



Housing and Homelessness Division  
Kitsap County, Department of Human Services

## 2019 POLICY PLAN

for the

Homeless Housing Grant Program  
Affordable Housing Grant Program  
Consolidated Homeless Grant Program

***Released for Public Comment 4/26/18***

---

## Table of Contents

---

<b><u>Section</u></b>	<b><u>Page</u></b>
Sources of Funding	1
Eligibility for Grants	2
Homeless Crisis Response and Housing Plan	3
Homeless Management Information System	4
Funding Cycle	5
Application Process	7
Policies and Regulations for Uses of Funds	7
Administrative Policies	8
Appendix A: Citizen Participation Plan	10
Appendix B: Acronyms & Glossary	18
Appendix C: Conflict of Interest Policy	24

---

## Sources of Funding

---

### **AFFORDABLE HOUSING GRANTS**

Substitute House Bill 2060 became law in Washington State in 2002. It created a document recording fee, collected at the local Auditor's Office, on certain documents to be utilized for low-income housing. Administration of the fund is shared between local governments and the State. The local portion of funds is administered pursuant to an inter-local agreement between Kitsap County and the Cities within the County, and is managed by Kitsap County Human Services.

Affordable Housing Grant Program (AHGP) funds are locally collected funds that are used to fulfill the mandates of the Affordable Housing for All legislation (SHB 2060, and subsequent legislation that amends SHB 2060). The grant funds must be used to maintain, create, and support affordable housing and shelters.

### **HOMELESS HOUSING GRANTS**

In 2005, the Washington State Legislature passed Engrossed Second Substitute House Bill 2163, the Homeless Housing and Assistance Act. This legislation mandated that each county focus on reducing homelessness. Each county is required to (1) develop and periodically update a Homeless Housing Plan, (2) collect funds to pay for its implementation through a document recording surcharge at the county Auditor level, (3) collect data about homeless persons and the services they receive to evaluate progress, and (4) coordinate efforts among homeless service providers.

Subsequent legislation has added reporting requirements and increased the amount of the surcharge. As of June 2018, approximately 65% of the funds collected are distributed through local Homeless Housing Grant Programs (HHGP). The grant funds must be used to reduce homelessness through activities identified in the Kitsap Homeless Crisis Response and Housing Plan.

The four Kitsap cities (Bainbridge Island, Bremerton, Port Orchard, and Poulsbo) and Kitsap County agreed to implement the legislative requirements through a county-wide program, managed by Kitsap County Human Services.

### **CONSOLIDATED HOMELESS GRANTS**

The Consolidated Homeless Grant (CHG) program is funded through the portion of document recording fees that are not retained locally and are transmitted to the Washington State Department of Commerce. Commerce distributes these funds back to counties through contracts for specific homeless housing and services. These grant funds are administered by the Kitsap County Housing and Homelessness Division and sub-contracted to eligible service providers. The funds are governed by Commerce's CHG Guidelines.

## Eligibility for Grants

---

### ELIGIBLE ORGANIZATIONS

Eligible applicant/recipients include: public housing authorities, IRS-certified non-profit agencies/providers of affordable housing, Cities, Towns, the County, Tribes, and for-profit developers.

### ELIGIBLE ACTIVITIES

#### Homeless Housing Grants

Eligible activities for Homeless Housing Grants are identified in the 2018 Kitsap Homeless Crisis Response and Housing Plan, under Core Strategies and New Action Steps. They must directly contribute to making homelessness rare, brief, and one-time in Kitsap County, or improve the Kitsap Homeless Crisis Response System.

Applicants may include requests for administrative overhead and indirect costs in their applications; however, they are the lowest funding priority. The goal of the program is to have the maximum amount of funds go to provide direct services.

#### Affordable Housing Grants

Eligible uses for Affordable Housing Grants are specifically enumerated in the authorizing legislation:

- Acquisition, construction, or rehabilitation of housing projects or units within housing projects that are affordable to very low-income households with incomes at or below 50% of the area median income, including units for homeownership, rental units, seasonal and permanent farmworker housing units, units reserved for victims of human trafficking and their families, and single room occupancy units;
- Supporting building operation and maintenance costs of housing projects or units within housing projects eligible to receive housing trust funds, that are affordable to very low-income households with incomes at or below 50% of the area median income, and that require a supplement to rent income to cover ongoing operating expenses;
- Rental assistance vouchers for housing units that are affordable to very low-income households with incomes at or below 50% of the area median income, including rental housing vouchers for victims of human trafficking and their families, to be administered by a local public housing authority or other local organization that has an existing rental assistance voucher program, consistent with or similar to the United States Department of Housing and Urban Development's Section 8 rental assistance voucher program standards; and
- Operating costs for emergency shelters and licensed overnight youth shelters.

Applicants may include requests for administrative overhead and indirect costs in their applications; however, they are the lowest funding priority. The goal of the program is to have the maximum amount of funds go to provide direct services.

