



**Housing and Homelessness Program
Kitsap County, Department of Human Services**



**2018
HOMELESS HOUSING
GRANT PROGRAM**

POLICY PLAN

Released for Public Comment 3/8/17

HOMELESS HOUSING GRANT PROGRAM – 2018 POLICY PLAN

The 2018 Policy Plan outlines policies used to allocate funding for the 2018 cycle.

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HOMELESS HOUSING ASSISTANCE ACT

WHAT IS THE HOMELESS HOUSING ASSISTANCE ACT?

In 2005, the Washington State Legislature passed Engrossed Second Substitute House Bill 2163, the Homeless Housing and Assistance Act. This legislation set a statewide goal of reducing homelessness by 50% in 10 years. In addition to requirements at the state level, the legislation contains requirements for each county:

- Development and implementation of a county 10-Year Plan to Reduce Homelessness (also called the Homeless Housing Plan),
- Data collection about homeless people in each county through the Homeless Management Information System (HMIS),
- An Annual Point In Time Count – a census of homeless persons, and
- Creation of a countywide Homeless Housing Grant Program (HHGP) to distribute funds that accomplish the goals in the Homeless Housing Plan.

The ESSHB 2163 legislation provides a funding source for the homeless housing grant program through an additional surcharge on document recording fees. Subsequent legislation has increased the amount of the surcharge. As of April 2011, approximately 60% of the funds collected are distributed through local homeless grant programs. Grants are to be distributed for programs that directly accomplish the goals of the Homeless Housing Plan.

The four Kitsap cities (Bainbridge Island, Bremerton, Port Orchard, and Poulsbo) and Kitsap County agreed to implement the legislative requirements through a county-wide program, managed by Kitsap County.

HOMELESS HOUSING GRANT PROGRAM

WHAT ARE HOMELESS HOUSING GRANT PROGRAM FUNDS?

Homeless Housing Grant Program (HHGP) funds are locally collected funds that are used to fulfill the mandates of the Homeless Housing Assistance Act legislation. Grant funds are collected through a surcharge on document recording fees. The grant funds must be used to reduce homelessness through activities identified in the Kitsap Homeless Housing Plan.

WHO IS AN ELIGIBLE APPLICANT/RECIPIENT?

Eligible applicant/recipients include: public housing authorities, IRS-certified non-profit agencies/providers of affordable housing, Cities, Towns, the County, Tribes, and for-profit developers.

Recipients of Homeless Housing Grant funds are not excluded from receiving Affordable Housing Grant funds, or vice versa.

WHAT ARE ELIGIBLE ACTIVITIES?

Eligible activities are identified in the Kitsap Homeless Housing Plan: Update for 2016. In addition the legislation includes eligible activities:

- (a) Rental and furnishing of dwelling units for the use of homeless persons;
- (b) Costs of developing affordable housing for homeless persons, and services for formerly homeless individuals and families residing in transitional housing or permanent housing and still at risk of homelessness;
- (c) Operating subsidies for transitional housing or permanent housing serving formerly homeless families or individuals;
- (d) Services to prevent homelessness, such as emergency eviction prevention programs including temporary rental subsidies to prevent homelessness;
- (e) Temporary services to assist persons leaving state institutions and other state programs to prevent them from becoming or remaining homeless;
- (f) Outreach services for homeless individuals and families;
- (g) Development and management of local homeless plans including homeless census data collection; identification of goals, performance measures, strategies, and costs and evaluation of progress towards established goals;
- (h) Rental vouchers payable to landlords for persons who are homeless or below thirty percent of the median income or in immediate danger of becoming homeless; and
- (i) Other activities to reduce and prevent homelessness as identified for funding in the local plan.

Applicants may include requests for administrative overhead and indirect costs in their applications; however, they are the lowest funding priority. The goal of the program is to have the maximum amount of funds go to provide direct services.

WHAT ARE PROGRAM FUNDING PRIORITIES?

The volunteer citizen advisory boards, called Grant Recommendation Committees, use funding priorities to help determine which programs/projects should be recommended for funding in each cycle.

The funding priorities may change for each cycle.

Funding Priorities for each cycle are also available in the Coordinated Grant Application Process Notice of Funding Availability.

Funding Priorities for the 2018 Cycle

Eligible activities are those that provide assistance to homeless individuals as identified in the Kitsap Homeless Housing Plan: Update for 2016.

Priority is given to new and existing projects that serve people experiencing unsheltered and/or chronic homelessness.

Up to 25% of funding is available for new programs that serve people experiencing unsheltered and/or chronic homelessness.

HOMELESS HOUSING PLAN

WHAT IS THE HOMELESS HOUSING PLAN?

Kitsap County, with the Kitsap Continuum of Care Coalition (KCoCC), coordinates the development and periodic updating of the Kitsap Homeless Housing Plan.

The first state-mandated 10-Year Homeless Housing Plan was submitted to the state in 2005, as mandated by the HB 2163 legislation. Subsequent plans were developed and refined every few years. The latest update to the Plan, updated for 2016 and approved in November 2015, included major revisions and changes to reflect the current situation.

The goal of the Kitsap Homeless Housing Plan is to assess needs, analyze data, coordinate and link resources to avoid duplications, and identify community-wide collaborative approaches. The Plan includes action areas, objectives, and strategies that will end homelessness by providing the spectrum of subsidized housing, services, and affordable permanent housing that enable individuals and families to become self-sufficient.

The Plan addresses issues of homelessness through: analyzing the needs of homeless people throughout Kitsap County by reviewing the Homeless Point In Time count data, coordinated entry intake data, anecdotal information from providers in the community, and by gathering information from people experiencing homelessness.

The Kitsap Homeless Housing Plan: Update for 2016 identified three main purposes of the Plan, in addition to fulfilling the legislative mandate:

- Blueprint for Implementation: A clear and concise agreement about the community's plan to reduce homelessness.

- Tool for Advocacy: An informational focal point to inspire the local community and leadership to embrace homelessness as a priority for action.
- Reference for Funders: An articulation of the community's priorities for funding, and to meet the federal, state, and local requirements that the funded programs be part of the community's homelessness plan.

