



**Kitsap Regional  
Coordinating Council**

# 2060 Low Income Housing Grant Program

Annual Report

*April 4, 2006*



# Annual Report

- 2060 Program Structure
- 2005 Program Review
- Project Awards
- Questions

# Highlights of 2002 Legislation

- \$10 document recording surcharge
- County grant program for low income housing projects (below 50% of median income)
- Each county and its cities must enter into an inter-local agreement
- Kitsap ILA forged during early 2004
- Cycle 1 awards in mid 2004

**Kitsap 2060 Grant Program: one of the 1st in the state!**

# Allowable Uses of Funds

## 2060 Legislation Language:

Uses of these local funds are limited to:

- (a) **Acquisition, construction, or rehabilitation** of housing projects or units within housing projects that are affordable to very low-income persons with incomes at or below fifty percent of the area median income;
- (b) Supporting building **operation and maintenance costs** of housing projects or units within housing projects ((built with)) eligible to receive\* housing trust funds, that are affordable to very low-income persons with incomes at or below fifty percent of the area median income, and that require a supplement to rent income to cover ongoing operating expenses;
- (c) **Rental assistance** vouchers for housing projects or units within housing projects that are affordable to very low-income persons with incomes at or below fifty percent of the area median income, to be administered by a local public housing authority or other local organization that has an existing rental assistance voucher program, consistent with the United States department of housing and urban development's section 8 rental assistance voucher program standards; and
- (d) Operating costs for **emergency shelters** and licensed overnight youth shelters.

\*Denotes change due to 2163 legislation.

# Highlights of Guiding Principles

- KRCC as governing body
- Continuum of Care Coalition as Technical Advisory body
- Application Review Committee of peers
- Provision for multi-year awards
- Allowable uses to full extent of legislation
- Funds Distribution: O&M vs. Capital Awards
- Program Review in 2005 & every 3 years

# Continuum of Care Coalition

## Memorandum of Understanding

**CoCC  
Members**

### **2060 Program**

- Technical Advisory body to KRCC
  - Develops recommendations for annual funding priorities
  - Recommends members to be on Application Review Committee
- 
- Network of Kitsap agencies providing housing and services to low income and/or homeless
  - Collaborative planning for countywide and federal Affordable Housing Programs

Kitsap County CDBG  
Bremerton CDBG  
Kitsap County Consolidated Housing Authority  
Bremerton Housing Authority  
Community Housing Coalition  
Kitsap County Health District  
Catholic Community Services  
Kitsap Community Resources  
Housing Resources Board  
Habitat for Humanity  
Kitsap Mental Health  
Department of Social & Health Services  
West Sound Treatment Center  
The Salvation Army  
Max Hale Center  
AGAPE Housing  
Peninsula Community Health Services  
North Kitsap Fishline  
Helpline House  
YWCA  
St. Vincent de Paul  
St. Paul Episcopal Church  
Transitional Options for Women  
Kitsap Tenant Support Services

# Application Review Committee

## **Memorandum of Understanding with the Continuum of Care Coalition:**

*“Each year, after the KRCC Policy Board has adopted annual priorities, the KRCC will appoint a subcommittee including at least three members of the CoCC (but not including any agency that intends to apply for that year's funding) and including a representative of the Kitsap County Auditor's office. The subcommittee will review funding applications and prepare a recommendation for the KRCC Policy Board's consideration. The **recommendation** may include **options or a single set of recommended projects.**”*

- Recommended by CoCC
- Appointed by KRCC Board
- Provides technical expertise
- Peer review of projects
- Advisory to the KRCC Board
- Non-applicants for current cycle