For the purposes of the Affordable Housing Grant Program, operations and maintenance expenses are defined by the Washington State Housing Trust Fund allowable uses for the Housing Trust Fund Operating and Maintenance Fund Program, as outlined in the Program Guidelines, available at this

website: [www.commerce.wa.gov/wp-content/uploads/2015/12/hfu-htf-handbook-version-3-28-2017.pdf](http://www.commerce.wa.gov/wp-content/uploads/2015/12/hfu-htf-handbook-version-3-28-2017.pdf).

#### Consolidated Homeless Grants

Eligible uses of Consolidated Homeless Grants (CHG) are determined by the Washington State Department of Commerce in their periodically published CHG Guidelines.

### **PROGRAM FUNDING PRIORITIES**

The volunteer citizen advisory boards, called Grant Recommendation Committees (GRC), use funding priorities to help determine which programs/projects should be recommended for funding in each cycle.

The funding priorities may change for each cycle.

Funding Priorities for each cycle are also available in the Coordinated Grant Application Process Notice of Funding Availability (NOFA).

#### 2019 Priorities – Homeless Housing Grant Program

Eligible activities are those that provide assistance to homeless individuals through activities identified in the 2018 Kitsap Homeless Crisis Response and Housing Plan.

Priority is given to new and existing projects that serve people experiencing unsheltered and/or chronic homelessness.

Up to 25% of funding is available for new programs that serve people experiencing unsheltered and/or chronic homelessness.

#### 2019 Priorities – Affordable Housing Grant Program

Prioritized uses of funds are for operations and maintenance for existing housing units that are affordable to very-low income households with incomes at or below 50% of the area median income and for operating costs for emergency shelters and licensed overnight youth shelters.

#### 2019 Priorities – Consolidated Homeless Grant Program

The Department of Commerce has not set funding priorities for CHG funds at the time of the publication of this Policy Plan. If Commerce sets priorities in the future, they will be used to develop grant recommendations for CHG funding.

## **Homeless Crisis Response and Housing Plan**

---

The Kitsap County Housing and Homelessness Division, in partnership with the Kitsap Housing and Homelessness Coalition (KHHC), coordinates the development and periodic updating of the Kitsap Homeless Crisis Response and Housing Plan.

The first 10-Year Homeless Housing Plan was submitted to the state in 2005, as mandated by the HB 2163 legislation. Subsequent plans have been developed and refined every few years. The latest update to the Plan in 2018 included major revisions and changes to reflect the current situation and needs of the community.

The goal of the Kitsap Homeless Crisis Response and Housing Plan is to assess needs, analyze data, coordinate and link resources to avoid duplications, and identify community-wide collaborative approaches. The Plan includes goals, core strategies, and new action steps that will end homelessness by providing the spectrum of subsidized housing, services, and affordable permanent housing that enable individuals and families to attain and maintain stable housing.

The Plan addresses issues of homelessness through: analyzing the needs of homeless people throughout Kitsap County by reviewing the Homeless Point In Time count data, coordinated entry intake data, anecdotal information from providers in the community, and by gathering information from people experiencing homelessness.

The 2018 Kitsap Homeless Crisis Response and Housing Plan identifies three main purposes of the Plan, in addition to fulfilling the legislative mandate:

- Blueprint for Implementation: A clear and concise agreement about the community's plan to reduce homelessness.
- Tool for Advocacy: An informational focal point to inspire the local community and leadership to embrace homelessness as a priority for action.
- Reference for Funders: An articulation of the community's priorities for funding, and to meet the federal, state, and local requirements that the funded programs be part of the community's homelessness plan.

The plan lays out broad objectives and strategies to guide government, non-profit agencies, and other partners to attain the desired outcomes necessary to reduce homelessness.

The Kitsap Homeless Housing Plan is projected to be updated again for 2020.

The full text of the Kitsap Homeless Housing Plan, including a list of core strategies and new action steps that are eligible for funding, is available on the Kitsap County website ([www.kitsapgov.com/hs/Pages/HH-Housing-and-Homelessness-Landing.aspx](http://www.kitsapgov.com/hs/Pages/HH-Housing-and-Homelessness-Landing.aspx)) or by request.

---

## Homeless Management Information System

---

The Homeless Management Information System (HMIS) is an electronic record system that enables information gathering about, and continuous case management of, homeless persons across agencies in a particular jurisdiction (city, county, state). Homeless service providers collect information about their

clients and input it in the HMIS so that it can be matched with information from other providers to get accurate counts of homeless clients and the services they need.

The U.S. Department of Housing and Urban Development (HUD) has mandated that all agencies who receive federal funds for homeless housing or services, must participate in an HMIS. HUD outlines the specific data points that must be collected for each homeless client.

Washington State Department of Commerce has mandated that all agencies receiving state funding for homeless housing or services (Homeless Housing Grant Program, Consolidated Homeless Grant program, TANF, Housing & Essential Needs, etc.) must also participate in HMIS.

Commerce is responsible for operating an HMIS for counties that participate in federal funding through the Balance of State Continuum of Care process, including Kitsap County. Kitsap County Housing and Homelessness Division is responsible for managing the Kitsap HMIS.

