS, the SKHHP Executive Board has recommended that the City of Tukwila participate in the funding of certain affordable housing projects and programs hereinafter described; and

WHEREAS, the SKHHP Executive Board has developed a number of recommended conditions to ensure the City's affordable housing funds are used for their intended purpose and that projects maintain their affordability over time; and

WHEREAS, pursuant to the SKHHP formation Interlocal Agreement, each legislative body participating in funding a project or program through SKHHP's Housing Capital Fund must authorize the application of a specific amount of the City's funds contributed to the SKHHP Housing Capital Fund to a specific project or program; and

WHEREAS, the City Council desires to use \$29,804.43 from funds contributed to the SKHHP Housing Capital Fund as designated below to finance the projects recommended by the SKHHP Executive Board;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. Pursuant to the Interlocal Agreement, the City Council authorizes the duly-appointed administering agency of SKHHP to execute all documents and take all necessary actions to enter into agreements on behalf of the City to fund projects through Habitat for Humanity of Seattle-King and Kittitas Counties in Burien and Mercy Housing Northwest – Burien Family Housing, in a combined total of \$29,804.43.

Section 2. The agreements entered into, pursuant to Section 1 of this resolution, shall include terms and conditions to ensure that the City’s funds are used for their intended purpose and that the projects maintain affordability over time. In determining what conditions should be included in the agreements, the duly-appointed administering agency of SKHHP shall be guided by the recommendations set forth in the SKHHP Executive Board’s memorandum dated December 16, 2022, a copy of which is attached hereto as Exhibit A.

Section 3. This resolution will take effect and be in full force immediately upon passage and signatures.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this _____ day of _____, 2023.

ATTEST/AUTHENTICATED:

Christy O’Flaherty, MMC
City Clerk

Cynthia Delostrinos Johnson
Council President

APPROVED AS TO FORM BY:

Filed with the City Clerk: _____
Passed by the City Council: _____
Resolution Number: _____

Office of the City Attorney

Attachment: Exhibit A – SKHHP Executive Board memorandum dated December 16, 2022



South King Housing and Homelessness Partners

Memorandum

TO: City of Auburn Council Members
City of Burien Council Members
City of Des Moines Council Members
City of Federal Way Council Members
City of Kent Council Members
City of Normandy Park Council Members
City of Renton Council Members
City of Tukwila Council Members

FROM: SKHHP Executive Board

DATE: December 16, 2022

RE: 2022 SKHHP Housing Capital Fund Recommendation

OVERVIEW

The 2022 SKHHP Housing Capital Fund was the first funding round made possible by the pooling of resources from SKHHP member jurisdictions. SKHHP received three applications representing requests for just under \$2.4 million in local funds to develop 135 units of affordable housing.

After careful deliberation, the SKHHP Executive Board concurred with the recommendations of the SKHHP Advisory Board, and is recommending funding \$1,393,308 for two projects.

These recommendations advance projects that meet urgent local priorities, including mixed income workforce housing, permanent supportive housing, and affordable homeownership. As rents and home sale prices continue to rise in our region, so does the need for affordable housing. Your investment in the SKHHP Housing Capital, leveraged with millions of dollars from other sources, will provide this much needed housing to hundreds of underserved members of our community.

The following is a description of the applications received, the Executive Board recommendation and rationale, and proposed contract conditions for the proposals recommended for funding at this time. Also enclosed is the proposed funding sources and an economic summary of the projects recommended for funding.

ATTACHMENTS:

1. Proposed funding sources
2. Project economic summaries

1. HABITAT FOR HUMANITY SEATTLE-KING AND KITTITAS COUNTIES

Funding request: \$300,000 (secured grant)

Advisory Board recommendation: \$300,000 (secured grant)

See attached proposed funding sources for distribution of City funds

PROJECT SUMMARY

Habitat for Humanity is requesting grant funds in the amount of \$300,000 for a homeownership project located in Burien. The proposed project is phase I of II of a new development that will result in 40 affordable condominiums. Phase I consists of the construction of 20 three bedroom townhomes, 1.5 bath houses for households earning up to 50% of area median income (AMI).

The project proposal is to provide permanent affordability through a land trust administered by Habitat and sold with an individual ground lease that allows Habitat the right of first option to purchase the home upon resale with a set 1.5% appreciation calculation in the lease agreement.

As part of Habitat’s homeownership model, homebuyers are required to put in 250 hours of sweat equity. The project also requires a Condominium Owners Association (COA) comprised of residents. The COA will address property issues and guidelines established in the land lease. Through the COA, reserves are established for the repair and maintenance of the buildings and to address ongoing landscape and maintenance. The reserve fund will be managed by the COA and funded through a monthly fee that is part of the overall housing costs and included in the 33% housing to household income ratio provided to homebuyers.

FUNDING RATIONALE

The Executive Board supports the intent of this application for the following reasons:

- The project was approved for participation in the City of Burien affordable housing demonstration program.
- The project strongly aligns with SKHHP Housing Capital Fund priorities including: providing homeownership opportunities, collaboration with local community-based organizations, direct experience and connection to populations they are proposing to serve, and advancing racial equity.
- The project schedule indicates construction to begin in 2022 and certificate of occupancies issued in 2024.
- The site has convenient access to transit, shopping, and services.
- The project provides significant financial leverage of other sources.

PROPOSED CONDITIONS

Standard conditions (apply to all projects)

1. The Agency shall provide revised development and operating budgets based upon actual funding commitments, which must be approved by SKHHP staff. If the Agency is unable to adhere to the budgets, SKHHP staff must be immediately notified and new budget(s) shall be submitted by the Agency for SKHHP staff approval. SKHHP staff shall not unreasonably withhold its approval to revised budget(s), so long as such new budget(s) do not materially adversely change the Project. This shall be a continuing obligation of the Agency. Failure to adhere to the budgets, either original or as amended may result in withdrawal of SKHHP's commitment of funds.
2. The Agency shall submit evidence of funding commitments from all proposed public and private funding sources. In the event commitment of funds identified in the application cannot be secured in the time frame identified in the application, the Agency shall immediately notify SKHHP staff, and describe the actions it will undertake to secure alternative funding and the timing of those actions subject to SKHHP staff review and approval.
3. Funds shall be used by Agency toward specific project costs as included in funding agreement and consistent with RCW 82.14.540. Funds may not be used for any other purpose unless SKHHP staff has given written authorization for the alternate use. If after the completion of the project there are budget line items with unexpended balances, SKHHP and other public funders shall approve adjustments to the project capital sources, including potential reductions in public fund loan balances.
4. Agency shall evaluate and consider the maximization of sustainability features such as in efficient building envelope, heat pumps and propose a plan for the maximization of sustainability.
5. In the event federal funds are used, and to the extent applicable, federal guidelines must be met, including but not limited to: contractor solicitation, bidding and selection; wage rates; and federal laws and regulations.
6. The Agency shall maintain documentation of any necessary land use approvals, permits, and licenses required by the jurisdiction in which the project is located.
7. The Agency shall submit monitoring quarterly reports through completion of the project, and annually thereafter, and shall submit a final budget upon project completion. If applicable, Agency shall submit initial tenant information as required by SKHHP.
8. Agency shall maintain the project in good and habitable condition for the duration of period of affordability.

