



Department of Commerce

**2023-25 Biennial Capital Budget Request
September 2022**



STATE OF WASHINGTON
DEPARTMENT OF COMMERCE

1011 Plum Street SE • PO Box 42525 • Olympia, Washington 98504-2525 • (360) 725-4000
www.commerce.wa.gov

September 23, 2022

David Schumacher
Director, Office of Financial Management
Post Office Box 43113
Olympia, WA 98504-3113

Re: Department of Commerce Capital Budget

Dear Director Schumacher:

On behalf of the Department of Commerce, I am pleased to present our 2023-2033 10-Year Capital Budget Plan and request.

Our proposal includes deep investments in local government infrastructure and statutory programs that fund community facilities and lay the foundation for economic development. We propose a new \$25 million pre-development fund to help drive more equitable access to our capital programs by community-based organizations that may otherwise struggle to raise sufficient funds to break ground for a project. We request broader investment in clean energy programs, not only to meet the state's climate goals, but to leverage once-in-a-generation federal investment and address heating and cooling needs of low-income households.

We build on last biennium's record state investment in broadband infrastructure by ensuring sufficient state funds to meet the match requirements to unlock as much as \$400 million in federal funding. We ask the legislature to continue the record-setting investment in affordable housing development, focusing on two areas: the pipeline of multifamily affordable housing projects that have been proposed through the dedicated collaboration of non-profit organizations, private investors, and local governments, and a renewed commitment to funding homeownership opportunities, prioritized to address racial disparities documented through the working group we convened this year.

Sincerely,

Lisa Brown
Director



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| Project #40000295 – Increase the Affordable Housing Supply | |
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| Project #40000293 – Capital Pre-Development Funds | |
| Project #40000284 – High Efficiency Cooling for Low Income Households | |
| Project #40000294 – Clean Energy Fund | |
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**103 - Department of Commerce
Ten Year Capital Plan by Project Class**

2023-25 Biennium

*

Version: 01 23-25 Capital Budget Request

Report Number: CBS001

Date Run: 9/24/2022 11:48AM

Project Class: Program

| Agency Priority | Project by Account-EA Type | Estimated Total | Prior Expenditures | Current Expenditures | Reapprop 2023-25 | New Approp 2023-25 | Estimated 2025-27 | Estimated 2027-29 | Estimated 2029-31 | Estimated 2031-33 |
|--------------------|--|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 40000009 PWAA Preconstruction and Emergency Loan Programs | | | | | | | | | |
| | 355-1 St. Bld Const Acct-State | 19,000,000 | 11,377,000 | 4,623,000 | 3,000,000 | | | | | |
| 0 | 40000018 Behavioral Health Community Capacity | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 83,099,000 | 61,945,000 | 4,154,000 | 17,000,000 | | | | | |
| 0 | 40000124 2019-21 Behavioral Rehabilitation Services Capacity Grants | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 2,000,000 | 28,000 | 1,372,000 | 600,000 | | | | | |
| 0 | 40000130 2021 Local and Community Projects | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 32,672,000 | 13,056,000 | 8,616,000 | 11,000,000 | | | | | |
| 0 | 40000141 2021-23 Public Works Assistance Account-Construction | | | | | | | | | |
| | 058-1 Public Works Assist-State | 249,000,000 | | 23,000,000 | 226,000,000 | | | | | |
| 0 | 40000144 2021-23 CERB Capital Construction | | | | | | | | | |
| | 26V-1 Capital Comm Asst Ac-State | 40,000,000 | | 5,000,000 | 35,000,000 | | | | | |
| | 355-1 St. Bld Const Acct-State | 15,000,000 | | 15,000,000 | | | | | | |
| | 887-1 Pub Facil Const Ln-State | 10,000,000 | | | 10,000,000 | | | | | |
| | Project Total: | 65,000,000 | | 20,000,000 | 45,000,000 | | | | | |
| 0 | 40000152 2021-23 PWB Broadband Infrastructure | | | | | | | | | |
| | 23J-1 SW Broadband Account-State | 14,000,000 | | | 14,000,000 | | | | | |
| | 373-8 Corona Cap Proj Acct-Federal Stimulus | 46,000,000 | | 25,000 | 45,975,000 | | | | | |
| | Project Total: | 60,000,000 | | 25,000 | 59,975,000 | | | | | |
| 0 | 40000230 2022 Local & Community Projects | | | | | | | | | |

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|--------------------|---|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 40000230 2022 Local & Community Projects | | | | | | | | | |
| | 057-1 State Bldg | 169,916,000 | | 59,916,000 | 110,000,000 | | | | | |
| | Constr-State | | | | | | | | | |
| 0 | 40000266 2023 Local and Community Projects | | | | | | | | | |
| | 057-1 State Bldg | 53,318,000 | | 3,318,000 | 50,000,000 | | | | | |
| | Constr-State | | | | | | | | | |
| 0 | 40000278 Ports Infrastructure | | | | | | | | | |
| | 057-1 State Bldg | 16,046,000 | | 46,000 | 16,000,000 | | | | | |
| | Constr-State | | | | | | | | | |
| 0 | 91000943 CERB Administered Broadband Infrastructure | | | | | | | | | |
| | 058-1 Public Works | 3,450,000 | | | 3,450,000 | | | | | |
| | Assist-State | | | | | | | | | |
| | 355-1 St. Bld Const | 10,000,000 | 3,767,000 | 3,333,000 | 2,900,000 | | | | | |
| | Acct-State | | | | | | | | | |
| | 373-8 Corona Cap Proj | 25,000,000 | | 20,000 | 24,980,000 | | | | | |
| | Acct-Federal Stimulus | | | | | | | | | |
| | Project Total: | 38,450,000 | 3,767,000 | 3,353,000 | 31,330,000 | | | | | |
| 0 | 91001157 2019 Local and Community Projects | | | | | | | | | |
| | 057-1 State Bldg | 40,530,000 | 31,576,000 | 4,454,000 | 4,500,000 | | | | | |
| | Constr-State | | | | | | | | | |
| 0 | 91001239 Library Capital Improvement Program | | | | | | | | | |
| | 057-1 State Bldg | 12,838,000 | 6,559,000 | 1,279,000 | 5,000,000 | | | | | |
| | Constr-State | | | | | | | | | |
| 0 | 91001278 Rapid Response Community Preservation Pilot Program | | | | | | | | | |
| | 057-1 State Bldg | 2,000,000 | 1,752,000 | 248,000 | | | | | | |
| | Constr-State | | | | | | | | | |
| | 26V-1 Capital Comm | 2,000,000 | | 500,000 | 1,500,000 | | | | | |
| | Asst Ac-State | | | | | | | | | |
| | Project Total: | 4,000,000 | 1,752,000 | 748,000 | 1,500,000 | | | | | |
| 0 | 91001306 Dental Capacity Grants | | | | | | | | | |

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|--------------------|---|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 91001306 Dental Capacity Grants | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 1,578,000 | 703,000 | 390,000 | 485,000 | | | | | |
| 0 | 91001659 Continuing Affordability in Current Housing | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 10,000,000 | | 10,000,000 | | | | | | |
| 0 | 91001660 2021-23 Dental Capacity Grants | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 6,225,000 | | 1,225,000 | 5,000,000 | | | | | |
| 0 | 91001675 Substance Use Disorder Recovery Housing | | | | | | | | | |
| | 057-1 State Bldg Constr-State | | | | | | | | | |
| | 355-1 St. Bld Const Acct-State | 150,000 | | | 150,000 | | | | | |
| | 355-B St. Bld Const Acct-Debt Limit | | | | | | | | | |
| | Project Total: | 150,000 | | | 150,000 | | | | | |
| 0 | 91001677 2021-23 Early Learning Facilities | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 1,089,000 | | 589,000 | 500,000 | | | | | |
| | 22C-1 Early Lrng Fac Rev-State | 7,500,000 | | 4,500,000 | 3,000,000 | | | | | |
| | 22D-1 Early Lrng Fac Devel-State | 23,911,000 | | 5,911,000 | 18,000,000 | | | | | |
| | 26V-1 Capital Comm Asst Ac-State | 30,000,000 | | 2,000,000 | 28,000,000 | | | | | |
| | Project Total: | 62,500,000 | | 13,000,000 | 49,500,000 | | | | | |
| 0 | 91001679 Buy Clean, Buy Fair Washington Pilot | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 150,000 | | 150,000 | | | | | | |
| 0 | 91001681 Early Learning COVID-19 Renovation Grants | | | | | | | | | |

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|--------------------|---|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 91001681 Early Learning COVID-19 Renovation Grants | | | | | | | | | |
| | 373-2 Corona Cap Proj Acct-Federal | | | | | | | | | |
| | 706-2 Coro St Fisc Reco Fd-Federal | | | | | | | | | |
| | 706-8 Coro St Fisc Reco Fd-Federal Stimulus | 8,500,000 | | | 8,500,000 | | | | | |
| | Project Total: | 8,500,000 | | | 8,500,000 | | | | | |
| 0 | 91001685 Grants for Affordable Housing Development Connections | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 18,300,000 | | 4,600,000 | 13,700,000 | | | | | |
| | 706-8 Coro St Fisc Reco Fd-Federal Stimulus | 27,000,000 | | 7,000,000 | 20,000,000 | | | | | |
| | Project Total: | 45,300,000 | | 11,600,000 | 33,700,000 | | | | | |
| 0 | 91001686 Work, Education, Health Monitoring Projects | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 926,000 | | 26,000 | 900,000 | | | | | |
| 0 | 91001687 Infrastructure Projects | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 12,795,000 | | 2,795,000 | 10,000,000 | | | | | |
| | 058-1 Public Works Assist-State | 747,000 | | 262,000 | 485,000 | | | | | |
| | 26V-1 Capital Comm Asst Ac-State | 25,832,000 | | 3,332,000 | 22,500,000 | | | | | |
| | 706-8 Coro St Fisc Reco Fd-Federal Stimulus | 97,926,000 | | 12,926,000 | 85,000,000 | | | | | |
| | Project Total: | 137,300,000 | | 19,315,000 | 117,985,000 | | | | | |
| 0 | 91001688 Capital Grant Program Equity | | | | | | | | | |

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|--------------------|---|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 91001688 Capital Grant Program Equity | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 5,000,000 | | | 5,000,000 | | | | | |
| 0 | 91001690 Food Banks | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 12,586,000 | | 5,186,000 | 7,400,000 | | | | | |
| 0 | 91001991 Homeless Youth Facilities | | | | | | | | | |
| | 26V-1 Capital Comm Asst Ac-State | 14,895,000 | | 9,779,000 | 5,116,000 | | | | | |
| 0 | 91002160 2022 Permanent Supportive Housing Remediation | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 200,000 | | | 200,000 | | | | | |
| 0 | 91002171 Dig-Once Pilot Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 40,000 | | | 40,000 | | | | | |
| 0 | 92000369 Local & Community Projects 2016 | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 128,919,000 | 118,639,000 | 4,280,000 | 6,000,000 | | | | | |
| 0 | 92000377 Disaster Emergency Response | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 1,809,000 | 1,785,000 | 24,000 | | | | | | |
| 0 | 92000953 2021-23 Broadband Office for Federal Match | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 50,258,000 | | 1,287,000 | 48,971,000 | | | | | |
| | 373-8 Corona Cap Proj Acct-Federal Stimulus | 124,749,000 | | 1,200,000 | 123,549,000 | | | | | |
| | 706-8 Coro St Fisc Reco Fd-Federal Stimulus | 150,996,000 | | 15,356,000 | 135,640,000 | | | | | |
| | Project Total: | 326,003,000 | | 17,843,000 | 308,160,000 | | | | | |
| 0 | 92001109 Child Care Minor Renovation Grants | | | | | | | | | |

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|-----------------------|--|----------------------|-----------------------|-------------------------|----------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 92001109 Child Care Minor Renovation Grants | | | | | | | | | |
| | 001-2 General Fund-Federal | 28,552,000 | | 1,552,000 | 27,000,000 | | | | | |
| | Project Total: | 28,552,000 | | 1,552,000 | 27,000,000 | | | | | |
| 0 | 92001175 2022 Dental Capacity Grants | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 5,801,000 | | 11,000 | 5,790,000 | | | | | |
| 0 | 92001178 2022 Broadband Office | | | | | | | | | |
| | 001-2 General Fund-Federal | 50,000,000 | | 6,000,000 | 44,000,000 | | | | | |
| 0 | 92001179 Energy Efficiency Revolving Loan Fund Capitalization Program | | | | | | | | | |
| | 27A-1 Ener Eff Rev Ln Cap-State | 1,869,000 | | | 1,869,000 | | | | | |
| 0 | 92001286 2022 Crisis Stabilization Facilities | | | | | | | | | |
| | 26V-1 Capital Comm Asst Ac-State | 72,000,000 | | 5,000,000 | 67,000,000 | | | | | |
| 11 | 40000281 CERB Capital Construction | | | | | | | | | |
| | 887-1 Pub Facil Const Ln-State | 25,000,000 | | | | 25,000,000 | | | | |
| Total: Program | | 1,791,172,000 | 251,187,000 | 240,285,000 | 1,274,700,000 | 25,000,000 | | | | |

Project Class: Grant

| Agency Priority | Project by Account-EA Type | Estimated Total | Prior Expenditures | Current Expenditures | Reapprop 2023-25 | New Approp 2023-25 | Estimated 2025-27 | Estimated 2027-29 | Estimated 2029-31 | Estimated 2031-33 |
|--------------------|---|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 30000097 Community Economic Revitalization Board | | | | | | | | | |
| | 355-1 St. Bld Const Acct-State | 5,000,000 | 5,000,000 | | | | | | | |

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|--------------------|--|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 3000097 Community Economic Revitalization Board | | | | | | | | | |
| | 887-1 Pub Facil Const Ln-State | 13,020,000 | 5,246,000 | | 7,774,000 | | | | | |
| | Project Total: | 18,020,000 | 10,246,000 | | 7,774,000 | | | | | |
| 0 | 3000184 Public Works Assistance Account Program 2013 Loan List | | | | | | | | | |
| | 058-1 Public Works Assist-State | 32,158,000 | 31,343,000 | 275,000 | 540,000 | | | | | |
| 0 | 3000726 Clean Energy and Energy Freedom Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 23,400,000 | 17,050,000 | 4,747,000 | 1,603,000 | | | | | |
| | 355-1 St. Bld Const Acct-State | 17,000,000 | 14,003,000 | 717,000 | 2,280,000 | | | | | |
| | Project Total: | 40,400,000 | 31,053,000 | 5,464,000 | 3,883,000 | | | | | |
| 0 | 3000803 Building Communities Fund Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 19,665,000 | 18,210,000 | 1,455,000 | | | | | | |
| 0 | 3000833 Housing Trust Fund Appropriation | | | | | | | | | |
| | 355-1 St. Bld Const Acct-State | 90,424,000 | 75,508,000 | 7,458,000 | 7,458,000 | | | | | |
| | 532-1 Wa Housing Trst Fd-State | 3,000,000 | 3,000,000 | | | | | | | |
| | Project Total: | 93,424,000 | 78,508,000 | 7,458,000 | 7,458,000 | | | | | |
| 0 | 3000834 2015-17 Community Economic Revitalization Board Program | | | | | | | | | |
| | 887-1 Pub Facil Const Ln-State | 10,600,000 | 10,600,000 | | | | | | | |
| 0 | 3000836 Ultra-Efficient Affordable Housing Demonstration | | | | | | | | | |
| | 532-1 Wa Housing Trst Fd-State | 1,900,000 | 1,900,000 | | | | | | | |
| 0 | 3000846 2017 Local and Community Projects | | | | | | | | | |

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|--------------------|--|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 3000846 2017 Local and Community Projects | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 10,746,000 | 8,983,000 | 536,000 | 1,227,000 | | | | | |
| 0 | 3000872 2017-19 Housing Trust Fund Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 21,131,000 | 13,385,000 | 6,261,000 | 1,485,000 | | | | | |
| | 355-1 St. Bld Const Acct-State | 83,500,000 | 62,535,000 | 10,482,000 | 10,483,000 | | | | | |
| | 532-1 Wa Housing Trst Fd-State | 7,182,000 | 7,182,000 | | | | | | | |
| | Project Total: | 111,813,000 | 83,102,000 | 16,743,000 | 11,968,000 | | | | | |
| 0 | 3000873 Economic Opportunity Grants | | | | | | | | | |
| | 689-1 Rural WA Loan Acct-State | 6,750,000 | 6,133,000 | 317,000 | 300,000 | | | | | |
| 0 | 3000875 2017-19 Youth Recreational Facilities Grant Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 6,907,000 | 3,754,000 | 3,153,000 | | | | | | |
| 0 | 3000877 2017-19 Building for the Arts Grant Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 11,954,000 | 10,954,000 | 1,000,000 | | | | | | |
| 0 | 3000878 Public Works Assistance Account Construction Loans | | | | | | | | | |
| | 355-1 St. Bld Const Acct-State | 77,220,000 | 42,669,000 | 12,551,000 | 22,000,000 | | | | | |
| 0 | 3000879 Weatherization Plus Health Matchmaker Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 18,500,000 | 18,278,000 | | 222,000 | | | | | |
| | 355-1 St. Bld Const Acct-State | 1,508,000 | 1,132,000 | 376,000 | | | | | | |
| | 355-B St. Bld Const Acct-Debt Limit | | | | | | | | | |
| | Project Total: | 20,008,000 | 19,410,000 | 376,000 | 222,000 | | | | | |

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|--------------------|--|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 3000881 Clean Energy Funds 3 | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 38,258,000 | 11,256,000 | 10,351,000 | 16,651,000 | | | | | |
| | 22M-1 Energy Efficncy Acct-State | 5,500,000 | 180,000 | 1,308,000 | 4,012,000 | | | | | |
| | 355-1 St. Bld Const Acct-State | 127,000 | 127,000 | | | | | | | |
| | Project Total: | 43,885,000 | 11,563,000 | 11,659,000 | 20,663,000 | | | | | |
| 0 | 3000882 Energy Efficiency and Solar Grants | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 5,500,000 | 3,523,000 | 1,184,000 | 793,000 | | | | | |
| | 22M-1 Energy Efficncy Acct-State | 5,500,000 | 2,125,000 | 1,802,000 | 1,573,000 | | | | | |
| | Project Total: | 11,000,000 | 5,648,000 | 2,986,000 | 2,366,000 | | | | | |
| 0 | 3000883 2017-19 Building Communities Fund Grant | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 27,263,000 | 25,379,000 | 1,884,000 | | | | | | |
| 0 | 4000007 Dental Clinic Capacity Grants | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 15,534,000 | 14,500,000 | 57,000 | 977,000 | | | | | |
| 0 | 4000036 2019-21 Housing Trust Fund Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 40,084,000 | 21,186,000 | 9,542,000 | 9,356,000 | | | | | |
| | 355-1 St. Bld Const Acct-State | 132,666,000 | 29,917,000 | 89,190,000 | 13,559,000 | | | | | |
| | Project Total: | 172,750,000 | 51,103,000 | 98,732,000 | 22,915,000 | | | | | |
| 0 | 4000038 Public Works Board | | | | | | | | | |
| | 058-1 Public Works Assist-State | 93,578,000 | 46,258,000 | 28,320,000 | 19,000,000 | | | | | |
| 0 | 4000039 2019-21 Building for the Arts Grant Program | | | | | | | | | |

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2023-25 Biennium

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Version: 01 23-25 Capital Budget Request

Report Number: CBS001

Date Run: 9/24/2022 11:48AM

Project Class: Grant

| Agency Priority | Project by Account-EA Type | Estimated Total | Prior Expenditures | Current Expenditures | Reapprop 2023-25 | New Approp 2023-25 | Estimated 2025-27 | Estimated 2027-29 | Estimated 2029-31 | Estimated 2031-33 |
|--------------------|---|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 40000039 2019-21 Building for the Arts Grant Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 10,324,000 | 7,241,000 | 2,183,000 | 900,000 | | | | | |
| 0 | 40000040 2019-21 Community Economic Revitalization Board | | | | | | | | | |
| | 887-1 Pub Facil Const Ln-State | 18,600,000 | | | 18,600,000 | | | | | |
| 0 | 40000041 2019-21 Youth Recreational Facilities Grant Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 5,880,000 | 1,662,000 | 718,000 | 3,500,000 | | | | | |
| 0 | 40000042 Clean Energy Transition 4 | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 21,300,000 | 1,176,000 | 10,203,000 | 9,921,000 | | | | | |
| | 355-1 St. Bld Const Acct-State | 11,300,000 | 119,000 | 11,121,000 | 60,000 | | | | | |
| | Project Total: | 32,600,000 | 1,295,000 | 21,324,000 | 9,981,000 | | | | | |
| 0 | 40000043 2019-21 Building Communities Fund Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 36,785,000 | 17,729,000 | 5,056,000 | 14,000,000 | | | | | |
| 0 | 40000044 2019-21 Early Learning Facilities | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 9,362,000 | 2,228,000 | 4,634,000 | 2,500,000 | | | | | |
| | 22C-1 Early Lrng Fac Rev-State | 22,248,000 | 4,577,000 | 7,671,000 | 10,000,000 | | | | | |
| | 22D-1 Early Lrng Fac Devel-State | 3,410,000 | 1,571,000 | 1,239,000 | 600,000 | | | | | |
| | 22D-B Early Lrng Fac Devel-Debt Limit | | | | | | | | | |
| | Project Total: | 35,020,000 | 8,376,000 | 13,544,000 | 13,100,000 | | | | | |
| 0 | 40000048 2019-21 Weatherization | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 20,000,000 | 12,064,000 | 7,936,000 | | | | | | |

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Project Class: Grant

| Agency Priority | Project by Account-EA Type | Estimated Total | Prior Expenditures | Current Expenditures | Reapprop 2023-25 | New Approp 2023-25 | Estimated 2025-27 | Estimated 2027-29 | Estimated 2029-31 | Estimated 2031-33 |
|--------------------|---|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 4000049 2019-21 Energy Efficiency and Solar Grants Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 12,500,000 | 4,816,000 | 1,430,000 | 6,254,000 | | | | | |
| 0 | 4000052 Rural Rehabilitation Loan Program | | | | | | | | | |
| | 355-1 St. Bld Const Acct-State | 5,000,000 | 42,000 | 1,293,000 | 3,665,000 | | | | | |
| 0 | 40000139 2021-23 Youth Recreational Facilities Grant Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 3,689,000 | | 689,000 | 3,000,000 | | | | | |
| 0 | 40000140 2021-23 Early Learning Facilities-School Districts Grant | | | | | | | | | |
| | 22D-1 Early Lrng Fac Devel-State | 4,719,000 | | 2,719,000 | 2,000,000 | | | | | |
| 0 | 40000142 2021-23 Building Communities Fund Grant Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 30,146,000 | | 5,146,000 | 25,000,000 | | | | | |
| 0 | 40000143 2021-23 Building for the Arts Grant Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 16,000,000 | | 6,000,000 | 10,000,000 | | | | | |
| 0 | 40000145 2021-23 Pacific Tower Capital Improvements | | | | | | | | | |
| | 355-1 St. Bld Const Acct-State | 1,165,000 | | 1,165,000 | | | | | | |
| 0 | 40000147 2021-23 Library Capital Improvement Program (LCIP) Grants | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 16,604,000 | | 604,000 | 16,000,000 | | | | | |
| 0 | 40000148 2021-23 Clean Energy V-Investing in Washington's Clean Energy | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 73,870,000 | | 1,309,000 | 72,561,000 | | | | | |
| | 355-1 St. Bld Const Acct-State | 2,500,000 | | 90,000 | 2,410,000 | | | | | |
| | Project Total: | 76,370,000 | | 1,399,000 | 74,971,000 | | | | | |
| 0 | 40000149 2021-23 Energy Retrofits for Public Buildings Grant Program | | | | | | | | | |

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Project Class: Grant

| Agency Priority | Project by Account-EA Type | Estimated Total | Prior Expenditures | Current Expenditures | Reapprop 2023-25 | New Approp 2023-25 | Estimated 2025-27 | Estimated 2027-29 | Estimated 2029-31 | Estimated 2031-33 |
|--------------------|---|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 40000149 2021-23 Energy Retrofits for Public Buildings Grant Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 9,957,000 | | 1,789,000 | 8,168,000 | | | | | |
| 0 | 40000150 2021-23 Weatherization Plus Health | | | | | | | | | |
| | 001-2 General Fund-Federal | 69,766,000 | | 871,000 | 68,895,000 | | | | | |
| | 057-1 State Bldg Constr-State | 10,000,000 | | 7,524,000 | 2,476,000 | | | | | |
| | 26V-1 Capital Comm Asst Ac-State | 10,000,000 | | 59,000 | 9,941,000 | | | | | |
| | Project Total: | 89,766,000 | | 8,454,000 | 81,312,000 | | | | | |
| 0 | 40000153 2021-23 Housing Trust Fund Investment in Affordable Housing | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 33,597,000 | | 15,976,000 | 17,621,000 | | | | | |
| | 26V-1 Capital Comm Asst Ac-State | 110,950,000 | | 28,482,000 | 82,468,000 | | | | | |
| | 355-1 St. Bld Const Acct-State | 69,847,000 | | 15,629,000 | 54,218,000 | | | | | |
| | 706-2 Coro St Fisc Reco Fd-Federal | 73,606,000 | | 43,680,000 | 29,926,000 | | | | | |
| | Project Total: | 288,000,000 | | 103,767,000 | 184,233,000 | | | | | |
| 0 | 40000219 2021-23 Behavioral Health Community Capacity Grants | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 95,164,000 | | 11,164,000 | 84,000,000 | | | | | |
| | 26V-1 Capital Comm Asst Ac-State | 26,323,000 | | 1,323,000 | 25,000,000 | | | | | |
| | Project Total: | 121,487,000 | | 12,487,000 | 109,000,000 | | | | | |
| 0 | 40000220 2019-21 Housing Trust Fund Investment from Operating | | | | | | | | | |
| | 532-1 Wa Housing Trst Fd-State | 47,441,000 | | 43,676,000 | 3,765,000 | | | | | |
| 0 | 40000222 2021-23 Rapid Capital Housing Acquisition | | | | | | | | | |

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| Agency Priority | Project by Account-EA Type | Estimated Total | Prior Expenditures | Current Expenditures | Reapprop 2023-25 | New Approp 2023-25 | Estimated 2025-27 | Estimated 2027-29 | Estimated 2029-31 | Estimated 2031-33 |
|--------------------|---|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 40000222 2021-23 Rapid Capital Housing Acquisition | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 90,138,000 | | 63,945,000 | 26,193,000 | | | | | |
| | 706-2 Coro St Fisc Reco Fd-Federal | 6,565,000 | | 1,313,000 | 5,252,000 | | | | | |
| | 706-8 Coro St Fisc Reco Fd-Federal Stimulus | 22,532,000 | | 22,532,000 | | | | | | |
| | Project Total: | 119,235,000 | | 87,790,000 | 31,445,000 | | | | | |
| 0 | 40000223 2021-23 Rural Rehabilitation Loan Program | | | | | | | | | |
| | 355-1 St. Bld Const Acct-State | 5,000,000 | | 44,000 | 4,956,000 | | | | | |
| 0 | 40000224 2021-23 Landlord Mitigation Account | | | | | | | | | |
| | 355-1 St. Bld Const Acct-State | 5,000,000 | | 5,000,000 | | | | | | |
| 0 | 40000246 Economic Opportunity Grants Authority | | | | | | | | | |
| | 689-1 Rural WA Loan Acct-State | 903,000 | | | 903,000 | | | | | |
| 0 | 40000250 CERB Rural Broadband | | | | | | | | | |
| | 001-2 General Fund-Federal | 25,000,000 | | 1,000 | 24,999,000 | | | | | |
| 0 | 40000251 Public Works Broadband | | | | | | | | | |
| | 001-2 General Fund-Federal | 25,000,000 | | | 25,000,000 | | | | | |
| 0 | 40000260 2022 Rapid Capital Housing | | | | | | | | | |
| | 26U-1 Apple Hlth Homes Acc-State | 60,000,000 | | 20,011,000 | 39,989,000 | | | | | |
| | 26V-1 Capital Comm Asst Ac-State | 240,000,000 | | 160,722,000 | 79,278,000 | | | | | |
| | Project Total: | 300,000,000 | | 180,733,000 | 119,267,000 | | | | | |
| 0 | 91000582 Clean Energy and Energy Freedom Program | | | | | | | | | |

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| Agency Priority | Project by Account-EA Type | Estimated Total | Prior Expenditures | Current Expenditures | Reapprop 2023-25 | New Approp 2023-25 | Estimated 2025-27 | Estimated 2027-29 | Estimated 2029-31 | Estimated 2031-33 |
|--------------------|--|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 91000582 Clean Energy and Energy Freedom Program | | | | | | | | | |
| | 057-1 State Bldg | 21,000,000 | 20,250,000 | 750,000 | | | | | | |
| | Constr-State | | | | | | | | | |
| | 15P-1 Energy | 50,000 | 50,000 | | | | | | | |
| | Recovery-State | | | | | | | | | |
| | 355-1 St. Bld Const | 14,944,000 | 14,944,000 | | | | | | | |
| | Acct-State | | | | | | | | | |
| | Project Total: | 35,994,000 | 35,244,000 | 750,000 | | | | | | |
| 0 | 91001544 Pacific Hospital Preservation and Development Plan | | | | | | | | | |
| | 057-1 State Bldg | 50,000 | 20,000 | 30,000 | | | | | | |
| | Constr-State | | | | | | | | | |
| 0 | 91001545 Port Hadlock Wastewater Facility Project | | | | | | | | | |
| | 058-1 Public Works | 1,422,000 | 543,000 | 829,000 | 50,000 | | | | | |
| | Assist-State | | | | | | | | | |
| 0 | 92000151 Projects for Jobs & Economic Development | | | | | | | | | |
| | 057-1 State Bldg | 30,009,000 | 29,115,000 | 194,000 | 700,000 | | | | | |
| | Constr-State | | | | | | | | | |
| | 887-1 Pub Facil Const | 6,609,000 | 6,512,000 | | 97,000 | | | | | |
| | Ln-State | | | | | | | | | |
| | Project Total: | 36,618,000 | 35,627,000 | 194,000 | 797,000 | | | | | |
| 0 | 92000230 Projects that Strengthen Communities & Quality of Life | | | | | | | | | |
| | 057-1 State Bldg | 31,585,000 | 30,585,000 | 190,000 | 810,000 | | | | | |
| | Constr-State | | | | | | | | | |
| | 19G-1 ELS | 499,000 | 499,000 | | | | | | | |
| | Account-State | | | | | | | | | |
| | Project Total: | 32,084,000 | 31,084,000 | 190,000 | 810,000 | | | | | |
| 0 | 92000939 Enhanced Shelter Capacity Grants | | | | | | | | | |
| | 057-1 State Bldg | 5,347,000 | 529,000 | 3,791,000 | 1,027,000 | | | | | |
| | Constr-State | | | | | | | | | |
| 0 | 92000957 2021-23 Community Relief | | | | | | | | | |

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| Agency Priority | Project by Account-EA Type | Estimated Total | Prior Expenditures | Current Expenditures | Reapprop 2023-25 | New Approp 2023-25 | Estimated 2025-27 | Estimated 2027-29 | Estimated 2029-31 | Estimated 2031-33 |
|--------------------|--|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 92000957 2021-23 Community Relief | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 14,450,000 | | 4,450,000 | 10,000,000 | | | | | |
| | 355-1 St. Bld Const Acct-State | 300,000 | | 200,000 | 100,000 | | | | | |
| | Project Total: | 14,750,000 | | 4,650,000 | 10,100,000 | | | | | |
| 0 | 92001004 Reimann Roads, Telecomm and Utility Relocation (Pasco) | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 7,500,000 | | 2,500,000 | 5,000,000 | | | | | |
| 0 | 92001122 Increasing Housing Inventory | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 2,500,000 | | 2,000,000 | 500,000 | | | | | |
| 1 | 40000295 Increase the Affordable Housing Supply | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 80,000,000 | | | | 80,000,000 | | | | |
| | 355-1 St. Bld Const Acct-State | 240,000,000 | | | | 240,000,000 | | | | |
| | 706-2 Coro St Fisc Reco Fd-Federal | 80,000,000 | | | | 80,000,000 | | | | |
| | Project Total: | 400,000,000 | | | | 400,000,000 | | | | |
| 2 | 40000290 Broadband Infrastructure Federal Match Projects | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 200,000,000 | | | | 130,000,000 | 70,000,000 | | | |
| 3 | 40000293 Capital Infrastructure Pre-Development Funding | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 125,000,000 | | | | 25,000,000 | 25,000,000 | 25,000,000 | 25,000,000 | 25,000,000 |
| 4 | 40000284 High Efficiency Cooling for Low Income Households | | | | | | | | | |
| | 057- State Bldg Constr-Unknown | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 160,000,000 | | | | 80,000,000 | 80,000,000 | | | |

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| Agency Priority | Project by Account-EA Type | Estimated Total | Prior Expenditures | Current Expenditures | Reapprop 2023-25 | New Approp 2023-25 | Estimated 2025-27 | Estimated 2027-29 | Estimated 2029-31 | Estimated 2031-33 |
|-----------------------|---|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| Project Total: | | 160,000,000 | | | | 80,000,000 | 80,000,000 | | | |
| 5 | 40000294 Clean Energy Fund Program | | | | | | | | | |
| | 057- State Bldg Constr-Unknown | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 120,000,000 | | | | 60,000,000 | 60,000,000 | | | |
| Project Total: | | 120,000,000 | | | | 60,000,000 | 60,000,000 | | | |
| 6 | 40000296 Connecting Housing to Infrastructure (CHIP) | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 100,000,000 | | | | 50,000,000 | 50,000,000 | | | |
| 7 | 40000283 Energy Retrofits and Solar Power for Public Buildings Grant Progr | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 100,000,000 | | | | 50,000,000 | 50,000,000 | | | |
| 8 | 40000291 Weatherization Plus Health | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 72,000,000 | | | | 36,000,000 | 36,000,000 | | | |
| 9 | 40000279 Building Communities Fund Grant Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 258,560,000 | | | | 51,712,000 | 51,712,000 | 51,712,000 | 51,712,000 | 51,712,000 |
| 10 | 40000282 Dig-Once Pilot Project and Enhanced Program Development | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 11,000,000 | | | | 11,000,000 | | | | |
| 11 | 40000280 Building for the Arts | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 90,000,000 | | | | 18,000,000 | 18,000,000 | 18,000,000 | 18,000,000 | 18,000,000 |
| 11 | 40000285 Early Learning Facilities – School Districts | | | | | | | | | |
| | 22D-1 Early Lrng Fac Devel-State | 5,406,000 | | | | 5,406,000 | | | | |
| 11 | 40000286 Library Capital Improvement Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 50,000,000 | | | | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |

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|---------------------|---|----------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 11 | 40000287 Pacific Tower Capital Improvements | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 13,525,000 | | | | 7,464,000 | 1,374,000 | 1,510,000 | 2,190,000 | 987,000 |
| 11 | 40000288 Pacific Tower College Tenant Improvements | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 3,677,000 | | | | 3,677,000 | | | | |
| 11 | 40000289 Public Works Assistance Account (PWAA) | | | | | | | | | |
| | 355-1 St. Bld Const Acct-State | 425,000,000 | | | | 425,000,000 | | | | |
| 11 | 40000292 Youth Recreational Facilities Grant Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 40,000,000 | | | | 8,000,000 | 8,000,000 | 8,000,000 | 8,000,000 | 8,000,000 |
| Total: Grant | | 4,498,199,000 | 667,588,000 | 722,847,000 | 933,596,000 | 1,371,259,000 | 460,086,000 | 114,222,000 | 114,902,000 | 113,699,000 |

Project Class: Grant - Pass Through

| Agency Priority | Project by Account-EA Type | Estimated Total | Prior Expenditures | Current Expenditures | Reapprop 2023-25 | New Approp 2023-25 | Estimated 2025-27 | Estimated 2027-29 | Estimated 2029-31 | Estimated 2031-33 |
|-----------------------|---|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 40000005 2018 Local and Community Projects | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 130,220,000 | 89,324,000 | 15,896,000 | 25,000,000 | | | | | |
| 0 | 40000006 Early Learning Facility Grants | | | | | | | | | |
| | 22C-1 Early Lrng Fac Rev-State | 10,961,000 | 7,899,000 | 2,262,000 | 800,000 | | | | | |
| | 22C-B Early Lrng Fac Rev-Debt Limit | | | | | | | | | |
| | 22D-1 Early Lrng Fac Devel-State | 4,504,000 | 3,505,000 | 849,000 | 150,000 | | | | | |
| Project Total: | | 15,465,000 | 11,404,000 | 3,111,000 | 950,000 | | | | | |

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| Agency Priority | Project by Account-EA Type | Estimated Total | Prior Expenditures | Current Expenditures | Reapprop 2023-25 | New Approp 2023-25 | Estimated 2025-27 | Estimated 2027-29 | Estimated 2029-31 | Estimated 2031-33 |
|------------------------------------|---|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 0 | 40000114 2019-21 Behavioral Health Capacity Grants | | | | | | | | | |
| | 057-1 State Bldg | 125,151,000 | 44,897,000 | 50,254,000 | 30,000,000 | | | | | |
| | Constr-State | | | | | | | | | |
| | 355-1 St. Bld Const | 1,000,000 | 1,000,000 | | | | | | | |
| | Acct-State | | | | | | | | | |
| | Project Total: | 126,151,000 | 45,897,000 | 50,254,000 | 30,000,000 | | | | | |
| 0 | 40000116 2020 Local and Community Projects | | | | | | | | | |
| | 057-1 State Bldg | 167,207,000 | 77,600,000 | 49,607,000 | 40,000,000 | | | | | |
| | Constr-State | | | | | | | | | |
| 0 | 40000117 Washington Broadband Program | | | | | | | | | |
| | 23J-1 SW Broadband | 21,550,000 | 1,164,000 | 3,386,000 | 17,000,000 | | | | | |
| | Account-State | | | | | | | | | |
| 0 | 40000136 Seattle Vocational Institute | | | | | | | | | |
| | 057-1 State Bldg | 1,125,000 | 19,000 | 806,000 | 300,000 | | | | | |
| | Constr-State | | | | | | | | | |
| | 355-1 St. Bld Const | 175,000 | | 125,000 | 50,000 | | | | | |
| | Acct-State | | | | | | | | | |
| | Project Total: | 1,300,000 | 19,000 | 931,000 | 350,000 | | | | | |
| 0 | 91000457 Housing for Farmworkers | | | | | | | | | |
| | 355-1 St. Bld Const | 27,050,000 | 27,050,000 | | | | | | | |
| | Acct-State | | | | | | | | | |
| Total: Grant - Pass Through | | 488,943,000 | 252,458,000 | 123,185,000 | 113,300,000 | | | | | |

Total Account Summary

| Account-Expenditure Authority Type | Estimated Total | Prior Expenditures | Current Expenditures | Reapprop 2023-25 | New Approp 2023-25 | Estimated 2025-27 | Estimated 2027-29 | Estimated 2029-31 | Estimated 2031-33 |
|------------------------------------|--------------------|-----------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| 001-2 General Fund-Federal | 198,318,000 | | 8,424,000 | 189,894,000 | | | | | |

**103 - Department of Commerce
Ten Year Capital Plan by Project Class**

2023-25 Biennium

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Version: 01 23-25 Capital Budget Request

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Total Account Summary

| <u>Account-Expenditure Authority Type</u> | <u>Estimated Total</u> | <u>Prior Expenditures</u> | <u>Current Expenditures</u> | <u>Reapprop 2023-25</u> | <u>New Approp 2023-25</u> | <u>Estimated 2025-27</u> | <u>Estimated 2027-29</u> | <u>Estimated 2029-31</u> | <u>Estimated 2031-33</u> |
|---|------------------------|---------------------------|-----------------------------|-------------------------|---------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 057- State Bldg Constr-Unknown | | | | | | | | | |
| 057-1 State Bldg Constr-State | 3,362,259,000 | 741,756,000 | 430,910,000 | 765,831,000 | 620,853,000 | 460,086,000 | 114,222,000 | 114,902,000 | 113,699,000 |
| 058-1 Public Works Assist-State | 380,355,000 | 78,144,000 | 52,686,000 | 249,525,000 | | | | | |
| 15P-1 Energy Recovery-State | 50,000 | 50,000 | | | | | | | |
| 19G-1 ELS Account-State | 499,000 | 499,000 | | | | | | | |
| 22C-1 Early Lrng Fac Rev-State | 40,709,000 | 12,476,000 | 14,433,000 | 13,800,000 | | | | | |
| 22C-B Early Lrng Fac Rev-Debt Limit | | | | | | | | | |
| 22D-1 Early Lrng Fac Devel-State | 41,950,000 | 5,076,000 | 10,718,000 | 20,750,000 | 5,406,000 | | | | |
| 22D-B Early Lrng Fac Devel-Debt Limit | | | | | | | | | |
| 22M-1 Energy Efficncy Acct-State | 11,000,000 | 2,305,000 | 3,110,000 | 5,585,000 | | | | | |
| 23J-1 SW Broadband Account-State | 35,550,000 | 1,164,000 | 3,386,000 | 31,000,000 | | | | | |
| 26U-1 Apple Hlth Homes Acc-State | 60,000,000 | | 20,011,000 | 39,989,000 | | | | | |
| 26V-1 Capital Comm Asst Ac-State | 572,000,000 | | 216,197,000 | 355,803,000 | | | | | |
| 27A-1 Ener Eff Rev Ln Cap-State | 1,869,000 | | | 1,869,000 | | | | | |
| 355-1 St. Bld Const Acct-State | 1,259,876,000 | 289,190,000 | 178,397,000 | 127,289,000 | 665,000,000 | | | | |
| 355-B St. Bld Const Acct-Debt Limit | | | | | | | | | |
| 373-2 Corona Cap Proj Acct-Federal | | | | | | | | | |
| 373-8 Corona Cap Proj Acct-Federal Stimulus | 195,749,000 | | 1,245,000 | 194,504,000 | | | | | |
| 532-1 Wa Housing Trst Fd-State | 59,523,000 | 12,082,000 | 43,676,000 | 3,765,000 | | | | | |
| 689-1 Rural WA Loan Acct-State | 7,653,000 | 6,133,000 | 317,000 | 1,203,000 | | | | | |
| 706-2 Coro St Fisc Reco Fd-Federal | 160,171,000 | | 44,993,000 | 35,178,000 | 80,000,000 | | | | |

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Ten Year Capital Plan by Project Class**

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Total Account Summary

| <u>Account-Expenditure Authority Type</u> | <u>Estimated Total</u> | <u>Prior Expenditures</u> | <u>Current Expenditures</u> | <u>Reapprop 2023-25</u> | <u>New Approp 2023-25</u> | <u>Estimated 2025-27</u> | <u>Estimated 2027-29</u> | <u>Estimated 2029-31</u> | <u>Estimated 2031-33</u> |
|---|------------------------|---------------------------|-----------------------------|-------------------------|---------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 706-8 Coro St Fisc Reco | 306,954,000 | | 57,814,000 | 249,140,000 | | | | | |
| Fd-Federal Stimulus | | | | | | | | | |
| 887-1 Pub Facil Const Ln-State | 83,829,000 | 22,358,000 | | 36,471,000 | 25,000,000 | | | | |
| Total | 6,778,314,000 | 1,171,233,000 | 1,086,317,000 | 2,321,596,000 | 1,396,259,000 | 460,086,000 | 114,222,000 | 114,902,000 | 113,699,000 |

Ten Year Capital Plan by Project Class

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Report Number: CBS001
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| <u>Parameter</u> | <u>Entered As</u> | <u>Interpreted As</u> |
|------------------------|-------------------|-----------------------------|
| Biennium | 2023-25 | 2023-25 |
| Functional Area | * | All Functional Areas |
| Agency | 103 | 103 |
| Version | 01-A | 01-A |
| Project Classification | * | All Project Classifications |
| Include Enacted | No | No |
| Sort Order | Project Class | Project Class |
| Include Page Numbers | Y | Yes |
| For Word or Excel | N | N |
| User Group | Agency Budget | Agency Budget |
| User Id | * | All User Ids |

Department of Commerce

Review Documentation from DAHP and GOIA

2023- 2025 Biennium

Per Executive Order 05-05, agencies must consult with Department of Archaeology and Historic Preservation (DAHP) and the Governor's Office of Indian Affairs (GOIA) on all capital construction projects and land acquisitions for the purpose of a capital construction project.

