

2013-2017

CONSOLIDATED PLAN

2017 Action Plan

Covering the period from July 1, 2017 – June 30, 2018

City of Bellingham

Washington

June 14, 2017

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of Bellingham approved the 2013-2017 Consolidated Plan on November 5, 2012 (Resolution No. 2012-30). Since its adoption, the following has occurred:

- On July 26, 2013, the U.S. Department of Housing and Urban Development ("HUD") approved the Consolidated Plan and 2013 Action Plan.
- On December 2, 2013, HUD approved the city's change in the federal CDBG and HOME program year from January 1 through December 31 to July 1 through June 30, extending the Consolidated Plan period for 6 months.
- On May 5, 2014 the 2014 Action Plan was approved by the City Council (Resolution 2014-17).
- On February 9, 2015 the 2014 Action Plan was amended (Resolution 2015-02).
- On May 4, 2015 the 2015 Action Plan was approved by the City Council (Resolution 2015-08).
- On May 2, 2016 the 2016 Action Plan was approved by the City Council (Resolution 2016-12).
- On March 27, 2016 the 2016 Action Plan was amended by the City Council (Resolution 2017-15).
- On May 8, 2017 the 2017 Action Plan was approved by the City Council (Resolution 2017-23).

This is the fifth and final year under the 2013-2017 Consolidated Plan. New activities selected for funding in the 2017 Action Plan are based on solicitation of proposals. Funding sources for these activities include federal HOME and CDBG funds, as well as local City funds (2012 Housing Levy and General Fund). Specifically, the City sought applications for the following:

- **Housing Services Program** - released December 5, 2016, with applications received by January 20, 2017; eight applications were received.
- **Human and Social Services Program** - released December 5, 2016, with applications received by January 20, 2017; seventeen applications were received.
- **Public Facilities and Improvements** - released on February 24, 2017, with applications received by March 17, 2017. Two applications were received.
- **Rental Housing Predevelopment** – released on March 1, 2017, with applications received by March 31, 2017. Three applications were received.
- **Tenant Based Rental Assistance** – released on March 7, 2017, with applications received by March 30, 2017. One application was received.

Several existing commitments from previous years are carried forward, including homebuyer program, public facility improvements, preservation and rehabilitation projects, and rental housing development.

2. Summarize the objectives and outcomes identified in the Plan

New Project Funding:

- One new Public Facility and Improvement project (Hope House) would rebuild facilities for very low income and special needs populations. The project would improve and add service delivery to populations in need.
- One new project providing housing for developmentally disabled adults would acquire and rehabilitate a three-bedroom home using CDBG funds for low-income special needs adults.
- One project is allocated additional HOME funds beyond existing commitments to support the development of permanent housing with services for homeless adults and young adults. This project is developed by a Community Housing Development Organization (CHDO).
- One new homebuyer development project is allocated funds for site infrastructure to support the development of homes affordable to low and very low income families, and additional funding is allocated under HOME beyond existing commitments to support downpayment assistance for low income homebuyers.
- New services funding is allocated for Tenant Based Rental Assistance, eight housing services agencies, and sixteen human and social services agencies providing services for case management, counseling, childcare, nutritious food, vocational readiness and literacy, chores for disabled and elderly, supportive services to special needs populations, and restorative justice, legal assistance, and mediation – all to low income persons and households.

Carryover and Continuing Projects: Activities funded prior to 2017, or ongoing programs, are adjusted for remaining amounts anticipated to be spent in 2017-18. These activities include: the homebuyer downpayment assistance program, three Public Facility and Improvement projects (Roosevelt Resource Center, 1111 Cornwall, and general public facilities), five preservation activities (G Street, DVSAS Baker Place shelter, DVSAS Birchwood shelter, manufactured home repair and City owner-occupied rehabilitation program), five production projects (Mt. Baker Apartments, Eleanor Apartments, Lydia Place Birchwood, Lydia Place Bell Tower, and 22 North), and two predevelopment assistance projects (Opportunity Council Promise Homes, and Lydia Place Gladstone). Ongoing programs in the rental assistance and supportive services program that are levy-funded include the Homeless Outreach Team, Intensive Case Management, Homeless Service Center, and project-based housing assistance.

Contingency Projects: In the event that appropriations are greater or less than anticipated, or planned activities are cancelled, the following activities are proposed as contingencies: Tenant Based Rental Assistance (HOME), Housing Rehabilitation (CDBG and/or HOME), Housing Finance Commission Homebuyer (HOME), and Public Facilities (CDBG).