Special conditions

1. Funds will be in the form of a **secured grant with no repayment**, so long as affordability and target population are maintained.
2. A covenant is recorded ensuring affordability for at least 50 years, with size and affordability distribution per the following table. Limited changes to the matrix may be considered based on reasonable justification as approved by SKHHP staff.

Affordability	3 bedroom	Total
60%	20	20
Total	20	20

2. MERCY HOUSING NORTHWEST – BURIEN FAMILY HOUSING

Funding request: \$1,093,308

Executive Board recommendation: \$1,093,308 (forgivable loan)

See attached proposed funding sources for distribution of City funds

PROJECT SUMMARY

Mercy Housing Northwest is requesting funds in the amount of \$1,093,308 for an 89 unit multifamily mixed income affordable rental housing development in Burien. The project proposal is to provide a mix of 1- 2- and 3-bedroom apartments, for households with mixed incomes from 0-30%, 30-50%, and up to 60% of area median income, and set asides for households with a disability and homeless households.

The proposed project is a partnership with Mary's Place. Mary's Place and Mercy Housing Northwest entered into a memorandum of understanding indicating Mary's Place's intent to subdivide the property and donate an approximate 2 acre portion to Mercy Housing Northwest for the proposed multifamily development.

FUNDING RATIONALE

The Executive Board supports the intent of this application for the following reasons:

- The project aligns with Burien's Comprehensive Plan land use designation and has two routes for zoning approval – an applicant pursued site specific rezone or a City initiated area wide rezone as part of the Ambaum Corridor plan, both are currently underway.
- The project strongly aligns with SKHHP Housing Capital Fund priorities including: collaboration with local community-based organizations, direct experience and connection to populations they are proposing to serve, meeting the needs of those and available to those most disproportionately impacted by housing costs, advancing racial equity.
- The project has the opportunity to deliver mixed income housing on a significant scale in a location with access to transit and other amenities.
- The project is part of a partnership with Mary's Place which will create significant shelter and services.
- The project includes over half (54%) of the houses to be family-sized 2 and 3 bedroom units.
- The project serves special needs population through a set aside for households with a disability and formerly homeless households.
- The site has convenient access to transit, shopping, and services.

- The project is expected to provide significant financial leverage of other sources.

PROPOSED CONDITIONS

Standard conditions (apply to all projects)

1. The Agency shall provide revised development and operating budgets based upon actual funding commitments, which must be approved by SKHHP staff. If the Agency is unable to adhere to the budgets, SKHHP staff must be immediately notified and new budget(s) shall be submitted by the Agency for SKHHP staff approval. SKHHP staff shall not unreasonably withhold its approval to revised budget(s), so long as such new budget(s) do not materially adversely change the Project. This shall be a continuing obligation of the Agency. Failure to adhere to the budgets, either original or as amended may result in withdrawal of SKHHP's commitment of funds.
2. The Agency shall submit evidence of funding commitments from all proposed public and private funding sources. In the event commitment of funds identified in the application cannot be secured in the time frame identified in the application, the Agency shall immediately notify SKHHP, and describe the actions it will undertake to secure alternative funding and the timing of those actions subject to SKHHP staff review and approval.
3. Funds shall be used by Agency toward specific project costs as included in funding agreement and consistent with RCW 82.14.540. Funds may not be used for any other purpose unless SKHHP staff has given written authorization for the alternate use. If after the completion of the project there are budget line items with unexpended balances, SKHHP and other public funders shall approve adjustments to the project capital sources, including potential reductions in public fund loan balances.
4. Agency shall evaluate and consider the maximization of sustainability features such as in efficient building envelope, heat pumps and propose a plan for the maximization of sustainability.
5. In the event federal funds are used, and to the extent applicable, federal guidelines must be met, including but not limited to: contractor solicitation, bidding and selection; wage rates; and federal laws and regulations.
6. The Agency shall maintain documentation of any necessary land use approvals and permits required by the jurisdiction in which the project is located.
7. The Agency shall submit monitoring quarterly reports through completion of the project, and annually thereafter, and shall submit a final budget upon project completion. If applicable, Agency shall submit initial tenant information as required by SKHHP.

- Agency shall maintain the project in good and habitable condition for the duration of period of affordability.

SPECIAL CONDITIONS

- Funds will be in the form of a **deferred, contingent, forgivable loan**. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by SKHHP Staff.
- A covenant is recorded ensuring affordability for at least 50 years, with size and affordability distribution per the following table. Limited changes to the matrix may be considered based on reasonable justification as approved by SKHHP staff. **If the project is unsuccessful in securing Housing Choice Vouchers, the project may shift an allocation of units set aside at 30% AMI to either 50% or 60% AMI.**

Affordability	Total
30%	35
30-50%	28
60%	26
Total	89

- The net developer fee shall be established at the time of finalizing the Contract Budget. Net developer fee is defined as that portion of the developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after being placed in service.
- SKHHP staff shall review and approve the services budget and services plan for consistency with application.
- Timeframe for funding commitment. The funding commitment continues for **thirty-six (36) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to SKHHP staff no later than sixty (60) days prior to the expiration date. At that time, the Agency will provide a status report on progress to date and expected schedule for start of construction and project completion. The SKHHP Executive Board will consider a twelve-month extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the Agency will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable period of time.
- The project will contain a 20% set aside for households with a disability, and 40% set aside for homeless households, unless otherwise approved by SKHHP staff.

3. ECOTHRIVE – BURIEN

Funding request: \$700,000 - \$1,000,000

Executive Board recommendation: \$0

PROJECT SUMMARY OVERVIEW

EcoThrive is requesting grant funds in the amount of \$700,000 - \$1,000,000 for a homeownership project located in Burien. The project proposal is to provide permanent affordability through a limited-equity cooperative formed by homeowners as well as a community land trust that holds the land in trust. The proposed project is the new construction of 26 houses ranging in size from 350 square feet to 650 square feet for households earning between 30 and 50% of area median income (AMI).

