

## APPENDIX I.

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### WASHINGTON COUNTY CDBG COMMUNITY DEVELOPMENT PLAN

This section provides an overview of the federal Community Development Block Grant (CDBG) program as well as Washington County's CDBG program by providing a summary of Washington County's non-housing needs for the 2020-2024 reporting period as well as an outline of the allocation process for Washington County's CDBG program.

Funding from the CDBG program is primarily targeted toward priority community development (non-housing) needs for low- and moderate-income persons throughout Washington County. Washington County, the City of Beaverton and the City of Hillsboro each receive their own annual allocations of CDBG funds and administer their jurisdiction's programs independently. Although the programs are run separately, the jurisdictions coordinated a joint needs assessment and Consolidated Planning effort.

Information to help identify community development needs was gathered through public outreach activities. Staff reviewed the findings from community workshops, consultations, focus groups, a community needs survey that was completed by local service providers and a community-wide survey of local residents. The results of all of these informational tools were used to create Objective Statements, that were then used to identify what needs would most likely be addressed in the Consolidated Plan. Each year public, local government and non-profit organizations [501(C)(3)] apply for CDBG funds to help pay for specific community projects. Consistency with the needs identified in the Consolidated Plan is one of the many criteria used to approve funding for these projects. The Objective Statements (see Appendix E) are intended to be used by potential CDBG applicants for qualifying their project under the 2020-2024 Consolidated Plan.

#### I. Federal Programs

Congress created the CDBG program by authorizing Title I of the Housing and Community Development Act of 1974. The overall purpose of the program is to develop viable urban communities by providing decent housing, creating suitable living environments, and expanding economic opportunities, primarily benefitting low- and moderate-income persons.

CDBG activities are initiated and developed at the local level based upon a community's understanding of its local needs, priorities and benefits to the community. Each entitlement grantee receiving CDBG funds determines what activities it will fund, as long as each project is eligible and meets one of three broad national objectives (benefit low- and moderate-income persons, prevent or eliminate slums and blight, or meet community development needs of a particular urgency).

#### Needs

The Washington County, the City of Beaverton and the City of Hillsboro non-housing (community development) component of this needs assessment was developed through an intensive information gathering process that involved local

governments, non-profits, residents, and other organizations. The project team utilized surveys, focus groups, workshops, and other public involvement activities to gather public input.

#### Focus Groups

Beginning in February 2019, the jurisdictions initiated a focus group process to assess needs for housing and services. In addition, these groups sought input on lived experience with housing discrimination. Root Policy Research conducted six focus groups of special needs populations. In addition, a Request for Proposals was put out for a community engagement process with communities of color to assess similar input. The Coalition of Communities of Color was the selected firm. A total of 11 focus groups in of eight communities of color were held involving a total of 105 people.

#### Communitywide Survey

With the intent of increasing community participation and input during the 2020-2024 Consolidated Plan process, the three jurisdictions released a communitywide survey. The goal of this survey was to gather input from community members across Washington County to gain insight into their lived experiences and priorities of need. The survey was provided in both English and Spanish, and was available to the public from April-May 2019.

The survey was developed by the jurisdictions and partner agencies. It was created in Qualtrics with assistance from the County's Department of Health and Human Services. A QR (Quick Response) code was created, for both English and Spanish, to allow people to use their smart phones to take the survey. This gave them the option to take the survey at a later time and provide access when no computers were available. Hard copies were made available upon request. Assistance with other languages was also offered. The survey was sent out to Housing Authority residents and tenants in affordable housing properties within the county. Over 1,900 responses were received.

## II. Washington County Program

Established in 1979, the Washington County CDBG program has expended over \$101 million on projects directed at activities benefiting low- and moderate-income persons. Over the years, the County's strategies have changed to accommodate community needs. This has been accomplished through changes in the general allocation formula, which guides the proportion of funds to be expended within the program's major funding categories. Program categories include: public facilities, infrastructure improvements, public services, and Housing Rehabilitation.

