

DATE SUBMITTED: 10/5/05

BILL # 05-238

AGENDA BILL
CITY OF BREMERTON
CITY COUNCIL

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SUBJECT: 2006 CDBG Allocation
 Proposal

Committee Meeting Date: 10/12/05
 COUNCIL MEETING Date: 10/19/05

Department: DCD-Grants
 Presenter: Howe-Morgan
 Phone: 5375

SUMMARY: This bill requests the support of the Council in the assignment of federal grant funds to certain public and non-profit agencies who have applied for the money. Proposed block grant allocations and HUD-required annual action plan are delivered to the Council yearly following deliberations by two Citizen Advisory Committees, according to an approved Policy Plan. The one-year action plan is part of and will be submitted to HUD with the 2006-2010 Consolidated Plan discussed elsewhere.

ATTACHMENTS: 2006 Proposed Distribution of CDBG Funds, Tentative applicant awards.

FISCAL IMPACTS (Include Budgeted Amount): Pass-through funds only




APPROVALS:

DEPARTMENT DIRECTOR:

CITY ATTORNEY:

FINANCE DIRECTOR:




MAYOR:

FISCAL/BUDGET:

OPERATIONS:

COUNCIL PRESIDENT:

CONSENT AGENDA



RECOMMENDED MOTION: Move to approve the proposed 2006 CDBG priorities and authorize the allocations.

COUNCIL ACTION: Approve Deny Table Continue No Action



*Department of Community Development
Grant and Loan Programs*

MEMORANDUM

To: Bremerton City Council

From: Hugh Morgan, Programs Administrator

Date: 9/30/2005

Re: 2006 Community Development Block Grant Allocation Proposals

Citizen Advisory Committees evaluating public services, capital improvement, housing and economic development applications for funding have completed their work.

The first attachment details 2006 proposed receipt of funds, while the second attachment details applicants, project names, proposed funding and committee rating.

Following Council Approval, a One-year Action Plan will be submitted to the Department of Housing and Urban Development as required. This plan is included with the 2006-2010 Consolidated Plan considered elsewhere at this time by the Council.

Funding income is estimated only. The City typically gets an estimate of federal grant dollars in February or March each year and a formal contract in April or May. Reprogrammed funds are available immediately and Program Income is subject to adjustments pending the City's balancing of accounts in January.

2006 PROPOSED DISTRIBUTION OF CDBG FUNDS

Estimated Funding Available for the 2006 CDBG Allocation Process *

Estimate of 2006 Entitlement (2005 Allocation)	541,603
Estimated Residential Rehabilitation Revolving Loan Fund (PI)	125,000
Estimated Program Income (PI) Available	275,000
Total Entitlement + PI	941,603
Reallocated Funds prior year projects:	45,000
Total Available for allocation	986,603
Available for 2006 Public Service (15% of entitlement + PI)	141,240
Available for COB DCD 2006 Planning and Admin (20% of entitlement + PI)	188,321
subtotal	329,561
Residential Rehabilitation Loan Program	125,000
Available for Capital Projects (65% of entitlement + PI + recaptured capital project funds)	532,042
* All amounts are tentative	<u>986,603</u>

2006 CDBG ALLOCATION PRIORITIES

FY	Agency	ProjectName	AmtFunded	Priority	
06	City of Bremerton	Administration	187,363		
06	City of Bremerton	Housing Rehab Loans	125,000		
Public Services					
06	Bremerton Foodline	Agency Salaries	21,150	125.00	
06	Kitsap Family YMCA	Childcare Scholarships	10,000	121.25	
06	Bremerton Services Association	Chuckwagon Meals on Wheels for Bremerton S	17,600	120.00	
06	Kitsap Community Resources (KCR)	Housing Counseling Program	30,000	108.75	
06	City of Bremerton Parks and Recreation	Playground Program	16,000	100.00	
06	Catholic Community Services	Benedict House	25,000	90.00	
06	Kitsap Sexual Assault Center	Child Abuse Intervention	15,015	83.75*	
06	Washington CASH	Small Business Counseling	6,475	83.75**	141,240
Capital Improvements/Economic Development					
06	Kitsap Community Resources (KCR)	Community Services Center	250,000	124.00	
06	Kitsap County Consolidated Housing Authority	Start-up Costs for New Markets Tax Credits	50,000	105.20	
06	Kitsap Community Resources (KCR)	Weatherization/Minor Home Repair	75,000	102.00	
06	Bremerton Foodline	Security Improvement	8,000	101.40	
06	Kitsap County Community Development Corporation	Staffing and Revolving Loan Fund	60,000	100.40	
06	Peninsula Services	Business Development and Marketing	30,000	97.00	
06	City of Bremerton Public Works	Sidewalk access ramps	60,000	91.00	533,000

* Priority ties were broken by committee vote.

