



CITY OF ANACORTES
CDBG 2015/2016
STRATEGIC PLAN & ACTION PLAN

Contents

Executive Summary.....	4
ES-05 Executive Summary - 91.200(c), 91.220(b).....	4
The Process	6
PR-05 Lead & Responsible Agencies - 91.200(b)	6
PR-10 Consultation - 91.100, 91.200(b), 91.215(l).....	8
PR-15 Citizen Participation - 91.401, 91.105, 91.200(c)	13
Needs Assessment	16
NA-05 Overview	16
NA-50 Non-Housing Community Development Needs - 91.415, 91.215 (f)	16
Housing Market Analysis.....	18
MA-05 Overview	18
MA-45 Non-Housing Community Development Assets - 91.410, 91.210(f)	21
MA-50 Needs and Market Analysis Discussion.....	27
Strategic Plan	28
SP-05 Overview	28
SP-10 Geographic Priorities - 91.415, 91.215(a)(1)	29
SP-25 Priority Needs - 91.415, 91.215(a)(2).....	32
SP-65 Lead-based Paint Hazards - 91.415, 91.215(i)	44
SP-70 Anti-Poverty Strategy - 91.415, 91.215(j)	45
SP-80 Monitoring - 91.230	46
Expected Resources	47
AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)	47
Annual Goals and Objectives	49
AP-35 Projects - 91.420, 91.220(d)	51
AP-38 Project Summary	52
AP-50 Geographic Distribution - 91.420, 91.220(f)	56

AP-85 Other Actions - 91.420, 91.220(k) 57
Program Specific Requirements..... 58

Executive Summary

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

1. Introduction

This chapter outlines the City's one-year Action Plan for 2015-2016, which will further the goals and strategies of the Strategic Plan and is the spending plan for the City's 2015-2016 Community Development Block Grant (CDBG) funds. The activities in this plan will be accomplished with funds received during this program year under the CDBG program for meeting housing and community development objectives. Those activities detailed in this section must meet the CDBG National Objectives as outlined in the introduction to the Strategic Plan. The Mayor of Anacortes has designated the Planning, Community & Economic Development Department responsible for the planning, development, and implementation of its CDBG Program.

2. Summary of the objectives and outcomes identified in the Plan

The goals of this plan include maintaining the existing supply of affordable rental housing, increasing the supply of affordable owner-occupied housing through direct financial assistance, funding supportive services to help individuals and families from becoming homeless and supporting efforts to reduce poverty. See goals in the below table:

- Homelessness/assist special needs populations - Create suitable living environs - Public Service - 80 Persons Assisted - \$12,824
- Increase affordable housing supply - Provide decent affordable housing - Direct financial assistance to homebuyers - 1 Househlds - \$25,000 (+ leftover funding \$15K = \$40K)
- Preservation - Create suitable living environments - Rental units rehabilitated - 30 Households - \$33,137 (+ leftover \$7,315 = \$40,425)
Admin/Planning - Admin/Plan - \$14,534

3. Evaluation of past performance

In reviewing activities accomplished with its federal funding for the plan year, 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 were selected based on consultation with local agencies and in response to the area's countywide Continuum of Care Plan. The public services portion, provided to the Anacortes Family Center, assisted 142 individuals with a 63% success rate in helping single women and families find more safe and productive lives. The storm drain installation project provided safe, suitable living environments for a block of low income families. The homes in this neighborhood continuously have large accumulations of water around the homes with water under the homes and flooding the walkways and yards. This creates a muddy mess and many times freezes during the winter creating

unsafe walkways. This project was completely successful in eliminating the problem. The Home Trust was unable to secure a home within Anacortes due to the high cost of housing and the low funding amount from CDBG but has expectations to obtain a home with additional funding in the next funding cycle.

4. Summary of citizen participation process and consultation process

In deciding the 2015 program year funding allocations, the City of Anacortes conducted two public hearings (January 20, 2015 and March 2, 2015) and encouraged public comment in conjunction with the CDBG program. The notices for the public hearings were advertised in the Anacortes American and posted in officially designated public places (Municipal Building and City Library). The notice for the 30 day comment period and meetings was published on January 7, 2015 and February 11, 2015. The public comment period began on January 20, 2015 and ended on February 20, 2015.

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

5. Summary of public comments

In the development of this plan, City staff participated in meetings with various organizations such as the Anacortes Community Health Council and obtained much citizen input from the 2016 Comprehensive Plan update. Overwhelmingly, the input from service providers and the citizens was the need for affordable housing and living wage jobs. The City Council deliberated on the funding objectives and approved the funding of the public services portion to the Family Center as opposed to funding the Community Action Agency. This was based on the need in the community to provide stability and safe living environments to women and families to keep them from living on the streets. The Community Action Agency requested funding for the Senior and Disabled Services program that assists this population with services and referrals to other appropriate resources. No other public comments were received.

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

The Community Action Agency of Skagit County applied for the full public services funding for their Senior & Disabled Services Program. This application was ultimately denied and the funding was awarded to the Family Center. As stated above, City Council approved the funding request to the Family Center due to the urgency and need to provide shelter within the community. Council was divided on the allocation to the Home Trust and some members believed the funding allocated to the Home Trust should be allocated to the Housing Authority. The vote resulted in a 4 - 3 yes vote in favor of providing funding to the Home Trust as outlined in the draft Action Plan.

7. Summary

The overall goal of the community planning and development programs available from the City of Anacortes with CDBG funding is to assist in the development of affordable housing for low and moderate 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 program year 2013 demonstrate that the City has made 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.

The Process

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

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

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 Skagit County HOME Consortium is comprised of three counties – Skagit, Island, and Whatcom that contain 20 municipalities. The Consortium has been structured so that all three counties and 19 of the 20 municipalities within these counties are members.

Skagit County has been designated as the lead entity and administrator for the Consortium.

The Cities of Mount Vernon and Anacortes in Skagit County are participating CDBG entitlement jurisdictions that each administer their own CDBG programs.

Consolidated Plan Public Contact Information

Bob Hicks
Operations Manager
Skagit County Department of Public Health and Community Services
700 S. Second Street Room 304
Mount Vernon, WA 98273
360-336-9379
bobhicks@co.skagit.wa.us

City of Anacortes Contact:

Joann Stewart
Administrative Assistant
Planning, Community & Economic Development
904 6th Street, P.O. Box 547
Anacortes, WA 98221
360-293-1907
joanns@cityofanacortes.org

PR-10 Consultation - 91.100, 91.200(b), 91.215(I)

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(I)).

The City held two public hearings to obtain input from all citizens of the community. The first public hearing was held on January 20, 2015. This meeting opened the planning process for the development of the 2015/2017 Strategic Plan and the 2015 Action. The next meeting was held on March 2, 2015.

The City sent inquiries to various organizations and individuals to obtain current information on pressing needs within the communities. 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 received input from the community-wide 2016 Comprehensive Plan update process.

The Anacortes Human Services Coalition 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
- Celebration Lutheran Church
- 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.

