

## FISCAL NOTE FOR NON-CAPITAL PROJECTS

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
Human Services	Michael Look / 5-1717	Jeanette Blankenship / 5-0087

AN ORDINANCE adopting the 2013 Annual Action Plan to the City of Seattle 2009 - 2012 Consolidated Plan for Housing and Community Development, as amended; authorizing the submission of the 2013 Annual Action Plan to the United States Department of Housing and Urban Development; and authorizing the Human Services Director to make changes to the Plan for certain purposes.

### **Summary of the Legislation:**

This legislation authorizes submittal of the 2013 Annual Action Plan to the 2009 – 2012 Consolidated Plan for Housing and Community Development (“2013 AAP”) to the United States Department of Housing and Urban Development (HUD) as the application for 2013 grant funds from four programs: Community Development Block Grant (CDBG), HOME Investment Partnerships, Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Solutions Grant (ESG). The 2013 AAP describes the planned use of these funds.

### **Background:**

The 2013 AAP continues the overall fund allocation strategies described in the 2009 – 2012 Consolidated Plan (as amended) which are to continue to support services for homeless individuals and families, guided by the Ten-Year Plan to End Homelessness in King County; develop and preserve affordable housing; and encourage economic development through neighborhood revitalization investments, including fulfilling our commitment to the Rainier Valley Community Development Fund (RVCDF). The 2013 AAP also provides skills development and support services to enhance the abilities of homeless and low-income residents become more job-ready. To accomplish these strategies:

- A portion of the CDBG and all of the ESG funds will be used to support services for homeless people such as shelters and transitional housing, day and hygiene centers, and services to support homeless people’s transition from homelessness to housing.
- The City’s CDBG contribution to the RVCDF will be \$2 million in 2013, incorporating changes agreed upon by the City, Sound Transit, and the Rainier Valley Community Development Fund in 2011. The primary purpose of the funds is to stimulate business development in the Rainier Valley by investing in long-term business and transit oriented development along the Martin Luther King Jr. Way corridor.
- CDBG funds will also be invested in a workforce development program (\$60,000) to help lower-income people succeed in job training and the Seattle Conservation Corps (\$508,000)

to train homeless and unemployed people so they can acquire skills and experience leading to long-term employment and stability.

The 2013 Annual Action Plan to the Consolidated Plan anticipates the following revenue in 2013 to fund the activities identified in the annual allocation plan:

- CDBG Entitlement: \$9,267,515
- CDBG Program Income and reprogrammed funds: \$740,000
- HOME: \$2,610,286
- HOME Program Income: \$1,000,000
- Emergency Solutions Grant Program: \$929,144
- HOPWA Grant: \$1,814,768

The new 2013 funds will be allocated to four City departments: Human Services Department, Office of Housing, the Department of Parks and Recreation, and the Office of Economic Development.

Please check one of the following:

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

**This legislation has financial implications.**

Note – This legislation has financial implications given that HUD requires local jurisdictions to develop and adopt a Consolidated Plan in order to apply for the four federal formula grant programs described above. These amounts are not appropriated as part of this legislation, but rather will be reflected as part of the 2013-2014 Budget and the 2012-2018 Capital Improvement Program (CIP).

**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?**

Not implementing this legislation will cause the City to forgo more than \$16 million in federal funds that support the existing commitment to the Rainier Valley Community Development Fund as well as support vital services to shelter homeless persons and create and preserve affordable housing.

c) **Does this legislation affect any departments besides the originating department?**

Yes – this legislation affects the Office of Housing, Office of Economic Development, and the Department of Parks and Recreation. CDBG Administration has worked closely with these departments in developing this legislation.

**d) What are the possible alternatives to the legislation that could achieve the same or similar objectives?**

None. Approval of the 2013 AAP and its submission to HUD is a prerequisite for the receipt of these funds from the federal government. Absent this approval and application, the City forgoes more than \$16 million in assistance to provide services, economic opportunities, and housing for low- and moderate-income persons.

**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:**

N/A