City of Tacoma
Tacoma Consortium

Consolidated Annual Performance And Evaluation Report
2011 – 2012

September 2012
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CONsolidated Annual Performance And Evaluation Report for Program Year 2011 - 2012

Introduction

The Consolidated Annual Performance and Evaluation Report (CAPER) summarizes progress made during the 2011-2012 program year in carrying out Tacoma’s and Lakewood’s five year Consolidated Plan for Housing and Community Development 2010-2015. The purpose of this report is to describe all the projects and activities that were recommended by the Human Services Commission (HSC), the Tacoma Community Redevelopment Authority (TCRA), the Tacoma-Pierce County Coalition for the Homeless and the Lakewood Citizen Advisory Board, and approved by the Tacoma City Council or the Lakewood City Council. The CAPER report then compares the projects with the objectives set forth in the last Annual Action Plan that began its fiscal year July 1, 2011 extending through June 30, 2012. The general purpose of the CAPER is to report progress on programs approved in the 2011-2012 Annual Action Plan that supports the five year Consolidated Plan for Housing and Community Development.

The CAPER addresses progress for three separate entitlement grant programs that are awarded annually to Tacoma and funded by the U.S. Department of Housing and Urban Development (HUD). They are the Community Development Block Grant (CDBG), the HOME Investment Partnership Act (HOME) and the Emergency Solutions Grant (ESG). The evaluation report is divided into five (5) parts addressing the following: (1) progress on goals and objectives of the Consolidated Plan during the past year; (2) requirements in the use of CDBG Entitlement Funds; (3) requirements in the use of HOME funds; (4) requirements in the use of ESG Funds; and (5) public participation requirements. The evaluation report may also look at a variety of other topics of importance to the City because the Consolidated Plan addresses a wide variety of services and initiatives that collectively improve the quality of life in Tacoma.

The three primary goals of Tacoma’s and Lakewood’s Consolidated Plans are to: (1) provide decent housing for all residents of the community through ongoing support of a continuum of housing opportunities; (2) provide a suitable living environment through maintenance and improvement of existing neighborhoods, addressing service deficiencies and implementing the City’s growth and development concepts; and (3) expand economic opportunities by strengthening the downtown and making neighborhoods more livable for its residents, and through creation and retention of employment opportunities, especially for low and moderate income persons.

Readers interested in learning more about Tacoma’s 2010-2015 Consolidated Plan for Housing and Community Development (Consolidated Plan) and the final 2011-2012 Consolidated Annual Performance and Evaluation Report (CAPER) can get copies by contacting the Community and Economic Development Department, 253-591-5221.
RESOURCES MANAGEMENT

A. Funding Summary

Over the past ten years, the City of Tacoma has continued to receive less federal housing and community development funding which has made it increasingly more difficult to address the identified needs. As a consequence, the City's multi-year objectives included in the previous five-year consolidated plans as well as the current 2010-2015 Consolidated Plan have been established based upon an expected level of financial support. Given this limitation, the objectives identified in the Consolidated Plan and this document has been largely met.

To provide some historical perspective on the annual level of CDBG, HOME, and ESG funding received over the past ten years, the following information provide both narrative and graphic information.

**Community Development Block Grant (CDBG)**

The chart below shows annual entitlement funding for CDBG monies for the past ten years. While there have been some annual deviations, the current 2012 funding entitlement in comparison with the 2002 entitlement represents a reduction of approximately 23%.

**2002-2012 City of Tacoma CDBG Entitlement Funding**

While the City annually reprograms CDBG funding from canceled and/or under-expended projects and also receives varying amounts of program income, these other sources are small in comparison to the annual entitlement grant. One exception was the federal stimulus monies (i.e. CDBG-R) which added $772,715 to the 2009-2010 fiscal year and supported two capital projects and one human service program.
**HOME Investment Partnership Program (HOME)**

The provision of HOME funding by HUD is intended to enhance the local capacity to support the provision of new and rehabilitated affordable housing. For many years these funds have been utilized largely to capitalize the City’s Affordable Housing Fund (AHF). The fund, administered by City staff on behalf of a separate public corporation the Tacoma Community Redevelopment Authority (TCRA), has provide matching funds for a variety of affordable housing projects, most of which have been new units constructed by local nonprofit corporations.

The chart below shows annual entitlement funding for HOME monies for the past ten years. While there have been some annual derivations, the current 2012 funding entitlement in comparison with the 2002 entitlement funding represents a major reduction of approximately 50%.

**2002-2012 City of Tacoma HOME Entitlement Funding**

It should be noted since the City of Tacoma and the City of Lakewood have been joined as a HOME Consortium since 1999, HOME entitlements reflected in the chart above represents funding for both jurisdictions. Based on a formula that has been applied for over ten years, the City of Tacoma receives approximately 78% of the total HOME entitlement. For example, in fiscal year 2011-2012, the total HOME entitlement amount was $1,790,541 of which Tacoma received $1,393,022 to support housing activities.

In addition, for four years (2005-2008), both jurisdictions also received a small amount funds through HUD under the American Dream Downpayment Initiative (ADDI). The amounts included $70,725 in 2005, $35,291 in 2006, $27,421 in 2007 and $11,079 in 2008. These funds, closely related to HOME program, were to be used to assist primarily in the provision of down payment assistance.
**Emergency Solutions Grant Program (ESG)**

The provision of ESG funding by HUD is intended to enhance the local capacity to support homeless and transitional shelters that assist individuals and families who are without housing or at-risk of being homeless. The ESG funds, administered by City staff in coordination with a local citizen committee called the Human Services Commission (HSC) as well as the City Council, are generally expended for eligible activities that directly benefit the homeless population.

The chart below shows annual entitlement funding for Emergency Shelter Grant monies for the past 11 years. Between 2002 and 2011, there was a small 8% increase in total funding. However, with the changeover to the new Emergency Solutions Grant (EGS) program, the 12 year difference jumped to a sizable increase in funding of approximately 92%.

![2002-2012 City of Tacoma ESG Entitlement Funding](image)

**B. Council Funding Priorities**

Every two years, the City Council approves a biennial funding priorities statement to provide direction in selecting housing and community development activities. While this statement was amended in the fall of 2011 to account for significant reductions in funding, the following priorities statement was in effect for both the 2009-2010 and 2010-2011 annual application processes for the use of federal CDBG, HOME and ESG funding. The priorities were also included in each Annual Action Plan (AAP) submitted to HUD. These priorities are organized into six categories which include: (1) funding set-asides; (2) general priorities; (3) housing priorities; (4) community development priorities; (5) commercial and economic development priorities; and (6) human services priorities. Each of the categories is briefly summarized below:
1. **Funding Set-Asides** – During 2011-12, there were seven activities the Council feels should be supported with CDBG funding. They include using: (a) 50% of the annual grant for housing development & rehabilitation; (b) 5% for neighborhood improvements; (c) a minimum of $80,000 annually to support lower income homeowners to pay for assessments related to Local Improvement Districts (LIDs); (d) 10% for unanticipated project cost overruns; (e) 15% to support human services; (f) authority to use funds to prevent Section 108 loan defaults; and (g) sustain specific funding levels for the City’s Neighborhood Preservation Program ($500,000), Emergency Major Home Repair ($150,000) and Down Payment Assistance ($250,000).

2. **General Priorities** – Applications are given priority consideration for CDBG, HOME and/or ESG funding if they can show: (a) consistency with existing plans (e.g. Consolidated Plan, Comprehensive Plan, Human Services Strategic Plan); (b) other leveraged funding sources; (c) the project can it be completed in 12 months; (d) cost effectiveness through community collaboration and cooperation; (e) support for the Neighborhood Action Strategies; and (f) there is no future General Fund monies needed for project operation and maintenance.

3. **Housing Priorities** – Applications are given priority consideration if they expand affordable housing and/or address blighted structures. The primary focus is on:

   a. Expanding affordable rentals for families and elderly which may include actions to protect privately owned project-based Section 8 housing, new housing through conversion and/or rehabilitation of vacant structures as well as rental assistance to help households to be more self-sufficient.

   b. Providing supportive housing for homeless and/or special needs families and individuals that may include emergency and transitional shelters, special needs housing with support services such as case management, life skills training, employment and education;

   c. Maintaining and increasing homeownership with special focus on support for major and minor home improvement programs that benefit low income owners, helping first time homebuyers to purchase a home, and helping conserve existing housing through repairs or through rehabilitation to meet minimum housing codes (e.g. weatherization).

   d. Supporting neighborhood enhancement by targeting housing resources to areas with comprehensive neighborhood strategies; facilitating certified housing under the Crime Free Housing Program (CFHP); siting housing in areas without a concentration of subsidized housing; combining removal of dangerous housing with new infill housing and conserving the historic and architectural character of existing housing to revitalize neighborhoods.

Echoing the general priorities, consideration is also given to a housing project that: (a) serves a priority need identified in the Consolidated Plan; (b) has
completed a predevelopment process; (c) is ready for construction within six months; (d) is cost effective and leverages other funds; (e) involves developers with a proven capacity for project completion and good management; and (f) helps non-profit developers to achieve self-sufficiency and mutual participation.

4. **Community Development Priorities (CDBG only)** – Applications are given priority consideration if they: (a) construct or improve community facilities and public improvements in support of neighborhood revitalization especially for lower income residents. Examples include (a) payment of LID assessments for lower income homeowners; (b) street-related improvements in lower income neighborhoods and (c) construction or rehabilitation of privately owned, community service facilities that will provide a public service.

5. **Commercial and Economic Development (CDBG only)** – Applications are given priority consideration if they help to develop and maintain a dynamic and diversified economy capable of providing increasing jobs and business opportunities. Examples include: (a) revitalization of blighted or lower income business districts through historic preservation, conservation actions and neighborhood economic development; (b) investment in the designated Renewal Community (RC) area; (c) creation or retention of jobs for lower income persons; (d) business services that support lower income neighborhood and/or lower income groups; and (e) financial and technical assistance for disadvantaged persons who own or plan to start a business.

6. **Human Services** – Applications are given priority consideration if they support: (a) human services which show significant impact on lower income populations (e.g. homeless or persons/families at risk of homelessness) assessed through a system called Outcome Based Evaluation (OBE). CDBG proposals must focus emergency and/or transitional housing, early homeless intervention and preservation; and/or (c) services that directly support economic stability (e.g. job training/placement).

ESG proposals must focus on homelessness prevention, operation and maintenance of homeless or transitional shelters or up to 30% of the grant for essential services. Also, CDBG and ESG funds have been used for activities that support a coordinated approach to downtown emergency human services.

**C. Leveraging Resources**

The following matching funds are for all the 2011-12 Annual Action Plan activities with the exception of the public service programs. While most of the matching funds will be exact figures, some may be approximate dollars due to some projects not being underway. The Business Revolving Loan Fund (BRLF), the Down-Payment Assistance (DPA) Program and Affordable Housing Fund (AHF) generally require the leveraging of funds (e.g. loans to permanent rental and shelter providers requiring matching funds).
### 2011-12 Federally Funded Projects Leveraging Funds

<table>
<thead>
<tr>
<th>Program / Agency</th>
<th>HUD Funding</th>
<th>Funded Amount</th>
<th>Leverage Source</th>
<th>Leverage Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tacoma Down Payment Assistance (DPA) Program</td>
<td>HOME (2010)</td>
<td>$333,974</td>
<td>Private Lenders</td>
<td>$9,318,675</td>
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<tr>
<td>WMF Small Business Incubator / Microenterprise Assistance</td>
<td>CDBG (2011)</td>
<td>186,000</td>
<td>Foundations, Port, Pierce County</td>
<td>491,250</td>
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<tr>
<td>MDC Tacoma Entrepreneurial Assistance Program</td>
<td>CDBG (2011)</td>
<td>64,969</td>
<td>SBA</td>
<td>37,500</td>
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<tr>
<td>AM Paint Tacoma Beautiful Program</td>
<td>CDBG (2011)</td>
<td>50,000</td>
<td>Donations, In-Kind, Pierce County, Fdns</td>
<td>121,100</td>
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<tr>
<td>Tacoma-Pierce County Habitat for Humanity - Grant Avenue (Lkwd)</td>
<td>HOME (2010-11)</td>
<td>197,474</td>
<td>Private, SHOP</td>
<td>254,780</td>
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<tr>
<td>CCS Shelter Renovations</td>
<td>CDBG (2011)</td>
<td>280,000</td>
<td>Pierce County 2163</td>
<td>170,805</td>
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<tr>
<td>Tacoma-Pierce County Habitat for Humanity – Cameron Estates</td>
<td>HOME (2011)</td>
<td>250,000</td>
<td>Private Donations</td>
<td>678,700</td>
</tr>
<tr>
<td>Tacoma-Pierce County Habitat for Humanity – South Trafton</td>
<td>CDBG (2011)</td>
<td>125,000</td>
<td>Private, SHOP</td>
<td>833,700</td>
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<tr>
<td>Tacoma Housing Authority – Hillside Terrace</td>
<td>CDBG (2011)</td>
<td>184,658</td>
<td>State HTF, LIHTC, Pierce County 2060, Private Lender, THA Grant Funds</td>
<td>16,590,159</td>
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<td>HOME (2011)</td>
<td></td>
<td>1,065,342</td>
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<td>Tacoma-Pierce County Habitat for Humanity – Commercial Street (Lkwd)</td>
<td>HOME (2011)</td>
<td>374,416</td>
<td>Private, SHOP</td>
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<td>Tacoma-Pierce County Habitat for Humanity – Portland Ave (Lkwd)</td>
<td>HOME (2009, 2011)</td>
<td>117,000</td>
<td>Private</td>
<td>178,980</td>
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<td>Lakewood Down Payment Assistance Program</td>
<td>HOME (2011)</td>
<td>8,103</td>
<td>Private</td>
<td>215,397</td>
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<td>TOTALS</td>
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<td>$3,482,779</td>
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<td>$29,694,630</td>
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</table>

### PROCESS MANAGEMENT

#### A. Citizen Participation Process

Established in 1995, the City of Tacoma has twice updated its Citizen Participation Plan (CPP) which governs the public process for the City federal Consolidated Plan. Two amendments since 1995 have been aimed at encouraging greater citizen involvement and improving the allocation process to affordable housing developers by the Tacoma Community Redevelopment Authority (TCRA).

