



# Second Program Year Action Plan

The CPM Second 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.

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

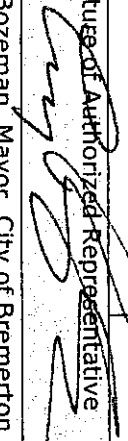
11/15/06	Applicant Identifier	<b>Type of Submission</b>	
Date Received by state	State Identifier	<b>Application</b>	<b>Pre-application</b>
Date Received by HUD	Federal Identifier	<input checked="" type="checkbox"/> Construction	<input type="checkbox"/> Construction
		<input type="checkbox"/> Non Construction	<input type="checkbox"/> Non Construction
<b>Applicant Information</b>			
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	
<b>Employer Identification Number (EIN):</b>		Kitsap	
91-6001231		Program Year Start Date (01/01/2006)	
<b>Applicant Type:</b>		<b>Specify Other Type if necessary:</b>	
Local Government: City		Specify Other Type	
<b>Program Funding</b>		<b>U.S. Department of Housing and Urban Development</b>	
Catalogue of Federal Domestic Assistance Numbers; Descriptive Title of Applicant Project(s); Areas Affected by Project(s) (cities, Counties, localities etc.); Estimated Funding			
<b>Community Development Block Grant</b>		14.218 Entitlement Grant	
BSA - Meals on Wheels KSAC - Child Abuse Intervention KCR - Transitional Housing Services RMH - Services for the Untreated Mentally Ill YMCA - Childcare Scholarships COB Parks - Lunch at the Playgrounds Kitsap B&G Club - Naval Avenue Cntr. Kitsap Literacy Council - Computer Lab YWCA - Bilingual Advocate for Domestic Abuse Vic CCS - Benedict House (Homeless) Operations COB Public Works - Sidewalk ADA Accessibility KCR - New Services Center COB Parks - Pool Upgrades COB Parks - Eastpark Upgrades KCR - Weatherization		Description of Areas Affected by CDBG Project(s)  All proposed 2007 projects serve the residents of Bremerton. Some are specifically located in low income census tracts and some specifically serve low income clientele. Some projects are also co-funded with Kitsap County CDBG, but the agencies administering those have made a case for a Bremerton-specific need. CDBG funding is estimated at \$541,000 with \$92,802 estimated in program income.	
\$541,000	\$ 344,485	Additional HUD Grant(s) Leveraged	Kitsap County CDBG / HOME, HUD McKinney

\$106,300	Additional Federal Funds Leveraged	\$302,934	Additional State Funds Leveraged
\$2,371,011	Locally Leveraged Funds	\$14,200	Grantee Funds Leveraged
\$92,802		Other (Describe)	
Total Funds Leveraged for CDBG-based Project(s)			
<b>Home Investment Partnerships Program</b>		14.239 HOME	
HOME Project Titles			
\$HOME Grant Amount	\$Additional HUD Grant(s) Leveraged	Description of Areas Affected by HOME Project(s) 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)			
<b>Housing Opportunities for People with AIDS</b>		14.241 HOPWA	
HOPWA Project Titles			
\$HOPWA Grant Amount	\$Additional HUD Grant(s) Leveraged	Description of Areas Affected by HOPWA Project(s) 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)			
<b>Emergency Shelter Grants Program</b>		14.231 ESG	
ESG Project Titles			
\$ESG Grant Amount	\$Additional HUD Grant(s) Leveraged	Description of Areas Affected by ESG Project(s) Describe	
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged	
\$Locally Leveraged Funds		\$Grantee Funds Leveraged	
\$Anticipated Program Income		Other (Describe)	

Total Funds Leveraged for ESG-based Project(s)

Congressional Districts of:		Project Districts	
Applicant Districts		Project Districts	
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 type="checkbox"/> No
		<input type="checkbox"/> N/A	<input type="checkbox"/> No
		Is application subject to review by state Executive Order 12372 Process? This application was made available to the state EO 12372 process for review on DATE Program is not covered by EO 12372 Program has not been selected by the state for review	