3. Evaluation of past performance

This is the fifth and final year of the 2013-2017 Consolidated Plan. The City completed the third performance evaluation report on September 28, 2016 for the 2015 Action Plan. The report showed

good progress towards goals:

- Over 100% of the Production of Rental Housing Goals had contract commitments by the end of the 2015 Action Plan year, with 25% completed and occupied.
- 43% of the Preservation of Housing Goals had been committed by the end of the 2015 Action Plan year, with 43% completed and occupied.
- 100% of the Homebuyer Goals had been committed by the end of the 2015 Action Plan year, with 48% being purchased and occupied.
- Over 100% of Public Facility Goals had been committed and realized by the end of the 2015 Action Plan year.
- The filling the gap in basic needs goal was recalibrated in 2015 due to the earlier goal being exceeded by 3,307% in 2013 and 2014. Overall, the rental assistance and supportive services goals had a 99% committed rate by the end of the 2015 Action Plan year, with over 100% realized due to greater than anticipated participation. 60% of the HIV/AIDS Housing Goal had been committed by the end of the 2015 Action Plan year.

While some projects are delayed, this is common and goals appear to be on target to be reached.

4. Summary of Citizen Participation Process and consultation process

The public consultation process for the 2017 Action Plan included a 30-day public comment period, and a public hearing before the Community Development Advisory Board (on March 9, 2017). The public was invited to comment on the Action Plan during the written comment period, which was scheduled from March 2, 2017 through April 13, 2017.

The display ad providing notice of the public hearing and plan amendment was published in Bellingham Herald on March 2, 2017.

5. Summary of public comments

One written comment was received from a human service provider commenting on the scoring process the City undertakes to rank and prioritize services grant applications, and requesting consideration of a change for future year processes. No one from the public spoke at the hearing.

6. Summary of comments or views not accepted and the reasons for not accepting them

All comments were accepted.

7. Summary

The 2017 Action Plan is intended to implement the priorities and strategies set forth in the 2013-2017 Consolidated Plan.

Lead & Responsible Agencies

PR-05 Lead & Responsible Agencies – 91.200(b)

The following describes the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	BELLINGHAM	
CDBG Administrator	BELLINGHAM	Planning and Community Development
HOPWA Administrator		
HOME Administrator	BELLINGHAM	Planning and Community Development
HOPWA-C Administrator		

Table 1 – Responsible Agencies

Consolidated Plan Public Contact Information:

Samya Lutz, Housing & Services Program Manager
Planning and Community Development Department
City of Bellingham
210 Lottie Street - Bellingham, WA 98225

Phone: 360-778-8385 or E-mail: slklutz@cob.org

Consultation

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

The City of Bellingham works in partnership with other agencies, nonprofit organizations, the public housing authority and other citizens and stakeholders to identify the needs for affordable housing, community development and homelessness. These needs are documented in the 2013-2017 Consolidated Plan. Based on these needs, the Consolidated Plan consultation process included setting priorities based on the financial resources available through HUD and local resources.

The consultation process for an Annual Action Plan is to align resources with the goals and strategies outlined in the Consolidated Plan. The City provided an opportunity for agencies and nonprofits to submit proposals for funding assistance that would work to implement the goals and strategies of the 2013-2017 Consolidated Plan. The process to accept proposals resulted in numerous activities.

Funding requests exceeded the amount of anticipated resources in most categories. Where additional resources are available, it is within the City's local Housing Levy. CDBG and HOME grants, including program income, are fully allocated in this 2017 Action Plan.

Including the listed agencies that were consulted, more than eighty agencies and organizations, and more than 30 individuals, were contacted to provide them with an advance opportunity to know that applications for funding assistance to implement the 2013-2017 Consolidated Plan were being accepted.

Enhancing Coordination

(91.215(l))

The public and assisted housing providers, as well as governmental health, mental health and service agencies, have close working relationships in Bellingham and Whatcom County. The Whatcom County Health Department is the lead agency for both homeless housing, as well as public health, mental health and veteran's needs in our community. The City is an active member of the Whatcom County Homeless Steering Committee and Coalition, as well as a member of the Whatcom County Housing Advisory Committee. The city's Community Development Advisory Board includes membership that represents housing and social service providers, including a representative of the Housing Authority.

Continuum of Care

Whatcom County is the lead agency for the Continuum of Care and the Plan to End Homelessness. The Whatcom Homeless Service Center is the coordinating entity for homelessness, including a single point of entry. The City has incorporated the goals, strategies, activities and outcomes for addressing homeless persons in our community into the plan, ensuring consistency in policies and efforts.

The City has coordinated with Whatcom County and has incorporated their goals, strategies, activities and outcomes in the Consolidated Plan. The City helps fund the Whatcom Homeless Service Center, which administers the HMIS system for the community.

Participating agencies, groups, organizations and others

Including the listed agencies that were consulted, more than eighty agencies and organizations, and more than 30 individuals, were contacted to provide them with an advance opportunity to know that applications for funding assistance to implement the 2013-2017 Consolidated Plan were being accepted. In addition, discussion about the 2017 Action Plan process was included at Whatcom Coalition to End Homelessness steering committee meetings, and at the Whatcom County Housing Advisory Committee board meetings, both of which include representatives from many local housing-related agencies as well as public representatives.