This CAPER documents performance in meeting the three primary goals and objectives identified in both the City of Tacoma’s second year 2010-2015 Consolidated Plan and the Annual Action Plan (AAP) for 2011-2012. Both plans were developed through a sizable public process involving many stakeholders including the City of Lakewood, the Tacoma Housing Authority, Pierce County, citizens and neighborhood groups, Tacoma City Council members, Tacoma’s Mayor and City Manager, City staff, service providers and community-based organizations.
The formal public process surrounding the development, approval and submission of both the five year Consolidated Plan (2010-2015) as well as the 2011-2012 Annual Action Plan (AAP) to the federal Department of Housing and Urban Development (HUD) was very comprehensive. It included not only a public hearing on community needs assessment, but also individual interviews and focus group meetings. The five year needs assessment during the summer of 2010 was then followed by approval of local funding priorities (previously discussed) by the Tacoma City Council and publication of a 30 day application period. The recommended programs and projects were review by both staff and citizen advisory bodies prior to final City Council approval in May 2010. Comments made at the Council public hearing were incorporated in the appendix of the final Consolidated Plan.

B. 2011-12 Self Evaluation

Every year the staff of the City’s Community and Economic Development (CED) Department coordinates with other city departments and outside agencies to compile the Consolidated Annual Performance and Evaluation Report (CAPER). Based upon the data compiled, staff determines to what extent the annual goals and objectives identified in the City's five year (2010-2015) Consolidated Plan has been met. While the level of federal funding and other resources have continued to be reduced, as discussed in the funding summary, the activities funded during the past fiscal year were able to meet the performance expectations specified in the 2011-2012 Annual Action Plan for the Tacoma-Lakewood HOME Consortium.

It is also important to know that the City of Tacoma's 2010-2015 Five-Year Consolidated Plan for Housing and Community Development and its 2011-2012 Annual Action Plan (AAP) contains three primary goals: (1) provide decent housing for all residents of the community through ongoing support of continuum of housing opportunities; (2) provide a suitable living environment through maintenance and improvement of existing neighborhoods, addressing service deficiencies and implementing the City’s growth and development concepts; (3) and expand economic opportunities for its residents through creation and retention of employment opportunities, especially for low and moderate income persons. A brief summary of each of the three primary goals are discussed in the following paragraphs along with a brief assessment of the performance.

Goal - Decent Affordable Housing

The City's performance over this past year, has met the quantified housing objectives that were described in the 2011-2012 Annual Action Plan that is a part of the Consolidated Plan for Housing and Community Development 2010-2015. Most of the projects are under contract and funds are being expended, or are now completed, especially those contracted to service providers. The following summarizes the accomplishments for each of the housing objectives.

Objective A - Preserve existing affordable owner and renter housing

The availability of the City’s Comprehensive Rehabilitation Program (CRP), the Moderate Rehabilitation Program (MRP), the Emergency Major Home Repair Program (EMHR), plus the two home repair programs offered by the Metropolitan Development Council (MDC) and the
Paint Tacoma Beautiful program offered by Associated Ministries continue to assist homeowners (e.g. families, seniors, people with a disability) to make repairs so they can remain in their homes.

In terms production over the past fiscal year, the less expensive home repair loan and grant programs cited above through the City, MDC and Associated Ministries have held steady in terms of demand and units assisted. While the demand for the more expensive home rehabilitation loan programs (e.g. CRP, MRP) have increased, the number of units assisted has remained lower due to a sharp decrease of federal funding. Over the past fiscal year, HUD funding supported completion as well as progress in the preservation of 373 owner-occupied housing units either through repair and/or rehabilitation.

**Objective B – Expand/Sustain Homeownership Opportunities**

Over the past couple of years, homeownership programs such as Tacoma’s Down Payment Assistance (DPA) program has been busy due, in part, to the strong demand for first-time homebuyers given the significant increase in affordable homes available for purchase. Pierce County and the City of Tacoma, as reflected nationwide, have experienced a high foreclosure rate. Over the past year 74 new DPA loans were authorized with City's DPA staff continuing to screen and underwrite more applicants in order to identify potential homebuyers that can meet the necessary underwriting requirements. A total of 74 first-time homebuyers were provided DPA assistance over the past fiscal year.

We are continuing to see a decline in homeownership in targeted neighborhoods due to the local/nationwide foreclosure situation. One key homeownership program, Homeownership Center of Tacoma (HCT), continues to have sales below their pre-2008 levels, even though there was a significant increase in sales over the past year. In FY 2011, HCT sold 7 houses through their NSP and HOME funded program. Likewise, Habitat for Humanity has completed several projects and is currently working on new sites for first-time homebuyers using NSP, HOME and CDBG funding. A total of 6 houses were completed in the West End. In addition, 3 houses were completed in the Ainsworth Vista Addition. All homes in this subdivision will be made available to low income buyers at or below 50% AMI.

During 2011-2012, the Tacoma Housing Authority (THA) continued to revolve federal stimulus funding from the State of Washington’s Neighborhood Stabilization Program (NSP) to purchase three foreclosed properties for new buyers. While many state and federal sources continue to be reduced, without their help there would be a more dramatic reduction in the quality of assisted housing and care that could be provided for Tacoma citizens.

**Objective C – Provide Assistance to Preserve Quality and Habitability of Rental Housing**

All assisted housing projects reported in the other objective will meet crime-free housing standards and support this objective.

**Objective D – Provide Assistance for a Continuum of Housing for Persons with Special Needs, Homeless Persons and People At Risk of Homelessness.**
In addition to addressing the need for additional homeownership and rental opportunities for low-income Tacoma residents, the City also continues to support emergency and transitional housing, and assist persons with special needs. During this 2011-2012 reporting period the City provided new entitlement CDBG, ESG and HOME funding to support a variety of activities to address low income housing needs for Tacoma residents. The specific use of these funds is discussed throughout this report. Other funding sources included the City’s General Fund and the countywide Continuum of Care (COC) funding to help support emergency, transitional and special needs housing. In addition, HOME funds are continuing to support the Tenant Based Rental Assistance (TBRA) program to provide rent subsidies (up to two years) for homeless or at-risk low income households.

**Objective E – Reduce Barriers to Affordable Housing**

During the past fiscal year, the City used HOME monies to support the Tenant-Based Rental Assistance (TBRA) program which provided ongoing rent subsidies for 8 individual clients who were homeless or at-risk of becoming homeless. The City also provided CDBG funds for relocation assistance and rent subsidies to 15 lower-income households displaced by local code enforcement.

**Objective F - Develop New Affordable Housing in Support of Neighborhood and Downtown Revitalization**

Tacoma has a long term objective to increase the supply of affordable new housing available to lower income elderly and families in the community. Efforts are continuing to be made by the City of Tacoma, Tacoma Housing Authority (THA) and participating nonprofit housing providers who work together towards meeting this objective. As stated in this report, the City has coordinated its efforts using HUD funding with the various housing providers to construct or renovate affordable units. During the 2011-12, a total of 16 units of affordable homeownership were added to the inventory. In addition, work is underway to complete an additional 10 Habitat homes. The City has worked closely with THA towards the redevelopment of Hillside Terrace. This redevelopment will begin to see physical changes during FY 2012. The City continues to work with two agencies to secure full funding at the State and County levels to develop 40 new units of senior housing and 50 units of permanent housing for homeless individuals.

Since many housing construction projects often take two years or more to implement, Tacoma has continued to commit federal CDBG and HOME funds to affordable projects early in the process. This funding approach has proven successful since an initial local financial commitment for a developer is often critical for their project to be competitive for other federal and state financing. Twice yearly, affordable housing providers can submit project applications directly to the City (Tacoma Community Redevelopment Authority). The most competitive applications require non-profit housing providers to show design feasibility, site control, a project timeline, and other funding proposed/committed for their proposal. In situations where an approved project has not made timely progress, TCRA has reallocated those funds to other projects. This has allowed for better decision making on project funding, and more timely expenditure of funds.

*Final 2011-2012 CAPER / September 2012*
Goal - Suitable Living Environment

The City’s five year Consolidated Plan also recommends several activities developed to provide a more suitable living environment for Tacoma residents. During the 2011-2012 reporting period, financial support was provided for public improvements and facilities in eligible lower income neighborhoods.

Objective A – Revitalize Targeted Neighborhoods

Tacoma did not invest any federal funds in this objective during 2011-2012, eliminating one staff position. In previous years, federal funds have been invested in sidewalk repairs and replacement, for LID subsidies for low income residents and for eligible innovative grants within the City’s Neighborhood Councils. Given reduced federal funding and more stringent guidelines, the City has been reevaluating its approach to the revitalization of targeted neighborhood with greater on housing and community development activities. Subsequently only a small amount of funding was expended on the LID Assessments Program ($2,345) and the Neighborhood Council Innovative Grant Program ($6,157).

Objective B – Maintain/Improve Community Facilities & Public Infrastructure

The response to the previous objective also applies to meeting this objective. In addition, the City has been supporting ADA improvements at its libraries expending $119,752 during the past fiscal year from a total CDBG authorization of $245,834.

Objective C - Enhance the Supportive Services Delivery System to prevent homelessness and reduce new homelessness, increase economic self-sufficiency and support households in accessible housing.

Two public services programs, designed to assist low income clients move from homelessness to economic self-sufficiency, were supported during the past fiscal year. A total of $39,488 in CDBG funding was expended to support these two programs that assisted 3,296 clients.

Objective D – Support Historic Preservation

While not receiving federal funding, during 2011 City staff authorized $ 203,000 in historic special tax valuations for two properties located within the city limits.

Goal - Expanded Economic Opportunities

Objective A – Support the City’s Renewal Community (RC) Activities

The majority of the designated RC area represents the downtown district where a large number of projects are discussed in this report. These projects not only amount to significant investment in the community, but also will result in a sizable number of jobs for lower income persons.

Objective B – Focus on housing development and infrastructure improvements in support of economic development in targeted neighborhoods
During the past fiscal year, both Habitat for Humanity and the Homeownership Center of Tacoma completed houses which will be available for low income homebuyers in support of neighborhood revitalization. The City’s DPA program leveraged substantial private loans as an investment in the lower income neighborhoods. The City invested significant time working with the Tacoma Housing Authority towards the redevelopment of Hillside Terrace. Although the City allocated 2011 funding, the project, with the exception of some initial relocation efforts, will begin physical improvements in 2012.

**Objective C – Support economic development activities that provide or retain livable wage jobs**

The City continues to use CDBG funds to support two microenterprise programs which together created 19 new small businesses during the past fiscal year.

**Objective D – Support small business development especially those serving targeted neighborhoods**

The City continues to use CDBG funding to support microenterprises as described in the previous objective. In addition, the City operates the BRLF offering loans for a variety of business needs. Finally, both Impact Capital and the National Development Council are funded on an ongoing basis to provide technical support as well as project financing.

**COMMUNITY GOALS AND OBJECTIVES**

In the five year Tacoma-Lakewood Consolidated Plan for 2010-2015, there are goals and objectives that direct funding to programs for each of the three HUD national objectives as well as the previously discussed City Council priorities. The following are the three primary goals, their specific objectives, and an assessment of their accomplishments during the 2011-2012 program year.

**Goal 1: PROVIDE DECENT AFFORDABLE HOUSING**

The Consolidated Plan focuses its housing activities on providing decent housing for low-income renters and homeowners, homeless families and persons with special needs in the community. While the need to provide “affordable housing” can affect households in a variety of income groups, the primary focus of the city is to assist households with incomes at or below 80% of the Area Median Income (AMI). Activities include regulatory actions and expenditure of housing resources to address priority needs. The following six housing objectives provide direction for the provision of affordable housing to assist lower income persons in progressing along the housing continuum from emergency shelter to transitional housing to permanent rental housing and home ownership.

**Objective A. Preserve Existing Affordable Owner and Renter Housing**

The primary objective of this strategy, as stated in the housing element of the Tacoma comprehensive plan, is to “maintain and support vibrant and stable neighborhoods while promoting a variety of housing opportunities to meet the needs of all residents”. The
authorized funding capitalizes the three TCRA housing improvements programs under the umbrella of the Neighborhood Preservation Program (Comprehensive Rehabilitation Program, Moderate Rehabilitation Program and Emergency Major Home Repair). In addition, CDBG funding supports two minor home repair programs operated by the Metropolitan Development Council and the Paint Tacoma Beautiful program operated by Associated Ministries. In addition, HOME monies support housing rehabilitation in Lakewood through TCRA.

**Outcome Indicator:** Number of households whose housing is brought up to code by major rehabilitation for the purpose of providing affordable housing.

**Expected Units:** 36 households in 3 years; 60 households in 5 years.

**Accomplishments:**

The City of Tacoma continues to be active in preserving the supply of owner occupied housing, especially for the seniors and people with a disability who have difficulty staying in the home. Both the City of Tacoma and Lakewood allocated CDBG and HOME funds in 2011-2012 for this purpose. Federal funding awarded during program year for the repair or rehabilitation of existing housing stock is shown in the following table:

<table>
<thead>
<tr>
<th>Program / Project</th>
<th>Number of Units</th>
<th>Amt Expended</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>TCRA Comprehensive Rehab Program</td>
<td>3 houses</td>
<td>$210,094</td>
<td>1 Completed 2 In progress</td>
</tr>
<tr>
<td>TCRA Moderate Rehabilitation Program</td>
<td>9 houses</td>
<td>250,690</td>
<td>8 Completed 1 In progress</td>
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<tr>
<td>TCRA Emergency Major Home Repair</td>
<td>17 houses</td>
<td>88,680</td>
<td>Completed</td>
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<tr>
<td>MDC Minor Repair</td>
<td>41 houses</td>
<td>40,000</td>
<td>Completed</td>
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<tr>
<td>MDC Emergency Minor Repair</td>
<td>285 households</td>
<td>118,317</td>
<td>Completed</td>
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<tr>
<td>Paint Tacoma Beautiful</td>
<td>18 houses</td>
<td>76,902</td>
<td>Completed</td>
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<tr>
<td>TCRA – Lakewood Rehabilitation</td>
<td>3 houses</td>
<td>179,320</td>
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<tr>
<td>TOTAL</td>
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</tbody>
</table>

**TCRA Comprehensive Rehabilitation Program (CRP).** This program assists low-income homeowners up to 80% Area Median Income (AMI) with the rehabilitation of their homes to meet current building code and housing quality standards with loans up to $100,000. During 2011-2012, three homeowner loans were assisted through this program. Due to funding cuts, this program was suspended at the end of the fiscal year.

