

## POULSBO DISTRIBUTION SCHEDULE

**RESOLUTION NO. 2020-03**

**SUBJECT: Affordable Housing Task Force Recommendations**

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### CONFORM AS TO DATES & SIGNATURES

- ☒ Filed with the City Clerk: 01/31/2020
- ☒ Passed by the City Council: 02/05/2020
- ☒ Signature of Mayor
- ☒ Signature of City Clerk
- ☐ Publication: \_\_\_\_\_
- ☒ Effective: 02/05/2020

### DISTRIBUTED COPIES AS FOLLOWS:

- ☐ NK Herald: \_\_\_\_\_
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- ☐ City Council
- ☐ Finance:
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- ☐ \_\_\_\_\_

Rhiannon Fernandez  
City Clerk

02/05/2020  
Date

## **RESOLUTION NO. 2020-03**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON REGARDING AFFORDABLE HOUSING AND MEASURES TO PROMOTE ITS DEVELOPMENT AND PROTECTION.

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**WHEREAS**, the City of Poulsbo recognizes the need for affordable and deeply affordable housing in our community; and

**WHEREAS**, the City of Poulsbo recognizes the need for various programs and approaches to develop and protect affordable and deeply affordable housing; and

**WHEREAS**, the City of Poulsbo understands that preventing homelessness and displacement benefits the Poulsbo community and increases public safety; and

**WHEREAS**, in the 2019 regular session, the Washington State Legislature passed Substitute House Bill 1406, which authorizes cities and counties to impose a local sales and use tax for the purpose of affordable and supportive housing; and

**WHEREAS**, on September 11, 2019, the City Council of Poulsbo passed Ordinance 2019-15 imposing a local sale and use tax in accordance with House Bill 1406; and

**WHEREAS**, on September 11, 2019, the City Council of Poulsbo established an Affordable Housing Task Force to advise the City Council how the City should spend SHB 1406 funds within the bill's parameters; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON HEREBY RESOLVES AS FOLLOWS:**

1. This Resolution of the City Council of the City of Poulsbo, Washington accepts the recommendations of the Affordable Housing Task Force, as written. Upon passage of this resolution, the City Council of the City of Poulsbo authorizes the Mayor to work with staff and community partners to accept the Task Force's recommendations in Exhibit A.
2. This resolution also accepts the Task Force's recommendation that a Council Committee be created to meet, on an ongoing basis, to consider issues related to affordable housing. Upon passage of this resolution, the City Council of the City of Poulsbo authorizes a **Housing, Health, and Human Services Committee** to consider affordable housing issues and initiatives, along with other issues relating to health and human services in the City of Poulsbo.

**RESOLVED** this 5th day of February 2020.

APPROVED:



MAYOR, REBECCA ERICKSON

ATTEST/AUTHENTICATED:



CITY CLERK, RHIANNON FERNANDEZ

FILED WITH THE CITY CLERK: 01/31/2020

PASSED BY THE CITY COUNCIL: 02/05/2020

RESOLUTION NO. 2020-03

## **City of Poulsbo Affordable Housing Task Force**

### **Recommendations to City Council, February 5, 2020**

The City of Poulsbo Affordable Housing Task Force was created, by Poulsbo City Council, in September 2019. The Task Force was formed to help Council determine how funds from a new sales tax revenue sharing program (SHB 1406) should be spent, and, more broadly, how the City should address affordable housing needs in Poulsbo. The Task Force focused on affordable housing needs for individuals with low and very low income (individuals at or below 60% area median income) since some SHB 1406 funds are restricted to this population.

The Task Force met four times in November and December of 2019. It consisted of twelve members, including four City Councilmembers, the Mayor, the Executive Director of the County's Housing Authority (Housing Kitsap), representatives of local nonprofit and faith-based organizations, and local housing providers. The Task Force considered affordable housing strategies, read about other cities' approaches, and heard from members, City of Poulsbo staff, and community members about local housing needs and opportunities.

The Affordable Housing Task Force unanimously recommends the following five affordable housing priorities, both for the use of 1406 funds and for other funds designated for affordable housing purposes.

#### **1. Support the creation of temporary shelter (Task Force highest priority recommendation).**

There are no shelter beds available for homeless individuals and families in North Kitsap outside of severe weather shelters. The Task Force recommends, as its highest priority, that City funds be used to create or encourage the creation of places to stay for people needing shelter in Poulsbo for one-30 days.

#### **2. Provide temporary rental assistance for individuals experiencing crisis and displacement.**

Data provided by North Kitsap Fishline suggests that many people that come to the facility experience short-term crisis that leads to the loss or potential loss of housing. Crisis events include a lost job, change in personal/family circumstances, illness or other medical conditions. It is less expensive for a community to keep people in their current housing than to rehouse them after becoming homeless. The Task Force recommends that City funds be used to help Poulsbo residents in housing crisis situations, with a preference for programs that include ongoing case management.

#### **3. Preserve existing affordable housing, including workforce housing.**

Poulsbo's recent loss of deed restricted affordable housing at Peninsula Glen and Winton Wood and the potential loss of further affordable housing is a significant issue. The Task Force recognizes that land being used for affordable and workforce housing, in Poulsbo, is at risk of being sold and used for market rate housing. It recommends initiatives that will protect and preserve land used for this purpose.

**4. Support the creation of temporary affordable housing for low and very low-income individuals.**

The Task Force recommends the support and establishment of deeply affordable housing that can be used for short term, transitional purposes (1-6 months). Task force members urge Council to understand the distinction between shelter beds (our highest priority) and temporary housing—and to support both kinds of initiatives.

**5. Support the creation of long-term affordable housing for chronically vulnerable individuals.**

The Task Force recognizes that some individuals will always need assistance and community support for reasons including a disability, injury, trauma, substance abuse history, or mental illness. Members recommend the support and establishment of affordable housing for low and very low income individuals for whom independent living is impracticable.

**Task Force Notes:** The City of Poulsbo can not, and perhaps should not, manage housing services and programs on this priority list. Task Force members recognize the importance of private/public partnerships in achieving these objectives, and the critical role of non-profit and faith based organizations.

The Task Force recognizes that tracking and reporting back on the number of housing units created or households served is critical to an affordable housing plan. The Task Force unanimously recommends the adoption of a numerical goal: at **least 20 new units of housing created and/or families assisted in 2020** (“20 in 20”).

In addition, the Task Force unanimously recommends the **passage of a one-tenth of one percent affordable housing sales tax** (as authorized by HB 2263). Proceeds from this tax should be used to support the Task Forces’ affordable housing priorities.

- A one tenth of one percent sales tax is a “qualifying local tax” under the terms of SHB 1406, and, if passed quickly, would double the amount the City of Poulsbo collects under HB 1406.

The Task Force unanimously recommends the creation of an **Affordable Housing Advisory Committee**. It recommends that the Committee meet quarterly and be a forum for the discussion of affordable housing gaps, additional revenue measures, and housing/preservation opportunities.

Members of the Affordable Housing Task Force appreciate the opportunity to be a part of this important conversation. We look forward to supporting the City Council as it implements affordable housing policy and initiatives.

### ***Members and Staff***

Charmaine Doherty, Kitsap Homes of  
Compassion

Tom Duchemin, Gateway Fellowship

Patti Dudley, Fishline

Bridget Glasspoole, Kitsap Mental Health  
Serices

Stuart Grogan, Housing Kitsap

John Koch, Housing Solutions Center

Patrick Steele, Coffee Oasis

Tom Nordlie, Community Member

Mayor Becky Erickson

Abby Garland, former City Councilmember

Connie Lord, City Councilmember

Jeff McGinty, City Councilmember

David Musgrove, City Councilmember

Kim Hendrickson, Project Manager, Housing,  
Health and Human Services

### ***Legislation and Definitions***

**SHB 1406** was approved, by the State Legislature, in 2019. It creates a new sales tax revenue sharing program that allows cities and counties to access a portion of state sales tax revenue to make local investments in affordable housing. 1406 funds can be used to acquire, rehabilitate, or construct affordable housing, which may include new units of affordable housing within existing structures or facilities providing supportive housing services. The amount of revenue available through this program doubles if participating local governments pass a separate qualifying tax.

**Affordable Housing.** Housing that costs no more than 30% of a household's income is considered to be "affordable" for that household. The term "affordable housing," however, is typically used to describe housing that is affordable for low-income households (i.e., households earning below 80% of the area median income). **Deeply Affordable Housing** typically describes housing that is affordable for households earning below 30% of area AMI. According to data collected by Census 2010, the median household income for Poulsbo residents was \$59,464.

**One Tenth of One Percent Affordable Housing Sales Tax.** in July of 2015, the Washington State Legislature approved HB 2263, which gives local governments the ability to create and collect a 0.1% tax for affordable housing and related services. The tax is intended to fund facilities and services that help people with mental illness, developmental disabilities, and other vulnerable populations in critical need, including foster children, homeless families, unaccompanied homeless youth, veterans, senior citizens, and domestic violence survivors whose income is at

or below 60% of the area median income. Local governments can not pass this tax if it has already been enacted by its county legislative authority. The majority of the funding (at least 60%) must be used to construct affordable housing or mental/behavioral health facilities or fund the operation and maintenance costs of affordable housing and facilities. The remainder of funds can be used for the operation, delivery, and evaluation of mental health programs or housing related services.

