



City of Tacoma

Annual Action Plan of the Consolidated Plan Notice of Funding Availability

2018-2019 Community Development Block Grant

**Funding Information Packet
December 2017**

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I.

OBJECTIVES AND PURPOSE OF THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM: HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

OBJECTIVES AND PURPOSE OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

The primary objective of the Community Development Block Grant (CDBG) program is the development of viable urban communities, achieved by providing decent housing and a suitable living environment and by expanding economic opportunities, principally for persons of low and moderate income. The Housing and Community Development Act of 1974 merged eight categorical programs into a block of flexible community development funds distributed each year by the U.S. Department of Housing & Urban Development (HUD) by a formula that considers population and measures of distress including poverty; age, availability, and condition of housing; and growth lag. Cities and metropolitan areas receiving direct entitlement CDBG funds from HUD individually determine what eligible activities, outlined in the Code of Federal Regulations at Chapter 24, Part 570, they will fund. All eligible activities must accomplish one of the three broad national objectives of the program.

CDBG National Objectives are:

1. Benefit low- and moderate-income persons
2. Aid in the prevention or elimination of slums and/or blight
3. Meet community development needs having a particular urgency

More information on the General Policies of the Community Development Block Grant Program can be found at [24 CFR 570.200](https://www.ecfr.gov/current/title-24--housing-and-urban-development/chapter-570--community-development-block-grants).

II.

CITY COUNCIL FUNDING PRIORITIES STATEMENT

Every two years the Tacoma City Council adopts funding priorities. These priorities outline activities the City of Tacoma will support using federal Community Development Block Grant (CDBG), Home Investment Partnership Program (HOME), and Emergency Solutions Grant (ESG) monies in the coming years. The current Tacoma City Council Funding Priorities are organized into six categories: (1) General; (2) Set-asides; (3) Housing; (4) Community Development; (5) Economic Development; and (6) Human Services. Each of the categories is briefly summarized below.

1. **General Priorities** – Community Development Block Grant (CDBG) funds will be used to support activities that: (a) are consistent with existing City of Tacoma plans (e.g. Consolidated Plan, Comprehensive Plan, Human Services Strategic Plan); (b) leverage other funding resources when applicable; (c) can be committed within 12 to 24 months; (d) are proposed by an organization with a proven capacity for project completion and good management; (e) show reasonable cost effectiveness; and (f) do not require City of Tacoma General Fund monies for project operation and maintenance.
2. **Set-Aside Priorities** – Set aside amounts from the annual CDBG grant: (a) up to 50% for housing development & rehabilitation. This recommendation is a change from prior years where the allocation was set at 50%; (b) 15% (HUD Maximum) to support human services; and (c) up to \$100,000 for community development (neighborhood improvement projects such as: sidewalk, signalization, ramps, and roadway improvements necessary to meet current ADA requirements).
3. **Housing Priorities** (CDBG and HOME) – The priorities for housing activities are: (a) homeownership programs that benefit low-income owners with repairs and rehabilitation; (b) programs that assist first-time homebuyers to purchase a home; (c) maintaining and expanding affordable rental housing for families and the elderly; and (d) provide supportive housing for homeless and/or special needs individuals and families that may include emergency and transitional shelters, and special needs housing with support services. In furtherance of these efforts, maintain minimum output levels for the City’s low-income housing programs: single family homeowner occupied rehabilitation loan program (CDBG); single family rehabilitation grant programs, which offer housing maintenance, repair, rehabilitation, and energy improvements (CDBG); and Down Payment Assistance for first-time home buyers (HOME).

Note: Only activity a) is being solicited through the 2018-2019 CDBG application. This item is listed in the application as Housing Assistance: Residential Rehabilitation and Preservation of Single-Family Homeowner Occupied Households.

4. **Community Development Priorities** (CDBG only) – The priorities for Community Development are activities that support neighborhood improvements for lower income residents such as; (a) payment of LID assessments for lower income homeowners; (b) street-related accessibility improvements such as

sidewalk, signalization, ramps, and roadway improvements necessary to meet current ADA requirements in lower income neighborhoods with a connection to current high priority housing and economic development projects; (c) eligible neighborhood innovative grant projects; and (d) public facilities.

Note: Only activity d) is being solicited through the 2018-2019 CDBG application. This activity is referred to in the application as Public Facilities. This activity will only be considered for funding if money remains after all other funding priorities listed herein are met.

5. ***Economic Development Priorities (CDBG only)*** – The priorities for Economic Development are activities that help increase jobs and business opportunities such as: (a) creation or retention of jobs for lower income persons; (b) business services that support lower income neighborhoods and/or lower income groups; and (c) entrepreneurial assistance to include financial and technical aid for disadvantaged persons who own or plan to start a business; (d) workforce development programs; and (e) revitalization of blighted or lower income business districts through historic preservation, conservation actions, targeted façade grant programs, and neighborhood economic development.

Note: Only items a) through c) are being solicited through the 2018-2019 CDBG application. These activities are referred to as Economic Development: Microenterprise Assistance in the application.

6. ***Human Services Priorities (CDBG and ESG)*** – In 2011, human services funding priorities were updated to align with federal HEARTH legislation and respond to changes in ESG regulations. CDBG funds remained targeted toward low- and moderate-income persons, with a new emphasis on stabilization services that would support individuals and families to move toward housing and economic stability. A category for youth stabilization services was added to reflect the local priority to provide services to unaccompanied youth who are at risk of or are currently experiencing homelessness. ESG funds were re-focused on HUD's new categories of eligible activities, including rapid re-housing. These changes were maintained during the review of priorities in 2013. ESG funds will continue to be used for programs which support individuals and families who are experiencing or are at risk of experiencing homelessness, as defined by HUD to include street outreach, emergency shelter, rapid re-housing, and homelessness prevention activities. Ten percent (10%) of the grant will be reserved for expenses related to administration of the grant and reporting through the local Homelessness Management Information System (HMIS).

Note: Human Services CDBG & ESG funds are made available through a separate application process. Contact Jason McKenzie at (253) 591-5047 or jmckenzie@cityoftacoma.org for more information.

III.