The City sent inquiries to the Anacortes Housing Authority, the SCCAA, community leaders that provide services to family and individuals in need as well as to the Anacortes City Council, various City departments to determine the needs of the community. In addition, City staff worked directly with various entities such as the SCCAA, the Anacortes Human Services Coalition, the Washington State Dept of Health HIV/AIDS Prevention & Education Services Department, Skagit County Health Department.

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 and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

The City has coordinated with Skagit County Dept 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 for service providers operating in the Consortium region. Their goals, strategies activities and outcomes have been incorporated in the Consolidated Plan.

Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Table 2– Agencies, groups, organizations who participated

1	Agency/Group/Organization	Community Action of Skagit County
	Agency/Group/Organization Type	Housing Services-Children Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and 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 - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Services-Health Services-Employment
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth

	How was the Agency/Group/Organization consulted and 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 situation 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
	How was the Agency/Group/Organization consulted and 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 collaborative to locate property to develop more housing units.
4	Agency/Group/Organization	Home Trust of Skagit
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	One-on-one consultation and group meetings; working closely with HOME Trust to determine funding, locate suitable homes for purchase and locating additional funding options to realize success.

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

There are no Community Based Development organizations, Community Housing Development organizations or Neighborhood Revitalization Strategy Agency currently in jurisdiction or region.

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

Table 3– Other local / regional / federal planning efforts

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(l))

The City coordinated efforts with the County, the Port of Anacortes, Anacortes Housing Authority, the Anacortes Family Center and Anacortes Community Health Council to share concerns, determine the needs and routes to follow to address the needs.

Narrative

PR-15 Citizen 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 2015 program year funding allocations, the City of Anacortes conducted two public hearings (January 20, 2015 and March 2, 2015) and encouraged public comment in conjunction with the CDBG program. The notices for the public hearings were advertised in the Anacortes American and posted in officially designated public places (Municipal Building and City Library). The notice for the 30 day comment period and meetings was published on January 7, 2015 and February 11, 2015. The public comment period began on January 20, 2015 and ended on February 20, 2015.

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

The impact this had on the goal setting was the need for more affordable housing and living wage jobs. These 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	Minorities Persons with disabilities Non-targeted/broad community	Attendance at the 2 public hearings was minimal; response to draft plan was between City Council members who primarily favored the public services	In the development of this plan, City staff participated in meetings with various organizations such as the Anacortes Community Health Council and	The Community Action Agency of Skagit County applied for the full public services funding for their Senior & Disabled Services Program. This application was ultimately denied and	

		Residents of Public and Assisted Housing	funding be allocated to the Family Center.	obtained much citizen input from the 2016 Comprehensive Plan update. Overwhelmingly, the input from service providers and the citizens was the need for affordable housing and living wage jobs. The City Council deliberated on the funding objectives and approved the funding of the public services portion to the Family Center as opposed to funding the Community Action Agency. This was based on the need in the community to provide stability and safe living environments to	the funding was awarded to the Family Center. As stated above, City Council approved the funding request to the Family Center due to the urgency and need to provide shelter within the community. Council was divided on the allocation to the Home Trust and some members believed the funding allocated to the Home Trust should be allocated to the Housing Authority. The vote resulted in a 4 - 3 yes vote in favor of providing funding to the Home Trust as outlined in the draft Action Plan.	
--	--	--	--	--	--	--

				<p>women and families to keep them from living on the streets. The Community Action Agency requested funding for the Senior and Disabled Services program that assists this population with services and referrals to other appropriate resources. No other public comments were received.</p>	
--	--	--	--	--	--

Table 4– Citizen Participation Outreach

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The 2010 Census for the City of Anacortes identified 3,608 people over the age of 65 living in Anacortes and 4,372 people between the ages of 62 and 65. This represents approximately 23% of the population over the age of 65 and approximately 28% of the population between 62 and 65. With more than 50% of the population over 62, this will have a significant impact on the city. Housing to accommodate the elderly, increases in hospital services, pharmacies, public transportation to assist this population are just some of the services that will need to be increased to assist this population. With the current wait lists on practically every public and elder care housing provider, the needs Anacortes must address will be significant.

NA-50 Non-Housing Community Development Needs - 91.415, 91.215 (f)

Describe the jurisdiction's need for Public Facilities:

Anacortes most pressing public facility needs include a community center, boys & girls club/teen center. Much community input has presented the need for a centralized community center that can provide multiple services to the community at large. Also, the local chapter of the Boys & Girls Club was recently dislocated from its long-standing location and re-located in the basement of City Hall. This location is definitely not ideal as it is far from the schools with children bused to the location and does not adequately accommodate the needs of the children and staff. Teens in the Anacortes area are sorely lacking a place to go after school that is safe and provides a positive atmosphere to foster learning and develop skills to help them become quality adults. Much community input has been expressed for these type of facilities.

How were these needs determined?

Since 2014, the City has been conducting an extensive update of the 2016 Comprehensive Plan (Comp Plan). The Comp Plan serves a wide range of purposes and functions including promotion of the health, safety and welfare of the public. A Citizen's Advisory Committee was established to oversee the development of the Comp Plan and is made up of business leaders, property owners and other local stakeholders. This Committee is compiling and reviewing the vast public input from the four community workshops to date and various city-wide surveys regarding all aspects in future development of the City. In addition, in 2014, the Port of Anacortes prepared the North and West Basin Concept Plan as part of their Comprehensive Plan to obtain community input on the needs and desires to develop the marina

and core downtown areas. The most predominant needs presented through this processes has been a community center and children/teen activity centers.

Describe the jurisdiction’s need for Public Improvements:

The 2016 Comprehensive Plan update process and the Port of Anacortes’s North and West Basin Concept Plan identified the following common elements for the City:

- Street repair throughout the city
- Sidewalk installation and repair
- South Commercial streetscape
- Maritime museum
- Pedestrian connectivity between Cap Sante Marina and downtown
- Boat launches for both non-motorized and motorized boats
- Waterfront events center
- Small boat center
- Increasing walkability throughout city
- Improve vehicular mobility throughout city
- Improved parking throughout city
- Multi-use plaza, lawn, dog park and children’s play area

How were these needs determined?

Through the 2016 Comp Plan update and the North and West Basin Concept Plan described above.

Describe the jurisdiction’s need for Public Services:

The City provides the full 15% CDBG funding for public services to low income persons and households within the city. These funds are typically provided to an emergency family shelter and basic needs.

How were these needs determined?

The needs are determined through stakeholder consultation, citizen participation and public comment.

Based on the needs analysis above, describe the State's needs in Colonias – N/A

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

Based on the 2009 to 2013 American Community Survey, approximately 35.8% of Anacortes households spent more than they can afford on housing (>30%).

Breaking this down between homeowners & renters, out of 40% of households with mortgages, 39.2% spend more than 30% of their income on housing costs; for renters, 50% are spending more than 30% on household costs. The monthly median housing costs for homes with a mortgage is \$1,748 and the median monthly housing cost for a renter is \$1,001. A household would need to earn approximately \$5,700 a month, or \$68,400 a year, to consider that housing affordable. The figure is approximately \$44,400 per year for rental housing.

