

2021 CONSOLIDATED ANNUAL PERFORMANCE & EVALUATION REPORT

PROGRAM YEAR; JAN 1, 2021 – DEC 31, 2021



KITSAP COUNTY
AND CITY OF BREMERTON
HOME CONSORTIUM

MARCH 31, 2021
FINAL 2021 CAPER

Table of Contents

CR-05 - Goals and Outcomes	1
Table 1 - Accomplishments – Program Year & Strategic Plan / Consolidated Plan to Date.....	3-4
CR-10 - Racial and Ethnic composition of families assisted	6
Table 2 – Table of assistance to racial and ethnic populations by source of funds	6
CR-15 - Resources and Investments 91.520(a)	7
Table 3 - Resources Made Available	7
Table 4 – Identify the geographic distribution and location of investments	8
Table 5 – Fiscal Year Summary - HOME Match Report	8
Table 6 – Match Contribution for the Federal Fiscal Year	9
Table 7 – Program Income	9
Table 8 - Minority Business and Women Business Enterprises	10
Table 9 – Minority Owners of Rental Property	10
Table 10 – Relocation and Real Property Acquisition	11
CR-20 - Affordable Housing 91.520(b)	12
Table 11 – Number of Households.....	12
Table 12 – Number of Households Supported.....	12
Table 13 – Number of Households Served.....	13
CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)	15
CR-30 - Public Housing 91.220(h); 91.320(j)	19
CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j).....	20
CR-40 - Monitoring 91.220 and 91.230.....	22
CR-45 - CDBG 91.520(c)	23
CR-50 - HOME 91.520(d).....	24
CR-58 – Section 3	24
Attachment - 2021 PR26 CDBG Financial Summary Report	27
Attachment - 2021 PR26 CDBG-CV (CARES ACT) Financial Summary Report.....	28

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan.

91.520(a) This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

The 2021 Kitsap County Consortium Consolidated Annual Performance and Evaluation Report (CAPER) captures the expenditures, accomplishments, and progress made on the strategies and goals outlined in the 2021-2025 Consolidated Plan and the 2021 Action Plan. The Consolidated Plan guides the annual allocation of our community's federal program funds from the U.S. Dept. of Housing and Urban Development (HUD). Kitsap County is designated by HUD as an Urban County and receives a direct allocation of Community Development Block Grant (CDBG) funds. The City of Bremerton receives a direct CDBG allocation and works in partnership with the Kitsap County Consortium to administer HOME Investment Partnership (HOME) funds. The City of Bremerton receives its share of HOME funds based on a percentage allocation determined by HUD.

The CAPER outlines progress in achieving affordable housing, economic opportunity and community development goals using CDBG and HOME funding. The Kitsap County Consortium received the following grant amounts in 2021 from HUD.

- Community Development Block Grant (CDBG): \$1,121,369
- HOME Investment Partnership (HOME): \$732,109

Table 1 - Accomplishments – Program Year and Strategic Plan to Date include only the projects created and completed within Action Plan Program Year 2021. What is not included are the accomplishments completed within our Program Year 2021 from prior Action Plans and Consolidated Plan, these are detailed below

- Housing Resources Board - Island Home Rehabilitation - 10 units of rental housing rehabilitated.
- YWCA Morrow Manor - 10 units of new rental housing constructed.
- Housing Kitsap Home Rehabilitation Program - 8 homeowners provided rehabilitation assistance.
- Community Frameworks - Direct downpayment assistance provided to 3 homebuyers in Kitsap County.
- Community Frameworks - Direct downpayment assistance provided to 1 homebuyer in the City of Bremerton.

Kitsap County encourages agencies funded with CDBG and HOME to conduct outreach to populations with disabilities and limited English proficiency in addition to their normal outreach efforts. During annual monitoring agencies are asked about these efforts and many shared they have developed relationships with Kitsap Immigrant Assistance which has improved their ability to communicate with populations that may have limited English proficiency. Agencies also report outreach to organizations serving minority populations and those with disabilities through their program notifications in flyers, on social media and web sites. A Community Resource Guide listing essential services in Kitsap County is

made available for people with developmental disabilities in Kitsap County and can be accessed at kitsapgov.com ([KC Resource Guide 2020-2021.pdf \(kitsapgov.com\)](#)) or by calling 360-337-4622.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

2021-2025 Consolidated Plan Goals	5-Year Source Amount SP-45 Summary	Con Plan 5-Year Target	Unit of Measure	Year 1 (2021) Project Goals	Year 1 (2021) Actual	Year 2 (2022) Project Goals	Year 2 (2022) Actual	Year 3 (2023) Project Goals	Year 3 (2023) Actual	Year 4 (2024) Project Goals	Year 4 (2024) Actual	Year 5 (2025) Actual	All Years Actual	% of 5-YR Goal Complete
1. "Preserve and Increase Affordable Housing Kitsap County"	CDBG: \$3,245,647 HOME: \$3,600,977													
New Rental units created/constructed		40	units	13	0								0	%
Rental Units Rehabilitated (including Preservation)		200	units	0	0								0	0%
New Homeowner Housing created/constructed		0	units	0	0								0	0%
Homeowner Housing Rehabilitated/ weatherized		184	units	37	30								30	16%
Direct Financial Assistance to Homebuyers		20	Households	9	0								0	0%
2. Provide Support Services	CDBG: \$892,422	88,277	individuals	17,836	10,055								10,055	11%
3. Increase economic opportunities	CDBG: 300,000	125	businesses	22	50								50	40%
4. Essential Public Facilities/ Infrastructure	CDBG: \$500,000	5000	Individuals	800	0								0	0%

