Consolidated Annual Performance

&

Evaluation Report

Program Year 2018

TRI-CITIES HOME CONSORTIUM

KENNEWICK · PASCO · RICHLAND

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Forth Year Consolidated Annual Performance Evaluation Report (CAPER)

The draft 2018 CAPER is presented to you in a format that is prescribed by HUD. Data and narrative are entered into a federal database system called the Integrated Disbursement and Information System (IDIS) and the CAPER report is then downloaded into a Word format. The CAPER template in IDIS has a series of prescribed questions that align with the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME) and Consolidated Plan program regulations. The report you are reviewing is the result of that data entry process and is the prescribed and recommended format by HUD.

EXECUTIVE SUMMARY

In accordance with the federal regulations found in 24 CFR 570, the City of Richland has prepared this CAPER for the period of January 1, 2018, through December 31, 2018 (Program Year). The CAPER presents the progress in carrying out projects and activities pursuant to Program Year 2018 Annual Action Plan for CDBG and HOME funding that is received from The U.S. Department of Housing and Urban Development (HUD) to principally benefit low- and moderate-income persons.

The Cities of Kennewick, Pasco and Richland receive federal CDBG funds annually from HUD. Each city is separately responsible for planning, administering housing and community development activities within their jurisdiction, implementing monitoring, and reporting to HUD on the use of CDBG funds.

The three Cities, as contiguous units of local government, entered into a Cooperative Agreement under HOME to form the Tri-Cities HOME Consortium. The Consortium received federal HOME funds annually to carry out affordable housing projects and activities. The City of Richland serves as the lead agency of the Consortium and is responsible for the administrative, monitoring and reporting agency to HUD.

At the beginning of each program year, the City prepares an Annual Actin Plan that informs HUD and citizens what goals and objectives the City and Consortium intends to meet with CDBG and HOME funding during the upcoming year. At the end of the program year, the City prepares a CAPER to illustrate the actual accomplishments achieved during that year. The CAPER allows HUD, local officials and citizens to assess the use of available resources and to assess the efforts made to achieve the goals and objectives identified in the five year (2015-2019) Consolidated Plan and Annual Action Plan.

This annual report, the 2018 Annual Action Plan and other related documents may be accessed through the City's website at:

https://www.ci.richland.wa.us/departments/community-development-services/housing/community-development-block-grant

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CR-05 - Goals and Outcomes

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

PROJECT COMPLETION SUMMARY:

Affordable Housing Choices Goal

Tri-Cities HOME Consortium uses its HOME funds for direct financial assistance to low and moderate-income first-time homebuyers through the Down Payment Assistance Program (DPA). HOME funds supported sixteen households with direct subsidy. These were activities that were completed (loan closed at escrow) in the program year and reported as the final DPA numbers for each city. These DPA numbers do not represent when completed in the federal Integrated Disbursement Information System (IDIS).

Richland Down Payment Assistance Program: Richland HOME funds of $47,546 were used to complete five (5) down payment assistance loans. Richland HOME Program loans were able to leverage $724,674 from local lenders, $11,732 from seller/gift contributions and homebuyers contributed $7,861.

Kennewick Down Payment Assistance Program: Kennewick provided $39,686 in HOME funds to complete four (4) down payment assistance loans. Kennewick HOME Program loans were able to leverage over $663,287 from local lenders, over $7,214 from seller/gift contributions and homebuyers contributed $8,744.

Pasco Down Payment Assistance Program: Pasco HOME funds totaling $65,000 were used to complete seven (7) down payment assistance loans. Pasco HOME Program loans were able to leverage over $2 million from local lenders, $5,755 from seller/gift contributions and homebuyers contributed $27,583.

CDBG Funds provided the following accomplishments in PY 2018:

Community Neighborhood & Economic Development Goal

Completion of three public facilities projects. Removal of architectural barriers with the renovations to sidewalks, curb cuts for ADA ramps and audible pedestrian buttons. These projects served a total of 5021 persons.

Removing architectural barriers has enhanced livability and improved accessibility for disabled and elderly persons within neighborhoods to access public facilities, transit and services.

Homeless Intervention and Public Service Goal

Public Service activities served a total of 670 persons.

