

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</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 Annual Action Plan updates to the 2018 – 2022 Consolidated Plan for Housing and Community Development; authorizing submission of the Annual Action Plans to the United States Department of Housing and Urban Development (HUD); authorizing acceptance of grant funds from HUD for programs and activities included in the 2019 and 2021 Annual Action Plans; amending Ordinance 126237, which adopted the 2021 Budget, by modifying appropriations to various departments and budget control levels in the 2021 Adopted Budget; and ratifying and confirming certain prior acts.

**Summary and background of the Legislation:** This legislation adopts the 2021 Annual Action Plan (AAP) of the 2018-2022 Consolidated Plan and substantial amendments to The City of Seattle 2019 and 2020 AAPs and authorizes their submittal to the US Department of Housing and Urban Development (HUD).

The Annual Action Plans for the 2018 – 2022 Consolidated Plan for Housing and Community Development govern the use of the City’s annual allocation of funds from several programs in HUD: Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), Housing Opportunities for Persons With Aids (HOPWA) and the HOME Investments Partnership (HOME). These grants are used to provide services, housing, and facilities to low- and moderate-income persons, businesses and neighborhoods.

HUD issued its annual allocations to the City for these programs on 02/25/2021. These allocations differ from the estimated allocations that were included in the 2021 Adopted Budget; the net difference from the Adopted Budget is shown below. This legislation authorizes the acceptance of funds for these programs allocated for the 2021 program year and described in the 2021 Annual Action Plan.

<b>Revenue Source</b>	<b>2021 Adopted Budget</b>	<b>2021 Actual Allocation</b>	<b>2021 Annual Allocation Plan Difference</b>
Community Development Block Grant (CDBG)	\$9,588,335	\$9,395,488	<b>\$(192,847)</b>
HOME Investment Partnership (HOME)	\$3,390,613	\$3,371,865	<b>\$(18,748)</b>
Emergency Solutions Grant (ESG)	\$820,644	\$817,674	<b>\$(2,970)</b>

Housing Opportunities for Persons with AIDS (HOPWA)	\$2,929,601	\$3,150,304	\$220,703
<b>2021 Allocation</b>	<b>\$16,729,193</b>	<b>\$16,735,331</b>	<b>\$6,138</b>

HSD has published the 2021 AAP for public comment twice, one in late 2020 on the draft of the 2021 AAP, prior to confirmation of final allocations, and a second 30-day comment period ending April 28th, 2021, incorporating the final allocations of funds. A public hearing on the draft was held virtually on December 9<sup>th</sup> 2020.

This legislation also adopts substantial amendment to two former AAPs:

- 1) The 2019 Annual Action Plan reflects the receipt of an additional \$5,850,084 in federal funding for the CDBG program through the CARES Act (Public Law 116-136).
- 2) A substantial amendment to the 2020 Annual Action Plan reflects a budget reconciliation process which occurred after submission of the Plan to HUD, as the City pivoted to respond to the COVID-19 pandemic. These changes reflect the increasing needs for intervention for people experiencing homelessness and maximizing the support for small businesses impacted by COVID-19 who have been unable to access other resources. Allocations have been dealt with in CBA CBO 002 A 001, ordinance 126211 and ordinance 126211.

The substantial amendments were posted for public comment for a 30-day period ending 4/17/2021.

A public hearing covering all three items will be held April 20<sup>th</sup> 2021. Public hearings are conducted virtually to avoid public gatherings in accordance with the Governor’s Proclamation.

This legislation satisfies Governor’s Proclamation 20-28 as a necessary and routine part of the annual application to HUD for use in specific projects of the federal grant funds governed by the 2018-2022 Consolidated Plan.

**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? X Yes \_\_\_ No

Appropriation change (\$):	General Fund \$		Other \$	
	2020	2021	2020	2021
	-	-	-	\$6,138
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2020	2021	2020	2021

	-	-	-	\$6,138
<b>Positions affected:</b>	<b>No. of Positions</b>		<b>Total FTE Change</b>	
	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>
	-	-	-	0

**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.

**Is there financial cost or other impacts of *not* implementing the legislation?**

Not implementing this legislation will cause the City to forgo approximately \$22.4 million in federal assistance that 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.

**3.a. Appropriations**

**X** This legislation adds, changes, or deletes appropriations.

<b>Fund Name and number</b>	<b>Dept</b>	<b>Budget Control Level Name/#*</b>	<b>2021 Appropriation Change</b>	<b>2022 Estimated Appropriation Change</b>
Human Services Fund (16200)	HSD	(BO-HS-H3000) - Addressing Homelessness	\$131,632	
Low-income Housing Fund (16400)	OH	(BO-OH-HU-3000) - Multifamily Housing	(\$18,748)	
Human Services Fund (16200)	HSD	(HSD - BO-HS-H1000) - Supporting Affordability and Livability	(\$106,746)	
<b>TOTAL</b>			<b>\$6,138</b>	

\*See budget book to obtain the appropriate Budget Control Level for your department.

**Is this change one-time or ongoing?**  
One-time.

### 3.b. Revenues/Reimbursements

X This legislation adds, changes, or deletes revenues or reimbursements.

#### Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2021 Revenue	2022 Estimated Revenue
		HUD Federal Funds	\$6,138	
<b>TOTAL</b>			<b>\$6,138</b>	

Is this change one-time or ongoing?

One-time

### 4. OTHER IMPLICATIONS

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

This legislation adopts specific plans for use of Federal Funds into law. This affects the following departments: Human Services Department, Office of Housing, Office of Economic Development, Office of Immigrant and Refugee Affairs, Office of Planning and Community Development, Park Department

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

Yes.

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

Yes. Notice was published in the Daily Journal of Commerce on 3/19 for the two Substantial Amendments, and on 3/29 for the 2021 Annual Action Plan. Comments will be accepted for 30 days as required by Federal regulation.

**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. Economic and community development activities will specifically target historically disadvantaged neighborhoods and business districts and are described in more detail in the budget chapters of each of the departments.

**f. Climate Change Implications**

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

No.

**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.**

No.

**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).**

N/A

**List attachments/exhibits below:**