



September 14, 2021

Sharon Lee, Executive Director
Low Income Housing Institute
Via Email – Sharonl@lihi.org

Re: Award for \$300,000 from City of Olympia 1406

Sharon:

Congratulations on your award of \$300,000 to pay unanticipated COVID-related construction costs at 2828 Unity Commons Phase 2 supportive housing at 2828 Martin Way in Olympia.

This award is conditional and is not a guarantee of funds. This letter provides an overview of our conditions and what some details you can expect in our contract for services. Once I am assured the preconditions for contracting are met, we will negotiate a contract to make funds available for your project.

As you pursue funds from other funders, you must provide me with the following by email:

- Updated development budgets and operating pro forma submitted to other funders;
- A written summary of changes in services provided, populations served, and cost changes in those applications.

These City of Olympia preconditions also apply: You must provide me emailed copies of award letters or reservation of credits from the sources you documented in your application and budget including:

- Thurston County (including local, state or federal resources)
- The Washington State Housing Trust Fund
- The Washington State Housing Finance Commission

I will initiate contract negotiation after you provide those documents and have full funding for construction.

Olympia City Council requires that our contract stipulate:

- These funds must be drawn after fund sources including federal tax credits, Washington State Housing Trust Fund, Olympia Home Fund, and non-1406 Thurston County funds are exhausted. These funds must be drawn last, if needed, because they could also be used for this or another project's operations (unlike other funds you will draw first).
- No funds will be made available until commitment is documented from your other proposed funders (examples are listed above in this letter);

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- All funds will be paid through reimbursements documented through invoices;
- Reimbursements for development fees must be linked to project milestones (so 100 percent of your fee cannot be paid until the project is 100 percent complete – at Certificate of Final Occupancy);
- All funder draws will be sent to the City of Olympia, even when Olympia funds are not requested;
- Our contract term will be consistent with your development timeline;
- Your budget and scope of work will be based on the application you submitted;
- Your proposal and contract will meet the requirements of the City of Olympia Home Fund's Administrative Plan;
- Other agreements, like a Development Agreement or Good Neighbor Plan, may be required.

Please notify me as you reach funding and other milestones or encounter challenges. I anticipate reserving your award for the time period specified in your original Home Fund application. If you are not awarded Trust Funds and Tax Credits within nine months of the date of this letter the City of Olympia reserves the right to withdraw this award.

Thank you for your commitment to make the City of Olympia more affordable for everyone in our community!

I am committed to helping your project be successful. Please let me know how I can help along the way. I can be reached at cretlin@ci.olympia.wa.us or 360.570.3956.

Sincerely,

CARY RETLIN
Home Fund Manager

CC: Joan Lutz, Budget Manager