Department of Commerce capital programs contain multiple subprojects; therefore, the DAHP requirements are contained in the application or contract process. Program specific procedures for obtaining EO 05-05 compliance are listed below. The agency is in compliance with DAHP and GOIA EO 05-05 requirements.

Community Economic Revitalization Board (CERB)

Community Economic Revitalization Grant/Loan Program
CERB Competitive Economic Development Grant Program
CERB Competitive Community Revitalization Grant Program
CERB Direct Appropriations

- Community Economic Revitalization Board (CERB) requires EO 05-05 be met as a special condition to the initial offer of financial assistance for construction projects. The recipient is given six months to meet the EO 05-05 terms or the funding offer is withdrawn. Documented evidence is retained in the project files.

Public Works Board (PWB)

Public Works Assistance Account Program (Construction Loans)

- Pre-Construction Loan
- Emergency Loan
- Direct Appropriations – Main Street Grant
- Water System Acquisitions and Rehabilitation (WSARP) Grant

Housing Assistance and Affordable Housing

Housing Trust Fund

- Housing Assistance, Affordable Housing, and Housing Trust Fund program application and contract conditions require EO 05-05 compliance for construction projects. Documented evidence is retained in the application/contract files.

Community Capital Facilities

Building Communities Fund
Building for the Arts
Individual Capital Provisos
Local and Community Projects
Library Capital Improvement Program Grants
Youth Recreational Facilities
Energy Efficiency and Solar Grant Projects

- Applicant projects are pre-screened using DAHP provided criteria. For example, if the project is for acquisition-only or has gone through a federal Section 106 National Historic Preservation Act review, per DAHP agreement, the department exempts the project from EO 05-05 procedures. However, for projects not meeting the DAHP criteria (for example, the project disturbs dirt ground and/or impacts a building older than 50 years), the department requires the grantee obtain DAHP evaluation approval according to EO 05-05 prior to contract execution. For projects involving modifications to a building older than 50 years, DAHP may recommend criteria pertaining to the proposed rehabilitation. Documented evidence is retained in the application/contract files.

Energy Division

State Energy Program

- The State Energy Program requires EO 05-05 compliance for all projects. The State Energy Office has a signed Programmatic Agreement with DAHP and the Department of Energy that covers some of the projects. Documented evidence is retained in the application/contract files for all projects that are not covered by the Programmatic Agreement.

Weatherization

Low-Income Energy Assistance Program – Weatherization (LIHEAP-WX)

Energy MatchMakers Program (MM)

Bonneville Power Administration (BPA) – Weatherization Program

Department of Energy (DOE) Weatherization Program

- Weatherization program requirements have federal requirements to satisfy EO 05-05 for weatherizing homes 45 years and older that could be historically significant. The policy states:

“The application for federal funds necessitates an environment review for Historic and Cultural Resources. This applies to all weatherization programs including DOE, Health and Human Services (HHS), BPA, and the MM Program.”

Local agency compliance is monitored. Failure to work with DAHP before work proceeds on homes 45 years and older results in disallowed costs.

Rural Washington Loan Fund

Rural Washington Loan Program

- Rural Washington Loan Fund contract conditions require EO 05-05 compliance for construction projects. Documented evidence is retained in the contract files. This program normally does not fund ground breaking projects.

**103 - Department of Commerce
Capital FTE Summary
2023-25 Biennium**

*

Version: 01 23-25 Capital Budget Request

Report Number: CBS004
Date Run: 9/24/2022 11:46AM

FTEs by Job Classification

| <u>Job Class</u> | Authorized Budget | | 2023-25 Biennium | |
|--------------------------------|-------------------|----------------|------------------|----------------|
| | 2021-23 Biennium | | 2023-25 Biennium | |
| | <u>FY 2022</u> | <u>FY 2023</u> | <u>FY 2024</u> | <u>FY 2025</u> |
| Administrative Assistant 3 | | | 5.3 | 5.3 |
| Budget Analyst 4 | | | 2.1 | 2.1 |
| Commerce Specialist 1 | | | 2.8 | 2.8 |
| Commerce Specialist 2 | | | 6.8 | 6.8 |
| Commerce Specialist 3 | | | 26.9 | 26.9 |
| Commerce Specialist 5 | | | 8.4 | 8.4 |
| EMS I | | | 4.6 | 4.6 |
| EMS II | | | 1.7 | 1.7 |
| EMS III | | | 2.3 | 2.3 |
| Management Analyst 5 | | | 5.5 | 5.5 |
| Washington Management Services | | | 4.3 | 4.3 |
| Total FTEs | | | 70.7 | 70.7 |

Account

| <u>Account - Expenditure Authority Type</u> | Authorized Budget | | 2023-25 Biennium | |
|---|-------------------|----------------|------------------|------------------|
| | 2021-23 Biennium | | 2023-25 Biennium | |
| | <u>FY 2022</u> | <u>FY 2023</u> | <u>FY 2024</u> | <u>FY 2025</u> |
| 057-1 State Bldg Constr-State | | | 4,050,000 | 4,006,000 |
| 355-1 St. Bld Const Acct-State | | | 1,175,000 | 750,000 |
| Total Funding | | | 5,225,000 | 4,756,000 |

Capital FTE Summary
2023-25 Biennium
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Report Number: CBS004
Date Run: 9/24/2022 11:46AM

| <u>Parameter</u> | <u>Entered As</u> | <u>Interpreted As</u> |
|----------------------|-------------------|-----------------------|
| Biennium | 2023-25 | 2023-25 |
| Agency | 103 | 103 |
| Version | 01-A | 01-A |
| Include Page Numbers | Y | Yes |
| For Word or Excel | N | N |
| User Group | Agency Budget | Agency Budget |

Department of Commerce Maintenance Backlog Reduction Plan

The Department of Commerce does not currently have a maintenance backlog reduction plan as defined in Chapter 1 of the 2021-31 Capital Budget Instructions.

The department does not manage maintenance or repair project backlogs.

Department of Commerce

All Preservation Projects

The Department of Commerce does not currently have any preservation related projects as defined in Chapter 3 of the 2023-33 Capital Budget Instructions.

Department of Commerce

All Programmatic Projects

The Department of Commerce does not currently have any programmatic related projects as defined in Chapter 3 of the 2023-33 Capital Budget Instructions.

103 - Department of Commerce Capital Project Request

2023-25 Biennium

*

Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 30000097

Project Title: Community Economic Revitalization Board

Description

Starting Fiscal Year: 2012

Project Class: Grant

Agency Priority: 0

Project Summary

Funding is provided for the Community Economic Revitalization Board to assist communities with financing publicly owned economic development infrastructure improvements to encourage new business development and expansion.

Project Description

Funding is provided for the Community Economic Revitalization Board to assist communities with financing publicly owned economic development infrastructure improvements to encourage new business development and expansion.

Starting Fiscal Year: 2012

Project Class: Grant

Agency Priority: 0

Project Summary

The Public Works Board is directed by RCW 43.155 to administer the Public Works Trust Fund (PWTF) and to provide financial and technical assistance to local governments. The PWTF provides financial assistance in the form of low or no interest loans to local governments to repair, replace, or rehabilitate bridges, roads, sanitary sewer systems, domestic water systems, storm sewer systems, and solid waste/recycling systems. Local governments use the PWTF to maximize their own resources by allowing them to address critical infrastructure needs in a timely manner.

Project Description

The Public Works Board is directed by RCW 43.155 to administer the Public Works Trust Fund (PWTF) and to provide financial and technical assistance to local governments. The PWTF provides financial assistance in the form of low or no interest loans to local governments to repair, replace, or rehabilitate bridges, roads, sanitary sewer systems, domestic water systems, storm sewer systems, and solid waste/recycling systems. Local governments use the PWTF to maximize their own resources by allowing them to address critical infrastructure needs in a timely manner.

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 0

Project Summary

The Department of Commerce's (department) mission is to grow and improve jobs in Washington State by championing thriving communities, a prosperous economy and sustainable infrastructure. The State Energy Office in the Department of Commerce works toward meeting this mission by helping Washington residents and business owners enjoy a reliable energy infrastructure, supporting Washington's clean energy businesses, and assisting Washington residents and business owners in reducing their energy use. The Clean Energy Fund was established in the 2013-15 biennium to provide a benefit to the public through development, demonstration, and deployment of clean energy technologies that save energy and reduce energy costs, reduce harmful air emissions, or otherwise increase energy independence for the state. The interest has been very strong from businesses and homeowners in the state to make improvements to their buildings.

Project Description

This project's reappropriation is increased to reflect additional unspent appropriations in the 2021-23 fiscal biennium.

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 0

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 Capital Project Request

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 30000803

Project Title: Building Communities Fund Program

Description

Project Summary

The Building Communities Fund Program provides state capital grants to nonprofit organizations for social service and multipurpose community centers. State grants may be used for acquisition, construction, or rehabilitation of facilities and may defray up to 25 percent of capital costs. RCW 43.63A.125 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Project Description

The Building Communities Fund Program provides state capital grants to nonprofit organizations for social service and multipurpose community centers. State grants may be used for acquisition, construction, or rehabilitation of facilities and may defray up to 25 percent of capital costs. RCW 43.63A.125 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Starting Fiscal Year: 2016
 Project Class: Grant
 Agency Priority: 0

Project Summary

Housing Trust Fund (HTF) investments address the ongoing and critical need to develop and preserve affordable housing for low-income and special needs populations, while creating living wage jobs. These investments are highly effective at leveraging other public and private investments and protecting the health and safety of vulnerable individuals. The construction activity and resulting projects also generate substantial social and economic benefits to local communities.

Project Description

Housing Trust Fund (HTF) investments address the ongoing and critical need to develop and preserve affordable housing for low-income and special needs populations, while creating living wage jobs. These investments are highly effective at leveraging other public and private investments and protecting the health and safety of vulnerable individuals. The construction activity and resulting projects also generate substantial social and economic benefits to local communities.

Starting Fiscal Year: 2016
 Project Class: Grant
 Agency Priority: 0

Project Summary

Funding is provided for the Community Economic Revitalization Board to assist communities with financing publicly owned economic development infrastructure improvements to encourage new business development and expansion.

Project Description

Funding is provided for the Community Economic Revitalization Board to assist communities with financing publicly owned economic development infrastructure improvements to encourage new business development and expansion.

Starting Fiscal Year: 2016
 Project Class: Grant
 Agency Priority: 0

Project Summary

Funding is provided for the Ultra-Efficient Affordable Housing Demonstration.

Project Description

Funding is provided for the Ultra-Efficient Affordable Housing Demonstration.

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 Capital Project Request

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Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 30000836

Project Title: Ultra-Efficient Affordable Housing Demonstration

Description

Starting Fiscal Year: 2017
 Project Class: Grant
 Agency Priority: 0

Project Summary

This project's reappropriation is increased to reflect unspent appropriations and lapsed funds from the 2019-21 fiscal biennium.

Project Description

This project's reappropriation is increased to reflect unspent appropriations and lapsed funds from the 2019-21 fiscal biennium.

Starting Fiscal Year: 2018
 Project Class: Grant
 Agency Priority: 0

Project Summary

Funding is provided to complete the Quixote Communities Shelton Veterans Village housing project funded in the 2017-19 Housing Trust Fund program. A reappropriation of funds is also provided.

Project Description

Funding is provided to complete the Quixote Communities Shelton Veterans Village housing project funded in the 2017-19 Housing Trust Fund program. A reappropriation of funds is also provided.

Starting Fiscal Year: 2018
 Project Class: Grant
 Agency Priority: 0

Project Summary

Funding is provided for Economic Opportunity Grants to assist low and moderate-income communities in repairing and enhancing infrastructure and community facilities, provide microenterprise revolving loans, and support other eligible Community Development Block Grant activities.

Project Description

Funding is provided for Economic Opportunity Grants to assist low and moderate-income communities in repairing and enhancing infrastructure and community facilities, provide microenterprise revolving loans, and support other eligible Community Development Block Grant activities.

Starting Fiscal Year: 2018
 Project Class: Grant
 Agency Priority: 0

Project Summary

The Youth Recreational Facilities Program is a competitive grant program that funds capital recreational projects for nonprofit organizations. Capital projects must feature an indoor youth recreational component and a supporting social service or educational component. RCW 43.63A.135 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Project Description

The Youth Recreational Facilities Program is a competitive grant program that funds capital recreational projects for nonprofit

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Project Number: 30000875

Project Title: 2017-19 Youth Recreational Facilities Grant Program

Description

organizations. Capital projects must feature an indoor youth recreational component and a supporting social service or educational component. RCW 43.63A.135 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 0

Project Summary

The Building for the Arts Program provides state capital grants to nonprofit organizations for performing arts, art museums, and cultural facilities projects. State grants may be used for acquisition, construction, or rehabilitation of facilities and may defray up to 20 percent of capital costs. RCW 43.63A.750 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Project Description

The Building for the Arts Program provides state capital grants to nonprofit organizations for performing arts, art museums, and cultural facilities projects. State grants may be used for acquisition, construction, or rehabilitation of facilities and may defray up to 20 percent of capital costs. RCW 43.63A.750 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 0

Project Summary

The Public Works Board is directed by RCW 43.155 to administer the programs funded by the Public Works Assistance Account (PWAA) and to provide technical assistance to local governments. The Board provides financial assistance in the form of loans to local governments to upgrade bridges, roads, sanitary sewer systems, domestic water systems, storm sewer systems, and solid waste/recycling systems. Because this is a loan program, it is sustainable; lower interest loans make the financing of these projects achievable by even the smallest communities.

Project Description

The Public Works Board is directed by RCW 43.155 to administer the programs funded by the Public Works Assistance Account (PWAA) and to provide technical assistance to local governments. The Board provides financial assistance in the form of loans to local governments to upgrade bridges, roads, sanitary sewer systems, domestic water systems, storm sewer systems, and solid waste/recycling systems. Because this is a loan program, it is sustainable; lower interest loans make the financing of these projects achievable by even the smallest communities.

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 0

Project Summary

Many of Washington State's most vulnerable people—including seniors, families with young children, people with disabilities, and veterans—live in deteriorating, energy inefficient, and unhealthy housing. The Weatherization Plus Health Matchmaker Program represents a sound investment in clean energy and affordable housing by matching funds and resources from utilities, rental property owners, and other sources dollar-for-dollar to create healthy, efficient homes that reduce home utility bills and lower the risk of absences from schools and jobs or trips to the emergency room because of unhealthy living conditions.

Project Description

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 30000879

Project Title: Weatherization Plus Health Matchmaker Program

Description

This project's reappropriation is increased to reflect additional unspent appropriations in the 2021-23 fiscal biennium.

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 0

Project Summary

The Clean Energy Funds Program (CEF) matches funds from businesses, electric utilities, and research institutions from around the state of Washington dollar-for-dollar to provide energy efficiency, renewable energy generation, and intermittent energy integration to residences and businesses. These funds create resiliency investments in the electrical grid while growing clean energy technology solutions that can be exported nationally and abroad to grow local Washingtonian economies.

Project Description

Funding is provided for the Clean Energy Funds Program (CEF) which provides matching funds to businesses, electric utilities, and research institutions to provide energy efficiency, renewable energy generation, and intermittent energy integration to residences and businesses.

Funding for the Aluminum Smelter Restart project is transferred to the 2021-23 Clean Energy V-Investing in Washington's Clean Energy project.

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 0

Project Summary

The Energy Efficiency and Solar Grant program will provide grants to state agencies, public higher education institutions, and local governments to improve the energy efficiency of public facilities and street lighting, and install solar systems to reduce energy demand and costs. These grants will support the work of public agencies to implement facets of existing energy efficiency laws and regulations, significantly improve the energy performance of both public and private buildings, and upgrade the energy efficiency of street lighting throughout the state.

Project Description

The Energy Efficiency and Solar Grant program will provide grants to state agencies, public higher education institutions, and local governments to improve the energy efficiency of public facilities and street lighting, and install solar systems to reduce energy demand and costs. These grants will support the work of public agencies to implement facets of existing energy efficiency laws and regulations, significantly improve the energy performance of both public and private buildings, and upgrade the energy efficiency of street lighting throughout the state.

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 0

Project Summary

The Building Communities Fund Program provides state capital grants to nonprofit organizations for social service and multipurpose community centers. State grants may be used for acquisition, construction, or rehabilitation of facilities and may defray up to 25 percent of capital costs. RCW 43.63A.125 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Project Description

The Building Communities Fund Program provides state capital grants to nonprofit organizations for social service and multipurpose community centers. State grants may be used for acquisition, construction, or rehabilitation of facilities and may

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Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 30000883

Project Title: 2017-19 Building Communities Fund Grant

Description

defray up to 25 percent of capital costs. RCW 43.63A.125 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Starting Fiscal Year: 2018

Project Class: Grant - Pass Through

Agency Priority: 0

Project Summary

Funding provided for the 2018 Local and Community Project Sunnyside Community Hospital (Sunnyside) 92000540 is being transferred to the 2023 Local & Community Projects. The grantee is changing to the Toppenish Hospital.

Project Description

Funding provided for the 2018 Local and Community Project Sunnyside Community Hospital (Sunnyside) 92000540 is being transferred to the 2023 Local & Community Projects. The grantee is changing to the Toppenish Hospital.

Starting Fiscal Year: 2018

Project Class: Grant - Pass Through

Agency Priority: 0

Project Summary

The Early Learning Facilities grant and loan program provides grants and loans to plan, renovate, construct, or purchase high-quality early learning facilities for low-income children.

Project Description

This project's reappropriation is increased to reflect unspent appropriations and lapsed funds from the 2019-21 fiscal biennium.

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 0

Project Summary

Funding is provided for Dental Clinic Capacity Grants.

Project Description

Funding is provided for Dental Clinic Capacity Grants.

Starting Fiscal Year: 2018

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided for financial assistance in the form of low or no interest preconstruction and emergency loans to local governments to repair, replace, or rehabilitate bridges, roads, sanitary sewer systems, domestic water systems, storm sewer systems and solid waste/recycling systems.

Project Description

Funding is provided for financial assistance in the form of low or no interest preconstruction and emergency loans to local governments to repair, replace, or rehabilitate bridges, roads, sanitary sewer systems, domestic water systems, storm sewer systems and solid waste/recycling systems.

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000009

Project Title: PWAA Preconstruction and Emergency Loan Programs

Description

Starting Fiscal Year: 2018

Project Class: Program

Agency Priority: 0

Project Summary

Funding is for construction and equipment costs associated with establishing new facilities. The department will work in collaboration with the Department of Health, Health Care authority and the Department of Social and Health Services to address the emergent need for behavioral health services.

Project Description

Funding is for construction and equipment costs associated with establishing new facilities. The department will work in collaboration with the Department of Health, Health Care authority and the Department of Social and Health Services to address the emergent need for behavioral health services.

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 0

Project Summary

The Housing Trust Fund Program (HTF) addresses the ongoing need to develop and preserve affordable housing for low-income and special needs populations.

Project Description

This project's reappropriation is increased to reflect additional unspent appropriations in the 2021-23 fiscal biennium.

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 0

Project Summary

Funding is reappropriated from the 2019-21 biennium for infrastructure projects funded through the Public Works construction loan program.

Project Description

Funding is reappropriated from the 2019-21 biennium for infrastructure projects funded through the Public Works construction loan program.

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 0

Project Summary

The Building for the Arts Program provides state capital grants to nonprofit organizations for performing arts, art museums, and cultural facilities projects. State grants may be used for acquisition, construction, or rehabilitation of facilities and may defray up to 33 percent of capital costs. RCW 43.63A.750 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Project Description

The Building for the Arts Program provides state capital grants to nonprofit organizations for performing arts, art museums, and cultural facilities projects. State grants may be used for acquisition, construction, or rehabilitation of facilities and may

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000039

Project Title: 2019-21 Building for the Arts Grant Program

Description

defray up to 33 percent of capital costs. RCW 43.63A.750 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 0

Project Summary

Funding is provided for the Community Economic Revitalization Board to assist communities with financing publicly owned economic development infrastructure improvements to encourage new business development and expansion.

Project Description

Funding is provided for the Community Economic Revitalization Board to assist communities with financing publicly owned economic development infrastructure improvements to encourage new business development and expansion.

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 0

Project Summary

The Youth Recreational Facilities Program is a competitive grant program that funds capital recreational projects for non-profit organizations. RCW 43.63A.135 requires the Department of Commerce (department) to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Project Description

The Youth Recreational Facilities Program is a competitive grant program that funds capital recreational projects for non-profit organizations. RCW 43.63A.135 requires the Department of Commerce (department) to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 0

Project Summary

The Clean Energy Fund Program (CEF) in the Department of Commerce (department) stimulates clean energy investment in Washington state by matching funds from businesses, utilities, and research institutions. It focuses on grid modernization, research development and demonstration, electric vehicle infrastructure, and increasing lending opportunities for energy efficiency projects. This proposal requests funding to continue these efforts.

Project Description

The Clean Energy Fund Program (CEF) in the Department of Commerce (department) stimulates clean energy investment in Washington state by matching funds from businesses, utilities, and research institutions. It focuses on grid modernization, research development and demonstration, electric vehicle infrastructure, and increasing lending opportunities for energy efficiency projects. This proposal requests funding to continue these efforts.

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 0

Project Summary

The Building Communities Fund Program (BCF) provides state capital grants to nonprofit organizations for social service and

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000043

Project Title: 2019-21 Building Communities Fund Program

Description

multipurpose community centers. State grants may be used for acquisition, construction, or rehabilitation of facilities and may defray up to 100 percent of capital costs dependent on the amount requested. RCW 43.63A.125 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Project Description

The Building Communities Fund Program (BCF) provides state capital grants to nonprofit organizations for social service and multipurpose community centers. State grants may be used for acquisition, construction, or rehabilitation of facilities and may defray up to 100 percent of capital costs dependent on the amount requested. RCW 43.63A.125 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 0

Project Summary

The Early Learning Facilities grant and loan program provides grants and loans to plan, renovate, construct, or purchase high-quality early learning facilities for low-income children.

Project Description

This project's reappropriation is increased to reflect additional unspent appropriations in the 2019-21 fiscal biennium.

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 0

Project Summary

The Weatherization Plus Health Matchmaker Program represents a sound, statewide investment in Washington's clean energy future, positive health outcomes and preservation of affordable housing for Washington's low-income community. This program delivers affordable housing preservation and efficiency upgrades by providing minor repairs, health and safety improvements, and installation of energy conservation measures in single and multi-family homes, both renter and owner occupied, in every county in the state.

Project Description

Funding is reappropriated from the 2021-23 biennium for financial assistance grants to low-income households to improve home energy efficiency and healthy homes measures.

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 0

Project Summary

Funding is reappropriated from the 2019-21 biennium for the Energy Efficiency and Solar Grant program, which provides grants to state agencies, public higher education institutions, and local governments to improve the energy efficiency of public facilities and street lighting, and install solar systems to reduce energy demand and costs.

Project Description

Funding is reappropriated from the 2019-21 biennium for the Energy Efficiency and Solar Grant program, which provides grants to state agencies, public higher education institutions, and local governments to improve the energy efficiency of public facilities and street lighting, and install solar systems to reduce energy demand and costs.

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Date Run: 9/24/2022 9:56AM

Project Number: 40000049

Project Title: 2019-21 Energy Efficiency and Solar Grants Program

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 0

Project Summary

Substandard housing in rural areas is one of our most pressing problems. Over 300,000 Washington households are estimated to need weatherization services. Many of these households are in rural communities and unable to receive weatherization services because they need repairs that are outside of the scope of the Weatherization program.

Project Description

Substandard housing in rural areas is one of our most pressing problems. Over 300,000 Washington households are estimated to need weatherization services. Many of these households are in rural communities and unable to receive weatherization services because they need repairs that are outside of the scope of the Weatherization program.

Starting Fiscal Year: 2020

Project Class: Grant - Pass Through

Agency Priority: 0

Project Summary

Additional funding is provided in the 2018 Supplemental Capital Budget for six specific projects and \$13 million is provided for additional competitive funding for community behavioral health projects, including projects for children and minor youth.

Project Description

Additional funding is provided in the 2018 Supplemental Capital Budget for six specific projects and \$13 million is provided for additional competitive funding for community behavioral health projects, including projects for children and minor youth.

Starting Fiscal Year: 2020

Project Class: Grant - Pass Through

Agency Priority: 0

Project Summary

Funding is provided for local community and nonprofit organization projects.

Project Description

Funding is reappropriated for local community and nonprofit organization projects. The appropriation is subject to RCW 43.63A.125(2)(c) and other standard requirements for community projects administered by the Department. These standard requirements primarily are to ensure that grants accomplish the intent of the Legislature and that grants to non-governmental recipients do not violate lending of credit provisions in the state constitution.

Starting Fiscal Year: 2020

Project Class: Grant - Pass Through

Agency Priority: 0

Project Summary

Funding is reappropriated from the 2021-23 biennium to continue to fund the acquisition, installation and construction of open-access middle-mile and last-mile infrastructure that support broadband services and for strategic planning for deploying broadband service in unserved and underserved areas.

Project Description

Funding is reappropriated from the 2021-23 biennium to continue to fund the acquisition, installation and construction of

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Project Number: 40000117

Project Title: Washington Broadband Program

Description

open-access middle-mile and last-mile infrastructure that support broadband services and for strategic planning for deploying broadband service in unserved and underserved areas.

Starting Fiscal Year: 2020

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided to renovate or construct capacity for children receiving behavioral rehabilitation services.

Project Description

Funding is provided to renovate or construct capacity for children receiving behavioral rehabilitation services.

Starting Fiscal Year: 2021

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided for local community and nonprofit organization projects.

Project Description

Funding is reappropriated for local community and nonprofit organization projects. The appropriation is subject to RCW 43.63A.125(2)(c) and other standard requirements for community projects administered by the Department. These standard requirements primarily are to ensure that grants accomplish the intent of the Legislature and that grants to non-governmental recipients do not violate lending of credit provisions in the state constitution.

Starting Fiscal Year: 2021

Project Class: Grant - Pass Through

Agency Priority: 0

Project Summary

This project's reappropriation is increased to reflect additional unspent appropriations in the 2019-21 fiscal biennium.

Project Description

This project's reappropriation is increased to reflect additional unspent appropriations in the 2019-21 fiscal biennium.

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

The Youth Recreational Facilities Program is a competitive grant program that funds capital recreational projects for non-profit organizations. RCW 43.63A.135 requires the Department of Commerce (department) to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Project Description

The Youth Recreational Facilities Program is a competitive grant program that funds capital recreational projects for non-profit organizations. RCW 43.63A.135 requires the Department of Commerce (department) to submit a list of competitively selected projects to the Governor and Legislature each biennium.

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Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000139

Project Title: 2021-23 Youth Recreational Facilities Grant Program

Description

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

The Early Learning Facilities grant and loan program provides grants and loans to plan, renovate, construct, or purchase high-quality early learning facilities for low-income children. Communities need more facilities to generate the additional capacity necessary to meet the legislative mandate for the Early Childhood Education Assistance Program (ECEAP) to become an entitlement program by the 2023 school year.

Project Description

The Early Learning Facilities grant and loan program provides grants and loans to plan, renovate, construct, or purchase high-quality early learning facilities for low-income children. Communities need more facilities to generate the additional capacity necessary to meet the legislative mandate for the Early Childhood Education Assistance Program (ECEAP) to become an entitlement program by the 2023 school year.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Additional funding is provided for the Public Works Board to competitively award grants and loans to local governments to repair, replace or rehabilitate bridges, roads, sanitary sewer systems, domestic water systems, storm sewer systems, and solid waste and recycling systems.

Project Description

Additional funding is provided for the Public Works Board to competitively award grants and loans to local governments to repair, replace or rehabilitate bridges, roads, sanitary sewer systems, domestic water systems, storm sewer systems, and solid waste and recycling systems.

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

The Building Communities Fund Program (BCF) provides state capital grants to nonprofit organizations for social service and multipurpose community centers. State grants may be used for acquisition, construction, or rehabilitation of facilities and may defray up to 100 percent of capital costs dependent on the amount requested. RCW 43.63A.125 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Project Description

The Building Communities Fund Program (BCF) provides state capital grants to nonprofit organizations for social service and multipurpose community centers. State grants may be used for acquisition, construction, or rehabilitation of facilities and may defray up to 100 percent of capital costs dependent on the amount requested. RCW 43.63A.125 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

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Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000143

Project Title: 2021-23 Building for the Arts Grant Program

Description

Project Summary

The Building for the Arts Program provides state capital grants to nonprofit organizations for performing arts, art museums, and cultural facilities projects. State grants may be used for acquisition, construction, or rehabilitation of facilities and may defray up to 33 percent of capital costs. RCW 43.63A.750 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Project Description

The Building for the Arts Program provides state capital grants to nonprofit organizations for performing arts, art museums, and cultural facilities projects. State grants may be used for acquisition, construction, or rehabilitation of facilities and may defray up to 33 percent of capital costs. RCW 43.63A.750 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided for the Community Economic Revitalization Board (CERB) to assist communities with financing publicly-owned economic development infrastructure improvements to encourage new business development and expansion.

Project Description

Funding is provided for the Community Economic Revitalization Board (CERB) to assist communities with financing publicly-owned economic development infrastructure improvements to encourage new business development and expansion.

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

The State of Washington, through the Department of Commerce (department), is legally obligated to pay for capital improvement costs associated with the proportional use of the Pacific Tower campus, as specified in the lease agreement with the Pacific Hospital Preservation and Development Authority (PHPDA).

Project Description

The State of Washington, through the Department of Commerce (department), is legally obligated to pay for capital improvement costs associated with the proportional use of the Pacific Tower campus, as specified in the lease agreement with the Pacific Hospital Preservation and Development Authority (PHPDA).

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

The Library Capital Improvement Program provides state capital grants to local governments for acquisition, construction, or rehabilitation of their public library facilities, with priority to those listed on registers of historic places and/or located in distressed or rural counties. Investing in public libraries is essential. They often provide the only accessible and free community support and services otherwise unavailable to the public, such as internet and computer access.

Project Description

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Project Number: 40000147

Project Title: 2021-23 Library Capital Improvement Program (LCIP) Grants

Description

The Sno-Isle Regional Inter-County Libraries (Lake Stevens) Project is transferred to the 2022 Local Community Projects.

The Library Capital Improvement Program provides state capital grants to local governments for acquisition, construction, or rehabilitation of their public library facilities, with priority to those listed on registers of historic places and/or located in distressed or rural counties. Investing in public libraries is essential. They often provide the only accessible and free community support and services otherwise unavailable to the public, such as internet and computer access.

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

Since 2013, the Clean Energy Fund (CEF) has successfully catalyzed statewide investments in clean energy technology and infrastructure development. Continued funding for CEF is critical to effectively and equitably meet Washington's aggressive climate goals. CEF is a proven pathway that strengthens Washington leadership on clean energy innovation and deployment. These highly leveraged investments strengthen Washington's communities through living wage jobs, workforce skill development, and local economic activity.

Project Description

Since 2013, the Clean Energy Fund (CEF) has successfully catalyzed statewide investments in clean energy technology and infrastructure development. Continued funding for CEF is critical to effectively and equitably meet Washington's aggressive climate goals. CEF is a proven pathway that strengthens Washington leadership on clean energy innovation and deployment. These highly leveraged investments strengthen Washington's communities through living wage jobs, workforce skill development, and local economic activity.

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

The Energy Retrofits for Public Buildings program provides a pathway for public agencies to substantially improve building performance, reduce operating costs, and GHG emissions. Many public facilities were constructed prior to the adoption of new energy codes and do not include best practices for energy conservation. This program helps ensure public agencies build sustainable facilities, reduce deferred maintenance backlogs, create living wage jobs, and contribute to our state's climate goals.

Project Description

Funding was provided in the 2021-23 biennial budget to the Energy Retrofits for Public Buildings Grant Program for grants to state agencies, public higher education institutions, school districts, tribal governments, and local governments to improve the energy efficiency of public facilities and street lighting, and install solar systems to reduce energy demand and costs.

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

Funding is provided for the Weatherization Plus Health program. This program upgrades low-income homes with energy-efficient improvements and leverages utility and other matching funds.

Project Description

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Project Number: 40000150

Project Title: 2021-23 Weatherization Plus Health

Description

Funding is provided for the Weatherization Plus Health program. This program upgrades low-income homes with energy-efficient improvements and leverages utility and other matching funds.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Funding was provided in the 2021-23 biennial budget to continue the implementation of the broadband infrastructure program pursuant to Chapter 365, Laws of 2019 (2SSB 5511).

Project Description

Funding was provided in the 2021-23 biennial budget to continue the implementation of the broadband infrastructure program pursuant to Chapter 365, Laws of 2019 (2SSB 5511).

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

Funding is provided for new investments in the Housing Trust Fund program. The funding includes a set-aside for homeownership projects provided by nonprofit agencies, as well as for individual projects located across the state. Fund sources are also adjusted in the supplemental budget due to updated eligibility information from the Federal Treasury for ARPA funds.

Project Description

Funding is provided for new investments in the Housing Trust Fund program. The funding includes a set-aside for homeownership projects provided by nonprofit agencies, as well as for individual projects located across the state. Fund sources are also adjusted in the supplemental budget due to updated eligibility information from the Federal Treasury for ARPA funds.

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

Additional funding is provided for projects that expand community-based behavioral health services.

Project Description

Additional funding is provided for projects that expand community-based behavioral health services.

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

Housing Trust Fund (HTF) investments address the ongoing and critical need to develop and preserve affordable housing for low-income and special needs populations, while creating living wage jobs. These investments are highly effective at leveraging other public and private investments and protecting the health and safety of vulnerable individuals. The construction activity and resulting projects also generate substantial social and economic benefits to local communities.

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Project Number: 40000220

Project Title: 2019-21 Housing Trust Fund Investment from Operating

Description

Project Description

Housing Trust Fund (HTF) investments address the ongoing and critical need to develop and preserve affordable housing for low-income and special needs populations, while creating living wage jobs. These investments are highly effective at leveraging other public and private investments and protecting the health and safety of vulnerable individuals. The construction activity and resulting projects also generate substantial social and economic benefits to local communities.

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

Fund sources are adjusted in the supplemental budget due to updated eligibility information from the Federal Treasury for ARPA funds. The Rapid Capital Housing Acquisition program is to acquire properties and convert them into shelters, permanent supportive housing, or transitional housing units.

Project Description

Fund sources are adjusted in the supplemental budget due to updated eligibility information from the Federal Treasury for ARPA funds. The Rapid Capital Housing Acquisition program is to acquire properties and convert them into shelters, permanent supportive housing, or transitional housing units.

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

Substandard housing in rural areas is one of our most pressing problems. Over 300,000 Washington households are estimated to need weatherization services. Many of these households are in rural communities and unable to receive weatherization services because they need repairs that are outside of the scope of the Weatherization program.

Project Description

Funding was provided in the 2021-23 biennial budget for a deferred payment loan program for low-income, rural, single-family homeowners to pay for the cost of rehabilitation and repair of their homes necessary to become weatherization ready.

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

Funding is provided for Landlord Mitigation Account.

Project Description

Funding is provided for Landlord Mitigation Account.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided for Local and Community Projects.

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Date Run: 9/24/2022 9:56AM

Project Number: 40000230

Project Title: 2022 Local & Community Projects

Description

Project Description

Funding for previously funded projects is increased or transferred from other project appropriations.

Starting Fiscal Year: 2023

Project Class: Grant

Agency Priority: 0

Project Summary

Funding authority for the Rural Washington Loan Fund is increased through the 2021-23 biennium. The Department of Commerce (department) administers the federally funded Community Development Block Grant program with these funds. Projects eligible for grant funding include infrastructure, community facilities, and microenterprise revolving loans.

Project Description

Funding authority for the Rural Washington Loan Fund is increased through the 2021-23 biennium. The Department of Commerce (department) administers the federally funded Community Development Block Grant program with these funds. Projects eligible for grant funding include infrastructure, community facilities, and microenterprise revolving loans.

Starting Fiscal Year: 2023

Project Class: Grant

Agency Priority: 0

Project Summary

Federal spending authority is provided to CERB to implement the Broadband Equity, Access, and Deployment Program identified in the Infrastructure Investment and Jobs Act (IIJA).

Project Description

Federal spending authority is provided to CERB to implement the Broadband Equity, Access, and Deployment Program identified in the Infrastructure Investment and Jobs Act (IIJA).

Starting Fiscal Year: 2023

Project Class: Grant

Agency Priority: 0

Project Summary

Federal spending authority is provided to the Public Works Board to implement the Broadband Equity, Access, and Deployment Program identified in the Infrastructure Investment and Jobs Act (IIJA).

Project Description

Federal spending authority is provided to the Public Works Board to implement the Broadband Equity, Access, and Deployment Program identified in the Infrastructure Investment and Jobs Act (IIJA).

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

Funding is provided for the rapid acquisition of properties and conversion into enhance emergency shelters, permanent supportive housing, transitional housing, permanent housing, or youth housing for extremely low-income people. The priority is for housing projects that will move people experiencing unsheltered homelessness, including individuals living in unsanctioned encampments, public rights-of-way, or other public spaces, into housing.

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Report Number: CBS002

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Project Number: 40000260

Project Title: 2022 Rapid Capital Housing

Description

Project Description

Funding is provided for the rapid acquisition of properties and conversion into enhance emergency shelters, permanent supportive housing, transitional housing, permanent housing, or youth housing for extremely low-income people. The priority is for housing projects that will move people experiencing unsheltered homelessness, including individuals living in unsanctioned encampments, public rights-of-way, or other public spaces, into housing.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided for local and community projects throughout Washington State.

Project Description

Funding is provided for local and community projects throughout Washington State.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided for port infrastructure upgrades, including to terminals and warehouses.

Project Description

Funding is provided for port infrastructure upgrades, including to terminals and warehouses.

Starting Fiscal Year: 2014

Project Class: Grant - Pass Through

Agency Priority: 0

Project Summary

Will provide grants and loans to eligible entities to create or preserve affordable housing for farmworkers.

Project Description

Will provide grants and loans to eligible entities to create or preserve affordable housing for farmworkers.

Starting Fiscal Year: 2014

Project Class: Grant

Agency Priority: 0

Project Summary

The Department of Commerce's (department) mission is to grow and improve jobs in Washington State by championing thriving communities, a prosperous economy and sustainable infrastructure. The State Energy Office in the Department of Commerce works toward meeting this mission by helping Washington residents and business owners enjoy a reliable energy infrastructure, supporting Washington's clean energy businesses, and assisting Washington residents and business owners in reducing their energy use. The Clean Energy Fund was established in the 2013-15 biennium to provide a benefit to the public through development, demonstration, and deployment of clean energy technologies that save energy and reduce energy costs, reduce harmful air emissions, or otherwise increase energy independence for the state. The interest has been very strong from businesses and homeowners in the state to make improvements to their buildings.

Project Description

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Report Number: CBS002

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Project Number: 91000582

Project Title: Clean Energy and Energy Freedom Program

Description

Funding is reappropriated for the Clean Energy Fund which was established in the 2013-15 biennium to provide a benefit to the public through development, demonstration, and deployment of clean energy technologies that save energy and reduce energy costs, reduce harmful air emissions, or otherwise increase energy independence for the state.

Starting Fiscal Year: 2018

Project Class: Program

Agency Priority: 0

Project Summary

Spending authority is provided solely for grants awarded by CERB to local governments and federally recognized tribes to build infrastructure to provide high-speed, open-access broadband service to rural and underserved communities, as permissible under the IIJA.

