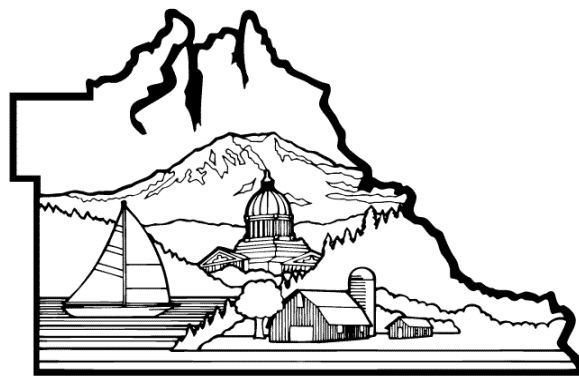


Draft Thurston County HOME Consortium



THURSTON COUNTY
WASHINGTON
SINCE 1852

Consolidated Annual Performance and Evaluation Report 2006

(September 1, 2006 to August 31, 2007)

**THURSTON COUNTY
CONSOLIDATED ANNUAL PERFORMANCE AND
EVALUATION REPORT 2006**
(September 1, 2006 to August 31, 2007)

Purpose:

The purpose of the Consolidated Annual Performance and Evaluation Report (CAPER) is to provide an annual evaluative report on the accomplishments and status of the goals and objectives established in the 2003-2007 Thurston County Consolidated Plan. The 2006 CAPER is a one-year assessment (for September 1, 2006 to August 31, 2007) and report on how federal HOME (Home Investment Partnership Program) funds were allocated and spent for the year.

Geographic Area:

The Thurston County Office of Program and Budget Development (OPBD) administers the HOME Program on behalf of the Thurston County HOME Consortium, which is comprised of Thurston County and the incorporated cities and towns of Bucoda, Lacey, Olympia, Rainier, Tenino, Tumwater, and Yelm. The County and Consortium are responsible for the preparation of the HOME Consolidated Plan and the CAPER.

Program Specific Information Available upon Request:

This CAPER is designed to provide a meaningful overview of the Consortium's progress in addressing affordable housing needs and in improving the living environment of low-income residents. A copy of the 2003-2007 Thurston County Consolidated Plan is available on the Thurston County web site at www.co.thurston.wa.us. Those interested may also contact the Thurston County Office of Program and Budget Development, 2000 Lakeridge Drive SW, Olympia, WA 98502. The telephone number is (360)709-3065. Any comments on this report should be directed to Connie Rivera, Capital Finance Manager at the above address or e-mail to riverac@co.thurston.wa.us.

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Distribution of HOME Funds:

The following table shows how 2006 HOME funds were distributed. The largest percentage of HOME funds (57%) were allotted to Tenant Based Rental Assistance (TBRA); followed by Community Housing Development Organizations (CHDO) at 19%; Homeowner Rehabilitation at 11%; and American Dream Down payment Initiative(ADDI) at 3% (a first time homebuyer program). Ten percent (10%) was allotted for Administration cost.

2006 HOME Funds Distribution							
Category	2006 Budget	Revision	Modified Budget	Program Income	Expended	*Expended, but not requested	Balance
Admin	85,611		85,611	-	64,717	20,894	0
TBRA	471,971	33,000	504,971	-	504,971		0
CHDO	171,223		171,223	-	0		171,223
Homeowner Rehab	127,308	-33,000	94,308		22,002		72,306
ADDI	19,096		19,096		3,429		15,667
Total	875,209	-	875,209		595,119	20,894	259,196

**Note: The "Expended but not requested" is in reference that an invoice is pending reimbursement from HUD.*

Geographic Areas Covered:

An illustration of how 2006 HOME dollars were spent by the number of household units per jurisdiction is provided in the table below:

Jurisdiction	Number of Households Served						
	TBRA	CHDO Acquisition		Home Owner Rehabilitation		ADDI	
	Completed	Completed	In Process	Completed	In Process	Completed	In Process
City of Olympia	69		7				
City of Lacey	42				1		
City of Tumwater	39			1			
City of Yelm	3					1	
City of Rainier	0				1		
City of Tenino							
Town of Bucoda							
County	18			1	1		4
TOTAL	171	0	7	2	3	1	4

Assessment of Five Year Goals and Objectives:

The two goals identified in the 2003-2007 Consolidated Plan are to:

- 1) Reduce homelessness in the County by at least 50%,
- 2) Increase affordable housing resources.