APPLICATION INFORMATION, INSTRUCTIONS, AND PROCESS

The 2018-2019 Community Development Block Grant (CDBG) application process is competitive and is intended to give fair and equal consideration to each eligible proposal. Throughout this section the Code of Federal Regulations, Title 24, Part 570, which governs the use of CDBG funds, is cited in an effort to provide guidance to applicants.

General Information

Accessing the Application and Funding Information Packet. The 2018-2019 CDBG application and Funding Information Packet are available online at www.cityoftacoma.org/conplan. Contact Carol Hassard at (253) 591-5645 or chassard@cityoftacoma.org to obtain a hard copy of the Application and/or Funding Information Packet.

Supplemental Form. Applicants applying for funds to conduct public facilities activities must complete a Supplemental Form in addition to the application. This form can be obtained by calling or e-mailing Carol Hassard.

Grant Cycle. The grant-year begins July 1, 2018 and ends June 30, 2019.

Use of CDBG funds. Information on expenses that may be covered using CDBG funds can be found at [2 CFR 200, Subpart E: Cost Principles](#). This hyperlink is provided as a general guide to eligible uses of federal funding; the City of Tacoma may use discretion in deciding which expenses it chooses to provide reimbursement for under its Community Development Block Grant program.

Disbursement of Grant. Grant awardees will receive grant funds via a cost reimbursement model, based upon a budget agreed upon by the City of Tacoma and the grantee. Programs/projects awarded funds will be required to pay for their eligible incurred costs in advance of requesting reimbursement from the City. All costs reimbursed with CDBG funds must be reasonable, responsible, and necessary for the operation and success of the program/project.

Requesting Reimbursement. Each month, grant awardees will submit an invoice requesting reimbursement for eligible expenses. The invoice must be accompanied by documentation of the incurred expenses. Payment on invoices may take up to 30 days to issue. The City is not able to disburse CDBG funds until the U.S. Housing & Urban Development department (HUD) approves its Annual Action Plan. For this and other reasons, **sub-recipients should be prepared to not receive their first reimbursement until approximately late September 2018. This does not exempt the awardee from its obligation to begin providing services July 1, 2018.**

Grant Eligibility Criteria. To be eligible for CDBG funds, a program/project must accomplish a CDBG Program National Objective and must perform an eligible activity.

National Objective. To be eligible for CDBG funds, a program/project must accomplish one of the CDBG Program's three National Objectives ([24 CFR 570.208](#)). These objectives are as follows:

- 1) Benefit low- and moderate-income persons.
 - A low- or moderate-income person is an individual whose household annually earns 80% or less of the Area Median Income. The Area Median Income can be found in this document at Section IV: CDBG Income Guidelines.
 - Household is defined as all the people who occupy a housing unit. A household includes the related family members; two or more families living together; and all unrelated people, if any, who share the housing unit regardless of actual or perceived, sexual orientation, gender identity, or marital status. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit, such as domestic partners or roommates, is also considered a household.
- 2) Aid in the prevention or elimination of slums and/or blight.
 - A structure is considered blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare.
- 3) Meet community development needs having a particular urgency.

Eligible Activities. *In addition to meeting a National Objective, a program/project must accomplish one of the following eligible activities to be considered for CDBG funds through the 2018-2019 application process:*

- 1) Housing Assistance: Residential Rehabilitation and Preservation of Single-Family Homeowner Occupied Households ([24 CFR 570.202\(a\)\(1\)](#))
 - Example: Fixing leaking faucets, installing grab bars, and repairing existing health and safety related items in a home belonging to and occupied by a low- or moderate-income homeowner.
- 2) Economic Development: Microenterprise Assistance ([24 CFR 570.201\(o\)](#))
 - Example: Technical assistance to entrepreneurs or owners of microenterprises (businesses of 5 or fewer employees, including the owner(s)). Technical assistance examples: workshops that educate entrepreneurs about topics such as the business cycle, business accounting, and business plans. Technical assistance activities must result in the creation of new microenterprises and in the creation of jobs. At least 51% of the jobs filled as a result of technical

assistance provided must be filled by individuals who are low or moderate income.

3) Public Facilities* ([24 CFR 570.201\(c\)](#))

- Public facilities such as homeless shelters.

More information on the General Policies of the Community Development Block Grant Program can be found at [24 CFR 570.200](#).

Performance Measures. Each program/project awarded grant funds will be expected to meet performance measures. Programs conducting the eligible activity of providing housing assistance will be required to serve a specified number of unduplicated households during the CDBG grant-year. Programs conducting microenterprise assistance will be expected to provide technical assistance which results in the creation of a specified number of new microenterprises and new full-time equivalent jobs. A microenterprise is considered to be created when it obtains a DUNS number and state and local business licenses. At least 1 full-time equivalent (FTE) (40 hours/week) job must be created per \$35,000 in grant funds awarded to programs conducting microenterprise assistance. Additionally, at least 51% of new jobs created must be filled by low- or moderate-income individuals. FTE jobs will be calculated on a 40 hour/week basis. Multiple part-time jobs amounting to 40 hours/week qualify as 1 FTE job.

Federal Cross-Cutting Regulations. CDBG funds are derived from the U.S. Department of Housing & Urban Development (HUD). As such, applicants awarded CDBG funds will be required to comply with federal cross-cutting regulations put in place by HUD. Grantees which are unable to comply with federal cross-cutting regulations applicable to their program/project may be required to forfeit their grant and/or reimburse the City of Tacoma for funds already distributed. The most commonly applicable federal cross-cutting regulations are detailed below:

Section 3

Under Section 3 of the HUD Act of 1968, wherever HUD financial assistance is expended for housing or community development, to the greatest extent feasible, economic opportunities will be given to Section 3 residents and businesses in that area. The [Section 3](#) program requires that recipients of certain HUD financial assistance, to the greatest extent possible, provide job training, employment, and contract opportunities for low- or very-low income residents in connection with projects and activities that involve construction, rehabilitation, and other public construction/public works projects they

choose to fund in their neighborhoods. Learn more about registering online as a [Section 3 business](#) or self-certifying as a [Section 3 resident](#).