#### Projects Funded

- **Public Facilities:** In the early years of the Washington County program, a large portion of the funds was used to construct senior centers. In recent years, a significant portion of the money spent in this category has been used for senior center rehabs, shelters, group homes, residential treatment homes, parks and other multi-purpose community centers. Special needs housing, such as shelters, group homes and residential facilities for presumed benefit groups, are not considered to be permanent or new housing, and thus are included in Public Facilities.
- **Infrastructure Improvements.** This category includes projects such as streets and sidewalks, and sewer/water systems. Expenditures for infrastructure improvements have fluctuated over the years, from a low of 20% to a high of 40% (of the total CDBG allocation minus public services and administration funds) in a given annual funding cycle. It is currently set at 30% in the allocation formula.
- **Public Services.** Fifteen percent of the grant plus program income is the maximum allowed by the federal government for public services. This category is the most competitive, with the largest number of applications submitted.
- **Dedicated Funding for Weatherization and Housing Rehabilitation.** Expenditures in Washington County have fluctuated from a low of about 15% in the first funding cycle, to a high of about 40% in the last three cycles.

#### Projects Not Funded

The Washington County CDBG program has elected not to fund certain types of projects, although they are permitted to do so by the federal government. Reasons for not funding these projects vary.

- In the early 1990s, it was decided that economic development projects would not be funded using CDBG funds. However, over the last Consolidated Plan cycle, the need for employment services have become an important part of equipping households to move towards self-sufficiency. Because of that, for the first time, Washington County will offer a set-aside for employment services aimed at serving our homeless and at-risk populations. These funds will be put out in a Request for Proposal sometime in May 2020. The County is working with Worksystems on this important project.
- Planning studies are not funded unless related to the overall functioning and general administration of the CDBG program. Under “Other Actions,” we will be undertaking a risk analysis of the threats to manufactured home parks in Washington County. This will be a staff executed project.

#### Priorities

Based upon the needs assessment process, policy development in Washington County and input from various stakeholders throughout Washington County, the County’s Office of Community Development and the City of Beaverton have both chosen to prioritize CDBG activities that implement the strategies set forth in the Washington County’s A Road Home: A Community Plan to Prevent and End Homelessness. All activities that implement a strategy from A Road Home will be considered High Priority activities and will receive priority points in the rating cycle. In addition, funds for a strategic employment initiative is also deemed a

priority as evidenced by a specific set-aside each year. All other needs identified through the need statement process will be considered Low Priority (there being no medium priority in HUD's Con Plan template).

#### Allocation Process

Guidelines for allocating CDBG funds are established by the Washington County Policy Advisory Board and approved by the Board of County Commissioners. The program uses three steps to determine which projects will receive funding. First, an allocation formula is developed that identifies the proportion of funds that will be allocated to each general program category. Second, objective statements are established based on the results of the Community Needs Assessment, and only projects that address those objective statements are considered for funding. Finally, projects are evaluated according to specific criteria. These criteria are designed to ensure that projects address long- and short-term County strategies and that only viable and effective projects are selected.

This Consolidated Plan includes the guidelines for program expenditures during the five-year planning cycle from 2020-2024. The initial budget for the funding cycle aligns with the allocation formula however, actual expenditures may vary from these standards, depending on project submissions, the results of the project selection process, and the amount of funds needed for individual projects. The allocation formula, as follows, is based on the County needs as identified through the Community Needs Survey process described above. Consideration is also given to addressing needs for which other funding sources are limited.

#### Program Administration

HUD allows CDBG entitlement grantees to set aside 20% of the annual entitlement award plus program income to administer the program and ensure that all grants are in compliance with program regulations. Administration and Public Service funds are withdrawn from the pool of available resources prior to distribution of funds in each of the remaining program categories. The HUD funding is not sufficient to cover all program administrative costs. We request County General Funds to close the gap each year.