**TCRA Moderate Rehabilitation Program (MRP).** This program assists low income homeowners up to 80% AMI with updating components of their home. Homeowners may borrow up to $50,000 in CDBG funds to make health and safety
repairs to their home. During 2011-2012, nine homeowner loans were issued through this program.

*TCRA Emergency Major Home Repair (EMHR) program.* This program provides up to $10,000 of assistance to homeowners at or below 50% of the AMI. The assistance allows homeowners to repair or replace major components of the home, such as sewer or water lines, roofs, furnaces and electrical panels, which have failed. During 2011-2012, 17 homeowners were assisted by this program.

*MDC Minor Home Repair.* MDC administers a minor home repair program to assist homeowners with minor repairs in conjunction with their weatherization program. During 2011-2012, 41 homeowners were assisted through this program.

*MDC Emergency Minor Home Repair.* This program provides emergency home repairs to senior and disabled homeowners at or below 50% of the AMI. Assistance is in the form of a grant and is available for up to $500 per year. During 2011-2012, 285 homeowners were assisted through this program.

*AM Paint Tacoma-Pierce Beautiful* – Associated Ministries administers a program that provides volunteer assistance in minor repair and exterior painting for seniors and disabled with incomes of less than 50% the area median. During 2011-12, a total of 18 Tacoma homeowners were assisted through this program.

*TCRA Lakewood Rehabilitation* – The Annual Action Plan (AAP) includes the City of Lakewood’s allocated HOME funds for its Housing Rehabilitation Program overseen by the TCRA. A total of $97,171 was set aside for homeowner rehabilitation in Lakewood. During 2011-2012, 3 homeowners were assisted.

**Other Actions**

*Fire Sprinkler Program* - The City of Tacoma maintains a balance of $10,000 to assist apartment owners citywide to comply with the installation of fire sprinkler systems in low income multiple family units.

*Technical Assistance* - The City of Tacoma works with a variety of non-profits on project development and readiness to insure project feasibility, financial stability (during and post development) and to address compliance issues. Over the past year, technical assistance was provided to Mercy Housing Northwest (MHNW), Homeownership Center of Tacoma (HCT), The Rescue Mission (TRM), Tacoma Housing Authority (THA), American Baptist Homes of the West, Catholic Community Services (CCS), Metropolitan Development Council (MDC), Korean Women’s Association (KWA), Foundation for the Challenged and the Tacoma/Pierce County Habitat for Humanity (HH).

In addition, the City continues to work in partnership with the Tacoma/Pierce County Affordable Housing Consortium, United Way of Pierce County (UWPC), Impact Capital (IC), Pierce County and a Joint Monitoring Task Force. City support
includes participation in steering committees, project review and award committees and long-term monitoring and compliance. These sources of funding provide capital and services funding for permanent and transitional housing.

**Lead Based Paint** - The City continues to address lead-based paint issues in accordance with Title X of the 1992 HCDA. The following practices and procedures are followed to address lead-based paint hazards:

1. All owners of properties receiving up to $5,000 of federally-funded assistance are provided a copy of the lead-based paint (LBP) pamphlet. If there is any work done on the property affecting paint surfaces, the surfaces are assumed to contain lead-based paint if the property was constructed prior to 1978, and safe work practices are followed. After work is completed, a notice to occupants is provided.

2. All owners of properties receiving between $5,000 and $24,999 in federally funded rehabilitation assistance are also provided with a copy of the LBP pamphlet. If the home was constructed prior to 1978, a LBP risk assessment is completed by a certified LBP firm. If the surfaces to be disturbed are determined to contain lead-based paint, interim controls are exercised. A notice to occupants is provided and clearance test performed by an EPA certified firm after the work is completed.

3. All owners of properties receiving $25,000 or more in federally funded rehabilitation assistance are provided with the LBP pamphlet. A written risk assessment is obtained from a certified risk assessor and the specifications for the work written to insure all deteriorated LBP surfaces are properly prepared and the necessary action taken to correct any deficiencies. A clearance test is performed by a certified firm after the work has been completed and the owner has received a notification of completion.

4. All property acquisition financed with federal funds are inspected for lead-based paint hazards when the property in question was constructed prior to 1978. In addition, all rental properties are inspected on a regular basis for LBP hazards.

5. Several members of Community and Economic Development Department have received varying levels of training in LBP.

**Objective B: Expand/Sustain Homeownership Opportunities**

The primary objective of this strategy is to expand and sustain homeownership in the community. The City, in partnership with local organizations, is committed to maintaining homeownership in its neighborhoods. As families and individuals move along the housing continuum and improve their financial condition, some households may want to pursue homeownership opportunities. The City is also pursuing opportunities to promote development of housing on “infill” lots where housing has not yet been developed or previous structures were demolished. While some of the housing assistance has provided
homeownership on a scattered site basis, federal funds are also being targeted for the revitalization of the Hilltop, Eastside and South Tacoma Neighborhoods. Tacoma received Neighborhood Stabilization Program (NSP) funding from the State of Washington. Two agencies, Homeownership Center of Tacoma and the Tacoma Housing Authority are using the funds to acquire and rehabilitate foreclosed houses prior to reselling them to qualified homebuyers. A third developer, Tacoma-Pierce County Habitat for Humanity acquired blighted property to develop units of homeownership housing.

**Outcome Indicator:** Number of households acquiring affordable housing through assistance programs for the purpose of providing decent affordable housing.

**Expected Units:** 60 households in 2 years; 150 households in 5 years.

**Accomplishments:**

<table>
<thead>
<tr>
<th>Program / Project</th>
<th># of Units</th>
<th>Amt Expended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeownership Center of Tacoma</td>
<td>3 (NSP)</td>
<td>$684,769</td>
</tr>
<tr>
<td></td>
<td>3 (HOME)</td>
<td>$924,406</td>
</tr>
<tr>
<td>TCRA - Down Payment Assistance</td>
<td>74 (HOME)</td>
<td>$314,040</td>
</tr>
<tr>
<td>Tacoma Housing Authority</td>
<td>3 (NSP)</td>
<td>$629,366</td>
</tr>
<tr>
<td>Tacoma/PC Habitat for Humanity</td>
<td>1 (HOME)</td>
<td>$36,000</td>
</tr>
<tr>
<td></td>
<td>6 (HOME/CDBG)</td>
<td>$300,000</td>
</tr>
<tr>
<td></td>
<td>3 (HOME/NSP)</td>
<td>$190,035</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>90</strong></td>
<td></td>
</tr>
</tbody>
</table>

*(The table above lists projects providing homeownership opportunities that were reported as completed during the program year. In order for a project to be considered completed by the City, the house must not only have been constructed or rehabilitated, but the sale of the home to a qualified low-income homebuyer must have closed during the program year. The projects may have been fully or partially funded during earlier program years)*

**Homeownership Center of Tacoma (HCT)** constructs and refurbishes affordable housing in Tacoma’s Eastside and Hilltop neighborhoods and sells these homes to low-income homebuyers. Federal funds are used to offset the cost of development with the affordable sales price of the home, as well as provide down payment assistance for the homebuyer. During the 2011-2012, TCRA awarded $320,000 to HCT for the continuation of their program. A total of three new homes were constructed.

(Note: during past year, the City and HCT have worked to restructure HCT’s development cash flow due to the lack of construction financing. The lack of private construction financing has had serious impacts on HCT production. It is anticipated their production and sales will continue to increase in 2012)

**TCRA Down Payment Assistance** – The program is for first-time homebuyers to help with the down payment, closing costs and to buy down interest rates. Applicant’s annual income must be no more than 80% of the Pierce County’s AMI. During 2011-2012, TCRA utilized federal HOME funding to assist 74 first-time homebuyers were assisted through this program.
Tacoma Housing Authority (THA) – This program used NSP (stimulus funds) monies to purchase foreclosed properties, rehabilitate and resell them to three homebuyers with annual incomes that did not exceed 80% of the Pierce County’s AMI.

Tacoma-Pierce County Habitat for Humanity – The agency uses federal funds to acquire and provide site improvements prior to the construction of single family homes by volunteers. The new housing is sold to households at or below 60% of the area median income. During 2011-2012, the agency completed six houses in the West End neighborhood. Habitat also completed improvements on property in the South End; three houses were completed on this site. The remaining 10 houses are expected to be sold by September 30, 2012. Habitat has begun infrastructure improvements on property in the Eastside to support development of 5 houses. In addition, Habitat also acquired property for the development of up to 4 houses in the New Tacoma neighborhood.

Objective C: Provide Assistance to Preserve Quality and Habitability of Rental Housing

The primary objective of this strategy is to ensure that households who choose not to or are unable to become homeowners will have access to decent, safe and affordable rental housing. There are many federally assisted project-based Section 8 rental housing developments that are in danger of loss as affordable units as their contract commitments with HUD reach expiration. As a preservation strategy, the City continues to work with owners and tenants in order to insure the most vulnerable housing complexes remain affordable.

Outcome Indicator: Number of housing units that meet crime-free housing standards for the purposes of providing decent affordable housing.

Expected Units: All assisted rental housing projects will meet crime-free housing standards.

Objective D: Provide Assistance for a Continuum of Housing for Persons with Special Needs, Homeless Persons and People At Risk of Homelessness.

The primary objective of this strategy is to end the cycle of homelessness and to assist households who are at risk of homelessness, including persons with special needs such as mental illness, chronic substance abuse, persons with HIV/AIDS, persons with developmental disabilities, victims of domestic violence and the frail elderly. Strategies being implemented in Tacoma include funding emergency and transitional shelters (including permanent supportive housing), supporting tenant-based rental assistance, coordinating with regional partners on plans to end homelessness and supporting development of housing for special needs populations.

Outcome Indicator: Number of households assisted with emergency shelter, transitional or permanent supportive housing units that are acquired, rehabilitated or constructed for the purpose of providing decent affordable housing.
**Expected Units:** 40 households in 5 years.

**Accomplishments:**

*Metropolitan Development Council* – MDC completed accessibility improvements to three sites with 32 units of permanent housing for homeless with chronic substance abuse issues and 12 units of permanent housing for developmentally disabled adults.

*Catholic Community Services* – CCS began planning and fundraising for the consolidation and expansion of two services which include the Hospitality Kitchen and Nativity House. In addition, CCS has begun to move forward with the development of a new overnight emergency shelter at their Yakima campus site. This development will also include 50 units of permanent supportive housing for homeless individuals. CCS anticipates breaking ground by June 30, 2013.

*Human Services (housing related)* - The following chart identifies programs that were provided CDBG and/or ESG funding to operate housing assistance activities for the direct benefit of homeless, at-risk families and individuals, and persons with special needs. It is generally agreed the level of funding available to the City does not adequately address these significant needs.

<table>
<thead>
<tr>
<th>Program</th>
<th>Amount Funded</th>
<th>Benefit*</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCS, Phoenix Housing</td>
<td>$37,136 CDBG 29,317 ESG</td>
<td>Provided housing and outreach to 391 adults and children.</td>
</tr>
<tr>
<td>EFN Warehouse Distribution Center</td>
<td>10,000 CDBG</td>
<td>Provided food distribution that served 380,334 persons</td>
</tr>
<tr>
<td>LASA, Jump Start</td>
<td>10,000 CDBG</td>
<td>Provided housing and outreach to 279 adults and children.</td>
</tr>
<tr>
<td>HHH, Emergency Housing</td>
<td>22,000 ESG</td>
<td>Provided emergency housing for 77 homeless adults and children.</td>
</tr>
<tr>
<td>CCS, Downtown Service Provider Consortium</td>
<td>89,207 CDBG</td>
<td>Provided emergency housing for 5,266 homeless adults.</td>
</tr>
<tr>
<td>PCAF, Housing Options</td>
<td>10,000 CDBG</td>
<td>Provided housing support services for 67 individuals who are HIV positive.</td>
</tr>
<tr>
<td>SHS, Shared Housing Services</td>
<td>27,168 CDBG</td>
<td>Provided 910 referrals matching home providers with lower income persons</td>
</tr>
<tr>
<td>TRM, Emergency Services</td>
<td>66,839 CDBG</td>
<td>Provided emergency housing for 777 homeless adults.</td>
</tr>
<tr>
<td>WWEE Housing Bridge Program</td>
<td>44,227 CDBG</td>
<td>Provided housing vouchers &amp; case mgt for 106 low/mod income persons</td>
</tr>
<tr>
<td>YWCA, Women’s Shelter</td>
<td>75,000 ESG</td>
<td>Provided emergency shelter for 334 victims of domestic violence</td>
</tr>
<tr>
<td>MHNW Service-Enriched Housing Program</td>
<td>28,800 CDBG</td>
<td>Provided on-site supportive services for 338 low-income and formerly homeless residents.</td>
</tr>
<tr>
<td>NPHA Emergency Shelter and Transitional Housing</td>
<td>10,000 CDBG</td>
<td>Provided shelter and services to 52 homeless women and their children.</td>
</tr>
</tbody>
</table>

*NOTE: Number of persons/households benefiting generally reflects an agency’s total program regardless of funding source.*
Tacoma Based Rental Assistance - Tacoma Housing Authority expended $20,393 in HOME funds during 2011-2012 in administering the Tenant-Based Rental Assistance (TBRA) program. This rental assistance is available to individuals and households referred from other agencies that are homeless or at risk of becoming homeless. THA carried forward a balance of $79,369 into FY 2012-2013 for a period of two months with the TBRA program scheduled to close on August 31, 2012.

Objective E: Reduce Barriers to Affordable Housing

The primary objective of this strategy is to support actions to reduce regulatory barriers to affordable housing, encourage the area-wide fair share distribution of special needs housing (e.g. group homes) and change the market perception of older residential neighborhoods. In 2008, the City updated its Analysis of Impediments (AI) report which supports crime-free housing as well as fair housing choice.

Outcome Indicator: No specific outcome indicator included in the five year Consolidated Plan.

Expected Units: No quantified objective included in the five year Consolidated Plan.

