

DRAFT

2025 ACTION PLAN

Year Five

Kitsap County
Community Development Block Grant (CDBG)

Kitsap County/City of Bremerton
HOME Consortium

Kitsap County, WA

In Cooperation with the Cities of:
Bainbridge Island,
Port Orchard, Poulsbo,
City of Bremerton - HOME Consortium

(Lead Agency: Kitsap County)

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Executive Summary

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

1. Introduction

The 2025 Draft Action Plan includes projects awarded CDBG and HOME funds through Kitsap County's Coordinated Grant Application Process. These projects address the priorities and goals identified in the 2021-2025 Consolidated Plan. Funding recommendations are made by a citizen committee and approved by the Kitsap County Board of Commissioners and the Bremerton City Council for Bremerton's share of HOME funds.

The funding awards contained in the Draft Action Plan are contingent upon the actual HUD allocations of CDBG and HOME that will be made when the 2025 federal budget is approved, likely not until spring of 2025. Contingencies for an increase or decrease of funds have been included in the funding awards. The Action Plan will be finalized in 2025 using the contingencies to determine final awards.

CDBG public service funding has been awarded a one-year period. Projects were awarded at the same level as in 2024.

Additional HOME funding is available due to program income received from loan portfolio payments, unspent funds from previously awarded projects or from canceled projects. This increase is included in the allocation of HOME funds. Additional CDBG funding is also available due to unspent funds from previously awarded projects and included in the allocation of CDBG funds.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items, or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) funds will be used in 2025 to address the needs outlined in the Strategic Plan. HUD's objectives guiding the proposed activities are:

- *Provide decent affordable housing*
- *Create suitable living environments and*
- *Create economic opportunities.*

The specific activities are outlined and described in the "AP-35 Projects" section of this Action Plan.

HOUSING - Funds have been awarded for on-going homeowner program activities including the Housing Rehabilitation program and Weatherization and/or Minor Home Repair program. Also funded are construction of 232 new rental units, acquisition of 23 new rental units and rehabilitation of 99 units of rental housing.

SERVICES - Funds have been awarded for programs that provide critical support services to meet basic needs and promote long-term self-sufficiency. These include programs serving children and youth and food assistance, serving 15,338 individuals.

ECONOMIC DEVELOPMENT - Funds have been awarded to a micro-enterprise program which provides business training and on-going support services to assist low-income micro-enterprise business owners with skills to start or expand their business, serving 30 individuals.

PUBLIC FACILITIES - Funds have been awarded to one community service and food bank facility to build a new building on their existing site. This facility serves over 3,000 people annually

HOMELESS SERVICES - Homeless Services and Operations and Maintenance projects are funded through Kitsap County's Housing and Homelessness Program and Community Investment in Affordable Housing funds.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Kitsap County and the City of Bremerton have continued to work collaboratively to use CDBG and HOME funds to target projects serving low-income individuals and families. Funding during the 2021-2025 Consolidated Plan period is prioritized for housing, public services, microenterprise assistance and public facilities and infrastructure. Housing affordability continues to be a significant issue in Kitsap County. For this reason, the Grant Recommendation Committee prioritized a significant portion of 2025 funds for affordable housing.

4. Summary of Citizen Participation Process and consultation process

The 2025 grant cycle began with the publication of the 2025 Policy Plan which outlines eligibility requirements, overview of the funding allocation process, regulatory requirements, and local policy decisions for funding awarded during the 2025 grant application cycle for CDBG and HOME.

Kitsap County published a legal ad for the 2025 Kitsap County CDBG/HOME Policy Plan in the Kitsap Sun newspaper and posted documents on the Coordinated Grant Application Website for a 15-day written comment period opening on May 1, 2024. A notice was sent to all subscribers via Kitsap County's electronic notification system (Gov Delivery). Written comments by mail or email were encouraged through May 17, 2024. The public was also encouraged to attend the public hearing held during the

Kitsap County Board of County Commissioners' regularly scheduled meeting in the Commissioners Chambers on June 10, 2024.

A Grant Recommendation Committee (GRC) formed of citizens appointed by the elected officials of each city and the three commissioners for Kitsap County was convened for the purpose of reviewing capital grant applications submitted in response to the CDBG Notice of Funding Availability (NOFA) and the Affordable Housing - CIAH and HOME Request for Proposals (RFP). The GRC formed funding recommendations which were included in the Draft 2025 Action Plan.

The Draft 2025 Action Plan and Funding Recommendations were posted to the county website and a Legal Ad was published on September 12, 2024, for the Draft 2025 Annual Action Plan and Funding Recommendations with a 30-day Written Public Comment Period open until October 14, 2024. Notice to the public regarding the written comment period and the public hearing were provided through a legal ad in the Kitsap Sun and through Kitsap County's electronic notification system (Gov Delivery). A public hearing is to be held on October 14, 2024, by the Board of County Commissioners (BOCC) to review and approve the funding recommendations. The City of Bremerton by separate action, will hold a public hearing at their Bremerton City Council meeting on November 06, 2024.

The Draft 2025 Action Plan is based on estimated CDBG and HOME funds, but the public process includes contingencies for increases and decreases to the project awards based on final 2025 allocations from HUD, program income, and rollover funds. The final 2025 Annual Action Plan will reflect those contingencies and final amounts based on 2025 allocation from HUD.

5. Summary of public comments

Comments received during the 30-day comment period and public hearing will be included in the final Action Plan and posted to Kitsap County's website.

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

N/A

7. Summary

The 2025 Annual Action Plan provides a detailed list and description of the activities which will be undertaken with CDBG and HOME allocations in Kitsap County for program year 2025. All funding will be utilized to implement the strategies and goals of the 2021-2025 Consolidated Plan.

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

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	KITSAP COUNTY	Dept. of Human Services, Block Grant Program
HOME Administrator	KITSAP COUNTY	Dept. of Human Services, Block Grant Program

Table 1 – Responsible Agencies

Narrative

Kitsap County is the lead entity for the Consolidated Plan. The City of Bremerton receives their own CDBG funds and prepares their own associated Action Plan. The Kitsap County Block Grant Program, as part of the Kitsap County Dept. of Human Services, is responsible for the administration of County CDBG and HOME funds. The Board of County Commissioners holds public hearings and provides policy direction. Kitsap County is the lead agency for HOME Consortium funds and provides contract administration.

The City of Bremerton administers their CDBG funds through the City's Dept. of Community Development. The Bremerton City Council holds public hearings and provides policy direction for CDBG funds and the City's portion of HOME funds.