Data is collected from all of the agencies required to participate in HMIS and submitted to Commerce. Through an agreement with Commerce, agencies submit data through a state-provide online software system. Commerce and Kitsap County Housing and Homelessness Division provide training and support for the state-provided HMIS software.

Kitsap agencies that provide homeless housing and services participate in the Kitsap HMIS Collaborative, an agreement to share client data in “real time” between agencies. Kitsap’s data-sharing system provides benefits such as improved client service, accurate data and reporting for funding sources, and better outcome tracking.

All agencies that receive Homeless Housing Grants, Affordable Housing Grants (other than capital), and Consolidated Homeless Grant funds are required to enter specified client data into HMIS for the funded program(s).

## Funding Cycle

---

### NOTICE OF FUNDING AVAILABILITY

On an annual basis, Kitsap County publishes and advertises a Notice of Funding Availability (NOFA). This notice sets forth the annual program priorities; the duration of funds to be awarded or distributed; the deadline for submission of funding applications; and any other pertinent information related to the process.

Kitsap County conducts a competitive funding application process for Homeless Housing Grant Program, Affordable Housing Grant Program, and Consolidated Homeless Grant program funds. These funds are part of the Kitsap Coordinated Grant Application Process: a single grant application is made available in May of each year and a public process is used to determine funding allocations. This public process is detailed in the Notice of Funding Availability and in the Citizen Participation Plan (**Appendix A**).

## FUNDS AVAILABLE

The amount of funds available for each of the funding sources for the annual application cycle is determined by the amount collected through document recording surcharges collected during the prior period or contracted with the Department of Commerce for CHG grants. Generally, this period is July of the prior calendar year through June of the current calendar year. In addition, carryover funds from prior cycles and turn-back funds from prior grants that were not expended are also available for distribution.

The projected amount available for distribution is included in the Coordinated Grant Application Process Notice of Funding Availability (NOFA), available on the Kitsap County website.

Applicants should request a minimum of \$10,000 per application. Grant awards will typically not be awarded for less than \$10,000 except at the recommendation of the Grant Recommendation Committee and approval of the Kitsap County Board of Commissioners for special circumstances.

## MULTI-YEAR AWARDS

Multi-year grant awards may be allowed, for up to three years.

This can happen in two ways:

- 1) Funds from the current cycle can be committed to be spent over multiple years.
- 2) Funds that are anticipated to be collected for future cycles can be committed for expenditure in future years.

Because the actual amount of document recording fees collected vary annually, the maximum that may be committed for expenditure in future years is expressed as a target percentage in relation to the State of Washington's forecast of annual program revenue. This percentage may be adjusted by the Kitsap County Board of Commissioners in consideration of available funds and priorities.

Unless modified by future Kitsap Board of County Commissioner action, up to 60% of the WA state Office of Financial Management's projected funds available for the current cycle may be committed for multi-year awards.

Multi-year awards may not be available during all cycles, if there are administrative or policy reasons to restrict awards to a single year.

Each year, the Coordinated Grant Application Process Notice of Funding Availability (NOFA) will include the projected amount available for multi-year awards, if they are available.

## SET ASIDES

Grant funds may be designated for certain purposes to further specific program goals, as determined by the program funding priorities and the Kitsap County Board of Commissioners.

---

## Application Process

---

### APPLICATION PROCESS

Interested organizations can find the application and all associated information on the Kitsap County website at [www.kitsapgov.com/hs/Pages/HH-Coordinated-Grant-Application-Process.aspx](http://www.kitsapgov.com/hs/Pages/HH-Coordinated-Grant-Application-Process.aspx). The schedule for the annual application cycle, including the due date for applications, is also available on the website.

### MANDATORY TECHNICAL ASSISTANCE SESSION

All organizations wishing to make an application must attend a mandatory Technical Assistance Session to learn about the specific application requirements and processes. The dates of the Technical Assistance Sessions are included in the Notice of Funding Availability (NOFA).

### JOINT APPLICATIONS

Collaborative applications are encouraged. Two or more organizations may submit an application proposing a joint project or program. One organization must be identified as the contracting organization, responsible for all contracting, fiscal, and reporting requirements.

### FUNDING TIMELINE

Funds approved in the annual application cycle are available to be expended as of January 1. Annual contracts for homeless housing and services and operations and maintenance are for a 12 month period, January 1 to December 31. Capital contracts are generally for an 18 month period, January 1 to June 30 of the following year. CHG contracts may be for 6 months, 12 months, 18 months, or 24 months depending on the availability of sub-contracted funds.

### GEOGRAPHIC EQUITY

Kitsap County is committed to ensuring that funds are distributed in a manner that balances needs that exist throughout the County and program users' access to services. Geographic distribution of funds shall be evaluated as part of the periodic program review. The overall intent is to ensure that, over time, all areas of Kitsap County receive appropriate levels of funding through this grant program.

