

THURSTON COUNTY/CITY OF OLYMPIA 2023-2027 CONSOLIDATED PLAN

APPENDICES

APPENDIX A: PUBLIC PARTICIPATION PLAN

Thurston County and the City of Olympia are required to adopt a citizen participation plan, hereafter referred to as a “Public Participation Plan”, that sets forth the jurisdiction’s policies and procedures for public participation.

Residents and other stakeholders are encouraged to participate in the development of the Assessment of Fair Housing (AFH) and the planning and evaluation of the three federal grant programs addressed in the Consolidated Plan:

- Urban County Community Development Block Grant (CDBG) Program, which includes Thurston County, Lacey, Tumwater, Yelm, Rainier, Bucoda, and Tenino;
- Thurston County Home Investment Partnerships Program (HOME), which includes Thurston County, Olympia, Lacey, Tumwater, Yelm, Rainier, Bucoda, and Tenino; and
- City of Olympia CDBG Program, which is only for Olympia.

The City of Olympia and Thurston County have developed a joint Public Participation Plan. This plan describes how to access information about the programs, examine the draft plans and report documents, review and comment on proposed activities, and provide comments on performance evaluations of approved activities. The public is also encouraged to participate in program implementation and monitoring activities.

As a joint plan, some elements of this plan will apply broadly to the AFH and all three programs. Other sections are more specific to a certain federal program or jurisdiction, as noted.

PURPOSE OF THE PUBLIC PARTICIPATION PLAN

The Housing & Community Development Act of 1987 requires recipients of the federal grant program funds to develop a Public Participation Plan outlining the public planning process for the five-year Consolidated Plan, the annual Action Plans, and the AFH. The Public Participation Plan provides key information to help the public and other stakeholders understand how the proposed use of HOME and CDBG funds may impact them. This information includes:

- An assessment of needs;
- An outline of strategies;
- An identification of specific activities to be funded;
- Links each proposed activity to a federal CDBG national objective;
- An identification of intended beneficiaries;
- A clear identification of the benefit to low and moderate-income persons; and
- An identification of all anticipated resources.

The general intent of these plans is to provide clear information to allow the public and other stakeholders to understand how the City and County will invest these federal HOME and CDBG funds, and in particular to provide sufficient details to allow the public and other stakeholders to understand how these programs might affect them.

ANTI-DISPLACEMENT AND ANTI-RELOCATION PLAN

As part of the Public Participation Plan, the public will be advised about the County and City plans to limit the displacement of persons through the CDBG and HOME program activities, and the ways the jurisdictions will assist any persons who may be displaced. The Anti-Displacement and Anti-Relocation Plan is included in the Consolidated Plan.

HOW THE PUBLIC CAN PARTICIPATE

The following table provides an overview of how the public can participate in the HOME and CDBG Programs and during the development of the AFH.

Activity/Document	When Activity Begins	Public Comment Period	How to Participate and Access Documents
Consolidated Plan (Five-Year Strategic Plan)	Starts six months preceding the coming Consolidated Plan Public Comment period	30 days	Two public hearings: 1) an early public hearing on housing and community development needs, development of proposed activities, and proposed strategies and actions for affirmatively furthering fair housing; and 2) public hearing on the draft Consolidated Plan and First Year Action Plan. Public community partner meetings Summary of plan published in the newspaper of record (per 24 CFR Part 91.105(b)(2)) Documents online at www.co.thurston.wa.us or www.ci.olympia.wa.us Documents available at Thurston County Public Health and Social Services and Olympia City Hall
Substantial Amendments to Consolidated Plan (Changes to the Consolidated Plan)	At any point during the Consolidated Plan period	30 days	Public hearing Public community partner meetings Documents online at www.co.thurston.wa.us or www.ci.olympia.wa.us Documents available at Thurston County Public Health and Social Services and Olympia City Hall
Annual Action Plan (Program Year Activity Overview)	Starts six months preceding the program year	30 days	Public hearing Public community partner meetings Documents online at www.ci.olympia.wa.us or www.co.thurston.wa.us Documents available at Thurston County Public Health and Social Services and Olympia City Hall
Substantial Amendments to Annual Action Plan (Changes to an Annual Action Plan)	At any point during the Annual Action Plan period	30 days	Public hearing Public community partner meetings Documents online at www.co.thurston.wa.us or www.ci.olympia.wa.us

Activity/Document	When Activity Begins	Public Comment Period	How to Participate and Access Documents
			Documents available at Thurston County Public Health and Social Services and Olympia City Hall
CAPER (Annual Report on all CDBG and HOME-funded activities)	November of each program year	15 days	Public hearing Public community partner meetings Documents online at www.co.thurston.wa.us or www.ci.olympia.wa.us Documents available at Thurston County Public Health and Social Services and Olympia City Hall
Assessment of Fair Housing (Five-year assessment)	Approximately 12 months before the start of the Consolidated Planning process	30 days	Public hearing Public community partner meetings Summary of plan published in the newspaper of record (per 24 CFR Part 91.105(b)(2)) Documents online at: www.co.thurston.wa.us www.ci.olympia.wa.us www.hatc.org Documents available at Thurston County Public Health and Social Services and Olympia City Hall

Thurston County and City of Olympia currently offer public hearings in a “hybrid” format, allowing the public to participate in the public hearings remotely. This opportunity for remote hearings is anticipated to continue in the future and/or whenever a public health emergency exists.

PUBLIC PARTICIPATION REQUIREMENTS

The Public Participation Plan is a required element of the Consolidated Plan for the CDBG Program, the HOME Program, and the AFH as specified by federal regulations that can be found at 24 CFR Part 91.105. These regulations define how Thurston County and Olympia will ensure and coordinate public access and public participation in the decision-making process for the CDBG and HOME programs. The process includes providing opportunities for developing, reviewing and commenting on the draft Consolidated Plan, annual Action Plan, AFH, Consolidated Annual Performance Evaluation Report, and Public Participation Plan.

Additional regulations on the CDBG Program can be found at 24 CFR Part 570, and regulations for the HOME Program can be found at 24 CFR Part 92.

