City of Seattle

November 26, 2013

Secretary Shaun Donovan
U.S. Department of Housing and Urban Development
451 7th Street S.W.
Washington, DC 20410

Dear Mr. Donovan:

The City of Seattle is pleased to submit an application for Rainier Valley South to be a 2013 Urban Promise Zone. The City of Seattle is committed to strategically coordinating the work and investments of its departments and community partners towards three integrated strategies in the City's most diverse and low-income neighborhood, a place where people speak over 70 languages, and an area with an overall poverty rate of 32% and at 43% in one census tract.

The Promise Zone designation will help coordinate and leverage the work of community organizations, private investors, philanthropy and the City for a community desperately in need of a way to get to the first rung of the Ladder of Opportunity. It will attract new investment and build on existing assets through an inclusive process designed to increase the community's organizing capacity to develop a strong place-based economy. Building on recently-completed community development plans for an area well served by transit, this effort will leverage private investment to implement three integrated strategies:

1. Place-based Education and Workforce Development Strategy: An Opportunity Center for Employment and Education co-located with new community college programs will provide post-secondary education and training, incubate new small businesses, and provide services for students and community members to the community furthest from any college campus.

2. Living Wage Job Strategy: A multi-purpose Food Innovation Center that provides new education and technical training programs are the first rung to new career-path living wage jobs will be the catalyst and develop community members' culinary and business skills for farm-to-table industry and serve as an incubator for food entrepreneurs and commissary for food trucks to centralize and grow these businesses.

3. Juvenile Violent Crime Hot Spot Strategy: This proposal builds on the current Byrne Criminal Justice Innovation grant addressing youth hot spots in Rainier Beach and the Seattle Youth Violence Prevention Initiative. The Food Innovation Center will be located in the Rainier Beach neighborhood at violent crime hot spots targeted by the DOJ Byrne Grant.

The Promise Zone will form a framework for targeted investments; bring about partnerships formed around shared strategies; and coordinate the many programs the City of Seattle and its partner agencies deploy in Rainier Valley South. The Promise Zone tax credits will bring private investment into an area sorely in need of investments and decent jobs for the local residents.

The City has a proven track record with innovative programs to support its people. The following demonstrates Seattle's commitment to place-based community development:

1. The Seattle's **Community Development Program** engages the broad diversity of the city's population using innovative and award-winning methods that reach out to the historically underrepresented communities. Using the framework that a great neighborhood is comprised of a strong and resilient community, a place for people to live healthy lives and a physical environment that supports it community and its people, people come plan together for their shared futures. The Byrne Criminal Justice Innovation Grant for Rainier Beach, and Community Cornerstones funded by HUDs Challenge Grant are both direct products of this program. Seattle's Promise Zone for Rainier Valley South would be managed by the Community Development Program housed in Seattle Department of Planning and Development.

2. The **Byrne Criminal Justice Innovation Grant** of $978,461 for 2013 - 2015 is being used to develop and evaluate an innovative, place-based, community-oriented violence prevention strategy in the Rainier Beach neighborhood. The program is forming a partnership of local community groups, police, and researchers in the identification and implementation of non-arrest approaches to reducing crime in 'hot spots' of youth violence and building the City's capacity to sustain the approach beyond the project period. This project is managed by the Seattle Youth Violence Prevention Initiative and builds upon Seattle's strong history and culture of community collaboration and neighborhood planning.

3. The mission of the **Seattle Youth Violence Prevention Initiative** is to prevent and reduce youth violence, which disproportionately affects communities of color in Seattle, through coordinated, accountable community mobilization to identify youth at risk of perpetuating or being a victim of violence and connect them with needed support in reaching their full potential. In 2013 SYVPI served 1,275 Seattle youth through a comprehensive set of strategies that assess the needs of at-risk youth, connect and coordinate services through the establishment of Neighborhood Networks led by longstanding community organizations, train and employ youth and help prepare them for the world of work, and engage and fund community and grassroots groups to provide programs and services through matching grants.

4. **Community Cornerstones** is Seattle's HUD Challenge Grant funded program that focuses on creating the anchors needed for communities to have stability in the face of gentrification/displacement pressures. The three programs of Cornerstones are: a TOD land acquisition fund; strengthen the multicultural commercial district at Othello; and creating the sustainable coalition of the leaders of the immigrant and refugee communities to create a multicultural community center. The Seattle Office of Housing manages this program

5. The **Seattle Jobs Initiative** offers low-income individuals college level training in growing local industry sectors. Founded by the Seattle Office of Economic Development in 1995, SJI aligns support services – intensive college navigation, housing, childcare and transportation to help individuals who live below 200 percent of the Federal Poverty Level to acquire the skills they need to advance out of poverty, while simultaneously meeting the needs of local employers for a skilled workforce. SJI is currently focused on increasing the number of low-income adults who obtain one- and two-year college credentials by working with community colleges and community-based organizations to develop knowledge, tools, best practices and partnerships that will increase access to higher education. SJI conducts labor market research to help ensure education and training programs are connected to middle-wage job opportunities.

6. The **Workforce Development Council of Seattle-King County** (WDC) is a nonprofit workforce "think tank" and grant-making organization whose mission is to support a strong economy and ensure the ability of each person to achieve self-sufficiency. Established in 2000 by the King County Executive and the Mayor of Seattle to oversee a wide range of employment-related programs and initiatives serving thousands of King County youth, adults and businesses each year. The WDC convenes industry, education and labor leaders around industry workforce issues and finding solutions that meet business needs and get people jobs. WDC brings together sector panels focusing on workforce issues in Health Care, Manufacturing, Construction, Trade, and Information Technology. Members represent major employers, industry groups, education, labor unions, economic development, service organizations and others.