Accomplishments:

Tenant-Based Rental Assistance (TBRA) program – This program, administered on behalf of the City by the THA, provides rental assistance for homeless families and/or families at risk of being homeless. The latter program receives referral clients from nonprofit agencies in the community and was recapitalized with $150,000 in HOME funds in 2009-2010 for a new contract that started in 2010. Currently, about two-thirds of the HOME funding has been expended to assist clients.

Displaced Tenant Assistance - The City maintains funds to provide relocation assistance and rent subsidies to lower-income tenants being displaced by code enforcement. The program is administered by the City HRHS Department. During the past fiscal year 15 households were assisted expending $18,376 in CDBG funding.

Objective F: Develop New Affordable Housing in Support of Neighborhood and Downtown Revitalization

The primary objective of this strategy is to facilitate new permanent affordable housing to address a variety of housing needs along the housing continuum. Special emphasis is being made to focus on lower income families and special needs households. The City will continue to work with THA to replace deteriorated public housing as well as to accommodate the special needs of people with a disability (e.g. universal design features).

A key component to implementation of this strategy is the need for increasing housing resources including support for community land trusts, housing trust funds, non-profit and THA acquisitions, bridge loans as well as acquisition and development of vacant infill lots.
The annual recapitalization of the City’s Affordable Housing Fund (AHF) supports housing projects that provide new permanent owner and rental housing within Tacoma.

**Outcome Indicator**: Number of households provided housing through non-profit acquisition, rehabilitation and new construction to provide decent affordable housing.

**Expected Units**: 125 households in 3 years; 250 households in 5 years.

**Accomplishments:**

**Table: New Affordable Housing supporting Neighborhoods & Downtown**

<table>
<thead>
<tr>
<th>Project</th>
<th># of Units</th>
<th>Amount Funded</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tacoma-Pierce County Habitat for Humanity (Founders Circle)</td>
<td>6</td>
<td>$180,000 CDBG</td>
<td>Completed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>120,000 HOME</td>
<td></td>
</tr>
<tr>
<td>Tacoma-Pierce County Habitat for Humanity (Ainsworth site)</td>
<td>13</td>
<td>629,683 NSP</td>
<td>3 houses completed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>285,000 HOME</td>
<td>10 under construction</td>
</tr>
<tr>
<td>Mercy Housing Northwest - New Tacoma Senior Housing #2</td>
<td>40</td>
<td>250,000 HOME</td>
<td>State &amp; LIHTC funds pending</td>
</tr>
<tr>
<td>Tacoma-Pierce County Habitat for Humanity (Cameron Estates)</td>
<td>5</td>
<td>250,000 HOME</td>
<td>Infrastructure improvements underway</td>
</tr>
<tr>
<td>Tacoma Housing Authority – Hillside Terrace, Phase I</td>
<td>70</td>
<td>184,658 CDBG 1,065,342 HOME</td>
<td>Relocating existing tenants, demo permitting in process</td>
</tr>
<tr>
<td>Tacoma-Pierce County Habitat for Humanity (South Trafton)</td>
<td>4</td>
<td>125,000 CDBG</td>
<td>In Habitat’s construction pipeline</td>
</tr>
<tr>
<td>Homeownership Center of Tacoma</td>
<td>6</td>
<td>684,769 NSP 924,406 HOME</td>
<td>Completed</td>
</tr>
</tbody>
</table>

**Tacoma-PC Habitat for Humanity** – HH completed construction of 3 homes at Ainsworth Vista. The remaining 10 houses are scheduled to be completed by the end of September 2012. They have begun the infrastructure improvements for a 5 lot site on the Eastside with construction of the homes anticipated to be completed by the end of 2013. They have also acquired a small in-fill lot that will provide up to 4 homeownership opportunities.

**Mercy Housing Northwest** – MHNW has applied for State HTF and Low Income Tax Credit (LIHTC) financing for phase II of the senior housing project which will result in development of 40 new senior housing units.

**Tacoma Housing Authority** – THA has begun the process of relocating 104 tenants from Hillside Terrace. It is anticipated that all the families with school age children will be relocated prior to the start of a new school year. The remaining households are expected to be relocated by the end of September. Demolition is anticipated to start in late October. The 70 new units are expected to become available in the spring of 2014.

**Homeownership Center of Tacoma**- HCT completed and resold 6 houses (3 rehab & 3 new) during FY 2011-12. HCT funding revolves to allow acquisition, rehabilitation or construction of additional housing. HCT plans to construct and sell 8 new houses and up to 3 rehabilitated houses in FY 2012-13.
GOAL 2. PROVIDE A SUITABLE LIVING ENVIRONMENT

The City focuses its community development activities on providing a suitable living environment for all its residents. These activities include using available resources to facilitate neighborhood revitalization, addressing infrastructure deficiencies such as street improvements, and providing recreation opportunities as well as regulatory actions. These combined efforts assist in implementation of the City’s growth and development concepts as stated in the City’s Capital Facilities Plan.

Objective A: Revitalize Targeted Neighborhoods

The proposed use of funds includes two activities that will support this strategy. They include support for lower income homeowners participating in neighborhood efforts to improve streets and other infrastructure through the City’s Local Improvement District (LID) program, and ongoing support of the Neighborhood Councils Program that provides “mini-grants” for innovative neighborhood improvements.

Outcome Indicator: Number of neighborhood capital improvement activities for the purpose of providing a suitable living environment.

Expected Units: 30 activities in 3 years; 50 activities in 5 years.

Accomplishments:

Table: Neighborhoods Revitalization Projects

<table>
<thead>
<tr>
<th>Program</th>
<th>Expended</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>LID Assessments</td>
<td>$2,345</td>
<td>Pays the local improvement district assessment for low-income homeowners.</td>
</tr>
<tr>
<td>NC Program Innovative Grants</td>
<td>6,157</td>
<td>Provides neighborhood enhancements through small innovative grants in lower income areas.</td>
</tr>
</tbody>
</table>

Local Improvement Districts – The City uses CDBG funds to assist low-income homeowners by paying 100% of their assessment for LID improvements which include street and alley paving, sewer work and street lighting. The process is a minimum 2-year procedure, which requires the approval of 50% of the eligible property owners. Subsidized owners are not eligible to vote for or against the creation of the LID. In 2011-2012, a total of $2,345 in CDBG funding was expended for this activity.

Neighborhood Council Innovative Grants – CDBG funds are used for small innovative enhancement projects located in low income areas. In 2011-12, a total of $6,157 in CDBG funds were expended under the Neighborhood Council Program.

Objective B: Maintain/Improve Community Facilities and Public Infrastructure

This strategy supports small capital improvements that facilitate neighborhood revitalization and an improved living environment as described in the previous objective for revitalization of targeted neighborhoods.
**Outcome Indicator:** Number of projects that provide small capital improvement activities for the purpose of providing a suitable living environment.

**Expected Units:** 30 projects in 3 years; 50 in 5 years.

**Accomplishments:**

*LID/Innovative Grants* - The two programs described on the previous page also contribute to meeting this objective of maintaining and/or improving community facilities and public infrastructure.

*Library ADA Improvements* – In 2011-2012, a total of $119,752 (from a total authorization of $245,834 in CDBG funds) were expended to provide updated accessibility improvements for libraries located within the City of Tacoma to meet federal ADA requirements.

**Objective C: Enhance the Supportive Services Delivery System to prevent homelessness and reduce new homelessness, increase economic self-sufficiency and support households in accessible housing.**

The primary objective of this strategy is to support critical housing and service activities to prevent persons in crisis and at risk of homelessness from entering the cycle of homelessness. Nonprofit providers are critical players in carrying out solutions to assist persons in becoming self-sufficient through outreach services such as educational and employment-readiness and training as well as job opportunities. Such prevention services focus on providing readiness training, job skills and other activities to improve a client’s chances of securing employment and self-sufficiency. Other funded agencies have also focused on legal services to prevent homelessness and protect client’s rights.

**Outcome Indicator:** Number of duplicated individuals assisted for the purpose of providing a suitable living environment.

**Expected Measure:** 3,000 duplicated individuals assisted with the funding (15,000 over five years)

**Accomplishments**

**Housing-related and Crime Prevention Human Services & Facilities**

<table>
<thead>
<tr>
<th>Program</th>
<th>Funded Amount</th>
<th>Benefit(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>WWEE Reach Plus Program</td>
<td>$ 24,480 CDBG</td>
<td>Provided job readiness skills &amp; computer training for 114 low &amp; mod income clients</td>
</tr>
<tr>
<td>SSOS Safe Program</td>
<td>15,018 CDBG</td>
<td>Provided a financial and social program for 3,182 seniors and disabled individuals working to meeting their basic needs</td>
</tr>
</tbody>
</table>
Objective D: Support Historic Preservation

The need to preserve cultural, architectural and historic structures has been supported over the years mostly with General Fund monies and tax credits for owner of designated properties. The CED Department maintains Tacoma’s status as a Certified Local Government, with a professional historic preservation officer, appointed Landmarks Preservation Commission (LPC), historic preservation ordinance, and educational and outreach information available to the public. During the past fiscal year, no CDBG supported activities were funded to support this specific historic preservation objective.

Outcome Indicator: No specific outcome indicator included in the five year Consolidated Plan.

Expected Units: No quantified objective included in the five year Consolidated Plan.

Accomplishments

*Historic Preservation Office* - Between January and December 2011, the LPC authorized $203,000 in historic special tax valuation to applicants for historic rehabilitation and designated two properties to be on the Tacoma Register of Historic Places. The City is actively working with residents to develop potential historic districts in several residential areas of the city.

In addition, the City’s Historic Preservation Officer and staff from the Neighborhood Business District Program, worked with Historic Tacoma to build an inventory of South Tacoma, and held a workshop for property owners interested in façade improvements.

GOAL 3. **EXPAND ECONOMIC OPPORTUNITIES**

One of the city’s goals is to direct resources towards meeting the City’s vision as a livable and progressive city. The Community and Economic Development Department is working toward implementing three goals that include strengthening both the downtown and the neighborhood business districts. Implementation of these activities requires a partnership of public and private resources.

Objective A: Support the City’s Renewal Community Activities

The HUD designation of Tacoma as a Renewal Community (RC) brought commercial tax incentives to stimulate business and job growth. As one of only 28 communities in the country to have this HUD designation, Tacoma businesses and developers within the RC area were eligible for a variety of federal tax credits and deductions through 2009. Currently this tax designation is no longer available, however, the area was also designated as a Community Empowerment Zone (CEZ), co-terminus with the Washington State CEZ. Through challenging economic times, Tacoma continues to see development within the CEZ:
Outcome Indicator: Number of jobs created by incentives to businesses in the Renewal Community for the purpose of expanding economic opportunities.

Expected Units: 200 jobs created.

Accomplishments:

Park Plaza South Parking Garage – This structure was radically transformed in 2009 with a $40 million infusion to add two stories for office space and ground floor retail. Currently, 16,000 sq ft of retail space is leased by City Grocer IGA/Kress, the first grocery store in downtown Tacoma for a long time, which provides 35 new jobs. A second space is occupied by Palladina, a new health care clinic which added 10 new jobs.

Ameriold Logistics Services – The company completed a $30 million cold storage facility offering 200,000 square feet of freezer and refrigerated storage space, adding about 75 new jobs. It expects to add an additional 100,000 square feet in the 2013 and 2014.

Foremost Dairy - The former Foremost Dairy building cost $10 million to renovate and now houses offices of the Social Security Administration.

Holiday Inn Express & Suites - This new hotel is nearing completion. The total acquisition and construction price for the 164-room Holiday Inn Express and Suites, near the old Heidelberg Brewery, is expected to be $22 million generating about 100 jobs. The new hotel will allow the Greater Tacoma Convention & Trade Center to attract larger meetings and shows and will offer rooms for parents visiting students at nearby UWT.

UWT Tioga Library Building - The new $16 million, 50,000 square foot library building is scheduled to open in September 2012. This is the second campus building for the UWT to be built from the ground up as opposed to renovation of historical buildings.

Hilltop Regional Health Center - A $12 million grant will help Community Health Care to build a new clinic to help accommodate increased patient loads as a result of health care reform. The cost of the facility, located in Tacoma’s Hilltop Neighborhood, is estimated at $23 million with construction scheduled to begin in September 2012.

Sound Refining – The company is working to expand its fuel operations for marine vessels by working with the WA State Department of Transportation and Tacoma Rail, and has added a third spur track for railcars, enabling it to increase employment.

While Tacoma has seen businesses close or downsize, some new ones have moved in, and some continue to grow and add employees:

DaVita Inc. – The City facilitated retention of DaVita, the nation’s leading provider of kidney care, through financing of around $7 million in tenant improvements including a $3.9 million HUD Section 108 loan with Horizon Holdings. DaVita’s business plan includes retaining its downtown offices and 900 jobs and hiring of approximately 200 additional employees by 2014.
Zara Mediterranean Cuisine – The new restaurant opened across from Tacoma’s Convention Center adding 40 new jobs to downtown.

Medical Imaging Northwest – The firm, which moved from a neighboring city to a Tacoma, brought with it 35 jobs to the downtown area.

Geneva Foundation – Relocation of its corporate office to downtown brought 40 jobs which recently expanded to 50. The organization supports & promotes advancement of military medicine.

Port of Tacoma – The relocation of the Grand Alliance shipping consortium to Tacoma is anticipated to provide significant increases in container volume including additional jobs and other economic benefits.

Safe Boats – A business headquartered in Bremerton will lease space at the Port of Tacoma’s Earley Business Center to manufacture boats for the U.S. Navy. Around 50 jobs will be created.

GRI – A research and development start-up that will produce nanomaterials for the construction industry also entered into a lease at the Earley Business Center and is in process of creating 5 jobs.

The City also supports the rehabilitation of blighted and/or historic buildings and structures located within the boundaries of the Renewal Community (RC).

Historic Elks Building – High priority is the $17 million restoration of the Historic Elks Building, built in 1915. Long vacant, proposals are in place that will see this building utilized as an entertainment venue with a restaurant and brew pub. Renovation is scheduled to commence in September 2012 resulting in the creation of 125 new jobs.

Downtown Post Office - There are plans to rehabilitate the historic 72,000 square foot structure to house the existing postal service, the Tacoma School Of the Arts (SOTA) and other arts-related tenants. Foot traffic should increase by over 205 per day.