The property currently consists of a single family residential house that is uninhabitable. The property is currently zoned single family residential that allows for 6 dwelling units per acre. EcoThrive has submitted an application for the City of Burien's affordable housing demonstration program that would allow for a greater density of housing than is currently allowed on the property. Estimated approval for the affordable housing demonstration program is March of 2023.

FUNDING RATIONALE

The Executive Board supports the concept of the EcoThrive housing proposal but does not recommend funding at this time. The Executive Board would welcome an application in the next funding round. This would provide an opportunity for EcoThrive to address the issues identified below:

- Further develop the plan for operational support of the limited equity cooperative and other supportive services.
- Further develop and identify the plan for qualifying households for home loans.
- Sweat equity at 10 hours per month in perpetuity may be a significant challenge for some households.
- Obtain approval for City of Burien Affordable Housing Demonstration Program or pursuit of other land use changes that support the development proposal.
- Include development cost estimate that helps establish soundness of development budget.
- Further development of building design, parking, and conformance with zoning requirements.
- Further develop plan for engaging, connecting, and working with households proposing to serve.

ATTACHMENT 1: Proposed Funding Sources

Jurisdiction	Total contributed to SKHHP Housing Capital Fund	Habitat for Humanity - Burien	Mercy Housing Northwest - Burien Family Housing	Unallocated
Auburn	\$305,338	\$63,257.27	\$230,532.27	\$11,548.46
Burien	\$146,350	\$30,319.52	\$110,495.25	\$5,535.23
Des Moines	\$51,777	\$10,726.71	\$39,091.99	\$1,958.30
Federal Way	\$243,141	\$50,371.84	\$183,573.11	\$9,196.05
Kent	\$330,312	\$68,431.17	\$249,387.81	\$12,493.02
Normandy Park	\$2,863	\$593.13	\$2,161.58	\$108.28
Renton	\$337,320	\$69,883.02	\$254,678.90	\$12,758.08
Tukwila	\$30,976	\$6,417.34	\$23,387.09	\$1,171.57
Total	\$1,448,077	\$300,000	\$1,093,308	\$54,769

ATTACHMENT 2: Project Economic Summaries

Applicant: Habitat for Humanity Seattle-King and Kittitas Counties

Project Name: Burien

Location: 515 & 511 S. 136th Street, Burien, WA 98168

Project Description: New development of 20 homeownership condominium units

Financing Sources:

Funding source	Proposed Amount	Status
SKHHP	\$300,000	Applied
Housing Trust Fund	\$1,125,000	Committed
King County HOME	\$1,547,282	Committed
Fund for Humanity (developer)	\$4,860,994	
CHIP	\$568,500	Committed
TOTAL	\$8,401,776	

Development Budget:

Proposed use	Amount	Per Unit
Land acquisition	\$1,020,000	\$51,000
Soft costs	\$414,250	\$20,713
Development costs	\$6,734,026	\$336,701
Other development costs	\$233,500	\$11,675
TOTAL	\$8,401,776	\$420,089

Applicant: Mercy Housing Northwest
Project Name: Burien Family Housing
Location: 12845 Ambaum Blvd SW, Burien, WA 98146
Project Description: New development of 89 unit mixed-income rental housing

Financing Sources:

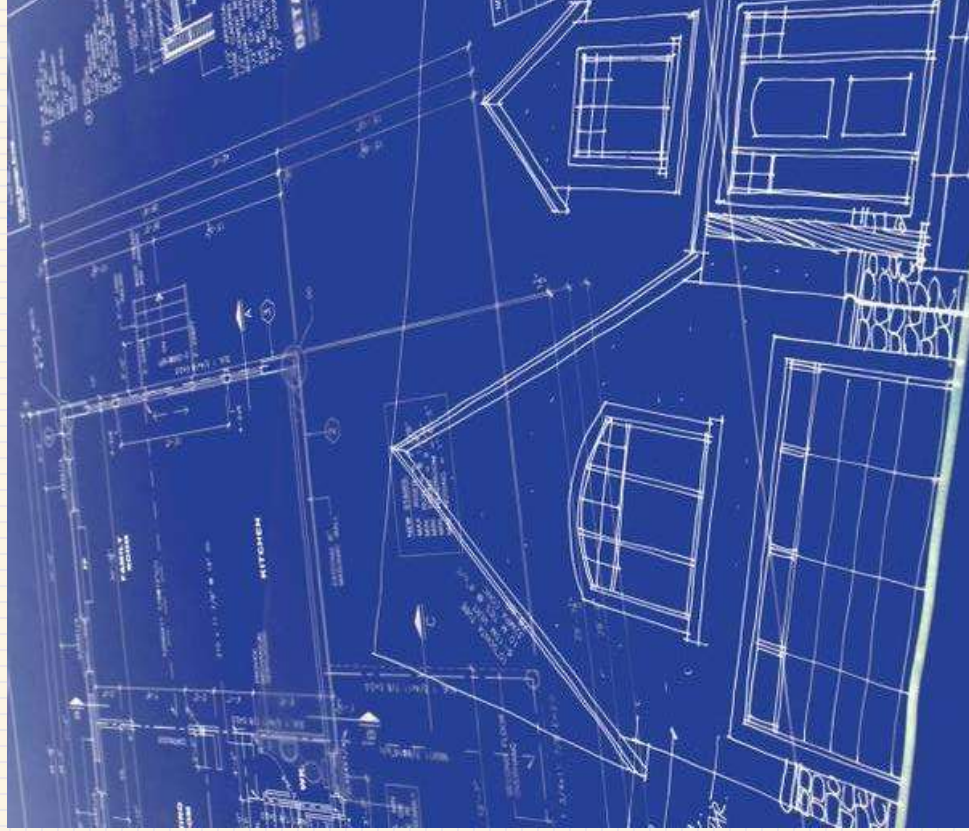
Funding source	Proposed Amount	Status
SKHHP	\$1,093,308	Applied
Land donation	\$1,750,000	Committed
Bank loan	\$10,390,926	
4% LIHTC equity	\$16,523,298	To apply in 2024
Deferred developer fee	\$2,018,987	
State Housing Trust Fund	\$5,000,000	To apply 2023
Amazon grant	\$5,000,000	Applied
King County	\$4,900,000	Applied
Mercy loan fund (developer)	\$750,000	
TOTAL	\$47,426,519	

