

KITSAP COUNTY

ANNUAL REPORT

Block Grant Programs

Community Investments in Affordable Housing

2025



Introduction

Combined Report

Kitsap County Human Service Department has many programs that work to support the community in a wide variety of ways. Many of these programs coordinate to effectively deliver programs and share expertise and experience to ultimately serve more people in ways that lead to positive outcomes.

This combined annual report looks at two of the County's largest programs that prioritize affordable housing development: the Block Grant and Community Investments in Affordable Housing (CIAH) programs. This report will provide program overviews and then give a snapshot of annual activity from each program.

Federal Department of Housing and Urban Development (HUD) Funds

Through the Human Services Department of Kitsap County, the Block Grant program administers the following federal HUD funds:

Community Development Block Grant – [CDBG](#)

HOME Investment Partnerships – [HOME](#)

HOME American Rescue Plan – [HOME-ARP](#)

HOME-ARP funds were a one-time grant made to the County in response to the coronavirus pandemic. The CDBG and HOME funds are annual allocations that fluctuate slightly year-to-year based on the federal budget and a formula designed by HUD.

Kitsap County administers HUD funds for the County, including all cities, and all funds are eligible to be spent throughout the County. The City of Bremerton is its own entitlement entity for CDBG funds, meaning they receive their own CDBG allocation of funds directly from HUD which they manage. The City and County together form a HOME consortium, with 31% of the funds designated for projects in the City. Kitsap County manages all HOME consortium funds.

The Block Grant program is guided by several planning documents.

Consolidated Plan: Every five years the Block Grant program goes through a community and stakeholder engagement process to develop goals and strategies that will meet the current needs of the community. The [2021-2025 Kitsap County/City of Bremerton Consolidated Plan](#) was the active plan for the year 2025 covered in this report.

Annual Action Plan: The [Annual Action Plan](#) is due every year to HUD in November, except in years where the federal budget is delayed. This plan utilizes the goals from the Consolidated Plan, and funds projects and activities that work to achieve those goals.

Policy Plan: The [Policy Plan](#) is published every year describing the priorities, citizen participation process and outlining policies, program rules, requirements, and expectations for applicants.

CAPER: The Consolidated Annual Performance Evaluation Report ([CAPER](#)) is submitted every March to HUD. It on the accomplishments made in the prior program year, including the resources that were made available, the funds drawn, what projects were completed, the outcomes, and discusses progress towards the goals outlined in both the *Consolidated Plan* and the *Annual Action Plan*.

County CIAH Funds

The CIAH program is administered by the Kitsap County Human Services Division, funded through local sales and use taxes. CIAH funds are generally able to be spent on projects throughout the County.

The City of Poulsbo and Bainbridge Island have both opted to collect the sales and use taxes produced in their jurisdictions. Because of this, the CIAH program will not prioritize funding to projects in Poulsbo or Bainbridge Island.

The CIAH program publishes a [Policy Plan](#) each year, which provides program priorities, guidelines, and requirements.

Coordination Efforts

The Block Grant and CIAH programs overlap in many key areas, specifically in the types of populations the funds serve and the types of projects each program can fund. Because of this, County staff from each program coordinate many planning and implementation components. Together the programs utilize a competitive Request for Proposal (RFP) process to distribute funds annually. The programs share a decision-making body for the funds, using a Grant Recommendation Committee, comprised of community members that support staff in reviewing and scoring applications received. See the [Coordinated Grant Application Process \(CGAP\) website](#) for program schedules and additional program information.

Goals & Priorities

Block Grant Program

The goals identified in the 2021-2025 Consolidated Plan are:

1. Preserve and increase affordable housing in Kitsap County
2. Provide supportive services
3. Increase economic opportunities
4. Provide essential public facilities and/or infrastructure
5. Preserve and increase affordable housing in the City of Bremerton

Within those goals the following priorities were identified for program year 2025 (not ordered by importance):

CDBG

1. Rehabilitation and weatherization of homeownership housing
2. Rehabilitation of rental housing
3. Economic development micro-enterprise assistance (businesses with 5 or fewer employees)
4. Public facilities and infrastructure projects linked to affordable housing, provision of high priority public services, or located in HUD designated Low-Mod Income Areas

