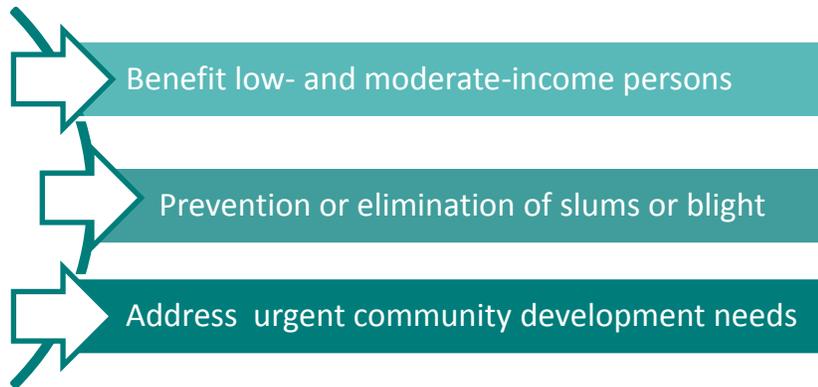


Program Overview

Started forty years ago in 1974 by President Gerald Ford, the Community Development Block Grant Program (CDBG) is one of the longest running programs of the U.S. Department of Housing and Urban Development (HUD). Cities and urban counties, such as Hillsboro, Beaverton, and Washington County, also known as entitlement communities, are required to submit a Consolidated Plan to establish goals to pursue with CDBG funds.

The projects identified in the Consolidated Plan must fall under the realm of local community development activities such as affordable housing, anti-poverty programs, public facilities and infrastructure development. Grantees are also required to hold public meetings in order to hear directly from members of the community about where their more urgent needs lie.

These projects must also align with the national objectives set forth by HUD: benefit low- and moderate-income persons, prevent or eliminate areas of slum or blight, or address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health and welfare of the community for which other funding is not available.



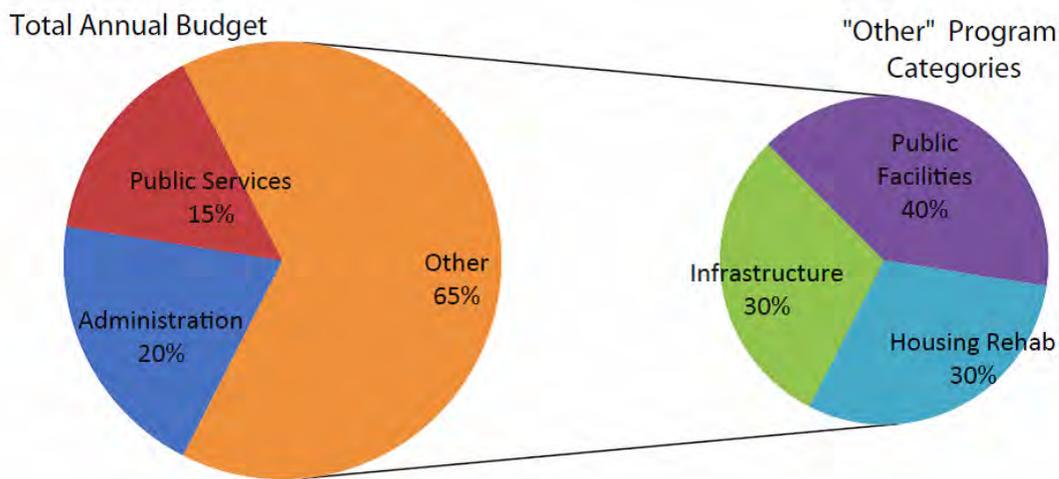
In Washington County high priority projects include:

- Projects in which 100% of the rental units are affordable to households earning 50% MFI or less.
- Projects in which 100% of the homeownership households are affordable to households earning 60% MFI or less.
- Preservation of existing subsidized rental housing units.
- Housing rehabilitation activities for low/mod-income households, including accessibility improvements.
- Housing for special needs populations: Elderly/frail elderly, persons with disabilities (severe mental illness, dual diagnosis, developmentally disabled, physically disabled), farmworkers, and released offenders.
- Permanent housing (for homeless) and homeless services (projects that implement strategies in the 10 Year Plan to End Homelessness).