The 2013 median household income was \$59,116 and the 2013 estimated annual worker wage was \$48,961. In 2013, the average resale home price in Anacortes was \$300,000 and the required annual income to purchase a home at this cost is \$57,500 with 20% down, 4.37% interest for a 30 year mortgage.

33.6% of Anacortes households meet HUD criteria of extremely low income, very low income or low income. 25% of owner occupied households at extremely low, very low, or low income levels and 51% of rental households are extremely low, very low or low income. For the average workers, it is almost impossible to work and live within the City.

Housing Supply & Demand – Lack of affordable housing creates a burden of crowding in homes within Anacortes. For renters, in all income categories, there are approximately 2,275 individuals living in rooms with more than one other person. For homeowners, the number of people living in rooms with more than one other person is 4,645. With a total of 7,520 housing units and a vacancy rate of 7.93%, this represents a significant amount of over-crowding.

MA-05

Low income housing units within Anacortes include Bayview, 46 units, wait list of 3-5 years; Bayview Family Housing, 62 units, 3-5 year wait list; Harbor House, 49 1 bedroom senior and/or disabled units, 3-5 year wait list; Wilson Hotel, 25 studio and 1 bedroom apartments, wait list varies depending on qualified tenants but typically between 2 months and 3 years. The Housing Authority (HA) currently has a waitlist of 118. Other low income housing include Bayside 39 units, a 6-12 month wait list; Harborview, 32 units with a varying waitlist depending on unit size, Anacortes Manor, 35 one bedroom units, wait list 2-3 years with 25 individuals over 62 and 6 individuals under 62 on waitlist, Heatherwood Family, 18 units with a one and a half year wait list and Silverwood, 34 units, currently 15 individuals on the wait list which is approximately 1.5 to 2 years.

Condition and Cost of Housing: Owner occupied homes report that approximately 28.62% of the homes lack complete plumbing facilities and renter occupied homes report 42.25% of the homes lack complete plumbing facilities.

Housing Stock available to serve persons with disabilities and other special needs: 134 units for persons with disabilities, special needs and the elderly. Wait lists for every available room range from 6 months to 5 years. This creates an enormous burden on the individuals with disabilities as well as the organizations trying to serve this population.

Condition and needs of public and assisted housing: Many of the public housing units need repair. Most of 183 units managed by the HA were built prior to the 70's. The City has provided funding in the past to the HA to assist in upgrades in the living units but much work is still necessary. The Harbor House community center was flooded this past winter and is still unusable by the residents. The HA is working to alleviate this problem but there are many issues. It will take much more time and money to bring the building back to a functioning center.

Brief inventory of facilities, housing, and services that meet the needs of homeless persons: The Anacortes Community Health Council (ACHC), comprised of numerous member agencies, has developed an emergency support system within the community to accommodate families and individuals in dire need, particularly homeless families and individuals. The ACHC provides immediate vouchers for overnight stays in hotels within the City. The Anacortes Family Center (AFC) serves homeless women and families. The AFC provides safe transitional housing along with job readiness skills to help establish a stabilized positive lifestyle for those in risk of becoming/remaining homeless. There are 7 facilities that provide lunch & dinner services & food distribution within Anacortes. The Salvation Army opens to allow overnight stays during extreme cold weather.

Regulatory barriers to affordable housing: Zoning regulations within the City may be changed to allow more housing density including multi-family buildings in areas that currently do not allow such construction. The City is working on the 2016 Comp Plan update and much discussion has centered on this specific issue and how to accommodate lower income households. The consensus is to change some of the zoning regulations to allow more density.

Significant characteristics of economy: The American Community Survey 2009-2013 estimated 13,232 people over 16 years of age with 7,287 in the labor force. This amounts to approx 55% which is lower than the state and national average and is reflective of the large retiree population in Anacortes. Approximately 2,000 residents work in Anacortes while 4,173 residents have jobs outside of town. Approximately 3,935 workers commute into Anacortes from elsewhere. 21.5% of residents have a Bachelor's degree & 13.5% hold graduate or professional degrees.

The top occupations: sales & office occupations (22.48%); management, business & financial occupations (21.07%) & service occupations (12.98%) The highest wages are reported for fishing, manufacturing, information & financial services, wholesale trade & construction, & professional business services.

The top 4 industries employing residents: educational services, health care & social assistance, arts entertainment, recreation & accommodation, food services & manufacturing & retail trade.

MA-45 Non-Housing Community Development Assets - 91.410, 91.210(f)

Introduction

Anacortes: The City of Anacortes, through the CDBG and other citywide programs, invests in low-income communities to help ensure equitable opportunities for good health, happiness, safety, self-reliance and connection with the entire community. Our investments in new developments are designed to create diverse economic opportunities, promote affordable housing, provide accessible connectivity with amenities and services and promote a healthy lifestyle. These opportunities provide lower income residents sustainability within the community

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	154	39	3	1	-2
Arts, Entertainment, Accommodations	763	774	15	16	1
Construction	354	320	7	7	0
Education and Health Care Services	748	586	15	12	-3
Finance, Insurance, and Real Estate	292	233	6	5	-1
Information	84	20	2	0	-2
Manufacturing	793	1,257	16	27	11
Other Services	375	320	7	7	0
Professional, Scientific, Management Services	318	213	6	5	-1
Public Administration	0	0	0	0	0
Retail Trade	852	757	17	16	-1
Transportation and Warehousing	165	105	3	2	-1
Wholesale Trade	183	69	4	1	-3
Total	5,081	4,693	--	--	--

Table 5 - Business Activity

Data Source: 2007-2011 ACS (Workers), 2011 Longitudinal Employer-Household Dynamics (Jobs)

Labor Force

Total Population in the Civilian Labor Force	7,020
Civilian Employed Population 16 years and over	6,620
Unemployment Rate	5.70
Unemployment Rate for Ages 16-24	12.58
Unemployment Rate for Ages 25-65	3.61

Table 6 - Labor Force

Data Source: 2007-2011 ACS

Occupations by Sector	Number of People
Management, business and financial	1,395
Farming, fisheries and forestry occupations	202
Service	859
Sales and office	1,488
Construction, extraction, maintenance and repair	644
Production, transportation and material moving	379

Table 7 – Occupations by Sector

Data Source: 2007-2011 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	4,620	73%
30-59 Minutes	1,214	19%
60 or More Minutes	457	7%
Total	6,291	100%

Table 8 - Travel Time

Data Source: 2007-2011 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	317	31	199
High school graduate (includes equivalency)	1,267	63	486
Some college or Associate's degree	2,152	127	730
Bachelor's degree or higher	1,723	72	656

Table 9 - Educational Attainment by Employment Status

Data Source: 2007-2011 ACS

Educational Attainment by Age

	Age				
	18-24 yrs	25-34 yrs	35-44 yrs	45-65 yrs	65+ yrs
Less than 9th grade	11	11	15	36	48
9th to 12th grade, no diploma	228	149	127	209	235
High school graduate, GED, or alternative	406	352	436	1,042	897
Some college, no degree	283	405	497	1,346	1,035
Associate's degree	53	155	180	467	228
Bachelor's degree	56	399	338	991	699
Graduate or professional degree	2	179	241	548	505

Table 10 - Educational Attainment by Age

Data Source: 2007-2011 ACS

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	22,596
High school graduate (includes equivalency)	31,217

Educational Attainment	Median Earnings in the Past 12 Months
Some college or Associate's degree	35,152
Bachelor's degree	46,582
Graduate or professional degree	58,510

Table 11 – Median Earnings in the Past 12 Months

Data Source: 2007-2011 ACS

Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

The major employment sectors within Anacortes are manufacturing with 26% of the jobs, retail trade with 16% of the jobs, arts, entertainment and accommodations with 16% of the jobs, and education/health care services with 12% of the jobs.