The objectives and strategies to support the goals are listed below (Objective H-1 through Objective H-4) along with the status of the progress on each.

Objective H-1: Expand the supply of standard, affordable housing for renter households earning up to 80% of median income, with emphasis on serving households below 30% of the median.

Action	Completed in 2003	Completed in 2004	Completed in 2005	Completed in 2006	In progress 2006
Develop 75 units of permanent affordable housing to be funded in part with HOME funds.	Units = 1 group home, Homes First purchased a group home that houses 3 autistic individuals and a live-in adult case manager.	Units= 0	Units= 0	Units = 34 apartments, Behavioral Health Resources is fully funded project for the chronically homeless mentally ill individuals.	Units= 88 apartments, Community Action Council has acquired and is renovating Deschutes and Tolmie apartment complex for low-income. The project is to be completed in 2008.
Provide 72 new coupons to persons at risk of homelessness. To include homeless families, mentally ill and, homeless youth.	New coupons = 169 109 TBRA vouchers went to those who were homeless and 60 to those at risk of homelessness or were homeless but documentation could not be verified by a 3 rd party.	New coupons = 75 78 households were carried over from pervious year for a total of 153 households. ▪ 149 minors within households ▪ 117 homeless ▪ 36 at risk of homelessness	New coupons= 116	New coupons= 48 120 households carried over from previous year and 3 movers or families reinstated, for a total of 171 households assisted.	NA

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Action	Completed in 2003	Completed in 2004	Completed in 2005	Completed in 2006	In progress 2006
Housing Authority of Thurston County, with HB2060 funds, will acquire 8 to 12 units of affordable housing.	No units acquired	Units = 8 apartments Purchased for a permanent supportive housing for homeless families. HATC contractually agreed to operate the property as HOME-eligible housing for 20 years, securing a \$565,000 match credit for HOME program.	No units acquired	No units acquired	

Objective H-2: Preserve and maintain the existing affordable multi-family housing stock and prevent the loss of existing subsidized housing and affordable private multi-family housing as resources for lower-income households.

Action	Completed in 2003	Completed in 2004	Completed in 2005	In Progress for 2006
Rehabilitate 3 apartment buildings.	Units = 0	Units = 9 Rehabilitation completed for housing dedicated to serving homeless youth.	Units = 0	Data included in the table above, "Develop 75 units of permanent affordable housing".

Objective H-3: Expand efforts to assist homeowners to obtain and maintain their homes.

Action	Completed in 2003	Completed in 2004	Completed in 2005	Completed in 2006	In Progress for 2006
Rehabilitate 100 homes owned by lower-income persons (goal includes City of Olympia program and County CDBG)		Units=6 homes	Units= 5 homes	Units= 2 homes	Units= 3 homes

Amendment to Consolidated Plan for 2003-2007:

Objective H-4: Implement the First Time Homebuyer Program and American Dream Down payment Initiative (ADDI) assistance program.

Action	Completed in 2003	Completed in 2004	Completed in 2005	Completed in 2006	In Progress for 2006
Assist in the purchase of 20 homes by first time homebuyers (goal includes Housing Authority of Thurston County grant)	Administrative Plan developed for ADDI	Units=1 home purchased	Units=7 homes purchased	Units=1 home purchased	Units=1 home

Affirmatively Further Fair Housing Outreach:

The federal Fair Housing Act requires the Secretary of HUD to administer the Department’s housing and community development programs in a manner to affirmatively further fair housing. The HOME Consortium was formed in 2002 to qualify for HOME federal grant funding to assist very-low income residents to obtain affordable housing. To receive HOME funding the Consortium must certify that they will affirmatively further fair housing, as amended in the Housing and Community development Act of 1974 and the National Affordable Housing Act.