The joint Public Participation Plan for Thurston County, the County HOME Consortium and the City of Olympia contains the following elements:

Public Participation

Thurston County and the City of Olympia encourages all residents, public agencies, and other stakeholders, specifically low- and moderate-income residents and residents of publicly-assisted housing developments, to

become involved and participate in the Consolidated Planning Process. Additionally, other stakeholders such as local and regional institutions, Continuums of Care, and other organizations (including businesses, developers, nonprofit organizations, philanthropic organizations, and community-based and faith-based organizations) are encouraged to participate.

Access to Meetings

The County and the City will provide adequate and timely notification of public meetings and provide assistance to persons with disabilities and/or who are in need of special accommodation (see Public Hearing and Notices on the next page). A translator will be made available at all public meetings when a significant number of non-English speaking persons or interest groups notify the County or City at least seven days prior to a public hearing meeting.

Access to Information and Records

The public, public agencies, and other stakeholders will have reasonable and timely access to information and records relating to the Urban County's use of CDBG funding, the Home Consortium's use of HOME funds, and the City of Olympia's use of CDBG funds covered under the Consolidated Plan. HUD-provided data and supplemental information that Thurston County plans to incorporate into the AFH will be made available at the start of the public participation process, or as soon as feasible thereafter. The following documents are available for public review:

- HOME Federal Rules, Regulations, and Guidelines (24 CFR Part 92);
- CDBG Federal Rules, Regulations and Guidelines (24 CFR Part 570);
- *Prior* Olympia CDBG Consolidated Plans (2018-2022); *Prior* Thurston County Regional Consolidated Plan (2018-2022);
- Annual Action Plans for both County and City prior program years;
- Agencies request for proposals submitted for HOME and CDBG funding;
- Consolidated Annual Performance Evaluation Reports (CAPER) for both the County and the City of Olympia; and
- Public hearing records for both the County and the City of Olympia.
- Draft Assessment of Fair Housing.

The public will have the opportunity to provide verbal and written comments regarding program policies, proposed annual budget allotments, and funding priorities.

Thurston County Documents

Copies of the Consolidated Plan (and amendments), Public Participation Plan, annual Action Plan (and amendments), AFH (and amendments), and the annual CAPER are available at the following locations:

- Thurston County offices at the Thurston County Public Health and Social Services;
- Thurston County website at www.thurstoncountywa.gov;
- Housing Authority of Thurston County (AFH Only).

City of Olympia Documents

Copies of the Consolidated Plan (and amendments), Public Participation Plan, annual Action Plan, AFH, and the annual CAPER are available at the following locations:

- City of Olympia Housing Program at Olympia City Hall;

- City of Olympia’s website at: www.ci.olympia.wa.us;
- Housing Authority of Thurston County (AFH Only)

Technical Assistance

Upon request, technical assistance will be made available to groups representing low- and moderate-income persons to assist them in understanding the requirements for developing proposals under the Consolidated Plan or to comment on the AFH.

Public Education

Thurston County will actively strive to educate and publicly inform the public on low-income housing and community development issues through the periodic promotion and sponsorship of public housing forums on affordable and homeless housing issues. The County and City will also utilize the following resources to keep the public informed:

- Community partner and other public meetings;
- Public access television announcements;
- Website updates;
- Direct emailed copies of documents and notices;
- Direct email to the County and City’s Housing Programs’ list of concerned persons, organizations and other stakeholders; and
- Presentations at local meetings of related organizations including, but not limited to, the HOME Consortium and the Thurston County Housing Task Force.

PUBLIC HEARINGS/PUBLIC NOTICES

The purpose of public hearings is to encourage and provide opportunities for public comment on all phases of the planning process, which include identifying housing and community needs, strategies, and priorities; determining program funding levels; and evaluating program performance.

During these public hearings, both the County and City will collect verbal and written comments on the draft Consolidated Plan, Substantial Amendments, Annual Action Plan, AFH and the CAPER. Hearings will provide reasonable notification and access for the public in accordance with Thurston County and/or Olympia’s certifications, timely responses from local officials to all public questions and issues, and public access to all public questions and responses. Public hearings will be accessible to people with disabilities. Public hearing notices will be published in the newspaper of record and will encourage the participation of non-English speaking persons, the disabled, and minorities. Where reasonable, and when requested seven days in advance, translation services for non-English speaking persons and assistive listening devices will be available. Persons needing special accommodations should contact the Thurston County or City of Olympia officials seven days prior to the hearing using the following contact information:

Thurston County Clerk of the Board Telephone number (360) 786-5440
TDD number (360) 754-2933

City of Olympia Housing Program Telephone (360)753-8183
TTY (360) 753-8270 (during normal business hours to be connected via a text telephone machine) or use the Washington State Relay Service by dialing 711, or 1 (800) 833-6384.

Number of Public Hearings

The County and the City will each hold a minimum of two public hearings during each program year, with additional public hearings for the Consolidated Plan and AFH held, as required. Additional public hearings pertaining to amendments may be held, as required.

Assessment of Fair Housing

Prior to the Consolidated Plan process, the County and the City will hold at least one public hearing on the AFH before the AFH is published for comment. This public hearing will solicit input from the community on AFH-related data and affirmatively furthering fair housing in the County's community development programs.

Plans – Consolidated Plan and Annual Action Plan Hearing

Every five years, the County and City must update the Consolidated Plan. When a Consolidated Plan is updated, there will be two hearings before action.

- The first public hearing will be held prior to the start of the Consolidated Plan period before the Consolidated Plan is published for comment. This hearing will also provide an opportunity to comment on priority needs and goals, the AFH, and the development of proposed activities for the first year of the Consolidated Plan period, which is the first annual Action Plan for that Consolidated Plan period. This hearing will be held in early spring to allow for preparation of the Consolidated Plan and the first annual Action Plan.
- The second public hearing will be held to allow for timely submission of the Consolidated Plan and/or the annual Action Plan 45 days prior to the start of the coming program year, which occurs on or before July 15.

For the four years following the Consolidated Plan update (Years 2-5), the County and City must submit Annual Action Plans to HUD. During these years, one public hearing will be held 45 days prior to the start of the coming program year, which occurs on or before July 15.

Annual Report – CAPER Public Hearing

The second public hearing will occur during the month of November, timed to allow for the submission of the annual CAPER report 45 days following the completion of the program year on or before November 15th. This public hearing will discuss the performance of the program, year-end fiscal and narrative summaries of activity, and will provide information on housing and community development needs.