Describe the workforce and infrastructure needs of the business community:

The American Community Survey 2009 through 2013 estimates there are 13,232 people over 16 years of age with 7,287 of those in the labor force. That is approximately 55% which is lower than the state and national average and is reflective of the large retiree population in Anacortes. Approximately 2,000 residents work in Anacortes while 4,173 residents have jobs outside of town. Approximately 3,935 workers commute into Anacortes from elsewhere for work every day. 21.5% of Anacortes residents have obtained a Bachelor’s degree and 13.5% hold graduate or professional degrees.

Infrastructure needs of the business community include creating better connections between the locations where people come into the City to the businesses location throughout the City. This would include pedestrian connectivity between the marina and downtown, developing a waterfront events center, increasing walkability throughout the city, improving vehicular mobility throughout the city and improving parking throughout the city.

Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period.

Describe any needs for workforce development, business support or infrastructure these changes may create.

The loss of many businesses and jobs during the “Great Recession” had a huge impact on Anacortes as it did in many areas of the United States. Many construction companies and the associated jobs were lost during that time and have not recovered. Economic development and

sustainability is a major focus in the 2016 Comprehensive Plan process and one of the main focus points in this important guidance includes accommodating future and current businesses to encourage growth and provide living wage jobs.

How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?

The Workforce Council identifies 22% of the jobs in the region may require a high school diploma or GED certificate; 34% of the jobs require a high school diploma and some vocational training or job-related course work; 29% of the jobs require training in vocational schools, related on-the-job experience, or an associate's degree; 11% of the jobs require a four-year bachelor's degree; and 5% of the jobs a require a bachelor's degree but may require graduate work.

Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.

Skagit Valley College (SVC) embraces a strategic priority to align educational programs with regional and state workforce and economic development strategies. SVC's President's Roundtable on Workforce Development provides an opportunity to develop a program mix representative of identified skills gaps and industry needs. SVC offers 26 two-year degree programs and 61 certificate programs with an emphasis in Health Science, Human Services and Public Resources, and Business clusters. SVC continues to expand nursing and allied health, welding, and manufacturing, composites and marine programs. Reflective of local industry, SVC hosts the Northwest Center of Excellence for Marine Manufacturing and Technology. The college has invested in making education possible for students less prepared for college level work by using I-BEST instructional delivery to support students in six programs with an expansion to an additional three programs scheduled in 2014.

Apprentice training: Training for apprentices is offered at Bellingham Technical College and Skagit Valley College. Examples of courses offered include: Industrial Trade Math; Basic Mechanics for Electricians; Welding; Blueprint Reading; Basic Electricity for Mechanics, Millwrights and Non-Electricians; Apprentice Painter; and Apprentice Carpentry. The Electrical, Plumbing, Pipefitting, and Carpentry Technical Training Centers for joint apprenticeship programs are located in Skagit County.

One Stop Service Delivery System (WorkSource): The region's one-stop career development system (WorkSource Northwest) is a trusted source of employment and training services with locations in each county.

Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)? If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.

The Skagit Council of Governments (SCOG), in which Anacortes is a partner, maintains the Skagit County Comprehensive Economic Development Strategy (CEDS).

Discussion

The entire list of projects developed in the CEDS will benefit economic growth. The unfortunate part of this is that CDBG funding cannot be used to directly fund any of these projects because they do not necessarily fit in the scope of the regulations. The various improvements to streets and allowing changes within the zoning, more businesses can be created which will add to job growth. Also, the Comprehensive Plan changes that will occur next year will also work to create more economic growth within the City through zoning changes.

Guemes Channel Trail, Visits, Conservation, Transportation, \$3,500,000

R Avenue Corridor Safety Improvement, Jobs, Business/Commercial Development, Visits, Transportation, \$2,250,000

Q Avenue Access Management, Jobs, Business Development, Visits, Transportation, \$350,000

Depot Phases IV, Jobs, Commercial Dev, \$750,000

Padilla Heights Sewer, Jobs, Business Development, Business Climate, \$1,800,000

Tommy Thompson Trail Improvement, Visits, Conservation, \$4,500,000

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

Census tract 940600 lists 57.6% of the households are low to moderately low income. This is a concentration of homes that are located north of the Highway 20 Spur, the main motorized route into and out of Anacortes and the industrial waterfront. A majority of the homes sit directly below the highway. Many of the homes are older, with approximately 20% built prior to 1949 and over 75% built prior to 1980. Approximately 45% of the homes in this census tract have 1 of 4 housing unit problem.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

Within the City of Anacortes are pockets of low income residences but most are concentrated in Census Tract 940600 with approximately 57.6% LMI households.

What are the characteristics of the market in these areas/neighborhoods?

In Census Tract 940600, there are approximately 47% of households with a cost burden greater than 30%, approximately 18% with a severe cost burden greater than 50% and approximately 45% with 1 of 4 housing problems. Renter occupied housing amounts to approximately 60% of the households while owner occupied homes is approximately 40%.

Are there any community assets in these areas/neighborhoods?

Low income housing is available in this neighborhood which provides some relief for the low income families. There are approximately 62 family units within the city and major concentration of those are located in the Census Tract 940600. Unfortunately there is a multi-year waiting list for most of these units.

Census Tract 940600 also includes industrial, marine related businesses and commercial businesses with the potential for more commercial development. It is a major focus in the 2016 Comprehensive Plan update process with the intent to develop more living wage jobs and businesses within this tract.

Are there other strategic opportunities in any of these areas?

As mentioned above, the 2016 Comprehensive Plan update process is reviewing possibilities for this area which includes Census Tract 940600. Much discussion has occurred including exploring options for large and smaller scale retail, enhancing the entrance to the city with tourist related businesses and development of a hotel with a conference center.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The 2015-2017 Consolidated Plan provides an analysis of community needs and establishes priority objectives and long-range strategies to guide the allocation of housing and community development resources. The Plan is a collaborative process between the community's primary stakeholders and agencies to establish a unified vision for community development actions. The plan proposes strategies to implement the U.S. Department of Housing & Urban Development national objectives and the priorities to the City of Anacortes over the next three years, utilizing the grant resources provided through the Community Development Block Grant (CDBG) Program. The specific level of funding available and the uses of the funds are outlined in Annual Action Plans submitted to HUD each year. The following are specific objectives of HUD for the respective Programs:

Provide Decent Housing – assisting homeless persons obtain affordable housing; assisting persons at risk of becoming homeless; retaining the affordable housing stock; increasing the availability of affordable permanent housing, particularly to members of disadvantaged minorities; increasing the supply of supportive housing; and providing affordable housing that is accessible to job opportunities.

