

**INTERLOCAL AGREEMENT FOR THE ESTABLISHMENT
OF THE SPOKANE REGIONAL AUTHORITY FOR
HOMELESSNESS, HOUSING, HEALTH AND SAFETY**

THIS INTERLOCAL AGREEMENT (the “Interlocal Agreement”), made and entered into by and among Spokane County, a political subdivision of the State of Washington, hereinafter referred to as the “County”, the City of Spokane, a municipal corporation of the State of Washington, hereinafter referred to as the “City of Spokane”, the City of Spokane Valley, a municipal corporation of the State of Washington, hereinafter referred to as the “City of Spokane Valley”, the City of Cheney, a municipal corporation of the State of Washington, hereinafter referred to as the “City of Cheney”, the City of Medical Lake, a municipal corporation of the State of Washington, hereinafter referred to as the “City of Medical Lake”, and the City of Airway Heights, a municipal corporation of the State of Washington, hereinafter referred to as the “City of Airway Heights”, together hereinafter referred to as the "Parties" and each as a “Party”.

RECITALS:

WHEREAS, the federal and state government as well as the Parties currently directly or indirectly fund programs to provide services to individuals and families experiencing homelessness, housing insecurity and/or behavioral health, but these issues remain chronic and serious problems; and

WHEREAS, cities and counties are authorized to enter into interlocal cooperation agreements in accordance with chapter 39.34 RCW (the “Interlocal Cooperation Act”) to jointly provide services; and

WHEREAS, the Parties have determined that a joint and cooperative undertaking to coordinate services within an equitable operational framework will enable and facilitate joint planning, program funding and establishing standards for and accountability of programs, thereby improving the delivery of homelessness, affordable housing and behavioral health services and enhancing outcomes for those receiving such services in Spokane County; and

WHEREAS, any city, town or county may lawfully create a public development authority in accordance with RCW 35.21.730 through RCW 35.21.759 to perform any lawful public purpose or public function (the “Public Development Authority Act”); and

WHEREAS, the Parties desire to enter into this Interlocal Agreement wherein Spokane County will agree to create a public development authority to be known as the “Spokane Regional Authority for Homelessness, Housing, Health and Safety Public Development Authority” (the “Authority”), consistent with the provisions agreed by the Parties as set forth in the Charter and consistent with the Public Development Authority Act, for the purpose of facilitating joint planning, program funding and establishing standards for and accountability of programs, and thereby improving the delivery of homelessness, housing and behavioral health services and enhancing outcomes for those receiving such services within Spokane County.

NOW THEREFORE, for and in consideration of the promises set forth hereafter, the Parties hereby agree as follows:

SECTION NO. 1: Recitals.

The foregoing recitals, including the definitions set forth therein, are incorporated into and are a part of this Interlocal Agreement.

SECTION NO. 2: Definitions.

As used in this Interlocal Agreement the words and phrases in this Section shall have the meaning indicated unless the context clearly require otherwise.

- A. “Authority” or “Spokane Regional Authority for Homelessness, Housing, Health and Safety Public Development Authority” means the public development authority to be chartered by Spokane County.

- B. "Charter" means the Charter of the Authority, a form of which is attached hereto as Exhibit A, as it may be amended and restated from time to time.
- C. "County" or "Spokane County" means Spokane County, Washington a class A county duly organized and existing.
- D. "Homelessness Services" means shelter, day centers, hygiene facilities, behavioral health services, housing and related services to assist individuals and families experiencing homelessness or who are at imminent risk of experiencing homelessness.

SECTION NO. 3: Purpose.

The purpose of this Interlocal Agreement is for the Parties to reduce to writing the terms and conditions under which Spokane County will create the Authority as provided for in the Charter. The Authority will facilitate joint planning, program funding and establish standards for and accountability of programs, and thereby improving the delivery of homelessness services and enhancing outcomes for those receiving such services within Spokane County.

SECTION NO. 4: Authorization of the Parties.

The Parties hereby authorize and approve (i) the chartering of the Authority by the County of Spokane, (ii) the form of the Charter for the Authority, a form of which is attached hereto as Exhibit A and incorporated herein by this reference; (iii) the transfer of all operations, employees and services to the Authority as provided in the Charter and this Interlocal Agreement; and (iv) all acts and things necessary to effectively form the Authority under the terms of RCW 35.21.730 through RCW 35.21.759 as provided for in the Charter.

Spokane County agrees to Charter the Authority to serve as an independent public development authority pursuant to the RCW 35.21.730 through RCW 35.21.759 to provide Homelessness Services.