5. Preserve/Increase Affordable Housing in Bremerton	HOME: \$1,102,879													
New Rental units created/constructed		9	Units	0	0								0	0%
Rental Units Rehabilitated (including Preservation)		15	Units	0	0								0	0%
Direct Financial Assistance to Homebuyers		14	Households	3	0								0	0%

Table 1 - Accomplishments – Program Year & Strategic Plan / Consolidated Plan to Date

Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

Affordable housing has been identified as a high priority for CDBG and HOME funds. Action Plan projects funded serve households with incomes below 80% AMI. While ending homelessness is still a priority in Kitsap County, projects that address homelessness were funded from Homeless Housing grant funds, Affordable Housing grant funds and Consolidated Homeless grant funds, allowing CDBG and HOME funds to be used for affordable housing and services not targeted specifically to homeless individuals. Kitsap County uses a 15% set-aside of CDBG for public services. 2021 Action Plan projects include services that help the most vulnerable populations, including extremely low-income households, elderly, children and the disabled and low-income individuals and families.

COVID continued to impact many service providers and in some cases resulted in fewer individuals served due to social distancing protocols, increased expenses for supplies and fewer families seeking assistance due to increased federal support.

2021 CDBG funds were used to fund the following projects included in the 2021 Action Plan:

- Boys & Girls Clubs South Kitsap Club – assisted 9 children
- Bremerton Foodline Food Bank Operations – assisted 738 individuals
- Central Kitsap Food Bank Operations – assisted 2,195 individuals
- Helpline House Bainbridge Island – assisted 2,045 individuals
- Lindquist Dental Services for Children – assisted 841 children
- South Kitsap Helpline Food Bank Operations – assisted 4,182 individuals
- YMCA Childcare Scholarships – assisted 45 children
- City of Port Orchard Lippert Sidewalk Retrofit – to assist a Low-Mod neighborhood
- Housing Kitsap Home Rehab. Program – to assist 12 households, 8 households were assisted in 2021 from a prior year contract.
- Kitsap Community Resources Weatherization & Minor Home Repair Program – assisted 30 households
- Kitsap Community Resources BE\$T Microenterprise Program – assisted 50 individuals.

CDBG-CV funds have been used to provide rental assistance Countywide to 319 households in 2020 and 53 unduplicated households in program year 2021 by Kitsap Community Resources. Rental Assistance for high-risk households residing in Housing Kitsap units was provided to 228 households in 2020 and 41 unduplicated in the 2021 Program Year. The number of households assisted within 2021 Program Year by income are as follows for a total of 94 households:

Extremely Low Income: 49
Low Income: 19
Moderate Income: 26

CDBG-CV3 funds were included as a Substantial Amendment to the Kitsap County 2019 Action Plan and included funding for operating costs for two shelters and COVID Quarantine and Isolation Centers. These projects will receive funding from another federal source so the CDBG-CV funds will be re-allocated to a new project and included in an Action Plan amendment.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

	CDBG	HOME
White	10749	5
Black or African American	449	4
Asian	533	0
American Indian or American Native	244	0
Native Hawaiian or Other Pacific Islander	236	0
Total	12,211	9
Hispanic	1025	0
Not Hispanic	11,186	9

Table 2 - Table of assistance to racial and ethnic populations by source of funds

Narrative

Kitsap County projects support all individuals and households that qualify regardless of racial and ethnic status of families. Data is collected regarding the racial and ethnic status of families assisted with CDBG and HOME funds on a quarterly basis. Data is self-reported and beneficiaries may elect to not report information. Kitsap County includes the category Other Multi-Racial in data collected and it is reported in IDIS, however CR-10 Table 2 has not been modified in the CAPER template to show this data. In 2021 Program Year, 2189 individuals identified as Other Multi-Racial and 453 also identified as Hispanic.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds Public - Federal	Resources Made Available	Amount Expended During Program Year
CDBG	\$1,264,005.56	\$1,220,429.53
HOME	\$1,807,418.32	\$337,555.78

Table 3 - Resources Made Available

Narrative

The resources made available in 2021 include Kitsap County's HUD Award for CDBG and HOME plus Program Income received from loan repayments.

Kitsap County, as an Urban County, receives a direct allocation of Community Development Block Grant (CDBG) funds from HUD. Kitsap County and the City of Bremerton together formed a consortium for Home Investment Partnership (HOME) funds from HUD. The County is the lead agency responsible for administration of HOME funds. The City of Bremerton receives a direct allocation of CDBG funds from HUD and is responsible for administration of their funds.

