

Department of Commerce

Innovation is in our nature.

Washington State

2010-2014 Consolidated Plan

Part II: 2012 Action Plan

For HUD Funds Administered by the Department of Commerce

May 2012

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2012 ACTION PLAN DEVELOPMENT TEAM

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The Washington State Department of Commerce extends its thanks to the many stakeholders who participated in the planning process, including staff at other state agencies, local government officials, nonprofit and advocacy organizations, businesses and individual citizens.

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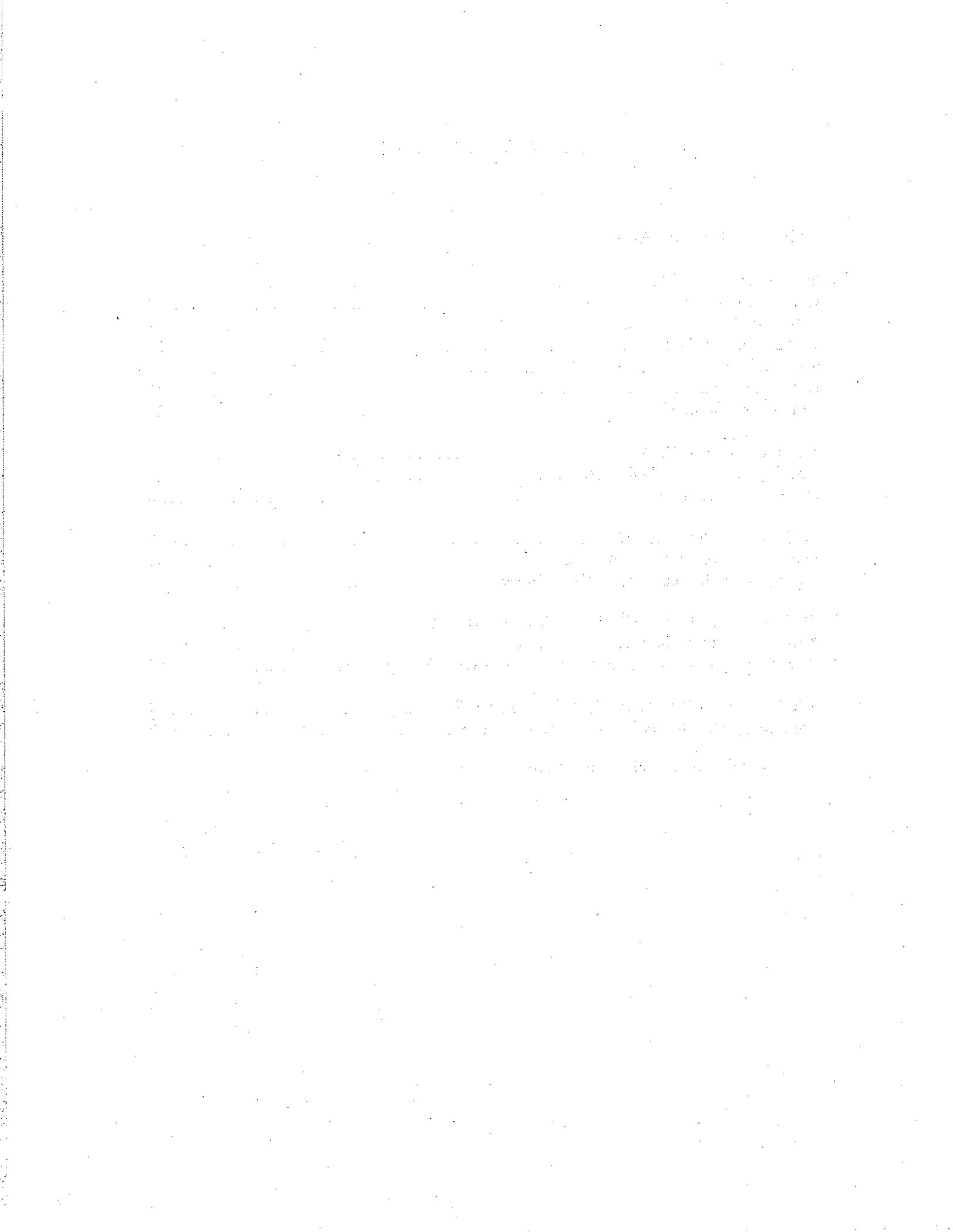
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Washington State Department of Commerce

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TABLE OF CONTENTS

EXECUTIVE SUMMARY	i
SECTION 1: GENERAL	1
General Questions	2
Managing the Process	7
Citizen Participation.....	10
Monitoring	16
Lead-based Paint.....	21
Antipoverty Strategy	24
SECTION 2: HOUSING.....	26
Housing Priorities and Objectives	27
Needs of Public Housing	36
SECTION 3: HOMELESS	38
Specific Homeless Prevention Elements	39
Emergency Solutions Grants (ESG) Program.....	44
SECTION 4: NON-HOMELESS SPECIAL NEEDS	49
Non-homeless Special Needs.....	50
Housing Opportunities for Persons with Aids (HOPWA) Program	52
SECTION 5: COMMUNITY DEVELOPMENT	57
Community Development Priorities and Objectives	58
APPENDIX: Forms and Certifications	



EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

The 2012 Action Plan describes how Washington State will use formula funds from the U.S. Department of Housing and Urban Development (HUD) to meet affordable housing and community development needs in the third year covered by the 2010-2014 Consolidated Plan and is an annual amendment to this Plan. The entire 2010-2014 Consolidated Plan is available on the Washington State Department of Commerce website at www.commerce.wa.gov/cdbg or upon request.

The Department of Commerce (Commerce) is the lead state agency charged with enhancing and promoting sustainable community and economic vitality in Washington. It is responsible for developing and implementing the 2010-2014 Consolidated Plan including its annual Action Plans, and administering the following state programs:

- HOME Investment Partnerships (HOME)
- Emergency Solutions Grant (ESG)
- Housing Opportunities for Persons With AIDS (HOPWA)
- Community Development Block Grants (CDBG)

Commerce is grateful for the opportunity to administer these funds on behalf of HUD, our partner local governments, organizations that implement the projects funded by these resources in communities across the state, and the citizens of Washington.

Structure of the 2012 Action Plan

The Action Plan was developed using the Consolidated Plan Management Process tool (CPMP), a HUD-produced template for use by state and local jurisdictions to facilitate the planning process and ensure all planning requirements are met. The plan's structure is based on the narrative template included in the CPMP tool, which contains the following sections:

- General
- Housing
- Homeless
- Non-homeless special needs
- Community development

Each section begins with a cover page listing the topics included in the section. Within each topic are prompts provided by HUD that correspond to sections of the Consolidated Plan Final Rule, 24 CFR Part 91. HUD prompts are presented on their own pages, *italicized and colored blue*. Commerce's responses follow each prompt.

Summary of Changes

Based on an evaluation of program performance and stakeholder consultation, the following program changes are proposed for 2012:

- Emergency Solutions Grant will target rapid re-housing and prevention activities.

- The federal budget significantly decreases the state CDBG and HOME programs' 2012 resources from 2011 funding levels, resulting in program adjustments.
- The formula for allocating CDBG Public Services Grants is revised and extends funding to 5 additional counties and community action programs.
- Due to a decrease in state Housing Trust Funds (HTF), CDBG Housing Enhancement Grants that serve as HTF companion grants are reduced in 2012.
- The CDBG economic development loan funds have been located within the Contracts Administration Unit of Commerce's Local Government and Infrastructure division to enhance delivery of services and loan oversight.

Summary of Citizen Participation and Consultation

Commerce conducted the following outreach activities to provide internal and external stakeholders, and the public the opportunity to comment on potential program changes and the draft 2012 Action Plan:

- Sent email notices to low-income housing advocates and organizations, state CDBG-eligible cities and counties, HOME consortiums, community action agencies, economic development agencies, and interested others.
- Published public notices announcing the public hearing, 30-day comment period and availability of the draft 2012 Action Plan in two regional newspapers.
- Posted the draft 2012 Action Plan on the Department of Commerce website and made it available upon request in alternative formats.
- Met with and received suggested improvements from internal and external stakeholders throughout the past program year.
- Responded to comments received during the public comment period.

Anticipated Resources

Table I lists anticipated HUD funds for 2012 by state program, based on HUD's announced 2012 allocations. Funds will become available for each program following approval of this 2012 Action Plan and the execution of funding agreements between Commerce and HUD. The largest of the four programs saw significant decreases in funding for 2012, due to federal budget reductions.

Table I: Anticipated 2012 HUD Funds by State Program

Program	Anticipated Funds	% (Decrease) Increase
Community Development Block Grant (CDBG)	\$12,141,100	(13.8%)
Emergency Solutions Grant (ESG)	\$2,488,958	79%
HOME Investment Partnerships (HOME) program	\$5,373,699	(42%)
Housing Opportunities for Persons With AIDS (HOPWA)	\$725,203	.8%

Commerce also leverages other federal, state and local resources to meet state housing and community development priorities. More information is available in the General Questions section of the 2012 Action Plan and at www.commerce.wa.gov.

Outcome Objectives

Program activities must further the HUD goal of developing viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities for low- and moderate income persons. HUD regulations also establish three objectives: sustainability, affordability and availability/accessibility. An outcome must meet at least one national goal and one objective.

Local governments are responsible for prioritizing projects to meet the greatest need in their communities and applying for funding from the HOME, ESG, HOPWA and CDBG programs. Therefore, actual program outcomes over the long term depend on the types of projects local governments propose.

Affordable Housing

Table II estimates the affordable housing outcomes in 2012 by program. For additional information, please see the Housing Priorities and Objectives section.

Table II: Estimated 2012 Affordable Housing Outcomes

National Goal and Objective	Expected Outcomes from Contracts Closed in 2012 by Program	Description
<u>Decent Housing</u>		
Affordability, Sustainability & Availability/accessibility	HOME GP: 27 households	Support access to affordable and special needs housing in collaboration with the Housing Trust Fund and other funders
Availability/accessibility	CDBG: 25 households	Support access to affordable and special needs housing in collaboration with the Housing Trust Fund and other funders
Sustainability	CDBG: 25 households	Maintain housing stock by rehabilitating single family occupancy housing
Affordability	TBRA: 275 households HOPWA: 450 households	Create/preserve affordable housing and provide rental assistance
<u>Suitable Living Environment</u>		
Availability/accessibility	ESG: 1002 persons	Provide rapid re-housing and prevention

Community Development

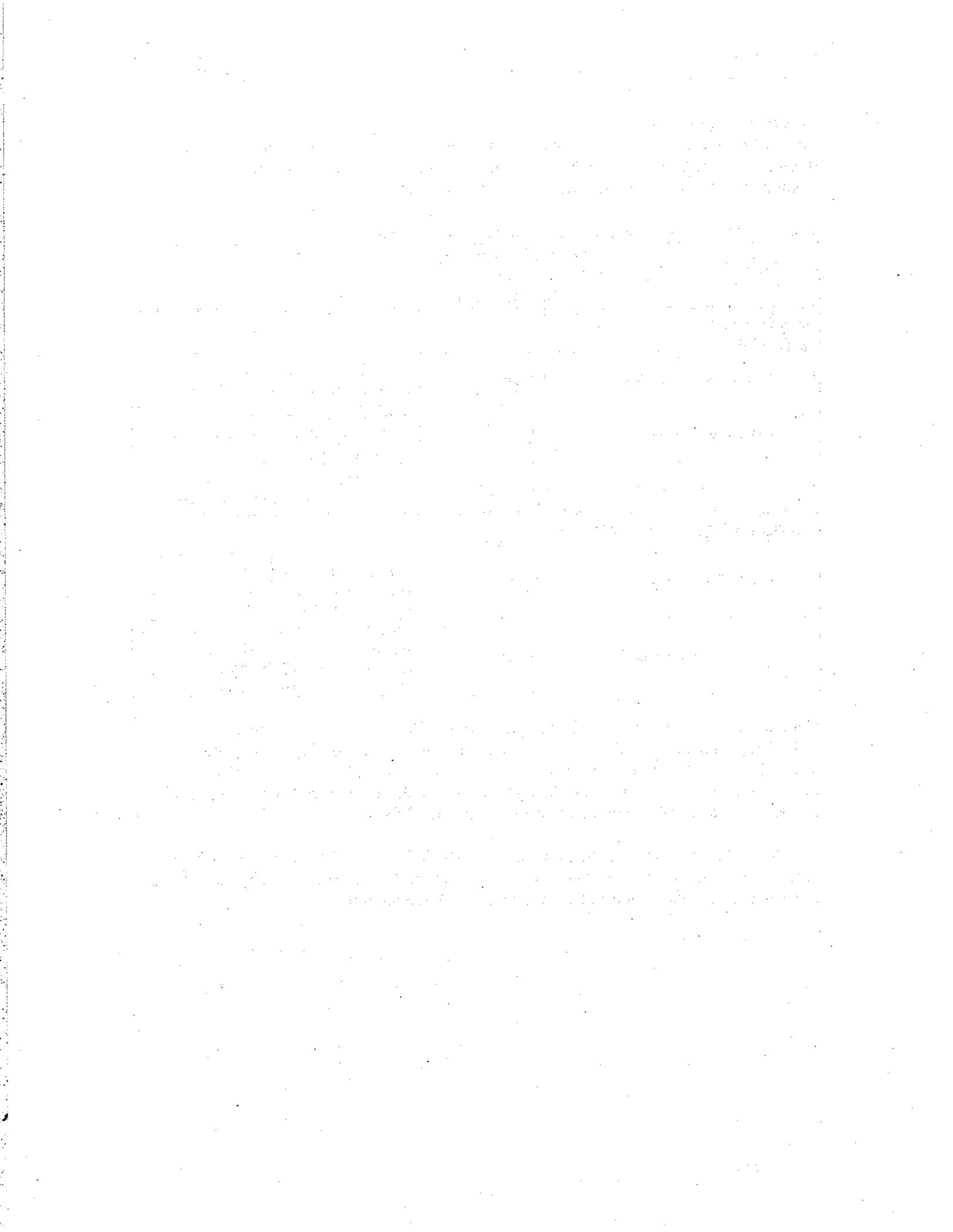
Table III estimates the non-housing community and economic development outcomes through the CDBG program in 2012. For additional information, please see the Community Development Priorities and Objectives section.

Table III: Estimated 2012 Community Development Outcomes

National Goal and Objective	Expected Outcomes from Contracts Closed in 2012 by Program	Description
Suitable Living Environment		
Availability/accessibility	50,000 persons	Access to new or expansion of existing water, sewer, and street systems
Availability/accessibility	100,000 persons	Increase access to new or expanded services by funding community facilities and direct services
Sustainability	100,000 persons	Improvements to and reconstruction of existing water, sewer, and street systems
Expand Economic Opportunity		
Availability/accessibility	10 jobs	Fund new or expanded infrastructure in support of economic development or access to technical assistance and capital for microenterprises
Sustainability	130 jobs	Fund infrastructure improvements in support of economic development, including loans to eligible private businesses to create/retain jobs

Commerce's mission is to grow and improve jobs in Washington State. Commerce's 2011-2015 Strategic Plan lists Objectives and Strategies to support its mission and is available at www.commerce.wa.gov. Along with meeting HUD's outcome objectives, the four programs covered by this Action Plan also contribute toward Commerce's goals including infrastructure, community capacity, and rural focus.

The data collected regarding the award of 2012 HUD funds and 2012 outcomes will be reported in Commerce's 2012 Performance Evaluation Report (PER), which is scheduled to be available to the public and submitted to HUD in September 2013.



SECTION 1: GENERAL

General Questions
Managing the Process
Citizen Participation
Monitoring
Lead-based Paint
Antipoverty Strategy

General Questions

1. *Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year. Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.*
2. *Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.315(a)(1)) during the next year and the rationale for assigning the priorities.*
3. *Describe actions that will take place during the next year to address obstacles to meeting underserved needs.*
4. *Identify the federal, state, and local resources expected to be made available to address the needs identified in the plan. Federal resources should include Section 8 funds made available to the jurisdiction, Low-Income Housing Tax Credits, and competitive McKinney-Vento Homeless Assistance Act funds expected to be available to address priority needs and specific objectives identified in the strategic plan.*

GEOGRAPHIC AREAS OF JURISDICTION

The geographic distinction determining allocation of HOME, ESG, HOPWA and CDBG program funds is between the state's major urban centers and the smaller cities, counties and rural areas of Washington. Major urban centers are funded for one or more program directly by HUD, while smaller cities, counties and rural areas are funded through the Department of Commerce (Commerce).

Major Urban Centers

Major urban centers qualify for direct HUD assistance as “participating jurisdictions” for the HOME program, “formula jurisdictions” for the ESG and HOPWA programs, and/or “entitlement jurisdictions” for the CDBG program. Major urban centers, especially the Seattle-Tacoma metropolitan area, often employ experienced housing and community development staff. These communities also benefit from experienced nonprofit housing developers and advocates, who are able to raise local funding and develop innovative projects and programs.

Smaller Cities, Counties and Rural Areas

HOME, ESG, HOPWA and CDBG programs funds distributed by Commerce are allocated to smaller cities, counties and rural areas, with some limited funding also available for capacity building. Funding for affordable housing and community development in smaller jurisdictions will be made available by:

- Prioritizing HOME Tenant-Based Rental Assistance (TBRA) funds to areas of the state not receiving other HOME funds.
- Using state CDBG funds in nonentitlement jurisdictions (cities and towns with less than 50,000 populations or counties with less than 200,000 populations, unless the jurisdiction belongs to a HUD Urban County Consortium).
- Distributing ESG in areas not directly allocated ESG funds by HUD.
- Using all state HOPWA funds in jurisdictions other than Seattle (which is directly allocated HOPWA funds by HUD).

Targeting Funding

Aside from the distinction between communities that receive funding directly from HUD and the rest of the state, Commerce does not set aside funds for particular regions. While some geographic areas may have lower overall need than others, every area may have acute and urgent problems that require assistance. Open funding programs using competitive criteria to award funds serve the state best by allowing each community to organize and develop those projects that best meet local needs. To ensure that funds serve communities across the state some programs, including CDBG, limit communities to one application per category of grant per cycle.

For information about areas of the state with concentrations of low-income and racial/minority households, please see the Housing Needs section of the 2010-2014 Consolidated Plan's Strategic Plan.

ANTICIPATED RESOURCES

While Commerce administers a variety of federal and state resources to meet housing and community development priorities, the 2012 Action Plan focuses on HUD formula funds. Tables 1 and 2 list anticipated HUD formula funds for 2012, expected program income, and the major federal resources available in the general categories of affordable housing and homeless services, and community and economic development. Funds will become available for each program following approval of this 2012 Action Plan and the execution of funding agreements between Commerce and HUD.

Table 1: Anticipated 2012 HUD Funds for Affordable Housing/Homeless Services

Affordable Housing and Homeless Services	Anticipated 2012 Federal Funds
HOME program funds will be used to acquire, repair, rehabilitate, and construct affordable housing and provide rental assistance.	\$5,373,699
Housing Opportunities for Persons with Aids (HOPWA) will provide a variety of services including short and long-term rental assistance and operating subsidies to keep rents affordable.	\$728,203
Emergency Solutions Grants (ESG) will provide shelter and services for people who are homeless and use resources to prevent homelessness.	\$2,488,958
HOME program loan repayments – same uses as HOME program funds.	\$500,000
CDBG Housing Enhancement Grants are targeted companion funds to support priority applications submitted to the Washington State Housing Trust Fund for rural housing.	\$250,000

Table 2: Anticipated 2012 HUD Funds for Community and Economic Development

Community and Economic Development	Anticipated 2012 Federal Funds	Prior Year Funds Available for 2012 Awards	Total Federal Funds Available for 2012 Awards
CDBG General Purpose Grants , with an annual competitive funding cycle and \$ 1million maximum grants, fund local public facilities, community facilities, economic development, or affordable housing projects principally benefiting low- and moderate-income persons.	\$9,204,255	\$1,795,745	\$11,000,000
CDBG Imminent Threat Grants address unique emergencies posing a serious and immediate threat to public health and safety on a funds availability basis.	\$150,000	\$0	\$150,000
CDBG Planning-Only Grants fund planning projects that principally benefit low- and moderate-income persons with grants of up to \$35,000 for a single-jurisdiction and \$40,000 for multi-jurisdiction applicants on a funds available basis.	\$500,000	\$0	\$500,000
CDBG Public Services Grants are made available through counties for up to 17 community action agencies serving nonentitlement areas for activities serving low- and moderate-income persons.	\$1,572,612	\$0	\$1,572,612
The Section 108 Loan Guarantee program pledges future CDBG resources to secure loan guarantees for eligible community and economic development activities.	\$11,970,000	\$0	\$11,970,000
The Rural Washington Loan Fund provides gap financing to small businesses, primarily in economically distressed and timber-impacted areas of the state to create or retain jobs for low- and moderate-income persons.	\$0	\$5,200,000	\$5,200,000
CDBG Float-Funded Activities are fully secured loans made in support of CDBG eligible community and economic development projects. The capital that is made available for Float-Funded Activities comes from unexpended CDBG awards to local governments.	\$12,000,000	\$0	\$12,000,000

Leveraging Match

Commerce ensures HUD resources partner with other federal, state and local government resources and leverage non-public funds to maximize cost efficiency and to stretch the public dollar.

To meet HOME match requirements, Commerce will evaluate each HOME proposal to ensure a minimum federal subsidy and the effective leveraging of additional resources for project development and on-going operations. Each proposal will be required to describe sources and uses for all project financing and to provide a line-item development budget and/or an operating pro forma. HOME eligible match sources will be tracked on a project basis and reported annually. Match sources can include state Housing Trust Fund

(HTF) and other private and public funds that meet HOME match requirements and when targeted to HOME-eligible activities.

Matching requirements for ESG are met by the state's Consolidated Homeless Grant program which is committed to housing and services for the homeless. No match is required for HOPWA.

While the CDBG program has no match requirements, leveraging is strongly encouraged through the rating and selection process used to rank and fund applications for assistance. Funds leveraged by the CDBG program are tracked on a project basis and reported in the annual Performance Evaluation Report (PER) to HUD.

Managing the Process

- 1. Identify the lead agency, entity, and agencies responsible for administering programs covered by the consolidated plan.*
- 2. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.*
- 3. Describe actions that will take place during the next year to enhance coordination between public and private housing, health, and social service agencies.*
- 4. Describe actions that will take place during the next year to develop institutional structure.*

LEAD AGENCY RESPONSIBLE FOR ADMINISTERING PROGRAMS

The Washington State Department of Commerce is the state agency responsible for overseeing the development and implementation of the 2010-2014 Consolidated Plan, including the 2012 Action Plan.

Additional information about Commerce, including the organizational structure for administering the HOME, CDBG, ESG and HOPWA programs, is provided in the Institutional Structure section of the 2010-2014 Consolidated Plan's Strategic Plan. The section also describes partnerships between Commerce and other public and private agencies through which the consolidated plan is administered.

PROCESS OF DEVELOPING THE 2012 ACTION PLAN

Participation from citizens, agencies, advocacy groups, nonprofit organizations, businesses and others concerned with housing and community development in Washington State was encouraged throughout the planning process. Highlights of the process of developing the 2012 Action Plan include:

- Holding a public hearing in Olympia from 2 p.m. to 3 p.m. on September 12, 2011;
- Conducting email outreach and facilitating a meeting of county, community action program, and other stakeholders to develop a new formula for CDBG Public Services Grants;
- Conducting a 30 day public comment period from April 5, 2012 through May 5, 2012; and
- Conducted a balance of state Continuum of Care meeting March 6 and 7.

ACTIONS TO ENHANCE COORDINATION

Commerce will continue ongoing efforts to enhance coordination between state agencies, local governments, nonprofit organizations and businesses to more effectively meet the affordable housing and community development needs of the state. Some ongoing Department of Commerce efforts include:

- Coordinating county and state efforts to reduce homelessness under the *Ten-Year Plan to End Homelessness* through the Interagency Council on Homelessness and by administering programs that support emergency shelters, transitional housing and prevention activities.
- Ongoing strategic planning by the Affordable Housing Advisory Board, a group of stakeholders from local governments, nonprofit organizations, housing developers, mortgage lenders, and low-income and homeless citizens.
- The CDBG program is strengthening its coordination with infrastructure loan sources and regulatory agencies to improve technical assistance and targeting of grant funds to rural areas.