The plan lays out broad objectives and strategies to guide government, non-profit agencies, and other partners to attain the desired outcomes necessary to reduce homelessness.

The Kitsap Homeless Housing Plan is projected to be updated again for 2018.

WHAT ARE THE KEY PARTS OF THE 2016 KITSAP HOMELESS HOUSING PLAN?

Action Plan Summary

We will work together as a community to make homelessness a rare, brief, and one time occurrence in Kitsap County through an efficient and effective homeless response system.

Despite strong leadership and a diversity of existing resources, homelessness is still a persistent issue in Kitsap, illustrated by the current demographics of homelessness. The update process revealed specific barriers and gaps that represent some of the underlying causes of Kitsap's inability to meet the needs of all homeless residents.

Five goals constitute the critical path to making homelessness rare, brief, and one-time, while improving our response system and engaging our community. Specific strategies and action steps to achieve each goal are listed. Because many of the strategies are closely related, some of the action steps support more than one strategy.

This plan is not intended to be a comprehensive list of the existing strategies and programs already in place in our county. Instead, it anticipates that the existing continuum of housing and homeless services that has been developed over the last decade is maintained, with improvements that reflect evidence-based practices. This plan also does not enumerate every possible action step that could be implemented; instead it focuses on achievable action steps that are needed to fill identified gaps in housing and services.

1. Make homelessness rare

One of the most cost-effective ways to decrease homelessness is to prevent the endless flow of individuals and families who become homeless from entering the system.

Current Needs and Gaps

Increased Demand: The numbers of homeless individuals and households and requests for homeless services have grown, as evidenced by data referenced earlier. As long as the myriad underlying social causes of housing crises exist, households will continue to become homeless. National research indicates that many households who report needing assistance to prevent homelessness may actually

be resilient enough to resolve the issue independently, whereas those who are most vulnerable should be prioritized for assistance.

People Re-entering the Community from Systems of Care: People are frequently discharged from other systems of care, such as jails, hospitals, behavioral health programs, and foster care, into homelessness due to lack of housing options. In addition, Kitsap currently has very few emergency housing beds for people who have criminal histories.

Affordable Housing Shortage: Kitsap County, like many other cities and counties, is in the midst of a shortage of affordable housing – both subsidized and market-rate. The 2015 Washington State Affordable Housing Needs Assessment estimates that there are only 12 units of affordable housing for every 100 units needed by people earning less than 30% of Area Median Income (AMI). This results in 4,545 renter households at 30% of AMI and 4,110 renter households at 50% of AMI being cost-burdened, spending more than 30% of their income on housing. An addition 2,700 home-owner households at 30% of AMI and 2,845 households at 50% AMI are cost-burdened. These are the households most at risk of housing instability and homelessness. The 2016-2020 Kitsap County Consolidated Plan includes a comprehensive affordable housing needs assessment and gap analysis.

Proposed Strategies

Preventing homelessness through targeted prevention can avert eviction or foreclosure for those *most likely* to become homeless. Diversion programs make smaller investments of funds for non-housing items that prevent housing instability or homelessness. Prevention programs have improved efficacy if connections to existing supports (such as job training and placement, basic life skills, financial literacy, and education) are included, so that households can address the underlying reasons for their housing crisis.

Pro-actively planning for housing and services for individuals re-entering the community from jails, correctional facilities, foster care, hospitals, mental health programs, and homeless shelters and programs will prevent homelessness among people in these situations. In addition, respite beds are needed for people with complex medical and/or behavioral health needs who do not have stable housing and are in need of related supportive services either temporarily or long-term.

Additional units of affordable housing for households at very low- and low- income levels are required to prevent the large number of rent-burdened households being forced into homelessness. Alternative housing models may also provide some solutions – in other counties Single Room Occupancy units, boarding houses, shared housing and cottage houses have proved to be a viable way for more low-income households to remain intact. Expanding landlord partnerships is also key to increasing access to market-rate units for formerly homeless households. To support development of more affordable housing, new dedicated funding is required.

2. Make homelessness brief

For all households who experience homelessness, getting into emergency housing as quickly as possible is the goal. After they are stabilized, transitioning to permanent housing as quickly as possible ends their homelessness.

Current Needs and Gaps

Accessibility: While the coordinated entry system is successfully doing intake, assessments, and referrals, the accessibility of these beds remains a challenge for some households. The vast majority of shelter beds are located in Bremerton, making it difficult for households in other parts of the county. This is of particular concern to elected officials in jurisdictions other than Bremerton. In addition, few shelters accept clients on nights or weekends.

Overnight Shelter: Of the 766 literally homeless households and 831 imminently at-risk households seeking housing assistance at the Housing Solutions Center in 2014, 438 households (27%) were not able to be referred to housing programs or resources for a variety of reasons including resources to meet their needs not being available or not qualifying for available services. Unfortunately, Kitsap does not have an overnight shelter that could serve as temporary respites for these households until a longer-term solution could be arranged, rather than returning to unstable living conditions or situations unsuitable for human habitation. An overnight shelter could also potentially address the need for respite care for homeless people being discharged from hospitals, but who still need some semi-skilled or limited assistance.

Immediate Housing (Shelter Beds) for Specific Types of Households: There is no housing currently available for couples, households with pets, single parents with teenagers of the opposite sex, and people with criminal histories (especially sex offenders). In addition, there are insufficient units available for single men with children, single men, and large families, resulting in more days spent on the waitlist. Appendix A provides detail on availability of different housing types.

Permanent Housing Availability: Many people seeking referrals from the Housing Solutions Center are not able to be referred because although they may have housing instability and are at imminent risk of losing their housing. These households are often under income to be able to afford the minimum rent to provide long-term sustainability required for some programs (many have \$0 income), or they are over income to qualify for other programs (sometimes with fixed incomes), despite being extremely low-income.

Rapid Rehousing programs (permanent market-rate housing, with short shallow subsidies and case management) have proved to be successful for many low-barrier households; however funds are not available to help all households who could benefit from this type of program. Some households need slightly longer subsidies to be successful. For households with more complex barriers, permanent supportive housing is the answer. However, as with all subsidized housing, there is a severe shortage of this type of housing.