**Winnie Flores-Logan** (Cycle 1, 2, 3)  
Deputy Auditor, Kitsap County

**Joanne Tews** (Cycle 1, 2, 3)  
Executive Director, Helpline House

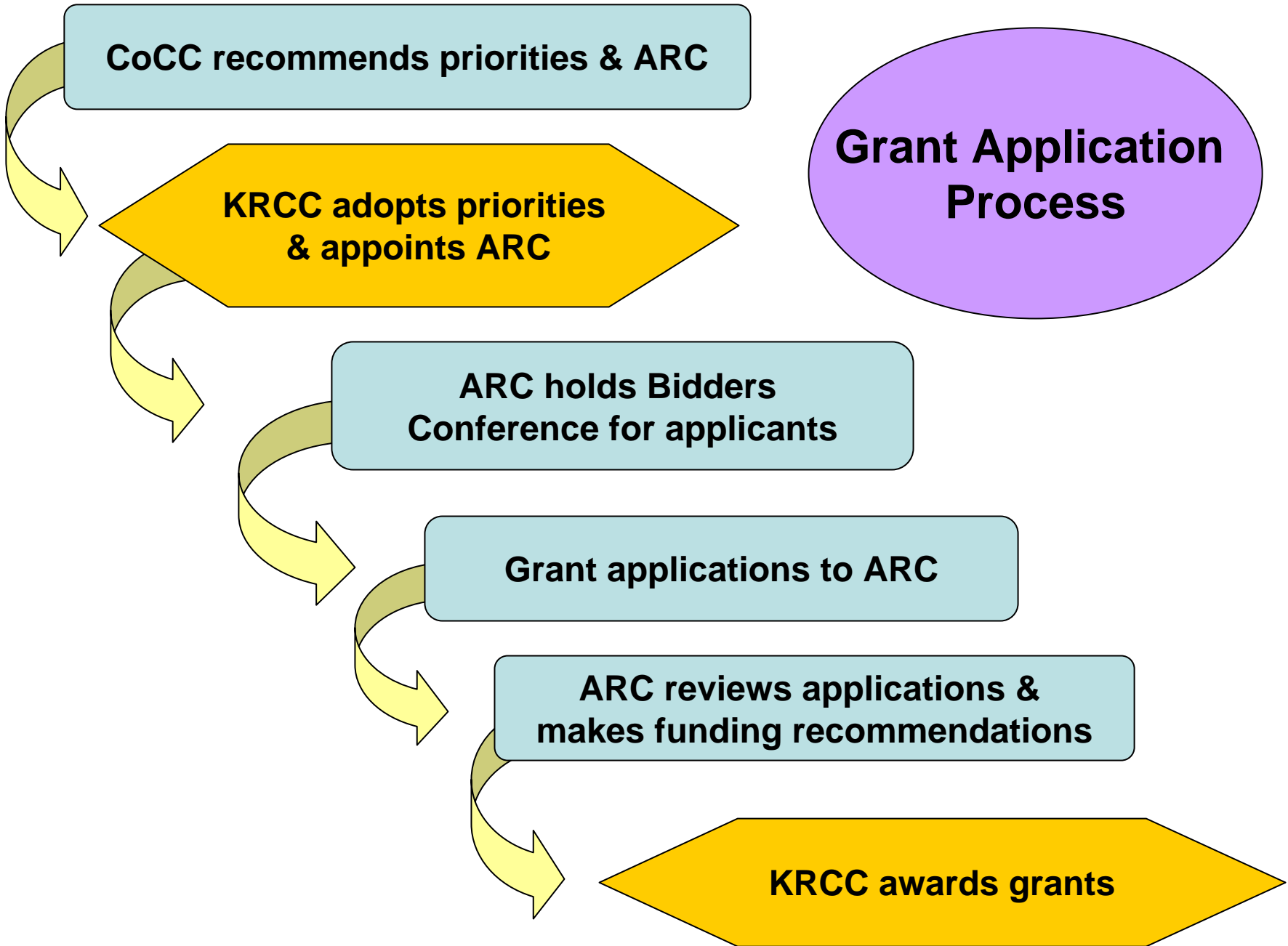
**Debra Stephenson** (Cycle 1, 2, 3)  
Housing Finance Commission  
(former Executive Director, Communitas)

**Barbara Moerler** (Cycle 2, 3)  
Vestry Member, St. Paul's Episcopal Church

**John Wise** (Cycle 3)  
Executive Director, West Sound Treatment Center

**Trisha Sullivan** (Cycle 1)  
Executive Director, Poulsbo Fishline

**Jackie Aitchison** (Cycle 1)  
Ad Hoc 2060 Program Committee



# Program Cycle Timeline

| STEPS   | 2004 Cycle                                    | 2005 Cycle                      | 2006 Cycle                                     |
|---|---|---------------------------------|--|
| CoCC Updates Home Plan;<br>Defines priorities & criteria;<br>Recommends ARC members | July – November 23, 2004                      |                                 | By June 30, 2005                               |
| KRCC Board Adopts<br>CoCC Priorities & Appoints ARC                                 |   |                                 | July 12, 2005<br>KRCC Board Meeting            |
| KRCC issues Notice of Funds Avail   |   |                                 | July 12, 2005                                  |
| ARC meets to review process   |   |                                 | Mid-July                                       |
| KRCC & CoCC:<br>Bidders Conference  | February 4, 2004                              | July 21, 2004                   | July 26, 2005                                  |
| Applications due to KRCC  |   |                                 | August 31, 2005                                |
| 2060 Application Review Committee<br>evaluates applications                         |   |                                 | ARC Meets 3 – 4 times<br>Recs. by September 23 |
| Funding recommendations to KRCC   |   |                                 | October 4, 2005<br>KRCC Board Meeting          |
| KRCC Public Hearing and Action  |   |                                 | November 1, 2005<br>KRCC Board Meeting         |
| Contracts negotiated<br>(County ↔ Funds Recipient)                                  | June – November 2004<br>11 Contracts Executed | November 2004 – January<br>2005 | November – December<br>2005                    |
| Kitsap County distributes funds   | June 2004 – July 2005                         | Beginning January 2005          | Beginning January 2006                         |