1	Agency/Group/Organization	BELLINGHAM HOUSING AUTHORITY
	Agency/Group/Organization Type	Housing PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Executive Director of the Bellingham Housing Authority is a member of the city's Advisory Board which recommends priorities and funding of the Action Plan.
2	Agency/Group/Organization	OPPORTUNITY COUNCIL
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Services-Education Services-Employment Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy CHDO-eligible Activities

<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The Opportunity Council was consulted and participated in development of the action items. In addition, because the Homeless Service Center is hosted by the Opportunity Council, strategies regarding homelessness were coordinated with them. A representative of the Opportunity Council is a member of the City's advisory board.</p>
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Table 2 – Agencies, groups, organizations who participated

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Whatcom County	Whatcom County drafted the Homelessness Strategy, and reviewed and commented on the Consolidated Plan. They also developed the Countywide Health Improvement Plan. Whatcom County assisted in review of activities proposed for 2017.

Table 1 – Other local / regional / federal planning efforts

Participation

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process

A public display ad for this Action Plan was published in the Bellingham Herald notifying the public of an opportunity to comment on the Action Plan and attend a public hearing. Notices were also sent out to stakeholders and the media, and posted on the city's web site. Responses to City Notices of Funding Available (NOFAs) were most informative, as only one public comment was received.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing & comment period	Non-targeted/broad community	No public spoke. One written comment recvd.	Specific to services application process.	None	
2	Newspaper Ad	Non-targeted/broad community	Display ad - no direct response requested	Display ad - no direct response requested	Display ad - no direct response requested	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220 (c) (1, 2)

HUD's 2017 allocation to the City of Bellingham was anticipated as a 2% increase from the 2016 allocation during the public comment period, and adjusted downward when the actual allocation was released in mid-June. Adjustments were made in accordance with the contingency funding plan.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available				Expected Amount Avail Remainder of ConPlan (\$)	Narrative Description
			Annual Allocation: (\$)	Program Income: (\$)	Prior Year Resources: (\$)	Total: (\$)		
CDBG	Public - Federal	Acquisition Admin and Planning Housing Public Improvements Public Services	717,032	310,000	429,299	1,456,331	0	Funds used for priority needs, including preservation of housing stock, lead-based paint, public improvements, public services and administration and planning.
HOME	Public - Federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction TBRA	399,745	329,789	634,175	1,363,709	0	Funds used for homebuyer assistance, tenant-based rental assistance, housing development (including CHDOs) and administration.

Program	Source of Funds	Uses of Funds	Expected Amount Available				Expected Amount Avail Remainder of ConPlan (\$)	Narrative Description
			Annual Allocation: (\$)	Program Income: (\$)	Prior Year Resources: (\$)	Total: (\$)		
Other	Public - Local	Acquisition Admin and Planning Homebuyer assistance Homeowner rehab Housing Multifamily rental new construction Multifamily rental rehab New construction for ownership Public Services TBRA	1,106,944	0	2,199,029	3,305,973	0	The City of Bellingham has a voter-approved housing levy that supports development and preservation of housing, as well as rental assistance and housing services.
Other	Public - Local	Public Services TBRA	485,760	0	0	485,760	0	This is the city's investment in housing, human and social services.

Table 5 - Expected Resources – Priority Table

Federal Funds / Additional Resources

In 2016, for every dollar of federal funds the City expended on activities that were completed, the City leveraged \$6 of non-federal funds. Leveraging is expected to increase; in 2016, for every dollar of federal funds the City allocated, over \$20 in non-federal funds are anticipated to be leveraged. Human (public) service grants leverage considerable funding from non-federal sources, tapping into the local commitment of nonprofit agencies delivering critical services to our community.

Discussion

In 2012, Bellingham voters approved a Housing Levy that assesses \$3 million per year to address housing development/preservation and housing services. These funds are used to help support capital costs, rent and services for some federally funded projects, thus contributing to the matching requirements. The City passed this Housing Levy at the completion of the Consolidated Plan process, providing seven years of funding to address increasing the housing supply, preservation of housing, rental assistance and housing supportive services. The needs, priorities and strategies of the Consolidated Plan are assisted by these additional resources in the community.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

The following table is a summary of the 2017 goals.