Prevailing Wages

Grantees that will use CDBG funds to pay for the labor or materials necessary to perform public works (i.e. construction) activities related to housing rehabilitation and repair or public improvements will be required to pay prevailing wages. Prevailing wages will be based on the job classifications of individuals performing the public works. For projects costing more than \$2,000, the greater of the federal Davis-Bacon and the state's prevailing wage rate will apply. For projects costing less than \$2,000, state prevailing wage rates may apply. Grantees subject to paying prevailing wages must document that the correct wage rates were paid. Documentation includes filing Intents, Affidavits, and, in some cases, Certified Payrolls. For more information about federal prevailing wage rates visit <http://www.wdol.gov/dba.aspx>. State prevailing wage rates can be located at <http://www.lni.wa.gov/tradeslicensing/prevwage/wagerates/>.

Lead-Based Paint

Grantees that use CDBG funds to pay for labor or materials necessary to perform housing rehabilitation and repair activities will be subject to lead-based paint regulations outlined at [24 CFR Part 35, Subpart J](#). Among other things the regulations require grantees to either test or presume the presence of lead-based paint when conducting activities of a certain magnitude in homes older than 45 years.

System for Award Management

Any organization, including grantees and their contractors and sub-contractors, which will benefit from federal funds must be registered in the [System for Award Management](#). Federal funds may not be used to benefit any organization that holds a debarred, suspended, or ineligible status in SAM. A grantee that is found to have used CDBG funds to pay an entity or person who holds a debarred or suspended status in SAM may be required to reimburse the City an amount equal to what was paid to the debarred or suspended entity or person.

Procurement

Grantees that will procure goods or services that will be paid for with CDBG funds or will benefit the program/project that is a recipient of CDBG funds must follow methods of procurement outlined at [2 CFR 200.320](#).

Record Retention

Programs/Projects awarded CDBG funds will be required to retain certain detailed records documenting that their project meets a national objective and eligible use of funds. The record keeping requirements listed below should be seriously considered when your organization is

contemplating whether to apply for 2018-2019 CDBG funds. The following is a comprehensive list of records that must be kept. However, it may not include all record requirements that will be applicable should your program/project be awarded CDBG funds:

Programs/Projects Performing Housing Assistance Activities

- The total cost of each home repair or rehabilitation project;
- The program's total budget, including CDBG funds;
- For each individual home repair/rehabilitation project, documentation that the person benefitting from the program is the homeowner and occupies the home as his or her permanent housing;
- For each individual home repair/rehabilitation, documentation of the household name, address, size, head of household race, ethnicity, and annual gross household income of each household served;
- For each individual home repair/rehabilitation, a scope of work;
- Documentation that at least 51% of households served by the program in the grant-year are low or moderate income. Income limits can be found in Section IV: CDBG Income Guidelines;
- As applicable and dependent upon the total cost of each individual home repair/rehabilitation project, proof of conformity with state and/or federal prevailing wage laws;
- For each individual home repair/rehabilitation project, the age of the home and documentation of compliance with lead-based paint safe work practices, if applicable;
- For each individual home repair/rehabilitation project, documentation that background checks have been conducted and the System of Award Management consulted before any contractors or subcontractors perform work on behalf of the applicant program/project;
- For each individual home repair/rehabilitation project, documentation that permits have been secured prior to work commencing, if applicable;
- Copies of Reimbursement Requests and Monthly Progress Reports submitted to the City of Tacoma;
- Approved Indirect Cost Allocation Plan, if applicable;
- Program Income received, if applicable;

- Number of eligible households assisted on a monthly basis;
- Efforts to comply with Section 3 requirements, if applicable.

Economic Development Activities

- Number and type of technical assistance activities made available to entrepreneurs and microenterprises on a monthly basis;
- The program's total budget;
- Documentation of the creation of new microenterprises;
- Number of microenterprises created based on DUNS numbers issued;
- A listing of permanent jobs and their corresponding titles that were created and filled as a result of technical assistance activities performed;
- Documentation that at least 51% of the full-time equivalent jobs created by the program/project and/or by the microenterprises it assists were filled by low- or moderate-income individuals;
- Documentation illustrating the cumulative number of permanent full-time equivalent (40 hours) jobs created;
- For each person filling a newly created job, documentation of the household name, address, size, race, ethnicity, and annual gross household income;
- Reimbursement Requests for CDBG funds;
- Approved Indirect Cost Allocation Plan, if applicable;
- Program Income received;
- Number of entrepreneurs assisted on a monthly basis;
- Number of technical assistance activities offered on a monthly basis;
- Efforts to comply with Section 3 requirements, if applicable.

Slum/ Blight Prevention or Elimination Activities

- A description of the specific condition of blight or physical decay that will be treated through the activity;

- For rehabilitation carried out under a Slum/Blight National Objective, the specific conditions that are detrimental to public health and safety;
- Details and scope of work for how CDBG funds will be used to eliminate or prevent slum or blight;
- Efforts to comply with Section 3 requirements, if applicable.

Application Instructions

Application Format. The application was created as an Adobe form-fillable; it is preferred and strongly encouraged that applicants complete the application using the electronic form-fillable method so as to provide better legibility. A free download of [Adobe Reader](#) is available.

Saving Completed Applications. The application is designed so that you may work on it at your leisure and save as you go. Please test your ability to download and save the application before completing it in full. If you cannot save an application in progress and return to it at a later date, contact Carol Hassard at (253) 591-5645 or chassard@cityoftacoma.org for assistance.

Text and Font Limitations. Please be aware that application responses are limited by a character cap. The cap includes spaces. A standard 11 point Helvetica font has been adopted for responses. Applicants will not be able to adjust the font or size of the text boxes provided. Plan accordingly. A guide to the character cap limit for each long-answer question is provided below.