**Grant Application Timeline:**

July – December

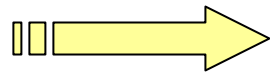
**Grant Funds Available**

**O&M: January – December**  
**Capital: January – June**  
**(18 months)**

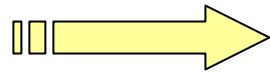
# Program Review in 2005

## Guiding Principles: Review Program in 2005 + every 3 years

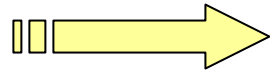
- Program Review Committee reviewed:



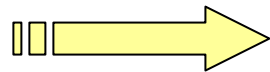
Guiding Principles



Program process & results



Geographic equity issue



New legislation affecting  
administrative funding &  
allowable uses

- Surveyed grant applicants, grant recipients, application review committee, and others involved with program

**Patty Lent**  
Kitsap County

**Kim Abel**  
City of Port Orchard

**Rita Dilenno**  
City of Port Orchard

**Christine Rolfes**  
City of Bainbridge Island

**Bill Reddy**  
Housing Resources Board

**Debra Stephenson**  
Housing Finance Commission  
(ARC Member)

# Comments from Program Review Survey

What do you consider particular strengths of this program and funding source?

Enlightened concepts on understanding the need for predevelopment budget area and rental assistance .

We have direct control over the award process.

The creativity of the Review Committee in setting program goals at the outset

Ability to leverage other funding sources, eligibility of developer fees.

Additional funding source and leveraging additional non local funds.

Technical support by KRCC staff.

New source of money!

**Overall satisfaction with program**

# Suggested Improvements from Program Review Survey

Finalization of contract process slow thru County

I was somewhat confused [about the Application Review] committee [process].

Like to see funding for administrative costs

Understanding the law may support defined areas where flexibility may exist.

To expedite the review, processing, and reimbursement aspects.

Slow process possibly due to first time contracting

It would be nice if a relationship could be worked out to include other funders *i.e.*, City & County CDBG, B.I. Housing Trust Fund, and United Way.



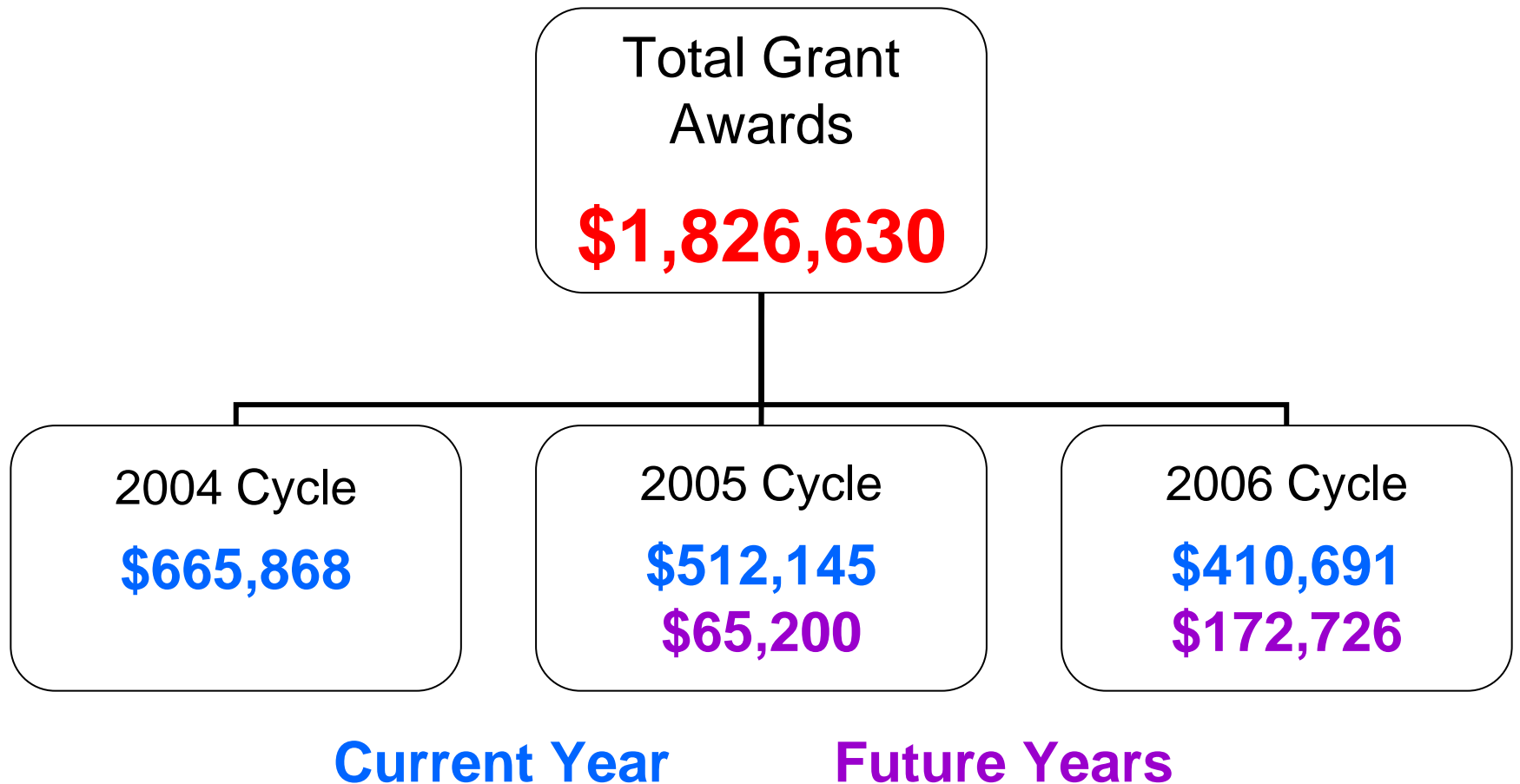
## 2005 Program Review Recommendations *June 2005*

