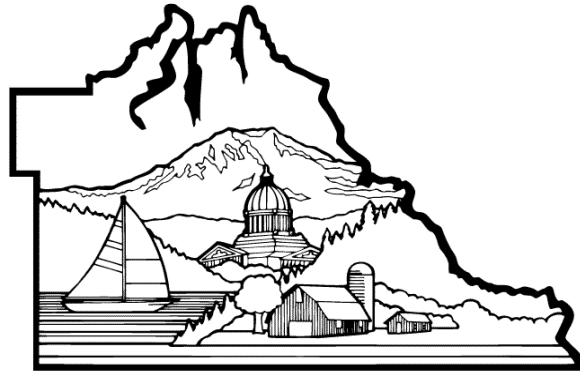


# **Thurston County HOME Consortium**



**THURSTON COUNTY**  
**WASHINGTON**  
SINCE 1852

## **Annual Action Plan FY2007**

(September 1, 2007 to August 31, 2008)

**Fifth Program Year**

**Annual Action Plan  
FY 2007  
(September 2007 – August 2008)**

## Introduction

The Consolidated Plan is a requirement of the U.S. Department of Housing and Urban Development (HUD) as a condition of receiving HOME Investment Partnerships (HOME) funding. As set forth in 24 CFR Part 91, the U.S. Department of Housing and Urban Development requires jurisdictions to incorporate their planning and application requirements into one plan called the Consolidated Strategy Plan.

Thurston County's Consolidated Plan was prepared for federal fiscal years 2003-2007, and documents the overall housing needs of the county, with respect to affordability and homeless housing. The Consolidated Plan defines the county's strategies, priorities and objectives for addressing the unmet needs. The activities and programs described in the Annual Action Plan are in compliance with the county's citizen participation process as set forth in the regulations in 24 CFR Part 91.

The Thurston County HOME Consortium is the designated authority for awarding and distributing HOME funds to the participating jurisdictions of: Olympia, Lacey, Tumwater, Bucoda, Rainier, Tenino, Yelm, and Thurston County.

The primary planning documents used to evaluate needs and establish housing goals and priorities are:

- Thurston County Housing Task Force's Continuum of Care Plan,
- Thurston County Ten-Year Homeless Housing Plan,
- Housing Authority of Thurston County 5-Year Strategic Plan;
- Thurston Regional Planning Council Profile.

This document is organized into three main sections:

1. Executive Summary – A concise summary of how resources are to be allocated for FY 2007.
2. Evaluation of Past Performance.
3. Annual Objectives and Outcomes for FY 2007.

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## Executive Summary

This is the fifth year Annual Action Plan for the 2003-2007 Consolidated Plan, covering the period September 1, 2007, through August 31, 2008. The action plan specifies how the county intends to utilize HOME funds in order to meet the goals and prioritized needs and objectives of the Consolidated Plan.

### Consolidated Plan Goals:

- To reduce homelessness in Thurston County by 50%, by creating transitional and permanent housing opportunities for homeless and special needs populations.
- To provide additional affordable housing, through preservation and reduction of slum and blight housing as defined by state law. (*Currently there are no areas of the county that meet the slum and blight definition*).
- To develop transitional and permanent housing, and provide homeownership opportunities.

### Resources

Thurston County was allotted \$868,762 in HOME appropriations for FY 2007. This will be allocated to local programs as follows:

<b>HOME FY 2007 Funding Allocation</b>	<b>Amount</b>
Administration	\$ 86,878
Tenant-Based Rental Assistance (TBRA)	\$471,971
Community Housing Development Organization (CHDO) Set-Aside	\$169,933
Homeowner Rehabilitation	\$120,884
Homebuyer American Dream Down payment Initiative (ADDI)	<u>\$ 19,096</u>
Total	<b>\$868,762</b>

These funds will be supplemented with approximately \$55,000 from program income generated through repayments from housing rehabilitation loans and homebuyer assistance loans.