Question Number	Character Cap (Including Spaces)
21	750
24	1,520
26	835
27	1,400
28	840
29	1,745
30	1,060
31	1,650
32	1,200
33	900
34	1,050
41	600
47	125
48	1,450
49	1,175
50	1,600

54	1,175
58	690
59	1,200
60	950
62	800
64	310
65	1,125
66a	720
66b	450

Code of Federal Regulations and Useful Resources. A hard copy of the Code of Federal Regulations governing eligible uses of CDBG funding is **not** enclosed within this Funding Information Packet. Hyperlinks to important websites and Title 24, Part 570 of the Code of Federal Regulations (CFR) are included in these instructions and the application. Title 24, Part 570 guides the use of CDBG funds. Applicants are strongly encouraged to follow the links and read portions of the CFR and other federal or state regulations applicable to their project/program. **Applicants which are awarded funding will be expected to abide by the CFR. Those unable to do so may be required to forfeit their CDBG award or repay any portion of the award used in unauthorized ways.**

Submitting the Application. When completed filling out the application, print the document, and have a person authorized to commit the organization sign in **blue ink**. Submit **three hard copies** of the completed and signed application. Applications will not be accepted electronically. Authentic hard copy signatures by individuals permitted to commit their organization are required. Applications lacking the appropriate signatures will not be considered for funding.

The application is due **5:00 p.m. Monday, January 22, 2018**. All completed applications must be time and date stamped. Applicants may submit their proposal to the Customer Care Center, Room 220 (2nd floor lobby of Tacoma Municipal Building) or to the Community and Economic Development Department front office assistants, Room 900 (9th floor of Tacoma Municipal Building). The Tacoma Municipal Building is located at 747 Market St., Tacoma, Washington 98402. **Faxed and e-mailed application materials will not be considered for funding. Any materials submitted after the 5:00 p.m. deadline will not be considered for funding.**

Request for Assistance. Contact [Carol Hassard](#) at (253) 591-5645 for assistance with the application or application process or to request a Supplemental Form.

Scoring of Applications. Proposals eligible for funding will be scored using a point-based scale. Scoring will take into consideration the following:

- 1) Program Need;
- 2) Experience;
- 3) Collaboration;
- 4) Performance;
- 5) Capacity;
- 6) Effectiveness;
- 7) Council Priorities;
- 8) Fiscal Responsibility; and
- 9) Completeness of Application.

Funding decisions will be based on applicants' scores, the City Council Funding Priorities, and availability of CDBG funds.

Funding for Affordable Housing Development. Applications and funding for multi-family and senior citizen affordable housing development projects are **not available** at this time under this Notice of Funding Availability. Please contact [Jacinda Steltjes](#) to learn more about funding for affordable housing projects.

Funding for Human Services. CDBG funding through the City of Tacoma's Neighborhood & Community Service Department for human services projects is not currently available. Please contact Jason McKenzie at (253) 591-5047 or jmckenzie@cityoftacoma.org with questions.

Application Process & Timeline

Frequently Asked Questions (FAQ). Applicants may email questions pertaining to the application, application process, CDBG national objectives and eligible activities, funding priorities, federal cross-cutting regulations, and other requirements to [Carol Hassard](#). All questions must be submitted via email by **Thursday, Jan. 18**. Answers to questions will be provided in the FAQ sheet and made available at www.cityoftacoma.org/conplan.

Screening for CDBG Eligibility. Each application will be reviewed by a Technical Team for legal, fiscal, environmental, and land use considerations. The Technical Team is comprised of individuals familiar with the CDBG program guidelines. All proposed programs/projects must comply with CDBG program regulations, Washington State laws, and Tacoma ordinances and resolutions to be eligible for funding. Applicants that have submitted a proposal that is ineligible for funding will be contacted by the City of Tacoma's Community & Economic Development Department within two weeks of application deadline. Staff will explain why the applicant is not eligible for CDBG grant funds and will, when possible, direct the applicant to other resources.

Oral Presentations Before TCRA Board. Results of the scoring will be presented to the Tacoma Community Redevelopment Authority (TCRA), which will hear oral presentations from all scored applicants at a regularly scheduled TCRA meeting, tentatively to take place **Feb. 8, 2018 from 7:30 a.m. to approximately 9 a.m.** At least one person representing each proposal should plan to attend and present before the TCRA on this date. More information will be made available and eligible applicants will be e-mailed their presentation date and time no later than January 26, 2018.

TCRA Funding Recommendations. The TCRA will evaluate the merits of each applicant's proposal and oral presentation to determine which projects best address citizens' needs, federal legislation, City Council funding priorities (see Section II of this document), the [2015-2019 Consolidated Plan](#), growth management, and the City's [Comprehensive Plan](#). The TCRA will then make 2018-2019 CDBG grant funding recommendations, which become part of the 2018-2019 Annual Action Plan, at its regularly scheduled Feb. 22, 2018 meeting. The Annual Action Plan will then be forwarded to the Tacoma City Council.

Public Hearing and Public Comment Period on 2018-2019 Annual Action Plan. A 30-day public comment period on the proposed 2018-2019 Annual Action Plan is anticipated to commence on April 1, 2018. A public hearing is expected to take place on April 17, 2018 at approximately 5:30 p.m. in Council Chambers, 747 Market St. The public comment period will end on April 30, 2018. Written comments on the 2018-2019 Annual Action Plan may be submitted prior to April 30, 2018 to Shannon Johnson at sjohnson3@cityoftacoma.org. Oral comments may be given at the public hearing.

Tacoma City Council Annual Action Plan Approval. The Tacoma City Council will authorize the 2018-2019 Annual Action Plan, including CDBG funding awards. Authorization is expected to take place in May 2018. Closer to this date, City staff will make applicants aware of the exact date the Annual Action Plan will be presented to the Council.

Following Council's approval of the Annual Action Plan, City staff will submit the Annual Action Plan of the Consolidated Plan to the U.S. Department of Housing & Urban Development (HUD).

Community Development Statement Approval. HUD will review the City of Tacoma's Annual Action Plan and present the City of Tacoma with CDBG funds and a contract for the program year.

Notification, Negotiation, and Implementation. Each applicant will be notified by City staff in Spring 2018 regarding its proposal for funding. The 2018-2019 CDBG program-year begins July 1, 2018 and concludes June 30, 2019. Grantees are expected to begin providing services July 1, 2018.

IV.

CDBG INCOME GUIDELINES

The primary objective of the Community Development Block Grant (CDBG) Program is the development of viable urban communities, achieved by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Per the CDBG program, a low and moderate income person is defined as a person earning 80% or less of the Area Median Income of a given jurisdiction. The Area Median Income for the City of Tacoma is listed below and is dependent on a household's size. The Area Median Income is generally updated each year by the U.S. Department of Housing and Urban Development.

