

Attachment A

*City of Bellingham
2013 – 2017 Consolidated Plan*

2013 Action Plan Amendment

OCTOBER 14, 2013

EXECUTIVE SUMMARY

The City of Bellingham approved the 2013 Action Plan on November 5, 2012 (Resolution No. 2012-30). This amendment funds one new project (Deer Run Renovation), amends funding levels for six projects, and carries funds remaining in projects from 2012 forward into the 2013 Action Plan year.

The City also intends to notify the U.S. Department of Housing and Urban Development (HUD) that the "program year" for HUD-funded programs implemented by the City will change to July 1 through June 30; the current program year runs from January 1 through December 31st. As a result of this program year change, this amendment extends the 2013 action plan to include the period from January 1 through June 30, 2014 and provides financial resources to activities as set forth in this amendment.

Three general categories of project activity amendments are included in this change:

NEW PROJECT FUNDING:

1. **Deer Run Renovation.** \$200,000 of HOME Investment Partnership funds would be allocated to a new multifamily rehabilitation project for Bellingham Housing Authority (Deer Run Terrace). Additional City funds through the 2012 Housing Levy are also awarded for this activity.

CHANGES IN PROJECT FUNDING:

2. **Dorothy Place Renovation.** \$100,000 of Community Development Block Grant (CDBG) funds would be allocated to a shelter renovation project of the Opportunity Council (Dorothy Place). This would be in addition to \$100,000 of CDBG funds already allocated in the 2013 Action Plan, and would also include other funds from the 2012 Housing Levy. Total CDBG funding for this activity would be \$200,000.
3. **Public (Human) Service Activities.** Additional resources are provided to Public (Human) Service activities for the six month period. No new public or human service activities are included in this amendment; only supplemental funds during this six month period would be provided. Add \$11,007 of CDBG funding for total 2013 Action Plan funding of \$149,702.
4. **Housing Rehabilitation Program.** Additional funding is assigned to the city's single family housing rehabilitation program in order to ensure resources are available during the extended 2013 program year. Add \$79,865 of CDBG funding for total 2013 funding of this activity of \$529,018.
5. **Tenant Based Rental Assistance.** Additional funding is assigned to the Tenant Based Rental Assistance (TBRA) program to ensure continued funding through an extended 2013 program year. Increase HOME funding from \$150,000 to \$176,209.
6. **Housing Infill Demonstration Project.** A specific project has yet to be identified for this funding. Funding is still held in reserve, although a slight funding reduction (\$9,000) is proposed. The source of funding changes from just HOME funding, to both CDBG (\$45,000) and HOME (\$100,000).
7. **Planning and Administration.** The change to the program year will extend administrative responsibilities another six months. HOME and CDBG both limit the amount of funds that can be used for this purpose, which will fall short of the need. The City will need to cover this deficit to keep programs running at normal levels. Add \$23,732 of HOME funding and \$25,915 of CDBG funding. Total funding is \$76,413 for HOME and \$206,527 for CDBG.

CARRYOVER PROJECTS:

Each year, the city adopts an Action Plan anticipating how much funding will be left from existing commitments to fund for the ensuing year. The following projects require adjustments for 2013.

8. **Orleans Place.** Total project funded in 2012 was \$440,477. \$100,000 was projected as carryover into 2013, but entire amount is allocated in 2013. Change HOME funding in 2013 from \$100,000 to \$440,477, an increase of \$340,477.
9. **Pacific Rim.** Total project funded in 2012 was \$151,182. \$50,000 was projected as carryover into 2013, but entire amount is allocated in 2013. Change CDBG funding in 2013 from \$50,000 to \$151,182, an increase of \$101,182.
10. **Indiana Street Homes.** Total project funded in 2012 was \$326,714. \$50,000 was projected as carryover into 2013, but \$145,899 was spent in 2013. Change HOME funding in 2013 from \$50,000 to \$145,899, an increase of \$95,899.
11. **Kulshan Homebuyer Program.** Total project funding in 2012 was \$150,000, including \$136,700 of CDBG funds. No carryover of the CDBG funds was anticipated in the 2013 Action Plan, but \$49,532 remain to be allocated.
12. **Harborview.** Harborview was anticipated to be completed in 2012, and no funds were carried over into the 2013 Action Plan. \$19,918 of HOME funds remain to be spent in 2013.