## Evaluation of Past Performance

### Summary of Units Assisted 2003-2005

Activity	Units	Households
Tenant Based Rental Assistance*	216	395*
CHDO – Homes First!	3	3
Homeowner Rehabilitation	19	19
Rental Rehabilitation	9	9
ADDI	11	11
Total	258	437

\* Represents actual number of households receiving assistance over three years.

### Income Levels

HOME Fiscal Years 2003-05	30% of median income level or below		31-50% of median income level		51-80% of median income level		Total
	Number	Percent	Number	Percent	Number	Percent	
Tenant Based Rental Assistance	211	98%	3	1%	2	1%	216
Rental Rehabilitation – Life Skills	9	100%	0	0%	0	0%	9
CHDO – Homes First!	3	100%	0	0%	0	0%	3
Homeowner Rehabilitation	11	60%	4	20%	4	20%	19
ADDI	0	0%	0	0%	11	100%	11
Total Households Assisted with HOME	234	90%	7	4%	17	6%	258

FY 2006 activities will be covered through the Consolidated Annual Performance and Evaluation Report (CAPER) in the fall of 2007.

Tenant-based Rental Assistance (TBRA) – In Thurston County TBRA is targeted to the most vulnerable households: those living with serious mental illness, homeless youth, and homeless families with children. The Thurston County Home Consortium’s primary focus is to reduce homelessness by fifty percent by the year 2015. The Annual Point-In-Time Homeless Census of 2007 reveals an overall increase in the homeless population since 2005 (from 604 to 798), which includes 289 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 then allow the county to meet 91% of the current need. Many of the units will be supported by Housing Choice Voucher Contracts administered through the Housing Authority of Thurston County.

<b>Annual Census</b>	<b>Homeless Population (Individuals)</b>	<b>Countywide Capacity</b>	<b>Percentage of Need Met</b>	<b>Projected Countywide Capacity by 12/31/2007</b>	<b>Projected Percentage of Need Met</b>
Census 5	798	610	76%	729	91%
Census 4	672	631	94%	--	--
Census 3	697	607	87%	--	--
Census 2	740	575	78%	--	--
Census 1	604	348	58%	--	--

Community Housing Development Organization (CHDO) – Since 2003, three CHDO awards have been made:

- Homes First! received \$50,000 for the acquisition of a group home that provides housing for three autistic persons
- Behavioral Health Resources (BHR) Housing Properties received \$289,018 to acquire, rehabilitate, and convert a 20-unit apartment complex in Tumwater into 34 studio apartments for homeless persons with mental disabilities, 50% of whom will have been chronically homeless.
- The Lewis, Mason, Thurston County Community Action Council received \$322,263 to rehabilitate eighty-eight units of affordable housing (Deschutes Cove Apartments and Tolmie Cove Apartments)

**CHDO Organizations**

	Units
Homes First!	3
Behavioral Health Resources	34*
Community Acton Council, Lewis, Mason and Thurston County	88**
<b>Total</b>	<b>125</b>

\* Scheduled for completion August 2007

\*\*Scheduled for completion December 2008

Homeowner Rehabilitation – HOME funds are used to augment the county’s Community Development Block Grant (CDBG)-funded comprehensive housing rehabilitation program. CDBG funds are used in the unincorporated areas of the county, while HOME dollars are used to fund single-family housing rehabilitation activities in the HOME Consortium areas. Since 2005, 19 houses have been rehabilitated.

American Dream Downpayment Assistance (ADDI) – The alarming rise in housing prices makes it extremely difficult for first-time homebuyers to realize their dream of owning a home, particularly those with incomes at 80% of median income or below. The maximum ADDI assistance per household is \$10,000, but does little to make homeownership affordable for most low-income persons in Thurston County. HATC partners the ADDI program with other first-time homebuyer resources to maximize use of funds.