Notwithstanding anything to the contrary in this Interlocal Agreement, the Authority as provided for in the Charter shall become effective upon satisfaction of the following conditions:

- (1) Execution of this Interlocal Agreement by each of the Parties.
- (2) Spokane County executing a Resolution adopting the Charter.

Provided further, once Spokane County has executed a Resolution adopting the Charter, the duration of the Authority shall be perpetual. Recognizing the importance of making this long-term commitment, Article III of the Charter provides that after the first 24 months of adoption of Charter by the County, any City may choose to terminate its participation in the Authority by providing 12 months written notice to the Governing Board of the Authority. Upon termination, any elected members of the Governing Board from the terminating City will cease to participate on the Governing Board and will be replaced by a representative as defined in the Charter. Provided, no City may withdraw its participation in the Authority until all bonds issued by the Authority or obligations to pay debt services are paid in full. Provided further, termination of the Authority may be: (1) by agreement of the Parties; (2) formation of a Special Purpose District that assumes all duties and obligations of the Authority, or (3) by formation of a Port District as provided by Title 53 RCW that assumes all duties and obligations of the Authority.

SECTION NO. 5: Parties commitment regarding transfer of funding, staffing and contracts to the Authority.

Upon the execution of this Interlocal Agreement and the creation of the Authority by Resolution of Spokane County, the Parties will enter into a 90-day transition period to assign and/or transfer existing funding, staffing and provider contracts to the Authority. The following guidelines will be utilized to accomplish this transfer in a timely and efficient manner:

- a. The intent is to accomplish these transfers in alignment with the Parties' budget adoption cycle for calendar year 2024.
- b. The intent is to transfer all Federal, State and Local program funding that is currently dedicated to support affordable housing, homelessness and behavioral health.
- c. The intent is to include all funding that is currently provided for affordable housing under the Entitlement Programs of the Department of Housing and Urban Development; all funding that is provided for homelessness services under the Continuum of Care Program of the Department of Housing and Urban Development; all funding that is provided through the State of Washington Department of Commerce for the purposes of affordable housing, homelessness and behavioral health services; all local funding provided from local recording fees which are assessed pursuant to RCW36.22.178 and RCW36.22.1791; all local sales tax funding that is assessed and collected by any of the Parties to this Interlocal Agreement under RCW82.14.530, RCW82.14.540 and RCW 82.14.460.
- d. The intent is to transfer staff positions of the Parties that are funded by the sources identified in Section No. 5 (c) above to the Authority. Employees currently in those staff positions will be given the option of moving payroll and benefits to the new Authority or maintaining current payroll and benefits through their current employer. In either case all employees will report to and be accountable to the Authority, its Governing Board and its Director, on or before January 1, 2024.
- e. The intent is to work with the contracted providers to assign and/or transfer all existing contracts associated with the funding identified in Section No. 5 (c) above to the Authority.
- f. The intent is to transfer the Trent Shelter (the "TRAC") leases and operating contracts from the City of Spokane to the Authority. However, it is understood the current funding for the Trent Shelter is unsustainable in the long-term and that there is a desire to transition away from TRAC to a more permanent and integrated services facility as soon and efficiently as possible. For this reason, it is expected that City of Spokane reserve funds will need to continue to support the costs of the TRAC leases and operating contracts at least through the 2024 Calendar Year.
- g. The Parties understand that allowances may need to be made for extenuating circumstances that preclude a complete transition of all funding, staffing, and contracts by January 1, 2024. However, the Parties agree to make every effort to work through these circumstances in support and alignment with the Authority and its Governing Board and commit to make every effort to complete these transfers as quickly and efficiently as possible

SECTION NO. 6: Start-up Funding and Staffing of Authority

Upon execution of this Interlocal Agreement and the creation of the Authority by Resolution of Spokane County, start-up funding and staffing will be needed to carry out the administrative duties of the Authority and to appoint and seat a Governing Board. During the 90-day transition period and/or until January 1, 2024 the Parties agree to the following start-up funds, staffing and support:

- a. The full voluntary and/or loaned staff and leadership support and assistance from all relevant departments and divisions of the Parties.
- b. Access to the appropriate data systems and support staffs relevant to homelessness, affordable housing and behavioral health data from the Parties.
- c. Access to the appropriate accounting staffs relevant to all funding identified in Section No. 5 above, from the Parties.
- d. Access to appropriate legal staffs relevant to the contracts referenced in Section No. 5 above, from the Parties
- e. Not less than \$200,000 to be utilized for interim operating and staff support until January 1, 2024. It is anticipated that this will be secured from philanthropic sources within the community and/or from transfer of reserves identified in Section No. 5 (c) above.
- f. Continuation of the Elected and Leadership Committee that has been convening during the 90-day due diligence period, which will continue meeting every other Thursday until final transfers of funding, staffing and contracts are completed.

