



## Program Year 2018

# Consolidated Annual Performance and Evaluation Report

Sept 1, 2018 - August 31, 2019

## CDBG

The Community Development Block Grant (CDBG) is a federally funded program that helps cities and counties provide decent housing, suitable living environment and expands economic opportunities principally for low-to-moderate income people.



[olympiawa.gov/CDBG](http://olympiawa.gov/CDBG)



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# Olympia's Program Year 2018 Consolidated Annual Performance & Evaluation Report

## Introduction

The **Consolidated Annual Performance and Evaluation Report** (CAPER) is the City of Olympia's annual report on the **Community Development Block Grant** (CDBG) Program. This report provides information on the activities funded for the Program Year 2018 (herein PY 2018) Action Plan (9/1/18 – 8/31/19), the final year of the City of Olympia's Five-year Consolidated Plan.

## Report Format

The full CDBG annual report known as the CAPER is submitted online to the federal Department of Housing and Urban Development (HUD) in a digital format that may be difficult for citizens to understand. A copy of the full CAPER is either attached or available upon request. In the spirit of our Citizen Participation Plan, we offer this **"Citizen's Summary"** to provide key information in a user-friendly format to ensure that our community understands how these federal funds are used.

## Availability

The draft CAPER will be available for public comment as follows:

- **Public Comment Period:** 15 Day period running from **Friday, October 25, 2019 – 5 pm Monday, November 8, 2019**
- **Public Hearing:** 7 pm, Monday evening, **October 29, 2019**
- **Collecting Public Comments:** All public comments and corrections will be included in the final CAPER
- **Submittal:** Final CAPER submitted to HUD on or before **November 15, 2019**
- **Available Online:** The CAPER will be available on the City's website located at [Olympiawa.gov/CDBG](http://Olympiawa.gov/CDBG)
- **Paper Copies:** Available at City Hall (601 4<sup>th</sup> Avenue East), the Olympia Timberland Library (313 8<sup>th</sup> Avenue SE) or by calling City of Olympia staff at 360-753-8183

## CDBG Strategic Goals

The City identified five goals to pursue with CDBG funding during the current five-year "CDBG Consolidated Plan" period (PY 2018 – PY 2022). This strategic plan can be viewed at: <http://olympiawa.gov/city-services/housing-social-service.aspx> and is summarized as follows:

- **Housing Rehabilitation (Highest priority)**
- **Social (Public) Services (Highest Priority)**
- **Economic Development**
- **Land Acquisition**
- **Public Facilities**



*CDBG was used to fund several community development goals to improve the urban hub – including small business training, micro-enterprise training and downtown safety loans.*

## Program Year 2018 CDBG Expenditures

The following table represents the current and prior year projects that had fiscal activity during Program Year 2018:

Type	Activity Name (Project Number)	Approved Allocation	Activity Expenditure	Accomplishments
<b>Economic Development</b>	Downtown Safety Program (CPTED**) Consulting (PY2018)	\$2,500	\$0.00	N/A
<b>Economic Development</b>	ADC Downtown Safety Projects (CPTED**) (PY2018)	\$1,000	\$23,905.26	Safety Lighting for 3 businesses & 1 non-profit – 1 FTE Job*
<b>Public Facilities</b>	<b><i>The Salvation Army Day Center (PY2018)</i></b>	<b><i>\$350,000.00**</i></b>	<b><i>\$53,345.86**</i></b>	<b><i>Funds returned – Project Cancelled</i></b>
<b>Public Services</b>	CYS Rosie's Place Day Center Staffing (PY2018)	\$45,000 ADC*	\$45,000 \$653.58*	40 people served daily / 5,493 annually
<b>Acquisition</b>	Family Support Center (PY2018)	\$89,000	\$89,000***	Land acquisition for housing development
<b>Social Services</b>	Downtown Ambassador Program (PY2018)	\$55,000 ADC*	\$55,000 \$36.88*	3,414 Homeless/Mentally Ill Street-Dependent Individuals
<b>Economic Development</b>	Enterprise for Equity Micro-Business Training and Assistance (PY2018)	\$20,000 ADC*	\$20,000 \$201.77*	11 LMI Entrepreneurs Trained
<b>Economic Development</b>	EDC Business Training and Assistance (PY2018)	\$30,000	\$22,829.46	1 FTE Job created* (31 Small Businesses trained)
<b>Relocation</b>	Angelus Tenant Relocation (PY2018)	\$61,600	\$57,500****	23 households – Relocation assistance
<b>Economic Development</b>	<i>Tune-Up/Scale-Up Business Training &amp; Technical Assistance (Prior Year - PY2017)</i>	<i>\$25,000</i>	<i>\$24,022.03</i>	<i>1 FTE Job created* (29 Small businesses Assisted)</i>
<b>Economic Development</b>	<i>ODA Business Training &amp; Technical Assistance (PY2017)</i>	<i>\$30,000</i>	<i>\$29,293.01</i>	<i>1 FTE Job* (30 Businesses Assisted)</i>
<b>Housing Rehab</b>	<i>Mollie B Oxford House: Siding &amp; Garage Demo</i>	<i>\$75,000 ADC</i>	<i>\$66,645.44 \$3,313.77</i>	<i>Lead painted siding replaced, garage demolished</i>
<b>Housing Rehab</b>	<i>Sewer Connection - 1111 Lilly Road NE (PY2016)</i>	<i>\$95,000</i>	<i>\$79,250.11</i>	<i>6 Households assisted</i>
<b>Housing Rehab</b>	<i>FFC Sewer Project - 1304 Rogers St NW (PY2017)</i>	<i>\$60,000</i>	<i>\$29,800.03</i>	<i>1 Household assisted</i>
<b>Housing Rehab</b>	<i>McGee Revocable Living Trust - Sewer Connection (PY2017)</i>	<i>\$85,000</i>	<i>\$85,000</i>	<i>6 Households assisted</i>
<b>Required General Admin</b>	Planning & Administration (PY2018-8)	\$100,000	\$100,000	N/A

