



CITY OF ANACORTES
CDBG 2022 ANNUAL ACTION PLAN

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Executive Summary

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

1. Introduction

This chapter outlines the City's one-year Action Plan for 2022, which will further the goals and strategies of the Strategic Plan and is the spending plan for the City's Community Development Block Grant (CDBG). The funding received will be used to accomplish the activities outlined in this plan. The allocation for this year's funding is \$105,260. The proposed activities must meet the CDBG National Objectives as outlined in the introduction to the Strategic Plan and meet the public benefit standard. The Mayor of Anacortes has designated the Planning, Community & Economic Development Department responsible for the planning, development, and implementation of its CDBG Program.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis, or the strategic plan.

The plan includes funding supportive services to help individuals and families from becoming homeless, supporting efforts to reduce poverty, rehabilitation of public housing to preserve existing low income housing. The City Council has previously elected not to utilize the administration portion of the funding and instead apply the 20% allocation to projects. The proposed funding goals being considered are listed below:

- Public Service - Anacortes Family Center - Homelessness/assist special needs populations - Create suitable living environs – \$15,789.
- Low-income Senior Housing Rehabilitation – Anacortes Housing Authority Harbor House Roof Replacement - \$89,471

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

In reviewing activities accomplished with its federal funding from previous years, the City of Anacortes advanced its goals of improving conditions, creating better housing resources and opportunities, and assisting human service organizations in providing effective support services to priority low-income and

homeless populations. The projects selected are based on consultation with local agencies and in response to the area's countywide Continuum of Care Plan.

The Anacortes Family Center, recipient of the full public services portion of the annual CDBG, provided that approximately 76% of the 61 households (161 individuals - 89 of which were children) in their program during 2021 successfully graduated from the Family Center program and entered permanent, safe housing with jobs and incomes to support their new lives.

The 2021 allocation included \$100,000 to the Anacortes Housing Authority for a roof replacement at the Harbor House complex, a 50 unit public housing complex for elderly and disabled individuals. Due to pandemic issues and material availability and costs, the project has not progressed as quickly as planned. This project will now be funded with 2022 funding. The funding from the 2021 allocation will be used to assist the Anacortes Family Center with the development of the public facilities portion of The Landing. This project was initially presented in the 2021 Action Plan and was going to be paid for with a Section 108 loan from HUD. The loan was going to be repaid to HUD with 2022 CDBG funding. With the delay in the roof project, the City can use the funding from 2021 to cover the funds that would have been paid out by the loan for The Landing project. The City can allocate the 2022 funding to the roof project. There is no need to take out a loan and incur the costs associated with the loan.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

In deciding the 2022 program year allocations, the City of Anacortes worked with community leaders and the City Council Housing Affordability & Community Services (HACS) committee to determine the proposed projects. The City held a 30 day public comment period in accordance with the HUD requirements. The City held 2 virtual and in person public hearings on April 25, 2022 and June 21, 2022. Notices were published on the website and in the local newspaper and encouraged public comment in conjunction with the CDBG program. The notices for the 30 day comment period and meetings were posted on the City's website on March 2, 2022 and published in the local newspaper on March 2 and June 8, 2022.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

The City did not receive any public comments on the development of the 2022 Annual Action Plan during the public comment period. The City solicited public comments on the Plan during the 2 public hearings; none were offered. City Council endorsed the Plan as provided and recommended submission to HUD.

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

The City did not reject any views or comments on the development of this Action Plan.

7. Summary

The overall goal of the community planning and development programs available with CDBG funding is to assist in the development of affordable housing for low and moderately low-income households, reduce poverty in Anacortes, assist in creating better living conditions for low-income households and provide funding to assist human service agencies serving low-income populations. A review of the projects and activities implemented in previous years demonstrate the City is making progress in fulfilling its goals. The City intends to continue to work closely with HUD staff to improve performance in timely implementation of identified community development strategies and CDBG administrative activities. The City did not hinder Consolidated Plan implementation by action or willful inaction.

