

Ordinance No. 124692

Council Bill No. 118291

AN ORDINANCE relating to the use of federal HOME Investment Partnerships Program funds, amending the 2010 and 2014 Consolidated Plan annual action plans to reallocate funds out of homebuyer activities into rental housing activities.

CF No. _____

Date Introduced: <u>12/15/14</u>	
Date 1st Referred:	To: (committee) <u>Housing Affordability, Human Services, & Economic Resiliency</u>
Date Re - Referred:	To: (committee)
Date Re - Referred:	To: (committee)
Date of Final Passage: <u>1/20/15</u>	Full Council Vote: <u>9-0</u>
Date Presented to Mayor: <u>1/21/15</u>	Date Approved: <u>1/30/15</u>
Date Returned to City Clerk: <u>2/2/15</u>	Date Published: _____ T.O. <input checked="" type="checkbox"/> F.T. _____
Date Vetoed by Mayor:	Date Veto Published:
Date Passed Over Veto:	Veto Sustained:

The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: [Signature]
Councilmember

Committee Action:

1-15-15 PASS SC
1-0

Full Council Action

1/20/15 Passed 9-0

This file is complete and ready for presentation to Full Council. Committee: _____ (initial/date)

Law Department

Law Dept. Review

OMP Review

City Clerk Review

Electronic Copy Loaded

Indexed

CITY OF SEATTLE
ORDINANCE 124692
COUNCIL BILL 118291

AN ORDINANCE relating to the use of federal HOME Investment Partnerships Program funds, amending the 2010 and 2014 Consolidated Plan annual action plans to reallocate funds out of homebuyer activities into rental housing activities.

WHEREAS, the 2010 Action Plan component of the City's 2009-2012 Consolidated Plan for Housing and Community Development, as amended by Ordinance 123358, included an allocation of \$1,541,791 in HOME Investment Partnerships funds, including program income, for homebuyer activities, and

WHEREAS, the 2014 Annual Action Plan component of the City's 2014 - 2017 Consolidated Plan for Housing and Community Development, as adopted by Ordinance 124496, included \$490,015 in HOME Investment Partnerships funds for homebuyer activities, and

WHEREAS, these funds have not been fully expended and the Office of Housing has determined that a more timely and effective use of the unexpended funds is in rental housing preservation and development activities; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The 2010 Annual Allocation Plan component of The City of Seattle's 2009-2012 Consolidated Plan for Housing and Community Development, as amended by Ordinance 123358, which is part of the City's 2010 Action Plan, is amended to decrease the HOME Investment Partnerships Program funding for the Homebuyer Program (HOME and HOME PI) activity by \$320,098.41 and to increase the HOME Investment Partnerships Program funding for the Rental Housing Preservation and Development (HOME and HOME PI) activity by \$320,098.41.

Section 2. The 2014 Annual Action Plan component of the City's 2014 - 2017 Consolidated Plan for Housing and Community Development, as adopted by Ordinance 124496, is amended to decrease the HOME Investment Partnerships Program funding for the Homebuyer

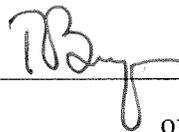


1 Program activity by \$490,015 and to increase the HOME Investment Partnerships Program
2 funding for the Rental Housing Preservation and Development activity by \$490,015.

3 Section 3. The Director of the Human Services Department is authorized to make any
4 conforming changes that may be necessary to other portions of the affected consolidated plans
5 and annual action plans to reflect the changes adopted in this ordinance and to provide any
6 formal submittals to the United States Department of Housing and Urban Development to
7 effectuate the changes adopted in this ordinance.

8 Section 4. This ordinance shall take effect and be in force 30 days after its approval by
9 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
10 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

11 Passed by the City Council the 20th day of January, 2015, and
12 signed by me in open session in authentication of its passage this 20th day of
13 January, 2015.

14
15 
16 President _____ of the City Council

17
18 Approved by me this 30th day of January, 2015.

19
20 
21 Edward B. Murray, Mayor

22 Filed by me this 2nd day of February, 2015.

23
24 
25 Monica Martinez Simmons, City Clerk

26 (Seal)



FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Human Services Department	Michael Look / 615-1717	Lisa Mueller / 684-5339

Legislation Title:

AN ORDINANCE relating to the use of federal HOME Investment Partnerships Program funds, amending the 2010 and 2014 Consolidated Plan annual action plans to reallocate funds out of homebuyer activities into rental housing activities.