Project Description

Spending authority is provided solely for grants awarded by CERB to local governments and federally recognized tribes to build infrastructure to provide high-speed, open-access broadband service to rural and underserved communities, as permissible under the IIJA.

Starting Fiscal Year: 2018

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided for 95 Local and Community projects administered by the Department of Commerce.

Project Description

Funding is provided for 95 Local and Community projects administered by the Department of Commerce.

Starting Fiscal Year: 2020

Project Class: Program

Agency Priority: 0

Project Summary

This project's reappropriation is increased to reflect unspent appropriations and lapsed funds from the 2019-21 fiscal biennium.

Project Description

This project's reappropriation is increased to reflect unspent appropriations and lapsed funds from the 2019-21 fiscal biennium.

Starting Fiscal Year: 2020

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided to preserve manufactured and mobile home communities.

Project Description

Funding is provided to preserve manufactured and mobile home communities.

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Project Number: 91001278

Project Title: Rapid Response Community Preservation Pilot Program

Description

Starting Fiscal Year: 2020
Project Class: Program
Agency Priority: 0

Project Summary

Funding is provided for Dental Clinic Capacity Grants.

Project Description

Funding is provided for Dental Clinic Capacity Grants.

Starting Fiscal Year: 2020
Project Class: Grant
Agency Priority: 0

Project Summary

Funding is provided for the Pacific Hospital Preservation and Development Plan.

Project Description

Funding is provided for the Pacific Hospital Preservation and Development Plan.

Starting Fiscal Year: 2020
Project Class: Grant
Agency Priority: 0

Project Summary

Funding is provided for Port Hadlock Wastewater Facility Project.

Project Description

Funding is provided for Port Hadlock Wastewater Facility Project.

Starting Fiscal Year: 2022
Project Class: Program
Agency Priority: 0

Project Summary

Funding is provided for continuing Affordability in Current Housing.

Project Description

Funding is provided for continuing Affordability in Current Housing.

Starting Fiscal Year: 2022
Project Class: Program
Agency Priority: 0

Project Summary

Funding provided for Dental Capacity Grants.

Project Description

Funding provided for Dental Capacity Grants.

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Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 91001660

Project Title: 2021-23 Dental Capacity Grants

Description

Starting Fiscal Year: 2022
 Project Class: Program
 Agency Priority: 0

Project Summary

Funding is provided for the second phase of the master planning process to develop a family-centered drug treatment and housing program in western Washington.

Project Description

Funding is provided for the second phase of the master planning process to develop a family-centered drug treatment and housing program in western Washington.

Starting Fiscal Year: 2022
 Project Class: Program
 Agency Priority: 0

Project Summary

The Early Learning Facilities grant and loan program provides grants and loans to plan, renovate, construct, or purchase high-quality early learning facilities for low-income children.

Project Description

Funding is provided for grants and loans to purchase, construct, or modernize facilities to add capacity for early learning programs that participate in the Early Achievers program or the Early Childhood Education and Assistance Program.

Starting Fiscal Year: 2022
 Project Class: Program
 Agency Priority: 0

Project Summary

Funding was provided in the 2021-23 biennial budget for the Buy Clean, Buy Fair Washington Pilot program, to analyze the availability of environmental product declarations and other specified information for two state funded construction projects. The Department of Commerce is directed to use the pilot project results in a case study, analyzing environmental and labor reporting requirements for state funded construction projects.

Project Description

Funding was provided in the 2021-23 biennial budget for the Buy Clean, Buy Fair Washington Pilot program, to analyze the availability of environmental product declarations and other specified information for two state funded construction projects. The Department of Commerce is directed to use the pilot project results in a case study, analyzing environmental and labor reporting requirements for state funded construction projects.

Starting Fiscal Year: 2022
 Project Class: Program
 Agency Priority: 0

Project Summary

Fund sources are adjusted due to updated eligibility information from the Federal Treasury for ARPA funds. These grants fund renovations of early learning facilities in response to the COVID-19 public health emergency.

Project Description

Fund sources are adjusted due to updated eligibility information from the Federal Treasury for ARPA funds. These grants fund

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Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 91001681

Project Title: Early Learning COVID-19 Renovation Grants

Description

renovations of early learning facilities in response to the COVID-19 public health emergency.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Additional funding is provided for grants to local governments and public utility districts to assist in the cost of utility improvements or connections to new affordable housing projects. Funding for the Chelan Municipal Airport Extension Project is moved to the 2022 Local and Community Projects appropriation.

Project Description

Additional funding is provided for grants to local governments and public utility districts to assist in the cost of utility improvements or connections to new affordable housing projects. Funding for the Chelan Municipal Airport Extension Project is moved to the 2022 Local and Community Projects appropriation.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Fund sources are adjusted in the supplemental budget due to updated eligibility information from the Federal Treasury for ARPA funds. These grants provide for critical capital projects directly enabling work, education, and health monitoring, including remote options, in response to the COVID-19 public health emergency.

Project Description

Fund sources are adjusted in the supplemental budget due to updated eligibility information from the Federal Treasury for ARPA funds. These grants provide for critical capital projects directly enabling work, education, and health monitoring, including remote options, in response to the COVID-19 public health emergency.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Additional funding is provided for infrastructure projects. Fund sources are also adjusted in the supplemental budget due to updated eligibility information from the Federal Treasury for ARPA funds.

Project Description

Additional funding is provided for infrastructure projects. Fund sources are also adjusted in the supplemental budget due to updated eligibility information from the Federal Treasury for ARPA funds.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Department of Commerce (department) to provide planning, technical assistance, and predesign grants for projects that would directly benefit populations and communities that have been historically underserved by capital grant policies and programs.

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Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 91001688

Project Title: Capital Grant Program Equity

Description

Project Description

Department of Commerce (department) to provide planning, technical assistance, and predesign grants for projects that would directly benefit populations and communities that have been historically underserved by capital grant policies and programs.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided for food bank capital projects.

Project Description

Funding is provided for food bank capital projects.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided for homeless youth facilities projects.

Project Description

Funding is provided for homeless youth facilities projects.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided for emergency facility repair and clean-up grants to owners of permanent supportive housing facilities. Grants are limited to \$50,000 per applicant.

Project Description

Funding is provided for emergency facility repair and clean-up grants to owners of permanent supportive housing facilities. Grants are limited to \$50,000 per applicant.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided to implement a dig-once pilot program to identify opportunities to dig once and bury fiber optic cables and conduits; repair water or sewer pipes; and repair roads, bridges, and sidewalks at the same time. The pilot program will be implemented in Lewis County in collaboration with the Department of Transportation and the Economic Alliance of Lewis County.

Project Description

Funding is provided to implement a dig-once pilot program to identify opportunities to dig once and bury fiber optic cables and conduits; repair water or sewer pipes; and repair roads, bridges, and sidewalks at the same time. The pilot program will be

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 91002171

Project Title: Dig-Once Pilot Program

Description

implemented in Lewis County in collaboration with the Department of Transportation and the Economic Alliance of Lewis County.

Starting Fiscal Year: 2014

Project Class: Grant

Agency Priority: 0

Project Summary

Funding provided for Projects for Jobs and Economic Development.

Project Description

Funding provided for Projects for Jobs and Economic Development.

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 0

Project Summary

Funding provided for projects that strengthen communities and quality of life.

Project Description

Funding provided for projects that strengthen communities and quality of life.

Starting Fiscal Year: 2016

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided for local community and nonprofit organization projects.

Project Description

Funding is reappropriated for local community and nonprofit organization projects. The appropriation is subject to RCW 43.63A.125(2)(c) and other standard requirements for community projects administered by the Department. These standard requirements primarily are to ensure that grants accomplish the intent of the Legislature and that grants to non-governmental recipients do not violate lending of credit provisions in the state constitution.

Starting Fiscal Year: 2016

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided for Disaster Emergency Response for the items outlined in ESHB 2380, Section 1009.

Project Description

Funding is provided for Disaster Emergency Response for the items outlined in ESHB 2380, Section 1009.

Starting Fiscal Year: 2021

Project Class: Grant

Agency Priority: 0

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 92000939

Project Title: Enhanced Shelter Capacity Grants

Description

Project Summary

Auburn Resources Center is transferred to the 2022 Local and Community Projects.

Project Description

Auburn Resources Center is transferred to the 2022 Local and Community Projects.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Fund sources are adjusted in the supplemental budget due to updated eligibility information from the Federal Treasury for American Rescue Plan Act (ARPA) funds.

Project Description

Fund sources are adjusted in the supplemental budget due to updated eligibility information from the Federal Treasury for American Rescue Plan Act (ARPA) funds.

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

The 2021 Legislature set aside \$2.5 million for the Communities of Concern Commission to recommend capital projects for funding in the 2022 legislative session. The Legislature approves the Communities of Concern Commission recommended projects and additional projects are funded.

Project Description

The 2021 Legislature set aside \$2.5 million for the Communities of Concern Commission to recommend capital projects for funding in the 2022 legislative session. The Legislature approves the Communities of Concern Commission recommended projects and additional projects are funded.

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

Funding is provided for Reimann roads, Telecomm and Utility Relocation..

Project Description

Funding is provided for Reimann roads, Telecomm and Utility Relocation..

Starting Fiscal Year: 2024

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided for grants to child care providers for minor renovations and small capital purchases and projects.

Project Description

Funding is provided for grants to child care providers for minor renovations and small capital purchases and projects.

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 92001109

Project Title: Child Care Minor Renovation Grants

Description

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 0

Project Summary

Funding provided for Increasing Housing Inventory.

Project Description

Funding provided for Increasing Housing Inventory.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided for grants to dental facilities that provide dental services for low-income individuals.

Project Description

Funding is provided for grants to dental facilities that provide dental services for low-income individuals.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Federal spending authority is provided for broadband planning and broadband infrastructure deployment under the Broadband Equity, Access, and Deployment Program as part of the Infrastructure Investment and Jobs Act (IIJA).

Project Description

Federal spending authority is provided for broadband planning and broadband infrastructure deployment under the Broadband Equity, Access, and Deployment Program as part of the Infrastructure Investment and Jobs Act (IIJA).

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided under the Infrastructure Investment and Jobs Act (IIJA) to establish a revolving loan fund under which the state shall provide loans and grants for energy efficiency audits, upgrades, and retrofits to increase energy efficiency and improve the comfort of buildings.

Project Description

Funding is provided under the Infrastructure Investment and Jobs Act (IIJA) to establish a revolving loan fund under which the state shall provide loans and grants for energy efficiency audits, upgrades, and retrofits to increase energy efficiency and improve the comfort of buildings.

Starting Fiscal Year: 2022

Project Class: Program

Agency Priority: 0

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 92001286

Project Title: 2022 Crisis Stabilization Facilities

Description

Project Summary

Funding is provided to expand and establish new capacity for 23-hour crisis triage facilities, crisis stabilization facilities, and youth residential crisis triage and stabilization facilities.

Project Description

Funding is provided to expand and establish new capacity for 23-hour crisis triage facilities, crisis stabilization facilities, and youth residential crisis triage and stabilization facilities.

Location

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 92000939

Project Title: Enhanced Shelter Capacity Grants

Description

Location

City: Statewide
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Legislative District: 098
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Project Type

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000278

Project Title: Ports Infrastructure

Description

Project Type

- Grants
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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 92001175

Project Title: 2022 Dental Capacity Grants

Description

Project Type

- Grants
- Grants
- Grants
- Grants
- Grants
- Grants
- Grants
- Grants
- Infrastructure (Major Projects)
- Loans
- Loans
- Loans
- Loans
- Loans
- Loans
- Loans
- Loans
- Loans
- Loans
- Loans
- Project Management
- Project Management

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 3000097

Project Title: Community Economic Revitalization Board

Description

Grant Recipient Organization: Various

RCW that establishes grant: 43.160

Application process used

Projects approved by the Board.

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.155

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.325

Application process used

The department will set up an advisory committee to assist with program design and selection of recipients.

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.63

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.185 and 43.185A

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.160

Application process used

Projects approved by the Board.

Growth Management impacts

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 30000834

Project Title: 2015-17 Community Economic Revitalization Board Program

Description

N/A

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.185 and 43.185A

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.63

Application process used

The Department of Commerce conducts a statewide competitive grant process every two years as directed by legislation. The Youth Recreational Facilities Advisory Board assists the Department by helping establish program policy, reviewing and ranking project proposals.

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.63

Application process used

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 30000877

Project Title: 2017-19 Building for the Arts Grant Program

Description

The Department of Commerce conducts a statewide competitive grant every two years as directed by legislation. The Building of the Arts Advisory Board assists the Department by helping establish program policy, reviewing, and ranking project proposals.

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.155

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 70.164

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.325

Application process used

A competitive process within each fund program area will determine the awardees.

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

Projects will be selected on a competitive basis.

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.63A.125

Application process used

Projects are reviewed and ranked by a citizen's advisory board.

Growth Management impacts

N/A

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 30000883

Project Title: 2017-19 Building Communities Fund Grant

Description

Grant Recipient Organization: Various
RCW that establishes grant: N/A
Application process used
N/A

Growth Management impacts
N/A

Grant Recipient Organization: Various
RCW that establishes grant: 43.31
Application process used
N/A

Growth Management impacts
N/A

Grant Recipient Organization: Various
RCW that establishes grant: N/A
Application process used
N/A

Growth Management impacts
N/A

Growth Management impacts
N/A

New Facility: No

Growth Management impacts
N/A

New Facility: No

Grant Recipient Organization: Various
RCW that establishes grant: 43.185 and 43.185A
Application process used
N/A

Growth Management impacts
N/A

Grant Recipient Organization: Various
RCW that establishes grant: 43.155
Application process used
N/A

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Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000038

Project Title: Public Works Board

Description

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.63

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.160

Application process used

Projects approved by the Board.

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.63

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.325

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.63

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.31

Application process used

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000044

Project Title: 2019-21 Early Learning Facilities

Description

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 70.164

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

Projects will be selected on a competitive basis.

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.155

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.63

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: N/A

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000117

Project Title: Washington Broadband Program

Description

Application process used

N/A

Growth Management impacts

N/A

Growth Management impacts

N/A

New Facility: No

Growth Management impacts

N/A

New Facility: No

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.63

Application process used

Applicants submit applications electronically through the ZoomGrants online system, then they are ranked and scored by a citizen's advisory board.

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.31

Application process used

Competitive grant application process.

Growth Management impacts

N/A

Growth Management impacts

N/A

New Facility: No

Grant Recipient Organization: Various

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000142

Project Title: 2021-23 Building Communities Fund Grant Program

Description

RCW that establishes grant: 43.63

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Nonprofit organizations.

RCW that establishes grant: 43.63

Application process used

Applicants submit applications electronically through the ZoomGrants online system, then they are ranked and scored by a citizen's advisory board.

Growth Management impacts

N/A

Growth Management impacts

N/A

New Facility: No

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: Section 1053, Chapter 413

Application process used

Competitive grant application process. Applicants must submit applications electronically through the ZOOMGrants online system. Then projects are reviewed and ranked by the Library Capital Improvement Program Advisory Committee.

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.325

Application process used

Grants are awarded through a competitive process within each fund program area. In the latest appropriation of CEF funding, priority must be given to projects that benefit vulnerable populations, including tribes and communities with high environmental or energy burden.

Growth Management impacts

N/A

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000148

Project Title: 2021-23 Clean Energy V-Investing in Washington's Clean Energy

Description

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

Grants are awarded through a competitive process.

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 70.164

Application process used

The Weatherization program uses an allocation formula for all funds sources based on county level poverty data and heating and cooling degree days

Growth Management impacts

N/A

Growth Management impacts

N/A

New Facility: No

Grant Recipient Organization: Various

RCW that establishes grant: 43.185 and 43.185A

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.185 and 43.185A

Application process used

N/A

Growth Management impacts

N/A

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000220

Project Title: 2019-21 Housing Trust Fund Investment from Operating

Description

Grant Recipient Organization: Various
RCW that establishes grant: N/A
Application process used
N/A

Growth Management impacts
N/A

Grant Recipient Organization: Various
RCW that establishes grant: N/A
Application process used
N/A

Growth Management impacts
N/A

Grant Recipient Organization: Various
RCW that establishes grant: N/A
Application process used
N/A

Growth Management impacts
N/A

Growth Management impacts
N/A

New Facility: No

Grant Recipient Organization: Various
RCW that establishes grant: N/A
Application process used
N/A

Growth Management impacts
N/A

Grant Recipient Organization: Various
RCW that establishes grant: 43.160
Application process used
N/A

Growth Management impacts
N/A

Grant Recipient Organization: Various

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000251

Project Title: Public Works Broadband

Description

RCW that establishes grant: 43.160

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Growth Management impacts

N/A

New Facility: No

Growth Management impacts

N/A

New Facility: No

Grant Recipient Organization: Various

RCW that establishes grant: 43.185

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.325

Application process used

The department will set up an advisory committee to assist with program design and selection of recipients.

Growth Management impacts

N/A

Growth Management impacts

N/A

New Facility: No

Growth Management impacts

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 91001157

Project Title: 2019 Local and Community Projects

Description

N/A

New Facility: No

Growth Management impacts

N/A

New Facility: No

Growth Management impacts

N/A

New Facility: No

Growth Management impacts

N/A

New Facility: No

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Growth Management impacts

N/A

New Facility: No

Growth Management impacts

N/A

New Facility: No

Growth Management impacts

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 91001675

Project Title: Substance Use Disorder Recovery Housing

Description

N/A

New Facility: No

Growth Management impacts

N/A

New Facility: No

Growth Management impacts

N/A

New Facility: No

Growth Management impacts

N/A

New Facility: No

Growth Management impacts

N/A

New Facility: No

Growth Management impacts

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New Facility: No

Growth Management impacts

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New Facility: No

Growth Management impacts

N/A

New Facility: No

Growth Management impacts

N/A

New Facility: No

Growth Management impacts

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 91001991

Project Title: Homeless Youth Facilities

Description

N/A

New Facility: No

Growth Management impacts

N/A

New Facility: No

Growth Management impacts

N/A

New Facility: No

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Growth Management impacts

N/A

New Facility: No

Growth Management impacts

N/A

New Facility: No

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 92000939

Project Title: Enhanced Shelter Capacity Grants

Description

N/A

Growth Management impacts

N/A

New Facility: No

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Growth Management impacts

N/A

New Facility: No

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Growth Management impacts

N/A

New Facility: No

Growth Management impacts

N/A

New Facility: No

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 92001178

Project Title: 2022 Broadband Office

Description

Growth Management impacts
 N/A

New Facility: No

Growth Management impacts
 N/A

New Facility: No

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2023-25 Fiscal Period | |
|-----------|----------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 001-2 | General Fund-Federal | 50,000,000 | | 6,000,000 | 44,000,000 | |
| 001-2 | General Fund-Federal | 28,552,000 | | 1,552,000 | 27,000,000 | |
| 001-2 | General Fund-Federal | 69,766,000 | | 871,000 | 68,895,000 | |
| 001-2 | General Fund-Federal | 25,000,000 | | 1,000 | 24,999,000 | |
| 001-2 | General Fund-Federal | 25,000,000 | | | 25,000,000 | |
| 001-H | General Fund | | | | | |

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 92001122

Project Title: Increasing Housing Inventory

| Funding | | Expenditures | | | 2023-25 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|-------------|
| Acct Code | Account Title | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 2,500,000 | | 2,000,000 | 500,000 | |
| 057-1 | State Bldg Constr-State | 5,801,000 | | 11,000 | 5,790,000 | |
| 057-1 | State Bldg Constr-State | 7,500,000 | | 2,500,000 | 5,000,000 | |
| 057-1 | State Bldg Constr-State | 128,919,000 | 118,639,000 | 4,280,000 | 6,000,000 | |
| 057-1 | State Bldg Constr-State | 1,809,000 | 1,785,000 | 24,000 | | |
| 057-1 | State Bldg Constr-State | 5,347,000 | 529,000 | 3,791,000 | 1,027,000 | |
| 057-1 | State Bldg Constr-State | 50,258,000 | | 1,287,000 | 48,971,000 | |
| 057-1 | State Bldg Constr-State | 31,585,000 | 30,585,000 | 190,000 | 810,000 | |
| 057-1 | State Bldg Constr-State | 14,450,000 | | 4,450,000 | 10,000,000 | |
| 057-1 | State Bldg Constr-State | 150,000 | | 150,000 | | |
| 057-1 | State Bldg Constr-State | 926,000 | | 26,000 | 900,000 | |
| 057-1 | State Bldg Constr-State | 12,795,000 | | 2,795,000 | 10,000,000 | |
| 057-1 | State Bldg Constr-State | 18,300,000 | | 4,600,000 | 13,700,000 | |
| 057-1 | State Bldg Constr-State | 5,000,000 | | | 5,000,000 | |
| 057-1 | State Bldg Constr-State | 12,586,000 | | 5,186,000 | 7,400,000 | |
| 057-1 | State Bldg Constr-State | 200,000 | | | 200,000 | |
| 057-1 | State Bldg Constr-State | 40,000 | | | 40,000 | |
| 057-1 | State Bldg Constr-State | 30,009,000 | 29,115,000 | 194,000 | 700,000 | |
| 057-1 | State Bldg Constr-State | 12,838,000 | 6,559,000 | 1,279,000 | 5,000,000 | |
| 057-1 | State Bldg Constr-State | 2,000,000 | 1,752,000 | 248,000 | | |
| 057-1 | State Bldg Constr-State | 1,578,000 | 703,000 | 390,000 | 485,000 | |
| 057-1 | State Bldg Constr-State | 50,000 | 20,000 | 30,000 | | |
| 057-1 | State Bldg Constr-State | 10,000,000 | | 10,000,000 | | |
| 057-1 | State Bldg Constr-State | 6,225,000 | | 1,225,000 | 5,000,000 | |
| 057-1 | State Bldg Constr-State | | | | | |
| 057-1 | State Bldg Constr-State | 1,089,000 | | 589,000 | 500,000 | |
| 057-1 | State Bldg Constr-State | 169,916,000 | | 59,916,000 | 110,000,000 | |
| 057-1 | State Bldg Constr-State | 33,597,000 | | 15,976,000 | 17,621,000 | |
| 057-1 | State Bldg Constr-State | 95,164,000 | | 11,164,000 | 84,000,000 | |
| 057-1 | State Bldg Constr-State | 90,138,000 | | 63,945,000 | 26,193,000 | |
| 057-1 | State Bldg Constr-State | 10,000,000 | | 7,524,000 | 2,476,000 | |
| 057-1 | State Bldg Constr-State | 16,604,000 | | 604,000 | 16,000,000 | |
| 057-1 | State Bldg Constr-State | 73,870,000 | | 1,309,000 | 72,561,000 | |
| 057-1 | State Bldg Constr-State | 9,957,000 | | 1,789,000 | 8,168,000 | |
| 057-1 | State Bldg Constr-State | 3,689,000 | | 689,000 | 3,000,000 | |
| 057-1 | State Bldg Constr-State | 30,146,000 | | 5,146,000 | 25,000,000 | |
| 057-1 | State Bldg Constr-State | 16,000,000 | | 6,000,000 | 10,000,000 | |
| 057-1 | State Bldg Constr-State | 53,318,000 | | 3,318,000 | 50,000,000 | |
| 057-1 | State Bldg Constr-State | 16,046,000 | | 46,000 | 16,000,000 | |
| 057-1 | State Bldg Constr-State | 21,000,000 | 20,250,000 | 750,000 | | |
| 057-1 | State Bldg Constr-State | 40,530,000 | 31,576,000 | 4,454,000 | 4,500,000 | |
| 057-1 | State Bldg Constr-State | 23,400,000 | 17,050,000 | 4,747,000 | 1,603,000 | |
| 057-1 | State Bldg Constr-State | 19,665,000 | 18,210,000 | 1,455,000 | | |
| 057-1 | State Bldg Constr-State | 10,746,000 | 8,983,000 | 536,000 | 1,227,000 | |
| 057-1 | State Bldg Constr-State | 21,131,000 | 13,385,000 | 6,261,000 | 1,485,000 | |
| 057-1 | State Bldg Constr-State | 6,907,000 | 3,754,000 | 3,153,000 | | |
| 057-1 | State Bldg Constr-State | 11,954,000 | 10,954,000 | 1,000,000 | | |

103 - Department of Commerce
 Capital Project Request

2023-25 Biennium

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 30000879

Project Title: Weatherization Plus Health Matchmaker Program

| Funding | | Expenditures | | | 2023-25 Fiscal Period | |
|------------------|---------------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| Acct Code | Account Title | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 18,500,000 | 18,278,000 | | 222,000 | |
| 057-1 | State Bldg Constr-State | 38,258,000 | 11,256,000 | 10,351,000 | 16,651,000 | |
| 057-1 | State Bldg Constr-State | 27,263,000 | 25,379,000 | 1,884,000 | | |
| 057-1 | State Bldg Constr-State | 130,220,000 | 89,324,000 | 15,896,000 | 25,000,000 | |
| 057-1 | State Bldg Constr-State | 5,500,000 | 3,523,000 | 1,184,000 | 793,000 | |
| 057-1 | State Bldg Constr-State | 15,534,000 | 14,500,000 | 57,000 | 977,000 | |
| 057-1 | State Bldg Constr-State | 83,099,000 | 61,945,000 | 4,154,000 | 17,000,000 | |
| 057-1 | State Bldg Constr-State | 40,084,000 | 21,186,000 | 9,542,000 | 9,356,000 | |
| 057-1 | State Bldg Constr-State | 10,324,000 | 7,241,000 | 2,183,000 | 900,000 | |
| 057-1 | State Bldg Constr-State | 36,785,000 | 17,729,000 | 5,056,000 | 14,000,000 | |
| 057-1 | State Bldg Constr-State | 9,362,000 | 2,228,000 | 4,634,000 | 2,500,000 | |
| 057-1 | State Bldg Constr-State | 5,880,000 | 1,662,000 | 718,000 | 3,500,000 | |
| 057-1 | State Bldg Constr-State | 21,300,000 | 1,176,000 | 10,203,000 | 9,921,000 | |
| 057-1 | State Bldg Constr-State | 20,000,000 | 12,064,000 | 7,936,000 | | |
| 057-1 | State Bldg Constr-State | 12,500,000 | 4,816,000 | 1,430,000 | 6,254,000 | |
| 057-1 | State Bldg Constr-State | 125,151,000 | 44,897,000 | 50,254,000 | 30,000,000 | |
| 057-1 | State Bldg Constr-State | 167,207,000 | 77,600,000 | 49,607,000 | 40,000,000 | |
| 057-1 | State Bldg Constr-State | 2,000,000 | 28,000 | 1,372,000 | 600,000 | |
| 057-1 | State Bldg Constr-State | 32,672,000 | 13,056,000 | 8,616,000 | 11,000,000 | |
| 057-1 | State Bldg Constr-State | 1,125,000 | 19,000 | 806,000 | 300,000 | |
| 058-1 | Public Works Assist-State | 32,158,000 | 31,343,000 | 275,000 | 540,000 | |
| 058-1 | Public Works Assist-State | 3,450,000 | | | 3,450,000 | |
| 058-1 | Public Works Assist-State | 93,578,000 | 46,258,000 | 28,320,000 | 19,000,000 | |
| 058-1 | Public Works Assist-State | 249,000,000 | | 23,000,000 | 226,000,000 | |
| 058-1 | Public Works Assist-State | 1,422,000 | 543,000 | 829,000 | 50,000 | |
| 058-1 | Public Works Assist-State | 747,000 | | 262,000 | 485,000 | |
| 15P-1 | Energy Recovery-State | 50,000 | 50,000 | | | |
| 19G-1 | ELS Account-State | 499,000 | 499,000 | | | |
| 22C-1 | Early Lrng Fac Rev-State | 7,500,000 | | 4,500,000 | 3,000,000 | |
| 22C-1 | Early Lrng Fac Rev-State | 22,248,000 | 4,577,000 | 7,671,000 | 10,000,000 | |
| 22C-1 | Early Lrng Fac Rev-State | 10,961,000 | 7,899,000 | 2,262,000 | 800,000 | |
| 22C-B | Early Lrng Fac Rev-Debt Limit | | | | | |
| 22D-1 | Early Lrng Fac Devel-State | 4,504,000 | 3,505,000 | 849,000 | 150,000 | |
| 22D-1 | Early Lrng Fac Devel-State | 3,410,000 | 1,571,000 | 1,239,000 | 600,000 | |
| 22D-1 | Early Lrng Fac Devel-State | 23,911,000 | | 5,911,000 | 18,000,000 | |
| 22D-1 | Early Lrng Fac Devel-State | 4,719,000 | | 2,719,000 | 2,000,000 | |
| 22D-B | Early Lrng Fac Devel-Debt Limit | | | | | |
| 22M-1 | Energy Efficncy Acct-State | 5,500,000 | 180,000 | 1,308,000 | 4,012,000 | |
| 22M-1 | Energy Efficncy Acct-State | 5,500,000 | 2,125,000 | 1,802,000 | 1,573,000 | |
| 23J-1 | SW Broadband Account-State | 21,550,000 | 1,164,000 | 3,386,000 | 17,000,000 | |
| 23J-1 | SW Broadband Account-State | 14,000,000 | | | 14,000,000 | |
| 26U-1 | Apple Hlth Homes Acc-State | 60,000,000 | | 20,011,000 | 39,989,000 | |

103 - Department of Commerce
 Capital Project Request

2023-25 Biennium

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000260

Project Title: 2022 Rapid Capital Housing

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2023-25 Fiscal Period | |
|-----------|-----------------------------------|-----------------|----------------|------------------|-----------------------|-------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 26V-1 | Capital Comm Asst Ac-State | 240,000,000 | | 160,722,000 | | 79,278,000 |
| 26V-1 | Capital Comm Asst Ac-State | 26,323,000 | | 1,323,000 | | 25,000,000 |
| 26V-1 | Capital Comm Asst Ac-State | 110,950,000 | | 28,482,000 | | 82,468,000 |
| 26V-1 | Capital Comm Asst Ac-State | 10,000,000 | | 59,000 | | 9,941,000 |
| 26V-1 | Capital Comm Asst Ac-State | 40,000,000 | | 5,000,000 | | 35,000,000 |
| 26V-1 | Capital Comm Asst Ac-State | 30,000,000 | | 2,000,000 | | 28,000,000 |
| 26V-1 | Capital Comm Asst Ac-State | 2,000,000 | | 500,000 | | 1,500,000 |
| 26V-1 | Capital Comm Asst Ac-State | 25,832,000 | | 3,332,000 | | 22,500,000 |
| 26V-1 | Capital Comm Asst Ac-State | 14,895,000 | | 9,779,000 | | 5,116,000 |
| 26V-1 | Capital Comm Asst Ac-State | 72,000,000 | | 5,000,000 | | 67,000,000 |
| 27A-1 | Ener Eff Rev Ln Cap-State | 1,869,000 | | | | 1,869,000 |
| 355-1 | St. Bld Const Acct-State | 300,000 | | 200,000 | | 100,000 |
| 355-1 | St. Bld Const Acct-State | 150,000 | | | | 150,000 |
| 355-1 | St. Bld Const Acct-State | 15,000,000 | | 15,000,000 | | |
| 355-1 | St. Bld Const Acct-State | 1,165,000 | | 1,165,000 | | |
| 355-1 | St. Bld Const Acct-State | 2,500,000 | | 90,000 | | 2,410,000 |
| 355-1 | St. Bld Const Acct-State | 69,847,000 | | 15,629,000 | | 54,218,000 |
| 355-1 | St. Bld Const Acct-State | 5,000,000 | | 44,000 | | 4,956,000 |
| 355-1 | St. Bld Const Acct-State | 5,000,000 | | 5,000,000 | | |
| 355-1 | St. Bld Const Acct-State | 14,944,000 | 14,944,000 | | | |
| 355-1 | St. Bld Const Acct-State | 27,050,000 | 27,050,000 | | | |
| 355-1 | St. Bld Const Acct-State | 10,000,000 | 3,767,000 | 3,333,000 | | 2,900,000 |
| 355-1 | St. Bld Const Acct-State | 1,000,000 | 1,000,000 | | | |
| 355-1 | St. Bld Const Acct-State | 175,000 | | 125,000 | | 50,000 |
| 355-1 | St. Bld Const Acct-State | 5,000,000 | 42,000 | 1,293,000 | | 3,665,000 |
| 355-1 | St. Bld Const Acct-State | 11,300,000 | 119,000 | 11,121,000 | | 60,000 |
| 355-1 | St. Bld Const Acct-State | 19,000,000 | 11,377,000 | 4,623,000 | | 3,000,000 |
| 355-1 | St. Bld Const Acct-State | 132,666,000 | 29,917,000 | 89,190,000 | | 13,559,000 |
| 355-1 | St. Bld Const Acct-State | 127,000 | 127,000 | | | |
| 355-1 | St. Bld Const Acct-State | 1,508,000 | 1,132,000 | 376,000 | | |
| 355-1 | St. Bld Const Acct-State | 77,220,000 | 42,669,000 | 12,551,000 | | 22,000,000 |
| 355-1 | St. Bld Const Acct-State | 83,500,000 | 62,535,000 | 10,482,000 | | 10,483,000 |
| 355-1 | St. Bld Const Acct-State | 90,424,000 | 75,508,000 | 7,458,000 | | 7,458,000 |
| 355-1 | St. Bld Const Acct-State | 17,000,000 | 14,003,000 | 717,000 | | 2,280,000 |
| 355-1 | St. Bld Const Acct-State | 5,000,000 | 5,000,000 | | | |
| 355-B | St. Bld Const Acct-Debt Limit | | | | | |
| 355-B | St. Bld Const Acct-Debt Limit | | | | | |
| 373-2 | Corona Cap Proj Acct-Federal | | | | | |
| 373-8 | Corona Cap Proj Acct-Federal Stim | 124,749,000 | | 1,200,000 | | 123,549,000 |
| 373-8 | Corona Cap Proj Acct-Federal Stim | 25,000,000 | | 20,000 | | 24,980,000 |
| 373-8 | Corona Cap Proj Acct-Federal Stim | 46,000,000 | | 25,000 | | 45,975,000 |
| 532-1 | Wa Housing Trst Fd-State | 47,441,000 | | 43,676,000 | | 3,765,000 |
| 532-1 | Wa Housing Trst Fd-State | 3,000,000 | 3,000,000 | | | |
| 532-1 | Wa Housing Trst Fd-State | 7,182,000 | 7,182,000 | | | |
| 532-1 | Wa Housing Trst Fd-State | 1,900,000 | 1,900,000 | | | |
| 689-1 | Rural WA Loan Acct-State | 6,750,000 | 6,133,000 | 317,000 | | 300,000 |
| 689-1 | Rural WA Loan Acct-State | 903,000 | | | | 903,000 |

103 - Department of Commerce
 Capital Project Request

2023-25 Biennium

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000222

Project Title: 2021-23 Rapid Capital Housing Acquisition

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2023-25 Fiscal Period | |
|--------------|-----------------------------------|----------------------|----------------------|----------------------|-----------------------|-------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 706-2 | Coro St Fisc Reco Fd-Federal | 6,565,000 | | 1,313,000 | 5,252,000 | |
| 706-2 | Coro St Fisc Reco Fd-Federal | 73,606,000 | | 43,680,000 | 29,926,000 | |
| 706-2 | Coro St Fisc Reco Fd-Federal | | | | | |
| 706-8 | Coro St Fisc Reco Fd-Federal Stim | 8,500,000 | | | 8,500,000 | |
| 706-8 | Coro St Fisc Reco Fd-Federal Stim | 97,926,000 | | 12,926,000 | 85,000,000 | |
| 706-8 | Coro St Fisc Reco Fd-Federal Stim | 27,000,000 | | 7,000,000 | 20,000,000 | |
| 706-8 | Coro St Fisc Reco Fd-Federal Stim | 150,996,000 | | 15,356,000 | 135,640,000 | |
| 706-8 | Coro St Fisc Reco Fd-Federal Stim | 22,532,000 | | 22,532,000 | | |
| 887-1 | Pub Facil Const Ln-State | 10,000,000 | | | 10,000,000 | |
| 887-1 | Pub Facil Const Ln-State | 6,609,000 | 6,512,000 | | 97,000 | |
| 887-1 | Pub Facil Const Ln-State | 10,600,000 | 10,600,000 | | | |
| 887-1 | Pub Facil Const Ln-State | 13,020,000 | 5,246,000 | | 7,774,000 | |
| 887-1 | Pub Facil Const Ln-State | 18,600,000 | | | 18,600,000 | |
| Total | | 4,579,146,000 | 1,171,233,000 | 1,086,317,000 | 2,321,596,000 | 0 |

| | | Future Fiscal Periods | | | |
|-------|----------------------|-----------------------|---------|---------|---------|
| | | 2025-27 | 2027-29 | 2029-31 | 2031-33 |
| 001-2 | General Fund-Federal | | | | |
| 001-2 | General Fund-Federal | | | | |
| 001-2 | General Fund-Federal | | | | |
| 001-2 | General Fund-Federal | | | | |
| 001-2 | General Fund-Federal | | | | |
| 001-H | General Fund | | | | |

103 - Department of Commerce
Capital Project Request

2023-25 Biennium

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000153

Project Title: 2021-23 Housing Trust Fund Investment in Affordable Housing

Funding

| | | Future Fiscal Periods | | | |
|-------|---------------------------------|-----------------------|---------|---------|---------|
| | | 2025-27 | 2027-29 | 2029-31 | 2031-33 |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| 058-1 | Public Works Assist-State | | | | |
| 058-1 | Public Works Assist-State | | | | |
| 058-1 | Public Works Assist-State | | | | |
| 058-1 | Public Works Assist-State | | | | |
| 058-1 | Public Works Assist-State | | | | |
| 058-1 | Public Works Assist-State | | | | |
| 15P-1 | Energy Recovery-State | | | | |
| 19G-1 | ELS Account-State | | | | |
| 22C-1 | Early Lrng Fac Rev-State | | | | |
| 22C-1 | Early Lrng Fac Rev-State | | | | |
| 22C-1 | Early Lrng Fac Rev-State | | | | |
| 22C-B | Early Lrng Fac Rev-Debt Limit | | | | |
| 22D-1 | Early Lrng Fac Devel-State | | | | |
| 22D-1 | Early Lrng Fac Devel-State | | | | |
| 22D-1 | Early Lrng Fac Devel-State | | | | |
| 22D-1 | Early Lrng Fac Devel-State | | | | |
| 22D-B | Early Lrng Fac Devel-Debt Limit | | | | |
| 22M-1 | Energy Efficncy Acct-State | | | | |
| 22M-1 | Energy Efficncy Acct-State | | | | |

103 - Department of Commerce
 Capital Project Request

2023-25 Biennium

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 91000943

Project Title: CERB Administered Broadband Infrastructure

Funding

| | | Future Fiscal Periods | | | |
|--------------|-----------------------------------|-----------------------|----------|----------|----------|
| | | 2025-27 | 2027-29 | 2029-31 | 2031-33 |
| 373-8 | Corona Cap Proj Acct-Federal Stim | | | | |
| 373-8 | Corona Cap Proj Acct-Federal Stim | | | | |
| 373-8 | Corona Cap Proj Acct-Federal Stim | | | | |
| 532-1 | Wa Housing Trst Fd-State | | | | |
| 532-1 | Wa Housing Trst Fd-State | | | | |
| 532-1 | Wa Housing Trst Fd-State | | | | |
| 532-1 | Wa Housing Trst Fd-State | | | | |
| 689-1 | Rural WA Loan Acct-State | | | | |
| 689-1 | Rural WA Loan Acct-State | | | | |
| 706-2 | Coro St Fisc Reco Fd-Federal | | | | |
| 706-2 | Coro St Fisc Reco Fd-Federal | | | | |
| 706-2 | Coro St Fisc Reco Fd-Federal | | | | |
| 706-8 | Coro St Fisc Reco Fd-Federal Stim | | | | |
| 706-8 | Coro St Fisc Reco Fd-Federal Stim | | | | |
| 706-8 | Coro St Fisc Reco Fd-Federal Stim | | | | |
| 706-8 | Coro St Fisc Reco Fd-Federal Stim | | | | |
| 706-8 | Coro St Fisc Reco Fd-Federal Stim | | | | |
| 887-1 | Pub Facil Const Ln-State | | | | |
| 887-1 | Pub Facil Const Ln-State | | | | |
| 887-1 | Pub Facil Const Ln-State | | | | |
| 887-1 | Pub Facil Const Ln-State | | | | |
| 887-1 | Pub Facil Const Ln-State | | | | |
| Total | | 0 | 0 | 0 | 0 |

Operating Impacts

**103 - Department of Commerce
Capital Project Request**

2023-25 Biennium

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 40000041

Project Title: 2019-21 Youth Recreational Facilities Grant Program

Operating Impacts

- No Operating Impact
- No Operating Impact
- No Operating Impact
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103 - Department of Commerce
Capital Project Request

2023-25 Biennium

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 91000943

Project Title: CERB Administered Broadband Infrastructure

Operating Impacts

- No Operating Impact
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103 - Department of Commerce
Capital Project Request

2023-25 Biennium

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Version: 01 23-25 Capital Budget Request

Report Number: CBS002

Date Run: 9/24/2022 9:56AM

Project Number: 92001179

Project Title: Energy Efficiency Revolving Loan Fund Capitalization Program

Operating Impacts

No Operating Impact

No Operating Impact

Narrative

None

Narrative

None

Capital Project Request

2023-25 Biennium

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| <u>Parameter</u> | <u>Entered As</u> | <u>Interpreted As</u> |
|------------------------|-------------------------------------|-------------------------------------|
| Biennium | 2023-25 | 2023-25 |
| Agency | 103 | 103 |
| Version | 01-A | 01-A |
| Project Classification | * | All Project Classifications |
| Capital Project Number | 30000097, 30000184, 30000726, 30000 | 30000097, 30000184, 30000726, 30000 |
| Sort Order | Project Priority | Priority |
| Include Page Numbers | Y | Yes |
| For Word or Excel | N | N |
| User Group | Agency Budget | Agency Budget |
| User Id | * | All User Ids |

**Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan**

Section 1

| | |
|--------------------|---|
| Proposed Title: | Increase the Affordable Housing Supply |
| Project Class/Type | Grants/Loan |
| Agency Activity: | A159 Affordable Housing Development |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|-------------|
| Starting Year: | FY24 |
|----------------|-------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

The affordable housing crisis impacts every community in our state. The public sector must make major investments in the housing system to address this crisis and prevent homelessness among those at highest risk. The Department of Commerce requests a new appropriation of \$400 million from several potential capital accounts to address the pipeline of affordable housing projects ready to be developed by nonprofits, tribal governments and public housing agencies. This comprehensive funding package enables the state to leverage maximum investment from federal, local and private sources.

