

**CITY COUNCIL AGENDA ITEM**

CITY OF SHORELINE, WASHINGTON

**AGENDA TITLE:** Public Hearing and Adoption of the 2012 Human Services Funding Plan and the Proposed Use of 2012 Community Development Block Grant Funds and Authorizing the City Manager to Sign the Contracts to Implement Approved Programs and Projects

**DEPARTMENT:** Community Services Division

**PRESENTED BY:** Rob Beem, Community Services Manager

**ACTION:** ☐ Ordinance ☐ Resolution ☒ Motion ☒ Public Hearing  
☐ Discussion

**PROBLEM/ISSUE STATEMENT:**

Shoreline assists agencies' efforts to meet the human service needs of its residents through financial support using City General Fund dollars and Federal Community Development Block Grant (CDBG) funds. Staff anticipates that the total 2012 service and capital funding from both sources (General Fund and CDBG) will be \$644,896. Funding for services to agencies (both General Fund and CDBG) are allocated through a biennial Human Services Allocation Plan; capital project funds are allocated annually. In practice this means agencies apply once every two years for service funds and annually for capital funds. The City Council adopted the City's 2011-2012 Human Service Allocation Plan on July 26, 2010. The City Manager is forwarding her recommended 2012 Human Services Allocation Plan (HS Plan) for Council's review and adoption. The plan provides level funding for the second year of the 2011-2012 biennial cycle for 14 agencies delivering 25 services, as previously adopted in the HS Plan, and new 2012 CDBG capital funding for two projects.

Although this is a two-year allocation plan, each year the City must affirm the underlying funding. The General Fund support is appropriated in the City's annual budget. The Community Development Block Grant portion is allocated in the proposed action this evening. Federal rules call for the City to hold a public hearing and adopt the Human Service Plan's proposed use of CDBG funding each year. In 2012, staff projects that the City's CDBG grant will total \$332,578. The CDBG grant is proposed to be allocated as follows:

<b>CDBG Category</b>	<b>2012</b>
<b>Public Services</b>	
Housing Stability Project (5%)*	\$16,629
Human Service Agency Funding	\$33,257
<b>King County Major Home Repair (25%) *</b>	<b>\$83,145</b>
<b>Capital projects</b>	
Continuing Project: Minor Home Repair	\$76,381
New Acquisition Projects	\$50,000
Capital Project Administration (2%)*	\$6,652

<b>CDBG Category</b>	<b>2012</b>
<b>Program Administration and Planning</b>	
King County (10%)*	\$33,257
City of Shoreline	\$33,257
<b>Total CDBG Funding</b>	<b>\$332,578</b>
*Percentage set in the Interlocal Agreement	

The City's CDBG capital allocation must be submitted to King County by September 26, 2011, in order to be incorporated into their process for submission to the federal government.

### **INTRODUCTION**

Each year, the Council must hold a public hearing on the proposed use of Community Development Block Grant (CDBG) and take action to adopt the allocation. CDBG funding is proposed to be used for planning and administration, housing repair, public services and capital projects.

### **BACKGROUND**

To develop the 2012 plan, agencies submitted applications for capital funding, which were reviewed by staff and an ad-hoc Human Services Allocations Committee. The committee then provided the City Manager with its recommendation for specific funding allocations for capital projects. The services portion of the biennial Human Services Funding Plan, adopted on July 26, 2010 by the Council for 2011, will continue for 2012 with no changes in the agencies funded or the amounts (see Attachment C for a list of the 25 programs funded). For a description of the 2012 Capital Funding Plan see Attachment B.

#### **Total 2012 Projected CDBG Funding: \$332,578**

Staff projects that the City's CDBG grant for the Federal Fiscal Year 2012 will be \$332,578. This projection assumes a reduction below the 2011 funding level of \$362,147. Funding for all federal programs is currently at risk and subject to significant changes and reductions. Staff has developed a contingency plan in Attachment A that speaks to the possibility of further reductions.

The CDBG inter-local agreement between King County and the City of Shoreline specifies percentages of funding automatically allocated to the Housing Stability Project (eviction prevention) and King County Home Repair Program, County administration and planning and capital project administration. Funds the City has the authority to allocate include \$33,257 in human services funds, \$126,381 in capital funds and \$33,257 for City planning and administration. The following chart specifies how the full amount of CDBG revenue is divided among the four categories.

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<b>Total CDBG Funding</b>	<b>\$332,578</b>
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### **The Process**

Notice of availability of capital project funding was sent to a list of contacts and to non-profit housing developers and posted on the City's web site. Legal notice was published in the paper of record, the Seattle Times, on March 14, 2011. Notice of availability of funds was also published on the City website. Seven applications were received totaling \$332,298.