Record of Public Comments

A summary of the public comments along with the County's and City's responses will be incorporated into the Consolidated Plan, annual Action Plan, AFH, and CAPER, whichever is appropriate. The public comment period for the Consolidated Plan, Annual Action Plan, AFH, and CAPER will be thirty days, and may run concurrent with the public notice date. Notices of public hearings will be published in the Olympian Newspaper and will include an opportunity for public comment for at least thirty days. All proposed substantial amendment changes to the Consolidated Plan and/or annual Action Plan will adhere to the same public notice and public hearing requirements.

SUBSTANTIAL AMENDMENTS TO THE CONSOLIDATED PLAN, THE ANNUAL ACTION PLAN, OR THE AFH

The County and the City can amend the Consolidated Plan, the annual Action Plan, and the AFH after adoption by following the process in their published Public Participation Plan for making changes. If a change is *not* considered

a substantial amendment, the County and the City can follow the public process for the annual Action Plan to allow for review and approval of changes that will then be reported in that program year's annual report, the CAPER.

The following will not be considered substantial amendments:

- Adjustments of allocations of program income to reflect actual (rather than anticipated) income;
- Pursuit of contingency projects identified in the Annual Action Plan;
- Adjustments in project funding, provided no new projects are proposed without a substantial amendment process, and provided that the change in federal funds awarded to a project is not increased more than 30 percent or \$50,000, whichever is greater;
- Allocation of funds which meet the Urgent Need test of HUD (e.g. existing conditions pose serious and immediate threat to health/welfare of community).

If the change is determined to have a more significant impact, the County and the City must follow the public process for a substantial amendment. Changes to the Consolidated Plan, the annual Action Plan, or the AFH are considered a substantial amendment if the proposed change in the use of either HOME or CDBG funds meets the following criteria:

- A change in allocation priorities, which is considered a change of federal funds awarded to a project of greater than 30 percent or \$50,000, whichever is greater;
- A change in the general location of activities;
- A major change in the scope of a project;
- The addition of a specific project which is not included as a contingency in the annual Action Plan or considered an Urgent Action; or
- A material change that affects the information on which the AFH is based to the extent that the analysis, the fair housing contributing factors, or the priorities and goals of the AFH no longer reflect actual circumstances.

All substantial amendments will be subject to the same public participation requirements as outlined above.

DISTRIBUTION OF FUNDS

The distribution of HOME and CDBG funds and implementation of program activities will be performed by subrecipient/contractor organizations selected through a competitive and open request for proposal process. The Urban County CDBG program, the Thurston County HOME Program and the Olympia CDBG will strategically target funds to meet prioritized needs consistent with the goals and strategies identified in the Consolidated Plan and annual Action Plan. Proposals will be solicited annually, based upon the County's and City's anticipated receipt of its annual allocations from HUD. Funding decisions and awards will be determined through an open and evaluative assessment of the organization's experience, costs, and the administrative and organizational capacity for delivering services.

The County and City may refine their public request for proposals process during the Consolidated Plan period. All changes to the schedule, format or other aspects of the request for proposals process will be subject to the open meetings act and/or public notice.

PUBLIC PARTICIPATION ADVISORY GROUP

Section 104(a)(3) of the Housing and Community Development Act of 1974 requires that residents have an advisory role in planning, implementing and assessment of community development programs. An advisory group (which may be an existing community organization) will convene at least once a year to provide input in the

planning, implementation and evaluation of the Urban County CDBG, the HOME Program and the City of Olympia CDBG Program.

PUBLIC COMPLAINTS/GRIEVANCES

A complaint pertaining to the Consolidated Plan, annual Action Plan, AFH, any plan amendments, and/or the annual CAPER report may be submitted to:

Thurston County Public Health and Social Services
412 Lilly Road NE, Olympia, WA, 98506.

City of Olympia Housing Program
Olympia City Hall, 601 4th Avenue East, Olympia, WA 98501

Complaints may also be submitted to HousingThurston@co.thurston.wa.us. Staff will review the complaint and will provide a response within a period of 15 working days of receipt of the complaint.

APPENDIX B: ANTI-DISPLACEMENT AND ANTI-RELOCATION POLICY

Thurston County and the City of Olympia will replace all occupied and vacant occupiable low/moderate-income dwelling units demolished or converted to a use other than as low/moderate-income housing as a direct result of activities assisted with funds provided under the Housing and Community Development Act of 1974, as amended, described in 24 CFR 42.325

Thurston County and the City of Olympia will replace all occupied and vacant occupiable lower income dwelling units demolished or converted to a use other than lower-income housing in connection with a project assisted with funds provided under the CDBG and/or HOME Programs in accordance with 24 CFR 42.375. Before entering into a contract committing Thurston County or the City of Olympia to provide funds for a project that will directly result in demolition or conversion of lower-income dwelling units, Thurston County or the City of Olympia will make public and submit to the HUD Field Office the following information in writing:

A description of the proposed activity.

- 1) The location on a map and the number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than for low/moderate-income dwelling units as a direct result of the assisted activity.
- 2) A time schedule for the commencement and completion of the demolition or conversion.
- 3) The location on a map and the number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units.
- 4) The source of funding and a time schedule for the provisions of replacement dwelling units.
- 5) The basis for concluding that each replacement dwelling unit will remain low/moderate-income dwelling unit for at least ten years from the date of initial occupancy.
- 6) Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units (e.g., a two-bedroom unit with two one-bedroom units) is consistent with the housing needs of low/moderate income households in the jurisdiction.

Under 24 CFR 42.375(d), Thurston County and City of Olympia may submit a request to HUD for a determination that the one-for-one replacement requirement does not apply based on objective data that there is an adequate supply of vacant lower income dwelling units in standard condition available on a non-discriminatory basis within the area.

Thurston County and City of Olympia will provide relocation assistance for lower income tenants who, in connection with an activity assisted under the CDBG and/or HOME Programs, move permanently or move personal property from real property as a direct result of the demolition of any dwelling unit or the conversion of a lower-income dwelling unit in accordance with the requirements of 24 CFR 42.350. A displaced person who is not a lower-income tenant, will be provided relocation assistance in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR Part 24.