Provide Suitable Living Environment – improving safety and livability of neighborhoods; eliminating blighting influences & the deterioration of property and facilities; increasing access to quality public and private facilities and services; reducing the isolation of income groups within areas through spatial deconcentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods; restoring and preserving properties of special historic, architectural, or aesthetic value; and conserving energy resources and use of renewable energy resources.

Expand Economic Opportunities – job creation & retention; establishment, stabilization and expansion of small businesses (including micro-businesses); the provision of public services concerned with employment; the provision of jobs to low-income persons living in areas affected by those programs and activities, or jobs resulting from carrying out activities under programs covered by the plan; availability of mortgage financing for low-income persons at reasonable rates using non-discriminatory lending practices; access to capital and credit for development activities that promote the long-term economic and social viability of the community; and empowerment and self-sufficiency for low-income persons to reduce generational poverty in federally assisted housing and public housing.

Mission: In a spirit of cooperation, the City of Anacortes Block Grant Program works with low income housing providers and supportive services for individuals and families to provide safe & healthy housing and self-reliant living. We support agencies, nonprofits, and individuals to identify, address and fund long term solutions and projects that reduce homelessness, advance the availability of truly affordable housing, and increase the social and economic vitality of neighborhoods and the individual. We work with all members of the community to make Anacortes socially, economically, and physically healthy by providing collaborative planning processes and responsive development services to achieve our community's desired future.

SP-10 Geographic Priorities - 91.415, 91.215(a)(1)

Geographic Area

Table 12 - Geographic Priority Areas

1	Area Name:	Tract 940600
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	Comprehensive
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	Bounded on the east and north by Fidalgo Bay, Highway 20 on the south, a main arterial for freight and business access on the west side, and through the central business district on the northeast section.
	Include specific housing and commercial characteristics of this target area.	This tract is a located adjacent to and contains commerce, employment, recreation, and has great potential to draw more visitors due to the waterfront and plans for redevelopment. This neighborhood is also home to several special needs and low-income housing.
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	This tract, in conjunction with the downtown business area and the industrial/manufacturing areas and located on the waterfront, has been a priority area for community and economic development. This was reinforced during multiple consultations with stakeholders throughout the planning process.
	Identify the needs in this target area.	This area has a high concentration of LMI households. Many homes were built prior to 1980 and the probability of lead paint is one of many issues in this neighborhood
What are the opportunities for improvement in this target area?	The 2016 Comprehensive Plan update process presents many strategic opportunities that are being considered.	
Are there barriers to improvement in this target area?	Barriers include the industrial/commercial operations and close proximity to the waterfront.	

General Allocation Priorities

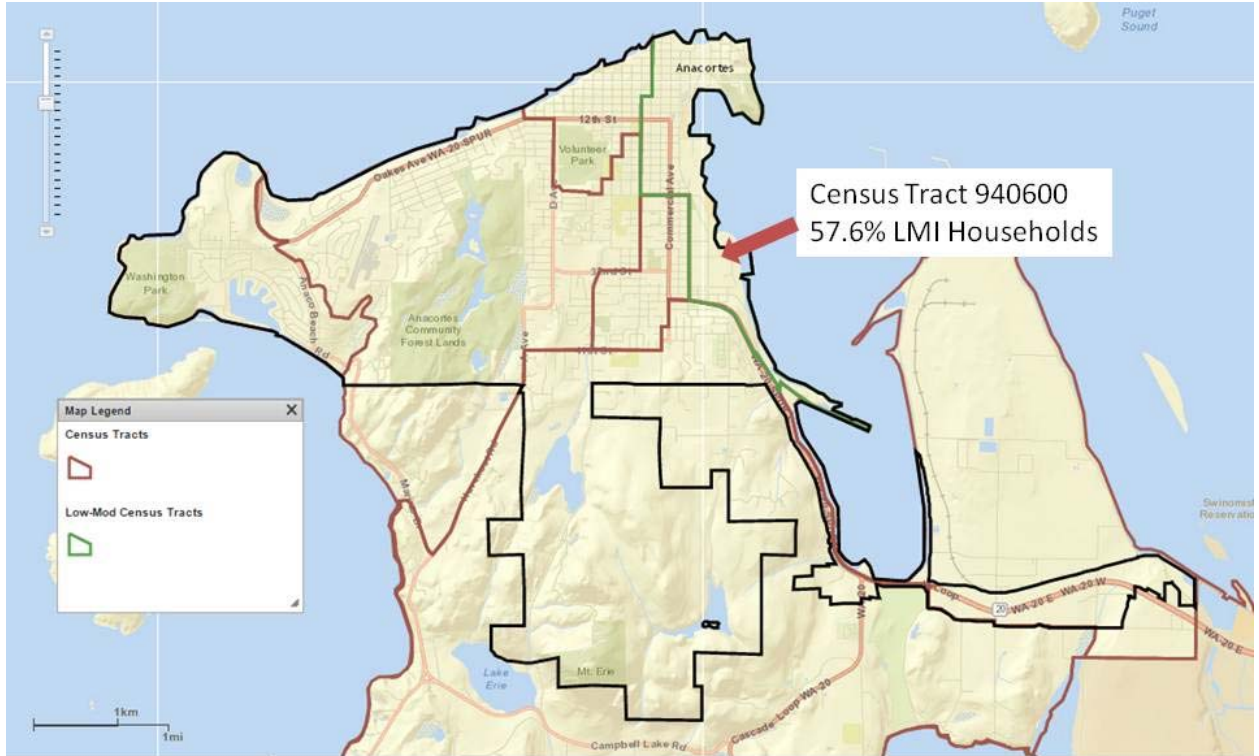
Describe the basis for allocating investments geographically within the state

Describe the basis for allocating investments geographically within the jurisdiction:

While Anacortes has one census tract (940600) with the highest concentration of persons living below the poverty level, there are 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.

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.