Washington Building – Upon completion of improvements to this historic Tacoma skyscraper, (e.g. terra cotta trim, grand marble staircase, penthouse suite), new tenants have included the new headquarters for Community Health Care.

Other construction projects underway or announced include:

Murray Morgan Bridge – This bridge, that connects downtown with the Port, is being restored at a cost of $57 million, after being closed to traffic for several years due to its unsafe condition. Port and other business owners are thrilled to see its restoration.

Link Light Rail Station - The City has been working with Sound Transit, and contributed to the design and construction of a new stop for the Link light rail in order to better serve local businesses, customers, and employees. The project was completed in 2011.
The Marc on 6th – A six story, mixed-use building, with 60 apartments and 4500 sq ft of retail, and basement parking was approved for tax credits in 2011. Until permanent financing can be secured, the former Happy Dragon building will be used as a pub.

LeMay Auto Museum – The $60 million museum opened to the public on June 2, 2012 supported by a HUD Section 108 loan and federal New Markets Tax Credits (NMTC). An estimated 500,000 visitors will come to see the world’s largest private car collection.

Tacoma Children’s Museum - A $1.5 million renovation was completed in the fall of 2011 at the United Way building in downtown Tacoma.

FHS Medical Center - Franciscan Health Systems is constructing three story 120,000 sq ft office building with underground parking and a sky bridge to St. Joseph Hospital to be completed in early 2013. The facility is expected to cost $62 million.

Fiat of Tacoma – The company has completed remodeling its existing 20,000 sq. ft building located in South Tacoma at the corner of South 38th & South Tacoma Way.

Marriot Residence Inn – Planning continues for a new 96-room, nine-story residence inn to be located on the Thea Foss waterway.

Walmart – A large retail and grocery store is under construction on the former Elks Lodge property in the Allenmore neighborhood. At least 100 jobs will be created. Developers are actively marketing the ancillary spaces for retail use.

Bradken Foundry – The company has reinvested approximately $7 million to expand its manufacturing capabilities, which will retain 30 jobs and add 10 new positions.

Local leaders continue to advance strategies that will require a concentrated and united effort by public and private sector leaders. Among them are leveraging major economic assets (e.g. business headquarters downtown Tacoma, health care providers, port industrial areas and tourism); retaining and attracting a larger share of the Puget Sound region’s quality jobs; fostering a climate of business investment and attraction; embracing entrepreneurism; improving workforce training opportunities and employment centers; and balanced land use.

The Tacoma Partnership has identified four projects as the top economic development priorities for downtown and is outlining steps to move the projects to completion.

Center for Urban Waters – leveraging the building’s facilities to generate private-sector jobs in the clean technology field and to identify Tacoma as the place for environmental solutions

Winthrop Hotel and Vicinity – redevelopment of the hotel and the surrounding are to breathe new life into the theater district
Business Retention and Recruitment – Working in cooperation with private and public leaders, the EDB will continue to implement core functions and initiate high-level corporate visits, more deeply leverage broker relationships and partner with building owners and developers to market the area.

Streetscapes and Signs – improvements utilizing monies from a federal appropriations bill, federal grants and design work from the Tacoma Art Museum could be combined to make Tacoma a more appealing place for businesses to locate and tourists to visit.

The State’s Community Revitalization Financing Act provides funding specifically to the City of Tacoma for infrastructure improvements. With the passage of this bill the state committed $500,000 per year for the next 25 years for projects that occur in the downtown Revenue Development Area.

Objective B: Focus on housing development and infrastructure improvements in support of economic development in targeted neighborhoods

The City is concerned about the economic vitality of targeted neighborhoods (e.g. areas encompassed by the designated Community Empowerment Zone (CEZ)). Businesses in targeted neighborhoods provide key services to lower income persons. Availability of dispersed services close to residential areas improves the living environment and reduces reliance on transportation. The development of living wage jobs close to residential areas is also a major component along with revitalization which provides housing, economic development and services.

Outcome Indicator: Number of new jobs created to expand economic opportunities.

Expected Units: 100 jobs in 5 years.

Accomplishments:

Tacoma works with a number of organizations to create new jobs and housing in support of neighborhood reinvestment. Current examples of this effort include:

- Habitat for Humanity has begun infrastructure improvements on property located in Eastside Tacoma. Habitat anticipates building on this site in late 2013 with five new housing units completed in 2014.

- The TCRA Down Payment Assistance (DPA) program provided approximately $57,669 in HOME funding providing assistance to 14 low-income families within neighborhoods located in the CEZ targeted for the program. Assistance leveraged $1,632,196 in private loans within these designated areas.
- Homeownership Center of Tacoma (HCT) completed rehabilitation and resale of 6 houses citywide for first-time, low-income homebuyers located in the CEZ.

**Objective C: Support economic development activities that provide or retain livable wage jobs**

Lower income persons are often trapped in poverty because of inadequate wages which can result in insufficient funds to pay for housing, health care, child care, food, utilities, transportation and other basics.

**Expected Units:** 100 jobs in 5 years.

**Accomplishments:**

*Microenterprise Programs* - William M. Factory Small Business Incubator (WMFSBI) and the MDC Women’s Entrepreneurial Assistance Program continued to receive CDBG funding to help support their work with new micro enterprises by providing office space and/or technical assistance with the intent of expanding small business and creating new jobs. It is anticipated that the newly created employment opportunities will be livable wage jobs. *(Note: a more specific description of these programs are discussed below under the objective: Supporting Small Business Development)*

**Objective D: Support small business development especially those serving targeted neighborhoods**

The primary public purpose for using public funds for small business development is to provide entry-level training and employment opportunities for lower income persons. Additional efforts are necessary to work with small businesses to provide for new living wage employment. Improvements in the business districts of lower income targeted neighborhoods also provide jobs within proximity of work force.

**Outcome Indicator:** Number of small businesses (including micro-enterprises) supported or developed to expand economic opportunities.

**Expected Units:** 50 businesses in 5 years.

**Accomplishments:**

*National Development Council (NDC)* - The City contracts with NDC to help analyze and prioritize opportunities and secure and package business loans through their Grow America Fund (GAF) along with other financial resources including HUD float loans, HUD CDBG and Section 108 loans and UDAG grants. During 2011-2012, NDC assisted the City with a Section 108 loan for Horizon Holdings for the improvement of the building occupied by DaVita (loan closed March 2012), SBA 7(a) loans and consulted on other projects.
Microenterprise Programs - Both the MDC Tacoma Entrepreneurial Assistance Program (TEAP) and the William M. Factory Small Business Incubator (WMFSBI) continued to receive CDBG funding to support their work with new micro-businesses. The programs provide assistance for establishment of new businesses. During the 2011-2012, TEAP activities included training sessions for over 700 persons, technical assistance for over 200 individuals and staff support for establishment of 11 new start-up businesses. The WMFSBI program supported creation of 9 new micro-enterprise businesses.

Impact Capital (IC) – The firm previously received CDBG funding to provide consultant services, training, predevelopment loans, construction financing and bridge loans to nonprofits for development of affordable housing. During 2011-2012, they continued to provide these services to Mercy Housing Northwest, YWCA of Pierce County, Habitat for Humanity, and the Metropolitan Development Council. In addition, IC was the construction and permanent lender for tenant improvements to provide new space for the Tacoma Children’s Museum in downtown.

Business Revolving Loan Program - The City utilizes HUD CDBG funds and EDA Title IX funds to promote job growth. The program loans are available for real estate acquisition, site/tenant improvements, machinery/equipment, and working capital.

Economic Gardening Program - The City's CED Department supports small business through a free program that helps to cultivate our local businesses by providing them with the information, consultation, training and workshops to be successful in the marketplace.

Fire Safety Loan Program - The City offers small businesses loans to address fire code compliance through a Fire Safety Loan Program. This program can fund fire sprinkler systems, fire suppression systems, hood fans, and other fire code issues.

Neighborhood Business District Program (NBDP) – The City’s goal is to bring growth and sustainable improvements to small businesses operating within districts that include the Stadium District, the Proctor District, Upper Tacoma the 6th Avenue District and Fern Hill District in South Tacoma. Over the past year, Ezell’s Chicken came to Upper Tacoma and a co-op grocery opened in the 6th Avenue District.

Other New Business. New businesses in other areas of Tacoma have included a discount grocer (WinCo Foods) that opened a 103,000 square foot structure in the Tacoma Place shopping center with 125 new jobs, a new 62,000 square foot showroom at TitusWill auto dealership and the establishment of Pacific Continental Bank in the Allenmore neighborhood.

OTHER FIVE YEAR OBJECTIVES

A. Anti-Poverty Strategy

The City of Tacoma’s Anti-Poverty Strategy is intended to promote a variety of strategies and activities that will provide a base of support for the needs of households while they are progressing toward self-sufficiency and economic independence.
Housing programs and homeless housing activities seek to stabilize the lives of families and individuals so they can focus on the steps that will lead to social and employment stability.

Accomplishments

- Washington Women’s Employment and Education (WWEE) Reach Plus assists with computer training, career development classes, working experience, child care, transportation and mentoring issues for women. During FY2011-2012, the City’s $24,480 in CDBG funding contributed to the total program assisting 114 individuals.

B. Affirmatively Further Fair Housing

1. Human Rights and Human Services (HRHS) Department

In this reporting period, the primary means to affirmatively further fair housing opportunities within the City of Tacoma is through the HRHS department and its fair housing education/outreach and enforcement activities. HRHS is the administrative agency responsible for the enforcement and monitoring of the City’s anti-discrimination ordinances and resolutions related to employment, housing, credit and public accommodations. The Human Rights division’s enforcement unit is directly responsible for the enforcement of Tacoma Municipal Code (TMC) Chapter 1.29, which is Tacoma’s law against discrimination. The fair housing enforcement unit works in partnership with HUD, through the Fair Housing Assistance Program (FHAP) contract, to investigate, resolve, and monitor housing related discrimination complaints and to ensure equality of housing opportunities for the residents of Tacoma.

2. Boards and Commissions

Two Tacoma City Council-appointed commissions work to ensure equal access to employment, housing and public accommodations. They are:

*Human Rights Commission (HRC)* – The HRHS Department Director acts as the Executive Director of the City’s HRC which oversees enforcement activities under TMC Chapter 1.29. HRC Commission members serve for a renewable three year appointment. The HRC reviews and hears appeals on formal cases filed under the City’s anti-discrimination ordinance. They also consider potential issues that may expand the ordinance (e.g. income protections, discrimination associated related to Section 8 housing voucher holders).

*Commission on Disabilities* – The Commission on Disabilities is supported by the HRHS Department. It is staffed specifically by the City’s ADA Coordinator who reports to the HRHS Executive Director. The Commission on Disabilities assists in identifying housing development policies and practices that directly or indirectly impede fair housing choices for persons with disabilities.

3. Substantial Equivalence Certification
The HRHS Department has a contract with HUD under its Fair Housing Assistance Program (FHAP). The City’s anti-discrimination ordinance (Tacoma Municipal Code, Chapter 1.29) has received substantial equivalence certification by HUD. Thus, it is deemed to be substantially equivalent to the federal Fair Housing Act (FHA). Fair housing discrimination cases within Tacoma can be dual filed under the City’s local ordinance and federal fair housing laws. Under the HUD FHAP contract, HRHS receives funding for the completion of cases, training dollars for investigative staff and administrative funds for investigative related needs (i.e. office supplies, postage, software required by FHAP). Working with federal and state partners and the private sector, HRHS is involved in efforts to ensure residents can obtain housing of their choice free from illegal discrimination.

4. Analysis of Impediments:

The Analysis of Impediments (AI), which was completed and submitted in 2008, identified four impediments to fair housing choice. Those four impediments are: housing discrimination, especially in rental transactions, home mortgage transactions, lack of knowledge and access to resources and public policies.

In 2012, the City of Tacoma’s Community and Economic Development (CED) Department, which receives and administers CDBG and HOME funds, and HRHS met to discuss cooperative plans to further address the impediments identified in the AI in order to sufficiently address the impediments and implement additional comprehensive strategies to affirmatively further fair housing. Further, in the next contract year, (2012-2013), CED and HRHS will work together to begin the updating process of the AI.

In 2011-2012, the following four strategies and activities were undertaken to address the impediments:

**Strategy #1 : Fair Housing Compliance**

The FHA makes it unlawful to discriminate in housing against persons based on race, color, religion, sex, national origin, disability, or familial status. The HRHS fair housing enforcement unit investigates all complaints filed by individuals who believe they have experienced housing discrimination. Since July 1, 2001 through June 30, 2012, the unit resolved 266 complaints of discrimination filed in Tacoma under the federal FHA and local fair housing provisions of Tacoma Municipal Code (TMC) Chapter 1.29. Over $48,000 in settlement awards have resulted from this local administrative enforcement process. In addition to the non-monetary settlements, other relief included: waiver of rental payments, securing units, granting of reasonable accommodations (i.e.: reserved parking spaces, increase in voucher size, allowing service animals), updating rental documents to include equal housing opportunity logo and language, posting of fair housing information, and fair housing training.
Enforcement of fair housing laws is one way to address barriers to fair housing choice by ensuring that persons have access to justice and that housing providers are held responsible for compliance with fair housing laws. Although investigations specifically address denial of housing, different terms and conditions of housing, harassment, investigations along do not sufficiently address impediments to fair housing choice. Investigation is one tool that the City of Tacoma uses to address barriers. Other strategies, which are described below, include education/outreach/training, referrals from and to the fair housing program, and extensive community partnerships in order to ensure that all residents of Tacoma have access to their fair housing rights.

A key responsibility of the HRHS fair housing program is to enforce fair housing law through activities that include:

**Fair Housing Complaint Process**

HRHS investigates complaints filed by individuals who believe they have been discriminated against due to their race, color, religion, national origin or ancestry, sex, familial status, disability, age (over 40), marital status, gender identity, sexual orientation, and military/veteran status. Anyone who believes they have or will experience housing discrimination may file a complaint. Unlike the federal fair housing law which provides an exemption for housing providers with less than four dwellings, Tacoma’s fair housing law covers all dwelling units within the city. As a substantially equivalent agency, HRHS is empowered to investigate and resolve housing discrimination complaints under both the federal FHA and the local ordinance.

