



TO: T.C. Broadnax, City Manager

FROM: Ricardo Noguera, Director, Community & Economic Development
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SUBJECT: Revisions to FY 2014 CDBG, HOME, and ESG Allocations

DATE: April 15, 2014

During the regularly scheduled study session on March 18th, City Council heard a presentation on the 2014-15 funding recommendations for CDBG, HOME, and ESG funds. Recommendations were based on an anticipated 3% reduction in funding from the U.S. Department of Housing and Urban Development (HUD). Since that time, HUD has notified recipients of their actual allocation amounts. City of Tacoma allocations are as follows:

CDBG: \$2,234,295 (4.3% decrease from 2013-14 level)
HOME: \$1,074,335 (0.3% decrease from 2013-14 level)
ESG: \$ 189,688 (16.5% increase from 2013-14 level)

As a result of this information, funding recommendations for individual projects have been revised to accommodate the new allocation levels. Revised recommendations are attached, with changes highlighted for your reference. These revisions are reflected in the Annual Action Plan which was released for public comment on April 1st. A summary of the changes is provided below.

CDBG/HOME Revisions

The total adjustment in CDBG dollars was revised downward to \$2,234,295. This represents a 4.3% decrease in funds from the prior year and affects the proposed allocations to the economic development service provider contracts. The respective allocations to the housing service providers would remain consistent with the March 18, 2014 recommendations presented at Study Session and is in keeping with Council's emphasis on maintaining 50% of the CDBG allocation for affordable housing activities. Regardless, the total adjustment in CDBG dollars for economic development activities was minimal. A reduction of \$3,457 was spread equally across the three proposed contracts. Furthermore, in order to minimize the shortfall in funding to the pool of economic development service providers, \$96,724 was reallocated from prior years Local Improvement District Projects.

Separately, a 0.30% decrease in HOME funds has been verified with HUD. This brings the total available in HOME funds to \$1,074,335. This amount will be held in the TCRA Affordable Housing Fund with \$754,183 allocated to the City of Tacoma and \$212,718 allocated to Lakewood under the Tacoma/Lakewood HOME Consortium.

CDBG Public Services (Human Services)

The total adjustment in CDBG dollars for public services was marginal—a reduction of \$4,590. The Human Services Commission decided to take the funds from the lowest scoring programs recommended for funding. Since the 5 lowest scoring programs were already at the minimum award amount of \$20,000, the reduction came out of THA-Family Self-Sufficiency and TRM-Emergency Services. Both programs were reduced to 45% of their requested amount—down from the 48% that they had originally been awarded. No other changes were made to project allocations.



Emergency Solutions Grant (ESG)

The increase in ESG dollars resulted in an additional \$31,707 to allocate. After adjusting the amount reserved for administrative and HMIS costs (10% of total), the ESG Review Panel was left with a balance of \$28,536 to award to programs. The panel decided to fund an additional shelter project (Salvation Army-Jarvie Family Emergency Housing Center) at the minimum allocation level of \$20,000 and split the remainder between the top scoring emergency shelter program (YWCA-DV Shelter) and the top scoring rapid re-housing program (WVVE-Housing Bridges to Self Sufficiency).

Next Steps:

The City Council will be holding a public hearing for the City's proposed 2014-15 Annual Action Plan at the April 22, 2014 City Council meeting. The City Council will be asked to adopt the plan at the May 6, 2014 City Council Meeting.

Attached are summaries that identify the specific amended recommendations.

2014-15 Community Development Block Grant Public Service Recommendations - REVISED

Agency	Program	Funding Priority	Total Application Score	Amount Requested	2013-14 Allocation*	2014-15 Allocation	Comments
Catholic Community Services	Phoenix Housing Network	Housing Stabilization Services	93	\$50,000.00	\$35,657	\$35,657	Continuum of housing services for families and military veterans experiencing homelessness. Strong connection to funding priority. Strong partnerships. Strong involvement in system development. Serves diverse population (veterans and families). Award amount restricted to 2013-14 funding level due to program not meeting federal requirement for expansion of services.
Mercy Housing NW	Service-Enriched Housing	Housing Stabilization Services	93	\$28,800.00	\$28,800	\$28,800	Permanent housing and onsite supportive services for low income and formerly homeless families. Strong connection to funding priority. Strong partnerships. Well integrated with the neighborhood.
Catholic Community Services	HAS Supportive Services	Housing Stabilization Services	92	\$116,000.00	\$79,490	\$79,000	Continuum of housing and supportive services for homeless adults. Strong connection to funding priority. Excellent community connections and partnerships with other homeless services. Comprehensive wrap-around services.