Housing and Resources for Chronically Unsheltered Individuals: Currently individuals with the most severe, persistent, or complex barriers to housing stability are the most under-served. Because they are often not seeking housing, it is difficult to estimate how many are living in places not meant for human habitation, such as camping illegally, living in cars, or in abandoned buildings. They tend to be difficult to place in existing shelter beds and, if they are unwilling or unable to comply with programmatic rules are unsuccessful in existing permanent supportive housing programs. A growing body of research supports a “harm reduction” housing model for these individuals to become stable re-housed.

Proposed Strategies

For households experiencing homelessness, **easy access and appropriate connections to crisis response housing** makes unsheltered homelessness brief. **Immediate shelter** beds that meet the needs of all

different household types and situations must be provided. Connections with tailored services should be integrated throughout the shelter network.

The goal is as quickly as possible to **place all households into permanent housing as quickly as possible**; for households with low barriers to self-sufficiency, short graduated subsidies with short term support services is appropriate; for households with complex and/or multiple barriers, permanent supportive housing is necessary.

Individuals experiencing **unsheltered and/or chronic homelessness** are extremely under-served and should be prioritized for housing and services. New programs that provide outreach, crisis response, and housing that is appropriate and attractive for these individuals are needed. In particular, Housing First, or “come as you are housing”, using the harm reduction model, has been demonstrated to save money and lives in numerous other communities. In addition, criminalization of homelessness should be prevented – a growing trend throughout the country, despite evidence that it is expensive and ineffective.

3. Make homelessness one-time

To ensure long-term housing stability, households must be quickly connected with resources to help them address any barriers to housing stability. Appropriate and affordable housing must be available.

Current Needs and Gaps

Supportive Services: Expanding connections with supportive services is needed, including consistently incorporating these resources into housing stability plans. In addition, an increased focus on personal safety net and skill-building is needed to help households retain housing stability.

Underserved Populations: Homeless housing and services are lacking for individuals re-entering the community from systems of care (jails, prison, foster care, etc.), for chronically homeless individuals and households with multiple and/or complex barriers to housing. In addition, elderly and aging homeless individuals and households have been identified as a growing sub-population that will need specific types of housing and services to meet their needs. This population may also require different definitions of successful outcomes.

Affordable Housing Policies: Market rate affordable housing is woefully insufficient and developers do not seem inclined to create additional units. Few jurisdictions currently have land use policies that incentivize creation of affordable housing and permanent supportive housing units. Many communities have found success with adopting policies that allow a wider range of types of non-traditional housing to be built.

Proposed Solutions

Once households are stabilized in appropriate permanent housing, they can address the issues or barriers to self-sufficiency that caused the housing crisis. Rapid **connection with individually tailored services and resources**, including employment supports and education are essential. In addition, developing resiliency through personal skill-building provides long-term benefits, including prevention of further episodes of homelessness.

Policies that support the creation of appropriate and affordable housing, whether market-rate affordable housing, subsidized housing, or permanent supportive housing, are likely to spur

development. This contributes to long-term housing stability and reduces the likelihood of future homelessness for at-risk households.

4. Continuously improve the homeless response system

Although Kitsap has a robust homeless response system, it must continuously innovate to respond to changing needs and incorporate emerging successful strategies.

Current Needs and Gaps

Use of Performance Measurement: Although many individual organizations are using performance indicators, including outputs and outcomes, currently there is not widespread use of countywide measures to help identify whether collective progress is being made to accomplish community impact.

Coordination Within and Beyond the Homeless Response System: Case management in Kitsap is defined and delivered in varying ways depending on the agency. In addition, case management is not formally coordinated among agencies for clients who are receiving services from multiple agencies. This creates duplication of services, inefficiency, and gaps in addressing client barriers. In addition, clients with high barriers are often shared across sectors, such as law enforcement, behavioral health, and emergency responders.

Insufficient Funding: While Kitsap County agencies do have funding sources targeted to reducing homelessness, the demand for services continues to grow. Several key funding sources either have been reduced or have stagnated over the past three to five years. Funding has not kept pace with demand and is expected to be even more limited over the coming years. In addition, more expensive operating costs mean that funding does not stretch as far as it once did. Accessing, and advocating for, additional funding resources will be critical to implementing the strategies outlined in the Action Plan.

Because of this limited funding, existing funding must be invested as effectively as possible. Over the last 10 years, significant research has demonstrated the most effective homeless housing and programs, yet in some areas Kitsap has not yet widely adopted these practices.

Limited Capacity: Capacity issues exist on two levels in our community. The underlying issue is that the existing emergency, supportive and permanent affordable housing available is not adequate to meet the demand. Homeless services, such as emergency shelters, are being strained and usually run at capacity.

Since there are not sufficient homeless housing units or beds available to meet the demand, homeless individuals and families are forced to find shelter in temporary or unsuitable conditions. Waiting lists for permanent subsidized housing, such as Housing Choice Vouchers, are often years long.

On a second level, some agencies' abilities to manage the expansion of an existing program or develop a new program are limited. This may be due to a need for more specific expertise and experience within agencies. Agencies can also be reluctant to expand or create new programs without assurance that they have funding for the ongoing operation and maintenance of these programs. Agencies may also need assistance developing their agency capacity through emerging evidence-based practices.

Proposed Strategies

At a time when demand is increasing and resources are decreasing, doing more with less is imperative, but more resources are needed as well. Increasing the efficiency and effectiveness of the homeless

housing system through maximizing system coordination, provider capacity, and overall system capacity is critical.

Using performance measures and data to drive decision-making and improving coordination among different systems of care and among service providers will improve efficiency.

We must **ensure the strategic investment of public funds** through incorporating evidence-based practices in new and existing programs to shift the response system. Additional funding is needed to keep up with the demand for homeless housing and services. An evolving economic environment and population require ensuring the “right-sizing” of our homeless response system, by continuing to monitor the number and demand for different housing units, and developing new units of housing to be as flexible as possible. The proposed Action Plan is ambitious and includes many new action steps; a new process for setting funding priorities each year needs to be developed and implemented to target funding to priority needs.

Provider capacity and outcomes can be improved through providing training on evidence-base practices and performance measurement and implementing shelter care standards.

5. Expand community engagement

Community understanding and support for addressing homelessness is essential for generating the leadership and resources to be successful.