**Shelters** are low or no cost places to stay for individuals in short term, emergency situations. **They** protect vulnerable populations from the often devastating effects of homelessness while reducing the environmental impact on the community. For AHTF purposes, shelters provide a residence for people for one to 30 days.

**Temporary or Transitional Housing** are terms used, by the AHTF, to describe affordable and deeply affordable residences for people available for one to six months. Temporary/transitional housing often includes case management and access to social services to help residents stabilize their lives and find permanent homes.

**Workforce Housing** is a term used to describe housing for individuals who are deemed overqualified for affordable housing but can not afford market rate housing. It is often used to describe households earning 80% or less of the area median income, but in high cost markets it can refer to households earning up to 120%.

#### ***Data and Examples Considered by the Affordable Housing Task Force***

**Exhibit A:** Housing Solutions Center “Quick Facts” – Individuals Seeking Assistance in North Kitsap

**Exhibit B:** Fishline Draft Proposal for Rental Housing Scholarship Program

**Exhibit C:** Kitsap Homes of Compassion

**Exhibit D:** Resident Owned Communities

**Exhibit E:** Tiny House Structures (Note: the AHTF did not consider the creation of a City run, tiny house village in Poulsbo. It did, instead, consider incentives that could be used to encourage non-profits and faith communities to build, site, and manage small homes and cottages).

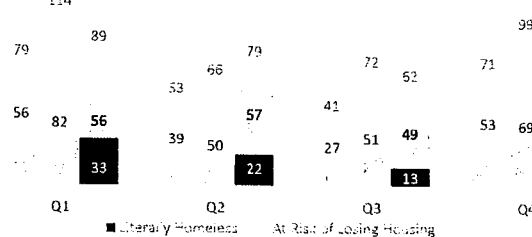
# Housing Solutions Center Quick Facts

January 1st, 2019 - September 30th, 2019

## HSC ENROLLMENTS

Non-Duplicated Households Served	230
Non-Duplicated Individuals	334
Literally Homeless Percentage	30%
Literally Homeless Number of Households	68
At Risk of Losing Housing Percentage	70%
At Risk of Losing Housing # of Households	162

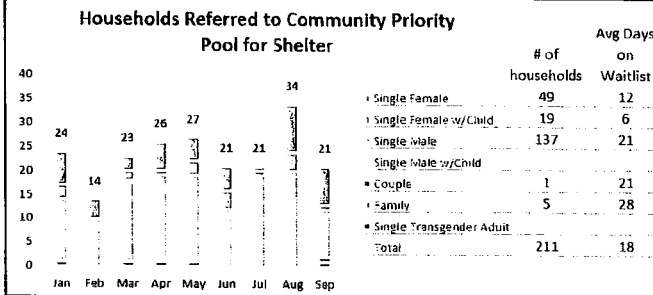
HSC Quarterly Enrollments by Household  
2019 YTD



## SERVED BY SITE (DUPLICATED INDIVIDUALS)

Bremerton	0
South Kitsap	0
North Kitsap	334
Coffee Oasis	0
Bainbridge Island	0
Kitsap Connect	0
<b>Total</b>	<b>334</b>

Households Referred to Community Priority  
Pool for Shelter



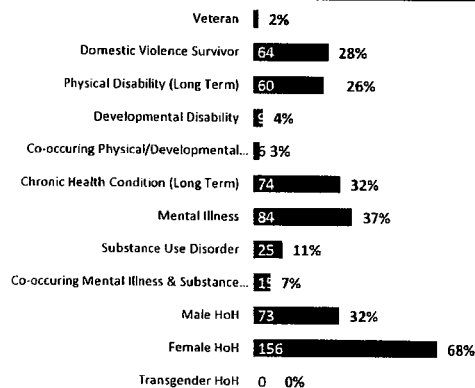
## AGES OF INDIVIDUALS

Children 0-18 years of age	93	28%
Youth 18-24 years of age	21	6%
Adults 25-59 years of age	178	53%
Seniors 60 years of age or older	42	13%
Average Age of Head of Household	44	

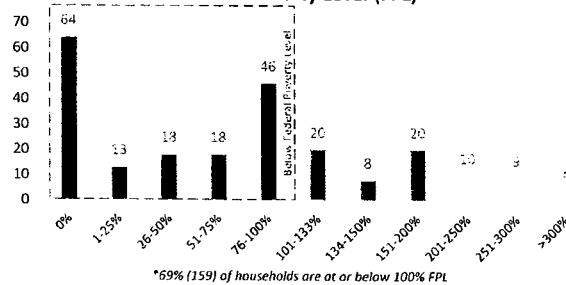
## Prior Living Situation YTD

Permanent Housing without Subsidy	99	43%
Staying with Family/Friends	62	27%
Place not meant for habitation (e.g., a vehicle, an abandoned...)	40	17%
Hotel or motel paid for without emergency shelter voucher	13	6%
Permanent Housing with Subsidy	7	3%
Substance abuse treatment facility or detox center	4	2%
Emergency shelter, including hotel or motel paid for with...	3	1%
Transitional housing for homeless persons (including homeless youth)	1	0%
Psychiatric hospital or other psychiatric facility	1	0%
Long-term care facility or nursing home	0	0%
Jail, prison or juvenile detention facility	0	0%
Hospital or other residential non-psychiatric medical facility	0	0%
Foster care home or foster care group home	0	0%
Removed-	0	0%

## SELF-REPORTED CHARACTERISTICS<sup>1</sup>

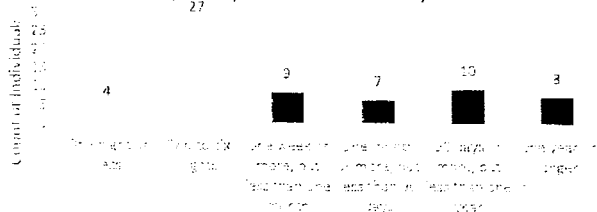


HSC Household Income Compared to  
Federal Poverty Level (FPL)



\*69% (159) of households are at or below 100% FPL

Length of Stay in Prior Living Situation  
(Literally Homeless Households)



48% of literally homeless HH were homeless less than 1 week before seeking HSC assistance



## Housing Solutions Center Quick Facts

January 1st, 2019 - September 30th, 2019

### HOUSEHOLD COMPOSITION

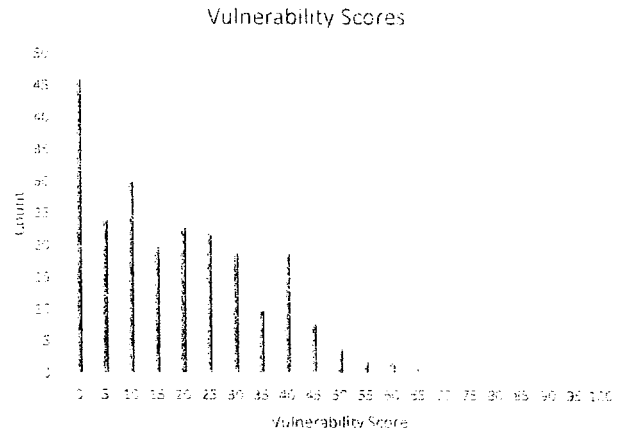
Single Male	66	28.7%
Single Female	110	47.8%
Single Male w/Child(ren)	3	1.3%
Single Female w/Child(ren)	39	17.0%
Couple	6	2.6%
Family	5	2.2%
Single Transgender or Non-Conforming Adult	0	0.0%
Youth	0	0.0%
Client refused	1	0.4%

### LAST PERMANENT RESIDENCE

Kitsap	193	90%
Other Counties	14	7%
Out of State	8	4%
As follows:	113	65%
Kingston	16	9%
Bremerton	12	7%
Silverdale	10	6%
Port Orchard	7	4%
Bainbridge Island	4	2%
Indianola	4	2%
Keyport	4	2%
Mapleville	3	2%
Seabeck	2	1%
Burien	0	0%
Gorham	0	0%
Minwameter	0	0%
Yalla	0	0%
Port Bluffe	0	0%
Reid	0	0%
Wallingway	0	0%
South Cove	0	0%
South Fork Village	0	0%