- ~ Clarify allowable uses of funds & contracting process.
- ~ Streamline contracting process.
- ~ Recoup administrative funding now available through new legislation.
- ~ Set minimum timeframe that grant \$ to be used for low income project.
- ~ Continue relationship with Continuum of Care Coalition.
  - Program Priorities
  - Peer Review
  - Development of 2163 Grant Program
- ~ Continue to monitor geographic equity.
- ~ Keep program independent from other agencies and grant programs.

## Changes Implemented *By end of 2005*

- ✓ Clarify allowable uses of funds & contracting process.
- ✓ Streamline contracting process.
- ✓ Recoup administrative funding now available through new legislation.
- ✓ Set minimum timeframe that grant \$ to be used for low income project.
- ✓ Continue relationship with Continuum of Care Coalition.
  - Program Priorities
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  - Development of 2163 Grant Program
- ✓ Continue to monitor geographic equity.
- ✓ Keep program independent from other agencies and grant programs.

# Total Grant Awards Committed



# Operations & Maintenance

- 2060 is rare funding source for O&M
- Goal: Provide stable ongoing funding for O&M projects
- Challenge: Fluctuating revenue stream
- Solution: Award up to 60% of funds for multiple year O&M
- OFM annual estimate: \$296,000

# Fund Availability

State Estimate of Annual Grant Funds Available:

**\$296,000**

Actual Grant Funds: Available → Annualized

2004 Cycle:

(18 Months)

**\$825,000**

**\$550,000**

2005 Cycle:

(9 Months)

**\$352,000**

**\$470,000**

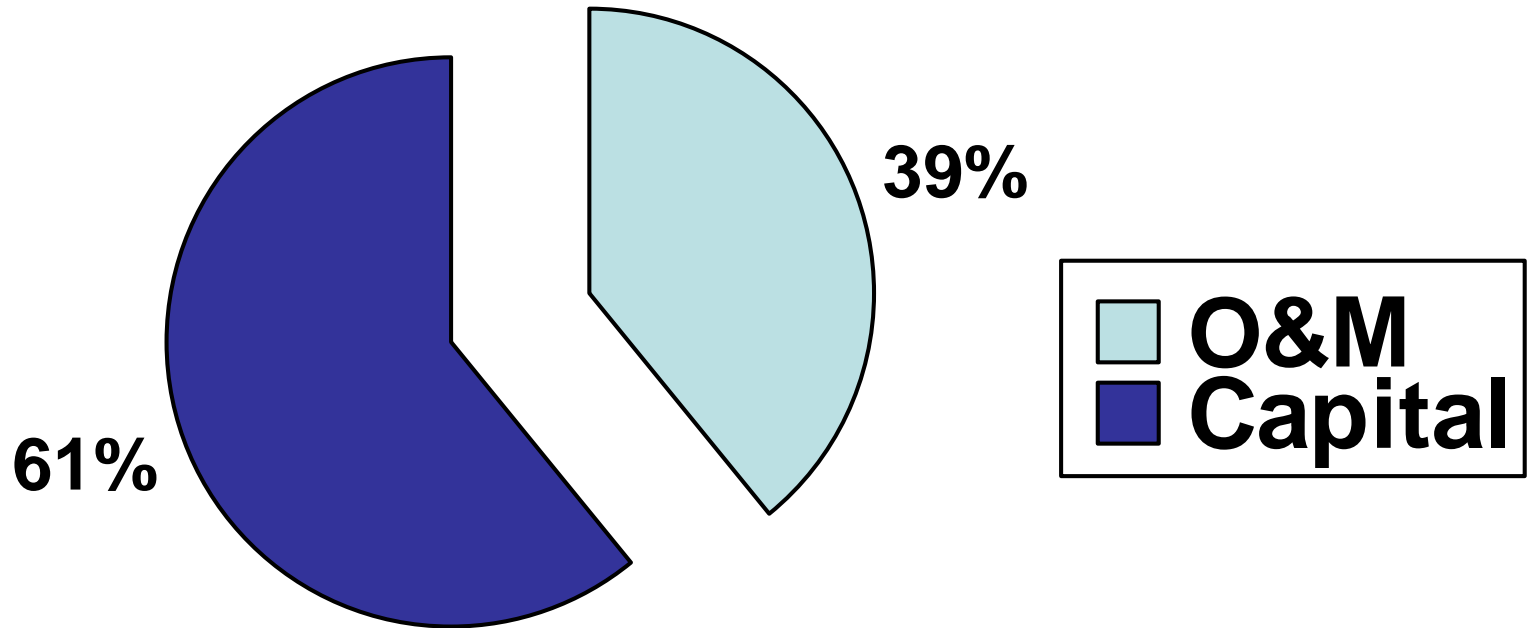
2006 Cycle:

