

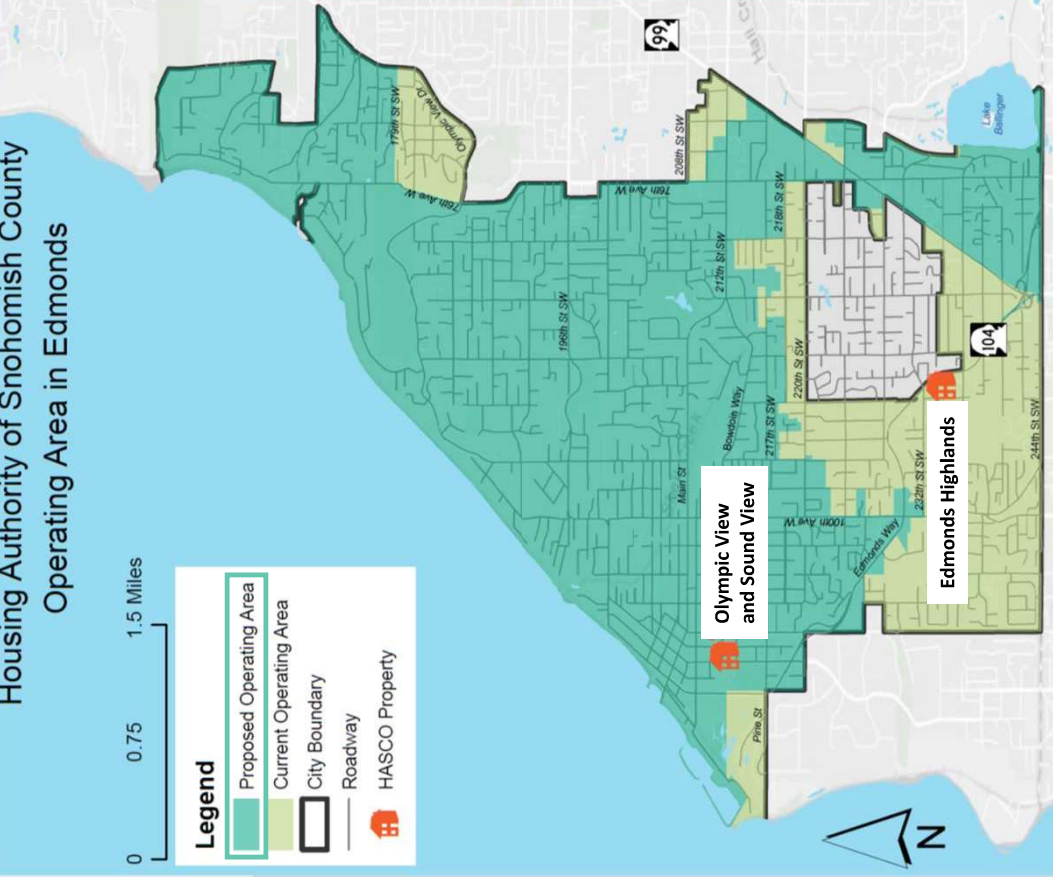
City of Edmonds – HASCO Interlocal Agreement

Councilmembers: V. Olson, L. Distelhorst

April 13, 2021



Housing Authority of Snohomish County
Operating Area in Edmonds



CITY COUNCIL

HASCO in Edmonds

- **Edmonds Highlands**
 - 120 units, 1-3BR, 1-2BA apartments
 - Currently 113 of 120 units rented to residents below 80% AMI (requirement is 60 of 120 units)
- **Olympic View**
 - 45 units, senior and persons with disabilities only
- **Sound View**
 - 43 units, senior and persons with disabilities only



What the draft ILA does not do...

- There are no preferences, incentives, or concessions
- No code, zoning or density changes
- Does not guarantee more HASCO properties
- No city financing for possible properties as part of this ILA



What is included in the draft ILA

- Establishes HASCO as the City's official housing authority
- Allows HASCO to operate within the geographic limits of the City of Edmonds, like any property purchaser/owner
- Creates partnership for:
 - Research on housing statistics relevant to the City and Snohomish County, as well as information on best practices in affordable housing;
 - Coordination on possible regional partnerships with neighboring jurisdictions, non-profit organizations, or other groups as the parties deem appropriate;
 - Regular communications between appropriate HASCO and City staff to provide information on existing housing programs available to City residents.



