

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

The purpose of the Consolidated Annual Performance and Evaluation Report (CAPER) is to inform the U.S. Department of Housing and Urban Development (HUD) and the community of the activities and accomplishments resulting from the investment of Community Development Block Grant (CDBG) and other resources for the 2019 program year, which covered the period January 1, 2019 to December 31, 2019. In 2019, HUD allocated \$691,143 in CDBG funds to the City. An additional \$536,000 in funds allocated from the City's general fund budget were used in conjunction with CDBG funds to provide for a wide range of human services and affordable housing needs. The City successfully executed the activities outlined in this report.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

| Goal | Category | Source / Amount | Indicator | Unit of Measure | Expected – Strategic Plan | Actual – Strategic Plan | Percent Complete | Expected – Program Year | Actual – Program Year | Percent Complete |
|--|-----------------------------------|-----------------|--|------------------------|---------------------------|-------------------------|------------------|-------------------------|-----------------------|------------------|
| ESTABLISH SUITABLE LIVING ENVIRONMENTS | Non-Housing Community Development | CDBG: \$157800 | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 1000 | 1412 | 141.20% | 344 | 318 | 92.44% |
| ESTABLISH SUITABLE LIVING ENVIRONMENTS | Non-Housing Community Development | CDBG: \$157800 | Homeowner Housing Rehabilitated | Household Housing Unit | 0 | 38 | | | | |

| | | | | | | | | | | |
|--|-----------------------------------|----------------|--|------------------------|-----|-----|--------|----|----|--------|
| ESTABLISH SUITABLE LIVING ENVIRONMENTS | Non-Housing Community Development | CDBG: \$157800 | Homeless Person Overnight Shelter | Persons Assisted | 0 | 6 | | | | |
| ESTABLISH SUITABLE LIVING ENVIRONMENTS | Non-Housing Community Development | CDBG: \$157800 | Homelessness Prevention | Persons Assisted | 0 | 229 | | 0 | 92 | |
| ESTABLISH SUITABLE LIVING ENVIRONMENTS | Non-Housing Community Development | CDBG: \$157800 | Housing Code Enforcement/Foreclosed Property Care | Household Housing Unit | 0 | 1 | | 0 | 0 | |
| ESTABLISH SUITABLE LIVING ENVIRONMENTS | Non-Housing Community Development | CDBG: \$157800 | Other | Other | 4 | 0 | 0.00% | | | |
| EXPAND ECONOMIC OPPORTUNITIES | Non-Housing Community Development | CDBG: \$285848 | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 0 | 124 | | 0 | 52 | |
| EXPAND ECONOMIC OPPORTUNITIES | Non-Housing Community Development | CDBG: \$285848 | Jobs created/retained | Jobs | 90 | 43 | 47.78% | 7 | 0 | 0.00% |
| EXPAND ECONOMIC OPPORTUNITIES | Non-Housing Community Development | CDBG: \$285848 | Businesses assisted | Businesses Assisted | 480 | 238 | 49.58% | 18 | 7 | 38.89% |
| PROVIDE DECENT AFFORDABLE HOUSING | Affordable Housing | CDBG: \$307149 | Rental units rehabilitated | Household Housing Unit | 0 | 0 | | 16 | 0 | 0.00% |

| | | | | | | | | | | |
|-----------------------------------|--------------------|----------------|--|------------------------|------|------|---------|--|--|--|
| PROVIDE DECENT AFFORDABLE HOUSING | Affordable Housing | CDBG: \$307149 | Homeowner Housing Added | Household Housing Unit | 0 | 1 | | | | |
| PROVIDE DECENT AFFORDABLE HOUSING | Affordable Housing | CDBG: \$307149 | Homeowner Housing Rehabilitated | Household Housing Unit | 81 | 5 | 6.17% | | | |
| PROVIDE DECENT AFFORDABLE HOUSING | Affordable Housing | CDBG: \$307149 | Tenant-based rental assistance / Rapid Rehousing | Households Assisted | 2500 | 6641 | 265.64% | | | |
| PROVIDE DECENT AFFORDABLE HOUSING | Affordable Housing | CDBG: \$307149 | Homelessness Prevention | Persons Assisted | 200 | 0 | 0.00% | | | |
| PROVIDE DECENT AFFORDABLE HOUSING | Affordable Housing | CDBG: \$307149 | Housing for Homeless added | Household Housing Unit | 0 | 1 | | | | |