CDBG Program Income Limits

(Effective: April 14, 2017)

Household Size	Area Median Income	30% of Area Median Income Limit (Very Low Income)	50% of Area Median Income Limit (Very Low Income)	60% of Area Median Income Limit (Low Income)	65% of Area Median Income Limit (Moderate Income)	80% of Area Median Income Limit (Moderate Income)
1	\$52,200	\$15,650	\$26,100	\$31,320	\$33,930	\$41,750
2	59,600	17,900	29,800	35,760	38,740	47,700
3	67,100	20,420	33,550	40,260	43,615	53,650
4	74,500	24,600	37,250	44,700	48,425	59,600
5	80,500	28,780	40,250	48,300	52,325	64,400
6	86,500	32,960	43,250	51,900	56,225	69,150
7	92,400	37,140	46,200	55,440	60,060	73,950
8	98,400	41,320	49,200	59,040	63,960	78,700

V.

**FEDERAL CROSS-CUTTING AND
OTHER PROGRAM
REQUIREMENTS**

The Federal requirements listed herein incorporate requirements found in the Housing and Community Development Act of 1987 and the National Affordable Housing Act of 1990. Federal assistance through these Acts is provided in the form of Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funding.

The terms “grantee” and “recipient” refer to the City of Tacoma, or any other entity which receives funding directly from the U.S. Department of Housing & Urban Development (HUD). The terms are interchangeable throughout this document. The terms “sub-grantee” and “sub-recipient” refer to any person, household or entity that receives an allocation or award from a grantee or recipient. The terms sub-grantee and sub-recipient are also interchangeable throughout this document.

NON-DISCRIMINATION AND EQUAL ACCESS

No person in the United States shall on the grounds of race, color, national origin, religion or sex be excluded, denied benefits or subjected to discrimination under any program funded in whole or in part by Federal funds. Consequently, recipients must take measures to ensure non-discriminatory treatment, outreach and access to program resources. This applies to employment and contracting, as well as to marketing and selection program participants.

Fair Housing and Equal Opportunity

Recipients of Federal funds and their activities must comply with all of the following Federal laws, executive orders and regulations pertaining to fair housing and equal opportunity. They are summarized below:

- ❖ Title VI of the Civil Rights Act of 1964, as Amended (42 U.S.C. 2000d et seq.): States that no person may be excluded from participation in, denied benefits of, or subjected to discrimination under any program or activity which receives Federal financial assistance on the basis of race, color or national origin. The regulations implementing the Title VI Civil Rights Act provisions for HUD programs may be found in [24 CFR Part 1](#).
- ❖ The Fair Housing Act (42 U.S.C. 3601-3620): Prohibits discrimination in the sale or rental of housing, the financing of housing, or the provision of brokerage services against any person on the basis of race, color, religion, sex, national origin, handicap, or familial status. Furthermore, section 104(b)(2) of the Act requires that each grantee certify to the Secretary of HUD that it is affirmatively furthering fair housing. The certificate specifically requires actions to overcome the effects of any impediments identified and maintain records on the analysis, plan and actions in this regard. Regulations implementing the Fair Housing Act for the HUD programs may be found in [24 CFR Part 100-115](#).
- ❖ Equal Opportunity In Housing (Executive Order 11063, as amended by Executive Order 12259): Prohibits discrimination against individuals on the basis of race, color,

religion, sex, or national origin in the sale, rental, leasing, or other disposition or residential property, or in the use or occupancy of housing assisted with Federal funds. Equal Opportunity in Housing regulations may be found in [24 CFR Part 107](#).

- ❖ [Age Discrimination Act of 1975, as Amended \(42 U.S.C. 6101\)](#): Prohibits age discrimination in programs receiving Federal financial assistance. Age Discrimination Act regulations may be found in [24 CFR Part 146](#).
- ❖ [Section 109 of Title I of the Housing and Community Development Act of 1974](#): Requires that no person shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded with CDBG funds on the basis of race, color, religion, national origin or sex.

Affirmative Marketing

- ❖ Grantees must adopt affirmative marketing procedures and requirements for all federally assisted housing with five or more units. Requirements and procedures must include:
 - Methods for informing the public, owners, and potential tenants about fair housing laws and the grantee's policies (for example, use of the Fair Housing logo or equal opportunity language);
 - A description of what owners and/or the grantee will do to affirmatively market housing assisted with Federal funds;
 - A description of what owners and/or the grantee will do to inform persons not likely to apply for housing without special outreach;
 - Maintenance of records to document actions taken to affirmatively market Federally-assisted units and to assess marketing effectiveness; and
 - Description of how efforts will be assessed and what corrective actions will be taken when requirements are not met.

Handicapped Accessibility

The Federal regulations also require adherence to the three following regulations governing the accessibility of federally assisted buildings, facilities, and programs. The programs are summarized as follows:

- ❖ [Americans with Disabilities act \(42 U.S.C. 12131; 47 U.S.C. 155, 201, 218 and 225\)](#): Provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, state and local government services and telecommunications. The Act, also referred to as the ADA, also states that discrimination includes the failure to design and construct facilities (built for first occupancy after January 26, 1993) that are accessible to and usable by persons with disabilities. The ADA also requires the removal of architectural and communication barriers that are structural in nature in existing facilities. Removal must be readily

achievable, easily accomplishable and able to be carried out without much difficulty or expense.

- ❖ Fair Housing Act: Multi-unit family dwellings must also meet the design and construction requirements at [24 CFR 100.205](#), which implement the Fair Housing Act (42 U.S.C. 3601-19).
- ❖ Section 504 of the Rehabilitation Act of 1973: Prohibits discrimination in federally assisted programs on the basis of handicap. Section 504 imposes requirements to ensure that “qualified individuals with handicaps” have access to programs and activities that receive federal funds. Under Section 504, recipients and sub-recipients are defined more broadly than under either the CDBG or HOME Investment Act (HOME) programs. Section 504 recipients and sub-recipients include any entity that receives federal funding. The specific requirements under Section 504 are summarized as follows:
 - For the recipient or sub-recipient principally involved in housing or social services, all of the activities of the agency and not just those directly received Federal assistance, are covered under Section 504.
 - Contractors and vendors are subject to Section 504 requirements only in the work they do on behalf of a recipient or sub-recipient.
 - The ultimate beneficiary of the federal assistance is not subject to Section 504 requirements.
 - Recipients and sub-recipients are not required to take actions that create undue financial and administrative burdens or alter the fundamental nature of the program.
- ❖ The Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157): Requires certain federal and federally funded buildings and other facilities to be designed, constructed or altered in accordance with standards that ensure accessibility to, and use by, physically handicapped people.