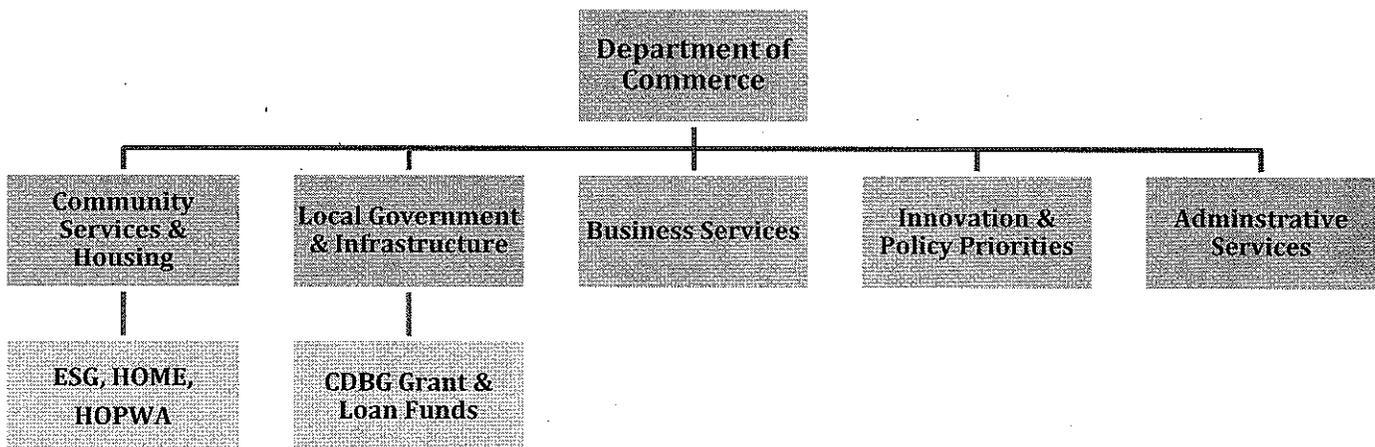
- Additional regional partnerships are being formed with organizations such as the state's Area Development Councils (ADO), and other lending partners to assist in facilitating the easing of credit for businesses in their jurisdiction.

ACTIONS TO DEVELOP INSTITUTIONAL STRUCTURE

Commerce is continuing its work with the Governor and Legislature to develop an institutional structure that aligns with its mission.

The CDBG economic development loan funds have been located within the Contracts Administration Unit of Commerce's Local Government and Infrastructure division to enhance delivery of services and loan oversight.

Figure 1: Department of Commerce Organizational Chart



Citizen Participation

1. *Provide a summary of the citizen participation process.*
2. *Provide a summary of citizen comments or views on the plan.*
3. *Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.*
4. *Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.*

CITIZEN PARTICIPATION PROCESS

Citizen Participation Plan

The citizen participation requirements for state governments receiving HUD funds are located under 24 CFR 91.115. The participation plan must provide for and encourage citizens to participate in the development of the consolidated plan, any substantial amendments to the consolidated plan, and the performance report. Based on these requirements, Commerce has established the following procedures for ensuring effective public participation.

Consultation

- Local governments, advisory groups, program stakeholders, other state agencies and interested citizens will be consulted during preliminary development of the Consolidated and Action Plans. They, and others, will also be consulted in the event amendments are necessary to the Consolidated or Action Plans.
- State and federal agencies will be consulted when changes could affect or change the way state managed HUD resources work with existing program structures.

Surveys and Meetings

- When developing the Consolidated Plan or when there are significant proposed changes to policy or program design, Commerce will conduct surveys, and/or convene focus group(s), workshop(s), or public meeting(s) to seek input.
- If feasible, Commerce will conduct multiple surveys or meetings to gather broad public comment and input. Surveys will be accessible online. Meetings will be located on both the east and west sides of the state when appropriate and feasible; otherwise the meeting will be held either on the west or east side of the state.
- The meeting location(s) will be barrier-free and a contact person will be specified to provide special accommodations upon request.
- Notices of surveys or meetings will be posted on the Department of Commerce website and distributed 14 calendar days in advance through electronic mail to applicable citizen participation distribution lists maintained by the Community Services and Housing, and Local Government and Infrastructure divisions. Notices of surveys or meetings, when appropriate and feasible, may also be distributed through the mail and published in one or more newspapers of general circulation.

Public Hearings and Publication Information

- At least one public hearing will be conducted on housing and community development needs before the proposed Consolidated Plan is published for comment.
- Public hearing locations will be barrier-free and a contact person will be specified to provide special accommodation to citizens that request it.
- Notices will be posted on the Department of Commerce's website and distributed through electronic mail to applicable citizen participation distribution lists maintained by the Community Services and Housing, and Local Government and

Infrastructure divisions 14 calendar days in advance of the public hearing. Notices will also be sent by electronic mail to local governments, 14 calendar days in advance of the public hearing and published in at least two regional newspapers of general circulation or business journals, 14 calendar days in advance of the public hearing.

- Notices will describe locations, times, purpose of the public hearing and invite people with special needs to contact a specified person to make appropriate arrangements.
- Generally, public hearings will not be necessary for amendments.
- In the event that a program component is added or eliminated, several non-grammatical changes are needed or the state determines it would benefit from a public hearing, a public hearing or set of public hearings will be conducted by Commerce, which may be conducted by video conferencing through local video conferencing facilities.

Amendments to the State's Method of Distribution

Amendments to the Consolidated Plan are necessary at least once each year as a means of proposing and updating the state's method of distributing HUD funds. Annual amendments to the state's Consolidated Plan are called the Action Plan. In addition, amendments will be necessary when new funding programs are available and need to be incorporated into the five-year Consolidated Plan prior to implementation. Amendments to the Consolidated Plan will be necessary when:

- Funding amounts are 10 percent more or less than amounts anticipated in the Action Plan or,
- Components of the programs within the Consolidated Plan or Action Plan are proposed to change significantly in scope (such as eliminating a component or changing the method of distribution of funds).

Opportunity to Examine Consolidated Plan or Amendment

- Interested parties will be able to examine a copy of the proposed Consolidated Plan or Amendment via the internet at www.commerce.wa.gov, at Commerce's office in Olympia or request a copy from a designated contact person. Archived versions will be available in perpetuity at the state library. A copy of the Plan or Amendment will also be posted on the Department of Commerce website.
- Copies will be made available in a form accessible to persons with disabilities upon request.
- Notices of the availability of the proposed Consolidated Plan or Amendment for review will be posted on the Department of Commerce website and distributed through electronic mail to applicable citizen participation distribution lists maintained by Commerce's Community Services and Housing, and Local Government and Infrastructure divisions in advance of the publication of the proposed Plan or Amendment.
- A notice will also be published in at least two regional newspapers of general circulation or business journals, in advance of the publication of the proposed Consolidated Plan or Amendment.
- Notices will include a summary of the proposed Consolidated Plan or

Amendment that describes the contents and purpose of the Consolidated Plan or Amendment, and will include a list of the locations where copies of the entire proposed Consolidated Plan or Amendment may be examined.

Comments on Consolidated Plan and Amendments

- Commerce will allow at least 30 calendar days for public comment on the proposed Consolidated Plan or Amendment and will consider comments received in writing during the comment period or orally at the public hearing, before preparing the final Consolidated Plan or Amendment.
- Commerce will respond to each comment received during the public comment period and from the public hearing.
- A summary of these comments or views, and a summary of any comments or views not accepted and the reasons therefore, will be attached to the final Consolidated Plan or Amendment submitted to HUD. Similar comments may be combined, in which case the number of people or organizations that concur with the issue will be specified.

Performance Reports

- Performance Reports will be complete and available for review at least 21 calendar days prior to when they are submitted to HUD.
- Notice of report availability and the name of a contact person will be distributed through electronic mail to applicable citizen participation distribution lists maintained by the Community Services and Housing, and Local Government and Infrastructure divisions.
- Commerce will allow at least 15 calendar days for public comment and will consider comments received in writing during the comment period, or orally at any public hearing, before submitting the Performance Report to HUD.
- A summary of these comments or views will be attached to the Performance Report submitted to HUD. Similar comments may be combined, in which case the number of people or organizations that concur with the issue, as expressed, will be specified.

Access to Records

Citizens, public agencies, and other interested parties will be provided with reasonable and timely access to information and records relating to the state's Consolidated Plan, all subsequent amendments, and the state's use of assistance under the programs covered by the Consolidated Plan during the preceding five years. Requests for information may be submitted to:

Lois Shye
Local Government and Infrastructure Division
Department of Commerce
Post Office Box 42525
Olympia, Washington 98504-2525

Complaints

Written complaints and grievances regarding the Consolidated Plan or its subsequent amendments will be logged in by the appropriate person, then forwarded through the correct channels and monitored for resolution and timely response.

The complaint procedure provides for appropriate program staff to conduct follow-up research, including notification to the jurisdictions/grant recipient/contractor, and to write a response to the complainant. When possible, the complainant will receive a written or oral response within 15 working days.

The complaint may also be treated as an administrative review when the complaint is related to program staff interpretation of program policies or rules. An administrative review may take longer than 15 working days to complete. The complainant will be notified when their complaint is going to receive administrative review and will be provided an estimate of time needed for a response.

Requirements for Local Jurisdictions

The state CDBG program requires a local government demonstrate within its initial application for funds that it has met the program's citizen participation requirements. Documentation must include the local government's process for seeking and obtaining citizen participation leading up to application submittal, the process for ensuring ongoing citizen participation, and a grievance procedure.

Based on the federal citizen participation requirements outlined in 24 CFR 570.486, the local government's minimum requirements for the submission of a CDBG application are to:

- Conduct at least one public hearing prior to submission of the CDBG application. This hearing must be held at a convenient time and location to encourage citizen participation.
- Publish an official announcement of the hearing, providing reasonable advance notice. A sample public hearing notice with required language is available from Commerce upon request.
- Distribute information on the availability of CDBG funds and the eligible uses at the public hearing. Sample fact sheets are available from Commerce upon request.
- Review local demographic data to determine if it is reasonable to expect a significant number of non-English speaking residents to participate in the public hearing and advertise and conduct the public hearing in accordance with this determination. Detailed guidance on providing and documenting outreach and accommodation for non-English speaking residents is provided in the application handbooks and available from Commerce upon request.
- Adopt a grievance procedure for the use of CDBG funds. A sample grievance procedure is available from Commerce upon request.
- Document that the notice was published and the hearing was held.

The required citizen participation documentation to be submitted with the application

includes:

- A copy of the public hearing minutes, including a statement that the CDBG required handouts were distributed.
- A copy of the affidavit of publication or the notice from the paper.
- The Outreach and Accommodation for Non-English Speaking Residents form, documenting the review and determination of local data on non-English speaking populations, the list of outreach steps (if applicable) and accommodations made.
- A copy of the local government's adopted Grievance Procedure.

SUMMARY OF PUBLIC COMMENTS AND RESPONSES

The following written comments were received during the draft Action Plan's comment period with Commerce's response.

From: Bryan Ketcham, Catholic Charities of Yakima

It is concerning to see the significant decrease in CDBG funding. CDBG funding is critical to our ability to develop affordable housing in rural communities. One of the biggest barriers to building affordable housing in these small communities is access to infrastructure such as water and sewer. CDBG funding available for Housing Enhancement allow us to extend infrastructure to build housing and aid with long term community development.

I think the State's plan looks fine in terms of the 2012 Action Plan.

Commerce's Response: Since the state legislature authorized increased funds for the Housing Trust Fund, the CDBG program consulted with Housing Trust Fund staff and increased its 2012 allocation for Housing Enhancement Grants from \$100,000 to \$250,000.

From King County Community Services Division / Housing and Community Development / Department of Community and Human Services:

Does not support Commerce's decision to not fund King County's Joint Cities. Request that the state contract with King County for the new ESG funds for the King County Joint Cities or allow King County agencies to apply for those funds.

Commerce Response: We will provide funding to all of the entities eligible for the WA State Program funds.

Monitoring

1. *Describe actions that will take place during the next year to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.*

MONITORING STANDARDS AND PROCEDURES

Overview

The contracts executed by Commerce include all applicable program requirements. Commerce monitors contracts for compliance with specific program requirements and for general management, performance goals, financial management, data collection and reporting, eligibility determinations, nondiscrimination, program outreach, timely reporting, project completion, and monitoring of sub recipients (as applicable.)

Primary Goals

Commerce has five primary goals while monitoring programs and projects:

- Ensure accomplishment of service or product.
- Ensure accountability of public funds and minimization of risk.
- Ensure compliance with federal and state requirements.
- Evaluate organizational and project performance for a specific time period.
- Provide bold leadership and exceptional service.

These goals apply to all programs and services at Commerce. The following sections describe how these goals are implemented in the monitoring plans for the four Consolidated Plan programs.

HOME Program Monitoring Plans

General and specific monitoring policies and procedures for desk and on-site monitoring apply to each program receiving HOME funds.

General monitoring standards for the HOME General Purpose and Tenant Based Rental Assistance (TBRA) programs include:

- Performing an annual risk assessment of each program and/or project funded with HOME and monies. The risk assessment will identify which funding recipients require comprehensive monitoring. High-risk funding recipients include those that are:
 - New organizations to the HOME program.
 - Experiencing turnover in key staff positions, such as executive director and chief financial officer.
 - Repeated past compliance or performance problems.
 - Undertaking multiple HOME-funded activities for the first time, such as rental projects and Tenant Based Rental Assistance.
 - Not submitting timely documentation, such as annual reports and/or requests for reimbursement.
- Reviewing annual performance reports and comparing activities that are reported with the original contract and purpose of the program, along with any subsequent amendments.

- Taking appropriate corrective action in situations of noncompliance in conformance with contract terms and conditions. Generally, the following intervention stages will be used:

Stage 1 – Low-level intervention will include one or more of the following actions:

- Clearly identify problem areas and required corrective action;
- Plan a strategy with the contractor that includes any training or technical assistance that may help to address identified problems;
- Require more frequent or more thorough reporting by the contractor; or
- Conduct more frequent contractor monitoring reviews.

Stage 2 – Moderate-level intervention may be attempted after the Stage 1 level and will include one or more of the actions referred to in the suspension actions sections of the appropriate contract.

Stage 3 – High-level intervention, the most serious actions available, may be taken to put an end to noncompliance problems. Such steps may include the following:

- Suspending the contractor from Housing Finance Unit program eligibility;
- Termination of the contractor's contract for the project;
- Legal action, to include foreclosure of the project property in question.

Specific monitoring policies and procedures for HOME programs include:

HOME General Purpose (GP)

Perform on-site inspections of HOME-assisted units in rental housing developments no less than:

- Every three years for projects of one to four units,
- Every two years for projects with five to 25 units, and
- Annually for projects with 26 or more units.

HOME Tenant-Based Rental Assistance (TBRA)

Perform biennial desk monitoring of contractors to ensure contract compliance. In addition, perform annual monitoring of documentation of on-site inspections of rental housing occupied by tenants receiving HOME-TBRA.

ESG and HOPWA Programs Monitoring Plan

Perform on-site monitoring for ESG and HOPWA contractors every three years. Desk monitoring of contractors will be performed every two years.

- Monitoring will be conducted using a standardized monitoring instrument and will be documented in the appropriate monitoring file.
- Instances of noncompliance will be corrected immediately. When such immediate correction is not feasible, the agency will correct such deficiencies within 30 calendar days, providing Commerce with copies of supporting

documents demonstrating the corrective action taken. Additional time for corrective action may be allowed, on a case-by-case basis.

- A risk analysis will be performed once every two years. For the HOPWA program this will be based upon the data reported in annual performance reports. The analysis will also include, but not be limited to, audit reports, evidence of key staff turnover, timeliness of billings and other reporting requirements.
- Agencies determined to be at a high level of risk for fund accountability and program compliance will be scheduled for monitoring within the next 9 to 18 months.
- Instances of noncompliance will be recorded and reported, as necessary, to members of the Community Services and Housing division and other Department of Commerce divisions that may be providing funds to the noncompliant entity.
- Once an agency has fully complied with program requirements and can be categorized at a lower level of risk, monitoring may then revert to the regular two-year schedule.

CDBG Program Monitoring Plan

The CDBG program seeks to ensure that all funded projects are successful. From the time an application for assistance is received to final closeout of the contract, the CDBG program assesses a project for the value it will add to the community, documents how it will meet a national objective and monitors for compliance with federal and state requirements.

Initially, an application for assistance must pass through the CDBG threshold review process to determine that the proposed activity is eligible, has local government support and meets basic criteria. Then the application passes through the rating and selection process, which objectively assesses the need, capacity, readiness and results. Once these reviews are met, Commerce and the local government establish a contract that defines scope, schedule, budget and expected outcomes of the project.

CDBG funds a wide range of projects and has determined the following monitoring plan based on the type of project funded and the risk associated with non-construction or construction projects:

- Non-construction projects will be desk monitored over the life of the contract following the monitoring standards and procedures set forth in the CDBG Non-Construction Grant Handbook.
- Construction projects will be monitored on-site at least once during the contract period.
- Construction projects will be desk monitored at critical stages of the project, including environmental reviews, request for release of funds, procurement of contractors, and initial labor standards package review.

HUD representatives may also conduct monitoring visits to assure that grantees are carrying out their programs in accordance with applicable laws and regulations.

Monitoring standards and procedures for CDBG contracts are set forth in Section 15 of the CDBG Management Handbook and Section 10 of the CDBG Non-Construction Handbook. Training and technical assistance on all aspects of CDBG performance and compliance issues are available upon request.

The CDBG staff objectives for monitoring are to determine if grantees are:

- Carrying out their CDBG-funded activities as described in their contracts (as modified or amended);
- Carrying out the program or project in a timely manner in accordance with the schedule included in the CDBG contract;
- Charging costs to the program or project which are eligible under applicable regulations;
- Complying with other applicable laws, regulations and terms of the CDBG contract;
- Conducting the program in a manner which minimizes the opportunity for fraud, waste and mismanagement; and
- Have a continuing capacity to carry out the approved program or project and meet record retention requirements.

The areas monitored may include:

- Overall management system, record keeping and progress in activities
- National objectives
- Environmental review
- Financial and property management
- Procurement
- Efforts to use small, minority- and women-owned businesses
- Labor standards
- Non-construction contracts between grantees and consultants
- Grant monitoring of its subrecipients
- Civil rights
- Acquisition/relocation
- Housing rehabilitation and lead-based paint
- Citizen participation

When a grantee is found to be out of compliance, CDBG staff will identify a specific period of time in which compliance should be achieved. Usually the grantee will have 30 calendar days to correct deficiencies. Copies of supporting documentation demonstrating that corrective action has been taken will be required. Additional time for corrective action may be allowed on a case-by-case basis. Failure by the grantee to correct deficiencies may result in funds being withheld, sharing of the noncompliance findings with other Department of Commerce programs and divisions, and possible restrictions on future grants.

Lead-based Paint

- 1. Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.*

LEAD-BASED PAINT HAZARDS

Exposure to lead-based paint in the home, from paint chips, dust, and other sources, is the most common source of childhood lead poisoning in the United States. Lead poisoning can result in health issues ranging from anemia, hearing problems, and behavior problems to irreversible brain damage or even death. Younger children face greater risks of lead poisoning, and can experience lifelong health problems and learning disabilities.

Because lead was banned as an additive in residential paint in 1978, the problem of lead-based paint is more common in homes built before that date and especially in homes built prior to the mid-20th century. These older homes often contain paint with a higher lead content which has had more time to deteriorate into dust and paint chips. The Environmental Protection Agency notes that nationally, “Low income and minority children are disproportionately affected by lead poisoning.” Nationwide, between 86 percent and 95 percent of all residential lead-based paint hazards are found in housing built before 1960.

Addressing lead-based paint hazards is critical to preserving older affordable housing units and meeting HUD’s statutory goals of providing decent housing and a sustainable living environment. It is usually more cost-effective to maintain and preserve established, older housing than to replace it. Thus, remediation of lead-based paint hazards is both a health and safety strategy, particularly for Washington’s children, and an investment in the future of affordable housing.

ESTIMATE OF HAZARDS FACED BY LOW-INCOME HOUSEHOLDS

In Washington, 722,000 housing units were built before 1960. Families in poverty are estimated to occupy 20 percent (approximately 145,000) of these “lead-risk” housing units. Data are not available to disaggregate the number of families in poverty that may be at risk by income category.

In 2005, the Legislature directed the Department of Commerce (then the Department of Community, Trade, and Economic Development) to conduct a study identifying the geographic areas of Washington where children face higher risks of lead exposure in their homes. The study analyzed existing sources of data on housing, population, blood level testing of children, and lead levels in soil. It concluded that higher blood levels of lead in Washington children correlate with several factors, including whether children:

- live in older homes,
- are members of low-income families,
- are of Hispanic ethnicity,
- live in central Washington, or
- live close to historic orchard lands or lead smelters.

The study results indicated that an estimated 36,000 children under the age of six (8 percent of the total) live in areas designated the highest priority based on these and other risk factors. An additional 93,000 (20 percent) live in the second-highest priority areas.

2012 ACTIONS TO REDUCE LEAD-BASED PAINT HAZARDS

Measures to reduce exposure to lead-based paint are built into Department of Commerce housing and community development programs in accordance with federal and state law. Some examples of how these measures will be implemented in HUD-funded programs during 2012 include:

- In the CDBG program, relevant activities are required to comply with lead-based paint guidelines, and lead-based paint is an area included in monitoring standards.
- CDBG also provides incentives, including allowing an additional \$10,000 per household for housing rehabilitation projects that mitigate lead-based paint.
- In the HOME Tenant-Based Rental Assistance program, housing units to be occupied by clients must comply with lead-based paint requirements.
- All projects funded with HOME General Purpose or state Housing Trust Fund assistance are assessed for lead-based paint, and hazards are mitigated.

In addition to program-specific activities, Commerce has managed a state lead-based paint program since 2004. All contractors providing professional lead-based paint training or activities in Washington are required to be certified by the Lead-Based Paint Program. Along with accreditation of trainers offering lead-based paint training courses, Washington's program provides certification of lead-based paint professionals and firms and work practice standards for lead-based paint activities.

Antipoverty Strategy

1. *Describe the actions that will take place during the next year to reduce the number of poverty level families.*

2012 ACTIONS TO REDUCE POVERTY

The use of housing and community development funds covered in the 2012 Action Plan support direct efforts to reduce poverty being conducted by other programs in Commerce and other state agencies. The WorkFirst, Community Services Block Grant, and Emergency Food Assistance programs are some of the actions being undertaken to reduce poverty in Washington. For additional information, please see the Antipoverty Strategy section of the 2010-2014 Consolidated Plan's Strategic Plan.

Activities funded by this plan's housing and community development programs include a wide range of actions to reduce poverty through local projects. Housing and ending homelessness is a basic need for individuals and families in poverty. The HOME, ESG and HOPWA programs will continue to fund affordable housing projects for low income and special need populations facing poverty and homelessness, as described in the programs' action plans. The CDBG program will continue to partner with rural local governments and service providers to fund facility construction/acquisition, direct services and local planning to address poverty with projects such as social service centers, food banks, childcare facilities, homeless and transitional housing, education/employment training facilities, and microenterprise assistance.

SECTION 2: HOUSING

Housing Priorities and Objectives
Needs of Public Housing

Housing Priorities and Objectives

- 1. Describe the priorities and specific objectives the jurisdiction hopes to achieve during the next year.*
- 2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.*

AFFORDABLE HOUSING PRIORITIES AND OBJECTIVES

Priority Housing Needs

Developing priority areas of housing need at the state level presents a challenge because specific needs and market conditions vary from city to city and within the state's 39 counties. The data presented in the 2010-2014 Consolidated Plan's Strategic Plan provides evidence of the geographic and economic diversity of the state and shows that a specific need can be high priority in one area but not another. Consequently, the Department of Commerce (Commerce) does not identify any activities as "low priority," since doing so would remove the flexibility at the state level to respond to the particular housing and market needs of local communities.