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Help fill gap in basic needs to low-income	2013	2017	Homeless Non-Homeless Special Needs Non-Housing Community Development	City of Bellingham Roosevelt Neighborhood Central Business District	HOMELESSNESS ASSIST THE SPECIAL NEEDS POPULATIONS HEALTHY CHILDREN AND FAMILIES COORDINATION AND DELIVERY OF SERVICES	CDBG: \$340,480 General Fund: \$457,760 Local Housing Levy: \$41,972	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 5498 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 13 Households Assisted Public service activities other than Low/Moderate Income Housing Benefit: 19715 Persons Assisted HIV/AIDS Housing Operations: 6 Household Housing Unit
2	Increase supply of affordable rental housing	2013	2017	Affordable Housing Homeless	City of Bellingham Central Business District	HOMELESSNESS INCREASE AFFORDABLE HOUSING SUPPLY	Local Housing Levy: \$856,637	Public service activities for Low/Moderate Income Housing Benefit: 16 Households Assisted Rental units constructed: 80 Household Housing Unit Housing for Homeless added: 15 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Increase supply of permanent supportive housing	2013	2017	Homeless	City of Bellingham Central Business District	HOMELESSNESS INCREASE AFFORDABLE HOUSING SUPPLY ASSIST THE SPECIAL NEEDS POPULATIONS HEALTHY CHILDREN AND FAMILIES	HOME: \$591,617 Local Housing Levy: \$488,145	Housing for Homeless added: 52 Household Housing Unit
4	Increase supply-affordable owner-occupied housing	2013	2017	Affordable Housing	City of Bellingham	INCREASE AFFORDABLE HOUSING SUPPLY HEALTHY CHILDREN AND FAMILIES	HOME: \$490,189 Local Housing Levy: \$253,652	Direct Financial Assistance to Homebuyers: 24 Households Assisted
5	Maintain housing stock	2013	2017	Affordable Housing Homeless Non-Homeless Special Needs	City of Bellingham Meridian-Birchwood Neighborhood Roosevelt Neighborhood Central Business District	ASSIST HOUSING/SERVICE NEEDS - ELDERLY ASSIST THE SPECIAL NEEDS POPULATIONS HEALTHY CHILDREN AND FAMILIES PRESERVATION COORDINATION AND DELIVERY OF SERVICES	CDBG: \$391,824 HOME: \$75,929 Local Housing Levy: \$457,875	Rental units rehabilitated: 35 Household Housing Unit Homeowner Housing Rehabilitated: 23 Household Housing Unit
6	Support investment-public facilities/improvements	2013	2017	Non-Housing Community Development	City of Bellingham Central Business District	HOMELESSNESS ASSIST HOUSING/SERVICE NEEDS - ELDERLY ASSIST THE SPECIAL NEEDS POPULATIONS HEALTHY CHILDREN AND FAMILIES COORDINATION AND DELIVERY OF SERVICES	CDBG: \$366,785 Local Housing Levy: \$4,253	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 13500 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 12 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
7	Support rapid rehousing-homeless persons/families	2013	2017	Homeless	City of Bellingham	HOMELESSNESS ASSIST THE SPECIAL NEEDS POPULATIONS HEALTHY CHILDREN AND FAMILIES COORDINATION AND DELIVERY OF SERVICES	CDBG: \$56,040 HOME: \$142,500 Local Housing Levy: \$60,060	Public service activities for Low/Moderate Income Housing Benefit: 170 Households Assisted Tenant-based rental assistance / Rapid Rehousing: 30 Households Assisted
8	Maintain inventory of interim housing	2013	2017	Homeless	City of Bellingham Meridian-Birchwood Neighborhood	ASSIST THE SPECIAL NEEDS POPULATIONS HEALTHY CHILDREN AND FAMILIES PRESERVATION	CDBG: \$47,596 Local Housing Levy: \$404,147	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 33 Households Assisted Public service activities for Low/Moderate Income Housing Benefit: 20 Households Assisted
9	Provide supportive services to homeless	2013	2017	Homeless	City of Bellingham Central Business District	HOMELESSNESS ASSIST THE SPECIAL NEEDS POPULATIONS HEALTHY CHILDREN AND FAMILIES COORDINATION AND DELIVERY OF SERVICES	CDBG: \$48,200 General Fund: \$28,000 Local Housing Levy: \$573,964	Public service activities other than Low/Moderate Income Housing Benefit: 310 Persons Assisted Public service activities for Low/Moderate Income Housing Benefit: 441 Households Assisted

Goal Descriptions

1	Goal Name	Help fill gap in basic needs to low-income
	Goal Description	The City's Housing and Human and Social Services program as well as other activities address this goal through public facilities and service activities. The services activities will be awarded contracts for a 2 year period beginning in 2017.