HOME

1. Rental housing, including construction of new units, acquisition and rehabilitation
2. Homebuyer assistance (downpayment assistance)
3. New construction of homeowner housing

CIAH Program

The two primary goals are:

1. Provide supportive and affordable housing options for Kitsap County residents
2. Reduce homelessness for Kitsap County residents

Within those two goals, the County has identified four priorities, ordered by importance:

1. Develop new units of supportive housing, affordable housing, transitional housing, and shelter beds
2. Acquire land for the development of supportive housing, transitional housing, or shelter beds
3. Provide housing or behavioral-health related services in relation to supportive housing. These services may include rental assistance
4. Provide operations and maintenance support for new units of supportive housing

2025 Accomplishments

The program year for Kitsap County's Block Grant and CIAH programs is Jan. 1 – Dec. 31st. Projects completed during the program year are reported as accomplishments for that year. This may include projects initially funded in previous program years and completed in 2025.

Affordable Housing

Both the Block Grant and CIAH programs prioritize the need to increase access to affordable housing of all types.

CDBG

Agency & Program	Description	Outcomes	Funded
Kitsap Community Resources Weatherization Program	Provides weatherization and minor home repairs for low-income homeowners.	13 homes weatherized	\$ 56,875
Housing Kitsap Rehabilitation Program	Provides rehabilitation loans and emergency grants to low-income homeowners to perform needed rehabilitation.	9 homes rehabilitated	\$ 186,200.75
Housing Kitsap (HK) Golden Tides II Roof Replacement	Installation of a new roof on the 45-unit complex for low-income seniors.	45 units rehabilitated	\$104,817
Housing Kitsap – Madrona Manor Roof Replacement	Installation of a new roof on the 40-unit complex for low-income seniors.	40 units rehabilitated	\$100,000

HOME

Agency & Program	Description	Outcomes	Funded
Community Frameworks Down Payment Assistance Program	Provides low-income households with funds to complete the necessary down payment to purchase a home.	5 households supported	\$ 639,127.34
Housing Resources Bainbridge (HRB) Wyatt & Madison	Acquisition of 13 newly built rental units on Bainbridge Island, serving low-income households.	13 units acquired	\$ 1,111,106.57

CIAH

Agency & Program	Description	Outcomes	Funded
Housing Kitsap Time Square Apartments	Acquisition of a 16-unit apartment complex in Kingston that serves seniors.	16 Units Acquired	\$350,000
Bremerton Housing Authority Wheaton Landing	Acquisition of a 24-unit apartment building to provide affordable housing for low-income families with children in Bremerton.	23 units Acquired	\$858,051

Services

15% of the annual CDBG allocation from HUD is set-aside (maximum allowed by HUD) to provide needed services to the community.

CDBG

There are five programs with service accomplishments in 2025.

Agency	Description	Outcomes	Funded
Boys & Girls Club of South Puget Sound	Provides staff costs for the after-school program held at Cedar Heights Middle School for low-income youth ages 11-13.	26 individuals provided services	\$27,500
YMCA	Provides low-income families with scholarships to fund their children's participation in the YMCA's before and after school Childcare Programs in South and Central Kitsap.	16 individuals provided scholarships	\$19,444.82
Helpline House	Provides operations funding for the foodbank which provides food, free of cost, to low- and very-low income residents of Bainbridge Island.	5,413 individuals provided services	\$30,000
Bremerton Foodline	Purchases food for the foodbank which provides emergency food assistance to low- and very-low-income households within the Bremerton School District.	11,816 individuals provided services	\$30,000
South Kitsap Helpline	Provides operations funding for the foodbank which provides food distribution and deliveries to low-income and very-low-income residents of South Kitsap.	8,255 individuals provided services	\$30,000

CIAH

Agency	Description	Outcomes	Funded
Housing Kitsap Rental Assistance	Provide rental assistance to homeless and at-risk of homelessness households while they transition into permanent housing.	18 Households supported	\$23,202.13
Housing Kitsap Development Director	Provide staffing funding for the development director's position to further Housing Kitsap's mission.	12 months of staffing	\$22,916.89

