



STATE OF WASHINGTON

DEPARTMENT OF COMMERCE

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www.commerce.wa.gov

February 23, 2022

City of Olympia
601 4th Ave E
Olympia, WA 98501
Delivered via Email to Darian Lightfoot: dlightfo@ci.olympia.wa.us

RE: Connecting Housing to Infrastructure (CHIP) Grant

Dear CHIP recipient:

I am pleased to inform you that City of Olympia has been awarded \$2,500,000 in grant funds from the Connecting Housing to Infrastructure (CHIP) grant program for the Family Support Center project. The 2021 Legislature created this grant program to facilitate the development of affordable housing construction.

Funding for this program is provided from two accounts:

- For waived system development charges, funds are from the State Building Construction Account, and your grant will be governed by state building construction account rules. Projects funded with State Building Construction Account funds (state) may only be used to cover eligible costs incurred during the period of May 18, 2021, thru June 30, 2023, subject to re-appropriation by the Legislature. If re-appropriated, the project must be completed and invoiced by June 30, 2025.
- For infrastructure improvements, funds are from the state's allocation of Coronavirus State and Local Fiscal Recovery Funds (SLFRF) from the federal American Rescue Plan Act (ARPA) stimulus funding provided by the U.S. Department of the Treasury (US Treasury).¹ Your grant is a sub-award of the state's allocation for the SLFRF funds it received directly from the U.S. Treasury. All grants must adhere to any and all compliance and reporting requirements for the use and expenditure of SLFRF funds.² Projects funded with Coronavirus State and Local Fiscal Recovery Funds (federal) may only be used to cover eligible costs incurred during the period of March 3, 2021, thru December 31, 2026, subject to re-appropriation by the Legislature, and must be obligated by December 30, 2024.

This grant will be administered by the Washington Department of Commerce, Growth Management Services (GMS) unit. Before we disburse the funds, a contract with an agreed upon scope of work and budget will need to be executed between your organization and the Department of Commerce.

¹ The federal funds are available under [Section 602 Coronavirus State Fiscal Recovery Funds](#) of Title VI of the Social Security Act, as added by ARPA of 2021, Title IX, Subtitle M, Section 9901. The unique 5-digit federal assistance number assigned to the SLFRF funds on [SAM.gov](#) is Assistance Listing Number (ALN) 21.027, formerly known as a CFDA number.

² [Compliance and Reporting Guidance](#) for State and Local Fiscal Recovery Funds dated November 5, 2021

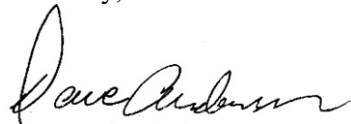
All pre-contracting requirements must be met prior to executing a contract and before drawing down any grant funds. If not already provided, these may include:

- Proof of site control.
- Documentation of consultation with Department of Archeology and Historic Preservation (DAHP) and affected tribes has been completed and there is a plan for preservation of archeological, historical and cultural resources (EO 21-02).
- For requests for system development charges or fees, documentation of charges/fees waived by the city or a letter of commitment from the city that the fees will be waived and the timeframe for such waiver.
- For requests for utility improvement funding, a project schedule showing affordable housing development be able to begin construction within 24 months of the grant award.
- Commitment of other funds.
- Documentation of a program that will monitor affordability of units for a minimum of 25 years.
- Securitization (covenant and/or note and deed of trust for affordable housing units).
- If applicable, state prevailing wages and documentation or attestation of strong labor standards.
- Risk assessment survey, if requested.
- Proof of insurance coverage, if requested by Commerce.
- Any documents needed to respond to new federal guidance.

Once all pre-contracting requirements have been met, a contract will be prepared and sent to the applicant for signature. The authorized representative will need to sign the contract and then return a scanned pdf copy to the Commerce project manager. Then the project manager will route the contract for Commerce's signature. It generally takes two to four weeks to fully execute a contract. Once executed by Commerce, a fully executed copy will be scanned and a pdf copy emailed to the jurisdiction and the grantee will have access to their funds. This is a reimbursement-style grant, meaning no advance payments under any circumstances, reimbursable costs are those that a grantee has already incurred.

Eric Guida from our GMS housing programs will be in touch with you to develop the contract(s) and answer any questions you may have. His email is eric.guida@commerce.wa.gov, and his phone number is 360.725.3044.

Sincerely,



Dave Andersen, AICP
Managing Director
Growth Management Services

cc: Jay Burney, City Manager, City of Olympia
Kasey Liedtke, Housing Developer, Bellwether Housing
Eric Guida, Senior Planner, Growth Management Services
Anne Fritzel, AICP, Housing Programs Manager, Growth Management Services