Consolidated Plan Public Contact Information

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AP-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

Kitsap County consulted with other government agencies, housing and service providers, advisory boards and the public in the development of the five-year Consolidated Plan including conducting a survey; review of published plans and studies; requests to specific agencies to gather additional data and two written public comment periods. Funding awarded annually and included in the Action Plan is coordinated with other county funding sources and City of Bremerton CDBG to maximize funding for the highest priority needs and avoid duplication.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

Kitsap County has coordination between housing providers and health, mental health and service agencies through on-going meetings and coordinated planning. Staff meets with organizations who are considering development of projects and programs and express interest in County funding including CDBG and HOME funds. Staff encourages organizations to coordinate service delivery with other Kitsap organizations and partner with others when looking to develop new housing for vulnerable populations.

All organizations serving Kitsap's lowest income residents participate in the Kitsap Housing and Homelessness Coalition (Continuum of Care). Through regular meetings information is shared and gaps in service are identified. Housing providers partner with those serving special needs populations to provide housing to our County's most vulnerable and work together to identify needs and develop new projects.

Coordinated Entry is operated by Kitsap Community Resources through the Housing Solutions Center (HSC). This is Kitsap County's single point of entry for those who are homeless or on the verge of losing their housing. The goal of coordinated entry is to prevent homelessness when possible and move people as quickly as possible into shelter or permanent housing. Improved discharge planning and coordination has been identified as a high priority and work continues to develop respite beds for those who are homeless and discharged from systems of care.

Kitsap County continues to enhance coordination through implementation of the Coordinated Grant Application process. A single online application platform is used for CDBG, HOME, Affordable Housing Grant Program (AHGP), Homeless Housing Grant Program (HHGP), Community Investments in Affordable Housing (CIAH) and Mental Health, Chemical Dependency, Therapeutic Courts funds. Funding is prioritized through the Consolidated Plan for CDBG and HOME. Through this process duplication of funding is minimized and high priority capital projects are provided an opportunity to maximize local funding.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

Nearly all organizations serving Kitsap's lowest income residents participate in the Kitsap Housing and Homelessness Coalition KHHC (Continuum of Care). The KHHC is an active and engaged coalition of member agencies serving the needs of the homeless and those living in poverty in Kitsap County. The KHHC meets monthly to discuss and share information on housing, prevention of homelessness, restoration of homeless individual families to stable living environments, and to promote community awareness of homelessness through education, legislative advocacy, mutual support and the sharing of resources. The KHHC members work closely with staff from the Housing and Homelessness division of Kitsap County Dept. of Human Services to address current homeless needs and implement solutions. KHHC organizes and operates 3 Project Connect Resources fairs in conjunction with the Annual Point-in-Time Count, to connect low-income and homeless individuals with a wide variety of services from participating agencies in KHHC, and the broader community. The Housing and Homelessness division staff lead the annual Point in Time Count, coordinates and compiles data for Kitsap County's HMIS, and is responsible for the Homeless Housing Plan.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

Kitsap County does not receive a direct allocation of ESG funds. Kitsap County is part of the Balance of State and receives ESG through the Balance of State process each year. Kitsap County has fully implemented the Homeless Management Information System (HMIS) including full data sharing. Agencies that receive funding through the Coordinated Grant Application process for homeless projects are required to report in HMIS.

2. Agencies, groups, organizations and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated

2	Agency/Group/Organization	KITSAP COUNTY
	Agency/Group/Organization Type	Other government - County Other government - Local
	What section of the Plan was addressed by Consultation?	Action Plan
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Kitsap County Board of Commissioners and City of Port Orchard, Bremerton, Bainbridge Island and Poulsbo City Mayors appoint GRC members.

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

N/A

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	State of Washington	In coordination with the Housing and Homelessness Program and the State of Washington Continuum of Care serving the Balance of State area (non-entitlement communities), the goals are addressed in the Homeless Housing Plan. Goals are consistent with the goals of the Continuum of Care.

Table 3 – Other local / regional / federal planning efforts

Narrative

The county, through the various planning efforts and groups, including the Coordinated Grant Recommendation Committee, other County grant programs, the Continuum of Care and meetings with affordable housing providers has implemented the Coordinated Grant Application process that results in the projects funded with CDBG and HOME included in this Action Plan.

AP-12 Participation - 91.401, 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

All citizens are encouraged to participate in the development and review of the Action Plan. The Citizen Participation Plan details the ways citizens may be involved in the process. The County and City Block Grant Programs provide equal access and reasonable accommodations for citizens with disabilities upon request. An alternate format is also available for those requiring special accommodations or alternative formats of the document.

Annually Kitsap County holds two public comment periods and public hearings to take input from citizens and organizations on policies for the use of funds and projects selected and included in the Action Plan. Each year a Citizen Committee, appointed by elected officials from Kitsap County and each of its Cities, reviews and evaluates project applications and makes recommendations for funding.

A Grant Recommendation Committee (GRC) formed of citizens appointed by the elected officials of each city and the three commissioners for Kitsap County was convened for the purpose of reviewing grant applications submitted in response to the CDBG Notice of Funding Availability (NOFA) and HOME Request for Proposals (RFP). The GRC also conducted interviews with each applicant and formed funding recommendations which are included in the Draft 2025 Action Plan.

The following is a timeline of public outreach conducted for this plan:

- 3/27/2024: Website posting and Gov Delivery Notification announcing the 2025 grant cycle and schedule
- 5/1/2024: Legal Ad published in the Kitsap Sun to announce a 15-day comment period for the 2025 Kitsap County Policy Plan. Information and documents were posted to the Kitsap County Website and electronic notification was sent to all subscribers.
- 6/10/2024: Public Hearing for review and comment held with the Kitsap Board of County Commissioners on the 2025 Kitsap County CDBG/HOME Policy Plan.
- 9/12/2024: A Legal Ad was published in the Kitsap Sun opening a 30-day public comment period for the Draft 2025 Action Plan. Information and documents were posted to the Kitsap County Website and electronic notification was sent to all subscribers.
- 10/14/2024: A Public Hearing is scheduled with the Kitsap Board of County Commissioners to take public comment on the Draft Kitsap County 2025 Action Plan and funding recommendations.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Internet Outreach	Non-targeted/broad community	Kitsap County posts documents and notification of written public comment periods and public hearings on its web pages. Electronic Notifications are sent to alert subscribers.	N/A – for information purposes only	N/A – for information purposes only	www.kitsapgov.com/hs/Pages/CDBG--LANDING.aspx
2	Public Hearing	Non-targeted/broad community	Public Hearing with the Kitsap Board of County Commissioners on June 10, 2024.	No comments were received.	No comments were received.	https://www.kitsapgov.com/hs/Pages/HH-Coordinated-Grant-Application-Process.aspx
3	Public Hearing	Non-targeted/broad community	Public Hearing with the Kitsap Board of County Commissioners October 14, 2024.	To be determined	To be determined	https://www.kitsapgov.com/hs/Pages/HH-Coordinated-Grant-Application-Process.aspx
4	Newspaper Ad	Non-targeted/broad community	Legal Ad published in the Kitsap Sun May 1, 2024, to announce a 15-day comment period for the 2025 Kitsap County Policy Plan.	No comments were received.	No comments were received.	https://www.kitsapgov.com/hs/Pages/HH-Coordinated-Grant-Application-Process.aspx