7. Seattle voters passed the first **Families and Education Levy** in November 1990 to provide support to children and their families, both in and out of school, to become safe, healthy, and ready to learn. In 2002, the City analyzed the state of children and youth in Seattle with respect to family income, educational achievement and health, and found that children of color and those living in poverty or low-income communities were faring substantially worse than their peers. The current Levy, renewed in 2004, is focused on achieving three overarching goals: School Readiness, Academic Achievement and Closing the Achievement Gap, Increasing High School Graduation Rates. Overall, since the 2004-05 school year, over 1,600 children have entered kindergarten ready to succeed in school, and 1,500 elementary school students, 2,500 middle school students, and 2,000 high school students have met grade-level standards who had not done so previously.

8. Since 1981, Seattle voters have approved one bond and four levies to create affordable housing. Seattle has now funded over 10,000 affordable apartments for seniors, low- and moderate-wage workers, and formerly homeless individuals and families, plus provided down-payment loans to more than 600 first-time homebuyers and rental assistance to more than 4,000 households. In November 2009, Seattle voters overwhelmingly approved the renewal of the **Seattle Housing Levy**. The 2009 Housing Levy has five programs: Rental Production & Preservation, Operating & Maintenance Fund, Rental Assistance, Homebuyer Assistance, and Acquisition & Opportunity Loan Fund operated by the Seattle Office of Housing.

8. The $50 million **Rainier Valley Community Development Fund** was created and funded in 1999 by the City of Seattle, King County and Sound Transit to assist businesses along the Martin Luther King Jr. Way corridor weather the inevitable disruptions from construction of Seattle's new light rail line. Since 2006, it has loaned over $10.8 million to 19 small businesses and real estate developers in Rainer Valley, and provided business assistance to dozens more. Due in part to more than $15 million in mitigation funds, 85% of pre-construction businesses are still around today. Building on this early success, RVCDF continues to spur economic development in the Rainier Valley by offering technical assistance and loans with flexible terms and affordable interest rates. The

9. The **Neighborhood Matching Fund** (NMF) program was created in 1988 to provide community groups with City resources for community-driven projects that enhance and strengthen their neighborhoods. All projects are initiated, planned and implemented by community members in partnership with the City. Every award is matched by community resources of volunteer labor, donated materials, donated professional services or cash. A part of the Seattle Department of Neighborhoods, NMF promotes collaboration between the City and the community. Community building is core to project success. Since 1988, the Fund has awarded more than $49 million to more than 4,000 projects throughout Seattle, generated an additional $72 million of community match, and engaged more than 86,000 volunteers who have donated over 574,000 hours.

10. The City of Seattle's **Community Development Block Grant** (CDBG) program channels between $9 million and $10 million annually in federal funds from the U.S. Department of Housing and Urban Development (HUD) to various programs that help low- and moderate-income Seattle individuals, families and communities. The funding comes to the City's CDBG program office, in the Human Services Department, and is distributed to the Office of Economic Development, Office of Housing and community-based social service agencies to help pay for various programs and projects. About one-third of the CDBG money that comes to Seattle each year is used to support programs that provide emergency shelter and transitional housing to homeless individuals and families. Another third supports economic and community development programs. Between 2009 and 2014, the City dedicated $35 million dollars to community building in southeast Seattle using the Rainier Valley Community Development Fund to manage the designated fund.

12. The **Seattle Investment Fund LLC** (SIF) is a limited liability company created by the City of Seattle to participate in the federal New Markets Tax Credit (NMTC) program. The Seattle City Council authorized the City's Office of Economic Development (OED) to administer the NMTC program. Since the SIF was formed in 2008, the federal Treasury Department has awarded it the authority to use New Markets Tax Credits on $51 million worth of business and real estate investments. To date, those tax credits have been fully allocated to projects within the City. SIF regularly applies for, and allocates, NMTCs to eligible projects.

13. The **Seattle Race and Social Justice Initiative** (RSJI) is a citywide effort to end institutionalized racism and race-based disparities in City government. RSJI builds on the work of the civil rights movement and the ongoing efforts of individuals and groups in Seattle to confront racism. The Initiative's long term goal is to change the underlying system that creates race-based disparities in our community and to achieve racial equity. RSJI has begun to create fundamental changes to achieve racial equity in the City's services, operations, and the broader community. To update neighborhood plans in Southeast Seattle, City staff dramatically expanded engagement with historically underrepresented communities to help write new development plans for their communities. The effort received the Governor's Smart Communities Award for outstanding achievement in creating livable and vibrant communities. The City's Neighborhood Matching Fund has awarded over $1 million in grants to community efforts that address race and social justice at the neighborhood level.

We appreciate your consideration and the Obama Administration's efforts to support inclusive community development for all.

Sincerely,

Mayor Mike McGinn

Mayor-Elect Ed Murray

Council President Sally Clark

Sally Bagshaw

Councilmember Sally Bagshaw

Councilmember Tim Burgess

Councilmember Richard Conlin

Councilmember Jean Godden

Councilmember Bruce Harrell

Councilmember Nick Licata

Councilmember Mike O'Brien

Councilmember Tom Rasmussen