Consistent with the goals and objectives of activities assisted under the Act, Thurston County and City of Olympia may take the following steps to minimize the displacement of persons from their homes:

- 1) Use CDBG funds to provide seed money grants or loans, long-term mortgage loans and favorable rates, or capital grants to tenant groups of multi-family buildings to help them convert to cooperatives.
- 2) State rehabilitation of assisted housing to allow tenants to remain during and after rehabilitation, working with empty buildings or groups of empty units first so they can be rehabilitated first and tenants moved in

before rehabilitation, working with empty buildings or groups of empty units first so they can be rehabilitated first and tenants moved in before rehabilitation on occupied units or buildings is begun.

- 3) Establish temporary relocation facilities in order to house families whose displacement will be of short duration, so they can move back to their neighborhoods after rehabilitation or new construction.
- 4) Evaluate housing codes and rehabilitation standards in reinvestment areas to prevent their placing undue financial burdens on long-established owners or on tenants of multi-family buildings.
- 5) Establish counseling centers operated by the county or non-profit organizations to assist homeowners and renters to understand the range of assistance that may be available to help them in staying in the area in face of revitalization pressures.
- 6) Establish a program of grants or deferred loans for rehabilitation of repairs to property owners who agree to limit rent increases for five to ten years.
- 7) Development displacement watch systems in cooperation with neighborhood organizations to continuously review neighborhood development trends, identify displacement problems and identify individuals facing displacement who need assistance.
- 8) Adopt policies, which help to ensure certain rights for tenants faced with condominium or cooperative conversions.
- 9) Consider the adoption of tax assessment policies to reduce the impact of rapidly increasing assessments on lower-income occupants or tenants in revitalizing areas, such as: (a) deferred neighborhood-wide reassessments if area has not yet been extensively upgraded; or (b) targeting public improvements into several other neighborhoods with potential for revitalization; and (c) conduction of advertising campaigns to attract interest in other neighborhoods.

APPENDIX C: MONITORING PLAN

THURSTON COUNTY MONITORING PLAN

Subrecipient Monitoring for Local and State Funding Recipients

Thurston County is responsible for monitoring the day-to-day operations of its subrecipient activities to ensure compliance with all applicable requirements, individual project goals, and local program requirements.

To accomplish this, the Office of Housing and Homeless Prevention uses a variety of monitoring techniques to review subrecipient compliance. Through phone conversations, written correspondence, desk monitoring, and on-site monitoring visits, staff are able to review each subrecipient's ability to meet the program's financial, production, and overall management requirements and make necessary determinations or take necessary actions to preserve program integrity.

Regardless of the frequency with which a project is monitored by staff, the purpose and intent of any monitoring visit is to identify any potential areas of noncompliance and assist the subrecipient in making the necessary changes to allow for successful completion of the activity. By identifying and correcting any compliance issues, the likelihood of efficient and effective services being delivered to the intended County beneficiaries increases dramatically and ensures the continued success of both the subrecipient organization and the County.

After funds are awarded for individual activities, the staff role is then to ensure that subrecipients are carrying out their programs in accordance with all applicable laws and regulations, and are meeting the goals outlined in their subrecipient agreements. In carrying out this responsibility, the staff will help subrecipients identify problems or potential problems in implementing their activity, identify the causes of those problems, and help subrecipients correct them.

Wherever possible, problems are corrected through discussions and/or contract compliance measures with the subrecipient without the need for on-site monitoring visits. However, at least once per year, or as individual situations dictate, a desk monitoring review or on-site monitoring review and/or provision of technical assistance will be required.

Monitoring Activities

Risk Assessment Process

Each year, the Office of Housing and Homeless Prevention will monitor and assess each funded activity to determine the degree to which an activity or subrecipient is at risk of noncompliance with program requirements. Each time the County enters into a new state or locally funded contract with an agency, they will be required to complete a risk assessment form and return it to the Thurston County Office of Housing and Homeless Prevention. Upon receipt, the County will evaluate and grade each assessment culminating in a final score. This final score will then determine an agency risk score and which type of monitoring visit will be required. Low risk agencies, for example those who have been fiscally responsible for local, state and federal funding for multiple years and consistently have no findings on their annual audit, will receive a light desk-monitoring review; medium risk agencies will receive a full desk-monitoring review; and high-risk agencies, for example those with multiple audit findings and high staff turnover, will receive an on-site monitoring review. Low risk agencies receiving a light desk review can expect the County to review the fewest number of client files and fiscal documentation from the list below. Medium risk agencies can expect a full desk monitoring review which includes the list below and additional client files and fiscal documentation. Finally, a high-risk agency will receive an on-site review and can expect the

deepest and most thorough review of everything on the list below and up to 25% of their client files and fiscal documentation. The majority of Thurston County agencies are low risk; therefore, the agencies will be on a rotation so each agency will have an onsite visit at least once every three years. The monitoring schedule may be impacted by Risk Assessment Scores and the frequency of onsite monitoring visits may increase.

Desk Monitoring

Desk monitoring is an ongoing process of reviewing subrecipient performance using all available data and documentation in making assessments of subrecipient performance and compliance with requirements. This process takes place within the Office of Housing and Homeless Prevention and does not generally involve subrecipient participation beyond submission of requested information. The following are among the sources of information that may be used in making determinations during the desk monitoring process:

- Requests for reimbursement and accompanying source documents;
- Audit reports;
- Staff reports from prior monitoring visits;
- Client/citizen comments and complaints;
- Information provided by other federal, state, county, and local agencies;
- Subrecipient responses to monitoring and/or audit findings;
- Original grant application;
- Subrecipient Agreement (as amended);
- Performance reports; and
- Litigation.

Use of Information

The information provided to the Office of Housing and Homeless Prevention will be used to observe patterns, changes, etc. in subrecipient activity and to identify any problems or potential problems and program status and accomplishments. Analysis of the data provided may indicate the need for on-site monitoring visits by the program staff to resolve issues of noncompliance or programmatic concerns.

On-Site Monitoring

In addition to or instead of the desk monitoring process, the program staff will conduct an on-site monitoring of each agency. Activities considered to be high risk will receive on-site monitoring first to head off any potential areas of noncompliance and provide the subrecipient with any technical assistance necessary to ensure compliance with requirements. Medium and low risk activities will receive on-site monitoring visits at the earliest possible date after all high-risk activities have been monitored. Medium risk activities will receive monitoring priority over low risk activities. The program staff will notify subrecipients by mail of the time and date for their scheduled on-site monitoring visit. Notification will be provided approximately thirty days prior to the scheduled visit and will include identification of the areas to be monitored, any documentation to be made available and key staff that may need to be present.