EXPECTED RESOURCES (AP-15)

Additional resources are identified for the 2013 Action Plan. These additional resources are the result of the extension of the program year by six months, which captures additional program income, as well as identification of prior year resources that are available for allocation. Prior year resources are the result of program income received higher than anticipated and/or activities not expending as much funding as anticipated.

The following tables show the adopted Plan, the amendment, and the effect of the changes:

Table 1: Adopted 2013 Action Plan

Pro-gram	Use of Funds	Annual Allocation	Program Income	Prior Year Resources	Total	Expected Amount Remainder of ConPlan
CDBG	Acquisition, Admin and Planning, Economic Development, Housing, Public Improvements, Public Services	746,106	174,321	282,033	1,202,460	3,545,879
HOME	Acquisition, Homebuyer assistance, Homeowner rehab, Multifamily rental new construction, Multifamily rental rehab, New construction for ownership, TBRA	472,962	76,365	549,881	1,099,208	2,372,848
TOTALS		\$1,219,068	\$ 250,686	\$ 831,914	\$2,301,668	\$ 5,918,727

Table 2: Proposed 2013 Action Plan (18 months)

Pro-gram	Use of Funds	Annual Allocation	Program Income	Prior Year Resources	Total	Expected Amount Remainder of ConPlan
CDBG	Acquisition, Admin and Planning, Economic Development, Housing, Public Improvements, Public Services	746,106	286,529	609,168	1,641,803	3,545,879
HOME	Acquisition, Homebuyer assistance, Homeowner rehab, Multifamily rental new construction, Multifamily rental rehab, New construction for ownership, TBRA	472,962	291,175	994,260	1,758,397	2,372,848
TOTALS		\$1,219,068	\$ 577,704	\$1,603,428	\$3,400,200	\$ 5,918,727

Table 3: Effect of Amendment to 2013 Action Plan

Pro-gram	Use of Funds	Annual Allocation	Program Income	Prior Year Resources	Total	Expected Amount Remainder of ConPlan
CDBG		0	112,208	327,135	439,343	0
HOME		0	214,810	444,379	659,189	0
TOTALS		\$ -	\$ 327,018	\$ 771,514	\$1,098,532	\$ -

ANNUAL GOALS AND OBJECTIVES (AP-20)

The amended project activities implement the following goals of the Consolidated Plan.

1	Goal Name	INCREASE SUPPLY OF AFFORDABLE RENTAL HOUSING
	Goal Description	The amended activities include the completion of KCLT's Indiana Street project (two rental units) and the Infill Demonstration project (project not identified yet). Administrative and planning staff time also assigned to goal.
2	Goal Name	INCREASE SUPPLY-AFFORDABLE OWNER-OCCUPIED HOUSING
	Goal Description	The amended activities include the completion of KCLT's Indiana Street project (two owner units), carryover CDBG funds for KCLT Homebuyer Program and the Infill Demonstration project (project not identified yet). Administrative and planning staff time also assigned to goal.
3	Goal Name	MAINTAIN HOUSING STOCK
	Goal Description	The amended activities include carryover funds for Orlean's Place, Pacific Rim and Harborview. Additional resources assigned to Dorothy Place (\$100,000), Deer Run (\$200,000) and City Single Family Rehabilitation Program (\$79,865). Administrative and planning staff time also assigned to goal.
4	Goal Name	INCREASE SUPPLY OF PERMANENT SUPPORTIVE HOUSING
	Goal Description	Administrative and planning staff time also assigned to goal.