While maintaining the flexibility to support local priorities is critical, Commerce recognizes that some urgent housing needs are common to many communities. Commerce will encourage local communities to develop projects that respond to these needs, especially through outreach and technical assistance, and allocate funding in a manner that emphasizes these priority needs consistent with established program guidelines. Statewide affordable housing priorities include:

- Extremely low- and very low-income renter households (earning less than 50 percent of median income) that are cost burdened.
- Homeless individuals and families, particularly those experiencing chronic homelessness.
- Persons with special needs (such as severe mental illness, physical or developmental disabilities, the frail elderly and victims of domestic violence).
- Persons of racial or ethnic backgrounds that experience fair housing disparity.

2012 Affordable Housing Outcome Objectives

Program activities must further the HUD goal of developing viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities for low- and moderate income persons. HUD regulations also establish three objectives: sustainability, affordability and availability/accessibility. A proposed outcome must meet at least one national goal and objective.

Local governments are responsible for prioritizing projects to meet the greatest need in their communities and applying for funding from the HOME, ESG, HOPWA and CDBG programs. Therefore, actual program outcomes over the long term depend on the types of projects local governments propose.

Table 3 estimates the affordable housing outcomes in 2012 by program. For additional information, please see the 2010-2014 Consolidated Plan's Strategic Plan.

Table 3: Estimated 2012 Affordable Housing Outcomes

National Goal and Objective	Expected Outcomes from Contracts Closed in 2012 by Program	Description
Decent Housing		
Affordability, Sustainability & Availability/accessibility	HOME GP: 27 households	Support access to affordable and special needs housing in collaboration with the Housing Trust Fund and other funders
Availability/accessibility	ESG: 1002 persons	Provide rapid re-housing and prevention services
Availability/accessibility	CDBG: 25 households	Support access to affordable and special needs housing in collaboration with the Housing Trust Fund and other funders
Sustainability	CDBG: 25 households	Maintain housing stock by rehabilitating single family occupancy housing
Affordability	TBRA: 450 households HOPWA: 275 households	Create/preserve affordable housing and provide rental assistance

HOME INVESTMENT PARTNERSHIP (HOME) PROGRAM

Allocation of HOME Program Funds

HOME program funds, including loan repayments, will be split with 40 percent allocated to Tenant-Based Rental Assistance (TBRA) and the remaining 60 percent allocated to the General Purpose fund. TBRA funds will be targeted to households in areas of the state not served by local HOME Participating Jurisdictions (PJ). General Purpose funds will be awarded to projects statewide, including those located in local HOME participating jurisdictions (PJs), shown in Figure A (*next page*), and CDBG entitlement jurisdictions.

Figure A: Local HOME Program Participating Jurisdictions



Performance Measures

The programs collect and assess data to measure how the funds contribute to the accomplishment of the Department of Commerce's mission and programs and HUD's Statutory Program Goals:

Department of Commerce Mission and Programs

The Department of Commerce is the lead agency charged with enhancing and promoting sustainable communities and economic vitality in Washington. Commerce's mission is to grow and improve jobs in Washington State. Programs support state and local efforts to:

- Attract, retain and expand business activities
- Provide services for managing growth and energy resources

- Increase international trade and tourism
- Develop affordable housing, community facilities and public infrastructure
- Provide support services for vulnerable populations to assist them in times of crisis and help them achieve self-sufficiency

HUD Statutory Program Goals

Commerce's goals are consistent with and support the following HUD goals identified in Title 1 of the Housing and Community Development Act of 1974 (as amended):

- Decent housing
- A suitable living environment
- Expanded economic opportunity

Beginning in 2007, HUD required that each HOME, ESG and HOPWA-funded activity address at least one of the HUD Statutory goals and one of the following objectives:

- Availability/Accessibility
- Affordability
- Sustainability

To comply with HUD's performance measurement system, the HOME, ESG and HOPWA programs have linked the relevant HUD goals and objectives and identified the applicable HUD Outcome Statement for each funded activity based on the type of project, as described in the Table 4.

Table 4: Housing Programs and Activities Linked to HUD Outcome Goals/Objectives

Program and Activity	HUD Outcome Goal	Objective
HOME GP – construction, rehabilitation and/or acquisition of rental housing targeted to low-income, homeless and/or special needs persons	Decent Housing	Affordability, Sustainability & Availability/accessibility
HOME TBRA – provide rental assistance to very low-income households, with a priority for homeless persons and families	Decent Housing	Affordability
ESG – rapid rehousing and prevention	Decent Housing	Availability/Accessibility
HOPWA – provide rental assistance, support services and other HOPWA-eligible assistance to persons with AIDS	Decent Housing	Affordability & Availability/accessibility

Data on specific performance indicators, as defined by HUD, will be collected for each project selected for funding. To collect the applicable indicator data and meet the HUD performance measures system requirements, Commerce has established performance measurement data collection systems for each program to directly integrate with HUD's

Integrated Disbursement Information System (IDIS), including, as necessary:

- Revised application forms
- Revised contracting documents
- Revised project closeout forms

The data collected regarding the award of 2012 HUD funds will be reported in Commerce's 2012 Performance Evaluation Report (PER), which is scheduled to be available to the public and submitted to HUD in September 2013.

2012 HOME PROGRAM RESOURCES AND ACTIVITIES

Table 5 shows anticipated HUD funds for the 2012 HOME program, which total \$5.4 million, and anticipated loan repayments of \$500,000. HOME program funds, including loan repayments, will be split with 40 percent allocated to Tenant-Based Rental Assistance (TBRA) and the remaining 60 percent allocated to the General Purpose fund.

Table 5: Anticipated HOME Program Funds, 2012

2012 HOME Program Activities	Anticipated Funds
General Purpose: will be used to acquire, repair, rehabilitate, and construct affordable housing. (60% of HUD funds)	\$3,224,219
TBRA: will be used to provide tenant based rental assistance. (40% of HUD funds)	\$2,149,480
HOME loan repayments: will be used for General Purpose and/or TBRA activities	\$500,000
TOTAL	\$5,873,699

HOME General Purpose (GP)

Fund Distribution: HOME GP funds will be used for multiple purposes. The funds will be used for the new construction, rehabilitation and/or acquisition of rental housing projects categorized as permanent, transitional and/or supportive housing projects serving people who are homeless or who have special needs and have income at or below 50 percent of the local area median income (AMI).

The awarding of funds will be coordinated with the state-funded Housing Trust Fund (HTF).

- Evaluation criteria will include: needs of target population; project design and financial feasibility and organizational capacity.
- Commerce will work closely with local governments to identify local housing needs and coordinate the targeting of local, state and federal resources to address such needs.

- HOME GP funds will be used for grants and/or deferred loans, and will be administered directly by the local government, housing authority, or nonprofit receiving the funds.
- Commerce will be responsible for approval of all project draws through the certification of signed progress reports, building official inspections, or architect certificates of completion.

Recaptured funds: Any HOME GP funds recaptured by Commerce will be added to the pool of funds available through the application process noted above.

Minimum requirements:

- Minimum length of commitment will be applicable HOME affordable period and will be secured by a restrictive covenant.
- All units will meet at a minimum, Housing Quality Standards (HQS), rehabilitation standards (as applicable), Americans with Disabilities Act (ADA) requirements, applicable Section 504 and Fair Housing Act requirements, and all applicable local codes, ordinances, and zoning codes.
- Newly constructed housing will meet Washington State Energy Code, which is more restrictive than the Model Energy Code.
- The amount of HOME funds that may be invested on a per-unit basis may not exceed the per-unit maximum HOME subsidy limits.

Community Housing Development Organizations (CHDO)

Activity: Community Housing Development Organizations will use HOME funds for HOME-eligible housing they develop, sponsor, or own. HOME GP funds will be used to meet the 15% HOME set aside requirement.

Role of CHDOs: CHDOs will play a strong role in the HOME program. Washington State is fortunate to have a significant number of nonprofit housing developers who meet the CHDO requirements.

Tenant Based Rental Assistance (TBRA)

Activity: The Tenant Based Rental Assistance (TBRA) program will provide rental assistance and/or security/utility deposit assistance to households at 50 percent or less of median income, including those who are homeless or have special needs.

Fund Distribution: Funds will be awarded through an application process. Applicants will have the flexibility to design their programs provided they are in compliance with the requirements of the HOME Investment Partnerships Program Final Rule 24 CFR Part 92 and with any priorities and additional requirements specified by Commerce.

Recaptured Funds: Any recaptured funds will be added to the pool of funds distributed through the TBRA application process.

AFFIRMATIVE MARKETING PROCEDURES

Subsection 92.341 of the HOME regulations requires affirmative marketing of the housing units assisted with HOME funds. Commerce will extend this requirement to all rental units assisted, not just developments of five units or more.

As part of the application process for HOME funds, each proposal must describe the methods of affirmative marketing that will be undertaken as part of the project. Commerce will take the following actions to provide information and otherwise attract eligible persons from all racial, ethnic, and gender groups in housing market areas to housing that is assisted by the HOME program funding.

All correspondence, notices, and advertisements related to HOME funds will contain either the Equal Housing Opportunity logo or slogan.

Commerce will require participants in the HOME program to use affirmative fair housing marketing practices in soliciting renters or buyers, determining their eligibility, and concluding all transactions. Any HOME-assisted housing must comply with the following procedures for the duration of the applicable compliance period:

- Project sponsor advertising of vacant units must include the Equal Housing Opportunity logo or statement. Advertising media may include newspapers, radio, television, brochures, leaflets, or may involve simply a sign in a window.
- The project sponsor will be required to solicit applications for vacant units from persons in the housing market who are least likely to apply for HOME-assisted housing without benefit of special outreach efforts, including placing advertisements in minority-specific media.
- The project sponsor must maintain a file containing documentation of all marketing efforts (copies of newspaper ads, memos of phone calls, copies of letters, etc.). Records to assess the results of these actions must be available for inspection by Commerce.
- The project sponsor must maintain a listing of all tenants residing in each unit at the time of application submittal through the end of the compliance period.
- Commerce will assess the affirmative marketing efforts of the project sponsor by comparing predetermined occupancy goals (based upon the area from which potential tenants will come) to actual occupancy data that the project sponsor is required to maintain. Outreach efforts on the part of the owner will also be evaluated by reviewing marketing efforts. Corrective action will be required of project sponsors if affirmative marketing requirements are not followed.

MINORITY AND WOMEN OWNED BUSINESS OUTREACH

Title 24 of the Code of Federal Regulations [Subpart H, Subsection 92.351 (b)(5)] requires the encouragement and use of minority and women-owned business enterprises in the implementation of HOME program activities.

Executive Orders 11625, 12432, and 12138 provide the basis for the state of Washington's outreach and monitoring efforts to ensure that minority and women-owned enterprises are used to the greatest extent possible to provide services, materials, contractors, and other affiliated professions and occupations associated with all HOME-supported programs.

Commerce will require funded applications, by contractual language, to undertake direct affirmative outreach measures to ensure the greatest possible opportunity for minority and women-owned businesses to compete for contracts within each phase of a HOME-funded project. This includes, but is not be limited to, realtors, appraisers, lenders, architects, contractors, and property management firms. The current listing of certified minority and women-owned businesses is readily available from the state's Office of Minority and Women's Business Enterprises. This listing includes all project-specific relevant professions and occupations within the geographic region where the project will be implemented.

Examples of bid advertisements and notices will be provided to HOME project sponsors to ensure ease of implementation and consistency of approach in the outreach efforts. Project sponsors will be encouraged to place advertisements in minority- and women-specific media whenever possible.

To maintain statistical data on outreach use and participation of minority and women-owned businesses as contractors and subcontractors in HOME-assisted projects, sponsors will be required to identify firms contacted, bids received, contracts let, and dollars provided to such firms. Each HOME project sponsor will be provided the format for such reports to ensure consistency and ease of monitoring.

Every HOME contractor will be monitored and evaluated at contract closeout for this information as well as the associated back-up files and documentation. In addition, Commerce will reserve the right to conduct on-site inspections and interviews to confirm the use of minority and women workers during the course of project completion.

Needs of Public Housing

- 1. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.*
- 2. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.*

PUBLIC HOUSING NEEDS AND STRATEGIES

A public housing authority is a quasi-governmental entity formed by a city, town or county to address housing needs in the local community. In Washington, PHAs are local entities over which Commerce has no direct oversight. Commerce is an investment partner on certain projects with public housing authorities, and certifies that PHA plans are consistent with the state consolidated plan where required by HUD regulations. There are over 30 active housing authorities across the state.

Property owned by housing authorities is exempt from all taxes or special assessments. Housing authorities enter into innovative partnerships with private, nonprofit agencies, and local governments to provide affordable housing. Several housing authorities in Washington have set up 501 (c) (3) nonprofit corporations to take advantage of federal programs not available to public housing authorities, gain operational flexibility by avoiding onerous regulations and generate resources that can be used to offset losses in federal programs caused by insufficient funding levels.

The majority of the households who live in public housing today have incomes well below 50 percent of median, many below 30 percent of median. A large number of frail, elderly people and single individuals with disabilities live in housing authority units. As standards of care have evolved to discourage institutionalization for persons with mental health or developmental disabilities, PHAs have taken on much of the task of providing them with affordable housing.

Public housing authorities can be designated “troubled” for substandard scores in one or more of these areas: management, financial, or physical. Currently there are no troubled authorities in Washington. In the future, Commerce could assist agencies that are troubled due to physical deterioration of housing through rehabilitation, an eligible use of CDBG funds. Commerce could also provide technical assistance with management or financial assistance upon request. Ongoing operation of public housing authorities, however, would not be an eligible use of HOME or CDBG funds. Further information on public housing authorities is contained in plans each authority submits to HUD available at www.hud.gov/offices/pih/pha/.

SECTION 3: HOMELESS

Specific Homeless Prevention Elements Emergency Solutions Grant

Specific Homeless Prevention Elements

1. *Sources of Funds—Identify the private and public resources that the jurisdiction expects to receive during the next year to address homeless needs and to prevent homelessness. These include the McKinney-Vento Homeless Assistance Act programs, other special federal, state and local and private funds targeted to homeless individuals and families with children, especially the chronically homeless, the HUD formula programs, and any publicly-owned land or property. Please describe, briefly, the jurisdiction's plan for the investment and use of funds directed toward homelessness.*
2. *Homelessness—In a narrative, describe how the action plan will address the specific objectives of the Strategic Plan and, ultimately, the priority needs identified. Please also identify potential obstacles to completing these action steps.*
3. *Chronic homelessness—The jurisdiction must describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness by 2012. Again, please identify barriers to achieving this.*
4. *Homelessness Prevention—The jurisdiction must describe its planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.*
5. *Discharge Coordination Policy—Explain planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how, in the coming year, the community will move toward such a policy.*

AVAILABLE FUNDS TO ADDRESS AND PREVENT HOMELESSNESS

HUD Funds

Washington State's Emergency Solutions Grant (ESG) program anticipates receiving \$2,488,958 in FY 2012. These funds will be combined with the un-programmed FY 2011 1st *Allocation* award (\$117,282.21) and the FY 2011 2nd *Allocation* (\$779,504).

The Department of Commerce (Commerce) anticipates allocating all of these funds in the summer of 2012 to eligible sub recipients who are non entitlement entities in the Balance of State (BOS) Continuum of Care (CoC).

The Emergency Solutions Grant funding will provide additional emergency rental assistance to support people who are most at risk of becoming homeless and to rapidly re-house people who are homeless.

The Balance of State Continuum of Care expects to be awarded \$5 million of McKinney-Vento Homeless Assistance funds based on the 2012 competition.

In addition, HOME and CDBG program funds can be used to address homelessness. The amount of funding that will be directed to homeless persons will depend on the types of applications submitted by local jurisdictions. Addressing homelessness is a priority for HOME Tenant Based Rental Assistance funds.

State and Local Funds

The 2012 Washington Legislature amended the Homeless Housing and Assistance Act, Chapter 43.185C RCW to increase the local document recording fee on real estate transactions and fund a statewide homeless housing program with the goal of reducing homelessness. The Act requires Commerce and participating local governments to implement *Homeless Plans* to achieve this goal, and to conduct an annual point-in-time count of homeless persons.

Commerce's Ten-Year Homeless Plan: 2010 Annual Report plan complements local homeless plans developed by counties, and the federal strategic plan goals to end homelessness. Each local government plan must include a description of how the housing needs of the chronically homeless will be addressed.

HOMELESS AND HOMELESS PREVENTION PRIORITIES

The Ten-Year Plan to End Homelessness outlines statewide goals and performance measures necessary to end homelessness, with a minimum goal of reducing homelessness by 50 percent by July 1, 2015. The plan was created in consultation with the Interagency Council on Homelessness (ICH), the Affordable Housing Advisory Board (AHAB), the State Advisory Council on Homelessness (SACH), the Washington State Coalition for the Homeless (WSCH), homeless service providers and stakeholders.

What are our needs?

- We need to reduce homelessness and we know through HMIS data that investing in rapid rehousing and targeted prevention activities will get us closer to our goal.
- We need to ensure that we have enough appropriate emergency shelter options but not so many that we miss opportunities for diversion.
- We need to help communities think strategically about their homeless systems (using their own local data) and what resources they have available to convert existing homeless assistance systems or add new ones.
- We need to support Housing First strategies through data, technical assistance and investment.
- We need affordable long term housing options where households can remain stable and thrive to the best of their abilities.

Strategies to meet the needs:

The *Ten-Year Homeless Plan: 2010 Annual Report* outlines the following strategies to reduce and eliminate homelessness:

- 1) Creating 8,600 new slots of temporary subsidized housing for people facing homelessness due to temporary circumstances (job loss, family break-up, temporary medical problems).
- 2) Creating 4,281 new slots of permanent supportive housing for people with severe and persistent disabilities.
- 3) Implementing client-level performance measurement systems that match client data to other social service, criminal justice, and employment data systems to measure the effectiveness and efficiency of homeless reduction efforts to reduce the future homelessness of those served reduce public costs (medical and criminal justice), and increase earned income.
- 4) Improving the effectiveness of limited resources by increased integration of housing with social services, criminal justice, medical and mental health systems.
- 5) Tailoring housing and services based on robust assessments of individual needs.

Potential Obstacles

The nation and Washington state have entered a period of job loss, underemployment, and falling wages that have increased poverty. Although homelessness interventions are effective for those served, the scale of homeless reduction programs has not been large enough to compensate for increased unemployment and significant cuts in mainstream social services precipitated by problems with the economy. The forecast deficit of jobs and stagnant income, tied to significant reductions in housing and income supports for people facing homelessness will probably lead to increases in homelessness through at least 2014.

SERVICES AND HOUSING FOR THE CHRONICALLY HOMELESS

The January 2011 point-in-time count found 2,096 people considered “chronically homeless” under the HUD definition. Of those 2,096 individuals, 1,160 were sheltered and 936 were unsheltered.

To reduce and eventually eliminate chronic homelessness, Commerce utilizes a strategy of providing subsidized housing, either in a project or scattered-site, tied to intensive professional services available 24 hours a day to help maintain housing stability. While services are available, continued housing is not tied to an individual’s participation in those services.

Barrier:

As of 2008, 3,679 individual beds were available at an annual cost of \$53,717,196. Of those beds, 19 percent were created since 2006. Commerce estimates that this is 47 percent of the individual beds needed to address the total need, and that 4,200 more beds would need to be established with ongoing supportive services to meet the needs of the chronically homeless. The number of additional beds that will be developed in 2012 is not known, however addressing homelessness is a priority of the HOME and ESG programs.

PREVENTION AND RAPID REHOUSING

Homeless prevention and rapid re-housing activities are funded by Commerce’s Consolidated Homeless Grant (CHG) using state and local funds (though the Homeless Housing and Assistance Act). The CHG is designed to support an integrated system of housing assistance to prevent homelessness and quickly re-house households who are unsheltered. Funding is passed through to eligible grantees who provide emergency shelter, rapid re-housing, homeless prevention, and case management. Key performance measures include reducing the number of households who become homeless, the average length of time households are homeless, and the returns to homelessness. CHG funds support a variety of activities, including operations of time-limited housing units, rental assistance, data collection and reporting as well as funding for administrative and system requirements, coordinated assessments, reporting, legislatively established priorities, and requirements for local homeless plan.

DISCHARGE COORDINATION

Commerce works with other state agencies to coordinate policies and protocols for the discharge of persons from state institutions or systems of care in order to prevent those persons from exiting to homelessness.

The Washington State Departments of Social and Health Services (DSHS) and the Department of Corrections (DOC) are two state agencies that discharge or release people from systems of care/incarceration. They both have in place policies and programs that aim to prevent clients from exiting into homelessness. Counties within the Balance of

State Continuum have also implemented such policies to varying degrees. The following describes the state's plan to move towards community-wide discharge coordination processes for three groups at risk of homelessness.

Under a partnership with the Pierce County Veterans Bureau and DVA, a successful application was submitted for the HPRP Program to develop housing and recovery plans for homeless Veterans, many of whom come through the Veterans Jail Reintegration Program. DVA supported Catholic Community Services of Western Washington's application which was selected to be the primary contractor for the Pierce County Continuum of Care Veterans Homeless Prevention and Rapid Re-Housing (HPRP) Grant. Under this demonstration grant funds are used to Ten-Year Homeless Plan: 2010 Annual Report 10 develop housing stabilization plans for homeless Veterans and Veterans who are at risk of homelessness. DVA is working with the VA Poly Trauma and Traumatic Brain Injury Clinic to identify Veterans who require assistance with Social Security Disability (SSD) applications and facilitate their referrals to the SSI/SSDI Outreach, Access and Recovery (SOAR) Program and also Catholic Community Services Western Washington (CCSWW) Social Security specialist. This service helps to reduce risks for homelessness for Veterans and their families. DVA supported the Pierce College Districts' successful application for grant funding to establish a Veterans Education Center of Excellence. Services under this grant will include improved Veteran's access to programs and resources addressing housing and mortgage assistance including HPRP.

Employment Security Department (ESD) through WorkSource local offices provides employment and training services in partnership with Department of Labor (DOL) grantees of Homeless Veterans Reintegration Program (HVRP) grants. Washington State currently has four HVRP Grantees. HVRP grants cover both urban and rural areas of the state. Second and third year programs are joined by Partners in Careers in Vancouver which received a first-year HVRP Grant focused on homeless females and veterans with families. In addition, Goodwill Industries of the Inland Northwest of Spokane received a first-year HVRP grant focused on homeless incarcerated veterans.

ESD was asked by DOL to conduct a national pilot project for outreach to underserved rural veterans. Rural Veterans Outreach Program (RVOP) will begin in the fall of 2010 and will run through June 2011. RVOP is conceived as a partnership between DOL, DVA, and veterans service organizations engaged in outreach, and the National Guard. DOL is asking ESD and partner agencies to conduct this pilot outreach effort primarily to determine if there are unmet employment and training needs for rural veterans, but it will also encompass other needs veterans may present such as veterans benefits, food, shelter, clothing and health care. ESD partnered with the DVA and the Veterans Administration in meetings preparing for a Veterans Administration \$500 million program to end homelessness for veterans in five years. An award of \$25 million is possible given a high share of homeless veterans in Washington. ESD will be the employment and training partner.

DSHS was awarded a Mental Health Transformation Grant from the federal Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. The grant, \$734,500 per year for five years, will support the Permanent Options for Recovery-Centered Housing (PORCH) project. PORCH works to reduce the length of stay in psychiatric care, and reduces homelessness and discharges to

inappropriate housing and shelters. Approximately 150 severely mentally ill individuals and families will be provided meaningful choice and control of housing and support services, using Peer Housing Specialists. The PORCH project is a partnership between the Washington Department of Social and Health Services' Division of Behavioral Health and Recovery, OptumHealth Pierce Regional Support Network, the Chelan-Douglas Regional Support Network, and local mental health and housing agencies. The Washington state Department of Commerce (\$300,000 annually in TBRA funds) and local housing authorities are also partners in the project, providing rental subsidies to make housing affordable for many of the clients.

Emergency Solutions Grant (ESG) Program

Proposed Activities

After consulting with our CoC, Commerce is proposing to use the FY 2012 ESG funds for Rapid Re-Housing and Prevention components. Discussion included references to the corresponding need in our Action Plan to reduce homelessness, county level data, performance standards, State resources, rural needs and obstacles to addressing underserved needs.