Recommendations from recent studies focused on housing development

- **Edmonds Citizens Housing Commission - January 2021:**
Execute an interlocal agreement (ILA) with the Housing Authority of Snohomish County (HASCO) allowing HASCO to operate within Edmonds geographic boundaries. (14-1 vote)
- **Snohomish County Housing Affordability Regional Task Force (HART) - January 2020:**
Encourage cities to enter into cooperation agreements with the Housing Authority of Snohomish County (HASCO) and Everett Housing Authority.
- **Edmonds Housing Needs Study - December 2018:**
Institutional capacity for administering rental assistance is limited. Although providing rental assistance may contribute needed resources to these programs, administration by the City may be difficult given the current lack of local capacity. Coordination with existing public housing agencies such as HASCO would be more effective.



Conclusions

- Edmonds remains a challenging jurisdiction as real estate prices are extremely high
- Edmonds-HASCO partnership could focus on collaboration with existing resources and regional partnerships with other organizations or neighboring cities
- Creates opportunity to explore long-term solutions
- **Recommendation: authorize Mayor to sign ILA with HASCO**



**INTERLOCAL AGREEMENT AUTHORIZING THE
HOUSING AUTHORITY OF SNOHOMISH COUNTY TO FUNCTION
WITHIN THE CITY OF EDMONDS**

This interlocal agreement (“Agreement”) is made and entered into effective on the _____ day of _____, (MONTH, YEAR), between the HOUSING AUTHORITY OF SNOHOMISH COUNTY, hereinafter referred to as “HASCO”, and the City of Edmonds, hereinafter referred to as “the City”, upon the following terms and conditions:

The City recognizes the need for a housing authority to function within the City and provides for an Interlocal Agreement for such services with HASCO by City Resolution No. _____ pursuant to RCW 35A.11.040.

HASCO currently operates multiple properties within the City and is willing to, and is desirous of, furthering this work and functioning within the boundaries of the City consistent with RCW 35.82.070(13).

Pursuant to RCW 39.34 RCW, the Interlocal Cooperation Act, the City and HASCO may enter into an Interlocal Agreement .

In consideration of the foregoing and the mutual promises set forth below, the parties hereby agree as follows:

1. **Authority to Function.** Upon passage of a resolution of the City declaring the need for HASCO to operate within City boundaries, HASCO is authorized to function within the geographic boundaries of the City as if created pursuant to RCW 35.82.030 and may exercise all powers set forth in RCW 35.82.070.
2. **Purpose of Agreement.** The purpose and intent of this Agreement is to define the responsibilities of HASCO and the City as they relate to housing authority projects within City boundaries.
3. **Effective Date and Duration.** This Agreement shall not take effect unless and until it has been duly executed by both parties and either filed with the County Auditor or posted on the County’s Interlocal Agreements website. This Agreement shall remain in effect until terminated pursuant to its terms.
4. **Independent Contractor.** HASCO shall perform all obligations of a housing authority as an independent contractor and not as an agent, employee, or servant of the City. HASCO shall be solely responsible for control, supervision, direction and discipline of its personnel, who are employees and agents of HASCO and not the City.
5. **Planning, Zoning and Building Ordinances.** All housing projects of HASCO shall be subject to all planning, zoning, sanitary and building laws, ordinances and regulations of the City unless otherwise waived in whole or part by resolution.
6. **Coordination.** HASCO shall keep the City informed as to contemplated projects and as to the status of development and operations of projects located within the City. In the planning and location of any housing project, HASCO shall take into consideration the relationship of such project to the comprehensive plan and long-range planning programs enacted by the City. Nothing herein shall be construed as authorizing the City to become involved in operation of housing projects by HASCO or determination of rentals and tenant selection.

To further HASCO's mission and the City's housing goals, both HASCO and the City shall endeavor to:

- A. Assist in data requests and research on housing statistics relevant to the City and Snohomish County, as well as information on best practices in affordable housing development;
- B. Coordinate on other possible regional partnerships with neighboring jurisdictions, non-profit organizations, or other groups as the parties mutually deem appropriate;
- C. Maintain regular communications between appropriate HASCO and City staff to provide information on existing housing programs available to City residents.