5	Goal Name	PROVIDE SUPPORTIVE SERVICES TO HOMELESS
	Goal Description	The amended activities assign additional resources to the city's human service grant program to cover the extended program year. Administrative and planning staff time also assigned to goal.
6	Goal Name	SUPPORT RAPID REHOUSING-HOMELESS PERSONS/FAMILIES
	Goal Description	The amended activities include additional resources assigned to the Tenant Based Rental Assistance (TBRA) program through the Opportunity Council to cover the extended program year. Administrative and planning staff time also assigned to goal.
7	Goal Name	MAINTAIN INVENTORY OF INTERIM HOUSING
	Goal Description	The amended activities assign additional resources to the city's human service grant program to cover the extended program year. Administrative and planning staff time also assigned to goal.
8	Goal Name	HELP FILL GAP IN BASIC NEEDS TO LOW-INCOME
	Goal Description	The amended activities assign additional resources to the city's human service grant program to cover the extended program year. Administrative and planning staff time also assigned to goal.
9	Goal Name	SUPPORT EFFORTS TO REDUCE POVERTY
	Goal Description	Administrative and planning staff time assigned to goal.
10	Goal Name	SUPPORT INVESTMENT-PUBLIC FACILITIES/IMPROVEMENTS
	Goal Description	Administrative and planning staff time assigned to goal.
11	Goal Name	INCREASE SUPPLY OF AFFORDABLE FAMILY HOUSING
	Goal Description	The amended activities assign carryover resources from Kulshan's Homebuyer program. Administrative and planning staff time also assigned to goal.

PROJECT SUMMARY (AP-38)

The following are the project activities proposed for amendment.

#	Description		Amendment
2	Project Name	ORLEANS PLACE REHABILITATION	
	Target Area	City of Bellingham	
	Goals Supported	Maintain housing stock	
	Needs Addressed	PRESERVATION	
	Funding	HOME: \$100,000	HOME: \$440,477
	Description	The Bellingham Housing Authority will undertake rehabilitation activities at these apartments occupied by low income households, to bring rental units up to local housing standards and to repair roofs and other building exterior work that are in danger of failing. This will assure that low income residents live in safe and decent housing by maintaining physical structures.	Project started late in 2012; funding amount reflects carryover into 2013
	Planned Activities	Planned activities revolve around the rehabilitation work, including costs for professional services (architect, engineer), permits and fees, and construction costs.	
3	Project Name	PACIFIC RIM REHABILITATION	

#	Description		Amendment
	Target Area	City of Bellingham Meridian-Birchwood Neighborhood	
	Goals Supported	Maintain housing stock	
	Needs Addressed	ASSIST HOUSING/SERVICE NEEDS - ELDERLY HEALTHY CHILDREN AND FAMILIES PRESERVATION	
	Funding	CDBG: \$50,000	CDBG: \$151,182
	Description	THE BELLINGHAM HOUSING AUTHORITY WILL UNDERTAKE REHABILITATION ACTIVITIES AT PACIFIC RIM APARTMENTS WHICH ARE OCCUPIED BY LOW-AND MODERATE INCOME HOUSEHOLDS IN ORDER TO BRING THE RENTAL UNITS UP TO LOCAL HOUSING STANDARDS AND TO REPLACE SYSTEMS (ROOF/DECK/ETC.) WHICH ARE IN DANGER OF FAILING. THIS ACTIVITY WILL ASSURE LOW AND MODERATE INCOME TENANTS LIVE IN SAFE AND DECENT HOUSING BY MAINTAINING THE PHYSICAL STRUCTURES.	Project did not start in 2012 as anticipated. Project will start and finish in 2013
	Planned Activities	Planned activities revolve around the rehabilitation work, including costs for professional services (architect, engineer), permits and fees, and construction costs.	
4	Project Name	DOROTHY PLACE REHABILITATION	
	Target Area	City of Bellingham Central Business District	
	Goals Supported	Maintain housing stock Maintain inventory of interim housing	
	Needs Addressed	HOMELESSNESS ASSIST THE SPECIAL NEEDS POPULATIONS HEALTHY CHILDREN AND FAMILIES PRESERVATION	
	Funding	CDBG: \$100,000	CDBG: \$200,000
	Description	Rehabilitation of Dorothy Place, a 22-unit permanent supportive housing facility for women and children.	
Planned Activities	There are maintenance and rehabilitation efforts required at Dorothy Place to ensure that the facility is safe and available to meet the housing needs. Funds would assist towards those construction activities, including professional services (architect, engineer, construction management), permits and other fees, and the construction work (labor and materials).	Additional rehabilitation work pursuant to capital needs assessment and Preservation NOFA	
5	Project Name	SINGLE FAMILY REHAB PROJECTS 2013	
	Target Area	City of Bellingham Meridian-Birchwood Neighborhood Roosevelt Neighborhood Central Business District	
	Goals Supported	Maintain housing stock	
	Needs Addressed	ASSIST HOUSING/SERVICE NEEDS - ELDERLY ASSIST THE SPECIAL NEEDS POPULATIONS HEALTHY CHILDREN AND FAMILIES PRESERVATION COORDINATION AND DELIVERY OF SERVICES	
	Funding	CDBG: \$449,153	CDBG: \$529,018