**Annual Objectives and Outcomes for FY 2007**

**Introduction**

In compliance with the Consolidated Plan and the Thurston County Ten-Year Homeless Plan, Thurston County will continue to focus and prioritize HOME and other housing resources to assist very-low income residents with affordable housing options, while maintaining emphasis on reaching those who are the most vulnerable — the homeless, mentally ill, and at-risk youth. HOME funding allocation for FY 2007 is \$868,762, and will be distributed to the following eligible activities:

<b>HOME FY 2007 Funding Allocation</b>	<b>Amount</b>
Administration	\$ 86,878
Tenant-Based Rental Assistance	\$471,971
CHDO Set-Aside	\$169,933
Homeowner Rehabilitation – City of Tenino	\$120,884
Homebuyer American Dream Down payment Initiative	\$ 19,096
Total	<b>\$868,762</b>

The Government Performance and Results Act of 1993 and HUD require that recipients receiving federal program dollars improve their effectiveness and public accountability by adopting a quantifiable performance measurement system. The county has developed a performance measurement system that is consistent with the reporting requirements of the Information Disbursement and Information System (IDIS).

**Objectives and Outcomes**

The following activities will address the objective of “Providing Decent Housing”:

Activity	Units/ Households	Anticipated Completion Date
TBRA	72	08/2008
CHDO	4	12/2008
Homeowner Rehabilitation	7	08/2008
ADDI	2	08/2008

## **Geographical Distribution**

HOME funds are proposed to be distributed to the following jurisdictions within the county:

Jurisdiction	New TBRA	CHDO Development	Homeowner Rehabilitation	ADDI
City of Olympia	31	4		
City of Lacey	19			
City of Tumwater	15			
City of Yelm				
Town of Rainier				
County	7			2
City of Tenino			5	
<b>TOTAL</b>	72	4	5	2

## **Foster and Maintain Affordable Housing**

To Address Emergency Shelter and Transitional Housing Needs, the following is planned:

Sheltering - While the HOME Program cannot fund sheltering activities, the TBRA activity, when provided in partnership with transitional supportive services for homeless people, does contribute a stabilizing component for the local Continuum of Care in the provision of homeless housing and services in Thurston County. Other state, county and city resources are utilized to support sheltering activities. TBRA is targeted to those with the most need in Thurston County. Other funds will be used to provide case-management services to youth at risk, homeless families, and the mentally ill. Services will equip individuals/families with tools and skills to help stabilize their lives while the TBRA program provides them with decent, safe, and affordable housing.

Permanent Housing – The HOME Consortium awarded \$341,156 (FY2006, \$171,223 and FY2007 \$169,933) in CHDO funding to Homes First! for the purchase of four units of permanent affordable rental housing for households with incomes below 50% of the median income. Units are expected to be supported with Section 8 project-based vouchers.

Plans to Prevent Homelessness (for households at 30% median or below) - Continue to provide short- and long term rental assistance as a prevention and strategy (identified in the 10-Year Homeless Housing Plan for Thurston County) as a way of reducing homelessness.

There are numerous non-profit housing organizations in Thurston County that assist households from becoming displaced and/or homeless because of an inability to pay rent. While the demand still exceeds supply, rental assistance has proven to be an effective tool in Thurston County to prevent homelessness.

## Action Steps to End Chronic Homelessness:

The 10-Year Homeless Housing Plan for Thurston County identified 100 new units of housing along with income and prevention strategies for ending chronic homelessness. Intercommunity Mercy Housing received local Affordable Housing funds (HB2060) for the construction of 50 units of affordable housing. The project (Evergreen Vista Apartments, Phase II), will provide permanent housing for homeless families and households with special needs. Local service providers will provide case management services. Thurston County will continue working to minimize chronic homelessness by coordinating prevention strategies, programs, and resources with local service providers.

## **Obstacles to Meeting Underserved Needs**

The unincorporated areas and small towns of the county, most notably the cities of Bucoda, Rainier, Tenino and Yelm are underserved and lack the resources and capacity to meet their growing housing needs. The HOME Consortium has allocated \$120,884 to the City of Tenino for continuation of their single-family housing rehabilitation program, which the county will administer. The county will conduct a housing needs assessment study and develop a comprehensive outreach strategy for meeting the needs of the underserved areas of the county. Other obstacles:

- Location of Supportive Services (TBRA) - Program participants tend to rent where the most available rental units are located, resulting in the issuance of most TBRA assistance within the jurisdictions of Olympia, Lacey and Tumwater. TBRA is used in smaller numbers in the rural areas of the county. Because assistance is targeted toward the homeless and seriously mentally ill, participants primarily choose to rent in urban areas close to needed services.
- Transportation – Lack of transportation presents a barrier for households in the rural areas, due to the lack of bus services, which limits peoples ability to access jobs and services.