Development Budget

Proposed use	Amount	Per Unit
Land acquisition (donation)	\$1,750,000	\$19,663
Soft costs	\$5,974,879	\$67,134
Construction costs	\$36,540,135	\$410,563
Other development costs	\$3,161,000	\$35,517
TOTAL	\$47,426,519	\$532,882

South King Housing and Homelessness Partners (SKHHP) Housing Capital Fund Recommendations

CLAIRE GOODWIN
SKHHP EXECUTIVE MANAGER



Establishing SKHHP and the Housing Capital Fund

- 2019: SKHHP was formed via an Interlocal Agreement.
- Eleven member jurisdictions include:
 - Auburn
 - Burien
 - Covington
 - Des Moines
 - Federal Way
 - Kent
 - Maple Valley
 - Normandy Park
 - Renton
 - Tukwila
 - King County
- 2019: SHB 1406 (RCW 82.14.540) became law allowing jurisdictions to enact a local sales tax for the purpose of affordable housing; sales tax is a recapture of a portion of existing sales tax and does not raise the sales tax
- 2021: City Council authorized the Interlocal Agreement for the Purpose of Pooling Sales Tax Receipts with SKHHP
 - Allows for pooling of collected sales tax with SKHHP
 - Use of City funding requires approval of City Council

2022 SKHHP Housing Capital Fund

- The first SKHHP Capital Fund application opened in 2022.
- Three applications were received, all for projects in Burien.
- The SKHHP Advisory Board reviewed and made recommendations to the SKHHP Executive Board to fund two of the three projects.
- The SKHHP Executive Board agreed with the recommendations and is seeking each jurisdiction's approval.

Projects and Recommended Funding

1. Habitat for Humanity Seattle-King and Kittitas Counties: Burien Homeownership project, Phase 1 construction of 20 three-bedroom townhouses
 - <50% of Area Median Income (AMI)
 - \$300,000

2. Mercy Housing Northwest: Burien Family Housing
 - 89-unit multifamily affordable rental housing development
 - Mixed income: 0-30%, 30-50%, and up to 60% of AMI
 - Includes 20% set aside for households with a disability and 40% set aside for households experiencing homelessness
 - \$1,093,308

3. ecoTHRIVE: Burien Homeownership project with 26 houses
 - 30-50% of AMI
 - \$0

Proposed Funding Sources

Jurisdiction	Total contributed to SKHHP Housing Capital Fund	Habitat for Humanity - Burien	Mercy Housing Northwest - Burien Family Housing	Unallocated
Auburn	\$305,338	\$63,257.27	\$230,532.27	\$11,548.46
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Kent	\$330,312	\$68,431.17	\$249,387.81	\$12,493.02
Normandy Park	\$2,863	\$593.13	\$2,161.58	\$108.28
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Tukwila	\$30,976	\$6,417.34	\$23,387.09	\$1,171.57
Total	\$1,448,077	\$300,000	\$1,093,308	\$54,769

South King Housing and Homelessness Partners (SKHHP) Housing Capital Fund Recommendations

February 6, 2023

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Thank you

CLAIRE GOODWIN

SKHHP EXECUTIVE MANAGER

CVGOODWIN@SKHHP.ORG



INFORMATIONAL MEMORANDUM

TO: Planning and Community Development Committee (2/6/23)

FROM: Nora Gierloff, AICP, Community Development Director

BY: Nancy Eklund, AICP, Long Range Planning Manager

CC: Mayor Ekberg

DATE: January 30, 2023

SUBJECT: GMA Periodic Update Grant Acceptance (Washington Department of Commerce) – FY2023

ISSUE

Should the City accept a FY2023 grant for \$62,500 from the Washington Department of Commerce to support the required periodic update of the City’s Comprehensive Plan?

BACKGROUND

The Washington Department of Commerce typically provides grant funding to jurisdictions to assist GMA-planning cities in the development of the periodic update of their comprehensive plans. The City received notice in July 2022 of the award of \$125,000 from Commerce to support the Plan’s update. This grant is being split into two \$62,500 amounts for FY2023 and FY 2024.

DISCUSSION

Admittedly, the Scope of Work in this grant agreement is very confusing. The original application for the grant asked for a scope of work that extended over the full grant period, which at the time, was from July 1, 2022 to December 31, 2024. The City submitted a scope that defined the work to be completed for the project, splitting tasks between FY 2023 and FY 2024 to allow the state to pay half the grant in each fiscal year. To differentiate the timing of the various tasks in the scope of work, work to be complete in 2023 was not shaded; and work to be completed in the second half of 2023 and in 2024 was shaded.

Unfortunately, although Commerce notified the City that it would receive the \$125,000 award in grant funds in July 2022, they did not forward the grant contract until mid-January 2023, leaving less than 6 months to complete scoped FY 2023 work. To provide a scope to accompany the FY 2023 grant

contract, staff updated the dates listed for completion of the various tasks. Commerce staff suggested that the scope also include dates for when status reports would be submitted for FY 2023 tasks.

In the coming month, Planning staff are intending to advertise for a consultant to augment in-house staff capacity. The consultant is needed to assist with community engagement, climate change policy and implementation, and one of the largest tasks for the 2024-2044 Periodic Update – the update of the Housing Element to comply with State and local requirements pertaining to the supply and affordability of housing for all income segments.

FINANCIAL IMPACT

This grant will have no impact on City funding. It will support work that the City is required to complete as a part of its Comprehensive Plan 2024 Update by enabling the hiring of consultant assistance.

RECOMMENDATION

Forward this item to the Consent Agenda of the Special meeting on February 13, 2023. This action will authorize the Mayor to sign the grant agreement with the Washington Department of Commerce to accept grant funding (for FY 2023) in support of the City's Comprehensive Plan. Another contract will be required for the \$62,500 the City will receive in FY2024.

ATTACHMENTS

- Grant Agreement between Washington Department of Commerce and the City of Tukwila for the GMA Periodic Update Grant for FY 2023 (7/1/22 to 6/30/23 grant cycle).