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
5	Newspaper Ad	Non-targeted/broad community	Legal Ad published in the Kitsap Sun on September 12, 2023, opening a 30-day public comment period for the Draft 2025 Action Plan.	To be determined.	To be determined	https://www.kitsapgov.com/hs/Pages/HH-Coordinated-Grant-Application-Process.aspx

Table 4 – Citizen Participation Outreach

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

Introduction

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 form a consortium for HOME Investment Partnership (HOME) funds. The City of Bremerton receives a direct allocation of CDBG funds from HUD and is responsible for administration of their own funds.

The amounts included in Table 4: Anticipated Resources is based on the FY 2025 formula allocations from HUD, program income received and prior year funds.

Program Income is generated from loans made with CDBG and HOME funds. All Program Income is returned to Kitsap County and is then re-allocated to projects and included in the annual Action Plan. The amount varies from year to year and is estimated for remaining years.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Consolidated Plan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	994,350		200,000	1,194,350	994,350	CDBG funds are based on allocation of CDBG funds plus Program Income and Prior Year Resources.
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	652,637	97,785	178,999	929,421	652,637	HOME funds are based on allocation of HOME funds plus Program Income and Prior Year Resources.

Table 2 - Expected Resources – Priority Table

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

Federal CDBG and HOME funds leverage private, state and local funds. For large capital projects CDBG and HOME funds are a small percentage of the overall budget but an important commitment of local funds that project sponsors use to demonstrate to other funders local community support for the project.

At the time of application, all applicants for CDBG or HOME funds must submit a Sources of Funding form to indicate what other funding is expected to be used for the project. This information is updated when a written agreement is executed. All Capital projects require a match, 5% for CDBG and 25% for HOME. Documentation of commitment for all other funding in the project is required before funds are committed and a written agreement is executed.

For HOME a non-federal source of match is required and must be at least 25% of the project budget. Match can be other non-federal funds or any other eligible form of match such as the value of sweat equity. Kitsap County's value of match typically far exceeds our match liability. Match is recorded on the County Match Log and reported to HUD.

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

Kitsap County does not have a program to identify and use county owned land to address needs in the Consolidated Plan.

Discussion

N/A

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Preserve and Increase Affordable Housing - Kitsap County	2021	2025	Affordable Housing		Affordable Housing - Kitsap County	CDBG: \$622,275 HOME: \$614,535	200 rental units created Kitsap County; 99 rental units rehabilitated; 13 homeowner units rehabilitated; 8 homebuyers assisted with down-payment assistance.
2	Provide Support Services	2021	2025	Non-Housing Community Development		Services - Kitsap County	CDBG: \$145,000	Public service activities other than Low/Moderate Income Housing Benefit: 15,338 Persons Assisted
3	Increase Economic Opportunities	2021	2025	Non-Housing Community Development		Economic Development - Kitsap County	CDBG: \$30,000	Businesses assisted: 30

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Provide essential public facilities/infrastructure	2021	2025	Non-Housing Community Development		Community and Neighborhood Improvement	CDBG: \$198,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 3,000 persons assisted
5	Preserve and Increase Affordable Housing - City of Bremerton	2021	2025	Affordable Housing		City of Bremerton Affordable Housing	HOME: \$239,845	Rental Units Created: 32

Table 3 – Goals Summary

Goal Descriptions

1	Goal Name	Preserve and Increase Affordable Housing Kitsap Co
	Goal Description	County CDBG and HOME funds will be used to create and preserve rental housing, rehabilitate both rental and homeowner housing and provide homebuyer assistance such as down-payment assistance.
2	Goal Name	Provide Support Services
	Goal Description	Kitsap County will continue to set-aside 15% of the annual CDBG allocation for public service programs. Funding will be prioritized for programs serving children and youth, special needs populations and food assistance.

3	Goal Name	Increase Economic Opportunities
	Goal Description	CDBG funds will be used to increase economic opportunities for low-income individuals. Funding will be targeted towards projects that provide microenterprise assistance.
4	Goal Name	Provide essential public facilities/infrastructure
	Goal Description	Kitsap County CDBG funds will be prioritized for high priority public facilities and infrastructure projects linked to affordable housing, provision of high priority public services, or located in HUD designated Low-Mod Areas.
5	Goal Name	Preserve and Increase Affordable Housing City of Bremerton
	Goal Description	Affordable housing is a high priority for the City of Bremerton. City HOME funds will be used to create and preserve rental housing and provide homebuyer assistance such as down-payment assistance.

AP-35 Projects - 91.420, 91.220(d)

Introduction

The 2025 Action Plan includes projects awarded funds through an annual application process. These projects address the priorities and goals prepared by Kitsap County and the City of Bremerton, Washington in order to implement our community's federal program funds from the U.S. Dept. of Housing and Urban Development (HUD). These funds are Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME). The Consolidated Plan period is from January 1, 2021, to December 31, 2025. This Action Plan is the fifth year under 2021-2025 Consolidated Plan.

Kitsap County is designated as an Urban County and receives a direct allocation of CDBG funds. The City of Bremerton receives a direct CDBG allocation and works in partnership with the Kitsap County Consortium to administer HOME funds. The City of Bremerton receives its share of HOME funds based on a percentage of allocation determined by HUD. The Strategic Plan is part of the Consolidated Plan and outlines the priorities and goals which guide the allocation of funds over the five-year period. New activities selected for funding in the 2025 Action Plan were determined through our Coordinated Grant Application Process (CGAP). Funding recommendations are made by a citizen committee and approved by the Kitsap County Board of Commissioners and the Bremerton City Council for Bremerton's share of HOME funds.