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

The state continues to look for solutions to invest in the housing ecosystem and increase supply in holistic ways by focusing on local planning and regulatory environments, making strategic investments and creating new pathways and incentives to increase housing development. Unfortunately, the private housing market will not develop units for the most vulnerable, those at the highest risk for homelessness. The state created the Housing Trust Fund (HTF) in 1986 and since then it has served as the cornerstone of this system. With each capital budget appropriation, local plans and development priorities shift based on the availability of resources. This elevates the importance of this capital appropriation process, and the following investments reflect what stakeholders and public funders are identifying as the highest and best use of these resources.

Commerce primarily recognizes these housing investments must be pro-equity to address the disparities in homelessness and housing burden experienced by historically marginalized populations. The Department has conducted a comprehensive equity study and is in alignment with other public funders around the need to serve these populations while investing in new affordable housing projects. There have also been disruptions to the affordable housing pipeline caused by COVID 19, emergency measures for rapid housing and inflationary increases in existing projects that have increased the pressure on the pipeline.

Therefore, the Department of Commerce requests a new appropriation of \$400 million from several potential capital accounts from the State Taxable Building Construction Account (Fund 355), State Building Construction Account (Fund 057), and Coronavirus State Fiscal Recovery Funds. This comprehensive funding package enables the state to align funding to maximize local resources and address the most acute needs, and represents:

A. \$200 million - NEW development of multifamily/rental housing, including a 20% target for By and For; (Approximately 2,200 New Units)

- B. \$100 million – Acquisition, Rehab and New Construction for Rapid Permanent Supportive Housing (PSH) for Apple Health and Home (AHAH) (per HB 1866), including a 10% target for By and For; (Approximately 750 New Units)
- C. \$50 million - Homeownership opportunities, including a 50% target for BIPOC households to address the Disparities Work Group’s recommendations; (Approximately 750 New Units)
- D. \$50 million – Housing preservation for HTF portfolio preservation, continuing affordability, and other preservation projects across the state (Approximately 1,650 Preserved Units)

These cornerstone investments will lay the foundation and create the infrastructure needed to build permanent housing that advances justice and healthcare in sustainable ways. Of the 5,350 units impacted by this investment, Commerce estimates These include:

A. \$200 million for Multifamily Housing Development (20% Target for By and For Organizations)

Housing Development happens within a comprehensive financial system, and the state maximizes investments into this critical infrastructure when it can support local priorities and initiatives. There is an effective mechanism used by ten public funders (the Combined Funders Application) that economizes housing developer efforts and produces the maximum housing. HTF needs a steady stream of investment to set up annual practices that effectively move projects through the housing pipeline. In September 2022, the state received proposals for over 60 projects requesting over \$270 million in critical gap funds. The production of new housing takes time, but there is no more effective mechanism to programmatically deliver the state’s highest quality affordable housing and expand energy-efficient, sustainable homes to vulnerable residents.

The demand for this housing is evident. Communities are now using sales tax revenue generated by the 2019 Encouraging Investments in Affordable and Supportive Housing Act. These are now generating nearly \$50 million in annual revenue annually to support projects, but these funds are insufficient for local government to self-fund a project. To achieve a distribution of resources that support a broad array of critical social benefits, HTF allocates resources to pair with other funders, but also steps in to meet critical unmet needs in communities without resources. Based on 2021 application data and stakeholder input, HTF anticipates demand for these resources to be at least two times this request:

- Low-Income Housing Tax Credit Program (4%, 9%) - \$200 million+ (2021 Applicants requested \$193 million in Funds)
- Rural and Small Community Projects (Non-Tax Credit)- \$80 million+ (2021 Applicants requested \$78 million)
- Transit Oriented Development - \$30-50 million
- Recovery and Transitional Housing - \$20-30 million
- Persons with Intellectual and/or Developmental Disabilities - \$10-20 million
- Farmworker Housing - \$10-20 million

These investments alone are not satisfactory to meet the needs but they can utilize local planning and capacity in the system to address urgent issues. There are great examples of multisectoral approaches to addressing these needs, and a few highlights of these partnerships include:

- Sound Transit’s contribution of publicly owned lands to generate Transit Oriented Development;
- Department of Social and Health Services (DSHS)’s efforts to increase housing for persons with Developmental Disabilities led to the transfer of \$16 million in funds in the Dan Thompson Account for the HTF to manage in 2022;
- The legislature, Department of Children, Youth and Families (DCYF) and homeless advocates seek housing options for transitional youth and support replication of the Rising Strong project in eastern Washington;

- The Health Care Authority (HCA) funded a Supportive Housing Institute to help nonprofits design and develop housing options for individuals with Substance Use Disorders.

Commerce generally prioritizes new construction as it leads to net creation of units and offers the best, long-term quality. The need is evident in every community and the state can make an impact in expanding housing supply by investing in affordable housing.

The 20% target for by and for organizations is a recognition of the department's commitment to empowering communities to address historic disparities created by racist policies. Washington state can lead the way in remedying historic disparities with efforts to invest in projects serving the population and controlled by Black, Indigenous and Persons of Color (BIPOC) organizations. The corrective investments, as called for in the agency's Capital Equity Analysis conducted in 2021-22, would set aside funds to ensure qualifying organizations gain access to resources to create and own multifamily housing projects eligible through the HTF. Commerce will work with stakeholders to develop definitions for what organizations will qualify with increasing sensitivity to tribal governments and organizations not receiving capital investments previously.

Commerce estimates approximately 2,200 will be created with this funding allocation. Average costs for Traditional funding is highly variable due to volatile construction costs, availability of leverage funding and type of final housing selected. This estimate used the recent per unit average of approximately \$88,000. At least 400 of these will be owned by BIPOC organizations.

B. \$100 million – Acquisition, Rehab and New Construction for Rapid Permanent Supportive Housing (PSH) for Apple Health and Home (AHAH) (per HB 1866), including a min. 10% target for By and For;

Housing is Health Care. In 2022, Apple Health and Homes codifies that medical providers need the ability to refer persons to housing, and the state's nation-leading Foundational Community Supports needs to be more highly utilized to deal with those experiencing chronic homelessness. Investments in housing reduce the state's reliance on other costly systems, and a substantial investment in the Rapid PSH Program will be vital to administering and expanding the statewide capacity for housing coupled with services.

There is an existing gap of affordable permanent supportive housing of over 17,000 units, and utilizing Rapid PSH to acquire or develop new housing will maximize other resources to create local, permanent solutions. Addressing the existing gap will best position the state and our healthcare providers to address future demand and produce improved public health outcomes, as well as increasing effective hospital capacity by allowing more patients to be successfully discharged from treatment into stable housing.

At this time, the department is not requesting a new appropriation for the Rapid Capital Housing Acquisition (RCHA) program created in the 2021-23 capital budget bill. At the time of writing this DP, the department still has a minimum of \$80 million in RCHA scheduled for released in the winter, and another \$60 million in Rapid PSH/AHAH capital funds scheduled for release in early in 2023. Meanwhile, we received \$237 million in funding requests in the "Traditional" round in 2022, and had less than \$50M available to allocate. In 2021, developers requested \$271 million in funding with only \$125 million to award. Meanwhile inflationary costs are driving gaps in previously funded projects and other capital resources are not increasing to meet this demand.

Commerce estimates approximately 750 units can be created with this funding allocation. Average costs for Rapid projects vary substantially, so it is not possible to provide a firm estimate. In 2021, these averaged \$125,000 per unit, and with the new program in the design phase, it's not possible to estimate. \$129,000 per unit is used for this estimate.

C. \$50 million - Homeownership opportunities, including a 50% target for BIPOC to address the Disparities Work Group's recommendations;

The \$50 million investment will be used to enact three (3) of the recommendations in the Reducing the Homeownership Gap for Black, Indigenous, and People of Color in Washington report, to help address the lack of affordable homeownership supply:

- Increase state funding for affordable homeownership programs,
- Increase funding available for direct assistance to homebuyers and homeowners, and
- Increase the per-household funding limits in order to make the current programs more flexible.

The Homeownership Program provides funding assistance to low-income first-time homebuyers. Assistance may include but is not limited to: down payment and closing costs assistance, community land trust models, sweat-equity models, funding for new construction, acquisition, and/or rehabilitation, manufactured home community models, homeowner co-operative models, etc.

In addition, a minimum of 50% of the resources will be awarded to organizations targeting populations with documented homeownership disparities (particularly Black, Indigenous and Latinx), as identified in the Homeownership Disparities Work Group report (to be released to the Legislature and public shortly).

The State's investment will be used, in part, to support the [\\$1.95M investment by JP Mortgage Chase](#) for down payment assistance in Shoreline, Seattle, and areas identified as low-to-moderate income census tracts. These funds will also leverage Housing and Urban Development's (HUD) [cooperative housing, Section 213, program](#), as well as other federal, local, and private funders' programs.

The homes created through this funding will be held by households with incomes below 80% of the area median income adjusted to household size and have affordability covenants placed on the property ensuring affordability for 25 years or more.

The department estimates at least 750 homeownership units, based on a \$65,000 per unit cost, will be produced through this funding.

D. \$50 million – Housing preservation for HTF portfolio preservation, continuing affordability, and other preservation projects across the state

Housing Quality Matters. Washington state has invested over \$1.5 billion in a housing stock that requires updates and upgrades since being placed in service in the 1990's-2000's. There are issues of deferred maintenance across the portfolio and an inability to self-finance the repairs. Furthermore, there are properties in rural Washington with old USDA contracts that are at risk of losing affordability. This allocation will be distributed through both the Housing Portfolio Preservation (\$40 million) and the Continuing Affordability Program (\$10 million) so that critical investments can be maintained across the state.

The department estimates nearly 1,500 apartments will receive capital upgrades in health and safety items through the Portfolio Preservation funding. Approximately 150 units will also be preserved through the Continuing Affordability program.

Administration: Commerce is requesting 3% of the capital funding be available for administration for the Housing Development activities. This is cited in the Agency Request for Legislation.

In conclusion, the state's investments in the HTF are highly effective at leveraging other public and private investments and protecting the health and safety of vulnerable individuals. Over the past five (5) years, the HTF has leveraged an average of more than \$5 for every \$1 state dollar invested. Construction activity and resulting projects generate substantial social and economic benefits for local communities. Upon financial close, new construction of large-scale affordable housing takes approximately 12-14 months, on average, from beginning construction to individuals taking up residence. These investments put millions of dollars into the local economy, providing exponential impacts to local businesses. More rapid procurement activities piloted with the Rapid Capital Housing Acquisition program will be utilized to obtain or develop quality Permanent Supportive Housing in areas of high need.

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify underserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

Washington State is experiencing an affordable housing crisis and the negative economic impacts of the global response to COVID-19. Many different factors have made access to affordable housing more difficult for low-income households including:

- Lack of a broad array of housing inventory,
- Changing business models due to virus impacts
- Reduced or eliminated work,
- Changing housing needs due to work from home orders,
- Stagnant wages,
- High rates in the rental market, driven, in part, by the historic lack of housing production and steadily increasing state population.
- Increasing costs to purchase a home
- Rising utility costs.

This puts many people at risk of homelessness. Capital investments in affordable housing are proven to help protect vulnerable households and house people affected by homelessness and provide much-needed stability to them, so that they can become productive members of their communities and safely live in a home. Housing construction projects are also proven to support local businesses, create jobs, and generate state and local revenues.

The 2021 Legislature tasked the Department of Commerce with convening a diverse homeownership-focused workgroup to “assess perspectives on housing and lending laws, policies, and practices; facilitate discussion among interested parties; and develop budgetary, administrative policy, and legislative recommendations.” The Homeownership Disparities Work Group identified 12 ready and actionable items the state of Washington can undertake to begin to bridge the 143,000 homeownership gap between BIPOC and white households. The detailed report is available on Commerce’s website: Reducing the Homeownership Gap for Black, Indigenous, and People of Color in Washington. The \$50 million investment in homeownership will solidly put the state of Washington on the path to remedying the myriad of institutionally racist policies that have so terribly impacted the BIPOC community.

By investing in a broad array of housing options: multifamily housing, permanent supportive housing, shelters, and homeownership opportunities, Washington will nurture a healthy housing ecosystem that enables housing choice.

1. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

Affordable Housing Programs invest in capital projects that construct or rehabilitate existing buildings to create affordable housing units. A typical HTF Program project starts construction within 6 to 12 months from an award. The nature of the HTF program is that Commerce allocates funding after competitive funding rounds, and those projects get under construction when full funding is available. Direct Appropriations tend to take longer to get to completion because designs and funding are typically not ready at the time of award. Rapid PSH processes and other funding cycles have begun to make these rounds continuous, and sometimes not align with other local and state funders. In 2023-25, Commerce will strive to reduce the time between application due dates and contracting by working on aligning funding decisions with state funding partners.

2. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

Capital investments in affordable housing development reduce our state's affordable housing gap, reduce homelessness, create living wage jobs, and generate revenues for local communities. The construction and rehabilitation of affordable housing projects benefits the construction industry, and the availability of affordable housing helps attract businesses to project areas, resulting in additional job creation and thriving communities. Access to stable, affordable housing will improve overall job stability, increase educational attainment, and reduce health problems in communities that have been historically disadvantaged.

Failing to invest in housing across the spectrum, shelters to homeownership opportunities, will exacerbate the State's existing housing shortage which will cause prices for housing to continue to rise due to market demand. The result of this will be increased homelessness and longer waiting periods for people exiting homelessness, hospitalization, and incarceration. Failing to invest in homeownership opportunities will cause the flow of people through the housing spectrum to stall as pricing continues to keep households from entering the housing market. This pressure will have a disproportionately large impact on BIPOC communities who are already disproportionately impacted by wage disparities and housing challenges due to our country's history of institutionalized racism.

Failing to address these problems means more than ignoring historic racism and its impacts; it means perpetuating that racism and reinforcing it as an institutionalized norm.

3. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

Rapid Capital Housing Acquisition produces shelter more quickly but does not expand housing availability overall. It transfers properties from other productive uses and moves it into transitional or emergency shelters.

Unless set up as permanent housing, hotels and motels serve well as transitional settings, respite care or other intents and purposes. These are more costly models to operate and require significant capital expenditures later. These are important immediate remedies, but the systemic fix requires new housing production. In Rapid, the state paid for a majority of the capital expenditure, and long-term commitments will be borne by both local and state taxpayers. Setting up projects well in the near term with high-quality housing means lower costs over time. In addition, the department leverages public and private investment of over \$5 for every \$1 state investment through traditional competition (versus. \$0.80 for every \$1 in Rapid). These properties are also built in desirable, transit-oriented, service-rich environments.

The two barriers that prevent BIPOC communities from becoming homeowners are lack of housing inventory (supply) and lack resources (financial and technical) to aid in the purchasing process. There are limited federal resources available for construction to increase supply as well as financial and technical assistance to purchase the homes. Some local governments and tribal nations have resources to assist in the creation of homes as well as the purchase of homes within their jurisdiction. A few businesses have created investment funds to leverage public resources ([JP Mortgage Chase](#), [Microsoft – Shelter](#), affordable housing, and homeownership). The foundational element that all these resources require is additional investment by the state in order to realize the housing opportunities possible.

4. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

This appropriation will create approximately 5,000 units of affordable housing statewide for low-income households and people with special needs. Housing investments impact neighborhoods and local communities, and with nearly 200 projects, the appropriation will impact that many communities. Projects will be built to the Evergreen Sustainable Development Standard, which requires resource efficiency be incorporated into design, construction, and operations. Once homes are occupied, they will continue to benefit the community through ongoing local economic activity, neighborhood stabilization, and reduced demand for health care and other costly emergency services.

Fulfillment of this request will have ancillary, secondary, and tertiary impacts.

Ancillary impacts: unsheltered people will become housed; households will become homeowners
Secondary impacts: existing housing units will become available at a minimum of a 1:1 ratio as renters become homeowners and their prior rental housing becomes available for a new family. Cities and counties will benefit with increased housing options and the judicious use of limited land resources.
Tertiary impacts: wealth building opportunities resulting from housing stabilization. Homeownership is a proven wealth building pathway out of generational poverty. Having income appropriate rental housing is a proven way to stabilize households so as to allow space to concentrate on health issues, educational opportunities, and job development.

5. Does this project or program leverage non-state funding? If yes, how much by what fund source, and could the request result in matching federal, state, local, or private funds?

Historically, the HTF Program has funded approximately 20-25% of the project costs on average. The remaining funding comes from local (city/county), federal, and private investments. However, due to the extreme pressure on local economies resulting from COVID-19, particularly in rural and small communities, HTF staff anticipate many local traditional funding sources may not be readily available and may require the state to make up a more significant percentage of the project's total development cost.

At a minimum, the homeownership funding will be used, in part, to leverage existing local government, federal, and private investment resources such as the federal USDA-RD, HOME and other programs, housing tax revenues generated at the local government level, and the JP Morgan Chase and Microsoft initiatives, as well as a broad array of Community Development Finance Institutions (CDFI).

6. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

These projects support the Governor's Results Washington Goals:

- **Healthy and Safe Communities** by helping the most vulnerable people become independent and self-sufficient. These projects improve health care outcomes by increasing capacity of care for individuals with special needs and allowing community health care providers to discharge patients into safe and healthy homes.
- **Prosperous Economy** affordable housing also promotes generating quality jobs and creating vibrant communities. This package will have a significant impact on priorities of Justice and Safety, Economic Recovery, and ancillary benefits on Health Care and Climate and Clean Energy.

This request supports the department's goal:

- Reduce Homelessness and Expand Housing Inventory;

And supports six of the agency's strategic objectives:

Objective: Understand the needs and challenges affecting their access to resources through deep community engagement and outreach.

Objective: Consult with community partners on our data and data-informed decisions.

Objective: Dismantle barriers to access and provide support so that communities across the state are positioned to access resources.

Objective: Build systems that enable data-informed decision-making to improve equity.

Objective: Establish internal (real time) information sharing that enables collaboration across the agency.

Objective: Provide (proactive) technical assistance and help build capacity in organizations with trusted messengers.

7. For IT-related costs:

- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service?
- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.)
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121](#).)

None.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

8. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

Not applicable.

9. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

The current HTF building standards exceed current building code energy efficiency standards. The depth and breadth of this investment will be determined in consultation with affordable housing advocacy organizations and sustainable design industry experts.

10. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

The proposed investments in housing are directly informed by both the comprehensive equity study conducted by Commerce on historic housing investments through the HTF and by the ***Reducing the Homeownership Gap for Black, Indigenous, and People of Color in Washington*** report available on Commerce's website. The Homeownership Disparities Work Group identified 12 ready and actionable items the state of Washington can undertake to begin to bridge the 143,000 homeownership gap between BIPOC and white households. The \$50M investment in homeownership will solidly put the state of Washington on the path to remedying the myriad of institutionally racist policies that have so terribly impacted the BIPOC community.

Commerce recommends a comprehensive funding package that enables the state to leverage maximum investment from federal, local and private sources. The housing investment must be pro-equity to address the disparities in homelessness and housing burden experienced by historically marginalized populations.

This proposal represents a 20% direct investment in By and For organizations to increase housing ownership among these communities disparately impacted by historic policies. HTF projects serve vulnerable populations with higher percentages of BIPOC than in the general population and prioritize empowerment opportunities, service rich resources for all low income residents.

11. Is there additional information you would like decision makers to know when evaluating this request?

None.

RCW that establishes grant (if applicable): RCW 43.185 and 43.185A

Application process used (grants; if applicable):

These funds are distributed using a competitive funding process based on HTF's legislative priorities (see RCW 43.185 and RCW 43.185A). The governing legislation requires that 30 percent of the resources go to rural communities (unless Commerce does not receive enough suitable rural applications) and that priority be given to preserving existing privately owned housing stock. It also requires preference to projects that leverage other funds, demonstrates ability by the applying organization to remain stable, and serve the greatest need and lowest income populations. Funding decisions are carefully coordinated with other funding sources such as the

Washington Housing Finance Commission (HFC) and local (city and county) and federal government agencies. Final award decisions are reviewed and approved by the Commerce Director.

Is a project list available? If so, please attach and/or include this information. N/A

Expenditure calculations and assumptions – *Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.*

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|----------|---------------|-----------|-----------|-----------|-----------|
| Fund 057 | \$80,000,000 | | | | |
| Fund 355 | \$240,000,000 | | | | |
| Fund 706 | \$80,000,000 | | | | |
| Total | \$400,000,000 | | | | |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|-------|-----------|-----------|-----------|-----------|-----------|
| Fund | | | | | |
| | | | | | |
| | | | | | |
| Total | | | | | |

| Contact | |
|------------------------------|--------------------------|
| Preparer Name: | Nate Lichti |
| Assistant Director Approval? | <input type="checkbox"/> |
| Preparer phone number: | 360-725-2973 |
| Date: | 8/16/2022 |

Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan | 23-25 Biennium Budget Request

Section 1

| | |
|--------------------|--|
| Proposed Title: | Broadband Infrastructure Federal Match Projects |
| Project Class/Type | Grant |
| Agency Activity: | A050-Broadband Capacity Building |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|-------------|
| Starting Year: | FY24 |
|----------------|-------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

The Department of Commerce requests funding for 25 percent match dollars to support the anticipated \$800 million incoming Broadband Equity, Access and Deployment (BEAD) funding from the National Telecommunications and Information Administration (NTIA), as well as a buffer to allow for fluctuations.

The Department of Commerce requests budget language to change site control from 25 years to 15 years.

Request of \$65 million each of the next two fiscal years, this will provide \$50 million for the state match and \$15 million for project reserves/cost overruns entities are experiencing.

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

Many communities in Washington do not have access to and are in critical need of high-speed internet services. President Biden’s Bipartisan Infrastructure Law aims to better connect the American people through roads, bridges, airports, and the internet. The law included a \$65 billion investment to ensure all Americans can access affordable, reliable, and high-speed internet – Internet for All. The state submitted a letter of Intent for these funds in July 2022 with the initial planning request submitted in August 2022. The department will be receiving NTIA BEAD construction funding, based on a formula, when the Federal Communications Commission (FCC) map is released in fourth quarter 2022. NTIA is targeting to release 20 percent of the construction funding in Fall 2023 with a 4-year completion timeline. This funding requires a 25 percent state match, and the department has understood from NTIA that the expected allocation for Washington \$800 million. This request will continue broadband development across the state to increase digital equity and connectivity.

The State Broadband Office, within the Department of Commerce, has become a trusted funding partner for communities aspiring to complete broadband infrastructure projects.

If NTIA funding does not reach the full anticipated \$800 million total (\$200 million per year for 4 years), the balance of the requested funds will be used to cover cost overruns for broadband infrastructure projects already awarded. Additionally, the reserve could cover necessary match funding for fluctuations in incoming BEAD.

Budget language request:
 The State Broadband Office budget proviso contains, on page 76, a budget note that requires 25 years of demonstrated public ownership. This language does not appear in statute.

The Public Works Board has written into their statute (RCW 43.155.160 (8)) a 15-year requirement:

To ensure a grant or loan to a private entity under this section primarily serves the public interest and benefits the public, any such grant or loan must be conditioned on a guarantee that the asset or infrastructure to be developed will be maintained for public use for a period of at least fifteen years.

Further, the Community Economic Revitalization Board, the third broadband funding partner, does not have a policy on ownership. They do have requirements for long-term economic impact reporting, as follows:

Project Completion Report, the Contractor shall continue, for up to five years or as may be required by THE BOARD, to provide updates on the economic impact of the project. The updates shall be in a format acceptable to THE BOARD and describe, but not be limited to:

- A. Number of household connections
- B. Number of business connections
- C. Number of Anchor Institutions connections
- D. Speed of each connection
- E. Number of ISPs providing service on the system

Requiring 25-year public benefit, in a rapidly evolving service and delivery environment, may add undue risk to applicants when service provision may change substantially over a 25-year period. Additionally, there are no mechanisms in place to ensure the system is maintained for 25 years, let alone any enforcement mechanism if it is not. Therefore, the budget language request is to align with what the Public Works Board requires, which is 15 years of required public benefit.

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

This request will continue capital broadband development across the state to increase digital equity and connectivity for unserved/underserved people and communities through access to high-speed internet. This access opens opportunities for Washingtonians to work, learn and receive healthcare services from home, to participate in and preserve culture, to apply for supportive social services, to keep connected to friends and family, to receive essential goods and services, and all of the other benefits enjoyed when one can fully engage in the digital world. Projects that will have the biggest impacts to unserved/underserved communities are submitted via project proposals and are vetted through ongoing stakeholder engagement, community outreach, input from Broadband Action Teams, speed testing, infrastructure mapping, demographic study, and other factors.

This proposal achieves greater digital equity and connectivity and advances the state's broadband access goals in un/under-served areas by getting infrastructure funds out to communities and public/private partnerships that are ready to invest in for broadband programs.

In order to evaluate which projects are investment ready, the department will be utilizing the recently released Microsoft digital equity map, the FCC fabric data to be released in mid-September 2022 for a 2-month challenge process, and other resources to better quantify how many un/under-served households are within a proposed project area.

The department is also embarking on an extensive digital equity dashboard project that will create further visibility of communities and demographic groups who do not currently have access (by infrastructure, by affordability, by device access, etc) to broadband services.

This data, along with many other factors included in the funding application and review process, will help to inform future investment decisions.

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

The request allows the department to administer critical federal broadband infrastructure dollars through a required 25% state match. The federal money, as well as the state match, will fund broadband infrastructure construction projects. The projects have a 4-year completion timeline, and money will be allocated to the state in a projected \$200 million annual disbursement for the next four years.

This match funding will support public/private partnerships across Washington in the completion of broadband infrastructure projects as outlined in forthcoming NTIA BEAD guidance to increase digital equity and connectivity. The funding provided by the department to public partners will purchase infrastructure materials such as fiber, optical line terminals, remote nodes and other equipment, as well as the construction costs to install materials and provide service to last-mile projects.

If NTIA funding does not reach the full anticipated \$800 million, the requested funds will be used for a third round of broadband infrastructure projects with awards going to support public/private partnerships.

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

Washington state cannot accept the federal broadband infrastructure funds without providing the required 25% state match. Not taking action would result in a forfeit of an estimated \$800 million in federal investment in Washington state.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

There is no other funding source that can be applied toward this required 25% state match.

Additionally, there is no other funding readily available to communities who lack the ability to fully engage in the digital world due to a lack of broadband service availability. The department believes this is the best and only option to assist many communities in helping to close the digital divide through access to broadband, increasing digital equity and connectivity.

There are two other primary broadband funders in Washington: Public Works Board and Community Economic Revitalization Board. Collectively, these funders have limited funds available to support broadband infrastructure projects.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

With the \$172 million in broadband infrastructure projects thus far funded by the State Broadband Office, the following impacts are expected to be achieved as projects are completed:

- 28,100 households in 16 counties will have access to high-speed internet
- 13,978 school children served
- 1,603 miles of fiber installed

With cost overruns in the supply chain, labor shortages and so forth, it is prudent to anticipate that future investments may not yield the same outcomes. However, these are the strongest estimates available for similar projects in Washington.

6. Will other funding be used to complete the project? How much, what fund source, and could the request result in matching federal, state, local, or private funds?

The 25% state match in this request will support \$200 million per year, for the next 4 years, in federal funds.

7. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

The State Broadband Office, administratively housed within the Department of Commerce, is a Governor's priority and has performance goals set by the Governor's office.

This request directly ties to the Results Washington Goals:

Goal 1: World-class education: Providing every Washingtonian a world-class education that prepares him or her for a healthy and productive life, including success in job or career, in the community and as a lifelong learner.

Goal 2: Prosperous economy: Fostering an innovative economy where businesses, workers and communities thrive in every corner of our state.

Goal 4: Healthy and safe communities: Fostering the health of Washingtonians from a healthy start to safe and supported future.

This request directly ties to the Department of Commerce strategic plan:

- Create Digital Equity and Connectivity through Broadband.

And supports the agency's strategic objectives:

Objective: Understand the needs and challenges affecting their access to resources through deep community engagement and outreach.

Objective: Consult with community partners on our data and data-informed decisions.

Objective: Dismantle barriers to access and provide support so that communities across the state are positioned to access resources.

Objective: Build systems that enable data-informed decision-making to improve equity.

Objective: Establish internal (real time) information sharing that enables collaboration across the agency.

Objective: Provide (proactive) technical assistance and help build capacity in organizations with trusted messengers.

8. For IT-related costs:
- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service?
 - Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.)

- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? ([See OCIO Policy 121.](#))

No.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (Puget Sound Recovery) in the 2019-21 Operating Budget Instructions.

Not applicable.

10. Does this project contribute to statewide goals to reduce carbon pollution and/or improve energy efficiency? If yes, please elaborate.

Not applicable.

11. Does this project mitigate the effects of climate change and strengthen the resiliency of communities and the natural environment? If yes, please elaborate.

Not applicable.

12. Is there additional information you would like decision makers to know when evaluating this request?

Broad support for this proposal should be anticipated. Governmental partners across Washington, including tribal nations, ports, public utility districts, school districts, libraries, county and city governments and others are positively impacted by additional funding for broadband infrastructure projects. Increased broadband availability translates to increased opportunity, quality of life, and cultural preservation.

Small Internet Service Providers (ISPs), many of whom are small, independent businesses, as well as many other small businesses producing broadband materials and supplies, will be positively impacted by this proposal. Expanding broadband services means creating opportunities for these businesses to expand their reach and establish market share in a dynamic technology.

RCW that establishes grant (if applicable):

Application process used (grants; if applicable):

Is a project list available? If so, please attach and/or include this information.

Expenditure calculations and assumptions – Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|--------------|---------------|--------------|-----------|-----------|-----------|
| Fund 057 | \$130,000,000 | \$70,000,000 | | | |
| | | | | | |
| | | | | | |
| Total | \$130,000,000 | \$70,000,000 | | | |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|--------------|-----------|-----------|-----------|-----------|-----------|
| Fund | 1.0 | 1.0 | | | |
| | | | | | |
| | | | | | |
| Total | 1.0 | 1.0 | | | |

| Contact | |
|------------------------------|--------------------------|
| Preparer Name: | Erika Henry |
| Assistant Director Approval? | <input type="checkbox"/> |
| Preparer phone number: | |
| Date: | |

**Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan**

Section 1

| | |
|--------------------|---|
| Proposed Title: | Capital Infrastructure Pre-Development Funding |
| Project Class/Type | Grants |
| Agency Activity: | State Capital Projects |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|--------------|
| Starting Year: | FY 24 |
|----------------|--------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

This \$25 million request seeks to provide funding to communities for pre-development costs to capital infrastructure programs. These funds would provide communities with capacity to develop projects: design, consultation, and other pre-development task necessary to prepare projects for capital funding. Included in this request is \$1 million for the Communities of Concern Commission (CoCC) that will provide pre-development funding or small project funding throughout their network of communities.

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

State support for project development across all state capital projects to include building communities fund, youth recreation, building for the arts, library programs, etc. With funding as proposed, pre-development funds would provide an equitable pathway to state funded capital programs.

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

This proposal comes out of the work and recommendations from the legislatively directed Capital Equity review. The capital equity review provided detailed accounting on the myriad barriers that systemically oppressed communities experience in pursuing and receiving capital funding, while underscoring that these barriers extend beyond capital needs, also impacting communities' ability to provide sustainable housing, community space, energy infrastructure and more.

A key recommendation from the study was providing funding and broader technical assistance, training, tools and practices to simplify and de-mystify grant application processes, particularly for organizations who represent and serve systemically oppressed communities.

Communities throughout the state do not have the capacity to develop projects for state capital funding especially rural and underserved communities. New investments are needed in pre-development programs to support the capital needs of systemically oppressed communities. Informed directly from community engagement feedback, the following efforts are needed:

- Expanded program-specific technical assistance for applicants and potential applicants to Commerce capital funding.
- Expanded pre-development funding, including both capital and operating funding, to strengthen the ability of By and For and extremely rural entities to compete for capital funding from a variety of sources. This funding would not be contingent upon a future capital funding application to Commerce.

- Increased capacity building efforts for By and For and extremely rural communities, including communities who do not currently have adequate organizational capacity to receive and implement capital funding.
The Communities of Concern Commission, a coalition of leaders of nonprofit organizations that work primarily in **communities** of color in urban and rural areas, has demonstrated the need for continued investment and technical assistance for community-led assets to come to fruition. Commerce's partnership with them also continues to reveal internal processes that need to be adjusted to make funding more accessible, while maintaining our role as a state steward of capital funding. A \$1 million capital appropriation for the CoCC to administer for any eligible capital expenses to its growing network of partners is an integral part of this request.

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

Grants would support the access to and remove barriers to access to state capital project funding to include:

- Capacity Building
- Technical assistance
- Preliminary technical studies
- Architectural and engineering services
- Archeological and historic structure assessments
- Project related professional and technical services
- Construction management and observation fees
- LEED certification fees

Funding would help Community-based organizations in particular who may be new to capital campaigns prove the feasibility of a project, which can help them then recruit additional non-state resources.

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

By their very nature, pre-development funds will provide capacity to underserved communities allowing for greater and more equitable access to the States capital funding. Commerce outreach team and capital programs will provide for out-reach, communication and coordination for access to these funds.

Historically underserved communities have lacked access to resources needed to prepare and plan for capital project funding and program development. Submitting capital and even operating funding applications without well-developed plans and the ability to demonstrate readiness to proceed, is generally a waste of time. Competition for limited funding is steep, and application prerequisites and funding priorities reward experience and demonstrated readiness. Low barrier, on-demand, grants are needed to support community entities in advancing their projects the point of being eligible for and more competitive for funding programs at Commerce and through other sources. Small to medium sized grants can support efforts like feasibility, engineering design, needs assessments, site assessments and site control activities, and other detailed expert plans. These project development activities are fundamental to implementing a project successfully.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

The department is required by RCWs to establish a competitive process to solicit capital project proposals and prioritize projects whose primary objective is to promote community and quality of life opportunities

for communities and must submit a lists of recommended projects to the governor and the legislature in the department's biennial capital budget request.

Pre-Development funds will allow for communities to prepare for these submissions and improve project readiness.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

Communities throughout the state to include local governments, tribes, and non-profits.

6. Does this project or program leverage non-state funding? If yes, how much by what fund source, and could the request result in matching federal, state, local, or private funds?

No. These funds will prepare communities to access future state capital funding.

7. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

The 2021-2023 Commerce Strategic plan is rooted in two focus areas: Equity in Community Development and an Equitable Economic Recovery. This proposal provides economic stimulus through reliable infrastructure investment, and promotes community development by funding education and social service facilities. This request is also consistent with the Governor's Results Washington priority of promoting healthy and safe communities. These projects also support the Results Commerce goal of vibrant communities and targeted outcomes of building and maintaining local capacity.

8. For IT-related costs:

- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service? **No**
- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.) **No**
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121.](#)) **No**

None.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

The department is one of the agencies designated to implement the HEAL Act. As the department develops its implementation strategy, it will work to embed agencies strategies into its programs.

10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

These funds will assist communities in accessing future state capital funds.

11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

HOW ARE PRE-DEVELOPMENT FUNDS EQUITABLE: By their very nature, pre-development funds will provide capacity to underserved communities allowing for greater and more equitable access to the States capital funding. In addition, by allowing a discrete early segment of a project to be funded, predevelopment funding can help limit the amount of capital funding tied up in direct appropriations that must be reappropriated over the course of multiple biennia, allowing more communities to access capital resources.

12. Is there additional information you would like decision makers to know when evaluating this request?

Commerce Report to the Legislature: Capital Equity Review
2021-2023 State Operating Budget, Chapter 334 Laws of 2021 (ESSB 5092 Sec. 129 (89))

RCW that establishes grant (if applicable):

Application process used (grants; if applicable): Applicants submit applications electronically via email to the program manager. Project applications are ranked and scored using evaluation criteria developed from the program’s statutory guidance.

Is a project list available? If so, please attach and/or include this information. (Project list attached)

Expenditure calculations and assumptions – *Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.*

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|----------|--------------|--------------|--------------|--------------|--------------|
| Fund 057 | \$25,000,000 | \$25,000,000 | \$25,000,000 | \$25,000,000 | \$25,000,000 |
| Fund | | | | | |
| | | | | | |
| Total | \$25,000,000 | \$25,000,000 | \$25,000,000 | \$25,000,000 | \$25,000,000 |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|-------|-----------|-----------|-----------|-----------|-----------|
| Fund | | | | | |
| | | | | | |
| | | | | | |
| Total | | | | | |

| Contact | |
|------------------------------|-------------------------------------|
| Preparer Name: | Mark Barkley |
| Assistant Director Approval? | <input checked="" type="checkbox"/> |
| Preparer phone number: | 360-259-9542 |
| Date: | 8/26/2022 |

**Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan**

Section 1

| | |
|--------------------|--|
| Proposed Title: | High Efficiency Cooling for Low Income Households |
| Project Class/Type | Grant |
| Agency Activity: | A049 State Energy Policy |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|--------------|
| Starting Year: | FY 24 |
|----------------|--------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

Washington is experiencing the hottest summers on record, yet only half the state has access to cooling equipment. At the same time, the state needs new tools to decarbonize existing residential buildings and help low to moderate income households and small businesses electrify, save on their energy bills, and access critical cooling equipment. The Department of Commerce (department) requests \$80 million to fund a statewide high efficiency electric equipment program, through rebates to low income customers.

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

The department proposes a program targeted to serve two sectors that have proven hardest to reach with energy efficiency and emissions reduction efforts: low-to-moderate income households and small commercial businesses. The program will fund utilities and partnering organizations to offer a scaled rebate on the cost of high efficiency electric equipment, including heat pumps, and their installation. Heat pumps address the intersecting issues of access to cooling and emissions reduction.

Heat pumps:

- Provide both space heating *and* cooling, unlike a gas furnace or traditional air conditioner
- Are the more cost effective choice for customers looking to replace both their gas-powered furnace and install air conditioning, according to a recent Commerce fuel switching study
- Deliver energy efficiency savings to customers and utilities
- Save customers on their energy bills, particularly important as natural gas prices increase due to global market forces and the expected cost of gas company compliance with the Climate Commitment Act (CCA)

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

The 2021 State Energy strategy found that building decarbonization through electrification and energy efficiency are the least-cost pathway to meeting the state's Washington emissions limits. While the state has the tools to decarbonize both 1. New buildings (state building codes) and 2. Existing large commercial and multifamily buildings (building performance standard), the state lacks a tool to

decarbonize existing residential buildings and small commercial buildings. Existing residential buildings make up a majority of the state's emissions from buildings¹. Without interventions to decarbonize this major portion of the buildings sector, the state will not meet its GHG emissions limits.

Electric utilities are required by law to pursue energy efficiency within their existing customers, but there is no requirement to help a customer convert from fossil fuel energy sources to high-efficiency electric equipment. With no effective mandate, there is a clear imperative for the state to fund targeted electrification in order to meet our emissions targets and State Energy Strategy goals and to assist single family households and small businesses in getting access to efficient electric equipment.

At the same time, Washington is recording the warmest summers in its history and extreme weather events are increasing in frequency and intensity. Only 53% of homes in Washington have air conditioning, the second least of any state². More and more homes will need air conditioning in the coming years, but only those with financial means to secure cooling services will have access to home comfort in the summer. Cooling is critical to maintain healthy indoor air quality during wildfire season. The summer of 2021 saw 157 heat-related deaths in Washington, with people over 65 or under 4 years of age particularly vulnerable to high heat³. The recent 6th National Risk Assessment for Hazardous Heat projects that the number of extreme heat days will double in at least 10 Washington counties over the next three decades.⁴

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

This request will offer scaled rebates on heat pumps for existing low to moderate income residential and small commercial applications. This funding package will reduce barriers to cooling services and improve indoor air quality for low to moderate income households and small businesses. This program would encompass a tiered income-based incentive which would be administered through program administrators (for example, utilities) contracted through Commerce.

Additional services provided by this program would include educational services to HVAC contractors responsible for installing equipment and offering equipment recipients a maintenance service to ensure lifetime efficiency (see #12 workforce impacts below).

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

Heat pumps are a critical technology that, with widespread deployment, can help deliver cooling and electrification benefits to those who need it most, and reduce emissions from existing buildings. Without a dedicated high efficiency electric equipment program, low to moderate income homes will be locked into inefficient, fossil gas-powered space heating equipment for the next 15-20 years *and* lack access to efficient cooling equipment. This program will also help prevent an unjust outcome where low-income households are stuck with the costs of fossil fuel pipelines and infrastructure while most households switch to high-efficiency electric solutions.

¹ 2021 State Energy Strategy

² US EIA, RECS Data [State Air Conditioning.pdf \(eia.gov\)](#)

³ [Heat Wave 2021 | Washington State Department of Health](#)

⁴ <https://report.firststreet.org/heat> (I saved the report in the folder for this DP)

States including New York⁵, Oregon⁶, California⁷, and Massachusetts⁸ all have similarly structured heat pump and heat pump water heater rebate programs. The Washington program would leverage best practices for rebate delivery from these established programs.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

One alternative to a heat pump incentive program is a bulk buying program⁹. The department or a state entity would purchase heat pumps and local housing authorities would identify eligible homes in which to install them. This type of program works better for publicly owned buildings and with more fluid supply chains.