Grant Recommendation Committees are directed to consider geographic equity as part of their funding recommendations, but are not required to make recommendations for awards based on geographic equity.

---

## Policies and Regulations for Use of Funds

---

### MONITORING

The Kitsap County Housing and Homelessness Division monitors all projects for compliance with the funding terms and conditions in the contract(s). On-site monitoring and performance evaluation are generally conducted once per year.

## REPORTING REQUIREMENTS

Grantees are required to submit quarterly reports and annual reports on funds expended, program activities, program outcomes, and contracted performance measures to the Kitsap County Housing and Homelessness Division.

## COORDINATION WITH THE HOUSING SOLUTIONS CENTER

Programs receiving grant funding for homeless housing or service provision are required to coordinate with Kitsap's coordinated entry program (currently the Housing Solutions Center of Kitsap County) for client intake and referrals. In addition, grantees are required to comply with the Housing Solutions Center Partner Agency Guiding Principles pertaining to standards of services for clients.

## EXPENDITURE OF FUNDS

Grant-funded projects should be ready to proceed during the program year of the awarded funds. Kitsap County expects and monitors for the timely expenditure of allocated funds to projects. Grant funds must be fully spent by December 31<sup>st</sup> of the award year, or as defined in the grant contract. If the funds are not expended during the contract period, they will be retained for re-distribution in a future grant cycle.

## WARRANTS FOR USE OF HOUSING

Capital projects that receive grant funds must remain in use for low-income households for no less than 25 years from the date of the receipt of grant funds. A Warrant for Low-Income Use for 25 years for capital projects is required for applications that are selected for funding.

The SHB 2060 legislation specifies under eligible uses that projects funded for building operations and maintenance costs must be eligible to receive housing trust funds. Applicants selected for funding for these types of funds must submit a Warrant that their project is eligible to receive housing trust funds.

## Administrative Policies

---

### PROGRAM ADMINISTRATION

The Kitsap County Board of Commissioners sets policy concerning the use of Homeless Housing Grants and Affordable Housing Grants funds and distribution of funding to eligible applicants. The Washington State Department of Commerce sets policy concerning the use and distribution of Consolidated Homeless Grant funds.

Funding for the administration of the grant program is provided from the administrative portion of the surcharge revenues allowable by legislation, administrative funding through the Department of Commerce grants, and a small portion of the Homeless Housing Grant Program funding.

### PROGRAM MONITORING AND REPORTING

The Kitsap County Housing and Homelessness Division prepares and submits all required reports and performance measures to the State, as required by law. Grantee organizations are required to submit data to the Program as requested to complete the reports. Periodically, reports on the use of these grant funds are made to the Kitsap County Board of Commissioners.

# Appendix A

## Citizen Participation Plan

## Citizen Participation Plan

---

### INTRODUCTION

The Homeless Housing Grant Program (HHGP), the Affordable Housing Grant Program (AHGP), the Consolidated Homeless Grant Program (CHG), and the Kitsap County CDBG and HOME Programs are part of the Kitsap Coordinated Grant Application Process, which includes a single application for funds, a single Grant Recommendation Committee (GRC) process and coordinated funding recommendations. Funding recommendations are approved by the Kitsap County Board of Commissioners.

This Citizen Participation Plan is consistent with the Citizen Participation Plan for the CDBG and HOME programs.

### PURPOSE

The purpose of the Citizen Participation Plan and the Grant Recommendation Committee (GRC) is to provide an on-going mechanism to ensure widespread citizen participation whereby all citizens have an opportunity to fully express their needs and wishes for community improvement.

This plan provides opportunities for representation of all of the citizens of Kitsap County by allowing them to have a voice in the decision-making process and giving them greater power and control over activities taking place within their communities.

### ANNUAL ALLOCATION PROCESS / NOTICE OF GRANT AWARDS

Kitsap County conducts a competitive annual process to determine allocation of grant funds from the sources listed above, using the Kitsap Coordinated Grant Application Process. The public is encouraged to participate in the process and its end product – an approved portfolio of funding awards.

#### A. Notice of Funding Availability & Application

In the spring of each year a notice will be published in the newspaper of record and posted to the County's website to provide an opportunity for comment on the Policy Plan. This notice will begin a 15-day comment period and include the date and time of public hearings to take citizen comments.

A separate Notice of Funding Availability (NOFA) will be posted to the County's web site and electronic notification sent to subscribers. The NOFA includes the application schedule, eligible applicants, estimated funds available, application access and deadlines for submission, application review and rating process, funding awards, and contracting information.

Notifications will be available to any agency or organization who signs up on the Kitsap County website to receive automatic notices about the Coordinated Grant Application. To sign up, go to: <http://www.kitsapgov.com> and at the very bottom of the page click on the link "NEWS SIGN UP". This link will take you to the Kitsap County Electronic Notification System where you can sign up to receive text or email updates.