#	Project Name
1	CDBG ADMIN 2025
2	HOME ADMIN 2025
3	Housing Kitsap DPA Loan Program Administration 2025
4	Boys & Girls Clubs of South Puget Sound - South Kitsap Afterschool Program
5	Bremerton Foodline - Food Bank Operations
6	Helpline House BI - Food Bank Operations
7	South Kitsap Helpline - Food Bank Operations
8	YMCA - Child Care Scholarships
9	Kitsap Community Resources (KCR) - BE\$T Micro-Enterprise Program
10	Helpline House BI – Community Resource & Food Bank Facility
11	Housing Kitsap - Home Rehabilitation Program 2025
12	Kitsap Community Resources (KCR) - Weatherization and Minor Home Repair
13	Housing Kitsap – Kingston Ridge Roof Replacement
14	Housing Kitsap – Heritage Apartments Stair Repair
15	Community Frameworks – Kitsap Homeownership Program
16	Bremerton Housing Authority – Wheaton Landing Apartments
17	Kitsap Community Resources – Manette Housing
18	Trillium Housing – Meadowdale Trails Apartments

Table 4 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

In 2025 funds were allocated according to the priorities outlined in the Consolidated Plan. Within these priorities, an award of Public Service funds was made to food programs and childcare/after school programs. Capital funds were awarded to housing projects serving low-income households, one public facility and one project assisting micro-enterprise businesses.

The primary obstacle to addressing underserved need in the community is lack of funding and constrained capacity of local agencies to develop affordable housing. Most programs and projects submitted in the annual application cycle are not able to be fully funded with CDBG and HOME funds. Rapidly rising costs associated with the acquisition or development of housing has limited the ability of housing providers to bring on new units or assist low-income homebuyers in purchasing homes. The high cost of materials, labor and land means longer timelines to put together financing and increased risk.

The county now has additional local funding to assist with these obstacles through a 1/10 of 1% affordable housing tax, called Community Investments in Affordable Housing (CIAH). In addition a portion of local 1/10% of 1% sales tax to fund Mental Health, Chemical Dependency and Therapeutic Courts funds was also allocated to capital projects through the coordinated grant cycle. These funds along with CDBG and HOME have been allocated towards additional shelter capacity, creation of new units of affordable housing and housing preservation.

AP-38 Project Summary

Project Summary Information

1	Project Name	CDBG ADMIN 2025
	Funding	CDBG: \$198,870
	Description	CDBG Grant administration is the general management and coordination of the CDBG/HOME programs, including federal regulation compliance, annual monitoring, citizen participation and development of other sources of funding for community development. If program income is received, additional funds will be added to the final Action Plan.
	Target Date	12/31/2025
2	Project Name	HOME ADMIN 2025
	Funding	HOME: \$66,041.80
	Description	HOME Grant administration is the general management and coordination of the CDBG/HOME programs, including federal regulation compliance, annual monitoring, citizen participation and development of other sources of funding for community development.
	Target Date	12/31/2033
3	Project Name	Housing Kitsap DPA Loan Program Administration 2025
	Funding	HOME: \$9,000
	Description	2025 HOME Program Administration (PA) costs will be used for the administration of the Housing Kitsap Downpayment Assistance HOME Program loan portfolio including ongoing compliance with HOME affordability requirements and loan repayments.
	Target Date	12/31/2025
4	Project Name	Boys & Girls Clubs of South Puget Sound - South Kitsap After School Program
	Goals Supported	Provide Support Services
	Needs Addressed	Services - Kitsap County
	Funding	CDBG: \$27,500

	Description	Funds will be used for staff salaries to support the South Kitsap After School Program of the Boys and Girls Club. The program is located at Cedar Height Middle School and provides lunch time activities and affordable after school programming, focusing on positive youth development, to low-income students and families.
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	30 individuals - youth ages 11-13
	Location Description	Cedar Heights Middle School in South Kitsap School District.
	Planned Activities	After School Program activities help youth grow to be productive, caring, and responsible citizens. They are also responsible for planning, promoting, and evaluating Club programs. They ensure safety of youth and are responsible for cultivating relationships with school staff.
5	Project Name	Bremerton Foodline - Food Bank Operations
	Goals Supported	Provide Support Services
	Needs Addressed	Services - Kitsap County
	Funding	CDBG: \$30,000
	Description	Funds will be used to purchase food for foodbank operations at the Bremerton Foodline which provides food assistance in the Bremerton area to those in need. Most clients served are at or below 30% Area Median Income. This funding supports Kitsap County clients outside the Bremerton City Limits.
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	3,494 individuals
	Location Description	Kitsap County clients outside the Bremerton City Limits.
	Planned Activities	Food purchases for foodbank operations.

6	Project Name	Helpline House BI - Food Bank Operations
	Goals Supported	Provide Support Services
	Needs Addressed	Services - Kitsap County
	Funding	CDBG: \$30,000
	Description	Funds will be used for a portion of the Food Bank Manager's salary for foodbank operations at Helpline House which provides nutritious food, available free of cost, to members of the Bainbridge Island community. In addition to providing food, clients can be referred to the Helpline House social work team to assist with other services. 97% of food bank clients are below 80% AMI, with 67% below 30% AMI. .
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	1500 individuals
	Location Description	Bainbridge Island
	Planned Activities	Staff Manager providing foodbank operations and referrals to social work team to assist with other services if necessary
7	Project Name	South Kitsap Helpline - Food Bank Operations
	Goals Supported	Provide Support Services
	Needs Addressed	Services - Kitsap County
	Funding	CDBG: \$30,000
	Description	Funds requested will be used for a portion of the food bank Executive Director's salary to maintain and operate food bank services for low-income individuals residing or working in South Kitsap. The Executive Director and staff are directly involved in the daily operations of the food bank administration, inventory management, food distribution and deliveries.
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	10,284 individuals

	Location Description	South Kitsap
	Planned Activities	Staff to maintain and operate food bank operations for low-income individuals residing or working in South Kitsap
8	Project Name	YMCA - Child Care Scholarships
	Goals Supported	Provide Support Services
	Needs Addressed	Services - Kitsap County
	Funding	CDBG: \$27,500
	Description	Funds will be used to provide scholarships to enable children, ages 5 - 12, from low-income families to attend the YMCA's before and after school childcare program at school locations in Central Kitsap and South Kitsap School Districts. The program nurtures the development of children by providing a safe place to learn foundational skills, develop healthy and trusting relationships, and build self-reliance. Majority of clients served are below 50% Area Median Income.
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	30 individuals – children ages 5-12
	Location Description	Central Kitsap and South Kitsap School Districts
	Planned Activities	Provides a safe place to learn foundational skills, develop healthy and trusting relationships and build self-reliance.
9	Project Name	Kitsap Community Resources (KCR) - BE\$T Micro-Enterprise Program
	Goals Supported	Increase Economic Opportunities
	Needs Addressed	Economic Development - Kitsap County
	Funding	CDBG: \$30,000

