



**STATE OF WASHINGTON
DEPARTMENT OF COMMERCE**

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September 14, 2018

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

Dear David:

On behalf of the Department of Commerce, I am pleased to present our 2019-2029 10-year Capital Budget Plan. It includes items that align with Governor Inslee's priorities under Results Washington. In putting together our proposals, we have been mindful of the limited funding available. However, within these constraints we are putting forward a set of budget and legislative packages that strengthen communities by reducing homelessness, increasing self-sufficiency, increasing living wage jobs, improving housing affordability, funding reliable infrastructure and building a clean energy future.

Thank you in advance for your consideration of our proposals. We look forward to working with the Governor and the OFM team as you put together the statewide budget recommendation.

Sincerely,

Brian Bonlender
Director



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Department of Commerce

Ten-Year Capital Plan Overview

The Department of Commerce's legislated mission is to grow and improve jobs in Washington State by championing thriving communities, a prosperous economy and a sustainable infrastructure.

The department's purpose is to strengthen communities and the department's values consist of being creative, collaborative and trusted. The department intends to bring new approaches to how it supports communities, ranging from equitably distributing agency funding, engaging communities to better respond to their needs and to helping communities assess and improve resilience.

The Ten-Year Capital Plan provides state resources for capital investments in local communities to support our core mission and policies set by the Governor and Legislature.

Reducing Homelessness and Improving Housing Affordability

RCW 43.185 created the *Housing Trust Fund* in 1986 to establish a resource to fill the gap created by economic conditions, federal housing policies and declining resources at the federal, state and local level. The gap adversely affects the ability of low-income persons to obtain safe, decent and affordable housing. Funds appropriated to the Housing Trust Fund are used for the Housing Assistance and Affordable Housing programs.

These programs help communities finance the development and preservation of affordable housing for low-income households and special needs populations. Projects must remain affordable to the target population for forty years. Funds are awarded on a competitive basis and have historically leveraged more than four dollars for every state dollar invested. Additionally, growth management planning is a key element to ensure the development of market rate and affordable housing. *Planning for Housing Supply* strategies would give local governments capacity to implement strategies that increase the housing supply for all economic segments of the community.

Building a Clean Energy Future

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.

The Energy Efficiency and Solar Grant Program is a competitive program that provides funding for energy efficiency improvements and solar installations. The program has goals of leveraging three dollars of non-state funding for every one dollar of grant funding; stimulating Washington's economy by creating jobs; reducing energy costs at the state's public higher education institutions, local government facilities and state agencies; and promoting the use of Washington-manufactured solar products, including solar modules and inverters.

The Matchmaker Weatherization Program, established under RCW 70.164, leverages non-state funding to reduce utility bills and improve the health and safety of low-income families. Across the state, local agencies provide home weatherization, repair and energy efficiency services.

In 2017 the legislature passed ESB 5647 creating *the Low-Income Rehabilitation Revolving Loan Program*. Substandard housing is having a negative impact on residents of rural communities in Washington. A major component of the Low-Income Home Rehabilitation Revolving Loan Program is to help rural families get their homes to a condition where low-income weatherization services can be performed so they can live in safe, efficient and healthy homes. Home rehabilitation, combined with energy efficiency upgrades, helps people stay in their homes, helps stabilize neighborhoods, improves local school attendance and improves the health and safety of their living environments.

K-12 Learning to Build Net Zero Energy Schools. As part of the state's climate action commitments, the department is charged with advancing building energy efficiency and developing pathways to reduce greenhouse gas emissions. Creating projects that demonstrate the application of advanced energy efficient design and construction play a large role in advancing the efficiency throughout the building industry. Net zero schools begin by reducing energy use through application of building assemblies, mechanical systems and lighting that minimize energy use. Any remaining energy consumption is then offset by the installation of renewable energy systems, most likely solar electric panels. On an annual basis, the electricity generated at the building exceeds the electricity purchased from the utility – net zero.

Funding Reliable Infrastructure

The Public Works Board provides financial assistance in the form of low- or no-interest loans to local governments to repair, replace, or create bridges, roads, sanitary sewer systems, domestic water systems, storm sewer systems, and solid waste/recycling systems. Local governments use this funding to maximize their own resources by allowing them to fix problems as they emerge, rather than having to wait to amass necessary funds for critical projects. In recent years, Public Works funding has supported growth management initiatives. The department and the Board continue to seek ways leverage public infrastructure investments related to affordable housing.

