



# King County

Urban Consortium Joint Recommendations Committee

*Meeting Materials for Thursday, July 30<sup>th</sup>, 2020*

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Item	Info
Agenda	July 2020 JRC Meeting Agenda/Roster
Attachment A	Funds Available to Allocate
Attachment B	Carryover and Program Income Options
Attachment C	ESG-CV2 Funding Recommendations

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## King County

De'Sean Quinn  
Tukwila  
Councilmember,  
Sound Cities  
Association

Amy McHenry  
Duvall  
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Clyde Hill  
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Merina Hanson  
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Manager, Kent

Laurie Olson  
Lending Manager,  
Seattle Office of  
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## AGENDA

### JOINT RECOMMENDATIONS COMMITTEE (JRC) MEETING

July 30, 2020  
10:00am – 11:00am  
Skype Meeting

#### I. WELCOME & INTRODUCTIONS

#### II. ACTION ITEMS:

##### A. Approve allocation of 2019 program income/recapture funds – NORTH/EAST Subregion

Attachment A/B

Laurie Wells

VOTING: ★ CDBG Consortium

##### B. Approve allocation of 2019 program income/recapture funds – SOUTH Subregion

Attachment A/B

Laurie Wells

VOTING: ★ CDBG Consortium

##### C. Approve second round CARES ESG-CV funding recommendations

Attachment C

Kate Speltz

VOTING: ALL (except Seattle)

#### III. INFORMATION ITEMS

##### A. Update on first round CARES ESG-CV and CDBG-CV funds

## 2020 Joint Recommendations Committee (JRC) Roster

Name	Representing	Email
<b>CDBG &amp; HOME Consortium Cities - ★ ■ ◆</b>		
Amy McHenry	City of Duval (SCA)	<a href="mailto:amy.mchenry@duvallwa.gov">amy.mchenry@duvallwa.gov</a>
Chris Ross	City of Sammamish (SCA)	<a href="mailto:cross@sammamish.us">cross@sammamish.us</a>
Clyde Hill	City of SeaTac (SCA)	<a href="mailto:chill@ci.seatac.wa.us">chill@ci.seatac.wa.us</a>
De'Sean Quinn	City of Tukwila (SCA)	<a href="mailto:desean.quinn@tukwilawa.gov">desean.quinn@tukwilawa.gov</a>
<b>CDBG Joint Agreement &amp; HOME Consortium Cities - ♣ ■ ◆</b>		
Carol Helland	City of Redmond	<a href="mailto:chelland@redmond.gov">chelland@redmond.gov</a>
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ALTERNATE: Leslie Miller	City of Kirkland	<a href="mailto:lmiller@kirklandwa.gov">lmiller@kirklandwa.gov</a>
ALTERNATE: Bethany Wolbrecht-Dunn	City of Shoreline	<a href="mailto:bwolbrec@shorelinewa.gov">bwolbrec@shorelinewa.gov</a>
<b>HOME Only Cities - ■ ◆</b>		
Sarah Bridgeford	City of Federal Way	<a href="mailto:sarah.bridgeford@cityoffederalway.com">sarah.bridgeford@cityoffederalway.com</a>
Merina Hanson	City of Kent	<a href="mailto:mhanson@kentwa.gov">mhanson@kentwa.gov</a>
ALTERNATE: Joy Scott	City of Auburn	<a href="mailto:jfscott@auburnwa.gov">jfscott@auburnwa.gov</a>
ALTERNATE: Janet Lewine	City of Bellevue	<a href="mailto:jlewine@bellevuewa.gov">jlewine@bellevuewa.gov</a>
<b>County - ★ ■ ◆</b>		
Jim Chan	Department of Local Services	<a href="mailto:jim.chan@kingcounty.gov">jim.chan@kingcounty.gov</a>
John Taylor	Department of Local Services	<a href="mailto:john.taylor@kingcounty.gov">john.taylor@kingcounty.gov</a>
Mark Ellerbrook	Regional Housing	<a href="mailto:mark.ellerbrook@kingcounty.gov">mark.ellerbrook@kingcounty.gov</a>
<b>Seattle RAHP - ◆</b>		
Laurie Olson	City of Seattle	<a href="mailto:laurie.olson@seattle.gov">laurie.olson@seattle.gov</a>

## Schedule

2020 JRC Meetings (10am -12pm)	
Date	Location
3/26	Skype
5/28	TBD
9/24	Dept. of Elections (Alvine Conf Room)
12/3	Dept. of Elections (Alvine Conf Room)

- ★ CDBG Consortium City
- ♣ Joint Agreement City
- HOME City
- ◆ RAHP City



### Funds Available to Allocate

#### **DEFINITIONS:**

**Unallocated Funds** – These funds are a result of the increase the County received in CDBG funding for 2020. These funds can be used for capital contingency projects or carried forward to the 2021 CDBG capital funding round.

**Program Income (PI)** – These funds were received in 2019 and are what is available after Waterfall set asides. These funds can be used for capital contingency projects or carried forward to the 2021 CDBG capital funding round.