### VULNERABILITY SCORES

Vulnerability Score Average	18.5
Vulnerability Score Median	15

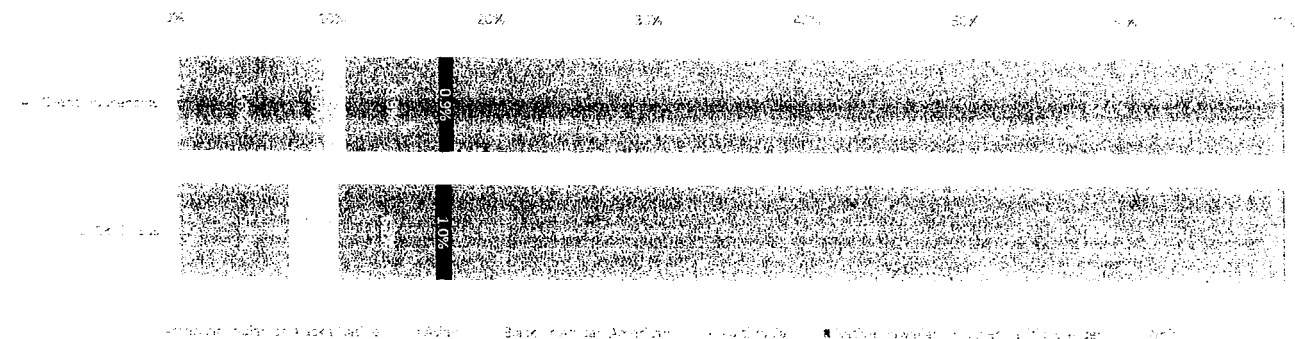


### WHAT BRINGS HOUSEHOLDS ENTERING FROM OUTSIDE KITSAP

To Get Help From Family/Friends	20	31%
Returning to the Area	17	26%
Other	12	18%
Seeking Medical/Recovery/Treatment	7	11%
Employment Opportunities	7	11%
Fleeing Domestic Violence	5	8%
To Help Family/Friends	4	6%
Assigned by D.O.C.	3	5%
Offer of Public Housing	2	3%
To Access Public Services	1	2%
Military Connection	1	2%
Educational Opportunities	1	2%
Home Chase - Eviction	1	2%
Better Part of Leaving	1	2%

### RACE (HEAD OF HOUSEHOLD)

#### Racial Disparity Comparison



## HSC LITERALLY HOMELESS QUICK FACTS

January 1st, 2019 - September 30th, 2019

### LITERALLY HOMELESS ENROLLMENTS

Number of HH that are Literally Homeless	68
Percent of all Non-Duplicated HH	30%
Non-Duplicated Individuals	91

### LITERALLY HOMELESS HOUSEHOLDS w/CHILDREN

Households w/Children under 18 years of age	10
Percent of all Literally Homeless Households	15%
Percent of all Non-Duplicated HH	4%
Total Children	18

### LITERALLY HOMELESS HOUSEHOLD INCOME

Total Average Income		\$751.53
Households with \$0 income		34% / 23 HH
Household Size	Count	Average Income
1	54	\$629.94
2	7	\$1,367.00
3	5	\$490.00
4	2	\$2,534.00
5+	0	
Total	68	\$751.53

### LITERALLY HOMELESS ENROLLMENTS w/EARNED INCOME

Number of HH that are Literally Homeless w/Earned Income	17
Percent of all Non-Duplicated HH	7%
Non-Duplicated Individuals	27

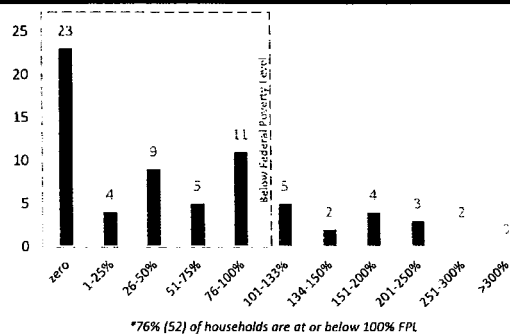
### LITERALLY HOMELESS HH w/EARNED INCOME & CHILDREN

Households w/Children under 18 years of age	4
Percent of all Literally Homeless Households	6%
Percent of all Non-Duplicated HH	2%
Total Children	8

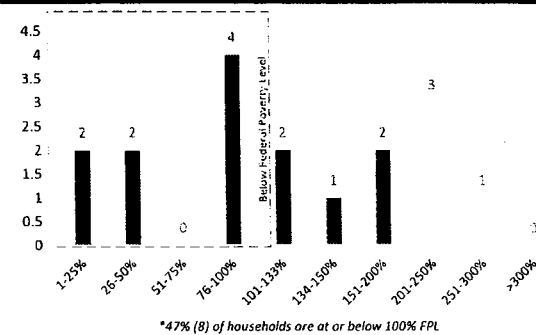
### LITERALLY HOMELESS HOUSEHOLDS w/ EARNED INCOME

Total Average Income		\$1,533.59
Household Size	Count	Average Income
1	11	\$1,260.82
2	3	\$2,411.33
3	2	\$1,050.00
4	1	\$2,868.00
5+	0	
Total	17	\$1,533.59

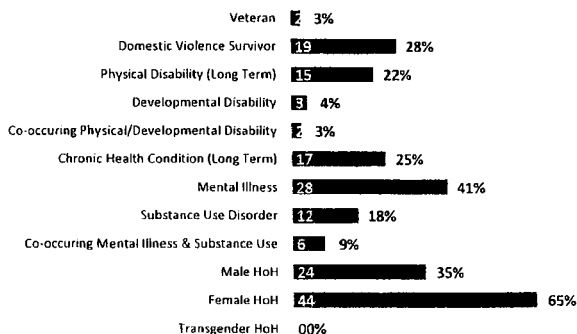
### LITERALLY HOMELESS HH FEDERAL POVERTY LEVEL



### LITERALLY HOMELESS HH w/EI FEDERAL POVERTY LEVEL



### LITERALLY HOMELESS HH SELF-REPORTED CHARACTERISTICS<sup>1</sup>



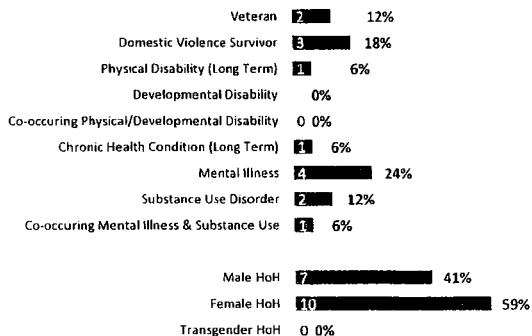
<sup>1</sup> = Includes households fleeing domestic violence

<sup>2</sup> = Self-reported characteristics of the head of household

\* HH = Household

\* HoH = Head of Household

### LITERALLY HOMELESS HH w/EI SELF-REPORTED CHARACTERISTICS<sup>1</sup>



# HSC AT-RISK<sup>2</sup> OF HOMELESSNESS & KITSAP RENT QUICK FACTS

January 1st, 2019 - September 30th, 2019

## AT-RISK<sup>2</sup> OF HOMELESSNESS ENROLLMENTS

Number of HH that are Imminently At-Risk	162
Percent of all Non-Duplicated HH	70%
Non-Duplicated Individuals	243

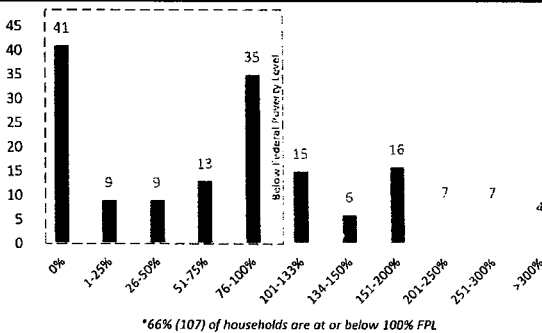
## AT-RISK<sup>2</sup> HOUSEHOLDS w/CHILDREN

Households w/Children under 18 years of age	37
Percent of all Imminently At-Risk of Homeless Households	23%
Percent of all Non-Duplicated HH	16%
Total Children	75

## AT-RISK<sup>2</sup> HOUSEHOLD INCOME

Total Average Income		\$1,047.33
Households with \$0 income		25% / 9 HH
Household Size	Count	Average Income
1	123	\$960.72
2	14	\$1,535.50
3	14	\$614.50
4	7	\$1,555.57
5+	4	
<b>Total</b>	<b>137</b>	<b>\$1,047.33</b>

## AT-RISK<sup>2</sup> HH FEDERAL POVERTY LEVEL



## AT-RISK<sup>2</sup> HH SELF-REPORTED CHARACTERISTICS<sup>1</sup>

Veteran	2%	
Domestic Violence Survivor	45	28%
Physical Disability (Long Term)	45	28%
Developmental Disability	6	4%
Co-occurring Physical/Developmental Disability	4	2%
Chronic Health Condition (Long Term)	57	35%
Mental Illness	56	35%
Substance Use Disorder	16	8%
Co-occurring Mental Illness & Substance Use	9	6%
Male HoH	49	30%
Female HoH	117	69%
Transgender HoH	0	0%

1 = Self-reported characteristics of the head of household

2 = Households which are at imminent or increased risk of losing housing

\* HH = Household

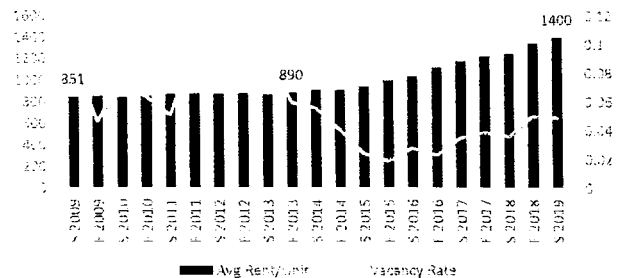
\* HoH = Head of Household

## KITSAP RENT AND VACANCY RATES

Source: UW Washington State Apartment Market Report

Sprint 2019 Average Rent per Unit	\$1,400
Spring 2019 Vacancy Rate	4.9%

## Kitsap Rent/Unit and Vacancy Rates



## KITSAP RENT AND VACANCY RATES

Source: Office of Policy Development and Research (PD&R), U.S. Dept. of HUD (2017)