Upon approval of the Policy Plan by the Kitsap County Board of Commissioners, information about the application and technical assistance will be available from:

Housing and Homelessness Division  
Kitsap County Department of Human Services  
345 6<sup>th</sup> Street, Suite 400, Bremerton, WA 98337  
<https://www.kitsapgov.com/hs/Pages/HH-Housing-and-Homelessness-Landing.aspx>  
or by contacting staff:  
Kirsten Jewell, [kjewell@co.kitsap.wa.us](mailto:kjewell@co.kitsap.wa.us), 360-337-7286

Applications will be made available in a format accessible to persons with disabilities upon request.

Application instructions and due dates are included in the Notice of Funding Availability (NOFA). Applicants must attend the mandatory Technical Assistance Session to be eligible to submit an application.

Applications must be submitted electronically via the internet.

## **B. Technical Assistance**

Two technical assistance sessions will be held for those interested in applying for funding. A session will be held for homeless and CDBG services projects and another session for capital and operations and maintenance projects. During the sessions, staff will provide information to citizens concerning who can apply for funds, funds expected to be available, the range of activities that may be undertaken, priorities for funding, application submission requirements, the application deadline, and how decisions concerning funding will be made. The date and time of the technical assistance sessions will be published in the NOFA and included in the schedules posted on the web site.

In addition to the Technical Assistance described above, Kitsap County Housing and Homelessness Division staff is also available by appointment for one-on-one Technical Assistance to provide guidance to citizens and organizations regarding specific project considerations.

At any time, any citizen may contact Kitsap County Housing and Homelessness Division staff for technical assistance or general information in relation to programs described in this Plan. The staff will help citizens understand HHGP, AHGP, and CHG funded programs, the procedures for submitting proposals, the Citizen Participation Plan, and other program requirements so they can effectively participate in the funding process.

## **C. Grant Recommendation Committee**

There are two Grant Recommendation Committees (GRCs):

- The Homeless and CDBG Services GRC reviews applications for public services, rental assistance and all homeless projects.
- The Affordable Housing and Economic Development GRC reviews housing, capital improvements, economic development, CHDO operating, and operations and maintenance.

Both GRCs play an integral role in the allocation of CDBG and HOME federal funds, HHGP, AHGP, and CHG funds according to the needs of the community. While all GRC members must be well-versed in the needs of the community and be willing to participate in all the activities relevant to the GRCs, each individual GRC seeks members who demonstrate specific skills and experience.

- The Homeless and CDBG Services GRC seeks members who have experience in one or more of the following capacities: background working with non-profit community service providers as an employee, volunteer, board member or consumer; background with homeless programs; grant experience, project management, compliance monitoring and/or practical experience with HUD regulations.
- The Affordable Housing and Economic Development GRC seeks members who have experience in one or more of the following areas: affordable housing; construction or project management; mortgage lending; housing development; economic development; real estate; or architecture.

Each GRC will be comprised of 8 members as follows:

- Four members appointed by Kitsap County Commissioners, including members representing North Kitsap, Central Kitsap, South Kitsap, and an At-Large position.
- Four members, one each appointed by the cities of Bremerton, Bainbridge Island, Port Orchard, and Poulsbo.

GRC members are appointed to serve a two year term, and can be re-appointed to serve successive terms and/or additional terms.

#### **D. Application Review and Rating Process**

Applications will go through a multi-stage review process.

- Stage 1 is a risk assessment utilizing specific criteria to determine if the applicant and proposed projects are eligible and the agency has the required organizational and fiscal capacity.
- Stage 2 is a review and scoring process by citizen reviewers and staff.
- Stage 3 includes interviews, determination of funding awards by the citizen review committee, and final approval by the Board of County Commissioners.

The review process for each stage is detailed below.

##### **Stage 1: Risk Assessment**

Applications are reviewed for potential disqualification at the first stage using the following process:

1. Applications are reviewed for the following:
  - a. Applicant organization and proposed program or project is eligible for at least one source of funds (CDBG, HOME, HHGP, AHGP, or CHG);
  - b. Applicant has the organizational and management capacity to carry out the proposed project;
  - c. Applicant has sufficient financial capacity;
  - d. Project or program meets a priority or strategy identified in the Kitsap County and City of Bremerton Consolidated Plan 2016-2020 (for CDBG and HOME funds), or the Kitsap Homeless Crisis Response and Housing Plan (for HHGP, AHGP, and CHG funds); and
  - e. Applicant can demonstrate a positive history of performance with prior grant funds.
2. Applicants will be notified of the results of the Stage 1 Review via email, either:

- a. Application is moving to Stage 2 and the applicant can fill out Stage 2 of the online application; or
- b. Applicant is disqualified and the basis for disqualification is provided.

### **Stage 2: Review, Interviews, and Scoring**

During Stage 2, applications are reviewed and scored for project/program soundness, community need, project/program impact, and fund source priorities.

1. Staff and Grant Recommendation Committee (GRC) members review and score all areas of the application utilizing scoring criteria specific to each application type.
2. GRC members make funding recommendations using the following process:
  - a. Review, evaluate, and score each application using review and scoring guides specific to each application type; and
  - b. Conduct an interview with each applicant and score applicant interviews; interview length will depend on application type.

