

CITY OF BELLEVUE
HUMAN SERVICES COMMISSION
MINUTES

October 18, 2011
6:30 p.m.

Bellevue City Hall
City Council Conference Room 1E-113

COMMISSIONERS PRESENT: Chairperson Beighle, Commissioners Habib, Perelman, Plaskon, Yantis

COMMISSIONERS ABSENT: Commissioners Bruels, Stout

STAFF PRESENT: Emily Leslie, Alex O'Reilly, Joseph Adriano, Evita Almassi, Department of Parks & Community Services

GUEST SPEAKERS: None

RECORDING SECRETARY: Gerry Lindsay

1. CALL TO ORDER

The meeting was called to order at 6:37 p.m. by Chair Beighle who presided.

2. ROLL CALL

Upon the call of the roll, all Commissioners were present with the exception of Commissioners Bruels and Stout, both of whom were excused.

3. APPROVAL OF MINUTES

A. September 20, 2011

Motion to approve the minutes as submitted was made by Commissioner Perelman. Second was by Chair Beighle and the motion carried without dissent; Commissioners Habib, Plaskon and Yantis abstained from voting.

4. PETITIONS AND COMMUNICATIONS – None

5. STAFF AND COMMISSION REPORTS

Chair Beighle reported that she attended the Healthy Start luncheon. She said it was a wonderful event. She said she also attended the Hopelink luncheon, which was very well attended.

Human Services Manager Emily Leslie said it certainly is the fundraising season, but noted that the luncheons are always a very effective tool. She said she also attended the Healthy Start and Hopelink luncheons, as well as events for Child Care Resources, Congregations for the Homeless, Therapeutic Health Services, and Asian Counseling and Referral Service.

Ms. Leslie announced that the CDBG funding recommendations are tentatively scheduled to be presented to the City Council in study session on October 24. The city must submit its recommendations to HUD by November 15. Chair Beighle will make the presentation along with staff. Ms. Leslie urged the Commissioners to attend the meeting.

Ms. Leslie said two locations for the winter shelter have been tentatively selected. Women and families will be housed at the Crossroads Community Center, and the men will be at St. Peter's United Methodist church, which is also in Crossroads. Because it is a religious facility, the St. Peter's location does not require a Temporary Use Permit; however, the building does not meet the applicable fire and building codes, so the city is working with the church to determine a mitigation plan. Siting the shelter at Crossroads Community Center requires a Temporary Use Permit. A grant for the winter shelter program has been received from King County in the amount of \$15,000.

7. DISCUSSION

A. Summary of Monitoring Visits to Agencies

Grant Coordinator Joseph Adriano noted that in 2010 staff made 20 monitoring visits to agencies. To date in 2011, only five visits have been made, and the issues encountered were far less complex. The monitoring visit made by HUD earlier in the year has taken up a great deal of staff time, and there are still some outstanding issues to be resolved.

Staff conducts monitoring visits in accord with a requirement in the contracts. Agencies that agree to receive funding also agree to open their doors to staff visiting their facilities and examining their documents and records. With more and more records available electronically, the physical visits take less and less time to accomplish. The visits are often conducted jointly with staff from other funding cities.

Notice of a visit is sent out up to a month in advance, and along with the notice is an outline of the questions that will be asked. The focus is usually on program operations and service unit performance, cultural competence and income guidelines, as well as agency administration, conflict of interest policies, record retention policies, and any recent independent audits. The agencies are asked to explain how they go from the provision of services to how they record the services rendered in their databases and how they bill for those services. Following each visit, a report letter is

drafted. Any concerns raised during the visit are outlined in the report, which is provided to the agencies visited.

Mr. Adriano said the agencies visited in 2011 were: Bellevue School District VIBES program; Catholic Community Services Volunteer Chore Services; Eastside Domestic Violence Program My Sister's Home Emergency Shelter; Hopelink Adult Education Program; Senior Services Minor Home Repair Program; and Sound Mental Health Low-Income Mental Health Counseling Program.