	Description	CDBG Funds will be used for staff, program costs, and client direct client support costs of the Business, Education, Support & Training (BE\$T) Program which increases economic opportunities for low-income individuals who want to start or expand their own micro-enterprise business by providing entrepreneurial training, technical assistance, and job creation through 8-week training classes offered once per quarter. A micro-enterprise business is a business with five or fewer employees, including the owner.
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	30 businesses assisted
	Location Description	Kitsap County
	Planned Activities	Staff, program costs, and direct client support costs of the Business, Education, Support & Training (BE\$T) Program to increase economic opportunities for low-income individuals starting or expanding their own micro-enterprise business.
10	Project Name	Helpline House BI – New Community Resource & Food Bank Facility
	Goals Supported	Provide essential public facilities/infrastructure
	Needs Addressed	Community and Neighborhood Improvement
	Funding	CDBG: \$198,000
	Description	Funds will be used for predevelopment costs including design and engineering to support the construction of a 12,000 square foot community resource center and food bank on the existing site.
	Target Date	12/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	1 Public Facility – 2500 unduplicated individuals annually
	Location Description	Bainbridge Island

	Planned Activities	The new center will address current limitations with the existing facility and greatly expand the agency's capacity to provide social service programming and food that more holistically addresses growing needs in the community.
11	Project Name	Housing Kitsap - Home Rehabilitation Program 2025
	Goals Supported	Preserve and Increase Affordable Housing Kitsap Co
	Needs Addressed	Affordable Housing - Kitsap County
	Funding	CDBG: \$125,000
	Description	CDBG Funding will be used for personnel, administration, and construction costs associated with the home rehabilitation program which provides 20-year deferred loans or grants to very-low and extremely low-income homeowners for repairs to address health, safety, and accessibility issues. Housing Kitsap staff performs the home inspections, creates a scope of work, assists homeowners with contractor selection, monitors the progress and signs off project completion and contractor payments.
	Target Date	12/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	7 Households
	Location Description	Kitsap County outside City of Bremerton Limits
	Planned Activities	Provides 20-year deferred loans or grants to very-low and extremely low-income homeowners for rehabilitation and repairs to address health, safety, and accessibility issues.
12	Project Name	Kitsap Community Resources (KCR) - Weatherization and Minor Home Repair
	Goals Supported	Preserve and Increase Affordable Housing Kitsap Co
	Needs Addressed	Affordable Housing - Kitsap County
	Funding	CDBG: \$58,275

	Description	CDBG Funds will be used to for contractor labor and materials, program staff wages & benefits, and related support costs for the Weatherization Program. The Program works with pre-approved Kitsap County contractors to perform weatherization measures and minor home repair for homeowner and rental households resulting in 30% reduction in energy usage. The program serves households below 50% Area Median Income with priority given to those with high energy cost burdens, seniors, disabled persons, and families with children under 19 years of age, throughout Kitsap County.
	Target Date	3/31/26
	Estimate the number and type of families that will benefit from the proposed activities	6 Households
	Location Description	Kitsap County outside of City of Bremerton Limits
	Planned Activities	Weatherization measures and minor home repair for homeowner and rental households resulting in 30% reduction in energy usage.
13	Project Name	Housing Kitsap – Kingston Ridge Roof Replacement
	Goals Supported	Preserve and Increase Affordable Housing Kitsap Co.
	Needs Addressed	Affordable Housing - Kitsap County
	Funding	CDBG: \$250,000
	Description	Funds will be used to replace the 30+ year-old roof of each of the three two-story buildings of this low and very-low income apartment complex in Kingston. Layered funding of Low-Income Housing Tax Credits and HUD Project Based Voucher assistance ensures affordable rents for tenants.
	Target Date	12/31/26
	Estimate the number and type of families that will benefit from the proposed activities	43
	Location Description	Kingston

	Planned Activities	Funds will be used to pay for construction costs associated with the removal and replacement of the roof including labor, materials and permits, at the Kingston Ridge Apartments. The property features three 2-story apartments with 43-unit affordable rental units.
14	Project Name	Housing Kitsap – Heritage Apartments Stair Repair
	Goals Supported	Preserve and Increase Affordable Housing Kitsap Co.
	Needs Addressed	Affordable Housing - Kitsap County
	Funding	CDBG: \$189,205
	Description	Funds will be used to pay for rehabilitation of the exterior stairs to a 56-unit apartment building for very-low income tenants. The stairs and attached landing are in of need significant structural repair, which will necessitate alternative temporary staircase access for residents. The project will also install new railings and treads to enhance safety and accessibility.
	Target Date	12/31/26
	Estimate the number and type of families that will benefit from the proposed activities	56 units
	Location Description	Port Orchard
	Planned Activities	Funds will be used to pay for costs associated with repair/replacement of the apartments' stairs including labor, materials and permits, at the Heritage Apartments. The property is a 46-unit affordable rental housing complex.
15	Project Name	Community Frameworks – Kitsap Homeownership Program
	Goals Supported	Preserve and Increase Affordable Housing Kitsap Co
	Needs Addressed	Affordable Housing - Kitsap County
	Funding	Kitsap County HOME: \$479,923
	Description	The program will pair HOME funds with internal and lender-partner funds to provide up to 20% DPA and closing cost assistance to program-qualified, mortgage-ready homebuyers at or below 80% Area Median Income purchasing an eligible home outside the Bremerton city limits in Kitsap County. Homebuyer education and individual Pre-Purchase Counseling is required for all participants.
	Target Date	2027

