



**TO:** T.C. Broadnax, City Manager  
**FROM:** Ricardo Noguera, Director, Community & Economic Development Department  
Carey K. Jenkins, Housing Programs Manager, Community & Economic Development Department  
**COPY:** City Council and City Clerk  
**SUBJECT:** Resolution to set May 6, 2014 City Council Date to authorize submission of the 2014-2015 Annual Action Plan to HUD – April 15, 2014  
**DATE:** April 23, 2014

**SUMMARY:**

Authorizing the proper officers of the City of Tacoma to submit the 2014-2015 Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD) by the deadline of May 15, 2014.

**STRATEGIC POLICY PRIORITY:**

- Foster neighborhood, community, and economic development vitality and sustainability.
- Plan for and improve public infrastructure that meets the transportation needs of all Tacoma residents and visitors.

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 Consolidated Plan is a five year Housing and Community Development Strategic Plan. A component of this is the Annual Action Plan, which combines the submission of applications for Community Development Block Grant (CDBG), HOME Investment Partnership (HOME) and Emergency Shelter Grant (ESG) funding for the upcoming program year.

The 2014-15 Annual Action Plan combines the submission of applications for a Community Development Block Grant (CDBG) entitlement of \$2,234,295; a HOME Investment Partnership (HOME) grant of \$1,074,335 and The Emergency Shelter Grant (ESG) grant of \$189,688. The City of Tacoma and the City of Lakewood are a consortium partnership for the HOME Program so Tacoma's share of HOME funding is expected to be \$837,981 while Lakewood's share is \$236,354. During January and February 2014, the Tacoma Community Redevelopment Authority (TCRA) and the Human Services Commission (HSC) respectively 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 the City Council Study Session held on March 18, 2014.

Council is requested to make their final funding decisions for submittal to HUD, including authorizing the allocation of HOME grant funds to the Tacoma Community Redevelopment Authority on behalf of the City of Lakewood housing programs in the amount of \$236,354, and the allocation of CDBG and HOME grant funds to the Tacoma Community Redevelopment Authority for the affordable housing programs in the amount of \$760,748 in CDBG funds. In addition, a new allocation of 1,074,355 in HOME funds will be allocated to the affordable housing trust fund. Finally, \$96,724 in previous years' CDBG funds will be



reallocated to PY2014-15 and be used to fund the above mentioned economic development assistance projects. The source of the reprogrammed funds would come from prior years' allocations of Local Improvement District (LID) set asides

**ISSUE:**

Before submission of the PY2014-15 Annual Action Plan to HUD, the City must fulfill certain citizen participation requirements including holding a public hearing on the proposed plan. The draft Annual Action Plan is made available for a period of 30 days beginning on April 1, 2014 and ending April 30, 2014.

**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 HUD approved 2010-15 Consolidated Plan. 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, 2014 AAP deadline submittal. Other alternatives of this magnitude might also conflict with the Consolidated Plan and would have to be approved by HUD. It is therefore suggested that any alternatives such as these should be pursued after the May 15<sup>th</sup> 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 \$3,498,318 in new money made available to the City as a result of these actions.



**FISCAL IMPACT:**

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
CDBG	730100	4331281	\$2,234,295
HOME	730100	4331280	\$1,074,335
ESG	730100	4331282	\$189,688
<b>TOTAL</b>			<b>\$3,498,318</b>

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1195-FGRT, CED Spec Rev Fund	730100-730500	Various	\$2,234,295
1195-FGRT, CED Spec Rev Fund	730100	Various	\$1,074,335
1195-FGRT, CED Spec Rev Fund	730100	Various	\$189,688
<b>TOTAL</b>			<b>\$3,498,318</b>