The ARC of Tri-Cities, Therapeutic Recreation Partners and Pals Program: The ARC of Tri-Cities offered 27 adults with developmental disabilities over 1,480 activity hours participating in community activities with the help of volunteers and staff. Approximately 24 volunteers donated 440 hours to help support participation in events for the disabled adults.

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Senior Life Resources, Meals on Wheels Program: 51,179 meals were served to 598 unduplicated Richland senior residents, of which 449 were disabled. Overall, 42,370 were home delivered and 8,809 were served at the Richland Community Center dining room and South Richland Café. All of the meals were planned by a registered dietician and met at least 1/3 of the recommended daily nutrition allowance. Homebound seniors reported that they have a better variety of food, were able to have at least one meal a day and help them remain in their homes. Volunteers spent 8,747 hours and approximately 30,511 miles providing meals to homebound seniors in Richland.

Elijah Family Homes, Transition to Success Program: Forty-five Richland residents (parents and children) recovering from substance abuse received case management and supportive services. Case management included teaching basic life and parenting skills, family support, meetings, individual counseling and children's programs, which increased self-sufficiency. Clients were also referred to community training and job connections to increase economic sustainability of the household. CDBG leveraged an additional $17,400.94 in private funds.

PROJECT IN PROGRESS SUMMARY:

Affordable Housing Choices Goal

Nueva Vista Phase II: UPDATE: The project received Certificate of Occupancy in October and November 2018. All 28 units are occupied. The two HOME units are occupied by tenants below 50% AMI, homeless and disabled and included in CR-10 racial and ethnic and CR-20 affordable housing data. History: Housing Authority City of Kennewick, general partner in the with the Nueva Vista Phase II LLLP tax credit project was awarded $300,000 in HOME funding to assist with the approximate $6.3 million construction of 28 affordable rental units. Fourteen units will serve homeless families, with children that will have access to Section 8 project-based rental assistance. Five units will serve disabled adults through the 811 Project-Based Rental Assistance Demonstration Program (811 PRAD) who are referred by DSHS. These tenants will also receive case management services through DSHS. The remaining eight units will serve other low-income households. All tenants will have incomes at or below 50% AMI. There are two designated floating HOME units, one, 1-bedroom and one 2-bedroom. An on-site service provider will coordinate with other third party service providers to assist with the challenges residents might be facing, including financial, lack of basic life and parenting skills. The on-site provider will assist with life skills, homework assistance, goal setting and parenting. Residents will have access to a computer lab for education and career training as well as community garden. These services will provide the much-needed stability that these families or individuals might not have.

Community Housing Development Organization (CHDO): Tri-County Habitat for Humanity "Kennewick Garden Court" began construction in 2017. The project was for the acquisition and development of three affordable homes for qualified first-time homebuyers. In 2018 one home has been completed and sold to a low income, first time homebuyer family.

Tri-County Habitat for Humanity continues to make progress towards the completion of the "Highland Park" development project. Four homes were completed and sold in 2018. To date, fourteen of the twenty-four affordable homes have been completed and sold to low-income, first-time homebuyers.

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Community Neighborhood & Economic Development Goal

City of Richland Public Works, Removal of Architectural Barriers: Renovation to sidewalks, curb cuts for ADA ramps is nearing completion. Anticipated completion date, spring 2019.

City of Richland, Public Facility, Columbia Playfield Playground Basketball Court Renovation: Renovation complete with the installation of a new basketball court, acrylic surface, backboards/poles and lighting. Project is anticipated to be completed in IDIS spring 2019.

City of Richland, Public Facility, Goethals Park Improvements: Improvement work nearing completion. Project stalled due to redirection of City crews for other City priorities. Anticipated completion date, spring 2019.

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The table below represents the progress the City of Richland and the Tri-Cities HOME Consortium is attaining to meet the annual goals anticipated for program year 2018. The progress is meeting the Consolidated Plan objectives and that the funds are being used for the correct purposes to assisting low – and moderate-income persons.

