

Grantee: Washington

Grant: B-08-DN-53-0001

October 1, 2021 thru December 31, 2021

Grant Number: B-08-DN-53-0001	Obligation Date:	Award Date:
Grantee Name: Washington	Contract End Date:	Review by HUD: Reviewed and Approved
Grant Award Amount: \$28,047,781.00	Grant Status: Active	QPR Contact: No QPR Contact Found
LOCCS Authorized Amount: \$28,047,781.00	Estimated PI/RL Funds: \$9,000,000.00	
Total Budget: \$37,047,781.00		

Disasters:

Declaration Number

NSP

Narratives

Areas of Greatest Need:

The housing bubble has burst in the state of Washington. The national economic slowdown and banking crisis, combined with huge job losses in local economies, have taken a heavy toll on the Washington housing market and economy. The prospects for the Washington housing market look grim and will likely continue to decline until the foreclosure crisis is abated.

Data released by HUD present an ominous outlook for the Washington housing market. The HUD NSP Foreclosure Needs Data report shows over 63,000 homeowners are either in foreclosure or seriously delinquent in their mortgage payments. The foreclosure rate in Washington increased from 1.42%, according to LISC 2008 data, to 5.5%, according to the HUD 2009 data. According to data released by the Department of Housing and Urban Development, the state of Washington has over 122,000 subprime mortgages. The rise in foreclosures is expected to continue over the next few years. Some estimate Washington may have over 100,000 foreclosures by the end of 2010.

The rise in foreclosures is causing a significant drop in the value of homes and home sales. The median price of homes reached its peak in 2006. By the end of the first quarter of 2009, the statewide median home price fell nearly 20% from slightly more than \$300,000 in 2006 to \$253,500 in 2009. The Washington economy has lost roughly one-sixth of the value of its residential property.

Foreclosures is one of the main culprits in the decline of the Washington home values and the erosion of its property tax base. Foreclosures account for a loss of nearly \$9 billion of property value. The loss of property value, tax base and equity will continue to increase unless steps are taken to stop it.

Distribution and and Uses of Funds:

The Washington housing and foreclosure crisis is taking the fuel out of local economies. Foreclosures are causing a deflation of housing prices, which causes credit markets to freeze - and results in a drop in home sales, which contributes to even more foreclosures. A metaphorical chase develops where one factor contributes to the haste of the other factors. As a result, over the past year the number and rate of foreclosures in Washington has tripled. The situation is expected to get worse without intervention to stop the rise of foreclosure rates.

The State of Washington is using the funding it received from the Housing and Economic Recovery Act of 2008 to provide emergency financial assistance to local jurisdictions. It distributed the funds to approximately 26 jurisdictions. Together they plan to recover approximately 500 foreclosed properties. Nearly all of the jurisdictions plan to use some of the properties to house very low income households. Although they are required to use 25% of their NSP funds to house very low income households, they will exceed this target. Collectively they plan to house roughly 180 very low income households which represent 36% of the total NSP target.

A large number of the jurisdictions plan to underwrite the activities of non-profit agencies. Approximately 73 units will be used by non-profit agencies to provide supportive housing for homeless families. Four out of six counties (King, Kitsap, Snohomish, Clark and Spokane) are going to solicit contracts from non-profit agencies. The cities of Federal Way, Kent, Tacoma, and Vancouver are also going to enter into contracts with non-profits agencies.

Seven jurisdictions are working with their local housing authorities. A number of these units will be used for supportive housing. These cities include Everett, Kelso, Lacey, Walla Walla, Yakima and Yelm. Together they plan to provide 24 housing units to very low income households.



Five jurisdictions are going to provide recovered-foreclosed properties to Habitat for Humanity who, in turn, will rehabilitate and sell them to very low income households. The cities include Aberdeen, Lakewood, Spokane County and Toppenish. This partnership will recover 24 housing units.