In 2010 there were a variety of weighty issues encountered during the monitoring visits. There were concerns with the way some agencies were determining income levels; some very large agencies did not have a method for determining income eligibility by requiring documentation until 2010. In the recent round of visits, there were no consistent themes uncovered. One program had a relative lack of non-white or immigrant clients; that was felt to be a concern in a city that has a very large percentage of residents in those categories. There was found to be a general lack of acknowledgment of the City of Bellevue in agency brochures and annual reports giving the city credit for its funding efforts.

Chair Beighle asked how it is determined which agencies should receive a monitoring visit. Mr. Adriano said the primary factor is how long it has been since a particular agency has received a visit. On average, agencies are visited only once every three to five years.

Commissioner Habib asked if there is a plan for following up with the agency serving fewer clients from communities of color. Mr. Adriano said the agency has submitted an outreach plan to the city. That will require some monitoring of the demographics reports submitted quarterly to see what the trends are over time. The issue may come up during the application process as well. The argument offered by the agency is that they serve a particular age group and that within that age group the proportions of non-white and immigrants is lower relative to the general population.

6. DISCUSSION

A. *Review of Analysis of Impediments to Fair Housing Choice Report*

Mr. Adriano noted that because the city receives CDBG funds, HUD staff are required to make periodic visits. Their most recent visit occurred on January 11 and 12, 2011. Their focus was on activity eligibility, which in short means that the programs funded by the city with CDBG dollars are eligible based on federal regulations. They focused on how the city determines national objective compliance, which is the process for determining if a funded program meets one of the goals of the CDBG program. They reviewed the city's overall management procedures, and examined civil rights issues such as minority - and women-owned businesses related to CDBG and fair housing practices. They also looked at environmental reviews, which is the process undertaken to ensure that CDBG projects do not adversely impact the environment.

HUD determined that the city did not have written procedures for officially determining the eligibility of applicant programs for CDBG funds. What they wanted to see was more detail in the application documents and review process aimed at identifying the eligibility of programs, and a staff eligibility review sheet accompanying the application packet. With regard to national objective compliance, HUD concluded that the city had not taken steps to definitively identify how specific programs fulfill national objectives. The materials staff has been supplying along with the applications relative to eligibility and national objectives was deemed to be inadequate.

Mr. Adriano said staff worked to develop a policy and procedures manual that outlines everything required of the city and of agencies as they relate to CDBG funding.

Commissioner Habib asked why HUD has not created a manual and distributed it to all cities receiving CDBG funding. Mr. Adriano allowed that HUD has guidebooks, but they are written so as to be so open ended that local jurisdictions must interpret them. Ms. Leslie added that it was not difficult to produce the manual HUD asked for given that all of the procedures were already written down; the procedures were just not in a manual format.

Mr. Adriano said HUD found that the city has never conducted an Analysis of Impediments to Fair Housing Choice, and that the city did not officially record which businesses were owned by minorities or women when it came to CDBG. The application was revised by adding a checkpoint for the applicant to check, though for the most part the issue does not come up given that most of the programs funded are operated by non-profit organizations.

Ms. Leslie informed the Commissioners that Bellevue operates under the umbrella of the King County Consortium HOME Dollars program; the program, which provides funding for housing, is managed by the county. The county does an Analysis of Impediments, and the city has been operating under the assumption that it is covered under the county's analysis. HUD concluded the city must do its own analysis.