** Projects above the heavy lines are likely to be funded. Projects below the heavy lines are alternates.



First Program Year Action Plan

The CPMP First Annual Action Plan includes the SF 424 and Narrative Responses to Action Plan questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

SF 424

Complete the fillable fields (blue cells) in the table below. The other items are pre-filled with values from the Grantee Information Worksheet.

10/27/2005	Applicant Identifier	Type of Submission	
Date Received by state	State Identifier	Application	Pre-application
Date Received by HUD	Federal Identifier	<input type="checkbox"/> Construction	<input type="checkbox"/> Construction
		<input checked="" type="checkbox"/> Non Construction	<input type="checkbox"/> Non Construction
Applicant Information			
City of Bremerton		WA530132 BREMERTON	
345 6th Street, Suite 600		DUNS: 556846970	
0		Organizational Unit	
Bremerton	Washington	Community Development	
983371873	Country U.S.A.	Grant and Loan Programs	
Employer Identification Number (EIN):		Kitsap	
91-6001231		Program Year Start Date (01/01/2006)	
Applicant Type:		Specify Other Type if necessary:	
Local Government: City		Specify Other Type	
Program Funding		U.S. Department of Housing and Urban Development	
Catalogue of Federal Domestic Assistance Numbers, Descriptive Title of Applicant Project(s); Areas Affected by Project(s) (cities, Counties, localities etc.); Estimated Funding			
Community Development Block Grant		14.218 Entitlement Grant	
CDBG Project Titles		Description of Areas Affected by CDBG	
-City of Bremerton Administration		Project(s) Limited to City of Bremerton,	
-City of Bremerton Housing Rehab Loans		generally by qualified LMC.	
-Bremerton Foodline Agency Salaries			
-Kitsap Family YMCA Childcare Scholarships			
-Bremerton Services Association Chuckwagon Meals on Wheels for Bremerton Seniors			
-Kitsap Community Resources (KCR) Housing Counseling Program			
-City of Bremerton Parks and Recreation Playground Program			
-Catholic Community Services Benedict House			
-Kitsap Sexual Assault Center Child Abuse Intervention			
-Washington CASH Small Business Counseling			
-Kitsap Community Resources (KCR) Community Services Center			

<ul style="list-style-type: none"> -Kitsap County Consolidated Housing Authority -Start-up Costs for New Markets Tax Credits -Kitsap Community Resources (KCR) Weatherization -Bremerton Foodline Security Improvement -Kitsap County Community Development Corporation Staffing and Revolving Loan Fund -Peninsula Services Business Development and Marketing -City of Bremerton Public Works Sidewalk access ramps 				
\$541,603 CDBG Grant Amount (Last year-estimated funding expected Spring, 2006)	\$972,652 Grants(s) Leveraged	Additional HUD	Describe - Co-funding from Kitsap County CDBG entitlement	
\$1,392,276 Additional Federal Funds Leveraged		\$1,807,654 Leveraged	Additional State Funds	
\$260,374 Locally Leveraged Funds		\$3,703,519	Grantee Funds Leveraged	
\$400,000 Anticipated Program Income			Other (Describe)	
Total Funds Leveraged for CDBG-based Project(s) \$8,536,475				
Home Investment Partnerships Program				
HOME Project Titles		14.239 HOME		
Description of Areas Affected by HOME Project(s)				
\$HOME Grant Amount	\$Additional HUD Grant(s) Leveraged		Describe	
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged		
\$Locally Leveraged Funds		\$Grantee Funds Leveraged		
\$Anticipated Program Income			Other (Describe)	
Total Funds Leveraged for HOME-based Project(s)				
Housing Opportunities for People with AIDS				
HOPWA Project Titles		14.241 HOPWA		
Description of Areas Affected by HOPWA Project(s)				
\$HOPWA Grant Amount	\$Additional HUD Grant(s) Leveraged		Describe	
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged		
\$Locally Leveraged Funds		\$Grantee Funds Leveraged		
\$Anticipated Program Income			Other (Describe)	
Total Funds Leveraged for HOPWA-based Project(s)				
Emergency Shelter Grants Program				
ESG Project Titles		14.231 ESG		
Description of Areas Affected by ESG Project(s)				
\$ESG Grant Amount	\$Additional HUD Grant(s) Leveraged		Describe	
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged		