	Estimate the number and type of families that will benefit from the proposed activities	8 Homebuyers
	Location Description	Kitsap County (outside City of Bremerton Limits)
	Planned Activities	The program uses HOME funds with other funding to provide up to 20% DPA and closing cost assistance to program-qualified, mortgage-ready homebuyers.
16	Project Name	Bremerton Housing Authority – Wheaton Landing Apartments
	Goals Supported	Preserve and Increase Affordable Housing – City of Bremerton
	Needs Addressed	Affordable Housing – City of Bremerton
	Funding	City of Bremerton HOME: \$141,949
	Description	Funds will be used to acquire a 24 unit apartment building to provide 23 new units of affordable housing for low-income families with children in Bremerton. The units are two-bedroom, and 8 units are ADA accessible. This apartment building is centrally located on the region's main bus corridor and within walking distance of two elementary schools, a grocery store, a Boys and Girls Club location, and a public library. The project will partner with Bremerton School district and target families experiencing homelessness.
	Target Date	12/31/27
	Estimate the number and type of families that will benefit from the proposed activities	23 Units
	Location Description	Bremerton
	Planned Activities	Acquisition of new units of rental housing for low-income households at or below 30% Area Median.
17	Project Name	Kitsap Community Resources – Manette Housing
	Goals Supported	Preserve and Increase Affordable Housing –City of Bremerton
	Needs Addressed	Affordable Housing –City of Bremerton
	Funding	HOME CHDO Set-aside: \$97,896

	Description	Funds will be used to build nine units of low-income rental housing in five two-bedroom and four three-bedroom townhome-style apartments, laid out around a courtyard and surrounded by open space and a small surface parking lot. Residents will earn below 30% AMI and will be exiting homelessness. One of the nine homes is ADA and 504 accessible. This project has received prior funding from HOME.
	Target Date	12/31/26
	Estimate the number and type of families that will benefit from the proposed activities	9 Units
	Location Description	Bremerton
	Planned Activities	Construction of new units of rental housing for low-income households at or below 30% Area Median Income.
	Project Name	Trillium Housing – Meadowdale Trails Apartments
	Goals Supported	Preserve and Increase Affordable Housing – Kitsap Co.
	Needs Addressed	Affordable Housing - Kitsap County
	Funding	\$134,612
	Description	Funds would build 200 affordable units and feature a mix of two, three and four-bedroom apartments for individuals and families earning 60% or less of the Area Median Income (AMI). The project is designed to serve multi-generational families, with its larger three and four-bedroom units, and 10% of units are reserved for people with disabilities. The site will feature a community center, business center, sport court, and ample parking. It is also located directly adjacent to the region's main bus corridor.
	Target Date	12/31/28
	Estimate the number and type of families that will benefit from the proposed activities	200
	Location Description	Central Kitsap County

	Planned Activities	Construction of new units of rental housing for low-income households at or below 60% Area Median Income .
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AP-50 Geographic Distribution - 91.420, 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Kitsap County allocates funding on a competitive basis to eligible organizations who carry out programs and projects in all areas of the County. Kitsap County (excluding the City of Bremerton) does not have areas of low-income and minority concentration. All of Kitsap County's allocation of CDBG funds will be directed to projects serving low-income populations county-wide, outside the City of Bremerton.

County HOME funds are allocated to housing projects serving low-income households, with households at or below 50% AMI and special populations the priority.

Geographic Distribution

Target Area	Percentage of Funds
Kitsap County	100

Table 5 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The county does not distribute funds specifically on a geographic basis. CDBG projects funded through the Coordinated Grant Application Process serve individuals and households county-wide. HOME funding is also distributed through the Coordinated Grant Application Process with County HOME funds prioritized for rental and homeowner projects outside the City of Bremerton and City HOME funds prioritized for projects in the City.

Discussion

n/a

Affordable Housing

AP-55 Affordable Housing - 91.420, 91.220(g)

Introduction

Funding affordable housing projects is a high priority for CDBG and HOME funds. Action Plan projects include down payment assistance to homebuyers, new construction of rental housing, rehabilitation of rental housing and rehabilitation and weatherization/minor home repair of homeowner housing.

One Year Goals for the Number of Households to be Supported	
Homeless	32
Non-Homeless	320
Special-Needs	0
Total	352

Table 6 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	209
Rehab of Existing Units	112
Acquisition of Existing Units	31
Total	352

Table 7 - One Year Goals for Affordable Housing by Support Type

Discussion

n/a

AP-60 Public Housing - 91.420, 91.220(h)

Introduction

The two public housing authorities in Kitsap County, Bremerton Housing Authority and Kitsap County Consolidated Housing Authority dba Housing Kitsap, own and operate a number of public housing units. Bremerton Housing Authority has 206 public housing units and 1,856 Housing Choice Vouchers. Housing Kitsap has 206 public housing units and 403 Housing Choice Vouchers

Actions planned during the next year to address the needs to public housing

CDBG and HOME funds will not be used for public housing. Both Housing Kitsap and the Bremerton Housing Authority continue to invest in current properties to complete maintenance and upgrades to ensure properties are safe and sustainable into the future.

Actions 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.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Housing Kitsap is longer designated as troubled. The agency received funding from CDBG for their Housing Rehabilitation program and for the rehabilitation of two existing rental housing complexes.

Discussion

n/a

AP-65 Homeless and Other Special Needs Activities - 91.420, 91.220(i)

Introduction

Targeted funding to address homelessness in Kitsap County comes from the Homeless Housing Grant Program, the Consolidated Homeless Grant Program, and the Affordable Housing Grant Program and participation in the Coordinated Grant Application process to address the needs of homeless populations.

The Kitsap Homeless Crisis Response and Housing Plan will guide the allocation of resources. Kitsap County also receives McKinney Vento grant funds annually through the Continuum of Care Balance of State. Projects related to providing services and temporary housing for homeless populations will be funded from these sources in Kitsap County.

The 2025 Action Plan contains two housing projects with units targeted towards homeless individuals or those who are at risk of homelessness. Housing Resources Bainbridge received HOME funds for the new construction of 18 units of deeply affordable rental housing. Bremerton Housing Authority received HOME funds for the acquisition of 30 units of newly built rental housing for young adults ages 18-24 who are exiting foster care or facing homelessness.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

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

The Consolidated Plan does not have goals for reducing and ending homelessness. The goals and actions are contained in the Kitsap Homeless Crisis Response and Housing Plan. This plan, last updated in 2019, includes an Action Plan with specific goals, strategies, performance indicators and timelines for addressing homelessness. These goals go beyond a one-year time period and are: (1) Make homelessness rare; (2) Make homelessness brief; (3) Make homelessness one-time; (4) Continuously improve the homeless crisis response system; and (5) Expand community engagement. Projects to meet these goals are funded through the Coordinated Grant Application process each year. In addition, member agencies of the Continuum of Care (Kitsap Housing and Homelessness Coalition) work towards these goals. The annual Point in Time Count, Homeless Management Information System, and County data is used to measure progress towards meeting these goals. Outreach to homeless persons includes referrals to the coordinated entry program, the Housing Solutions Center, which provides intake, assessment and referrals to emergency housing and support services. 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 to over 500 low-income and homeless guests. Services provided include hygiene kits, haircuts, diapers, medical exams, immunizations, and a hot meal. Housing resources are also offered, both directly and through connections with the coordinated entry program. Project Connect has expanded to provide service fairs in two other parts of

the County - North Kitsap and South Kitsap - so that more residents could access these services.