Expenditure of 2021 HOME funds continued to be slow. Funds provided for down-payment assistance are being spent at a much slower pace due to housing market challenges with low inventory and higher prices. HOME funds allocated for new rental housing will be spent as the projects begin construction and start drawing funds. HOME funds are often the first funds to be committed to a project in order to attract other investment, but the last funds used due to underwriting requirements and preferred use for construction costs.

Kitsap County has received \$1,707,553 in CDBG-CV funds through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to stabilize low-income households experiencing hardship due to COVID 19. A total of \$632,080.96 has been expended through Dec. 31, 2021.

The Kitsap County HOME Consortium has also received an allocation of the HOME American Rescue Plan (HOME-ARP) funds in the amount of \$2,653,349 to address the needs of individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations. Funds will be allocated towards eligible projects after completion and approval of the required allocation plan.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
n/a	n/a	n/a	n/a

Table 4 – Identify the geographic distribution and location of investments

Narrative

All of Kitsap County's allocation of CDBG funds and portion of HOME funds were directed to projects county-wide, outside the City of Bremerton that serve low-income populations. The City of Bremerton HOME funds are targeted to housing within the City limits. The county does not distribute funds specifically on a geographic basis. Kitsap County's low-income population is fairly broadly distributed throughout the county. The county is committed to funding services and housing that reach those with the most need. Projects for 2021 have served North Kitsap; Central Kitsap; and South Kitsap areas, including the cities of Poulsbo, Port Orchard, and Bainbridge Island.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

All applicants for CDBG and HOME funds submitted a form to indicate what other funding and match was expected to be used for their project. Upon written agreement the agency updated the sources of funding and provided a detailed budget to show how funds are used. Projects that require HOME matching funds are included in the Match Contribution table below for the 2021 Federal Fiscal Year.

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	13,268,231.18
2. Match contributed during current Federal fiscal year	2,113,468
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	15,381,699.18
4. Match liability for current Federal fiscal year	140,369.98
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	15,241,329.20

Table 5 – Fiscal Year Summary - HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
KC-246-20 /KC-130-18 #988 CFW Kitsap DPA	12/28/2020	15,000						15,000
KC-238-20 / KC-128-17 #1053 CFW Kitsap DPA	03/24/2021	13,500	0	0	0	0	0	13,500
KC-246-20 #987 CFW Kitsap DPA	03/24/2021	11,682	0	0	0	0	0	11,682
KC-505-20 #1055 KMHS Pendleton Place	08/06/2021	2,073,286	0	0	0	0	0	2,073,286

Table 6 - Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period \$	Amount received during reporting period \$	Total amount expended during reporting period \$	Amount expended for TBRA \$	Balance on hand at end of reporting period \$
1,168,369.74	455,091.31	505,594.71	0	1,117,866.31

Table 7 - Program Income

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Dollar Amount	0	0	0	0	0	0
Number	0	0	0	0	0	0
Sub-Contracts						
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0
	Total	Women Business Enterprises	Male			
Contracts						
Dollar Amount	0	0	0			
Number	0	0	0			
Sub-Contracts						
Number	0	0	0			
Dollar Amount	0	0	0			

Table 8 - Minority Business and Women Business Enterprises

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

Table 9 - Minority Owners of Rental Property

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition						
Parcels Acquired		0		0		
Businesses Displaced		0		0		
Nonprofit Organizations Displaced		0		0		
Households Temporarily Relocated, not Displaced		0		0		
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

Table 10 – Relocation and Real Property Acquisition

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	0
Number of Non-Homeless households to be provided affordable housing units	62	30
Number of Special-Needs households to be provided affordable housing units	0	0
Total	62	30

Table 11 - Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	13	0
Number of households supported through Rehab of Existing Units	37	30
Number of households supported through Acquisition of Existing Units	12	0
Total	62	30

Table 12 - Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

The above one-year goal of 62 units includes 13 units of rental housing currently under development and scheduled for acquisition in 2023. The 12 households supported through acquisition is for county-wide and City of Bremerton down-payment assistance programs which are currently still spending prior year funds and therefore not reflected in Table 12. All funded projects are on track to spend funds and be completed in the coming few years. Capital projects are often not completed in the same year they are funded. Lengthy timelines for securing other funding and pre-development permit approvals and design result in projects taking many years to reach construction and completion. The COVID-19 pandemic has slowed projects due to challenging market conditions. The tight housing market with low inventory and rapidly rising prices has slowed the expenditure of funds used for down-payment assistance. The construction and rehabilitation of housing has been impacted by supply chain issues, a shortage of labor and rising prices.

Discuss how these outcomes will impact future annual action plans.

