

MEMORANDUM OF AGREEMENT
Between
Seattle Housing Authority
And
City of Seattle
Regarding the Utility Discount Program

This Memorandum of Agreement (“Agreement”) is between the City of Seattle, (“City”) and Seattle Housing Authority (“SHA”), both municipal corporations of the State of Washington.

RECITALS

Whereas, since the early 1980’s, the City’s Utility Discount Program (“UDP”) has provided reduced utility rates to thousands of qualified City Light (“SCL”) and Seattle Public Utilities (“SPU”) low-income residential customers and which is administered by the Seattle Human Services Department (“HSD”)(collectively, the “City Departments”); and

Whereas, SHA addresses the affordable housing needs of low-income residents in the City through various subsidized housing programs, including federally subsidized Low Income Public Housing (“LIPH”) and Housing Choice Vouchers (“HCV”)(formerly Section 8)(collectively, the “SHA Programs”); and

Whereas, during the course of the Mayor of Seattle’s initiative to increase enrollments for eligible customers in the UDP, the City Departments reviewed a long-standing exclusion from the UDP for tenants in SHA Programs with utility allowances; and

Whereas, in cooperation with SHA, the City reviewed certain policies relating to recognition of income and provisions of utility allowances in certain SHA Programs and confirmed that tenants of SHA Programs would benefit from participation in the UDP and their participation would not cause an increase in the rent they would be required to pay to the SHA Program landlord; and

Whereas, the City and SHA desire to confirm mutual understandings of how the UDP and SHA Programs (“Programs”) interact; and

Whereas, the City and SHA desire to enhance communication and coordination as they serve many of the same low-income customers with their respective housing and utility assistance programs;

Now therefore, the Parties agree to the following:

1. PURPOSE.

The City, through its City Departments, and SHA recognize that they serve many of the same low-income customers with their respective Programs and intend to memorialize mutual understandings of how the UDP and SHA Programs interact and to facilitate better coordination and communication going forward as these Programs may evolve and change over time.

2. CONFIRMATION OF RELEVANT POLICIES

The City’s UDP is governed by Seattle Municipal Code 21.49.040 (regarding SCL discounts) and 21.76 (regarding SPU discounts), relevant Director’s Rules, and implementing policies and procedures as administered by HSD. The UDP is intended to help qualified low-income City residential utility customers offset their utility costs.

The SHA Programs are governed by various federal regulations and local SHA policies, including SHA's Amended and Restated Moving to Work Agreement, dated December 31, 2008 ("MTW Agreement"), and are intended to help qualified low-income City residents have affordable housing. For the subsidized SHA Programs, this generally means that tenants do not pay more than 30% of their income on rent and utilities combined.

The City and SHA acknowledge and agree that the relevant SHA governing regulations and local SHA policies that interact with the UDP regarding recognition of income and establishment and revision of utility allowances for tenant paid utilities do not:

- Result in a requirement or practice that SHA count the benefit of a tenant's UDP participation as an increase in tenant income or as an in-kind regular contribution counted towards income.

(Policies reviewed included 24 CFR § 5.609; SHA Manual of Operations, Determining Income, L11.1-5 (01/15/14); HCV Administration Plan, Chapter 8 (May 2015))

- Result in a requirement or practice for SHA to use the UDP discounted utility rates for establishment or revision of any utility allowances or utility estimates and SHA confirms that all utility allowances or estimates established by SHA are based on SPU's and SCL's standard utility rates, as amended from time to time.

(See SMC 21.04.430, 21.28.030, 21.33.030, 21.40.050-060 and 21.49.030 for City standard utility rates. Policies reviewed included 24 CFR § 985.501-508; 24 CFR § 982.517; SHA Manual of Operations, Rent Policy for LIPH, L11.1-1 (06/01/12); HCV Administration Plan, Chapter 8, Section R (May 2015); Utility Estimate Schedule (eff. 07/01/15))

3. RECOGNITION OF SHA'S MOVING TO WORK (MTW) AGREEMENT

The City and SHA acknowledge and agree that SHA's MTW Agreement allows SHA flexibility to design and test various approaches for providing and administering low-income housing assistance programs, including rent reform initiatives. The Parties recognize that SHA's flexibility for rent reform initiatives could impact the local SHA policies regarding recognition of income and establishment and revision of utility allowances in the future, which could also impact the general understandings of how the UDP and SHA Programs interact as noted in Section 2 above. Accordingly, in the event SHA is considering changes to its relevant local policies that may impact how the UDP and SHA Programs interact, SHA will make reasonable good faith efforts to notify and confer with the City so the City can review and consider whether a tenant of an SHA Program would still meet the UDP goals and rules or whether the UDP rules would need revision to allow continued participation under a particular rent reform initiative policy.