Interagency Agreement with

City of Tukwila

through

Growth Management Services

**Contract Number:
23-63210-028**

For

GMA Periodic Update Grant – FY2023

Dated: Date of Execution

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Face Sheet

Contract Number: 23-63210-028

Local Government Division Growth Management Services

1. Contractor City of Tukwila Department of Community Development, Planning 6200 Southcenter Blvd Tukwila, WA 98188		2. Contractor Doing Business As (as applicable) N/A	
3. Contractor Representative Nancy Eklund Long Range Planning Manager (206) 433-7141 Nancy.eklund@tukwilawa.gov		4. COMMERCE Representative Catherine McCoy Senior Planner (360) 725-2910 catherine.mccoy@commerce.wa.gov	
5. Contract Amount \$62,500	6. Funding Source Federal: <input type="checkbox"/> State: <input checked="" type="checkbox"/> Other: <input type="checkbox"/> N/A: <input type="checkbox"/>		7. Start Date Date of Execution
8. End Date June 30, 2023			
9. Federal Funds (as applicable) N/A		Federal Agency: N/A	
ALN N/A			
10. Tax ID # N/A	11. SWV # SWV0018023-00	12. UBI # 179-000-208	13. UEI # N/A
14. Contract Purpose Grant funding to assist the City of Tukwila with planning work for the completion the Growth Management Act (GMA) requirement to review, and if needed, revise the comprehensive plan and development regulations under RCW 36.70A.130(5).			
COMMERCE, defined as the Department of Commerce, and the Contractor, as defined above, acknowledge and accept the terms of this Contract and Attachments and have executed this Contract on the date below and warrant they are authorized to bind their respective agencies. The rights and obligations of both parties to this Contract are governed by this Contract and the following documents incorporated by reference: Contractor Terms and Conditions including Attachment "A" – Scope of Work and Attachment B - Budget			
FOR CONTRACTOR _____ Allan Ekberg, Mayor City of Tukwila _____ Date		FOR COMMERCE _____ Mark K. Barkley, Assistant Director Local Government Division _____ Date APPROVED AS TO FORM ONLY BY ASSISTANT ATTORNEY GENERAL APPROVAL ON FILE	

Special Terms and Conditions

1. AUTHORITY

COMMERCE and Contractor enter into this Contract pursuant to the authority granted by Chapter 39.34 RCW.

2. CONTRACT MANAGEMENT

The Representative for each of the parties shall be responsible for and shall be the contact person for all communications and billings regarding the performance of this Contract.

The Representative for COMMERCE and their contact information are identified on the Face Sheet of this Contract.

The Representative for the Contractor and their contact information are identified on the Face Sheet of this Contract.

3. COMPENSATION

COMMERCE shall pay an amount not to exceed sixty-two thousand, five hundred dollars (\$62,500), for the performance of all things necessary for or incidental to the performance of work under this Contract as set forth in the Scope of Work.

4. BILLING PROCEDURES AND PAYMENT

COMMERCE will pay Contractor upon acceptance of services and deliverables provided and receipt of properly completed invoices, which shall be submitted to the Representative for COMMERCE not more often than monthly nor less than quarterly.

The parties agree this is a performance-based contract intended to produce the deliverables identified in Scope of Work (Attachment A). Payment of any invoice shall be dependent upon COMMERCE'S acceptance of Contractor's performance and/or deliverable. The invoices shall describe and document, to COMMERCE's satisfaction, a description of the work performed, the progress of the project, and fees. The invoice shall include the Contract Number 23-63210-028. If expenses are invoiced, provide a detailed breakdown of each type. A receipt must accompany any single expenses in the amount of \$50.00 or more in order to receive reimbursement.

Payment shall be considered timely if made by COMMERCE within thirty (30) calendar days after receipt of properly completed invoices. Payment shall be sent to the address designated by the Contractor.

COMMERCE may, in its sole discretion, terminate the Contract or withhold payments claimed by the Contractor for services rendered if the Contractor fails to satisfactorily comply with any term or condition of this Contract.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by COMMERCE.

Grant Start Date

COMMERCE will pay the Contractor for costs incurred beginning July 1, 2022, for services and deliverables described under this Agreement.

Duplication of Billed Costs

The Contractor shall not bill COMMERCE for services performed under this Agreement, and COMMERCE shall not pay the Contractor, if the Contractor is entitled to payment or has been or will be paid by any other source, including grants, for that service.

Disallowed Costs

The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

COMMERCE may, in its sole discretion, withhold ten percent (10%) from each payment until acceptance by COMMERCE of the final report (or completion of the project, etc.).

Line Item Transfers

The total amount of transfers of funds between line item budget categories shall not exceed ten percent (10%) of the total budget. If the cumulative amount of these transfers exceeds or is expected to exceed ten percent, the total budget shall be subject to justification and negotiation of a contracts amendment by the Contractor and COMMERCE.

Ineligible Costs

Only eligible project-related costs will be reimbursed. Ineligible costs include, but are not necessarily limited to: capital expenses, such as land acquisition or construction costs; purchase of machinery; hosting expenses, such as meals, lodging, or transportation incurred by persons other than staff and volunteers working directly on the project; lobbying or political influencing; and other costs which are not directly related to the project.

5. SUBCONTRACTOR DATA COLLECTION

Contractor will submit reports, in a form and format to be provided by Commerce and at intervals as agreed by the parties, regarding work under this Contract performed by subcontractors and the portion of Contract funds expended for work performed by subcontractors, including but not necessarily limited to minority-owned, woman-owned, and veteran-owned business subcontractors. "Subcontractors" shall mean subcontractors of any tier.

6. INSURANCE

Each party certifies that it is self-insured under the State's or local government self-insurance liability program, and shall be responsible for losses for which it is found liable.

7. FRAUD AND OTHER LOSS REPORTING

Contractor shall report in writing all known or suspected fraud or other loss of any funds or other property furnished under this Contract immediately or as soon as practicable to the Commerce Representative identified on the Face Sheet.

8. ORDER OF PRECEDENCE

In the event of an inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order:

- Applicable federal and state of Washington statutes and regulations
- Special Terms and Conditions
- General Terms and Conditions
- Attachment A – Scope of Work
- Attachment B – Budget

General Terms and Conditions

1. DEFINITIONS

As used throughout this Contract, the following terms shall have the meaning set forth below:

- A. "Authorized Representative" shall mean the Director and/or the designee authorized in writing to act on the Director's behalf.
- B. "COMMERCE" shall mean the Washington Department of Commerce.
- C. "Contract" or "Agreement" or "Grant" means the entire written agreement between COMMERCE and the Contractor, including any Attachments, documents, or materials incorporated by reference. E-mail or Facsimile transmission of a signed copy of this contract shall be the same as delivery of an original.
- D. "Contractor" or "Grantee" shall mean the entity identified on the face sheet performing service(s) under this Contract, and shall include all employees and agents of the Contractor.
- E. "Personal Information" shall mean information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers, and "Protected Health Information" under the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA).
- F. "State" shall mean the state of Washington.
- G. "Subcontractor" shall mean one not in the employment of the Contractor, who is performing all or part of those services under this Contract under a separate contract with the Contractor. The terms "subcontractor" and "subcontractors" mean subcontractor(s) in any tier.