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#	Description		Amendment
	Description	Rehabilitate homes occupied by low- and moderate-income households to bring units up to local housing standards by providing no- or low-interest loans.	
	Planned Activities	The city's rehabilitation program provides deferred or low-interest loans for qualified low-income owner-occupied housing units in the city to undertake efforts to meet minimum rehabilitation standards. Costs go towards loan processing and construction-related costs, as well as lead-based paint activities that exceed grant amounts for that project activity.	Additional activities for 18 month extension
7	Project Name	INDIANA STREET HOME CONSTRUCTION	
	Target Area	City of Bellingham	
	Goals Supported	Increase supply of affordable rental housing Increase supply-affordable owner-occupied housing	
	Needs Addressed	INCREASE AFFORDABLE HOUSING SUPPLY	
	Funding	HOME: \$50,000	HOME: \$145,899
	Description	Development of the Neighborhood Stabilization Program lots into four housing units.	
	Planned Activities	This is a continuation of a project to build four housing units, two of which will be owner-occupied and two units renter-occupied. The lots were acquired under the Neighborhood Stabilization Program, and CHDO pre-development funding was provided	Carryover funds in 2013
8	Project Name	KULSHAN HOMEBUYER PROGRAM 2013	
	Target Area	City of Bellingham Meridian-Birchwood Neighborhood Roosevelt Neighborhood Central Business District	
	Goals Supported	Increase supply of affordable family housing Increase supply-affordable owner-occupied housing	
	Needs Addressed	INCREASE AFFORDABLE HOUSING SUPPLY HEALTHY CHILDREN AND FAMILIES	
	Funding	HOME: \$200,000	HOME: \$200,000 CDBG: \$ 49,532
	Description	Continue funding for a program with KCLT to provide down-payment and/or closing cost assistance to homebuyers with incomes at or below 80% of the area median. The source of funding will change from CDBG in 2012 to HOME in 2013, requiring adjustment in how the funds are administered and allocated to meet HOME rules.	
	Planned Activities	This would pay closing costs or down-payment for qualified low-income households.	Carryover CDBG funds from 2012
13	Project Name	TBRA 2013	
	Target Area	City of Bellingham Meridian-Birchwood Neighborhood Roosevelt Neighborhood Central Business District	
	Goals Supported	Support rapid rehousing-homeless persons/families	
	Needs Addressed	HOMELESSNESS COORDINATION AND DELIVERY OF SERVICES	
	Funding	HOME: \$150,000	HOME: \$176,209