The City Manager convened an Ad-hoc Allocations Committee (Attachment D), which was recruited to review and make recommendations on capital projects to be funded. In completing their work, the Ad-hoc Committee relied on guidance from the updated Human Services Plan for the City of Shoreline and the City's Comprehensive Housing Strategy. The Committee met in June 2011 to review and recommend the capital projects for 2012.

### **2012 Public Services**

This recommendation continues our practice of allocating the maximum amount allowed to support Public Services: \$33,257. The 2011-2012 Human Services Funding Plan, see Attachment C, provides funding for 25 separate programs. Funding for these programs includes both General Funds and CDBG Funds. In order to achieve greater administrative efficiency, the CDBG Public Services funds are used to support just one program, the Shoreline/Lake Forest Park Senior Center. The balance of the agency's \$95,708 budget is funded from the City's General Fund.

### **2012 Capital Projects**

The City received seven applications seeking to use CDBG capital funding. Two were for projects that the City has a long history of supporting: minor home repair and sidewalk accessibility. Three applications were received seeking support to acquire homes for low income- disabled adults. Two of these applications came from Inland Empire Residential Resources and one from PROVAIL. Each of these organizations has a track record in Shoreline that indicates they are able to complete and manage this type of project. PROVAIL also sought funds to assist in the development of a Traumatic Brain Injury Day Center in Shoreline. Finally, SustainableWorks sought funding to establish a pilot program that would dramatically reduce costs for low income homeowners to make energy efficiency improvements to their homes.

Subsequent to the Ad Hoc Committee's work PROVAIL and Inland Empire Residential Resources withdrew the three housing applications. PROVAIL and Inland Empire Residential Resources each submitted pre-applications to King County for housing development funds. This is a necessary first step in King County's housing funding

process. None of the three projects were invited to continue with full applications. King County was identified as a major source of support for each of the projects and without the prospect of this funding the project sponsors chose not to proceed at this time.

The Ad Hoc Committee recommended that capital funding be allocated in three general areas: minor home repair, support for non-profit housing and community facilities and the sidewalk accessibility program. Minor Home Repair has a successful track record of serving Shoreline's elderly and disabled homeowners. In the past year demand exceeded the capacity of the City's available CDBG funding. The Committee relied on past practice to recommend allocating small amounts of funding to each of the four non-profit applications as a way to show the City's support for each and to boost these projects' chances of receiving funding from King County and State of Washington. Their recommendation to the City Manager included \$5,000 each for all four of these non-profit sponsored projects. Finally, following the City's adopted 2012-2017 Capital Improvement Program's guidance, the Committee recommended continued funding for the sidewalk accessibility program at budgeted levels.

After the conclusion of the Ad Hoc Advisory Committee's work, new information came to light. Three housing proposals were withdrawn as they were not invited to continue with other funding processes. During the comment period PROVAIL indicated that the level of funding for the Shoreline TBI Center (\$5,000), while demonstrating local support and acceptance, was not a strong enough message to other funders of the City's support. Staff also learned that this project is on a fast track. PROVAIL anticipates implementing this project before the next funding round in mid-2012. As such the process of accumulating small amounts of funding from multiple sources locally will not provide the timely boost to the project sought by the City. PROVAIL informed the City that they no longer have an option on the Shoreline site identified in the application. They have expanded their search for property beyond Shoreline to include, at this point in time, locations in the City of Seattle. Even though this is the case, it is anticipated that the TBI center will support Shoreline residents who are in need of this service. Although Shoreline CDBG funding can be used on a facility located outside the City (within certain federal constraints), our priority is to support activities that benefit Shoreline residents.

As a result of the various changes, staff recommends an allocation of \$50,000 for the PROVAIL Shoreline TBI Center, which matches their original request. This funding is contingent upon the site either being in Shoreline or at a location which provides the same level of access and benefit to Shoreline residents. This recommendation is made, in large part, on the assurances that this project will be implemented swiftly. Accordingly, the funds must be under contract with King County and an approved site must be secured by December 31, 2012. If either of these conditions cannot be met, additional funds will be allocated to the Shoreline Sidewalk Accessibility Program. This is consistent with the Ad Hoc Committee's recommendation on use of CDBG funds. With the limited funds available the City is not able to fund the SustainableWorks application.

### **ALTERNATIVES ANALYZED**

After holding a public hearing on the proposed 2012 CDBG Plan, Council has two alternatives to consider:

1. Council could approve the 2012 CDBG Plan for services and capital projects as recommended and authorize the City Manager to take the actions necessary to implement these spending objectives. (Recommended)
2. Council could make changes to the recommended spending plan in response to public testimony or to reflect a change in Council policy objectives.

