

## SUMMARY and FISCAL NOTE\*

<b>Department:</b>	<b>Dept. Contact:</b>	<b>CBO Contact:</b>
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*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

### **1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to funding for housing and community development programs; adopting the 2024-2028 Consolidated Plan for Housing and Community Development (“Plan”) and authorizing its submission to the United States Department of Housing and Urban Development (HUD).

**Summary and Background of the Legislation:**

This legislation adopts the 2024-2028 Consolidated Plan for Housing and Community Development and the 2024 Draft Annual Action Plan and authorizes submittal to the US Department of Housing and Urban Development (HUD). The Consolidated Plan brings together the principal housing and community development planning documents, informs HUD about the City’s strategies for using the City’s annual allocation of funds from four HUD programs over the five-year period covered by the Plan and provides a draft allocation plan for 2024’s anticipated HUD entitlement funds. Funds are used to provide services, housing, and facilities to people experiencing homelessness, low- and moderate-income persons, businesses, and neighborhoods. The legislation authorizes the acceptance of these funds.

To receive the annual allocations, anticipated to be \$17.7M in 2024, jurisdictions must submit a Consolidated Plan, which describes the policies governing the City’s use of these funds, and an annual allocation plan which identifies the specific uses of the funds for a particular program year. Funds are allocated to the Human Services Department, Office of Housing, Office of Economic Development, Office of Immigrant and Refugee Affairs, the Department of Parks and Recreation and the Office of Planning and Community Development to fund core services and support activities, such as homeless shelters, preservation and development of affordable housing, homelessness and affordable housing planning and research, investments in community, and economic development to support small businesses and microenterprises, job training and creation, and park improvements.

### **2. CAPITAL IMPROVEMENT PROGRAM**

**Does this legislation create, fund, or amend a CIP Project?**                    \_\_\_ Yes  X  No

### **3. SUMMARY OF FINANCIAL IMPLICATIONS**

**Does this legislation amend the Adopted Budget?**                                    \_\_\_ Yes  X  No

**Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?**

No.

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

Not implementing this legislation will cause the City to forgo approximately \$80 million in entitlement grant funds in federal assistance and potential program income over the five-year period of the Consolidated Plan. Funding supports services and community development activities for low- and moderate-income persons in Seattle. The City would be faced with reducing or eliminating services and/or using General Fund to provide the services.

#### **4. OTHER IMPLICATIONS**

**a. Does this legislation affect any departments besides the originating department?**

Yes, other departments receive an allocation from one or more of these funds for program operations. The other departments affected by this legislation are:

- Office of Housing
- Office of Economic Development
- Seattle Parks and Recreation
- Office of Immigrant and Refugee Affairs
- Office of Planning and Community Development

**b. Is a public hearing required for this legislation?**

Yes, a hearing before the Public Safety & Human Services Committee is expected on September 26, 2023.

**c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

Yes, publication is required in *The Daily Journal of Commerce*. HSD staff will send the public hearing notice to the DJC in time to provide 15-day advance notice.

**d. Does this legislation affect a piece of property?**

No.

**e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**

Programs and activities supported by these funds are specifically intended to benefit low- and moderate-income and homeless persons and families. These persons and families are disproportionately underserved and from communities of color. HSD will work with the City of Seattle's Office of Immigrant and Refugee Affairs' Language Access initiative to provide for requested translations of documents.

**f. Climate Change Implications**

**1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

To the extent that capital facilities construction/acquisition/rehab projects receive funding that emissions associated with building and/or expansion of real properties could occur.

**2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

Federal grant funds have historically served homeless and vulnerable populations with a variety of services, including during the pandemic and heat waves to address sheltering people from the impact of such events. HUD requires grantees to address climate change and resiliency issues as part of the development of a Consolidated Plan.

**g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**

Most programs are on-going from 2023 and must meet the HUD requirements of serving low- and moderate-income individuals and households to provide for low-income housing and services, support economic development activities, fund public facilities improvements, and a wide range of public services (including for the City primary emphasis on assisting people with lived experience of homelessness). However, in 2024, Mayor Harrell has announced an initiative to support one or more capital facilities projects, intended to address the opioid/fentanyl crisis in Seattle. This is in concert with other coordinated efforts to address the needs of people who have overdosed and are in crisis from this urgent public health issue. The plan to reallocate up to \$7 million in prior year CDBG funds to this initiative is reflected in the draft 2024 Annual Action Plan, included in the 2024-2028 Consolidated Plan adopted by this legislation.