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

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

| Agency Role | Name | Department/Agency |
|--------------------|-----------|--|
| CDBG Administrator | ANACORTES | Planning, Community & Economic Development |

Table 1 – Responsible Agencies

Narrative

The city of Anacortes is a member of the Skagit County Home Consortium which is comprised of 20 municipalities. Anacortes is a participating CDBG entitlement jurisdiction that administers its own CDBG programs. The Mayor of Anacortes has designated the Planning, Community & Economic Development Department to perform the planning, development, and implementation of the Anacortes CDBG program.

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

1. Introduction

The City performed an extensive outreach program to consult and coordinate with non-profit agencies, affordable housing providers, government agencies and other entities.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

The City held two public hearings to obtain input from the community. The first public hearing was April 25, 2022. This meeting provided an opportunity to discuss the objectives of the Action Plan and proposed projects for 2022. The next meeting was held on June 21, 2022, to approve the Plan be forwarded to HUD for review and approval.

The City sent inquiries to various organizations and individuals to obtain current information on pressing needs within the community. Input was received from Community Action Agency of Skagit County, the Anacortes Community Health Council (comprised of representatives of churches, private organizations, social service agencies, city departments and community groups who provide support for Anacortes citizens), the Anacortes Family Center, and the City of Anacortes Housing Affordability & Community Services Committee.

The Anacortes Community Health Council member agencies include: Anacortes Family Center; Anacortes Senior Activity Center; Island Hospital Community Health Resource Center; The Salvation Army; St. Vincent de Paul; Anacortes 100 Food Bank; Christ Episcopal Church; Anacortes United Methodist Church; Anacortes/San Juan Island Chapter of the American Red Cross; Anacortes First Baptist Church; Anacortes Christian Church; Anacortes Police Department; Skagit Senior Information and Assistance; Anacortes Noon Kiwanis Club; Anacortes Boys and Girls Club; Skagit County Youth and Family Services; Pilgrim Congregational Church; Anacortes Housing Authority; Christ the King Community Church; Westminster Presbyterian Church/Dinner at the Brick.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City incorporates the Skagit County Continuum of Care plans which prioritizes the use of HOME and CDBG funds toward the goals of ending homelessness.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate

outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City has coordinated with Skagit County Department of Public Health & Community Services, Skagit County Coalition to End Homelessness, and Community Action through the HOME Consortium efforts. These organizations are responsible for using ESG funds and for administering HMIS (Homeless Management Information System) for service providers operating in the Consortium region. Their goals, strategies, activities, and outcomes have been incorporated in the Consolidated Plan.

2. Agencies, groups, organizations, and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated

| | | |
|---|--|--|
| 1 | Agency/Group/Organization | Community Action of Skagit County |
| | Agency/Group/Organization Type | Housing Services - Housing Services-Children Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Regional organization |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Participated in multi-agency meetings, one-on-one consultation with staff, board meetings, participated in various committees in which CASC provided input. Anticipate increased coordination of homeless activities and public services. |

| | | |
|---|--|--|
| 2 | Agency/Group/Organization | Anacortes Community Health Council |
| | Agency/Group/Organization Type | Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Services-Health Services-Employment Business and Civic Leaders |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Community Services Needs |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | City staff is a member of this organization which meets monthly to discuss the current situations of those in need within the community, case-by-case review of needs, solutions to those needs and other services available to help. Roundtable meetings provide information and resources to improve the coordination of services. |
| 3 | Agency/Group/Organization | Anacortes Housing Authority |
| | Agency/Group/Organization Type | PHA |
| | What section of the Plan was addressed by Consultation? | Public Housing Needs |

| | | |
|---|--|---|
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | One-on-one consultation and board meetings; outcomes include city/HA working in collaboration to locate properties to develop more housing units. |
| 4 | Agency/Group/Organization | Anacortes Family Center |
| | Agency/Group/Organization Type | Housing Services-Victims of Domestic Violence Services-homeless |
| | What section of the Plan was addressed by Consultation? | Homeless Needs - Families with children |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | One-on-one consultation and group meetings; working closely with Family Center staff to determine funding, develop transitional housing and locating additional funding options to achieve success. |
| 5 | Agency/Group/Organization | City of Anacortes |
| | Agency/Group/Organization Type | Other government - Local |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment Homelessness Strategy Economic Development Lead-based Paint Strategy Narrowing the Digital Divide |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Monthly meetings with departments/local groups to determine strategies to address lack of affordable housing within community, job security |

Identify any Agency Types not consulted and provide rationale for not consulting

All major community agencies were consulted either directly or indirectly. The local CBDO, Home Trust of Skagit, actively works with the multi-county/city HOME Consortium. This agency utilizes HOME resources to support their housing efforts.