*Funding history is not considered in the allocation process. All programs compete equally.

Highlighted cells indicate a change from the March 18th recommendations.

2014-15 Community Development Block Grant Public Service Recommendations - REVISED

Agency	Program	Funding Priority	Total Application Score	Amount Requested	2013-14 Allocation*	2014-15 Allocation	Comments
Tacoma Housing Authority	Family Self-Sufficiency	Economic Stabilization Services	91	\$70,593.00	\$23,200	\$32,049	Individualized case management and education/employment services for residents of public and subsidized housing, with the goal of moving households towards self-sufficiency. Strong connection to funding priority. Strength in tailored services model. Effectiveness of program well documented with data.
The Rescue Mission	Emergency Services	Housing Stabilization Services	91	\$131,432.00	\$87,232	\$59,638	Emergency shelter for homeless men. Strong connection to funding priority. Ability to expand primary service when needed. Serving a marginalized population that is difficult to serve. Flexible services based on the needs of the client.
Exodus Housing	Rapid Re-housing DV	Housing Stabilization Services	90	\$40,000.00	\$0	\$20,000	Housing and supportive services for victims of domestic violence and their families. Strong connection to the funding priority. Program promotes independence through continuum of housing opportunities.
YWCA Pierce County	DV Shelter	Housing Stabilization Services	90	\$30,000.00	\$0	\$20,000	Emergency shelter for survivors of intimate partner abuse. Strong connection to funding priority. Program effectiveness well supported with data. Weak documentation of local need; emphasis on national statistics. Community partnerships could be stronger.

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2014-15 Community Development Block Grant Public Service Recommendations - REVISED

Agency	Program	Funding Priority	Total Application Score	Amount Requested	2013-14 Allocation*	2014-15 Allocation	Comments
New Phoebe House Association	New Phoebe House Association	Housing Stabilization Services	89	\$31,000.00		\$20,000	Transitional housing and supportive services for chemically dependent women with children who are either in foster care or at risk of removal from the parent's custody. Strong connection to funding priority. Program serves a unique population. Strong community partnerships. Weak past performance in the area of reporting and billing.
Salvation Army, Tacoma	Jarvie Family Emergency Housing Center	Housing Stabilization Services	89	\$52,000.00	\$0	\$20,000	Emergency housing and supportive services for families and single women. Makes a connection to funding priority. Program is making improvements with reporting requirements and collaboration with other agencies/community partners.
VADIS	FLASH	Economic Stabilization Services	88	\$20,000.00	\$0	\$20,000	Workforce training and life skills for youth exiting homelessness. Makes a connection to funding priority. Difficult population to serve effectively. Program shows good capacity for OBE.
Korean Women's Association	SE Asian Emergency Services	Housing Stabilization Services	87	\$40,000.00	\$0	\$0	Case management and intervention services for low-income SE Asian families in crisis. Makes a connection to funding priority. Strong emphasis on cultural competency. Lacks strong partnerships. Lacks emphasis on prevention. Hours of service per client low as stated on application.

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2014-15 Community Development Block Grant Public Service Recommendations - REVISED

Agency	Program	Funding Priority	Total Application Score	Amount Requested	2013-14 Allocation*	2014-15 Allocation	Comments
LASA	Housing for Homeless Families	Housing Stabilization Services	87	\$30,000.00	\$0	\$0	Transitional housing and rapid re-housing for homeless families with children. Makes a connection to funding priority. Serves a high risk, difficult to serve population. Concerns about the financial status of the agency. Unclear as to current involvement in systems change. Strength based services not clear.
WWEE	REACH Plus	Economic Stabilization Services	87	\$26,262.00	\$26,262	\$0	Job training and skill-building program designed to move individuals from welfare to living-wage work. Makes a connection to strategic priority. Emphasis on career path rather than job placement. Strong community partnerships and system impact. Did not make a strong case for local community need.
YWCA Pierce County	Legal Services Program	Economic Stabilization Services	87	\$30,000.00	\$23,200	\$0	Free legal assistance for survivors of domestic violence. Makes a connection to funding priority. Economic stability assistance limited to obtaining spousal and child support.
Pierce County AIDS Foundation	Housing Options	Housing Stabilization Services	85	\$26,500.00	\$0	\$0	Housing for low-income individuals living with HIV or AIDS. Makes a connection to funding priority. Serves unique and underserved population. Budget unclear. Weak response to neighborhood engagement.