Current Needs and Gaps

Leadership: Although leadership for homeless issues is strong within the homeless response system, it needs to be expanded to incorporate a broader representation from other sectors and systems of care that interact with the issues of affordable housing and homelessness.

Citizens: One of the most frequent themes at the Stakeholders meetings for this Plan was the need for having coordinated and consistent communication about the issue of homelessness with the broader community so that compassion for those experiencing homelessness can be increased, leading to greater community support and involvement.

Planning Integration: Housing stability is increasingly being identified as an important component of the success of other sectors, such as health care and behavioral health. Coordinating and integrating strategies is just beginning to be recognized as essential to success for clients in all these systems of care. The timing of the update to this Plan is intended to allow for increased coordination between planning efforts.

Proposed Strategies

Leadership on the issue of homelessness by our elected officials and representatives from across the different sectors that touch individuals experiencing homelessness is required to make the policy changes that are needed. **Raising awareness and engaging our community** is essential to creating the community and political involvement to expand solutions. Advocacy at the state and federal level increases the likelihood of the needed funding streams to implement this plan flowing into Kitsap County.

In addition, ensuring that **planning for homelessness and affordable housing are integrated** with other planning effort and the evolution of other services delivery will provide a more cohesive and comprehensive response.

By focusing efforts on these strategies and specific action steps that support them, we can make homelessness rare, brief, and one-time.

The full text of the Kitsap Homeless Housing Plan, including a list of strategies and activities that are eligible for funding, is available on the Kitsap County website or by request.

HOMELESS MANAGEMENT INFORMATION SYSTEM

WHAT IS THE HOMELESS MANAGEMENT INFORMATION SYSTEM (HMIS)?

The Homeless Management Information System (HMIS) is an electronic record system that enables information gathering about, and continuous case management of, homeless persons across agencies in a particular jurisdiction (city, county, state). Homeless service providers collect information about their clients and input it in the HMIS so that it can be matched with information from other providers to get accurate counts of homeless clients and the services they need.

The U.S. Department of Housing and Urban Development (HUD) has mandated that all agencies who receive federal funds for homeless housing or services, must participate in an HMIS. HUD outlines the specific data points that must be collected for each homeless client.

Washington State Department of Commerce has mandated that all agencies receiving state funding for homeless housing or services (Homeless Housing Grant Program, TANF, Housing & Essential Needs, etc.) must also participate in HMIS.

Commerce is responsible for operating an HMIS for counties that participate in federal funding through the Balance of State Continuum of Care process, including Kitsap County. Kitsap County is responsible for managing the Kitsap HMIS.

Data is collected from all of the agencies required to participate in HMIS and submitted to Commerce. Through an agreement with Commerce, agencies submit data through a state-provide online software system. Commerce and Kitsap County provide training and support for the state-provided HMIS software.

Kitsap agencies that provide homeless housing and services participate in the Kitsap HMIS Collaborative, an agreement to share client data in “real time” between agencies. Kitsap’s data-

sharing system provides benefits such as improved client service, accurate data and reporting for funding sources, and better outcome tracking.

All agencies that receive Homeless Housing Grant funds are required to enter specified client data into HMIS for the funded program(s).

ALLOCATION PROCESS

HOW DO I KNOW WHEN FUNDS ARE AVAILABLE?

On an annual basis, Kitsap County publishes and advertises a Notice of Funding Availability (NOFA). This notice sets forth the annual program priorities; the duration of funds to be awarded or distributed; the deadline for submission of funding applications; and any other pertinent information related to the process.

HOW ARE FUNDS ALLOCATED?

Kitsap County conducts a competitive funding application process for Homeless Housing Grant Program funds. These funds are part of the Kitsap Coordinated Grant Application Process: a single grant application is made available in May of each year and a public process is used to determine funding allocations. This public process is detailed in the Notice of Funding Availability and in the Citizen Participation Plan (**Appendix A**).

HOW MUCH MONEY IS AVAILABLE?

The amount of Homeless Housing Grant Program funds available for the annual application cycle are determined by the amount collected through document recording surcharges collected during the prior period. Generally, this period is July of the prior calendar year through June of the current calendar year. In addition, carryover funds from prior cycles and turn-back funds from prior grants that were not expended are also available for distribution.

The projected amount available for distribution is included in the Coordinated Grant Application Process Notice of Funding Availability (NOFA), available at the Kitsap County website.

Applicants should request a minimum of \$10,000 per application. Grant awards will typically not be awarded for less than \$10,000 except at the recommendation of the Grant Recommendation Committee and approval of the Kitsap County Board of Commissioners for special circumstances.

ARE MULTI-YEAR AWARDS AVAILABLE?

Multi-year grant awards may be allowed, for up to three years.

This can happen in two ways:

- 1) Funds from the current cycle can be committed to be spent over multiple years.
- 2) Funds that are anticipated to be collected for future cycles can be committed for expenditure in future years.

Because the actual amount of document recording fees collected vary annually, the maximum that may be committed for expenditure in future years is expressed as a target percentage in relation to the State of Washington’s forecast of annual program revenue. This percentage may be adjusted by the Kitsap County Board of Commissioners in consideration of available funds and priorities.

Unless modified by future Kitsap Board of County Commissioner action, up to 60% of the WA state Office of Financial Management’s projected funds available for the current cycle may be committed for multi-year awards.

Multi-year awards may not be available during all cycles, if there are administrative or policy reasons to restrict awards to a single year.

Each year, the Coordinated Grant Application Process Notice of Funding Availability will include the projected amount available for multi-year awards, if they are available.

ARE FUNDS SET ASIDE FOR SPECIFIC PURPOSES?

HHGP funds may be designated for certain purposes to further specific program goals, as determined by the program funding priorities and the Kitsap County Board of Commissioners.

Set-asides may be outlined in the Homeless Housing Grant Program Funding Priorities or approved separately by the Kitsap County Board of Commissioners.

HOW CAN MY ORGANIZATION APPLY?

Interested organizations can find the application and all associated information on the Kitsap County website at <http://www.kitsapgove.com/hs/housing>. The schedule for the annual application cycle, including the due date for applications, is available on the website.