The Community Economic Revitalization Board (CERB) is authorized by RCW 43.160 to assist in financing publicly owned local economic development infrastructure improvements to encourage new development and expansion in areas where growth is desired. The purpose of the funding is to foster job creation and private investment. The public improvements 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.

Community Economic Revitalization Board Competitive Grant Program and Broadband. The 2012 Capital Budget (ESB 6074, Section 1005) contained a \$12 million appropriation for the creation of a competitive grant program(s) for CERB. The intent of the program is to develop construction of publically owned infrastructure, facilities and related improvements, which enable and encourage private sector business creation or expansion, redevelopment of Brownfields, and/or enhance the vitality and livability of the community. Also, rural communities do not have access to adequate broadband services or connection speeds. The lack of high speed, open access broadband infrastructure in rural communities continues to be a challenge and the department seeks to fund efforts to provide low-cost financing to expand broadband infrastructure.

The Local and Community Projects Program was established by the Legislature in 2003, and Local and Community Projects in 2007. The program helps local governments and nonprofit organizations leverage other funds needed to complete projects of importance to our communities throughout the state. Each community receiving funding also benefits economically

during the construction phase and once the new or renovated facility becomes operational. Examples of projects funded include acquisition of land for public parks, business and economic development incubator facilities, social service and arts-related facilities, public memorials and local infrastructure improvements.

Building for the Arts Program. The Corporate Council for the Arts (now Arts Fund) first proposed Building for the Arts in 1991 to coordinate the many requests that the Legislature receives for support of arts-related capital projects. The Building for the Arts program provides state grants to nonprofit performing arts, art museum and cultural projects to defray up to 20 percent of the capital costs of new facilities or major renovations.

Building Communities Fund. The 2008 Legislature established the Building Communities Fund to provide nonprofit organizations with technical assistance and capital funding for social service and multipurpose community centers. To be considered eligible, projects must involve the acquisition, construction, or rehabilitations of a nonresidential facility or 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 percentage may be increased under exceptional circumstances. The program solicits applications every two years, and operates competitively.

The *Youth Recreational Facilities Program* is a competitive grant program that funds nonprofit organizations that feature a youth recreational component and a supporting social service and/or educational component. Funds may be used to construct or renovate youth recreational facilities, and are available on a 25 percent matching fund basis. By reducing or eliminating their lease or mortgage payments, these organizations are able to direct more of their limited resources into programmatic activities for young people.

Early Learning Facilities. 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 slots that are necessary to meet the ECEAP legislative mandate.

Other Infrastructure. The department continues to support the Pacific Hospital Preservation and Development Authority (PHPDA) and the 20-year capital maintenance plan for Pacific Tower. The Tower brings together training and support around issues of health care, education, job creation, and energy conservation.

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Ten Year Capital Plan by Project Class
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Project Class: Program

Agency Priority	Project by Account-EA Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2019-21	New Approp 2019-21	Estimated 2021-23	Estimated 2023-25	Estimated 2025-27	Estimated 2027-29
0	40000009 PWAA Preconstruction and Emergency Loan Programs									
	355-1 St. Bld Const Acct-State	19,000,000		1,000,000	18,000,000					
0	40000018 Behavioral Health Community Capacity									
	057-1 State Bldg Constr-State	90,876,000		10,876,000	80,000,000					
0	91000943 CERB Administered Broadband Infrastructure									
	057-1 State Bldg Constr-State									
	355-1 St. Bld Const Acct-State	10,000,000			10,000,000					
	355-B St. Bld Const Acct-Debt Limit									
	Project Total:	10,000,000			10,000,000					
0	91001099 2017-19 Stormwater Pilot Project									
	057-1 State Bldg Constr-State	250,000		150,000	100,000					
0	91001157 2019 Local and Community Projects									
	057-1 State Bldg Constr-State	40,569,000		5,569,000	35,000,000					
0	92000344 Community Behavioral Health Beds - Acute & Residential									
	057-1 State Bldg Constr-State	42,890,000	9,900,000	27,990,000	5,000,000					
0	92000369 Local & Community Projects 2016									
	057-1 State Bldg Constr-State	130,169,000	61,445,000	43,724,000	25,000,000					
0	92000377 Disaster Emergency Response									
	057-1 State Bldg Constr-State	1,809,000	3,000	1,756,000	50,000					
0	92000611 Behavioral Rehabilitation Services Capacity Grants									
	057-1 State Bldg Constr-State	2,000,000			2,000,000					