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

The City accomplished many of its goals and outcomes over the last five years and in the 2019 program year. In 2019, CDBG funded activities provided public services to 370 individuals from the City. The services included life skills training for persons with disabilities via the Inclusion program, three employment and programs, a health services program for drug-exposed infants, and homelessness prevention via rent assistance.

Additionally, the City operated a housing repair program that had 5 projects complete in 2019 with an additional 3 to complete in 2020. There were some areas that performance did not meet expectations, but did provide critical services that furthered the work to achieving the goals set in the Consolidated Plan and 2019 Annual Action Plan. One such project was Highline's StartZone which created a pilot project to serve residents in the approved Neighborhood Revitalization Strategy Area (NRSA). The program took more outreach time and not as many residents interested in starting businesses and provided training and technical assistance started businesses by the end of the program year. Highline is operating the program in 2020 and will continue to serve the NRSA to support potential businesses. Habitat for Humanity has funding for homeowner repair in the NRSA, but due to negotiations on restructuring program income, the project was delayed and will begin in 2020. Additionally, the Performin Arts and Event Center did not add jobs. As expected, the year was spent on stabilizing the center under new management and the expectation is that jobs will be added as the event schedule fills more completely in coming years.

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CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

| | CDBG |
|---|------------|
| White | 238 |
| Black or African American | 80 |
| Asian | 15 |
| American Indian or American Native | 4 |
| Native Hawaiian or Other Pacific Islander | 10 |
| Total | 347 |
| Hispanic | 31 |
| Not Hispanic | 316 |

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

During the program year, CDBG funds assisted 397 persons. The demographic breakdown is:

- 60% of the population was White;
- 20% of the population was Black or African American;
- 4% of the population was Asian;
- 1% of the population was American Indian/Alaskan Native; and
- 3% of the population was Native Hawaiian or Other Pacific Islander.

The racial categories listed above do not include all of the racial categories that are tracked by subrecipients in compliance with the racial categories that HUD requires programs to track. For example, programs track Other/Multi-racial, Black/African American AND White, etc.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

| Source of Funds | Source | Resources Made Available | Amount Expended During Program Year |
|-----------------|------------------|--------------------------|-------------------------------------|
| CDBG | public - federal | 145,732 | 793,671 |
| General Fund | public - local | 536,000 | 536,000 |

Table 3 - Resources Made Available

Narrative

The City expended about 55% of its available CDBG resources during the fifth program year of the consolidated plan (2019).

The resources made available included program income. The City received the following program income during the program year:

In 2013, the City utilized funds for a Microenterprise Business Loan program to expand economic opportunities. A loan of \$18,500 was awarded to Universal Cartridge LLC for equipment purchase. During the 2019 program year, the City received loan payments totalling \$4,830.93 including the final payment on the loan. These funds were used to support the City's CDBG program via funding of eligible activities.

Identify the geographic distribution and location of investments

| Target Area | Planned Percentage of Allocation | Actual Percentage of Allocation | Narrative Description |
|-------------|----------------------------------|---------------------------------|-----------------------|
| | | | |

Table 4 – Identify the geographic distribution and location of investments

Narrative

Most of the City's CDBG funding during the Program Year was Citywide except for the following:

- Code compliance, which focuses on block groups that have 51% or more low- and moderate-income residents, are primarily residential, and show signs of deterioration; and
- Highline's StartZone Program, which served residents from the Neighborhood Revitalization Strategy Area.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

In addition to the City's general fund grants, the City was able to leverage \$215,654.20 in private, state, and local resources. There is no publicly owned land or property located within the jurisdiction that was used to address the needs identified in the plan.