Monitoring Areas

The Office of Housing and Homeless Prevention will generally review some or all of the areas identified below during the monitoring visit. Other areas for review may apply depending on activity type, subrecipient, etc. The extent of the review of these areas will vary from one activity to another.

- Financial Management Systems
- Procurement Standards
- Income Verification
- Individual Client Files
- Complaint Procedures
- Employee Records
- Guidelines and Requirements

- Record Keeping Systems
- Contract Management
- Lobbying/Political Activity
- Professional Services
- Compliance
- Civil Rights
- State or Independent Audit Results
- Program Policies and Procedures

Monitoring Visit

When conducting an on-site monitoring visit, the Office of Housing and Homeless Prevention will:

- 1) Conduct an entrance interview with key staff involved in conducting the activity.
- 2) Review all pertinent files, policies and procedures for necessary documentation.
- 3) Interview appropriate officials and employees of the subrecipient organization, and other parties as appropriate, to discuss the subrecipient's performance.
- 4) Discuss with the subrecipient any discrepancies resulting from the review of files, interviews,
- 5) and site visit.
- 6) Conduct an exit interview with the appropriate officials and/or staff of the subrecipient organization to discuss the findings of the monitoring visit.

Monitoring Results

An official letter reporting the results of the monitoring visit will be sent to the authorized agency official (director, mayor, etc.) within 30 days of the monitoring visit. This letter will generally contain the following information:

- Project number and name of the activity monitored
- Date(s) of monitoring visit
- Name(s) of the Office of Housing and Homeless Prevention staff who conducted monitoring visit
- Scope of the monitoring visit
- Names of agency officials and staff involved in the monitoring visit
- Findings and results of the monitoring visit, both positive and negative, supported by facts
- considered in reaching the conclusions
- Specific recommendations or corrective actions to be taken by the subrecipient
- Time frame for completion of necessary action(s)
- If appropriate, an offer of technical assistance

Follow-up Action

If concerns or findings identified during the monitoring visit require corrective action by the subrecipient, those actions must be completed by the subrecipient within the time frame mandated in the monitoring letter, typically thirty days. In the event that the subrecipient fails to meet a target date for making required actions, a written request for response will be sent to the authorized agency official.

The County may withhold further payment to the subrecipient if a subrecipient has not sufficiently responded within 30 days from the corrective actions deadline, submitted the required responses and/or taken the required corrective action. Further, those corrective actions and/or responses must be acceptable to the County. If responses or corrective actions are determined to be unacceptable, the County may continue to withhold funds and/or terminate the contract until satisfactory actions are taken.

Resolving Monitoring Findings

The Office of Housing and Homeless Prevention will mail a letter to the authorized official of the agency stating that the findings are resolved when reviews of all documentation of corrective actions taken by the subrecipient indicate that the identified concerns or findings have been corrected to the satisfaction of the program.

CITY OF OLYMPIA MONITORING PLAN

Monitoring for CDBG Subrecipients

The City of Olympia is responsible for monitoring the day-to-day operations of its subrecipient activities to ensure compliance with all applicable requirements, individual project goals, and local program requirements.

To accomplish this, the Office of Community Vitality uses a variety of monitoring techniques to review subrecipient compliance. Through phone conversations, written correspondence, desk monitoring, and on-site monitoring visits, staff are able to review each subrecipient's ability to meet the program's financial, production, and overall management requirements and make necessary determinations or take necessary actions to preserve program integrity.

Regardless of the frequency with which a project is monitored by staff, the purpose and intent of any monitoring visit is to identify any potential areas of noncompliance and assist the subrecipient in making the necessary changes to allow for successful completion of the activity. By identifying and correcting any compliance issues, the likelihood of efficient and effective services being delivered to the intended County beneficiaries increases dramatically and ensures the continued success of both the subrecipient organization and the County.

After funds are awarded for individual activities, the staff role is then to ensure that subrecipients are carrying out their programs in accordance with all applicable laws and regulations and are meeting the goals outlined in their subrecipient agreements. In carrying out this responsibility, City staff will help subrecipients identify problems or potential problems in implementing their activity, identify the causes of those problems, and help subrecipients correct them.

Wherever possible, problems are corrected through discussions and/or contract compliance measures with the subrecipient without the need for on-site monitoring visits. However, at least once per year, or as individual situations dictate, a desk monitoring review or on-site monitoring review and/or provision of technical assistance will be required.

Monitoring Activities

Risk Assessment Process

Each year, the Office of Office of Community Vitality will monitor and assess each funded activity to determine the degree to which an activity or subrecipient is at risk of noncompliance with program requirements. Each time the City enters into a new federally funded contract with an agency, they will be required to complete a risk assessment form and return it to the City of Olympia Office of Community Vitality. Upon receipt, the City will evaluate and grade each assessment culminating in a final score. This final score will then determine an agency risk score and which type of monitoring visit will be required. Low risk agencies, for example those who have been fiscally responsible for local, state and federal funding for multiple years and consistently have no findings on their annual audit, will receive a light desk-monitoring review; medium risk agencies will receive a full desk-monitoring review; and high-risk agencies, for example those with multiple audit findings and high staff turnover, will receive an on-site monitoring review. Low risk agencies receiving a light desk review can expect the City to review the fewest number of client files and fiscal documentation from the list below. Medium risk agencies can expect a full desk monitoring review which includes the list below and additional client files and fiscal documentation. Finally, a high-risk agency will receive an on-site review and can expect the deepest and most thorough review of everything on the list below and up to 25% of their client files and fiscal documentation. The majority of City of Olympia agencies are low risk; therefore, the agencies will be on a rotation so each agency will have an onsite visit at least

once every three years. The monitoring schedule may be impacted by Risk Assessment Scores and the frequency of onsite monitoring visits may increase.

Desk Monitoring

Desk monitoring is an ongoing process of reviewing subrecipient performance using all available data and documentation in making assessments of subrecipient performance and compliance with requirements. This process takes place within the Office of Community Vitality and does not generally involve subrecipient participation beyond submission of requested information. The following are among the sources of information that may be used in making determinations during the desk monitoring process:

- Requests for reimbursement and accompanying source documents;
- Audit reports;
- Staff reports from prior monitoring visits;
- Client/resident comments and complaints;
- Information provided by other federal, state, county, and local agencies;
- Subrecipient responses to monitoring and/or audit findings;
- Original grant application;
- Subrecipient Agreement (as amended);
- Performance reports; and
- Litigation.