Economic Development

CDBG

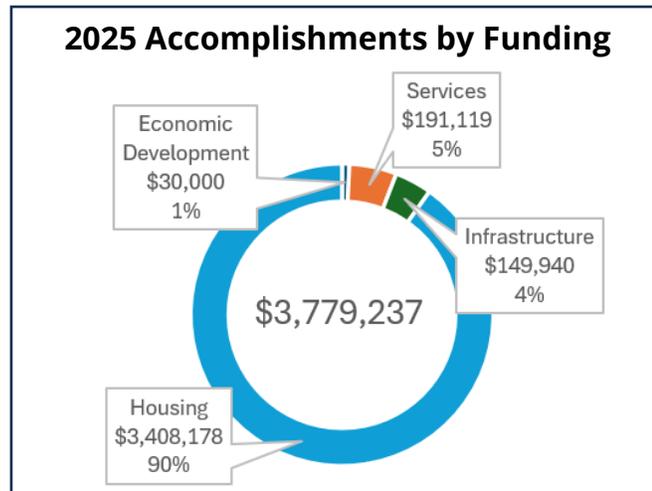
There is one program with economic development micro-enterprise accomplishments in 2025.

Agency & Program	Description	Outcomes	Funded
Kitsap Community Resources BE\$T	Provides staff funding for the BE\$T Program which is a micro-enterprise program that trains and offers on-going supports to assist low-income micro-enterprise business owners in their business venture.	69 individuals provided training and/or ongoing support.	\$30,000

2025 Accomplishment Funding Summary

Project accomplishments are not always recorded in the same year the project is funded. It is important to note that accomplishments from projects, and their associated costs, vary from year to year based on what types of projects are completed.

17 projects had accomplishments in 2025, and those projects received a total of \$1,411,960 in Block Grant Program funding and \$1,254,170 in CIAH funding – \$3,779,237 combined. Housing development is a priority for both the Block Grant and CIAH programs, and this is reflected in the breakout of funding by accomplishment in the 2025 program year.



Projects Underway

Accomplishments are most often highlighted in year-end reports, but it's also important to highlight all the work being done on projects, especially capital projects, that often take a large amount of coordination and work to come to fruition. Capital projects, especially those capital projects braiding several different funding streams from different sources, may take several years from funding to lease-up.

- Bremerton Housing Authority – Homeless Prevention Services: A Housing Navigator will provide homelessness prevention support services to assist households in using Housing Choice Vouchers to secure permanent housing. 216 households were assisted in 2025. (HOME-ARP)
- HRB Ericksen: Construction of 18 units of rental housing on Bainbridge Island for elderly, veterans, domestic violence survivors and family households, prioritizing homeless households, or those at risk of homelessness. Eleven units will be for households at or below 50% AMI and seven units will have Section 8 Project Based Vouchers and be prioritized for households at or below 30% AMI. Construction is underway and is scheduled for completion in July or August of this year. (HOME and HOME-ARP)
- Foundation for the Challenged – FFC HOME XIII: Acquisition of a 3-bedroom home to provide housing for three tenants with intellectual and development disabilities. A home in Port Orchard was purchased in Spring 2025, and lease-up will begin in Spring 2026 following rehabilitation work. (CIAH)

- KMHS - ADU Project: Construction of three accessory dwelling units (ADUs) on property owned and managed by KMHS to provide housing for five individuals, with mental health diagnosis and receiving services from KMHS, with incomes at or below 30% AMI. All units are purchased and placed, and occupants are expected by the end of March 2026. (CIAH)
- Peninsula Community Health Services – Medical Respite Facility: Rehabilitation of a commercial building into a 22-room medical respite facility to provide short term housing and medical respite care for housing unstable individuals. Construction has started and rehabilitation is underway. (CIAH)
- Saint Vincent de Paul – Star of Hope: The project will include 19 transitional units and 19 permanent supportive housing units in a four-story building adjacent to the Stella Maris Shelter. The project continues to secure funding and work on zoning, permitting, and boundary lines. Construction is expected to begin in October 2026. (CIAH)
- Housing Kitsap – Heritage Stair Repair: Rehabilitation of the exterior stairs to a 56-unit apartment building serving very-low-income tenants. The project will also install new railings and treads to enhance safety and accessibility. A contractor has been selected, and work is expected to be completed by late summer. (CDBG)
- Housing Kitsap – Kingston Ridge Roof Replacement: Replacement of the roof and gutters, of each of the three two-story buildings, at the 43-unit complex serving low and very-low- income tenants. Work is expected to begin this summer. (CDBG)