Person to be contacted regarding this application

Betsy		Howe
CDBG Administrator	360-473-5211	0
betsy.howe@ci.bremerton.wa.us	www.ci.bremerton.wa.us	0
US		
Signature of Authorized Representative		Date Signed
Cary Bozeman, Mayor, City of Bremerton		11/15/06

## 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 2 Action Plan Executive Summary:

The City of Bremerton is currently undergoing a revitalization. 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 2 Plan, addressing primarily the CDBG funds received (Kitsap County is the lead in the HOME consortium) focuses on projects that provide facilities and services to the community as a whole, but especially Bremerton's lowest income residents. Additionally, the basic services to unserved and underserved populations will continue with support for food services, assistance and protection for those who are abused, and activities and services that focus on Bremerton's low income youth.

Beyond funded activities, the City will continue its role as a participant in community organizations that work together to provide a continuum of care for the homeless, home 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 2 Action Plan General Questions response:

1. The City of Bremerton encompasses 11 Census tracts, eight of which are populated by 51% or more low and moderate income residents. The City as a whole is comprised of more than 51% low and moderate income residents. For 2007, all CDBG funded facilities are in low income census tracts, but serve the entire City and, in many cases, Kitsap County.
2. The 2007 allocations are to agencies that serve low and moderate income clientele. In most cases, CDBG funded services are targeted toward very low income clients, and those services are centrally located for the purpose of making them more accessible. The City does not currently give geographic priority to projects, although we may pursue that option in coming years when trying to redevelop a local blight zone.
3. In an environment of decreasing funding, the City and it's partners in service provision are attempting to maintain the current level of services available. Projects that leverage outside funding, public and private, are strongly encouraged. Service providers are becoming increasingly creative; however, funding reductions create more obstacles in meeting underserved needs. Vital services will continue through 2007, though in a reduced capacity in some cases.

### **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 2 Action Plan Managing the Process response:

1. The City of Bremerton is responsible for administering our annual CDBG Entitlement, a HOME set-aside of 43% of Kitsap County's HOME funds as a Participating Jurisdiction, and the Shelter Plus Care program for chronically mentally ill and chemically dependant homeless persons. CDBG funds are sub granted to eligible organizations through an annual competitive process. HOME funds are used for downpayment assistance administered by the City and sub granted to eligible organizations throughout the year as projects permit. The City is considering changing the allocation of our HOME funds to an annual competitive process starting in 2007. Shelter Plus Care funds pass through the City to the project sponsor, Agape Unlimited. Agape has administered the Shelter Plus Care program since it was first awarded to Bremerton in 1995.

2. A detailed description of the process by which the Consolidated Plan was developed is included in that plan. The 2007 Action Plan was developed using the City's annual competitive allocation process, which is described in depth in #1 under Citizen Participation (below).
3. In 2007 the City will participate on two committees: The Kitsap Housing Coalition and the Continuum of Care Coalition. Both are established to coordinate services for low income residents of Bremerton and Kitsap County. The City will continue coordinating meetings, technical assistance, and monitoring efforts with the Kitsap County CDBG/ HOME staff.

### **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 2 Action Plan Citizen Participation response:**

1. The Citizens of Bremerton were encouraged, as always, to comment and participate in the annual allocation process. On April 13<sup>th</sup> the Draft Policy Plan and Application was advertised as available for comment. A public meeting was held April 26<sup>th</sup> to solicit further comment, and the Draft Policy Plan was approved by the Bremerton City Council at a Public Hearing on May 17, 2006. No public comments were received on the Policy Plan.

Funding recommendations are made by a Citizens' Advisory Committee (CAC) comprised of ten people that live within the City of Bremerton. The CAC is split into two groups; half review the Public Service requests and half review the Capital and Economic Development requests. This year we had three vacancies on the CAC, and a display ad was placed in the Kitsap Sun twice in June to recruit Citizen volunteers. Those that responded filled out an application, met with City staff and/or the Mayor, and were approved by the Council as part of the CAC. The CAC is diverse in gender, race, income level, and geographic representation of the City.