The Thurston County HOME Consortium entered into an agreement with the Fair Housing Center of Washington to develop an Analysis of Impediments to Fair Housing Choice Plan, to meet the commitment to affirmatively further fair housing to engage in fair housing planning. The plan was completed in March 2007, as apart of the 2006 HOME program year activity, and can be found on Thurston County’s website at www.co.thurston.wa.us . The affirmatively further fair housing outreach is through the following:

◆ **Community Meetings**

The Housing Task Force meets monthly and its members include homeless housing and service providers of permanent housing, faith-based groups, local elected officials, jurisdictional staff, and other local social service agencies

◆ **Community Housing Development Organizations**

Community Housing Development Organizations (CHDOs) were given information about their obligations under fair housing law and as recipients of HOME funds.

◆ **Tenant Based Rental Assistance Program**

Households assisted with Tenant Based Rental Assistance (TBRA) and Housing and Transitional Services (HATS) Program supportive services are provided a copy of the Washington State Landlord Tenant Law and training on the law is made available annually.

Affordable Housing:

◆ **Income Levels**

Many very low-income households have been assisted with HOME Program funds. These households are defined as having incomes at or below 30% of Thurston County’s median income level. The table below reveals the income levels of those served with HOME funds spent in 2006, excluding CHDO activity.

Program Category	Households Served						
	30% of median income level or below		31-50% of median income level or below		51-80% of median income level or below		Total
	Number	Percent	Number	Percent	Number	Percent	
Tenant Based Rental Assistance	168	99%	3	1%	0	0%	171
Homeowner Rehabilitation	0	0%	2	100%	0	0%	2
ADDI	0	0%			1	100%	1
CHDO							0
Total Households Assisted with HOME	168	96%	5	3%	1	1%	174

As evidenced in the table above, 99 percent of those served with TBRA had incomes at or below 30% of area median. Of the total HOME dollars spent (excluding CHDO) activities, 96% of households served were at or below 30% of area median.

◆ **Project Based Vouchers**

The Housing Authority of Thurston County is committed to supporting and strengthening non-profits in Thurston County by making available Housing Choice Vouchers, which are project-based. Project-based Housing Choice Vouchers are tied directly to the unit or complex, but not the household. This allows the project to maintain market rates, but at an affordable rent level for low-income households, while still allowing owners the income necessary to maintain their property. HATC provides project-based vouchers in partnership with Community Youth Services, Homes First, Behavioral Health Resources, Community Action Council, Yelm Community Services, and Mercy Housing. For 2007, HATC has also approved the use of Housing Choice Vouchers for Drexel House, a special needs housing project serving the chronically homeless.

Project	Owner	Units	Description
Drexel House	Catholic Community Services	35	Permanent supportive housing for chronically homeless men and women

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◆ **Number of Units Assisted With HOME Funds**

The Consolidated Plan’s Action Plan for 2006 specified a goal of assisting low-income households by providing TBRA funds for 72 housing units. The actual number of households assisted in 2006 was 48. The 2006 goal for Homeowner Rehabilitation activity was to rehabilitate seven housing units. Two houses have been completed and three are in the process of being rehabilitated.

The 2006 Action Plan also projected a goal of providing 44 units of low-income rental housing through the CHDO set-aside. The status of CHDO activity for the year:

- Community Action Council of Lewis, Mason, and Thurston Counties (CAC) is currently renovating two apartment complexes (Deschutes Cove and Tolmie Cove Apartments), which will provide 88 housing units, funded by 2003 and 2005 CHDO money. The projects are targeted for completion 2008.
- Behavioral Health Resources (BHR) purchased and completed renovation on The Gardens, a 34-unit apartment complex in Tumwater that provides housing for the chronically mentally ill, most of whom are homeless. BHR provides 24-hour supervisory care.

The American Dream Downpayment Initiative (ADDI) goal for the year was to assist in the purchase of two units. One house was partially funded with 2006 funds and there is one in process.

2006	Goal	Completed	In Process
Tenant Based Rental Assistance	72 units	48 households	NA
CHDO – Community Action Council	44 units	0 units	88 units
Homeowner Rehabilitation	7 houses	2 houses	3 houses
ADDI-American Dream Downpayment Initiative	2 houses	1 houses	1 houses

Continuum of Care:

◆ **Planning**

The Consolidated Plan, the Thurston County Ten-Year Homeless Plan, and the Continuum of Care Plan are the primary source documents used by the County to set priorities and develop strategies. The Continuum of Care Plan has been operational in Thurston County since 1988, and it is an integral planning tool for determining homeless housing and services needs. In addition, the Ten-Year Homeless Plan and state-mandated Annual Point-In-Time Homeless Census survey (conducted by HATC), are valuable local planning tools for determining housing and support service needs.