### **RESOURCE/FINANCIAL IMPACT**

The CDBG Human Services Allocation Plan anticipates that the City of Shoreline will have \$332,578 to allocate to human services and capital projects in 2012.

### **RECOMMENDATION**

After holding a public hearing, staff recommends that Council adopt the 2012 Community Development Block Grant Plan in accordance with Attachments A 2011- 2012 Human Service Funding and Contingency Plan and in accordance with Attachment B, 2012 Human Service Allocation Plan for Capital Projects and authorize the City Manager to enter into agreements for implementing the funded projects.

Approved by: City Manager  City Attorney 

### **ATTACHMENTS**

Attachment A: 2011-2012 CDBG Funding and Contingency Plan

Attachment B: List of Capital Projects Recommended for Funding

Attachment C: List of Human Service Agencies funded for services, 2011-12

Attachment D: List of Ad-hoc Allocation Committee Members

Attachment E: Process Timeline

## ATTACHMENT A

### 2011-2012 CDBG Funding and Contingency Plan

CDBG Category	2011 Actual	2012 Estimate
<b>Public Services</b>		
The Housing Stability Project	\$18,107	\$16,629
City Defined Agency Funding (Shoreline/LFP Senior Center)	\$36,215	\$33,257
<b>King County Major Home Repair</b>	\$90,537	\$83,145
<b>Capital Projects</b>		
Minor Home Repair – Senior Services	\$70,000	\$76,381
PROVAIL Shoreline TBI Center		\$50,000
Sidewalk Accessibility (Curb Ramps)	\$67,616	
Capital Project Administration	\$ 7,243	\$6,652
<b>Program Administration and Planning</b>		
King County	\$36,215	\$33,257
City of Shoreline	\$36,215	\$33,257
<b>Total Estimated CDBG Funding</b>	<b>\$362,148</b>	<b>\$332,578</b>

### 2012 CDBG Funding Contingency Plan

CDBG Funds projected for 2012 are an estimate and likely to be different given the uncertainty in the federal budget process. Shoreline must adopt a contingency plan to address increases or decreases of more than 10% of the estimated amount. In addition, if an applicant declines funds or is unable to secure the balance of funds needed in a timely manner, the contingency plan will expedite reallocating funds.

1. If additional funding becomes available:

#### **Public Services:**

In the event CDBG Public Service funds are increased in 2012, the additional funds will be provided to the Shoreline/Lake Forest Park Senior Center.

#### **Capital Projects**

If additional capital funding becomes available, it will be allocated to sidewalk accessibility projects and minor home repair, divided equally.

#### **Planning and Administration**

If additional CDBG Planning and Administration funds become available to the City in 2012, it is recommended the city use these funds for planning and administrative purposes.

## ATTACHMENT B

### List of Projects and Amount Recommended for 2012 funding

1. PROVAIL Traumatic Brain Center: \$50,000

The project proposes to acquire an existing building to be converted into a day treatment/drop in center for persons with Traumatic Brain Injuries. The Center will serve 55-85 participants a day. City funds would be used for remodeling and developer fee.

2. Minor Home Repair: \$76,381

A continuing project funded since 2005. The vendor, Senior Services, provides carpentry, electrical and plumbing repairs to income qualified households. In 2010, the program served 52 households and completed 176 jobs. In 2010, the program fully expended its funding before the end of the year and had to establish a waiting list.

3. Sidewalk Accessibility Improvements (Contingency for Unspent Funds from Other Projects):

The goal of this project is to install wheelchair ramps and replace impassable sidewalks to help improve pedestrian mobility throughout the city for seniors and disabled persons.

### Not Recommended For Funding

1. IERR Shoreline Home 1: Withdrawn

City funds would be used to acquire a single family residence to be converted into a residence for four very low income developmentally disabled residents.

2. IERR SOLA home: Withdrawn

City funds would be used to acquire a single family residence to be converted into a residence for three very low income developmentally disabled residents. Tenants would receive 24 hour care provided by State Operated Living Alternatives (SOLA) funded by Washington State Developmental Disabilities Division.

3. PROVAIL TBI Home 1: Withdrawn

City funds would be used to acquire land and /or an existing property to be developed into an 8 bedroom board and care facility for very low income individuals with traumatic brain injury, including veterans.

4. Sustainable Works: \$102,398

Request to fund home energy efficiency assessments and upgrades targeted to low and moderate income households.

2. If funding is less than anticipated and reductions are necessary:

### **Public Services**

In the event CDBG Public Services Funds are reduced in 2012, the City will use maximum allowable funding to support programs in the 2011-2012 Human Services Plan.