SECTION NO. 7: Duration / Separate Legal Entity / Filing Agreement / Financing of Parties under Interlocal Agreement / Termination / Counterparts / Execution-Approval.

- A. DURATION: The Interlocal Agreement Effective date shall be the date the last Party executes this Interlocal Agreement. The end date of the Interlocal Agreement shall be the date the responsibilities of the Parties as set forth in Section Nos. 5 and 6 are completed.
- B. ORGANIZATION OF SEPARATE ENTITY AND ITS POWERS IF A SEPARATE ENTITY IS CREATED: No separate entity is being created.
- C. INTERLOCAL AGREEMENT TO BE FILED: Each party shall be responsible for filing the Interlocal Agreement pursuant to RCW 39.34.040.
- D. FINANCING OF PARTIES OBLIGATIONS UNDER INTERLOCAL AGREEMENT: Each Party shall be responsible for financing its contractual obligations under its normal budgetary process.
- E. TERMINATION: Any Party may terminate its participating in this Interlocal Agreement as provided for in Section No. (4) above.
- F. PROPERTY UPON TERMINATION: Upon termination, each party shall retain ownership of any real or personal property provided under the Interlocal Agreement.
- G. COUNTERPARTS: This Interlocal Agreement may be executed in any number of counterparts, each of whom shall be an original, but those counterparts will constitute one and the same instrument.
- G. EXECUTION AND APPROVAL: The Parties warrant that the officers/individuals executing below have been duly authorized to act for and on behalf of the Party for purposes of executing this Agreement.
- H. AMENDMENT. This Interlocal Agreement, exclusive of the Charter, may be amended by mutual consent of the Parties hereto. Provided, however, the Parties agree that any city or town within Spokane County may become a Party to this Interlocal Agreement by executing the Interlocal Agreement in the same manner as the Parties hereto and in so doing agree to be bound by all terms and conditions therein without the necessity of the Parties formally amending the Interlocal Agreement to include the city or town. It is anticipated that upon completion of the transition period defined in Section No. 5 above, an amended Interlocal Agreement will be executed to finalize all transfer of funds, staffing and contracts to the Authority. No additions to or alterations of the terms of this Interlocal Agreement shall be valid unless made in writing, formally approved and executed by duly authorized agents of all Parties.
- I. SEVERABILITY. In the event any provision of this Interlocal Agreement shall be declared by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the validity, illegal, or enforceability of the remaining provisions shall not in any way, be affected or impaired thereby.
- J. WAIVER. No waiver of any breach of this Interlocal Agreement by the Parties hereto shall be held to be a waiver of another or subsequent breach. Failure of the Parties to enforce any of the provisions of this Interlocal Agreement or to require performance of any of the provisions herein shall in no way be construed to be a waiver of such conditions or in any way effect the validity of this Interlocal Agreement or any part hereof, or the right of the Parties to hereafter enforce each and every such provision.

IN WITNESS WHEREOF the Parties have caused this Interlocal Agreement to be executed on the date and year opposite their respective signature block with the Effective Date being the date of the last signature.

(NOTE: EACH PARTY WILL SIGN A SEPARATE SIGNATURE PAGE)

DATED: _____

SPOKANE COUNTY

BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON

ATTEST:

MARY L. KUNEY, CHAIR

JOSH KERNS, VICE-CHAIR

Ginna Vasquez, Clerk of the Board

AL FRENCH, COMMISSIONER

AMBER WALDREF, COMMISSIONER

CHRIS JORDAN, COMMISSIONER

DATED: _____

CITY OF SPOKANE

By: _____

Its: _____

ATTEST:

Approved as to form:

City Clerk

Assistant City Attorney

DATED: _____

CITY OF SPOKANE VALLEY

By: _____

Its: _____

ATTEST:

Approved as to form:

City Clerk

Assistant City Attorney

DATED: _____

CITY OF CHENEY

By: _____

Its: _____

Approved as to form:

ATTEST:

City Clerk

Assistant City Attorney

DATED: _____

CITY OF MEDICAL LAKE

By: _____

Its: _____

Approved as to form:

ATTEST:

City Clerk

Assistant City Attorney

DATED: _____

CITY OF AIRWAY HEIGHTS

By: _____

Its: _____

Approved as to form:

ATTEST:

City Clerk

Assistant City Attorney