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Total: Program	337,563,000	71,348,000	91,065,000	175,150,000
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Project Class: Grant

Agency Priority	Project by Account-EA Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2019-21	New Approp 2019-21	Estimated 2021-23	Estimated 2023-25	Estimated 2025-27	Estimated 2027-29
0	30000846 2016 Local and Community Projects									
	057-1 State Bldg Constr-State	11,363,000	4,286,000	4,077,000	3,000,000					
0	40000007 Dental Clinic Capacity Grants									
	057-1 State Bldg Constr-State	16,534,000		6,534,000	10,000,000					
1	30000872 2017-19 Housing Trust Fund Program									
	057-1 State Bldg Constr-State	44,131,000		2,626,000	41,505,000					
	355-1 St. Bld Const Acct-State	58,000,000		1,487,000	56,513,000					
	532-1 Wa Housing Trst Ac-State	8,658,000			8,658,000					
	Project Total:	110,789,000		4,113,000	106,676,000					
1	40000053 Planning for Housing Supply									
	057-1 State Bldg Constr-State	15,640,000				3,128,000	3,128,000	3,128,000	3,128,000	3,128,000
2	30000833 Housing Trust Fund Appropriation									
	355-1 St. Bld Const Acct-State	80,000,000	26,809,000	29,058,000	24,133,000					
	355-B St. Bld Const Acct-Debt Limit									
	532-1 Wa Housing Trst Ac-State	3,000,000		1,372,000	1,628,000					
	Project Total:	83,000,000	26,809,000	30,430,000	25,761,000					
2	40000036 Housing Trust Fund									
	355-1 St. Bld Const Acct-State	1,000,000,000				200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
3	30000834 2015-17 Community Economic Revitalization Board Program									
	887-1 Pub Facil Const Ln-State	10,600,000			10,600,000					
3	30000863 Rapid Housing Improvement Program									

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3	30000863 Rapid Housing Improvement Program									
	532-1 Wa Housing Trst Ac-State	225,000	86,000	51,000	88,000					
3	40000038 Public Works Board									
	058-1 Public Works Assist-State	215,230,000				120,050,000	86,500,000	8,680,000		
4	30000726 Clean Energy and Energy Freedom Program									
	057-1 State Bldg Constr-State	23,409,000	2,477,000	11,535,000	9,388,000	9,000				
	355-1 St. Bld Const Acct-State	17,006,000	6,661,000	4,004,000	6,335,000	6,000				
	355-B St. Bld Const Acct-Debt Limit									
	Project Total:	40,415,000	9,138,000	15,539,000	15,723,000	15,000				
4	40000040 Community Economic Revitalization Board									
	355-1 St. Bld Const Acct-State	67,000,000				13,400,000	13,400,000	13,400,000	13,400,000	13,400,000
	887-1 Pub Facil Const Ln-State	43,000,000				8,600,000	8,600,000	8,600,000	8,600,000	8,600,000
	Project Total:	110,000,000				22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
5	30000835 Energy Efficiency and Solar Grants									
	057-1 State Bldg Constr-State	24,500,000	7,520,000	14,980,000	2,000,000					
5	30000878 Public Works Assistance Account Construction Loans									
	355-1 St. Bld Const Acct-State	97,103,000		7,103,000	90,000,000					
5	40000042 Clean Energy Transition 4									
	057-1 State Bldg Constr-State	50,000,000				10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
	355-1 St. Bld Const Acct-State	450,000,000				90,000,000	90,000,000	90,000,000	90,000,000	90,000,000
	Project Total:	500,000,000				100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
6	30000836 Ultra-Efficient Affordable Housing Demonstration									