Annual Action Plan			
Planned Objective Results – start date July 2012 / end date June 2013			
<i>National Goal/Standard Objective & Outcome Category</i>	<i>Performance Indicators</i>	<i>Expected number assisted in year one</i>	<i>ESG Component that meets corresponding need from Action Plan</i>
Decent Housing: Availability/Accessibility DH1	HMIS Destination at exit (after subsidy ends) will be one of the following from the 2010 HMIS Data Standards: 4.10.3, 4.10.10, 4.10.11, 4.10.19, 4.10.20, 4.10.21, 4.10.22, or 4.10.23	611 households	Rapid Rehousing Re-house households that become homeless
Decent Housing: Availability/Accessibility DH1	HMIS Destination at exit (after subsidy ends) will be one of the following from the 2010 HMIS Data Standards: 4.10.3, 4.10.10, 4.10.11, 4.10.19, 4.10.20, 4.10.21, 4.10.22, or 4.10.23	391 households	Prevention Prevent homelessness for households most at risk

The State's Consolidated Homeless Grant (CHG) program also funds rapid re-housing and prevention activities.

Funding Priorities

Due to the success of the Homeless Prevention and Rapid Re-Housing (HPRP) grant assisting thousands of homeless and at-risk households across the State with short and medium term rental assistance, the BOS CoC agreed to continue HPRP like activities with ESG funds. This funding priority supports the national priorities to respond quickly and move homeless households into permanent housing. It also supports assisting the

most at risk households with prevention assistance requiring a supportive networks assessment and risk factors for homelessness.

Detailed Budget

<i>ESG Components</i>	<i>Rapid ReHousing</i>	<i>Prevention</i>	<i>Admin</i>
Budget	\$1,381,371.91	\$ 880,914.24	\$186,671.85
TOTAL	\$ 2,488,958.00		

In order to address immediate homelessness, Commerce will budget 60% of the available ESG funds toward the Rapid Re-Housing component.

Match

Commerce will match dollar for dollar the Washington State ESG award with State funds allocated annually through the Consolidated Homeless Grant (CHG). The CHG is designed to support an integrated system of housing assistance to prevent homelessness and quickly re-house households who are unsheltered. Funding comes from the State Home Security Fund and the Affordable Housing for All Fund authorized by RCW 43.185C.

Written Standards for provision of ESG assistance

In order to ensure grant compliance, Commerce will develop ESG Program Guidelines for sub recipients that identify detailed documentation requirements to ensure program success. Our experience administering the HPRP grant, the Office of Inspector General's HPRP audit and HUD's HPRP monitoring will influence the level of detail and subsequent documentation standards we require of the sub recipients.

Commerce will develop most of the written standards for provision of ESG assistance and will require some standards to be developed by the ESG sub recipient. Commerce is considering modeling most of the State's CHG policies and procedures requirement for the ESG sub recipients so that homeless housing service providers administer consistent rapid rehousing and prevention programs regardless of the fund source.

At a minimum, Commerce will write standards for the following:

1. Standard policies and procedures for evaluating and documenting a household's eligibility for rapid re-housing or prevention assistance with ESG funds.

2. Standard policies and procedures for documenting Rent Reasonableness and Fair Market Rent, inspections and HMIS consent.

At a minimum, ESG sub recipients would be required to have written policies and/or procedures for the following topics. Commerce will review these as part of grant monitoring.

1. Policies and procedures for coordination among homeless housing and assistance providers and mainstream providers in their service area.
2. Policies and procedures for determining and prioritizing which households will receive rapid rehousing and prevention assistance.
3. Standards for determining amount of rent assistance, length of assistance and if there will be any adjustments over time.
4. Standards for determining type, amount and duration of housing relocation and stabilization services.
5. Termination of Participation and Grievance including provisions for dealing with client fraud
6. Applicant Denial and Grievance
7. Confidentiality of Client records

Process for making sub-awards

At the BOC CoC meeting in March 2012, attendees discussed allocation and distribution of the FY 2012 ESG funds. It was agreed that continuing to contract with HPRP grantees with ESG funds for rapid re-housing and prevention activities should be the priority. Eligible applicants will be the following:

- Nonprofits or local governments located in counties who received HPRP contracts from Commerce and remained in compliance during the grant period or;
- Nonprofits or local governments in counties who were prior Commerce ESG sub recipients.

Funds will be allocated using the State's CHG formula to each eligible applicant county.

FY 2012 ESG Fund - Eligible County Applicants*	
Asotin	Lewis
Benton	Lincoln
Chelan	Mason
Clallam	Okanogan
Clark	Pacific
Columbia	Pend Oreille
Cowlitz	Pierce
Douglas	San Juan
Ferry	Skagit
Franklin	Skamania
Garfield	Snohomish
Grant	Spokane
Grays Harbor	Stevens
Island	Thurston
Jefferson	Wahkiakum
King	Walla Walla
Kitsap	Whatcom
Kittitas	Yakima
Klickitat	

*Two HPRP contracts were terminated due to non-compliance with program policies and procedures. Commerce may consider including these counties in the next FY 2013 ESG allocation after the local homeless service provider shows successful performance and outcomes with their current State Consolidated Homeless Grant (CHG).

Homeless participation requirement

The BOS CoC has maintained a homeless person or formerly homeless person as a representative to the steering committee for over a decade. This is an active membership role and Commerce is committed to ensuring that a representative is able to attend and participate in meetings. While monthly meetings are conducted via the web, Commerce endeavors as budget resources allow to hold at least one in person meeting a year. Accommodations are considered to ensure the homeless person or formerly homeless person is able to attend.

Performance standards

Commerce uses the HUD HMIS performance indicators to evaluate all of our homeless housing assistance grantees (state or federally funded) performance on reducing homelessness through rapid rehousing and prevention activities. In addition, rate of spending, risk assessment and monitoring results are used to evaluate success with homeless assistance funding.

The HUD HMIS performance indicators were reviewed with the BOS CoC in March who recognized their value in maintaining competitiveness for federal funding.

Monitoring

Monitoring is conducted by Commerce staff as required by state/federal regulations and program policies to minimize grant administration risk and to identify technical assistance and training needs.

Risk assessments are conducted annually. Onsite and desk monitoring is determined by the sub recipient's risk assessment score. Desk monitoring is completed once every three years for all sub recipients and onsite monitoring is completed each biennium based on risk assessment scores or the discretion of Commerce staff.

Each month client data submitted in HMIS and invoices are thoroughly reviewed before reimbursement for grant expenses are authorized. On occasion, a sampling of client eligibility documentation and supporting documentation for expenses is requested.

Existing protocols and procedures are sufficient to monitor sub recipients of the new ESG requirements.

Centralized or Coordinated Assessment System

Washington State communities were recently cited as an example of Coordinated Entry by the National Alliance to end Homelessness. For several years we have been supporting coordinated entry pilots and many communities are running successful programs.

Currently, Commerce is requiring our state funded CHG contractors to have a uniform method of client intake which may be customized for families, single adults or other service populations. At the very least, there must be a common tool at intake that consistently screens for eligibility and need for housing and services (which include type and intensity). The centralized or coordinated intake/assessment system for CHG contractors and ESG sub recipients must be in place by June 2014.

SECTION 4: NON-HOMELESS SPECIAL NEEDS

Non-homeless Special Needs
Housing Opportunities for Persons with Aids (HOPWA)

Non-homeless Special Needs

- 1. Describe the priorities and specific objectives the jurisdiction hopes to achieve for the period covered by the Action Plan.*
- 2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.*

SPECIAL NEEDS OBJECTIVES AND AVAILABLE RESOURCES

Housing for persons with special needs is a priority for funding in the 2012 Action Plan, as described in the Housing Priorities and Objectives section. HOME Tenant Based Rental Assistance may be used for special needs housing if prioritized by an applicant and appropriate to serve the needs of the population in the jurisdiction. In addition, the HOME General Purpose fund will continue to fund special needs projects. Though no specific special needs housing targets are set, the HOME program has historically funded projects for people with special needs (such as severe mental illness, chemical dependency, physical disabilities and victims of domestic violence).

Please see the Housing Priorities and Objectives section for detail on estimated outcomes and available resources during 2012. For additional information, please see the Non-homeless Special Needs section of the 2010-2014 Consolidated Plan's Strategic Plan.

Housing Opportunities for Persons with Aids (HOPWA) Program

1. *Provide a Brief description of the organization, the area of service, the name of the program contacts, and a broad overview of the range/ type of housing activities to be done during the next year.*
2. *Report on the actions taken during the year that addressed the special needs of persons who are not homeless but require supportive housing, and assistance for persons who are homeless.*
3. *Evaluate the progress in meeting its specific objective of providing affordable housing, including a comparison of actual outputs and outcomes to proposed goals and progress made on the other planned actions indicated in the strategic and action plans. The evaluation can address any related program adjustments or future plans.*
4. *Report on annual HOPWA output goals for the number of households assisted during the year in: (1) short-term rent, mortgage and utility payments to avoid homelessness; (2) rental assistance programs; and (3) in housing facilities, such as community residences and SRO dwellings, where funds are used to develop and/or operate these facilities. Include any assessment of client outcomes for achieving housing stability, reduced risks of homelessness and improved access to care.*
5. *Report on the use of committed leveraging from other public and private resources that helped to address needs identified in the plan.*
6. *Provide an analysis of the extent to which HOPWA funds were distributed among different categories of housing needs consistent with the geographic distribution plans identified in its approved Consolidated Plan.*
7. *Describe any barriers (including non-regulatory) encountered, actions in response to barriers, and recommendations for program improvement.*
8. *Please describe the expected trends facing the community in meeting the needs of persons living with HIV/AIDS and provide additional information regarding the administration of services to people with HIV/AIDS.*
9. *Please note any evaluations, studies or other assessments that will be conducted on the local HOPWA program during the next year.*
10. *Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the Action Plan.*

ACTIVITIES TO BE UNDERTAKEN WITH HOPWA FUNDS

Housing Opportunities for Persons with Aids (HOPWA) is a federally funded program providing housing assistance and supportive services for low-income people with HIV/AIDS and related diseases, and their families. People with AIDS and other HIV-related illnesses often face challenges in meeting personal, medical and housing costs during their illness. The Department of Commerce Community Services and Housing division does not provide direct housing support or services to individuals or families. The division administers funding to local providers within the state of Washington, who in turn provide services to individuals and families.

HOPWA funds can be used for an array of housing, tenant-based rental assistance, supportive services, short-term payments to prevent homelessness, housing placement services, costs for the operation and maintenance of facilities, , and program planning and development costs. Activities can include the acquisition, rehabilitation or new construction of community residences and single-room occupancy (SRO) units. Providers under this HOPWA grant typically use the funds for tenant-based rent assistance, short-term rent mortgage and utility assistance, supportive services and permanent housing placement. Noted results included improved housing stability, improvement of access to care, strengthening of social and health relationships, and reduction in homeless episodes.

The program is funded by the Department of Housing and Urban Development (HUD) and is governed by the provisions of the AIDS Housing Opportunity Act (42 USC Sections 12901 to 12912) and the Housing Opportunities for Persons with AIDS (HOPWA) Program rule (24 CFR Part 574 as amended).

Services are delivered through nonprofit and local government agencies in each of five regions.

OBSTACLES TO MEETING UNDERSERVED NEEDS

Obstacles to providing housing for individuals and families eligible for HOPWA include problems with a client's rental or credit history, and a lack of affordable housing in the area. A great many of the population served by HOPWA have criminal histories, multiple diagnoses, and less than optimum credit and/or rental history. In addition, affordable housing has continued to become less and less available in Washington and across the country. Even if housing is available, individuals with HIV/AIDS who need housing are frequently unable to meet eligibility criteria. Housing Choice Vouchers are limited, resulting in wait lists that require years until fruition. The ever growing volume of home foreclosures has forced some moderate-income homeowners/buyers to seek low-income affordable housing, creating a housing market that is even more restrictive.

Table 6 shows the unmet need for housing for people with HIV/AIDS and related illnesses in 2011:

Table 6: Unmet Need for Housing for People with HIV/AIDS

Type of Assistance Needed	Number with Unmet Need
Tenant-Based Rental Assistance	124
Short-Term Rent, Mortgage and Utility payments	15
Housing Facilities (such as community residences and SRO dwellings)	5
Total	143

2011 HOPWA PERFORMANCE

Table 7 shows performance measures from the HOPWA Performance and Evaluation Report (PER) for FY 2011 to date. Activities are evaluated in terms of conformance with the grant agreement, compliance with HOPWA and other HUD regulations regarding eligible activities, the documentation of participant eligibility, the protection of client confidentiality, and adequate documentation of the project activities for conformance. Noted results for persons assisted by the HOPWA program included improved housing stability, improved access to care, strengthening of social and health relationships, and reduction in homeless episodes.

Table 7: HOPWA Program Performance Measures, FY 2011 to date

HOPWA Performance Measures (FY 11)	Goal	Actual	Funds
Tenant-Based Rental Assistance	103	93	\$252,646
Households that receive operating subsidies/leased units	8	7	\$26,093
Short-Term Rent, Mortgage and Utility Assistance	155	162	\$110,175
Supportive Services provided along with housing assistance	65	62	\$151,553
Permanent Housing Placement Services	47	30	\$25,378
	0	0	

HOW AND WHERE FUNDS WILL BE ALLOCATED

HOPWA funds are distributed in five regions based on the number of surviving HIV/AIDS cases as reported to the Washington State Department of Health. Commerce does not provide funding to King and Snohomish counties because they receive their own grant directly from HUD. Skamania and Clark counties are included in the City of Portland HOPWA grant.

Service providers in each region collaborate in the choice of the organization that will be their lead agency. The lead agency will organize a local process to decide how the regional HOPWA allocation will be used and which project sponsors will be selected to provide services.

Commerce will contract with the designated lead agency that will be responsible for passing funds through to the local project sponsor. Eligible project sponsors are nonprofit organizations, public housing authorities or local governments. Commerce

calculates annual awards to each of the regions based on the surviving HIV/AIDS cases in each county as reported to the Washington State Department of Health. In FY 2011, \$619,880 was distributed and 354 households were served.

The program is conducted in coordination and collaboration with other resources and providers, such as the Ryan White HIV/AIDS program, Emergency Shelter Grant, entitlement-CDBG programs, the HOPWA REACH competitive grant and public and private donations.

Recaptured Funds

Commerce will make any unspent funds available to all HOPWA project sponsors as part of the allocation for the next year. However, if a project sponsor can show an emergency need before the next grant year, funds may be allocated according to these criteria:

There are two criteria for the distribution of recaptured funds:

- The extent to which the applicant demonstrates an immediate need for assistance in serving persons with HIV/AIDS or related diseases and their families; and
- The extent to which the applicant can demonstrate the ability to use the funds promptly.

2012 HOPWA PROGRAM OUTCOME OBJECTIVES

Table 8 (*next page*) details the counties served, activities, recommended funding amount, and total households to be served in fiscal year 2012 for the five regions. None of the subrecipients are faith based, and none are grassroots. The project sponsors have input into local housing planning in their regions.

Table 8: HOPWA Program Outcome Objectives, 2012

Organization, Zip Code and Counties Served	Activities	Amount	Outputs Households
Bellingham Whatcom Co HA (98225) Whatcom, San Juan, Skagit, and Island	Operating funds for Sean Humphrey House; STRMU; TBRA; Hotel vouchers	\$65,126	12
Pierce Aids Foundation (98402) Pierce, Kitsap, and Thurston	Supportive services; Rental Assistance; STRMU	\$334,179	185
Spokane Housing Authority (NEWHS) (99201) Adams, Asotin, Columbia, Ferry, Garfield, Lincoln, Okanogan, Pend Oreille, Spokane, Stevens, Walla Walla, and Whitman	Supportive services; TBRA; STRMU	\$135,281	45
Longview Housing Authority (98632) Clallam, Cowlitz, Grays Harbor, Jefferson, Lewis, Mason, Pacific,, and Wahkiakum	Supportive services; TBRA; STRMU	\$86,499	65
Yakima Neighborhood Health Services (98907) Benton, Chelan, Douglas, Franklin, Grant, Kittitas, Klickitat, and Yakima	Supportive services; TBRA; STRMU; Permanent Housing; Placement	\$107,118	90
TOTAL		\$728,203	397

It is anticipated that 88% of households receiving HOPWA housing assistance will meet the outcome objectives of housing stability and access to services.

It is anticipated that 99% of households receiving short-term assistance will meet the outcome objective of reduced risk of homelessness.

SECTION 5: COMMUNITY DEVELOPMENT

Community Development Priorities and Objectives

Community Development Priorities and Objectives

- 1. Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community Development Needs Table (formerly Table 2B), public facilities, public improvements, public services and economic development.*
- 2. Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.*

CDBG 2012 ACTION PLAN

COMMUNITY DEVELOPMENT PRIORITIES AND OBJECTIVES

Priority Community Development Needs

Prioritizing community development activities at the state level presents a challenge because specific needs vary from community to community within the state's nonentitlement jurisdictions. The state CDBG program is required to fund local governments that demonstrate local prioritization and need for proposed projects. Accordingly, the Department of Commerce (Commerce) has chosen not to designate any eligible activities as “low priority” statewide, since doing so would restrict the ability to fund activities that may have acute need in specific communities.

While maintaining the flexibility to support local priorities is critical, some urgent community development needs are common across many communities. Addressing such needs will be a focus over the next five years. Commerce will encourage local communities to develop projects that respond to these needs, especially through outreach and technical assistance, and allocate funding in a manner that emphasizes these needs consistent with established program guidelines. Statewide community development priority areas include:

- **Public facilities (infrastructure):** Sewer and water systems and transportation facilities that primarily benefit low- to moderate- income people; infrastructure to support affordable housing for extremely low- and very low-income households; public infrastructure projects in support of economic development that directly results in job creation.
- **Community facilities:** Facilities, including shelters and transitional housing, which serve the homeless and persons with special needs.
- **Economic development:** Microenterprise loan programs in rural areas; revolving loan funds to for-profit businesses that directly result in job creation.
- **Public services:** New or expanded services that meet a critical local need.
- **Strategic planning:** Strategic planning, particularly planning to address fair housing disparity or to address public health and safety when required by a regulatory agency (such as the Departments of Ecology or Health).

2012 Community Development Outcome Objectives

Local governments are responsible for prioritizing projects to meet the greatest need in their communities and applying for funding from the state CDBG program. Therefore, actual program outcomes over the long term depend on the types of projects local governments propose. For estimated long-term outcomes, please see the Community Development section of the 2010-2014 Consolidated Plan’s Strategic Plan.

Table 9 estimates CDBG program outcomes during 2012, the third year of the 2010-2014 Consolidated Plan period. These estimates were developed by assessing the number of projects funded during the past several years. Actual 2012 outcomes will be tracked in HUD's Integrated Disbursement Information System (IDIS) as projects are awarded and completed. Housing-related CDBG program activities are included in Table 3 in the Housing Priorities and Objectives section.

Table 9: Estimated 2012 Community Development Outcomes

National Goal and Objective	Expected Outcomes from Contracts Closed in 2012 by Program	Description
Suitable Living Environment		
Availability/accessibility	50,000 persons	Access to new or expansion of existing water, sewer, and street systems
Availability/accessibility	100,000 persons	Increase access to new or expanded services by funding community facilities and direct services
Sustainability	100,000 persons	Improvements to and reconstruction of existing water, sewer, and street systems
Economic Opportunity		
Availability/accessibility	10 jobs	Fund new or expanded infrastructure in support of economic development or access to technical assistance and capital for micro-enterprises
Sustainability	130 jobs	Fund infrastructure improvements in support of economic development or loans to eligible private businesses to create/retain jobs

In addition to the estimated outcomes described above, the state CDBG program will meet the administrative objectives shown in Table 10.

Table 10: CDBG Program Administrative Objectives

Administrative Objectives	Target	Description
LMI percentage	75%	Percentage of projects principally benefiting low- and moderate-income (LMI) persons.
Funds leveraged	1:2	Ratio of CDBG to other funds leveraged.
Timely use of funds	95%	Percent of HUD award obligated within 12 months.
Project completion	70%	Percent of projects completed on time, within scope.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

The mission of the Community Development Block Grant (CDBG) program is to improve the economic, social and physical environment of eligible cities and counties in ways that enhance the quality of life for low- and moderate-income (LMI) residents, and as a result, benefit the entire community.

The 2012 Action Plan describes the method of distribution for the Community Development Block Grants and CDBG-Supported Economic Development Loan Funds.

2012 CDBG Program Initiatives

- The federal budget significantly decreases the state CDBG programs' 2012 resources from 2011 funding levels, resulting in program adjustments.
- The formula for allocating CDBG Public Services Grants is revised and extends funding to 5 additional counties and community action programs.
- Due to a decrease in state Housing Trust Funds (HTF), CDBG Housing Enhancement Grants that serve as HTF companion grants are reduced in 2012.
- The CDBG economic development loan funds have been located within the Contracts Administration Unit of Commerce's Local Government and Infrastructure division to enhance delivery of services and loan oversight.
- The CDBG program is strengthening its coordination with infrastructure loan sources and regulatory agencies to improve technical assistance and targeting of grant funds to rural areas.
- Additional regional partnerships are being formed with organizations such as the state's Area Development Councils (ADO), and other lending partners to assist in facilitating the easing of credit for businesses in their jurisdiction.

Allocation of CDBG Program Funds

CDBG staff members use three levels of criteria to determine whether or not a grant will be made to a local government for a proposed project. First, staff determines whether the local government is an eligible applicant, the project is an eligible activity according to the federal statutory requirements governing the program, and the project meets one of three "national objectives" listed below. Second, staff determines whether the proposed project meets the funding conditions established by state program policy. Based upon experience, these conditions have proven to be indicators of a successful project. Third, staff determines how a proposed project ranks based on established rating criteria, funding priorities, and review processes specific to each of the state's separate CDBG grant funds. The criteria for each level of review follow.

Eligible Applicants

Eligible cities and towns are those with less than 50,000 populations and counties with less than 200,000 populations, provided the cities, towns or counties do not participate as members of HUD Urban County Consortiums.

Indian tribes and special purpose organizations (such as public housing authorities, port districts, water and sewer districts, community action agencies and economic development councils) are not eligible to apply directly to the CDBG program for funding. These projects may be eligible under CDBG if:

- A project will serve both an eligible local government’s citizens and tribal members. If the boundaries of a project’s service area involve both the local government and a tribal jurisdiction, the local government may apply for state CDBG funding on behalf of and in coordination with the Indian tribe.
- An eligible local government chooses to involve a special purpose organization in the operation of a project funded under the CDBG program.

Figure B shows those local governments ineligible for state CDBG funds because they are “entitled” to receive CDBG funds directly from HUD, and those local governments eligible for state CDBG funds but “non-entitled” to receive CDBG funds directly from HUD. The entitlement status is based on population and HUD qualification.

Figure B: CDBG Entitlement and Nonentitlement Jurisdictions



These six counties and the cities/towns in these counties are not served by the state CDBG program.

These counties and the cities/towns in these counties, except the ten cities listed to the right, are served by the state CDBG program.

Entitlement cities not served by the state CDBG program, but in nonentitlement counties:

- Anacortes
- Bellingham
- East Wenatchee
- Longview
- Mount Vernon
- Olympia
- Tri-Cities
- Wenatchee

Eligible Activities

All CDBG-funded projects must be an eligible activity according to Section 105(a) of Title I of the Housing and Community Development Act of 1974, as amended.

National Objectives

An eligible project must meet at least one of the following three federal (HUD) requirements:

- Principally benefits persons with low- to moderate-income;
- Prevents or eliminates slums or blight; or
- Addresses an urgent community development need, which poses a serious and immediate threat to health and safety.

The CDBG program is designed to principally benefit low- and moderate-income persons by providing grants to cities and counties. The program will ensure that at least 70 percent of the CDBG funds received by Washington, averaged over three years, will be used for activities that benefit persons of low- and moderate-income. Low- and moderate-income is defined as 80 percent of the county median income.

Conditions for Funding

According to program policy, funds are awarded for eligible projects that meet the following conditions:

- There is a compelling need for public assistance, supported by a local planning process;
- A feasible technical solution to the problem or opportunity being addressed has been identified and agreed to by affected citizens, the local government and the appropriate regulatory agencies;
- The project is ready to proceed and will make timely use of the funds;
- The local government demonstrates capacity to administer the funded activities, with a clear and feasible plan for implementing the project and maintaining its operation into the foreseeable future; and
- There is credible evidence the results will be commensurate to the amount of public funds requested.