Another alternative to this proposal is a rebate in the form of a tax credit. The federal Inflation Reduction Act provides a tax credit for this equipment. However, a state tax credit would not be effective in reaching the target customers, as low to moderate income households and small businesses do not typically have the upfront capital to make these expensive purchases or a sufficient state tax liability to use the credit.

Fuel switching delivered fuel homes is part of the department's low income weatherization program, but this proposal is a different program tool for a broader purpose. The Weatherization + Health program can spend up to \$25,000 on whole home weatherization – meaning not only energy efficiency measures, but health and safety measures such as removing asbestos and other toxins, seismic retrofitting, and water leakage. This program delivers services to several hundred homes a year through Community Action Agencies. There are Washington homes that do not need deep weatherization, but rather, just need a heat pump and a panel upgrade. This program seeks to serve these households at scale.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

This request finds \$80 million an appropriate amount to start this program, in recognition such a program could benefit from a range of funding figures.

Program breakdown: The department would award approximately \$76.6 million to program administrators (these could be utilities or other organizations) to rebate high efficiency electric equipment. Approximately \$70 million would be used to rebate heat pumps for low and moderate income households, with a carve out for non-residential buildings under 20,000 square feet, \$4.3 million for small businesses to convert from gas to high efficiency electric cooking equipment, and 3 percent (\$2.29 million) will be awarded for administration of rebates and continuing consumer education. \$2.4 million (3 percent) of the \$80 million will fund Commerce administration.

While it is difficult to know how many households and businesses this program would serve without knowing what the tiered incentive would look like, initial data suggests it could serve thousands of low income households and small businesses.

6. Does this project or program leverage non-state funding? If yes, how much by what fund source, and could the request result in matching federal, state, local, or private funds?

⁵ [Heating, Cooling, & Ventilation Programs & Incentives - NYSERDA](#)

⁶ [State of Oregon: INCENTIVES - Heat Pump Incentive Programs](#)

⁷ [CPUC Provides Additional Incentives and Framework for Electric Heat Pump Water Heater Program \(ca.gov\)](#)

⁸ [Residential Rebates & Incentives for Homeowners, Renters, & Landlords \(masssave.com\)](#)

⁹ See the recent work of the New York City Housing Authority (NYCHA) [Mayor Adams, Governor Hochul Announce \\$70 Million Initial Investment to Decarbonize NYCHA Buildings | City of New York](#)

If this proposal were to be leveraged with funding from the Inflation Reduction Act HOPE for Homes and High Efficiency Electric Equipment programs, it could serve thousands more participants. The electric equipment program will provide the State Energy Office formula funding, through which we could rebate up to \$8,000 per heat pump in multifamily settings and \$840 per electric induction stove. The HOMES retrofit program will depend on the energy savings of each project, but ultimately retrofits in low and moderate income households and multifamily units will be eligible for up to \$4000 for contractor labor.

7. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

This proposal contributes to the Governor's Climate and Clean Energy priorities, but also delivers on the commitment to make decarbonization affordable and within reach of the average household. The Governor has expressed a clear interest in leveraging Inflation Reduction Act funding by establishing a statewide high efficiency electric equipment program. The 2021 State Energy Strategy, Operation 2030: Scaling Building Decarbonization in Washington State¹⁰, the Commerce-commissioned fuel switching study by E3¹¹, and additional strategic prioritizations outside of the Energy Division point to a critical need for heat pump programs to get equipment into homes and small non-residential buildings.

This request supports all five the department's goals:

- Reduce Homelessness and Expand Housing Inventory;
- Create Digital Equity and Connectivity through Broadband;
- Accelerate Clean Energy Transformation through Infrastructure, Investments, and Policy;
- Support Entrepreneurship, Small Businesses and Regional Economic Growth;
- Promote Development of the innovation Economy and Globally Trade Sectors

And supports all of the agency's strategic objectives:

Objective: Enrich Commerce's human capital to demonstrate and employ cultural competency.

Objective: Understand the needs and challenges affecting their access to resources through deep community engagement and outreach.

Objective: Consult with community partners on our data and data-informed decisions.

Objective: Dismantle barriers to access and provide support so that communities across the state are positioned to access resources.

Objective: Build systems that enable data-informed decision-making to improve equity.

Objective: Establish internal (real time) information sharing that enables collaboration across the agency.

Objective: Provide (proactive) technical assistance and help build capacity in organizations with trusted messengers.

8. For IT-related costs:
- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service?
 - Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.)

¹⁰ [CETI: Operation 2030](#)

¹¹ [Financial Impact of Fuel Conversion on Consumer Owned Utilities and Customers in Washington](#)

- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? ([See OCIO Policy 121.](#))

None.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

The department is one of the agencies designated to implement the HEAL Act. As the department develops its implementation strategy, it will work to embed agencies strategies into its programs.

10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

This program is a direct investment in household-level energy efficiency and statewide decarbonization efforts for those who can least afford it. Electric heat pumps are by far the most energy efficient space heating and cooling technology on the market. Under CETA, electric generation in Washington State will be greenhouse gas neutral by 2030 and 100 percent renewable or non-emitting by 2045, meaning end uses electrified today are emissions savings today and tomorrow.

11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

This proposal's focus is providing high efficiency electric equipment to low and moderate income households and small business owners. Part of the funding will be set aside solely to support households and small businesses in overburdened communities.

With all projects that have the potential to involve fuel switching (moving homes from fossil gas to electric heating and cooling systems) for low-income households, energy burden reduction must be prioritized. In the long run, household electrification will decrease energy burden. As higher income households electrify (because they have the resources to do so), low and moderate income fossil gas-powered households will be forced to pay rates that reflect the stranded assets of natural gas utilities.

In the short run, not all fuel switching from natural gas to electric systems lowers the energy burden of low-income homes. Some areas of Washington have lower gas rates, though this is will change with the implementation of the CCA. The first phase of this program will focus on replacing highly expensive delivered fuel systems (oil and propane) where the economics are clearly in favor of electrification¹². As part of program development, Commerce will develop clear guidelines around fuel switching with a focus on energy burden reduction in cases of natural gas to electric system.

12. Is there additional information you would like decision makers to know when evaluating this request?

¹² [The Economics of Electrifying Buildings - RMI](#)

Workforce impacts: Critical to the success of this program is supporting a workforce that can install and maintain this high efficiency electric equipment. The incentive program will be limited to projects installed by certified installers and permitted by local jurisdictions where required. Projects funded from the incentive will be required to meet high labor standards, including family-sustaining wages, providing benefits including health care and pensions, career development opportunities, and maximize access to economic benefits from such projects for local workers and diverse businesses. This funding would allow the department to contract with a nonprofit trade association, regional market transformation organization, or community organization to assist with implementing the program.

State facilities impacts: State facilities under 20,000 square feet replacing fossil gas powered space heating and cooling equipment, water heating, and gas-powered cooking equipment would be eligible for the non-residential funding available in this program.

RCW that establishes grant (if applicable):

Application process used (grants; if applicable):

Is a project list available? If so, please attach and/or include this information.

Expenditure calculations and assumptions – Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|------------|--------------|--------------|-----------|-----------|-----------|
| Fund NEW-1 | \$80,000,000 | \$80,000,000 | | | |
| | | | | | |
| | | | | | |
| Total | \$80,000,000 | \$80,000,000 | | | |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|------------|-----------|-----------|-----------|-----------|-----------|
| Fund NEW-1 | 6.5 | 6.5 | | | |
| | | | | | |
| | | | | | |
| Total | 6.5 | 6.5 | | | |

| Contact | |
|------------------------------|--------------------------|
| Preparer Name: | Liz Reichart |
| Assistant Director Approval? | <input type="checkbox"/> |
| Preparer phone number: | |
| Date: | |

**Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan**

Section 1

| | |
|--------------------|----------------------------------|
| Proposed Title: | Clean Energy Fund program |
| Project Class/Type | Grant |
| Agency Activity: | A049 State Energy Policy |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|-------------|
| Starting Year: | FY24 |
|----------------|-------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

The 2020 Energy and Climate Policy Advisory Committee report found that in the coming years, the 100 percent clean electricity goal of the Clean Energy Transformation Act, RCW 19.405, combined with the state’s greenhouse gas reduction mandates, will cause fundamental shifts in Washington’s energy landscape and infrastructure needs. Electric utilities will need to transition their portfolios and their infrastructure to cleaner sources. Industries will have to adopt new technologies to reduce their carbon intensity while remaining competitive. Consumers and businesses will be required to adopt and adapt to new efficiencies in buildings and transportation. At the same time, communities are stepping forward, asserting their desire to shape their own energy future and ensure an equitable distribution of the costs and benefits of the clean energy economy.

To be more responsive to policy, market transformation, and community needs, the Clean Energy Fund account is created to support a clean and resilient energy program and to implement the findings of the Energy and Climate Policy Advisory Committee report, which establishes clear goals and targets to advance equity and environmental justice. The scope of the fund aligns with federal programs, including the Infrastructure Investment and Jobs Act, to maximize potential support for high impact infrastructure and planning projects.

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

Since 2013, the Clean Energy Fund (CEF) has successfully catalyzed statewide investments in clean energy technology and infrastructure development. These highly leveraged investments strengthen Washington’s communities through living wage jobs, workforce skill development, and local economic activity. Continued funding for CEF is critical to effectively, and equitably, meet Washington’s aggressive climate goals. CEF is a proven pathway that strengthens Washington leadership on clean energy innovation and deployment.

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

The department requests funding for the Clean Energy Fund account, which would be a new account created through agency request legislation. Capital funds will be disbursed as grants to eligible entities for

the equitable deployment of clean energy technologies and infrastructure. Eligible projects should: Increase community resilience, incorporate public health metrics, support tribal energy sovereignty, encourage workforce development with union and high road jobs, prioritize use of low-carbon materials and sustainably sourced products, prioritize deployment of projects on preferred sites or provide opportunities for emerging technologies, life cycle and maintenance related to new technologies, or end of life and recycling opportunities. Up to 40% of the funds may be used for grants to support technical assistance.

The department has adapted the CEF within the limits of the capital budget instructions year over year for each technology specific appropriation. This process is administratively burdensome and fails to adequately address the larger structural issues of the program. The ECPAC committee report, which included 29 individuals representing 26 organizations, details the needs and direction to promote equity, access and environmental justice through the grant process. In addition to the need for more equitable processes in state programs, the federal government is currently set to invest tens of billions of dollars in clean energy infrastructure. This fund will be a critical key to unlocking potentially billions of dollars for Washington through state match funding.

By not establishing a new, permanent direction forward for the fund, Washington will miss out on leveraging critical federal dollars and be ill equipped to address equitable access to the clean energy transition.

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

The department must use funds to support communities in achieving the 2021 State Energy Strategy and any subsequent updates and biennial energy reports, and in alignment with clean energy and climate mandates per RCW 19.405 and RCW 70A.65.

Funds from the capital budget will be used to support resilient, clean energy infrastructure through grants to eligible entities for the equitable deployment of clean energy technologies and infrastructure. Up to 40% of the funds can be used for grants to support technical assistance.

Eligible projects should: Increase community resilience, incorporate public health metrics, support tribal energy sovereignty, encourage workforce development with union and high road jobs, prioritize use of low carbon materials and sustainably sourced products, prioritize deployment of projects on preferred sites or provide opportunities for emerging technologies, life cycle and maintenance related to new technologies, or end of life and recycling opportunities.

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

Currently, the Clean Energy Fund is funded through the Capital Budget instructions each biennia. This bill would be the first time that the Clean Energy Fund would be codified in law. The bill would create an account for the Clean Energy Fund and direct the department to do a biennial report including an equity review.

In addition to the need for more equitable processes in state programs, the federal government is currently set to invest tens of billions of dollars in clean energy infrastructure. This fund will be a critical key to unlocking potentially billions of dollars for Washington through state match funding.

By not establishing a new, permanent direction forward for the fund, Washington will miss out on leveraging critical federal funds and be ill equipped to address equitable access to the clean energy transition.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

The department has adapted the CEF within the limits of the capital budget instructions year over year for each technology specific appropriation. This process is administratively burdensome and fails to adequately address the larger structural issues of the program. The ECPAC committee report, which included 29 individuals representing 26 organizations, details the needs and direction to promote equity, access and environmental justice through the grant process. In addition to the need for more equitable processes in state programs, the federal government is currently set to invest tens of billions of dollars in clean energy infrastructure. This fund will be a critical key to unlocking potentially billions of dollars for Washington through state match funding.

By not establishing a new, permanent direction forward for the fund, Washington will miss out on leveraging critical federal funds and be ill equipped to address equitable access to the clean energy transition.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

Eligible applicants for projects funded under this program include Washington local governments, Tribal Governments and Tribal entities, retail electric utilities, community based organizations, Washington state agencies, housing authorities, ports, transit agencies and anyone else deemed eligible by the department.

6. Does this project or program leverage non-state funding? If yes, how much by what fund source, and could the request result in matching federal, state, local, or private funds?

The nature of grants will be determined by the department. Previous CEF funds have required match, with amounts varied depending on applicant and program. In most cases, the CEF requires a match of at least 1:1, in many cases match is closer to 1:3 (for every \$1 invested, \$3 is leveraged). To date, Washington's CEF investments have unlocked millions of dollars to support innovative projects in grid modernization and storage; financing energy efficiency and renewable energy in low-income communities; wind, solar and other renewable energy projects; and the electrification of transportation. The funding has resulted in energy savings, prevented emissions of greenhouse gases, allowed the state to be a leader in clean technology development, and supported jobs in the energy sector. This proposal would attract over hundreds of million in private financing, utility funding, federal and local funds that would not be available to clean energy technology research institutions, businesses, and entrepreneurs without this investment. State investments in CEF also position Washington to be more competitive for federal funds, through stimulus or other federal grant opportunities.

7. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

This proposal furthers the agency's priorities of funding reliable infrastructure; building a clean, just clean energy economy; and increasing living wage jobs. It is crucial to our economic recovery strategy and aligns with state and agency strategies:

Alignment with the Governor's *Results Washington* goals:

- Goal 2: *A prosperous economy*, by creating living wage jobs and economic activity
- Goal 3: *Sustainable Energy and a Clean Environment*, by reducing energy consumption and accelerating clean energy production.

This request supports all five the department's goals:

- Reduce Homelessness and Expand Housing Inventory;
- Create Digital Equity and Connectivity through Broadband;
- Accelerate Clean Energy Transformation through Infrastructure, Investments, and Policy;
- Support Entrepreneurship, Small Businesses and Regional Economic Growth;
- Promote Development of the innovation Economy and Globally Trade Sectors

And supports all of the agency's strategic objectives:

Objective: Enrich Commerce's human capital to demonstrate and employ cultural competency.

Objective: Understand the needs and challenges affecting their access to resources through deep community engagement and outreach.

Objective: Consult with community partners on our data and data-informed decisions.

Objective: Dismantle barriers to access and provide support so that communities across the state are positioned to access resources.

Objective: Build systems that enable data-informed decision-making to improve equity.

Objective: Establish internal (real time) information sharing that enables collaboration across the agency.

Objective: Provide (proactive) technical assistance and help build capacity in organizations with trusted messengers.

This request also supports two key recommendations of the 2021 State Energy Strategy:

- 2.5. Advance Grid Modernization with Clean Energy Fund Investments in Resilient & Flexible Projects
- 4.1 Continue to Invest in the Clean Energy Fund

8. For IT-related costs:

- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service?
- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.)
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121](#).)

None.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

The department is one of the agencies designated to implement the HEAL Act. As the department develops its implementation strategy, it will work to embed agencies strategies into its programs.

10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

Yes, the CEF is entirely focused on reducing carbon pollution and improving energy efficiency. Since 2013, Washington's CEF investments have leveraged millions of dollars to support innovative projects in grid modernization and storage; financing energy efficiency and renewable energy in low-income communities; wind, solar and other renewable energy projects; and the electrification of transportation. The funding has resulted in energy savings, prevented emissions of greenhouse gases, allowed the state to be a leader in clean technology development, and supported jobs in the energy sector.

In the coming years, the 100% clean electricity goal of the 2019 Clean Energy Transformation Act combined with the state's greenhouse gas reduction targets will cause fundamental changes to Washington's energy landscape and transformation of an essential service, electricity. The projects that are facilitated by the CEF will be used to help ensure that the state is successful in meeting those goals equitably and effectively.

11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

Communities of color are disproportionately affected by climate change and industrial pollution. With its strategic goal of developing, demonstrating and deploying clean energy technologies that save energy and reduce energy costs, reduce harmful air emissions, or otherwise increase energy independence for the state, the CEF is an important tool that has and can continue to be used to mitigate the negative impacts on communities of color and strengthen the resiliency of communities and the natural environment.

The department will determine a process for prioritizing applicants, including first time or underserved applicants, tribes, rural areas of the state. The department may use up to 40% of the funding for grants to support technical assistance.

The department must publish a biennial report detailing funded projects including:

- (a) The geographic distribution of funding, projects, direct and indirect benefits and potential harms from funded projects;
- (b) The distribution of benefits to overburdened communities and vulnerable populations, as those terms are defined in RCW 70A.02.010;
- (c) The number and type of jobs estimated to be created through funded projects;
- (d) The percentage of funds allocated for predevelopment, capacity building, outreach and engagement as authorized under Subsection 2(b) of this section, and a narrative explaining how these funds have helped advance equitable outcomes;
- (e) Priority applicants and targeted use cases for the upcoming funding cycle;
- (f) Process improvements; and

(g) Community engagement, especially with “by and for” community organizations, as such organizations are defined by the department and Office of Equity.

12. Is there additional information you would like decision makers to know when evaluating this request?

This proposal requests the authorization of 6.3 FTEs including the administrative services indirect. This is based on using three percent of the appropriation for program administration costs.

This proposal supports agency request legislation and includes an operating proposal.

RCW that establishes grant (if applicable):

Application process used (grants; if applicable):

Is a project list available? If so, please attach and/or include this information.

Expenditure calculations and assumptions – *Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.*

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|------------|--------------|--------------|-----------|-----------|-----------|
| Fund NEW-1 | \$60,000,000 | \$60,000,000 | | | |
| | | | | | |
| | | | | | |
| Total | \$60,000,000 | \$60,000,000 | | | |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|------------|-----------|-----------|-----------|-----------|-----------|
| Fund NEW-1 | 6.3 | 6.3 | | | |
| | | | | | |
| | | | | | |
| Total | 6.3 | 6.3 | | | |

| Contact | |
|------------------------------|--------------------------|
| Preparer Name: | Sarah Vorpahl |
| Assistant Director Approval? | <input type="checkbox"/> |
| Preparer phone number: | 360-688-6000 |
| Date: | 08/31/2022 |

**Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan**

Section 1

| | |
|--------------------|--|
| Proposed Title: | Connecting Housing to Infrastructure (CHIP) |
| Project Class/Type | Grant |
| Agency Activity: | A157 Homeless Housing Assistance |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|-------------|
| Starting Year: | FY24 |
|----------------|-------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

This request seeks to continue funding for the Connecting Housing to Infrastructure (CHIP) program, which provides funding for water, sewer, or stormwater infrastructure connections to affordable housing. It also provides funding to reimburse local governments or public utility providers for any infrastructure fee waivers to affordable housing developments.

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

An appropriation of \$50 million in each of the next two biennia would support:

- GRANT: \$50 million in grants each biennium to help to connect affordable housing development to infrastructure, through both pipes and fees. Rounds 1 and 2 of the CHIP grants provided about \$10,000 per unit in total grant funds, so it may be possible to support the development of about 10,000 affordable housing units with this funding.
- STAFF: 1.5 FTE Commerce Specialist 3s to provide technical assistance, communications support, and technical assistance on applications, implementation, and system develop charge fee structures and 0.5 FTE Commerce Specialist 2 to support grant contracts, invoicing, due diligence, and reporting.

As communities receive their allocation of affordable housing needs for upcoming comprehensive plan updates, there will be significant pressure to identify appropriate locations for affordable housing and ways to support it, such as through fee waivers, bonus densities, etc. The CHIP fund can help to leverage those efforts at the local level and reward both affordable housing developers for infrastructure costs, and the utility providers with reimbursement for affordable housing-supportive fee waivers.

Best case scenario for Washington is:

- Market rate developers include affordable units in their development **because** CHIP can help connect the infrastructure. This scenario likely asks the community to assist with annual income qualifications, etc., which tend to be burdensome to landlords.
- Cities, counties, and utility districts can modify their water/sewer connection fee structures to charge more for larger and further out structures, and less for infill, smaller and multi-unit structures. These fees could be based on the number of fixtures per unit and/or by density per acre, with reductions for affordable housing that CHIP could waive. In one case, fees were reduced for multi-family, and further reduced for affordable housing, and CHIP funds were used to pay for the actual fees due to the utility.

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

Housing affordability and availability has continued to worsen in the last few years. The need for affordable housing has continued to climb. In fact, as Commerce releases projections of housing need for each county and city in January of 2023, the numbers for the lowest income bands will comprise 30-50% of housing need in every county. Though jurisdictions are only required to “plan for and accommodate” housing needs, they chiefly rely on private or nonprofit developers of housing to develop them. Local governments are to review their comprehensive plans and regulations for potential changes in zoning, incentives and subsidies of affordable housing. How can local governments encourage and support developers to build the housing needed at the lower affordability levels? One of the few options for local governments to support the development of affordable housing is to reduce or waive fees to connect to municipal infrastructure and to help with the physical infrastructure connections. However, because these “enterprise” funds rely on this revenue to fund system-wide expansions for system development charges when waivers are provided.

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

State support for reducing the cost for affordable housing to connect to regional water, sewer, and stormwater systems has multiple benefits:

- It encourages local governments to develop a system of connection fees that favors smaller, infill and multi-unit housing, which encourages the development of more attainable forms of housing that the private market is not likely to support. It also allows cities to provide assistance to affordable housing developers and still have sufficient funding to allow sustainable infrastructure systems.
- It encourages the development of housing that connects to regional water and sewer systems in efficient ways, supporting the goals of growth management and reducing sprawl, which has climate and sustainability benefits.
- It helps developers of affordable housing to more cost-effectively deliver affordable housing units.

With funding as proposed, the CHIP program could support 60-70 projects and create 5,000 new affordable housing units per biennium, based on projects awarded in the current biennium.

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

By its very nature, to fund affordable housing, CHIP is a program that seeks to support housing for all economic segments. The original CHIP program was available to all areas of the state. It was funded with ARPA funding under the criteria to respond to the negative impacts of the pandemic. As such, it was to be focused towards lower income census tracts. However, it is more beneficial to occupants of low-income housing to be located in housing units throughout a community to offer more opportunities to tenants to connect with high quality schools, jobs, and amenities. CHIP has been offered statewide, however using established criteria to equitably distribute funds around the state to projects that meet program goals.

The program received a large proportion of applications from the King County / Seattle region and from very organized developers of 100% affordable housing. This is likely because these projects were already underway, and the developers were used to looking for and responding to grant opportunities. The

program targeted the last of the 2021-2023 funds to projects outside of that region to promote statewide equity.

The department conducted stakeholder outreach for two CHIP applications webinars which were attended by more than 120 interested parties throughout the state. The department worked with the Housing Trust Fund and the Washington State Housing Finance Commission to coordinate our funding assistance. We also reached out to the Affordable Housing Advisory Board contact list to market this program to reach as many developers of affordable housing as possible. We are also working to connect with sewer/water provider associations to promote a more equitable approach to system development charges. Though the hope is to encourage developers of market rate housing to include affordable units to qualify for CHIP funding, more incentives and assistance with monitoring incomes are needed to reach this goal.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

CHIP is a relatively new program with room to grow. Since its inception and implementation by Commerce staff, CHIP has been touted as an excellent program to support the development of affordable housing. Further years of the program could help to support affordable housing at this time when it is critically needed, and could help further concepts of revised infrastructure fees, property tax exemptions, and community land trusts to help with permanent affordability. CHIP is an excellent place to further support these kinds of policy initiatives connecting affordable housing development programs in Commerce with the necessary land use changes that Growth Management Services can support. It is a strong program to connect affordable housing, growth management and climate change goals for the state.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

As communities receive their allocation of affordable housing needs for upcoming comprehensive plan updates, there will be significant pressure to identify appropriate locations for affordable housing and ways to support it, such as through fee waivers, bonus densities, etc. The CHIP fund can help to leverage those efforts at the local level and reward both affordable housing developers for infrastructure costs, and the utility providers with reimbursement for affordable housing-supportive fee waivers.

Best case scenario for Washington is:

- Market rate developers include affordable units in their development **because** CHIP can help connect the infrastructure. This scenario likely asks the community to assist with annual income qualifications, etc., which tend to be burdensome to landlords.
- Cities, counties, and utility districts can modify their water/sewer connection fee structures to charge more for larger and further out structures, and less for infill, smaller and multi-unit structures. These fees could be based on the number of fixtures per unit and/or by density per acre, with reductions for affordable housing that CHIP could waive. In one case, fees were reduced for multi-family, and further reduced for affordable housing, and CHIP funds were used to pay for the actual fees due to the utility.

6. Does this project or program leverage non-state funding? If yes, how much by what fund source, and could the request result in matching federal, state, local, or private funds?

CHIP was first included in the 2021 budget proviso, using \$7.6 million in state capital funds and \$27.0 million in federal ARPA dollars. An additional \$9.0 million in state funds were provided in the 2022 supplemental budget for a biennium total of \$43.6 million.

In the first two rounds, CHIP has supported 42 projects in fourteen counties throughout the state. A total of \$36.0 million has been awarded, with \$13 million going to system development charges and \$23 million going toward utility infrastructure improvements. The 42 projects will create more than 3,600 new affordable housing units.

With \$7.6 million remaining to be awarded in Round 3, the CHIP program has received 86 applications of legitimate need totaling nearly \$80 million. The proposed level of funding represents a slight increase to meet anticipated need in the next four years.

Assistant Attorney General Costs assume higher first year costs to expand the program and refine it assuming changes in federal practices and possible changes from the legislature. Annual costs assume a routine level of review for contracts.

7. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

This request directly ties to the Results Washington goal Health and Safe Communities; This request aligns with state goals for affordable housing, efficient provision of utilities, more efficient land use, and housing that is often in proximity to multimodal transportation, while supporting equity in housing. It will support innovative forms of housing such as infill, middle housing, community land trusts, workforce housing and affordable housing.

This request supports all five the department's goals:

- Reduce Homelessness and Expand Housing Inventory;
- Create Digital Equity and Connectivity through Broadband;
- Accelerate Clean Energy Transformation through Infrastructure, Investments, and Policy;
- Support Entrepreneurship, Small Businesses and Regional Economic Growth;
- Promote Development of the innovation Economy and Globally Trade Sectors

And supports all of the agency's strategic objectives:

Objective: Enrich Commerce's human capital to demonstrate and employ cultural competency.

Objective: Understand the needs and challenges affecting their access to resources through deep community engagement and outreach.

Objective: Consult with community partners on our data and data-informed decisions.

Objective: Dismantle barriers to access and provide support so that communities across the state are positioned to access resources.

Objective: Build systems that enable data-informed decision-making to improve equity.

Objective: Establish internal (real time) information sharing that enables collaboration across the agency.

Objective: Provide (proactive) technical assistance and help build capacity in organizations with trusted messengers

8. For IT-related costs:
- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service?

- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.)
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121](#).)

None.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

Not applicable.

10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

Not applicable.

11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

HOW CHIP IS EQUITABLE: By its very nature, to fund affordable housing, CHIP is a program that seeks to support housing for all economic segments. The original CHIP program was available to all areas of the state. It was funded with ARPA funding under the criteria to respond to the negative impacts of the pandemic. As such, it was to be focused towards lower income census tracts. However, it is more beneficial to occupants of low-income housing to be located in housing units throughout a community to offer more opportunities to tenants to connect with high quality schools, jobs, and amenities. CHIP has been offered statewide, however using established criteria to equitably distribute funds around the state to projects that meet program goals.

The program received a large proportion of applications from the King County / Seattle region and from very organized developers of 100% affordable housing. This is likely because these projects were already underway, and the developers were used to looking for and responding to grant opportunities. The program targeted the last of the 2021-2023 funds to projects outside of that region to promote statewide equity.

OUTREACH AND COORDINATION: Commerce conducted stakeholder outreach for two CHIP applications webinars which were attended by more than 120 interested parties throughout the state. Commerce worked with the Housing Trust Fund and the Washington State Housing Finance Commission to coordinate our funding assistance. We also reached out to the Affordable Housing Advisory Board contact list to market this program to reach as many developers of affordable housing as possible. We are also working to connect with sewer/water provider associations to promote a more equitable

approach to system development charges. Though the hope is to encourage developers of market rate housing to include affordable units to qualify for CHIP funding, more incentives and assistance with monitoring incomes are needed to reach this goal.

12. Is there additional information you would like decision makers to know when evaluating this request?

CHIP will be well supported by all stakeholders as an equitable program that helps affordable housing. As a new source of funding for affordable housing, we coordinate with the Housing Trust Fund and Washington State Housing Finance Commission, and we are working to reach out to other programs to coordinate funding and technical assistance, bringing the growth management lens of matching affordable housing with places of opportunity and cost-effective infrastructure.

This funding is vital to showing state support of the affordable housing that is needed across the state and that will not be provided without government support.

RCW that establishes grant (if applicable):

Application process used (grants; if applicable):

Is a project list available? If so, please attach and/or include this information.

Expenditure calculations and assumptions – *Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.*

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|--------------|--------------|--------------|-----------|-----------|-----------|
| Fund 057-1 | \$50,000,000 | \$50,000,000 | | | |
| | | | | | |
| | | | | | |
| Total | \$50,000,000 | \$50,000,000 | | | |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|--------------|-----------|-----------|-----------|-----------|-----------|
| Fund | 1.5 | 1.5 | | | |
| | | | | | |
| | | | | | |
| Total | 1.5 | 1.5 | | | |

| Contact | |
|------------------------------|--------------------------|
| Preparer Name: | Dave Andersen |
| Assistant Director Approval? | <input type="checkbox"/> |
| Preparer phone number: | |
| Date: | |

**Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan**

Section 1

| | |
|--------------------|---|
| Proposed Title: | Energy Retrofits and Solar Power for Public Buildings Grant Programs |
| Project Class/Type | Grants |
| Agency Activity: | A049 State Energy Policy |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|-------------|
| Starting Year: | FY24 |
|----------------|-------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

The Energy Retrofits for Public Buildings program provides a pathway for public agencies to substantially improve building performance, reduce operating costs, and reduce Greenhouse Gas emissions. Many public facilities were constructed before the adoption of new energy codes and do not address the growing need to provide efficient cooling. This program helps public agencies build sustainable facilities, reduce deferred maintenance backlogs, save on utility bills by installing solar power, create living wage jobs, and contribute to our state’s climate goals.

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

The Energy Retrofits for Public Buildings program was created in 2010 and has a proven track record of helping public agencies reduce their operational costs and achieve climate and sustainability goals through energy efficiency and renewable energy upgrades. These projects also stimulate local economic activity and create jobs throughout the trade and construction sectors.

The department proposes \$50 million in state funding to support a restructured Energy Retrofits for Public Buildings program that is responsive to a decade of program learnings, a new policy landscape, a shifting market, and evolving community needs. Importantly, the program has prioritized investments that benefit highly impacted and vulnerable communities, federally-recognized tribes, and rural communities. Positioning the program so that public buildings can better leverage the Bipartisan Infrastructure Law (BIL; Infrastructure and Investment Jobs Act (IIJA)) and Inflation Reduction Act (IRA) funding opportunities will unlock even more capital for this purpose.

The department request to scale up the Energy Retrofits for Public Buildings program to meet climate and environmental justice goals for public facilities. The demand for this program continues to exceed funding: in the past two years, application requests totaled \$18 million with only \$11 million available for awards. This equates to an oversubscription of approximately \$7 million, representing 34 projects that were left unfunded and/or deferred. In addition, we have heard that many potential applicants did not bother to apply due to the limited funding available and competitiveness of the program.

Grants and resources will be offered to state agencies, public higher education institutions, K-12 school districts, tribal governments, public housing authorities and local governments. We anticipate funding approximately 240 projects, which will significantly improve the energy performance of public buildings, create local clean energy jobs, and reduce Washington’s carbon footprint.

To increase the equitable distribution of resources and funding, the program will prioritize rural, highly impacted, low-income, and tribal communities. Previously, the program has set aside 20% of funding for projects in incorporated small cities and towns, which has directed \$4 million to 17 projects since 2020. More recently, Commerce has identified additional under-resourced and vulnerable communities that will greatly benefit from these grants, including unincorporated rural communities, and vulnerable, low-income, and tribal communities. Federally recognized tribal governments were added as eligible applicants in 2019, and five tribes have received grants to date. Going forward, we will prioritize these communities to receive grants, and a lower match will be required for these entities, ensuring that communities with fewer resources are able to benefit from this program.

The \$50 million grants will be distributed as follows:

Energy Efficiency Grants (\$23 million): Grants will support energy efficiency retrofits at public buildings, including lighting projects that eliminate harmful PCBs at public K-12 schools and fuel switching from fossil fuel to electricity. We anticipate awarding approximately 72 energy efficiency grants.

Solar Grants (\$13 million): Grants will support net-metered solar photovoltaic arrays to be installed on existing public buildings. We anticipate awarding approximately 130 solar grants.

State Project Improvements (\$14 million): Grants will support energy efficiency upgrades at state facilities. We anticipate awarding approximately 36 state project improvement grants.

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

The State Energy Strategy highlights the goal for the state to lead by example through investments in public capital projects, especially for schools, hospitals, and rural public buildings. Many older public facilities do not include current best practices for energy conservation. Public entities are often resource-constrained and face significant barriers to accessing clean energy improvements, including shortages in staff time, grant-writing experience, and challenges in obtaining match funds. These challenges will only grow as public entities work toward compliance with the Clean Buildings Performance Standard. The Energy Retrofits for Public Buildings program provides a pathway for public entities to overcome these challenges by accessing these new funding opportunities. In addition to improved building performance, this program helps public agencies reduce deferred maintenance backlogs, increases capital asset life, and creates jobs in the construction and trade industries.

Since 2013, the legislature has invested \$73.5 million in the Energy Retrofits for Public Buildings program in order to provide the public a benefit through improved energy efficiency, reduction in building operating costs and GHG emissions. The strategic goals of the program need to be updated in order to further remove restrictive barriers for public buildings to access capital and help public buildings comply with a new policy landscape.

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

A \$50 million investment in the Energy Retrofits for Public Buildings program will create an estimated 240 energy efficiency and solar energy projects that will save \$5,700,000 and 20,000 metric tons of carbon dioxide (CO₂) annually. In addition, approximately 656 jobs will be created, contributing to the growing

green economy sector and economic recovery efforts. The grant program will begin in FY24 and grant cycles will be offered throughout the biennium through each specific grant program (Energy Efficiency, Solar, and State Project Improvements).

This investment will enable Commerce to leverage the Energy Efficiency and Conservation Block Grant funds that Washington receives in partnership with regional, local and tribal governments for clean energy capital investments, projects, loan programs and performance contracting programs around the state.

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

This request provides the funds and resources agencies require to reduce energy consumption and losses in public facilities and to move the state towards meeting State Energy Strategy goals of a 45 percent reduction in Greenhouse Gas emissions by 2030, and a 95 percent reduction below 1990 levels by 2050. By reducing energy use, communities in most cases will also be improving the operational bottom line. This program provides opportunities to improve the health and safety for building occupants such as students, teachers, and other public employees, while reducing greenhouse gas emissions and local air pollution. The cost savings could be directed towards filling critical needs, such as improving services or addressing deferred maintenance backlogs. These projects also create and support construction jobs in the green economy throughout the state, especially in small towns and cities.

Without state support for energy efficiency programs, eligible entities in Washington, like school districts and local governments, will not be able to maximize the benefits from sweeping new federal infrastructure programs like the BIL/IIJA. Most federal programs require match funds and by increasing the number of awards we can make, the Energy Retrofits for Public Buildings program will unlock greater opportunity for schools and other public facilities to qualify. In addition, state funding will help public entities comply with Washington's Clean Buildings law and qualify for the Clean Buildings Early Adopter Incentive program.

Without funding for this program, the opportunities to receive the benefits of reduced air pollution and operating costs will be lost. Communities throughout Washington will not benefit from the associated job creation, potentially delaying local economic recovery, especially in small towns and cities that have limited economic development opportunities.

This program has been consistently oversubscribed resulting in unmet needs and deferred projects. In addition, stakeholder feedback from listening sessions and input from potential applicants indicate that there is a wider interest in these grants. We continue to work at breaking down accessibility barriers by reducing match levels where appropriate, simplifying the application process and adding more predictability to the timing of solicitations. Continued funding will support projects that have struggled to access energy improvements in the past.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

Other alternatives that were explored include scaling the program back or not funding the program at all. Not funding this proposal may leave eligible applicants without a way to fund these important projects or meet statutory requirements. This program leverages a pipeline of planned retrofits and upgrades; not funding would lock some of these projects into less efficient design, equipment, and materials for an indefinite period.

The Solar plus Storage for Community Resilience program, established in the Fiscal Year 2023 operating budget, funds solar plus energy storage installations for similar building types. Projects funded under that program will primarily enhance resilience, while the Energy Retrofits for Public Buildings program helps local governments and school districts upgrade public facilities while reducing emissions in alignment with Washington's State Energy Strategy, and providing cost savings to governments. Many communities may not be ready to make an investment in energy storage or have facilities that are not suitable for battery systems. These communities would still benefit from the cost savings, pollution reduction, and jobs created from solar-only projects that could be funded under the Energy Retrofits for Public Buildings program.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

Energy Retrofits for Public Buildings serves state agencies, higher educational institutions, K-12 public schools, tribal governments, public housing authorities and local governments. To date, the program has consistently awarded funds across the state, with broad geographic distribution. Since 2020, 44 percent of awards were to K-12 public schools, 40 percent to local governments, 8 percent to higher education, 7 percent to tribes, and 1 percent to state agencies, with 23 percent of projects in small cities and towns. In 2022, 81 percent of projects, representing 91 percent of funding, were in low-income, vulnerable, rural, or tribal communities.

Occupants and users of retrofitted facilities benefit from the increased safety and comfort of the buildings, and local communities experience cleaner air. These projects also contribute to the economy through job creation, supply chain purchases, and local economic activity.

6. Does this project or program leverage non-state funding? If yes, how much by what fund source, and could the request result in matching federal, state, local, or private funds?

The federal government is making unprecedented investments in energy efficiency and renewable energy through the BIL (IIJA) and the IRA. The Energy Retrofits for Public Buildings program unlocks these funds for local, state, and tribal governments by providing matching dollars to federal grant programs and the capital that projects need to take advantage of tax credits. The program could allow local, state and tribal governments to leverage federal investments in areas such as heating and cooling upgrades for public facilities, indoor air quality improvements for schools, more efficient public water treatment facilities, solar energy for community-owned facilities, and energy-efficient public housing. Commerce has been engaged in programs like the Federal Grants for Energy Efficiency and Renewable Energy Improvements at Public School Facilities, which is one of the first energy efficiency programs to roll out from the BIL (IIJA).

The program will set a minimum match requirement for public entities applying for these grant funds. The department will set a lower match requirement for priority communities and will review funding available to state agencies to set an appropriate match for them. In the last grant cycle, more than \$7.4 million was leveraged in non-state funds, nearly doubling the state investment. Matching funds typically come from a variety of sources, including energy performance contracting funds, private donations, student fees, private grants and lenders, local funds, and local funds by way of the state treasurer.

7. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

This request supports and is consistent with the Governor's *Results Washington* as follows:

- **Goal 1: World-Class Education**, by improving our schools' environments.
- **Goal 2: A prosperous economy**, by creating jobs to support these projects.
- **Goal 3: Sustainable Energy and a Clean Environment**, by reducing energy consumption and carbon emissions.
- **Goal 5: Efficient, Effective, and Accountable Government**, by reducing operational costs at publicly owned facilities.

It also allows state agencies to meet Executive Order 20-01, the Clean Buildings law, the Clean Energy Transformation Act, and the State Toxics Reduction Plan.

This request supports the department's goals:

- Accelerate Clean Energy Transformation through Infrastructure, Investments, and Policy;

And supports the agency's strategic objectives:

Objective: Understand the needs and challenges affecting their access to resources through deep community engagement and outreach.

Objective: Consult with community partners on our data and data-informed decisions.

Objective: Dismantle barriers to access and provide support so that communities across the state are positioned to access resources.

Objective: Build systems that enable data-informed decision-making to improve equity.

Objective: Establish internal (real time) information sharing that enables collaboration across the agency.

Objective: Provide (proactive) technical assistance and help build capacity in organizations with trusted messengers.

Additionally, this program supports agency-wide collaboration. Eligible facilities include those that connect with other important services our agency offers. For example, Public Housing Authorities provide services through the Housing Finance Unit and the Housing Assistance Unit, and also qualify for this grant, which can reduce operational costs and maintain the infrastructure needed to support vital programs. Many of the facilities that have benefited from Commerce's Local Government Division's programs can also benefit from energy retrofits, helping to increase the lifespan of public facilities. This program also builds relationships with eligible applicants (tribal governments, local government, schools, other state agencies, etc.).

The program supports the 2021 Washington State Energy Strategy, which highlights the need for the state to lead by example with public capital projects, especially for schools, hospitals, and rural public buildings. The strategy targets a 26 percent reduction in energy use in buildings by 2050 and recommends building electrification as a key strategy.

8. For IT-related costs:

- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service?
- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.)
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121](#).)

None.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

The department is one of the agencies designated to implement the HEAL Act. As the department develops its implementation strategy, it will work to embed agencies strategies into its programs.