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6	30000836 Ultra-Efficient Affordable Housing Demonstration									
	532-1 Wa Housing Trst Ac-State	2,500,000		1,013,000	1,487,000					
6	30000879 Weatherization Plus Health Matchmaker Program									
	057-1 State Bldg Constr-State	18,516,000		6,499,000	12,001,000	16,000				
	355-1 St. Bld Const Acct-State	5,005,000		130,000	4,870,000	5,000				
	Project Total:	23,521,000		6,629,000	16,871,000	21,000				
6	40000047 CERB Broadband									
	355-1 St. Bld Const Acct-State	100,000,000				20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
7	30000881 Clean Energy Funds 3									
	057-1 State Bldg Constr-State	32,632,000		850,000	31,750,000	32,000				
	22M-1 Energy Efficncy Acct-State	5,504,000		1,334,000	4,166,000	4,000				
	355-1 St. Bld Const Acct-State	8,008,000		124,000	7,876,000	8,000				
	355-B St. Bld Const Acct-Debt Limit									
	EEA-1 Energy Efficiency-State									
	Project Total:	46,144,000		2,308,000	43,792,000	44,000				
7	40000048 Weatherization									
	057-1 State Bldg Constr-State	140,000,000				28,000,000	28,000,000	28,000,000	28,000,000	28,000,000
8	30000882 Energy Efficiency and Solar Grants									
	057-1 State Bldg Constr-State	5,505,000		132,000	5,368,000	5,000				
	22M-1 Energy Efficncy Acct-State	5,504,000		1,334,000	4,166,000	4,000				

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8	30000882 Energy Efficiency and Solar Grants EEA-1 Energy Efficiency-State									
	Project Total:	11,009,000		1,466,000	9,534,000	9,000				
8	40000050 K-12 Net Zero Energy Schools 355-1 St. Bld Const Acct-State	12,001,000				11,942,000	59,000			
9	40000052 Rural Rehabilitation Loan Program 355-1 St. Bld Const Acct-State	100,000,000				20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
10	30000883 2017-19 Building Communities Fund Grant 057-1 State Bldg Constr-State	30,900,000		10,900,000	20,000,000					
10	40000049 Energy Efficiency and Solar Grants Program 057-1 State Bldg Constr-State	200,000,000				40,000,000	40,000,000	40,000,000	40,000,000	40,000,000
11	30000877 2017-19 Building for the Arts Grant Program 057-1 State Bldg Constr-State	12,000,000		2,000,000	10,000,000					
11	40000044 Early Learning Facilities 22C-1 Early Lrng Fac Rev-State	250,814,000				50,814,000	50,000,000	50,000,000	50,000,000	50,000,000
11	40000046 Early Learning Facilities-School Districts 22D-1 Early Lrng Fac Devel-State	24,186,000				4,186,000	5,000,000	5,000,000	5,000,000	5,000,000
12	30000875 2017-19 Youth Recreational Facilities Grant Program 057-1 State Bldg Constr-State	6,907,000		1,907,000	5,000,000					
12	40000043 Building Communities Fund Program 057-1 State Bldg Constr-State	157,408,000				37,408,000	30,000,000	30,000,000	30,000,000	30,000,000
13	30000873 Economic Opportunity Grants									

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13	30000873 Economic Opportunity Grants									
	689-1 Rural WA Loan Acct-State	6,750,000		750,000	6,000,000					
13	40000041 Youth Recreational Facilities Grants									
	057-1 State Bldg Constr-State	35,455,000				7,091,000	7,091,000	7,091,000	7,091,000	7,091,000
14	40000039 Building for the Arts									
	057-1 State Bldg Constr-State	60,000,000				12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
15	20064008 Local and Community Projects									
	057-1 State Bldg Constr-State	45,928,000	45,458,000		235,000	235,000				
15	20074008 Rural Washington Loan Fund									
	689-1 Rural WA Loan Acct-State	1,953,000	1,113,000	393,000	447,000					
15	20074009 Housing Assistance, Weatherization, and Affordable Housing									
	057-1 State Bldg Constr-State	56,698,000	56,698,000							
	355-1 St. Bld Const Acct-State	129,910,000	129,433,000	415,000	62,000					
	355-B St. Bld Const Acct-Debt Limit									
	532-1 Wa Housing Trst Ac-State	13,214,000	13,214,000							
	Project Total:	199,822,000	199,345,000	415,000	62,000					
15	20084850 Community Development Fund									
	057-1 State Bldg Constr-State	20,915,000	20,915,000							
15	30000013 Housing Assistance, Weatherization, and Affordable Housing									
	057-1 State Bldg Constr-State	34,500,000	34,500,000							
	355-1 St. Bld Const Acct-State	85,499,000	85,499,000							