Summary of the Legislation:

This legislation amends the Consolidated Plan annual action plans for the years 2010 and 2014, moving a combined total of \$810,113 from homebuyer activities to rental housing preservation and development activities.

Background:

The use of HOME Investment Partnerships funds from the United States Department of Housing and Urban Development are governed by the Consolidated Plans and annual action plans submitted by the City. Any change in use of funds greater than \$50,000 is considered "substantial amendments" to the plans and must be formally approved by Council. Office of Housing originally budgeted HOME dollars for both homebuyer activities and rental housing preservation and development. The homebuyer activities provided qualifying low- and moderate-income families with down payment assistance to purchase their first homes. Due to recent changes in HOME program rules and the current housing market, these funds can no longer be used effectively for homebuyer activities. Office of Housing is therefore requesting the funds to be reprogrammed to affordable rental housing preservation and development activities, where they can be used quickly and effectively.

Please check one of the following:

 X **This legislation does not have any financial implications.**

Appropriations:

Fund Name and Number	Department	Budget Control Level*	2014 Appropriation	2015 Anticipated Appropriation
TOTAL				

**See budget book to obtain the appropriate Budget Control Level for your department.*



Appropriations Notes:

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Department	Revenue Source	2014 Revenue	2015 Revenue
TOTAL				

Revenue/Reimbursement Notes:

Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:

Position Title and Department	Position # for Existing Positions	Fund Name & #	PT/FT	2014 Positions	2014 FTE	2015 Positions*	2015 FTE*
TOTAL							

* 2015 positions and FTE are total 2015 position changes resulting from this legislation, not incremental changes. Therefore, under 2015, please be sure to include any continuing positions from 2014.

Position Notes:

Do positions sunset in the future?

(If yes, identify sunset date)

Spending/Cash Flow:

Fund Name & #	Department	Budget Control Level*	2014 Expenditures	2015 Anticipated Expenditures
TOTAL				

* See budget book to obtain the appropriate Budget Control Level for your department.

Spending/Cash Flow Notes:



Other Implications:

- a) **Does the legislation have indirect financial implications, or long-term implications?**
No

- b) **What is the financial cost of not implementing the legislation?**
If HOME funds are not expended in a timely manner on qualifying activities, they are subject to recapture by US HUD and the City would lose access to those dollars.

- c) **Does this legislation affect any departments besides the originating department?**
Yes. HOME funds are administered by the Office of Housing and are a regular part of their budget. HSD is involved as the coordinator of the Consolidated Plans and the annual action plans that are submitted to US HUD.

- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**
None

- e) **Is a public hearing required for this legislation?**
Yes

- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
Yes

- g) **Does this legislation affect a piece of property?**
No

- h) **Other Issues:**

List attachments to the fiscal note below:





City of Seattle
Edward B. Murray
Mayor

December 9, 2014

Honorable Tim Burgess
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Burgess:

I am transmitting the attached proposed Council Bill which amends the annual action plans guiding the use of HOME Investment Partnerships funds from the years 2010 and 2014. This amendment moves \$810,113 from activities that assist low- and moderate-income first-time homebuyers to activities that preserve and develop affordable rental housing. This move is necessary because a recent change in the federal rules governing the use of HOME funds, combined with the high cost of ownership housing in Seattle, has made it difficult to use HOME funds for homebuyer activities.

U.S. Department of Housing and Urban Development (HUD) rules limit the maximum eligible sales price for HOME-assisted ownership housing to \$288,000 for homes in Seattle. With our current median price topping \$500,000, there is extremely limited inventory available for income-eligible buyers. At the same time, HOME funds must be spent within five years. For these reasons, moving HOME funds out of homebuyer activities is a prudent move. The City of Seattle will continue to provide first-time homebuyers with financial assistance from the Housing Levy. It is anticipated that Levy funds will be sufficient to cover buyers otherwise served with HOME funds.

Transferring these funds allows the City to maximize the resources available to us. While we continue to advocate to HUD about the detrimental effect of their rule change, we will also move to ensure the effective and proper use of these federal funds. Thank you for your consideration of this legislation. Should you have questions, please contact Rebecca Guerra in the Office of Housing at 233-0066.

