

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Conduct a Public Hearing to Consider the Proposed Use of 2004 Community Development Block Grant Funding and Authorize the City Manager to Sign the Contracts to Implement Approved Programs and Projects
DEPARTMENT: Office of Human Services
PRESENTED BY: Rob Beem, Human Services Manager

PROBLEM/ISSUE STATEMENT: Each year the City must hold a public hearing and adopt the proposed use of Community Development Block Grant (CDBG) funding. In September of 2002 Council adopted the 2003/2004 Human Services Funding Plan directing the use of CDBG and General Funds to support Public Services through 2004 and CDBG Capital funding for fiscal year 2003. In July 2003, staff convened an ad-hoc Human Services Allocations Committee to make recommendations for 2004 CDBG Capital funding.

ALTERNATIVES ANALYZED: After holding a public hearing on proposed 2004 CDBG spending, Council has two alternatives to consider:

1. Council could take action to approve the 2004 CDBG spending plan for services and capital projects as recommended by the Health and Human Services Allocation Committee 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.

FINANCIAL IMPACT: The City of Shoreline will receive approximately \$394,713 in Federal Community Development Block Grant (CDBG) funds in 2004. Final amounts are contingent upon the passage of the City's budget and the federal budget.

RECOMMENDATION

After holding a public hearing, staff recommends that Council adopt the Human Services Allocation Committee's recommended 2004 CDBG allocations in accordance with Attachment A and authorize the City Manager to enter into agreements for implementing the funded projects.

Approved By: City Manager  City Attorney N/A

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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. This year's allocations implement the 2-Year HHS Funding Plan for services and new applications received for capital spending. CDBG funding is proposed to be used for Planning & Administration, Housing Repair, Public Services and Capital Projects.

BACKGROUND

On September 23, 2002, the Council adopted the 2003/2004 Human Services Funding Plan that directs the use of CDBG and General Funds to support Public Services for fiscal years 2003 and 2004 and CDBG Capital funding for fiscal year 2003.

While the Council adopted the allocation plan for the support of Public Services through 2004, the City is required to hold a public hearing each year on the proposed use of all CDBG funded projects. As part of this report, you will see the CDBG Public Service projects previously approved for 2004 and the CDBG Capital Projects that have been recommended for funding for 2004.

Community Development Block Grant Program

The Federal Community Development Block Grant (CDBG) Program was created under Title I of the Housing and Community Development Act of 1974. The primary objective of the community development program is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low- and moderate-income. CDBG funds can serve households with incomes up to 80% of the King County median income. CDBG funds can be used for the following activities: acquisition and rehabilitation of housing for low-income and special needs populations; housing repair for homeowners and renters; acquisition and rehabilitation of community facilities; public infrastructure improvements; delivery of human services; historic preservation; planning; CDBG program administration; and economic development.

The following figures represent a close estimate of the CDBG funds that will be available to the City in 2004. These funds will be confirmed or adjusted after the adoption of the Federal budget. Shoreline's estimate of available CDBG funds is as follows:

Planning/Administration	\$ 62,126
Home Repair Program	\$ 189,092
Public Services Projects	\$ 68,495
Capital Projects	\$ 75,000
Total CDBG	\$ 394,092

2004 CDBG Public Services Allocation

In April 2000, Council made the decision to allocate all funding for Health and Human Services in the City of Shoreline through a bi-annual competitive application process.

On September 23, 2002, Council approved the 2003/2004 Human Services Funding Plan that outlined the funding amounts for Public Service projects using both General Fund and CDBG funding. The yearly amounts for projects are listed in Attachment A along with the proposed capital spending. The amounts listed for 2004 were contingent on successful performance of the project's performance measures and funding availability. For administrative purposes, CDBG funding will be providing support to one project (Shoreline/Lake Forest Park Senior Center), rather than 5-7 programs as it has in the past. The overall amount of funding provided to programs has not changed, only the source of the funding. The Shoreline/Lake Forest Park Senior Center receives CDBG funding from the City of Lake Forest Park so they are familiar with the requirements of these funds. A complete list of Public Service Projects and their funding sources for 2004 can be found in Attachment B. The project recommended for funding with CDBG in 2004 is listed below.