CAN MORE THAN ONE ORGANIZATION MAKE A JOINT APPLICATION?

Collaborative applications are encouraged. Two or more organizations may submit an application proposing a joint project or program. One organization must be identified as the contracting organization, responsible for all contracting, fiscal, and reporting requirements.

WHEN WILL FUNDS BE AVAILABLE?

Funds approved in the annual application cycle are available to be expended as of January 1. Annual contracts for public service and operations and maintenance are for a 12 month period, January 1 to December 31. Capital contracts are generally for an 18 month period, January 1 to June 30 of the following year.

GEOGRAPHIC EQUITY

Kitsap County is committed to ensuring that funds are distributed in a manner that balances needs that exist throughout the County and program users' access to services. Geographic distribution of funds shall be evaluated as part of the periodic program review. The overall intent is to ensure that, over time, all areas of Kitsap County receive appropriate levels of funding through this grant program.

Grant Recommendation Committees are directed to consider geographic equity as part of their funding recommendations, but are not required to make recommendations for awards based on geographic equity.

POLICIES & REGULATIONS FOR USE OF FUNDS

HOW ARE PROGRAMS/PROJECTS MONITORED?

Kitsap County monitors all projects for compliance with the funding terms and conditions in the contract(s). Funding recipients must prepare a quarterly program report, including HMIS data, to Kitsap County.

On-site monitoring and performance evaluation are generally conducted at least once per year.

WHAT ARE GRANTEE QUARTERLY AND ANNUAL REPORTING REQUIREMENTS?

Grantees are required to submit quarterly reports and annual reports on funds expended, program activities, and program outcomes to Kitsap County.

WHAT IS REQUIRED FOR COORDINATION WITH THE HOUSING SOLUTIONS CENTER?

Programs receiving HHGP grant funding for homeless housing or service provision are required to coordinate with Kitsap’s coordinated entry program (currently the Housing Solutions Center of Kitsap County) for client intake and referrals. In addition, grantees are required to comply with the Housing Solutions Center Partner Agency Guiding Principles pertaining to standards of services for clients.

IN WHAT TIMEFRAME MUST FUNDS BE EXPENDED?

Grant-funded projects should be ready to proceed during the program year of the awarded funds. Kitsap County expects and monitors for the timely expenditure of allocated funds to projects. Grant funds must be fully spent by December 31st of the award year, or as defined in the grant contract. If the funds are not expended during the contract period, they will be retained for re-distribution in a future grant cycle.

ARE THE USE OF FUNDS RESTRICTED FOR LOW-INCOME-USE FOR 25 YEARS?

Capital projects that receive grant funds must remain in use for low-income households for no less than 25 years from the date of the receipt of grant funds. A Warrant for Low-Income Use for 25 years for capital projects is required for applications that are selected for funding.

GRANT PROGRAM ADMINISTRATIVE POLICIES

PROGRAM ADMINISTRATION

The Kitsap County Board of Commissioners set policy concerning the use of Homeless Housing (ESSHB 2163) funds and distribution of funding to eligible applicants.

The Kitsap Continuum of Care Coalition (KCoCC) assists Kitsap County as a Technical Advisory partner, providing expertise in the following areas:

- Coordinating the required annual Homeless Point In Time Count – a voluntary census of homeless individuals
- Partnering with Kitsap County to develop the required 10-Year Homeless Housing Plans and periodic updates to the Plan, for approval by the Kitsap Board of County Commissioners, and
- Participating in the development of recommendations for annual program funding priorities for adoption by the Kitsap County Board of Commissioners and inclusion in the Notice of Funding Availability (NOFA).

- Working with Kitsap County to gather data and submit required reports to the State, including the Annual Report.

PROGRAM ADMINISTRATION FUNDING

Funding for the administration of the program is provided from the administrative portion of the HHGP surcharge revenues allowable by the legislation.

PROGRAM MONITORING AND REPORTING

Kitsap County, in conjunction with the KCoCC, prepares and submits all required reports and performance measures to the State, as required by law. Periodically, a report on the Homeless Housing Grant Program made to the Kitsap County Board of Commissioners.

PROGRAM REVIEW

The Homeless Housing Grant Program is reviewed periodically, with input from non-profit agencies and other interested parties. The next review is planned for 2018.

Appendix A

Citizen Participation Plan

CITIZEN PARTICIPATION PLAN

INTRODUCTION

The Homeless Housing Grant Program (HHGP) is part of the Kitsap Coordinated Grant Application Process, which also includes the Affordable Housing Grant Program (AHGP) and the Kitsap County CDBG and HOME Programs. The Kitsap Coordinated Grant Application Process includes a single application for funds, a single Grant Recommendation Committee (GRC) process and coordinated funding recommendations. Funding recommendations are approved by the Kitsap County Board Commissioners for HHGP, AHGP, and County CDBG/HOME.

This Citizen Participation Plan is consistent with the Citizen Participation Plan for the CDBG and HOME programs.

PURPOSE

The purpose of the Citizen Participation Plan and the Grant Recommendation Committee (GRC) is to provide an on-going mechanism to ensure widespread citizen participation whereby all citizens have an opportunity to fully express their needs and wishes for community improvement.

This plan provides opportunities for representation of all of the citizens of Kitsap County by allowing them to have a voice in the decision-making process and giving them greater power and control over activities taking place within their communities.

ANNUAL ALLOCATION PROCESS / NOTICE OF GRANT AWARDS

Kitsap County conducts a competitive annual process to determine allocation of Homeless Housing Grant Program (HHGP) funds, using the Kitsap Coordinated Grant Application Process. The public is encouraged to participate in the process and its end product – an approved portfolio of HHGP funding awards.

A. Notice of Funding Availability & Application

In March or April of each year a notice will be published in the newspaper of record to announce funding availability and provide opportunity for comment on the HHGP Policy Plan. This notice will begin a 30-day comment period and include the date and time of public hearings to take citizen comments. Notifications will also be sent to any agency or organization who signs up on the Kitsap County Coordinated Grant Application website to receive automatic notices. To sign up, go to: <http://www.kitsapgov.com> and at the top of the page click on the link to receive text or email updates. This link will take you to the Kitsap County Electronic Notification System where you can sign up.