If projects are unable to meet planned outcomes they will be cancelled, and the funds will be re-allocated through the competitive grant process. Kitsap County has policies for the timely expenditure of funds. Projects making progress will be monitored to ensure they can meet contract and regulatory requirements for completion. On-going programs or projects that have been slow to spend may not be awarded funds in future Action Plan years until the balance of existing funds is spent down and the need for more funding can be demonstrated.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	29	0
Low-income	1	0
Moderate-income	0	0
Total	30	0

Table 13 – Number of Households Served

Narrative Information

The Block Grant Program continues to award a significant percentage of CDBG and HOME funds for the acquisition, preservation, and construction of affordable housing.

All HOME funded activities carried out in 2021 provided affordable housing opportunities to low-and moderate-income citizens that met the 80% and below median income threshold per household in the City of Bremerton and Kitsap County.

In 2021, homelessness and a lack of affordable housing continued to be a significant and pressing problem in Kitsap County. Data indicated that there continues to be underserved needs among those living in poverty, and in particular, those with chronic mental illness, substance abuse disorders, and other barriers to housing stability.

In addition to CDBG funded projects for weatherization and rehabilitation of single-family housing, the 2021 Action Plan included several HOME funded projects addressing housing affordability:

- Kitsap Community Resources (KCR) - Manette Housing – Additional funding for a project included in a prior year Action Plan for 9 units of rental housing for households at or below 30% Area Median Income. Project is in the final permit approval stage and construction is expected to begin in 2022.
- Housing Resources Bainbridge – Wyatt and Madison – acquisition of 13 units of rental housing for households at or below 80% AMI. Project is a mixed income development by a private developer. Acquisition of completed units is expected in 2023.

- Community Frameworks – Kitsap Homeownership – provide 9 Households at or below 80% Area Median Income with down-payment assistance. 2021 funds have not been spent yet.
- Community Frameworks – City of Bremerton Homeownership – provide 3 Households at or below 80% Area Median Income with down-payment assistance. 2021 funds have not been spent yet.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction’s progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

In 2011 Kitsap County implemented a coordinated entry program, the Housing Solutions Center, for all homeless individuals and households, providing individualized assessment and referrals to appropriate housing resources. It serves 99% of clients within 72 hours of contact. In addition, this program provides outreach to unsheltered individuals in partnership with peer support community mental health workers. There are 4 locations in the county where the Housing Solutions Center can be accessed, to make this service more available throughout the geography of the county.

In 2021 the Housing Solutions Center served 1,778 households (including 2,349 individuals), comprised of 1,111 literally homeless households, 667 households at risk of homelessness, and 193 households fleeing domestic violence.

In 2020 Kitsap Community Resources launched the Recovery Outreach and Stabilization Team (ROAST). This team performs outreach services to people experiencing unsheltered homelessness, adults and youth exiting the criminal justice system, and people accessing costly interventions such as hospital emergency rooms and crisis services. The goal of the program is to assist vulnerable adults, youth, and the hardest to serve with supports to develop and maintain housing stability and reduce recidivism to the justice system and crisis services.

The Salvation Army’s social services program provides two meals a day, hygiene services (showers and laundry), as well as supplies for outdoor living.

Each year, in conjunction with the annual Point in Time Count survey, the Kitsap Housing and Homelessness Coalition sponsors Project Connect events with vendors providing services and information in 3 locations to over 250 low-income and homeless guests. Services provided include hygiene kits, haircuts, diapers, vision screenings, pet vaccinations, medical exams, immunizations, and a hot meal. Housing resources are also offered, both directly and through connection with the coordinated entry program. Kitsap County was unable to hold these Project Connect events in 2021 and 2022 due to COVID-19 restrictions but plans to resume them for the 2023 Point in Time Count.

Addressing the emergency shelter and transitional housing needs of homeless persons

Kitsap’s coordinated entry program, the Housing Solutions Center, includes a community-wide emergency housing waiting list for shelter. At the end of 2021 the average number of days a household (including families and individuals) spent on the waiting list for shelter was 45 days, higher than 2020 which averaged 15 days. This increase is due, at least in part, to the static low-income rental housing market which created a bottleneck in shelter beds during the pandemic.

At the beginning of 2021, Kitsap County’s homeless housing inventory included 134 residential emergency shelter beds (up to 90 days) – comprised of shelters for women with children, shelters for families, one shelter for men, and a shelter for survivors of domestic violence. There are an additional 6 shelter beds dedicated for unaccompanied young adults. These shelter programs also offer referrals to other community services. Due to the COVID-19 pandemic and the Governor’s “Stay Home, Stay Safe” orders, an extra 150 emergency shelter beds were made available, expanding to 280 residential emergency shelter beds. All existing shelter beds were converted from operating on an overnight model to providing 24-hour sheltering.

The Kitsap Rescue Mission shelter expanded to the County Fairgrounds Pavilion to offer additional temporary shelter for up to 80 people per night. The Salvation Army additionally operates a night-by-night winter season shelter December 1st to March 31st which accepts single adults, couples, families, and pets. To address the pandemic public health crisis, the Salvation Army was expanded to 70 beds and continued beyond the typical season.