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CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

| | One-Year Goal | Actual |
|--|---------------|----------|
| Number of Homeless households to be provided affordable housing units | 1 | 1 |
| Number of Non-Homeless households to be provided affordable housing units | 0 | 0 |
| Number of Special-Needs households to be provided affordable housing units | 0 | 0 |
| Total | 1 | 1 |

Table 5 – Number of Households

| | One-Year Goal | Actual |
|--|---------------|-----------|
| Number of households supported through Rental Assistance | 20 | 29 |
| Number of households supported through The Production of New Units | 0 | 0 |
| Number of households supported through Rehab of Existing Units | 98 | 5 |
| Number of households supported through Acquisition of Existing Units | 1 | 1 |
| Total | 119 | 35 |

Table 6 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

There is a planned rehab project with Multi-Service Center Villa Capri, an affordable housing complex. Due to unexpected cost increases and delays in contractor selection, the project is not slated to begin work until February or March of 2020, at which time the City expects to see accomplishment of this goal.

Additionally, the City and Habitat for Humanity (a subrecipient), offer homeowner repair programs. Due to delays in receipt of the grant agreement and availability of funds, the City's repair program has several projects started in 2019 that are slated to complete in 2020. Habitat's program is restructuring program income earned when homeowners repay the 0% interest loan. The start of the program was delayed as a result as the City works with Habitat on new legal documents to return the program income to the City.

Discuss how these outcomes will impact future annual action plans.

As the funds were allocated for the above projects and there is not a plan to provide additional funds for the delayed projects, there is no anticipated impact on future annual action plans.

The City is committed to affordable housing opportunities for residents and will continue to invest in the preservation of existing housing. For CDBG, this investment is especially for low-and moderate-income owner-occupied homes. The City will continue to work with agencies to ensure needed services are available and to seek out additional resources. In 2019, the City took advantage of a new revenue source made available by the Washington State Legislature authorizing cities to recapture a portion of the existing sales tax. This will generate revenue that can invest in the preservation or creation of affordable housing. Future CAPERs will include projects to address preservation of affordable housing and services to help residents remain in their housing.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

| Number of Households Served | CDBG Actual | HOME Actual |
|------------------------------------|--------------------|--------------------|
| Extremely Low-income | 34 | 0 |
| Low-income | 0 | 0 |
| Moderate-income | 0 | 0 |
| Total | 34 | 0 |

Table 7 – Number of Households Served

Narrative Information

100% of funds are used to support low- and moderate-income households.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City invested \$42,000 in outreach to persons experiencing homelessness through the City's Human Services General Fund (HSGF) supported projects. These projects included street outreach by mental health professionals and a community day center. Through these two services, 707 individuals received services. In addition, the City, including the Police Department, partners with currently unfunded outreach teams from two additional agencies to work with individuals to connect them to services. The City also funds and supports Crisis Connection's 2-1-1, which provides critical information and referral services, many of which are related to homelessness. While many residents call 2-1-1 directly, City staff also provide information on resources by telephone and in person when individuals request services. Staff talk with residents to assess their needs and make appropriate referrals to local nonprofits.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City annually provides general funds to support a variety of human services programs. During the Program Year, the City expended \$70,000 in general funds to programs providing shelter and transitional housing to 521 individuals and 214 households. This included 6,718 shelter bed nights, and 2,586 bed nights of transitional housing. The programs funded included Catholic Community Services Reach Out, Hospitality House, Kent Youth and Family Services Watson Manor, and Multi-Services Center Shelter and Transitional Housing. The City funded Mary's Place with \$17,000 to help families experiencing homelessness avoid entering the shelter system by accessing housing. Additionally, the City coordinated and planned a severe weather shelter in partnership with churches, Catholic Community Services, service providers, and many residents to provide shelter during inclement weather. While it did not operate in 2019, the planning process to get the shelter ready to go took place during the program year.