City of Bremerton

\$Locally Leveraged Funds		\$Grantee Funds Leveraged	
\$Anticipated Program Income		Other (Describe)	
Total Funds Leveraged for ESG-based Project(s)			
Congressional Districts of:			
WA District 6	WA District 6	Is application subject to review by state Executive Order 12372 Process?	
Is the applicant delinquent on any federal debt? If "Yes" please include an additional document explaining the situation.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A
		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Program is not covered by EO 12372 Program has not been selected by the state for review

Person to be contacted regarding this application

Hugh	0	Morgan
Programs Administrator	360.473.5375	0
hugh.morgan@ci.bremerton.wa.us	www.ci.bremerton.wa.us	0
a.us		
Signature of Authorized Representative		Date Signed

Narrative Responses



Executive Summary

The Executive Summary is optional, but encouraged. If you choose to complete it, please provide a brief overview that includes major initiatives and highlights that are proposed during the next year.

Program Year 1 Action Plan Executive Summary:

The City of Bremerton is in the midst of a renovation. After several years of concentration on major elements in the downtown landscape, the focus is shifting to provision of quality affordable housing for all income levels. The City's Year 1 Plan, addressing only the CDBG funds received (Kitsap County is the lead in the HOME consortium) focuses attention on providing jobs, business opportunity and economic development to restart the local economic engine. In a companion effort, the basic services to unserved populations continue with support for food services, assistance and protection for those who are abused, and loans for housing rehabilitation.

Beyond funded activities, the City expects to continue its role as a facilitator as it engages community organizations that work together to provide a continuum of care for the homeless, housing ownership especially among low-income buyers, and economic development that ranges from businesses starting in self-employment to those established and growing.

General Questions

1. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year.

2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) during the next year and the rationale for assigning the priorities.
3. Describe actions that will take place during the next year to address obstacles to meeting underserved needs.

Program Year 1 Action Plan General Questions response:

1. CDBG Project allocations will again be focused on the eligible Census Tracts in the City of Bremerton. In a revitalization effort that began with downtown redevelopment during the early part of this century, the entire City was eligible for grant funds. Now, with economic conditions improving, several census tracts are now above 51% low-mod income. The City has gradually taken steps with subrecipients to more narrowly describe those served, as in LMC or specific census tracts. That effort will continue.
2. Allocations continue to be made on the basis of application from the community. Requests are measured against priorities and goals stated in the Strategic Plan in sections related to Housing, Homeless, Non-homeless, Special Needs and Economic Development.
3. Significant local efforts will be undertaken to identify barriers to and remedies for lack of affordable housing. The Strategic Plan identifies the need for shelter as basic to all other needs in this area at this time. Concurrent with developing strategies and options for making shelter affordable will be the onset of redevelopment efforts for the 600-unit Westpark Housing Project owned by the Bremerton Housing Authority.

Managing the Process

1. Identify the lead agency, entity, and agencies responsible for administering programs covered by the consolidated plan.
2. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.
3. Describe actions that will take place during the next year to enhance coordination between public and private housing, health, and social service agencies.

Program Year 1 Action Plan Managing the Process response:

1. The City of Bremerton's Department of Community Development is the lead agency administering the CDBG program and HOME funds available to the City in a consortium with Kitsap County. This is more broadly detailed in the Strategic Plan.
2. Public participation for this first plan year was encompassed in the 5-year planning process and is described in the Strategic Plan.

3. Two existing organizations, the Kitsap Continuum of Care and the Kitsap Housing Coalition provide monthly continuity and coordination in the delivery of services and information. The City is a party to both organizations. Beyond existing organizations, the City and County are developing a joint-application process with United Way of Kitsap County. It is expected that potential for collaborative funding, goals setting and monitoring will grow from this beginning.

Citizen Participation

1. Provide a summary of the citizen participation process.
2. Provide a summary of citizen comments or views on the plan.
3. Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.
4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.

*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

Program Year 1 Action Plan Citizen Participation response:

Details of citizen participation are part of the Strategic Plan submitted with this Action Plan. They were concurrent events. The Strategic Plan Additional Folder contains copies of newspaper advertising and flyers alerting interested parties to the planning process.

Institutional Structure

1. Describe actions that will take place during the next year to develop institutional structure.

Program Year 1 Action Plan Institutional Structure response:

1. The City's institutional structure is expected to change little during the coming year. In a recent vote, City Council rejected for a second time the consolidation of the City and County Housing Authorities. For the time being, the two organizations will continue as they have, although the City employs the Kitsap County Consolidated Housing Authority as its revitalization developer.