## **Summary of Citizen Participation Process and Public Comments**

The County provides notice to the public of the availability of the Consolidated Plan, Annual Action Plan, the Consolidated Annual Performance and Evaluation Report, and any proposed amended changes. All notices are published in the local newspaper and on the county's website.

Public Comments: Two comments were received. Both were for technical errors and/or omissions in the draft plan, which the county corrected. The Housing Authority of Thurston County (HOME subrecipient) comments also included a request for a budget revision to reallocate funds proposed in this action plan. The request was denied because approval would require an additional 30-day public comment period.

## **Federal and State Resources**

Other housing resources available:

- Section 8 Voucher Program – Administered by the Housing Authority of Thurston County, provides rental subsidy assistance to very low income households.
- Federal McKinney -Vento funds for transitional housing supportive services.
- Emergency Shelter Assistance Program and Emergency Shelter Grant Program – Coordinated through the Continuum of Care network, providing prevention funding for shelters and transitional housing projects.
- Washington State Housing Tax Credits - Administered and distributed by the Washington Housing Finance Commission (800-767-4663 or email at [askusTC@wshfc.org](mailto:askusTC@wshfc.org)).
- Washington State Housing Trust Fund – Administered by the state for low-income and affordable housing projects.

## **Leveraged Resources**

Affordable Housing funds (HB2060) and Homeless Housing funds (HB2163) are local housing dollars that may provide match for HOME dollars. In FY 2007, Homes First! will receive \$341,156 in CHDO funding (from FY 2006 and 2007), which will provide a match of \$153,700 in non-federal contributions. Habitat for Humanity will receive \$50,000 of local housing funds, which will provide a match of \$60,333 in private funding. Additionally, local housing providers that are eligible to access HOME funds will provide match with private, In-Kind donations, and other state funds as (i.e. Washington State Housing Trust Fund and Washington State Housing Tax Credits).

## **Program Income**

Homeowner Rehabilitation and ADDI are the only activities expected to generate program income for the year. Approximately \$55,000 is expected to be received from loan repayments and/or home resale(s).

## **Program Specific Requirements**

The Thurston County HOME Consortium's American Dream Down Payment Initiative (ADDI) Program provides down payment assistance in the form of a second mortgage for low-income first-time homebuyers in Thurston County and helps program participants develop financial self-sufficiency skills. Funds are payable to the county upon sale, title transfer, or refinance of the property.

### Period of Affordability:

Thurston County will use the recapture option to ensure compliance with the period of affordability requirements, which is 5 years for the minimum \$1,000 to \$10,000 loan. The sale of the property during the affordability period triggers repayment of all direct home subsidies that the buyer received when he/she originally purchased the home. All HOME funds recaptured during the affordability period must be captured in full. Proceeds must be used to pay off the HOME loan amount. Any net proceeds remaining may be paid to the homebuyer.

In case of a transfer of ownership due to foreclosure or deed in lieu of foreclosure prior to the satisfaction of the period of affordability requirement, and if there are no net proceeds from the foreclosure, repayment is not required and HOME requirements are considered to be satisfied.

### Home Ownership Counseling:

Participants in the ADDI program are required to participate in both pre- and post-purchase counseling, which consists of group orientations and individual counseling sessions with a homeownership counselor. The multi-layered training focuses on the following topics:

- Budgeting and financial planning;
- Banking services and terminology;
- Long-term savings goals;
- Credit repair and management;
- Navigating the home buying process;
- Real estate and mortgage terminology;
- The varied roles of real estate professionals;
- Avoiding predatory lenders.

### Monitoring

The county will provide an on-site monitoring of the subrecipient's HOME project to ensure compliance with HOME, HUD, and other federal program requirements.