EMPLOYMENT AND CONTRACTING

Compliance with the following regulations is required by the CDBG program to ensure equal opportunity for employment, labor requirements, and contracting/procurement procedures.

Equal Opportunity

Grantees and sub-grantees must comply with the following regulations that ensure equal opportunity for employment and contracting.

- ❖ Equal Employment Opportunity, Executive Order 11246, as Amended: Prohibits discrimination against any employee or applicant for employment because of race, color, religion, sex, or national origin in all phases of employment during the

- performance of Federal or federally-assisted construction contracts. Contractors and sub-contractors must take affirmative action to ensure fair treatment in employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay, or other forms of compensation and selection for training and apprenticeship. Implementing regulations may be found at [41 CFR Part 60](#).
- ❖ [Section 3 of the Housing and Urban Development Act of 1968](#): Requires that, to the greatest extent feasible, opportunities for training and employment arising from CDBG/HOME funded activities will be provided to low-income persons residing in the program service area. Also, to the greatest extent feasible, contract(s) for work (all types) to be performed in connection with Federal funds will be awarded to business concerns that are located in or owned by persons residing in the program service area.
 - ❖ [Minority/Women's Business Enterprise](#): Under Executive Order 11625, 12432 and 12138, grantees must prescribe procedures acceptable to HUD for a minority outreach program to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, in all contracts (see [2 CFR 200.321](#)).

Labor Requirements

Grantees must comply with certain regulations on wage and labor standards. For CDBG, every contract for construction, including rehabilitation and installation, triggers the requirements (in the case of residential construction, projects with a total of eight (8) or more units).

- ❖ [Davis-Bacon and Related Acts \(40 U.S.C. 276\(A\)-7\)](#): Ensures that mechanics and laborers employed in public works under federally assisted contracts are paid wages and fringe benefits equal to those that prevail in the locality where the work is performed. This Act also provides for the withholding of funds to ensure compliance, and excludes from the wage requirements apprentices enrolled in bona fide apprenticeship programs. Keep in mind, the state's prevailing wage requirement may still apply where Davis-Bacon does not.
- ❖ [Contract Work Hours and Safety Standards Act, as Amended \(40 U.S.C. 327-333\)](#): Provides that mechanics and laborers employed on federally-assisted construction jobs are paid time and one-half for work in excess of 40 hours per week, and provides for the payment of liquidated damages if violations occur. This Act also addresses safe and healthy working conditions.
- ❖ [Copeland \(Anti-kickback\) Act \(40 U.S.C. 2776c\)](#): Governs the deductions from paychecks that are allowable. The Act makes it a criminal offense to induce anyone employed on a federally assisted project to relinquish any compensation to which he/she is entitled, and requires all contractors to submit weekly payrolls and statements of compliance.
- ❖ [Fair Labor Standards of 1938, as Amended \(29 U.S.C. 201, et seq.\)](#): Establishes the basic minimum wage for all work and requires the payment of overtime at the rate of

at least time and one-half. It also requires the payment of wages for the entire time that an employee is required or permitted to work, and establishes child labor standards.

Contracting and Procurement Practices

The CDBG program is subject to certain Federal procurement rules. In addition, Grantees and sub-grantees must take measures to avoid 1) hiring or contracting with debarred or suspended contractors or sub-recipients, and 2) conflict of interest situations.

- ❖ **Procurement**: For nonprofit organizations receiving Federal funds, the procurement requirements of [2 CFR Part 200.320](#) apply.
- ❖ **Conflict of Interest**: Federal regulations require recipients of Federal funds to comply with two different sets of conflict-of-interest provisions. The first set of provisions comes from 2 CFR 200.318. The second, which applies only in cases not covered by [2 CFR 200.318](#), is set forth in the CDBG and HOME regulations. In general, no person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or sub-recipients who may exercise or have exercised any functions or responsibilities with respect to activities assisted with Federal funds or who are in a position to participate in a decision-making process or gain inside information with regard to such activities may obtain a personal or financial interest or benefit from a federally-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereof, or the proceeds there under, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. Conflict of interest, with regards to the procurement of supplies, equipment, construction and services by recipients and sub-recipients is also covered by [2 CFR 200, Subpart D](#).
- ❖ **Uniform Administrative Requirements and Cost Principles**: The recipient and sub-recipients shall comply with the policies, guidelines and requirements of [2 CFR 200, Subpart E: Cost Principles](#), as applicable, as they related to the acceptance and use of federal funds.
- ❖ **Debarred and Suspended Contractors**: Federal funds may not be used to directly or indirectly employ, award contracts to or otherwise engage the services of any contractor or subrecipient during any period of debarment, suspension or placement of ineligible status. All contractors, subcontractors, lower-tier contractors and sub-recipients should be checked against the Federal publication that lists debarred, suspended and ineligible contractors. Further information may be found at 24 CFR Part 24 570.609. Contractors or subcontractors benefitting from federal funds must be registered in the [System for Award Management](#).

ENVIRONMENTAL REQUIREMENTS

The City of Tacoma is responsible for meeting a number of environmental requirements, including environmental reviews, flood insurance and site and neighborhood standards.

