

KITSAP COUNTY

ANNUAL REPORT

Block Grant Program

Community Investments in Affordable Housing

2024



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 quickly 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 Investments Partnership – [HOME](#)

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

CDBG CARES Act – [CDBG-CV](#)

HOME-ARP and CDBG-CV 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 29% 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](#) is the current active plan. Work on the 2026-2030 Consolidated Plan is underway. Draft 2026-2030 priorities will be published to the Block Grant program website in May 2025.

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 reports to HUD 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 that each program can fund. Because of this, County staff from each program coordinate many planning and implementation components. Both 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 scoring and fulfilling fund requests. Please see the [Coordinated Grant Application Process \(CGAP\) website](#) for program schedules and additional program information.



Goals & Priorities

Block Grant Program

The Kitsap County Block Grant program has five goals identified in the five-year Consolidated Plan:

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

Each year the Block Grant program publishes an RFP for CDBG and HOME funds. For the 2024 program year, the following priorities were identified for each program (not ordered by importance):

CDBG

1. Rehabilitation and weatherization of homeownership housing
2. Rehabilitation of rental housing
3. Economic development programs including 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

2024 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 funded in previous program years initially, with projects being completed in 2024.

Affordable Housing

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

Block Grant Program

There are four projects with housing accomplishments in 2024.

Agency & Program	Description	Outcomes	Funded
Kitsap Community Resources Weatherization Program	Provides weatherization and minor home repairs for low-income homeowners.	6 homes repaired,	\$50,804 CDBG
Housing Kitsap Rehabilitation Program	Provides rehabilitation loans and emergency grants to low-income homeowners to perform needed rehabilitation.	11 homes rehabilitated	\$110,501 CDBG
Community Frameworks Down Payment Assistance Program	Provides low-income households with funds to complete the necessary down payment to purchase a home.	27 households supported (including 1 City of Bremerton)	\$1,294,921 HOME
Housing Resources Bainbridge (HRB) Western View Terrace	Deck and siding replacement and exterior painting of an existing 8-unit affordable housing complex.	8 units rehabilitated	\$235,347 CDBG

CIAH

Agency & Program	Description	Outcomes	Funded
Bremerton Housing Authority Evergreen Bright Start	Provides supportive housing for young adults (18-24) at-risk of homelessness.	24 Units	\$3,424,697 CIAH

Services

The Block Grant Program sets aside 15% of the annual allocation from HUD to provide needed services to the community.

Block Grant Program

There are five programs with service accomplishments in 2024.

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.	33 individuals provided services	\$25,000 CDBG
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.	27 individuals provided scholarships	\$30,000 CDBG
Helpline House	Provides operations funding for the foodbank which provides food, free of cost, to low- and very-low income residents of Bainbridge Island.	3,365 individuals provided services	\$30,000 CDBG
Bremerton Foodline	Provides operations funding for the foodbank which provides emergency food assistance to low- and very-low-income households within the Bremerton School District.	11,757 individuals provided services	\$30,000 CDBG
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.	7,243 individuals provided services	\$30,000 CDBG

CIAH

Agency	Description	Outcomes	Funded
Eagles Wings Coordinated Care Rental Assistance	Provide rental assistance (including arrearages, utility costs, and move-in fees) to homeless individuals to stabilize and move to more permanent housing.	158 Households supported	\$245,556 CIAH
Housing Kitsap Rental Assistance	Provide rental assistance to homeless and at-risk of homelessness households while they transition into a permanent housing solution.	29 Households supported*	\$116,039 CIAH

Kitsap Mental Health Services	Provide staffing cost to support operation of 72-units of permanent supportive housing.	9 months of staffing and service support for 72 units of PSH	\$699,522
Operations & Maintenance			CIAH

* Project is still active with

Public Facility and Infrastructure

Block Grant Program

There is one project with infrastructure accomplishments in 2024.

West Sound Treatment Center O'Hana House	Interior renovations on a 5-bedroom home serving homeless women with substance abuse disorders.	7 individuals	\$149,940
			CDBG

Economic Development

Block Grant Program

There is one program with economic development micro-enterprise accomplishments in 2024.

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.	18 individuals provided training and/or ongoing support.	\$30,000 CDBG

2024 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.

15 projects had accomplishments in 2024, and those projects received a total of \$2,016,513 in Block Grant Program funding and 4,485,814 in CIAH funding. 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 2024 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. 772 households were assisted in 2024. (HOME-ARP)
- Housing Kitsap – Golden Tides II Roof Replacement: Providing the 45-unit complex for seniors with incomes at or below 60% Area Median Income with a newly constructed roof. The roof work is complete. (CDBG)
- Housing Kitsap – Madrona Manor Roof Replacement: Providing the 40-unit complex for seniors with incomes at or below 45% Area Median Income with a new roof. Roof work is underway. (CDBG)
- South Kitsap Helpline – The project to construct a new foodbank warehouse facility on an existing site is underway. A new building has been acquired to relocate the food bank and associated offices so site demolition and preparation can begin. Work is scheduled to begin in spring 2025. (CDBG)
- City of Poulsbo Nordic Cottages: Construction is underway on 8 new 1-bedroom units

of permanent affordable housing in two buildings located in the City of Poulsbo to serve seniors and disabled individuals at or below 30% Area Median Income. (HOME)

