



RESOLUTION NO. 39333

1 A RESOLUTION related to the Consolidated Plan for Housing and Community
2 Development; authorizing approval of the 2016-2017 Funding Priorities
3 Statement for the Annual Action Plan of the City's Consolidated Plan for
4 Housing and Community Development.

5 WHEREAS the City Council biennially approves the Funding Priorities
6 Statement to provide direction to the Tacoma Community Redevelopment
7 Authority and Human Services Commission for recommending/awarding federal
8 funds prior to starting the application process for the Consolidated Plan Annual
9 Action Plan, and

10 WHEREAS the purpose of establishing funding priorities is to provide
11 direction for the selection of housing and community development and economic
12 development projects and programs, and human services, and

13 WHEREAS all programs and projects must be consistent with the
14 Community Development Block Grant ("CDBG"), HOME Investment Partnership
15 ("HOME"), and Emergency Solutions Grant ("ESG"), or any other funding source
16 regulations, as applicable, and

17 WHEREAS CDBG projects and programs must meet one of three major
18 criteria: (1) benefit low-income persons; (2) remove blight; or (3) meet an urgent
19 need, and

20 WHEREAS HOME projects must provide housing or assist in housing for
21 low-income persons, and

22 WHEREAS ESG projects must provide a service or shelter to benefit
23 homeless persons, and

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WHEREAS the Funding Priorities are organized into six categories:

(1) General; (2) Set-asides; (3) Housing; (4) Community Development; (5) Economic Development; and (6) Human Services, and

WHEREAS this particular two-year funding cycle begins during the inaugural year of the 2015-2019 five-year Consolidated Plan and will be in effect during program years 2016-2017 and 2017-2018; Now, Therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

That the City Council does hereby approve the City’s 2016-2017 Funding Priorities Statement for the Annual Action Plan of the City’s Consolidated Plan for Housing and Community Development, attached hereto as Exhibit “A,” said document to be substantially in the form of the proposed 2016-2017 Funding Priorities Statement on file in the office of the City Clerk.

Adopted _____

Mayor

Attest:

City Clerk

Approved as to form:

Deputy City Attorney



EXHIBIT "A"

**City of Tacoma CDBG, HOME and ESG
Funding Priorities Statement (2016-2017)**

All programs and projects must be consistent with Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), and any other funding source regulations and requirements as applicable. CDBG projects must meet one of three major criteria: (1) benefitting lower-income persons, (2) removing blight, or (3) meeting an urgent need. HOME projects must provide housing or assist in housing for low-income persons.

The Funding Priorities are organized into six categories: (1) General; (2) Set-asides; (3) Housing; (4) Community Development; (5) Economic Development; and (6) Human Services. Each of the categories is briefly summarized as follows:

1. *General Priorities* (CDBG and HOME) – Funds will be used to support activities that: (a) are consistent with existing plans (e.g. Consolidated Plan, Comprehensive Plan, Human Services Strategic Plan); (b) leverage other funding resources when applicable; (c) can be committed funds within 12 to 24 months; (d) are proposed by an organization with a proven capacity for project completion and good management; (e) show reasonable cost effectiveness; and (f) do not need General Fund monies for project operation and maintenance.
2. *Set-Aside Priorities* – Set aside amounts from the annual CDBG grant: (a) up to 50% for housing development and rehabilitation. This recommendation is a change from prior years where the allocation was set at 50%; (b) 15% (HUD Maximum) to support human services; and (c) up to \$100,000 for community development (neighborhood improvement projects such as: sidewalk, signalization, ramps and roadway improvements necessary to meet current ADA requirements.
3. *Housing Priorities* (CDBG and HOME) – The priorities for housing activities are: (a) homeownership programs that benefit low-income owners with repairs and rehabilitation; (b) programs that assist first-time homebuyers to purchase a home; (c) maintaining and expanding affordable rentals housing for families and the elderly; and (d) provide supportive housing for homeless and/or special needs individuals and families that may include emergency and transitional shelters, and special needs housing with support services. In furtherance of these efforts, maintain minimum output levels for the City’s low-income housing



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programs: single family homeowner occupied rehabilitation loan program (CDBG); single family rehabilitation grant programs which offer housing maintenance, repair, rehabilitation and energy improvements (CDBG); and Down Payment Assistance for first time home buyers (HOME).

4. *Community Development Priorities* (CDBG only) – The priorities for Community Development are activities that support neighborhood improvements for lower income residents such as: (a) payment of LID assessments for lower income homeowners; (b) street-related accessibility improvements such as sidewalk, signalization, ramps and roadway improvements necessary to meet current ADA requirements in lower income neighborhoods with a connection to current high priority housing and economic development projects; (c) eligible neighborhood innovative grant projects; and (d) public facilities.
5. *Economic Development Priorities* (CDBG only) – The priorities for economic Development are activities that help increase jobs and business opportunities such as: (a) creation or retention of jobs for lower income persons; (b) business services that support lower income neighborhood and/or lower income groups; and (c) entrepreneurial assistance to include financial and technical aid for disadvantaged persons who own or plan to start a business (CDBG); (d) workforce development programs (CDBG) (e) revitalization of blighted or lower income business districts through historic preservation, conservation actions, targeted façade grant programs (CDBG) and neighborhood economic development (CDBG).
6. *Human Services Priorities* (CDBG and ESG) – In 2011, human services funding priorities were updated to align with federal HEARTH legislation and respond to changes in ESG regulations. CDBG funds remained targeted towards low and moderate income persons, with a new emphasis on stabilization services that would support individuals and families to move towards housing and economic stability. A category for youth stabilization services was added to reflect the local priority to provide services to unaccompanied youth who are at risk for or currently experiencing homelessness. ESG funds were re-focused on HUD’s new categories of eligible activities, including rapid re-housing. These changes were maintained during the review of priorities in 2013. ESG funds will continue to be used for programs which support individuals and families who are experiencing or at risk of experiencing homelessness, as defined by HUD to include



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street outreach, emergency shelter, rapid re-housing, and homelessness prevention activities. Ten percent of the grant will be reserved for expenses related to administration of the grant and reporting through the local Homelessness Management Information System (HMIS).