



**TO:** Elizabeth Pauli, City Manager  
**FROM:** Jeff Robinson, Director, Community and Economic Development  
Felicia Medlen, Housing Division Manager, Community and Economic Development  
**COPY:** City Council and City Clerk's Office  
Tadd Wille, Deputy City Manager  
**SUBJECT:** Resolution accepting the funding of \$427,319 WA Commerce Community Development Block Grant CARES II (CDBG CVII)  
**DATE:** August 17, 2021

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**SUMMARY AND PURPOSE:**

The purpose of this memo is to seek Council approval to accept a \$427,319 WA Department of Commerce CDBG CVII competitive grant to address one of the City's affordable housing priorities of providing resources to homeowners and renters to help them maintain their housing and recover from the impacts of the COVID 19 pandemic. This funding would be used to provide foreclosure prevention and mortgage assistance services to homeowners who are at or below 80% area median income (AMI). The grant funds must be expended by June 30, 2022.

**COUNCIL SPONSORS:** NA

**BACKGROUND:**

In June 2021 CED received confirmation of the \$427,319 award in response to a competitive application to the WA Department of Commerce to provide foreclosure prevention and mortgage assistance services to households as they recover after the negative impacts of COVID 19. The proposal was approved, fully funded and awarded to the City. The administration of the grant will be performed by the Housing Division within CED.

**COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:**

As part of the City's planning process for their Community Development Block Grant (CDBG) Cares Act funding assistance for homeowner's was identified as a need and priority use for the CDBG Cares Act funding. Our research on existing COVID relief funds showed resources being put into rental assistance revealing a gap in resources available to homeowners who were impacted by COVID 19.

**PROJECT DELIVERY METHODOLOGY:**

CED has an existing contract with Pierce County to administer the program through Habitat for Humanity. Staff will amend that existing agreement to include this funding and the applicable deadline for expenditure.

**Equity and Accessibility:** *(Mandatory)*

Continued outreach will be conducted by Habitat for Humanity via social media and other outreach methods. Upon initial roll out of the program The City and Pierce County did press releases about the programs availability. The application is available in five commonly spoken languages and interpretation services are available if requested to reduce language barriers to participating in the program.

**Tacoma 2025 strategic goals:**

- Government Performance
- Human and Social Needs



**ALTERNATIVES:**

Council could decide to not accept the funding allocation and the program will operate at its current funding level and terminate once those funds are expended.

**EVALUATION AND FOLLOW UP:**

CED staff will adhere to the requirements of WA’s CDBG CVII program as outlined in a contract between the City and the WA Department of Commerce. Staff will evaluate and report on our performance in accordance with the approved Administrative Plan through the lifecycle of the grant.

**STAFF RECOMMENDATION:**

Staff recommends the adoption of the Resolution and the acceptance of the WA Department of Commerce CDBG CVII Grant.

**FISCAL IMPACT:**

By adopting the motion to formally accept the grant, the Council will be authorizing the City Manager to execute a contract amendment with Pierce County to continue to administer the foreclosure prevention and mortgage assistance program through their contract with Habitat for Humanity on behalf of the City. Funds used to support Program activities will be paid directly from the grant. This amounts to \$427,319 in grant funds over the next year. Staff will request mid-year budget adjustments for 2021, if needed.

| Fund Number & Name          | COST OBJECT<br>(CC/WBS/ORDER) | Cost Element | Total Amount     |
|-----------------------------|-------------------------------|--------------|------------------|
| 1195 - Special Revenue Fund | 731200                        | Various      | \$427,319        |
| <b>TOTAL</b>                |                               |              | <b>\$427,319</b> |

**What Funding is being used to support the expense?**

A grant from the Washington State Department of Commerce

**Are the expenditures and revenues planned and budgeted in this biennium’s current budget?**

**NO, PLEASE EXPLAIN BELOW**

This is a recent WA State Department of Commerce Competitive Grant and was not planned in the 2021-2022 biennial budgeting processes. Staff will request mid-year budget adjustments for 2021, if needed.

**Are there financial costs or other impacts of not implementing the legislation?**

No

**Will the legislation have an ongoing/recurring fiscal impact?**

No

**Will the legislation change the City’s FTE/personnel counts?**

No

**ATTACHMENTS:**

None