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

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

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Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Community, neighborhood & economic development	Non-Housing Community Development	CDBG: $350,054	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	9245	14434	151.54%	14445	5021	34.76%
Homeless intervention and public services	Homeless Non-Homeless Special Needs	CDBG: $52,570	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	2325	2470	75.14%	611	670	109.66%
Increase and preserve affordable housing choices	Affordable Housing	HOME: $315,000	Rental units constructed	Household Housing Unit	0	2		2	2	100.00%
Increase and preserve affordable housing choices	Affordable Housing	HOME: $0	*Homeowner Housing Added	Household Housing Unit	0	60		0	0	
Increase and preserve affordable housing choices	Affordable Housing	CDBG: $129,241	Homeowner Housing Rehabilitated	Household Housing Unit	15	3	2%	1	0	00.00%

Increase and preserve affordable housing choices	Affordable Housing	HOME: $1,182,156	Direct Financial Assistance to Homebuyers	Households Assisted	285	247	86.67%	52	16	30.77%
Increase and preserve affordable housing choices	Affordable Housing	CDBG: $0	Other Acquisition of Real Property/Rental	Other	0	4	100.00%	0	0	

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

*IDIS system categories Homeowner Housing Added as acquisition only HOME units added. The Consortium uses Direct Financial Assistance to Homebuyers for its acquisition only category and must manually adjusts the "Outcome Actual Program Year" column to reflect prior/current DPA numbers as part of the 2015-2019 Consolidated Plan years.

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

The City of Richland and Tri-Cities HOME Consortium programs focuses the use of its Community Development Block Grant (CDBG) and Home Investment Partnerships Program (HOME) funding on a combination of housing and community development activities.

The three Consolidated Plan high priority-funding goals received entitlement funding for project specific activities during 2018.

1. Affordable housing creation, preservation, access and choice (affordable housing choices)
2. Community, neighborhood and economic development (community & economic development
3. Homeless intervention and prevention and supportive services (homeless intervention and public service)

As detailed in the Table 1 Accomplishments Program Year/Strategic Plan to Date, all programs and activities made progress towards either strategic or action plan goals. With one year remaining in the five-year plan, the three goals have already met or exceeded the halfway benchmark with the exception of Richland rehab program.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)

	CDBG	*HOME
White	5191	17
Black or African American	63	1
Black or African American & White	7	0
Asian	162	0
American Indian or American Native	43	0
American Indian/Alaskan Native & White	10	0
Other, multi race	215	0
Total	**5691**	**18**
Hispanic	263	11
Not Hispanic	5528	7

*Represents families assisted with DPA and rental development

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

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Narrative

The listed ethnic and racial populations represents a diverse range of the City's population and clients directly impacted by federal programs and projects during program year 2018.

Both CDBG and HOME require the City to gather race and ethnicity data for all individuals or families receiving a benefit from either funding source. In some cases, individuals may report a race and then include the ethnicity as Hispanic and in some cases, a race is not identified. If a race is not identified then the individual or family will be counted in the white race category. The numbers reflected in the Hispanic section are not included in the overall total, as this would cause duplication of numbers. The not-Hispanic category includes all other client counts.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	Federal	593,257	$582,907.30
HOME	Federal	1,309,836	$201,404.15

Table 3 - Resources Made Available

Narrative

These resources include current grant award, unexpended prior year grant funds, program income and revolving loan funds.

The amount of resources expended in calendar year 2018 was made up of $582,907.30 of CDBG for administration and the project management of public service, public facilities and housing activities. Three projects are expected to be completed in 2018 and reported in next year's CAPER.

The City's HOME expenditures does not match what is reported in the Integrated Disbursement Information System (IDIS). IDIS is reported on a cash basis and the City reports on an accrual basis. In HOME, $201,404.15 was expended; this amount includes expenditures from prior year not realized in IDIS until 2018. Expenditures were for Consortium planning and administration, project management, rental and CHDO project costs, project delivery and direct financial assistance for activities.

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Identify the geographic distribution and location of investments

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

Table 4 – Identify the geographic distribution and location of investments

Narrative

Funds expended for CDBG were within Richland city limits and benefited low and moderate-income persons/families.

Funds expended for the Tri-Cities HOME Consortium were within each City limit and benefited low and moderate-income persons/families.

Leveraging

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

Federal funds leveraged over $3.4 million in private resources (lender, seller and homebuyer) as part of the Tri-Cities HOME Consortium DPA program. HOME funds were also used for development of the Nueva Vista, Phase II rental development project, over $6.4 million in state, local and LIHTC funding were leveraged as part of this project. In additional, over $1.3 million in private, federal, state and local funds were leveraged as part of 2018 CDBG activities.