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

| Name of Plan | Lead Organization | How do the goals of your Strategic Plan overlap with the goals of each plan? |
|--|--|--|
| Continuum of Care | Skagit County Community Services | The Strategic Plan has adopted the major strategies of the 10 year plan |
| 2016 Comprehensive Plan update | City of Anacortes | Creating a better, coordinated strategy for LMI affordable homes and related issues |
| North/West Basin Concept Plan | Port of Anacortes | Creating a better, coordinated strategy for public facilities improvements |
| Community Services and Unmet Needs | City of Anacortes | Creating a coordinated strategy for the development of community services within the community and updates to the affordable housing plan |
| Skagit County Natural Hazards Mitigation Plan | Skagit County | Creating a coordinated strategy for the community in the event of a natural or man-made disaster |
| Fiber Optics Installation | City of Anacortes | Creating opportunities to help low-income residents connect to broadband services to narrow the digital divide |
| Housing Action Plan | City of Anacortes | Develop a strategic plan to improve housing affordability and make recommendations on budget allocations to social services. The recommendations in this plan will coordinate and support the recommendations in the City’s CDBG Strategic Plan. |

Table 3 - Other local / regional / federal planning efforts

Narrative

The City coordinated efforts with the County, the Anacortes Housing Authority, the Anacortes Family Center, the Anacortes Community Health Council and the City of Anacortes Affordable Housing & Community Services (HACS) Committee to share concerns, determine the routes to follow to address the needs.

AP-12 Participation - 91.401, 91.105, 91.200(c)

**1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting**

In deciding the 2022 program year funding allocations, the City of Anacortes conducted two public hearings (April 25, 2022 and June 21, 2022) and encouraged public comment on the development of the City’s CDBG Action Plan. The notice for the public hearings was advertised in the Anacortes American and posted on the City’s website. The notice for the 30 day comment period and meetings were posted on the City’s CDBG website and published in the local newspaper on March 2 2022. The public comment period began on March 16, 2022 and ended April 15, 2022. Public comment was solicited at the 2 meetings; none were offered.

In addition to the hearings, the City also consulted with local housing and human service providers to obtain input on the Action Plan.

The impact this had on the goal setting was the need for more affordable housing and living wage jobs. The City plans to work toward achieving these goals utilizing CDBG funding and other funding sources.

Citizen Participation Outreach

| Sort Order | Mode of Outreach | Target of Outreach | Summary of response/attendance | Summary of comments received | Summary of comments not accepted and reasons | URL (if applicable) |
|------------|------------------|---------------------------------------|--|------------------------------------|--|---------------------|
| 1 | Public Hearing | Non-targeted/broad community outreach | No public comments were received or presented at the 2 public meetings | No written comments were submitted | There were no comments that were not accepted. | |

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

The City will distribute the entire allocation of \$105,206 during program year 2022. This funding will advance the goals of this plan to improve living conditions and fund supportive services to help individuals and families from becoming homeless and support efforts to reduce poverty.

Anticipated Resources

| Program | Source of Funds | Uses of Funds | Expected Amount Available Year 1 | | | | Expected Amount Available Remainder of ConPlan \$ | Narrative Description |
|---------|-----------------------------|----------------------|----------------------------------|--------------------|--------------------------|-----------|---|--|
| | | | Annual Allocation: \$ | Program Income: \$ | Prior Year Resources: \$ | Total: \$ | | |
| CDBG | Public Housing Improvements | Public Housing Rehab | \$89,471 | 0 | \$0 | \$ | 0 | Provide monetary assistance to 50 unit public housing complex for new roof |
| CDBG | Public – federal | Public Services | \$15,789 | | | | 0 | The City will provide up to the maximum 15% allowed for public services. |

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Federal funds the City receives through the Community Development Block Grant (CDBG) are used to leverage other federal, state, local and private resources to meet housing and community development needs. While matching funds are not currently required for the City’s CDBG program, the City anticipates that most major projects will be funded primarily through non-CDBG resources. On February 11, 2020, the citizens of Anacortes approved a 1/10th of 1% sales tax increase to fund affordable and supportive housing within the community. This, along with a

corresponding sales tax credit from the state, will contribute up to an estimated \$17 million over 20 years to development of affordable housing. These funds will be used in the development of the AFC mixed use, low-income apartment complex and future housing projects for the Anacortes Housing Authority.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City identified core areas where infrastructure improvements would allow better access for all individuals and in particular, disabled residents and visitors. Community participation on the 2016 Comprehensive Plan update also identified areas in the core downtown that are being considered for development of a central hub. Proposals include residential development, retail, public services, restaurant, grocery, and entertainment establishments that will be easily and safely accessible.

Discussion

The 2016 Comprehensive Plan provides a unique vision to create a cohesive, well-laid out community with affordable housing and pedestrian mobility key factors in determining the paths to the central hub as described above. Zoning regulations are now in place that encourage development of multi-family mixed-use complexes, increased density in neighborhoods previously zoned single detached homes, and allow easier routes to access services other than vehicle use (more bicycle lanes and less space needed for parking). This will help create more affordable living space within the central hub of downtown.

In addition, the City received an Opportunity Zone designation. City Planning staff is working to encourage development within this zone that will accommodate and enhance opportunities for the lower income population residing in this OZ as well as throughout the entire community.

Annual Goals and Objectives

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

Goals Summary Information

| Sort Order | Goal Name | Start Year | End Year | Category | Geographic Area | Needs Addressed | Funding | Goal Outcome Indicator |
|------------|---|------------|----------|-------------------------------------|------------------------|--|----------------|--|
| 1 | Homelessness/Assist Special Needs Populations | 2022 | 2023 | Homeless | Tracts 940600 & 940500 | Homelessness/Assist special needs population | CDBG: \$15,789 | Public service activities other than Low/Moderate Income Housing Benefit: 200 Persons Assisted - GOI 3 |
| 2 | Preservation | 2022 | 2023 | Affordable Housing – public housing | Tracts 940600 & 940500 | Rehabilitation of existing units | \$89,471 | Rental units rehabilitated – 50 unit public housing complex |

Table 6 – Goals Summary

Goal Descriptions

| | | |
|---|-------------------------|---|
| 1 | Goal Name | Homelessness/Assist Special Needs Populations |
| | Goal Description | GOI 3 - Public Services Non-Housing |
| 2 | Goal Name | Preservation – Rehab of Public Housing complex |
| | Goal Description | Low/Mod Housing Rehab – creating suitable living conditions for LM individuals – 570.202(a)(2) – 50 households assisted |

AP-35 Projects - 91.420, 91.220(d)

Introduction

The projects chosen are based on HUD criteria that the activity meet at least one of the national objectives (benefit to low and moderately low-income persons, aid in the prevention or elimination of slums or blight and meet a need having a particular urgency) and they meet the criteria established in the City's Strategic Plan. The City determined that the public services funding be provided to the Anacortes Family Shelter as the Center meets a need of particular urgency by assisting families and women who would otherwise end up living on the streets.

The Harbor House low-income senior and disabled housing provides homes for 50 households. The roof on this complex has gone well beyond its maximum lifespan and requires replacement. This will benefit 60 low-income seniors and disabled individuals living in the 50 unit complex with decent affordable housing.

| # | Project Name |
|---|---|
| 1 | Public Services – supportive services costs for clients |
| 2 | Anacortes Housing Authority Public Housing Rehab |

Table 7 – Project Information

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

The City established priorities for allocating resources and long-range strategies following a careful assessment of the needs and demographics of the community. A clear priority identified in the analysis is a response to the needs of low to moderately low-income families and individuals within the City for safe and affordable housing and basic services such as medical, dental, and home energy assistance. Families and individuals in crisis situations need significant services and housing to be able to reach self-sufficiency. Included in this population are the homeless and others with special needs that generally are either priced out of housing or are unable to maintain stable housing.

Improving conditions, creating new housing resources and opportunities, retaining jobs, and reducing housing costs to affordable levels represent major means of responding to the needs of the targeted population. The strategies and objectives outlined in the 2018-2022 Strategic Plan reflect these priorities and outline activities designed to alleviate these needs.

The primary basis for allocation of resources is to serve the needs of the low and moderately low-income households. Consolidated Plan strategies developed through the community planning process reflect that a significant amount of funds are targeted to projects that benefit the low to moderately low-income households. The public services portion provides services and resources to the households in need while the remaining resources are directed to projects that provide safe and stable transitional

and permanent housing for families and individuals in need.

A major obstacle to address underserved needs is lack of funding.

AP-38 Project Summary

Project Summary Information

| | | |
|---------------------------|--|---|
| 1 | Project Name | Anacortes Family Center |
| | Target Area | Census Tract 940500 |
| | Goals Supported | Public Services – Non-Housing |
| | Needs Addressed | Non-Housing Community Development |
| | Funding | CDBG 15% of Annual Allocation: \$15,789 |
| | Description | Public Services Allocation – Support Family Center staff who provide case management services to homeless families and single women staying at shelter |
| | Target Date | 6/30/2023 |
| | Estimate the number and type of families that will benefit from the proposed activities | The Anacortes Family Center estimates service for approximately 200 individuals consisting of families with children and single women. The program provides intensive self-sufficiency based services and shelter for homeless single women, children and families with children in crisis, most often due to domestic violence. Approximately 60% of the clients will be children. Majority of the clients have complex issues involving generational violence, dv, poverty and mental illness |
| | Location Description | 1011 27 th Street, Anacortes, WA The facility is a secure complex; entry is via electronic passcode and visual acceptance. |
| Planned Activities | The Center provides housing for 60-90 days and intensive case management and life skills education to assist the household with gaining the skills and resources needed to become fully self-sufficient. In 2021, the Center provided successful transition to stable living/working environments to approximately 76% of their clients. | |
| 2 | Project Name | Anacortes Housing Authority Harbor House Public Housing Rehab |
| | Target Area | Census Tract 940600 |
| | Goals Supported | Preservation |
| | Needs Addressed | Rehabilitation of existing units |
| | Funding | CDBG Annual Allocation: \$89,471 |
| | Description | Funding a roof replacement for the Harbor House public housing complex for low-income seniors and disabled individuals. |

| | |
|--|--|
| Target Date | 6/30/2023 |
| Estimate the number and type of families that will benefit from the proposed activities | 60 low income seniors or individuals living with disability will benefit from this activity. |
| Location Description | Census Tract 940600 719 Q Avenue, Anacortes, WA 98221 |
| Planned Activities | remove existing roof materials and replace with new roof materials; no displacement will occur during this rehab project |

AP-50 Geographic Distribution - 91.420, 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Anacortes is located on Fidalgo Island in Skagit County with 12.5 miles of saltwater shoreline, four freshwater lakes, and 3000 plus acres of city-owned forestlands and city-owned parks. Anacortes is approximately 20 miles from the county seat in Mount Vernon, Washington. Most public services are available primarily in the Mount Vernon area.

The current population of Anacortes is approximately 17,637 citizens (US 2020 Census). Anacortes has two areas with a concentration of moderately low to low-income households, Census Tracts 940500 and 940600 with 64% LMI households. Approximately 34% of the total household population in Anacortes are low to moderately low income according to the American Community Survey.

While Anacortes has two census tracts with the highest concentration of persons living below the poverty level, there are smaller concentrations of low-income households interspersed throughout the City. The City establishes priorities for allocating resources and long-range strategies following a careful assessment of the needs and demographics of the community. A clear priority identified in the analysis is a response to the needs of low to moderately low-income families and individuals within the City for safe and affordable housing and basic services such as medical, dental and home energy assistance. Families and individuals in crisis situations need significant services and housing to be able to reach self-sufficiency. Included in this population are the homeless and others with special needs who are generally either priced out of housing or are unable to maintain stable housing.

In addition, the City has been designated an Opportunity Zone, a portion of which lies within these census tracts. City Planning staff is working to encourage development within this zone that will accommodate and enhance opportunities for the lower income population within this zone as well as throughout the entire community.

Improving conditions, creating new housing resources and opportunities, and reducing housing costs to affordable levels represent major means of responding to the needs of the targeted population. The strategies and objectives listed in the Strategic Plan reflect these priorities and outline activities designed to alleviate these needs.