Upon approval of the Policy Plan by the Kitsap County Board of Commissioners, information about the application and technical assistance will be available from:

Housing and Homelessness Program
Kitsap County Department of Human Services
345 6th Street, Suite 400, Bremerton, WA 98337
<http://www.kitsapgov.com/hs/housing>
or by contacting staff:
Kirsten Jewell, kjewell@co.kitsap.wa.us, 360-337-7286

Applications will be made available in a format accessible to persons with disabilities upon request. Application instructions and due date are included in the Notice of Funding Availability (NOFA) and will be provided at the technical assistance session and on the Kitsap County website.

Applications must be submitted electronically via the internet.

B. Technical Assistance

At least one technical assistance session will be held for those interested in applying for funding. During the session, staff will provide information to citizens concerning who can apply for funds, funds expected to be available, the range of activities that may be undertaken, priorities for funding, application submission requirements, the application deadline, and how decisions concerning funding will be made. The date and time of the technical assistance session(s) will be published in the NOFA, and included in the schedule posted on the web site.

In addition to the Technical Assistance described above, Kitsap County Housing and Homelessness Program staff is also available by appointment for one-on-one Technical Assistance to provide guidance to citizens and organizations regarding specific project considerations.

At any time, any citizen may contact Kitsap County Housing and Homelessness Program staff for technical assistance or general information in relation to programs described in this Plan. The staff will help citizens understand HHGP and AHGP funded programs, the procedures for submitting proposals, the Citizen Participation Plan and other program requirements so they can effectively participate in HHGP and AHGP programs and the funding process.

C. Application Review and Rating Process

Applications will go through a multi-stage review process. Stage 1 is a qualification review utilizing specific criteria to determine if the application meets the minimum submission requires to continue forward. Stage 2 is a review and scoring process by citizen reviewers

and staff. Stage 3 is determining funding awards. The review process for each stage is detailed below.

Stage 1: Qualification Review

Applications are reviewed for potential disqualification using the following process:

1. Applications are reviewed for completeness, soundness, and eligibility against the following criteria. Applications meeting one or more will be disqualified. At least two different staff members must agree that an application should be disqualified.
 - a. Amount requested is not consistent among narrative questions, Sources of Financing form, Budget form, and/or Applicant Information.
 - b. Missing or blank attachments or forms or using old versions of forms;
 - c. Project or applicant organization is not eligible for any of the funding sources;
 - d. Project does not meet a priority identified in the Kitsap County and City of Bremerton Consolidated Plan 2016 – 2020 (for CDBG and HOME funds) or does not fall under a strategy identified in the Kitsap Homeless Housing Plan: 2016 Update or is not an existing program (for HHGP and AHGP funds)
 - e. Project is not an eligible activity under legislation;
 - f. Does not meet a required match (CDBG/HOME Capital applications only, does not apply to homeownership housing programs); or
 - g. Wrong application type is submitted for project.
2. Applicants will be notified of the results of the Stage 1 Review via email, either:
 - a. Application is moving to Stage 2 and the applicant will be contacted to schedule an interview; or
 - b. Application is disqualified and the basis for disqualification is provided.

Stage 2: Review and Scoring

Applications are reviewed and scored for organizational capacity, financial soundness, and project priority.

1. Staff members review and score all areas of the application utilizing scoring criteria specific to each application type.
2. Grant Recommendation Committee (GRC) members make funding recommendations using the following process:
 - a. Review, evaluate, and score each application using review and scoring guides specific to each application type; and
 - b. Conduct interview with each applicant and score applicant interviews.

Homeless and CDBG Services Application Interviews

- Includes application types: CDBG Services, Homelessness, Economic Development Microenterprise, and CHDO Operating
- 20 minutes in length which includes 10 minute agency presentation and 10 minute question/answer.

Affordable Housing and Economic Development Application Interviews

- Includes application types: Housing (including CHDO Projects), Capital Economic Development Applications, Affordable Housing, and Operations and Maintenance
- 35 minutes in length which includes 15 minute agency presentation and 20 minute question/answer. O&M interviews are 20 minutes.

- c. Assign a priority ranking and recommend funding awards to projects.

Stage 3: Funding Awards

The funding recommendations go through a multi-step process, prior to finalizing the award amount.

1. **Grant Recommendation Committee (GRC)** - All Stage 2 applications will have a final score comprised of the staff application review score, GRC application review score, and GRC interview score. The GRC will use the finalized score of projects to assist in making funding recommendations and contingencies.
2. **Kitsap County Board of Commissioners** – The BoCC receives the recommendations from the Grant Recommendation Committees, holds a public comment period and a public hearing, and makes awards and contingencies.
3. **Final Awards** – Funding recommendations were made based on estimated funds. Once the actual amounts are known for each fund type (CDBG, HOME, HHGP, AHGP), project awards will be adjusted based on the contingency set by the GRCs and approved by the Board of Commissioners.

D. Grant Recommendation Committee

There are two Grant Recommendation Committees (GRCs):

- The Homeless and CDBG Services GRC reviews applications for public services, rental assistance and all homeless projects.
- The Affordable Housing and Economic Development GRC reviews housing, capital improvements, economic development, CHDO operating, and operations and maintenance.

Both GRCs play an integral role in the allocation of CDBG and HOME federal funds and HHGP and AHGP funds according to the needs of the community. While all GRC members must be well-versed in the needs of the community and be willing to participate in all the activities relevant to the GRCs, each individual GRC seeks members who demonstrate specific skills and experience.

- The Homeless and CDBG Services GRC seeks members who have experience in one or more of the following capacities: background working with non-profit community service providers as an employee, volunteer, board member or consumer; background with homeless programs; grant experience, project management, compliance monitoring and/or practical experience with HUD regulations.
- The Affordable Housing and Economic Development GRC seeks members who have experience in one or more of the following areas: affordable housing; construction or project management; mortgage lending; housing development; economic development; real estate; or architecture.

Each GRC will be comprised of 7 members as follows:

- Three members appointed by Kitsap County Commissioners.
- Four members, one each appointed by the cities of Bremerton, Bainbridge Island, Port Orchard, and Poulsbo.