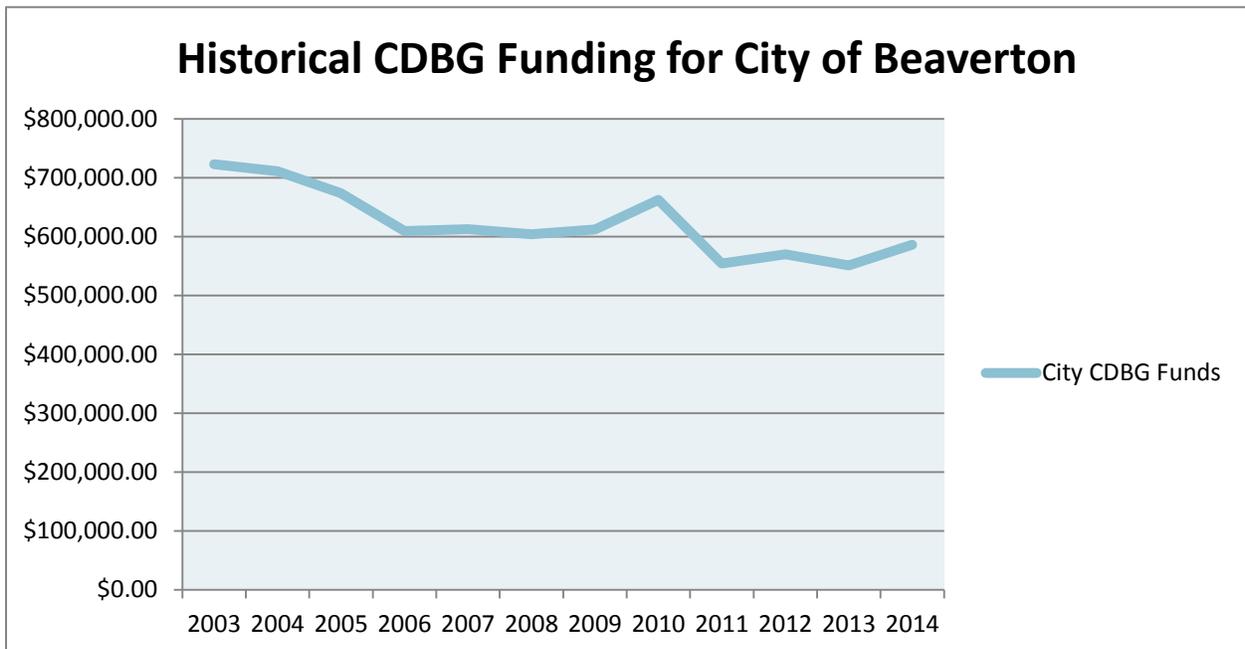
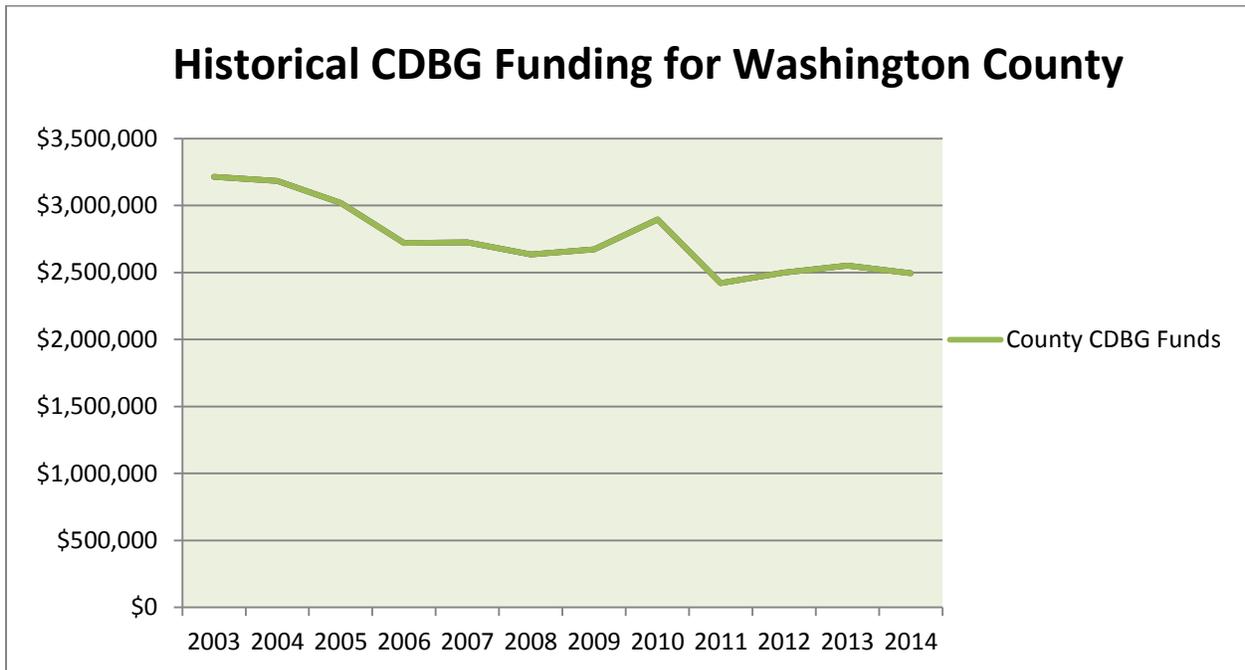
Washington County receives CDBG funding each year to award to projects throughout the County, except those located within the City of Beaverton. Both the City of Beaverton and the City of Hillsboro qualify as separate entitlement communities. The City of Hillsboro has remained a member of the County’s CDBG consortium, while the City of Beaverton became an independent entitlement in 1994.