Funding Priorities

To be funded, a project must rank high in comparison to other similar projects on a state and local level using the following priorities:

- The project addresses a public health and safety issue;
- It improves essential services to low- and moderate-income persons; or
- It completes a necessary and specific step in a broader community development strategy.

Performance Measures

The CDBG Program collects and assesses data to measure how CDBG funds contribute to the accomplishment of Commerce's mission and programs and HUD's Statutory Program Goals:

Department of Commerce Mission and Programs

Commerce is the lead agency charged with enhancing and promoting sustainable communities and economic vitality in Washington. Commerce's mission is to grow and improve jobs in Washington State.

HUD Statutory Program Goals

Commerce's goals are consistent with and support these HUD goals identified in Title 1 of the Housing and Community Development Act of 1974 (as amended):

- Decent housing
- A suitable living environment
- Expanded economic opportunity

CDBG requires each funded activity be identified as addressing at least one of these goals and one of the following objectives:

- Availability/accessibility
- Affordability
- Sustainability

The CDBG program will link the relevant HUD goal and objective and then identify the applicable HUD Outcome Statement for each funded activity based on the type of project, as shown in Table 11.

Table 11: CDBG Eligible Activities Linked to HUD Outcome Goals/Objectives

CDBG Eligible Activity	HUD Outcome Goal	Objective
Improve existing public facilities	Suitable living environment	Sustainability
Build or expand public facilities	Suitable living environment	Availability/Accessibility
Housing rehabilitation	Decent housing	Sustainability
Activities in support of new housing construction	Decent housing	Availability/Accessibility
Build or expand community facilities	Suitable living environment	Availability/Accessibility
Acquire community facility or site	Suitable living environment	Sustainability
Public services	Suitable living environment	Availability/Accessibility
Economic development micro-enterprise loan/TA programs in rural areas	Economic opportunities	Availability/Accessibility
Economic development job creation/retention: build or expand facilities	Economic opportunities	Availability/Accessibility

Economic development job creation/retention: improve existing facilities	Economic opportunities	Sustainability
Economic development job creation/retention: loan funds to businesses	Economic opportunities	Sustainability
Planning activities	Varies as above by type(s) of project supported by the planning activity.	

Data on outcome indicators will also be collected from each project selected for funding. HUD has identified five common indicators for each CDBG-funded activity:

- Funds leveraged
- Number of persons, households, housing units
- Income level
- Number of communities assisted
- Current racial/ethnic and disability categories

The CDBG program also assesses its performance using the following measurements:

- Timely obligation and expenditure of funds against HUD standards
- Number of staff hours providing technical assistance and number of workshops provided
- Percentage of projects benefiting low- and moderate-income persons
- Number of CDBG funded projects completed on time
- Number of projects funded by project type
- Geographic distribution of funds

The CDBG program will report on its use of these 2012 HUD funds in its 2012 Performance Evaluation Report (PER), which is scheduled to be available to the public and submitted to HUD in September 2013.

2012 CDBG PROGRAM RESOURCES AND ACTIVITIES

CDBG resources will be distributed to eligible nonentitlement local governments through the programs and funds summarized in Tables 12, 13 and 14. The CDBG anticipated resources are based on HUD's announced 2012 allocations. Funds will become available following approval of this 2012 Action Plan and the execution of funding agreements between Commerce and HUD. Funds awarded in advance of the state's program year are contingent upon its annual award from HUD.

The state's CDBG allocation for 2012 is divided into several funds or programs, each of which uses a different method of distribution. Complete descriptions of each specific program of fund, including application requirements, eligibility guidelines, methods of funding distribution and award processes are provided further in this Action Plan, but brief descriptions are below:

- The General Purpose Grant program distributes funds to eligible local governments for public facilities, community facilities, affordable housing, infrastructure or economic development/micro-enterprise projects that principally benefit low-and moderate-income persons. Awards will be made by early June following an annual statewide competitive application process.
- Housing Enhancement Grants are companion funds to the Housing Trust Fund (HTF) activities that are essential to a project's success, are not eligible for HTF, and fill a financial gap in project funding. Grant decisions and awards are made in coordination with the HTF Program's funding cycles and dependent on HTF funding.
- The Imminent Threat Grant program aids local governments facing urgent needs with potential impacts on public health and safety that are beyond their ability to address. Applications can be submitted throughout the year and grant awards are made on a funds-available basis.
- Planning-Only Grants are available to eligible local governments to plan the implementation of priority projects that principally benefit low- and moderate-income persons. Grants of up to \$35,000 for a single local government or \$40,000 for multi-local governments are available based on project type. Beginning in May, applications may be submitted throughout the year and grant awards are made on a funds-available basis.
- Public Services Grants are available to eligible counties that utilize local community action agencies as subrecipients to provide eligible services to low-income persons residing in CDBG nonentitlement areas. Funding is based on a population and poverty based formula.
- Float-Funded Activity Grants are made available on a funds-available basis and use CDBG funds allocated to the State CDBG Program, but are not expected to be drawn down for the duration of the Float Loan term. These funds may be used for short-term loans (maximum thirty months) to businesses and developers.
- The Rural Washington Loan Fund (RWLF) provides gap financing loans on a funds-available basis to small businesses, primarily in nonentitlement areas of the state.
- The Section 108 Loan Guarantee Program is backed by a pledge of future CDBG funds. This pledge or guarantee facilitates the applicant's access to other sources of funds for economic development. The loan guarantee provision is available throughout the program year and is subject to a maximum guarantee limit.

The following tables show how CDBG funds were allocated and obligated and the resulting number of funded projects in 2010 and 2011. Based on these successful outcomes, the historic demand for assistance and the anticipated amount of funds available for 2012, the tables also summarize how the CDBG Program proposes to allocate its funds in 2012.

Table 12 provides an overview of the amount of funds available for grants after program administration and technical assistance are deducted.

Table 12: CDBG Program Available Funds

	2010		2011		2012
	Estimated	Actual	Estimated	Actual	Anticipated
HUD Award	\$15,479,000	\$16,779,154	\$16,779,154	\$14,093,993	\$12,141,100
Administration/ Technical Assistance	(\$564,370)	(\$603,375)	(\$564,370)	(\$522,820)	(\$464,233)
Available Funds for Grants from 2012 HUD Award					\$11,676,867
Contingency Fund Balance (as of Action Plan date)	-	\$4,127,827	-	\$3,800,245	\$1,197,015
Projected Recaptured & Carry-Over Funds for 2012					1,000,000
Total Available Funds:	-	\$20,303,606	-	\$17,371,418	\$13,873,882

Table 13 shows anticipated and past funding and awards by CDBG fund, including the number of projects funded and total number of applications.

Table 13: Fund Availability and Awards by CDBG Grant Type

Fund Availability and Awards by CDBG Grant Type	2010		2011		2012
	Fund Availability (see 2010 Action Plan)	Actual Awards (See 2010 PER)	Fund Availability (see 2011 Action Plan as amended)	Actual Awards (as of 5/12)	Anticipated Fund Availability
<u>General Purpose</u>	\$12,000,000	\$14,149,550	\$13,000,000	\$13,500,000	\$11,080,000
# of awards (total applications)		18 (53)		19 (44)	15
<u>Housing Enhancement</u>	\$1,000,000	\$694,380	\$918,167	\$618,167	\$250,000
# of awards (total applications)		2 (2)		2 (2)	1
<u>Imminent Threat</u>	\$200,000	\$0	\$200,000	\$0	\$150,000
# of awards (total applications)		0 (0)		0 (0)	2
<u>Planning-Only</u>	\$400,000	\$458,208	\$500,000	\$500,000	\$500,000
# of awards (total applications)		20 (24)		20 (27)	20
<u>Public Services</u>	\$1,557,612	\$2,336,418	\$1,557,612	\$1,557,612	\$1,572,612
# of awards (total applications)		12 (12)		12 (12)	17
<u>Supplemental</u>	\$1,000,000	\$379,506	\$1,000,000	\$0	\$200,000
# of awards (total applications)		3 (3)			3
Total Grants:	\$15,457,612	\$17,638,556	\$17,175,779	\$16,175,779	\$13,752,612
# of awards (total applications)		55 (94)		53 (85)	58

Table 14 shows anticipated and past funding for CDBG-supported loan fund programs.

Table 14: Fund Availability and Awards for CDBG-Supported Loan Programs

CDBG-Supported Loan Program	2010		2011		2012
	Fund Availability (see 2010 Action Plan)	Actual Awards (as of 12/10)	Fund Availability (see 2011 Action Plan as amended)	Actual Awards (as of 5/12)	Anticipated Fund Availability
Float-Funded Activities (Float Loans)	\$15,000,000	\$2,000,000	\$14,000,000	\$0	\$11,970,000
Rural Washington Loan Fund (RWLF)	\$7,200,000	\$1,000,000	\$5,200,000	\$937,246	\$5,200,000
Section 108 Loan Guarantee Program	\$15,000,000	\$0	\$14,000,000	\$0	\$12,000,000
Total Awards for Loans:		\$3,000,000		\$937,246	

Funding Limits for Specific CDBG Activities

There are four statutory limits on the amount a state can spend for specific eligible activities under the CDBG program. The state is not allowed to use any more than 3 percent plus \$100,000 of its total annual award for program administration carried out by state staff in operation of the program, of which 1 percent can cover eligible technical assistance activities conducted by state staff.

The state is also restricted from using any more than 15 percent of its annual allocation for public service activities, and no more than 20 percent for planning activities, state program administration and grantee administration. Eligible activities for CDBG public service and planning resources are described below in the Planning-Only Grant and Public Services Grant sections.

CDBG Program Review of Requested Grant Amounts

Grants consisting of more or less than the amount originally requested may be awarded at Commerce's discretion based on discussions with the local government. The preliminary notice of project selection does not imply approval of all activities or all costs proposed in the selected application. The grant contract, once executed, is the legal document that governs the administration of the grant.

Minimum Performance Standards

Commerce reserves the right to deny, review or fund applications that include the involvement of local governments or organizations with serious unresolved audit findings related to performance or capacity.

Further, Commerce reserves the right to postpone grant contracting or to deny funding if there is a significant problem with previous grantee performance. In such situations, the grantee is responsible for development and initiation of corrective action satisfactory to Commerce. Upon request, Commerce will provide technical assistance to the community to help ensure timely completion of approved project activities.

FUND-SPECIFIC PROGRAM INFORMATION AND METHOD OF DISTRIBUTION

Following are complete descriptions of each specific CDBG program or fund, including application requirements, eligibility guidelines, methods of funding distribution and award processes. The actual projects to be funded in 2012 will be guided by the eligibility guidelines and selection criteria described in the 2012 grant application materials for the specific CDBG funds. Information is also available in the Rural Washington Loan Fund (RWLF) Guidelines, the Section 108 Loan Guarantee Guidelines, and the CDBG Float-Funded Activity guidelines.

2012 CDBG General Purpose Grants

General Purpose Grants are made available annually on a competitive basis to assist eligible cities, towns and counties in carrying out significant public facility, community facility, economic development/micro-enterprise assistance, and housing rehabilitation projects that principally benefit low- and moderate-income persons.

General Purpose Grant applications will be evaluated on their compelling need for public assistance; feasible technical solution to the problem or opportunity identified and agreed to by affected citizens; the local government and the appropriate regulatory agencies; local government capacity; project readiness; clear and feasible plan for implementing the project and maintaining its operation into the foreseeable future; and credible evidence that the results will be commensurate to the amount of public funds requested.

Amount of Funds Available

Approximately \$11 million is available from the 2012 funds and the Contingency Fund for General Purpose Grants. Additional Contingency Funds may also be used for high ranking projects on a funds available basis.

The maximum grant for General Purpose Grant applications is \$1 million. For housing rehabilitation projects, the maximum grant is \$500,000, and for microenterprise assistance projects the maximum is \$250,000. An applicant's request for the maximum amounts must be well justified and will be thoroughly evaluated during the rating and selection process.

Application Guidelines

Application Deadline

Applications must be submitted on or before March 1, 2012. An application is considered submitted if it is postmarked on this date or hand-delivered by 5:00 pm on this date, and contains all the elements necessary to pass threshold review. Applications postmarked or hand-delivered after this date will not be accepted. A list of applicants selected to receive 2012 General Purpose Grants will be published by early June 2012.

Application Requirements

- Each eligible local government may submit only one General Purpose Grant application during the funding cycle, with the exception that a local government may submit two applications if one is for micro-enterprise assistance.
- Each applicant must demonstrate that at least 51 percent of the beneficiaries of each proposed activity in the application are low- and moderate-income persons, with the exception that an activity eliminating slum or blight may be eligible under the second CDBG national objective (elimination of slum or blight).
- Applications must be for related activities supporting a specific local project.
- The amount requested cannot exceed the maximum average CDBG investment of \$25,000 per benefiting household or direct job created. For housing rehabilitation

projects that include lead-based paint mitigation activities, the maximum average can be up to \$35,000 per household.

- Detailed instructions and requirements for developing a proposal and submitting an application are provided in the 2012 CDBG General Purpose Grant Application Handbook.

Eligible and Prioritized Activities

The wide range of eligible activities based on Section 105(a) of Title I of the Housing and Community Development Act of 1974, as amended, are described in the 2012 CDBG General Purpose Grant Application Handbook. The state has prioritized its General Purpose Grant funds for sewer, water and transportation activities that address public health and safety; community facilities, including facilities for the homeless and special need populations; economic development, and affordable housing activities.

Ineligible Activities or Non-prioritized Activities

As a general rule, activities not specifically identified as eligible in the Act and regulations referenced above are considered to be ineligible. Examples of ineligible projects include: buildings used for the general conduct of government, equipment purchase, maintenance and operation of public facilities, and new housing construction. In addition, some activities may be eligible under the statute, but are not prioritized for a General Purpose Grant.

Method of Funding Distribution

The selection process for General Purpose Grant proposals consists of three stages:

- Threshold review
- Rating and selection
- Award

Threshold Review

Threshold review is conducted to ensure the application is complete and timely, pre-application citizen participation requirements are met, amounts requested are within the limits, and all required assurances of compliance and certifications are adequate.

No points are awarded during this stage. Applications that fail to meet threshold requirements will not advance to the rating and selection stage. Applications meeting threshold requirements proceed into the rating and selection stage. However, applications with initial difficulty meeting threshold requirements may result in a lower score during the rating and selection stage.

When conducting the threshold review, CDBG program staff may contact the applicant to resolve threshold issues; however, new application parts will not be requested or accepted after the application deadline.

Rating and Selection

Applications are reviewed, rated and ranked based on the rating criteria detailed below and in the 2012 General Purpose Grant Application Handbook. A total of 100 points are available with the available points distributed between the four application statement sections in Table 15:

Table 15: CDBG General Purpose Grant Point Distribution

Application Sections	Maximum Possible Score
Project Description	Rated as part of each section
Need Statement	25 points
Capacity Statement	25 points
Readiness Statement	25 points
Results Statement	25 points
Total Maximum Score	100 points

The Application Handbook provides general questions for all project types and more specific questions for specific project types such as microenterprise assistance, housing rehabilitation and sewer/water infrastructure projects. These questions guide the applicant to provide the information necessary to be scored against the same rating criteria that applies to all General Purpose Grant applications.

Applications will be evaluated and scored by review teams, grouped by project type. An application that includes coordinated activities under different project types will be evaluated as a comprehensive project type if these activities achieve greater results than if completed independently. If an application contains unrelated activities, the activities will be rated separately and the application's total score will be averaged from the points awarded to each activity.

Commerce may consult with informed third parties including local, state and federal agencies and may conduct interviews or make site visits to assist in the rating and selection process.

After scoring, the applications are ranked by total points. To break a tie, the application Need scores and then Readiness scores will be used to determine the higher ranking application. Applications receiving scores of at least 65 points are eligible for funding. The highest ranking application from each of the prioritized project categories (sewer, water, transportation, community facilities, economic development, and affordable housing) that receives at least 65 points will be funded. Then the highest ranking applications receiving the 65 point minimum will be funded on a funds available basis. Remaining funds, if any, will be transferred to the Contingency Fund for distribution.

Need Statement Rating Criteria (25 points – maximum score)

The "NEED" statement will be evaluated on a competitive basis against other projects, based on the documentation of the need facing the community and the public process involved to prioritize the proposed project. Refer to the application for specific questions.

Capacity Statement Rating Criteria (25 points – maximum score)

The “CAPACITY” statement will be evaluated on a competitive basis against other projects, based on demonstration of the community’s organizational capacity to administer a CDBG grant and the financial need for the level of grant. Refer to the application for specific questions.

Readiness Statement Rating Criteria (25 points – maximum score)

The “READINESS” statement will be evaluated on a competitive basis against other projects, based on how the proposed project provides the best solution to the priority need and what needs to be done before construction could begin. Refer to the application for specific questions.

Results Statement Rating Criteria (25 points – maximum score)

The “RESULTS” statement will be evaluated on a competitive basis against other projects, based on how the completed project will address the need and benefit low and moderate-income persons and how the results will be measured. Refer to the application for specific questions.

Award and Announcing Recipients

When the rating process is complete, funding recommendations up to the total amount of funds available for 2012 General Purpose Grants will be made to Commerce management for those most highly ranked projects receiving at least 65 points. After receiving management approval, legislators will be notified and all applicant communities will receive written notice of the grant awards. Technical assistance will be available to all unfunded applicants.

2012 General Purpose Grant awards are expected to be announced by early June 2012. Funds will be available when the grant contract is executed and the environmental review is complete.

Delays in completing the execution of a final grant contract of ninety days or more from the date of the award letter may lead to the rescission of the award and an invitation to apply during the next CDBG General Purpose Grant application cycle.

If an award is declined or additional funds become available by December 2012, Commerce may offer a CDBG General Purpose Grant award to the next most highly ranked project receiving at least 65 points.

Relationship between General Purpose Grants and Other CDBG Funds

An eligible local government can apply for more than one type of CDBG funding within the same year. However, a local government cannot apply for more than one General Purpose Grant per program year, with the exception that a local government may submit two applications if one is for micro-enterprise assistance.

2012 CDBG Housing Enhancement Grants

CDBG Housing Enhancement Grants are made available to provide flexible companion funding for competitive applications to Commerce's Housing Trust Fund. The purpose of the Housing Enhancement Grant program is to streamline the financing of eligible housing projects with the Housing Trust Fund and to prevent the need to wait for the annual General Purpose Grant funding cycle to receive CDBG assistance. CDBG program funds will be available for those projects located in eligible local governments, and when the local government agrees to support the project.

Amount of Funds Available

Up to \$250,000 will be set aside to award Housing Enhancement Grants in coordination with successful companion Housing Trust Fund applications. In May 2012, CDBG and Housing Trust Fund staff will meet to determine the level of available 2012 funding in the Housing Trust Fund. If the legislature has not approved Housing Trust Funds, the amount of CDBG funds set aside for CDBG Housing Enhancement Grants may be decreased accordingly and these CDBG funds would be available for 2012 General Purpose Grants. Additional monies from the Contingency Fund may be used for priority projects on a funds available basis.

Application Guidelines

Application Deadline

CDBG Housing Enhancement Grants are made in concert with the Housing Trust Fund application processes. Announcements of CDBG funding determinations will be announced in coordination with Housing Trust Fund processes.

Application Requirements

Housing Enhancement applications should address the following areas for review:

- Funding gap analysis that identifies within the Housing Trust Fund companion application, the need for CDBG funds, and explains why other sources are not available to fill the identified gap.
- Certifications by the eligible applicant local government demonstrating local commitment to the project, administrative capacity, and intent to submit a full application for a CDBG Housing Enhancement Grant.
- Detailed instructions and requirements for developing a proposal and submitting an application are provided in the Housing Trust Fund and CDBG Housing Enhancement Grant application materials.

Eligible Activities

CDBG Housing Enhancement Grants are available to cover CDBG eligible project costs that are not eligible for Housing Trust Fund assistance, but are essential to the project's overall success. Examples of eligible costs include off-site infrastructure that is essential to a housing project and is considered an ineligible cost to the Housing Trust Fund. Housing Enhancement funds can also be used to pay for the non-housing costs of projects that are integral to a comprehensive project. An example would include the costs of a

day care facility incorporated into the design of a housing project requesting Housing Trust Fund assistance.

A complete listing of CDBG eligible activities can be found in Section 105(a) of Title I of the Housing and Community Development Act of 1974, as amended.

Ineligible Activities

In general, any activity not described in the reference above, or any activity that does not benefit low-income persons, is ineligible for consideration. In addition, CDBG Housing Enhancement Grants may not be used to fund:

- New housing construction (including on-site service connections) and professional services related to new housing construction.
- Costs of equipment.
- Furnishings.
- Personal property that is not an integral structural fixture, such as window air conditioners, washers or dryers.
- Installation of luxury items, such as swimming pools.

Method of Funding Distribution

The selection process for CDBG Housing Enhancement Grant applications consists of two stages: (1) Housing Trust Fund application evaluation; and (2) CDBG full application evaluation.

Housing Trust Fund Evaluation

- Applications will first be reviewed and approved for funding following the Housing Trust Fund application process.
- In partnership with the housing developer applying for Housing Trust Funds, a local government applying for a Housing Enhancement Funds must submit initial CDBG forms as part of the Housing Trust Fund application demonstrating commitment to the housing project, administrative capacity, and intent to submit a full application for a CDBG Housing Enhancement Grant.

CDBG Evaluation

When Housing Trust Fund applications are being evaluated, they will be reviewed to determine if CDBG program funds can be appropriately used in the project. If a project is approved by Housing Trust Fund, CDBG will evaluate whether:

- The project is in an eligible city or county;
- CDBG funds will fill a financing gap;
- CDBG funds cover costs that cannot be paid for by other funding sources;
- The local government has the commitment and capacity to successfully administer the project in compliance with the additional CDBG requirements; and
- The amount required does not exceed the amount of CDBG funds available.

The local government will be informed of the potential grant offer and invited to submit final CDBG Housing Enhancement Grant application documents:

- Meeting the federal citizen participation requirements, including conducting a public hearing;
- Agreeing to comply with the required federal and state certifications; and
- Agreeing to be responsible for the CDBG portion of the project.

Relationship between Housing Enhancement Grants and Other CDBG Funds

A local government can apply for more than one type of CDBG funding within the same year. However, a local government cannot apply for more than one Housing Enhancement Grant per program year. Also, a local government is not allowed to receive both a Housing Enhancement Grant and a General Purpose Grant for the same project. To be considered for funding for the current program year, the local government must submit a signed CDBG Project Summary form by June 30th of that program year.

2012 CDBG Imminent Threat Grants

Imminent Threat grants are meant to provide an interim solution to problems of an urgent nature and have a potential for impacting public health and safety in ways that cannot be effectively addressed through the General Purpose grant application process. In situations where there is not a feasible interim solution, up to \$50,000 of Imminent Threat funding may be used to provide a permanent solution.

Applicants for Imminent Threat funds must be suffering from an immediate and urgent threat to public health or safety, verified by an independent source and the local government must not have the financial capacity to solve the problem.

Amount of Funds Available

\$150,000 is set aside from the state's annual CDBG allocation for Imminent Threat grants to address the urgent needs of eligible applicants. This funding level will be maintained on a funds-available basis with monies that become available from the Contingency Fund throughout the year, such as recaptured funds or program income. The ultimate amount of funds obligated for Imminent Threat may increase depending upon the number of Imminent Threat requests and the amount of funds made available from the Contingency Fund.

Any unused Imminent Threat grant fund balance remaining at the end of a program year will be made available for the next program year's funding distribution.

Application Guidelines

Application Deadline

Applications for Imminent Threat grants may be submitted any time during the 2012 program year.

Application Requirements

Applications for Imminent Threat grants are considered if there is a unique, emergent need posing a serious immediate threat to the health or safety of a community. Imminent Threat grant applications should be submitted with a letter signed by the authorized chief administrative officer of the eligible local government. The application must describe the public health and safety problem and specifically address the following:

- The cause of the threat/emergency in terms of a natural disaster or other unforeseen and unavoidable circumstance.
- The nature and extent of the threat to the public health and safety, (i.e., the number of people affected, the area affected, etc.).
- Whether the situation is presently causing substantial harm, or whether and how it poses a potential threat to life and property or both.
- Is the problem of recent origin; has it emerged within the last 18 months?
- Provide the name and telephone number of an official, independent of the local government, who is able to verify the threat to public health and safety.