Use of Information

The information provided to the Office of Community Vitality will be used to observe patterns, changes, etc. in subrecipient activity and to identify any problems or potential problems and program status and accomplishments. Analysis of the data provided may indicate the need for on-site monitoring visits by the program staff to resolve issues of noncompliance or programmatic concerns.

On-Site Monitoring

In addition to or instead of the desk monitoring process, the program staff will conduct an on-site monitoring of each agency. Activities considered to be high risk will receive on-site monitoring first to head off any potential areas of noncompliance and provide the subrecipient with any technical assistance necessary to ensure compliance with requirements. Medium and low risk activities will receive on-site monitoring visits at the earliest possible date after all high-risk activities have been monitored. Medium risk activities will receive monitoring priority over low-risk activities. The program staff will notify subrecipients by mail and e-mail of the time and date for their scheduled on-site monitoring visit. Notification will be provided approximately thirty days prior to the scheduled visit and will include identification of the areas to be monitored, any documentation to be made available and key staff that may need to be present.

Monitoring Areas

The Office of Community Vitality will generally review some or all of the areas identified below during the monitoring visit. Other areas for review may apply depending on activity type, subrecipient, etc. The extent of the review of these areas will vary from one activity to another.

- Financial Management Systems
- Procurement Standards
- Income Verification
- Individual Client Files
- Complaint Procedures
- Employee Records
- Guidelines and Requirements
- Record Keeping Systems
- Contract Management

- Lobbying/Political Activity
- Professional Services
- Compliance
- Civil Rights
- State or Independent Audit Results
- Program Policies and Procedures

Monitoring Visit

When conducting an on-site monitoring visit, the Office of Community Vitality will:

- 1) Conduct an entrance interview with key staff involved in conducting the activity.
- 2) Review all pertinent files, policies and procedures for necessary documentation.
- 3) Interview appropriate officials and employees of the subrecipient organization, and other parties as appropriate, to discuss the subrecipient's performance.
- 4) Discuss with the subrecipient any discrepancies resulting from the review of files, interviews,
- 5) and site visit.
- 6) Conduct an exit interview with the appropriate officials and/or staff of the subrecipient organization to discuss the findings of the monitoring visit.

Monitoring Results

An official letter reporting the results of the monitoring visit will be sent to the authorized agency official (director, CEO, etc) within 30 days of the monitoring visit. This letter will generally contain the following information:

- Project number and name of the activity monitored
- Date(s) of monitoring visit
- Name(s) of the Office of Community Vitality staff who conducted monitoring visit
- Scope of the monitoring visit
- Names of agency officials and staff involved in the monitoring visit
- Findings and results of the monitoring visit, both positive and negative, supported by facts
- Considered in reaching the conclusions
- Specific recommendations or corrective actions to be taken by the subrecipient
- Time frame for completion of necessary action(s)
- If appropriate, an offer of technical assistance

Follow-up Action

If concerns or findings identified during the monitoring visit require corrective action by the subrecipient, those actions must be completed by the subrecipient within the time frame mandated in the monitoring letter, typically thirty days. In the event that the subrecipient fails to meet a target date for making required actions, a written request for response will be sent to the authorized agency official.

The City may withhold further payment to the subrecipient if a subrecipient has not sufficiently responded within 30 days from the corrective actions deadline, submitted the required responses and/or taken the required corrective action. Further, those corrective actions and/or responses must be acceptable to the City. If responses or corrective actions are determined to be unacceptable, the City may continue to withhold funds and/or terminate the contract until satisfactory actions are taken.

Resolving Monitoring Findings

The Office of Community Vitality will mail a letter to the authorized official of the agency stating that the findings are resolved when reviews of all documentation of corrective actions taken by the subrecipient indicate that the identified concerns or findings have been corrected to the satisfaction of the program.

APPENDIX D: SUMMARY OF PUBLIC PARTICIPATION

The following summarizes the process and input preparing the 2023-2027 Consolidated Plan, 2023 Action Plan and the Assessment of Fair Housing in Thurston County.

COORDINATION WITH HOUSING AUTHORITY OF THURSTON COUNTY

The Housing Authority of Thurston County was consulted early to obtain information to include in the Needs Assessment and Market Analysis. They were also consulted regarding the priority needs and goals to be included in the Consolidated Plan. For the Assessment of Fair Housing, the Housing Authority partnered with Thurston County and Olympia on the assessment and held their own public hearing.

The Housing Authority of Thurston County provided the following input towards the goals for the Consolidated Plan:

- 1) Affordable housing development tools need to be very careful about not concentrating people with low incomes. That avoidance is important for a host of reasons, not the least of which is that due to ugly facts of American history, concentrating people by income can unwittingly recreates the sin of segregation.
- 2) Jurisdictions need to incentivize private, market rate developers to include a least a few units that are accessible to voucher holders (i.e. within the local HCV Payment Standard); this helps with the avoidance of poverty concentration and enables voucher participants the dignity of opportunities to live in new or newer units. HATC is only local entity that routinely builds non-subsidized units that are accessible within the payment standard. One incentive would be a negotiated number of HCV accessible units in exchange for property tax abatement, parking requirement waivers, vacation of alleys, etc.
- 3) A professional affordability advocate needs to be on staff when codes are written and interpreted. In the code development and permitting processes numerous disciplines are represented such as urban forestry, storm water, fire safety, exterior design, etc; all good things however, without affordability representation requirements are made without any consideration of cost and marginal benefit for the represented discipline. As an example, prior to an HATC design review presentation, a committee member stated that photographs of Views on Fifth should be taken and presented so that “the developers” know what we want. Problem is most people, certainly not the neighbors we serve, can afford to live in a place like Views on Fifth. Considering affordability and marginal benefit would be somewhat analogous to the fiscal note process used by the Legislature when considering bills. There is much attention in affordable housing world to financing resources and needs, but very little attention to the cost side of the equation.

