SUMMARY and FISCAL NOTE*

Department:	Contact Person/Phone:	Executive Contact/Phone:
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** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to funding for housing and community development programs; adopting The City of Seattle 2016 Annual Action Plan to the 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 the Annual Action Plan; amending Ordinance 124927, which adopted the 2016 Budget, by modifying appropriations to various departments and budget control levels in the 2016 Adopted Budget; and ratifying and confirming certain prior acts, all by a three-fourths vote of the City Council.

Summary and background of the Legislation: This legislation adopts the 2016 Annual Action Plan to the 2014 – 2017 Consolidated Plan for Housing and Community Development and authorizes its submittal to the US Department of Housing and Urban Development (HUD). The Consolidated Plan governs the use of the City's annual allocation of funds from several programs in HUD. In total, the funds amount to approximately $14 million, which are used to provide services, housing, and facilities to low- and moderate-income persons, businesses and neighborhoods. The legislation authorizes the acceptance of these funds.

HUD provides annual allocations to the City from four of its programs. These allocations differ from the estimated allocations that were included in the 2016 Adopted Budget; the net difference from the Adopted Budget is shown in parentheses:

- Community Development Block Grant, $8,984,932 (-$122,492)
- HOME Investment Partnerships, $2,408,254 (+$146,008)
- Housing Opportunities for Persons with AIDS, $1,783,626 (+$12,805)
- Emergency Solutions Grant, $819,850 (-$14,109)

To receive the annual allocations, jurisdictions must submit a Consolidated Plan which describes the policies governing the City's use of these funds, and an annual allocation plan which identifies the specific uses of the funds for a particular program year. Funds are allocated to the Human Services Department, Office of Housing, Office of Economic Development, Office of Immigrant and Refugee Affairs, and the Department of Parks and Recreation to fund core services and supporting activities, such as homeless shelters, affordable housing preservation and development, homelessness and affordable housing planning and research, community and economic development, support to small businesses and microenterprises, job training and creation, and park improvements. For 2016 only, the Mayor has proposed one-time funding in

the amount of $400,000 for CDBG-eligible activities to assist businesses affected by 23rd Avenue street construction, as further described in the AAP.

2. CAPITAL IMPROVEMENT PROGRAM

____ **This legislation creates, funds, or amends a CIP Project.**

3. SUMMARY OF FINANCIAL IMPLICATIONS

_X_ **This legislation has direct financial implications.**

Budget program(s) affected:				
Estimated $ Appropriation change:	**General Fund $**		**Other $**	
	2016	**2017**	**2016**	**2017**
			$73,488	
Estimated $ Revenue change:	**Revenue to General Fund**		**Revenue to Other Funds**	
	2016	**2017**	**2016**	**2017**
			$22,212	
Positions affected:	**No. of Positions**		**Total FTE Change**	
	2016	**2017**	**2016**	**2017**
	0	**0**	**0**	**0**
Other departments affected:	CDBG Fund; Low Income Housing Fund			

3.a. Appropriations

_X_ **This legislation adds, changes, or deletes appropriations.**

Fund Name and number	Dept	Budget Control Level Name/#*	2016 Appropriation Change	2017 Estimated Appropriation Change
Community Development Block Grant 17810	Office of Housing	CDBG – Office of Housing 6XZ10	($450,195)	
Community Development Block Grant 17810	Human Services Department	CDBG – Human Services Department 6HSD10	($21,021)	
Community Development Block Grant 17810	Office of Economic Developme nt	CDBG – Office of Economic Development 6XD10	$400,000	
Human Services Operating Fund 16200	Human Services Department	Community Support and Assistance H30ET	($1,304)	

Low Income Housing Fund / HOME Subfund 16490	Office of Housing	Low Income Housing Fund XZ-R1	$146,008	
TOTAL			**$73,488**	

Appropriations Notes:
The appropriations increase is larger than the revenue increase because funds budgeted for contingency and increased reprogrammed funds from prior projects partially offset a decrease in the CDBG program.

3.b. Revenues/Reimbursements

_X_ This legislation adds, changes, or deletes revenues or reimbursements.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2016 Revenue	2017 Estimated Revenue
CDBG Main Fund (17810)	**CDBG**	US HUD Community Development Block Grant Program entitlement	$8,984,932	
Low Income Housing Fund / HOME subfund (16490)	**Office of Housing**	US HUD HOME Investment Partnership Program entitlement	$2,408,254	
Human Services Operating Fund (16200)	**HSD**	US HUD Housing Opportunities for Persons with AIDS Program	$1,783,626	
Human Services Operating Fund (16200)	**HSD**	US HUD Emergency Solutions Grant Program	$819,850	

Revenue/Reimbursement Notes:
The 2016 Adopted Budget contains estimates of these revenues. This legislation provides the actual revenue numbers and adjusts the appropriations in the Adopted Budget to match the actual numbers. The appropriations increase is larger than the revenue increase because funds budgeted for contingency and increased reprogrammed funds from prior projects partially offset a decrease in the CDBG program.

3.c. Positions

____ **This legislation adds, changes, or deletes positions.**

4. OTHER IMPLICATIONS

a) Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?
No.

b) Is there financial cost or other impacts of not implementing the legislation?
Not implementing this legislation will cause the City to forgo $14 million in federal assistance that supports services and community development activities supporting low- and moderate-income persons in Seattle. The City would be faced with reducing or eliminating services and/or using General Fund to provide the services.

c) Does this legislation affect any departments besides the originating department?
Yes, other departments receive an allocation from one or more of these funds for program operations. The affected by this legislation are:

Office of Housing, Becky Guerra
Office of Economic Development, Amanda Allen
Department of Parks and Recreation, Don Tabor
Office of Immigrant and Refugee Affairs, Cuc Vu

d) Is a public hearing required for this legislation?
Yes, a hearing before the Affordable Housing, Neighborhoods and Finance Committee is expected on March 16, 2016.

e) Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?
No.

f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?
Yes, publication is required in *The Daily Journal of Commerce*. HSD staff will send the public hearing notice to the DJC in time to provide 15 days advance notice.

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

h) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?
Programs and activities supported by these funds are specifically intended to benefit low- and moderate-income and homeless persons and families. These persons and families are disproportionately non-White. Economic and community development activities will

specifically target historically disadvantaged neighborhoods and business districts.

i) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.
This legislation contains funding for CDBG-eligible activities to assist businesses struggling during the 23rd Avenue construction project, as proposed by the Mayor. Between 20 – 25 businesses will be assisted.

j) Other Issues:

List attachments/exhibits below: