

TO: City Council
FROM: John Doan, City Administrator
DATE: April 19, 2022
SUBJECT: Memorandum of Understanding with the City of Lacey and Thurston County for Governance, Decision Making and Administration of the Community Development Block Grant (CDBG) Program in 2022-2024

1) Recommended Action:

Authorize the Mayor to sign a Memorandum of Understanding with the City of Lacey and Thurston County for Governance, Decision Making and Administration of the Community Development Block Grant (CDBG) Program in 2022-2024.

2) Background:

The City has participated with City of Lacey and Thurston County for the award of federal Community Development Block Grant funds for the past nine years, or three award cycles. In each cycle, the County and south county cities select the awards, the second year is Lacey's turn, and the third year is Tumwater's turn. The annual awards are usually in the vicinity of \$1 million. Tumwater last made awards in 2021 and, with this agreement, would be up again in 2024. The two cities and County have previously committed to the federal government to continue for the next three years. This Memorandum would define how the funds are awarded. There was an effort to focus these funds across the three years on housing. That did not have support of the south county cities. As a result, this memorandum is similar to the agreements that have guided us the past 9 years. Both Lacey and Tumwater have previously funded a significant percentage of the funds to housing projects.

3) Policy Support:

"Work with government, non-profit, and private partners to develop and implement a performance-based plan for affordable housing and to address homelessness."

4) Alternatives:

☐ There are no viable alternatives.

5) Fiscal Notes:

There are no City funds in this proposal. The County is paid to manage the pass through of these federal CDBG funds.

6) Attachments:

A. Memorandum of Understanding for Governance, Decision Making and Administration of the Community Development Block Grant Program