Match was provided through the following HOME-funded organizations: Tri-County Partner Habitat for Humanity and rental development.

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	$1,067,465.95
2. Match contributed during current Federal fiscal year	$1,112,780
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	$2,180,245.95
4. Match liability for current Federal fiscal year	$107,638.44
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	**$2,072,607.51**

Table 5 – Fiscal Year Summary - HOME Match Report

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Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
1242	10/31/2017	$217,352.77						$217,352.77
1172	10/31/2017					1333		$13,330.00
1242	11/30/2017	$102,647.23						$102,647.23
1172	11/30/2017					1702		$17,020.00
1242	12/31/2017	$32,454.55						$32,454.55
1172	12/31/2017					4		$40.00
1242	01/31/2018	$385,347.86						$385,347.86
1172	02/28/2018					66.5		$665.00
1242	02/28/2018	$186,313.31						$186,313.31
1172	03/31/2018					89.25		$892.50
1242	03/31/2018	$145,884.28						$145,884.28
1172	04/30/2018					10.5		$105.00
1172	05/31/2018					265.5		$2,655.00
1172	06/30/2018					228.75		$2,287.50
1172	07/31/2018					578.5		$5,785.00

Table 6 – Match Contribution for the Federal Fiscal Year

Match Contribution represents the monthly volunteer hours for the construction of affordable first-time homebuyer housing for the Kennewick Garden Court, Tri-County Habitat for Humanity project and the Nueva Vista Phase II rental development project.

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HOME MBE/WBE report

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period $	**Amount received during reporting period $**	**Total amount expended during reporting period $**	**Amount expended for TBRA $**	**Balance on hand at end of reporting period $**
302,281.21	$522,691.28	$221,141.42	0	$603,831.07

Table 7 – Program Income

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Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	Total	**Minority Business Enterprises**				**White Non-Hispanic**
		Alaskan Native or American Indian	**Asian or Pacific Islander**	**Black Non-Hispanic**	**Hispanic**	
Contracts						
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0
Sub-Contracts						
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

	Total	**Women Business Enterprises**	**Male**
Contracts			
Number	0	0	0
Dollar Amount	0	0	0
Sub-Contracts			
Number	0	0	0
Dollar Amount	0	0	0

Table 8 – Minority Business and Women Business Enterprises

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	**Minority Property Owners**				**White Non-Hispanic**
		Alaskan Native or American Indian	**Asian or Pacific Islander**	**Black Non-Hispanic**	**Hispanic**	
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

Table 9 – Minority Owners of Rental Property

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition		
Parcels Acquired	0	0
Businesses Displaced	0	0
Nonprofit Organizations Displaced	0	0
Households Temporarily Relocated, not Displaced	0	0

Households Displaced	**Total**	**Minority Property Enterprises**				**White Non-Hispanic**
		Alaskan Native or American Indian	**Asian or Pacific Islander**	**Black Non-Hispanic**	**Hispanic**	
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

Table 10 – Relocation and Real Property Acquisition

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CR-20 - Affordable Housing 91.520(b)

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

	One-Year Goal	Actual
Number of homeless households to be provided affordable housing units (Rental Development)	2	2
Number of non-homeless households to be provided affordable housing units (HOME DPA)	52	16
Number of special-needs households to be provided affordable housing units (Rental Development)	0	0
Total	**54**	**18**

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through rental assistance		0
Number of households supported through the production of new units	2	2
Number of households supported through the rehab of existing units (OOR)	1	0
Number of households supported through the acquisition of existing units (HOME DPA)	52	16
Total	**55**	**18**

Table 12 – Number of Households Supported

The 2018 Action Plan affordable housing expected goal outcome numbers were based on the estimated completion of HOME DPA, rental development and CDBG housing rehabilitation. The Goals were not realized; this was due to the local housing climate. A majority of home prices exceeded HUD's 95% purchase limit for our area which equated to fewer affordable houses in the community. The median purchase price for 2017 was $251,000, third quarter 2018 was $282,700,

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exceeding the buying power of lower income families. During 2017, the average FHA mortgage rate was between 3.625%-4.25% and during 2018 it went up to 4.75%. The results, lower income families finding homeownership unaffordable.

Unfortunately, the OOR goal was not realized, due to the continued decline in popularity of the program.