The GRC will hold interviews for all competitive categories; interviews are at the discretion of the GRC for non-competitive funding sources.

Applicants will have the opportunity to present their project and the GRC will have an opportunity to ask questions.

### **Homeless and CDBG Services Application Interviews**

- Includes application types: CDBG Services, Homelessness, Economic Development Microenterprise, and CHDO Operating
- 20 minutes in length which includes 10 minute agency presentation and 10 minute question/answer.

### **Affordable Housing, Operations and Maintenance, and Economic Development Application Interviews**

- Includes application types: Housing (including CHDO Projects), Capital Economic Development Applications, Affordable Housing, and Operations and Maintenance
- 35 minutes in length which includes 15 minute agency presentation and 20 minute question/answer. O&M interviews are 20 minutes.

- c. Assign a priority ranking and recommend funding awards to projects.

### **Stage 3: Funding Awards**

The funding recommendations go through a multi-step process, prior to finalizing the award amount.

1. **Grant Recommendation Committee (GRC)** - All Stage 2 applications will have a final score comprised of the staff application review score, GRC application review score, and GRC interview score. The GRC will use the finalized score of projects to assist in making funding recommendations and contingencies.
2. **Kitsap County Board of Commissioners (BoCC)** – The Board receives the recommendations from the Grant Recommendation Committees, holds a public comment period and a public hearing, and approves final awards and contingencies.
3. **Final Awards** – Funding recommendations are made based on estimated funds. Once the actual amounts are known for each fund type (CDBG, HOME, HHGP, AHGP, and CHG), grant awards will be adjusted based on the contingency set by the GRCs and approved by the Board of Commissioners.

#### **E. Conflict of Interest**

- a. No member of the GRC shall be beneficially interested, directly or indirectly, in any grant applications which may be made by, through, or under the recommendation of the GRC, in whole or in part, or which may be made for the benefit of his or her office, or accept, directly or indirectly, any compensation, gratuity or reward in connection with such contract from any other person beneficially interested therein (from RCW 42.23.030)
- b. No member of the GRC shall engage in any activity, including participation in the selection, award, or administration of a grant award or contract if a conflict of interest, real or apparent, exists.
- c. Additional information on Remote Interest and Potential Bias by Prior Association can be found in the full Conflict of Interest Policy under Appendix C.

#### **F. Funding Recommendations & Notice of Grant Awards**

Organizations submitting applications will be notified whether or not the GRC has recommended their application for funding. The notification will include the date, time, and place of the public hearings, during which the recommendations will be considered by the Kitsap County Board of Commissioners.

All projects approved for funding will be included in the Notice of Grant Awards. A summary of each Notice of Grant Awards will be published on the KRCC website. The summaries will describe the contents and purpose of the Notice of Grant Awards, and include a list of locations where copies of the entire Notice of Grant Awards may be examined. Citizens will be provided a period of at least 15 days to review and comment on the plans. Comments or views of citizens will be considered at the public hearing.

### **PUBLIC HEARINGS**

Public hearings are held in order to obtain the public's view and to provide the public with the City and County's responses to public questions and proposals. A public hearing is held in May for the adoption

of the next Policy Plans. A second hearing is held in October or November to review the proposed use of funds before the Kitsap County Board of Commissioners makes the grant awards.

Notification of the public hearings and of 15-day comment periods will be published in the newspaper of record and will afford citizens, public agencies, and other interested parties a reasonable opportunity to examine the proposed plans and to submit comments.

Public hearings will be held during the regular meeting of the Kitsap County Board of Commissioners in the Commissioners Chambers of the Kitsap County Administrative Building in Port Orchard. These meeting times and agendas can be obtained at <http://www.kitsapgov.com>, by clicking on the Commissioner Meeting Agendas link.

## PUBLIC COMMENTS

Interested persons may submit comments in writing during the public comment periods, or orally at the public hearings. Written comments should be directed to:

Housing and Homelessness Division  
Kitsap County, Department of Human Services  
345 6<sup>th</sup> Street, Suite 400  
Bremerton, WA 98342  
[kjewell@co.kitsap.wa.us](mailto:kjewell@co.kitsap.wa.us)

## COMPLAINTS

All written citizen complaints will be referred to the appropriate person(s) or agencies for action. Under normal circumstances Housing and Homelessness Division staff will respond to the person making the complaint within 15 days. All complaints and responses will be kept on file.