Census Tract 940600

SP-25 Priority Needs - 91.415, 91.215(a)(2)

Priority Needs

Table 13 – Priority Needs Summary

1	Priority Need Name	Homelessness/Assist special needs population
	Priority Level	High
	Population	Extremely Low Low Moderate Families with Children Elderly Public Housing Residents Individuals Families with Children Elderly Frail Elderly Victims of Domestic Violence Non-housing Community Development
	Geographic Areas Affected	Tract 940600
	Associated Goals	Homelessness/Assist Special Needs Populations
	Description	Priority 1. Homelessness/Assist special needs populations The Washington State Legislature required all Counties to develop a ten-year plan to reduce homelessness by 50% by the year 2015. Skagit County's plan was last updated in 2012. The City adopts, by reference, Skagit County's Homeless Plan, including its goals and strategies. Public services are needed to help individuals and families with special needs obtain help with basic needs, food, housing, employment, health, and other important services.
	Basis for Relative Priority	Preventing homelessness and assisting those that are homeless is a high priority within the community. Providing a safe and secure shelter to those in risk of becoming homeless and helping those to the path of permanent housing and employment is a priority goal for the City.
	2	Priority Need Name
	Priority Level	High

	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Public Housing Residents Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Victims of Domestic Violence
	Geographic Areas Affected	Tract 940600
	Associated Goals	Increase affordable housing supply
	Description	The cost of rental and homeowner housing is beyond the reach of many Anacortes households who are homeless or struggling with a severe housing cost burden, putting their future tenancy at risk. The City of Anacortes anticipates providing funding to the Home Trust of Skagit to assist in the purchase of housing for low income families. The City anticipates providing funding to the Anacortes Housing Authority to help preserve affordable housing within the community and is also working with the Housing Authority and other agencies such as the Home Trust of Skagit to increase the number of affordable housing units.
	Basis for Relative Priority	Providing homeownership to a low income family helps create a safe, sustainable home environment and reduces the reliance on public housing
3	Priority Need Name	Preservation
	Priority Level	High

	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Public Housing Residents Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Victims of Domestic Violence
	Geographic Areas Affected	Tract 940600
	Associated Goals	Preservation
	Description	Preservation strategies are needed to maintain the stock of existing affordable housing resources. Anacortes is working with the Anacortes Housing Authority to rehabilitate housing units to maintain the existing stock of low income housing.
	Basis for Relative Priority	A high priority to maintain current affordable housing to assist those in need. The needs of the community are increasing with the aging population who will need assistance to maintain quality levels of life.
4	Priority Need Name	Administration & Planning
	Priority Level	High
	Population	Extremely Low Low Moderate Middle
	Geographic Areas Affected	Tract 940600
	Associated Goals	Homelessness/Assist Special Needs Populations Increase affordable housing supply Preservation

	Description	Implementation of this consolidated plan requires certain administrative and planning activities including the development of the plan, environmental review of projects, subrecipient monitoring, development of fair housing information, and other activities required by law.
	Basis for Relative Priority	The implementation of this program is very involved and takes much training and experience to determine and provide the best possible outcomes.

Narrative (Optional)

The level of need in a community is always greater than the limited resources available to help meet those needs. In earlier sections of the Consolidated Plan, information has been presented that helps compare the types and levels of need within our community to support setting priorities, goals and strategies.

The City uses these priorities and goals to form the basis for determining what types of housing and community development programs will be funded over the next five years. The City has identified the following general priorities (not in order) amongst different activities and needs.

SP-35 Anticipated Resources - 91.420(b), 91.215(a)(4), 91.220(c)(1,2)

Introduction

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	85,000	0	25,000	110,000	0	Funds used for acquisition, public services, public facilities, admin/planning

Table 14 - Anticipated Resources

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

The City of Anacortes, other local Skagit County jurisdictions and stakeholder organizations participated in the development of a county-wide housing affordability strategy that anticipates using local resources, including CDBG, to leverage significant additional local and nonlocal

resources to meet the affordable housing needs of county residents, including those who live in Anacortes. That strategy includes the creation of a multi-county HOME Investment Partnership Consortium of which Anacortes will be a participating jurisdiction.

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.

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

The City has identified core areas where infrastructure improvements are needed to allow easy access for all individuals and in particular, disabled residents and visitors. The work between City residents, the Port of Anacortes and the City on the North, West Basin Concept Plan and the 2016 Comprehensive Plan update has identified areas through the core downtown that are being proposed for development of a central hub that will include residential development, retail, public services, restaurant, grocery and entertainment establishments that will be easily and safely accessible.

Discussion

Through the development of the 2016 Comprehensive Plan and the Port's North-West Basin Concept Plan, a unique vision is coming together 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 being reviewed for changes that will allow greater density, multi-family mixed use development, and greater mobility which will help create more affordable living space within the central hub of downtown.

SP-40 Institutional Delivery Structure - 91.415, 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
ANACORTES	Government	Planning	Jurisdiction
Anacortes Housing Authority	PHA	Public Housing	Jurisdiction
SKAGIT COUNTY COMMUNITY ACTION AGENCY	Non-profit organizations	Homelessness Non-homeless special needs public facilities public services	Region
SKAGIT COUNTY	Government	Economic Development Non-homeless special needs Planning neighborhood improvements public facilities	Region
ANACORTES FAMILY CENTER	Subrecipient	Homelessness	Region
Anacortes Community Health Council	Non-profit organizations	Homelessness Non-homeless special needs Planning neighborhood improvements public services	Region

Table 15 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

The City of Anacortes works with various public, private and non-profit agencies to carry out its consolidated plan. This includes Community Action of Skagit County, a major provider of public services located in Mount Vernon, Washington, the Anacortes Housing Authority, City staff, the Anacortes Community Health Council and the Anacortes Family Center. This is a collaborative process to provide housing and community development opportunities within the City.

The strength of the delivery system is based on the number of agencies and individuals willing and able to assist those in need. The gaps in delivering those services occur because of the volume of assistance requested and the lack of funding to accommodate those in need.

Unfortunately, despite the wide range of programs available, the services offered throughout the City are often insufficient in comparison to the need. Gaps in the housing and supportive services system in Anacortes can be seen in large part as a function of low paying jobs and historically fluctuating vacancy rates combined with accelerating housing costs and an often growing population. Very-low, low-income and even moderate-income people are being priced out of the housing market. At the same time, they and special needs populations are competing for the same supply of affordable housing, which grows in cost as the demand increases.

Public service providers within Anacortes are few, with the majority of services being offered in the Mount Vernon areas, approximately 20 miles away from Anacortes. Bus service is available but is not always feasible due to length of time it takes to make connections along the bus routes.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	
Mortgage Assistance	X		
Rental Assistance	X	X	
Utilities Assistance	X		
Street Outreach Services			
Law Enforcement	X	X	
Mobile Clinics	X	X	
Other Street Outreach Services	X	X	
Supportive Services			
Alcohol & Drug Abuse	X	X	
Child Care	X	X	
Education	X	X	
Employment and Employment Training	X	X	
Healthcare	X	X	X
HIV/AIDS	X		X
Life Skills	X	X	

Supportive Services			
Mental Health Counseling	X	X	
Transportation	X	X	
Other			

Table 16 - Homeless Prevention Services Summary

Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)

The community uses outreach services as the primary tool to engage people who are chronically homeless and unaccompanied youth. People who are chronically homeless are connected to permanent supportive housing; families with children to rapid rehousing; and unaccompanied youth to rapid rehousing and transitional housing. Outreach workers, assessment staff, and case managers all work with these populations to ensure that they are accessing mainstream services.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

The main strength of the service delivery system is that it covers all the necessary subpopulations and types of services that are necessary to prevent and end homelessness. However, the main weakness is that there is not sufficient amount of each type of service to meet the needs

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

The strength of the delivery system is based on the number of agencies and individuals willing and able to assist those in need. The gaps in delivering those services occur because of the volume of assistance requested and the lack of funding to accommodate those in need. The Anacortes Community Health Council, which the City is a participating member, provides access to a network of service providers to quickly facilitate access to available services. This community service greatly increases the success of providing those in need with the required services and helps to reduce the gaps to address priority needs.