◆ **Homeless Census**

The first Annual Point –In-Time Census was conducted in February, 2003, followed up by a second census in October of same year. The data gathered was used to support the goals and objectives of the County’s 2003-2007 Consolidated Plan. Subsequent censuses, including the most recent census conducted on January 2006, have continued to be used to provide data for planning purposes and for providing vital data about homelessness to legislators and public officials. The County will be working with the state Homeless Management Information Systems (HMIS) to ensure consistency in data collection reporting.

◆ **Homeless Management Information System**

Homeless Housing and Services providers of Thurston County have access to HMIS, although not all are officially online as of now. However, the state is providing technical assistance and system upgrades that will enable easier access and manipulation of system data. HMIS is critical in establishing accurate baseline data for measuring progress, which the County assumes responsibility for ensuring.

◆ **U.S. Department of Housing and Urban Development- McKinney Projects**

Through the Balance of State application submission process, Thurston County received \$1,275,281 of HUD-McKinney funding for 2006. Grant awards for 2006 were:

2006 McKinney Projects- Thurston County	
Community Youth Services	\$149,625
Housing Authority of Thurston County	\$133,921
Low Income Housing Institute – Arbor Manor	\$56,103
Family Support Center - Emergency Shelter Network	\$109,620
Bread and Roses	\$44,512
Low Income Housing Institute – The Fleetwood	\$31,500
Catholic Community Services	\$750,000
Total	\$1,275,281

Other Issues:

◆ **Loss of Local Resources**

Several groups meet regularly to address strategies and objectives outlined in the Consolidated Plan. A major issue impacting continuum of care is the inability of service providers to meet the need of low-income households because of a lack of funding resources and significant changes to the Medicaid Program.

◆ Outreach services enable the homeless to access services, public benefits, shelter, and supportive housing. However, Thurston County is faced with a reduction in the number of homeless outreach workers because of the changes made to Medicaid in 2005.

◆ Also, changes in Medicaid benefits have resulted in many chronically homeless persons finding themselves ineligible for benefits because they no longer qualify for mental health and medical care.

Other groups working on similar issues include the task force for addressing Mentally Ill Offender issues, who, along with the Jail Population Management Committee, works to prevent or reduce the placement of those with mental illness in the jails. Access and lack of affordable housing have been identified as key barriers to reducing this population in the jails.

Leveraging Resources:

The passage of the state Affordable Housing Act provided local money for homelessness that could be used for the HOME 25% local match requirement. In the first year of the HOME Program, state funds were leveraged to provide services for a CHDO (Homes First!) residential group home project for autistic men. In 2006, \$318,116 of local funds (Affordable Housing Act) was used to assist Intercity Mercy Housing in the construction of the Evergreen Vista Apartments. Fifty (50 apartments) of the low-income project are used for HOME local match (2006 allocation). Other money was leveraged to help provide services to mentally ill TBRA recipients in order to assist them to locate and maintain decent affordable housing. Thurston County continues efforts to find and document leveraged resources.

The HATC was awarded a \$500,000 grant from the state (Department of Community, Trade and Economic Development) to implement a first time homebuyer program in partnership with the Housing Choice Voucher Program. There have been four homes purchased with down payment assistance and the Housing Choice Voucher program and three homes without the Housing Choice Voucher program in 2004. To date 63 households have participated in ongoing homebuyer training to ready themselves for homeownership.

Self-Evaluation:

Historically the largest portion of HOME funding has been allocated for TBRA activities. TBRA is target to the most vulnerable households: those living with serious mental illness, homeless youth, and homeless families with children. The Annual Point-In-Time Census (2007) revealed an overall increase in the homeless population since 2006 (from 672 to 798), which includes 126 households that are unsheltered or currently living with family or friends. An additional 119 new units of affordable housing are expected to be completed by the end of the year, which will enable the County to meet 91% of the current need.