#### Public Services

HUD allows CDBG grantees to set aside up to 15% of the annual entitlement award plus prior year program income to fund public service projects. For the current planning cycle, the County will allocate 15% of the total entitlement award plus 15% of program income to the public services pool of funding. This will effectively increase the percentage of public services funding available each year.

To continue support for fair housing and resident services for Tier I CHDO properties, the County will reauthorize two set-asides within the public services funding category. 13% of the public services funding will be set-aside for resident services programs administered by Tier 1 Community Development Housing Organizations (CHDOs) who have at least 51% of their housing units in Washington

County. The intent behind this strategy is three-fold: 1). Residents services provide critical wrap-around supports for tenants in affordable housing projects; 2). Providing wrap-around supports to tenants helps to retain tenants, which is an important aspect of operational stability for what are primarily HOME-funded properties; and 3). Resident services provide the foundation for the more critical and more substantive supportive services, which will be critical in supporting the 334 Metro Bond units that are to be set-aside for those households at or below 30% MFI.

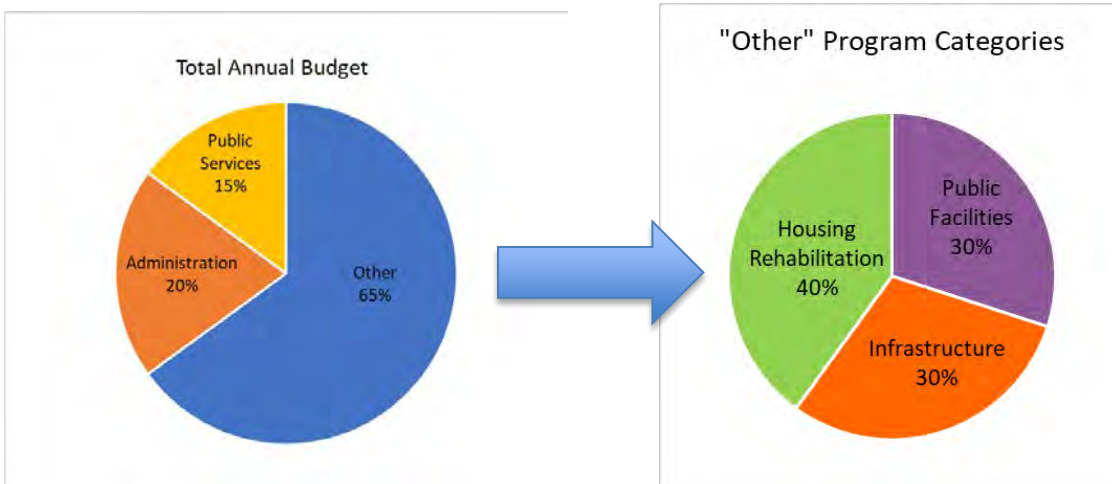
Two percent (2%) of the public services funding pool will be set aside for fair housing activities in order to strengthen the County's efforts to affirmatively further fair housing. The requirement to affirmatively further fair housing is one of the many activities HUD grantees must undertake in order to be eligible to receive CDBG funds. The Office of Community Development has requested County General Fund assistance for fair housing. If that is awarded, the federal funds will be reprogrammed.

### Employment Opportunity Program

As described above, \$50,000 in Public Services funding will be set-aside each year to support the County's Employment Opportunity Program. The Office of Community Development is seeking an additional \$50,000 in support for this program. Because of the alignment with Worksystems and the SNAP 50/50 program, 50% of the funds will be reimbursed at the end of each year allowing the program to grow over time. These Career Coaching Services are critically needed to provide hands on assistance to those seeking better paying jobs.