172 transitional housing units provided housing for up to two years for families who need case management and supports to regain self-sufficiency.

Rapid rehousing programs serve as many households as possible within program and funding constraints and the shortage of affordable housing units.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

Due to the COVID-19 pandemic, Washington state instituted an eviction moratorium February 29th, 2020, which ended October 31, 2021. This moratorium along with additional rental assistance programs reduced the number of households at-risk of losing housing seeking navigation services at the Housing Solutions Center.

A combination of rental assistance eviction prevention programs funded through the Federal Corona Virus Relief Act and granted to Kitsap from Washington State provided over \$9.8 Million in assistance to 1,500 households at 50% or less of the Area Median Income in 2021.

In 2021, homelessness prevention programs provided 244 households short-term rental assistance for eviction prevention, as well as first/last/deposit funding for households with sufficient income to maintain housing after these supports.

Kitsap Community Resource’s Recovery Outreach and Stabilization Team (ROAST) outreaches to people experiencing unsheltered homelessness, adults and youth exiting the criminal justice system, and people

accessing emergency rooms and crisis services. The ROAST team assists vulnerable adults, youth exiting systems of care and corrections programs to assist clients to develop and maintain housing stability and reduce recidivism to the justice system and crisis services.

Kitsap Mental Health Services operates a program working with jail inmates with mental health issues prior to discharge to coordinate their housing upon exit. The West Sound Treatment Center manages a program to work with people with substance abuse disorders who are exiting jails to successfully transition to housing programs.

Olive Crest provides independent living case management for foster kids who are aging out of the system to improve housing stability outcomes. In 2021, this program supported 35 former-foster youth to maintain independent housing, supported with life-skills training. Coffee Oasis provides housing case management, employment training and placement and housing supports for youth coming out of foster care, juvenile justice programs and mental health programs.

All of these programs that coordinate exits to stable housing from systems of care are not able to serve all individuals in need of these services due to lack of funding resources.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

Priority is given to making shelter stays as short as possible and utilizing rapid rehousing programs whenever possible, as funding permits. Housing case management and early connections with employment, education, and skill-building services assist households to increase self-sufficiency and avoid future homelessness.

Kitsap providers strive to reduce the number of households that return to homelessness after graduating to permanent housing. In 2021 these households that returned to homelessness within 2 years comprised 13.91% of the total number of households enrolled in homeless housing programs, a decrease in returns to homelessness from 17.31% in 2020.

Several programs work with homeless clients to get them into permanent housing as soon as possible. Housing Kitsap's Housing Stabilization Program facilitates homeless households' access to housing authority units with housing subsidies and case management. Kitsap Community Resources' Rapid Rehousing Program provides short-term graduated subsidies and housing case management for homeless families. Bremerton Housing Authority programs provide Section 8 vouchers for households successfully transitioning to permanent housing.

However, the COVID-19 pandemic and the federal and state eviction moratorium has significantly impacted the rental housing market, reducing the number of units that are turning over and making it even more difficult to assist people moving out of homelessness to make the transition to permanent housing.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

The Consolidated Plan addresses two housing authorities, the Kitsap County Consolidated Housing Authority dba Housing Kitsap and the Bremerton Housing Authority. In 2021 the two public housing authorities did not apply for funding for any rental housing projects. The Kitsap County Consolidated Housing Authority dba Housing Kitsap applied for and was awarded funding for their single-housing rehabilitation program. The program addresses the urgent health and safety needs of low-income homeowners in the county.

Bremerton Housing Authority and Kitsap County Consolidated Housing Authority dba Housing Kitsap, work with their housing residents to meet their needs as well as encourage their participation in programs that will lead to greater self-sufficiency. Both housing authorities continue to make investments in their public housing stock and other subsidized rental housing.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

Both Housing Kitsap and the Bremerton Housing Authority have activities to increase resident involvement and address the economic and social needs of public housing residents. Bremerton Housing Authority has a Resident Occupant Self-Sufficiency Coordinator. The main purpose of this position is to be a resource coordinator for Public Housing residents to help them gain community connections and work towards self-sufficiency. Housing Kitsap and the Bremerton Housing Authority have activities to increase resident involvement and address the economic and social needs of public housing residents. Bremerton Housing Authority has a Resident Occupant Self-Sufficiency Coordinator. The main purpose of this position is to be a resource coordinator for Public Housing residents to help them gain community connections and work towards self-sufficiency.

Actions taken to provide assistance to troubled PHAs

The Kitsap County Consolidated Housing Authority (dba Housing Kitsap) is considered a troubled Public Housing Authority due to its financial situation. The Block Grant Office continues to work closely with the agency on projects. Projects primarily include housing rehabilitation and down-payment assistance programs run through the Single-Family Housing division, and some rental rehabilitation projects.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

Kitsap County completed an affordable housing study in 2020. The study, completed by consultants ECONorthwest, outlined a number of recommendations to address the shortage of affordable housing in the county. Recommendations included evaluating land use controls and growth policies mandated through the state's Growth Management Act to understand if these are barriers to affordable housing.