Once applications were received and screened for eligibility by City staff, the CAC reviewed them thoroughly and then met with the applicant in a 20 minute interview. After all applicants were interviewed, the CAC compiled a final list of suggested funding levels ranked in order of priority (in case more or less funds are received). The CAC recommendations were released to the public no less than 30 days before the City Council Hearing was held on October 4<sup>th</sup> to confirm them. An ad was placed in the Kitsap Sun on September 2, 2006 and an announcement was also placed on the City's website for 30 days. The public was encouraged to comment at any time, not just at the hearing. Accommodations for those with disabilities was also advertised.

2. Few citizen comments were received during the entire process. Two individuals called during the funding process to request further information on HUD funded programs, which was provided, but did not make any comments. During the Public Hearing on October 4<sup>th</sup>, one citizen, a board member from an agency that was not funded (KCCDC), did comment to express his disappointment in that decision. No other comments were received.
3. The Public Participation for the 3-5 year Consolidated Plan was outlined in the submission of that plan. Extensive public meetings were advertised and held, and all those that wanted to comment had a chance to do so.
4. No comments were denied in either the formation of the 3-5 year Consolidated Plan or the 2006 and 2007 Action Plans.

### **Institutional Structure**

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

Program Year 2 Action Plan Institutional Structure response:

The City's Institutional Structure is the same as it has been for many years. The CDBG/HOME Administrator and Coordinator both work in the City's Department of Community Development and report to the Director of that department. The Bremerton City Council approves the Policy Plan and Application, the next year's funding recommendations and any significant changes to past funding requests all at advertised Public Hearings. The City does not anticipate any changes to its Institutional Structure in the next year.

### **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 2 Action Plan Monitoring response:

Monitoring eligibility, performance, compliance, regulations and accomplishments as well as tracking financial data are primary responsibilities of the lead agencies, Kitsap County Block Grant Division for the HOME Consortium and County CDBG activities and the City of Bremerton for its CDBG entitlement. Kitsap County and the City of Bremerton will administer the Consolidated Plan. The Consortium has established clear policies and procedures governing the application and allocation process that have successfully been used and revised where necessary.

Each subrecipient must sign a contract with the County or the City of Bremerton, which outlines roles and obligations of the County/City and subrecipient and lays out the framework for the monitoring requirements. All contracts contain timelines and scope of work to promote timeliness of expenditures and compliance with specific goals and requirements. The project manager is responsible for clearly conveying the requirements described in the agreement to the subrecipients.

Throughout the year, subrecipients are responsible for submitting Quarterly

Performance Reports, quarterly demographics, biannual budget reconciliation forms, and each voucher is accompanied by a summary of appropriate back up or copies of original receipts and checks. Questions of capacity and expertise are reviewed through this process, and supported where necessary by technical assistance, resource referral, or guidance. Information collected throughout the year is used to provide direction for on site monitoring at least once a year. Quarterly reports and reimbursements are used to determine funding eligibility and timeliness of expenditures.

In addition to monitoring specific projects under contractual agreements, the County and City provide resource material, information, instruction, guidance and referrals to organizations in need of support.

During the program year, each subrecipient will undergo a full, on site audit of project and program records related to grant performance and fiscal accountability by City of Bremerton CDBG staff. The purpose of the review is to assess performance against the agreement, and to verify all federal, state and local regulations are satisfied. Where required, monitoring for affordability is also performed on site. Housing Quality Standards (HQS) inspections are performed once a year by qualified inspectors and are reviewed or completed by Block Grant project managers. Each on site monitoring follows specific procedures and a written checklist that is maintained in the files. Letters of findings with a specific timeline for completing tasks are written to each contract sub recipient. Sub recipients are monitored in a timely manner for compliance with these written requests, and given assistance or guidance where necessary.

### **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 2 Action Plan Lead-based Paint response:

In past years, the City has funded a lead-detection gun that is operated by Kitsap Community Resources (KCR). KCR has the staff and training to operate this device. The City's home rehabilitation program has access to the detection gun and the staff to abate any lead paint in homes participating in that program as necessary. KCR uses the detection gun in conjunction with its home weatherization program. In 2006, the City contributed a small amount of CDBG funds to update the lead-detection gun and ensure its availability to the community.