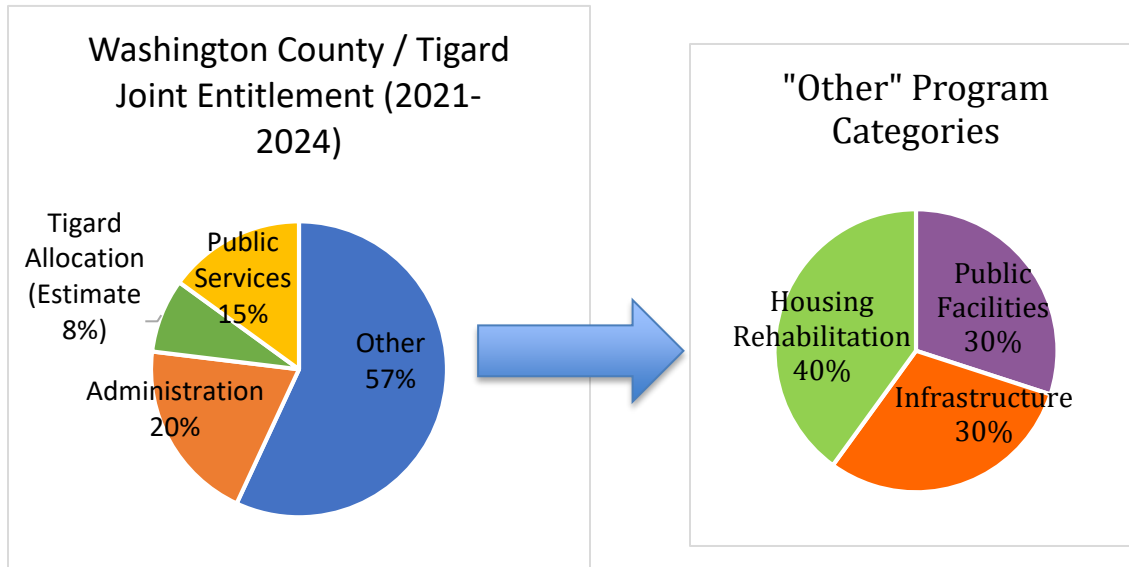
### Balance of Remaining Funds

After program administration and public services allocations are subtracted from the entitlement award (including program income), the remaining funds are then divided between the three remaining program categories: Public Facilities (30%), Public Infrastructure (30%) and Housing Rehabilitation (40%). The pie chart below demonstrates how CDBG funds will be allocated to different activities.



## City of Tigard

The City of Tigard will be making a decision in the spring of 2020 about its entitlement status under the CDBG program. If the City opts to pursue "Joint" entitlement status with the County, that will take place in July 2021. In that event, the allocation formula will change. The pie chart below demonstrates how CDBG funds would be allocated under that scenario.



## Application, Selection and Funding Processes

Each year (with the exception of Year 1<sup>1</sup>), the County hosts informational meetings regarding the CDBG program and application process in mid-August. Proposals are due each October. Competitive categories are as follows: Public Facilities, Infrastructure and Public Services. It should be noted that the Policy Advisory Board will only accept proposals that address the objective statements identified in this Plan.

Following receipt of project proposals, OCD staff reviews proposals and clarifies questions with applicants. Staff prepares a preliminary analysis of proposals, which are then sent to the PAB and the applicants. The PAB allows applicants to briefly present proposals and address questions in a public forum. The PAB rates proposals according to established criteria and projects are then listed in order of rank within program categories (30% to public facilities, 30% to public infrastructure, and 15% to public service activities).

Each year, when the federal government informs the County of the amount of its annual entitlement, funds will be allocated to each program category, according to

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<sup>1</sup> The funding cycle for FY 20/21 was delayed until November in order to allow the full priorities and goals to be reviewed by the Work Group and approved by the Policy Advisory Board. Year 2-5 will resume the regular schedule as described above.

the formula in this Plan. Subsequently, grant awards will be made to the highest-ranking projects in each category, to the extent that funds are available. Following PAB recommendation and endorsement of the list of projects, projects are included in the County's annual Action Plan, which is submitted to the Board of Commissioners for approval and submitted to HUD. The County then enters into agreements with project sponsors, with funding normally beginning July 1.