2	Goal Name	Increase supply of affordable rental housing
	Goal Description	This goal is implemented through a 2015 funded activity, 80 senior housing units (Eleanor Apartments), and the funds set aside for predevelopment assistance and acquisition & opportunity loans to spur new development of affordable housing through the local levy.
3	Goal Name	Increase supply of permanent supportive housing
	Goal Description	This goal is implemented through previously funded activities: 40 homeless housing units (22 North), and would increase the amount of funds for this project for construction and supportive housing services; as well as through commitments to the Bell Tower and Birchwood Court supportive homeless housing projects through local levy funds.
4	Goal Name	Increase supply-affordable owner-occupied housing
	Goal Description	This goal is implemented through the City's homebuyer program administered by the Housing Finance Commission.
5	Goal Name	Maintain housing stock
	Goal Description	This goal is implemented through the City's Housing Preservation program, the City's owner-occupied housing rehabilitation program and the Opportunity Council's manufactured home repair program. Units will also be added through a previously-funded activity (Mt Baker Apartments) and through new housing for developmentally disabled adults.
6	Goal Name	Support investment-public facilities/improvements
	Goal Description	This goal is implemented through a 2015 funded activity, the remodel of the Roosevelt neighborhood resource center; and a 2016 funded activity, the remodel of the drop-in service center at the local community action agency. The goal would be further implemented through new Public Facilities projects (infrastructure development to support Habitat/CLT project).
7	Goal Name	Support rapid rehousing-homeless persons/families
	Goal Description	This goal is implemented through the tenant-based rental assistance program and rapid re-housing vouchers.
8	Goal Name	Maintain inventory of interim housing
	Goal Description	This goal is implemented through the City's Housing Preservation program (DVSAS) and Housing Services agreements.

9	Goal Name	Provide supportive services to homeless
	Goal Description	This goal is implemented through the City's Human and Social Services agreements – specifically counseling, case management, nutrition, legal advocacy, and vocational readiness programs – as well as through support of the Opportunity Council's Homeless Outreach Team and Homeless Service Center.
10	Goal Name	Provide Supportive Services to homeless
	Goal Description	This goal is implemented through the City's Human and Social Services agreements – specifically counseling, case management, nutrition, legal advocacy, and vocational readiness programs – as well as through support of the Opportunity Council's Homeless Outreach Team and Homeless Service Center.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

Projects which would provide affordable housing are as follows: Moderate-income - 22 households; Low-income - 138 households; Extremely low-income - 83 households.

P-35 Projects

91.220(d)

Introduction

The 2017 Action Plan includes continuation of existing activities, renewal of ongoing activities, and new projects.

One new Public Facility and Improvement project would assist in making an existing community resource center that serves the most vulnerable in our community safer and able to deliver more effective services (Hope House). Another public facility project would develop new necessary infrastructure to support low income housing. An existing Public Facility and Improvement project is continuing: making improvements to a neighborhood center in low-income neighborhood. Other projects would make repairs and help pay other expenses for an emergency shelter for victims of domestic violence, rehabilitate a new facility for a shelter, and rehabilitate a new facility for homeless transitional housing. One new housing project is allocated HOME funds for adults and young adults; the project is being developed or sponsored by a Community Housing Development Organization (CHDO), and is considered eligible for those funds. Another will create additional units of very low income housing in an existing historic building. Another new preservation project will repair a 4-plex for previously-homeless families that is currently 50-years old and in need of multiple improvements.

In 2017, the City solicited new proposals for public service activities with the intent to fund them for 2 years. CDBG funds are allocated for five activities, of which three provide housing services and two provide case management and support services. With City Housing Levy and General Funds, there are 24 different housing and human services activities provided funding assistance.

#	Project Name
1	Public Facilities and Improvements
2	MT BAKER APARTNMENTS
3	Shelter/transitional housing preservation
3	Owner-occupied rehab and repair
4	Rental Housing Development
5	Rental Assistance
6	Human and Social Services
7	Housing Services
8	Homebuyer Program
9	Planning and Management

Table 2 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

These allocations selected for funding in the 2017 Action Plan were primarily based on solicitation of proposals which used the City's priorities identified in the Consolidated Plan. Priorities reflect the goals in the Consolidated Plan, as combined with the local capacity to deliver housing and services. Bellingham continues to need a drastic increase in the supply of housing as the vacancy rate hovers close to zero; there is simply not the capacity to deliver the number of units that are needed in the near term.