Source: 2019 Out of Reach Report

Rent Affordable at Minimum Wage	\$624
Rent Affordable at Mean Renter Wage	\$663

## Kitsap County Out of Reach 2019

Minimum Wage	\$12.00
Mean Renter Wage	12.74

Housing Wage for Zero Bedroom	14.89	774 FMR
Housing Wage for One Bedroom	17.87	929 FMR
Housing Wage for Two Bedroom	23.15	1204 FMR
Housing Wage for Three Bedroom	32.85	1708 FMR
Housing Wage for Four Bedroom	37.98	1975 FMR

\* Affordable here is considered as paying no more than 30% of income towards rent

FMR - Fair Market Rate

## FAMILIES IN POVERTY

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates

Percentage of families whose income in the past 12 months that is below the poverty level Kitsap County

All Families	6.7%
With related children under 18	11.7%
With related children under 5 years only	17.1%
Married Couple Families	2.9%
With related children under 18	4.1%
With related children under 5 years only	7.8%
Families with only female householder	26.0%
With related children under 18	36.4%
With related children under 5 years only	50.0%

Median Household Income	\$68,336
Mean Household Income	\$85,402

## Housing Solutions Center Quick Facts - Services & Referrals

January 1st, 2019 - September 30th, 2019

### Services Provided YTD

Community Resources - Clothing	0
Community Resources - Cribs for Kids	0
Community Resources - DSHS	15
Community Resources - DV Advocacy	2
Community Resources - Employment	6
Community Resources - Energy Assistance	1
Community Resources - Financial	0
Community Resources - Food/Meals	0
Community Resources - Head Start	1
Community Resources - Legal Services	11
Community Resources - Medical	3
Community Resources - Mental Health	3
Community Resources - Outdoor Supplies	0
Community Resources - PCAP	0
Community Resources - Personal Hygiene	2
Community Resources - Safelink	1
Community Resources - Senior Services	1
Community Resources - Transportation	0
Community Resources - VHOG Meeting	4
Steps to Housing	0
<b>Community Resources Total</b>	<b>50</b>

Direct Services - Bus Tokens/Transportation	11
Direct Services - Housing Counseling	310
Direct Services - Landlord List	56
Direct Services - Waitlist Referral	11
<b>Direct Services Total</b>	<b>388</b>

Funding - HARPS	41
Funding - HEN Program	0
Funding - HSC Deposit Assistance	0
Funding - HSC Rental Assistance	0
Funding - KCR Eviction Prevention	1
Funding - KCR LIHEAP Eviction Prevention	16
Funding - KCR Rapid Rehousing	1
Funding - Kinship	0
Funding - Long Term HARPS	0
Funding - NKFL Rent/Deposit Assistance	0
Funding - Veterans Assistance	1
<b>Funding Total</b>	<b>60</b>

Housing Program - Home Build/Ownership Program	1
Housing Program - Home Share	0
Housing Program - KCR Ending Family Homelessness	0
Housing Program - KCR General Housing Referral	2
Housing Program - Kitsap Homes of Compassion	4
Housing Program - Private Landlord Referral	0
Housing Program - Subsidized Housing Provider	8
<b>Housing Program Total</b>	<b>15</b>

Recovery Housing Referral - Agape	0
Recovery Housing Referral - Kitsap Recovery Center	0
Recovery Housing Referral - Oxford House	2
Recovery Housing Referral - West Sound Treatment Center	0
<b>Recovery Housing Referral Total</b>	<b>2</b>

### Services Provided YTD - Shelter Referrals

Shelter Referral - Benedict House	2
Shelter Referral - Coffee Oasis	0
Shelter Referral - Georgia's House	16
Shelter Referral - KCR Emergency Housing	0
Shelter Referral - Kitsap Rescue Mission	8
Shelter Referral - Salvation Army	1
Shelter Referral - St. Vincent de Paul	7
Shelter Referral - YWCA ALIVE	1
Shelter Referral - Other Shelter	0
<b>Shelter Referral Total</b>	<b>35</b>

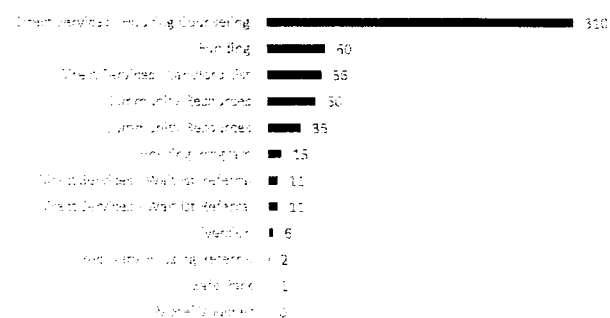
Motel Voucher - HSC	0
Motel Voucher - NKFL	0
Motel Voucher - Salvation Army	0
<b>Motel Vouchers Total</b>	<b>0</b>

Safe Park - KCR Safe Park	1
Safe Park - NKFL Safe Park	0
<b>Safe Park Total</b>	<b>1</b>

### Diversion - YTD

Diversion - Diverted to Stay with Family	0
Diversion - Diverted to Stay with Friends	0
Diversion - Other	6
Diversion - Out of County Referral	0
Diversion - Transportation Assistance to Stable Housing	0
<b>Diversion Total</b>	<b>6</b>

### Services Provided - YTD



## Housing Solutions Center Quick Facts - Unable to Serve & HARPS

January 1st, 2019 - September 30th, 2019

### Unable to Serve - YTD

Already Receiving Assistance	0
Client Declined Options Provided	0
Client Over Income	1
Client Under Income/Can't Sustain Rent	0
Criminal Background	0
Denied by Program/Shelter	0
Funding Doesn't Cover Client's Needs	2
No Shelter for Household Type	0
Non-Compliance with Program	0
Not Homeless or At-Risk	0
No Pets Allowed	0
Qualified, No Funding Available	1
Recent Substance Abuse	0
Other Lack of Resource/Funds	1
Other Program Disqualifier	1
<b>Unable to Serve Total</b>	<b>6</b>

### Unable to Serve - YTD

Funding Doesn't Cover Client's Needs	2
Other Program Disqualifier	1
Other Lack of Resource/Funds	1
Qualified, No Funding Available	1
Client Over Income	1
Recent Substance Abuse	0
No Pets Allowed	0
Not Homeless or At-Risk	0
Non-Compliance with Program	0
No Shelter for Household Type	0
Denied by Program/Shelter	0
Criminal Background	0
Client Under Income/Can't Sustain Rent	0
Client Declined Options Provided	0
Already Receiving Assistance	0

### HARPS ASSISTANCE - SINCE INCEPTION

Unique Clients Since Inception	114		
Total HARPS Services Provided Since Inception	146		
Times Assistance Provided to Clients	1	2	3
Count	100	11	3
Percentage	86%	9%	3%
	Count * Percentage		
Number returning within 3 months (1-90 days)	10	9%	
Number returning in 3-6 months (91-180 days)	3	3%	
Number returning in 6-12 months (181-365 days)	4	4%	
Number returning in 1-2 years (366-730 days)	3	3%	
<b>Total Returns</b>	<b>20</b>	<b>18%</b>	
<b>Median Days to Return</b>	<b>79</b>		

\* includes multiple returns for assistance

### HARPS ASSISTANCE - YTD

Unique Clients YTD	38		
Total HARPS Services Provided YTD	41		
Times Assistance Provided to Clients	1	2	3
Count	32	3	0
Percentage	91%	9%	0%
	Count * Percentage		
Number returning within 3 months (1-90 days)	1	3%	
Number returning in 3-6 months (91-180 days)	2	5%	
Number returning in 6-12 months (181-365 days)	0	0%	
<b>Total Returns</b>	<b>3</b>	<b>8%</b>	
<b>Median Days to Return</b>	<b>128</b>		

2

### ***Rental Housing Scholarship Program – Preliminary Ideas***

- A. Fishline would develop a new program called the Rental Housing Scholarship Program.
- B. We would determine eligibility based on need and sustainability within the program parameters.
- C. Fishline would conduct an intake, an assessment, and provide the necessary reporting on the use of the funds and client outcomes.
- D. Clients would enter the program for at least 3 months. (Possibly up to 6 months?) There would be a beginning and an end to the client involvement, and a client goal of leaving the program with a plan to move forward and develop the ability to pay their own rent.
- E. Funding recommended would be \$3,000 per client for a 3-month period. This would allow for the funds to pay for roughly 1/3 to 1/2 of the client's rent for each month in the program.
- F. During a client's involvement in the program, they would be involved in regular case management with a Fishline Case Manager. This would give Fishline Case Managers the opportunity to fully engage with the client, develop goals to move forward, and access additional programs located on-site or off-site, with Fishline's help.
- G. We would propose a pilot program 6- 8 clients in the coming year, to determine if the program outcomes meet our joint expectations.

This would be a low-barrier program following the model of Housing First. It's become clear that people don't have the ability to work on other issues until they are safely housed. Currently, Fishline helps with eviction prevention, but after helping a client with first month's rent and moving costs (for example) we aren't able to keep those clients engaged. A program like this, that addresses the gap between emergency housing and long-term housing could be more successful in helping move people forward.