10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

The State of Washington has set aggressive goals and targets for decarbonization, including the following statutes. Energy Retrofits for Public Buildings contributes directly to the following RCW's and executive orders:

- Building Benchmarking RCW 19.27A.190 - requires state and higher education agencies to disclose energy performance at facilities over 10,000 SF
- Building Efficiency RCW 19.27A.200 - requires facilities over 50,000 square feet to meet energy performance targets by 2026, and benchmarking for buildings over 20,000 by 2027.
- Carbon reduction RCW 70.235.50 - requires state agencies to report greenhouse gas emissions and develop strategies for emissions reductions
- State Efficiency and Environmental Performance (SEEP) E.O. 20-01 - requires state agencies to invest in projects that reduce energy consumption and greenhouse gas emissions
- Climate Change adaptation RCW 43.21M.040
- Clean Energy Transformation Act

These funds also move public buildings towards compliance with the Clean Buildings Performance Standard objectives, by investing in projects that reduce energy use at covered buildings.

By saving energy and installing solar, grant recipients will reduce their carbon footprint and environmental impact. Many past projects have used this as an opportunity to fuel switch – moving from fossil fuel-based system to electricity-based systems. Producing clean renewable energy via on-site solar projects also reduces carbon emissions.

These projects also contribute to community resiliency by improving the operations and resiliency of critical infrastructure such as water and wastewater systems, fire stations, hospitals, etc. By reducing energy consumption at these sites, the organizations save operating dollars that can be directed to other critical needs. Also, in the event of a disaster, these projects reduce the need for backup power by reducing the overall energy consumption at the facility, allowing them to operate longer in the event of a power interruption.

11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

The Energy Retrofits for Public Buildings program prioritizes projects in rural, lower-income, overburdened, and tribal communities. In 2022, these communities received 91 percent of funds from the Energy Efficiency and Solar grant programs. Projects provide benefits to these communities by reducing the costs of providing public services, improving the comfort, health and safety of communities, building local workforces, and reducing local air pollution.

The program also prioritizes projects that provide benefits to vulnerable populations, and engages with the community during project development. Communities have cited program benefits such as cost stabilization for essential services, educational opportunities for students, improved learning environments and health and safety improvements.

In December 2021, three listening sessions were held for this program, with 216 total attendees representing current and potential grantees, tribes, and other stakeholders. Our proposed solutions have been informed by these listening sessions. If funding is re-instated, we will conduct additional community engagement to tribal, rural and vulnerable communities utilizing environmental justice best practices and tools created through the HEAL Act.

12. Is there additional information you would like decision makers to know when evaluating this request?

None.

RCW that establishes grant (if applicable):

Application process used (grants; if applicable):

Is a project list available? If so, please attach and/or include this information.

Expenditure calculations and assumptions – *Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.*

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|--------------|---------------------|---------------------|-----------|-----------|-----------|
| Fund 057 | \$50,000,000 | \$50,000,000 | | | |
| | | | | | |
| | | | | | |
| Total | \$50,000,000 | \$50,000,000 | | | |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|----------|-----------|-----------|-----------|-----------|-----------|
| Fund 057 | 5.5 | 5.5 | | | |
| | | | | | |
| | | | | | |

| | | | | | |
|-------|-----|-----|--|--|--|
| Total | 5.5 | 5.5 | | | |
|-------|-----|-----|--|--|--|

| | |
|------------------------------|--------------------------|
| Contact | |
| Preparer Name: | Jennifer Grove |
| Assistant Director Approval? | <input type="checkbox"/> |
| Preparer phone number: | 360-763-2213 |
| Date: | |

**Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan**

Section 1

| | |
|--------------------|---|
| Proposed Title: | Weatherization Plus Health |
| Project Class/Type | Grants |
| Agency Activity: | A065 Improve and Preserve the Affordability of Housing |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|-------------|
| Starting Year: | FY24 |
|----------------|-------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

The Weatherization Plus Health program delivers essential repairs, health and safety improvements, and energy efficiency upgrades to low-income homes across Washington. The investment per unit has significantly increased in accordance with overall supply chain issues and labor shortages. A \$36 million investment will leverage federal and local funding that will sufficiently allow the Weatherization Plus Health program to serve 4,200 households.

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

According to the 2017 American Community Survey, nearly 750,000 households in Washington live in poverty. Over half of these households are in need of weatherization services with the majority of households living in single-family and multi-family rental units. The Weatherization Plus Health program is a sound, statewide investment in Washington’s clean energy future and creates positive health outcomes. This program delivers affordable housing preservation for low income families and efficiency upgrades by providing repairs, health and safety improvements, and installation of energy efficiency measures in single and multi-family homes in every county in the state and for seven Native American tribes.

The State Energy Strategy recommends that the state fund the weatherization program at a level that allows 10 percent of the 750,000 eligible homes to be served. With all current funding sources (including state, federal and utility contributions - approximately \$40 million annually), the weatherization program currently serves approximately 2,000 households a year, which is less than 1 percent of eligible households.

Established by the legislature in 2015, the Weatherization Plus Health program makes targeted investments in energy efficiency, clean energy, and preservation of affordable housing for the state’s most vulnerable and underserved households. A state investment of \$36 million for the 23-25 biennium will directly leverage at least \$36 million in utility energy efficiency funding. This state investment will indirectly leverage more than \$60 million in federal and local funding, including a portion of the \$47 million formula funds Washington will receive over the next 5 years from the Bipartisan Infrastructure Law (Infrastructure Investment and Jobs Act) for weatherization. The Weatherization Plus Health Program and leveraged funding will significantly improve the energy efficiency, health, and safety of more than 4,234 households in hard-to-reach markets, including rental and multi-family households this biennium.

Commerce is working closely with the weatherization provider network to rebound from challenges brought forth by the pandemic such as escalating costs, labor shortages, and supply-chain backlogs. We estimate that it will take more than a year to resume pre-pandemic production levels and, based on current market conditions, it will cost 1.6 times to serve the same number of units. Commerce is

requesting a state funding level that will help our network build back to pre-pandemic levels and begin to scale up to meet the increasing needs of weatherization services for low-income communities.

Costs have risen for all direct and indirect expenditures associated with low-income weatherization, as has the need for these services. The Weatherization Plus Health funding is a critical component to meet the needs of low-income households, which includes the rehabilitation needed to get a home ready for weatherization and is the only fund source available to provide enhanced healthy-home measures for households with residents who have respiratory illnesses or need slips, trips and fall hazards mitigated. This funding is critical to helping achieve the state's ambitious climate goals.

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

Low-income weatherization is a targeted investment that helps address the underlying disparities and systemic inequalities that prevent low-income residents from accessing and benefiting from healthy, affordable, efficient homes. The preservation of energy-efficient housing improves community resiliency while advancing Washington's clean energy goals.

Addressing inequities in energy costs: Washington's 750,000 households that are below 200 percent of the federal poverty level have an average energy burden (utility costs as shared monthly expenses) of 6 percent. This is classified as a high energy burden and is more than three times the energy burden of the typical Washington household. Many low-income households spend more than 15 to 20 percent of their monthly income on utility costs. In the fiscal year 2021, the average home that received weatherization services saved 15.8 MBTUs and \$371 per year in energy costs. Weatherized units in large multi-family buildings saved on average 2.1 MBTU and \$50 per year.

Weatherization Plus Health investments are exclusively aimed at serving communities and neighbors in need. Two-thirds of households receiving weatherization services are located in census tracts classified by the Department of Health as having greater social and economic needs. The improved health conditions and reduced energy and health costs that result from the Weatherization Plus Health program have a positive ripple effect on the state by reducing energy assistance needs, Medicaid costs, carbon emissions, and energy arrearages. These effects are conservatively estimated at three times the direct energy benefits. Moreover, the program provides consistent energy savings to markets and clients that utilities cannot cost-effectively or efficiently serve.

Improving self-sufficiency and health: Many low-income household members have underlying health conditions such as limited mobility, asthma, COPD, hypertension, or compromised immune systems that are made worse by substandard housing conditions. There is strong evidence linking residents' health outcomes to substandard housing, and further evidence suggests that targeted healthy home investments can improve health outcomes and lower health costs. Over the last five years, Commerce has demonstrated the potential of integrating weatherization and healthy home measures through the Weatherization Plus Health initiative. For example, households that received services benefited from improved asthma control and savings of more than \$400 per year in medical costs. Without Weatherization Plus Health funding, community action agencies are not able to deliver enhanced healthy home services or develop partnerships and referral arrangements with public health organizations such as the local Department of Health and Regional Accountable Communities of Health for integrated services. In response to the reduced FY2022 funding level, many community action agencies chose not to provide "Plus Health" services and redirected limited funding towards basic weatherization program needs. When the legislature provided \$10 million through the FY2023 Supplemental Budget Process, Commerce was able to reinstate "Plus Health" as a required service for each county in Washington.

Addressing affordable housing crisis: Preserving existing affordable housing must be prioritized as an anti-displacement measure and to protect the health and safety of vulnerable populations. The Weatherization Plus Health program does just this by repairing and weatherizing homes, making them

safer, healthier and more comfortable. Furthermore, by reducing energy costs and addressing other health or safety concerns, the investment ensures that excessive housing and utility costs do not push people into homelessness and that elderly clients are better able to age in place.

Stimulating economic recovery: The low-income weatherization program and related training supports statewide workforce development. Weatherization Plus Health funding is distributed through local community action agencies and an established contractor network that supports living wage jobs. By increasing the biennium appropriation, approximately 414 jobs will be created according to the National Association of Home Builders (2015).

Implement State Energy Strategy Recommendation: According to the 2021 State Energy Strategy, low-income households bear a disproportionate housing and energy cost burden relative to other households. Existing sources of energy assistance, including both federally-funded and utility-funded assistance, do not adequately address the energy affordability gap in Washington. By providing \$36 million, Commerce will advance the State Energy Strategy goals of weatherizing a minimum of 10 percent of eligible households and prioritizing services to underserved households by addressing the deferred maintenance issues that create barriers to weatherization and improving health outcomes of low-income households.

Leveraging federal funding: The Weatherization program is supported by multiple fund sources including federal funding from the U.S. Department of Energy (DOE). Under DOE regulations, all energy efficiency measures must meet a savings-to-investment (SIR) ratio of 1.0 or greater, stay under a limit on the number of repairs that can be done pre-weatherization, and stay within restrictive requirements for providing health and safety measures. With low energy costs and high labor costs in Washington state, the Weatherization Plus Health funding provides the flexibility to fill gaps in DOE funding. State funding enables agencies to achieve a SIR at 1.0 for energy efficiency measures, complete health and safety measures and address pre-weatherization repairs. In addition, state funding expands the opportunities for electrification by providing fuel switching from fossil fuels to alternate technologies such as heat pump systems.

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

The request will help provide funding for the continuation of the Weatherization Plus Health program. With a \$36 million state investment, combined with federal and utility contributions, an estimated 4,234 homes will be weatherized, of which, at least 30 percent will receive enhanced healthy home services.

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

Given the significant investment that has already been made to establish procedures, contracting capacity, and local partnerships, \$36 million in the 23-25 budget will provide the needed funding for leveraging new and existing federal funding, help the Weatherization program continue to establish "Plus Health" as a statewide service, and enable Commerce to expand access of weatherization services by authorizing agencies to spend state funding to 1) address deferral repairs, 2) enhance services to non-utility fueled homes, and 3) expand services to tribal homes.

With the Bipartisan Infrastructure Law (BIL)/IIJA funding, Commerce is working to scale up the weatherization network in several different areas in an effort to impact how many people can be served through weatherization over the next several years. Commerce is currently working to hire additional staff to:

1. Implement the workforce development plan that was created by a diverse workgroup – this will assist weatherization agencies and contractors by adding worker capacity through recruitment, training and retaining people in the weatherization industry.
2. Implement a new multi-family only weatherization program -- 41% of Washington's low-income individuals live in multi-family housing and are more prone to experience energy insecurity (falling behind on energy bills, inability to cover food or other necessities costs so they can pay their energy bill, etc.). Commerce is planning to set aside 20 percent of the federal BIL funding to reduce the energy burden for these households.
3. Help enhance stakeholder engagement -- by working closely with tribes and tribal entities performing weatherization, conduct state-level outreach campaigns for weatherization services, and support clear and timely communication between Commerce and weatherization agencies.

Without funding for the Weatherization Plus Health program, we expect there to be a continued decline in Washington's affordable housing stock, which would continue to fall into uninhabitable disrepair causing unsafe and unhealthy living conditions for low-income families. This could further push households living on the edge into homelessness or displacement. Additionally, because of the condition of many homes needing weatherization it would make it difficult to expend federal grants if providers were unable to use state funds to help cover the non-energy efficiency work needed such as electrical upgrades, roofing repairs, mechanical ventilation, etc.. The loss of Weatherization Plus Health funding would contribute to the loss of more than 156 living wage jobs just from the decrease in state funding alone. Additional job losses will occur if we are unable to leverage the federal and utility contributions with limited state funding. As our state economy moves into recovery, providing additional state funding for weatherization would help agencies across Washington offer services without interruption and without discontinuation of important housing and energy programs for the state's low income communities.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

Current funding levels are insufficient to address the demand and need for Weatherization Plus Health services. Commerce explored alternative funding sources such as federal and utility funding. While we will be receiving a significant increase in federal funding, it is insufficient on its own to fill client service needs and gaps. Further relying on utility funding alone would create service gaps and inequities, as not all utilities in Washington provide funding for home rehabilitation or integrated health initiatives. Utility funding also needs to be directed to customers within their service territory, leaving non-utility customers with fewer options.

The additional flexibility of Weatherization Plus Health funding makes it an invaluable funding source to complement federal low-income weatherization grants from the U.S. Department of Energy, U.S. Health and Human Services (through the Low Income Home Energy Assistance Program), and Bonneville Power Administration, and will be critical in order to leverage the Bipartisan Infrastructure Law funding. Collectively, the federal funding for fiscal year FY2022 was \$20 million. All of these federal fund sources have restrictions and extensive requirements that limit measures and services and affect how many homes are deferred from weatherization. For example, federal fund sources have a 15 percent limit of funding repair costs (e.g. repair to a ceiling so insulation can be installed). These repair costs are required to be included in savings to investment ratio (SIR) calculations. If the total cost of the weatherization measure and the repair do not meet SIR requirements, then the project cannot proceed or other sources of funding need to fill the gap. This is where state funding has been instrumental in providing flexibility to address critical home repair and energy needs that would otherwise be left unfulfilled.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

The Weatherization Plus Health program serves households at or below 200 percent of the Federal Poverty Level, 60 percent State Median Income, or 80 percent Area Median Income, with priority given to households with children, disabilities, aging adults, Native Americans, and those with a high-energy use/burden. It is a statewide program with services in every county and seven Native American reservations. The program serves rental and owner-occupied single-family, multi-family, and manufactured housing.

With \$36 million for the biennium combined with federal and utility contributions, an estimated 4,234 homes will be weatherized with a minimum of 30 percent receiving enhanced weatherization services. Program funds will be targeted to serving previously deferred homes, households with non-utility fuels (oil, propane, or wood), expanding services to tribal households, and expanding Weatherization Plus Health services to medically vulnerable households statewide.

6. Does this project or program leverage non-state funding? If yes, how much by what fund source, and could the request result in matching federal, state, local, or private funds?

Weatherization Plus Health Program dollars are highly leveraged. Since 2017, utility investment in low-income weatherization has exceeded \$1.50 for every \$1.00 of Weatherization Plus Health state investment.

Washington State also expects the following leveraging funds to be available:

- \$47M from the U.S. Department of Energy (DOE) through the Bipartisan Infrastructure Law (BIL) over the next 5 years.
- \$9.5M from Low Income Home Energy Assistance Program (LIHEAP) annually
- \$5.6M from the U.S. Department of Energy (DOE) annually
- \$2.5M from Bonneville Power Administration (BPA) annually

Weatherization agencies are skilled at combining federal, state and utility funding to maximize the level of service each weatherization client receives. The flexibility of the Weatherization Plus Health funding makes it an invaluable funding source that helps weatherization agencies “unlock” the more restrictive federal funding sources. This year DOE has an average cost per unit of \$8,009. In Washington state, with our high labor costs and increasing materials costs, the average cost per unit is over \$16,000 in direct labor and material costs, and this does not include administration, training and technical assistance, program operations, etc. Weatherization Plus Health funding helps address the gaps in the cost of weatherizing homes while also helping to reach households that would not be served through federal and utility funding alone.

7. Describe how this project supports the agency’s strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

This request supports and is consistent with the Governor’s Results Washington through:

- **Goal 2: A Prosperous Economy** by creating living wage jobs that help low-income families reduce their energy bills and stay in their homes;
- **Goal 3: Sustainable Energy and a Clean Environment** by reducing energy consumption and emissions;
- **Goal 4: Healthy and Safe Communities** by providing health services to medically vulnerable households.

This request supports four of the department’s goals:

- Reduce Homelessness and Expand Housing Inventory;
- Accelerate Clean Energy Transformation through Infrastructure, Investments, and Policy;
- Support Entrepreneurship, Small Businesses and Regional Economic Growth;

- Promote Development of the innovation Economy and Globally Trade Sectors

And supports all of the agency's strategic objectives:

Objective: Enrich Commerce's human capital to demonstrate and employ cultural competency.

Objective: Understand the needs and challenges affecting their access to resources through deep community engagement and outreach.

Objective: Consult with community partners on our data and data-informed decisions.

Objective: Dismantle barriers to access and provide support so that communities across the state are positioned to access resources.

Objective: Build systems that enable data-informed decision-making to improve equity.

Objective: Establish internal (real time) information sharing that enables collaboration across the agency.

Objective: Provide (proactive) technical assistance and help build capacity in organizations with trusted messengers.

This request also supports the Energy Division's strategic goal of:

- **Creating a Clean Energy Future** by reducing energy consumption and helping households move their heating systems from fossil fuels to electricity.

8. For IT-related costs:

- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service?
- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.)
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121.](#))

Not applicable.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

The department is one of the agencies designated to implement the HEAL Act. As the department develops its implementation strategy, it will work to embed agencies strategies into its programs.

10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

Energy efficiency is a fundamental goal and direct outcome of the Weatherization Plus Health program. Every home that is serviced contributes to this goal through air sealing, adding insulation, installing more energy-efficient HVAC systems, and the education of homeowners. For example, in FY21, 1,549 units were served and realized annual energy savings of 15,271 Million BTU. The average cost savings per unit ranged from 9 percent for multi-family units to 22 percent for single-family site-built homes.

These savings are estimated to reduce carbon emissions by over 4,000 metric tons per year over the 20 to 30-year life of the projects. Additional Weatherization Plus Health funding will support increasing and targeting services to “high carbon” clients, including those with oil or propane heat.

The Weatherization Plus Health program mitigates the effects of climate change by improving the energy efficiency of homes and reducing associated carbon emissions from fossil-fuel based energy providers.

11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

The Weatherization Plus Health program directly addresses the problem of energy insecurity and equity in every county and seven Native American reservations in Washington. The program makes cost-effective energy efficiency and home repairs that improve the lives of vulnerable community members.

The program also strengthens the resiliency of communities through direct benefits of weatherization measures, such as ductless heat pumps that provide critical cooling benefits and allow households to better withstand heat waves and a warming climate. In addition, the integration of healthy home services with weatherization adds health resiliency and housing stability for communities that suffer from the greatest economic and social disparities. With the goal of reducing avoidable hospitalization and emergency department visits, healthy home services reduce household hazards to make homes safer, prevent injury, and reduce illness by completing improvements that prevent slips, trips, and falls as well as mitigate triggers for respiratory issues including asthma and Chronic Obstructive Pulmonary Disease.

The program prioritizes services to the most vulnerable sectors of our low-income population including the elderly, persons with disabilities, households with children, high residential energy users, households with a high energy burden, and Tribal residents.

The program is also in the process of converting to a new database system that will allow us to track demographic data at a more granular level so we can do further analysis on disparities and service gaps. For example, we’d like to collect better data on social and economic data on who is getting served through weatherization so we can develop targeted outreach strategies. The most recent Census Bureau data regarding energy insecurity among low-income households of color found that 50 percent of Black renter households reported being behind on their energy bills. Additionally, 37 percent of Hispanic households and 17 percent of Asian households also reported having challenges paying their energy bills ([ACEEE, 2022](#)). By understanding this data better at a state level, Commerce can help direct funding to serve the most vulnerable and energy-insecure households so residents aren’t faced with having to choose between feeding their families or keeping their lights on.

This year Commerce has also been leading an effort to assess the needs and opportunities for energy efficiency services to low-income households and overburdened communities. Through this needs assessment, a team of third-party evaluators is analyzing data and conducting interviews with low-income households, as well as weatherization, bill assistance, and utility providers to:

- 1) Comprehensively assess the needs for providing building energy efficiency services to low-income and overburdened communities
- 2) Assess the strengths and limitations of the existing building energy services and delivery systems in serving overburdened populations and communities, including federal, state, and utility funded and administered programs in Washington state

- 3) Identify viable opportunities and options to meet state energy strategy goals for scaling up building energy efficiency services to equitably serve low-income populations by creating a detailed implementation plan

Preliminary recommendations will be delivered to Commerce in December 2022 and a comprehensive roadmap and implementation strategy will be completed by June 2023.

12. Is there additional information you would like decision makers to know when evaluating this request?

Over the past two years, the statewide network of weatherization advocates has grown to include environmental and social justice organizations. Commerce engages with this stakeholder network on an ongoing basis. This funding request is supported by the Washington State Community Action Partnership, and Shift Zero members which is an alliance of climate change organizations focused on the “equitable adoption of zero carbon buildings at scale”.

RCW that establishes grant (if applicable):

Application process used (grants; if applicable):

Is a project list available? If so, please attach and/or include this information.

Expenditure calculations and assumptions – Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|----------|--------------|--------------|-----------|-----------|-----------|
| Fund 057 | \$36,000,000 | \$36,000,000 | | | |
| | | | | | |
| | | | | | |
| Total | \$36,000,000 | \$36,000,000 | | | |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|-------|-----------|-----------|-----------|-----------|-----------|
| | | | | | |
| | | | | | |
| | | | | | |
| Total | | | | | |

| Contact | |
|------------------------------|--------------------------|
| Preparer Name: | Jennifer Grove |
| Assistant Director Approval? | <input type="checkbox"/> |
| Preparer phone number: | (360) 763-2213 |
| Date: | |

**Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan**

Section 1

| | |
|--------------------|---|
| Proposed Title: | Building Communities Fund Grant Program |
| Project Class/Type | Grants |
| Agency Activity: | A096 Community Development Block Grants |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|--------------|
| Starting Year: | FY 24 |
|----------------|--------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

The Building Communities Fund Program (BCF) provides state capital grants to nonprofit organizations for social service and multipurpose community centers. State grants may be used for acquisition, construction, or rehabilitation of facilities and may defray up to 100 percent of capital costs dependent on the amount requested. RCW [43.63A.125](#) requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

The department requests \$50 million for the BCF project list. The department also requests \$1,712,000 to continue to provide technical assistance to eligible organizations interested in applying for the BCF grants and to award \$1 million in technical assistance and capacity grants to low capacity eligible organizations.

BCF is a competitive grant program providing nonprofit organizations with capital funding for social service and multipurpose community centers. Eligible projects must be nonresidential facilities, and must be located in a distressed community or serve a substantial number of low-income or disadvantaged persons. The state’s share is generally limited to 25 percent of the total project cost, although this amount may be increased under exceptional circumstances. The program solicits applications each even year and works with a citizen’s advisory board to review project proposals.

In the 23-25 biennium for project lists submitted during the 2021-2023 fiscal biennium, grant assistance under this section may not exceed:

- (A) One hundred percent of the total cost for projects up to \$100,000;
- (B) Seventy-five percent of the total cost for projects that exceed \$100,000, up to \$250,000;
- (C) Fifty percent of the total cost for projects that exceed \$250,000, up to \$500,000.
- (D) Twenty five percent of the total costs for projects that exceed \$500,000.

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

For the first time since the beginning of the Building Communities Fund program in 2009. A total of 64 applications totaling over 36 million in funding request were received through the solicitation process. This increase brought forth many different project demographics including: behavioral health out-patient

facilities, youth services, food banks and various clinics that provide extensive social services to the communities they serve. Providing capital funding for social service and multipurpose community center construction projects, this program enhances the livability of our communities. Low-income and distressed communities will receive expanded and improved social services, such as: Expansion of job opportunities and enhanced recreational and educational opportunities.

In 21-23 biennium, the Legislature provided funding for the department to provide technical assistance to applicants. This funding was used in coordination with the BCF equity assessment. Through that process the department was able to identify potentially eligible organizations across the state that had never applied for BCF grants due to lack of awareness of the resource, limited experience or knowledge pursuing state resources, or a significant deficit in capacity to move a project or application forward. These funds were essential in providing resources and support to the lowest capacity organizations. Additional funding will allow the department to continue and build on the technical assistance it was able to provide applicants this past biennium. While also granting \$1 million dollars to the lowest capacity organizations so they may better compete for state capital funding by providing financial resources to address capacity barriers, such as hiring a consultant, project manager, grant writer, etc.

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

Grants may be used for acquisition, construction, or rehabilitation of social service and multipurpose community centers. Projects must result in a discrete, usable phase. Historically, projects in this program span over a four year period, based in part on construction schedules.

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

If no action was taken, it would delay eligible projects. Project delays increase construction costs for the State and communities. The opportunity to create economic activity and stimulus through construction projects in communities would be missed.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

The Department of Commerce is required by RCW [43.63A.125](#) to establish a competitive process to solicit proposals for and prioritize projects whose primary objective is to assist nonprofit organizations in acquiring, constructing, or rehabilitating facilities used for social service and multipurpose community centers. The department must submit a list of recommended projects to the Governor and the Legislature in its biennial capital budget request.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

Social service nonprofit agencies will offer improved facilities and improved educational and social service activities throughout the state with these projects.

6. Does this project or program leverage non-state funding? If yes, how much by what fund source, and could the request result in matching federal, state, local, or private funds?

By statute, RCW 43.63A.12- Building Community Fund Program, requires a 75% non-state match from all eligible projects and grant assistance may not exceed twenty-five percent of the total cost of the project, except under exceptional circumstances.

For project lists submitted during the 2021-2023 fiscal biennium grant applicants may fall into four tiers as described under the project description.

7. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

This request supports and is consistent with the Governor's Results Washington through:

Goal 4: Health and safe communities: Fostering the health of Washingtonians from a healthy start to safe and supported future.

This request supports all five the department's goals:

- Reduce Homelessness and Expand Housing Inventory;
- Create Digital Equity and Connectivity through Broadband;
- Accelerate Clean Energy Transformation through Infrastructure, Investments, and Policy;
- Support Entrepreneurship, Small Businesses and Regional Economic Growth;
- Promote Development of the innovation Economy and Globally Trade Sectors

And supports all of the agency's strategic objectives:

Objective: Enrich Commerce's human capital to demonstrate and employ cultural competency.

Objective: Understand the needs and challenges affecting their access to resources through deep community engagement and outreach.

Objective: Consult with community partners on our data and data-informed decisions.

Objective: Dismantle barriers to access and provide support so that communities across the state are positioned to access resources.

Objective: Build systems that enable data-informed decision-making to improve equity.

Objective: Establish internal (real time) information sharing that enables collaboration across the agency.

Objective: Provide (proactive) technical assistance and help build capacity in organizations with trusted messengers.

This proposal acts on the significant community outreach and engagement conducted by BCF and Research Services staff over the past two years in identifying how to better serve communities with special attention to Black, Indigenous, People of Color and By and For led organizations.

8. For IT-related costs:

- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service? No
- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.) No
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? ([See OCIO Policy 121.](#)) No

None.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

Not applicable.

10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

All projects are required to meet the Leadership in Energy and Environment Design (LEED) Silver Standard or receive an exemption from Commerce. LEED is a green building certification program developed by the nonprofit U.S. Green Building Council (USGBC) and includes a set of rating systems for the design, construction, operation, and maintenance of green buildings, which aims to help building owners and operators be environmentally responsible and use resources efficiently.

11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

This request funds technical assistance and outreach to increase engagement with BIPOC led, and By- and-For led community based organizations. Tribal governments will also be consulted. The technical assistance and outreach will address systems that are currently not built for BIPOC, By and For, and Tribal Governments' success. This grant can also utilize existing resources within communities by leveraging nonprofit professional expertise to provide trainings in capital campaign fundraising, feasibility studies, grant writing, and other activities that are pre-requirements to applying for a BCF grant.

12. Is there additional information you would like decision makers to know when evaluating this request?

This request addresses both internal capacity and external equity needs in four ways:

- 1.) It funds future BCF grant proposals as legislated.
- 2.) It continues to fund the development and maintenance of a database outreach tool that assists BCF staff and partners to make informed decisions on where to conduct direct and virtual outreach in the state.
- 3.) It alleviates and expands capacity needs by adding two Technical Assistance (TA) FTEs to provide educational training and early grant application review. These positions will help address the demand for consultation with BCF staff.
- 4.) It provides grants to the lowest capacity organizations to all them the ability to address capacity barriers and create an opportunity for them to compete for state capital resources.

RCW that establishes grant (if applicable): RCW 43.63A.750

Application process used (grants; if applicable): Applicants submit applications electronically through the ZoomGrants online system, then they are ranked and scored by a citizen's advisory board.

Is a project list available? If so, please attach and/or include this information. **Waiting on list**

Expenditure calculations and assumptions – Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| Fund 057 | \$51,712,000 | \$51,712,000 | \$51,712,000 | \$51,712,000 | \$51,712,000 |
| | | | | | |
| | | | | | |
| Total | \$51,712,000 | \$51,712,000 | \$51,712,000 | \$51,712,000 | \$51,712,000 |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|--------------|-----------|-----------|-----------|-----------|-----------|
| Fund | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| | | | | | |
| | | | | | |
| Total | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |

| Contact | |
|------------------------------|--------------------------|
| Preparer Name: | Addeline Craig |
| Assistant Director Approval? | <input type="checkbox"/> |
| Preparer phone number: | 360-688-0041 |
| Date: | 8/17/2022 |

**Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan**

Section 1

| | |
|--------------------|--|
| Proposed Title: | Dig-Once Pilot Project and Enhanced Program Development |
| Project Class/Type | Grants |
| Agency Activity: | A065-Improve and Preserve the Affordability of Housing |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|---------------------|--------------|
| Starting Year: 2023 | FY 24 |
|---------------------|--------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

Local Governments and state agencies frequently have multiple planned Infrastructure projects in the same location, scheduled just a few years apart. Often one project will be completed, roads and services restored, only to have other projects initiated that impact the finished product of the initial project. The department requests \$11 million dollars to complete the Lewis County Dig-Once pilot project and to expand the program into another part of the state, helping catalyze the efficiencies local governments can realize when they coordinate infrastructure investment and planning.

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

The increased efficiencies from conducting a grouping of “dig-once” infrastructure projects can save an estimated 20 to 30 percent in state and federal capital investment dollars—such efficiencies have never been more important than now, as projects are experiencing inflated labor and supply costs. Commerce is currently implementing an \$40,000 proviso, from the FY22 Supplemental Capital budget, to develop a coordinated spatial demonstration of overall infrastructure needs in Lewis County using GIS mapping tools. Now, the partners have identified and will prioritize three infrastructure projects in the greater Lewis County area that have unfunded elements and are potential recipients for this funding. (Many of the individual projects have identified or secured funding through loans and grants. However, in some cases there is a need for additional funding assistance to complete the projects and realize the efficiency and financial savings provided by coordinated projects being carried out and completed at one time).

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

The department seeks to deepen the state’s investment in the “Dig Once” pilot because of the significant returns we are already seeing. For example, in addition to efficiencies and cost savings anticipated from the coordinated Lewis County projects, a notable side benefit that has already been realized through just publicizing the “dig-once” pilot, has been the emergence of several housing developers that are interested in initiating development of multi-level housing. One project proposes 120 to 150 units, the other is proposing up to 500 units. They are stepping forward now as they realize that the over-all product of the “dig-once” project will bring necessary utilities directly to their projects and allow them to avoid the additional costs of extending services to their developments.

Inducing multi-level housing would be a significant side benefit from extending the pilot to another part of the state that will help prepare the area for the increased need for housing.

The legislature has asked the department to further develop a “Dig-once” pilot program with goals that include:

- Minimizing local disruption,
- Maximizing efficiencies,
- Demonstrate the ability to achieve cost savings to state and local governments.
- The pilot program must be implemented in Lewis County in collaboration with the department of transportation and the economic alliance of Lewis County.

The department of transportation and local governments must collaborate with the department to identify and coordinate projects in Lewis county that require excavation work on public property, such as projects improving fish passage barriers, roads, broadband, water, wastewater, or stormwater infrastructure.

A successful “dig-once” program depends heavily on local coordination of the individual infrastructure projects that make up the larger effort. This includes to coordination on funding, design and timing of the various phases of larger project. The partners in Lewis County have identified three projects.

If funded and completed, these projects will address and achieve several high-priority items:

- Expand and update essential utilities, water, wastewater, and broadband.
 - Provide new access to the essential utilities that will allow development to create various forms of housing and industry.
 - Provide funding solutions for replacement and upgrades to promote fish passage.
- Allow an efficient and “one-time” resurfacing of roads in the project areas.

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

Proposed funding being requested:

- Up to \$10.0 million towards funding completion of the pilot project in Lewis County,
- At least \$1.0 million to promote local government coordination of planning to identify a location for a second pilot project in Eastern Washington.
- Up to 2.5% of overall funding to Commerce to go towards program development, and administration

The funding Will be used to provide funding to address outstanding funding gaps that would keep the project from being completed in a truly Dig-once concept. Example: Roads, and water, are funded, use these funds to also purchase and install conduit and broadband fiber. Example: all other aspects (roads, water distribution, sewer collection are funded, but there is not funding source for removal of fish passage barriers. Use this funding for addressing the costs of the fish passage.

Lewis County Pilot - The Economic Alliance of Lewis County has identified three potential projects that will be considered for funding in the pilot program. Each of the programs have other funding identified for certain elements. Funding includes local ARPA dollars, and other loans and grants including broadband funding from WSBO.

An example of one of the projects to be included in this capital request:

Project: Harrison/Reynolds Avenue Improvements

Improvements to include surface road improvements, Wastewater Trunk Main improvement/additions from N. Harrison to Reynolds Ave at Pearl Ave, to existing and new underground digital fiber and utilities lines, Zimmerman substation

Partners

City of Centralia
Lewis County
Centralia City Light
Lewis County PUD
BNSF
WSDOT
Port of Centralia
Private Development
Chehalis Basin

Timeline

Planning and coordination Winter 2022
Engineering-Spring 2022
Construction-Spring 2023

Estimated Cost

\$35 to 40 million for all phases
More detailed estimate in process

Identified Benefits:

Will allow for additional commercial development and provide opportunity for large scale housing development. Ease pressure on existing sewer infrastructure by looping in area north and west of I-5. Large need for homes in the region and sewer is needed for the development. Road is being repaired, so it is the perfect time to align efforts and save money. Dig-once and lay sewer, add broadband, move utilities underground and resurface road.

Statement on relation to housing:

The Dig Once pilot will greatly benefit affordable housing projects, and has already done so in Lewis County. In cooperation with a longtime nonprofit affordable housing developer, Lewis County is seeking to site a middle-income workforce housing project on Reynolds Road in the Centralia UGA.

The project is designed to fill a gap for workers making wages slightly above the typical 80% -AMI cutoff for affordable housing, but nevertheless struggling to find housing locally—and so are commuting to Centralia from Tacoma. The proposed project is roughly one-third for workers at 80% AMI, one-third for workers at 115% AMI, and one-third market-rate housing.

The project would not be viable if it included the cost of extending sewer along Reynolds Road to the site; as a result, the land remained unused. However, the Dig-Once model publicized an existing, funded project to extend sewer along Reynolds Road right past proposed housing site, as well as supplying road and transit improvements. Timing the housing project with the existing road project will provide enormous incidental subsidies to the housing: curbs, gutters, sidewalks, streetlights, sewer, transit improvements, and perhaps (if funded through the Dig-Once pilot project) improved fish passage, stormwater reduction, and broadband. As a result, the housing project is moving forward.

Thus, the certainty, public notice, and timing benefits of Dig-Once alone, even without any money directly for housing, boost affordable housing projects and increase the effectiveness of existing subsidy programs for affordable housing. If a local government is permitted to take the savings from Dig-Once and apply them to other road, utility, and affordable housing projects, this effect can be magnified through additional incidental and direct subsidies to future projects.

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

Gaps in funding would cause delays or force projects to move forward individually and increase the cost of projects 20 to 30 percent from what a dig-once model could provide.

A successful “dig-once” program depends heavily on local coordination of the individual infrastructure projects that make up the larger effort. This includes to coordination on funding, design and timing of the various phases of larger project.

There may be one or more funding gaps that become a limiting factor for the success of a comprehensive “dig-once” project. For most infrastructure, there is a revenue stream attached to the utility that makes an infrastructure loan a viable funding solution. One component identified in the “dig-once” proviso that does not have a revenue stream attached, or identified funding, are locally owned fish passage barrier removal projects.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

This is the alternative to traditional individually staged capital project design and construction.

By staging the projects in a sequence that fits the “dig-once” concept, partners will save an estimated twenty to thirty percent on overall project costs.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

The request would be used solely in Lewis County on one or more of the three identified projects in Centralia, Chehalis, and the County. Ideally the County would be the recipient of the grant funding, and it would be administered through the Local Governments Division – Boards Unit. The goal is to make the projects whole and fill funding gaps that will make the overall dig-once projects complete with funding amounts that will allow them to achieve the efficiencies of multiple projects being completed at the same time.

There are over 700 federal, state, local and private fish passage in Lewis county that need to be addressed. The proposed three projects include five locally (County and City) owned in the area of the three identified projects. The current estimated costs on a culvert or fish passage project ranges from \$200,000 to \$2.0 million.

Lewis County partners are actively trying to address the loss of approximately 800 jobs as a result of the closure of their coal mine and coal generated energy facilities in the past two decades. The proposed dig-once projects will help proactively address the infrastructure needed to support the influx of workers and families coming to the area with the new industries involving hydrogen fuel production.

6. Does this project or program leverage non-state funding? If yes, how much by what fund source, and could the request result in matching federal, state, local, or private funds?

Yes, various segments of the projects have secured local and state ARPA dollars, federal grants and loans. Project coordinators are collecting specific information on this for reference.

7. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

The completion of the three identified projects, with assistance from the dig-one funding, will embrace many of the agency, executive, and legislative priorities.

The infrastructure upgrades and expansion will support housing, broadband, economic development, climate mitigations of flooding with improved stormwater management and fish passage, clean energy (Hydrogen Fuel Production Facility). The estimated overall savings of twenty to thirty percent on capital construction cost will help provide affordable infrastructure projects that equate to affordable infrastructure rates for customers.

8. For IT-related costs:

- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service? **No**
- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.) **No**
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121](#).) **No**

This proposal has no direct impact to state IT resources. The GIS Mapping that is currently taking place for these projects is being completed by the local partners.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

No water from these project flow into Puget Sound, but the intent of this pilot project is to provide a framework that will benefit many capital infrastructure projects statewide, including in the Puget Sound region.

How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

Reduced amount of time that the community will be impacted by construction activities as multiple project will be completed in sequence at or about the same time.

There will be upgrades to multiple existing utilities (energy, water and wastewater, and the addition of essential services including extending broadband service, and providing the opportunity to move from septic and connect to sewerage.

The projects will include upgrades to existing roads and related transit capacity.

How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

Lewis County is located along the state's I-5 corridor. Though it is considered primarily rural, Lewis County has been identified as a key location for potential industrial and economic growth.

With the current limited tax base and revenue resources, this rural area must look for funding assistance where possible. This proposal will help provide necessary infrastructure for increased housing of various types, and help attract even more jobs to the area through development and expansion of industry.

Additionally, a side benefit of the project will be to continue to address stormwater runoff and flood control that historically has paralyzed the freight transit on Interstate 5.

9. Is there additional information you would like decision makers to know when evaluating this request?

The funding of dig-once projects can be complex, but provide significant savings in capital construction costs to the overall projects.

Additionally, this will help address many aspects of essential infrastructure that are not always viewed as "projects". Specifically Utility and Pole relocation due to the development of various projects.

The current availability of state and federal funding will initiate many new projects that will serve the needs of our communities for years to come. It makes good sense that we as infrastructure funders would try to do this in the most cost efficient fashion possible.

Saving twenty to thirty percent per overall project, will allow local communities, to utilize some of these once in a generation state and federal funding resources to the fullest extent possible.

RCW that establishes grant (if applicable):

Application process used (grants; if applicable):

Is a project list available? If so, please attach and/or include this information.

Expenditure calculations and assumptions – *Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.*

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|------------|--------------|-----------|-----------|-----------|-----------|
| Fund 057-1 | \$11,000,000 | | | | |
| | | | | | |
| | | | | | |
| Total | \$11,000,000 | | | | |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|------|-----------|-----------|-----------|-----------|-----------|
| Fund | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

| Contact | |
|------------------------------|--------------------------|
| Preparer Name: | Chris McCord |
| Assistant Director Approval? | <input type="checkbox"/> |
| Preparer phone number: | 360-972-0632 |
| Date: | 8/26/2022 |

**Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan**

Section 1

| | |
|--------------------|--|
| Proposed Title: | Building for the Arts |
| Project Class/Type | Grants |
| Agency Activity: | A096 Community Development Block Grant |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|-------------|
| Starting Year: | FY24 |
|----------------|-------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

The Building for the Arts Program provides state capital grants to nonprofit organizations for performing arts, art museums, and cultural facilities projects. State grants may be used for acquisition, construction, or rehabilitation of facilities and may defray up to 33 percent of capital costs. RCW 43.63A.750 requires the Department of Commerce to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

The department requests \$18 million for the Building for the Arts Program, a competitive grant program for nonprofit organizations that supports capital facilities acquisition, rehabilitation, and construction. A community's cultural resources are a strong indicator of its overall health and vitality, which is why the State of Washington has a long history of providing funding to promote arts related construction projects. The department conducts a statewide competitive grant process every two years to solicit and evaluate project proposals. The Building for the Arts Advisory Board assists the department by establishing program policy and by reviewing and ranking project proposals.