The remaining jurisdictions plan to work with their local community action councils (Hoquiam); community development organization (Pierce County), and community land trust (Seattle). These partnerships will recover 37 housing units for very low income households.

The applications from the remaining jurisdictions (Pasco and Spokane) indicated they plan to work directly with income eligible buyers and tenants. They plan to recover and place 15 low income households in foreclosed properties that they recover.

Definitions and Descriptions:

Low Income Targeting:

Acquisition and Relocation:

Public Comment:

Overall	This Report Period	To Date
Total Projected Budget from All Sources	\$0.00	\$34,204,026.21
Total Budget	\$0.00	\$34,204,026.21
Total Obligated	\$0.00	\$34,092,514.21
Total Funds Drawdown	\$0.00	\$33,898,105.66
Program Funds Drawdown	\$0.00	\$28,047,780.00
Program Income Drawdown	\$0.00	\$5,850,325.66
Program Income Received	\$0.00	\$6,287,746.22
Total Funds Expended	\$0.00	\$33,519,619.59
HUD Identified Most Impacted and Distressed	\$0.00	\$0.00
Other Funds	\$ 0.00	\$ 0.00
Match Funds	\$ 0.00	\$ 0.00
Non-Match Funds	\$ 0.00	\$ 0.00

Funds Expended

Overall	This Period	To Date
City of Aberdeen	\$ 0.00	\$ 777,918.00
City of Lakewood	\$ 0.00	\$ 806,123.43
City of Pasco	\$ 0.00	\$ 685,023.99
City of Seattle	\$ 0.00	\$ 905,853.00
City of Spokane	\$ 0.00	\$ 1,353,405.00
City of Tacoma	\$ 0.00	\$ 6,195,227.11
City of Toppenish	\$ 0.00	\$ 252,351.00
City of Vancouver	\$ 0.00	\$ 826,969.00
City of Yakima	\$ 0.00	\$ 650,614.00
City of Yelm	\$ 0.00	\$ 638,667.53
Clark County	\$ 0.00	\$ 1,577,664.00
City of Bellingham	\$ 0.00	\$ 342,879.38
King County	\$ 0.00	\$ 3,223,427.90
Kitsap County	\$ 0.00	\$ 1,509,165.06
Pierce County	\$ 0.00	\$ 5,356,795.48



STATE OF WASHINGTON CTED	\$ 0.00	\$ 1,727,370.27
Snohomish County	\$ 0.00	\$ 2,410,628.00
Spokane County	\$ 0.00	\$ 689,625.00
Walla Walla Housing Authority	\$ 0.00	\$ 306,974.00
City of Everett	\$ 0.00	\$ 545,502.85
City of Federal Way	\$ 0.00	\$ 344,657.00
City of Hoquiam	\$ 0.00	\$ 628,998.99
City of Kelso	\$ 0.00	\$ 454,537.38
City of Kennewick	\$ 0.00	\$ 477,913.22
City of Kent	\$ 0.00	\$ 475,264.00
City of Lacey	\$ 0.00	\$ 356,065.00

Progress Toward Required Numeric Targets

Requirement	Target	Projected	Actual
Overall Benefit Percentage	99.99%	.00%	.00%
Minimum Non Federal Match	\$.00	\$.00	\$.00
Overall Benefit Amount	\$34,291,153.22	\$.00	\$.00
Limit on Public Services	\$4,207,167.15	\$.00	\$.00
Limit on Admin/Planning	\$2,804,778.10	\$2,753,198.32	\$2,651,517.75
Limit on Admin	\$.00	\$2,753,198.32	\$2,651,517.75
Most Impacted and Distressed	\$.00	\$.00	\$.00
Progress towards LH25 Requirement	\$9,261,945.25		\$11,497,506.00

Overall Progress Narrative:

January 25, 2022 - This quarter we closed out the city of Lakewood's NSP1 program. We hope to close out Tacoma's NSP1 program in the near future. This will be the last program to close.