## RESOURCES

**Newspaper of Record:** Notification will be placed in the following newspaper under Legal Notices at least ten days before a public meeting is held concerning a program described in this plan:

**The Kitsap Sun or Kitsap Newspaper Group**  
*(Kitsap County selects the Newspaper of Record each June)*

Notices may also be published on the Kitsap County website:

<https://www.kitsapgov.com/hs/Pages/HH-Coordinated-Grant-Application-Process.aspx>  
<https://www.kitsapgov.com/hs/Pages/HH-Housing-and-Homelessness-Landing.aspx>

The notice will indicate when and where the public meeting will be held. Meetings are generally held at the following location:

Kitsap County Administrative Building, Commissioners Chambers  
614 Division Street  
Port Orchard, WA 98366

The Kitsap County Housing and Homelessness Division utilizes Kitsap County’s electronic notification system. Interested parties may sign up to receive email and text message updates on Kitsap Coordinated Grant Application activities. Go to [www.kitsapgov.com](http://www.kitsapgov.com) and click on the button on the bottom right of the page that says **“NEWS SIGN UP”**.

# Appendix B

## Acronyms & Glossary

---

## Acronyms

---

**AHGP.** Affordable Housing Grant Program

**BoCC.** Kitsap County Board of Commissioners

**CDBG.** Community Development Block Grant

**CHG.** Consolidated Homeless Grant

**GRC.** Grant Recommendation Committee

**HB.** House Bill (of the Washington State legislature)

**HHGP.** Homeless Housing Grant Program

**HMIS.** Homeless Management Information System

**HOME.** Although capitalized, this is not an acronym.

**HUD.** U.S. Department of Housing and Urban Development

**IRS.** U.S. Internal Revenue Service

**KHHC.** Kitsap Housing and Homelessness Coalition

**NOFA.** Notice of Funding Available

**WA.** State of Washington

**WA Commerce.** Washington State Department of Commerce.

---

## Definitions

---

**Administrative Expenses.** Those expenses directly associated with the recipient’s administration of a project or program, such as salaries, supplies, equipment, accounting, phones, audits, benefits, travel, and indirect costs.

**Affordability.** Affordability is achieved when a household’s rent or mortgage payment, plus utilities, does not exceed 30% of the monthly income for the targeted income group as adjusted for household size.

**Cash Flow.** Gross income minus vacancy rate, operating expenses, reserves, debt service, and taxes.

**Grant Recommendation Committee (GRC).** A group of seven citizens meeting specific qualifications, who develop funding recommendations for approval by the Kitsap Board of County Commissioners.

**Citizen Participation Plan:** This plan is prepared to facilitate and encourage public participation and involvement in the Homeless Housing Grant Program.

**Committed Funds.** Funds committed to a project by a project funding source. The award amount, terms and uses of the committed funds are documented in a letter to the applicant. A copy of this award letter is included with the application.

**Conditional Funds.** Funds committed, with conditions, to a project by a project funding source. The conditions of the commitment, amount, terms, and uses are documented in a letter to the applicant. A copy of the letter is included with the application.

**Consultant Fees.** Fees paid to a third party developer consultant for costs associated with implementation of a project.

**Homeless Housing Grant Program (HHGP).** The local grant program established by WA State legislation, House Bill 2163, and subsequently amended by various other legislative bills. This grant program has also been referred to in the past as “2163 Program,” “Homeless Housing Assistance Act Grant Program,” and “HHAA.”

**Homelessness.** The Kitsap Homeless Housing Plan defines this as: an individual or family who is not able to acquire and maintain permanent, safe, affordable, and decent housing.

The Kitsap County Homeless Crisis Response and Housing Plan includes the following definitions of homelessness:

- Chronic – experience homelessness for a year or longer or three or more episodes of homelessness in two years.
- Episodic – multiple episodes of homelessness that are short or long term.
- Situational or transitional – one time and short-term experience.

**Homeless Housing.** Various types of homeless housing are defined as follows in the Kitsap Homeless Housing Plan:

**Emergency Shelter** – Allows a stay of up to 90 days at no cost. Generally, includes supportive services such as job search assistance, child care, financial counseling, etc...

**Transitional or Supportive Housing** – Allows a stay of 1-2 years with rent typically set at 30% of client’s income. Supportive services are included to prepare individuals to obtain housing and live self-sufficiently.

**Permanent Supportive Housing** – Permanent housing offered at below market rates that can serve particular populations in need of ongoing supportive services and assistance, such as the

mentally or developmentally disabled, those with chronic substance abuse, or others with special needs.

**Supportive Services** – Services, other than providing physical housing, that assist an individual or household to remove barriers to acquiring and maintaining housing (Objective 8 in the Homeless Housing Plan includes a list of examples).

**Community Land Trust** – An affordable housing program wherein a nonprofit community land trust acquires and holds land, on behalf of the community, and leases it to individuals who own buildings on the land, thereby maintaining affordable housing.

**Interlocal Agreement.** Agreements made to ensure the cooperation of units of local government which form consortiums for the purpose of obtaining funding.

**Low- and Moderate-Income Households (LMI):** These are households earning less than 80% of the area median income (AMI). They are broken down into the following income designations:

- **Extremely Low-Income:** households with incomes less than 30% of the area median family income adjusted for household size.
- **Low-Income:** households with incomes between 31% and 50% of the area median income, adjusted for household size.
- **Moderate-Income:** households with incomes between 51% and 80% of the area median income, adjusted for household size.