\*Activity Delivery Cost (ADC) activities– costs incurred for implementing and carrying out eligible CDBG activities.

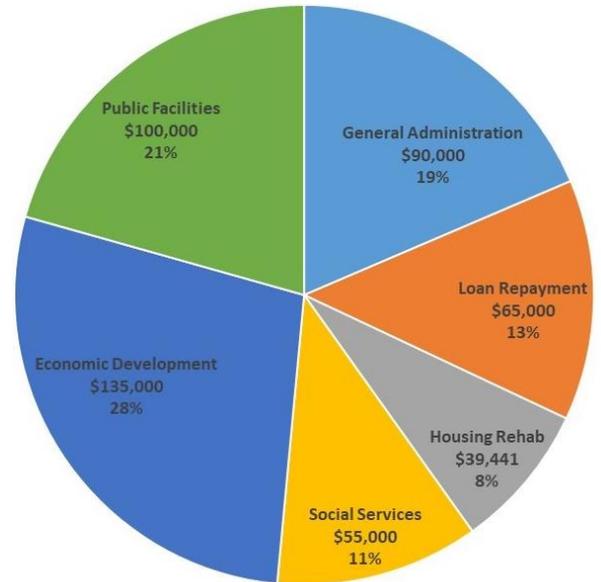
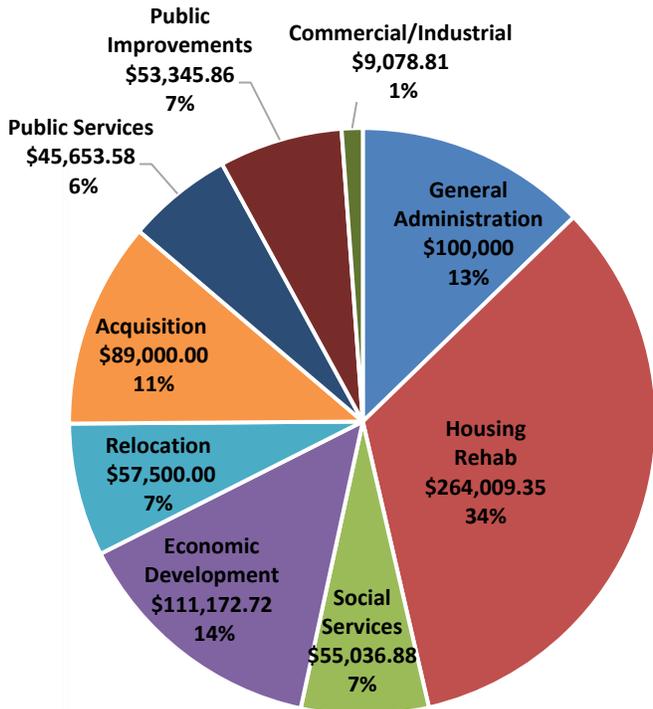
\*\*Salvation Army – Day Center project cancelled, funds to be returned

\*\*\*Supplemented by \$311,000 in City's former Rental Rehabilitation funds, locally designated for this affordable housing project

## Program Year 2018 CDBG Allocations and Expenditures

### Program Year 2018 CDBG Allocations by Activity Type

The chart to the right shows the percentage of PY 2018 CDBG funding by activity. While there was a range of activity, the City intended to utilize these CDBG funds to focus on the urban core in general and to improve the business climate.



