

**FISCAL NOTE FOR NON-CAPITAL PROJECTS**

| <b>Department:</b>                 | <b>Contact Person/Phone:</b> | <b>CBO Analyst/Phone:</b>      |
|------------------------------------|------------------------------|--------------------------------|
| Human Services<br>Department (HSD) | Michael Look, 615-1717       | Jeanette Blankenship, 615-0087 |

**Legislation Title:**

AN ORDINANCE relating to funding for housing and community development programs; adopting the City of Seattle 2014 – 2017 Consolidated Plan for Housing and Community Development and authorizing its submission to the United States Department of Housing and Urban Development; authorizing acceptance of grant funds from that department for programs and activities included in that plan; amending Ordinance 124349, which adopted the 2014 Budget; amending the 2012 Annual Allocation Plan component of the 2012 Update to the prior Consolidated Plan, as previously amended by Ordinance 123886, to reallocate federal HOME funds between activities; increasing appropriations to various departments and budget control levels, and from various funds in the Budget; and ratifying and confirming prior acts, all by a three-fourths vote of the City Council.

**Summary of the Legislation:**

This legislation approves and authorizes the submittal to US Department of Housing and Urban Development the City's 2014 – 2017 Consolidated Plan for Housing and Community Development. It further authorizes the execution of funding agreements and the receipt of funds from the following US HUD program: 1) Community Development Block Grant; 2) HOME Investment Partnership Program; 3) Emergency Solutions Grant; and 4) Housing Opportunities for Persons with AIDS. The 2014 Adopted Budget is adjusted to reflect these funds. The legislation also amends the 2012 Annual Action Plan for HOME funds to reallocate funds between activities.

**Background:**

A total of \$14,682,947 is to be received by the City. Along with related program income, these funds are used to provide services and assistance to low- and moderate-income individuals, neighborhoods, and businesses. Funds will be allocated to the Human Services Department, Office of Housing, Office of Economic Development, and the Department of Parks and Recreation. The 2014 Adopted Budget was developed with estimates of the awards from US HUD for these four programs; this legislation also adjusts the Adopted Budget to bring it in line with the actual funding amounts. Certain activities are added to the 2014 funded activities.

In 2012 a total of \$587,314 in HOME entitlement funds were allocated for homebuyer activities. Those activities have not been able to expend the funds within the timeframe of their program agreements, and thus need to be transferred to projects that are ready to expend funds. US HUD requires HOME funds to be committed and expended within certain timeframes. To avoid

reaching those limits with these funds, they will be reallocated to two multifamily housing projects in 2014 that are ready to expend funds in 2014.

This legislation does not have any financial implications.

This legislation has financial implications.

**Appropriations:**

| <b>Fund Name and Number</b>           | <b>Department</b>         | <b>Budget Control Level*</b>            | <b>2014 Appropriation</b> | <b>2015 Anticipated Appropriation</b> |
|---------------------------------------|---------------------------|---|---------------------------|---------------------------------------|
| Low Income Housing Fund (16400)       | Executive                 | Low-Income Housing Fund XZ-R1           | \$164,755                 |                                       |
| CDBG Main Fund (17810)                | Human Services Department | CDBG – Human Services (6HSD10)          | \$551,822                 |                                       |
| Human Services Operating Fund (16200) | Human Services Department | Transitional Living and Support (H30ET) | \$177,480                 |                                       |
| <b>TOTAL</b>                          |                           |   | <b>\$894,057</b>          |                                       |

**Anticipated Revenue/Reimbursement Resulting from this Legislation:**

| <b>Fund Name and Number</b>           | <b>Department</b>         | <b>Revenue Source</b> | <b>2014 Revenue</b> | <b>2015 Revenue</b> |
|---------------------------------------|---------------------------|-----------------------|---------------------|---------------------|
| Low Income Housing Fund (16400)       | Executive                 | US HUD – HOME Program | \$164,755           |                     |
| CDBG Main Fund (17810)                | Human Services Department | US HUD – CDBG         | \$551,822           |                     |
| Human Services Operating Fund (16200) | Human Services Department | US HUD – HOPWA        | \$73,116            |                     |
| Human Services Operating Fund (16200) | Human Services Department | US HUD – ESGP         | \$104,364           |                     |
| <b>TOTAL</b>                          |                           |                       | <b>\$894,057</b>    |                     |

**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?**

The City will forgo \$14.5 million in support from the federal government for services and programs benefitting low- and moderate-income persons, families, and neighborhoods in

Seattle.

- c) **Does this legislation affect any departments besides the originating department?**  
Yes. Department of Parks and Recreation; Office of Housing; Office of Economic Development. These departments implement programs and activities funded by these federal funds. Some also use these funds to support staff positions.
- 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. TBD
- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
Yes. TBD
- g) **Does this legislation affect a piece of property?**  
Yes. One of the proposed activities is the purchase of an easement at 901 Rainier Avenue South for use as a homeless shelter and day center.
- h) **Other Issues:** None.

**List attachments to the fiscal note below:** None.