Washington State received \$28,047,781 in NSP1 grant funds and all these funds have been disbursed. Washington successfully recovered over 450 properties, put them into productive use and met HUD's national objective of benefiting low-, moderate- and middle-income households. A total of over \$33.3 million has been spent which includes \$28 million of grant funds and \$5.5 million in program income funds. This represents total expenditures of over 119 percent of the \$28 million NSP grant. Thirty-four percent of these NSP grant funds have benefited low-income households, more than meeting the 25% set-aside requirement.

Washington State's NSP1 projects are all completed. We have successfully closed 24 of our 25 projects with the following local jurisdictions: the cities of Aberdeen, Bellingham, Everett, Federal Way, Hoquiam, Kelso, Kennewick, Kent, Lacey, Lakewood, Pasco, Seattle, Spokane, Toppenish, Vancouver, Walla Walla, Yakima and Yelm; and the counties of Clark, King, Kitsap, Pierce, Snohomish and Spokane. We are in the process of closing out the NSP contract for the city of Tacoma.

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
8001, Aberdeen NSP	\$0.00	\$777,918.00	\$777,918.00
8002, Centralia NSP	\$0.00	\$0.00	\$0.00
8003, Clark Co NSP	\$0.00	\$1,577,664.00	\$1,577,664.00
8004, Everett NSP	\$0.00	\$545,502.85	\$545,502.85
8005, Federal Way NSP	\$0.00	\$344,657.00	\$344,657.00
8006, Hoquiam NSP	\$0.00	\$628,998.99	\$448,845.66
8007, Kelso NSP	\$0.00	\$454,537.38	\$454,537.38
8008, Kent NSP	\$0.00	\$475,264.00	\$475,264.00
8009, King Co NSP	\$0.00	\$3,748,140.19	\$2,385,719.50
8010, Kitsap Co NSP	\$0.00	\$1,509,165.06	\$935,291.00
8011, Lacey NSP	\$0.00	\$356,065.00	\$356,065.00



8012, Lakewood NSP (RLF)	\$0.00	\$383,964.51	\$192,930.00
8012 (Non RLF), Lakewood NSP	\$0.00	\$597,943.00	\$593,436.87
8013, Moses Lake NSP	\$0.00	\$0.00	\$0.00
8014, Pasco NSP	\$0.00	\$708,154.59	\$384,654.79
8015, Pierce Co NSP (RLF)	\$0.00	\$5,160,063.85	\$4,458,123.00
8015 (Non RLF), Pierce Co NSP	\$0.00	\$196,731.63	\$196,731.63
8016, Seattle NSP	\$0.00	\$905,853.00	\$905,853.00
8017, Snohomish Co NSP	\$0.00	\$2,410,628.00	\$2,410,628.00
8019, Spokane NSP	\$0.00	\$1,353,405.00	\$1,353,405.00
8020, Spokane Co NSP	\$0.00	\$689,625.00	\$689,625.00
8021, Sunnyside NSP	\$0.00	\$0.00	\$0.00
8022, Tacoma NSP	\$0.00	\$6,195,227.11	\$3,337,189.92
8023, Toppenish NSP	\$0.00	\$252,351.00	\$252,351.00
8024, Vancouver NSP	\$0.00	\$826,969.00	\$826,969.00
8025, Walla Walla NSP	\$0.00	\$306,974.00	\$306,974.00
8026, Wapato NSP	\$0.00	\$0.00	\$0.00
8027, Yakima NSP	\$0.00	\$650,614.00	\$650,614.00
8028, Yelm NSP	\$0.00	\$638,667.53	\$638,667.53
8029, CTED Project Admin	\$0.00	\$1,727,370.27	\$1,727,370.27
8030, Bellingham NSP	\$0.00	\$342,879.38	\$342,879.38
8031, Kennewick NSP	\$0.00	\$477,913.22	\$477,913.22
8099, NSP1 Unobligated Funds	\$0.00	\$111,512.00	\$0.00
9999, Restricted Balance	\$0.00	\$0.00	\$0.00