(12 Months)

**\$466,000**

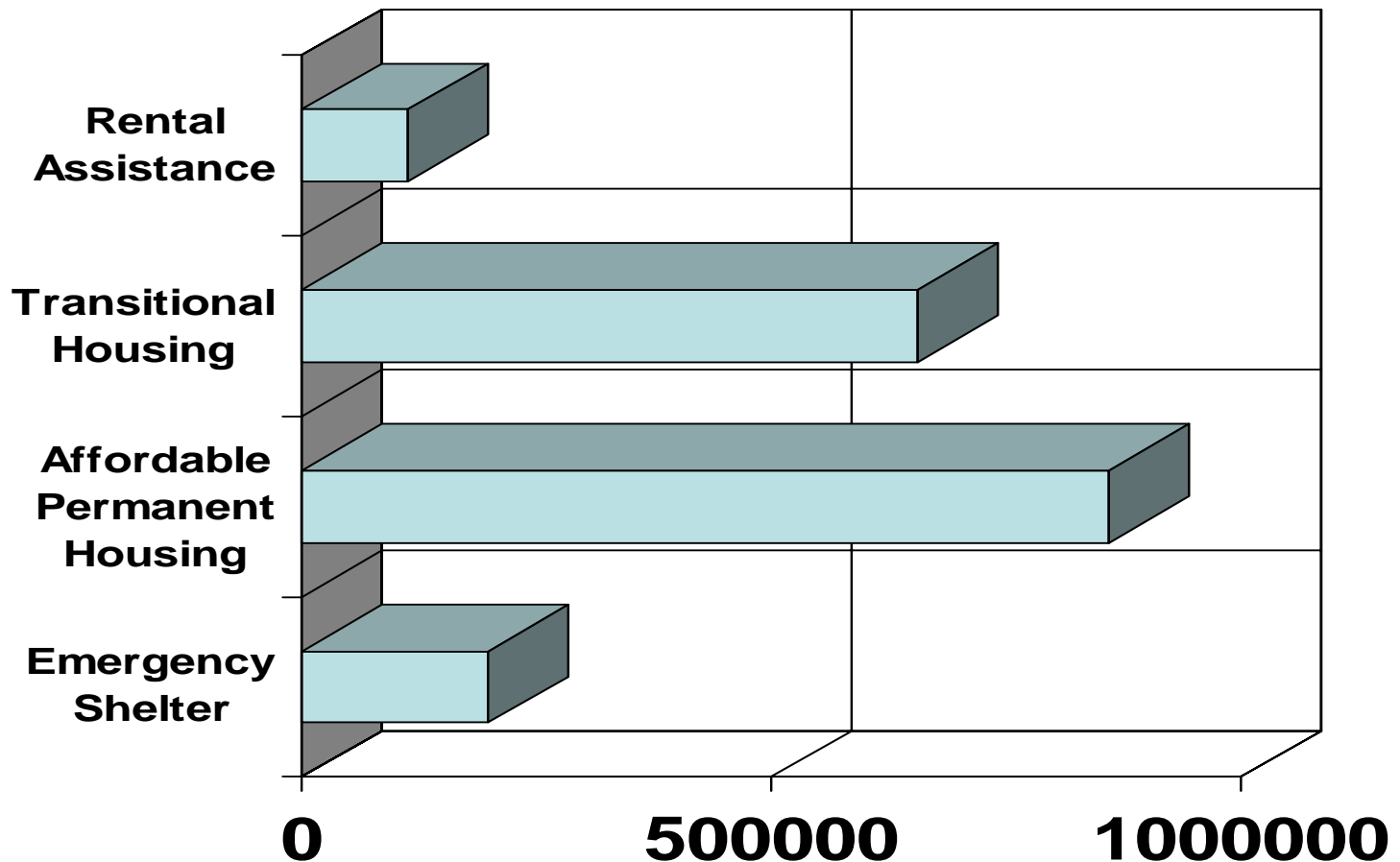
**\$466,000**

# O&M vs. Capital Grants



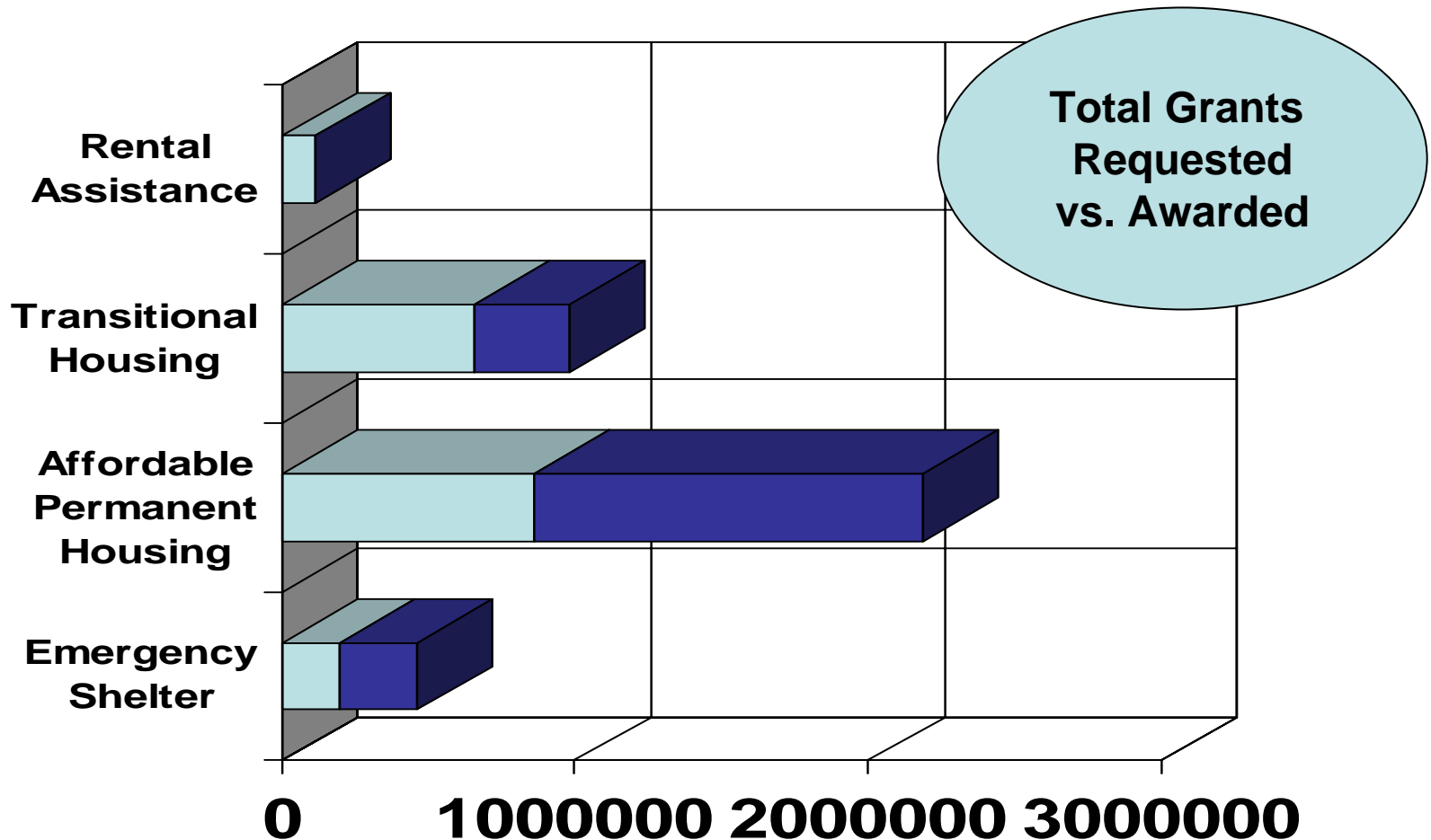
# Program Priorities

Continuum of Care Coalition Priorities, adopted by Kitsap Regional Coordinating Council ranked in order of importance