2. ALL WRITINGS CONTAINED HEREIN

This Contract contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Contract shall be deemed to exist or to bind any of the parties hereto.

3. AMENDMENTS

This Contract may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

4. ASSIGNMENT

Neither this Contract, work thereunder, nor any claim arising under this Contract, shall be transferred or assigned by the Contractor without prior written consent of COMMERCE.

5. CONFIDENTIALITY AND SAFEGUARDING OF INFORMATION

- A. "Confidential Information" as used in this section includes:
 - i. All material provided to the Contractor by COMMERCE that is designated as "confidential" by COMMERCE;
 - ii. All material produced by the Contractor that is designated as "confidential" by COMMERCE; and

iii. All Personal Information in the possession of the Contractor that may not be disclosed under state or federal law.

- B.** The Contractor shall comply with all state and federal laws related to the use, sharing, transfer, sale, or disclosure of Confidential Information. The Contractor shall use Confidential Information solely for the purposes of this Contract and shall not use, share, transfer, sell or disclose any Confidential Information to any third party except with the prior written consent of COMMERCE or as may be required by law. The Contractor shall take all necessary steps to assure that Confidential Information is safeguarded to prevent unauthorized use, sharing, transfer, sale or disclosure of Confidential Information or violation of any state or federal laws related thereto. Upon request, the Contractor shall provide COMMERCE with its policies and procedures on confidentiality. COMMERCE may require changes to such policies and procedures as they apply to this Contract whenever COMMERCE reasonably determines that changes are necessary to prevent unauthorized disclosures. The Contractor shall make the changes within the time period specified by COMMERCE. Upon request, the Contractor shall immediately return to COMMERCE any Confidential Information that COMMERCE reasonably determines has not been adequately protected by the Contractor against unauthorized disclosure.
- C.** Unauthorized Use or Disclosure. The Contractor shall notify COMMERCE within five (5) working days of any unauthorized use or disclosure of any confidential information, and shall take necessary steps to mitigate the harmful effects of such use or disclosure.

6. COPYRIGHT

Unless otherwise provided, all Materials produced under this Contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by COMMERCE. COMMERCE shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, the Contractor hereby irrevocably assigns all right, title, and interest in all Materials, including all intellectual property rights, moral rights, and rights of publicity to COMMERCE effective from the moment of creation of such Materials.

"Materials" means all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. "Ownership" includes the right to copyright, patent, register and the ability to transfer these rights.

For Materials that are delivered under the Contract, but that incorporate pre-existing materials not produced under the Contract, the Contractor hereby grants to COMMERCE a nonexclusive, royalty-free, irrevocable license (with rights to sublicense to others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The Contractor warrants and represents that the Contractor has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to COMMERCE.

The Contractor shall exert all reasonable effort to advise COMMERCE, at the time of delivery of Materials furnished under this Contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this Contract. The Contractor shall provide COMMERCE with prompt written notice of each notice or claim of infringement received by the Contractor with respect to any Materials delivered under this Contract. COMMERCE shall have the right to modify or remove any restrictive markings placed upon the Materials by the Contractor.

7. DISPUTES

In the event that a dispute arises under this Agreement, it shall be determined by a Dispute Board in the following manner: Each party to this Agreement shall appoint one member to the Dispute Board. The members so appointed shall jointly appoint an additional member to the Dispute Board. The Dispute Board shall review the facts, Agreement terms and applicable statutes and rules and make a determination of the dispute. The Dispute Board shall thereafter decide the dispute with the majority

prevailing. The determination of the Dispute Board shall be final and binding on the parties hereto. As an alternative to this process, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330, in which event the Governor's process will control.

8. GOVERNING LAW AND VENUE

This Contract shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

9. INDEMNIFICATION

Each party shall be solely responsible for the acts of its employees, officers, and agents

10. LICENSING, ACCREDITATION AND REGISTRATION

The Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements or standards necessary for the performance of this Contract.

11. RECAPTURE

In the event that the Contractor fails to perform this Contract in accordance with state laws, federal laws, and/or the provisions of this Contract, COMMERCE reserves the right to recapture funds in an amount to compensate COMMERCE for the noncompliance in addition to any other remedies available at law or in equity.

Repayment by the Contractor of funds under this recapture provision shall occur within the time period specified by COMMERCE. In the alternative, COMMERCE may recapture such funds from payments due under this Contract.

12. RECORDS MAINTENANCE

The Contractor shall maintain books, records, documents, data and other evidence relating to this contract and performance of the services described herein, including but not limited to accounting procedures and practices that sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this contract.

The Contractor shall retain such records for a period of six years following the date of final payment. At no additional cost, these records, including materials generated under the contract, shall be subject at all reasonable times to inspection, review or audit by COMMERCE, personnel duly authorized by COMMERCE, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

13. SAVINGS

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to normal completion, COMMERCE may suspend or terminate the Contract under the "Termination for Convenience" clause, without the ten calendar day notice requirement. In lieu of termination, the Contract may be amended to reflect the new funding limitations and conditions.

14. SEVERABILITY

The provisions of this contract are intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the contract.

15. SUBCONTRACTING

The Contractor may only subcontract work contemplated under this Contract if it obtains the prior written approval of COMMERCE.

If COMMERCE approves subcontracting, the Contractor shall maintain written procedures related to subcontracting, as well as copies of all subcontracts and records related to subcontracts. For cause, COMMERCE in writing may: (a) require the Contractor to amend its subcontracting procedures as they relate to this Contract; (b) prohibit the Contractor from subcontracting with a particular person or entity; or (c) require the Contractor to rescind or amend a subcontract.

Every subcontract shall bind the Subcontractor to follow all applicable terms of this Contract. The Contractor is responsible to COMMERCE if the Subcontractor fails to comply with any applicable term or condition of this Contract. The Contractor shall appropriately monitor the activities of the Subcontractor to assure fiscal conditions of this Contract. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to COMMERCE for any breach in the performance of the Contractor's duties.

Every subcontract shall include a term that COMMERCE and the State of Washington are not liable for claims or damages arising from a Subcontractor's performance of the subcontract.

16. SURVIVAL

The terms, conditions, and warranties contained in this Contract that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Contract shall so survive.

17. TERMINATION FOR CAUSE

In the event COMMERCE determines the Contractor has failed to comply with the conditions of this contract in a timely manner, COMMERCE has the right to suspend or terminate this contract. Before suspending or terminating the contract, COMMERCE shall notify the Contractor in writing of the need to take corrective action. If corrective action is not taken within 30 calendar days, the contract may be terminated or suspended.