With the addition of the faith-based shelter ideas that emerged at the meeting, we could potentially be addressing the first 2 steps in moving people out of *crisis* into the potentially *safe* zone (according to our matrix). It's sustaining this forward movement that we are all trying to achieve!!

C

Kitsap Homes  
of Compassion

## Kitsap Homes of Compassion (KHOC)

[www.KitsapHOC.org](http://www.KitsapHOC.org)

### What is KHOC?

- Kitsap Homes of Compassion is a 501(c)(3) non-profit with the goal of creating affordable long-term housing solutions to end homelessness through the use of shared, leased homes.
- It is NOT a halfway house for those with addictions.
- It is NOT temporary housing, rather it is a long-term housing solution for homeless.
- It currently operates 4 homes (2 men's homes & 2 women's), and a 5<sup>th</sup> opening soon.

### How does the program work?

- KHOC leases 3 to 5 bedroom houses or apartments, with the owner's consent to be used for this program. The house must be near a bus line.
- KCR (Kitsap Community Resources) gives referrals to KHOC of seniors, homeless or about to be homeless, no pets, and do not have any current addiction issues. The prospective program participant must have a steady source of income of at least \$700/mo (i.e. Social Security or SSDI).
- The participant has a choice of a private room (\$450/mo) or a shared large room (\$400/mo) [with sliding scale on income – there can be a \$50/mo or \$100/mo premium charged to those with higher monthly income, or who have a private bathroom].
- Each participant signs a program agreement, in which they agree to pay the monthly program fee and abide by the written house rules (also on the website). There is also a \$500 refundable security deposit collected.
- The participant's monthly fee also includes all utilities, cable TV, and internet.
- The bedrooms have locks on the doors for resident's privacy. They all share the use of the common areas (dining room, kitchen, living room, laundry).
- There is no "live-in" staff in the house. Each house has an assigned KHOC House Manager who visits the home weekly to facilitate the weekly meetings and is a resource to the participants during the week in case of emergency.

### Funding?

- 99% of all gross revenue go toward program costs and less than 1% to administration & fundraising.
- **Payroll:** All KHOC staff are volunteers. KHOC has no payroll expenses.
- **Established Homes:** Once a home is fully occupied (approx. 2 weeks) the program is 100% self-funding by the monthly program fee the participants pay.
- **Starting New Homes:** To start a new house KHOC must receive approximately \$4,000 in donations to cover the one-time start-up costs of that home. (The total start-up costs are approx. \$6,500/home; \$2,500 paid by the participants security deposit; The costs include 1<sup>st</sup> month rent, security deposit to lease home from homeowner, insurance, and cost of holding rooms vacant for homeless participants during initial filling of the home).



# Sustainably Scaling Resident Ownership: Leadership and Impact



*Strategic Plan: July 2018-June 2021*

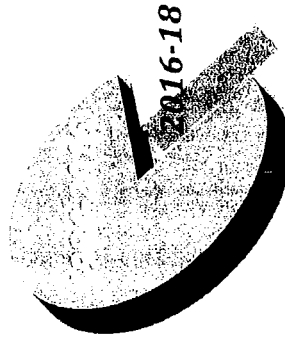


## AVERAGE RENT INCREASES

Commercially Owned Communities ..... 3.00%  
 ROCs ..... 0.82%

After just five years of ownership, lot rents in ROCs are \$24.53 per month below market rents.

## STRONG GROWTH



20 percent of homes preserved in ROCs have been added in just the last two years.

# Sustainably Scaling Resident Ownership: LEADERSHIP AND IMPACT

July 1, 2018 – June 30, 2021

Dear ROC USA® supporters and friends,

Thank you for your interest in ROC USA and our three-year Strategic Plan.

Ten years ago, we set out to make resident ownership of Manufactured (mobile) Home Communities (“MHCs”) a viable and successful model for preserving and improving naturally occurring affordable housing on a national scale. The strategy resonated because it reflects the twin American ideals of property ownership and civic engagement. Our approach has been bolstered by interest in localism, energy efficiency and a return to modest-sized homes.

ROC USA® Network’s outcomes over our first decade demonstrate that the creation and sustainable operation of resident-owned communities (ROCs) is a scalable strategy. We now represent a 15-state network of 220 ROCs and more than 14,000 homeowners, with 20 percent, or 2,738 homeowners, added in the last two years alone.

By 2028, we project that this networked nonprofit social venture will have helped to create nearly 500 ROCs serving at least 30,000 homeowners.

Recent impact data that we have collected is encouraging: ROCs are raising lot rents at less than 1 percent per year compared with a sector average of 3 percent. Further, after five years of ownership, lot rents in ROCs are \$24.53 per month below market rents.

ROCs are also making their communities healthier places to live: Their total investments in health and safety improvements – including sewer, water, and drainage – exceed \$49 million in the last 10 years and each is saving for future improvements, too.

ROC USA’s growth and impact is a welcome and urgently needed solution when considered in the context of the national shortage of affordable housing. We were alarmed by Freddie Mac’s report that 60 percent of affordable rental properties were lost between 2010 and 2016, and when an official at the company concluded, “Affordable housing without a subsidy is becoming extinct.”

Ten years ago, only New Hampshire offered homeowners a comprehensive, community-led approach to resident ownership. Today, ROC USA’s integrated system of co-op development and finance is available in 21 states. ROC USA Network’s nine and growing affiliated nonprofit organizations are experts in co-op development and coach residents in the purchase and management of their communities. ROC USA® Capital, which has financed more than \$200 million for co-ops in the past decade, is demonstrating strong portfolio performance and attracting capital from numerous banks, insurers, state Housing Finance Authorities and other CDFIs.

We believe that our business model and

innovative approach to achieving our mission has enabled this nonprofit social venture to make significant progress in expanding affordable homeownership in a time when the odds can seem insurmountable. Our three-year Strategic Plan outlines the next phase in our journey to scale resident ownership in the U.S. We say:

- ROC leaders and members will drive the national resident-ownership movement.

Engaged community members create and sustain positive change. Our reason for being is the economic security and well-being of homeowners in MHCs. Raising up their voices matters. Only they can speak firsthand about the need and the impact. ROC USA® is governed in part by the communities we serve, and this strategic plan engages ROC leaders even more deeply in the governance, strategy and programming of the social venture.

- Advance whole venture sustainability as a means to achieving impact at scale.

Sustainability means ensuring the resilience of the existing 220 ROCs and Network's capacity to create 60 new ROCs, securing the homes of an additional 4,000 homeowners. Sustainability means equipping Network with the tools, systems and

resources needed to sustain and grow local ROC programs while continuing to lead innovation in the sector. Sustainability means raising debt and equity grants to meet anticipated loan demand of \$90 million over three years, positioning the social venture for dividend-paying equity in five to eight years for true scale.

- Generate resources for home and community improvements.

We are excited to engage others to serve the needs of ROCs and ROC Members. ROC USA will inform new entrants through data sharing on housing financing and infill as well as new home placements in ROCs. ROC USA will also advocate and partner to generate home and community improvement resources targeting ROCs.

There is much more to do to scale MHC co-op ownership, and we know you cannot scale that which is not sustainable. Our plan aims to achieve whole enterprise sustainability as a community-based social venture, with ROC leaders at the forefront.

Please join us as together we make the American dream of homeownership work for 14,000 homeowners and growing. ROC on!



**PAUL BRADLEY**  
President  
ROC USA, LLC



**LAUREN COUNTS**  
Chair  
Strategic Planning Committee



**ANDREA LEVERE**  
Chair  
ROC USA Board of Directors

## GROWTH PROJECTIONS

**ROCs Preserved**  
500  
220  
89  
2008 2018 2028

**Homes Preserved**  
30,000  
14,443  
5,015  
2008 2018 2028

## IMPROVEMENTS

ROCs' total investment in health & safety improvements exceeds \$49 million since 2008.

## Our Vision

We envision a country in which the owners of efficient and affordable homes are economically secure in healthy and socially vibrant resident-owned communities.

## Our Mission

To make resident ownership viable and successful and to expand economic opportunities for homeowners in manufactured (mobile) home communities (MHCs).

### Our Goals:

1. Preserve and improve affordable communities;
2. Build individual assets; and
3. Foster healthy, mutually supportive communities and leaders.

## Our Values

Our values are expressed in our Organizing Principles, which reflect our steadfast commitment to, and respect for, the democratic process.

## What we do

ROC USA® helps democratic co-ops purchase and manage their MHCs.

## Why we do what we do

Homeownership without land ownership can be risky. Homeowners on rented land are vulnerable to community closures and eviction, unsafe



At ROC USA, "Better Together" is more than just our tag line. At the ROC Leadership Institute, dozens of ROC leaders come together from across the country to develop innovative solutions to shared challenges and celebrate community triumphs.

infrastructure and ever-increasing lot rents. Plainly speaking, homeowners need control of the land beneath their homes to be secure.

One proven solution is resident ownership, in which homeowners buy their community as a co-op. Its success has been demonstrated by 220 communities that have followed the first limited equity resident-owned community (ROC) in Meredith, New Hampshire in 1984.

We created ROC USA in 2008 to bring the opportunity of resident ownership to homeowners in other states. ROC USA® Network's affiliated non-profits have almost tripled the number of homes in ROCs from 5,000 to 14,000 and gone from one state to 15 over the last decade.