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2014-15 Community Development Block Grant Public Service Recommendations - REVISED

Agency	Program	Funding Priority	Total Application Score	Amount Requested	2013-14 Allocation*	2014-15 Allocation	Comments
Shared Housing Services	Home Share Program	Housing Stabilization Services	84	\$56,500.00	\$0	\$0	Home share program which matches low-income individuals in need of housing with homeowners who need extra income or assistance with chores and activities of daily living. Makes a connection to funding priority. Strength in uniqueness of program's solution to homelessness. Unclear how clients are moved to self-sufficiency. Services appear limited.
Tacoma Community House	REACH	Youth Emergency Stabilization Services	84	\$36,000.00	\$0	\$0	Education, career, employment and positive youth development services for youth ages 16-24. Strong connection to funding priority. Strong connection to community need. Strength in partnership with Housing for Success. Strong demonstration of unique services for target population. Unclear what "other" costs in budget are.
Metropolitan Development Council	Landlord Liaison Project	Housing Stabilization Services	83	\$50,000.00	\$0	\$0	Housing assistance to connect homeless families to affordable housing; includes outreach/negotiation with public & private landlords to create stock of low income rental units. Makes a connection to funding priority. Weak OBE. 2013-14 program budget expenses exceed revenue.

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2014-15 Community Development Block Grant Public Service Recommendations - REVISED

Agency	Program	Funding Priority	Total Application Score	Amount Requested	2013-14 Allocation*	2014-15 Allocation	Comments
Camp Fire Orca	Teen Outreach Program	Youth Emergency Stabilization Services	82	\$35,000.00		\$0	Outreach to homeless youth. Makes a connection to funding priority. Program does not demonstrate effectiveness. Application does not reflect partnerships with other agencies serving homeless youth. Weak prevention component. Concern that 2013-14 expenses exceed revenue.
Associated Ministries	Foreclosure Counseling Service	Housing Stabilization Services	81	\$22,370.96	\$0	\$0	Financial counseling program that helps low-income homeowners avoid foreclosure and/or mitigates the impact of foreclosure on their ability to remain housed and financially stable. Makes a strong case for community need. Strong participation in system impact efforts. Weak connection to funding priority. Budget lacks evidence of financial diversity.
Centerforce	Food Service Education & Training Program for Adults with Disabilities	Economic Stabilization Services	81	\$30,000.00	\$0	\$0	Vocational training in food service industry for adults with disabilities. Makes a connection to funding priority. Concerns that infrastructure (Kitchen, Equip, etc.) is not currently in place to support programming. Does not demonstrate capacity to conduct OBE. Does not appear to participate in local planning/system change. Neighborhood engagement does not reflect potential impact of food service truck in the community.

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2014-15 Community Development Block Grant Public Service Recommendations - REVISED

Agency	Program	Funding Priority	Total Application Score	Amount Requested	2013-14 Allocation*	2014-15 Allocation	Comments
Pierce County Housing Authority	Ready to Rent	Housing Stabilization Services	73	\$21,000.00	\$0	\$0	Renter education for low-income Pierce County residents with barriers to permanent and stable housing. Makes a connection to funding priority. Unclear how program can provide tailored services with a set curriculum. Did not make a strong case for local community need.
Tacoma Community House	Crash Course to Employment	Economic Stabilization Services	72	\$86,248.00	\$0	\$0	Job readiness classes for low-income unemployed persons. Makes a connection to funding priority. Numerous inconsistencies in budget that make it difficult to determine if program is solvent. Program has limited training in motivational interviewing and does not state other similar techniques used. Application does not demonstrate strong capacity for Outcome Based Evaluation.
South Sound Outreach	SAFE Program	Economic Stabilization Services	71	\$21,510.00	\$0	\$0	Broad range of services designed to move vulnerable populations (seniors, disabled, homeless, low-income) towards economic self-sufficiency. Weak connection to funding priority. Budget shows mismatch between revenue and expenditures. (Revenue exceeds expenditures). Application lacked direct responses to questions and had multiple typo errors.
				\$1,081,215.96		\$335,144	

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**2014-15 Community Development Block Grant Economic Development Opportunities
Recommendations HOME Consortium Funds
Allocation - REVISED**

USES OF CDBG FUNDS FOR ECONOMIC DEVELOPMENT OPPORTUNITIES		
	March 18th Proposed Amounts	HUD Actual Amounts
Available CDBG 2014-15	\$ 239,734	#REF!
Reallocation:	\$ 95,591	#REF!
Total Amount Available	<u>\$ 335,325</u>	<u>#REF!</u>
Econ. Dev. Activity Requests		
William Factory SBI - Micro Enterprise Pgm	\$ 170,720	\$ 168,960
Metropolitan Development Council - Tacoma Entrepren. Assist. Program	\$ 96,705	\$ 95,708
Tacoma CED & Chamber of Commerce - Spaceworks	\$ 67,900	\$ 67,200
Total Uses of CDBG 2014-15	<u>\$ 335,325</u>	<u>\$ 331,868</u>