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Agency Priority	Project by Account-EA Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2019-21	New Approp 2019-21	Estimated 2021-23	Estimated 2023-25	Estimated 2025-27	Estimated 2027-29
15	3000013 Housing Assistance, Weatherization, and Affordable Housing									
	355-B St. Bld Const Acct-Debt Limit									
	532-1 Wa Housing Trst Ac-State	10,000,000	9,974,000	21,000	5,000					
	Project Total:	129,999,000	129,973,000	21,000	5,000					
15	3000082 2010 Local and Community Projects									
	057-1 State Bldg Constr-State	13,406,000	11,431,000		1,975,000					
15	3000097 Community Economic Revitalization Board									
	355-1 St. Bld Const Acct-State	5,000,000			5,000,000					
	355-B St. Bld Const Acct-Debt Limit									
	887-1 Pub Facil Const Ln-State	13,020,000	5,000,000		8,020,000					
	Project Total:	18,020,000	5,000,000		13,020,000					
15	30000103 Public Works Assistance Account Program									
	058-1 Public Works Assist-State	144,789,000	141,852,000	2,937,000						
15	30000166 Local and Community Projects									
	057-1 State Bldg Constr-State	16,808,000	16,578,000	225,000	5,000					
15	30000184 Public Works Assistance Account Program 2013 Loan List									
	058-1 Public Works Assist-State	37,104,000	22,593,000	3,511,000	11,000,000					
15	30000193 2013-2015 Energy Efficiency Grants									
	057-1 State Bldg Constr-State	24,375,000	23,697,000	678,000						
15	40000037 Pacific Tower Capital Improvements									
	057-1 State Bldg Constr-State									

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15	4000037 Pacific Tower Capital Improvements									
	355-1 St. Bld Const Acct-State	6,331,000				1,020,000	1,407,000	2,106,000	819,000	979,000
	Project Total:	6,331,000				1,020,000	1,407,000	2,106,000	819,000	979,000
15	91000413 Housing for the Homeless									
	355-1 St. Bld Const Acct-State	28,944,000	28,536,000	1,000	407,000					
	355-B St. Bld Const Acct-Debt Limit									
	Project Total:	28,944,000	28,536,000	1,000	407,000					
15	91000446 Sand Point Building 9									
	057-1 State Bldg Constr-State	3,999,000	3,999,000							
	355-1 St. Bld Const Acct-State	10,000,000	300,000	9,692,000	8,000					
	Project Total:	13,999,000	4,299,000	9,692,000	8,000					
15	91000582 Clean Energy and Energy Freedom Program									
	057-1 State Bldg Constr-State	21,001,000	18,313,000	1,642,000	1,045,000	1,000				
	15P-1 Energy Recovery-State	50,000	50,000							
	355-1 St. Bld Const Acct-State	14,948,000	14,944,000			4,000				
	355-B St. Bld Const Acct-Debt Limit									
	Project Total:	35,999,000	33,307,000	1,642,000	1,045,000	5,000				
15	92000102 Port and Export Related Infrastructure									
	057-1 State Bldg Constr-State	33,150,000	26,922,000	5,528,000	700,000					
15	92000151 Projects for Jobs & Economic Development									
	057-1 State Bldg Constr-State	30,009,000	28,853,000	156,000	1,000,000					

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Agency Priority	Project by Account-EA Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2019-21	New Approp 2019-21	Estimated 2021-23	Estimated 2023-25	Estimated 2025-27	Estimated 2027-29
15	92000151 Projects for Jobs & Economic Development									
	887-1 Pub Facil Const Ln-State	7,082,000	2,582,000	1,100,000	3,400,000					
	Project Total:	37,091,000	31,435,000	1,256,000	4,400,000					
15	92000227 Projects that Strengthen Youth & Families									
	057-1 State Bldg Constr-State	18,491,000	17,859,000	332,000	300,000					
15	92000230 Projects that Strengthen Communities & Quality of Life									
	057-1 State Bldg Constr-State	32,128,000	27,899,000	2,229,000	2,000,000					
	19G-1 ELS Account-State	516,000	427,000	29,000	60,000					
	Project Total:	32,644,000	28,326,000	2,258,000	2,060,000					
Total: Grant		4,314,762,000	836,478,000	138,689,000	412,201,000	677,968,000	625,185,000	548,005,000	538,038,000	538,198,000