CONSOLIDATED PLAN NEEDS ASSESSMENT OUTREACH

In order to ensure community engagement and participation in the development of the 2023-27 Consolidated Plan, the following activities occurred in the November 2022 to January 2023 period:

- Seven individual interviews were conducted with local city and nonprofit leaders;
- A community survey was developed and marketed targeting nonprofit and community leaders; and
- Three focus groups were conducted to gain participants responses to the survey results and their insights on investment priorities.

All three sets of activities focused on gaining perspectives and insights about what the priorities should be in the coming years for both HOME and CDBG investments. This summary starts with the survey as it has the biggest set of data sources.

Online Community Survey

We developed a survey with input from City and County staff in November and released it on the County Consolidated Plan website November 28. It was open until January 16, 2023 and also emailed out to approximately 200 individuals on the County and City's list of local government and nonprofit leaders and staff. 51 respondents answered the survey with a 100% completion response rate. Below are the summary survey results covering each question.

Q1: What are your broad priorities? Please rank the following groups of eligible activities in order of importance for low- and moderate-income people in our Thurston County region.

Creation of affordable housing, including: multifamily housing, homebuyer assistance, rental assistance and repair/rehabilitation was the top choice by a wide margin, with 73% of respondents ranking it first and 23% ranking it second.

Public Services, including: housing supportive services, education & childcare, employment services and job training, and senior services: 16% of respondents ranking it first and 52% ranking it second.

Public facilities/infrastructure, including: street and sidewalk improvements, water and sewer improvements, neighborhood facilities and special needs (e.g. shelters, group homes): 6% of respondents ranked it first and 16% ranking it second.

Economic development, including: microenterprise assistance, including loans and grants, job training, building façade improvements: 4% of respondents ranking it first and 10% ranking it second.

Analysis – As shown in the Needs Assessment, given the Thurston region's affordable housing crisis, it is not a surprise that housing investments and services were cited by most respondents. As the focus groups confirmed, many of the most needed public services are to provide supportive services for helping low- and moderate-income people find housing and remain housed.

Q2: When considering options for spending HOME and/or CDBG funds for affordable housing, please rate your priorities high, medium, low or not sure.

Three options were rated highly by a majority of respondents:

- New construction of affordable rental apartments/townhouses/single family homes was the top ranked option with 69% rating it high and 20% medium.
- Rental assistance - such as cash payments/vouchers/utilities payments or help finding rentals: 57% rating it high and 31% medium.
- Repair/rehabilitation of existing affordable housing: 53% rating it high and 39% medium.

Neither new homeowner construction, down payment assistance or broadband/energy assistance scored over 20% in the high priority choice.

Analysis – These results fell in line with the overall priorities expressed in Question 1 and clarified the belief that affordable rental housing and related supports are the most critical need in the region.

Q3: Prioritize which Public Services funds are most valuable by checking your top three priorities for our Thurston communities. Below are the top three priorities by respondents.

Below are the top three priorities by respondents.

- Families and children's services were cited as a top priority 59% of the time by respondents.
- Physical/behavioral health services rated as top priority 56.86%.
- Housing counseling and services were cited as a priority 43.14%.

Other choices (domestic violence services, employment training/job placement, meal programs, services for those with disabilities, senior services, one-time rental assistance, and legal/conflict resolution services all fell at or below 25% by respondents.

Analysis – These results are more difficult to draw conclusions from given the range of options respondents had to choose from. Clearly, prioritizing the services for children and families was deemed critical. However, this category of services is broad and can include many of the other choices in this question. Given the widely understood need for more mental health resources, along with housing, it makes sense those categories were also prioritized. The other possible categories cited under 25% cover a range of more specific community needs.

Q4: Please rate the level of need (high, medium, low) for using CDBG funds for facilities and infrastructure to serve low-income people in our Thurston communities.

Below are the high-ranking priorities and percentages cited for these activities.

- Special needs (e.g. homeless shelters, group homes) – 69%
- Neighborhood facilities – such as recreational facilities, parks, child care centers, and community centers – 31%
- Water/sewer line installation – 29%
- Street and sidewalk improvements – 18%
- Broadband connectivity improvements – 12%

Analysis – These results may reflect that fact that the majority of respondents are likely from nonprofit organizations engaged in improving the lives of low-income residents. Therefore, they are more concerned with those related needs than by broader neighborhood infrastructure improvements. Water and sewer lines installation may have scored higher given they can relate specifically to reducing housing costs. In the three cities urban region where most people live, broadband connectivity is less an issue (although cost might be).

Q5: Economic development - please rate (high, medium, low) the value of using CDBG funds for these activities.

Economic development ranked very low in overall survey priorities. However, below are the high-ranking priorities and percentages cited for these activities.

- Redevelopment of contaminated/abandoned properties – 55%
- Job training – 47%
- Microenterprise assistance, including loans and grants – 27%
- Business incubation center for new business start-ups – 14%
- Façade improvements to businesses – 2%

Analysis – These results are difficult to draw conclusions. Thurston county has few contaminated or abandoned properties. Given the current surplus of vacant commercial space, it may be that respondents believed those properties should be put back in circulation to help meet housing needs.

Interviews and focus group results

Below is a distillation of key comments and discussion from the three focus groups and interviews conducted (interview comments were melded into these sections).

- Housing provider/local elected leader nonprofit focus group:
 - Construction of new affordable housing and rental assistance were the conclusive priority;
 - Given the revolving nature of CDBG funding between jurisdictions, some cited the flexibility of CDBG for one-time uses such as affordable housing re-hab and land purchase;
 - Land acquisition for future affordable housing was also cited; especially as a less restrictive use of CDBG and HOME funds;
 - It was suggested that CDBG be tied into the County's housing pipeline process to support a three-year planning window;
 - CDBG is too small and for effective ongoing rental assistance – plus, under the current agreement, it then goes away each year; and
 - County/Regional Housing Council needs to reinstate pipeline process for housing capital investments and tie the home fund dollars together into it.

- Service provider nonprofit focus group:
 - They concurred with affordable housing as the top priority from the survey; they also added that supportive services to go with housing are critical;
 - They emphasized that housing re-hab funds were critical to maintain stock condition;
 - Also cited -- promoting home ownership via shared equity into multi-family housing to build wealth for low income owners;
 - Only 15% of the funds available for services is small – those who get those funds are happy, but the overall impact is limited and inconsistent;
 - Facilities and infrastructure in support of housing and other providers is valuable as there are limited sources of other funds; and
 - The prospect of the City of Lacey leaving the County CDBG consortium was raised as a concern as it will diminish the county-level funding.