7. **Contract Administration.** This Interlocal Agreement shall be administered by the representative of each party specified below who is designated as that party's Administrator. Any written notice required by terms of this Agreement shall be served or mailed as follows:

If to the City:

Mayor
City of Edmonds
121 5th Ave N
Edmonds, WA 98020

If to the Authority:

Executive Director
Housing Authority of Snohomish County
12711 4th Ave W
Everett, WA 98204

Either party may change its Administrator at any time by delivering written notice of such party's new Administrator to the other party.

8. **Financing.** HASCO is solely responsible for the financing of the housing authority projects authorized by this Agreement. The City is providing no financial support to HASCO and is not involved in any way in the financing or ownership of such projects unless it specifically provides for such financial support or participation by separate agreement.

9. **Insurance.** HASCO shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from, or in connection with, the exercise of the rights and privileges granted by this Agreement by HASCO, its agents, representatives, employees, and subcontractors. The cost of such insurance shall be paid by HASCO.

10. **Indemnification.** HASCO shall indemnify and hold harmless the City and its officers, agents, and employees or any of them from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by any reason of or arising out of any act, negligent act, or omission of HASCO, its officers, agents and employees, or any of them relating to or arising out of the performance of this Interlocal Agreement; and if final judgment be rendered against the City, and its officers, agents, and employees, or any of them, or jointly against HASCO and the City and their

respective officers, agents, and employees, or any of them, the City shall satisfy the same to the extent that such judgment was due to the City's negligent acts or omissions.

11. **Default and Remedies.** If either HASCO or the City fails to perform any act or obligation required to be performed by it hereunder, the other party shall deliver written notice of such failure to the non-performing party. The non-performing party shall have twenty (20) days after its receipt of such notice in which to correct its failure to perform the act or obligation at issue, after which time it shall be in default under this Agreement; provided, however, that if the non-performance is of a type that could not reasonably be cured within said twenty (20) day period, then the non-performing party shall not be in default if it commences cure within said twenty (20) day period and thereafter diligently pursues cure to completion. In the event of a party's default under this Agreement, then after giving notice and an opportunity to cure as set forth above, the non-defaulting party shall have the right to exercise any or all rights and remedies available to it in law or equity.

12. **Dispute Resolution.** In the event differences between the parties should arise over the terms and conditions or the performance of this Agreement, the parties shall use their best efforts to resolve those differences on an informal basis. If those differences cannot be resolved informally, the matter may be referred for mediation to a mediator mutually selected by the parties. The costs of mediation shall be split equally between the parties. If mediation is not successful or if a party waives mediation, either of the parties may institute legal action for specific performance of this Agreement or for damages. In the event that a lawsuit is instituted to enforce any provision of this Agreement, the substantially prevailing party shall be entitled to recover all costs of such lawsuit, including reasonable attorneys' fees from the other party.

13. **Termination of Contract.** This Interlocal Agreement, and performance hereunder, may be terminated by either party by the service or mailing of written notice of such termination, specifying the extent and effective date thereof, but not sooner than sixty (60) days from date of such notice. Notwithstanding the foregoing, however, termination of this Agreement shall not terminate the power of HASCO to continue to operate existing housing projects and to complete new projects under development pursuant to prior approval, until such time that the City or a separate housing authority assumes such projects by agreement and pursuant to law.

14. **Notices.** All notices required to be given by any party to the other party under this Agreement shall be in writing and shall be delivered either in person, by United States mail, or by electronic mail (email) to the applicable Administrator or the Administrator's designee. Notice delivered in person shall be deemed given when accepted by the recipient. Notice by United States mail shall be deemed given as of the date the same is deposited in the United States mail, postage prepaid, and addressed to the Administrator, or their designee, at the addresses set forth in Section 7 of this Agreement. Notice delivered by email shall be deemed given as of the date and time received by the recipient.

15. **Miscellaneous.**

- a. **Compliance with Laws.** In the performance of its obligations under this Agreement, each party shall comply with all applicable federal, state, and local laws, rules and regulations.

