



Urban Development Action Grant (UDAG) Program Background

June 25, 2024



What is UDAG?



- The Urban Development Action Grant (UDAG) Program was created in 1970's
- UDAG was originally administered by the federal Department of Housing and Urban Development, who gave UDAG grants to local communities
- Intended to be a revolving loan fund to assist physically and economically distressed cities and urban counties by leveraging private investment, create jobs and stimulate economic growth
- Proceeds of repaid loans put into a revolving loan fund to be used for more loans to businesses for economic and community development
- The original funding was a one-time opportunity from the federal government – there have not been any other UDAG funds provided since 2 the original funding in 1970's.

Where can I see the UDAG Fund?

UDAG is a sub-fund in the CED Special Revenue Fund 1195

Fund 1195 is included in the City's budget and annual financial report (ACFR)

- Community & Economic Development (CED) sub-funds in 1195:
 - 1195-UDAG Urban Dev Action Grant
 - 1195-AHF Affordable Housing Fund
 - 1195-CLTRS Cultural Resource Grants
 - 1195-DTBIA Downtown BIA
 - 1195-EDA EDA Business Services
 - 1195-FGRT Federal Grants (CDBG, HOME, ESG, on a reimbursement basis)
 - 1195-HDS Housing & Workforce Dev (MBDA)
 - 1195-MUART Municipal Art
 - 1195-TACR Tacoma Creates

- Permitting & Development Services (PDS) sub-funds in 1195:
 - 1195-BUILD Buildable Lands
 - 1195-EHP PDS Emergency Historic Preservation
 - 1195-HSTPR Historic Preservation
 - 1195-OPENS Open Space
 - 1195-PLAN PDS Planning Grants: (on a reimbursement basis)

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Recent Loan History of UDAG Sub-fund

Outstanding UDAG Loans

- \$3M for Valhalla Hall
- \$134K for 21 outstanding small business COVID loans
- \$1.7M for 69th & Proctor property TEMS site (will be repaid from sale of land)

Recently Repaid Loans

- UW Tacoma Garage
 - 2007 loan for \$1M
 - Repaid in full March 2024
- 5401 South Tacoma Way
 - \$680K
 - Repaid in full May 2023
- Allen African Methodist Episcopal Church
 - 2019 loan for \$150K
 - Repaid in full May 2020
- Old City Hall
 - \$4M investment
 - Received \$1.988M from sale proceeds

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Questions?



- Any questions?