The Nueva Vista, Phase II, rental development is in final phase and in process of closeout. The 2 HOME units have been leased to extremely low income homeless and special needs persons. Project not completed in IDIS.

Discuss how these outcomes will impact future annual action plans.

The City does not anticipate any impact on these outcomes with future annual action plans.

CDBG and HOME will continue to fund affordable single-family rehab, down payment assistance, public improvements and service.

Should funding for the CDBG or HOME programs be reduced or eliminated the City will assess all available options and adjust accordingly.

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

Number of Persons Served	CDBG Actual	HOME Actual
Extremely Low-income	20	2
Low-income	15	1
Moderate-income	10	15
Total	**45**	**18**

Table 13 – Number of Persons Served

Narrative Information

In 2018, HOME funds were used to assist households with incomes at or below 80% of Area Median Income for the Tri-Cities HOME Consortiums Down Payment and Closing Cost Assistance Program. CDBG funds were used for eligible owner occupied home repairs and public service activities.

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

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

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

The City did not reach out to any unsheltered homeless persons or assess their needs in 2018. Staff continues their involvement with Benton Franklin Continuum of Care and Benton Franklin Human Services.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City did not address emergency shelter and transitional housing needs of homeless persons in 2018, except through staff involvement with Benton Franklin Continuum of Care and Benton Franklin Human Services. The City and Consortium continues to support the four (4) bedroom Owen transitional house that serves homeless persons in Pasco. The transitional home is funded with HOME. The domestic violence duplex in Richland is funded with CDBG and Benton County 2060 affordable housing funds.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The City supports public service providers with CDBG funding. The City supports Benton and Franklin Continuum of Care and Benton Franklin Department of Human Services. Benton Franklin Department of Human Services manage programs that assist individuals and families through the Coordinated Entry System (CES). This is a localized system to efficiently route households who are homeless or at risk of homelessness to the most appropriate provider among the network of homeless service providers, as quickly as possible.

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

The City did not directly assist chronically homeless individuals and families or unaccompanied youth to make the transition to permanent housing and independent living in 2018, except through staff involvement. HOME funds help secure two HOME Units for homeless families. Staff was also involved with Benton Franklin Continuum of Care and Benton Franklin Human Services, which serves as the lead agency for Homeless. The Consortium continues to support Community Action Connection (CAC) with the Owen transitional house in Pasco. CAC offers case management and supportive services to its tenants.

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

Actions taken to address the needs of public housing

The Consortium maintains a good working relationship with the two local housing authorities. The Consortium collaborated with the Kennewick Housing Authority (KHA) and awarded HOME funding to assist with the construction of twenty-eight affordable rental units.

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

Public Housing residents are encouraged to attend Resident Council meetings to discuss how to become more self-sufficient and discuss resident services activities that have the potential to assist residents in becoming self-sufficient or improve the quality of life for residents. KHA's Keewaydin Plaza Resident Council is currently active, however KHA's Sunnyslope Homes Resident Council is not active. We hope to re-energize the Sunnyslope Resident Council in calendar year 2019. KHA also hosts on-site public hearings each year and less formal periodic Meet & Greets with management to solicit input from residents. KHA will be exploring a Rental Assistance Demonstration (RAD) conversion in 2019 and will schedule a series of meetings with residents to garner input and to explain the process. A RAD conversion will allow KHA to rehabilitate units at both Sunnyslope Homes and Keewaydin Plaza and allow the transition of residents from the Public Housing Program to the Housing Choice Voucher (HCV) program which will then provide the public housing residents access to the HCV Homeownership program and access to the portability features of the HCV program.

KHA revived a program within the Housing Authority community to educate and encourage residents to save towards the goal of purchasing their own home through the Housing Choice Voucher (HCV) Homeownership program, aka the "Ducks" program. The program provides a participant an opportunity to utilize their rental assistance payment for homeownership. This program is an excellent program, which builds family self-sufficiency and stability in families and allows families to purchase homes in areas of opportunity. As a collaborating effort, Consortium members may provide HOME DPA funding to qualified Duck participants. KHA and Community Action Connections (CAC) developed the "Ducks Down" program, a complementary program which provides $5,000 of down payment/closing cost assistance to eligible low income homebuyers. This collaborative program received a NAHRO National Award of Merit in July of 2018.