**Low- and Moderate-Income Area Neighborhood (LMA):** In general, this is defined as census tracts or block groups where a minimum of 51% of the residents have low or moderate incomes (i.e. not exceeding 80% of the area median income).

**Median Family Income:** HUD releases income limits annually for its programs. Income limits are calculated using American Community Survey and Census data. Data for Kitsap County is based on the Bremerton-Silverdale Metropolitan Statistical Area (MSA). Incomes are indexed by household size.

**Operating Support:** Financial assistance used to supplement the day-to-day operations of a project.

**Program:** An ongoing set of services that are provided to clients in order to achieve specific results. A program may also include the provision of housing.

**Program Year:** The program year for the HHGP and AHGP programs is January 1 through December 31, which is the same as the County's fiscal year. CHG contracts may run on a calendar year, or the state fiscal year (July 1 – June 30).

**Project:** A specific time-limited set of tasks to be executed within certain cost constraints and other defined parameters.

**Project Management.** Costs directly related to managing the project to the point of completion normally paid to a third party.

**Project Soundness.** The feasibility, sensibility, and effectiveness of the project to meet a defined community need and the organizational strength and capacity to bring the project to completion.

**Proposed Funds.** Funds which have been or will be requested from a potential project funding source.

# Appendix C

## Conflict of Interest Policy

## Kitsap Coordinated Grant Application Process

### Conflict of Interest Policy

---

From time to time, community volunteers who are appointed to the Grant Recommendation Committees (GRC) have prior experience with one of the applicants or programs requesting grant funding. The following guidelines are intended to clarify what should happen in these cases to avoid real or perceived conflict of interest.

1) Conflict of Interest:

- a. No member of the GRC shall be beneficially interested, directly or indirectly, in any grant applications which may be made by, through, or under the recommendation of the GRC, in whole or in part, or which may be made for the benefit of his or her office, or accept, directly or indirectly, any compensation, gratuity or reward in connection with such contract from any other person beneficially interested therein (from RCW 42.23.030)
- b. No member of the GRC shall engage in any activity, including participation in the selection, award, or administration of a grant award or contract if a conflict of interest, real or apparent, exists.

2) Remote Interest:

- a. A GRC member is not interested in a contract, within the meaning of 1.a. above, if the member only has a “remote interest” in the contract and the extent of the interest is disclosed to the GRC and staff at the beginning of the review process and is noted in the official minutes prior to the recommendation of the contract. (from RCW 42.23.040)
  - i. As used in this section “remote interest” means:
    1. That of a non-salaried officer of a non-profit corporation;
    2. That of an employee or agent of a contracting party where the compensation of such employee or agent consists entirely of fixed wages or salary;
    3. That of a landlord or tenant of a contracting party;
    4. That of a holder of less than one percent of the shares of a corporation or cooperative which is a contracting party.
  - ii. Even if the GRC member’s interest is only remote, the member cannot influence or attempt to influence any other GRC member in the award of a contract they are remotely interested in. For purposes of this provision, influence or attempt to influence includes any of the following:
    1. Scoring the grant application;
    2. Discussing the grant application with other GRC members;
    3. Joining the audience, acting on behalf of the applicant, or interacting in any manner with members of the GRC;
    4. GRC members should physically leave the room when the remaining GRC members discuss the matter. This removes any potential claim that the GRC member has attempted to exert undue influence over the other GRC members.

- 3) Potential Bias by Prior Association:
  - a. A GRC member may have a “potential bias by prior association” if they have had an interest or remote interest in the past, but do not meet these definitions during the time they are serving on the GRC, or who have personal prior experience with an applicant including serving as a board member in the past, being employed in the past, or being a current or past volunteer. In the event of a potential bias by prior association:
    - i. The GRC member should disclose to the GRC and staff the nature of their prior association at the beginning of the application review process.
    - ii. They should not score that grant application.
    - iii. The GRC member may be present for the interview and discussion of the grant application, but should not attempt to influence any other GRC member in the recommendation or award of a contract. If a GRC member does not feel that they can be objective for the interview and/or the discussion, they may choose to physically remove themselves.
- 4) Conflicts Disclosed. The staff should advise GRC members before the process begins that members need to disclose, in advance, any remote interest, potential bias by prior association that they have, or relatives serving as staff to any applicants. It is recommended that the disclosures be done in writing.
- 5) Voting and Recommendations.
  - a. The GRC member should recuse themselves from voting on any recommendation that would include applications in which they have a remote interest in or with whom they have a potential bias by prior association.
  - b. If the final recommendations of the GRC are consolidated into a single motion, then the GRC member may participate in the vote so long as their participation in the discussion does not influence or attempt to influence the outcome with respect to the applicant in which they have a remote interest in or with whom they have a potential bias by prior association.
- 6) Alternate GRC. If there are two or more GRCs in a funding cycle or process, and a member has a conflict of interest, remote interest, or potential bias by prior association with an application that one of the GRCs is reviewing, that member may serve on a different GRC without reservation or restriction.