Mr. Adriano said the environmental review process was by far the most extensive portion of the monitoring process with HUD. In summary, the city's environmental review procedures were found to be insufficient according to the environmental regulations that apply to CDBG funding. CDBG funds cannot be slated for use on a given project until an environmental review has been completed for the project. By way of example, he explained that when ARCH has a housing project, it makes a presentation to the City Council seeking a go-ahead. Part of the presentation would include the funding sources, which generally involves the Housing Trust Fund, state dollars, and CDBG money. HUD concluded that because CDBG funds are mentioned in the presentation to the Council, and because the Council subsequently approves the project, the CDBG funds are in fact obligated; under HUD rules, CDBG

funds cannot be obligated until an environmental review has been completed. The fact is the Council's action is to approve a project, but no project could ever be constructed if the associated environmental review highlighted a number of environmental impacts. HUD did not buy that argument and required language be added that the approval of projects must be conditioned on the completion of an environmental review. The requirement triggered the need for the city's environmental review staff to redo their analyses for every project going back to 2007. That work has taken a great deal of time and is not yet completed.

Human Services Planner Alex O'Reilly said the audit resulted in a requirement for the city's environmental staff to show that every home repair project done under the Major Home Repair Program has been checked against approximately 12 rules that fall under either the Environmental Protection Agency or HUD. The rules include the Endangered Species Act, the Wild and Scenic Rivers Act, the Clean Air Act, preservation of historic structures, and dealing with hazardous materials. A very complex process must be undertaken to show how projects either are or are not subject to the various rules, including a GIS map showing that there are no wild or scenic rivers running through Bellevue. The hazardous materials requirements are applicable to the city; potentially there could be a tank underneath a property for which a repair project is planned, so before a project can be undertaken it is necessary to check the address against the EPA database. It is also necessary now to send a notification letter to the head of each of seven different Indian tribes informing them that a project may disturb the soil on land they may potentially lay claim to.

Ms. O'Reilly informed the Commission that while it took a great deal of staff time to come into compliance, HUD has approved the city's process and now uses the materials in training other jurisdictions.

Mr. Adriano said HUD did not require the same steps to be taken with the Minor Home Repair Program. They did, however, take a close look at the program and reached the conclusion that it is actually a maintenance program. HUD is very prescriptive with regard to maintenance programs and what they can do. As a result, Senior Services had to be told that there are certain repairs that cannot be made with CDBG funds without triggering a lot of extra steps. The expectation is that Senior Services will come forward during the next General Fund process asking for a small amount of funds that will no longer be covered by CDBG, including installation of grab bars and wheelchair ramps.

With regard to the Analysis of Impediments, Mr. Adriano said HUD concluded that the document is required by each jurisdiction. HUD indicated it would withhold its 2011 grant to the city if the report was not filed. Neighboring jurisdictions contracted with the Fair Housing Center (FHC) to produce their reports, so Bellevue followed suit and contracted with them, taking the \$15,000 cost from the CDBG administration fund. FHC looked at Census figures and city code, they conducted a survey of agencies

that serve the city's target populations, and did some regional research. They completed the analysis and submitted it on July 18.

The analysis concluded that the complaint data in Bellevue shows housing discrimination primarily affects persons with disabilities, though Section 8, race and national origin discrimination in housing also occurs. Complaint investigation and processing is handled by the city's code enforcement staff, but the finding concluded that the code enforcement staff lack formal systems to investigate Section 8 fair housing complaints; the analysis found a lack of clarity in the complaint findings. The report found that the home mortgage lending data shows Native Americans, African Americans and Hispanics are more likely to be denied financing for all mortgage products; that members of the public, especially housing professionals and community service providers, have limited knowledge of protected classes, fair housing laws and the resources available to them; and that zoning and land use decisions and city policies can have a discriminatory impact on protected classes under federal and state fair housing laws.

Mr. Adriano said the perceived perceptions are not without dispute on the part of city staff. The code compliance officers are not happy with the statements and feel that the report oversimplifies the processes and does not fully capture the full picture.