### Actual Expenditures for PY2018

The chart to the left presents the actual expenditures during PY 2018, broken down by the CDBG category, with three large housing projects and one public facility – sewer line project to support a group home for disabled adults. Please see below for some more detailed reports on specific projects.

### Financial Resources Leveraged by CDBG

Projects funded with Olympia's CDBG monies also receive funding from other sources, which "leverages" or matches with other fund sources to meet the needs in our community. This chart shows how the **City of Olympia leveraged an additional \$2,226,278** with federal CDBG funds in the amount of \$567,256 (fund sources shown below). The dollar amount in the far right column shows the leverage or match per CDBG dollar. Overall, for every CDBG dollar, an additional \$3.92 was leveraged as shown below:

Fund Source	Fund Amount	Percentage Total Funds	Leverage per CDBG Dollar
Federal: CDBG and Program Income	\$567,256	20%	
Local: City of Olympia Funds	\$575,428	21%	\$1.01
Local: Olympia Home Fund	\$1,000,000	36%	\$1.76
Local CIP* Funds	\$95,850	3%	\$0.17
Private Funds	\$25,000	1%	\$0.04
State Housing Finance Commission Land Acquisition Program	\$530,000	19%	\$0.93
<b>TOTAL</b>	<b>\$2,793,534</b>	<b>100%</b>	

## Program Year 2018 Accomplishments

Following are a couple of highlights from the **Program Year 2018 Action Plan**:



**Downtown Safety Program – Completed 4 lighting projects, including the street-side of Harlequin Theater**

**Downtown Safety Program:** The City partnered with the Olympia Downtown Association to identify key nighttime walking paths in need of better lighting. This phase of the Downtown Safety Program provided lighting on four (4) buildings in the urban hub. The ultimate goal was to create well-lit walking paths between parking lots and the major theaters and other evening venues in the urban hub. The City allocated a total of \$50,000 and expended **\$23,905 with an additional \$30,000 in projects still underway.**



*Community Action Council staff work with displaced resident on relocation*

### **Community Action Council's Displaced Tenant Assistance Project:**

The City worked with **Community Action Council and provided Relocation Assistance for 23 out of 28 total households.** (Some households were reluctant to participate in a government-funded project). These households were displaced by a redevelopment project undertaken by the new property owner. The City allocated a total of \$61,600 and expended **\$57,500** in CDBG funds.



## Downtown Ambassador Program

The City funded the Downtown Ambassador Program, first through the Capital Recovery Center, then bringing the program in-house. This team provides services and referrals on 3,414 occasions for homeless, mentally ill and street dependent people in Olympia’s urban hub. This program is paired with the City-funded Downtown Clean Team that provides downtown clean-up services, including the removal of human waste generated by homeless people and street dependent people. The City allocated and expended the full amount of \$55,000 in CDBG funds.

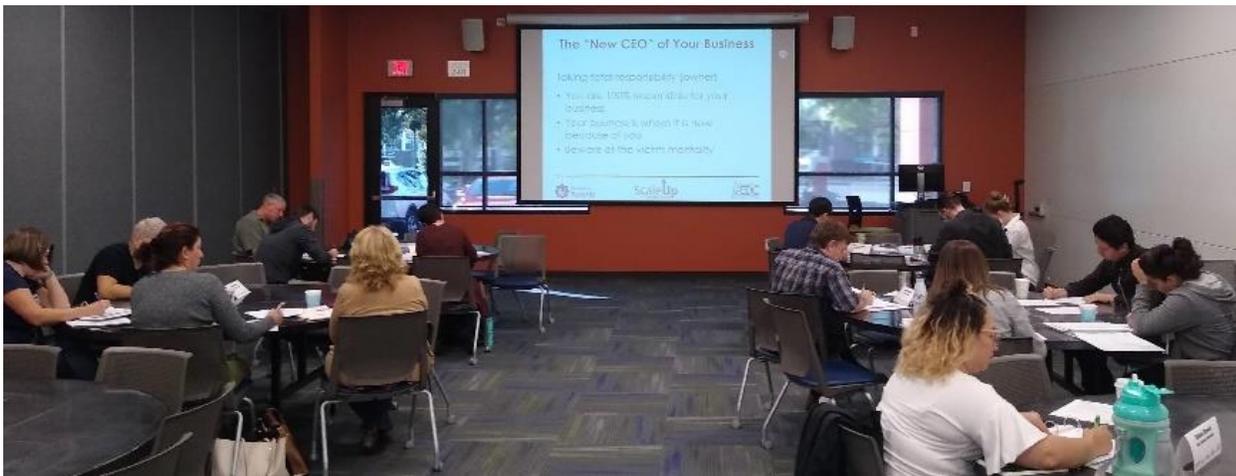
*The Downtown Ambassadors provide direct assistance & referrals to street-dependent people in the urban hub*