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

This program assists with financing construction and renovation costs, thereby increasing funds available for local organizations to commit to programming and other expenses. The Building for the Arts Program not only encourages and improves cultural and recreational opportunities in our state, it frees up funds that would otherwise be spent on facility mortgage or lease payments.

The RCW change in the 2022 supplemental budget increased the match to thirty-three percent (33%) and the total amount recommended for Building for the Arts Grant. Through the solicitation process, Commerce received 36 applications totaling over \$38 million in funding requests. Of the requests, the top-ranked 32 projects were selected and recommended for funding.

New organizations brought forward new projects however, we continue to fall short with projects identified in the upper central WA areas, which we would like to remedy. Over \$ 18 million dollars' worth of projects from the 23-25 list remained unfunded.

The department's request for Capital Infrastructure Pre-Development Funding will provide state support for project development across all state capital projects to include building communities fund, youth recreation, building for the arts, library programs, etc. With funding as proposed, pre-development funds will provide an equitable pathway to state funded capital programs and will help expand access to this program.

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

Grants may be used for acquisition, construction, or rehabilitation of arts-related facilities. Projects must result in a discrete, usable phase. Historically, projects in this program span a four year period, based in part on construction schedules.

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

If no action is taken, it would delay eligible projects, increasing construction and other related costs. Additionally, the opportunity to create economic activity and stimulus through construction projects in communities would be missed.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

The Department of Commerce is required by RCW 43.63A.750 to establish a competitive process to solicit proposals for and prioritize projects whose primary objective is to assist nonprofit arts organizations in acquiring, constructing, or rehabilitating facilities used for performing arts, art museums, and cultural facilities. The department must submit a list of recommended projects to the Governor and the Legislature in its biennial capital budget request.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

Arts-related nonprofits will benefit from this request and the arts and cultural activities throughout the state with these projects.

6. Does this project or program leverage non-state funding? If yes, how much by what fund source, and could the request result in matching federal, state, local, or private funds?

By statute, RCW 43.63A.750-Building For the Arts requires a 67 percent non-state match from all eligible projects.

7. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

This request supports and is consistent with the Governor's Results Washington through:

- **Goal 4: Healthy and Safe Communities:** Fostering the health of Washingtonians from a healthy start to safe and supported future.

This request supports the department's goal:

- Support Entrepreneurship, Small Businesses and Regional Economic Growth.

And supports two of the agency's strategic objectives:

Objective: Understand the needs and challenges affecting their access to resources through deep community engagement and outreach.

Objective: Dismantle barriers to access and provide support so that communities across the state are positioned to access resources.

8. For IT-related costs:

- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service? No
- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.) No
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121](#).) No

None.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

Not applicable.

10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

Yes, all projects are required to meet the Leadership in Energy and Environment Design (LEED) Silver Standard or receive an exemption from Commerce. LEED is a green building certification program developed by the nonprofit U.S. Green Building Council (USGBC) and includes a set of rating systems for the design, construction, operation, and maintenance of green buildings, which aims to help building owners and operators be environmentally responsible and use resources efficiently.

11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

Through this proposal, organizations can provide art education & professional development to all communities, including communities of color, LGBTQ and Tribal, that otherwise would lack art & cultural accessibility. Artists and their work can lift up marginalized voices and have a significant impact on challenging discrimination-based injustices. The Building for the Arts program can support the state's

equity initiatives by providing critical funding for capital infrastructure for performing arts, art museums, and cultural organizations in communities farthest from opportunity.

12. Is there additional information you would like decision makers to know when evaluating this request?

None.

RCW that establishes grant (if applicable): RCW 43.63A.750

Application process used (grants; if applicable): Applicants submit applications electronically through the ZoomGrants online system, then they are ranked and scored by a citizen's advisory board.

Is a project list available? If so, please attach and/or include this information.

Expenditure calculations and assumptions – Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| Fund 057 | \$18,000,000 | \$18,000,000 | \$18,000,000 | \$18,000,000 | \$18,000,000 |
| | | | | | |
| | | | | | |
| Total | \$18,000,000 | \$18,000,000 | \$18,000,000 | \$18,000,000 | \$18,000,000 |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|--------------|-----------|-----------|-----------|-----------|-----------|
| Fund | | | | | |
| | | | | | |
| | | | | | |
| Total | | | | | |

| Contact | |
|------------------------------|--------------------------|
| Preparer Name: | Addeline Craig |
| Assistant Director Approval? | <input type="checkbox"/> |
| Preparer phone number: | 360-688-0041 |
| Date: | 8/17/2022 |

**Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan**

Section 1

| | |
|--------------------|---|
| Proposed Title: | CERB Capital Construction |
| Project Class/Type | Program |
| Agency Activity: | A035 Community Economic Revitalization Board |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|-------------|
| Starting Year: | FY24 |
|----------------|-------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

The Community Economic Revitalization Board (CERB) provides low-cost infrastructure financing and site-specific planning funds to local governments, special purpose districts and federally recognized Indian Tribes to attract and retain private businesses, create permanent private jobs, and promote community economic development (RCW 43.160). CERB requests **\$25 million** in resources to construct public infrastructure to facilitate private business development and expansion in Washington’s communities from the Public Facility Construction Loan Revolving Account (Fund 887).

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

The department and CERB request \$25 million in resources to construct public infrastructure to facilitate private business development and expansion in Washington’s communities from the State Taxable Building Construction Account (Fund 355). These projects include industrial water, general purpose industrial buildings and port facilities, sanitary and storm sewers, industrial wastewater treatment facilities, railroad spurs, telecommunications, electricity, natural gas, roads and bridges, and incubation/research/testing facilities.

As funding recipients repay loan funds to CERB, those funds will return to the Public Facility Construction Loan Revolving Account (Fund 887) and can finance other public infrastructure related to economic development.

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

For the 2019-2021 biennium CERB received \$8.6 million in funding authority. Due to high demand, in the 2020 supplemental session CERB received an additional \$10 million in funding authority.

| | |
|----------------------|--------------|
| CERB Appropriation | \$18,600,000 |
| Carry-Forward | \$2,101,494 |
| De-Obligations | \$3,590,436 |
| Awards (43 projects) | \$24,415,453 |
| Balance | \$402,472 |

INCREASE OF CONSTRUCTION PROJECT COSTS

Quarter 1 2021 Materials Pricing increased 26.3% (Seattle)

Quarter 1 2021 Construction Cost Index increased 5.2% (Seattle)

Quarter 1 2021 Construction Employment has been flat (lack of skilled people to employee) (Seattle)

2020 to 2021 Construction Labor Cost increased 7.8% (Associated Builders & Contractors-Nationwide)

“Raw material shortages and manufacturing issues have contributed to sharp increases in building materials over the past year.”

“As markets rebound with increased private and government spending, the industry may see additional upward pressure on pricing. We continue to monitor this somewhat unpredictable market and know that a resilient, agile approach to projects will be necessary in the months to come.”

(<https://www.mortenson.com/cost-index/seattle>)

CERB is a vital business recruitment and retention program for the state, often preventing existing businesses from moving out of state and attracting new businesses to Washington. CERB’s economic development mandate requires that all projects approved by the board demonstrate significant job creation, job retention, or significant private investment outcomes.

Areas of high unemployment receive reduced interest rate loans from CERB to incentivize job creation where it is most needed. A continuation of CERB’s funding at **\$25 million** for the biennium will provide the critical gap funding to make local economic development projects a reality. CERB primarily provides gap funding that leverages other local, state, and federal funds and private investments.

CERB investment in a community is not only in support of businesses, job creation, private investment, and increased tax revenue. CERB’s investment has many ancillary benefits when it invests in a community, such as:

- Housing and Homelessness
- Health Care and Mental Health Care
- Education
- DEI

2013-21: 118* CERB funded Planning Studies (Assumptions: 75% of the original studies could return to CERB construction funding at an average of \$1.4m per project.) Data is based on CERB estimated 5 year averages July 2016 - June 2021.

Results:

88 Constructions Projects

\$123.2 million CERB Construction Funds

\$281.6 million leveraged local match (2016-21 average: \$2 per \$1 CERB)

\$985.6 million leveraged private investment (2016-21 average: \$8 per \$1 CERB)

10,536 Full-time Jobs (2016-21: \$11,693 cost per job)

Project Development Pipeline:

109 - \$176.4 million Construction Projects

20 - \$750,000 Planning Projects

129 - \$177.2 million Total

Results:

109 Construction Projects

\$176.4 million CERB Construction Funds

\$352.8 million leveraged local match (2016-21 average: \$2 per \$1 CERB)

\$1.4 billion leveraged private investment (2016-21 average: \$8 per \$1 CERB)

15,085 Full-time Jobs (2016-21: \$11,693 cost per job)

\$299.6 million** – Total Pipeline Projects

Results:

197 Construction Projects
 \$299.6 million CERB Construction Funds
 \$634.4 million leveraged local match (2016-21 average: \$2 per \$1 CERB)
 \$2.38 billion leveraged private investment (2016-21 average: \$8 per \$1 CERB)
 25,621 Full-time Jobs (2016-21: \$11,693 cost per job)

**Economic Development and Broadband Planning*

***does not include rural broadband construction projects*

CORE CERB Projections: Based on the 2016-2021 averages, an additional **\$25 million** would result in the following:

17 Construction Projects (\$23.8 million)
 24 Planning Projects (\$1,200,000)
 \$47.6 million leveraged local match (2016-21 average: \$2 per \$1 CERB)
 \$190.4 million leveraged private investment (2016-21 average: \$8 per \$1 CERB)
 2,035 Full-time Jobs (2016-21: \$11,693 cost per job)

Due to increase in commercial construction materials and labor, \$25m will not buy as much as it has historically for CERB.

2020 CERB Biennial Review: <https://deptofcommerce.box.com/v/cerb2020legreport>

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

CERB funds will be used to construct public infrastructure and to facilitate private business development and expansion. These projects include industrial water, general purpose industrial buildings and port facilities, sanitary and storm sewers, industrial wastewater treatment facilities, railroad spurs, telecommunications, electricity, natural gas, roads and bridges, and incubation/research/testing facilities. Site-specific economic feasibility and planning studies will also be eligible for CERB funds on a limited basis.

Clients will have increased access to funding, particularly jurisdictions in urban counties. By statute, CERB must award the first 75 percent of its available funding in a biennium to rural communities, limiting the number of projects in urban communities that the board can finance. With increased resources available for projects, rural communities within urban counties have increased opportunity to use CERB for economic development projects.

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

CERB's capital appropriation of **\$25 million** in loan funds will leverage more than \$190.4 million in private investment (\$8 private investment per \$1 CERB – 5 year average) and create and retain a minimum of 2,035 permanent jobs (1 job for every \$11,693 CERB – 5 year average).

The **\$25 million** requested will support the creation of permanent, high-wage jobs in the state, recruit and retain businesses, and support economic vitality statewide. By taking no action, rural communities would have one less prospect for investment that will increase resiliency, and promote collaboration and innovation.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

Demand for CERB exceeds resources available. No funding or partial funding would make an impact in addressing this demand. Due to the increase in funded planning grants, since 2013, CERB has a pipeline of thoroughly vetted projects ready for the next stage of investment, which supports the economic, environmental, and social needs of local governments, federally recognized Indian tribes, and their residents.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

Almost 10,000 government organizations are eligible for CERB funding. Federally recognized Indian tribes (29), cities (281), counties (39), public port districts (75), special purpose districts (1670), and municipal and quasi-municipal corporations (1,580 estimated) are all eligible for CERB funding. CERB responds to immediate business siting and expansion needs. Businesses need to know that public infrastructure will be provided before committing to locate or expand operations. CERB's investments strengthen communities by creating and retaining jobs, leveraging private investment, and increasing tax revenue.

The construction jobs related to these projects will pay prevailing wage. CERB provides funding in an ongoing basis throughout the year. CERB currently has 32 projects under contract with an additional 13 jurisdictions that have been approved for funding and are working on the conditions necessary to go to contract.

See pipeline information provided in question #1.

6. Does this project or program leverage non-state funding? If yes, how much by what fund source, and could the request result in matching federal, state, local, or private funds?

It is unusual for a project to be fully funded by one source, and frequently multiple sources are necessary to complete a project. CERB projects are required to have a matching component and will attract additional project investment, however specifics vary, as individual projects each have a unique situation regarding other funds.

7. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

This funding supports the Governor's Results Washington Goal 2: Prosperous Economy and related outcome:

Increasing Access to living wage jobs: CERB will increase the number of jobs in the state by providing gap funding to make local economic development projects a reality that will create an additional 1,420 jobs.

Ensuring Access to Quality Healthcare: Approximately 98% of businesses supported by CERB's investment provide healthcare to their employees and dependents.

Increasing the Economic Security of Washingtonians: CERB's investment supports businesses who hire full-time positions and pay higher than the current county median. This allows an employee to investment of themselves into a company and into their future.

Reducing Homelessness: As stated above, CERB's investment supports businesses who hire full-time positions and pay higher than the current county median. Sustainable higher wage jobs, ensure that housing can be paid for

This request supports the Department of Commerce's strategic priorities of addressing communities' most urgent needs by funding reliable infrastructure and increasing living wage jobs. Investing in the basic infrastructure systems and thereby maintaining the existing systems in satisfactory condition through 2022 ensures that citizens have safe drinking water, appropriate and safe waste water, and safe roads.

Authorizing funding for the construction loan programs will directly reduce the emissions of greenhouse gases by local governments, reduce the amount of potable water used for non-potable purposes, improve the quality of water discharged into Washington waterways, increase transportation mobility, and create jobs.

CERB is required to report biennially on the outcome-based evaluations of its funding programs. This report identifies actual jobs created as reported by the borrowing jurisdictions and businesses themselves, and specifically identifies that between 2015 and 2020, 3,516 permanent private-sector jobs were created. An additional 4,552 construction jobs were created from the public and private facilities construction associated with CERB funded projects.

(<https://deptofcommerce.box.com/v/cerb2020legreport>)

Local governments' ability to offer adequate infrastructure (such as transportation systems to move goods, sufficient clean water to ensure adequate fire flow and potable water, plus effective wastewater management) is vital to accommodate growth and the promotion of economic development and business opportunities, while also enhancing the quality of life in the Northwest. This proposal directly supports the ability of local governments to provide these services, which are becoming increasingly expensive and complex to build and maintain to modern standards. This is especially true in non-urban areas, where fewer people spread over larger distances means that single services to multiple communities are not feasible, thus individual community systems are more expensive on a per capita basis.

8. For IT-related costs:

- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service?
- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.)
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121](#).)

None.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

Not applicable.

10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

CERB is dedicated to the long-term sustainability of Washington's communities, investing in public infrastructure using new and innovative technologies. CERB's construction loan program provides a strategic tool that supports these goals.

11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

As stated above, CERB investment in a community is not only in support of businesses, job creation, private investment, and increased tax revenue. CERB's investment has many ancillary benefits when it invests in a community, such as:

Housing and Homelessness – Investing in a stable future

- Sustainable higher wage jobs, ensure that housing can be paid for.
- Instills confidence that they can afford a home long-term.
- Builds confidence and self-reliance.

Health Care and Mental Health Care – Investing gives access to health care

- Jobs that provide: medical benefits and sick time and vacation leave
- Wages that allow for payment of co-pays & prescriptions.
- Removes a barrier to medical services.

Education – Investing in parents

- Gives children stability.
- Gives children hope for the future
- Gives the community a future workforce.

The investments from the CERB account are an economic powerhouse – OFM's prior years' conservative estimate of 10.89 construction related jobs for each \$1 million CERB invested underestimates the job creation from CERB investment. This figure does not take into account the additional funds provided by the local governments through other funding partners. Historically, CERB money has been matched at a 29:1 ratio.

12. Is there additional information you would like decision makers to know when evaluating this request?

CERB has 40 years of investing in Washington's economic stability. CERB has been able to meet its mission with 0% default, as well, as be flexible to meet community and business needs across the state.

RCW that establishes grant (if applicable): 43.160

Application process used (grants; if applicable):

Applicants submit loan funding requests to finance publicly owned infrastructure improvements that encourage new private business development and expansion. Applications for all of CERB's funding programs are considered on an ongoing basis. The Board meets every two months to consider projects and make funding decisions.

CERB has three funding programs:

Committed Private Partner construction loans (CPP). CPP applications require a private business commitment and the requirement that the project must create a significant number of permanent jobs, and / or generate significant private investment.

Prospective Development Construction Loans (PD). PD loans are available only to rural counties/communities with an economic feasibility study that demonstrates that private business development is likely to occur as a result of the publicly owned improvements. The PD program requires that the feasibility study identify that the project will lead to the creation of a significant number of permanent jobs and / or generate significant private investment.

Planning Program provides limited funding for studies that evaluate high-priority economic development projects. These projects target job growth and long-term economic prosperity and can include site-specific plans and studies related to:

- Economic Feasibility
- Environmental impacts
- Capital facilities
- Land use
- Permitting

- Marketing
- Project engineering
- Site planning
- Broadband

Is a project list available? If so, please attach and/or include this information.

Please see pipeline in question #1.

Expenditure calculations and assumptions – Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|----------|--------------|-----------|-----------|-----------|-----------|
| Fund 887 | \$25,000,000 | | | | |
| | | | | | |
| | | | | | |
| Total | \$25,000,000 | | | | |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|-------|-----------|-----------|-----------|-----------|-----------|
| | | | | | |
| | | | | | |
| | | | | | |
| Total | | | | | |

| Contact | |
|------------------------------|--------------------------|
| Preparer Name: | Janea Stark |
| Assistant Director Approval? | <input type="checkbox"/> |
| Preparer phone number: | 360-252-0812 |
| Date: | August 30, 2022 |

**Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan**

Section 1

| | |
|--------------------|--|
| Proposed Title: | Early Learning Facilities – School Districts |
| Project Class/Type | Grants and Loans |
| Agency Activity: | A096: Community Development Block Grants |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|-------------|
| Starting Year: | FY24 |
|----------------|-------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

The Early Learning Facilities grant and loan program provides grants and loans to plan, renovate, construct, or purchase high-quality early learning facilities for low-income children. Communities need more facilities to generate the additional capacity necessary to meet the legislative mandate for the Early Childhood Education Assistance Program (ECEAP) to become an entitlement program by the 2026-2027 school year.

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

In 2017, the legislature passed HB 1777, which established the Early Learning Facilities grant and loan program (RCW 43.31.565-583). The goal of the program is to increase high-quality early learning opportunities for low-income children and to address a severe shortage of early learning facility capacity that is necessary to meet the ECEAP legislative mandate.

The program funds early learning facility projects for eligible organizations (as defined in RCW 43.31.575) and school districts. This request is specific to funding for school districts. RCW 43.31.579(3) requires the department to develop a ranked and prioritized list of early learning projects to provide to the governor and legislature by September 15, 2022.

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

RCW 43.31.579(3) requires the Department of Commerce (department) to submit a ranked and prioritized list of school district early learning facility projects to OFM and relevant Legislative committees.

The department’s request for Capital Infrastructure Pre-Development Funding will provide state support for project development across all state capital projects to include building communities fund, youth recreation, building for the arts, library programs, etc. With funding as proposed, pre-development funds will provide an equitable pathway to state funded capital programs and will help expand access to this program.

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

This request will produce the projects identified on the 23-25 Early Learning Facilities School District Project List, which is developed through a competitive process. That list of projects is below, in ranked order. This request will provide capital funds for school districts. Allowable activities include major construction and renovation grants, as well as grants for facility purchases.

1. Toppenish School District - \$1,080,261
2. South Bend School District - \$300,000
3. Highline School District - \$808,551
4. Orondo School District - \$1,080,261
5. Issaquah School District - \$1,056,824
6. Bethel School District - \$1,080,261

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

Funding this request will provide additional early learning capacity to better position the state to meet the legislative mandate for ECEAP entitlement by the 2026-2027 school year.

Without additional capital funding, it will not be possible for the state to meet the ECEAP mandate, and the number of additional early learning opportunities for low-income children will continue to be limited.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

There are no alternatives available. RCW 43.31.579(3) requires the department to submit a ranked and prioritized list of school district early learning facility projects to OFM and relevant Legislative committees.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

This request will increase the number of quality early learning opportunities for low-income children, as well as quality reliable care and education for low-income families so that parents may get and keep their jobs to support their families and promote self-sufficiency.

6. Does this project or program leverage non-state funding? If yes, how much by what fund source, and could the request result in matching federal, state, local, or private funds?

Non-state match is strongly encouraged for each project. The department has established a match goal for school districts of 1:3 non-state match. For every 1 dollar of state funds, 3 dollars of non-state funds are expected. Applications that provide a higher level of non-state match will receive additional points in the evaluation process and will have a greater likelihood of being ranked higher.

The commitment of state funds for the construction, purchase, or renovation of early learning facilities may be given only after private or public match funds are committed. Private or public match funds may consist of cash, equipment, land, buildings, and/or in-kind.

This request of \$5,406,158 in state Early Learning Facilities funds will generate \$21,342,196 in non-state funds utilized across these six sites.

7. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

This request supports and is consistent with the Governor's Results Washington through:

- **Goal 1: World-class education:** Providing every Washingtonian a world-class education that prepared him or her for a healthy and productive life, including success in job or career, in the community and as a lifelong learner;
- **Goal 4: Healthy and Safe Communities:** Fostering the health of Washingtonians from a healthy start to safe and supported future.

This request supports all five the department's goals:

- Reduce Homelessness and Expand Housing Inventory;
- Create Digital Equity and Connectivity through Broadband;
- Accelerate Clean Energy Transformation through Infrastructure, Investments, and Policy;
- Support Entrepreneurship, Small Businesses and Regional Economic Growth;
- Promote Development of the innovation Economy and Globally Trade Sectors

And supports all of the agency's strategic objectives:

Objective: Enrich Commerce's human capital to demonstrate and employ cultural competency.

Objective: Understand the needs and challenges affecting their access to resources through deep community engagement and outreach.

Objective: Consult with community partners on our data and data-informed decisions.

Objective: Dismantle barriers to access and provide support so that communities across the state are positioned to access resources.

Objective: Build systems that enable data-informed decision-making to improve equity.

Objective: Establish internal (real time) information sharing that enables collaboration across the agency.

Objective: Provide (proactive) technical assistance and help build capacity in organizations with trusted messengers

8. For IT-related costs:

- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service?
- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.)
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121](#).)

None.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

Not applicable.

10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

All projects are required to meet the Leadership in Energy and Environment Design (LEED) Silver Standard or receive an exemption from Commerce. LEED is a green building certification program developed by the nonprofit U.S. Green Building Council (USGBC) and includes a set of rating systems for the design, construction, operation, and maintenance of green buildings, which aims to help building owners and operators be environmentally responsible and use resources efficiently.

11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

The Early Learning Facilities Program provides early learning opportunities to children from low-income families. Projects score higher if they are located in a childcare desert, meaning an area of the state with very limited childcare options. Projects also receive priority points if they are located in a low-income neighborhood. Lastly, Early Learning Facilities projects located in rural communities are prioritized in our competitive application process.

12. Is there additional information you would like decision makers to know when evaluating this request?

None.

RCW that establishes grant (if applicable): RCW 43.31.565-583

Application process used (grants; if applicable): Competitive grant application process

Is a project list available? If so, please attach and/or include this information.

Expenditure calculations and assumptions – Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|--------------|--------------------|-----------|-----------|-----------|-----------|
| Fund 22D-1 | \$5,406,158 | | | | |
| | | | | | |
| | | | | | |
| Total | \$5,406,158 | | | | |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|--------------|-----------|-----------|-----------|-----------|-----------|
| | | | | | |
| | | | | | |
| | | | | | |
| Total | | | | | |

| Contact | |
|-----------------------------|-----------------|
| Preparer Name: | Matt Mazur-Hart |
| Assistant Director Approval | |
| Preparer phone number: | 360-742-9099 |
| Date: | 8/26/22 |

Early Learning Facilities (ELF) K-12 School Districts Ranked List (2023 – 2025)

Program Summary

The program enables K-12 school districts to expand, remodel, purchase, and/or construct early learning facilities to increase capacity for Early Childhood Education and Assistance Program (ECEAP) and Working Connections Child Care (WCCC) early learning opportunities.

Program Legislation

RCW [43.31.565](#) through RCW [43.31.583](#)

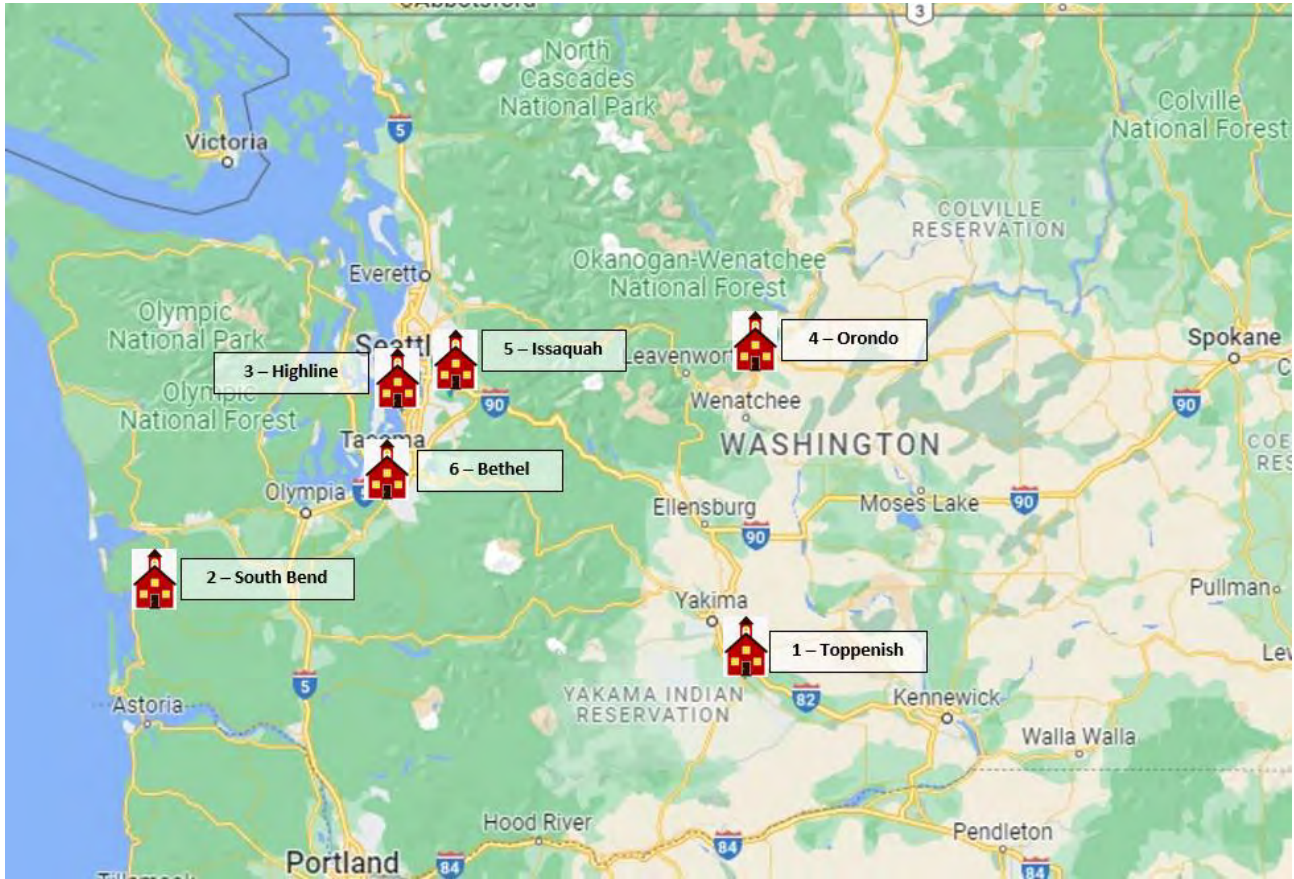
Process Highlights

- Application period ran from May 20, 2022 – July 20, 2022
- Applications were scored by our ELF Board, which includes our partners from DCYF, OSPI, and others
- We are proposing six projects for funding, ranked in order of preference below

Summary of Projects

| Project Rank | School District | Project Name | Project Address / Legislative District | Grant Request | Total Project Cost | New Spaces |
|--|-----------------|--|---|--------------------|-------------------------------|------------|
| 1 | Toppenish | Robert Lince ELC and Kindergarten – Phase 2 | 407 S Juniper St; Toppenish, WA; 98948 (Leg. Dist. 15) | \$1,080,261 | \$11,858,834 | 40 |
| 2 | South Bend | Inclusive Outdoor Education and Play | 409 E First St; South Bend, WA; 98586 (Leg. Dist. 19) | \$300,000 | \$381,730 | 20 |
| 3 | Highline | Valley View Early Learning Expansion Project | 17622 46 th Ave S; Seatac, WA; 98188 (Leg. Dist. 33) | \$808,551 | \$3,234,202 | 108 |
| 4 | Orondo | Orondo Old School House Early Learning Center | 100 Orondo School Rd; Orondo, WA; 98843 (Leg. Dist. 12) | \$1,080,261 | \$1,130,345 | 18 |
| 5 | Issaquah | Holly Street Early Learning Center | 565 NW Holly St; Issaquah, WA; 98027 (Leg. Dist. 5) | \$1,056,824 | \$1,056,824 | 68 |
| 6 | Bethel | Bethel School District Elementary #19 Preschool Addition | 187 th St E and Meridian Ave E; Puyallup, WA; 98375 (Leg. Dist. 2) | \$1,080,261 | \$3,680,261 | 24 |
| Total Funding Requested – \$5,406,158 | | | | | Total New Spaces – 278 | |

Geographic Distribution of Projects



Department of Commerce - Local Government Division - Community Capital Facilities

Matt Mazur-Hart, Community Facilities Manager – matt.mazur-hart@commerce.wa.gov - (360) 742-9099

Kristin Ramos, Community Facilities Supervisor – kristin.ramos@commerce.wa.gov - (360) 515-6504

**Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan**

Section 1

| | |
|--------------------|--|
| Proposed Title: | Library Capital Improvement Program |
| Project Class/Type | Grant |
| Agency Activity: | A096 - Community Development Block Grant (CDBG) |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|-------------|
| Starting Year: | FY24 |
|----------------|-------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

The Department of Commerce (department) requests \$10 million for 12 selected projects for the Library Capital Improvement Program (LCIP). LCIP provides state capital grants to local governments for acquisition, construction, or rehabilitation of their public library facilities, with priority to those listed on registers of historic places and/or located in distressed or rural counties. Investing in public libraries is essential. They often provide the only accessible and free community support and services otherwise unavailable to the public, such as internet and computer access.

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

In [Section 1063, Chapter 332, Laws of 2021](#), the Department of Commerce (department) is required to submit a prioritized list of recommended projects not to exceed \$10 million to the Governor and Legislature by October 1, 2022, for inclusion in the department’s 2023-2025 biennial capital budget request. The list is provided as an attachment.

LCIP establishes a competitive grant program providing libraries operated by governmental units as defined in [RCW 27.12.010](#) with capital funding for acquisition, construction, or rehabilitation of their public library facilities. Grant assistance may not exceed 50 percent of the total project costs and no more than \$2 million per project. The department established an LCIP Advisory Committee to assist the department by establishing program criteria and reviewing and ranking project proposals. Projects listed on a local, state, or federal register of historic places and those located in distressed or rural counties received priority in the rating and ranking process.

Capital funds will be required in the 2023-2025 biennium to support the efforts of the legislature and meet the need to invest in public libraries ensuring all Washingtonians have access to a wide range of free community support and services. Public libraries often provide the only accessible and free community support and services that are otherwise unavailable to the public, such as internet and computer access, meeting spaces, early literacy and language programs, after-school and educational programs, senior services, and voter registration and ballot boxes.

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or

other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

A total of 22 applications totaling over \$20 million in funding requests were received through the solicitation process. Of the requests, nine projects are located in distressed or rural areas and five are historic properties. The top-ranked 12 projects were selected and recommended for funding. The top 11 ranked projects will be fully funded. The 12th project will be partially funded at 52 percent of the funds requested due to the requirement to submit a list for no more than \$10 million in requests.

Investing in public libraries assists communities in reducing barriers and providing equitable access to much needed community support and services for everyone, especially in public libraries located in distressed or rural areas where libraries often provide the only accessible and free community support and services otherwise unavailable to the public.

Low-income and distressed communities will receive expanded and improved access to community support and services such as internet and computer access, meeting spaces, early literacy and language programs, after-school and educational programs, senior services, and voter registration and ballot boxes. Community residents will receive support and services which expand employment opportunities and enhance educational or recreational opportunities as a result of these projects.

The department's request for Capital Infrastructure Pre-Development Funding will provide state support for project development across all state capital projects to include building communities fund, youth recreation, building for the arts, library programs, etc. With funding as proposed, pre-development funds will provide an equitable pathway to state funded capital programs and will help expand access to this program.

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

State grants may be used for acquisition, construction, or rehabilitation of public library facilities. Projects must result in a distinct, usable phase.

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

Not taking action would delay projects and result in the department not meeting its statutory obligation, but most importantly, the state would miss an opportunity to support public libraries and their central role they play in communities, especially in distressed and rural areas.

The public library is the primary, and in some cases the only, public space that is accessible and free, providing a wide range of community support and services that would otherwise be unavailable to the public. Lack of adequate funding for libraries will impede efforts to reducing barriers and providing equitable access to much needed support, services, and opportunities that a public library is able to offer to its community resulting in fewer employment, educational, or recreational opportunities.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

The department is required by [Section 1063, Chapter 332, Laws of 2021](#) to establish a competitive process to solicit proposals for and prioritize projects whose primary objective is to assist libraries

operated by governmental units as defined in [RCW 27.12.010](#) with capital funding for acquisition, construction, or rehabilitation of their public library facilities. The department must submit a list of recommended projects up to \$10 million to the governor and legislature by October 1, 2022, for inclusion in the department's 2023-2025 biennial capital budget request.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

As a result of these projects, community residents, especially those in rural or distressed areas, will receive new or expanded access to improved facilities and a wide range of community support and services only public libraries offer and would otherwise be unavailable to the public such as internet service and computer access, meeting spaces, early literacy and language programs, after-school and educational programs, senior services, and voter registration and ballot boxes.

This request will fund library facility projects statewide. Priority will be given to projects in rural or distressed areas and projects in historic buildings. Additional consideration given to projects in areas of highest unmet need.

Of the 22 applications received, totaling over \$20 million in funding requests, nine projects are located in distressed or rural areas and five historic properties. Of the top 12 ranked projects, totaling up to \$10,950,707 million, eight are located in a rural or distressed area and four are historic properties. The funding request of \$10,950,707 would ensure funding for 11 projects and additionally allow for fully funding the 12th ranked project, Pierce County Library System, Sumner Library.

6. Does this project or program leverage non-state funding? If yes, how much by what fund source, and could the request result in matching federal, state, local, or private funds?

By proviso, grant assistance may not exceed 50 percent of the total eligible project costs. The LCIP Advisory Committee with the department established a match goal for eligible projects of 1:1 match. For every \$1 of state funds, \$1 of other funding is needed for each project funded. Other matching funds may consist of federal, state, local, private, cash, the value of real property when acquired for the purpose of the project, and in-kind contributions.

Additionally, the execution of a grant of state funds for the construction, acquisition, or rehabilitation of public library facilities may be given only after matching funds are committed. Applications that provide a higher level of project readiness by identifying committed match at application will receive additional points in the evaluation process and will have a greater likelihood of being awarded funds. Projects that had secured match at application were given a higher score in the readiness category.

7. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

This request supports and is consistent with the Governor's Results Washington through:

Goal 2: Prosperous economy: Fostering an innovative economy where businesses, workers and communities thrive in every corner of our state.

Goal 4: Health and safe communities: Fostering the health of Washingtonians from a healthy start to safe and supported future.

This request supports all five the department's goals:

- Reduce Homelessness and Expand Housing Inventory;

- Create Digital Equity and Connectivity through Broadband;
- Accelerate Clean Energy Transformation through Infrastructure, Investments, and Policy;
- Support Entrepreneurship, Small Businesses and Regional Economic Growth;
- Promote Development of the innovation Economy and Globally Trade Sectors

And supports all of the agency’s strategic objectives:

Objective: Enrich Commerce’s human capital to demonstrate and employ cultural competency.

Objective: Understand the needs and challenges affecting their access to resources through deep community engagement and outreach.

Objective: Consult with community partners on our data and data-informed decisions.

Objective: Dismantle barriers to access and provide support so that communities across the state are positioned to access resources.

Objective: Build systems that enable data-informed decision-making to improve equity.

Objective: Establish internal (real time) information sharing that enables collaboration across the agency.

Objective: Provide (proactive) technical assistance and help build capacity in organizations with trusted messengers.

8. For IT-related costs:

- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service?
- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.)
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121](#).)

None.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

Not applicable.

10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

These grants will be subject to requirements under [RCW 39.35D](#), which requires all major facility projects of public agencies receiving any funding in a state capital budget to be designed, constructed, and certified to at least the Leadership in Energy and Environment Design (LEED) silver standard or receive

an exemption from Commerce. This requirement is to ensure that public buildings are built and renovated using high-performance methods that save money and improve energy efficiency performance.

LEED is a green building certification program developed by the nonprofit U.S. Green Building Council (USGBC) and includes a set of rating systems for the design, construction, operation, and maintenance of green buildings, which aims to help building owners and operators be environmentally responsible and use resources efficiently.

11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

The program will impact equity by funding expanded and improved access to community support and services in low-income and rural and distressed communities statewide. Grantees will be able to provide community residents with support, services and opportunities that address educational, health, social and economic disparities through equitable access that public libraries are able to offer.

12. Is there additional information you would like decision makers to know when evaluating this request?

Local governments continue to take extraordinary measures to serve their residents in the aftermath of the COVID-19 pandemic while continuing to provide the basic services communities rely on. This program provides the state an opportunity to support public libraries and their central role they play in communities, especially in distressed and rural areas. These projects will assist communities with their economic recovery efforts, in ensuring their residents have reduced barriers and equitable access to, in some cases the only, public space that is accessible and free, providing a wide range of community support and services that would otherwise be unavailable to the public, including: internet service and computer access, meeting space, early literacy and language programs, after-school and educational programs, senior services, and voter registration and ballot boxes. Lack of adequate funding for reliable infrastructure, such as libraries, is a detriment to the services and opportunities a public library offers. Libraries play a vital role in communities which:

- Enhance educational and recreational opportunities,
- Expand employment opportunities,
- Accommodate growth and promotion of economic development and business opportunities, and
- Improve the overall quality of life of its residents.

It is especially critical now to fund libraries due to increased demand for their community support and services from those suffering unemployment, lack of child-care, and/or access to internet or computer services in the aftermath of to the COVID-19 emergency.

RCW that establishes grant (if applicable): Established in Section 1053, Chapter 413, Laws of 2019

Application process used (grants; if applicable): Competitive grant application process. Applicants must submit applications electronically through the ZOOMGrants online system. Then projects are reviewed and ranked by the Library Capital Improvement Program Advisory Committee.

Is a project list available? If so, please attach and/or include this information. Yes, attached is the 23-25 recommended Library Capital Improvement Program Project List.

Expenditure calculations and assumptions – *Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.*

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|----------------|------------------|------------------|------------------|------------------|------------------|
| Fund 057 | \$10,000,000 | \$10,000,000 | \$10,000,000 | \$10,000,000 | \$10,000,000 |
| Total | \$10,000,000 | \$10,000,000 | \$10,000,000 | \$10,000,000 | \$10,000,000 |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|--------------|------------------|------------------|------------------|------------------|------------------|
| Fund 057-1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Total | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |

| Contact | |
|------------------------------|--------------------------|
| Preparer Name: | Sheila Lee |
| Assistant Director Approval? | <input type="checkbox"/> |
| Preparer phone number: | 360-878-1498 |
| Date: | 8/18/2022 |

**Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan**

Section 1

| | |
|--------------------|---|
| Proposed Title: | Pacific Tower Capital Improvements |
| Project Class/Type | Grant |
| Agency Activity: | A025: Agency Administration |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|-------------|
| Starting Year: | FY24 |
|----------------|-------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

The State of Washington, through the Department of Commerce (department), is legally obligated to pay for capital improvement costs associated with the proportional use of the Pacific Tower campus, as specified in the lease agreement with the Pacific Hospital Preservation and Development Authority (PHPDA).

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

In 2018, the PHPDA hired consultants to develop a 20-year capital improvements plan based on the current condition of the facility and the life expectancy of equipment. The plan outlines the estimated capital costs for each calendar year and is updated annually. The plan includes costs for capital improvements such as HVAC, elevators, electrical equipment, exterior brick, exterior windows, exterior hardscapes, and roofs. The department is obligated to pay for its proportional share of these capital improvements, as agreed upon in the lease between Commerce and the PHPDA.

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

In the lease agreement with the PHPDA, the department is legally obligated to pay for its proportional share of all capital improvement costs (see attachment: Pacific Tower Capital Maintenance Plan). Section 9.2.9 of the lease states:

“Notwithstanding anything to the contrary in this Lease, costs for Capital Improvements incurred by Landlord for the exclusive benefit of the Tenant with respect to the maintenance, operation, repair and replacement of the Premises or the Property (excluding the interior of the Reserved Space) shall be paid one hundred percent (100%) by Tenant. Any costs for Capital Improvements incurred by Landlord with respect to the maintenance, operation, repair and replacement of the Premises or the Property (excluding the interior of the Reserved Space) that are not for the exclusive benefit of the Tenant will be billed pro rata to Tenant consistent with section 9.2.7.”

If funding is not secured, it would prevent the department from meeting its legal obligations to the PHPDA, which would create additional risk to the state and possible litigation.