- KCR šæqusebali (formerly known as Manette): Offsite infrastructure work has begun for this project which includes construction of 9 units of affordable rental housing in Bremerton. The project will serve families at or below 30% AMI experiencing or at risk of homelessness. (HOME)
- Housing Kitsap Southern Cross: Construction of 4 units of affordable rental housing for families on Bainbridge Island for households with incomes between 30%-50% AMI. The environmental review is underway, and construction is expected to begin in 2025. (HOME)
- HRB Ericksen: Construction of 18 units of rental housing on Bainbridge Island for households at or below 50% AMI. The environmental is complete and permitting is underway. Construction is expected to begin in spring 2025. (HOME and HOME-ARP)
- Helpline House New Foodbank: Construction of a new community services center and foodbank on an existing site on Bainbridge Island. The environmental review is underway and permitting is underway. Construction is expected to begin in spring 2025. (CDBG)
- Foundation for the Challenged – FFC HOME XIII: Acquisition of a 3-bedroom home to provide housing for three tenants with intellectual and development disabilities. Acquisition and rehabilitation are expected to begin in spring-summer 2025. (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. Project is underway with completion expected mid-2025. (CIAH)
- Peninsula Community Health Services - Medical Respite Facility: Rehabilitation of an existing 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 is expected to be completed January 2026. (CIAH)
- Housing Kitsap – Times Square: Acquisition of an existing 16-unit apartment complex in Kingston preserving the affordability and ensuring tenants are housed and protected from future rent increases. Housing Kitsap will provide tenants the option to secure Project Based Vouchers. Closing on the purchase is set for April 2025. (CIAH)

Project Highlights



Bremerton Housing Authority Evergreen Bright Start

CIAH and HOME funds were used for the acquisition of a newly built 30-unit apartment complex in Bremerton for individuals ages 18-24 experiencing behavioral health disabilities, homelessness or at risk of homelessness. Bremerton Housing Authority completed the acquisition in 2024 and will own and operate the building.

HRB Wyatt & Madison (The Oliver)

HOME funds were used for the acquisition of 13- newly built rental units on Bainbridge Island that will provide affordable housing for households at or below 60% AMI. Housing Resources Bainbridge completed the acquisition in 2024 and will own and operate the building.



Pacific Building Shelter

CDBG- CV funds were used for the renovations costs to repurpose an existing 75,000 square foot building, formerly a fitness club, to become an 24/365 emergency shelter to serve 75 men, women, and children. Construction started in January 2024 and completed in December 2024. Temporary Certificate of Occupancy was issued on January 22, 2025, and the building began serving guests on



January 29, 2025. The final grant closeout was March 24, 2025. Kitsap County will own and maintain the building and property and has contracted with Kitsap Rescue Mission for shelter operations and on-site services.

Looking Forward

In the Summer and Fall of 2024, applications were received, and awards were made for 2025 funds. Block Grant and CIAH Program funds for the 2025 program year were made available through an RFP. Eligible projects submitted applications that were scored by a recommendation committee, staffed by community residents and County staff. Awards for three types of projects were made with 2025 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 \$9,104,472 of CIAH and Block Grant Program funds were awarded to 18 projects in the Fall of 2024.

Agency	Project	CIAH	KC CDBG	KC HOME	COB HOME
Boys and Girls Club	South Kitsap After School Program		\$ 27,500		
Bremerton Foodline	Food Bank Operations		\$ 30,000		
Bremerton Housing Authority	Wheaton Landing	\$ 858,051			\$ 141,949
Bremerton Housing Authority	Hybrid Shelter	\$ 1,575,000			
Community Frameworks	Downpayment Assistance Program			\$ 479,923	
Helpline House	Food Bank Operations		\$ 30,000		
Helpline House	Community Resource & Food Bank		\$ 198,000		
Housing Kitsap	Kingston Ridge - Roof Replacement		\$ 250,000		
Housing Kitsap	Heritage Apartments - Stair Repair		\$ 189,205		
Housing Kitsap	Home Rehab Program		\$ 125,000		
Kitsap Community Resources	Home Weatherization Program		\$ 58,275		
Kitsap Community Resources	BE\$T Program		\$ 30,000		
Kitsap Community Resources	Manette Housing			\$ 69,506	\$ 28,390
Peninsula Community Health Services	Hemlock House	\$ 500,000			
Saint Vincent dePaul	Transitional & Supportive Housing	\$ 351,561			
South Kitsap Helpline	Food Bank Operations				
Trillium Housing Services	Meadowdale Trails Apartments	\$ 3,865,388		\$ 134,612	
YMCA	Child Care Scholarships		\$ 27,500	\$ 134,612	
	TOTALS -->	\$ 7,150,000	\$ 965,480	\$ 818,653	\$ 170,339
Capital - Housing	Services	Capital - Facility			

* 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 2024, 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 such as prevailing wage, environmental reviews, public hearing presentations, documenting leverage commitments, among other processes.