Outreach is also performed through actions from both formal and informal street outreach teams including Homeless Encampment Action Response and Transitions (HEART), Recovery Empowerment Advocacy and Linkage (REAL) programs, CK, Poulsbo, and Bainbridge Island Community Assistance, Referral, and Education Services (CARES), the Coffee Oasis Youth Outreach, Commonstreet Consulting, and Rock the Block. These outreach programs coordinate with each other and with the Coordinated Entry Program to assess, serve, and refer people living outdoors or with substance use disorders with assistance.

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 priority pool for shelter and transitional housing. Kitsap County's homeless housing inventory includes residential emergency shelter beds— comprised of shelters for women and 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.

Transitional housing units provide 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 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 will be given to serving the most vulnerable 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. 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. Kitsap Community Resources also operates a program to provide Permanent Supportive Housing to Chronically Homeless Families (PSH CHF). Bremerton Housing Authority programs provide Housing Choice Vouchers for households successfully transitioning

to permanent housing.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: 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); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Existing prevention programs will provide 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 Resources operates an Eviction Prevention Program (EP) which provides housing-focused case management and temporary rent support to households at-risk of homelessness and coordinates with By & For Outreach Organizations to assist low-income underserved marginalized populations. Kitsap Mental Health will continue its program working with jail inmates with mental health issues prior to discharge to coordinate their housing upon exit. West Sound Treatment Center will continue to offer 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. This program has supported former-foster youth to maintain independent housing, support 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. The Bremerton Housing Authority is acquiring 30 units of newly built rental housing for young adults ages 18-24 who are exiting foster care or facing homelessness. Residents will be provided services to ensure housing stability.

Discussion

n/a

AP-75 Barriers to affordable housing -91.420, 91.220(j)

Introduction

Kitsap County and the City of Bremerton, like all jurisdictions in Washington State, have land use policies implementing the Growth Management Act. Generally, these policies drive new development towards designated urban growth areas that can support higher densities and better infrastructure such as sewers, public water supply, storm-water controls, more efficient transportation systems and public parks. Kitsap County and its cities engage in ongoing efforts to advance policy for increasing the supply of affordable housing. Effort has been made to coordinate planning activities among jurisdictions, streamline the permit process and include incentives for affordable housing development.

Actions it planned 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

Through the planning process for the Kitsap County Comprehensive Plan update, goals and strategies have been identified to address barriers to affordable housing and included in the Housing Element. County staff, along with local housing providers and developers, will continue to work together to identify and implement policies that encourage and increase the production of affordable housing.

Discussion

n/a

AP-85 Other Actions - 91.420, 91.220(k)

Introduction

There is a significant and growing need for affordable housing, and agencies, including CHDOs, struggle to have the capacity to successfully develop new units in Kitsap County. A challenging environment exists for obtaining financing for the construction of new affordable rental units, as well as preservation of existing subsidized properties, and has resulted in a growing need in the rental housing market. The County will continue to explore new and innovative ways to increase affordable housing and expand economic opportunities for low-income individuals and families.

Actions planned to address obstacles to meeting underserved needs

Kitsap County has a wide variety of non-profit and government agencies working together to address our community's underserved needs. Presently there is a great need for affordable rental housing, particularly for households with incomes at or below 50% area median income and for those with special needs. The 2025 Action Plan includes projects to preserve existing rental and homeowner housing and build new units of affordable rental housing.

Kitsap County has made affordable housing a high priority. The Kitsap Homeless Housing Plan contains strategies to address housing barriers experienced by people experiencing homelessness. Kitsap County has also implemented coordinated entry through the Housing Solutions Center to provide people experiencing housing problems a single point of contact for information and referral. Through the projects funded, Kitsap County will continue to foster and maintain affordable housing throughout the county.

Kitsap County also implemented an affordable housing fund through a 1/10th of 1% affordable housing tax, called Community Investments in Affordable Housing. These local funds are distributed along with CDBG and HOME funds for affordable housing projects. By using a single coordinated application and funding award process, projects that meet a high need and are ready to move forward are funded at a level that ensures their success. This same coordinated application process is used to distribute local Homeless Housing and Affordable Housing grant funds used for homeless services and maintenance and operations of facilities serving homeless populations. The 2025 grant cycle also included a portion of 1/10% of 1% for Mental Health, Chemical Dependency, Therapeutic Court funds for capital projects.

Actions planned to foster and maintain affordable housing

The County supports affordable housing by:

- Providing funds each year for the rehabilitation and weatherization of owner-occupied housing for low-income households
- Awarding HOME funding for a down-payment assistance program to ensure that single-family

homes purchased are affordable to low-income homebuyers.

- Providing CDBG funds for the preservation of affordable rental housing through rehabilitation.
- Providing HOME and local funds for the creation of new rental housing through construction and acquisition.

Actions planned to reduce lead-based paint hazards

Housing units assisted with CDBG and HOME funds are evaluated for potential lead hazard. Programs providing rehabilitation or weatherization services have staff trained in lead hazard evaluation and lead safe work practices. All housing built before 1978 and assisted with CDBG or HOME are required to follow lead safe work practices when rehabilitation work is being done.

Actions planned to reduce the number of poverty-level families

Kitsap County will continue to target grant funds towards projects that serve the lowest income households including awarding funds for childcare and after school programs serving low-income families and food banks.

Actions planned to develop institutional structure

Kitsap County has a well-developed institutional structure to provide service delivery and provide funding for capital projects. A variety of agencies and organizations play key roles in delivering and managing housing and service programs throughout the county. The County has continued to look for ways to improve its processes for grant management and efficient contracting with its partners in the community. Through a coordinated application process each year CDBG and HOME funds along with local grant funds are awarded. These funding sources are administrated by the County and staff is housed in the Dept. of Human Services. The City of Bremerton's HOME funds are also allocated through the Coordinated Grant Application process.

Actions planned to enhance coordination between public and private housing and social service agencies

Many housing and social service agencies are members of the Kitsap Housing and Homelessness Coalition. Member organizations meet monthly to share information and coordinate efforts to serve the most vulnerable populations. The County Block Grant Program and Housing and Homeless Program have on-going conversations with housing agencies in the County to understand the challenges associated with housing and what plans they have for developing new projects.