- Does the threat/emergency constitute a situation unanticipated and beyond the control of the local government? What preventative actions were taken? Develop a chronology of actions.
- Can the situation be adequately managed to protect the public until the next competitive CDBG application cycle? If not, explain.
- Provide a detailed Scope of Work to address the problem.
- Estimate a schedule for project completion. Can the project be completed within 90 days? Projects funded by CDBG must be completed within 90 days from the execution date of the grant contract, except in rare instances where extenuating circumstances require additional time.
- What alternative courses of action or designs are/were considered to address the immediate need on an interim basis?
- Identify any other local governments/districts involved in addressing the project. Provide a point of contact and phone number for those local governments/districts.
- Estimate project costs and funding sources for the proposed project. How and when were project cost estimates made?
- What financial reserves are available to resolve some (or all) of the problem?
- What will be the likely results if this application is not accepted for CDBG funding?
- Briefly describe the maintenance program for the system in question.
- Has the local government been placed in fiscal distress due to other recent emergency public works incidents? If "Yes," please explain.
- Is this problem likely to happen somewhere else in the public works system at another time? How will the local government avoid the situation?

The local government applicant can request technical assistance as it works through answering these questions. Documentation of each response will be necessary before funding will be approved, including a copy of the Declaration of Emergency adopted by the jurisdiction. The Declaration of Emergency must be provided prior to or with the information requested above. Imminent Threat projects are not required to principally benefit low- and moderate-income persons.

The following certification and threshold requirements apply to Imminent Threat applications:

- Declaration of Emergency (only eligible costs incurred after the emergency is formally declared can be reimbursed)
- CDBG Resolution with Certification of Compliance
- Excessive Force Policy
- Residential Anti-Displacement and Relocation Assistance Plan
- Title VI Certification
- Citizen Grievance Procedure
- Environmental Review form
- A Project Summary form
- Independent verification of the problem

Eligible Activities

Imminent Threat funding is available to address problems immediately causing a threat to public health or safety. The solution must be compatible with CDBG eligible activities as described in the General Purpose Grant section of this Action Plan. A description of minimum eligibility standards, as developed by HUD, can be found in 24 CFR Part 570.483(d).

Method of Funding Distribution

Applications for Imminent Threat grants and appropriate documentation are evaluated by Commerce staff according to the questions identified above in "Application Requirements" and verified through contacts with independent sources and site visits, if deemed appropriate. The type and amount of assistance provided is based on an assessment of whether a serious, urgent, unanticipated threat to public health or safety exists, the scope of the need, the length of time the problem has been apparent, what preventive actions have been taken, proposed cost, how quickly the problem can be remedied, the applicant's financial capacity and the availability of funding (i.e., from CDBG and other sources).

The Imminent Threat Grant review process is rigorous and intended to screen for only the most serious, emergency health and safety threats

Relationship Between Imminent Threat Grants and Other CDBG Funds

An eligible local government can apply for more than one type of CDBG funding within the same year. However, a local government cannot apply for more than one Imminent Threat Grant per program year. To be considered for funding from the current program year, the local government must be invited to apply and the full application must be received by June 30th of that program year.

2012 CDBG Planning-Only Grants

The purpose of funding local planning activities is to increase the capacity of eligible cities and counties to move forward on the implementation of priority projects that principally benefit low- and moderate-income persons. This increased capacity could be the result of:

- Essential knowledge gained through data collection and analysis;
- Local consensus achieved on recommendations for implementation;
- Regulatory prerequisites met; and/or
- Necessary partnerships developed.

CDBG Planning-Only Grants seek to achieve a measurable return on the investment of planning funds through cost savings with implementation. Examples include:

- Determining feasibility before investment of construction funds.
- Identifying and addressing obstacles that could result in cost overruns, project delays or project failure.
- Considering and testing less expensive alternatives.
- Building consensus between local stakeholders or with regulatory agencies, thereby reducing potential legal battles or project delays.
- Building local support and leveraging local resources, especially through long-term fiscal planning.
- Identifying regional partners and shared objectives to reduce duplication of effort.
- Establishing outcome measurements to guide and demonstrate successful implementation.
- Proactively addressing a problem, instead of reactively responding to a more expensive crisis in the future.

Program Purpose

CDBG Planning-Only Grants support eligible small communities and counties in carrying out planning activities that lead to the implementation of priority projects that principally benefit low- and moderate-income persons. Technical and financial assistance, through direct support and/or in partnership with other Commerce programs, is available to achieve this goal.

National Objectives

All CDBG Planning-Only Grant projects must meet one of the two following national objectives of the CDBG Program (Title I, Housing and Community Development Act of 1974, as amended):

- To principally benefit persons of low- and moderate-income; or
- To prevent or eliminate slums or blight.

Program Priorities

In addition, the project must address one or more of the Planning-Only Grant program priorities:

- To address public health and safety issues;

- To improve essential services to low- and moderate-income persons;
- To complete a necessary and specific step within a broader community development strategy;
- To assist communities in meeting planning requirements that will principally benefit low- and moderate-income persons; and/or
- To support local planning to affirmatively further fair housing.

Amount of Funds Available

A fund of \$500,000 is available in 2012. The Contingency Fund may also be used for priority, urgent projects on a funds-available basis.

Planning grants are limited to \$24,000 for a single applicant or \$40,000 for a joint application involving two or more eligible local governments that share a common planning need. However, applications documenting how they meet all of the criteria listed below may be funded at an upper limit of \$35,000.

- The proposed project is to address a critical public health and safety issue;
- The proposed project is required by a regulatory agency (such as Washington State Department of Health or Department Ecology);
- The community is facing financial hardship in addressing the issue; and
- Other funding has been considered.

Application Guidelines

Application Deadline

Applications can be submitted beginning May 2012 through May 2013, with funds awarded according to the program rating and selection criteria on a funds available basis. Award decisions will be announced within 90 days of receipt of the complete application.

Application Requirements

- Detailed instructions and requirements for developing a proposal and submitting an application are provided in the 2012 CDBG Planning-Only Grant Application Handbook.
- Communities seeking funding for sewer and water system planning must first conduct a pre-plan meeting with the state Department of Ecology or Department of Health, respectively. The purpose of this pre-plan is to determine the level of public health need, appropriate scope of work, tasks to address regulatory compliance issues, and other available resources prior to developing and submitting a Planning-Only Grant application.

Eligible Activities

The CDBG Program works collaboratively with other Commerce programs to provide technical and financial assistance for a wide range of planning activities. In general, the eligible planning activities include:

- Studies
- Analysis

- Capital Facility Plans
- Data gathering
- Identification of implementing actions
- Preparation of plans

A complete listing of CDBG eligible planning activities can be found in Section 105(a) of Title I of the Housing and Community Development Act of 1974, as amended.

Ineligible Activities

In general, any type of activity not described in the reference above is ineligible for consideration. CDBG Planning-Only Grants may not be used to fund:

- General grant administration expenses;
- Engineering, architectural, and design costs related to specific construction activity;
- Actual blue prints;
- Costs for professional service consultants and engineers not procured following CDBG requirements;
- Direct development of an application to any of the CDBG Program funds; or
- Other costs of implementing plans. (These costs may be eligible for CDBG funding as part of a CDBG construction grant instead.)

Method of Funding Distribution

The selection process for Planning-Only Grant Grant proposals consists of three stages:

- Threshold review
- Rating and selection
- Award

Threshold Review

Threshold review is conducted to ensure the application is complete and timely, pre-application citizen participation and regulatory meeting requirements are met, amounts requested are within the limits, and all required assurances of compliance and certifications are adequate.

No points are awarded during this stage. Applications advance to the rating and selection stage in the order of when the application passes threshold. Applications meeting threshold requirements proceed into the rating and selection stage. However, applications with initial difficulty meeting threshold requirements may result in a lower score during the rating and selection stage.

When conducting the threshold review, CDBG program staff may contact the applicant to resolve threshold issues; however, new application parts will not be requested or accepted.

Rating and Selection

Applications are reviewed and rated following the rating criteria detailed below and in the Planning-Only Grant Application Handbook:

Need Statement Rating Criteria (25 points – maximum score)

The “NEED” statement will be evaluated on a competitive basis against other projects, based on the documentation of the need facing the community and the public process involved to prioritize the proposed project. Refer to the application for specific questions.

Capacity Statement Rating Criteria (25 points – maximum score)

The “CAPACITY” statement will be evaluated on a competitive basis against other projects, based on demonstration of the community’s organizational capacity to administer a CDBG grant and the financial need for the level of grant. Refer to the application for specific questions.

Readiness Statement Rating Criteria (25 points – maximum score)

The “READINESS” statement will be evaluated on a competitive basis against other projects, based on how the proposed project provides the best solution to the priority need and what needs to be done before planning could begin. Refer to the application for specific questions.

Results Statement Rating Criteria (25 points – maximum score)

The “RESULTS” statement will be evaluated on a competitive basis against other projects, based on how the completed project will address the need and benefit low and moderate-income persons and how the results will be measured. Refer to the application for specific questions.

CDBG program staff review the application, to ensure the:

- Narrative describes a compelling need, capacity to implement the project, readiness to proceed and clear results if funded.
- Work plans are thorough and well conceived, including relationships with subrecipients or consultants.
- Budget is reasonable and complete, with appropriate leverage resources.

Applications will be evaluated and scored by review teams. The Commerce Resource Team is given the opportunity to comment on the planning activity. Comments will be taken into consideration during the rating process. Additional technical assistance may also be given to the applicant. Commerce may consult with informed third parties including local, state and federal agencies and may make site visits to assist in the rating and selection process.

Award and Announcing Recipients

When the rating process is complete the local government receives an award letter and Non-Construction Grant Management Handbook and the project moves to execution of the grant contract. Unsuccessful applicants will be informed if they do not receive a high

enough rating to be funded or if Planning-Only Grant funding is no longer available. Technical assistance will be available to all unfunded applicants.

Funds will be available when the grant contract is executed and the environmental review is complete.

Joint Applications

When two or more eligible local governments are located in the same region, share a common planning need and can reduce planning costs through coordinated planning, they are encouraged to seek cooperative solutions by preparing a joint application. An Interlocal Agreement, signed by each participating local government, must be submitted with the application. Local governments considering a joint application are encouraged to contact the CDBG Program to review eligibility and approval of expanded budget.

Relationship Between Planning-Only Grants and Other CDBG Funds

An eligible local government can apply for more than one type of CDBG funding within the same year. However, a local government (including a local government participating in a multiple local government project) will not be awarded more than one Planning-Only Grant per year, so the planning project of highest priority should be submitted first.

A Planning-Only Grant cannot fund the direct development of another CDBG application, although some activities that could support a subsequent application are eligible for Planning-Only Grant funding. Receipt of a Planning-Only Grant *does not* guarantee that a related CDBG application will be funded.

2012 CDBG Public Services Grant

Commerce provides a portion of its annual CDBG award for Public Services Grants to eligible counties that utilize local community action agencies as subrecipients to provide eligible services to low- and moderate-income persons.

Amount of Funds Available

Up to \$1,572,612 is set aside from the 2012 CDBG to fund Public Services Grants. These funds become available beginning July 2012, after the state receives its annual award from HUD. CDBG may reduce the amount proportionately if the HUD award to the state CDBG program is reduced.

Application Guidelines

Application Deadline

Counties and their local community action agency will be invited to apply within eight weeks prior to the award of 2012 funding. Grant contracts or amendments must be executed prior to disbursement of funds.

Application Requirements

- The county grant applicants must meet all CDBG submittal requirements before grant contracts and amendments will be fully executed. This may include conducting a public hearing and an environmental review of the activities.
- Each applicant must demonstrate that at least 51 percent of the beneficiaries of each proposed activity in the application are low- and moderate-income persons; estimate the breakdown of very low, low and moderate-income beneficiaries; and estimate the number of persons benefiting from a new or increased/improved level of service.
- Detailed instructions and requirements for developing a proposal and submitting an application are provided in the 2012 CDBG Public Services Grant Application Handbook.

Eligible Applicants

Eligible applicants for the Public Services Grants are the 17 nonentitlement counties identified through the CDBG formula and lead county prioritization processes.

Of the state's 31 community action programs, 17 community action agencies have been identified as serving CDBG nonentitlement counties. For community action programs that serve an entitlement city within a nonentitlement county, state CDBG funds will be used only for eligible programs that target and benefit residents of the nonentitlement service areas of the county.

Table 16: CDBG Public Services Grant Recipients and Subrecipients

2012 CDBG PUBLIC SERVICES GRANT AMOUNTS					
County	Subrecipient Community Action Program	County Service Area	County Admin \$	CAP Total \$	CDBG Total \$
Asotin	Community Action Partnership	Asotin	\$3,000	\$36,296	\$39,296
Benton	Benton-Franklin Community Action Connections	Benton, Franklin	\$3,000	\$75,108	\$78,108
Chelan	Chelan-Douglas Community Action Council	Chelan, Douglas	\$3,000	\$52,240	\$55,240
Cowlitz	Lower Columbia Community Action Council	Cowlitz, Wahkiakum	\$3,000	\$70,141	\$73,141
Grant	Opportunities Industrialization Center	Adams, Grant	\$3,000	\$128,042	\$131,042
Grays Harbor	Coastal Community Action Program	Grays Harbor, Pacific	\$3,000	\$105,885	\$108,885
Island	Opportunities Center	Island, San Juan, Whatcom	\$3,000	\$83,561	\$86,561
Jefferson	Olympic Community Action Programs	Clallam, Jefferson	\$3,000	\$99,812	\$102,812
Kittitas	HopeSource	Kittitas	\$3,000	\$78,246	\$81,246
Okanogan	Okanogan County Community Action Council	Okanogan	\$3,000	\$75,854	\$78,854
Skagit	Skagit County Community Action Agency	Skagit	\$3,000	\$52,236	\$55,236
Skamania	Washington Gorge Action Programs	Klickitat, Skamania	\$3,000	\$69,861	\$72,861
Stevens	NE WA Rural Resources Development Association	Ferry, Lincoln, Pend Oreille, Stevens	\$3,000	\$89,819	\$92,819
Thurston	CAC of Lewis, Mason & Thurston Counties	Lewis, Mason, Thurston	\$3,000	\$152,493	\$155,493
Walla Walla	Blue Mountain Action Council	Columbia, Garfield, Walla Walla	\$3,000	\$88,127	\$91,127
Whitman	Community Action Center	Whitman	\$3,000	\$95,170	\$98,170
Yakima	Yakima Valley Farm Workers Clinic / NW Community Action Center	Yakima	\$3,000	\$168,719	\$171,719
TOTAL			\$51,000	\$1,521,612	\$1,572,612

Eligible Activities

CDBG Public Services Grants are available to improve or increase the community's public services. According the Section 105(a)(8) of Title 1 of the Housing and Community Development Act of 1974, as amended, CDBG public service funds will be

used for new services or expansion of services that benefit low-and moderate-income persons including, but not limited to:

- Employment
- Crime prevention
- Child care
- Health
- Drug abuse
- Education
- Energy conservation
- Welfare
- Recreational programs

The opportunity to receive General Purpose Grant funding of limited public service activities as a component of a larger facility or housing project is outlined in the General Purpose Grant Application Handbook.

Ineligible Activities

In general, any activity not described above and that does not principally benefit low- and moderate-income persons is ineligible for consideration.

CDBG Public Services Grants also cannot fund activities and their administration costs that are instead eligible for funding through another CDBG fund/line item, such as:

- Planning and community organization activities, not directly linked to the delivery of an eligible public service
- Housing rehabilitation, including weatherization
- Facility acquisition, construction or renovation

The methods for accessing CDBG funds for these activities not considered a CDBG public service activity can be found in the respective funds' sections of this Action Plan.

In addition, CDBG funds may not be used for:

- Administration costs for the general management of the organization
- Lobbying and political activities
- Direct payments to individuals for their food, clothing, utilities, or other income payments
- New housing construction costs, including administration of new housing development programs

The state CDBG program cannot fund activities that benefit residents in CDBG entitlement cities, since these cities receive CDBG funds directly from HUD. The ineligible CDBG entitlement cities, located in eligible CDBG nonentitlement counties are:

Anacortes	Longview	Richland
Bellingham	Mt Vernon	Wenatchee
East Wenatchee	Olympia	Yakima
Kennewick	Pasco	

Method of Funding Distribution

The CDBG program seeks to provide equitable access to public services funding for all CDBG nonentitlement areas of the state, which consists of 33 counties. Commerce assesses the CDBG nonentitlement services areas and coordinates with nonentitlement counties to determine the lead county applicants for Public Services Grants through the CDBG formula and local county prioritization processes.

The community action program network covers the entire state through local and regional community action agencies certified by the U.S. Department of Health and Human Services. Of the state's 31 community action programs, 17 community action programs serve CDBG nonentitlement counties. By allocating public services funding to the 17 lead counties and their regional community action programs, all CDBG nonentitlement areas of the state have access to public services funding.

Commerce allocates the available Public Services Grant funds among the 17 county/community action program recipients using a formula based on current population and poverty data. To ensure a foundation of funding for rural areas, a base award of \$50,000 is allocated to community action programs in only nonentitlement areas. A base award of \$25,000 is allocated to community action programs that also serve entitlement or neighboring state areas.

Each county/community action program must submit an application identifying the prioritized services to be funded and its budget, to be reviewed for Commerce approval prior to grant contracting. The application requirements are outlined in the CDBG Public Services Grant Application Handbook.

Relationship Between Public Services Grants and Other CDBG Funds.

An eligible local government can apply for more than one type of CDBG funding within the same year. However, a local government cannot apply for more than one Public Services Grant per program year.

2012 CDBG Supplemental Grants

Supplemental Grant requests are awarded on a funds available basis from the CDBG Contingency Fund. Supplemental Grant awards are intended as a last resort funding option for grantees whose approved projects have encountered unanticipated costs overruns. Once a Supplemental Grant is awarded, the supplemental funds are incorporated into the grant contract through an amendment process.

Amount of Funds Available

Up to \$200,000 is set-aside within the Contingency Fund to be made available for Supplemental Grants on a funds available basis. If unused funds are recaptured/deobligated when a CDBG grant contract is closed, these funds are added to the Contingency Fund and may become available for Supplemental Grants applicants based on the merit and urgency of the application, and on the availability of funding.

Eligible Applicants

An applicant for a Supplemental Grant must have an open CDBG grant contract.

Eligible Activities

Supplemental Grants are available to complete previously approved CDBG funded activities in communities with existing CDBG grant contracts that do not exceed the maximum grant amount.

Application Guidelines

Application Deadline

Applications for Supplemental Grants may be submitted anytime during the 2012 program year and are awarded on a funds available basis.

Application Requirements

Under normal circumstances, Commerce will not grant additional funds to pay for costs which exceed the originally approved project budget. However, subject to funds being available at the time of request, and CDBG funds not exceeding the original grant limit, Commerce may authorize the use of Contingency Funds for unanticipated costs caused by circumstances beyond the reasonable control of the grantee, provided that all other program requirements and objectives can be met.

All supplemental funding actions must obtain Commerce approval before any reimbursement of funds occurs.

A request for supplemental funding must be submitted in the form of a letter, signed by the authorized chief administrative officer of the eligible local government, which addresses the following questions and provides documentation for each response.

The application process for a Supplemental Grant is outlined in the CDBG Management Handbook, provided to each CDBG local government grant recipient.

All applicants for supplemental funds must answer the following questions:

- Has the grantee received the maximum CDBG grant amount according to grant limits for the funding year? Under special circumstances, giving consideration to the maximum average CDBG cost per household by program area, total awards may be increased to current year award levels.
- Can the goals (or part of the goals) of the project be realized without additional funds? If no, why not?
- Could the need for additional funds have been reasonably anticipated? If yes, why were appropriate steps not taken to prevent project cost overruns?
- Can the need for additional funds be met through an internal budget procedure (i.e., using money designated for another line item)?
- Are there alternative courses of action available to solve the problem?
- Have all other sources of funding been exhausted?

Method of Funding Distribution

Grantee requests will be subject to review for merit and urgency as determined by Commerce's review of the applicant's response to the questions as listed above in "Application Requirements."

Relationship Between Supplemental Grants and Other CDBG Funds

A CDBG recipient may apply for a Supplemental Grant for an existing project, as well as apply for any other CDBG fund for another project during the same program period.

2012 CDBG Contingency Fund

The Contingency Fund is the accumulation of recaptured/deobligated funds, remaining funds allocated to a grant fund that was unobligated at the end of the program year, and program income. These accumulated funds are carried over to the next program year and made available for new grant awards as described in the individual fund sections of this Action Plan.

Amount of Funds Available

The Contingency Fund balance changes throughout the year as current CDBG contracts end and deobligate funds into the Contingency Fund, and as new CDBG awards are made out of the Contingency Fund following the application/award processes of the CDBG funding programs.

Approximately \$1.2 million is currently available in the Contingency Fund. Commerce projects that an additional \$1,000,000 will become available from recaptured funds, program income or remaining funds.

Use of Funds

Commerce will make approximately \$1.8 million available to offset federal award reductions and fund high ranking 2012 General Purpose Grant applications. Commerce will also set aside \$200,000 for Supplemental Grants.

A balance of approximately \$100,000 is anticipated to be in the 2012 Contingency Fund at the beginning of the program year. Resources available in the Contingency Funds will be prioritized to first maintain the Imminent Threat Grant funding level at \$150,000; to assist existing CDBG grant contracts in need of supplemental funds; and then to fund priority, urgent projects identified through the individual CDBG funds' application/award processes on a funds-available basis.

2012 Contingency Funds will be used to cover awards made early before the state receives its HUD award. This process supports the timely expenditure of CDBG resources and assures that the immediate funding needs of a priority local project can be met.

Funds remaining in the Contingency Fund at the end of the program year will be carried over into the next program year's Contingency Fund and distributed in a manner that is consistent with the overall goals, objectives and guidelines of the Action Plan.

Application Requirements

The application requirements are outlined in the individual fund sections of this Action Plan.

CDBG-SUPPORTED LOAN FUND PROGRAM INFORMATION

2012 Section 108 Loan Guarantee Program

Section 108 is the loan guarantee provision of the Community Development Block Grant (CDBG) program. Section 108 provides communities with a source of financing for economic development. Regulations governing the Section 108 program may be found at 24 CFR 570, Subpart M, "Loan Guarantees." For a current list of obligations to date, see Table 18.

Although this pledge does not immediately reduce the state's CDBG allocation, future reductions due to payment default may result in the reduction of the state's annual award. Reduction to the state's annual award will be absorbed by the Contingency Fund. Reductions in excess of the available balance within the Contingency Fund will be absorbed by unobligated CDBG grant funds. Although there have been net reductions in the past, there were no net reductions occurring in program year 2012.

Amount of Funds Available

The state will pledge up to the amount of its 2012 CDBG allocation or \$12,000,000 (whichever is greater) to guarantee loans. This amount includes the existing \$1,980,000 currently outstanding. More resources may be made available, up to the maximum allowable by HUD, on a project-by-project basis at the discretion of Commerce's Director.

Application Guidelines

Application Deadline

Applications for the Section 108 Loan Guarantee Program may be submitted throughout the 2012 CDBG program year.

Application Requirements

Applications for the Section 108 Loan Guarantee Program will be reviewed and approved by Commerce staff. Applications must be submitted by eligible local governments. Applicants may request a minimum of \$700,000 and a maximum of \$4 million (approximately one third of the state's annual allocation). An eligible local government may submit more than one application each year; however, in no event shall a local government receive more than \$7 million in outstanding Section 108 Loan Guarantees. Application guidance can be found in the Section 108 regulations at 24 CFR 570.704, "Application Requirements."