#	Description		Amendment
	Description	Tenant-based rental assistance for rapid re-housing and homeless prevention. Program managed by the Opportunity Council.	
	Planned Activities	Rental assistance to very low-income households, including security deposits.	Carryover funds plus an additional \$10,000 in assistance for 2013 Action Plan time extension
15	Project Name	HOUSING INFILL DEMONSTRATION PROJECT	
	Target Area	City of Bellingham	
	Goals Supported	Increase supply of affordable rental housing Increase supply-affordable owner-occupied housing	
	Needs Addressed	INCREASE AFFORDABLE HOUSING SUPPLY	
	Funding	HOME: \$154,000	HOME: \$100,000 CDBG: \$45,000
	Description	The city will pursue funding a development that implements the city's Infill Housing Toolkit as a demonstration project. This project is identified as a contingency project depending on final grant from HUD.	
	Planned Activities	The city will seek housing developers to propose projects that will implement the City's Infill Housing Toolkit. Depending on the proposal, funding assistance could include land acquisition, permits and other fees, professional services (architect, engineer, construction manager), and construction.	Change budget source and slight fund reduction.
16	Project Name	PUBLIC (HUMAN) SERVICE ACTIVITIES - 2013	
	Target Area	City of Bellingham	
	Goals Supported	Provide supportive services to homeless Support rapid rehousing-homeless persons/families Maintain inventory of interim housing Help fill gap in basic needs to low-income	
	Needs Addressed	HOMELESSNESS ASSIST HOUSING/SERVICE NEEDS - ELDERLY ASSIST THE SPECIAL NEEDS POPULATIONS HEALTHY CHILDREN AND FAMILIES COORDINATION AND DELIVERY OF SERVICES	
	Funding	CDBG: \$138,695	CDBG: \$149,702
	Description	Funding is provided to nonprofit agencies to provide public services within the city.	
	Planned Activities	Nine different activities will provide services to the community, ranging from supportive services in transitional and emergency shelters, supportive services to the homeless, residential services to adults living with HIV/AIDs, behavioral health services, services within farmworker housing, and food assistance to the elderly, disabled and other low-income populations.	Additional funds up to cap limit to assist with 2013 Action Plan program year change
17	Project Name	PLANNING AND ADMINISTRATION	
	Target Area	City of Bellingham	

#	Description	Amendment
	Goals Supported Increase supply of affordable rental housing Increase supply of affordable family housing Increase supply-affordable owner-occupied housing Maintain housing stock Increase supply of permanent supportive housing Provide supportive services to homeless Support rapid rehousing-homeless persons/families Maintain inventory of interim housing Help fill gap in basic needs to low-income Support investment-public facilities/improvements	
	Needs Addressed	COORDINATION AND DELIVERY OF SERVICES
	Funding	CDBG: \$181,612 HOME: \$52,681
	Description	Planning and administration funds for both HOME and CDBG activities.
	Planned Activities	Project includes all planning and administrative functions of the CDBG and HOME programs, including HUD-compliance activities, monitoring, TBRA administration, and fair housing.
		Additional funds up to cap limit to assist with 2013 Action Plan program year change

NEW ACTIVITIES ADDED TO 2013 ACTION PLAN

18	Project Name	Deer Run Rehabilitation	
	Target Area	City of Bellingham	
	Goals Supported	Maintain housing stock	
	Needs Addressed	ASSIST HOUSING/SERVICE NEEDS - ELDERLY PRESERVATION	
	Funding	HOME: \$0	HOME: \$200,000
	Description	This is a major rehabilitation of an affordable low-income senior housing project.	
	Planned Activities	Activities include modernization of the building, energy efficiency upgrades and an envelope replacement.	
19	Project Name	Harborview Rehabilitation	
	Target Area	City of Bellingham	
	Goals Supported	Maintain housing stock	
	Needs Addressed	PRESERVATION	
	Funding	HOME: \$0	HOME: \$19,918
	Description	This is a minor renovation of an affordable housing project.	
	Planned Activities	Rehabilitation of roof, gutters, trash enclosures, and stairs	2012 Carryover project

AFFORDABLE HOUSING (AP-55)

One Year Goals for Affordable Housing by Support Requirement

	Current Plan	Amendment
Homeless	78	78
Non-Homeless	137	179
Special-Needs	69	69
Total	284	326

One Year Goals for Affordable Housing by Support Type

	Current Plan	Amendment
Rental Assistance	27	28
The Production of New Units	49	49
Rehab of Existing Units	202	244
Acquisition of Existing Units	6	6
Total	284	327