The primary basis for allocation of resources is to serve the needs of the low and moderately low-income households. Consolidated Plan strategies developed through the community planning process reflect that a significant amount of funds are targeted to projects that benefit the low to moderately low-income households. The public services portion is allocated to services that provide multiple benefits to households in dire situations and the remaining resources are directed to projects that provide safe and stable environments, transitional and permanent housing for families and individuals in

need.

Geographic Distribution

| Target Area | Percentage of Funds |
|------------------------|----------------------------|
| Tracts 940600 & 940500 | 100% |

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

These areas contain the highest concentration of low to moderately low households. Many small businesses are also located in these areas.

Discussion

This is where many of the small businesses are located, and the projects put forth for this year’s funding are in this area. This area is also situated between Highway 20 and the downtown business core and is adjacent to the marine industrial zoning where many jobs and recreation opportunities are located.

AP-75 Barriers to affordable housing -91.420, 91.220(j)

Introduction

The City of Anacortes is committed to promoting safe, affordable housing and reducing homelessness through the City's funding, partnership, and policy efforts.

The Housing Affordability & Community Services committee, a City Council appointed committee, developed an affordable housing action plan to create strategies to work toward the development of affordable housing within our community. The plan sets forth the goals, strategies, and action items to guide the City in implementing its affordable housing policy and ultimately reduce the barriers to affordable housing.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Actions planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing include the current amendments to the City's Development Regulations:

- Simplifying standards for accessory dwelling units (ADUs) to encourage production (increasing housing supply for renters and income for homeowners).
- Encouraging small-lot single family development with a variety of lot design options (which may have lower purchase prices compared to typical large lot homes).
- Explicitly allowing cottage housing in most zones as a small-scale detached living option.
- Explicitly allowing townhouses as a small-scale attached living option.
- Explicitly defining duplex and triplex as attached living options and allowing a variety of configurations on a single site.
- Providing design standards to these new housing types to ensure livability and neighborhood compatibility.
- Providing flexibility for landscaping and lot coverage standards for multifamily and townhouse development in high-density zones to

increase their economic feasibility.

- Explicitly allowing live-work development to support home-based business owners.
- Expanding allowance of multifamily development to the MS zone and MMU zone (previously CM and CM1).
- Raising base height limits in the CBD and C zones to increase residential (and non-residential) development capacity.
- Establishing a new height bonus for the R4 zone related to small and/or affordable units.
- Adjusting parking requirements for multifamily uses to reduce the costs of construction (often passed on to tenants).
- Providing new bike parking standards to support residents who cannot afford or choose not to own a car.
- Providing new standards for group living developments to encourage their development and support seniors and people with disabilities who are often on fixed incomes.
- Updating and streamlining permitting and processing provisions to shorten development timelines and increase predictability for builders.
- Waivers and reductions in impact fees and general facilities charges for new units that will be reserved for specified lower income levels.

Discussion

The City is continuing efforts to develop incentives to create affordable housing. An example of these efforts is the AFC project The Landing, a mixed use, multi-family apartment complex (21 units) built within a single-family housing zone. The complex will remain affordable in perpetuity, all rental units developed must be affordable to and occupied by households with an income of 60% or less of the area median income (determined by HUD) as adjusted by family size for Skagit County.

AP-85 Other Actions - 91.420, 91.220(k)

Introduction

Because the City of Anacortes's annual CDBG grant is minimal, it is difficult to use CDBG for many other purposes than those already identified. However, the City does intend to invest other resources and effort toward the following actions: implementing a human services strategic plan to help low-income individuals and families, establishing a community services center to provide services to low-income residents, developing strategies to assist the chronically homeless with shelter. The City is actively engaged in reviewing and developing strategies to assist the most vulnerable in our community.

The City received an Opportunity Zone designation that encompasses portions of the low to moderately low census tracts. The City is working to encourage development opportunities that will accommodate and enhance opportunities for the lower income population within this zone as well as throughout the entire community.