AP-38 Projects Summary

Project Summary Information

1	Project Name	Public Facilities and Improvements
	Target Area	City of Bellingham Roosevelt Neighborhood
	Goals Supported	Help fill gap in basic needs to low-income Support investment-public facilities/improvements
	Needs Addressed	HOMELESSNESS ASSIST THE SPECIAL NEEDS POPULATIONS HEALTHY CHILDREN AND FAMILIES COORDINATION AND DELIVERY OF SERVICES
	Funding	CDBG: \$602,450 Local Housing Levy: \$4,253
	Description	Continuing and new public facilities projects. Includes continuing projects: 1111 Cornwall rehabilitation (phase II) - 2016; and Roosevelt Neighborhood Center - 2015). Includes a new project: Hope House (services for very low income).
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	18,998 individuals plus 12 households - all low or very low income - are estimated to benefit from these activities.
	Location Description	Roosevelt Neighborhood Center - 2303 Moore St Hope House - 207 Kentucky St Opportunity Council drop-in service center - 1111 Cornwall Ave Infrastructure development - Telegraph Rd
Planned Activities	Continuing activities from prior years: Roosevelt Resource/Neighborhood Center rehabilitation of a center serving a very low income population with a variety of neighborhood activities such as tutoring; Opportunity Council drop-in center, phase II of the rehabilitation to increase security and service delivery of their primary service center for low and very low income clients. New activities: Hope House rebuilding to serve very low income clients with basic needs items like food, diapers, household items, and referrals; and Telegraph Rd infrastructure development to aid in stormwater, sewer and street improvements in order to serve more low income housing.	
2	Project Name	MT BAKER APARTMENTS
	Target Area	City of Bellingham Central Business District

Goals Supported	Increase supply of affordable rental housing Maintain housing stock
Needs Addressed	INCREASE AFFORDABLE HOUSING SUPPLY
Funding	Local Housing Levy: \$152,875
Description	This is a continuing project from 2016. The city supporting the rehabilitation and further affordability of an 84-unit historic apartment complex in the city center that currently has 55 restricted units for low-income households. 29 more restricted units will be added as a result of the city investment. Total investment is \$235,008 CDBG + \$564,992 Local Housing Levy. In the 2017 AP year, there are \$152,875 in local levy dollars remaining to be expended.
Target Date	2/1/2018
Estimate the number and type of families that will benefit from the proposed activities	29 additional low income households will have permanent housing; and 25 existing low income households will have improved housing due to this rehabilitation
Location Description	City Center - 308 W Champion St
Planned Activities	The city supporting the rehabilitation and further affordability of an 84-unit historic apartment complex in the city center that currently has 55 restricted units for low-income households. 29 more restricted units will be added as a result of the city investment. The project includes an acquisition-rehab of the historic building, including a new elevator and improvements to the units.

Geographic Distribution

AP-50 Geographic Distribution – 91.220(f)

Funds are distributed throughout the target areas (areas of historic low-income concentration). The City does not have any areas of minority concentration. Many projects are delivered city-wide or are in scattered locations. The Central Business District includes land that is compatible with multi-family development with access to services.

Geographic Distribution

Target Area	Percentage of Funds
City of Bellingham	66
Meridian-Birchwood Neighborhood	12
Roosevelt Neighborhood	0
Central Business District	21

Table 4 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The homebuyer program geographically targets neighborhoods with high rental concentration, which are also high concentration of low-income and minorities. This priority helps address inequity in the neighborhood. The City is also encouraging investment of public facilities and improvements in low-income neighborhoods.

Discussion

Program activities are encouraged and prioritized to serve the target neighborhoods, but are not strictly limited to serving those areas.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Affordable housing support includes rental assistance, new rental construction, homebuyer program and housing services.

One Year Goals for the Number of Households to be Supported	
Homeless	140
Non-Homeless	94
Special-Needs	145
Total	379

Table 6 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance and Services	775
The Production of New Units	151
Rehab of Existing Units	106
Acquisition of Existing Units	24
Total	1,056

Table 7 - One Year Goals for Affordable Housing by Support Type

Discussion

Leveraging local levy and federal dollars has helped create more opportunities for housing locally, yet there is still a vacancy rate hovering close to 1%, high homeless population, and severe need for additional affordable housing.

Public Housing

AP-60 Public Housing – 91.220(h)

The Bellingham Housing Authority provides public housing and affordable housing in Bellingham. The Housing Authority has been very innovative with projects and has met the needs of the community.

Action to address Public Housing Needs

The City will continue to work with the Bellingham Housing Authority to address their needs.

1. The City will continue to support the Bellingham Housing Authority's program to involve residents in the management of the Housing Authority and their property.
2. The City will provide information to public housing residents about homeownership opportunities sponsored by the City.
3. The City will involve public housing residents in the Assessment of Fair Housing and provide them with Fair Housing information.
4. The City will encourage the Housing Authority to provide information about homeownership opportunities to public housing residents.
5. The City recently sold a property purchased with Housing Levy funds to the Housing Authority with flexible terms. The City will continue to collaborate with the Housing Authority as they plan the details of the development of approximately 150 affordable housing units on the site over several years (72 units in phase I).

Actions to encourage public housing residents to become more involved in management and participate in homeownership

Share educational information about the City's homeownership downpayment assistance program, and about Kulshan CLT's and Habitat for Humanity's homeownership programs.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

N/A

Discussion

The City is fortunate to have a well-managed public housing authority. The City will work to support their efforts to meet the needs of their residents, whether in their inventory of public housing or their multifamily (tax credit) projects.