The recommendations related to the identified impediments include a full review of and amendments to Bellevue City Code 9.20 to clarify protected classes; a review of past complaints; requiring ongoing Fair Housing training for code compliance staff; expanding the current education and outreach efforts. The report also recommends that the City of Bellevue should take steps to ensure that fair housing is fully integrated into its housing and human services strategies to better reach the community, especially those most affected by housing discrimination. Also recommended is the implementation of fair housing testing activities, with specific tests for disability, race and nationality discrimination, and using the results to inform education and outreach; targeting homeownership and lending marketing to people of color to include African American, Hispanic and Native American home buyers; considering policies that both encourage and measure the inclusion of individuals covered by protected classes under federal and state fair housing laws, revising the complaint process, publicizing it and making the reasonable accommodations available, as well as tracking racial and ethnic demographic information on housing developments funded through the City.

Mr. Adriano said the city attorney and the code compliance staff would be meeting soon to discuss the notion of reviewing and amending Bellevue City Code 9.20. With regard to expanding the current education and outreach efforts, he said the Human Services Division will partner with community agencies to expand education and outreach relative to fair housing, and will include training events for city and agency staff. In January 2012, the city Human Services Division and the King County Housing Authority will partner in offering a Section 8 landlord requirements training

session at Bellevue City Hall; more than 100 current and prospective landlords are expected to attend.

The city attorney and code compliance staff will be meeting on October 24 to discuss implementing fair housing testing activities. Testing activities cost money, for which HUD does have some funding programs available to private and public agencies. However, for public agencies like the city, HUD says there are no funds currently available for the Administrative Enforcement Initiative, and the city is in no position financially to be able to come up with new funds for the exercise. Out of about 25 complaints filed in the last six years, 18 were found to have no basis. Of the remaining seven, four were settled through negotiation, leaving only three or so where there might have been something going on; each of those incidents were fully investigated and findings were made. So few cases over a six-year period are not sufficient to establish a trend.

Mr. Adriano noted that with regard to targeting home ownership and lending marketing to people of color, including African Americans, Hispanics and Native American home buyers, the city partnering with the Coalition for Attainable Financial Education (CAFE), based at Hopelink, to reach disadvantaged populations with information on how to achieve financial stability, which affects rental and home ownership opportunities. The CAFE members include Alaska USA Federal Credit Union, Columbia Bank, Express Credit Union, Bank of Washington, and Wells Fargo. Workshops and seminars will be put on focusing on home ownership, foreclosure assistance, and helping people avoid traps.

The city will note in its response to HUD that reasonable accommodations are available for all civic processes included by the city. The city already collects racial and ethnic demographic information and tracks it as a condition of receiving CDBG funds. The information is entered into the Integrated Disbursement and Information System as mandated by HUD, and is reported to HUD annually.

Every four years the city submits to HUD its Consolidated Plan for Housing and Community Development. The document explains all city plans and actions related to CDBG funding. The results of the Analysis of Impediments to Fair Housing Choice will be included in the 2012-2015 Consolidated Plan, along with the city's actions. In addition, the Human Services Division intends to continue its practice of providing an Annual Action Plan to HUD, which is approved by the Council.

Answering a question asked by Commissioner Plaskon, Mr. Adriano explained that the 2012-2015 Consolidated Plan will serve as the city's response to the HUD report.

8. OLD BUSINESS – None

9. NEW BUSINESS

Ms. O'Reilly provided the Commissioners with copies of a matrix entitled "Proposed Cuts Submitted to the Governor." She noted that the Governor has called a special session of the legislature to begin on November 28 to address the projected shortfall of nearly \$2 billion for the biennium. During the last week of September the Governor directed all departments to submit budget reduction proposals in five percent increments up to ten percent. Ms. O'Reilly said the matrix included a review of the departments with the most impact on human services and noted that some are particularly disturbing, including the elimination of long-term funding for people who are needing care in order to be able to remain in their homes.

10. PETITIONS AND COMMUNICATIONS – None

11. ADJOURNMENT

Chair Beighle adjourned the meeting at 8:00 p.m.

Secretary to the Human Services Commission

Date

Chairperson of the Human Services Commission

Date