Monitoring

1. Describe actions that will take place during the next year to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.

Program Year 1 Action Plan Monitoring response:

1. City and County expect to monitor according to the Strategic Plan. In particular, the two program agencies expect to continue all efforts to monitor jointly-funded projects together or by written agreements detailing the responsibilities of the parties.

Lead-based Paint

1. Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families.

Program Year 1 Action Plan Lead-based Paint response:

1. Assessment and abatement will continue as in recent history with subrecipient Kitsap Community Services (KCR) employing the technical tools to evaluate hazards in projects they are funded to complete. KCR will serve the City in its rehab loan program and additional housing rehabilitation efforts as needed.



Specific Housing Objectives

*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve during the next year.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

Program Year 1 Action Plan Specific Objectives response:

1. The City's Residential Rehabilitation Program continues for another year. At least five new loans ranging from \$5,000-\$25,000 will be made in Year 1.
2. The City as a consortium partner with Kitsap County has detailed other initiatives in the Strategic Plan and Needs.xls workbook.

Needs of Public Housing

1. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.

2. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.

Program Year 1 Action Plan Public Housing Strategy response:

1. The Bremerton Housing Authority has discussed its issues and plans in the Strategic Plan's Needs of Public Housing section. Central to the BHA's effort to provide ownership opportunities for present renters will be the redevelopment of Westpark and the coordination of efforts with Kitsap County Consolidated Housing to provide new affordable homes both within and outside of the City. Present programs for down payment assistance will continue to help first-time homebuyers.

Barriers to Affordable Housing

1. Describe the actions that will take place during the next year to remove barriers to affordable housing.

Program Year 1 Action Plan Barriers to Affordable Housing response:

1. Several community organizations are calling meetings to more clearly detail the scope, options and recommendations for over coming present affordability barriers. a concert of efforts will include economic development to bring salaries and wages to higher levels, policy and financial incentives to builders and developers to create and possibly set-aside some number of units for low-income buyers, and incorporation of the needs of low-income buyers in the plans for revitalizing the City in general.

HOME/ American Dream Down payment Initiative (ADDI)

1. Describe other forms of investment not described in § 92.205(b).
2. If the participating jurisdiction (PJ) will use HOME or ADDI funds for homebuyers, it must state the guidelines for resale or recapture, as required in § 92.254 of the HOME rule.
3. If the PJ will use HOME funds to refinance existing debt secured by multifamily housing that is that is being rehabilitated with HOME funds, it must state its refinancing guidelines required under § 92.206(b). The guidelines shall describe the conditions under which the PJ will refinance existing debt. At a minimum these guidelines must:
 - a. Demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing.
 - b. Require a review of management practices to demonstrate that disinvestments in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.

- c. State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
 - d. Specify the required period of affordability, whether it is the minimum 15 years or longer.
 - e. Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy under 24 CFR 91.215(e)(2) or a Federally designated Empowerment Zone or Enterprise Community.
 - f. State that HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.
4. If the PJ is going to receive American Dream Down payment Initiative (ADDI) funds, please complete the following narratives:
 - a. Describe the planned use of the ADDI funds.
 - b. Describe the PJ's plan for conducting targeted outreach to residents and tenants of public housing and manufactured housing and to other families assisted by public housing agencies, for the purposes of ensuring that the ADDI funds are used to provide down payment assistance for such residents, tenants, and families.
 - c. Describe the actions to be taken to ensure the suitability of families receiving ADDI funds to undertake and maintain homeownership, such as provision of housing counseling to homebuyers.

Program Year 1 Action Plan HOME/ADDI response:

Bremerton will continue to use ADDI funds it receives in as a consortium member with Kitsap County. Funds used for down payment assistance range from \$5,000-10,000 and are loaned for 15-years. Payments of interest-only at 3% is required of the borrower.



Specific Homeless Prevention Elements

*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

1. Sources of Funds—Identify the private and public resources that the jurisdiction expects to receive during the next year to address homeless needs and to prevent homelessness. These include the McKinney-Vento Homeless Assistance Act programs, other special federal, state and local and private funds targeted to homeless individuals and families with children, especially the chronically homeless, the HUD formula programs, and any publicly-owned land or property. Please describe, briefly, the jurisdiction's plan for the investment and use of funds directed toward homelessness.
2. Homelessness—In a narrative, describe how the action plan will address the specific objectives of the Strategic Plan and, ultimately, the priority needs identified. Please also identify potential obstacles to completing these action steps.