4. PROPOSED CHANGES TO UDP ELIGIBILITY CRITERIA

The City and SHA acknowledge and agree that the City Departments intend to recommend legislation that would remove the current exclusion of tenants in SHA Programs in the SMC so they would be eligible to participate in the UDP. SHA acknowledges that in addition to getting legislation adopted, the City Departments will adopt Director's Rules and any procedures they deem necessary to implement the change, including outreach plans and schedules. SHA agrees to cooperate with the City Departments, as appropriate, to help ensure efficient implementation consistent with the SMC, Director's Rules and procedures. The City will notify and confer with SHA as it develops its implementation plans. The Parties agree to coordinate any outreach and communication plans regarding the policy change.

5. ONGOING COORDINATION AND COMMUNICATION

- a. The City and SHA acknowledge and agree that ongoing communication and information sharing will facilitate better understanding of each other's respective Programs and may increase

effectiveness of service to our shared low-income customers. Accordingly, the Parties agree to meet on an annual basis, or other frequency that is mutually agreed upon by the Parties, to discuss any questions or concerns either Party may have regarding the UDP or the SHA Programs or to propose any opportunities for cooperation and coordination.

- b. The City and SHA acknowledge a shared interest in preserving and increasing federal funding for rent and utility assistance for our shared low-income customers and will endeavor to work together at the federal level, in coordination with the City's Office of Intergovernmental Relations, to increase federal funding for rent and utility assistance.

6. TERM.

This Agreement shall take effect upon final signature by both parties. The agreement will remain in effect until such time it is terminated in accordance with this Agreement.

7. TERMINATION.

Either Party may terminate this Agreement upon 90 day's written notice to the other.

8. KEY CONTACTS AND NOTICES.

Each Party shall designate a key contact to facilitate the terms of this Agreement and to be the point person for any communications and notices. The Parties may update their respective key contacts from time to time by written notice to the other Party. The key contacts are initially designated as follows:

SHA:

Anne Fiske Zuniga
Deputy Executive Director
(206) 615-3480
Anne.FiskeZuniga@seattlehousing.org

City of Seattle:

Kelly Enright
Customer Care Division Director
Seattle City Light
206-684-3111
kelly.enright@seattle.gov

9. AMENDMENT.

This Agreement shall not be amended or modified except in writing and signed by both Parties.

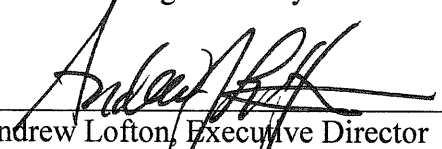
10. DISPUTES.

The Parties' key contacts shall use their reasonable best efforts to resolve any disputes that may develop under this Agreement. If they cannot resolve a dispute, the dispute shall be referred to the Deputy Executive Director of SHA, or their designee, and City Light's Director of Customer Care or Seattle Public Utilities Deputy Director of Customer Service Branch, or their designees, for further negotiation.

IN WITNESS WHEREOF, in consideration of the terms, conditions and covenants contained herein, or attached and incorporated and made a part hereof, the Parties have executed this Agreement by having their representatives affix their signatures below.

SIGNATURES.

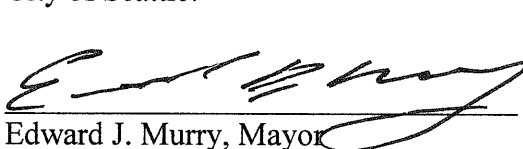
Seattle Housing Authority:



Andrew Lofton, Executive Director

Date: 5/4/2014

City of Seattle:



Edward J. Murry, Mayor

Date: 5-4-14