- b. **Construction and Venue.** This Interlocal Agreement shall be construed in accordance with laws of the State of Washington. In event of any litigation regarding the construction or effect of this Interlocal Agreement, or the rights of the parties pursuant to this Interlocal Agreement, it is agreed that venue shall be Snohomish County, Washington.
- c. **Merger and Amendment.** This Interlocal Agreement contains the entire understanding of the parties with respect to the matters set forth herein and any prior or contemporaneous understandings are merged herein. This Interlocal Agreement shall not be modified except by written instrument executed by all parties hereto with the same formalities as required for this Agreement.
- d. **Severability.** If any provision of this Agreement or the application thereof to any person or circumstance shall, for any reason and to any extent, be found invalid or unenforceable, the remainder of this Agreement and the application of that provision to other persons or circumstances shall not be affected thereby, but shall instead continue in full force and effect, to the extent permitted by law.
- e. **No Waiver.** A party's forbearance or delay in exercising any right or remedy with respect to a default by the other party under this Agreement shall not constitute a waiver of the default at issue. Nor shall a waiver by either party of any particular default constitute a waiver of any other default or any similar future default.
- f. **No Assignment.** This Agreement shall not be assigned, either in whole or in part, by either party without the express written consent of the other party, which may be granted or withheld in such party's sole discretion. Any attempt to assign this Agreement in violation of the preceding sentence shall be null and void and shall constitute a default under this Agreement.
- g. **Warranty of Authority.** Each of the signatories hereto warrants and represents that he or she is competent and authorized to enter into this Agreement on behalf of the party for whom he or she purports to sign this Agreement.
- h. **No Joint Venture.** Nothing contained in this Agreement shall be construed as creating any type or manner of partnership, joint venture or other joint enterprise between the parties.
- i. **No Separate Entity Necessary.** The parties agree that no separate legal or administrative entities are necessary to carry out this Agreement.
- j. **Ownership of Property.** Except as expressly provided to the contrary in this Agreement, any real or personal property used or acquired by either party in connection with its performance under this Agreement will remain the sole property of such party, and the other party shall have no interest therein.

- k. **No Third Party Beneficiaries.** This Agreement and each and every provision hereof is for the sole benefit of HASCO and the City. No other persons or parties shall be deemed to have any rights in, under or to this Agreement.
- l. **Execution in Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same agreement.

CITY OF EDMONDS

HOUSING AUTHORITY OF SNOHOMISH COUNTY

Mike Nelson, Mayor

Duane Leonard, Executive Director

ATTEST/AUTHENTICATED:

Scott Passey, City Clerk

APPROVED AS TO FORM:

Office of the City Attorney

DRAFT

Attachment: 3-18-21 DRAFT Edmonds HASCO ILA - clean (002) (HASCO Interlocal Agreement)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EDMONDS, WASHINGTON, AUTHORIZING AN INTERLOCAL AGREEMENT BETWEEN THE CITY AND THE HOUSING AUTHORITY OF SNOHOMISH COUNTY REGARDING OPERATIONS WITHIN THE CITY.

WHEREAS, the City of Edmonds and the Housing Authority of Snohomish County (“HASCO”) are proposing terms of an Interlocal Agreement to allow HASCO to acquire and operate properties within the boundaries of the City for housing authority purposes when they become available for aquisition; and

WHEREAS, while the City has not yet activated the housing authority of the City of Edmonds pursuant to Chapter 35.82.RCW, RCW 35.82.070(13), which provides that a housing authority, such as HASCO, may exercise its powers outside of its area of operation under certain conditions; and

WHEREAS, the City Council has determined that there is a need for HASCO to excercise its powers within the boundaries of the City in connection with such housing authority projects; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF EDMONDS, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. **Declaration of Need.** The City Council hereby declares, pursuant to RCW 35.82.070(13), that the HASCO properties already operating within the boundaries of the City of Edmonds and those that may be purchased in the future pursuant to the interlocal agreement serve a need in the City of Edmonds.

Section 2. **Authorization.** The City Council hereby authorizes the mayor to execute the interlocal agreement between the City and HASCO attached hereto as Attachment A.

RESOLVED this _____ day of May 2021.

CITY OF EDMONDS

MAYOR, MIKE NELSON

ATTEST:

CITY CLERK, SCOTT PASSEY

FILED WITH THE CITY CLERK:

Attachment: Resolution Authorizing ILA with HASCO_04.30.2021 (HASCO Interlocal Agreement)

PASSED BY THE CITY COUNCIL:
RESOLUTION NO. _____