**Recapture** – Unspent funds available after projects were closed. These funds can be used for capital contingency projects or carried forward to the 2021 CDBG capital funding round.

\* \* \*

There are funds available from the 2020 entitlement increase, 2019 program income (carried over to 2020) and 2019 recaptured funds (carried over to 2020). These funds can be allocated to 2020 projects, if contingency projects were identified, or set aside and added to the 2021 CDBG available funds for both the N/E and South Subregions.

#### **As mentioned in the Waterfall Summary discussion at the May 2020 JRC meeting:**

In order to streamline and improve efficiencies, staff has changed the waterfall to reflect processes that were in effect in 2017 and prior years. The changes include how we reflect Program Income (PI) and Recaptured funds. PI and Recaptured funds will be reflected in the next year, not the year the PI and Recapture were received.

Going forward, PI and recaptured funds information will be brought to the JRC in the 1<sup>st</sup> quarter of each year to determine how the Subregions wish to allocate those funds. However, 2019 PI and Recapture will be allocated by the JRC in the July 2020 meeting.

**ACTION:** The JRC will need to allocate the funds from increased 2020 CDBG funding and 2019 PI/Recapture.



## North/East Subregion - 2020 CDBG Funding

	Unallocated from Entitlement	Carryover (2019 Program Income)	Recapture	Total
<b>N/E Allocations</b>				
N/E Unallocated	\$ 121,319	\$ -	\$ -	
N/E Housing Capital Share (ARCH)	\$ -	\$ 22,047	\$ 24,314	\$ 46,361
N/E Capital Share	\$ -	\$ 33,071	\$ 36,470	\$ 69,541
<b>N/E Balance</b>	\$ 121,319	\$ 55,118	\$ 60,784	<b>\$ 237,221</b>

*No N/E contingency project.*

**★RECOMMENDATION:**

Total available balance (**\$237,221**) to 2021 applications.



## South Subregion - 2020 CDBG Funding

	Unallocated from Entitlement	Carryover (2019 Program Income)	Recapture	Total
<b>South Allocations</b>				
South Unallocated	\$ 54,245	\$ 107,915	\$ 118,923	
<b>South Balance</b>	\$ 54,245	\$ 107,915	\$ 118,923	<b>\$ 281,083</b>

### ★RECOMMENDATION: Option A or Option B

#### OPTION A - Black Diamond Contingency Project

Black Diamond Funding Request:	\$ 560,000
Black Diamond Award	<b>\$ (358,517)</b>
Funds needed to meet maximum funding request:	<b>\$ 201,483</b>
<i>(from carryover &amp; recapture)</i>	

Remaining balance funds for 2021 applications	<b>\$ 79,600</b>
<b>Option A Total</b>	<b>\$ 281,083</b>

*OR*

#### OPTION B- South Balance → 2021 Applications

Total available balance (**\$281,083**) to 2021 applications.

<b>Option B Total</b>	<b>\$ 281,083</b>
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**July 30, 2020**  
**Funding Recommendation**

**Coronavirus Aid, Relief and Economic Security (CARES) Act Funding:  
 Emergency Solutions Grant – Corona Virus (ESG-CV)**

King County has received a second allocation of CARES Act Emergency Solutions Grant (ESG) funds to prevent, prepare for, and respond to coronavirus. These second-round funds were allocated according to a new formula developed by the HUD Secretary based on risk of coronavirus transmission, numbers or rates of sheltered/unsheltered homeless, and economic and housing market conditions. King County's allocation is \$ 11,139,409 in ESG-CV funds to be spent over a two year period.

**Eligible Fund Uses**

Must be used to support activities serving people experiencing homelessness including shelter support, rapid rehousing, rental assistance, outreach. The ESG spending cap for emergency shelters has been lifted by the CARES Act.

**Recommendation**

After Admin share, allocate ESG-CV funds to emergency shelters and rapid re-housing.

**Rationale**

Recommendation is based on the following factors:

- Emergency shelter is the core use of ESG funds in serving those who are currently homeless. In the context of COVID, in addition to shelter operations, funding is needed to support one-time expenses for structural adjustments to facilities to meet public health and CDC guidelines.
- Rapid Re-housing is a proven approach for ending a household's homelessness, and a good match for one-time funds at this scale as there is not an ongoing housing or facility commitment involved. Rapid-rehousing is a strongly recommended use of ESG-CV by HUD and its technical assistance providers as a tool that not only ends homelessness for a household, but also has COVID-protective benefits by providing physical distancing and having a place to isolate.
- Other COVID funds are better suited to and addressing rent assistance for those already housed including CDBG, CARES Act, and funds through Washington State Commerce.

**Financial Assumptions/Impacts**

- King County will retain 3% for Admin costs, lower than the 10% cap HUD is allowing for these funds
- County ESG funds are typically combined with other funds for shelter and rapid re-housing activities. ESG-CV funds will likewise be used in concert with other funds for shelter and rapid rehousing, each source leveraging the other to their best use. Such funds include ESG, FEMA, Commerce Shelter Grant funds, and CARES Act funds.