ROC USA connects independent ROCs – communities with all the strength and focus of local ownership – with other like communities and a





The ROC USA Board of Directors led the development of the 2018-21 Strategic Plan with input from a range of stakeholders including the nearly 50 ROC leaders who attended the 2017 Community Leadership Institute in Los Angeles.

network of nonprofit organizations (ROC USA Network) so everyone is helping one another. We look to replicate and systematize benefits, we look to build mechanisms to support ROCs, and find more ways to be “Better Together.”

We view the ROC Association – the formal association of ROCs that elects three Directors to the ROC USA Board of Directors – as a core strength and clear expression of our values.

## How we do what we do

We promote resident ownership with community owners to win opportunities for homeowners to purchase their communities at fair market value.

We provide homeowners an opportunity to make an informed democratic decision about community ownership.

We provide pre- and post-purchase Technical Assistance (TA) and training to resident corporations.

We provide pre-development, purchase and

**ROC USA is making resident ownership viable and successful and expanding economic opportunities for homeowners in MHCs.**

community improvement loans to ROCs that are supported by an affiliated TA provider.

We innovate with local, regional and national solutions to address common ROC challenges and opportunities.

## How we set our priorities

The priorities of this Strategic Plan were developed through a Board-led process that focused on engagement of key stakeholders. A key highlight in the 14-month process occurred when the Board engaged ROC leaders and Network affiliates at the 2017 Community Leadership Institute in Los Angeles.



# STRATEGIC PRIORITIES

## Strategic Focus 1

**ROC leaders and members drive the national resident-ownership movement.**

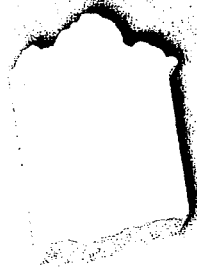
Goal: Support ROC Leaders to build the movement and change the perception and standing of manufactured housing and ROCs as vital affordable housing.

### Objectives:

1. Increase involvement and visibility of ROC leaders and ROC Association regionally and nationally, while strengthening their leadership role on the ROC USA® Board.
2. Deploy communications to engage and educate homeowners and ROC Members broadly about co-ops and co-op ownership.



ROC USA is making resident ownership viable and successful, with a goal of preserving 60 ROCs nationwide over the next three years while also expanding geographically into Iowa and Idaho.



3. Expand partnerships in affordable housing and co-op sectors to support Member engagement, economic opportunity, and home and community improvements.

## Strategic Focus 2

**Advance whole venture sustainability as a means to achieve impact at scale.**

**A. Strengthen Existing ROCs and Support Development of New ROCs.**

Goal: Help the 220 existing ROCs thrive and 60 new resident groups secure ownership of 4,000 home-sites.

### Objectives:

1. Improve quality of property management services available to ROCs to enhance the value proposition and performance of ROCs.
2. Improve quality of training, support, and leadership development for ROC leaders and members by fostering a high level of engagement and inclusion through online and in-person learning and networking opportunities.
3. Advocate for resources that benefit ROCs and low- and moderate-income homeowners and home buyers in ROCs.



In May 2018, the ROC Association Directors appeared on the radio/web broadcast "Everything Co-op" with Vernon Oakes.

# STRATEGIC PRIORITIES

4. Scale deep in existing markets to support at least two new ROCs per affiliate per year. Expand into Iowa and Idaho and scale wide with new affiliates in Delaware and Texas. Expand to any new Opportunity to Purchase markets.

## ***B. Support affiliate growth, sustainability, and innovation.***

**Goal:** Affiliates are fully equipped to meet ROC training and servicing needs, innovate in the manufactured housing and co-op sectors, and operate viable lines of business.

### **Objectives:**

1. Achieve and sustain better than break-even operations through portfolio expansion, Network Investments, and efficiencies and standards, per each affiliate's comprehensive business plan.

2. Build out scalable systems to streamline operations and support an engaged and empowered portfolio of ROCs and ROC leaders to be successful.

3. Recognize and

support growth, innovation and non-revenue producing activities with high mission impact through collaborative fundraising of at least \$300,000 annually.

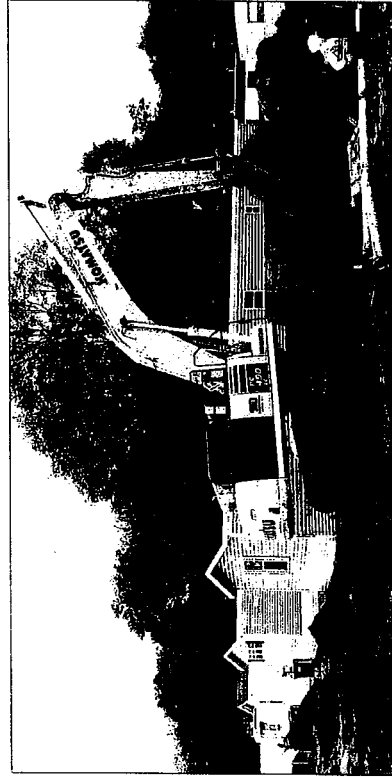
## ***C. Operate ROC USA sustainably; position for growth and national impact.***

**Goal:** ROC USA delivers and documents its impact on community preservation, improvement and affordability and operates sustainably.

### **Objectives:**

1. Document impact on security, health and safety improvements and affordability of ROCs as well as individual state responses in preventing community closures.
2. Consistently maintain strong loan underwriting and portfolio performance.

3. Meet projected loan demand of \$90 million over three years by raising \$3 million of equity, \$22 million of balance sheet debt and \$65 million of participation capital.
4. Innovate with financial products, including a limited number of 40-year

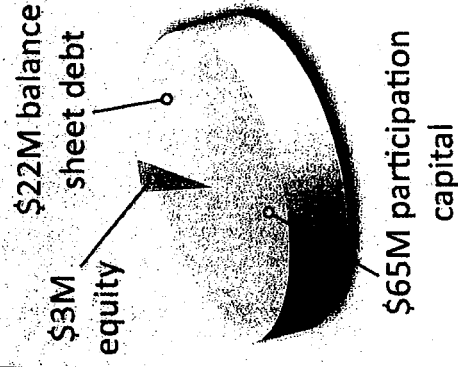


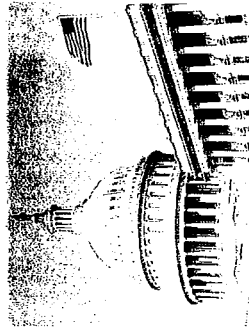
ROC USA plans to document the impacts of health and safety improvements, such as safe, clean water and sewer infrastructure systems.



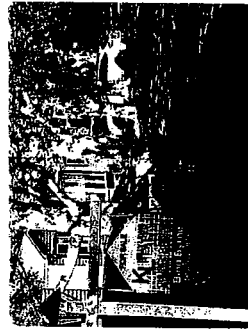
Peer support and networking are central objectives at in-person trainings and online participation through myROCUSA.org.

## **MEETING \$90M LOAN DEMAND**





**Congress' Duty to**  
 Serve manufactured  
 housing offers an  
 opportunity for both  
 residential mortgages  
 and commercial  
 loans in ROCs.



ROC USA will push for  
 high loan-to-value,  
 good quality home fi-  
 nancing by attracting  
 lenders to the "home  
 in ROC" market.

# STRATEGIC PRIORITIES

- amortization loans and specialized small, rural community financing when special resources are secured to make resident ownership affordable in challenging markets.
- Position the social venture to secure dividend-paying equity in five to eight years.