SP-45 Goals - 91.415, 91.215(a)(4)

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	2015	2016	Homeless	Tract 940600	Homelessness/Assist special needs population	CDBG: \$12,824	Public service activities other than Low/Moderate Income Housing Benefit: 80 Persons Assisted
2	Increase affordable housing supply	2015	2016	Affordable Housing	Tract 940600	Increase Affordable Housing Supply	CDBG: \$40,000 (2015 allocation \$25,000 + leftover funding of \$15,000 = \$40,000)	Direct Financial Assistance to Homebuyers: 1 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Preservation	2015	2016	Public Housing	Tract 940600	Preservation	CDBG: \$40,452 (2015 funding \$33,137 + leftover funding of \$7,315 = \$40,452)	Rental units rehabilitated: 30 Household Housing Unit
4	Planning/Administration	2015	2016	Planning/Administration	Tract 940600	Administration & Planning	CDBG: \$14,534	Other: 111 Other

Table 17 – Goals Summary

Goal Descriptions

1	Goal Name	Homelessness/Assist Special Needs Populations
	Goal Description	Providing shelter, basic needs, food, employment assistance, and other important services
2	Goal Name	Increase affordable housing supply
	Goal Description	Promote home ownership for low income families; this project included left-over funding from previous years (2015 allocation \$25,000 + leftover funding of \$15,000 = \$40,000)
3	Goal Name	Preservation
	Goal Description	Preserve and maintain existing stock of affordable rental housing resources; this project includes left over funding from previous years (2015 funding \$33,137 + leftover funding of \$7,315 = \$40,452)
4	Goal Name	Planning/Administration
	Goal Description	General management, oversight and coordination of the program, including providing local officials and citizens with information regarding the CDBG program; preparing budgets and schedules, preparing reports and other HUD related documents, monitoring programs, working with HUD officials.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

The City estimates that through the Home Trust program and the rehabilitation to preserve existing housing stock, approximately 100 low, low mod and moderate income households within the City will be provided with, or be able to remain in, affordable housing during the 3 years of this plan. The City expects to work with other entities in an effort to create more affordable housing through zoning changes to increase single family zones to multi-family zones and make available incentives such as density bonuses to builders/developers.

SP-65 Lead-based Paint Hazards - 91.415, 91.215(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

About one quarter (26%) of all pre-1980 Anacortes housing units were built before 1940, meaning they are at high risk of LBP hazards. There is not a significant difference between the age of owner-occupied and renter-occupied units.

The City provides EPA Lead Based Paint pamphlets to all builders when rehabilitation permits are applied for homes built prior to 1980. The City has contracted with a local firm for testing for all CDBG funding projects that involve rehabilitation of homes older than 1980 with the assumption that any home built prior to that date may contain lead paint. If test results are positive for lead paint, it is recommended the house undergo abatement and a list of certified abatement contractors will be provided to the homeowner. If the home is determined free and clear of lead paint, the owners are provided with a certificate of clearance. Because CDBG funding is so minimal, the city most likely will not take on lead paint abatement projects due to the high costs.

How are the actions listed above integrated into housing policies and procedures?

The City will work with the Housing Authority and other service providers to educate families and individuals on the significant risks to people, especially children, living in homes contaminated with lead.

SP-70 Anti-Poverty Strategy - 91.415, 91.215(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

Many of our CDBG programs strive to increase self-sufficiency of low-income families and reduce the number of households with incomes below the poverty line. These programs have been organized into four categories for discussion: Continuum of Care, Affordable Housing Development, Economic Development, and Neighborhood Revitalization.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

As with all of the listed goals, programs and policies in this Plan, the City continues to coordinate with all jurisdictional, regional and statewide organizations and agencies through a regular communication process.

Expanding and preserving affordable housing opportunities will reduce the housing cost burden of households living in poverty. Therefore, a portion of the disposable income may be used to pursue other educational or career goals, as well as for other daily necessities.

SP-80 Monitoring - 91.230

Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The City's CDBG program is audited by HUD and the State under the Single Audit Act on an as need basis based on risk assessments. This audit verifies that the City meets all statutory requirements and that information reported is correct and complete.

The City's Planning, Community & Economic Development Department is responsible for monitoring CDBG program sub-recipients. City staff monitors sub-recipients as needed to ensure all regulatory requirements are met and that the information reported is complete and accurate. The City has adopted subrecipient monitoring standards and procedures as described in *Managing CDBG: A Guidebook for Grantees on Subrecipient Oversight*.

Sub-recipients are also monitored semi-annually from written reports submitted by the sub-recipient to the City. Monitoring of the CDBG program is consistent with program regulations. Monitoring consists of both desk and on-site reviews.

The City also conducts monitoring of its CDBG activities. CDBG monitoring depends on the activity. Construction or acquisition projects will be monitored as they progress in order to ensure compliance with specific federal requirements, including Davis-Bacon, Section 3, NEPA, and Uniform Relocation and Acquisition requirements.

Expected Resources

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

Introduction

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	85,000	0	25,000	110,000	0	Funds used for acquisition, public services, public facilities, admin/planning

Table 18 - 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

The City of Anacortes, other local Skagit County jurisdictions and stakeholder organizations participated in the development of a county-wide housing affordability strategy that anticipates using local resources, including CDBG, to leverage significant additional local and nonlocal resources to meet the affordable housing needs of county residents, including those who live in Anacortes. That strategy includes the creation of a multi-county HOME Investment Partnership Consortium of which Anacortes will be a participating jurisdiction.

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.

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

The City has identified core areas where infrastructure improvements are needed to allow easy access for all individuals and in particular, disabled residents and visitors. The work between City residents, the Port of Anacortes and the City on the North, West Basin Concept Plan and the 2016 Comprehensive Plan update has identified areas through the core downtown that are being proposed for development of a central hub that will include residential development, retail, public services, restaurant, grocery and entertainment establishments that will be easily and safely accessible.

Discussion

Through the development of the 2016 Comprehensive Plan and the Port's North-West Basin Concept Plan, a unique vision is coming together 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 being reviewed for changes that will allow greater density, multi-family mixed use development, and greater mobility which will help create more affordable living space within the central hub of downtown.