**Fair Housing Complaint Resolutions**

The HRHS fair housing enforcement unit receives an average of 20 inquires a month from residents who feel they have experienced housing discrimination. From July 1, 2011 to June 30, 2012, the unit formalized 26 complaints and completed 29 fair housing investigations (27 dual filed with HUD and 2 under Tacoma Municipal Code only). One of the 29 cases was determined to have reasonable cause that a violation of the fair housing laws occurred. This case continues to move through the administrative process. The investigator resolved four (4) of the 29 complaints through conciliation prior to the outcome of the investigation (referred to as a Pre-Finding Settlement Agreement). Monetary relief amounted to a total of $4,200. Other relief included follow-up fair housing testing, six months of no rental payments, return of a $50 late fee, transfer to a ground floor unit, and a meeting to go over the rental ledger details. Settlements also included affirmative steps to further fair housing by including fair housing training, posting of fair housing information in places of business, and promoting the use of anti-discrimination statement in leases/house rules and reasonable accommodation policies.

**Information and Referral**
The HRHS Department utilizes a systems integration approach to affirmatively further fair housing through collaborative partnerships that work across departmental and divisional lines within City government. HRHS staff operates within a network of referral channels that works cooperatively within the department and among partner agencies to link residents to housing rights and opportunities within the City of Tacoma.

**Fair Housing Investigator** – For housing discrimination allegations outside of the City’s jurisdiction, staff refers to the HUD Region X Office of Fair Housing and Equal Opportunity, FHAP Partners (Washington State Human Rights Commission, King County Office of Civil Rights, and Seattle Office for Civil Rights), and FHIP Partner (Fair Housing Center of Washington). Staff specifically make referrals to persons seeking foreclosure assistance to HUD approved housing counseling agencies including CCCS of the Midwest/Apprisen, Fair Housing Center of Washington, and South Sound Outreach Services; and to Northwest Justice Project, a legal services nonprofit which has received funding to assist homeowners with foreclosure and to Pierce County Center for Dispute Resolution which is receiving state funding for foreclosure mediation. For persons seeking housing, additional referrals are made to our local 211 number, local housing authorities (including Tacoma Housing Authority and Pierce County Housing Authority), site based housing programs using aptfinder.org, as well as to internal HRHS staff (i.e., landlord tenant coordinator and employment investigator).

**Crime Free Housing (CFH) Program Coordinator** – From July 2011 through January 2012, the CFH coordinator furthered housing choice through posting of computer links to local housing programs (e.g. Associated Ministries, Pierce County Affordable Housing Consortium) on the CFH website. In addition, Tacoma’s list of certified crime free properties states whether a property accepts Section 8 rent subsidies, is affordable, is physically accessible, and identify what background screening is conducted on prospective tenants. Staff works with other City staff and the Police Department to support and encourage awareness of criminal activity, opportunities to reduce crime, and thus create safer communities. CFH Coordinator position was eliminated in February 2012 as an outcome of City budget reductions. The work of the CFH program will continue in 2012-2013 in combination with the Landlord-Tenant program (see below).

**Landlord/Tenant Coordinator** - The Landlord/Tenant (LL-T) coordinator works to educate landlords and tenants about rights and responsibilities under Washington State Residential Landlord Tenant law. The LL-T works to resolve complaints and provide access to information and resources. The LL-T coordinates housing inspections with the City’s Code Enforcement. The LL-T coordinator receives an average of 200 inquires a month. This program is a great source of referrals to the fair housing investigations. Seven (7) of the 29 complaints investigated in 2011-12 were referrals from the LL-T coordinator to fair housing.
ADA Coordinator – This coordinator is a referral source for community agencies by referring community members with disabilities to the fair housing and employment investigator to resolve issues. The ADA coordinator is responsible for the City’s compliance with the Americans with Disabilities Act (ADA) of 1990. The coordinator works across City departments to help persons with disabilities access and retain suitable housing. The ADA coordinator and the fair housing staff work to ensure that community members with disabilities have access to information and enforcement of disability rights. The ADA coordinator regularly refers inquires of persons with disabilities who need accessible parking or an accommodation to current parking options to the fair housing staff for additional assistance, and when appropriate for the filing of housing discrimination complaints.

Homeless Housing Services Coordinator - The City has also made significant strides in providing supportive housing to address the needs of homeless persons and to help end chronic homelessness. The HRHS Homeless Housing Services Coordinator helps to identify and coordinate supportive housing for homeless individuals. The Coordinator also provides staff support to the Tacoma/Pierce County Coalition to End Homelessness. Working with the fair housing investigator, needs are identified and addressed in relationship to fair housing and shelters and transitional housing opportunities.

Strategy #2 : Community Outreach, Training and Education

Increasing public awareness of fair housing laws and the methods to report violations is a key component to affirmatively furthering fair housing. Many residents don’t have adequate information regarding their rights which may lead to unreported incidents of discrimination. Public outreach events and training educates the public about fair housing rights and responsibilities and resources to address discrimination.

Annual Fair Housing Conference

The HRHS Department conducts an annual fair housing conference to expand awareness of fair housing laws and best practices to ensure equal access to housing for all. The HRHS Department has partnered with regional fair housing organizations for 26 years to produce an annual one day fair housing conference. The conference is held in April in recognition of Fair Housing Month. The theme of the 2012 conference was “Unintended Consequences: Our Roles and Responsibilities for Fair Housing and Equal Opportunity.” It attracted over 350 attendees, an increase of 17%. Both the Mayor and the new City Manager addressed the participants regarding the importance of fair housing and the impact on our community. HRHS will continue to work in cooperative effort with tenants, builders, landlords and other stakeholders to improve understanding and compliance with fair housing laws and to work to affirmatively further fair housing.
Dr. Martin Luther King Celebration

The HRHS Department has produced the Dr. Martin Luther King Jr. Birthday Celebration for 25 years. The celebration continues to grow in attendance and diversity of participants. This event is designed to lift spirits and celebrate civil rights advances. The 2012 event, held at the Tacoma Dome, attracted over 2,000 participants and was telecast live on TV Tacoma-Cable Channel 12. Marketing materials for the event featured the fair housing enforcement unit whose primary responsibility is to promote equal access to housing.

Training and Education

The HRHS Human Rights division continuously seeks opportunities to speak at public meetings, and hold training sessions for consumers, and housing industry professionals, such as real estate agents, property managers, owners, and lenders.

Fair Housing Education - From July 2011 to June 2012, the Fair Housing Investigator has participated in 45 community education and outreach activities and trainings. At all education and outreach opportunities, fair housing materials are distributed. Fair housing staff continues to provide technical assistance and guidance of fair housing laws to community members, housing providers, social service organizations, and government entities. This technical assistance includes regular (monthly or quarterly) participation in the Fair Housing Partners of Washington, Race and Pedagogy Initiative Community Partners, Department of Corrections Housing Vendor Meeting, Cross Cultural Collaborative, and Housing Justice Project.

Crime Free Housing Education - The CFH Coordinator conducts quarterly two-day seminars as part of the Crime Free Housing Program through September 2011. Landlords and/or owners seeking a CFH designation are required to take fair housing training to gain certification, but the classes are open to any person interested. Average attendance is about 30 individuals per quarter, the majority of whom are housing providers. The two-day classes includes at least one hour of fair housing law presented by the Fair Housing Investigator. In addition, the two-day classes include presentations by the Landlord/Tenant Coordinator and a segment on domestic violence which has fair housing implications.

Landlord/Tenant Program – The Landlord/Tenant Coordinator assists in resolving housing disputes under the Washington State Residential Landlord Tenant Act. The coordinator responded to 2,000 community inquiries - both landlords and tenants - in the 2011 calendar year. The coordinator is trained to identify fair housing violations and acts as a fair housing information and referral source. The coordinator works with landlords and tenants to address housing issues such as evictions, substandard conditions, and discrimination.
Foreclosure Prevention Education – Several City departments work collaboratively with lenders, foreclosure prevention counselors and community leaders to help owners prevent foreclosure and identify predatory lending scams. This partnership has grown into regional collaboration resulting in successful foreclosure intervention workshops. Staff specifically make referrals to persons seeking foreclosure assistance to HUD approved housing counseling agencies including CCCS of the Midwest/Apprisen, Fair Housing Center of Washington, and South Sound Outreach Services; Northwest Justice Project, a legal services nonprofit which has received funding to assist homeowners with foreclosure; and to Pierce County Center for Dispute Resolution which is receiving state funding for foreclosure mediation. In 2012, HRHS staff supported and participated in a Foreclosure Prevention workshop organized by partner Housing Justice project.

Strategy #3: Expand Housing Options for Persons with Disabilities

HUD’s 2005 Study “Discrimination against Persons with Disabilities: Barriers at Every Step,” revealed high levels of discrimination against persons with disabilities. Testing data, compiled in 2009 by the Fair Housing Center of Washington (FHCW), identified the need for on-going, aggressive training and outreach to housing providers to eliminate patterns of unequal treatment that limit housing opportunities for persons with disabilities.

From 2002 to 2007, FHCW conducted 48 rental tests with 27 indicating instances of differential treatment based on race, national origin, disability, familial status and marital status. In response to the increased number of disability-related complaints, FHCW subsequently conducted phone tests around the issues of service animals and disabled parking. Results confirmed the need for added training on reasonable accommodation and fair housing rights around service animals. However, funding shortages and management changes hindered the city’s ability to enter into further contracts for testing in 2010-2011.

Strategy #4: Collaborative Partnerships

State and Local Partnerships - HRHS fair housing program works with organizations that serve both housing providers and persons in housing or seeking housing. Organizations include: Tacoma Housing Authority, Rental Housing Association of Puget Sound, Washington Landlord Association, and participants in the City’s Crime Free Housing Program. In working to affirmatively further fair housing, HRHS fair housing staff are actively involved with the Race & Pedagogy Initiative at the University of Puget Sound, Cross Cultural Collaborative, Tacoma/Pierce County Housing Justice Project, Department of Corrections Housing Vendors Meetings and the Fair Housing Partners of Washington, a collaborative of government entities and nonprofits working to ensure equal access to housing as provided by fair housing law. In 2011-2012, HRHS expanded partnerships to include the Equity Committee and
Fair Housing Subcommittee work of the Puget Sound Regional Council, which is administering a HUD Sustainability Grant.

Collaborative Partnerships with Housing Organizations - The HRHS fair housing enforcement unit collaborates regionally with other fair housing groups as part of the Fair Housing Partners of Washington to ensure needs are being addressed statewide. The Partners have produced several publications that are widely distributed at the City’s annual fair housing conference, at community trainings, and on Partner websites. These are free publications that contain best practices, legal background, and compliance guidelines in the areas of general rental management, general real estate sales, reasonable accommodations, service animals, harassment/retaliation, and domestic violence.

HRHS also is a partner in the Housing Justice Project (HJP), a collaboration of legal services and housing justice providers that work to ensure the public has access to housing information and rights. Both fair housing staff and the landlord/tenant coordinator are active in HJP. This collaboration has generated self-help information available to the public on the HJP website, and in 2011 HJP conducted training modules for landlords and tenants with presentations scheduled both in Tacoma and throughout Pierce County.

C. Homeless Strategy

The City supports funding for projects that increase the availability of housing for homeless persons. These programs provide operating funds for public service housing providers offering emergency and transition housing for homeless people. The following table reflects the number of homeless clients served by the various programs, and the amount of funding each program received. Immediately below this table is a second table reflecting assistance to individuals with special needs. It should be noted, for both tables, that “clients served” are the total clients served during the program year 2011-2012. The total benefit shown for each program includes other funding sources beyond federal CDBG and ESG entitlements.

<table>
<thead>
<tr>
<th>Program</th>
<th>Amount Funded</th>
<th>Benefit*</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCS, Phoenix Housing</td>
<td>$37,136 CDBG</td>
<td>Provided housing and outreach to 391 adults and children.</td>
</tr>
<tr>
<td></td>
<td>29,317 ESG</td>
<td></td>
</tr>
<tr>
<td>EFN Warehouse Distribution Center</td>
<td>10,000 CDBG</td>
<td>Provided food distribution that served 380,334 persons</td>
</tr>
<tr>
<td>LASA, Jump Start</td>
<td>10,000 CDBG</td>
<td>Provided housing and outreach to 279 adults and children.</td>
</tr>
<tr>
<td>HHH, Emergency Housing</td>
<td>22,000 ESG</td>
<td>Provided emergency housing for 77 homeless adults and children</td>
</tr>
<tr>
<td>CCS, Downtown Service Provider Consortium</td>
<td>89,207 CDBG</td>
<td>Provided emergency housing for 5,266 homeless adults</td>
</tr>
<tr>
<td>SHS, Shared Housing Services</td>
<td>27,168 CDBG</td>
<td>Provided 910 referrals matching home providers with lower income persons</td>
</tr>
<tr>
<td>TRM, Emergency Services</td>
<td>66,389 CDBG</td>
<td>Provided emergency housing for 777</td>
</tr>
</tbody>
</table>
Continuum of Care (COC)

In 1995, the City of Tacoma and Pierce County initiated a Continuum of Care (COC) strategic planning process and formed the Pierce County COC Committee as a subcommittee to the existing Pierce County Coalition for the Homeless. The committee consists of local governments, housing developers, housing providers and private sector businesses and community members. This was initiated in response to HUD’s belief that the best approach to alleviating homelessness is a community-based process that provides a comprehensive response to the different needs of homeless individuals and families. The COC Committee holds monthly meetings to organize, implement and analyze annual survey data, physical head counts and comments collected from a variety of homeless populations and to use the information to design housing and services that meet the homeless needs.

2012 Pierce County Homeless Survey

The annual homeless survey is comprised of a point-in-time count of families and individuals who are not housed, reside in emergency shelter or reside in transitional shelter. In 2012, the total homeless survey, conducted over a 24 hour period on January 26-27, 2012, identified the following:

- 1,997 homeless men, women, and children including 1,310 individuals in 374 family households with 752 children under the age of 18. There were 687 people in households without children. Of these individuals, 213 are chronically homeless on the streets or in emergency shelter. Homeless individuals with special needs included 91 veterans, 351 victims of domestic violence, 101 persons with substance abuse, 135 with a physical disability, 159 individuals with mental health problems and one person with AIDS/HIV.

- Slight decrease in homelessness (-71) overall from 2,068 in 2012.
• Number of households with children stayed about the same (374) to 2011 (367).