# Program Priorities

Continuum of Care Coalition Priorities, adopted by Kitsap Regional Coordinating Council, ranked in order of importance



# Total Agency Grant Awards

|                                     | <u>Total</u>       | <u>Future Year Awards</u> |
|-------------------------------------|--------------------|---------------------------|
| Agape                               | \$106,575          | + (\$67,642)              |
| Archdiocesan Housing Authority      | \$106,063          |                           |
| Catholic Community Services         | \$214,500          | + (\$30,000)              |
| Habitat for Humanity                | \$181,230          |                           |
| Housing Resources Board             | \$357,636          | + (\$55,184)              |
| Kitsap Community Resources          | \$130,400          |                           |
| KC Consolidated Housing Authority   | \$160,000          |                           |
| Kitsap Recovery Center & Drug Court | \$ 22,100          |                           |
| Low Income Housing Institute        | \$162,000          |                           |
| St. Vincent de Paul                 | \$ 27,100          |                           |
| West Sound Treatment Center         | \$ 40,400          |                           |
| YWCA                                | \$130,900          | + (\$35,000)              |
| <b>TOTAL</b>                        | <b>\$1,638,904</b> | <b>+ (187,826)</b>        |

**12 Agencies**



# Projects Awarded Grants

20 Projects

Koinonia Inn

Island Home

Poplars Motel

Max Hale  
Center

Fjord Vista II

St. Vincent  
de Paul  
Women's Shelter

Kitsap Recovery  
Center

Frank Chopp  
Place

Island Mobile  
Home Park

YWCA ALIVE  
Shelter

Villagehome

Oxford House

Western View  
Terrace

Drug Court

Island Terrace  
Apartments

Habitat for  
Humanity

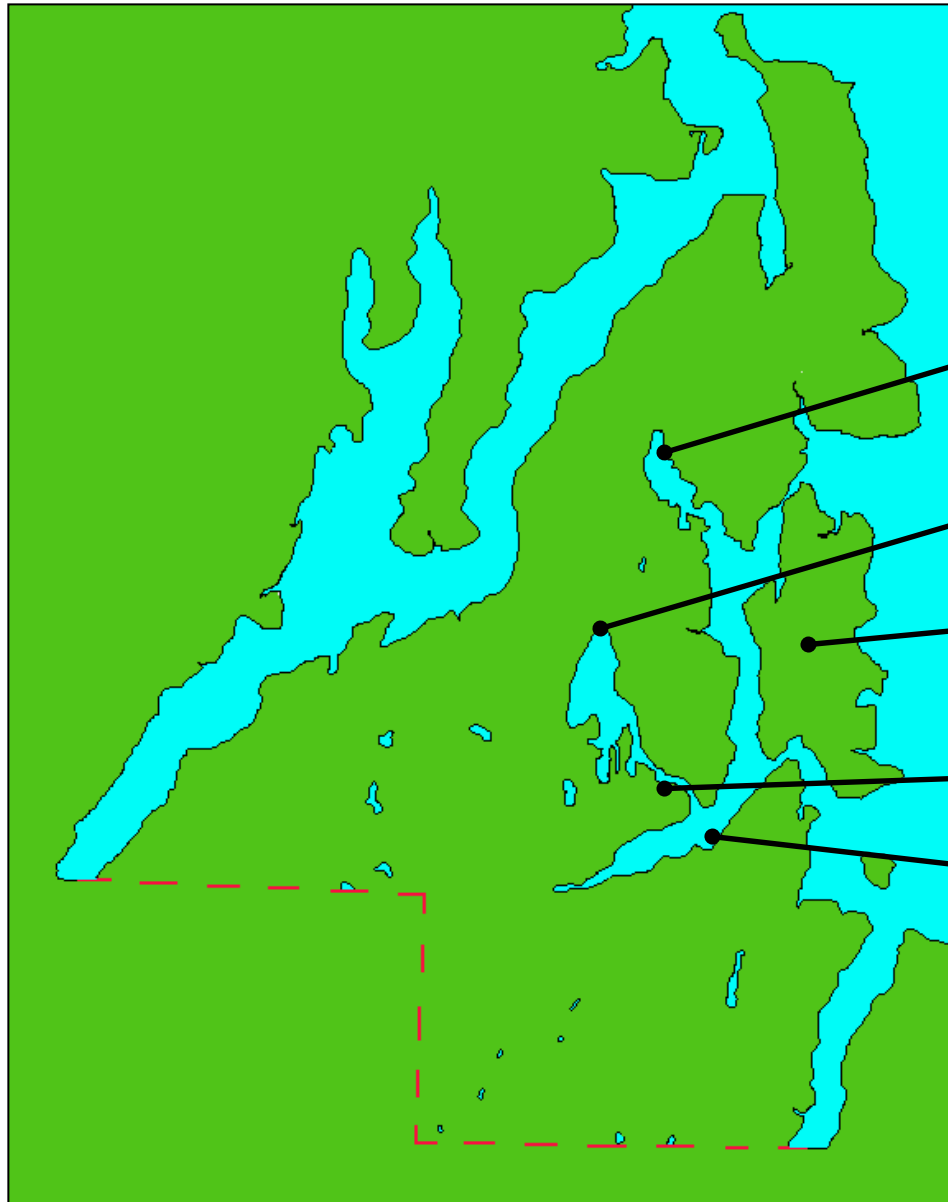
Benedict House

Serenity  
House

Opal Court

Finch Place

# Geographic Distribution of Awards



Poulsbo: **2%**

Silverdale: **7%**

Bainbridge

Island: **31%**

Bremerton: **31%**

Port

Orchard: **10%**

Countywide: **20%**

# Geographic Distribution of Awards

| <b>Area</b>                  | <b>Funding Requested</b> | <b>Not Eligible Under Allowable Uses of Funds</b> | <b>Amount Awarded</b> | <b>% of Request Awarded<br/>(excluding non-eligible)</b> |
|------------------------------|--------------------------|---|-----------------------|--|
| <b>Bainbridge Island</b>     | <b>\$1,483,445</b>       | <b>\$16,093</b>                                   | <b>\$562,820</b>      | <b>38%</b>   |
| <b>Bremerton</b>             | <b>\$913,698</b>         | <b>\$74,920</b>                                   | <b>\$560,463</b>      | <b>67%</b>   |