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

This request covers estimated costs of needed Pacific Tower capital improvements for calendar years 2023 through 2024. Each year's costs are for the following purposes (see attachment: Pacific Tower Capital Maintenance Plan.xls):

2023:

- HVAC – College Multi Stack Heatpump Phase 1
- Elevators – Tower modernization and replacement Phase 1
- Exterior Brick – North Elevation
- Exterior Windows – 1S04-7S04, 2S13-11S13
- Wood Windows – Drop 5-30
- Roof – Canopy B1NW, 3E Level 4, 8E & 8W, 9E, 9W, 12E, 12W, 13NW, 13NE, 13SW
- Miscellaneous – Stairwell Card Readers

2024:

- HVAC – College Multi Stack Heatpump Phase 2
- Elevators – Tower modernization and replacement Phase 2
- Exterior Brick Maintenance – 4K SF
- Exterior Windows – 2S19-11S19
- Wood Windows – Drop 6-50

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

This request will provide the full funding necessary to meet the state's legal commitment as agreed upon in the lease between the PHPDA and the State of Washington, through the Department of Commerce.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

There were no alternatives explored. The department is legally obligated to cover the cost of capital improvements associated with the department's use of the Pacific Tower campus. The PHPDA's capital maintenance plan identified the estimated cost and timing of various capital maintenance needs beginning in calendar year 2018 and updated annually.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

The PHPDA and the department's current sub-leased tenants of the Pacific Tower.

6. Does this project or program leverage non-state funding? If yes, how much by what fund source, and could the request result in matching federal, state, local, or private funds?

The funding identified in this budget request is specific to the amount owed by the State of Washington, through the Department of Commerce, for the proportional use of the Pacific Tower campus as identified in the lease agreement between the PHPDA and Commerce. The Pacific Hospital will be responsible for the costs of the maintenance associated to their proportional use of the campus.

7. Describe how this project supports the agency’s strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

This request supports and is consistent with the Governor's Results Washington through:
Goal 4: Health and safe communities: Fostering the health of Washingtonians from a healthy start to safe and supported future.

This request supports all five the department’s goals:

- Reduce Homelessness and Expand Housing Inventory;
- Create Digital Equity and Connectivity through Broadband;
- Accelerate Clean Energy Transformation through Infrastructure, Investments, and Policy;
- Support Entrepreneurship, Small Businesses and Regional Economic Growth;
- Promote Development of the innovation Economy and Globally Trade Sectors

And supports all of the agency’s strategic objectives:

Objective: Enrich Commerce’s human capital to demonstrate and employ cultural competency.

Objective: Understand the needs and challenges affecting their access to resources through deep community engagement and outreach.

Objective: Consult with community partners on our data and data-informed decisions.

Objective: Dismantle barriers to access and provide support so that communities across the state are positioned to access resources.

Objective: Build systems that enable data-informed decision-making to improve equity.

Objective: Establish internal (real time) information sharing that enables collaboration across the agency.

Objective: Provide (proactive) technical assistance and help build capacity in organizations with trusted messengers.

8. For IT-related costs:

- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service?
- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.)
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121](#).)

None.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

Not applicable.

10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

Not applicable.

11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

Not applicable.

12. Is there additional information you would like decision makers to know when evaluating this request?

None.

RCW that establishes grant (if applicable):

Application process used (grants; if applicable):

Is a project list available? If so, please attach and/or include this information.

Expenditure calculations and assumptions – *Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.*

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|--------------|--------------------|--------------------|--------------------|--------------------|------------------|
| Fund 057 | \$7,464,000 | \$1,374,000 | \$1,510,000 | \$2,190,000 | \$987,000 |
| | | | | | |
| | | | | | |
| Total | \$7,464,000 | \$1,374,000 | \$1,510,000 | \$2,190,000 | \$987,000 |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|--------------|-----------|-----------|-----------|-----------|-----------|
| | | | | | |
| | | | | | |
| | | | | | |
| Total | | | | | |

| Contact | |
|------------------------------|-------------------------------------|
| Preparer Name: | Tony Hanson |
| Assistant Director Approval? | <input checked="" type="checkbox"/> |
| Preparer phone number: | 360-259-3835 |
| Date: | 8/29/2022 |

**Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan**

Section 1

| | |
|--------------------|--|
| Proposed Title: | Pacific Tower College Tenant Improvements |
| Project Class/Type | Grant |
| Agency Activity: | A025: Agency Administration |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|-------------|
| Starting Year: | FY24 |
|----------------|-------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

In 2013 the Legislature authorized the Department of Commerce (department) to enter into a 30 year lease at the Pacific Tower with the intent of turning the building into a medical school with the Seattle Community College (college) acting as the anchor tenant. The department is responsible to secure state funds for the college's rent, operating, parking, and tenant improvement cost associated with their tenancy in the building. The college will be expanding their leased space which will require tenant improvement costs of \$3,677,000.

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

Leased space on the 7th floor of the Pacific Tower has become available. The college has exercised their first right to enter into a lease for this newly available space. Tenant improvements will be required in order for the space to function for the purposes intended by the college. The college has performed an initial assessment of the space and have determined estimated costs of the tenant improvements required to total \$3,677,000. Those estimates are supported in detail within the PDF document, "Pac Tower College Tenant Improvements 22009 EST C100 Detailed 2022-08-22".

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

Per the authority provided from the Legislature in 2013 and according to the Memorandum of Understanding (MOU) between the department and the college, the department has the obligation to secure the required state funds to cover the costs of the Pacific Tower, including the costs of the anchor tenant, the college. Those costs include rent, operating, parking, and tenant improvements. These funds are necessary for the department to meet its legal obligations to the College and to fulfill the responsibility and authority provided by the Legislature in 2013 to oversee the Pacific Tower and its use as a medical campus.

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

This request covers estimated costs for the required tenant improvements for the College to enter into a lease for the available space on the 7th floor of the Pacific Tower. Those estimates are supported in detail within the PDF document, "Pac Tower College Tenant Improvements 22009 EST C100 Detailed 2022-08-22".

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

This request will provide the full funding required to meet the department's obligation as agreed upon in the MOU between the department and the college, and to satisfy is Legislative authority to ensure the use of the Pacific Tower as a medical campus through 2043.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

There were no alternatives explored. The department is legally obligated and Legislatively responsible to cover the cost of tenant improvements associated with the college's use of the Pacific Tower campus.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

The college and the students they serve would benefit from the increased capacity to provide medical classes and training as intended by the Legislature.

6. Does this project or program leverage non-state funding? If yes, how much by what fund source, and could the request result in matching federal, state, local, or private funds?

The funding identified in this request is specific to the amount owed by the college, through the Department of Commerce. No other funds are available for this purpose.

7. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

This request supports and is consistent with the Governor's Results Washington through:

Goal 4: Health and safe communities: Fostering the health of Washingtonians from a healthy start to safe and supported future.

This request supports all five the department's goals:

- Reduce Homelessness and Expand Housing Inventory;
- Create Digital Equity and Connectivity through Broadband;
- Accelerate Clean Energy Transformation through Infrastructure, Investments, and Policy;
- Support Entrepreneurship, Small Businesses and Regional Economic Growth;
- Promote Development of the innovation Economy and Globally Trade Sectors

And supports all of the agency's strategic objectives:

Objective: Enrich Commerce's human capital to demonstrate and employ cultural competency.

Objective: Understand the needs and challenges affecting their access to resources through deep community engagement and outreach.

Objective: Consult with community partners on our data and data-informed decisions.

Objective: Dismantle barriers to access and provide support so that communities across the state are positioned to access resources.

Objective: Build systems that enable data-informed decision-making to improve equity.

Objective: Establish internal (real time) information sharing that enables collaboration across the agency.

Objective: Provide (proactive) technical assistance and help build capacity in organizations with trusted messengers.

8. For IT-related costs:

- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service?
- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.)
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121](#).)

None.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

Not applicable.

10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

Not applicable.

11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

Not applicable.

12. Is there additional information you would like decision makers to know when evaluating this request?

None.

RCW that establishes grant (if applicable):

Application process used (grants; if applicable):

Is a project list available? If so, please attach and/or include this information.

Expenditure calculations and assumptions – *Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.*

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|----------|-------------|-----------|-----------|-----------|-----------|
| Fund 057 | \$3,677,000 | | | | |
| | | | | | |
| | | | | | |
| Total | \$3,677,000 | | | | |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|-------|-----------|-----------|-----------|-----------|-----------|
| Fund | | | | | |
| | | | | | |
| | | | | | |
| Total | | | | | |

| Contact | |
|------------------------------|-------------------------------------|
| Preparer Name: | Tony Hanson |
| Assistant Director Approval? | <input checked="" type="checkbox"/> |
| Preparer phone number: | 360-259-3835 |
| Date: | 9/01/2022 |

Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan | 23-25 Biennium Budget Request

Section 1

| | |
|--------------------|--|
| Proposed Title: | Public Works Assistance Account (PWAA) |
| Project Class/Type | Grants/Loans |
| Agency Activity: | Public Works Board (PWB) Investment in Essential Infrastructure |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|-------------|
| Starting Year: | FY24 |
|----------------|-------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

The Public Works Board (PWB) requests a \$425 million appropriation from the Public Works Assistance Account (PWAA) to address the statewide need for infrastructure financing demonstrated by a known project pipeline of eligible, shovel-ready projects totaling more than \$1 billion. Infrastructure is the backbone of sustained economic recovery, growth, and job creation. It is critical to environmental protection, public health, and safety. PWB loans and grants to local governments fund installation, repair, and upgrade of six infrastructure types.

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

The PWB requests a \$425 million biennial appropriation from the PWAA. The PWAA is a leading source for infrastructure funding, and the account has the capacity for at least \$425 million based upon predictive modeling projections. Long-standing equity and current supply chain issues require more resources for focused planning and pre-development activities to create necessary projects and propel them to construction. The PWB intends to put these dollars to work in communities with two competitive funding cycles per biennium for construction and pre-construction activities. Eligible infrastructure systems are roads, bridges, sanitary sewer, domestic water, stormwater and solid waste/recycling. Up to ten percent of the proposed appropriation can be dedicated to grants for eligible uses in distressed and severely distressed jurisdictions. Additionally, the PWB allocates a portion of appropriated funds to the emergency loan program, which is open as long as funds are available. Recent emergency awards include grants to the towns of Malden and Nespelem after wildfires decimated their communities, destroying or threatening essential infrastructure.

The recently submitted 2022 legislative report highlights investments from July 1, 2021 through June 30, 2022:

- \$120.5 million in construction funding for 36 projects across the state as authorized under [RCW 43.155.060](#).
- \$2.98 million in pre-construction funding to five jurisdictions to move projects towards construction as authorized under [RCW 43.155.068](#).
- \$3.3 million in emergency funding to four jurisdictions for emergency infrastructure repairs or replacement authorized under [RCW 43.155.065](#).
- \$44.7 million for fifteen federally funded broadband construction grants to further the development of broadband infrastructure in unserved areas of the state as authorized under [RCW 43.155.160](#).

The PWB received \$120 million appropriation for fiscal year 2023. The construction and preconstruction loan cycle opened June 6 and closed September 9. The PWB received 65 applicants with \$204.9 million in requested funds. Of the applications received, 37 percent are from the east side of Washington State. 48 percent of the applicants have not applied to the PWB in the past two years and 17 percent are from rural, distressed counties. This means the easy to access nature of the PWB funding and extended application cycle is helping to reach communities that haven't always applied for PWB funding. Even after these investments, there are still pipelines of more than \$1 billion for traditional infrastructure and \$1 billion for broadband projects.

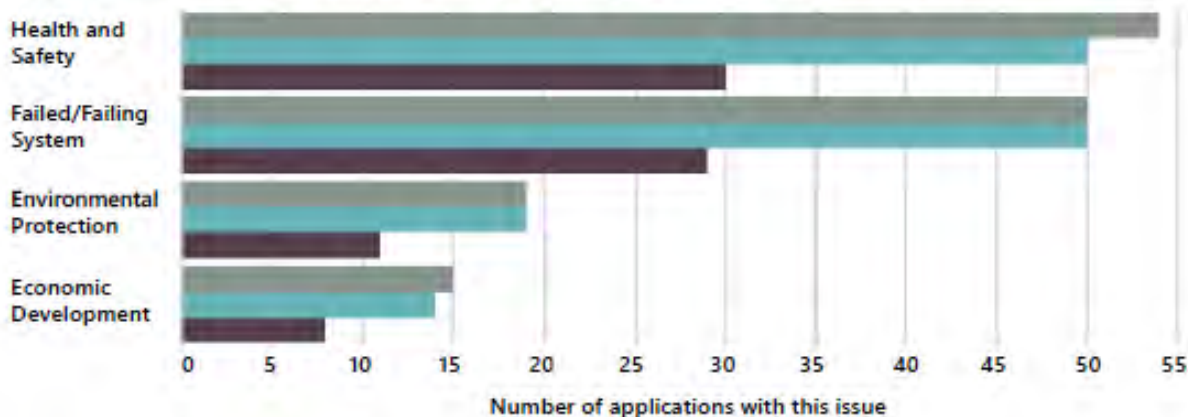
The PWB is leaning into equity and climate resilience challenges and is poised to incent and encourage communities to build existing infrastructure capacity that protects health and safety, restores and protects ecosystems, sustains economic development and promotes equity and community benefit. Under consideration is an innovative infrastructure pilot program that supports the planning and development of equitable and resilient infrastructure with multiple benefits and leverages opportunities to promote effective innovations in the industry per the 2022 supplemental capital budget proviso section 7004.

The PWB is also eager to support dig once with investments that align laying broadband conduit with construction of roads, bridges and other systems to minimize disturbances to commerce and ecosystems, and reduce overall costs. The PWB already has the statutory and policy framework for infrastructure efficiencies. Once appropriated, the PWB can put the requested \$425 million to work in communities across the state.

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

Demand and need for infrastructure investment is substantial. In FY 2020 and 2022, 103 of the 133 PWB construction applications were for failed or failing systems. Using all available funds, the PWB was only able to finance 45 percent of these applications. The figure shown below from the PWB 2022 Legislative Report emphasizes further the number of applications that met threshold juxtaposed to awards and the critical nature of health and safety and failed or failing systems the construction applications are facing when applying for financing from the PWB.

Figure 3: What were the primary system issues identified in FY22 PWB construction applications? How did that correlate to passing threshold and funding award?



Comparing this to the known pipeline, which is a snapshot of eligible projects valued at \$1.16 billion, reveals a gap between available dollars and demand that is significant. For additional context, a \$425 million appropriation to the PWB represents FY03-05 funding levels for the PWB from the PWAA. Addressing this demand with this \$425 million appropriation to the PWB from the PWAA is critical to human health and safety, sustaining economic growth and recovery, increasing resiliency, and protecting

and restoring critical habitats. The PWB is one of few funding sources that has the flexibility to address multiple infrastructure issues with a single award to achieve multiple benefits and outcomes.

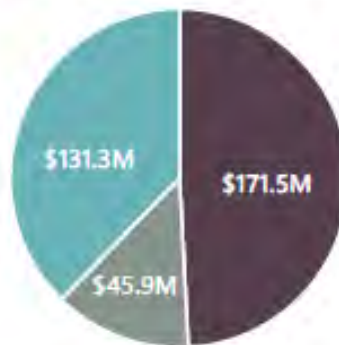
As a trusted lender, the PWB offers competitive funding cycles with loans at affordable rates and terms. The PWB also provides reduced interest rates and partial grants to distressed and severely distressed jurisdictions, so applicants can maintain affordable rates and services for individual users and businesses. Maintaining and building vital communities requires affordable, modern and functional infrastructure that allows for economic growth, ensures resident health and safety, and provides environmental protection and climate resiliency. Washington communities want certainty that an easy to access and administer fund source is there to address local needs and priorities. This funding request positions the PWB to be that certain fund source.

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

The request of \$425 million in appropriation from the Public Works Assistance Account (PWAA) will resource projects that meet current infrastructure demands across the state. Based on the PWB experience, the average construction award was approximately \$3.35 million. Average preconstruction awards were nearly \$500,000 and emergency awards were on average \$819,000. A funding request of \$425 million is likely to construct about 122 new construction projects, support up to 20 preconstruction projects and be available for up to 6 emergencies.

The PWB offered two application rounds in the 2021-23 biennium. In FY22 the PWB funded \$120.5 million in loans for 36 traditional infrastructure construction projects, \$2.98 million in preconstruction loans for five jurisdictions and \$3.3 million in emergency loans and grants to four jurisdictions. Yet, 32 projects representing \$111 million met threshold but not funded. Figure 6 of the PWB 2022 Legislative Report illustrates 38 percent of all funding requests to the PWB (traditional and broadband) were not awarded due to a lack of funds.

Figure 6: Of the funding requested, how much was awarded, not awarded due to a lack of funds, or did not qualify due to not meeting scoring threshold or having a credible objection?



Anticipated funding need in the FY23 application cycle likely outpaces the \$120 million available. Overall, this represents a much-needed investment. Local governments are counting on having the funds to plan and build Washington's next legacy infrastructure systems and support communities to deliver essential public services. Extreme weather events and shifting climate conditions are more frequently impacting communities. Heat waves, wildfires, flood events are all increasing. Infrastructure not only provides essential services, it is the backbone of economic recovery, and is a vital component of community resilience.

Infrastructure is a prime determining factor when deciding to locate, maintain and expand business. A prime example is the city of Pasco's Process Water Reuse Facility (PWRF) improvement project, which

received a preconstruction loan in 2018. In FY22 the city of Pasco applied for construction funding yet were unfunded due to lack of funds. The city of Pasco remains in the pipeline for needed construction loans despite working with the department of Ecology along with a public private partnership to utilize innovative technologies to generate biogas and explore use of biological nitrogen removal process using algae growth. By Department of Ecology order, the city is required to transition wastewater service for a food processing plant from the city's wastewater treatment plant to the PWRF. The PWRF is already at capacity with the five current food processing plants it services and cannot service additional connections without upgrades and expansion. Finding a solution to this problem ensures the city retains at least 1,200 jobs and creates an additional 250 jobs, not counting the jobs retained within the agricultural industry associated with growing and harvesting. The upgraded wastewater management system allows for the expanded operations at existing food processing plants, the locating of new processing plants, and expanded residential and commercial capacity. This is a necessary step for the city as its anticipated population growth is 68% over the next 20 years.

The city of Pasco is just one example where the community is leveraging funding opportunities to ensure it can design and build the innovative infrastructure needed to maintain and support sustainable growth. Across the state, towns, cities and growing urban areas are in need of low interest loans and grants to invest in planning, design and construction of infrastructure that provides multiple infrastructure services. Nutrient reduction investments needed to meet the Puget Sound Nutrient General Permit is an increasingly expensive investment for entities operating in Puget Sound. Accessing low interest loans in order to invest in infrastructure that meets regulatory standards is a significant need. The LOTT Clean Water Alliance was able to utilize \$10 million in PWB construction loans that allowed for investment in innovative biological process improvements critical for the proper operation of the treatment plant, and for ensuring permit compliance. Continuing to have available affordable funding for local jurisdictions to access is essential to achieving Puget Sound recovery and restoration.

Multi-beneficial projects that support habitat protection and recovery is key to aligning with salmon recovery efforts. The PWB funds several road and stormwater projects that achieve multiple benefits for salmon habitat, flood protection and overall water quality improvements. The city of Bremerton has received funding for two projects that achieves these outcomes. One that replace culverts with property sized fish passable culverts and another to replace outfall structures, stormwater lines and install water quality facilities at a key discharge point. The goal being to reduce fecal coliform and other water quality concerns caused by untreated discharge and deteriorated piping at a regional watershed basin scale. This project to modernize an aging system was unable to receive funding from the Department of Ecology and is an example of how important PWB funding is to local communities aiming to actualize regional water quality improvements. This project contributes to conditional reopening of shellfish beds at Erlands Point on the Kitsap Peninsula.

Economic conditions of high inflation, rising interest rates and unyielding need for sustainable, resilient growth place significant pressure on communities to provide affordable infrastructure services. The PWB offers the lowest interest rates available on the market and remains a trusted revolving loan program that is easy for small and large communities to access and administer.

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

The proposal would reduce the backlog of critical infrastructure projects that exists statewide due to aging infrastructure and limited fiscal capacity. The result of not taking action are the cumulative effects of aging infrastructure and the rising cost of repairing, replacing or upgrading infrastructure systems in operation beyond their useful life. This affects community livability, business viability and environmental integrity. For individual users, reliability, safety and affordability are primary concerns. Residents of the state have a reasonable expectation that a water faucet should issue clean, contaminant free water when it is turned on, that wastewater is treated prior to discharge, that stormwater is managed to minimize local and regional flooding, that transportation networks are function and in good repair, and that solid waste is handled safely and does not pollute groundwater. The PWB financing has assisted in the realization of these expectations since 1985.

Funding for communities with infrastructure needs is limited, especially for those with limited capacity to take on large infrastructure projects or private market loans. The PWB's open competitive construction loan program conducts a competitive process that ensures all projects are vetted, including the financial capability to assume a loan, effective local systems management, and that projects meet a critical public need. The new funding structure authorized by the legislature enabled the PWB to meet local governments where and when they need it, and not be restricted by either annual or biennial funding windows. This appropriation will allow the PWB to continue exercising that authority, and effectively support infrastructure development statewide.

The PWB is a self-sustaining program that can augment other state and federal financing programs. The process is highly competitive and allows the PWB to invest in only the highest priority projects. This supports the execution of state policies, such as the reduction of greenhouse gases, protection of Puget Sound, and implementation of the Growth Management Act. The PWB funding also assists the state in addressing goals of the Healthy Environment for All Act (HEAL Act). National studies indicate that communities of color are less likely to have access to clean, affordable drinking water and wastewater services. These communities are also at a higher likelihood to have services turned off as rates increase (emergency repairs are the leading cause of dramatic increases in ratepayer costs). Similarly, implementation of stormwater management and maintenance of roads lags behind in these communities. Such investments move the state towards a sustainable infrastructure system that accounts for environmental, social and economic realities while increasing resilience, functionality and access. The low cost associated with a PWB loan enables a jurisdiction to look at their projects through a broader, more diverse lens while maintaining the affordability of their end user rates.

If the PWB does not maximize the available revenue stream dedicated to the PWAA for local infrastructure needs, the state will not be able to address critical and failing infrastructure systems, resulting in negative impacts on public health and safety, reduced environmental protection, and stalled economic recovery and development. Every year there is a deficit of infrastructure financing, communities must absorb the environmental, social and economic costs associated. Infrastructure connects the daily lives of people and businesses. Without it, communities are less capable of growing in a sustainable way. For communities that must access the private credit market and guarantee future revenues to large principal and interest payments, the future growth capability of the community is restrained and other priorities must be sacrificed.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

The PWB seeks funding from the PWAA as that is the intended fund source for infrastructure funding and a more affordable alternative for local governments and special purpose districts than state bonds. The PWB is experienced in administering federal funds, as it did for federal drinking water funding before transferring that program to the state department of health. The PWB conducted a successful federal broadband grant cycle awarding all funds appropriated by the legislature for this purpose. Should federal infrastructure funding become available through the Inflation Reduction Act, the PWB could put these dollars to use to fund innovative infrastructure projects as outlined in the Innovative Infrastructure Pilot Study Report and other infrastructure priorities including fish passage barrier removal projects and multi-benefit projects.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

Nearly 2,000 government organizations are eligible for PWB Traditional Programs funding: Cities (281), counties (39), special purpose districts (approximately 1,300 excluding ports and school districts), and municipal and quasi-municipal corporations (1,580 estimated). The infrastructure systems they manage touch the lives of every resident in the state and provide the backbone for economic recovery and growth. Many communities eligible for these funds are responding to regulatory requirements to upgrade their

facilities. Without financial assistance, the communities do not have the resources to meet the requirements. At best, failure to meet a system's regulatory requirements will result in economic stagnation; at worst, public and environmental health and safety are jeopardized.

This appropriation will allow the PWB to help local governments to address critical needs. Looking to the future, the PWB infrastructure pipeline is a limited snapshot in time of 243 ready to proceed projects and represents the current needs of 63 clients. The snapshot represents: 34 cities with 140 projects, 18 water and sewer districts with 75 projects, 5 counties with 9 projects, and 6 special purpose districts 19 projects. The \$1.16 billion in funding sought benefits 149 domestic water, 32 wastewater, and 14 stormwater systems; 43 roadways and bridges; and 5 solid waste/recycling facilities. This snapshot of project costs estimates \$1.16 billion, of which jurisdictions expect to ask the PWB for \$761M to fund. Each project funded impacts a unique group of citizens; however, affordability and access are negatively impacted when systems are managed by crisis rather than proactive maintenance, expansion, and upgrade.

6. Will other funding be used to complete the project? How much, what fund source, and could the request result in matching federal, state, local, or private funds?

The PWB intends to award the funds appropriated to it from the PWAA to qualifying projects. Eligible applicants may seek other funds, including local sources, to complete the funding required to implement their projects. In fiscal year 2022, the \$126.8 million in PWB loans and grants leveraged more than \$99.7 million in state, federal and local infrastructure investments.

7. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

This request would support the PWB's strategic priorities for reliable infrastructure and building outreach to communities. Specifically, the addition of capital funds would allow an increase to all PWB Traditional Programs to fund infrastructure systems: bridges/roads and streets, sanitary sewer systems, domestic water systems, storm sewer systems, and solid waste/recycling. Outreach to communities includes tech teams, regional trainings and direct technical assistance.

This request supports the Department of Commerce strategic priorities of addressing communities' most urgent needs by funding **Reliable Infrastructure**. An investment in basic infrastructure systems maintains the existing systems in satisfactory condition through 2025, and ensures that citizens have safe drinking water, appropriate and safe wastewater, and safe roads.

Authorizing funding for the construction and pre-construction loan programs will directly:

- Reduce the emissions of greenhouse gases by local governments. The [Horn Rapids Landfill](#) construction project in the city of Richland, awarded by PWB in FY20, will collect landfill gas emissions for re-use as biogas.
- Reduce the amount of potable water used for non-potable purposes. The King County Pre-construction Brightwater Reclaimed Storage project, awarded PWB funding in FY20, reduces the area's draw on potable water sources for irrigation purposes and allows for aquifer recharge. The construction phase of this project is part of the PWB pipeline of known projects.
- Improve the quality of water discharged into Washington waterways. The FY20 awarded King County [Georgetown Wet Weather Treatment Station](#) construction project manages stormwater flows in the Georgetown area of Seattle. Completion of this project will keep hundreds of thousands of gallons of partially treated effluent from discharging into the Duwamish River every year.
- Address urban stormwater. The Fiscal Year 2020 awarded Seattle Public Utilities [Pearl Street Drainage and Wastewater Improvements](#) construction project deals with both economic vitality and community development. This Beacon Hill area in Seattle has a combined sewer system that experiences repeated backups into the public right-of-way across from Maple Elementary School and neighborhood homes and businesses. Additionally, stormwater flooding has been significant in the elementary school and the public Maplewood Playfield. Resolution of these issues will

enable businesses to thrive, ensure that school is uninterrupted, allow public access to recreational facilities, and mitigate adverse impacts on utility human and financial resources.

- Increase transportation mobility. The Fiscal Year 2020 construction award to the city of Long Beach for its [Washington Avenue South](#) project will not only allow the City to place a new water main to ensure clean domestic water and fire flow to the southern half of their distribution system, it will also allow the City to widen and resurface Washington Avenue South to create an alternate route through town. This alternate route will increase pedestrian safety, facilitate the efficient movement of goods and services, and relieve congestion.
- Create jobs. The PWB does not collect job data directly from its applicants. However, 11% of the applicants that met threshold for funding in Fiscal Year 2020 and Fiscal Year 2022 indicated economic development as a driver for their infrastructure project. Additionally, 40% of Fiscal Year 2020 and Fiscal Year 2022 were addressing failing or failed systems. The failure of infrastructure results in economic decline, the loss of commercial and industrial employers, and the inability to provide affordable housing. One such construction project awarded in Fiscal Year 2020 by the PWB is the city of Connell's [Country Estates Sewer Improvements](#). The current sewer system is failing, costing the City in staff time and reserve funding to deal with backups and blockages. Additionally, due to these system issues, the City is unable to develop several parcels of land that would be connected for sewer service.

Infrastructure is the backbone of economic recovery, and is a vital component of community development. Investing \$425 million in local priority infrastructure projects achieves a job multiplier of 10.89, for a total 4,628 jobs. The economic output generated with this investment is \$837 million, based on a total output modifier of 1.97.

8. For IT-related costs:

- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service?
- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.)
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121](#).)

None.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (Puget Sound Recovery) in the 2019-21 Operating Budget Instructions.

PWB staff submits a list of prioritized projects to the Puget Sound Partnership (Partnership) as a part of threshold review. This process includes consideration and feedback from Partnership staff on whether projects are consistent with the Puget Sound Action Agenda. The Partnership includes information on relevant PWB-funded projects annually in its required reporting to the National Estuary Program.

10. Does this project contribute to statewide goals to reduce carbon pollution and/or improve energy efficiency? If yes, please elaborate.

Decades of limited infrastructure funding options for local governments has occurred simultaneously with the need to rehabilitate or replace systems that have been in place for 30 or more years. These aging systems need to be brought up to current standards to align with the governor's carbon reduction

strategy. Replacing outdated infrastructure improves environmental quality and provides strategic traffic linkages for more efficient transport of goods. Infrastructure can contribute to reducing carbon pollution and energy efficiency, but consistent investment is necessary to realize this potential.

A prime example of the positive impacts stemming from replacing an aged sewer system is the use of methane recapture technology that both reduces greenhouse gas emissions and saves energy as the methane is used to provide power. In addition to this technology, modern sewage processing creates compost that can be used on farms and by residents to reduce the need for petroleum-based fertilizers. This process can make the water clean enough that it can be used for irrigation, flushing, washing clothes, and other non-potable uses, therefore decreasing the demand on our limited water supply. These examples utilize innovative technologies and provide the building blocks necessary for sustainable and resilient communities. The clean water created by modern sewer technology can be used as the water necessary to provide sufficient fire flow, irrigation, and other non-potable uses. The use of methane to power sewer plants makes them self-sustaining and keeps costs within reach of the ratepayers, residential and commercial alike. The use of treated water for non-potable uses frees up the potable water for food processing and other commercial water-intensive activities. To further support and incentivize communities to plan, design and build infrastructure that achieves these outcomes, the PWB is developing programmatic details for an innovative infrastructure pilot program that identifies model pilot projects that do a better job providing infrastructure services. Innovative infrastructure pilot projects are more likely to:

- Reduce or eliminate CO2 emissions.
- Reduce or eliminate non-renewable energy use.
- Create more energy within traditional infrastructure systems than consumed in order to become energy positive utilities.
- Use byproducts and waste products as feedstock for new products and contribute to a circular economy.
- Directly address equity of access to and quality of infrastructure services.
- Co-design infrastructure solutions with the affected communities.
- Create adaptable and flexible strategies designed to adapt to changing baseline conditions that can affect that infrastructure.
- Enable new safe resilience zones or receiving areas for existing growth to move away from floodways, floodplains or other areas affected by climate impacts.

The PWB and the department of Commerce are dedicated to the long-term sustainability of Washington's communities. The construction and pre construction loan programs are strategic programs that support these goals.

11. Does this project mitigate the effects of climate change and strengthen the resiliency of communities and the natural environment? If yes, please elaborate.

PWB financing enable communities to design, construct, rehabilitate and upgrade infrastructure systems that mitigate the impact of human activities on the environment. Replacement of outdated systems allows for the recovery of fish habitat, protects local ecology, and increases water quality. The modernization of infrastructure is a clear and necessary step in moving towards resilient communities. It allows legacy systems to utilize the most current technologies to move towards carbon neutral solutions and increased energy efficiency.

PWB funding also assists the state in addressing goals of the Healthy Environment for All Act (HEAL Act). National studies indicate that communities of color are less likely to have access to clean, affordable drinking water and wastewater services. These communities are also at a higher likelihood to have services turned off as rates increase (emergency repairs are the leading cause of dramatic increases in ratepayer costs). Affordable financing for infrastructure in turn keeps infrastructure services affordable.

In addition to providing affordable financing for critical infrastructure, the PWB is driving investment in the development of mapping tools that track the placement of projects funded by the PWB, along with other

SYNC partners (departments of Commerce, Ecology, Health, Transportation and the Transportation Improvement Board), beside socio-economic indicators within the Department of Health's Health Disparities Map. Continued planning for assessment of project locations against multiple layers of health disparity indexes as well as climate change and resilience factors at jurisdictional and watershed levels will inform the PWB's actions to improve outreach, build local capacity and provide direct technical assistance in vulnerable or underserved communities. Low interest loans and grants need to be available for communities to make needed infrastructure investments. Such investments move the state towards sustainable infrastructure that accounts for environmental, social and economic realities while increasing resilience, functionality and access.

12. Is there additional information you would like decision makers to know when evaluating this request?

The PWB is poised to maximize and put to work the locally generated tax revenues of the Real Estate Excise Tax, Public Utility Tax and Solid Waste Collection Tax returning to the Public Works Assistance Account. Local governments, public utility districts and other special utility districts are in dire need of the infrastructure funding that is easy to access and administer and flexible and able to fund multiple systems in a single project.

Across Washington communities, infrastructure systems are aging to the point of failure. 103 of the 133 PWB construction applications in FY 2020 and 2022 addressed failed or failing systems. Using all available funding, the PWB was only able to finance 45% of these applications. Maintaining and building vital communities requires modern, functional infrastructure. These systems must meet current and future needs for economic growth, resident health and safety, and environmental protection and climate resiliency. This request for \$425M biennial appropriation does just that. It maximizes investment in essential infrastructure for Washington communities.

RCW that establishes grant (if applicable): RCW 43.155

Application process used (grants; if applicable): The PWB conducts competitive funding rounds. Current and previous cycles are described on the [PWB website](#).

Is a project list available? If so, please attach and/or include this information. The PWB conducts competitive funding rounds. The most recent funding round is described in the [PWB's 2022 report](#) to the legislature.

Expenditure calculations and assumptions – Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.

PWB loans and grants: \$425,000,000 available with \$10,000,000 maximum per jurisdiction have a five-year period to complete the projects and 20 years to pay back principle and interest. The PWB will determine allocation of construction, preconstruction and emergency loans and grants. Annual competitive cycles estimate following draw rate:

| | |
|--|----------------|
| Year 1- 10% of loan amount drawn | \$ 42,500,000 |
| Year 2- 37.5% of loan amount drawn | \$ 159,375,000 |
| Year 3- 35% of loan amount drawn | \$ 148,750,000 |
| Year 4- 12.5% of loan amount drawn | \$ 53,125,000 |
| Year 5- 5% of loan amount drawn (final draw) | \$ 21,250,000 |

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|----------|---------------|-----------|-----------|-----------|-----------|
| Fund 355 | \$425,000,000 | | | | |
| | | | | | |
| | | | | | |
| Total | \$425,000,000 | | | | |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|-------|-----------|-----------|-----------|-----------|-----------|
| Fund | | | | | |
| | | | | | |
| | | | | | |
| Total | | | | | |

| Contact | |
|------------------------------|---------------------------------|
| Preparer Name: | Maria Jawad and Karin Berkholtz |
| Assistant Director Approval? | <input type="checkbox"/> |
| Preparer phone number: | 360 688 6008; 360 688.0313 |
| Date: | August 30, 2022 |

**Capital Project Request - Narrative Template
2023-2033 Biennial Capital Budget Plan**

Section 1

| | |
|--------------------|--|
| Proposed Title: | Youth Recreational Facilities Grant Program |
| Project Class/Type | Grant |
| Agency Activity: | A096 Community Development Block Grants |

Section 2 – Additional Capital Project Request Requirements

Starting year. Identifies the year an agency intends to start the proposed project or expenditures for specific purposes:

| | |
|----------------|--------------|
| Starting Year: | FY 24 |
|----------------|--------------|

Agency summary. This is also known as the project summary or Recsum text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it:

The Youth Recreational Facilities Program is a competitive grant program that funds capital recreational projects for non-profit organizations. [RCW 43.63A.135](#) requires the Department of Commerce (department) to submit a list of competitively selected projects to the Governor and Legislature each biennium.

Project description. Describe the proposed project. Provide answers to the following questions, which will inform decision makers about the proposed project.

The department requests \$8 million for the Youth Recreational Facilities Program. These capital projects must feature an indoor youth recreational component and a supporting social service or educational component. State grants require 75 percent matching funds. The Youth Recreational Facilities Program Advisory Board assists the department by establishing program policy and reviewing and ranking project proposals.

1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements, or other backup necessary to understand the need for the request. For preservation projects it is helpful to include information about the current condition of the facility or system.

Youth recreational facilities over the past two years saw a significant increase in youth that require an array of youth developmental programming. This cycle brought in total of 12 applications totaling over \$10 million in funding. All applications were selected and recommended for funding.

By financing construction and renovation costs, the Youth Recreational Facilities Program not only encourages and improves the health and well-being of Washington’s youth, it frees up funds that would otherwise be spent on facility mortgage or lease payments, thereby increasing funds available for local organizations to commit to direct youth program services.

The department’s request for Capital Infrastructure Pre-Development Funding will provide state support for project development across all state capital projects to include building communities fund, youth recreation, building for the arts, library programs, etc. With funding as proposed, pre-development funds will provide an equitable pathway to state funded capital programs and will help expand access to this program.

2. What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Be prepared to provide detailed cost backup.

Grants may be used for acquisition, construction, or rehabilitation of non-residential youth recreational facilities. Projects must result in a discrete, usable phase.

3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

No action would delay eligible projects, increasing construction and related costs.

4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered

The department is required by RCW [43.63A.135](#) to establish a competitive process to solicit proposals for and prioritize projects whose primary objective is to assist nonprofit youth organizations in acquiring, constructing, or rehabilitating facilities used for the delivery of nonresidential services, excluding outdoor athletic fields, and must submit a list of recommended projects to the governor and the legislature in the department's biennial capital budget request.

5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

Youth-focused nonprofit organizations such as state Boys & Girls Clubs and YMCAs would be impacted. They would offer improved facilities and improved educational and social service activities to youth.

6. Does this project or program leverage non-state funding? If yes, how much by what fund source, and could the request result in matching federal, state, local, or private funds?

By statute, RCW 43.63A.135, Youth Recreational Facilities projects requires a 75 percent non-state match from all eligible projects.

7. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.

This request supports and is consistent with the Governor's Results Washington through:

Goal 4: Health and safe communities: Fostering the health of Washingtonians from a healthy start to safe and supported future.

This request supports all five the department's goals:

- Reduce Homelessness and Expand Housing Inventory;
- Create Digital Equity and Connectivity through Broadband;

- Accelerate Clean Energy Transformation through Infrastructure, Investments, and Policy;
- Support Entrepreneurship, Small Businesses and Regional Economic Growth;
- Promote Development of the innovation Economy and Globally Trade Sectors

And supports all of the agency's strategic objectives:

Objective: Enrich Commerce's human capital to demonstrate and employ cultural competency.

Objective: Understand the needs and challenges affecting their access to resources through deep community engagement and outreach.

Objective: Consult with community partners on our data and data-informed decisions.

Objective: Dismantle barriers to access and provide support so that communities across the state are positioned to access resources.

Objective: Build systems that enable data-informed decision-making to improve equity.

Objective: Establish internal (real time) information sharing that enables collaboration across the agency.

Objective: Provide (proactive) technical assistance and help build capacity in organizations with trusted messengers.

8. For IT-related costs:

- Does this project fund the development or acquisition of a new or enhanced software or hardware system or service? **No**
- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.) **No**
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121](#).) **No**

None.

If the answer to any of these questions is yes, continue to the IT Appendix and follow the directions to meet the requirements for OCIO review.

9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

Not applicable.

10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

All projects are required to meet the Leadership in Energy and Environment Design (LEED) Silver Standard or receive an exemption from Commerce. LEED is a green building certification program

developed by the nonprofit U.S. Green Building Council (USGBC) and includes a set of rating systems for the design, construction, operation, and maintenance of green buildings, which aims to help building owners and operators be environmentally responsible and use resources efficiently.

11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

Through continuous outreach and engagement, this program will impact equity in the state by providing all communities with access to learning how to explore opportunities at accessing grant funds for youth-focused organization. All communities including those who are mostly impacted such as BIPOC, Tribal Nation and people of color have applied through this biennium competitive process. Through this proposal, organizations can provide social services and/or education to youth that address health, social and educational disparities by providing enrichment opportunities through youth programs.

12. Is there additional information you would like decision makers to know when evaluating this request?

None.

RCW that establishes grant (if applicable): 43.63A.135

Application process used (grants; if applicable): Applicants submit applications electronically through the ZoomGrants online system, they are ranked and scored by citizen's advisory board.

Is a project list available? If so, please attach and/or include this information. (Project list attached)

Expenditure calculations and assumptions – *Display the calculations (e.g., unit costs and formulas) used to arrive at expenditure and workload estimates connected with the Capital Project Request. Clearly identify the factual basis of any policy or workload assumptions and how the cost estimates are derived from these assumptions.*

Estimated Total Expenditures:

| Account | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|----------|-------------|-------------|-------------|-------------|-------------|
| Fund 057 | \$8,000,000 | \$8,000,000 | 8,000,000 | \$8,000,000 | \$8,000,000 |
| | | | | | |
| | | | | | |
| Total | \$8,000,000 | \$8,000,000 | \$8,000,000 | \$8,000,000 | \$8,000,000 |

FTE's: (Fund)

| FTEs | 2023-2025 | 2025-2027 | 2027-2029 | 2029-2031 | 2031-2033 |
|------|-----------|-----------|-----------|-----------|-----------|
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| | | | | | |
|-------|--|--|--|--|--|
| Total | | | | | |
|-------|--|--|--|--|--|

| | |
|------------------------------|--------------------------|
| Contact | |
| Preparer Name: | Addeline Craig |
| Assistant Director Approval? | <input type="checkbox"/> |
| Preparer phone number: | 360-688-0041 |
| Date: | 8/16/2022 |