Sincerely,

Edward B. Murray
Mayor of Seattle

cc: Honorable Members of the Seattle City Council





**Legislative Department
Office of City Clerk
Memorandum**

Date: February 3, 2015

To: City Councilmembers

From: Monica Martinez Simmons, City Clerk *ms*
Emilia M. Sanchez, Deputy Clerk
Jodee Schwinn, Deputy City Clerk

Subject: Legislation passed by the Full Council on January 20, 2015, and not returned by the Mayor within ten days of its presentation

On January 21, 2015, the City Clerk presented to the Mayor legislation passed by the Full Council on January 20, 2015. On February 2, 2015, the Mayor returned the legislation.

Pursuant to the City Charter, Art. IV, Section 12, and Seattle Municipal Code Section 1.04.020.C, if legislation is not returned to the City Clerk within ten days after receipt, the legislation shall take effect and be in force 45 days after passage by the City Council.

The titles of legislation passed by the Full Council are as follows:

Council Bill No. 118270, Relating to the Traffic Code of the Seattle Municipal Code, amending sections 11.23.150 and 11.23.160 to expand the free-floating car sharing pilot program to allow a greater number of free-floating car sharing operators and vehicles and modifying standards and requirements of the program.

Council Bill No. 118282, Relating to City public works; providing findings regarding priority hire; establishing a policy to promote training and career opportunities for individuals in the construction trades; establishing priorities for the hiring of residents in economically distressed areas with particular priority for Seattle and King County; directing the Department of Finance and Administrative Services to execute a project labor agreement for public works projects estimated to cost \$5 million or more; directing that the program be evaluated and reported on annually; adding a new Chapter 20.37 to the Seattle Municipal Code, which includes Sections 20.37.010, 20.37.020, 20.37.030, 20.37.040, 20.37.050, 20.37.060, 20.37.070, and amending Seattle Municipal Code Sections 20.38.005 and 20.38.010 in connection thereto.

Council Bill No. 118290, Relating to the Seattle Office of Housing; repealing Section 3.14.750 of the Seattle Municipal Code.

Council Bill No. 118291, Relating to the use of federal HOME Investment Partnerships Program funds, amending the 2010 and 2014 Consolidated Plan annual action plans to reallocate funds out of homebuyer activities into rental housing activities.

Council Bill No. 118304, Appropriating money to pay certain audited claims and ordering the payment thereof.

Please be advised that no further action is required.

STATE OF WASHINGTON -- KING COUNTY

--SS.

320255

No.

CITY OF SEATTLE, CLERKS OFFICE

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:124689-693 TITLE ONLY

was published on

02/09/15

The amount of the fee charged for the foregoing publication is the sum of \$93.00 which amount has been paid in full.



Affidavit of Publication

[Signature]

Subscribed and sworn to before me on

[Signature]

02/09/2015

Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle

The full text of the following legislation, passed by the City Council on January 20, 2015, and published below by title only, will be mailed upon request, or can be accessed at <http://www.seattle.gov>. For information on upcoming meetings of the Seattle City Council, please visit <http://www.seattle.gov/council/calendar>. Contact: Office of the City Clerk at (206) 684-8344.

ORDINANCE NO. 124689

AN ORDINANCE relating to the Traffic Code of the Seattle Municipal Code, amending sections 11.23.160 and 11.23.160 to expand the free-floating car sharing pilot program to allow a greater number of free-floating car sharing operators and vehicles and modifying standards and requirements of the program.

ORDINANCE NO. 124690

AN ORDINANCE relating to City public works; providing findings regarding priority hire; establishing a policy to promote training and career opportunities for individuals in the construction trades; establishing priorities for the hiring of residents in economically distressed areas, with particular priority for Seattle and King County; directing the Department of Finance and Administrative Services to execute a project labor agreement for public works projects estimated to cost \$5 million or more; directing that the program be evaluated and reported on annually; adding a new Chapter 20.37 to the Seattle Municipal Code, which includes Sections 20.37.010, 20.37.020, 20.37.030, 20.37.040, 20.37.050, 20.37.060, 20.37.070, and amending Seattle Municipal Code Sections 20.38.005 and 20.38.010 in connection thereto.

ORDINANCE NO. 124691

AN ORDINANCE relating to the Seattle Office of Housing; repealing Section 3.14.750 of the Seattle Municipal Code.

ORDINANCE NO. 124692

AN ORDINANCE relating to the use of federal HOME Investment Partnerships Program funds; amending the 2010 and 2014 Consolidated Plan annual action plans to reallocate funds out of homebuyer activities into rental housing activities.

ORDINANCE NO. 124693

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

Date of publication in the Seattle Daily Journal of Commerce, February 9, 2015.

2/9(320255)