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### **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 2 Action Plan Specific Objectives response:  
In the year 2007 the City of Bremerton plans to meet the following objectives of the Consolidated Plan by funding the following activities:

Specific Objective H-1

Increase the stock of affordable units throughout County and City through preservation, rehabilitation and construction.

\*The City of Bremerton will continue to seek quality affordable housing projects.

Number H-1.4 Bremerton: Support homeownership through financial assistance for 100 low/moderate income families/individuals by Fall, 2010.

\*The City will continue working toward this goal in 2007 with increased marketing of our HOME and ADDI funds for downpayment assistance.

Number H-1.5 Bremerton: Increase the stock of affordable units with a primary goal of expanding home ownership.

\*The City will continue to market its Downpayment Assistance Program.

Specific Objective H-2

Increase the number of new homeowners among low/moderate income individuals and families through fair housing efforts, education and housing counseling.

\*The City will continue to sponsor first time homebuyer classes through the local housing authority and attend local housing fairs to market the Downpayment Assistance program.

Specific Objective H-3

Improve and retain existing housing stock through preservation, rehabilitation, weatherization, accessibility and planning efforts.

\*The City continues to fund local weatherization and rehabilitation programs for low income homeowners. Kitsap Community Resources applies for and receives matching funds from the State of Washington for the weatherization program, so CDBG funds are well leveraged.

Specific Objective H-4

Maintain education and training that builds community awareness of lead-based paint hazards and incorporate new studies and regulations into any planning for mitigation.

\*The City will continue to educate homeowners through the down payment assistance, weatherization, and home rehabilitation programs of the hazards of lead based paint. All weatherization and home rehabilitation projects are tested for lead based paint and mitigated as appropriate.

Specific Objective H-5

Improve the safety and livability of neighborhoods through revitalization and/or demolition of inappropriate or dilapidated structures.

\*The City plans to examine a local blight zone known as Anderson Cove in 2007 with the intent of creating a plan for revitalization.

Specific Objective H-6

Promote equal treatment of all who seek homeownership by removing impediments to fair housing.

\*The City continues to educate potential homebuyers of the right to fair housing through the homebuyer education seminars.

### **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 2 Action Plan Public Housing Strategy response:**

1. The Bremerton Housing Authority (BHA) is the City's main resource for public housing. The BHA will continue its efforts in 2007 toward the redevelopment of Westpark, a 650 unit public housing complex in West Bremerton. The City continues to market our Downpayment assistance for first time homebuyers and support quality affordable housing development for relocated Westpark residents and other low income residents of Bremerton.

2. The BHA is not designated as 'troubled' by HUD; Not Applicable.

### **Barriers to Affordable Housing**

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

#### **Program Year 2 Action Plan Barriers to Affordable Housing response:**

The City will continue its efforts in 2007 to remove barriers to affordable housing by continuing with our Downpayment Assistance program for low income first time homebuyers and continuing to focus our HOME funds on quality affordable housing projects, both homeownership and rental.

### **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 2 Action Plan HOME/ADDI response:

1. N/A
2. Bremerton, as a Participating Jurisdiction (PJ) in the HOME Program, uses HOME and ADDI funds for First Time Homebuyer Assistance. The City has a recapture policy that reflects the amount of assistance provided for each family. Most Homebuyer Assistance loans are between \$5,000 and \$10,000, which carry a five-year Period of Affordability. All Homebuyer Assistance loan documents prescribe a prepayment penalty if the property is sold or transferred before the Period of Affordability is satisfied. The prepayment penalty consists of retroactively charging an increased rate of interest for the Homebuyer Assistance loan.
3. N/A - The City does not currently refinance existing debt with HOME funds, nor do we anticipate doing so in 2007.
4. a. Should the City receive ADDI funds in 2007, the funds will be used for First Time Homebuyer assistance under our current guidelines for ADDI and HOME.