CDBG Public Service Projects Recommended for Funding, 2004

Project	Project Description	2004
Shoreline/Lake Forest Park Senior Center	Provides nutrition, recreation, socialization, financial/legal counseling, volunteer assistance to approximately 1,600 seniors each year.	\$68,495
Total		\$68,495

2004 CDBG Capital Allocation

Because capital project needs and opportunities vary from year to year, the City opted to allocate CDBG Capital funding annually. The 2003/2004 Human Services Funding Plan allocated CDBG Capital funding for 2003 only. To allocate 2004 CDBG Capital funding, the City sent letters to a list of over 60 "interested parties" announcing the availability of applications for Shoreline's 2004 CDBG Capital funding. An announcement of application availability was also placed in the Seattle Times and The Enterprise in April. An applicants' conference was held in conjunction with the North and East Funders Group. Three eligible applications were received, requesting a total of \$80,000.

As we have done in prior years, the City convened an ad-hoc Human Services Allocations Committee. The Committee received the applications prior to their meeting in July, scored the individual applications, and then met to discuss and recommend allocations. The members of the Committee are listed in Attachment C. When they met, the Committee reviewed and evaluated each application based on a set of criteria that address the project need, feasibility, and collaboration (Attachment D). A detailed review of the scoring and decision rationale can be found in Attachment E.

CDBG Capital Projects Recommended for Funding, 2004

Applicant	Project	Request	Recommendation
Abused Deaf Women's Advocacy Service	A Place of Our Own residential and program space	\$10,000	\$5,000

King County Housing Authority	Paramount House Fire Alarm System	\$35,000	\$35,000
Parkview Services	Rehabilitation of seven existing single-family homes for developmentally disabled adults	\$35,000	\$35,000
Total			\$80,000

ALTERNATIVES ANALYSIS

After holding a public hearing on proposed 2004 CDBG spending, Council has two alternatives to consider:

1. Council could take action to approve the 2004 CDBG spending plan for services and capital projects as recommended by the Health and Human Services Allocation Committee 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

RECOMMENDATION

After holding a public hearing, staff recommends that Council adopt the Health and Human Services Allocation Committee's recommended 2004 CDBG allocations in accordance with Attachment A and authorize the City Manager to enter into agreements for implementing the funded projects.

ATTACHMENTS

Attachment A: 2004 CDBG Funding and Contingency Plan

Attachment B: 2004 CDBG and General Fund Public Service Projects and Their Funding Sources

Attachment C: Human Services Allocation Committee

Attachment D: CDBG Capital Scoring Sheets

Attachment E: 2004 CDBG Capital Project Scoring and Funding Recommendation

ATTACHMENT A

2004 CDBG Funding and Contingency Plan

2004 CDBG Proposed Allocations

Project	Funding Amount
CDBG Planning & Administration	\$62,126
CDBG Housing Repair	\$184,092
Senior Services of Seattle/King County – Shoreline/LFP Senior Center	\$68,495
Abused Deaf Women's Advocacy Program – A Place of Our Own	\$10,000
King County Housing Authority – Paramount House Fire Alarm System	\$35,000
Parkview Services – Acquisition	\$35,000
Total	\$363,848

2004 CDBG Funding Contingency Plan

Since the CDBG funds are an estimate from the federal government, Shoreline must also adopt a contingency plan to deal with possible variations in the amount available. Plans must be made in case the amount available increases or decreases by up to 10% of the amount currently estimated. In addition, if an applicant later declines funds, the adoption of a contingency plan of action will expedite the process of reallocation.

1. If additional funding becomes available:

a. **Public Services**

In the event CDBG Public Service funds are increased in 2004, any additional funds would be provided to the Senior Services of Seattle/King County – Shoreline Lake Forest Park Senior Center.

b. **Capital Projects**

If additional CDBG Capital funds become available to the City in 2004, these funds will be provided to the Home Repair Program.

c. **Planning & Administration**

First, If additional CDBG Planning & Administration funds become available to the City in 2004, it is recommended that the City use these funds for planning and administration purposes. Secondly, if the City is allowed to use additional

Planning & Administration funds if they are available in King County's planning ceiling (the maximum amount allowed by HUD for planning and administration activities which cannot exceed 20% of the County's additional entitlement plus program income), the City will do so up to \$10,000 and will reduce the amount allocated to the Housing Repair Program accordingly.