In the event of termination or suspension, the Contractor shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, e.g., cost of the competitive bidding, mailing, advertising and staff time.

COMMERCE reserves the right to suspend all or part of the contract, withhold further payments, or prohibit the Contractor from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by the Contractor or a decision by COMMERCE to terminate the contract. A termination shall be deemed a "Termination for Convenience" if it is determined that the Contractor: (1) was not in default; or (2) failure to perform was outside of his or her control, fault or negligence.

The rights and remedies of COMMERCE provided in this contract are not exclusive and are, in addition to any other rights and remedies, provided by law.

18. TERMINATION FOR CONVENIENCE

Except as otherwise provided in this Contract, COMMERCE may, by ten (10) business days written notice, beginning on the second day after the mailing, terminate this Contract, in whole or in part. If this Contract is so terminated, COMMERCE shall be liable only for payment required under the terms of this Contract for services rendered or goods delivered prior to the effective date of termination.

19. TERMINATION PROCEDURES

Upon termination of this contract, COMMERCE, in addition to any other rights provided in this contract, may require the Contractor to deliver to COMMERCE any property specifically produced or acquired for the performance of such part of this contract as has been terminated. The provisions of the "Treatment of Assets" clause shall apply in such property transfer.

COMMERCE shall pay to the Contractor the agreed upon price, if separately stated, for completed work and services accepted by COMMERCE, and the amount agreed upon by the Contractor and COMMERCE for (i) completed work and services for which no separate price is stated, (ii) partially completed work and services, (iii) other property or services that are accepted by COMMERCE, and (iv) the protection and preservation of property, unless the termination is for default, in which case the Authorized Representative shall determine the extent of the liability of COMMERCE. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" clause of this contract. COMMERCE may withhold from any amounts due the Contractor such sum as the Authorized Representative determines to be necessary to protect COMMERCE against potential loss or liability.

The rights and remedies of COMMERCE provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

After receipt of a notice of termination, and except as otherwise directed by the Authorized Representative, the Contractor shall:

- A. Stop work under the contract on the date, and to the extent specified, in the notice;
- B. Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract that is not terminated;
- C. Assign to COMMERCE, in the manner, at the times, and to the extent directed by the Authorized Representative, all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case COMMERCE has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
- D. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Authorized Representative to the extent the Authorized Representative may require, which approval or ratification shall be final for all the purposes of this clause;
- E. Transfer title to COMMERCE and deliver in the manner, at the times, and to the extent directed by the Authorized Representative any property which, if the contract had been completed, would have been required to be furnished to COMMERCE;
- F. Complete performance of such part of the work as shall not have been terminated by the Authorized Representative; and
- G. Take such action as may be necessary, or as the Authorized Representative may direct, for the protection and preservation of the property related to this contract, which is in the possession of the Contractor and in which COMMERCE has or may acquire an interest.

20. TREATMENT OF ASSETS

Title to all property furnished by COMMERCE shall remain in COMMERCE. Title to all property furnished by the Contractor, for the cost of which the Contractor is entitled to be reimbursed as a direct item of cost under this contract, shall pass to and vest in COMMERCE upon delivery of such property by the Contractor. Title to other property, the cost of which is reimbursable to the Contractor under this contract, shall pass to and vest in COMMERCE upon (i) issuance for use of such property in the performance of this contract, or (ii) commencement of use of such property in the performance of this contract, or (iii) reimbursement of the cost thereof by COMMERCE in whole or in part, whichever first occurs.

- A. Any property of COMMERCE furnished to the Contractor shall, unless otherwise provided herein or approved by COMMERCE, be used only for the performance of this contract.
- B. The Contractor shall be responsible for any loss or damage to property of COMMERCE that results from the negligence of the Contractor or which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management

practices.

- C.** If any COMMERCE property is lost, destroyed or damaged, the Contractor shall immediately notify COMMERCE and shall take all reasonable steps to protect the property from further damage.
- D.** The Contractor shall surrender to COMMERCE all property of COMMERCE prior to settlement upon completion, termination or cancellation of this contract.
- E.** All reference to the Contractor under this clause shall also include Contractor's employees, agents or Subcontractors.

21. WAIVER

Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing and signed by Authorized Representative of COMMERCE.

Attachment A: Scope of Work

FY2023

Task categories are shown in a light green shading; tasks to occur in FY 2023 are not shaded (or are shown in white on a grey background); and task to be completed in FY 2024 are shown in grey shading.

Tasks / Actions / Deliverables	Description	End Date
Task 0	Approval of GMA Update Grant Contract and Selection of Consultant and Approval of Consultant Contract <i>(contract received 1/10/23)</i>	4/3/23* <i>(* assuming dates work with all parties)</i>
Step 0.1	Secure Council Committee approval (2/6/23) and City Council approval (2/13/23) on grant contract with Commerce	2/13/23
Step 0.2	Advertise RFQ (2/14/23); Receive submittals 2/24/23; interview, select consultant (2/28/23); complete internal review on contract (3/6/23); review with Council Committee* (3/13/23) and receive Council approval (3/20/23) on consultant contract. <small>*If contract can go to Finance & Governance Committee otherwise, push schedule out a week.</small>	3/21/23
Deliverable 0a	Signed Contract, Tukwila and Commerce (Committee 2/3/23; Council 2/13/23; City signature 2/14/23)	2/14/23
Deliverable 0b	Signed Contract, Tukwila and Consultant	3/21/23
Task 1	Complete the Consistency Analysis of Existing Comprehensive Plan with Commerce Checklist and Regional Policy Guidance	3/31/23
Deliverable 1a	Completed Commerce Checklist and Matrix of Regional Policy Guidance	3/31/23
Task 2	Public Outreach Plan	5/31/24
Step 2.1	Develop Outreach Plan (4/4/23) and confirm with City Council Committee (4/17/23) and Council (5/1/23)	5/1/23