Homeless and Other Special Needs Activities

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

The Homeless Service Center (HSC), a program of the Opportunity Council (OC), operates a centralized and coordinating homeless housing service center that serves the homeless population in the City of Bellingham. This Center serves as a hub for all homeless housing related activity in the community, including the coordination of homeless housing service providers and the management of the local homeless management information system (HMIS) by operating a single-point of entry.

One-Year Goals and Actions for Reducing & Ending Homelessness

People who are homeless or at risk of becoming homeless enter the housing system and are assigned case management from an array of partnering, non-profit housing agencies. Housing counseling and advocacy become a significant part of the case management support provided. More general counseling and advocacy services are also available to low-income people at the Community Resource Center (drop-in service center) of the Opportunity Council which offers information and referral services to help people seeking a variety of services in addition to housing services. Bellingham has a variety of outreach services targeting the homeless population. Starting in 2015, the City funded a Homeless Outreach Team using 2012 Housing Levy funds; the City contracted with the Opportunity Council for these services. Additional outreach services include: Hope House, a volunteer team that operates out of a program of Catholic Community Services, Homeless Disability Benefits Advocacy Program, Drop-In Centers run by Lighthouse Mission and Lake Whatcom Counseling, including a Mobile Outreach Team, a PATH Program worker, UnityCare Homeless Outreach, and several meal programs. UnityCare Community Health Center provides on-site medical care services at the Lighthouse Mission Drop-In Center one day per week. The Project Homeless Connect event brings in mobile dental clinics once a year for homeless and low-income people to receive free dental services. Seasonal mobile vaccine clinics are services provided by the Health Dept. for low-income residents. Homeless people are targeted through their provider networks and at the Lighthouse Mission Drop-In Center.

Emergency Shelter / Transitional Housing

The City's strategy on homelessness encourages rapid rehousing of those that are homeless and targeted prevention for those that are at risk of becoming homeless. The City supports existing emergency shelter and transitional housing in the community through the city's public (human) service grant program.

As seen across the State, the number of homeless persons in Bellingham and Whatcom County continues to increase, as it has for the last few of years. The City administration is seeking ways to partner with agencies to increase the number of beds available to persons living unsheltered. Options include emergency shelters. Unfortunately, a proposal that required the support of the Port of Bellingham to add more permanent low-barrier shelter beds was not successful. This work will continue in 2017-18.

Helping homeless persons make the transition to permanent housing and independent living

The HSC administers rental subsidies (local funds) to homeless and at-risk households and matches the subsidy with case management support provided by one of several partnering, nonprofit housing agencies. Families with children, youth, and veteran households are among the populations that are supported by rental subsidies and case management. Additionally, the HSC administers Supportive Housing Program (SHP) subsidies to people who are chronically homeless. HSC also operates the Rapid Rehousing program for families with moderate housing barriers who are homeless, including survivors of domestic violence. The following are just some of the programs and employment and job training programs that serve people who are homeless in Bellingham: WorkSource One-Stop Center, OC employment specialist, Lake Whatcom Treatment Center and Whatcom Counseling and Psychiatric Center employment specialists, Northwest Youth Services jobs training, and Department of Vocational Rehabilitation.

Helping low-income individuals and families avoid becoming homeless

The HSC helps to coordinate housing placements for people re-entering the community from institutions, and implements a housing program for people on State disability assistance. Pioneer Human Services operates a 37-unit apartment (City Gate) that includes units for offenders re-entering from jail, as well as units for veterans.

Discussion

Bellingham's plans to end homelessness are models for the state and nation. In the past several years, with additional funding, the community has shown that it can have a significant effect on the number of homeless families in our community. Targeted outreach to families from Whatcom County, the Homeless Service Center and others has led to dramatic reductions in the time spent on the street for families. The most significant barrier to accomplishing the goal to end homelessness in the community is now funding and the constraint in the supply of housing.

Barriers to Affordable Housing

AP-75 Barriers to affordable housing – 91.220(j)

In 2007, Whatcom County and the City of Bellingham appointed sixteen community members to a Countywide Housing Affordability Task Force (CHAT). The purpose of CHAT was to review and develop policies and strategies to meet countywide affordable housing goals. Three of CHAT's six goals addressed strategies to remove barriers to affordable housing: 1) Create a housing trust fund; 2) Strive to reduce land and building costs; and 3) Provide incentives for the creation of affordable housing.

The primary strategies that CHAT recommended to implement these goals are:

- Create an affordable housing investment fund
- Adopt measures that reduce land costs
- Adopt measures that reduce labor and material costs
- Adopt measures that reduce infrastructure development costs
- Adopt affordable housing incentives

Most of these measures have been implemented, though the City annually reviews what is still needed to be done. For the 2017 Action Plan year, a Community Solutions Workgroup (CSW) will meet to tackle these issues.