Previous census counts reflect a significant reduction in the homelessness population within the County, largely due to the assertive use of rental assistance (TBRA and Housing Choice Vouchers) and an increase in the supply of new affordable housing units.

Impact of the Thurston County HOME Program:

◆ **Partnering With Non-Profit Service Providers**

The majority of HOME funds are targeted for Tenant Based Rental Assistance (TBRA) to provide case managed services for youth at risk, homeless families, and the mentally ill. Local agencies serving homeless youth and homeless families receive HUD-McKinney funding for rental assistance and supportive services. Over the past five years, the number of households served has dropped by over 50% because of escalating rents. However, the partnering of HOME TBRA with supportive services from HUD-McKinney funds, have preserved a continuum of housing and service programs for the homeless. In fact, over time, services and support have nearly doubled.

◆ **Serving Extremely Low-Income Populations**

Although the HOME regulations allow those with incomes up to 80% of the median to be served, 95% of the 2006 HOME funds, (excluding CHDO funds), actually assisted incomes at or below 30% of median income levels.

The TBRA program served extremely low-income populations who also had the misfortune of being homeless. The goal of the TBRA partners is to provide services that will ultimately help clients obtain self-sufficiency. However, many clients are the chronic mentally ill who simply need stability in their lives and may never achieve self-sufficiency. The following table shows the status of TBRA clients receiving assistance.

Outcome	Number of Clients	Percentage
Moved to Voucher Program	45	26%
Continuing into 2007	90	53%
Voluntarily left program	10	6%
Terminated for Cause	12	7%
Vacated without Notice	6	3%
Hospital or Rehab	2	1%
Over Income	1	1%
Movers who never leased again	5	3%
Total	171	100%

◆ **Impacting Homelessness**

The HOME Program was a key component in a community-wide effort to reduce homelessness in Thurston County. Overall 90 % of those served in 2006 were documented to be homeless when they entered the program, and the remaining 10 % were considered to be at risk of becoming homeless or their homelessness could not be verified by a third party as required by HUD- McKinney programs. A key strategy in reducing homelessness is to increase a community’s bed capacity within shelter and transitional housing programs. The result will be a decrease in the number of unsheltered and unsupported individuals.

◆ **Understanding Homeless Shelter and Housing Capacity**

The following table illustrates how well the County is meeting the community’s homeless shelter and housing needs. The data suggests that the gap is closing. While the number of homeless persons has remained fairly constant, the countywide shelter and housing capacity has increased to the point where 95% of the housing need appears to have been met. However, these numbers alone do not tell the whole story.

Census Information	Date Census Completed	Individuals Identified	Countywide Capacity	Percentage of Need Met
Census 5	January 25, 2007	798	685	85%
Census 4	January 26, 2006	672	631	94%
Census 3	January 26, 2005	697	607	87%
Census 2	October 22, 2003	740	575	78%
Census 1	February 24, 2003	604	348	58%

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The next table is a comparison of the current housing capacity and the number of those who were surveyed that accessed that capacity in January 2007. This information indicates that either:

- a. all people in shelter and housing aren't being surveyed, or
- b. that shelter and housing programs are not operating at full capacity, or
- c. people who become homeless are choosing not to access available capacity, or
- d. all of the above

Homeless Housing Type	Capacity by Households	Homeless Surveyed by Households	Percent of Capacity Used and Surveyed
Emergency Shelter	118	132	112%
Transitional	178	143	81%
Permanent Supportive	61	71*	116%*

*The census relies upon self-reporting in many cases and these numbers indicate there were those who either did not answer the questions correctly or did not understand the questions about where they were staying.

- **Maximize and Maintain Existing Capacity** – It is important for a community to maintain a base level of crisis response for those who enter homelessness, to ensure the base level of capacity is maximized, and that shelters and housing are utilized to capacity. Certain barriers exist, which keep use at levels below capacity. Examples are family rooms that are being under utilized by smaller families, eligibility criteria, credit, criminal and eviction histories getting in the way of people using the TBRA assistance, and the like.
- **Secure Appropriate Capacity** – Capacity for certain homeless subpopulations may not be available or appropriate, thereby leaving a certain group of homeless persons unserved. Youth shelter, family shelter and housing for offenders are examples of the need for appropriate housing capacity yet to be developed.
- **Develop Permanent Housing Capacity** – It is widely held that nothing can be done to prevent people from entering into homelessness altogether. A certain amount of crisis response has to be available, but at the same time, the County needs to develop a long-term strategy for increasing the supply of new affordable housing.