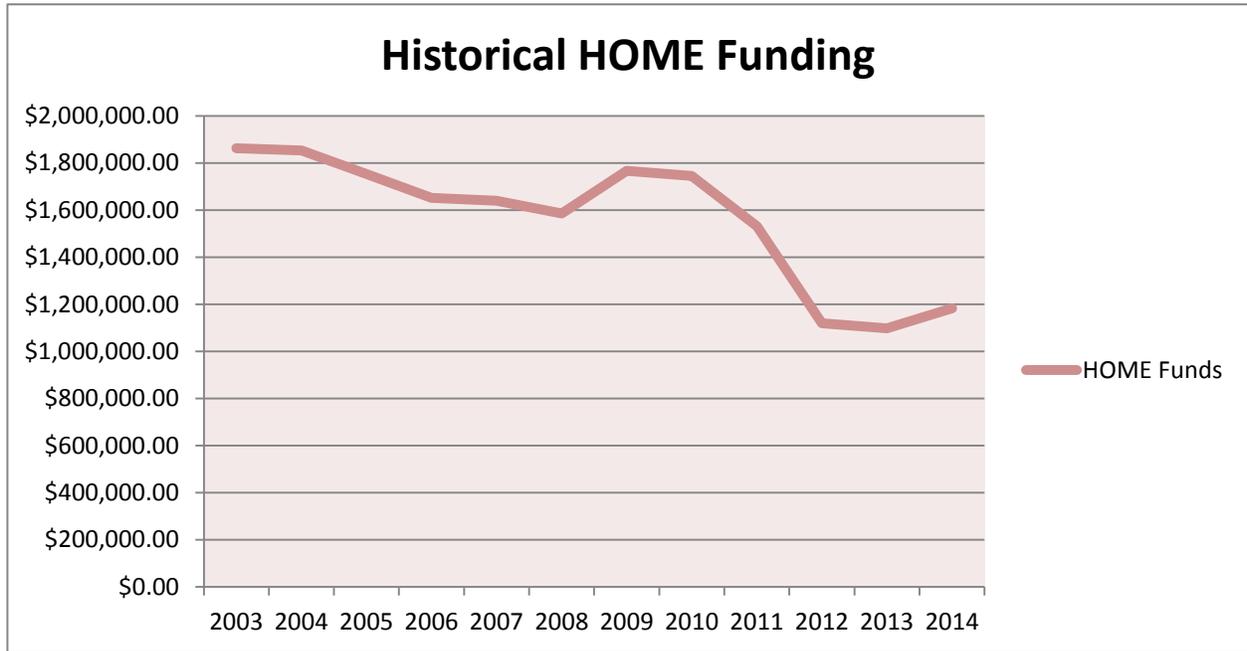
Washington County operates an annual competitive funding cycle based on an allocation formula approved in our Consolidated Plan. Cities, County departments and non-profit agencies are eligible to apply for funding under three categories: Public facilities, public infrastructure, and public services. In addition, the County sets aside funds to support housing rehabilitation and weatherization efforts to preserve the existing affordable housing inventory. Washington County’s allocation formula is as follows:



The City of Beaverton sets aside a portion of funding each year for non-competitive programs including housing rehabilitation and façade improvement projects. Fifteen percent of the CDBG annual award is combined with State Revenue Sharing Funds to create a pool of competitive funds that are reviewed by the City’s Social Services Funding Committee. All other housing, economic development and public facility projects compete for remaining funds. Generally applications are due in December and successful applications are recommended for funding through the Annual Action Plan approval process and City budgeting process in the spring.

Funding Levels 2003-2014 by Program Type





CDBG and HOME shortfalls - What we are unable to fund

| Unfunded Projects | Public Facilities | Public Infrastructure | Public Services | HOME |
|-------------------|-------------------|-----------------------|-----------------|-------------|
| 2014 | \$155,000 | \$292,000 | \$665,681 | \$615,000 |
| 2013 | \$24,000 | \$482,000 | \$410,000 | \$1,424,764 |
| 2012 | \$968,099 | \$204,092 | \$528,243 | \$1,250,000 |
| 2011 | \$550,000 | \$637,287 | \$356,000 | \$2,150,000 |
| 2010 | \$700,000 | \$0 | \$395,299 | \$0 |
| Totals | \$2,397,099 | \$1,615,379 | \$2,355,223 | \$5,439,764 |

| | | | |
|------------|-------------|---------------------|-------------|
| Total CDBG | \$6,367,701 | CDBG Yearly average | \$1,273,540 |
| Total HOME | \$5,439,764 | HOME Yearly average | \$1,087,953 |

****Each year there is an average of 15 CDBG and/or HOME projects in Washington County that we are unable to fund due to budget shortfalls.***