- ❖ National Environmental Policy Act of 1969: Section 104(g) of this Act expresses the intent that the policies of the National Environmental Policy Act of 1969 (NEPA) and other provisions of law which further purposes of the Act be most effectively implemented in connection with the expenditure of funds under the Act. This Section also provides that, in lieu of the environmental protection procedures otherwise applicable, the Secretary of HUD may provide for the release of funds for particular projects to grantees who assume all the responsibilities for environmental review, decision-making and action pursuant to NEPA and the other provisions of law specified by the Secretary, as described above, that would apply to the Secretary were he/she to undertake such projects as Federal projects.
- ❖ Environmental Responsibilities: Grantees assume environmental review, decision making and action responsibilities by executive of grant agreements with the Secretary of HUD. The procedures for carrying out such environmental responsibilities are contained in [24 CFR Part 58](#). Private citizens and organizations may object to the releases of funds on federally-funded project on certain procedural grounds relating to the environmental review (24 CFR 58.70-58.77).
- ❖ Section 202 of the Flood Disaster Projection Act of 1973 (42 U.S.C. 4106): Requires that Federal funds shall not be provided to an area that has been identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards unless:
 - The community is participating in the National Flood Insurance Program, or it has been less than a year since the community was designated as having special flood hazards; and
 - Flood insurance is obtained in accordance with Section 102(a) of the Act.
- ❖ Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4831(b)): Section 401(b) of the Act directs the Secretary of HUD to prohibit the use of lead-based paint in residential structures constructed or rehabilitated with Federal assistance.
- ❖ Residential Lead-based Paint Hazard Reduction Act of 1992: Is also known as Title X of the Housing and Community Development Act of 1992 and amended the Lead-Based Paint Poisoning Prevention Act of 1971. Requirements under the regulation differ depending on the nature of the activity, amount of Federal funding, and the duration of the Federal government's relationship with the grantee. The lead-based paint regulations are implemented in sections 1012 and 1013 of this Act. The effective date of these requirements was September 15, 2000. Grantees and sub-grantees are expected to adopt [lead safe work practices](#).

DISPLACEMENT, RELOCATION, ACQUISITION AND REPLACEMENT OF HOUSING

Federally assisted projects involving acquisition, rehabilitation or demolition may be subject to the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and more commonly referred to as the Uniform Relocation Act (URA).

- ❖ Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4601 and 24 CFR Part 42): Apply to the acquisition of real property by a grantee or sub-grantee for an activity assisted under this part and to the displacement of any family, individual, business, nonprofit organization or farm that results from such acquisition. Detailed guidance on compliance with URA and Section 104(d) requirements may be found in HUD Handbook 1378.
- ❖ Residential Anti-displacement and Relocation Assistance Plan: Under Section 104(d) of the Housing and Community Development Act of 1987, each grantee must adopt, make public and certify that it is following a residential anti-displacement and relocation assistance plan consistent with other goals and objections to minimize the displacement of persons from their homes as a result of any activities assisted with Federal funds, including the provision of one-for-one replacement units and relocation assistance.
- ❖ Section 104(k) Relocation Requirements: Section 104(k) of the Act requires that reasonable relocation assistance be provided to persons (families, individuals, businesses, nonprofit organizations or farms) who are permanently and involuntarily displaced as a result of the use of assistance received under this part to acquire or substantially rehabilitate property.

BUDGET: PROGRAM/PROJECT EXPENSES

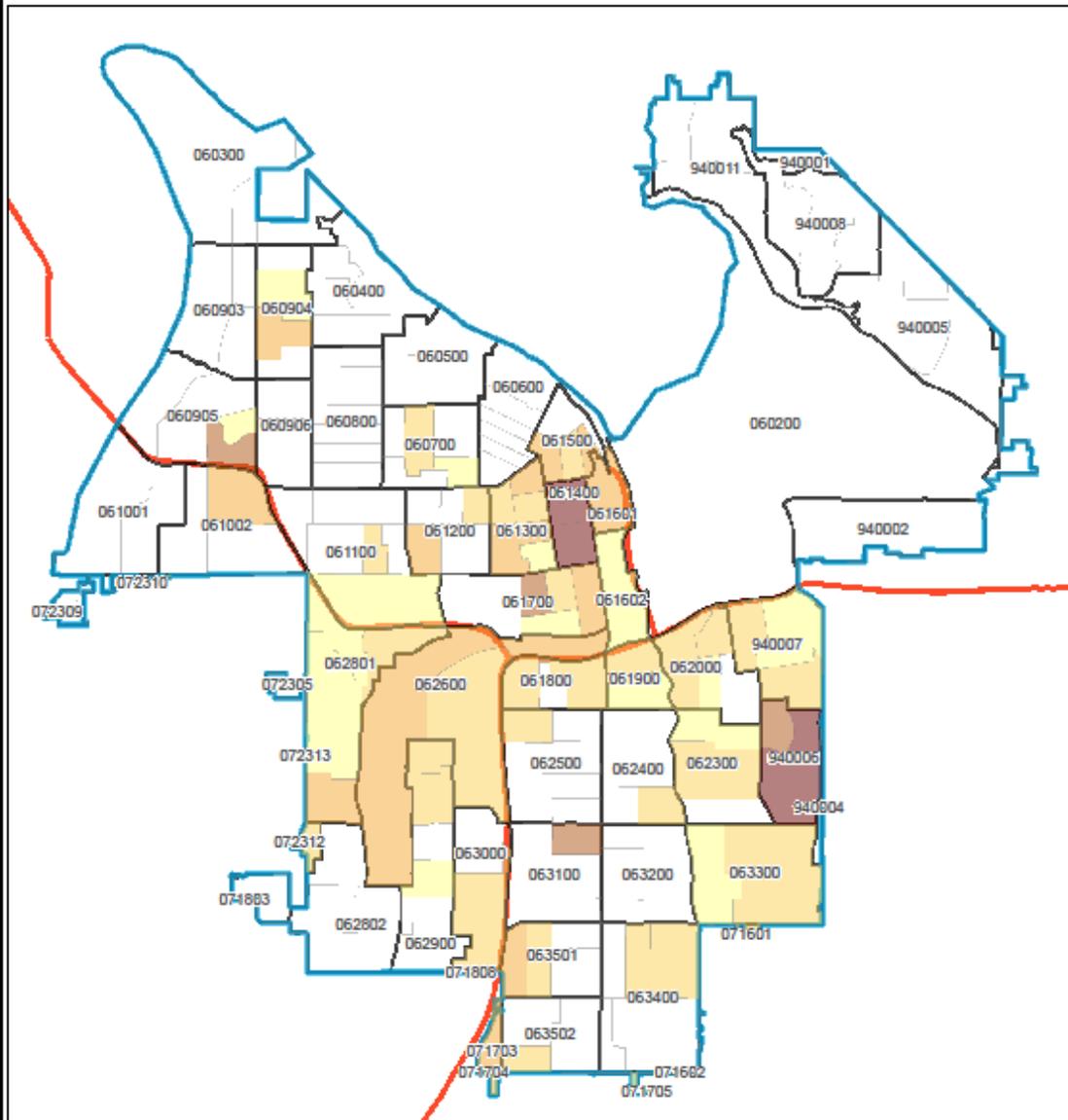
- ❖ Sales Tax: In accordance with a ruling under the Department of Revenue, any sub-recipient providing construction services, including repair and rehabilitation services, on the City's behalf must apply 9.6% sales tax to each invoice submitted to the City for reimbursement. The agency is responsible for paying the sales tax to the Dept. of Revenue. If the applicant program/project includes expenses for providing such services, be sure to apply the 9.6% sales tax rate to the entire requested amount of CDBG funds. If awarded CDBG funding, sales tax will also be reflected in the contracted amount.