KHA is currently developing a four-station Computer Lab at Sunnyslope Homes and exploring a homework club for youth residents in the coming months. KHA has also received a donation from Rotary and a grant from the City of Kennewick CDBG program, to purchase books for a lending library at the computer lab. The service group, Altrusa, is providing on-site assistance with periodic book donations for the youth lending library. On-site community garden beds have also

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been built at Sunnyslope Homes previously. The Master Gardeners Association continues to assist residents at Keewaydin Plaza, Sunnyslope Homes, Nueva Vista and Nueva Vista II, with gardening activities. The Association has been instrumental in assisting residents in learning gardening practices and assisted in building the garden beds. The Association will be assisting with the building of garden beds at Nueva Vista II in April of 2019.

Actions taken to provide assistance to troubled PHAs

Not applicable – Neither, the Housing Authority City of Kennewick nor the Housing Authority of the City of Pasco and Franklin County have been designated a troubled PHA by HUD.

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

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

Through its zoning and land use regulations, the City of Richland implements a number of strategies for increasing the supply of affordable housing. These strategies include: 1) Planned Unit Developments that increase the options for housing densities and housing types (e.g., townhouses, multi-family, duplexes; small-lot districts); 2) mixed use development that increases the opportunity for affordable housing to be developed within or in close proximity to essential amenities such as areas of employment, shopping and medical centers; 3) streamlining permitting, and 4) incentive zoning features, such as allowing accessory dwelling units.

All three cities encourage infill development to preserve older neighborhoods, and support increase of housing densities in areas where adequate public facilities and services (police and fire protection, schools, water, sewer and public transit) are in place or can easily be provided. Building fees and charges are consistently lower in the City compared to other cities of the same size. The only growth limitations placed on the City is through the Growth Management Act.

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

The need for affordable housing, community development and quality of life for low and moderate-income individuals, families and neighborhoods is tremendous. The continued shrinking of funds serves to be the most significant obstacle to addressing the needs of underserved population. While some of these barriers can be reduced through collaborative processes and increasing program efficiencies, the need will continue to outpace the local revenue. While the City has programs in place to address a range of underserved needs, the amount of funding available for those programs is insufficient to produce outcomes that ensure the basic statutory goals of providing decent housing and suitable living environments. The City also supports the efforts of local non-profit agencies to meet the needs of underserved populations.

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Actions taken in 2018 include:

- No Interest (0%) Deferred Payment Loans: Home repair loans are offered to low-income owner-occupants of 1-unit properties Citywide up to $20,000 to eliminate health and safety hazards. Full repayment of principal is required upon future sale, further encumbrance, or non-owner occupancy.
- No Interest (0%) Deferred Payment, DPA Forgivable Loans: Up to $10,000, based on need for low and moderate- income first-time homebuyers. The funds are used for down payment and closing costs, which helps reduce the cost barrier, making owning a home more affordable, improving condition, resulting in housing stability for Tri-Cities households. The loan is forgiven after the sixth year of owner occupancy. Full repayment of principal is required upon future sale, further encumbrance, or non-owner occupancy within first 6 years.

The City funds a number of CDBG activities that benefit its citizens by provided rehabilitation to homeowners through the OOR program. Funding allows homeowners to save on energy costs. Additionally, the City funds community and neighborhood projects. Projects include improving neighborhood parks which enhance the livability of the neighborhood and the removal of architectural barriers that limit seniors and disabled from accessing City services.

The City also funded several supportive service projects with CDBG. The projects served lower-income families and persons and relieved the immediate burdens of poverty. These projects offer opportunities for at-risk, elderly and persons with disabilities to increase the chance of self-sufficiency and reduce the burden on heavily utilized tax systems.

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

The evaluation and reduction of lead-based paint hazards is standard operational procedures that apply to all funded project and programs. Visual lead based paint inspections are required on all housing built before 1978. The City of Richland will also continue to reduce the cost burden for lower income households by paying for extensive testing prior to any rehabilitation work through the OOR program and identifying any lead hazards and assure compliance during and after remediation work. This will be accomplished by granting the costs of lead-based paint inspections, risk assessments, and one clearance exam.