Kitsap County, like all counties in Washington, are required to periodically conduct a buildable lands analysis to determine if there is adequate land available to build new housing to accommodate the projected population growth. Land inside the urban growth boundary is zoned for higher residential densities and development of multi-family housing is encouraged. Due in part to the limited supply of land in the urban growth areas, and high cost of construction, development of affordable housing has slowed. Housing affordability is expected to get worse absent any changes to housing supply, as the county population continues to grow.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

The County continues to explore new and innovative ways to increase affordable housing and expand economic opportunities for low-income individuals and families. In 2021 Kitsap County passed a 1/10th of 1% tax for affordable housing. Funds generated by this tax will be used to fund additional units of affordable housing throughout the County. The cities of Poulsbo and Bainbridge Island also passed this tax and will be funding projects in these cities. Kitsap County and its cities are also able to capture a portion of the State sales tax authorized under Substitute House Bill 1406 to be used for affordable housing. These two additional sources of funds are expected to address the need for more affordable housing.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

Housing units assisted with CDBG and HOME funds built before 1978 are evaluated for potential lead hazard. If the construction process will disturb painted surfaces that contain lead, the contractors are required to implement safe work practices and obtain a final clearance report. Housing Programs providing rehabilitation or weatherization services have staff trained in lead hazard evaluation and lead safe work practices.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

Kitsap County will continue to target grant funds towards projects that serve the lowest income households including provision of food bank services, childcare and youth programs and rental housing

for those with incomes below 50% AMI.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

Kitsap County continued in 2021 to work collaboratively with a wide variety of non-profit and government agencies working together to address our community's most pressing needs including homelessness and affordable housing. Through a coordinated application process each year Kitsap County CDBG and HOME funds along with City of Bremerton HOME funds, Homeless Housing Grant funds, Consolidated Homeless Grant funds and Affordable Housing Grant funds are awarded. This process has improved coordination of funding and allows better targeting of funds. These funding sources are administrated by the County and staff is housed in the Department of Human Services.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

Kitsap County continues to encourage and coordinate efforts to provide services and housing in the county through coordination of funding and technical assistance to agencies seeking to develop capital projects in the county.

The Kitsap Housing and Homelessness Coalition (Continuum of Care) is comprised of a variety of service and housing providers, primarily serving low-income populations. The Coalition meets monthly to share information and hear information presented on special topics of interest including updates on State legislation and grant funding. Special ad hoc committees meet to address outside homelessness and severe weather and to plan the annual Project Connect event held during the Point in Time count.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

An Analysis of Impediments to Fair Housing was completed and we continue to implement the recommendations of the analysis. This analysis concluded that the major impediments to fair housing opportunities in Kitsap County and the City of Bremerton included the lack of referrals of housing complaints to appropriate agencies; a likely pattern of discrimination against people with disabilities; a likely pattern of mortgage lending discrimination against people of color; a sharp increase in the cost of housing in Kitsap County and lack of multi-family housing. The City and the County are working to raise awareness and understanding of fair housing choice. Fair housing is discussed at contract time and again at monitoring with all subrecipients of CDBG and HOME funds for housing. Fair housing information is also incorporated into First Time Homebuyer education classes and Predatory Lending workshops.

CR-40 - Monitoring 91.220 and 91.230

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

Organizations selected to provide services utilizing CDBG/HOME funds sign a written agreement which outlines roles and obligations of the County and agency and provides a framework for monitoring. A Block Grant staff member reviews the agreement with each agency and explains rules and regulations prior to its execution. Organizations awarded funds are required to provide quarterly reports as well as other reports throughout the year as determined by the specific type of project. All CDBG funded activities which qualify under Low/Mod Limited Clientele (LMC) or Low/Mod Housing (LMH) benefit are required to collect data and report the number of individuals or households served by income, race and ethnicity. HOME funded projects require submission of quarterly narrative reports and submission of the HOME Completion Report at the time of the final draw of funds.

Kitsap County conducts an annual monitoring visit with all agencies providing service and housing programs. Capital projects are monitored on an on-going basis throughout the development and completion of the project. The county utilizes a checklist modeled after HUD monitoring checklists for CDBG and HOME to conduct reviews. Monitoring meetings were held via Zoom due to the COVID-19 pandemic in 2021. The process includes review of project and client files, financial policies and procedures including audits, compliance with the written agreement, timely expenditure of funds and other regulatory requirements including how they conduct outreach to minority populations and contractors when the project involves hiring contractors for construction work. Any problems, concerns or follow-up are noted in a monitoring letter.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

Kitsap County follows a Citizen Participation Plan that was prepared to facilitate and encourage public participation and involvement in the Consolidated Plan process and the City's and County's CDBG and HOME program, especially by low- and moderate-income persons. The plan adopted annually as part of the CDBG/HOME Policy Plan identifies the public participation requirements as identified by federal regulations (24 CFR Part 91). The Consolidated Annual Performance and Evaluation Report (CAPER) is prepared and made available on the City of Bremerton and Kitsap County websites and notice is published through the local newspaper for a 15-day review and comment period prior to submitting the report to HUD. The CAPER was published on 3/14/2022 for a 15-day comment which closed on 3/29/2022. No comments were received.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

No program objective changes are anticipated at this time.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

CR-50 - HOME 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations.

Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

On-site monitoring visits are conducted on rental housing projects subject to period of affordability requirements as required in §92.504(d). Staff maintains a spreadsheet indicating which properties are due for monitoring and inspection each year, based on the frequency required under HOME rules. Projects are reviewed for rent requirements, income determination, management, affirmative marketing, tenant selection policies, property performance and maintenance. Normally tenant files are reviewed, and inspections of units are completed.

Due to the COVID-19 pandemic no on-site monitoring visits were conducted for 2021. Property owners were contacted via email and the following documents were requested: Rent & Occupancy Report, wait list, rent schedule, annual operating budget, balance sheet, income statement, annual audit, copy of current lease & addendums, rental application, management plan, copies of advertisements, HOME Program Certificate of Suitable Occupancy, rent approval form if a rent increase is proposed.

Documents were reviewed and an email was sent to request any follow-up items. It is anticipated that on-site monitoring will resume in 2022. All projects due for on-site monitoring will be included.

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)

Each HOME funded project must provide a description, at contract execution and during annual on-site monitoring, of the methods of affirmative marketing that have been undertaken for the project. Block Grant staff provides technical guidance for new projects to ensure affirmative marketing is conducted. Organizations are provided the Kitsap County Affirmative Marketing Plan and are required to completed HUD form 935.2 for their project.

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

2021 program income total for HOME was \$455,091.31 of which \$198,618.14 was recaptured loan funds within the period of affordability. Program Income is allocated through our competitive grant cycle and included in the annual Action Plan. Some funds are re-allocated to the agency whose program generated them, some are used for other new affordable housing projects and a small portion is used for cost of administration.

Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)

Kitsap County continues to fund all types of affordable housing projects including creation of new units, preservation of existing housing with expiring affordability restrictions, rehabilitation of existing units and down-payment assistance for homebuyers. Organizations contemplating new projects are encouraged to discuss projects with the Block Grant Office early in the process in order to understand how CDBG or HOME funds may be used to support their project. Kitsap County continues to actively monitor all HOME funded housing in a period of affordability including managing a loan portfolio of rental housing projects and tracking of all homebuyer loans re-paid. These funds are then re-allocated through the annual grant cycle for affordable housing projects and homebuyer assistance.

CR-58 - Section 3

Narrative:

Kitsap County has one open project that has triggered Section 3 requirements. The project is still underway and will be reported in the 2022 CAPER.