2. If funding reductions are necessary:

a. **Public Services:**

In the event CDBG Public Service Funds are reduced in 2004, the Committee recommends reducing CDBG funding to the Shoreline/Lake Forest Park Senior Center. This reduction will be offset by a reduction in General Fund allocation to the Center for Human Services. Those available General Funds will then be available for the Senior Center.

b. **Capital Projects.** In the event the City's 2004 CDBG Capital Funds are reduced, the Committee recommends reducing funding to the Housing Repair Program.

c. **Planning & Administration.** If a reduction is necessary in CDBG Planning & Administration funds in 2004, it is recommended that the City reduce the amount to be used funds for planning and administration purpose.

ATTACHMENT B

2004 CDBG and General Fund Public Service Projects and Their Funding Sources

Program	General Fund	Block Grant	Youth Services	2004 Total
Children's Response Center			\$5,000	\$5,000
Center for Human Services	\$89,147		\$10,000	\$99,147
Crisis Clinic-Teen Link	\$3,020			\$3,020
Crisis Clinic-Telephone Services	\$5,000			\$5,000
Emergency Feeding Program	\$5,000			\$5,000
Food Lifeline	\$5,000			\$5,000
Friends of Youth-East/North Healthy Start	\$9,000			\$9,000
Homelessness Project	\$5,000			\$5,000
Hopelink-Family Development	\$4,000			\$4,000
Hopelink-Emergency Services	\$18,000			\$18,000
Hopelink-Kenmore Shelter	\$7,000			\$7,000
King County Sexual Assault Resource Center	\$5,000			\$5,000
Senior Services-Congregate Meals	\$2,500			\$2,500
Senior Services-Meals on Wheels	\$2,500			\$2,500
Shoreline/LFP Senior Center	\$853	\$68,495		\$69,348
TeenHope-Shelter			\$10,000	\$10,000
YMCA-Youth Council	\$2,914			\$2,914
TOTAL	\$163,934	\$68,495	\$25,000	\$257,429

ATTACHMENT C

Human Services Allocation Committee

Johnny R. Damuspusan
Ron Greeley
Raymond Hummel
Scott Keeny
Edith Loyer Nelson
Nancy Phillips
Dianne Riter

ATTACHMENT D

CDBG Capital Scoring Sheets

CITY OF SHORELINE 2004 CDBG CAPITAL APPLICATIONS

RATING SHEET

Applicant Name: _____ Project Name: _____

Instructions: Please complete a rating sheet for each application. Please fill in the agency information at the top of this page.

Please assign point values to criteria 1-8 below. The point range for each criterion is listed to the left: ex. 1. Local Needs: point range 0-15. For the purposes of this rating process, zero is the lowest value with values increasing according to the proposal's ability to address the criteria. Please add comments in the space provided, if you wish. Comments will help staff understand ratings.

Criteria	Score	Comments
1. LOCAL NEEDS: point range 0-15 (questions 2,5) a. Does the applicant adequately state the need and how this proposal will positively affect that need? b. Will this project have a positive impact in Shoreline? If so, how much of an impact? How many Shoreline residents will be served by this project? c. Will this project strengthen the City of Shoreline's infrastructure and community facilities?		
2. ACCESSIBILITY: point range 0-10 (question 11) a. Is the agency meeting ADA requirements? b. Does the project meet ADA requirements or seek to minimize physical barriers to access public facilities for persons with disabilities?		
3. PURPOSE: point range 0-15 (questions 3,4) a. Does the project help Shoreline to develop as a healthy, safe, and economically prosperous community? b. Does this project strengthen the City of Shoreline's infrastructure and community facilities? c. Does this project assist in creating opportunities for affordable housing creation and/or rehabilitation? d. Does this project support economic development projects, which contribute to the enhancement of the community's tax base and market vitality? <i>(Note: Projects are not expected to address each item above, but should address either a, b, c, or d. In order to rate the applications, it should be determined how well each project could potentially address either a, b, c, or d.)</i>		
4. OUTCOMES: point range 0-10 a. Will the project or the services provided by the agency requesting funding for the project assist the City in obtaining any of its Desired Outcomes for Health and Human Services?		