Discussion

n/a

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

Introduction

100% of CDBG funds will be used for activities that benefit low- and moderate-income persons. 15% of Kitsap County's CDBG funds are allocated to Public Service projects. The remaining CDBG funds are used for Capital housing projects and economic development projects.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

**HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)**

1. **A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:**

N/A

2. **A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:**

HOME assisted homebuyers assisted through downpayment assistance programs are subject to Recapture provisions. Kitsap County's Recapture and Resale provisions are included in the Appendix 1 of the 2021-2025 Consolidated Plan (Kitsap County Recapture and Resale Policy for HOME Funded Projects).

3. **A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds. See 24 CFR 92.254(a)(4) are as follows:**

If a program or project does not meet its affordability requirements through change in ownership, change in use, or other failure to adhere to contractual obligations, Resale or Recapture provisions are triggered in order to continue the HOME investment to its intended recipient. Either Resale or Recapture provisions are set forth in each project/ program's contract as well as in each HOME written agreement executed with the homebuyer. Homeownership projects funded with HOME are subject to the following period of affordability which is included in the HOME written agreement for each homeowner:

Period of Affordability for HOME assistance provided per housing unit or rental project:

Under \$15,000 Period of Affordability = 5 Years

Between \$15,000 to \$40,000 Period of Affordability = 10 Years

Over \$40,000 Period of Affordability = 15 Years

New construction or acquisition of rental housing = 20 Years

4. **Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:**

HOME funds will not be used to refinance existing debt.

5. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).

N/A

6. If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).

N/A

7. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).

N/A

Attachments - Grantee Unique Appendices

APPENDIX 1: Kitsap County Recapture and Resale Policy for HOME Funded Projects

Resale provisions will be included in a HOME written agreement executed with the homebuyer for all HOME-assisted units and will also be included in a Restrictive Covenant or Deed Restriction, which will be recorded in Kitsap County and shall be required of the original and any subsequent buyer of the subject property during the term of the Period of Affordability.

HOME Homebuyer Resale Policies:

1. The length of the affordability period is based on the dollar amount of HOME funds invested in the unit and length of the loan; either 5, 10, 15 or 30 years.
2. The subject property must be homebuyer's principal residence at all times during the Period of Affordability.
3. When the property is sold, it must be sold to an income qualified homebuyer with an income of no more than 80 percent of Area Median Income (AMI) for Kitsap County, as published annually by HUD. The range will be further defined and narrowed in the HOME written agreement executed for the specific project. The range will be the same for all homebuyers in the project.

4. Determining Sales Price:

There are two factors in determining the sales price of the home on resale:

- The property must be sold at a price that is affordable to a reasonable range of low-income buyers (described below).
- The owner shall receive a fair return on their investment (described in detail below).

It may not be possible to sell the house for the maximum return and still meet the requirement for a sales price that is affordable to a reasonable range of low-income homebuyers. If the fair market value of the HOME-assisted unit is more than what the defined range of low-income homebuyers can afford, the resale price must be set to provide a fair return to the original homebuyer while ensuring that the property is affordable to its target population. It is also important to note that in certain circumstances, such as a declining housing market where home values are depreciating, the original homebuyer may not receive a return on his or her investment because the home sold for less or the same price as the original purchase price.

5. Affordable to a reasonable range of low-income buyers:

For the home to be affordable to a range of buyers, the home price must be set so the home would be affordable to households at the mid-point of the range. For example, if the range is 60-80% AMI, the home would need to be affordable to a household with income at 70%. You must also establish the potential homebuyer household size. This should be based on the number of bedrooms in the home. The housing costs including Principal, Interest, Taxes and Insurance should not exceed 30% of annual income.

- a. 1-bedroom unit: calculate using 1-person household
- b. 2-bedroom unit: calculate using 2-person household

- c. 3-bedroom unit: calculate using 3-person household
- 6. **Fair Return on Investment:** This means the total homeowner investment which includes the total cash contribution (excluding standard maintenance) plus the approved capital improvements as described below:
 - a. The cost of any capital improvements, documented with receipts provided by the homeowner, including but not limited to:
 - i. Any additions to the home such as a bedroom, bathroom, or garage;
 - ii. Replacement of heating, ventilation, and air conditioning systems;
 - iii. Accessibility improvements such as bathroom modifications for disabled or elderly, installation of wheelchair ramps and grab bars, any and all of which must have been paid for directly by the Owner and which were not installed through a federal, state, or locally funded grant program; and
 - iv. Outdoor improvements such as a new driveway, walkway, retaining wall, or fence.
 - b. All capital improvements will be visually inspected to verify their existence.

The **Housing Price Index (HPI)** of the **Federal Housing Finance Agency** will be used as the index to determine fair return on investment. The percentage of change as calculated by the HPI projects what a house purchased at a point in time would be worth today if it appreciated (or depreciated) at the average rate for all homes in the areas. The calculation shall be performed for the Bremerton-Silverdale Metropolitan Statistical Area (MSA).

Calculating Fair Return on Investment: Calculating the Fair Return to the original homeowner would be as follows:

Step 1: Owner cash contribution at closing + capital improvements x HPI% change= fair return on initial & capital investments

Step 2: The results are then added to the owner's cash contribution (mortgage principal payments) + capital improvements to get the **maximum** total return to the original homebuyer at sale.

- 7. **Establishing the Sales Price:** Use HOME Resale Worksheet saved here: SharePoint\Kitsap County\CDBG - Documents\Administrative\Program Policies and Procedures\Resale Recapture
- 8. The Kitsap County Block Grant Program must approve the resale price.

HOME Homebuyer Recapture Policies:

All HOME assisted homebuyers subject to Recapture provisions must meet the following during the Period of Affordability, which will be recorded in a restrictive covenant or deed and shall be required during the term of the Period of Affordability:

- 1. The homebuyer must enter into a HOME written agreement outlining recapture requirements.
- 2. The PJ/subrecipient will record a lien on the property securing the home until expiration of the Period of Affordability.
- 3. The homebuyer may sell the home at any time during the Period of Affordability, to any willing buyer, and at the price the market will bear.
- 4. In the event of voluntary or involuntary sale during the Period of Affordability, the PJ/subrecipient will recapture the HOME investment not to exceed net proceeds which is enforced through the HOME Agreement executed with the homebuyer at closing of the loan.

Net Proceeds = [Sale Price] – [Non-HOME Debt] – [Closing Costs]

APPENDIX 2 - CDBG and HOME Grantee SF-424's and Certifications