Attachment - 2021 PR26 CDBG Financial Summary Report

PART I: SUMMARY OF CDBG RESOURCES		
01 UNEXPENDED CDBG FUNDS AT END OF PREVIOUS PROGRAM YEAR		444,459.51
02 ENTITLEMENT GRANT		1,121,369.00
03 SURPLUS URBAN RENEWAL		0.00
04 SECTION 108 GUARANTEED LOAN FUNDS		0.00
05 CURRENT YEAR PROGRAM INCOME		215,507.33
05a CURRENT YEAR SECTION 108 PROGRAM INCOME (FOR SI TYPE)		0.00
06 FUNDS RETURNED TO THE LINE-OF-CREDIT		0.00
06a FUNDS RETURNED TO THE LOCAL CDBG ACCOUNT		0.00
07 ADJUSTMENT TO COMPUTE TOTAL AVAILABLE		0.00
08 TOTAL AVAILABLE (SUM, LINES 01-07)		1,781,335.84
PART II: SUMMARY OF CDBG EXPENDITURES		
09 DISBURSEMENTS OTHER THAN SECTION 108 REPAYMENTS AND PLANNING/ADMINISTRATION		722,334.35
10 ADJUSTMENT TO COMPUTE TOTAL AMOUNT SUBJECT TO LOW/MOD BENEFIT		0.00
11 AMOUNT SUBJECT TO LOW/MOD BENEFIT (LINE 09 + LINE 10)		722,334.35
12 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION		235,381.86
13 DISBURSED IN IDIS FOR SECTION 108 REPAYMENTS		0.00
14 ADJUSTMENT TO COMPUTE TOTAL EXPENDITURES		0.00
15 TOTAL EXPENDITURES (SUM, LINES 11-14)		957,716.21
16 UNEXPENDED BALANCE (LINE 08 - LINE 15)		823,619.63
PART III: LOWMOD BENEFIT THIS REPORTING PERIOD		
17 EXPENDED FOR LOW/MOD HOUSING IN SPECIAL AREAS		0.00
18 EXPENDED FOR LOW/MOD MULTI-UNIT HOUSING		0.00
19 DISBURSED FOR OTHER LOW/MOD ACTIVITIES		713,487.37
20 ADJUSTMENT TO COMPUTE TOTAL LOW/MOD CREDIT		0.00
21 TOTAL LOW/MOD CREDIT (SUM, LINES 17-20)		713,487.37
22 PERCENT LOW/MOD CREDIT (LINE 21/LINE 11)		98.78%
LOW/MOD BENEFIT FOR MULTI-YEAR CERTIFICATIONS		
23 PROGRAM YEARS(PY) COVERED IN CERTIFICATION	PY: PY: PY:	
24 CUMULATIVE NET EXPENDITURES SUBJECT TO LOW/MOD BENEFIT CALCULATION		0.00
25 CUMULATIVE EXPENDITURES BENEFITTING LOW/MOD PERSONS		0.00
26 PERCENT BENEFIT TO LOW/MOD PERSONS (LINE 25/LINE 24)		0.00%
PART IV: PUBLIC SERVICE (PS) CAP CALCULATIONS		
27 DISBURSED IN IDIS FOR PUBLIC SERVICES		173,542.00
28 PS UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR		0.00
29 PS UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR		0.00
30 ADJUSTMENT TO COMPUTE TOTAL PS OBLIGATIONS		0.00
31 TOTAL PS OBLIGATIONS (LINE 27 + LINE 28 - LINE 29 + LINE 30)		173,542.00
32 ENTITLEMENT GRANT		1,121,369.00
33 PRIOR YEAR PROGRAM INCOME		35,580.38
34 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PS CAP		0.00
35 TOTAL SUBJECT TO PS CAP (SUM, LINES 32-34)		1,156,949.38
36 PERCENT FUNDS OBLIGATED FOR PS ACTIVITIES (LINE 31/LINE 35)		15.00%
PART V: PLANNING AND ADMINISTRATION (PA) CAP		
37 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION		235,381.86
38 PA UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR		0.00
39 PA UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR		0.00
40 ADJUSTMENT TO COMPUTE TOTAL PA OBLIGATIONS		0.00
41 TOTAL PA OBLIGATIONS (LINE 37 + LINE 38 - LINE 39 +LINE 40)		235,381.86
42 ENTITLEMENT GRANT		1,121,369.00
43 CURRENT YEAR PROGRAM INCOME		215,507.33
44 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PA CAP		0.00
45 TOTAL SUBJECT TO PA CAP (SUM, LINES 42-44)		1,336,876.33
46 PERCENT FUNDS OBLIGATED FOR PA ACTIVITIES (LINE 41/LINE 45)		17.61%

Attachment

2021 PR26 CDBG-CV (CARES ACT)

Financial Summary Report

	Office of Community Planning and Development	DATE: 02-10-22
	U.S. Department of Housing and Urban Development	TIME: 10:37
	Integrated Disbursement and Information System	PAGE: 1
	PR26 - CDBG-CV Financial Summary Report	
	KITSAP COUNTY, WA	
PART I: SUMMARY OF CDBG-CV RESOURCES		
01 CDBG-CV GRANT		1,707,553.00
02 FUNDS RETURNED TO THE LINE-OF-CREDIT		0.00
03 FUNDS RETURNED TO THE LOCAL CDBG ACCOUNT		0.00
04 TOTAL AVAILABLE (SUM, LINES 01-03)		1,707,553.00
PART II: SUMMARY OF CDBG-CV EXPENDITURES		
05 DISBURSEMENTS OTHER THAN SECTION 108 REPAYMENTS AND PLANNING/ADMINISTRATION		632,080.96
06 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION		0.00
07 DISBURSED IN IDIS FOR SECTION 108 REPAYMENTS		0.00
08 TOTAL EXPENDITURES (SUM, LINES 05 - 07)		632,080.96
09 UNEXPENDED BALANCE (LINE 04 - LINE8)		1,075,472.04
PART III: LOWMOD BENEFIT FOR THE CDBG-CV GRANT		
10 EXPENDED FOR LOW/MOD HOUSING IN SPECIAL AREAS		0.00
11 EXPENDED FOR LOW/MOD MULTI-UNIT HOUSING		0.00
12 DISBURSED FOR OTHER LOW/MOD ACTIVITIES		632,080.96
13 TOTAL LOW/MOD CREDIT (SUM, LINES 10 - 12)		632,080.96
14 AMOUNT SUBJECT TO LOW/MOD BENEFIT (LINE 05)		632,080.96
15 PERCENT LOW/MOD CREDIT (LINE 13/LINE 14)		100.00%
PART IV: PUBLIC SERVICE (PS) CALCULATIONS		
16 DISBURSED IN IDIS FOR PUBLIC SERVICES		632,080.96
17 CDBG-CV GRANT		1,707,553.00
18 PERCENT OF FUNDS DISBURSED FOR PS ACTIVITIES (LINE 16/LINE 17)		37.02%
PART V: PLANNING AND ADMINISTRATION (PA) CAP		
19 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION		0.00
20 CDBG-CV GRANT		1,707,553.00
21 PERCENT OF FUNDS DISBURSED FOR PA ACTIVITIES (LINE 19/LINE 20)		0.00%