- South Thurston County elected official/nonprofit provider focus group:
 - South county mayors were very clear that they want flexibility in how CDBG funds are spent and they often need them most for public facilities and infrastructure;
 - Cities often have significant infrastructure needs – like replacing asbestos water pipes and limited capacity to find other funds for these needs; same with parks;
 - Current CDBG agreement calls for the four South county cities to negotiate the process each year when it's their turn – it's a necessary and not always easy process that makes sticking to hard priorities difficult; and
 - Funding services like food bank and youth opportunities is also important.

- Overall funding process comments:
 - A unified process could be helpful for applicants – priorities change each year as the jurisdictions take their turns;
 - Having a consistent budget and longer funding period would be more beneficial as nonprofits can't consistently rely on funding;
 - Jurisdictions at times dole out money that doesn't get used; and
 - City(s) and County should combine staff to save administrative costs.

EARLY PUBLIC HEARINGS

Thurston County and the City of Olympia held public hearings on needs, development of proposed activities, fair housing and amendments to the Public Participation Plan. Olympia's hearing was on March 28th and Thurston County's on April 18th.

There was not anyone that provided input at the public hearings. However, three letters were submitted during the public comment period. The following summarizes that input:

- South Puget Sound Habitat for Humanity (4/12/23) – HOME funds should be used to increase the number of affordable housing options through construction of new units or conversion of market rate properties into affordable units. CDBG funding covers critical home repairs, rehabilitations and other energy efficiency upgrades
- City of Olympia to Thurston County (4/18/23) – Consider prioritizing housing related activities across all consortium jurisdictions. Overwhelmingly, the top priority is increasing access to affordable housing.
- South Puget Sound Habitat for Humanity (4/11/23) – regarding the five goals in the Fair Housing Assessment, SPSHFH is particularly interested in increasing access to homeownership.

CONSOLIDATED PLAN AND 2023 ACTION PLAN PUBLIC HEARINGS

Thurston County and the City of Olympia held public hearings on the draft 2023-2027 Consolidated Plan and 2023 Action Plan on June 20th. The following input was provided during the public comment period or at the public hearing:

- Placeholder
-

FAIR HOUSING ASSESSMENT

The outreach activities undertaken to encourage and broaden meaningful community participation in the Assessment of Fair Housing Process included:

- Community Survey – 617 responses
- Stakeholder Interviews – 8 key organizations, including the developmental disability community, Latinx and immigrant communities, schools, legal aid, tenant advocates and nonprofits
- Consultation with organizations (emails, community survey and flyers)
- Press releases
- News stories
- Direct email solicitation
- Notices to all Housing Authority residents and households with Housing Choice Vouchers
- Flyers posted at community locations and online (translated into three commonly spoken and linguistically isolated languages in Thurston County Spanish, Vietnamese and Korean)
- Outreach to Olympia's Listening Session for Black Community Members
- Outreach to those receiving COVID rental assistance
- Online and social media posts

Community Input

Affordability is a key concern, as rents skyrocketed after the moratorium ended. 56% of survey respondents' rent/mortgage increased in past 12 months, while only 31% said their income increased in same timeframe. 42% lost income due to COVID (illness, workplace closed temporarily or permanently).

Renters are cost-burdened at a much higher rate than homeowners and BIPOC households are more likely to rent than own. COVID exacerbated existing disparities.

- BIPOC households in Olympia, Tumwater, Lacey area are more likely to rent than own
 - 60% of BIPOC households rent vs. 40% own
 - 47% of white, non-Hispanic households rent vs. 53% own
- According to a recently published report by Dept of Commerce, Thurston County has a BIPOC homeownership gap of 2,866 households.

According to a recent report by the Dept of Commerce, Black mortgage loan applicants are most often denied loans due to debt-to-income ratios and thin or no credit history.

Most survey participants don't know who to contact if they experience discrimination or don't think it will make a difference.

- 37% believe they or someone they know has experienced housing discrimination in Thurston County (20% are not sure)
- Most common bases for discrimination: source of income, disability, race
- Most common discriminatory acts: refused to rent, provided different terms or conditions/different treatment, told housing was not available when in fact it was available
- Only 12% filed a complaint (63% didn't file because they didn't think it would make a difference and 68% didn't know who to contact)
- In the past 5 years, 45 complaints filed in Thurston County (32 filed in Olympia). Most frequently on the basis of disability (33), followed by race (10), and family status (4). Some included multiple protected classes
- Lack of enforcement capacity is a significant issue, on a local and statewide level

Most common disability-related concerns include:

- Over 53% of survey respondents have a disability or a family member in their household has a disability, chronic illness, mental illness or neurodivergence
- Most need simple property criteria (few or no stairs, ground floor unit, wide doorways), a change in policies for a disability-related need (allow a service/companion animal, reserved parking space near their unit), or minor modifications to their unit (grab bars, smoke detector with visual alarm)
- 25% stated they have difficulty accessing transportation near where they live; 24% have difficulty navigating their neighborhood due to lack of sidewalks, curb cuts, crosswalks, pedestrian lighting

Some of the most marginalized community members are pushed out of the traditional rental market and face worse habitability and overcrowding issues.

- Spanish-speaking community members self-evicting after receiving a 14-day notice to pay or vacate, and move into apartments with family members
- Rural communities have under the radar rental situations. A woman experiencing chronic homelessness was offered an opportunity to rent a recliner in someone's home for \$1,200/month and would be forced to sleep in the carport if she didn't return home at an appointed nightly time. A property owner in a remote area was renting spaces for people with RVs in their open field, where there was raw sewage, no connections to power or running water.
- Families who have been experiencing homelessness doubling up. One advocate stated they were aware of 36 people in one housing unit.
- Unable to afford other options, some are turning to garages or sheds for rent.

The top 5 most important strategies to increase equity and address housing disparities for members of protected classes in Thurston County are:

- More affordable housing and/or financial assistance for housing for low-income individuals and families - 78%
- Increasing access to homeownership - 56%
- Housing in a variety of types and sizes to meet various family sizes and needs - 54%
- Reducing barriers to accessing housing (criminal history, credit history, etc) – 38%
- Education about rights under fair housing laws for members of protected classes – 22%