• 5% increase in the number of persons in households with children (+67) compared to 2011.

• A few less children in households with children (752) compared to 2011 (778).

• 36% increase in single population (+180).

• Slight decrease in chronic population (-22).

• 11% chronically homeless population (does not include transitional housing) of all individuals that are homeless included in the homeless survey.

• 73% of the chronically homeless were males.

• 35% of the chronically homeless on the streets or in emergency shelter were veterans.

• 5% of unsheltered and sheltered population report Alcohol and Substance abuse as issues.

• 7% of individuals that are homeless report mental health as an issue.

• 31% of single persons living in shelters or on the streets are chronically homeless.

• Households with children represent 87% of those in transitional housing programs, households without children represent 90% of those on the streets.

In comparing the 2012 homeless survey with the previous year, the report indicates a slight 3% decrease of families and individuals experiencing homelessness since the 2011 survey. The emergency and transitional housing data for 2012 also reflect a small decrease with 1,291 for people in families and 514 for individuals respectively staying in shelters. One category of homelessness that increased significantly in 2012 from the 2011 survey was single homeless persons.

The City of Tacoma’s role is to facilitate the planning process and assist in development of a regional approach to homelessness. Pierce County is the lead agency and administers all contracts.

This approach has helped the COC Committee review, prioritize and recommend projects to fill gaps in Tacoma and Pierce County’s continuum of care system. During this reporting period Pierce County received $3,175,831 in COC Super NOFA funds.

The following 26 projects, as reported by Pierce County, will help fill gaps in the COC system:
### 2011-2012 Continuum of Care Fund Projects

<table>
<thead>
<tr>
<th>Program</th>
<th>Amount Funded</th>
<th>Award Years</th>
<th>Type of Housing</th>
<th>Use of Funds</th>
<th># of Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIDS Housing Assoc. – Project Open Door</td>
<td>$143,477</td>
<td>1 year</td>
<td>Permanent Supportive Housing</td>
<td>Operation &amp; Supportive Services</td>
<td>8 units for chronic homeless with HIV/AIDS in Tacoma and Fircrest.</td>
</tr>
<tr>
<td>CCS–Bridges Village Project</td>
<td>$34,701</td>
<td>1 year</td>
<td>Permanent Supportive Housing</td>
<td>Support Services</td>
<td>10 units for disabled families with children.</td>
</tr>
<tr>
<td>Exodus Housing – East PC DV Recovery &amp; Housing Project</td>
<td>$136,799</td>
<td>1 year</td>
<td>Transitional Housing</td>
<td>Real property leasing, operations &amp; services</td>
<td>10 units for homeless families with children, DV survivors in Sumner</td>
</tr>
<tr>
<td>GLMH –Hope &amp; Recovery Project</td>
<td>$167,339</td>
<td>1 year</td>
<td>Permanent Supportive Housing</td>
<td>Real property leasing, operations &amp; services</td>
<td>22 units for homeless with chronic mental health, dual diagnosis and substance abuse</td>
</tr>
<tr>
<td>GLMH - Collaborative Housing</td>
<td>$348,601</td>
<td>1 year</td>
<td>Permanent Supportive Housing</td>
<td>Real property leasing, operations &amp; services</td>
<td>55 units for homeless with chronic mental health, dual diagnosis and substance abuse</td>
</tr>
<tr>
<td>GLMH – Spanaway Commons</td>
<td>$89,040</td>
<td>1 year</td>
<td>Permanent Supportive Housing</td>
<td>Operations and Support Services</td>
<td>16 units for chronically homeless individuals</td>
</tr>
<tr>
<td>GLMH-Sponsor-Based Rental Assistance Shelter Plus Care Project</td>
<td>$173,616</td>
<td>1 year</td>
<td>Permanent Supportive Housing</td>
<td>Real Property leasing</td>
<td>21 units for homeless persons with chronic mental health or dual diagnosis.</td>
</tr>
<tr>
<td>HHH – Rural Bright Futures Project</td>
<td>$66,539</td>
<td>1 year</td>
<td>Transitional Housing</td>
<td>Supportive services</td>
<td>8 units for homeless families with children in East Pierce County</td>
</tr>
<tr>
<td>HHH - Bright Futures Project</td>
<td>$165,201</td>
<td>1 year</td>
<td>Transitional Housing</td>
<td>Leasing, operations &amp; services</td>
<td>13 units for homeless families with children in East Pierce County</td>
</tr>
<tr>
<td>LASA –Alaska Project</td>
<td>$24,741</td>
<td>1 year</td>
<td>Transitional Housing</td>
<td>Operations and support services</td>
<td>3 units for homeless families with children in Tacoma.</td>
</tr>
<tr>
<td>LASA – CHOICES Project</td>
<td>$29,512</td>
<td>1 year</td>
<td>Transitional Housing</td>
<td>Operations and support services</td>
<td>4 units for homeless families with children in Lakewood &amp; Pierce County</td>
</tr>
<tr>
<td>LASA –Changes Project</td>
<td>$130,878</td>
<td>1 year</td>
<td>Transitional Housing</td>
<td>Real property leasing &amp; services</td>
<td>7 units for homeless families with children in University Place</td>
</tr>
<tr>
<td>LASA –Flett Meadows Project</td>
<td>$32,444</td>
<td>1 year</td>
<td>Transitional Housing</td>
<td>Operations and support services</td>
<td>13 units for homeless families with children in Lakewood.</td>
</tr>
<tr>
<td>Project Description</td>
<td>Amount</td>
<td>Year(s)</td>
<td>Service Type</td>
<td>Description</td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
<td>---------</td>
<td>---------</td>
<td>----------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>MDC – Avenue Apartments Project</td>
<td>$111,377</td>
<td>1 year</td>
<td>Transitional Housing</td>
<td>Acquisition, operations &amp; support services 15 units for homeless single persons with chronic substance abuse issues in Tacoma</td>
<td></td>
</tr>
<tr>
<td>MDC - Housing First Project</td>
<td>$542,485</td>
<td>1 year</td>
<td>Permanent Supportive Housing</td>
<td>Real property leasing, operations &amp; services 42 units for chronic homeless persons in Tacoma and Lakewood</td>
<td></td>
</tr>
<tr>
<td>MDC - Pacific Courtyard Project</td>
<td>$89,527</td>
<td>1 year</td>
<td>Transitional Housing</td>
<td>Support Services 18 units for homeless families with children in Tacoma.</td>
<td></td>
</tr>
<tr>
<td>MDC – Randall Townsend Project</td>
<td>$375,341</td>
<td>2 years</td>
<td>Permanent Supportive Housing</td>
<td>Acquisition, Operations &amp; support services 35 units for chronically homeless persons in Tacoma</td>
<td></td>
</tr>
<tr>
<td>Network Services – One Family at a Time Housing Project</td>
<td>$24,324</td>
<td>1 year</td>
<td>Transitional Housing</td>
<td>Operations and Support Services 8 units for homeless families with children in Tacoma.</td>
<td></td>
</tr>
<tr>
<td>PCAHA – Manresa Apartments Project</td>
<td>$36,902</td>
<td>1 year</td>
<td>Transitional Housing</td>
<td>Operations and Support Services 4 units for homeless families with children</td>
<td></td>
</tr>
<tr>
<td>Pierce County Community Services – HMIS Project</td>
<td>$45,150</td>
<td>1 year</td>
<td>Operations</td>
<td>Mgt and Administration of HMIS Supports PC Homeless Management Information System (HMIS)</td>
<td></td>
</tr>
<tr>
<td>Step by Step Family Support Center – Homes Transitional Housing</td>
<td>$94,031</td>
<td>1 year</td>
<td>Transitional Housing</td>
<td>Real property leasing, operations &amp; services 10 units for homeless families with children in Tacoma and Puyallup</td>
<td></td>
</tr>
<tr>
<td>TACID – Place for Us Too Project</td>
<td>$162,335</td>
<td>1 year</td>
<td>Permanent Supportive Housing</td>
<td>Real property leasing, operations &amp; services 13 units for 20 homeless persons and three homeless families with children.</td>
<td></td>
</tr>
<tr>
<td>THA Campbell Court Shelter Plus Care Project</td>
<td>$57,480</td>
<td>1 year</td>
<td>Permanent Supportive Housing</td>
<td>Real property leasing 10 units for homeless persons with chronic mental health or dual diagnosis</td>
<td></td>
</tr>
<tr>
<td>TRM - Tyler Square I Project</td>
<td>$34,106</td>
<td>1 year</td>
<td>Transitional Housing</td>
<td>Operations and Support Services 12 units for homeless families with children in Tacoma.</td>
<td></td>
</tr>
<tr>
<td>TRM – Tyler Square II Project</td>
<td>$59,885</td>
<td>1 year</td>
<td>Transitional Housing</td>
<td>Support Services 14 units for homeless families with children in Tacoma.</td>
<td></td>
</tr>
<tr>
<td>Share &amp; Care House Independence House</td>
<td>$312,900</td>
<td>2 years</td>
<td>Permanent Supportive Housing</td>
<td>Support Services 10 units for chronically homeless disabled persons</td>
<td></td>
</tr>
</tbody>
</table>

**D. Public Housing Strategy**

As stated in the five year Consolidated Plan, the Tacoma Housing Authority (THA) cooperates with the City to provide affordable housing opportunities for lower income residents through a variety of programs. The City continues to support THA’s efforts to improve its public housing stock and to maintain levels of assistance to lower income
residents as well as cooperate to find methods of preserving Section 8 housing. It is anticipated the City will continue to support THA’s efforts to rehabilitate and modernize their publically-owned housing projects. The current THA five-year plan, known as Moving to Work, outlines their policies, programs, operations and strategies. THA offers opportunities for residents to be involved in management through representation on the Commission. The Mayor appoints one THA resident as Commissioner. In addition, THA supports a Resident Advisory Board, SAFE, which includes representation from all seven of THA’s senior buildings. THA provides funding to support SAFE. The Salishan HOPE VI housing redevelopment project includes homeownership potential for public housing residents.

**Accomplishments:**

THA updated and replaced its 2009 Five Year Plan with a new plan called “Moving to Work” which continues its focus on the following strategies:

*Expand the supply of assisted housing, providing a range of housing.*

- THA is also in the planning stages for the redevelopment of the 1800 & 2500 blocks of Hillside Terrace. THA will be demolishing 104 units of public housing and in its place building 140 units of affordable rental house with a mix of public, Section 8 and tax credit units.

*Improve the quality of assisted housing*

- THA received $4 million of ARRA funds and used them to do exterior improvements (i.e. new siding, windows, etc) to preserve the longevity of its senior buildings and multi-family properties.
- THA intends to invest approximately $2 million in its Stewart Court property. These will be mostly envelope improvements but will also include some landscaping/play area improvements.

*Increase assisted housing choices.*

- Planning on bringing more units on line (e.g. Hillside Terrace described above)
- Develop of 15 new units of permanent supportive housing for homeless families.

*Provide an improved living environment.*

- Rehabs to senior buildings and multifamily properties (as described above); Hillside Terrace will be LEED Silver and LEED Gold which will provide a healthier living environment/interior air quality.

**E. Other Actions**

There are specific activities that continue to get support not only from federal funds such as CDBG, HOME, ESG and COC, as discussed in this report, but also from other public and private sources such as United Way of Pierce County, City of
Tacoma General Fund, Tacoma Housing Authority, Washington State (e.g. Housing Trust Fund), the Puyallup Indian Tribe, Metropolitan Development Council’s Community Action Agency funds and Impact Capital. These funded activities include emergency and transitional shelters, other homeless and special needs programs, job training programs as well as various activities to support the senior citizens on limited income. In addition, the City, THA, and local nonprofits will continue to coordinate use of available funding to revitalize the Community Empowerment Zone (CEZ) made up of the Hilltop, Downtown and Eastside areas, and to help families and individuals to become and remain self sufficient.

Federal, state and private financing sources continue to require local government’s commitment to financing a project before they will commit their funds. It is essential that local governments provide housing development funds. As previously mentioned in this report, the City has made a substantial commitment to housing by setting aside 50% of its CDBG and all of its entire HOME and ESG funds for housing. Tacoma continues to pursue funding sources for a local housing trust fund to better serve the needs of its citizens.

Tacoma continues to work with site selectors and often receives nationwide media coverage for the positive growth and turn-around of its downtown. Tacoma continues to work to attract and retain businesses in Tacoma. Specific accomplishments included:

- Continued to partner the Tacoma Police Department and Public Works Department to effectively implement the City’s Crime-Free Housing program incorporated in the Business Districts. The overall goal is to reduce crime within the targeted areas.

- Continued to market and provide services related to the Façade Assistance Program to property and business owners through the Neighborhood Business District and Cross District Associations.

- Chinese Reconciliation Park – Progress has continued during the past fiscal year in development of the new Chinese Reconciliation Park. Although the City has not invested federal funds in this project, it is an important step for the City in improving our community facilities and outreach to our citizens.

- Together with private and public partners, Tacoma continues to work hard at work with retention efforts for major employers who have outgrown their existing space and have leases that will run out in the next few years.

During FY 2011-12, Tacoma saw a continued slowdown in market-rate housing in its downtown and other mixed use centers turn into a trickle in the face of the national economic and mortgage crisis. Nevertheless, the City continues to make available incentives to developers in the downtown and other strategic areas throughout Tacoma with its Property Tax Exemption (PTE) program for Multi-Family Housing. To
encourage the development of multi-family housing in the designated mixed-use centers, the City provides a property tax incentive to eligible property owners.

In 2007, the State Legislature made changes to the PTE program which modified the program from a ten-year exemption to either an 8 year exemption for an “all market-rate” development, or a 12 year exemption for projects with at least 20% affordable units. Affordable rental units being defined as affordable to households with incomes no greater than 80% of the area median income as determined by HUD. For homeownership, affordable is defined as households with incomes no greater than 115% of the AMI. There are also additional reporting requirements by the tenants, buyers, and developers; information that must be gathered by the locality and forwarded to the State Department of Commerce (DC). In response to these new requirements, the City submitted annual monitoring reports to the State identifying changes occurring during 2007, 2008, 2009, 2010 and 2011. In 2008, the City officially changed its municipal code to incorporate the 2007 state legislative changes.