An application will consist of:

- Evidence that the local government has complied with Citizen Participation Requirements, including at least one well publicized public hearing and the adoption of a CDBG Grievance Procedure;
- A loan guarantee request signed by the authorized chief administrative officer of the local government;

- Evidence that a concerted effort was made to obtain alternative sources of financing and that such sources, both public and private, were either not available or were insufficient to meet the financing needs;
- A breakdown of total project costs;
- Sufficient financial history and projections to allow for a comprehensive risk assessment and the completion of a credit memorandum by staff that is in compliance with HUD's Underwriting Guidelines for Section 108 Applications;
- A source and use of funds statement;
- Documentation supporting the job impact or other impact to low- and moderate-income persons;
- Assurance that all CDBG Program requirements will be met, and that HUD citations show that the proposed activity is eligible and meets one of the national objectives (low- and moderate-income benefit, prevention/elimination of slum/blight, or urgent need); and
- Evidence that the applicant local government has passed a resolution with Certifications of Compliance authorizing submittal of the CDBG Section 108 Loan Guarantee application and certifying compliance with specific state and federal requirements.

Eligible Activities

Section 108 Loan Guarantees are available for specifically allowed revenue-producing CDBG eligible activities. Section 108 Loan Guarantee funds may be used for activities undertaken by a public entity (or its designated public agency) or a business concern that will:

- Meet the public benefit criteria, set forth in 24 CFR 570.482(f); and
- Assure that all CDBG Program requirements will be met.

Activities eligible for Section 108 financing include:

- Economic development activities eligible under CDBG;
- Acquisition of real property;
- Rehabilitation of public-owned real property;
- Housing rehabilitation eligible under CDBG;
- Construction, reconstruction, or installation of public facilities (including street, sidewalk, and other site improvements);
- Related relocation, clearance, and site improvements;
- Payment of interest on the guaranteed loan and issuance costs of public offerings;
- Debt service reserves; and
- In limited circumstances, housing construction as part of community economic development.

For purposes of determining eligibility, the CDBG rules and requirements apply. As with the CDBG program, all projects and activities must either principally benefit low- and moderate-income persons, aid in the elimination or prevention of slums or blight, or meet urgent needs of the community.

Ineligible Activities

Activities not eligible for Section 108 Loan Guarantees include:

- Activities not meeting the public benefit criteria, as defined by HUD; and
- Activities ineligible under the CDBG program.

Requirements of Funding

The use of Section 108 Loan Guarantees will be considered only if the following requirements are met:

- The project meets the public benefit criteria, as defined by HUD;
- The project adheres to all CDBG Program requirements; and
- The project complies with all applicable federal, state, and local laws and regulations.

Method of Funding Distribution

Applications for Section 108 Loan Guarantee Program funds will be evaluated on an individual basis using the following criteria:

- Need for the assistance (i.e., the assistance is “appropriate” for the project);
- The ratio of jobs created to Section 108 Loan Guarantee funds requested is reasonable for the type of activity proposed. HUD’s requirement for individual businesses is a maximum of \$50,000 assistance per full-time equivalent, permanent job created or retained. However, the state must maintain its overall aggregate funding at \$35,000 per full-time equivalent for the CDBG program year;
- The project adheres to all CDBG Program requirements;
- The proposed repayment term is 20 years or less;
- Other reasonable financing alternatives have been exhausted; and
- Request for funds allows for a minimum of \$700,000 and a maximum of \$4 million.
- The sponsoring jurisdiction has less than \$7 million in outstanding 108 Loan Guarantees.

Review and Approval Process

Applications for Section 108 Loan Guarantees must be reviewed and approved by the state prior to being submitted to HUD. The state’s review will consist of an evaluation and recommendation by Commerce staff, which will include both the economic development and community development policy and financial assistance staff when appropriate; the Rural Washington Loan Fund Advisory Committee; and finally, approval by Commerce’s Assistant Director. The Assistant Director may place additional conditions on the loan guarantee and may require that up to 10 percent of the loan proceeds be reserved for defaulted loan payments.

The application and supporting documents will then be forwarded to the HUD Regional Office. After review and approval by the Regional Office staff, the application will be

forwarded to HUD Headquarters in Washington, D.C., for final review and approval. HUD may impose additional conditions on the loan guarantee.

Special Requirements

Applicants receiving approval:

- May be required to establish a reserve account of up to 10 percent of the loan amount;
- Will be charged an interest rate of the cost of borrowing plus a one-time commitment fee of up to 1½ percent of the loan amount; and
- Will pledge adequate collateral commensurate with the risk and term of the request.

Use of Section 108 Program Revenues

Any incremental servicing fees assessed over the cost of borrowing or commitment fee shall be used for administrative costs.

2012 Rural Washington Loan Fund

The Rural Washington Loan Fund (RWLF), administered by Commerce, was created by the Washington State Legislature to provide “gap financing” loans to small businesses, primarily in economically distressed and timber-impacted areas of the state. To conform to the State Constitution, the RWLF Program exchanges the state appropriated RWLF funds with an equal amount of CDBG Program funds. RWLF is guided by RCW 43.168, in addition to HUD regulations.

Amount of Funds Available

The RWLF Program anticipates funding authority of approximately \$5.2 million for the 2012 program year. In the event that the RWLF lacks sufficient resources to complete an eligible loan request at any point in the year, up to \$500,000 annually will be made available from the state’s award.

Application Guidelines

Application Deadline

Applications for RWLF loans are accepted throughout the year. Recommendations regarding applications will be made to the RWLF Advisory Committee. The committee’s recommendation requires the approval by Commerce’s Director.

Application Requirements

An application to the RWLF must be on behalf of a specific business project. An eligible local government may submit more than one application at any time. Applications up to a maximum of \$1,000,000 each may be accepted.

An application will consist of:

- An application signed by the authorized chief administrative officer of the local government;
- Documentation supporting the need for the assistance and job impact;
- Confirmation/documentation of authority of the business to enter into the transaction;
- Evidence that the local government has complied with Citizen Participation Requirements, including at least one well publicized public hearing and the adoption of a CDBG Grievance Procedure; and
- Assurance that all CDBG Program requirements will be met.

Eligible Applicants

The Washington State Legislature has targeted at least 80 percent of the RWLF funds to distressed and timber-impacted areas. A distressed area has been defined in RCW 43.168.020 as 1) a rural county (one that has less than 100 resident per square mile); 2) a county with an unemployment rate 20 percent above the state average for the immediately previous three years; 3) a county with a median household income level that is less than the state median household income for the previous three years; 4) A metropolitan statistical area, as defined by the office federal statistical policy and

standards, United States Department of Commerce, in which the average level of unemployment for the calendar year immediately preceding the year in which an application is filed under this chapter exceeds the average state unemployment for such calendar year by twenty percent; or 5) an area within a county that meets the following conditions:

- It is composed of contiguous census tracts;
- It has a minimum population of 5,000;
- It has a median household income level that is less than 75 percent of the state median household income for the previous three years; and
- It has at least seventy percent of its families and unrelated individuals with incomes below eighty percent of the county's median income for families and unrelated individuals; and
- It has an unemployment rate which is at least forty percent higher than the county's unemployment rate.

The county or any city within a distressed county may sponsor a RWLF application. Non-distressed areas may receive up to 20 percent of RWLF funds provided that the fund's net worth is not less than \$7,100,000 (cash plus loans receivables).

Eligible Activities

RWLF can accommodate almost any type of private sector business that has the legal authority to borrow funds. This includes owner-users, developers, not-for-profit organizations, and quasi-public corporations such as ports, limited partnerships, general partnerships, proprietorships, and community organizations. RWLF priority ventures include business projects that will:

- Meet public benefit criteria, as defined by HUD;
- Create or retain job opportunities benefiting low- and moderate-income persons; and
- Increase cash flow into the community by diversifying and expanding the economic base.

The business may be involved in any of the following activities:

- Manufacturing or other industrial production;
- Agricultural development or food processing;
- Aquaculture development or seafood processing;
- Development or improved utilization of natural resources;
- Tourism facilities;
- Transportation or freight facilities;
- Retail or service enterprises that will expand the community's economic base rather than redistribute an existing customer base; and
- Other activities representing new technology or a type of economic enterprise that is needed to diversify or stabilize the economic base of an area.

A business that faces a relatively high probability of layoffs needs to demonstrate that:

- Prospects for a turn-around of profitability are good;

- The economic fabric of the community would be significantly damaged through the projected loss of jobs; or
- The business has a record of providing jobs for which low-income persons are eligible.

Funds can be loaned for the acquisition, design and engineering, improvement, rehabilitation, construction, operation, or maintenance of any property, real or personal, which is used or is suitable for use by an economic enterprise (subpart CFR 570.203). Working capital term loans are eligible.

RWLF loans are typically used for “gap” financing, to help cover a “gap” between the costs of a financing project and the monies that can either be borrowed from other lenders or supplied by investors. As a “gap” lender, RWLF loans are usually limited to 33 percent of the project cost.

Ineligible Activities

Activities not eligible under the RWLF Program include:

- Funds used for the purpose of directly or indirectly financing shopping malls;
- Businesses which have a negative tangible net worth; and
- Those activities that do not meet the public benefit criteria, as defined by HUD.

Method of Funding Distribution

Applications for RWLF loans will be evaluated on an individual basis using the following criteria:

- The need for assistance must meet the public benefit requirements for the project. HUD’s public benefit requirement for individual businesses is a maximum of \$50,000 assistance per full-time equivalent, permanent job created or retained. HUD’s standards for activities in the aggregate portfolio must create or retain at least one full-time equivalent (FTE), permanent job per \$35,000 of CDBG funds used;
- Fifty one percent of permanent jobs created or retained as a result of the project will be made available to low and moderate income persons; and
- Other criteria as defined by RWLF statute.

Use of RWLF Program Revenues

Businesses receiving assistance through the RWLF are required to make principal and interest payments. Up to 2 percent of program income, including principal and interest and investment earnings received by the fund may be used for RWLF Program administration. The balance of the program income will be made available for future loans through the RWLF Program.

2012 CDBG Float-Funded Activities

The CDBG Float-Funded Activities program serves the nonentitlement local governments by using CDBG funds allocated to the Washington State CDBG Program, but not expected to be drawn down for the duration of the loan term. These funds may be used to provide short-term loans to businesses/developers. Float-funded activities are described in the HUD regulations at 24 CFR 570.301(b).

Amount of Funds Available

The maximum amount of funding for 2012 Float-Funded Activities is \$11,970,000. This amount is calculated as 50 percent of the state's anticipated annual allocation, 30 percent of the state's past year allocation, and 10% of the state's prior year allocation. For projected and existing Float-Funded activity obligations, see Table 17.

Application Guidelines

Application Deadline

Applications for CDBG Float-Funded Activities may be submitted anytime after adoption of the 2012 Action Plan. The decisions related to project approval or denial will be made by Commerce's Director.

Application Requirements

An application for a Float-Funded Activity must be on behalf of a specific economic or community development project. An eligible local government may submit more than one application at any time.

An application will consist of:

- An application signed by the authorized chief administrative officer of the local government;
- Documentation supporting the need for the assistance and job impact or benefit to low- and moderate-income persons;
- Confirmation/documentation of authority of the business or community development organization, or local government to enter into the transaction;
- Evidence that the local government has complied with Citizen Participation Requirements, including: at least one well-publicized public hearing and the adoption of a CDBG grievance procedure, assurance that all CDBG program requirements will be met; and
- Submittal of an unconditional, irrevocable Letter of Credit drawn from a financial institution acceptable to Commerce in the amount of the request. Commerce may require that the letter of credit be enlarged to cover accrued interest. The maximum term of the loan is 30 months.

Eligible Activities

Float-Funded Activities can accommodate almost any type of private sector business or nonprofit organization that has the legal authority to borrow funds. This includes owners, developers, and quasi-public corporations such as ports, limited partnerships,

general partnerships, proprietorships and community organizations. Float-Funded Activities can be made in support of CDBG-eligible economic development projects.

Float-Funded Activities priority ventures include business projects that will:

- Meet public benefit criteria, as defined by HUD;
- Meet either the HUD National Objective of creation or retention of job opportunities principally benefiting low- and moderate-income persons or of principally benefiting low- and moderate-income persons or families;
- Create or retain job opportunities benefiting low- and moderate-income persons; and
- Increase cash flow into the community by diversifying and expanding the economic base.

Participating businesses may be involved in any of the following activities:

- Manufacturing or other industrial production;
- Agricultural development or food processing;
- Aquaculture development or seafood processing;
- Development or improved utilization of natural resources;
- Tourism facilities;
- Transportation or freight facilities;
- Retail or service enterprises that will expand the community's economic base rather than redistribute an existing customer base; and
- Other activities representing new technology or a type of economic enterprise that is needed to diversify or stabilize the economic base of an area.

Funds can be loaned to a business for acquisition, design and engineering, improvement, rehabilitation, construction, operation or maintenance of any property, real or personal, which is used or is suitable for use by an economic enterprise (subpart CFR 570.203). Working capital loans are eligible.

Ineligible Activities

Activities not eligible for Float-Funded Activities include:

- Those activities that do not meet public benefit criteria, as defined by HUD.

Requirements for Funding

The interim use of CDBG funds will be allowed only if the following requirements are met:

- The business must demonstrate that public financing of the project provides a public benefit that at least meets or exceeds HUD requirements to create or retain jobs. HUD's requirement for individual businesses is a maximum of \$50,000 assistance per full-time equivalent, permanent job created or retained. HUD standards for activities in the aggregate portfolio must create or retain at least one full-time equivalent (FTE) job per \$35,000 of CDBG funds used.
- The business or project sponsor must provide for the benefit of the local government/Commerce an unconditional, irrevocable line of credit in U.S. dollars

- in the full amount of the principal, plus interest if required, due under the loan from a financial institution acceptable to Commerce;
- The business must agree to create jobs, the majority of which will be made available to low- and moderate-income persons. Retention of jobs can also be considered as a qualifying factor;
 - The business must work with the local WorkSource office and enter into a hiring agreement to make jobs available to low- and moderate-income persons.
 - The business must agree to comply with all applicable federal, state and local laws and regulations.

Method of Funding Distribution

Applications for Float-Funded Activities will be evaluated on an individual basis using the following criteria:

- Need for assistance – The assistance requested meets the public benefit criteria, as defined by HUD; and
- Job creation – Permanent jobs created or retained as a result of the project will be made available to low- and moderate-income persons.

Commerce's CDBG and Economic Development, Policy and Financial Assistance staff will review each application. Commerce reserves the right to require (upon 10 days written notice) payment of a loan in full or in part.

Use of Float-Funded Activity Program Income Float-Funded Activity program income will be treated as additional CDBG funds subject to 24 CFR 570.489 Subpart I, and will be distributed to units of general local government in accordance with the state's approved annual method of distribution. Float-Funded Activity program income may also be used to reimburse administrative expenses incurred by the program staff directly involved in packaging Float-Funded Activity projects.

Other 2012 CDBG Program Guidelines

Reallocated Funds

Reallocated funds are those that HUD has recaptured from a grantee and reallocated to the state in accordance with the Community Development Act of 1974, as amended. Reallocated funds that are received by the state with the annual grant will be made available to eligible local governments through 2010 funding distribution processes in accordance with the methods of distribution described in this statement.

Recaptured Funds

Recaptured funds are funds that remain unused by grantees at the point of the grant contract's completion and are deobligated. These funds will be redistributed according to the guidelines in this section.

Recapture of Funds Policy

It is Commerce's policy to recapture and retain (deobligate) unspent CDBG funds from any CDBG award when it is clear that the recapture will not preclude local ability to complete approved activities. Most commonly, funds are recaptured during the administrative closeout process of a CDBG grant contract.

For General Purpose Grants only, an exception to this policy may be made under the following special circumstance:

- Up to 2 percent of the grant recipient's total grant amount, to a maximum of \$10,000, may be retained for CDBG eligible activities, subject to written approval by Commerce;
- Use of unexpended funds for new activities will be limited to instances where previously approved project activities will be measurably enhanced as reviewed and approved by Commerce; and
- The use for which a local government requests to retain unexpended funds must meet CDBG rating criteria and the Action Plan criteria for the year in which the funds were originally awarded.

Use of Recaptured Funds

Recaptured funds will be placed within the Contingency Fund and distributed in a manner that is consistent with the overall goals, objectives and guidelines of this Action Plan.

Remaining Funds

Remaining funds are funds that have not been, or are no longer intended to be distributed according to the method of distribution for annual grants. This can be an amount left over after awarding grants within an individual CDBG program, but too small to fully fund an application.

Funds not distributed by the end of the CDBG program year, June 30th, will be placed in the Contingency Fund and distributed in a manner that is consistent with the overall goals, objectives and guidelines of this Action Plan.

Change in Use Policy

All real property acquired or improved with CDBG funds must be used to benefit the intended low- and moderate-income beneficiaries for at least ten years from the administrative closeout date of the CDBG grant contract between Commerce and the grantee local government. Any proposed change in use must follow the steps outlined in 24 CFR 570.489(j).

Entitlement/Nonentitlement Policy

The state CDBG program can fund projects benefiting both entitlement and nonentitlement area residents only when at least 51 percent of the project beneficiaries are documented as being full-time residents of the nonentitlement areas, the applicant clearly documents how the state CDBG program does not fund a disproportionate level of the project costs, the nonentitlement applicant certifies the project is consistent with their community development plans, and other conditions are met as outlined in the state CDBG program's Entitlement/Nonentitlement Policy that is available upon request.

Program Income

Program income is any income generated from the use of CDBG program funds that totals at least \$25,000 in a calendar year, in accordance with 24 CFR 570.489(e).

Under federal CDBG regulations, it is Commerce's option to require local governments return program income to the state or to allow the local government to use the program income for current and future CDBG eligible activities. Commerce has decided to allow local governments to use their program income for CDBG eligible activities if the local government has a Program Income Plan approved by Commerce.

Program income received during an open CDBG grant, whether from current activities or prior activities, must be used prior to drawing additional CDBG grant funds, and must be accounted for on each payment request to Commerce.

Program income earned after project completion, but before administrative closeout, may be subject to the Recapture of Funds Policy.

Program income received by the local government or its subrecipient after project completion and administrative closeout, retains its federal identify and must be reported to Commerce annually if it exceeds \$25,000 in any calendar year.

Under 24 CFR 570.489(e)(2)(ii), which exempts program income for activities carried out by neighborhood-based nonprofit organizations authorized under Section 105(a) of the Act, Commerce may, with prior approval, allow a local government's qualified subrecipient to retain program income for the continuance of eligible activities and to release its federal identity and reporting requirements.

Rural Washington Loan Fund Grants (RWLF)

Businesses receiving assistance through RWLF are required to make principal and interest payments. Up to 2 percent of program income including principal, interest and investment earnings received by the fund may be used for RWLF program administration. The balance of program income will be made available for future loans through the RWLF program, in a manner that is consistent with the overall goals and objectives of the RWLF program.

Float-Funded Activities

Local governments receiving a Float-Funded Activity award will be required to return the full principal plus interest to Commerce. Float-Funded Activity program income will be treated as additional CDBG funds subject to 24 CFR 570.489 Subpart I, and will be distributed to units of general local governments in accordance with the state's approved annual method of distribution.

Miscellaneous Revenue

The estimated amount of program income expected to be received in 2012 from float-funded activities is \$88,800.

Float-Funded Activities - No float-funded defaults are anticipated in 2012 since float-loans are secured by bank-supported irrevocable letters of credit, which are renewed annually to stay in effect. Refer to Table 17 below for a detail of current float loans.

Table 17: Detail of Current CDBG Float Loans

Detail of Estimated 2012 Program Income from New and Current Float-Funded Activities	Location	Float-Funded Activities Amount	Est. 2012 Income	Issue Date	Due Date
Grassland West	Clarkston	\$340,000	\$6,800	2005	2/18/2008*
Barr Tech, LLC	Lincoln Co.	\$2,000,000	\$82,000	2009	2/13/2012
Totals:		\$2,340,000	\$88,800		

* Grassland West: The letter of credit securing this loan was withdrawn by the issuer without the Department of Commerce being notified by the co-beneficiary. Substitute collateral in the form of a first Deed of Trust on commercial real estate was negotiated. The loan balance has now been demanded. If not paid in a reasonable period of time, Commerce will commence foreclosure proceeding on the commercial real estate. No loss is anticipated.

Tables 18 and 19 below provide detail on the CDBG-supported Section 108 Loan Guarantee fund for economic development.

Table 18: Detail of Existing Section 108 Loan Guarantee Projects

Detail of Existing Section 108 Loan Guarantee Projects	Location	Year	Original Amount	Balance as of 12/11	CDBG Fund Losses	Maturity Date
Shilo Inn	Ocean Shores	1994	\$3,600,000	\$630,000	\$0	1-Aug-13
Everybody's of Raymond	Raymond	2000	\$1,960,000	\$660,000	\$0	1-Aug-16
Grays Harbor PDA	Grays Harbor Co.	2001	\$4,565,000	\$0	\$0	1-Aug-21
Maritime Center	Port Townsend	2001	\$1,000,000	\$690,000	\$0	1-Aug-21
Total:			\$11,125,000	\$1,980,000	\$0	

Table 19: Section 108 Loan Guarantee Available in 2012

Section 108 Loan Guarantee Available in 2012	Amount
Obligated as of 5/1/12	\$1,980,000
Unobligated as of 5/1/12	\$10,020,000
Total:	\$12,000,000

APPENDIX

Forms and Certifications

**APPLICATION FOR
FEDERAL ASSISTANCE**

OMB Approved No. 3076-0006

Version 7/03

2. DATE SUBMITTED	Applicant Identifier
3. DATE RECEIVED BY STATE	State Application Identifier
4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier B-12-DC-53-0001

1. TYPE OF SUBMISSION: Application	Pre-application
<input type="checkbox"/> Construction	<input type="checkbox"/> Construction
<input checked="" type="checkbox"/> Non-Construction	<input type="checkbox"/> Non-Construction

5. APPLICANT INFORMATION

Legal Name: Washington State	Organizational Unit: Department: Department of Commerce
Organizational DUNS: 808-88-2302	Division: Local Government and Infrastructure
Address: Street: 1011 Plum St SE	Name and telephone number of person to be contacted on matters involving this application (give area code) Prefix: Ms.
City: Olympia	First Name: Kaaren
County: Thurston	Middle Name
State: WA	Last Name Roe
Zip Code: 98504	Suffix:
Country: USA	Email: kaaren.roe@commerce.wa.gov

6. EMPLOYER IDENTIFICATION NUMBER (EIN): 91-0823820	Phone Number (give area code) (360) 725-3018	Fax Number (give area code) (360) 586-8440
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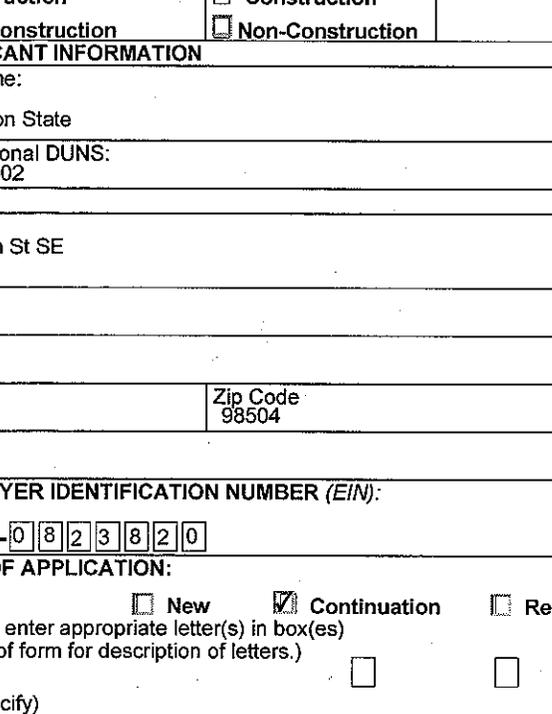
8. TYPE OF APPLICATION: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify)	7. TYPE OF APPLICANT: (See back of form for Application Types) A. State Other (specify)
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10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): State Community Development Block Grant 14-228	9. NAME OF FEDERAL AGENCY: US Department of Housing and Urban Development
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): Non-entitlement areas of Washington State	11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: 2012 WA State Community Development Block Grant

13. PROPOSED PROJECT Start Date: 7/01/2012	Ending Date: 6/30/2013	14. CONGRESSIONAL DISTRICTS OF: a. Applicant Third	b. Project Statewide
---	---------------------------	---	-------------------------

15. ESTIMATED FUNDING:	16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?
a. Federal \$ 12,141,100.00	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:
b. Applicant \$ 242,822.00	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372
c. State \$.00	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW
d. Local \$.00	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?
e. Other \$.00	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No
f. Program Income \$.00	
g. TOTAL \$ 12,383,922.00	

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Authorized Representative		
Prefix	First Name Karen	Middle Name J.
Last Name Larkin	Suffix	
b. Title Assistant Director, Local Government and Infrastructure Division, WA St Dept of Commerce	c. Telephone Number (give area code) (360) 725-3003	
d. Signature of Authorized Representative 	e. Date Signed May 14, 2012	

INSTRUCTIONS FOR THE SF-424

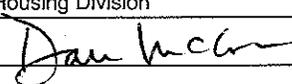
Public reporting burden for this collection of information is estimated to average 45 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0043), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

This is a standard form used by applicants as a required face sheet for pre-applications and applications submitted for Federal assistance. It will be used by Federal agencies to obtain applicant certification that States which have established a review and comment procedure in response to Executive Order 12372 and have selected the program to be included in their process, have been given an opportunity to review the applicant's submission.

