

CITY COUNCIL AGENDA TOPIC

Resolution authorizing execution of a grant agreement with the Washington State Department of Commerce to accept up to \$1,000,000 of Connecting Housing to Infrastructure Program (CHIP) grant funding to reimburse the construction of utility infrastructure improvements for the Habitat for Humanity project.

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Utilities Department

EXECUTIVE SUMMARY**ACTION**

This Resolution authorizes the execution of a grant agreement with Washington State Department of Commerce to support the construction of affordable housing by reimbursing the construction of utility infrastructure improvements for the Habitat for Humanity project, in the amount of \$1,000,000.

RECOMMENDATION

Move to adopt Resolution 10438

BACKGROUND/ANALYSIS

In 2021, the Washington State Department of Commerce created the Connecting Housing to Infrastructure Program (CHIP). The program offers grant funding for utility improvements and system development charges for affordable housing projects that serve and benefit low-income households.

In 2023, Bellevue Utilities submitted a grant application to the Washington State Department of Commerce to request CHIP funding for utility infrastructure improvements needed for the Habitat for Humanity project. The Department of Commerce has awarded a \$1,000,000 grant to Bellevue to serve as reimbursement for utility infrastructure improvements.

After the execution of the grant, the City will be able to request funding reimbursement for work related to the construction of water, sewer, and storm facilities serving the Habitat for Humanity project in an amount up to \$1,000,000.

A copy of the proposed grant agreement is in the Council Library.

POLICY & FISCAL IMPACTS**Policy Impact**

ESSB 5200, Section 1021(1), authorized grant funding to local governments, or their contracted service providers, for system development charges and utility improvements for affordable housing projects that serve and benefit low-income households.

BCC 4.28.200(B) requires council approval for any grant contract that exceeds \$350,000.

Fiscal Impact

There is no net fiscal impact. Utilities will pay \$1,000,000 to reimburse construction costs related to utility infrastructure improvements for the Habitat for Humanity project and will receive a reimbursement grant for the same amount.

OPTIONS

1. Adopt the Resolution authorizing execution of a grant agreement with the Washington State Department of Commerce to accept up to \$1,000,000 of Connecting Housing to Infrastructure Program (CHIP) grant funding to reimburse the construction of utility infrastructure improvements for the Habitat for Humanity project.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS

Proposed Resolution No. 10438

AVAILABLE IN COUNCIL LIBRARY

Department of Commerce Grant Agreement – Habitat for Humanity project