The City also received \$100,000 from the State of Washington to support family shelter. \$32,518 was used to support a feasibility study of siting a shelter in Federal Way. FUSION, a local nonprofit, completed the study on a potential site, of which they received additional funds from the State and King County to acquire. FUSION plans to open the shelter in 2020. The remainder of the funds, \$67,482 was used to provide hotel stays to 15 families living on the streets and help them access services and housing. Despite operating for less than three months, 5 of the families were able to attain permanent housing.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after

being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The City invested Human Services General Fund (HSGF) grants in three programs dedicated to providing financial assistance to help stabilize individuals and families and prevent them from becoming homeless. With \$54,000, the three programs served 515 households with 1,551 individuals. Additionally, just under \$32,000 of CDBG Public Services funding was used by the Multi-Service Center to stabilize households comprised of 92 individuals with rental assistance.

While not as direct as rental and utility assistance, many programs funded by HSGF provide other types of services that can offset costs and increase stability for residents. These programs include childcare, afterschool programs, employment and education programs for youth and adults, counseling, legal assistance, food assistance, and many others. These services provide a critical safety net addressing the many and unique needs experienced across the community.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

All of the shelter services, day center services, transitional housing, and outreach services mentioned above work closely with persons experiencing homelessness to transition to permanent housing. The street outreach programs, day center services, and single adult shelters encounter many chronically homeless persons and strive to build relationships and trust with the individuals to facilitate service access. Services include case management, goal setting, moving to permanent housing, access to services such as counseling, substance abuse treatment, and referrals to address many other needs. The City funds a variety of services designed to work with different types of households experiencing homelessness including young mothers, individuals, and families.

While rent assistance providers do not report on the number of households assisted that were previously homeless, their services are critical in preventing homelessness and likely reach at least some people who previously experienced homelessness.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

The City is within the jurisdiction of the King County Housing Authority (KCHA). KCHA owns three public housing developments, one subsidized housing property, and two moderate-income apartment complexes, one of which was newly acquired in 2019.

The City worked collaboratively to address the needs of public housing by advocating for and investing in affordable housing stock, providing supportive services to prevent homelessness (reducing the number of people who need to seek other housing options such as public housing), and staffing a number of committees that directed funds to organizations managing affordable housing stock.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

King County Housing Authority (KCHA) actively works to increase resident involvement through a number of mechanisms to collect feedback and develop opportunities for residents. These efforts include the Resident Advisory Committee comprised of residents in a variety of KCHA programs. The Committee meets regularly to provide feedback to KCHA and input to develop better policies and procedures that impact residents. The Committee meetings are open to the public. As a highly functioning entity that is separate from cities, KCHA does not require or need city involvement to increase resident involvement. The City is not in a position to directly impact resident involvement, but does seek partnership with KCHA to seek resident involvement on City projects.

Actions taken to provide assistance to troubled PHAs

King County Housing Authority (KCHA) is a high performing public housing authority (PHA) and not considered a troubled PHA.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

The City is researching and analyzing several potential changes, however no action was taken in 2019. The City is continuing evaluation and discussion in 2020 and engaging in the development of a Housing Action Plan (HAP), including an assessment and development of strategies. The development of the HAP will include public outreach.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

City staff have worked to support smaller, community based organizations with additional focus on organizations led by people of color. This includes the ongoing investment in the Parallell Application pilot. Additionally staff has engaged in the Governing for Racial Equity and Inclusion (GREI) and the quarterly regional consultation with refugee resettlement agencies. The focus of the groups ranges from direct services to policy level work and education.

During the Program Year, the City utilized CDBG to fund three public services programs that meet the needs of underserved communities:

- Inclusion Program received \$29,000 to provide 221 persons with disabilities scholarships to take multiple life skills classes that prepare them to live independently;
- Employment Services Program offered by Orion received \$10,000 to assist three persons with disabilities with job readiness and placement assistance, all three of whom were placed in jobs by the end of the year; and
- Pediatric Interim Care Center received \$10,000 to provide health services to drug-exposed infants from Federal Way.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

All housing rehabilitation projects complied with the lead-based paint requirements. As appropriate, City staff provided information concerning lead hazards to our project beneficiaries. We require subrecipients working on housing related capital projects comply with lead-based paint requirements and provide information to all tenants and homeowners impacted by their projects.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

During the Program Year, the City provided \$16,000 from HSGF to three programs providing employment and education programs designed to assist residents in increasing income and stability. The

City also provided \$30,848 for three public services programs that provide employment assistance and educational programs. Two of the programs underspent on funds, but met performance targets providing increased opportunity to residents to improve income.