Actions planned to remove barriers

The City reviews the CHAT recommendations annually on land use and other limitations or policies that affect affordable housing supply in the City. Some of this effort is integrated with other city planning efforts that encourage infill opportunities within the City. Other fees and charges that affect affordability were recently reviewed, with reductions offered for low-income housing. Other barriers will be analyzed through the CSW process this year.

Discussion

The City remains committed to removing or ameliorating the negative effects of public policies that serve as barriers to affordable housing.

Other Actions

AP-85 Other Actions – 91.220(k)

The City will undertake, or support the efforts of other agencies, that meet the needs of low-income persons and households.

Actions planned to address obstacles to meeting underserved needs

- The City will work with other funding agencies, including Whatcom County, United Way of Whatcom County and private foundations, to coordinate funding to more effectively meet the needs of the community.
- The City will seek opportunities to increase funding available for affordable housing.
- The City will work to inform lenders and households regarding Fair Housing laws, and in particular, to encourage greater participation by minorities and ethnic groups disproportionately represented in homeownership.

Actions planned to foster and maintain affordable housing

- Most of the city's affordable housing inventory is owned and managed by non-profit housing providers. There is very little risk that projects will be lost from the affordable housing inventory. Regardless, the City will work with these providers when time comes to renew tax credits to ensure continued viability of the housing.

Actions planned to reduce lead-based paint hazards

- All housing rehabilitation efforts on homes that were built before 1978 will include lead-based paint hazard evaluations. All hazards will be addressed, either through abatement or interim controls to minimize the hazards.
- The City will continue to provide educational information about the hazards of lead-based paint. Information is available on the City's web site, and City staff provides information targeted to parents of young children through specific outreach to day care centers.

Actions planned to reduce the number of poverty-level families

- The City will support the efforts of non-profit agencies that are working to reduce the number of poverty-level families. These efforts include the Asset Building Coalition sponsored by the Opportunity Council, the Prosperity Initiative of the Whatcom Community Foundation, and the work of United Way and Chuckanut Health Foundation of Whatcom County.
- The City will support the efforts of other public agencies that work to reduce the number of people in poverty. Whatcom County and Washington State's WorkFirst Program work towards this end, as well as WorkSource.

Actions planned to develop institutional structure

- The City will continue to work with public and nonprofit funding agencies to identify ways to

coordinate and improve the effectiveness of the institutional system of funding housing and low-income community development needs in the community.

- The City will continue to work with all housing and human service agencies to coordinate and improve communications. The Community Development Advisory Board will be one mechanism for hearing other program and institutional issues, and addressing ways to improve the system in Bellingham.

Actions planned to enhance coordination between public and private housing and social service agencies

- The City will continue to support the efforts of the Whatcom County Coalition to End Homelessness Steering Committee, which coordinates the actions of housing and social service agencies in the community; as well as participate in committees focused on increasing supportive services in all housing where it's needed.

Discussion

Voters in the City of Bellingham approved a Low-income Housing Levy in 2012. This levy is providing \$21 million over seven years. The City began implementation of this levy in 2013, using the needs and priorities identified in the Consolidated Plan as a baseline for this program. As a result of this levy passage, significant attention is being paid to addressing obstacles, affordable housing supply, institutional structure and coordination.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

The 2017 Action Plan continues proven programs that the City has implemented for many years, including rehabilitation of homeowner units, homebuyer assistance, public (human) services, tenant-based rental assistance and housing development. The entirety of the anticipated \$310,000 in CDBG program income has already been reprogrammed through projects included in this action plan (and tied to this or previous years).

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

- | | |
|--|----------|
| 1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed | 0 |
| 2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan. | 0 |
| 3. The amount of surplus funds from urban renewal settlements | 0 |
| 4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan | 0 |
| 5. The amount of income from float-funded activities | 0 |
| Total Program Income: | 0 |

Other CDBG Requirements

- | | |
|---|--------|
| 1. The amount of urgent need activities | 0 |
| 2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. | 95.00% |

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.220(l)(2)

- 1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:**

No other forms of investment are used beyond those identified in Section 92.205.

- 2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for**

homebuyer activities as required in 92.254, is as follows:

The City of Bellingham has selected the resale and recapture provisions that comply with HOME statutory and regulatory requirements. These policies are selected based on program, and not on a case-by-case basis. The City's Resale and Recapture policies are included by reference, and also in the unique appendices to this Action Plan.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

The City has a monitoring policy and procedure to ensure affordability of units acquired with HOME funds. Annual notices are provided to HOME-funded properties regarding new income determinations, HOME rents and utility allowances. Annual income certifications are received from the properties, a desk review is completed, and on-site inspection is completed based on a risk-assessment schedule and HOME rules for monitoring.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

HOME funds are not proposed to assist in the refinancing of existing debt secured by multifamily housing that is rehabilitated with HOME funds.