◆ **Community Housing Development Organization (CHDO) Activity:**

Homes First

Homes First is a local non profit housing organization established in 1990. The organization had purchased and operated 28 scattered-site affordable rental homes by the end of calendar year 2002. In 2003 Homes First purchased a single-family house in Lacey that had been offered for sale by its owner. The home housed 3 autistic individuals who were at risk of losing their housing when the home sold. Homes First was able to purchase the home with CHDO funds and now operates the house as a group home for autistic men. A fourth room in the house is available for a live-in case manager.

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Homes First's second CHDO project (2006 allocation for \$171,223) consists of purchasing a 7 bedroom single family home to house 7 individuals. HOME funds for this project have been committed, but have not yet been reported in IDIS.

Community Action Council of Lewis, Mason and Thurston Counties (CAC):

Community Action Council received \$192,188 in CHDO funding (2004 and 2005 allocation) and has started the renovation on the Deschutes Cove Apartments (44 units), which is expected to be completed in 2008.

The CAC has also started renovations on the Tolmie 44 unit Apartment Complex project utilizing \$161,059 in CHDO funds set-aside 2005 for the organization. This project is targeted to be completed in 2008.

Behavioral Health Resources:

Behavioral Health Resources (BHR), a Thurston County certified non-profit CHDO, is receiving HOME Program funding (\$289,018 in CHDO funds set-aside 2003 and 2004), for a 34 unit project serving the chronically homeless mentally ill.

On May 31, 2005, BHR purchased the Tumwater Gardens (The Gardens) property. Within ninety days, all tenants were assisted in relocation with the exception of two households who could not document their legal status. In September 2005, the demolition work was completed and BHR executed a construction contract applied to the City of Tumwater for a building permit. The permit was approved in October and the contractor was issued a Notice to Proceed. Construction began in 2006 through 2007, at this time the final construction checklist is in process and to be completed by 2007 and occupied in 1st quarter for 2008.

HOME Funds Distributed By Special Needs:

The Consolidated Plan for 2003-2007 outlined the need to maintain existing housing stock, to help homeowners of older homes keep their homes safe and in good condition, and the need to provide housing assistance to those with low incomes and to those with special needs, as listed below.

Need	Households/Units	2004 Expended	2005 Expended	2006 Expended	Household Units In Process for 2006
Maintain Existing Housing Stock	17	100,000			
Homeowner Rehabilitation	7	129,305	154,328	22,002	3
TBRA: Housing Assistance to those with Low-incomes and those with Special Needs Rental Housing (change of use from market to chronically homeless mentally ill)	153	325,476	471,491	504,971 260,116	
Totals	177	554,781	625,819	787,089	3

On-site Inspections:

Tenant Based Rental Assistance

On-site Housing Quality Standard (HQS) inspections are conducted annually in each unit assisted with TBRA. Rental units must pass the HQS inspection before the rental assistance is paid to the landlord.

Community Housing Development Organizations (CHDOs)

The Community Action Council of Lewis, Mason and Thurston Counties received CHDO funds to rehabilitate two low-income rental housing complexes: Tolmie Cove Apartments in Lacey, and the Deschutes Cove Apartments in Tumwater. Both projects are partially funded through USDA and are scheduled for loan closing the end of 2007. The Council is working with subcontractors to update bids and cost estimates. The work is scheduled to begin by winter and be completed by the end of the next year.

Lifeskills Project

The Lifeskills rental rehabilitation project was completed in 2004. This is a 9-unit apartment complex serving homeless and at risk youth between the ages of 18 and 21, and in case management services with Community Youth Services. Most residents are also on TBRA and are subject to initial and annual HQS inspections.

Public Comments:

The CAPER's availability for a 15-day public review and comment period was advertised in the November 9, 2007 in The Olympian. The report was made available on the Thurston County web site www.co.thurston.wa.us .