Over the past fiscal year, countywide employment continued to be dominated by government and health-care providers. For 2011, Joint Base Lewis McChord (JBLM) is by far the county’s largest employer with 55,603 troops and civilian employees. The second largest employer is the local public school districts with 13,735 jobs followed by Multicare Health System with 6,756 jobs and Washington State Employees with 6,662 jobs. Other major employers include Franciscan Health System with 5,507 jobs and Pierce County with 2,947 jobs. (Source: EDB 2011 Major Employers List)

For small business assistance, in additional to the two CDBG –supported programs, the City actively markets itself to employers and works hard to attract new businesses. Due to limited funding for the economic development activities, the City continues to partner with other community agencies such as the Economic Development Board (EDB), the Tacoma/Pierce County Chamber of Commerce, and the Foss Waterway Development Authority (FWDA) to coordinate efforts in expanding and creating new businesses and assisting with training opportunities and job development for Tacoma residents. In addition to the concentration on creating new jobs, the City of Tacoma has increased its focus on retaining the existing job base

The City continues to take an active role and provide leadership and cooperation with community wide organizations to foster and maintain affordable housing and reduce the number of persons living below the poverty level. Some of these organizations and events include the Tacoma-Pierce County Housing Council, Tacoma-Pierce County Coalition for the Homeless, THA’ Family Self-Sufficiency Program, United Way of Tacoma-Pierce County, Northwest Community Development Managers Association, Tacoma’s Annual Fair Housing Conference, the Gates Sound Families Foundation, Tacoma/Pierce County Partners in Homeownership and the Tacoma/Pierce County Affordable Housing Consortium.
ADDITIONAL REQUIRED NARRATIVES

CDBG FUNDED RECIPIENTS

Assess the relationship of the use of CDBG Funds to the priorities, needs, goals and specific objectives identified in the Consolidated Plan.

All the 2011-2012 CDBG funded projects addressed key priorities and goals set forth in the Consolidated Plan as described in the Community Goals and Objectives and Other Five Year Objectives sections of this report. The existing five year (2010-2015) Consolidated Plan identifies rental and homeownership housing for low-income families and elderly and emergency and transitional housing as high priority needs.

Other priority needs were park and recreation facilities, childcare centers and services, health facilities, street improvements, crime awareness, micro-enterprise assistance and public services focusing on emergency/transitional shelter, homeless prevention and services designed to increase economic stability. These high priority funded programs received 100% of the CDBG project budget.

Efforts in carrying out the planned actions described in the City’s Annual Action Plan as part of the grantee certification.

The City of Tacoma has funded, carried out the implementation, and monitored the projects as stated in the 2011-2012 Annual Action Plan, including any amendments, of the Consolidated Plan. The City has complied with all the specific CDBG certifications. Approved programs for the CDBG funding were implemented by the City of Tacoma and TCRA or by private non-profits that provided the services for low-income Tacoma residents as described and listed in the Annual Action Plan for this reporting period. By referring to the Community Goals and Objectives section of this report and comparing it with the 2011-2012 Annual Action Plan, it will attest to the City’s commitment to support affordable housing programs, public improvements, and service programs that benefit low-income Tacoma residents.

Were grantee funds used exclusively for the three National Objectives for the CDBG program?

All programs funded by CDBG have benefited low to moderate-income Tacoma residents.

Was there any CDBG funded projects that displaced people or businesses that required relocation services?

The Tacoma Housing Authority received CDBG funds specifically for the relocation of tenants in a HOME-assisted housing project. These tenants will be relocated in FY 2012.
Other required CDBG information:

*During this reporting period, were economic development activities undertaken where jobs were made available to low-to-moderate income persons, but not taken by them?*

HUD funded economic development activities were located within the City of Tacoma and generally within the City’s Community Empowerment Zone (CEZ). In this area, all jobs are presumed to be held by low to moderate income individuals. *Are any CDBG-funded activities during the program year serving a Limited Clientele that does not fall in a Presumed Limited Clientele category?*

A few of the public service programs funded with CDBG serve a clientele that cannot be presumed as low-income. In these programs, additional information is required to insure the CDBG funds benefit low-to-moderate income individuals. Such additional information may include income certification.

*Do any programs generate program income to revolving funds?*

Yes. Refer to the HUD Form PR26 “Financial Summary Grantee Performance Report” located in the Appendix. This report also shows the obligations and expenditures the City of Tacoma has made for the 2011-2012 program year. The expenditures are summarized to determine the relevant indicator for low and moderate income, planning and administration, public services activities and economic development.

*Describe each completed CDBG funded housing program during this reporting period and their number of units. Projects are shown below:*

<table>
<thead>
<tr>
<th>Program / Project</th>
<th>Number of Units</th>
<th>Amt Expended</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>TCRA Comprehensive Rehab Program</td>
<td>3 houses</td>
<td>$ 210,094</td>
<td>1 Completed 2 In Progress</td>
</tr>
<tr>
<td>TCRA Moderate Rehabilitation Program</td>
<td>9 houses</td>
<td>250,690</td>
<td>8 Completed 1 In Progress</td>
</tr>
<tr>
<td>TCRA Emergency Major Home Repair</td>
<td>17 houses</td>
<td>88,680</td>
<td>Completed</td>
</tr>
<tr>
<td>MDC Minor Home Repair Program</td>
<td>41 houses</td>
<td>40,000</td>
<td>Completed</td>
</tr>
<tr>
<td>MDC Emergency Minor Home Repair Program</td>
<td>285 households</td>
<td>118,317</td>
<td>Completed</td>
</tr>
<tr>
<td>AM Paint Tacoma Beautiful Program</td>
<td>18 houses</td>
<td>76,902</td>
<td>Completed</td>
</tr>
</tbody>
</table>
What progress has been made with the Renewal Community (RC) Plan?

This on-going program revitalizes and helps rebuild the East, Hilltop, Port and Central Business District neighborhoods by the creating and expanding jobs and businesses. As described earlier, the RC area was not retained and has been replaced by the CEZ. Specific progress can be found in Goal 3 Expanded Economic Opportunities, “Objective A – Support the City’s Renewal Community Activities.

HOME FUNDED RECIPIENTS

Analyze the extent to which HOME funds were distributed among different categories of housing needs identified in the Consolidated Plan.

Close to $37 million has been awarded to the Tacoma-Lakewood HOME Consortium since the onset of the HOME Investment Partnership Act. Of that $37 million, approximately $1.5 million was awarded to Tacoma projects during the 2011-2012 program year. Analysis of individual projects has been presented in the Community Goals and Objectives section of this report. The allocation of HOME funds for program year 2011-2012 is listed below.

Goal: Develop new affordable housing in support of neighborhoods and downtown revitalization

<table>
<thead>
<tr>
<th>Program / Project</th>
<th>Number</th>
<th>Funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>THA Hillside Terrace Project Phase I</td>
<td>70 units</td>
<td>$1,065,342</td>
</tr>
</tbody>
</table>

Goal: Expand/sustain homeownership opportunities

<table>
<thead>
<tr>
<th>Program / Project</th>
<th>Number</th>
<th>Funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>TCRA Downpayment Assistance</td>
<td>30</td>
<td>$250,000</td>
</tr>
<tr>
<td>Homeownership Center of Tacoma</td>
<td>6 homeowners</td>
<td>320,000</td>
</tr>
<tr>
<td>Habitat for Humanity (Commercial Street-Lkwd)</td>
<td>8 units</td>
<td>374,416</td>
</tr>
<tr>
<td>Habitat for Humanity (Cameron Estates)</td>
<td>5 units</td>
<td>250,000</td>
</tr>
<tr>
<td>Habitat for Humanity (two Lakewood Projects)</td>
<td>5 units</td>
<td>155,000</td>
</tr>
</tbody>
</table>

Goal: Preserve existing affordable owner and renter housing

<table>
<thead>
<tr>
<th>Program / Project</th>
<th>Number</th>
<th>Funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing Rehabilitation Program – Lakewood</td>
<td>2 homeowners</td>
<td>$97,161</td>
</tr>
</tbody>
</table>
Report all match contributions made for the period covered by the Consolidated Plan program year.

Further information on the overall status of meeting the HOME match requirements may be found in this report on HUD Form 40107-A, which is located in the Appendix.

Report Contracts and Subcontracts with Minority Business Enterprises (MBEs) and Women Business Enterprises (WBEs).

General contractors meeting the MBE and WBE definitions are encouraged to apply on all construction contracts. General contractors who do not meet these definitions are encouraged to utilize MBE and WBE sub-contractors. The Metropolitan Development Council, the Tacoma Housing Authority and Homeownership Center of Tacoma utilize MBE and WBE enterprises.

ESG FUNDED RECIPIENTS

Describe activities supported directly with Emergency Solutions Grant (ESG) funds that addresses homeless prevention goals and objectives established in the Consolidated Plan.

Tacoma was awarded an ESG grant for $128,549 in 2011-2012 to support the City’s efforts to serve individuals experiencing homelessness. In addition, a total of $3,834 in carryover funds was also expended for total funding of $132,383. Funds were allocated to 3 housing agencies providing assistance to homeless families, individuals and persons with special need. More detailed information is listed in Homeless Strategy section of this report.

Describe the source and amount of funds used to meet the match requirement of the ESG program.

A listing of ESG matching funds for fiscal year 2011-2012 is shown below.

<table>
<thead>
<tr>
<th>Project Name</th>
<th>ESG Funding</th>
<th>Matching Funds</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCS – Phoenix Housing Network</td>
<td>$29,317</td>
<td>$29,317</td>
<td>WA ESAP, TCS fund, private Foundations</td>
</tr>
<tr>
<td>HHHH Emergency Housing Program</td>
<td>22,000</td>
<td>22,000</td>
<td>ESAP, United Way, Rotary, in-kind, Share n Care units</td>
</tr>
<tr>
<td>YWCA Women’s Shelter</td>
<td>75,000</td>
<td>75,000</td>
<td>DSHS Domestic Violence</td>
</tr>
<tr>
<td>HRHS / ESG Administration</td>
<td>6,066</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>$132,383</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(NOTE: Additional supplemental ESG information can be found in the appendix)
MONITORING REQUIREMENTS (HOME & CDBG)

HOME Funding

What are the results of on-site inspections of the affordable rental housing assisted by HOME funds and an assessment the affirmative marketing actions and outreach to minority and women-owned businesses.

Each recipient of HOME funds signs an agreement requiring their agency to retain records which show compliance with fair housing and equal opportunity requirements. The agreements also require that they affirmatively market to minority and women owned construction contractors and sub-contractors whenever the agencies are bidding for new construction or rehabilitation work. In response to the passage of recent initiatives, the City has undertaken its own program to support and encourage the involvement of small business. Outreach includes streamlining the bidding and purchasing process, presentations to business organizations, particularly those who cater to the minority and women owned businesses, and updating website information and placing some bidding processes on-line.

During this fiscal year, Housing Quality Standard inspections were conducted on 20% of the federally assisted units. Many of Tacoma’s affordable housing projects have both CDBG and HOME funds invested. The HQS inspections found most of the units to be satisfactory, however a small number of those units required repairs to be in compliance with HQS. The property owners were notified in writing of the needed repairs, given a timeline to make those repairs and follow-up inspections assured work was completed.

An audit of the tenant income and rent levels for both CDBG and HOME funded units resulted in no discrepancies between the allowed rents based on income and the rents charged by the agencies. A review of the WBARS Report was conducted prior to the site visit where tenant files were reviewed for compliance. A portion of the tenants and units were monitored by the Washington State Housing Finance Commission and the Washington Department of Commerce (DOC) as part of an agreement to share monitoring responsibilities on LIHTC projects.

CDBG Funding

What are the results of on-site inspections of the affordable rental housing assisted by CDBG funds?

Please refer to the response above for the inspections using HOME funding.

What are the results of monitoring of the public services assisted by CDBG & ESG funding?

Each year, HRHS staff conducts a risk assessment of all funded programs to determine which of them will receive an on-site contract monitoring. Certain conditions automatically trigger a monitoring, including being newly funded, having
negative findings in the most recent financial audit, and/or not being monitored the previous year. Other considerations may also trigger a site monitoring, such as staff turnover, poor performance, or receiving more than $50,000 in funding from the City of Tacoma (including CDBG/ESG).

Programs that are flagged for a monitoring receive a site visit prior to the end of the contract period (by June 30th of each year). A standard monitoring tool is used by staff during the site visit to evaluate program performance and compliance with contract requirements. Any negative findings are summarized at the end of the form, along with corrective actions and a timeline for completing them.

Programs that do not receive a site monitoring receive a desk monitoring instead, which includes a review of the case file (i.e. outputs, outcomes). All programs receive a site monitoring at least once every two years. Results are considered in subsequent application processes for funding.

PUBLIC PARTICIPATION REQUIREMENTS

Make the Consolidated Annual Performance and Evaluation Report Available to the Public for Examination and Comments for a Period of 15 Days

The 15-day period for examination and review took place starting September 7th ending on September 21st, 2012. The City provided public notice on September 7, 2012 in The News Tribune. Draft copies of the report were available at local libraries, the Community and Economic Development Department (located at 747 Market Street Suite 1036, Tacoma, WA 98402) and on the City’s website. No comments were received from the public during the 15 day review period.

Identify Each Federal Grant, the Funds Made Available, the Funds Committed, the Funds Expended and the Geographic Distribution that Furthered the Objectives Listed in the Consolidated Plan.

Please refer to the table, Total Federal Funds Available, Annual Expenditures, and Geographic Distribution of funds on Existing Activities within the City of Tacoma (July 1, 2010 – June 30, 2011), as provided in the Appendix. The following reports were generated from the Integrated Disbursement and Information System (IDIS) and are available upon request from the Community and Economic Development Department, 747 Market Street, Room 1036, Tacoma, WA 98402 or by calling (253) 591-5365.

1. Summary of Accomplishments Report (C04PR23)
2. Consolidated Annual Performance and Evaluation Report (C04PR06)
3. Status of HOME Grants (C04PR27)
4. Status of HOME Activities (C04PR22)
5. Status of CHDO Funds (C04PR25)
6. Summary of Financial (C04PR26)
7. Summary of CDBG Activities (C04PR03)
8. Rehab CDBG Activities (C04PR10)
9. ESG Program for Grantee Statistics (C04PR19)
10. ESG Activity Summary Report (C04PR20)
11. ESG Financial Summary (C04PR12)