Project Class: Grant - Pass Through

Agency Priority	Project by Account-EA Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2019-21	New Approp 2019-21	Estimated 2021-23	Estimated 2023-25	Estimated 2025-27	Estimated 2027-29
0	40000005 2018 Local and Community Projects									
	057-1 State Bldg Constr-State	129,799,000		39,799,000	90,000,000					
0	40000006 Early Learning Facility Grants									
	22C-1 Early Lrng Fac Rev-State	10,996,000		1,996,000	9,000,000					
	22D-1 Early Lrng Fac Devel-State	4,504,000		1,504,000	3,000,000					
	Project Total:	15,500,000		3,500,000	12,000,000					
15	91000455 Housing for Homeless Veterans									

**103 - Department of Commerce
Ten Year Capital Plan by Project Class
2019-21 Biennium**

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Version: 01 19-21 Capital Budget Request

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Project Class: Grant - Pass Through

Agency Priority	Project by Account-EA Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2019-21	New Approp 2019-21	Estimated 2021-23	Estimated 2023-25	Estimated 2025-27	Estimated 2027-29
15	91000455 Housing for Homeless Veterans									
	355-1 St. Bld Const Acct-State	9,367,000	8,794,000	501,000	72,000					
	355-B St. Bld Const Acct-Debt Limit									
	Project Total:	9,367,000	8,794,000	501,000	72,000					
15	91000457 Housing for Farmworkers									
	355-1 St. Bld Const Acct-State	27,050,000	23,153,000	719,000	3,178,000					
	355-B St. Bld Const Acct-Debt Limit									
	Project Total:	27,050,000	23,153,000	719,000	3,178,000					
15	91000458 Housing for People with Developmental Disabilities									
	355-1 St. Bld Const Acct-State	9,019,000	8,639,000	204,000	176,000					
	355-B St. Bld Const Acct-Debt Limit									
	Project Total:	9,019,000	8,639,000	204,000	176,000					
Total: Grant - Pass Through		190,735,000	40,586,000	44,723,000	105,426,000					

Total Account Summary

Account-Expenditure Authority Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2019-21	New Approp 2019-21	Estimated 2021-23	Estimated 2023-25	Estimated 2025-27	Estimated 2027-29
057-1 State Bldg Constr-State	1,674,670,000	418,753,000	202,694,000	394,422,000	137,925,000	130,219,000	130,219,000	130,219,000	130,219,000
058-1 Public Works Assist-State	397,123,000	164,445,000	6,448,000	11,000,000	120,050,000	86,500,000	8,680,000		
15P-1 Energy Recovery-State	50,000	50,000							
19G-1 ELS Account-State	516,000	427,000	29,000	60,000					
22C-1 Early Lrng Fac Rev-State	261,810,000		1,996,000	9,000,000	50,814,000	50,000,000	50,000,000	50,000,000	50,000,000

**103 - Department of Commerce
Ten Year Capital Plan by Project Class
2019-21 Biennium**

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Version: 01 19-21 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 2019-21</u>	<u>New Approp 2019-21</u>	<u>Estimated 2021-23</u>	<u>Estimated 2023-25</u>	<u>Estimated 2025-27</u>	<u>Estimated 2027-29</u>
22D-1 Early Lrng Fac Devel-State	28,690,000		1,504,000	3,000,000	4,186,000	5,000,000	5,000,000	5,000,000	5,000,000
22M-1 Energy Efficncy Acct-State	11,008,000		2,668,000	8,332,000	8,000				
355-1 St. Bld Const Acct-State	2,349,191,000	332,768,000	54,438,000	226,630,000	356,385,000	344,866,000	345,506,000	344,219,000	344,379,000
355-B St. Bld Const Acct-Debt Limit									
532-1 Wa Housing Trst Ac-State	37,597,000	23,274,000	2,457,000	11,866,000					
689-1 Rural WA Loan Acct-State	8,703,000	1,113,000	1,143,000	6,447,000					
887-1 Pub Facil Const Ln-State	73,702,000	7,582,000	1,100,000	22,020,000	8,600,000	8,600,000	8,600,000	8,600,000	8,600,000
EEA-1 Energy Efficiency-State									
Total	4,843,060,000	948,412,000	274,477,000	692,777,000	677,968,000	625,185,000	548,005,000	538,038,000	538,198,000

Department of Commerce

Review Documentation from DAHP and GOIA 2019- 2021 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.

Job Development Fund Grants – Section 138 Capital Grants

- Grant recipients are required to provide that either Section 106 of the National Historic Preservation Act has been met or DAHP has provided a letter signing off on the local project per EO 05-05. Documented evidence is retained in the grant/contract 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

Drinking Water State Revolving Fund (DWSRF) Loan Program

- Public Works Board and DWSRF contract conditions require loan recipients to provide either Section 106 of the National Historic Preservation Act has been met or

DAHP has provided a letter signing off on the local project per EO 05-05. Documented evidence is retained in the grant/contract files file.