Highline Community College received \$30,000 in CDBG funds to assist clients with technical assistance that resulted in one new business, one existing business, and eighteen potential businesses. Highline's program looked different this year and was provided to residents of the approved Neighborhood Revitalization Strategy Area (NRSA) in North Federal Way. The goal is to create economic opportunities for individuals in the community.

The City continues to look for opportunities to partner with nonprofits and community organizations to apply for implementation grants to increase economic opportunity for its residents. This included the development of a legislative ask to pursue a feasibility study for a youth and young adult resource center that would help connect young people in Federal Way to educational and career opportunities. This addresses one need identified as youth in the community have lower educational attainment and engagement and lower rates of employment. Community Services staff presented at an economic development meeting on potential ways to partner with the City relating to the Community Reinvestment Act, seeking support for programs that focus on debt reduction, asset building, and career pathways so that residents can improve their economic situation and increase income.

While not a mechanism of reducing the number of poverty-level families, the City continues to be dedicated to preserving affordable housing and providing stabilizing services such as rent assistance. Many projects funded with HSGF and CDBG preserve affordable housing or provide rent and utility assistance to keep households in stable housing.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

City staff participated in a partnership with the City of Kent to continue the Parallel Human Services application process for 2019-2020 awarding \$15,000 per year. The opportunity is designed to address needs of and provide funding to organizations serving under-funded, under-represented, and under-served residents.

City staff have participated in sub-regional conversations to address homelessness by addressing gaps in services in South King County.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

The City is an active participant in the South County Human Services Planners (SKCHS) group. SKCHS is comprised of local planners, social service agencies, human services organizations, and public housing authority staff. The purpose of the group is to coordinate efforts to ensure relevant and culturally appropriate human services are made available to those most in need within the region. The City staff

will continue involvement with the SKCHS to improve the coordination between public and private housing and social service agencies.

The City coordinates housing services through its investment, communication, and networking with funded and non-funded organizations. City staff sit on a number of committees to coordinate, promote, develop services for people experiencing homelessness and address affordable housing. These efforts include the staff workgroup for the Affordable Housing Committee.

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CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

During the Program Year, all CDBG Public Services programs received desk monitoring and some had onsite monitoring. While most of the programs were meeting goals and maintaining required documentation, recommendations about processes were recommended as a result of the monitoring. There were no findings or reduction/elimination of sub-recipient funding as a result of the monitoring. Monitoring of all CDBG projects and activities was conducted on a frequent basis throughout the Program Year. The Public Services activities were monitored in terms of outcomes, goals, and supporting documentation. Reports were reviewed to ensure that contract targets were being met, demographic information was being collected, and expenditures were reviewed. The remote monitoring of invoices submitted for payment and quarterly reports did not reveal any instances of non-compliance. The City monitored every project as part of the City implemented Housing Repair Program. Every project file was thoroughly examined. Individual project sites were visited at the scope development phase and during various phases of construction.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The CAPER's Notice of Public Comment Period was advertised in the City's Newspaper of Record. Citizen comments and suggestions are being encouraged regarding development of the Program Year CAPER during the 30-day public comment period that began Friday, February 14, 2020 and will end Tuesday, March 17, 2020. Citizen comments were encouraged for submission via telephone, letters, email, in person, and mail.

The draft CAPER was emailed to many agencies and community partners. A public hearing regarding the CAPER will be held at the February 24, 2020 Human Services Commission and the City Council meeting on March 17, 2020. The CAPER is posted on the City's website at www.cityoffederalway.com during the public comment period. A hard copy of the CAPER is made available at City Hall and both public libraries in Federal Way.

No public comments were received to date.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

There were no changes in the City's program objectives. The City does not anticipate major changes in programs.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

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CR-45 - CDBG 91.520(c)

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There were no changes in the City's program objectives. The City does not anticipate major changes in programs.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

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