Monitoring reviews will include, but are not limited to:

- An assessment and evaluation of program performance as determined by the county's Outcome Performance Measurement System.
- Housing Quality Inspections and review of housing program files.
- A random review of TBRA, Homeowner Rehabilitation and ADDI client files
- A review of program financial and fiscal records.
- A review of civil rights and fair housing records.

Projects will be monitored at least once before the expiration of the subrecipient's contract. The subrecipient will be given thirty day advance notice of a monitoring visit,

and the option to schedule additional time for technical assistance, if necessary. Upon completion of the monitoring review, the county will send the subrecipient a monitoring letter citing the results of the review, listing any findings, corrective actions, or issues that need to be resolved.

### Lead-Based Paint

Lead-based paint hazard mitigation activities will continue through the Housing Authority of Thurston County. All-lead-hazard suspect units will be inspected and tested (when necessary), to determine the level of hazard that exists. Any mitigation work will be performed by qualified and certified staff and workers.

### Fair Housing

This year, the County completed an Analysis of Impediments to Fair Housing Plan, which identifies and prioritizes strategies for addressing barriers to fair housing. The county will continue to include the Fair Housing Equal Opportunity logo on all public correspondence and notices, postings, and any marketing material associated with the HOME Program.

### Affirmative Marketing

The County has adopted the Thurston County Human Services Review Council's plan for reducing poverty among county residents. The plan includes the following basic strategies:

- Address the causes as well as the symptoms associated with poverty and the quality of life of low- and moderate-income persons.
- Enhance the delivery of human services to low- and moderate-income persons.
- Coordinate the county's goals and policies for producing and preserving affordable housing with other programs and services the county funds through the County Human Services Review Council, which will assist in reducing the number of poverty-level families.

### Minority/Women's Business Outreach (MWB)

The county will take the following affirmative outreach steps to encourage MWB participation in HOME activities:

- Develop an inventory of eligible MWB firms to solicit statements of qualifications, Request for Proposals, and construction bids.
- Provide copies of RFP and professional services notices and bid announcements to a minimum of five MWB firms and/or post notices on the State Office of Minority and Women's Business Enterprises website.

**Table 3-1  
Consolidated Plan Listing of Projects**

<b>Applicant's Name:</b>	<b>Thurston County</b>		
<b>Priority Need:</b>	<b>N/A</b>		
<b>Project Title:</b>	<b>FY2007 Home Program Administration</b>		
<b>Project Description:</b>	<b>Thurston County to administer HOME Program Activities, with some support to Housing Authority of Thurston County.</b>		
<b>Location:</b>	<b>Countywide</b>		
<b>Start Date: 9/1/07</b>	<b>Completion Date: 8/31/08</b>	<b>Funding Sources:</b>	
<b>Performance Indicator</b>	<b>Annual Units</b>	<b>HOME</b>	<b>86,878</b>
<b>Units Upon Completion</b>		<b>Other Funding</b>	<b>0</b>
		<b>Total</b>	<b>86,878</b>

The primary purpose of the project is to help: the homeless  Persons with HIV/AIDS   
Persons with Disabilities.

The expected outcome of the project is to improve:  Availability/accessibility   
Affordability  Sustainability.

**Table 3-2  
Consolidated Plan Listing of Projects**

<b>Applicant's Name:</b>	<b>Thurston County</b>		
<b>Priority Need:</b>	<b>Homeless/Non-homeless Special Needs</b>		
<b>Project Title:</b>	<b>FY2007 Tenant-Based Rental Assistance</b>		
<b>Project Description:</b>	<b>Housing Authority of Thurston County –TBRA Program – Rental assistance funds are targeted to homeless families, mentally ill, and homeless youth at-risk.</b>		
<b>Location:</b>	<b>Countywide</b>		
<b>Start Date: 9/1/07</b>	<b>Completion Date: 8/31/08</b>	<b>Funding Sources:</b>	
<b>Performance Indicator: 72</b>	<b>Annual Units: 72</b>	<b>HOME</b>	<b>471,971</b>
<b>Units Upon Completion: 72</b>		<b>Other Funding</b>	<b>0</b>
		<b>Total</b>	<b>471,971</b>

The primary purpose of the project is to help:  the homeless  Persons with HIV/AIDS  Persons with Disabilities.