Criteria	Score	Comments
5. COLLABORATION: point range 0-10 (question 7) a. Is the agency working with other agencies, cities, etc. that are relevant for the project?		
6. DIVERSITY: point range 0-10 a. Does the proposal help to ensure that health and human services reflect and are sensitive to the cultural, racial, economic, age, ability level, and social diversity of Shoreline? b. Does the proposal work at reducing programmatic barriers to services and supports? (e.g., language/interpretation, provide childcare, transportation, alternate service hours, etc.)		
7. FEASIBILITY: point range 0-20 (questions 4, 6, 7, 8, 9, 13) a. Does the applicant provide evidence that the project will succeed? b. Is the applicant stable and does the agency have the capacity to implement/maintain the program/project? c. Has the agency identified all of the resources necessary to complete the project? d. Is the project ready to proceed? e. Has the applicant been funded before? If yes, how have they performed (<i>Refer to summary information</i>)?		
8. FUNDING: point range 0-10 (questions 5, 8) a. Is the request reasonable, given type of project requested? Were accurate estimates obtained for proposed work? b. What is the cost benefit ratio (# of Shoreline residents served/cost of project)? c. If this is a regional project, is the request to Shoreline reasonable, relative to what others are paying?		

ATTACHMENT E

2004 CDBG Capital Project Scoring and Funding Recommendation

Priorities for Capital Projects

1. Housing
 - a) New construction, acquisition or rehabilitation of affordable multi-family housing (five or more units), especially targeted to families with children or older adults
 - b) New construction, acquisition and or rehabilitation of affordable housing of less than five units.
2. New construction, acquisition and/or rehabilitation of community facilities providing human services.
3. City projects addressing the needs of specific populations.

Recommended Capital Projects *Projects are listed in alphabetical order.*

1. Abused Deaf Women's Advocacy Service – A Place of Our Own

Project: This project, when completed, will provide administrative offices and program space for client services plus 20 units of transitional housing and six units of emergency shelter geared to deaf and blind women who have experienced domestic violence. This project is located in Seattle.

Requested: \$10,000

Recommended: \$5,000

Source of funding: CDBG

Agency has never received capital funding from Shoreline.

Key Points of Committee's deliberations:

- Committee members had several concerns about the project, including the accuracy of the fund raising budget.
- The Committee agreed there is a regional need for this project.
- Funding at this level indicates support for the project and is proportionate to other cities' contributions.

Rating Criteria score: 474 points out of a possible 700 points.

BUDGET		
City of Shoreline	\$ 5,000	(recommended)
Federal Way	\$ 37,500	
Auburn	\$ 50,000	
Sea Tac	\$ 10,000	
Seattle	\$ 54,900	
Kirkland	\$ 10,000	
Renton	\$ 30,000	
Bellevue	\$ 30,000	
Bank Loan	\$ 200,000	
Capital Campaign	\$1,281,776	
TOTAL	\$1,709,176	

2. King County Housing Authority – Paramount House Fire Alarm System

Project: Retrofit a fire alarm system to a 70 unit, three-story wood frame structure housing older adults and younger disables persons who have an average annual income of \$8,799. This project is located in Shoreline.

Requested: \$35,000

Recommended: \$35,000

Source of funding: CDBG

The King County Housing Authority received \$40,000 of CDBG Capital Funds in 2002 for fire alarm system upgrades at Northridge I and Northridge II apartments in Shoreline. The project was successfully completed in 2002.

Key Points of Committee's deliberations:

- Project addresses a life-safety issue.
- Agency is capable of completing project in a timely and efficient manner as they have shown with the use of 2002 CDBG funds.
- High degree of local benefit.

Rating Criteria score: 634 points out of a possible 700 points.

BUDGET		
City of Shoreline	\$ 35,000	(recommended)
KC Housing Authority	\$ 65,000	
TOTAL	\$ 100,000	

3. Parkview Services – Parkview Homes VII

Project: Installation of a sprinkler system and fire alarms in seven single-family homes housing 25 developmentally disabled adults. All houses are located in Shoreline.

Requested: \$35,000

Recommended: \$35,000

Source of funding: CDBG

Agency has applied and received capital project funding in the past, but not for this specific project

Key points of the Committee's deliberations:

- Provides an opportunity for disabled persons to become independent.
- The project has secured ongoing operational funding.
- Provides a needy safety upgrade.
- Local (Shoreline) funding is required to leverage King County Housing Finance funds.

Rating Criteria score: 637 points out of 500 possible points

BUDGET

City of Shoreline	\$ 35,000	(recommended)
Federal Home Loan Bank (transfer)	\$ 31,992	
King County (new)	\$ 435,599	
King County (transfer)	\$ 372,851	
State Housing Trust Fund (new)	\$ 444,744	
State Housing Trust Fund (transfer)	\$ 896,640	
PROVAIL	\$ 265,000	
Parkview Services	\$ 69,498	
TOTAL	\$2,551,324	

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