### **Capital Projects for 2012**

If funding is reduced, the first \$20,000 of reduction will be made to the Shoreline TBI Center. Should the reduction be greater than this; the amount over \$20,000 it will be shared equally among Minor Home Repair and the Shoreline TBI Center. In the event that the Shoreline TBI Center fails to either secure a site in Shoreline or a site outside Shoreline that provides equivalent benefit to Shoreline residents by 12/31/2012 or has not contracted for these funds with King County by 12/31/2012 the funding will be used to support the Shoreline Sidewalk Accessibility Program.

### **Planning and Administration**

If funding is reduced in CDBG Planning and Administration, it is recommended that the City reduce the amount to be used for planning and administration purposes.



# ATTACHMENT C

## 2011-2012 Human Service Allocation Plan for Services

Programs	2011		2012
Catholic Community Services/ Volunteer Chore	3,728.00		3,728.00
Child Care Resources /Resource and Referral	4,958.00		4,958.00
Children's Response Center	5,082.00		5,082.00
CHS-Family Counseling	47,722.00		47,722.00
CHS-Shoreline and Ballinger Homes Family Support	63,042.00		63,042.00
CHS-Substance Abuse	11,000.00		11,000.00
Health Point – Medical	4,958.00		4,958.00
Crisis Clinic/ 24 –Hour Crisis Line	3,830.00		3,830.00
Crisis Clinic/2-1-1 Community Info Line	3,470.00		3,470.00
Crisis Clinic/Teen Link	4,958.00		4,958.00
Food Lifeline	5,000.00		5,000.00
FOY Healthy Start	9,876.00		9,876.00
HomeStep	4,598.00		4,598.00
Hopelink/ Adult Literacy	3,000.00		3,000.00
Hopelink/ Emergency Shelter & Trans. Housing	7,208.00		7,208.00
Hopelink/ Family Development Program	7,500.00		7,500.00
Hopelink/Emergency Food Services	4,958.00		4,958.00
Hopelink/Emergency Services	23,798.00		23,798.00
KSARC/Comprehensive Sexual Assault Service	5,206.00		5,206.00
Senior Services – Community Dining	2,975.00		2,975.00
Senior Services – Meals On Wheels	4,958.00		4,958.00
Senior Services – Shoreline/LFP Senior Center	95,708.00		95,708.00
Senior Services – Volunteer Transportation	3,728.00		3,728.00
Wonderland Development Center	4,958.00		4,958.00
Refugee Women's Alliance	9,762.00		9,762.00
<b>Total Existing Services</b>	<b>345,981.00</b>		<b>345,981.00</b>

ATTACHMENT D
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**Members of 2012 Human Services Ad-hoc Allocation Committee**

**Barbara Morrison**, retired high school teacher and tutor at SCC. Previous member of Human Services Planning Committee but new to Allocation Committee.

**Ruben Rivera-Jackman**, King County Housing Authority administrator and previous member of Human Services Planning Committee.

**Gary Kingsbury**, member King County Veterans Advisory Board, previously active with Vision House and previous member of Allocation Committee. Gary heads the senior ministry for Union Gospel Mission.

**Dina O'Leary**, hospital contracts administrator and previous member of the Allocation Committee.

**Linda Rutkowski**, retired contract and grant officer for University of California and active with Vision House. New to committee.

**Sharon Jodock-King**, advocate for disabled, previously on Allocation and Shoreline Beautification Committees.

**Edie Loyer Nelson**, member King County Human Services Advisory Board, active with Duwamish Tribe particularly around foster care issues and previous member of Allocation Committee.

## ATTACHMENT E

### Process Timeline

March 9: Availability of capital funds posted on the City website. Notice of funds availability printed in newspaper of record, Seattle Times.

March 11: Email notice is sent to interested persons list notifying of capital grant process.

April 4: Recruitment of Ad-hoc Committee Members began with an email to all former committee members and a posting on Committee website requesting return applications by April 29.

May 20: Applications due to City of Shoreline. Two applications received: Minor Home Repair and Sustainable Works.

May 25<sup>th</sup>: Application due date extended to June 8 and non-profit housing developers sent email notice of extension.

June 8<sup>th</sup> : Two housing applications for developmentally disabled submitted by IERR, one housing application serving traumatic brain injury clients and one for traumatic brain injury center application submitted by PROVAIL via Michael Pollowitz, housing consultant.

June 14<sup>th</sup>: Ad-hoc Committee meets and reviews applications and makes recommendations to City Manager.

June 25<sup>th</sup>: Email notice of recommendations and August 8 public hearing to applicants. Posting of public hearing notice in paper of record Seattle Times.

July 26<sup>th</sup>: City confirms that two IERR and two PROVAIL projects have been withdrawn from seeking King County funding.

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