Actions planned to address obstacles to meeting underserved needs

The City, through the HACS committee, established a strategic plan to outline the needs and how to address those needs to eliminate the barriers to attaining affordable housing. This plan coordinates the goals of the 2016 Comprehensive Plan with incentives to develop affordable housing to create a more equitable and healthy community. The City also provides information to housing loan lenders, property managers, and the public about fair housing laws and includes current state and federal information with links to this information on its Planning, Community & Economic Development CDBG website (<https://www.anacorteswa.gov/181/Fair-Housing>). The City will work in collaboration with the County and the Anacortes Housing Authority in developing fair housing guidelines according to the Affirmatively Furthering Fair Housing rule. The AFFH rule provides a new approach for planning and implementing locally developed housing goals, actions, and strategies to increase choice, mobility, preservation, community revitalization and other collaborative or outreach efforts designed to reduce disparities in access to opportunity and improve fair housing outcomes. This will assist in meeting our statutory obligation to affirmatively further fair housing as required by the Fair Housing Act and will be an immense help for the City in addressing underserved needs.

The HACS committee is working with existing community service providers, city departments, and the public to identify the social services needs of residents in financial, emotional, or mental health crisis and develop a plan to strengthen and ensure those services or resources are provided by city or third-party providers.

Actions planned to foster and maintain affordable housing

The City will work in partnership with the Anacortes Housing Authority to secure the resources necessary to rehabilitate the various HA complexes, an important low-income housing resource in

Anacortes. The City will also work with the Housing Authority to promote development of more complexes to accommodate the growing wait list for affordable housing. The HACS Committee will continue to collaborate efforts to work on strategies to eliminate barriers to affordable housing and services within the City.

The City is able to provide reductions in Impact Fees and GFC charges (General Facility Charges) through waivers provided for low income housing developments (AMC 13.44 and 3.93). An example of the savings is the Anacortes Housing Authority, which saved thousands of dollars for their 5-unit townhomes they are developing for low-income residents.

Actions planned to reduce lead-based paint hazards

Code enforcement will address all lead-based paint issues that may arise; additionally, the City will include lead-based paint hazard information in community education and outreach.

Actions planned to reduce the number of poverty-level families

The Public Services funding to the Anacortes Family Center provides intensive case management and life skills education to assist the households with gaining the skills and resources needed to become fully self-sufficient. The outlook of the community through the work on the 2016 Comprehensive Plan promises to promote more living wage jobs and create a community that would support lower priced housing. This will be accomplished through zoning changes and building incentives which are now included in the Anacortes Municipal Code.

Actions planned to develop institutional structure

The City is a partner with adjacent and regional jurisdictions in a regional HOME Consortium. The regional HOME Consortium will enhance the resource base for developing more affordable housing and for addressing institutional barriers to creating more affordable housing.

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

The City will support the efforts of the Anacortes Community Health Council and participate regularly in their multi-agency meetings. Active participation in the Council will improve the coordination of the City's Consolidated Plan goals and the efforts to reduce instability in the lower income community.

The HACS Committee is currently working with community services providers, city departments, and the public to identify the social service needs of city residents in financial, emotional, or mental health crisis and develop a plan to strengthen and ensure those services or resources are provided by city or third-party providers. The HACS Committee completed the Affordable Housing Strategic Plan in 2017 <https://www.anacorteswa.gov/550/Housing-Affordability-Committee> that is designed to provide

pathways to development of affordable housing within our community.

Discussion

Funding continues to be the main obstacle to meeting underserved need. Obstacles include lack of sufficient financial resources to address large projects such as permanent housing and shelters. The limit on the public services prohibits the City from adequately providing a greater service to households in need. In addition, not knowing how to access services or not knowing where they are located is a barrier to anyone looking for specific services; the HACS Committee expects to eliminate those issues by developing a plan that will provide readily accessible, current information to those in need.

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

Introduction

The primary basis for allocation of resources is to serve the needs of the low and moderately low-income households. The 2022 Action Plan allocates the majority of the funding to projects that benefit the low to moderately low-income households. The public services portion provides services and resources to the households in need while the remaining resources fund projects that provide better access to services or improved living conditions for individuals and families in need.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

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

The City typically does not receive Program Income.

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

Other CDBG Requirements

| | |
|---|---------|
| 1. The amount of urgent need activities | 0 |
| 2. The estimated percentage of CDBG funds for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. | 100.00% |

Discussion

100% of the 2022 funding will be allocated to benefit low to moderately low-income persons.

Attachments
Grantee SF-424's and Certification(s)