It is also policy that the City provides educational information on lead based paint to all applicants of housing programs, citizens and contractors. Applicants for the down-payment assistance program are provided “Protect Your Family From Lead In Your Home” pamphlet. Homeowner Rehabilitation applicants are provided both ”Protect Your Family From Lead In Your Home” and “Renovate Right” pamphlets. Information is also made available by visiting city offices and via links on city websites.

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

The City of Richland provides support for very low-income seniors and disabled households by reducing their utility bills (15% off electricity plus waived base fee, 60% off water, sewer refuse and 33% off stormwater). The City participates in the "Helping Hands" program coordinated through CAC, utilizing donated private funds to assist people in paying their utility bills.

The City has committed to provide 15% of its annual CDBG allocation to organizations that serve individuals and families living below the poverty line. Some of these commitments include funding to organizations such as Sr. Life Resources, The Arc of Tri-Cities and Elijah Family Homes. These programs help alleviate obstacles many families face due to living below the poverty line while providing tools for them to move beyond their current circumstances.

Economic development activities to increase the supply of living wage jobs independent of Hanford employment continues to be a high priority goal in Richland.

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

All of the actions taken by the Consortium and City in the management of HOME and CDBG funds are completed within program underwriting guidelines and address one or more goals identified in the Consolidated Plan. Coordination between public and private housing and social services agencies is an extremely important activity. The City participates in the meetings of our local Continuum of Care (CoC), which is comprised of various housing and social service agencies. The collaboration of many local stakeholders provides better service to the underserved through many different projects and programs. Collaborating with these institutions is vital to overcoming any gaps in institutional structure, improving the effectiveness of coordination and efficiencies, our participation will continue in the next plan year.

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

City of Richland and Consortium staff coordinate with a variety of public and private housing and social service agencies during the planning, project proposal, and implementation stages of programs through the citizen participation process.

Staff of the cities and representatives of nonprofit services and housing agencies participate on committees crossing jurisdictional lines. This includes involvement in the Continuum of Care planning efforts undertaken by Benton Franklin Human Services, a joint County agency, to oversee reducing homelessness in the counties. Richland continues to work with other community liaisons to encourage cooperation and sharing of information to identify existing resources that might be available to meet community needs.

There is also a close working relationship with the Public Housing Authorities, some of whom have benefited from CDBG and/or HOME funds for assisted housing development activities and

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whose residents have benefitted from public services delivered by the area's nonprofit agencies.

A limitation on cooperative efforts is the lack of new federal resources available for programs.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

The City of Richland and the Consortium have taken the following actions to improve fair housing issues:

- City of Richland teamed with Northwest Fair Housing Alliance by providing Fair Housing information as a utility billing insert to 17,680 Richland customers, April 2018.
- May 23, Fair Housing workshop organized by the City of Richland and Northwest Fair Housing Alliance and hosted by the City of Kennewick. Training was presented to sixty housing providers.
- Fair Housing logo displayed on internal applications, reports and advertisements.
- Promoted fair housing through display ads in English and Spanish, through City web, social media and City reader board.
- Provide interpretive resources through the Language Line to accommodate language barriers.
- Provide reasonable accommodations, to the greatest extent feasible for persons with disabilities.
- All housing program applicants are provided a "Fair Housing Equal Opportunities for All" brochure.
- Down payment assistance borrower(s) are required to take an approved first-time homebuyer education course prior to receiving DPA funding.
- English and Spanish Fair housing posters are displayed at the Richland, Kennewick and Pasco City Halls, Richland Development Building, and area public libraries.
- Language requiring compliance with Federal, State, and local laws prohibiting discrimination on the basis of race, color, national origin, sex, disability, or age is included with every CDBG and HOME funded contract.

CR-40 - Monitoring 91.220 and 91.230

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

The City of Richland is responsible for overall monitoring of Richland CDBG and Tri-Cities HOME Consortium program sub-recipients. Monitoring ensures compliance with all federal, state and local rules, regulations and laws. City staff will at a minimum monitor subrecipients annually. Monitoring is accomplished through phone conversations, written correspondence, review of

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submitted reports, desk monitoring, and one-on-one site visits. Technical assistance is offered throughout the year, both to new and existing sub-recipients. Various reports are required to identify progress made, and a final year-end recap must be submitted.