## Strategic Focus 3

### Generate resources for home and community improvements.

**Goal:** ROCs have access to home and community improvement resources to improve health, safety and affordability.

#### Objectives:

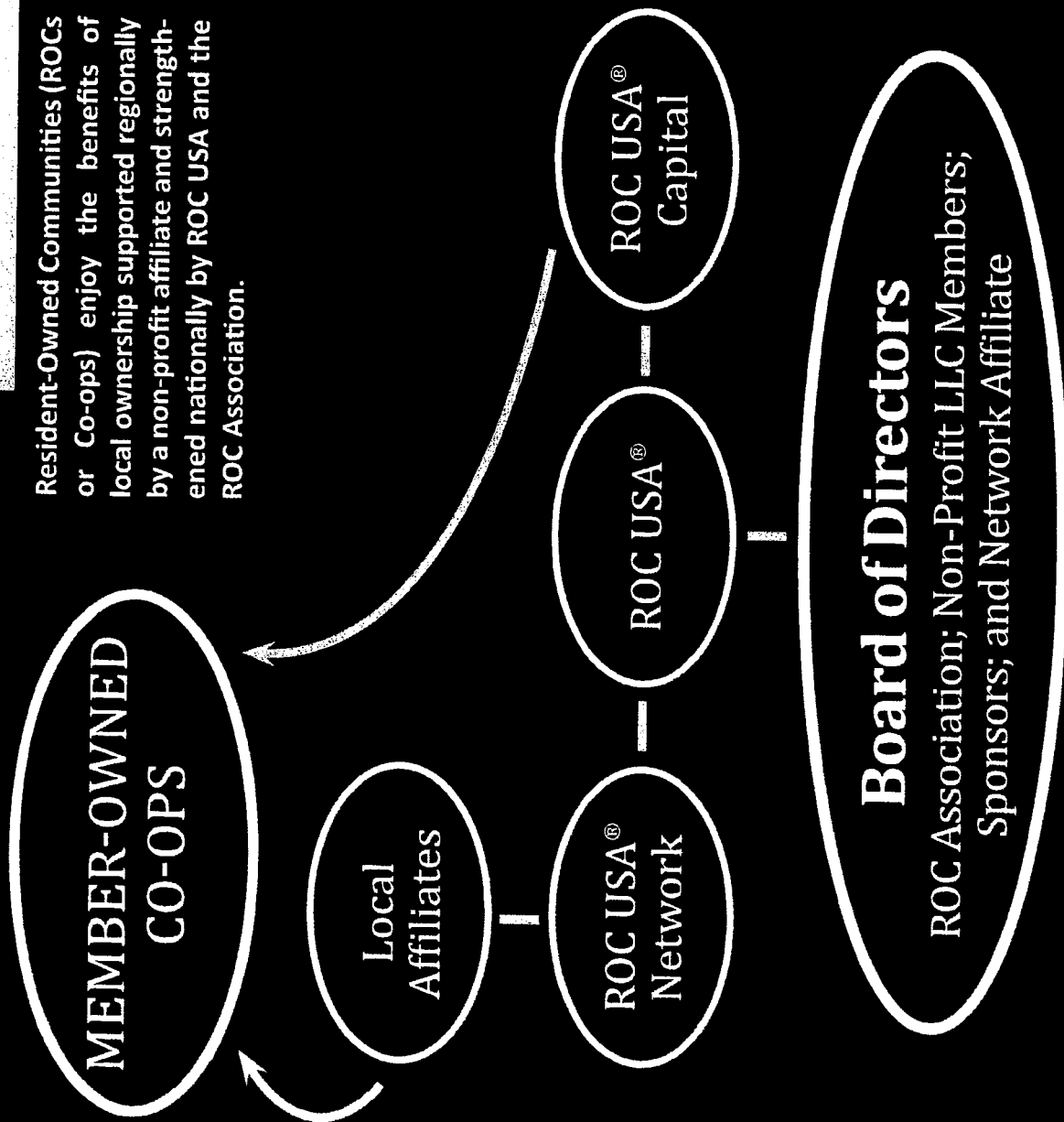
- Increase access to high loan-to-value good quality home financing by attracting lenders

- Increase quality affordable homeownership opportunities and improve operating cash flow in ROCs through vacant site infill and home replacement (as needed) by documenting where new homes are working and their impact.
- Continue to experiment and invest in innovation for energy-efficient new homes.
- Expand access to improvement resources for communities and homeowners through state and federal policy and promotion of programs among ROC Members.



## BETTER TOGETHER

Resident-Owned Communities (ROCs or Co-ops) enjoy the benefits of local ownership supported regionally by a non-profit affiliate and strengthened nationally by ROC USA and the ROC Association.



## TESTIMONIALS

"ROC USA has a business model set up to assist lower-income people upgrade their quality of life with financial backing and instilling a sense of personal accomplishment and pride."

VALERIE J. BENJAMIN  
Secretary, Newtown Creek  
Cooperative — Horseheads, N.Y.

"This gives people the opportunity to really have it all: affordability and home-ownership."

DANIELLE MAIDEN  
Cooperative Housing Specialist,  
NeighborWorks® Montana

"The greatest part of all of this is without ROC USA's help, we would still be in receivership spinning our wheels with no end in sight."

RICHARD GELINAS  
Vice President, Heritage  
Association, Inc. — Warren, Mass.



## NETWORK AFFILIATES

**CASA of Oregon: OR**  
[casaoforegon.org](http://casaoforegon.org)

**Cooperative Development Institute:**  
 CT, MA, ME, RI, VT  
[cdi.coop](http://cdi.coop)

**NeighborWorks® Montana: MT**  
[nwmt.org](http://nwmt.org)

**PathStone Corporation: NY**  
[pathstone.org](http://pathstone.org)

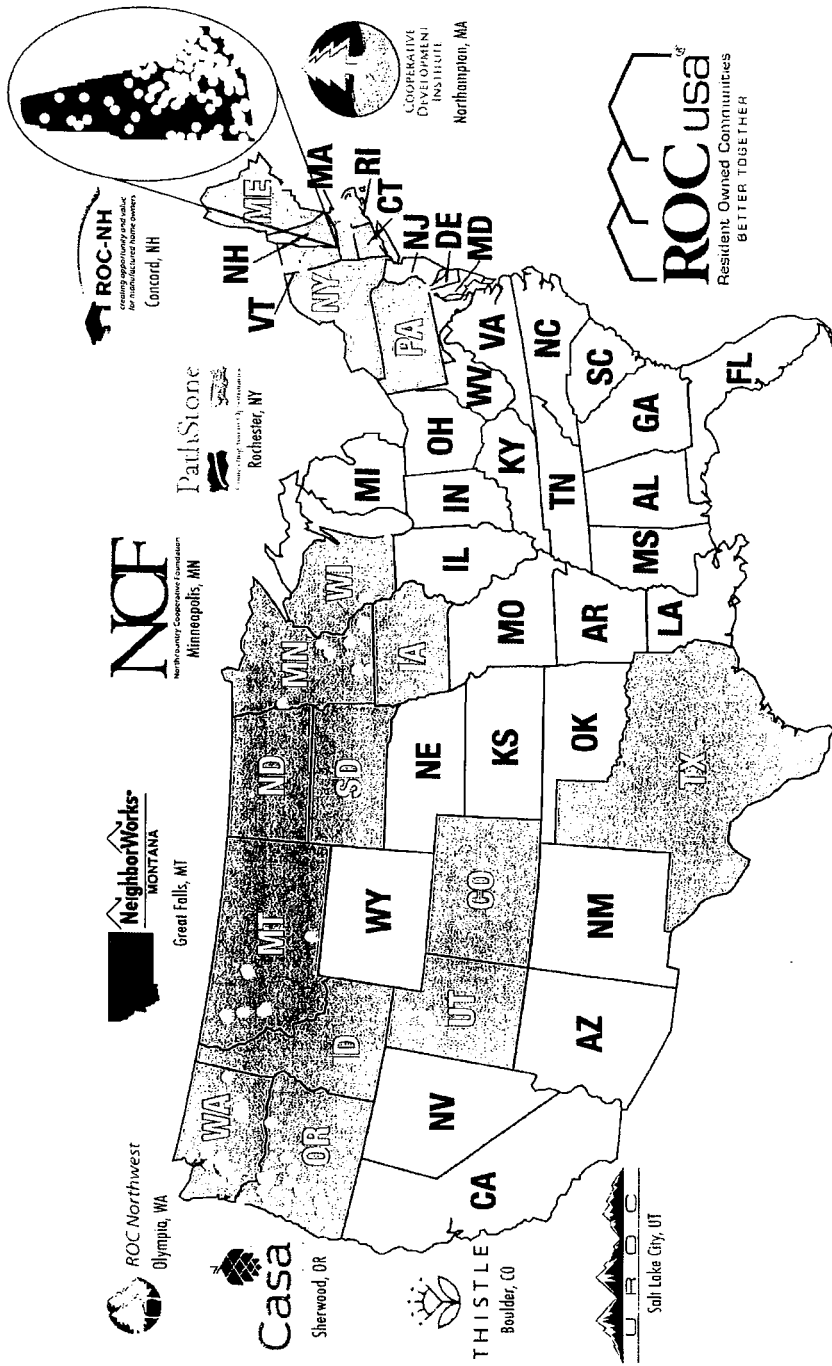
**Northcountry Cooperative Foundation:**  
 IA, MN, ND, SD, WI  
[northcountryfoundation.org](http://northcountryfoundation.org)