VI.

MAPS

Population in Low/Moderate Income Households

2006-2014 ACS Census Block Group Summaries



Legend

- City Boundary
- Census Tract
- Census Block Group
- Highway

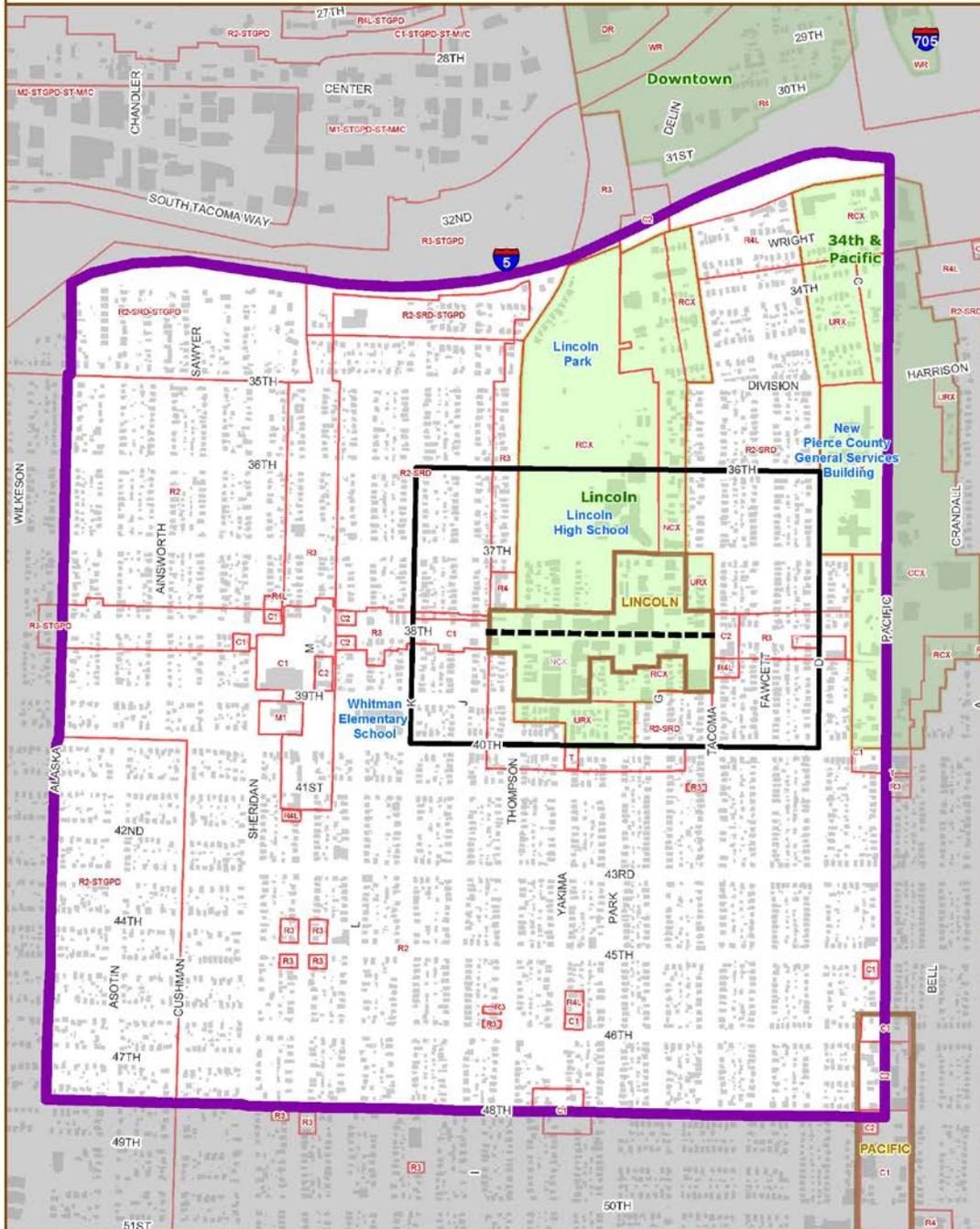
	>=51 - 60 %
	>60 - 70%
	>70 - 80%
	>80 - 90%
	>90 - 100%



City of Tacoma
Community & Economic Development Department
GIS Analysis & Data Services

NOTE: This map is for reference only.

Lincoln Area Revitalization Program



- 38TH Streetscape
- ▭ Revitalization Area
- ▭ Data Area
- ▭ Mixed Use Centers
- ▭ Neighborhood Business District Program
- ▭ Zoning



City of Tacoma
Community & Economic Development Department
GIS Analysis & Data Services

400 0 400 800 1200
Feet

This drawing is neither a legally recorded map nor a survey and is not intended to be used as one. It is to be used for reference purposes only.

South Tacoma Revitalization Area



Approximate revitalization area boundaries: South 47th Street to South 56th Street and BNSF Rail Line to South Pine Street.

CITY OF TACOMA

**Community and Economic Development
Department
Kim Bedier, Acting Director**

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