Day to day monitoring of HOME projects is completed by staff of the member city, with Richland completing an annual monitoring of member cities. Subrecipient Agreements outline the obligations and reporting responsibilities of the Subrecipient. Housing projects funded by CDBG and HOME assistance are made as loans, with compliance requirements identified for a specific time period. The funds are secured by recorded deeds of trust, promissory notes, and other contractual loan agreements. These documents establish the obligations for compliance with CDBG or HOME regulations. Loan terms and the provision of interest rates vary depending on the housing program undertaken, with some loans forgivable under the HOME program upon expiration of the period of affordability. All construction activities are required to secure building permits and comply with zoning and building code requirements. Housing units are inspected and corrections are required to meet building codes as part of the permitting process. HOME funded units must be brought up to current rehabilitation standards. Acquisition only projects must meet Housing Quality Standards, and, if newly constructed, the home must also receive a Certificate of Occupancy from the building department.

The City of Richland does not monitor grants or loans awarded directly to other entities by HUD or other federal or non-federal agencies.

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

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

The Consolidated Annual Performance Evaluation Report (CAPER) describes the accomplishments of each activity undertaken during the prior year's annual plan, identifies how funds were actually used versus how the funds were proposed to be used, what impacts the activity realized, and to what extent the funds benefited low and moderate-income persons and a self-evaluation of progress made.

The Citizen Participation Plan states that the CAPER will be made available through distribution and public review and comment for at least 15-days prior to completion and submission to HUD by March 31 of each year. Citizens will be given a minimum of 15-day period in which to comment on the CAPER. City program staff will consider all comments received. A summary of all comments received, and the reason for not accepting any particular comments will be attached to the CAPER.

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A public notice advertisement was published in the newspaper of record, the Tri City Herald on March 4, 2019, as well as tu Decides, a bilingual newspaper. The Draft 2018 CAPER was available for review and comment. The comment period ended on Thursday, March 26, 2019. No comments received.

CR-45 - CDBG 91.520(c)

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

There were no changes in the City's program objectives for 2018. The City of Richland followed the 2018 Annual Action Plan as submitted and approved by HUD.

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

Not a BEDI grantee.

CR-50 - HOME 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

Nueva Vista, Phase II – 334 N. Union Street, Kennewick, WA 99336

10/15/2018
Unit B-140, passed Initial HQS inspection, and
Unit B-250, passed initial HQS inspection

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)

All Consolidated Plan programs follow HUD's requirements for affirmatively marketing. The following actions were taken in 2018 to increase participation from persons who might not otherwise apply for the housing programs offered by the Tri –Cities HOME Consortium and City of Richland:

- Provided housing program information to non-profit agencies, the two housing authorities, lenders, realtors, and the public through meetings, brochures/flyers, advertising in local periodical newspapers, through our City website and television

broadcasts.

- Information and brochures regarding housing programs, lead based paint, remodeling a home safely, fair housing, predatory lending, and various other topics relating to planning and neighborhoods were available for distribution at the City Planning and Redevelopment office and City website.
- The Equal Housing Opportunity logo is displayed on the City of Richland's website, HOME DPA and CDBG Owner Occupied Rehabilitation program applications, various federal plans, advertisements and other informational publications to inform the public, potential borrowers, lenders and realtors regarding fair housing laws.
- Fair Housing poster displayed at City and Subrecipient offices.

As a Consortium, and as separate cities, consortium members practice affirmative marketing when seeking contractors and procurement of services. Affirmative marketing actions may include newspaper advertisements, direct mailings, and notification to local agencies such as the Tri-Cities Homebuilders Association, Continuum of Care members, MBE/WBE State lists, and other interested parties. Brochures and/or bid packets are distributed to local women or minority owned businesses and are encouraged to participate when bidding opportunities arise. Annual reports detailing accomplishments of hiring Minority and Women's Business Enterprises for construction activities have been prepared and submitted to HUD in a timely manner.

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

The Consortium allocates program income annually as part of all estimated HOME resources. Program income is expended as soon as it is available in IDIS. Program Income (PI) of $522,691.28 was received during the program year and $221,141.42 of PI was expended as part of the Down Payment Assistance program.

Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)

Continue to market and encourage the preservation of affordable housing by providing low and moderate-income persons and families' access to funds through City programs. The City will also continue to participate with community organizations to find meaningful ways to reach low-income population in need of affordable housing.

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