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	2015	2016	Homeless	Tract 940600	Homelessness/Assist special needs population	CDBG: \$12,824	Public service activities other than Low/Moderate Income Housing Benefit: 80 Persons Assisted
2	Increase affordable housing supply	2015	2016	Affordable Housing	Tract 940600	Increase Affordable Housing Supply	CDBG: \$25,000 (+ add \$15,000 = \$40,000)	Direct Financial Assistance to Homebuyers: 1 Households Assisted
3	Preservation	2015	2016	Public Housing	Tract 940600	Preservation	CDBG: \$33,137 (+ add \$7,315 = \$40,425)	Rental units rehabilitated: 30 Household Housing Unit
4	Planning/Administration	2015	2016	Planning/Administration	Tract 940600	Administration & Planning	CDBG: \$14,534	

Table 19 – Goals Summary

Goal Descriptions

1	Goal Name	Homelessness/Assist Special Needs Populations
	Goal Description	Keeping families and single women off the streets and placing them in safe, secure housing and stable environments. Approximately 80 individuals & families served every year
2	Goal Name	Increase affordable housing supply
	Goal Description	Promote home ownership for low income families. The funded amount includes left over funding from previous years (2015 funding = \$25,000 + \$15,000 = \$40,000)
3	Goal Name	Preservation
	Goal Description	Preserve and maintain existing stock of affordable housing resources. Work with the Anacortes Housing Authority to rehabilitate housing units to maintain existing stock of low income housing. Provide rehab assistance to approximately 30 units per year. (The amount funded to project includes 2015 funding plus left over funding from previous years - 2015 funding = \$33,137 + \$7,315 = \$40,452)
4	Goal Name	Planning/Administration
	Goal Description	General management, oversight and coordination of the program, including providing local officials and citizens with information regarding the CDBG program; preparing budgets and schedules, preparing reports and other HUD related documents, monitoring programs, working with HUD officials.

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 without this service.

#	Project Name
1	Anacortes Family Center
2	Anacortes Housing Authority Asbestos Abatement
3	Home Trust of Skagit
4	City of Anacortes Administration

Table 20 – 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, 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 2015-2017 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	Tract 940600
	Goals Supported	Homelessness/Assist Special Needs Populations
	Needs Addressed	Homelessness/Assist special needs population
	Funding	CDBG: \$12,824
	Description	Public Services Allocation - Support Family Center staffing that provide case management services to homeless families staying at the shelter.
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	The City will allocate the full public services funding to the Anacortes Family Center (AFC) which serves homeless women and families. and expects to serve between 150-170 individuals each year. 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 2014, the Center provided successful transition to stable living/working environments to approximately 61% of their clients.
	Location Description	Family Center is located on 1011 27th Street, Anacortes, WA 98221. Shelter is located at this site.
	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 2014, the Center provided successful transition to stable living/working environments to approximately 61% of their clients.
Project Name	Anacortes Housing Authority Asbestos Abatement	

2	Target Area	Tract 940600
	Goals Supported	Preservation
	Needs Addressed	Preservation
	Funding	CDBG: \$33,137 (+ add \$7,315 = \$40,425)
	Description	Asbestos floor tiles in 50 unit housing complex are severely deteriorated and will be replaced with new environmentally safe flooring. Exposure to asbestos and broken, cracked tiles create accessibility issues especially for mobility impaired individuals.
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 30 families will benefit the first year during this project. There are 50 units in the first building being targeted for rehabilitation. Next year, funding will be applied to the remaining units and then in following years, more complexes will be rehabilitated. It is expected that approximately 100 low income families will benefit from these updates.
	Location Description	808 29th Street Anacortes, WA 98221
	Planned Activities	Certified asbestos abatement control contractor will remove asbestos tile and replace it with environmentally safe tile. This project will continue through the next few years until complete.
3	Project Name	Home Trust of Skagit
	Target Area	Tract 940600
	Goals Supported	Increase affordable housing supply
	Needs Addressed	Increase Affordable Housing Supply
	Funding	CDBG: \$25,000 (+ add \$15,000 = \$40,000)
	Description	Provide down payment assistance to qualified low income families for home purchase. Homes will remain affordable through the Home Trust program and will only be available to qualified low income families

	Target Date	3/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	The Home Trust allocation will provided direct homebuyer assistance to 1 low-income household. This activity creates new affordable homeowner housing that is affordable in perpetuity by virtue of the Home Trust's innovative community land trust model of homeownership that uses a shared equity strategy. While this is a small step in developing affordable housing, the City believes that a successful transaction that provides a low income family the opportunity to own their own home will encourage other entities to step in and participate and help the model grow to allow more families this unique opportunity.
	Location Description	Location has not been precisely determined; Various location within City of Anacortes
	Planned Activities	Provide down payment assistant to a qualified low income family to purchase a home within Anacortes. The homes remain low income in perpetuity through the Home Trust program and will only be available to qualified low income families.
4	Project Name	City of Anacortes Administration
	Target Area	Tract 940600
	Goals Supported	Homelessness/Assist Special Needs Populations Increase affordable housing supply Preservation
	Needs Addressed	Administration & Planning
	Funding	CDBG: \$14,534
	Description	General administration of CDBG program
	Target Date	6/30/2016

Estimate the number and type of families that will benefit from the proposed activities	Low income individuals and families will be served with this funding with an expectation that approximately 110 families will be served.
Location Description	904 6th Street Anacortes, WA 98221
Planned Activities	Implementation of this consolidated plan requires certain administrative and planning activities including the development of the plan, environmental review of projects, subrecipient monitoring, development of fair housing information, and other activities required by law

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. A majority of public services available to the citizens of Skagit County are provided in the Mount Vernon area.

The current population of Anacortes is approximately 15,778 citizens (US 2010 Census). Anacortes has one area with a concentration of moderately low to low income households, Census Tract 940600 with 57.6% LMI households. The overall low, to moderately low, income households in Anacortes is approximately 34%.

While Anacortes has one census tract (940600) 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.

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
Tract 940600	39

Table 21 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Census Tract 940600 contains the highest concentration of low, to moderately low households.

Discussion

This is where a majority of the public housing complexes are located. The asbestos abatement project to remove asbestos tile that is completely deteriorated and creates mobility issues for residents is located in this area.

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:

Actions planned to address obstacles to meeting underserved needs

The City will conduct outreach to various community sectors to inform lenders, property managers, and the public about Fair Housing laws. The City recently improved its Fair Housing website to include state level as well as updated federal information.

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 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.

Actions planned to reduce lead-based paint hazards

Code enforcement will address any and 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 household 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.

Actions planned to develop institutional structure

The City will work in partnership with adjacent and regional jurisdictions to create a regional HOME Consortium. A new, 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 more regularly in their multi-agency meetings. More active participation in the Council will improve the coordination of the City’s Consolidated Plan goals and the efforts to reduce instability in the low income community.

Discussion

Funding continues to be the main obstacle to meeting underserved need. Obstacles include lack of sufficient financial resources to adequately address large projects such as permanent housing and shelters. Also, the limit on the public services prohibits the City from adequately providing a greater service to households in need of basic services.

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 2015 Action Plan allocated a significant amount of funds 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.

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.

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 that will be used 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. 80.00%