USE OF CDBG FOR HOUSING OPPORTUNITIES		
	March 18th Proposed Amounts	HUD Actual Amounts
Program Activities and Staff Costs	<u>\$ 776,047</u>	<u>\$ 760,748</u>

AVAILABLE HOME 2014-15		
	March 18th Proposed Amounts	HUD Actual Amounts
Total Amount Available	<u>\$ 1,057,346</u>	<u>\$ 1,074,335</u>
Tacoma Housing Activities	\$ 742,257	\$ 754,183
Lakewood Housing Activities	\$ 209,354	\$ 212,718
Administration	\$ 105,734	\$ 107,434
Total uses of HOME 2014-15	<u>\$ 1,057,345</u>	<u>\$ 1,074,335</u>

2014-15 Emergency Solutions Grant Funding Recommendations - REVISED

Agency	Program	Funding Priority	Final Application Score	Amount Requested	2013-14 Allocation*	2014-15 Allocation	Comments
Emergency Shelter							
YWCA Pierce County	DV Shelter	Emergency Shelter	94	\$30,000	\$20,000	\$25,360	Emergency shelter for domestic violence victims and their children. Strong connection to funding priority. Strong responses to application questions. Wide array of partnerships. Program effectiveness in service delivery and administration supported by data.
Catholic Community Services	Phoenix Housing Network	Emergency Shelter	93	\$30,000	\$20,000	\$20,000	Emergency shelter for families with children. Strong connection to funding priority. Continued innovative involvement of churches in providing overnight sleeping accommodations. Board leadership and staff does not reflect the diversity of the population served.
Catholic Community Services	HAS Supportive Services	Emergency Shelter	87	\$30,000	\$20,000	\$20,000	Emergency shelter for individual adults (men and women). Strong connection to funding priority. Community need for the program supported by data. Program serves high-barrier, high-need clients. Service delivery model regarding self-sufficiency appears weak.
The Rescue Mission	Emergency Services	Emergency Shelter	87	\$75,000	\$20,000	\$20,000	Emergency shelter for men. Strong connection to funding priority. Program takes innovative and effective approach to self-sufficiency. Program has made progress in serving LGBT population; however, governance board lacks cultural, ethnic, and gender diversity.
Salvation Army	Jarvie Family Emergency Housing Center	Emergency Shelter	85	\$43,000	\$0	\$20,000	Emergency shelter for families with children and single women. Strong connection to funding priority. Admission to services is contingent on passing drug screen; review panel expressed concerns regarding potential conflict with Fair Housing laws. Staff is not trained in motivational interviewing techniques.
Total-Emergency Shelter				\$208,000		\$105,360	

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2014-15 Emergency Solutions Grant Funding Recommendations - REVISED

Agency	Program	Funding Priority	Final Application Acore	Amount Requested	2013-14 Allocation*	2014-15 Allocation	Comments
Street Outreach							
South Sound Outreach	Project Homeless Connect	Street Outreach	84	\$39,500	\$0	\$0	<p>Outreach and coordination for local quarterly event designed to provide free health/human services to homeless persons in an accessible location.</p> <p>Weak/questionable connection to funding priority due to HUD requirement to engage and serve only unsheltered individuals. Program serves anyone who shows up at the event, including homeless persons who are sheltered and persons at risk of homelessness. Cash revenue sources lack diversification; strong in-kind funding.</p>
Total-Street Outreach				\$39,500		\$0	
Rapid Re-housing							
WWEE	Housing Bridges to Self-Sufficiency	Rapid Re-housing	92	\$46,580	\$26,580	\$25,359	<p>Rapid re-housing services for families and individuals. Strong connection to funding priority. Strong focus on providing participant-driven services and meeting clients' psycho-social needs. Ethnic and cultural composition of board does not reflect the diversity of the clients served.</p>
Exodus Housing	Rapid Re-housing DV	Rapid Re-housing	87	\$40,000	\$20,000	\$20,000	<p>Rapid re-housing services for domestic violence victims and their families. Strong connection to funding priority. Program is unique in connecting domestic violence victims to permanent housing. Application does not adequately address ethnic and cultural composition of staff and board, nor does it adequately address access for disabled persons.</p>

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