Tasks / Actions / Deliverables	Description	End Date
Step 2.3	Conduct Outreach Activities to Council, Planning Commission and public (including translations needed)	Ongoing Status report 6/15/23
Deliverable 2a	Public Outreach Plan	5/15/23
Deliverable 2b	Public Outreach Results – Preliminary Draft (6/15/23) and Final 5/31/24	6/15/23
Task 3	Housing Element Updates	12/15/23
Step 3.1	Complete draft inventory and analysis of existing and projected housing needs over the planning period, by income band, consistent with the City’s share of housing need, as provided by Commerce & King County – <i>Status Report</i> .	6/15/23
Step 3.2	Identify capacity of land for housing, including government-assisted, housing for moderate, low, very low, and extremely low-income households, manufactured, multifamily, group homes, foster care facilities, emergency housing, emergency shelters, permanent supportive housing - <i>Status Report</i>	6/15/23
Step 3.3	Integrate Residential Neighborhoods Element into Housing Element, as appropriate – <i>Status Report</i> .	6/15/23
Step 3.4	Develop Ordinance Updates to address Housing Updates	12/15/23
Deliverable 3.1	Proposed Housing Element policy updates – <i>Status Report</i>	6/1/23
Deliverable 3.2	Proposed Housing Ordinance updates, draft (11/15/23) and final (1/15/24)	1/15/24
Task 4	Land Use Element	10/31/23
Step 4.1	Compile Land Use Element required information from throughout the Plan where it currently resides and consolidate it into a single element. Begin update of required information, including incorporating buildable lands and reasonable measures requirements.	6/15/23

Tasks / Actions / Deliverables	Description	End Date
Step 4.2	Confirm City's Land Use strategy and consider opportunities for modifying land use and zoning categories and descriptions.	10/31/23
Step 4.3	Integrate Subarea plans and Center plans into Land Use element as subchapters	10/31/23
Step 4.4	Update Land Use map as needed – Draft 1	2/15/24
Step 4.5	Update Land Use map as needed – Draft 2	4/15/24
Step 4.6	Update Land Use map as needed – Draft 3	6/15/24
Deliverable 4.1	<i>Status Report</i> on Land Use Element information in existing Plan. Begin update of required information, including incorporating buildable lands and reasonable measures requirements.	6/15/23
Deliverable 4.2	Update Land Use map (as needed) & Element	6/1/24
Task 5	Review Functional / other City Plans adopted into Comprehensive Plan for consistency with Land Use Plan and State and Regional Policy guidance	3/15/24
Step 5.1	Integrate Transportation, Economic Development, and Stormwater Plans; coordinate with Parks	1/15/24
Step 5.2	Review goals and policies in functional plans for consistency with regional and Commerce content and policy guidance, including plans developed for Water and Sewer service – <i>Status report</i> .	6/15/23
Step 5.3	Coordinate with City Departments and Incorporate needed updates into respective Plan elements	Ongoing 2/15/24
Deliverable 5	Finalized plans with current policy language. Summary of draft and <i>Status Report</i> completed by 6/30/2022	3/15/24
Task 6	Capital Facilities and Utilities Elements	3/15/24

Tasks / Actions / Deliverables	Description	End Date
Step 6.1	Update Utilities elements as needed; and Capital Facilities Element	3/15/24
Deliverable 6.1	Updated Utilities Element Draft & <i>Status Report</i> 6/15/23	6/15/23
Deliverable 6.2	Updated Utilities Element Final Draft 3/15/24	3/15/24
Deliverable 6.3	Updated Capital Facilities Element Progress Draft & <i>Status Report</i> (6/15/23)	6/15/23
Deliverable 6.4	Updated Capital Facilities Element Final draft (3/15/24)	3/15/24
Task 7	Climate Change Mitigation and Resilience Integration into Plan	9/1/23
Step 7.1	Review Plan Elements to determine opportunities for adding additional inventory data about climate change impacts on the City throughout the elements, and integrate new policy guidance as needed – Draft / <i>Status Report</i>	6/15/23
Step 7.2	Update Natural Environment and Shoreline Elements and incorporate Climate Change (to the degree possible without triggering Ecology review process)	12/31/23
Deliverable 7	Updated Elements Summary of draft and <i>Status Report</i> completed by 6/15/23 and 1/15/2024	6/15/23 1/31/24
Task 8	Develop/Finalize Implementation Strategies	4/15/24
Step 8.1	Update existing strategies and develop new strategies for each element that assign both responsibilities and dates for completion in anticipation of required 5-year monitoring report.	3/15/24
Deliverable 8	Updated implementation strategies in all Elements <i>Status Report</i> completed by 6/30/2023; Final by 3/15/24	6/30/2023 3/15/24

Tasks / Actions / Deliverables	Description	End Date
Task 9	Finalize Overall Plan for Readability, Brevity, Consistency with Required Guidance	5/31/24
Step 9.1	Identify opportunities to consolidate information in smaller chapters into other, more appropriate, plan elements	6/15/23
Step 9.2	Develop Matrix of policies to clarify policy focus, eliminate policy repetition/ redundancies, and enable reader to locate topic-specific policies within the Plan	6/15/23
Step 9.3	Package final Plan for readability, visual attractiveness, and utility by elected and appointed officials, businesses, visitors, and the public.	4/30/24
Deliverable 9	Final Comprehensive Plan Summary of draft and <i>Status Report</i> completed by 6/30/2023; Final by 6/15/24	6/30/2023 6/15/24
Task 10	Environmental Review of Plan (an addendum is envisioned)	3/1/24
Step 10.1	Initiate SEPA Review	10/15/23
Deliverable 10.1	SEPA - Summary of draft issues (10/15/2023)	10/15/23
Deliverable 10.2	SEPA Determination – draft (9/1/23) and Final (1/15/24)	1/15/23
Task 11	Agency Reviews	3/15/24
Step 10.1	Department of Commerce Ongoing, plus final 60-day review	6/15/24 (ongoing)
Step 10.2	PSRC Consultation	6/15/24 (ongoing)
Deliverables 10	Plan Approval and Certification <i>Status Report</i> completed (6/30/2022) Final (7/1/24)	(6/30/2022) 8/1/24

Attachment B: Budget

SFY 2023 Task/Deliverable	SFY 2023 Amount
Deliverable 1 Consistency Analysis - Commerce Checklist and Regional Policy Guidance	\$ 0
Deliverable 2 Public Outreach Plan	\$ 15,000
Deliverable 3 Housing Element Updates	\$ 27,000
Deliverable 4 Land Use Element	\$ 12,000
Deliverable 5 Consistency Analysis of City Functional and other Plans with Land Use Plan, and State and Regional Policy guidance	\$ 2,000
Deliverable 6 Capital Facilities and Utilities Elements	\$ 500
Deliverable 7 Climate Change Mitigation and Resilience Integration into Plan	\$ 2,000
Deliverable 8 Develop Implementation Strategies	\$ 2,000
Deliverable 9 Finalize Overall Plan for Readability, Brevity, Consistency with Required Guidance	\$ 2,000
Deliverable 10 Finalize Environmental Review	\$ 0
Total Grant (SFY 2023 only)	\$ 62,500

