



TO: T.C. Broadnax, City Manager
FROM: Ricardo Noguera, Director, Community and Economic Development Department
COPY: City Council; City Clerk
SUBJECT: Resolution authorizing submittal of the 2016-17 Annual Action Plan to the Department of Housing and Urban Development by the deadline of May 15, 2016.
DATE: May 3, 2016

SUMMARY:

Authorizing the proper officers of the City of Tacoma to submit the 2016-17 Annual Action Plan for Housing and Community Development and Public Services to the U.S. Department of Housing and Urban Development (HUD) by the deadline of May 15, 2016; authorizing the execution of three agreements with the Tacoma Community Redevelopment Authority to fund housing development programs under the 1) Community Development Block Grant and 2) HOME Investment Partnership Act Grant as stated in the 2016-2017 Annual Action Plan; authorizing a Subrecipient Agreement under the HOME Program between the City of Tacoma, the City of Lakewood, and the Tacoma Community Redevelopment Authority to administer and carry-out the HOME Program; and requesting authorization to execute an agreement with Rebuilding Together South Sound in the amount of \$230,000 for the Minor Home Repair Program.

STRATEGIC POLICY PRIORITY:

- Strengthen and support a safe city with healthy residents.
- Ensure all Tacoma residents are valued and have access to resources to meet their needs.
- Foster a vibrant and diverse economy with good jobs for all Tacoma residents.
- Cultivate a vibrant cultural sector that fosters a creative, cohesive community.
- Assure outstanding stewardship of the natural and built environment.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

As a result of submitting its Annual Action Plan to HUD, the City will receive federal funds to manage its housing, community and economic development, neighborhood improvement, homeless assistance and social service programs.

BACKGROUND:

The 2016-17 Annual Action Plan combines the submission of applications for a Community Development Block Grant (CDBG) entitlement of \$2,247,997; a HOME Investment Partnership (HOME) grant of \$997,185 in HOME Funds - \$808,717 allocated to the City of Tacoma and \$188,468 allocated to the City of Lakewood under the Tacoma-Lakewood HOME Consortium Agreement; and The Emergency Solutions Grant (ESG) grant of \$201,163. During January and February 2016, the Tacoma Community Redevelopment Authority (TCRA) and the Human Services Commission (HSC) reviewed applications for funding, heard presentations by agencies applying for funding and considered the historic performance of those agencies and the needs of the community. From this, they prepared funding recommendations. The TCRA and the HSC presented their recommendations for funding at Community Vitality and Safety



Committee (Committee) special meeting held on March 15, 2016. This was followed by a public hearing and Council presentation on April 12, 2016.

Council is requested to make their final funding decisions for submittal to HUD, including authorizing the allocation of HOME grant funds to the TCRA on behalf of the City of Lakewood housing programs in the amount of \$188,468 and HOME funds in the amount of \$708,999 to the Tacoma Community Redevelopment Authority Affordable Housing Fund (AHF). In addition, a total allocation of \$837,199 in CDBG funds will be allocated to the Tacoma Community Redevelopment Authority to be broken out in the following manner: A total of \$474,999 will be allocated to the Affordable Housing Fund, a total of \$250,000 will also be allocated for the Single Family Homeowner Occupied Rehabilitation Loan Program and \$12,200 will be allocated to the TCRA Economic Development Fund in support of economic development activities. Another \$100,000 will be allocated to support public improvements – ADA upgrades. In addition, as part of this approval Council is requested to City Officials to enter into an agreement with TCRA authorizing TCRA to administer these funds in accordance with the approved Annual Action Plan.

In addition, \$8,969.40 in unspent ESG carryover funds from PY2014 is being re-allocated.

ISSUE:

Before submission of the PY 2016-17 Annual Action Plan to HUD, the City must fulfill certain citizen participation requirements including holding a public hearing on the proposed plan. A draft of the Annual Action Plan was made available for a period of 30 days beginning on April 1, 2016 and ending April 30, 2016.

ALTERNATIVES:

The alternatives presented in this report constitute one course of action. It is based on a review and analysis of each application for funding and staff's best judgment of program activities that will lead to the preferred outcome as established in the PY2016-17 Annual Action Plan to be submitted to HUD for review and approval on or before May 15, 2016. However other options do exist. This would include, but is not limited to, changing the funding mix between activities or even between individual service providers. Further alternatives might include revamping the way these services are procured and the types of activities the City wishes to pursue. Note, changes of this nature would require a more intensive staff review of possible alternatives which would likely jeopardize the HUD imposed May 15, 2016 AAP and Consolidated Plan deadline submittals. It is therefore suggested that any alternatives such as these should be pursued after the May 15th date and rolled into a current year plan amendment or should be addressed in future years' program activities.

RECOMMENDATION:

Implementing the recommendations identified in this report will allow staff to complete the Annual Action Plan process with HUD, which will allow the City to draw down funds to be used to address its housing, community and economic development, homeless assistance and social service programs. This constitutes a total of \$3,446,345 made available to the City as a result of these actions.

FISCAL IMPACT:



The City is the pass-through agency for the grant funds. Both revenue and expenditures are budgeted in the City grant funds for 2016-17 biennial.

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1195-FGRT, CED Spec Rev Fund	730100-730500	Various	\$2,247,997
1195-FGRT, CED Spec Rev Fund	730100	Various	\$997,185
1195-FGRT, CED Spec Rev Fund	730100	Various	\$201,163
TOTAL			\$3,446,345

REVENUES- FUNDING SOURCES

	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Community Development Block Grant	730100	4331281	\$2,247,997
HOME Grant	730100	4331280	\$997,185
Emergency Solutions Grant	730100	4331282	\$201,163
TOTAL			\$3,446,345

POTENTIAL POSITION IMPACT:

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
TOTAL			

This section should only be completed if a subsequent request will be made to increase or decrease the current position count.

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$3,446,345

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? YES

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.