## Micro Enterprise Training and Technical Assistance

The City worked with Enterprise for Equity to provide Micro Enterprise training and technical assistance for 11 entrepreneurs. This program fosters economic opportunities by helping low and moderate income entrepreneurs develop and launch sound business plans. The City allocated and expended \$20,000 in CDBG funds.

## Small Business Training and Technical Assistance

The City worked with **Center for Business & Innovation** (CBI - a partner of Thurston Economic Development Council) and provided business training & technical assistance for 47 Olympia-based businesses. This training, called the “Scale-up/Tune-Up” Business Training” program created a total of six new (6) jobs. The City allocated \$30,000 to this program and expended \$24,022.03 in CDBG funds.



*The CBI “Scale-Up” business training sessions are tailored to strengthen small businesses which in turn create jobs.*

## Salvation Army Day Center / Community Kitchen Project - **CANCELLED**

Salvation Army cancelled their City-funded agreement for their new Day Center, instead they plan to pursue their project with private funding. This project is designed to double the capacity. This means the City will need to re-allocate the PY 2018 award of \$300,000 along with \$125,000 in the current PY 2019 Annual Action Plan. The City anticipates launching the public process to re-allocate these funds to a new project by the middle of December 2019.

## Creation of the Olympia Home Fund

In 2017 the City of Olympia voters passed an affordable housing levy creating the Home Fund. That new sales and use tax increase created \$2.3 million annually for affordable and supportive housing and housing-related purposes including mental health and behavioral health related facilities. The Home Fund can also pay operational costs, maintenance, delivery and evaluation of mental health and housing related services. From the inception, the City intended to align this local housing resource with other resources, like CDBG. Late in 2018 Olympia hired a Home Fund Manager who will oversee this program and collaborate with other local and state affordable housing programs and fund sources.

### Accomplishments in the first full year

#### Establishment of advisory group

In 2019 City Council appointed a volunteer Home Fund Advisory Board. That group includes a broad range of citizens and affected partners who advise the Council and City staff on how best to invest limited housing and related social service dollars to meet the most urgent community needs.

#### First capital funding round

The Home Fund's first funding round in 2019 received three proposals for affordable housing construction projects that were currently in the Thurston County affordable housing development pipeline. The Home Fund Advisory recommended to City Council that \$1.1 million be awarded to a project that is planning 60 beds of single adult low-barrier shelter and 65 units of supportive housing. That project also has a pending state Housing Trust Fund application and will apply for Low Income Housing Tax Credits later this year.

#### Operating Investments

Olympia also uses Home Fund dollars to help build and operate a 29 unit tiny home shelter that has already exited nearly ten individuals to permanent housing. Funds were also used to create a sanctioned tent encampment that has improved the County's outreach and engagement in Coordinated Entry.



*Devoe II Veterans Housing (50 units) typifies the housing goals of the Home Fund*

#### Plans for 2020

The Home Fund will award another \$1 million for construction in 2020. That funding round will prioritize supportive housing for homeless households, a high need as identified in the *Thurston County Homeless Crisis Response Plan 2019-2024*. The Home Fund Advisory has set a goal of funding 300 new units of supportive housing in Thurston County in the next five years to help address the supportive housing gap that report identified. The Home Fund is intended to leverage the State Housing Trust Fund and tax credit construction funding.

## Olympia City Council

Cheryl Selby, Mayor • Jessica Bateman • Jim Cooper • Clark Gilman • Nathaniel Jones • Lisa Parshley • Renata Rollins

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### To Request a Copy

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