Project Highlights



Bremerton Housing Authority Wheaton Landing

Acquisition of a newly constructed apartment building to provide 23-units of affordable housing for families at or below 30% AMI and experiencing homelessness. The acquisition was completed in early 2025 and BHA is currently leasing the units. This project includes CIAH, HOME, and HOME-ARP funds.

City of Poulsbo Nordic Cottages

Construction of 8-units of affordable housing in the City of Poulsbo to serve seniors and disabled individuals at or below 30% Area Median Income. All units are one-bedroom and will have Project-Based Section 8 vouchers. Construction was completed in September 2025, and the units are fully leased. (HOME)



KCR šəqusəbali

(formerly known as Manette)

Construction of 9 units of affordable rental housing in the City of Bremerton to serve homeless families at or below 30% AMI. The project includes a mix of two- and three-bedroom units. Construction completed in December and lease-up is in progress. (HOME)

Times Square Apartments

Acquisition of a 16-unit apartment complex currently serving seniors enrolled in a USDA rental subsidy program. The complex will transition to Housing Kitsap vouchers over time and remain serving seniors. (CIAH)



Looking Forward

In the Summer and Fall of 2025, applications were received, and awards were made for 2026 funds. Block Grant and CIAH Program funds for the 2026 program year were made available through an RFP. Eligible projects submitted applications that were scored by the grant recommendation committee, staffed by community residents and County staff. Awards for three types of projects were made with 2026 funds:

Capital	Projects that result in new units of housing. Housing in this use ranges from emergency shelter beds, transitional housing, permanent supportive housing, and subsidized affordable housing. Some examples include: <ul style="list-style-type: none"> • Acquisition • New construction • Rehabilitation
Facility	Projects may include infrastructure (water, sewer, sidewalks, etc.) and neighborhood facilities that provide services (foodbanks, childcare centers, nursing homes, etc.).
Service	Projects that result in direct support to low- and moderate-income households (including rental assistance).

A total of \$7,014,254 of CIAH and Block Grant Program funds were awarded to 14 projects.

Agency	Project	CIAH	KC CDBG	KC HOME	COB HOME
Boys and Girls Club	South Kitsap After School Program		\$ 27,500		
Community Frameworks	Kitsap Homeownership Program			\$ 389,132	\$ 114,622
Helpline House	Food Bank Operations		\$ 30,000		
Housing Kitsap	Home Rehab Program		\$ 225,000		
Housing Kitsap	Park Place Rehab		\$ 180,000		
Housing Kitsap	Rhododendron Rehab		\$ 140,000		
Housing Kitsap	Southern Cross			\$ 350,000	
Housing Kitsap	Stoneridge Housing	\$ 1,000,000			
Kitsap Community Resources	Home Weatherization Program		\$ 100,000		
Saint Vincent dePaul	Transitional & Supportive Housing	\$ 1,765,388			
South Kitsap Helpline	Food Bank Operations		\$ 30,000		
Trillium Housing Services	Meadowdale North Apartments	\$ 2,500,000			
Trillium Housing Services	Meadowdale Trails Apartments	\$ 134,612			
YMCA	Child Care Scholarships		\$ 28,000		
	TOTALS -->	\$ 5,400,000	\$ 760,500	\$ 739,132	\$ 114,622
Capital - Housing	Services				

* The HUD programs are estimates. Federal funding amounts are not typically known until May, and may vary based on the federal budget and the formula HUD uses.

After awards were announced in October, staff began working through the contracting process for each award. This involves collaborating with each agency awarded funds and working through federal, state, and county requirements.