Item:	Entry:	Item:	Entry:																
1.	Select Type of Submission.	11.	Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction or real property projects), attach a map showing project location. For preapplications, use a separate sheet to provide a summary description of this project.																
2.	Date application submitted to Federal agency (or State if applicable) and applicant's control number (if applicable).	12.	List only the largest political entities affected (e.g., State, counties, cities).																
3.	State use only (if applicable).	13.	Enter the proposed start date and end date of the project.																
4.	Enter Date Received by Federal Agency Federal identifier number: If this application is a continuation or revision to an existing award, enter the present Federal Identifier number. If for a new project, leave blank.	14.	List the applicant's Congressional District and any District(s) affected by the program or project																
5.	Enter legal name of applicant, name of primary organizational unit (including division, if applicable), which will undertake the assistance activity, enter the organization's DUNS number (received from Dun and Bradstreet), enter the complete address of the applicant (including country), and name, telephone number, e-mail and fax of the person to contact on matters related to this application.	15.	Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate only the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item 15.																
6.	Enter Employer Identification Number (EIN) as assigned by the Internal Revenue Service.	16.	Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process.																
7.	Select the appropriate letter in the space provided. <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">A. State</td> <td style="width: 50%;">I. State Controlled Institution of Higher Learning</td> </tr> <tr> <td>B. County</td> <td>J. Private University</td> </tr> <tr> <td>C. Municipal</td> <td>K. Indian Tribe</td> </tr> <tr> <td>D. Township</td> <td>L. Individual</td> </tr> <tr> <td>E. Interstate</td> <td>M. Profit Organization</td> </tr> <tr> <td>F. Intermunicipal</td> <td>N. Other (Specify)</td> </tr> <tr> <td>G. Special District</td> <td>O. Not for Profit Organization</td> </tr> <tr> <td>H. Independent School District</td> <td></td> </tr> </table>	A. State	I. State Controlled Institution of Higher Learning	B. County	J. Private University	C. Municipal	K. Indian Tribe	D. Township	L. Individual	E. Interstate	M. Profit Organization	F. Intermunicipal	N. Other (Specify)	G. Special District	O. Not for Profit Organization	H. Independent School District		17.	This question applies to the applicant organization; not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.
A. State	I. State Controlled Institution of Higher Learning																		
B. County	J. Private University																		
C. Municipal	K. Indian Tribe																		
D. Township	L. Individual																		
E. Interstate	M. Profit Organization																		
F. Intermunicipal	N. Other (Specify)																		
G. Special District	O. Not for Profit Organization																		
H. Independent School District																			
8.	Select the type from the following list: <ul style="list-style-type: none"> • "New" means a new assistance award. • "Continuation" means an extension for an additional funding/budget period for a project with a projected completion date. • "Revision" means any change in the Federal Government's financial obligation or contingent liability from an existing obligation. If a revision enter the appropriate letter: <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">A. Increase Award</td> <td style="width: 50%;">B. Decrease Award</td> </tr> <tr> <td>C. Increase Duration</td> <td>D. Decrease Duration</td> </tr> </table> 	A. Increase Award	B. Decrease Award	C. Increase Duration	D. Decrease Duration	18.	To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)												
A. Increase Award	B. Decrease Award																		
C. Increase Duration	D. Decrease Duration																		
9.	Name of Federal agency from which assistance is being requested with this application.																		
10.	Use the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested.																		

**APPLICATION FOR
FEDERAL ASSISTANCE**

1. TYPE OF SUBMISSION: Application		2. DATE SUBMITTED	Applicant Identifier
<input type="checkbox"/> Construction	Pre-application	3. DATE RECEIVED BY STATE	State Application Identifier
<input checked="" type="checkbox"/> Non-Construction	<input type="checkbox"/> Construction	4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier
<input type="checkbox"/> Non-Construction			
5. APPLICANT INFORMATION			
Legal Name:		Organizational Unit:	
State of Washington		Department: Department of Commerce	
Organizational DUNS: 808-88-2302		Division: Community Services and Housing	
Address:		Name and telephone number of person to be contacted on matters involving this application (give area code)	
Street: 1011 Plum Street		Prefix:	First Name: Mollie
City: Olympia		Middle Name	
County: Thurston		Last Name Gaspar	
State: WA	Zip Code 98504-2525	Suffix:	
Country: USA		Email: mollie.gaspar@commerce.wa.gov	
6. EMPLOYER IDENTIFICATION NUMBER (EIN):		Phone Number (give area code)	Fax Number (give area code)
91-0823820		360-725-2943	360-586-5880
8. TYPE OF APPLICATION:		7. TYPE OF APPLICANT: (See back of form for Application Types)	
<input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision		State Government	
If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.)		Other (specify)	
Other (specify)		9. NAME OF FEDERAL AGENCY:	
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:	
TITLE (Name of Program):		Washington State HOPWA Program	
14-241			
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):			
Washington State			
13. PROPOSED PROJECT		14. CONGRESSIONAL DISTRICTS OF:	
Start Date: 7/1/12	Ending Date: 6/30/13	a. Applicant Third	b. Project Statewide
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?	
a. Federal	\$ 728,203 ⁰⁰	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON	
b. Applicant	\$ ⁰⁰	DATE:	
c. State	\$ ⁰⁰	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
d. Local	\$ ⁰⁰	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
e. Other	\$ ⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?	
f. Program Income	\$ ⁰⁰	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No	
g. TOTAL	\$ 728,203 ⁰⁰		
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.			
a. Authorized Representative			
Prefix	First Name Dan	Middle Name	
Last Name McConnon			Suffix
b. Title Deputy Director, Community Services and Housing Division	c. Telephone Number (give area code) 360-725-2910		
d. Signature of Authorized Representative 	e. Date Signed 5/9/12		

APPLICATION FOR FEDERAL ASSISTANCE

1. TYPE OF SUBMISSION: Application		2. DATE SUBMITTED	Applicant Identifier
<input type="checkbox"/> Construction	Pre-application	3. DATE RECEIVED BY STATE	State Application Identifier
<input checked="" type="checkbox"/> Non-Construction	<input type="checkbox"/> Construction	4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier
	<input type="checkbox"/> Non-Construction		

5. APPLICANT INFORMATION

Legal Name:	State of Washington	Organizational Unit:	Department: Department of Commerce
Organizational DUNS: 808-88-2302		Division:	Community Services and Housing
Address:	Name and telephone number of person to be contacted on matters involving this application (give area code)		
Street: 1011 Plum Street	City: Olympia	Prefix:	First Name: Michelle
County: Thurston	State: WA	Zip Code: 98504-2525	Middle Name:
Country: USA			Last Name: Campbell
			Suffix:
			Email: michelle.campbell@commerce.wa.gov

6. EMPLOYER IDENTIFICATION NUMBER (EIN):
91-0823820

8. TYPE OF APPLICATION:
 New Continuation Revision
 If Revision, enter appropriate letter(s) in box(es)
 (See back of form for description of letters.)
 Other (specify)

7. TYPE OF APPLICANT: (See back of form for Application Types)
 State Government
 Other (specify)

9. NAME OF FEDERAL AGENCY:

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:
 TITLE (Name of Program): 14-239

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:
 Washington State HOME Program

12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):
 Washington State

13. PROPOSED PROJECT
 Start Date: 7/1/12 Ending Date: 6/30/13

14. CONGRESSIONAL DISTRICTS OF:
 a. Applicant Third b. Project Statewide

15. ESTIMATED FUNDING:	16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?
a. Federal \$ 5,373,699 ⁰⁰	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:
b. Applicant \$ ⁰⁰	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372
c. State \$ ⁰⁰	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW
d. Local \$ ⁰⁰	
e. Other \$ ⁰⁰	
f. Program Income \$ ⁰⁰	
g. TOTAL \$ 5,373,699 ⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?
	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No

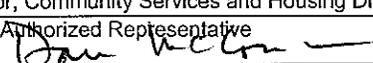
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

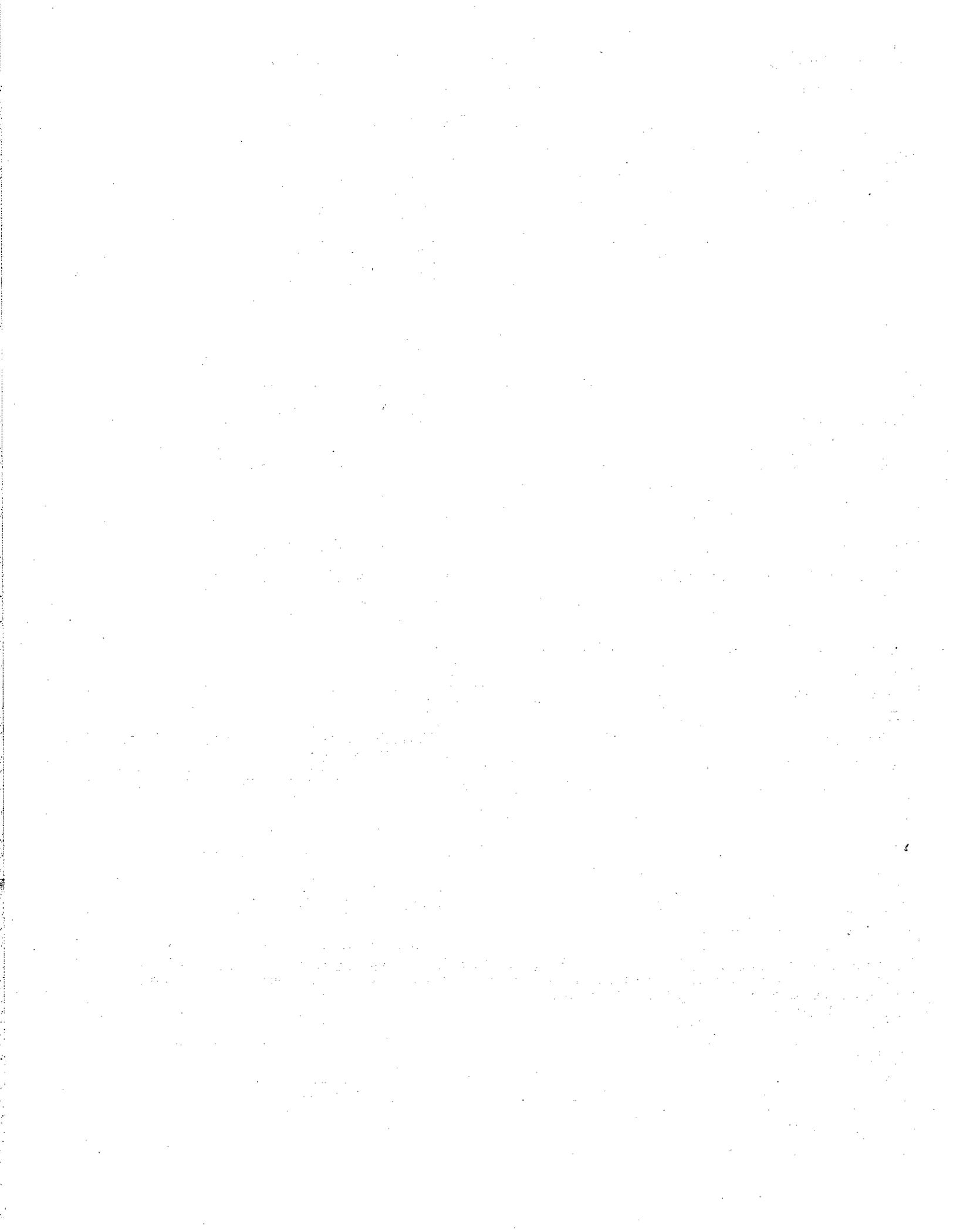
a. Authorized Representative

Prefix	First Name Dan	Middle Name
Last Name McConnon		Suffix
b. Title Deputy Director, Community Services and Housing Division	c. Telephone Number (give area code) 360-725-2910	e. Date Signed 5/9/12
d. Signature of Authorized Representative <i>Dan McConnon</i>		

Main body of handwritten text, appearing as a list or series of entries, though the characters are extremely faint and difficult to decipher.

**APPLICATION FOR
FEDERAL ASSISTANCE**

		2. DATE SUBMITTED	Applicant Identifier	
1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		3. DATE RECEIVED BY STATE	State Application Identifier	
Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction		4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier	
5. APPLICANT INFORMATION				
Legal Name:		Organizational Unit:		
State of Washington		Department: Department of Commerce		
Organizational DUNS: 808-88-2302		Division: Community Services and Housing		
Address:		Name and telephone number of person to be contacted on matters involving this application (give area code)		
Street: 1011 Plum Street		Prefix:	First Name: Kathy	
City: Olympia		Middle Name		
County: Thurston		Last Name Kinard		
State: WA	Zip Code 98504-2525	Suffix:		
Country: USA		Email: kathy.kinard@commerce.wa.gov		
6. EMPLOYER IDENTIFICATION NUMBER (EIN):		Phone Number (give area code)	Fax Number (give area code)	
91-0823820		360-725-2939	360-586-5880	
8. TYPE OF APPLICATION:		7. TYPE OF APPLICANT: (See back of form for Application Types)		
<input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.)		State Government Other (specify)		
Other (specify)		9. NAME OF FEDERAL AGENCY:		
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:		
TITLE (Name of Program):		Washington State ESG Program		
14-231				
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):				
Washington State				
13. PROPOSED PROJECT		14. CONGRESSIONAL DISTRICTS OF:		
Start Date: 7/1/12	Ending Date: 6/30/13	a. Applicant Third	b. Project Statewide	
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?		
a. Federal	\$ 2,488,958 ⁰⁰	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON		
b. Applicant	\$ ⁰⁰	DATE:		
c. State	\$ ⁰⁰	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372		
d. Local	\$ ⁰⁰	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW		
e. Other	\$ ⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?		
f. Program Income	\$ ⁰⁰	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No		
g. TOTAL	\$ 2,488,958 ⁰⁰			
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.				
a. Authorized Representative				
Prefix	First Name Dan	Middle Name		
Last Name McConnon		Suffix		
b. Title Deputy Director, Community Services and Housing Division		c. Telephone Number (give area code) 360-725-2910		
d. Signature of Authorized Representative 		e. Date Signed 5/9/12		





CPMP State Grantee Certifications

Many elements of this document may be completed electronically, however a signature must be manually applied and the document must be submitted in paper form to the Field Office.

<input type="checkbox"/>	This certification does not apply.
<input checked="" type="checkbox"/>	This certification is applicable. See signature on the last page.

STATE CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing -- The State will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the state, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace -- It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about -
 - a. The dangers of drug abuse in the workplace;
 - b. The grantee's policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -
 - a. Abide by the terms of the statement; and
 - b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted -
 - a. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - b. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

Jurisdiction

Anti-Lobbying -- To the best of the state's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

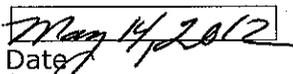
Authority of State -- The submission of the consolidated plan is authorized under State law and the State possesses the legal authority to carry out the programs under the consolidated plan for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.



Signature/Authorized Official



Date

Karen J. Larkin

Name

Assitant Director

Title

1011 Plum St SE

Address

Olympia, WA 98504-2525

City/State/Zip

(360) 725-3003

Telephone Number

This certification does not apply.
 This certification is applicable. See signature on the last page.

Specific CDBG Certifications

The State certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR §91.115 and each unit of general local government that receives assistance from the State is or will be following a detailed citizen participation plan that satisfies the requirements of 24 CFR §570.486.

Consultation with Local Governments -- It has or will comply with the following:

1. It has consulted with affected units of local government in the nonentitlement area of the State in determining the method of distribution of funding;
2. It engages in or will engage in planning for community development activities;
3. It provides or will provide technical assistance to units of local government in connection with community development programs; and
4. It will not refuse to distribute funds to any unit of general local government on the basis of the particular eligible activity selected by the unit of general local government to meet its community development needs, except that a State is not prevented from establishing priorities in distributing funding on the basis of the activities selected.

Local Needs Identification -- It will require each unit of general local government to be funded to identify its community development and housing needs, including the needs of low-income and moderate-income families, and the activities to be undertaken to meet these needs.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objectives of Title I of the Housing and Community Development Act of 1974, as amended. (See 24 CFR 570.2 and 24 CFR part 570)

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority - With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
2. Overall Benefit - The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) 2012, 2____, 2____, (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;
3. Special Assessments - The state will require units of general local government that receive CDBG funds to certify to the following:

It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed

Jurisdiction

by a source other than CDBG funds.

It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing:

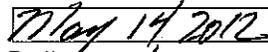
1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Compliance with Laws -- It will comply with applicable laws.



Signature/Authorized Official



Date

Karen J. Larkin

Name

Assistant Director

Title

1011 Plum St SE

Address

Olympia, WA 98504-2525

City/State/Zip

(360) 725-3003

Telephone Number

<input type="checkbox"/> This certification does not apply.
<input checked="" type="checkbox"/> This certification is applicable. See signature on the last page.

Specific HOME Certifications

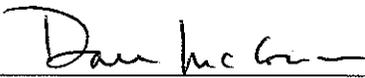
The State certifies that:

Tenant Based Rental Assistance -- If it intends to provide tenant-based rental assistance:

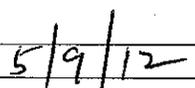
The use of HOME funds for tenant-based rental assistance is an essential element of the State's consolidated plan.

Eligible Activities and Costs -- It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through §92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

Appropriate Financial Assistance -- Before committing any funds to a project, the State or its recipients will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;



Signature/Authorized Official



Date

Dan McConnon

Name

Deputy Director

Title

1011 Plum St SE

Address

Olympia, WA 98504-2525

City/State/Zip

(360) 725-2910

Telephone Number

This certification does not apply.
 This certification is applicable. See signature on the last page.

HOPWA Certifications

The State HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under the program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of any building or structure purchased, leased, rehabilitated, renovated, or converted with HOPWA assistance,
2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

Dan McConnon
Signature/Authorized Official

5/9/12
Date

Dan McConnon

Name

Deputy Director

Title

1011 Plum St SE

Address

Olympia, WA 98504-2525

City/State/Zip

(360) 725-2910

Telephone Number

This certification does not apply.
 This certification is applicable. See signature on the last page.

ESG Certifications

The Emergency Shelter Grantee certifies that:

1. The requirements of 24 *CFR* 576.21(a)(4) which provide that the funding of homeless prevention activities for families that have received eviction notices or notices of termination of utility services meet the following standards: (A) that the inability of the family to make the required payments must be the result of a sudden reduction in income; (B) that the assistance must be necessary to avoid eviction of the family or termination of the services to the family; (C) that there must be a reasonable prospect that the family will be able to resume payments within a reasonable period of time; and (D) that the assistance must not supplant funding for preexisting homeless prevention activities from any other source.
2. The requirements of 24 *CFR* 576.25(b)(2) concerning the submission by nonprofit organizations applying for funding of a certification of approval of the proposed project(s) from the unit of local government in which the proposed project is located.
3. The requirements of 24 *CFR* 576.53 concerning the continued use of buildings for which Emergency Shelter Grant funds are used for rehabilitation or conversion of buildings for use as emergency shelters for the homeless; or when funds are used solely for operating costs or essential services, concerning the population to be served.
4. The building standards requirement of 24 *CFR* 576.55.
5. The requirements of 24 *CFR* 576.56, concerning assistance to the homeless.
6. The requirements of 24 *CFR* 576.57, other appropriate provisions of 24 *CFR* Part 576, and other applicable Federal law concerning nondiscrimination and equal opportunity.
7. The requirements of 24 *CFR* 576.59(b) concerning the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
8. The requirements of 24 *CFR* 576.59 concerning minimizing the displacement of persons as a result of a project assisted with these funds.
9. (9) The requirements of 24 *CFR* 576.56(a) and 576.65(b) that grantees develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the Emergency Shelter Grants Program and that the address or location of any family violence shelter project assisted with ESG funds will not be made public, except with written authorization of the person or persons responsible for the operation of the shelter.
10. The requirement of that recipients involve, to the maximum extent practicable, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, and in providing services for occupants of these facilities as provided by 24 *CFR* 576.56(b)(2).
11. The new requirement of the McKinney Act (42 *USC* 11362) to develop and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons. I further understand that State and local governments are primarily responsible for the care of these individuals, and that ESG funds are not to be used to assist such persons in place of State and local resources.

I certify that the State will comply with the requirements of 24 *CFR* Part 24 concerning the Drug Free Workplace Act of

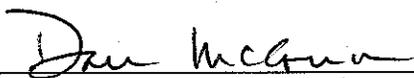
Jurisdiction

1988.

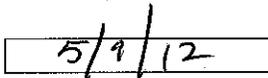
I certify that the State will comply with the provisions of, and regulations and procedures applicable under 24 *CFR* 576.57(e) with respect to the environmental review responsibilities under the National Environmental Policy Act of 1969 and related authorities as specified in 24 *CFR* Part 58 as applicable to activities of nonprofit organizations funded directly by the State. The State also agrees to assume the Department's responsibility and authority as set forth in 24 *CFR* 576.57(e) for acting on the environmental certifications and requests for the release of funds submitted to the State by local government recipients.

I certify that the State will ensure the provision of the matching funds required by 24 *CFR* 576.51 and 42 *USC* 11375, including a description of the sources and amounts of such supplemental funds, as provided by the State, units of general local government or nonprofit organizations.

I further certify that the submission of a complete and approved Consolidated Plan with its relevant certifications, which is treated as the application for an Emergency Shelter Grant, is authorized under State law, and that the State possesses legal authority to fund the carrying out of grant activities by units of general local government and nonprofit organizations in accordance with applicable laws and regulations of the Department of Housing and Urban Development.



Signature/Authorized Official



Date

Name

Title

Address

City/State/Zip

Telephone Number

This certification does not apply.
 This certification is applicable. See signature on the last page.

APPENDIX TO CERTIFICATIONS

Instructions Concerning Lobbying and Drug-Free Workplace Requirements

Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).
6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant: Place of Performance (Street address, city, county, state, zip code)
 Check if there are workplaces on file that are not identified here. The certification with regard to the drug-free workplace is required by 24 CFR part 21.

Place Name	Street	City	County	State	Zip
Department of Commerce Town Square Building	1011 Plum St SE	Olympia	Thurston	WA	98504

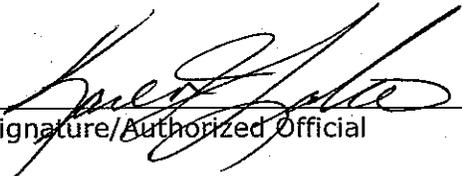
7. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules: "Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15); "Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes; "Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance; "Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including:
 - i. All "direct charge" employees;
 - ii. all "indirect charge" employees unless their impact or involvement is insignificant to the

Jurisdiction

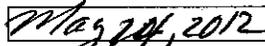
- iii. performance of the grant; and temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

Note that by signing these certifications, certain documents must be completed, in use, and on file for verification. These documents include:

1. Analysis of Impediments to Fair Housing
2. Citizen Participation Plan
3. Anti-displacement and Relocation Plan



Signature/Authorized Official



Date

Karen J. Larkin

Name

Assistant Director

Title

1011 Plum St SE

Address

Olympia, WA 98504-2525

City/State/Zip

(360) 725-3003

Telephone Number