The expected outcome of the project is to improve:  Availability/accessibility  Affordability  Sustainability.

**Table 3-3  
Consolidated Plan Listing of Projects**

<b>Applicant's Name:</b>	<b>Thurston County</b>		
<b>Priority Need:</b>	<b>Rental Housing Rehabilitation</b>		
<b>Project Title:</b>	<b>FY2007 Community Housing Development Organization (CHDO)</b>		
<b>Project Description:</b>	<p><b>To purchase four units* of permanent affordable rental housing for households with incomes below 50% of the median income through Homes First!.</b></p> <p><b>* (FY 2006 CHDO funds totaling \$171,223 will be used to purchase two units).</b></p>		
<b>Location:</b>	<b>City of Olympia</b>		
<b>Start Date: 9/1/07</b>	<b>Completion Date: 8/31/08</b>	<b>Funding Sources:</b>	
<b>Performance Indicator: 4 units *</b>	<b>Annual Units: 2 units</b>	<b>HOME</b>	<b>169,933</b>
<b>Units Upon Completion: 4</b>		<b>Other Funding</b>	<b>0</b>
		<b>Total</b>	<b>169,933</b>

The primary purpose of the project is to help:  the homeless  Persons with HIV/AIDS  
 Persons with Disabilities.

The expected outcome of the project is to improve:  Availability/accessibility   
 Affordability  Sustainability.

**Table 3-4  
Consolidated Plan Listing of Projects**

<b>Applicant's Name:</b>	<b>Thurston County</b>		
<b>Priority Need:</b>	<b>Single-Family Housing Rehabilitation</b>		
<b>Project Title:</b>	<b>FY2007 Homeowner Rehabilitation</b>		
<b>Project Description:</b>	<p><b>Thurston County will assist the City of Tenino in managing the city's single family housing rehabilitation program (\$120,884). Expected to rehabilitate 5 units.</b></p> <p><b>The Housing Authority of Thurston County is anticipating using program income (\$45,000) funds to rehabilitate 2 houses.</b></p>		
<b>Location:</b>	<b>City of Tenino</b>		
<b>Start Date: 9/1/07</b>	<b>Completion Date: 8/31/08</b>	<b>Funding Sources:</b>	
<b>Performance Indicator: 7 units</b>	<b>Annual Units: 7 units</b>	<b>HOME</b>	<b>120,884</b>
<b>Units Upon Completion: 7</b>		<b>Other Funding (Program Income)</b>	<b>45,000</b>
		<b>Total</b>	<b>165,884</b>

The primary purpose of the project is to help:  the homeless  Persons with HIV/AIDS  Persons with Disabilities.

The expected outcome of the project is to improve:  Availability/accessibility  Affordability  Sustainability.

**Table 3-5  
Consolidated Plan Listing of Projects**

<b>Applicant's Name:</b>	<b>Thurston County</b>		
<b>Priority Need:</b>	<b>Owner Housing</b>		
<b>Project Title:</b>	<b>FY2007 American Dream Downpayment Program</b>		
<b>Project Description:</b>	<b>Housing Authority of Thurston County to provide first-time homebuyers with downpayment assistance.</b>		
<b>Location:</b>	<b>County</b>		
<b>Start Date: 9/1/07</b>	<b>Completion Date: 8/31/08</b>	<b>Funding Sources:</b>	
<b>Performance Indicator: 2 units</b>	<b>Annual Units: 2 units</b>	<b>HOME</b>	<b>19,096</b>
<b>Units Upon Completion: 2 *</b>		<b>Other Funding Program Income)</b>	<b>10,000</b>
		<b>Total</b>	<b>29,096</b>

\*Number may increase by one unit if program income is received.

The primary purpose of the project is to help:  the homeless  Persons with HIV/AIDS  
 Persons with Disabilities.

The expected outcome of the project is to improve:  Availability/accessibility   
 Affordability  Sustainability.