**ROC-NH: NH**  
[rocnh.org](http://rocnh.org)

**ROC Northwest: WA, ID**  
[rocnorthwest.com](http://rocnorthwest.com)

**Thistle: CO**  
[thistle.us](http://thistle.us)

**Utah Resident Owned Communities: UT**  
[uroc.coop](http://uroc.coop)



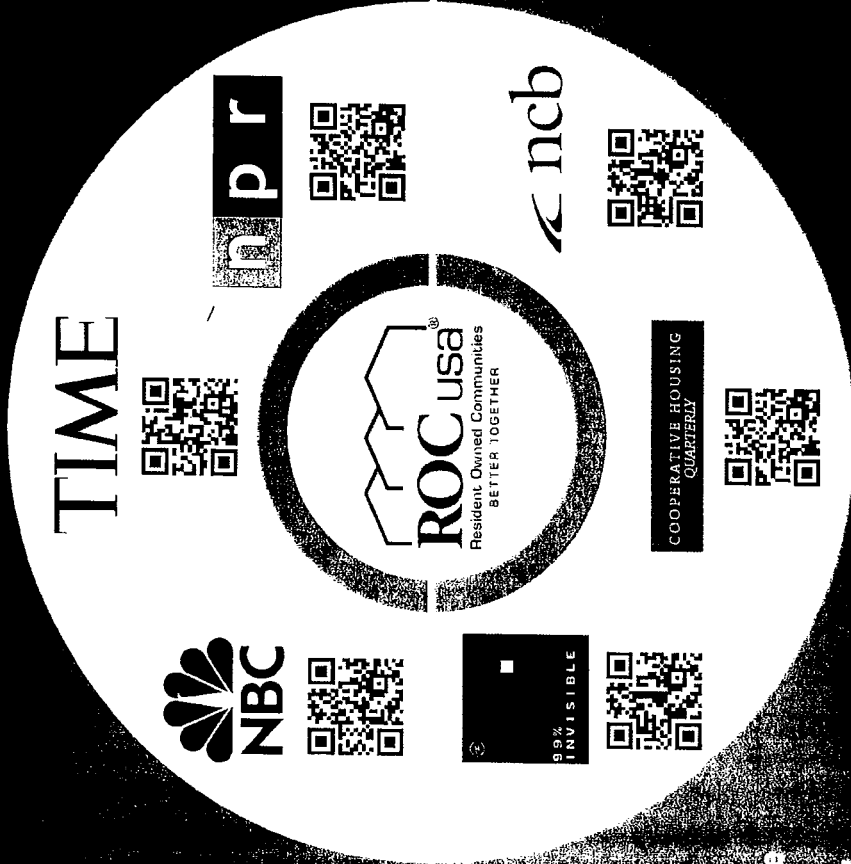
## THE GEOGRAPHY

Above: ROC USA and its affiliates work with 220 ROCs in 15 states, and are equipped to work in another six states.

Right: The ROC Association is divided into three regions: Mountain West; East, Midwest and South; and New England.

# RESIDENT OWNERSHIP ON THE RADAR

ROC USA's work has generated considerable positive media exposure in recent months.



Scan the QR code  
or click the logo  
to see each story.

## Reverberations

Each story generates new leads & interest from community owners, homeowners and other media outlets.

### TESTIMONIALS

"With so many of our residents retired and on fixed incomes, knowing we're going to own it and run it the way we want to run it is such a relief. Now everyone is going to have a say."

**NANCY FROIO**  
Board President,  
Halifax Estates — Halifax, Mass.

"We have looked to state government to help provide affordable housing but this is a way we can control it on our own."

**DALE WHITMORE**  
Board President,  
Wardtown Mobile Home  
Co-op — Friesport, Maine

"Things that need to be taken care of are now, and not let go like they used to be."

**BRIAN MILLER**  
Member,  
Minquadtale Village — New Castle, Del.

## Homelessness

# Tiny house villages: Quixote Village & Emerald Village

Tiny house villages offer a lower-cost way to provide safe housing, and the benefits of community living and peer support for people recovering from homelessness.

The term "tiny house" covers a wide range of structures and program models. Some are permanent structures with heat, plumbing, and other amenities that will last for many decades; others are less expensive, impermanent, and unheated and unplumbed. Village program models also vary.

## Quixote Village

Located on a two-acre site in Olympia, Washington, Quixote Village consists of 30 cottages wrapped around a central open space, and a 2,640 square foot community building that includes a communal kitchen, dining and living room, showers, laundry facilities, and staff offices. The village provides permanent supportive housing for homeless adults, including people suffering from mental illness, people with physical disabilities, and people recovering from addiction.

Financing for the program's development was provided by:

- \$1.5 million in the state capital budget, which came through the state Department of Commerce's Housing Trust Fund;
- \$699,000 from federal Community Development Block Grant funding that came through Thurston County and the City of Olympia;
- \$170,000 in Thurston County funding from document recording fees; and
- \$215,000 in community donations, including the Nisqually Tribe, the Chehalis Tribe, the Boeing Employees' Fund, and individual donors.

The total cost of the village was just over \$3 million or about \$100,000 per unit. The village meets the state's green building code and all local building codes.

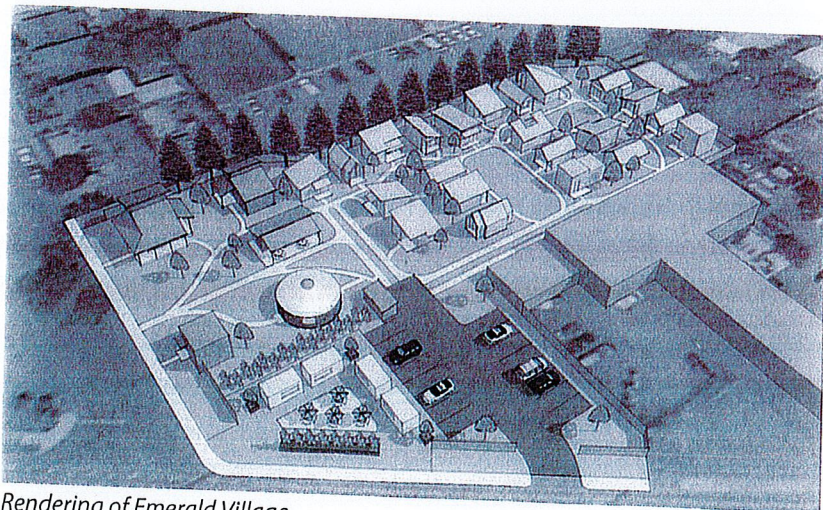
The Village has three on-site, full-time staff: an executive director,

a program manager, and a case manager/resident advocate. Mental health services are also offered on-site. There is also a Resident Council, which helps govern the village and coordinates community holiday parties, barbecues and other events.

## Emerald Village

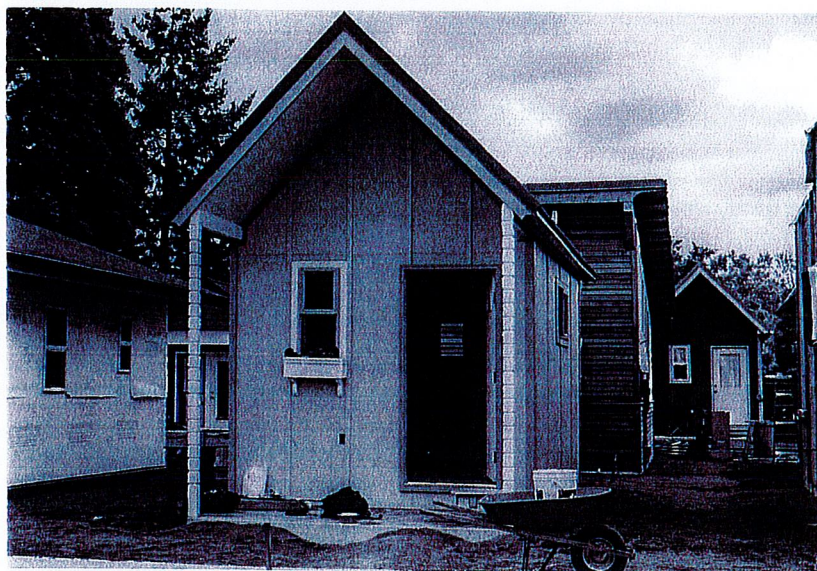
Emerald Village Eugene is an affordable tiny home community developed by SquareOne Villages. It builds upon the success of Opportunity Village Eugene, which is a transitional micro-housing community for otherwise homeless individuals and couples. This next iteration of the village model provides a permanent, accessible, and sustainable place to transition to.

Various teams of local architects and builders provided in-kind services to lead the design and construction of 14 of the 22 tiny homes at Emerald Village—allowing for the demonstration of a variety of compact design and construction methods. SquareOne



Rendering of Emerald Village





led the design and construction of the other eight homes using structural insulated panels (SIPs).

Each of the homes at Emerald Village are designed as permanent dwellings on a slab foundation—complete with sleeping and living areas, a kitchenette, and a bathroom—all in 160-288 square feet. The individual dwellings are supported by a Community Clubhouse that includes a flexible-use gathering area, community kitchen, laundry, restroom, and storage of common resources like tools and other appliances.

Construction of Emerald Village began in May 2017 as a collaboration between local contractors, community volunteers, and future residents (each resident put in at least 50 hours of sweat equity during development stages).

As a new and innovative approach to affordable housing, the capital costs have been funded by small grants, private donations, and lots of in-kind gifts from individuals, businesses, and institutions in the surrounding community. In fact, over 200 local business contributed to the project in some way. As a result of this outpouring of support, it cost around \$55,000 per unit to build Emerald Village, including the cost of land.

Unlike most affordable housing projects, residents of Emerald Village are not simply renters, they are members of a housing cooperative. They realize affordability through shared resources, self-management, and operating at-cost. A community agreement outlines a basic code of conduct that all residents must agree to abide by, and each resident is an active participant in helping to operate and maintain the village. Members make monthly payments of between \$200-\$300 to the

cooperative to cover utilities, maintenance, long-term reserves, and all other operating costs. Each member also pays a membership fee of \$50 per month—enabling them to create a modest asset that can be cashed out if, and when, they choose to leave. SquareOne retains ownership of property in trust to assure continued affordability to future members of the cooperative.

By combining the benefits of cooperative housing with safe, decent, and cost-effective tiny houses, Emerald Village offers an accessible and sustainable housing model that can be implemented in other communities.

## Resources

[www.quixotecommunities.org](http://www.quixotecommunities.org)  
[www.squareonevillages.org](http://www.squareonevillages.org)