| <b>Poulsbo</b>               | <b>\$65,000</b>          | <b>\$0</b>  | <b>\$35,000</b>       | <b>54%</b>   |
| <b>Silverdale</b>            | <b>\$125,000</b>         | <b>\$0</b>  | <b>\$125,000</b>      | <b>100%</b>  |
| <b>Port Orchard</b>          | <b>\$243,685</b>         | <b>\$0</b>  | <b>\$174,117</b>      | <b>71%</b>   |
| <b>Location Unspecified*</b> | <b>\$670,100</b>         | <b>\$95,000</b>                                   | <b>\$369,230</b>      | <b>64%</b>   |
| <b>TOTAL</b>                 | <b>\$3,500,928</b>       | <b>\$186,013</b>                                  | <b>\$1,826,630</b>    | <b>52%</b>   |

\*Location Unspecified category includes YWCA ALIVE Shelter, Habitat for Humanity, Kitsap Crisis Triage Services, and Kitsap Adult Drug Court.

# Type of Housing

**Rental Assistance**      \$47,668  
(\$55,184)

**Transitional**      \$587,175  
(\$97,642)

**Permanent**      \$858,861

**Emergency**      \$151,000  
(\$35,000)



# Population Served

|  |                         |   |
|--|-------------------------|---|
| Domestic violence victims                                    | \$130,900<br>(\$35,000) |   |
| Women recovering from addiction                              | \$146,975<br>(\$67,575) | → |
| Homeless women & children                                    | \$27,100                |   |
| Homeless men   | \$199,500<br>(\$30,000) | → |
| Families in crisis   | \$50,100                |   |
| Homeless families & individuals                              | \$894,329<br>(\$70,184) |   |
| Elderly, developmentally disabled, homeless and working poor | \$150,000               |   |
| Low-Income Seniors   | \$25,000                |   |



# Types of Units

|                                  |            |
|----------------------------------|------------|
| <b>Rental Assistance Units</b>   | <b>11</b>  |
| <b>New Beds</b>                  | <b>43</b>  |
| <b>New/Preserved Apartments</b>  | <b>164</b> |
| <b>New Rental Home</b>           | <b>1</b>   |
| <b>New Homes</b>                 | <b>4</b>   |
| <b>Upgraded/Maintained Apts.</b> | <b>43</b>  |
| <b>Upgraded/Maintained Beds</b>  | <b>114</b> |



# 2007 Grant Cycle

- July ~ Recommendations from Continuum of Care Coalition:
  - ✓ Funding Priorities
  - ✓ Application Review Committee Members
- *Early* estimate of available funds:  
\$350,000 - \$400,000

# Report Summary

- 3 Cycles
- \$1.8 Million Distributed
- Wide variety of agencies & projects funded
- Over 200 New Beds/Units created/preserved & 150 Beds/Units upgraded/maintained
- Accomplished Program Review & Implemented Changes
- Successful program is model for other counties



**Kitsap Regional  
Coordinating Council**

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Kitsap Regional Coordinating Council

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