GRC members are appointed to serve a two year term, and can be re-appointed to serve successive terms and/or additional terms.

E. Conflict of Interest

- a. No member of the GRC shall be beneficially interested, directly or indirectly, in any grant applications which may be made by, through, or under the recommendation of the GRC, in whole or in part, or which may be made for the benefit of his or her office, or accept, directly or indirectly, any compensation, gratuity or reward in connection with such contract from any other person beneficially interested therein (from RCW 42.23.030)
- b. No member of the GRC shall engage in any activity, including participation in the selection, award, or administration of a grant award or contract if a conflict of interest, real or apparent, exists.
- c. Additional information on Remote Interest and Potential Bias by Prior Association can be found in the full Conflict of Interest Policy under Appendix C.

F. Funding Recommendations & Notice of Grant Awards

Organizations submitting applications will be notified whether or not the GRC has recommended their application for funding. The notification will include the date, time, and place of the public hearings, during which the recommendations will be considered by the Kitsap County Board of Commissioners.

All projects approved for funding will be included in the Notice of Grant Awards. A summary of each Notice of Grant Awards will be published on the KRCC website. The summaries will describe the contents and purpose of the Notice of Grant Awards, and include a list of locations where copies of the entire Notice of Grant Awards may be examined. Citizens will be provided a period of at least 30 days to review and comment on the plans. Comments or views of citizens will be considered at the public hearings.

PUBLIC HEARINGS

Public hearings are held in order to obtain the public's view and to provide the public with the City and County's responses to public questions and proposals. A public hearing is held in May for the adoption of the next Policy Plans. A second hearing is held in October or November to review the proposed use of funds before the Kitsap County Board of Commissioners makes the grant awards.

Notification of the public hearings and of 30-day comment periods will be published in the newspaper of record and will afford citizens, public agencies, and other interested parties a reasonable opportunity to examine the proposed plans and to submit comments. Public hearings will be held during the regular meeting of the Kitsap County Board of Commissioners in the Commissioners Chambers of the Kitsap County Administrative Building in Port Orchard. These meeting times and agendas can be obtained at <http://www.kitsapgov.com>

PUBLIC COMMENTS

Interested persons may submit comments in writing during the public comment periods, or orally at the public hearings. Written comments should be directed to:

Housing and Homelessness Program
Kitsap County, Department of Human Services
345 6th Street, Suite 400
Bremerton, WA 98342
kjewell@co.kitsap.wa.us

COMPLAINTS

All written citizen complaints will be referred to the appropriate person(s) or agencies for action. Under normal circumstances Housing and Homelessness Program staff will respond to the person making the complaint within 15 days. All complaints and responses will be kept on file.

RESOURCES

Newspaper of Record: Notification will be placed in the following newspaper under Legal Notices at least ten days before a public meeting is held concerning a program described in this plan:

The Kitsap Sun or Kitsap Newspaper Group
(Kitsap County selects the Newspaper of Record each June)

Notices may also be published on the Kitsap County website:

<http://www.kitsapgov.com/hs/housing>

The notice will indicate when and where the public meeting will be held. Meetings are generally held at the following location:

Kitsap County Administrative Building, Commissioners Chambers
614 Division Street
Port Orchard, WA 98366

The Kitsap County Housing and Homelessness Program utilizes Kitsap County's electronic notification system. Interested parties may sign up to receive email and text message updates on Kitsap Coordinated Grant Application activities. Go to www.kitsapgov.com and click on the button on the right that says **Sign up for electronic notifications**.

Appendix B

Acronyms & Glossary

ACRONYMS

AHGP. Affordable Housing Grant Program

BoCC. Kitsap County Board of Commissioners

CDBG. Community Development Block Grant

GRC. Grant Recommendation Committee

HB. House Bill (of the Washington State legislature)

HHGP. Homeless Housing Grant Program

HMIS. Homeless Management Information System

HOME. Although capitalized, this is not an acronym.

HUD. U.S. Department of Housing and Urban Development

IRS. U.S. Internal Revenue Service

KCoCC. Kitsap Continuum of Care Coalition

NOFA. Notice of Funding Available

WA. State of Washington

WA Commerce. Washington State Department of Commerce.

DEFINITIONS

Administrative Expenses. Those expenses directly associated with the recipient's administration of a project or program, such as salaries, supplies, equipment, accounting, phones, audits, benefits, travel, and indirect costs.

Affordability. Affordability is achieved when a household's rent or mortgage payment, plus utilities, does not exceed 30% of the monthly income for the targeted income group as adjusted for household size.

Cash Flow. Gross income minus vacancy rate, operating expenses, reserves, debt service, and taxes.

Grant Recommendation Committee (GRC). A group of seven citizens meeting specific qualifications, who develop funding recommendations for approval by the Kitsap Board of County Commissioners.

Citizen Participation Plan: This plan is prepared to facilitate and encourage public participation and involvement in the Homeless Housing Grant Program.

Committed Funds. Funds committed to a project by a project funding source. The award amount, terms and uses of the committed funds are documented in a letter to the applicant. A copy of this award letter is included with the application.

Conditional Funds. Funds committed, with conditions, to a project by a project funding source. The conditions of the commitment, amount, terms, and uses are documented in a letter to the applicant. A copy of the letter is included with the application.

Consultant Fees. Fees paid to a third party developer consultant for costs associated with implementation of a project.

Homeless Housing Grant Program. The local grant program established by WA State legislation, House Bill 2163, and subsequently amended by various other legislative bills. This grant program has also been referred to in the past as “2163 Program,” “Homeless Housing Assistance Act Grant Program,” and “HHAA.”

Homelessness. The Kitsap Homeless Housing Plan defines this as: an individual or family who is not able to acquire and maintain permanent, safe, affordable, and decent housing.

The Kitsap County Homeless Housing Plan includes the following definitions of homelessness:

- Chronic – experience homelessness for a year or longer or three or more episodes of homelessness in three years.
- Episodic – multiple episodes of homelessness that are short or long term.
- Situational or transitional – one time and short-term experience.

Homeless Housing. Various types of homeless housing are defined as follows in the Kitsap Homeless Housing Plan:

Emergency Shelter – Allows a stay of up to 90 days at no cost. Generally, includes supportive services such as job search assistance, child care, financial counseling, etc...

Transitional or Supportive Housing – Allows a stay of 1-2 years with rent typically set at 30% of client’s income. Supportive services are included to prepare individuals to obtain housing and live self-sufficiently.

Permanent Supportive Housing – Permanent housing offered at below market rates that can serve particular populations in need of ongoing supportive services and assistance, such as the mentally or developmentally disabled, those with chronic substance abuse, or others with special needs.

Supportive Services – Services, other than providing physical housing, that assist an individual or household to remove barriers to acquiring and maintaining housing (Objective 8 in the Homeless Housing Plan includes a list of examples).

Community Land Trust – An affordable housing program wherein a nonprofit community land trust acquires and holds land, on behalf of the community, and leases it to individuals who own buildings on the land, thereby maintaining affordable housing.

Interlocal Agreement. Agreements made to ensure the cooperation of units of local government which form consortiums for the purpose of obtaining funding.

Low- and Moderate-Income Households (LMI): These are households earning less than 80% of the area median income (AMI). They are broken down into the following income designations:

- **Extremely Low-Income:** households with incomes less than 30% of the area median family income adjusted for household size.
- **Low-Income:** households with incomes between 31% and 50% of the area median income, adjusted for household size.
- **Moderate-Income:** households with incomes between 51% and 80% of the area median income, adjusted for household size.

Low- and Moderate-Income Area Neighborhood (LMA): In general, this is defined as census tracts or block groups where a minimum of 51% of the residents have low or moderate incomes (i.e. not exceeding 80% of the area median income).

Median Family Income: HUD releases income limits annually for its programs. Income limits are calculated using American Community Survey and Census data. Data for Kitsap County is based on the Bremerton-Silverdale Metropolitan Statistical Area (MSA). Incomes are indexed by household size.

Operating Support: Financial assistance used to supplement the day-to-day operations of a project.

Program: An ongoing set of services that are provided to clients in order to achieve specific results. A program may also include the provision of housing.

Program Year: The program year for the HHGP and AHGP programs is January 1 through December 31, which is the same as the County's fiscal year.

Project: A specific time-limited set of tasks to be executed within certain cost constraints and other defined parameters.

Project Management. Costs directly related to managing the project to the point of completion normally paid to a third party.

Project Soundness. The feasibility, sensibility, and effectiveness of the project to meet a defined community need and the organizational strength and capacity to bring the project to completion.

Proposed Funds. Funds which have been or will be requested from a potential project funding source.

Appendix C

Conflict of Interest Policy

Conflict of Interest Policy Kitsap Coordinated Grant Application Process

From time to time, community volunteers who are appointed to the Grant Recommendation Committees (GRC) have prior experience with one of the applicants or programs requesting grant funding. The following guidelines are intended to clarify what should happen in these cases to avoid real or perceived conflict of interest.

1) Conflict of Interest:

- a. No member of the GRC shall be beneficially interested, directly or indirectly, in any grant applications which may be made by, through, or under the recommendation of the GRC, in whole or in part, or which may be made for the benefit of his or her office, or accept, directly or indirectly, any compensation, gratuity or reward in connection with such contract from any other person beneficially interested therein (from RCW 42.23.030)
- b. No member of the GRC shall engage in any activity, including participation in the selection, award, or administration of a grant award or contract if a conflict of interest, real or apparent, exists.

2) Remote Interest:

- a. A GRC member is not interested in a contract, within the meaning of 1.a. above, if the member only has a “remote interest” in the contract and the extent of the interest is disclosed to the GRC and staff at the beginning of the review process and is noted in the official minutes prior to the recommendation of the contract. (from RCW 42.23.040)
 - i. As used in this section “remote interest” means:
 1. That of a non-salaried officer of a non-profit corporation;
 2. That of an employee or agent of a contracting party where the compensation of such employee or agent consists entirely of fixed wages or salary;
 3. That of a landlord or tenant of a contracting party;
 4. That of a holder of less than one percent of the shares of a corporation or cooperative which is a contracting party.
 - ii. Even if the GRC member’s interest is only remote, the member cannot influence or attempt to influence any other GRC member in the award of a contract they are remotely interested in. For purposes of this provision, influence or attempt to influence includes any of the following:

1. Scoring the grant application;
 2. Discussing the grant application with other GRC members;
 3. Joining the audience, acting on behalf of the applicant, or interacting in any manner with members of the GRC;
 4. GRC members should physically leave the room when the remaining GRC members discuss the matter. This removes any potential claim that the GRC member has attempted to exert undue influence over the other GRC members.
- 3) Potential Bias by Prior Association:
- a. A GRC member may have a “potential bias by prior association” if they have had an interest or remote interest in the past, but do not meet these definitions during the time they are serving on the GRC, or who have personal prior experience with an applicant including serving as a board member in the past, being employed in the past, or being a current or past volunteer. In the event of a potential bias by prior association:
 - i. The GRC member should disclose to the GRC and staff the nature of their prior association at the beginning of the application review process.
 - ii. They should not score that grant application.
 - iii. The GRC member may be present for the interview and discussion of the grant application, but should not attempt to influence any other GRC member in the recommendation or award of a contract. If a GRC member does not feel that they can be objective for the interview and/or the discussion, they may choose to physically remove themselves.
- 4) Conflicts Disclosed. The staff should advise GRC members before the process begins that members need to disclose, in advance, any remote interest, potential bias by prior association that they have, or relatives serving as staff to any applicants. It is recommended that the disclosures be done in writing.
- 5) Voting and Recommendations.
- a. The GRC member should recuse themselves from voting on any recommendation that would include applications in which they have a remote interest in or with whom they have a potential bias by prior association.
 - b. If the final recommendations of the GRC are consolidated into a single motion, then the GRC member may participate in the vote so long as their participation in the discussion does not influence or attempt to influence the outcome with respect to the applicant in which they have a remote interest in or with whom they have a potential bias by prior association.

- 6) Alternate GRC. If there are two or more GRCs in a funding cycle or process, and a member has a conflict of interest, remote interest, or potential bias by prior association with an application that one of the GRCs is reviewing, that member may serve on a different GRC without reservation or restriction.