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

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
2019-21 Biennium**

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Version: 01 19-21 Capital Budget Request

Report Number: CBS004
Date Run: 9/13/2018 2:36PM

FTEs by Job Classification

<u>Job Class</u>	Authorized Budget			
	2017-19 Biennium		2019-21 Biennium	
	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Administrative Assistant 3			1.2	1.2
Administrative Assistant 4			0.1	0.1
Budget Analyst 4			0.8	0.8
Commerce Specialist 2			1.2	1.2
Commerce Specialist 3			14.7	14.7
Commerce Specialist 4			0.5	0.5
EMS I			2.3	2.3
EMS II			2.1	2.1
EMS III			0.5	0.5
Office Assistant 3			0.2	0.2
Washington Management Services			2.0	2.0
Total FTEs			25.6	25.6

Account

<u>Account - Expenditure Authority Type</u>	Authorized Budget			
	2017-19 Biennium		2019-21 Biennium	
	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
057-1 State Bldg Constr-State			2,912,000	2,912,000
058-1 Public Works Assist-State			97,000	97,000
355-1 St. Bld Const Acct-State			243,000	243,000
Total Funding			3,252,000	3,252,000

Narrative

103 - Department of Commerce
Capital FTE Summary
 2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS004

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Narrative

Local Government Infrastructure Division:

Local Government FTEs program and fund allocation:

*Fund 057 State Building Construction Account:

For CERB Administered Economic Development, Innovation & Export Grants, Main Street Improvement Grants, Port and Export Related Infrastructure need for both FY 2018 and FY 2019 1.80 FTE Commerce Specialist 3 and 0.10 FTE Washington Management Service.

The total cost of \$240,000 in FY2018 and FY2019 from fund 057 State Building Construction Account.

*Fund 058 Public Works Assistant Account:

For CERB Administered Economic Development, Innovation & Export Grants and Main Street Improvement Grants need for both FY 2018 and FY 2019 0.6 FTE Commerce Specialist 3 and 0.1 FTE Washington Management Service. The total cost of \$97,000 in FY2018 and FY2019 from fund 058 Public Works Assistant Account.

Capital Administrative costs include: 16.0 FTEs funded by State Building Construction Account (057-1) and 0.1 funded by State Taxable Building Construction Account (355-1) not to exceed 3% of total new appropriations for the 2015-17 Biennium. The staff will perform non-project specific tasks including staff management, staff support, general and statutory accounting and management of public information related to the agency's capital program; and for routine and specific project management tasks such as contract negotiation, daily administration of agreements and capital projects, determination and evaluation of contract proposals, monitoring of project schedules performance, coordination of agency review. Fund allocation: State Building Construction Account (057-1) = \$2,237,000 and State Taxable Building Const. Account (355-1) = \$67,000 for a total of \$2,304,000 each fiscal year.

Energy and Innovation Division:

Energy and Innovation program and fund allocation:

*Fund 057 State Building Construction Account:

The Clean Energy Program includes funding to support grants for matching federal or private energy research and demonstrations to advance renewable energy. FTE program allocation: 4.0 FTEs. Fund allocation: \$675,000 for both FY 2018 and FY 2019. New Energy Request 1.0 FTE; Matchmaker 2.5 FTEs; New Matchmaker Weatherization Request 0.8 FTEs.

*Fund 355 State Taxable Building Construction Account:

The Clean Energy Program includes funding to continue grants to selected lenders to make affordable loans to businesses and homeowners for energy projects. FTE program allocation: 1.5 FTEs. Fund allocation: \$243,000 for both FY 2018 and FY 2019.

*Fund 15P Energy Recovery Act Account:

The ARRA SEP Revolving Loans are to re-loan federal funds to help Washington's businesses make their buildings more efficient, install renewable energy projects, and develop clean energy. FTE program allocation: 0.3 FTEs. Fund allocation: \$53,000 for both FY 2018 and FY 2019.

Department of Commerce

Backlog Reduction Plan

The Department of Commerce does not currently have a backlog reduction plan as defined in Chapter 1 of the 2019-29 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 2019-29 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 2019-29 Capital Budget Instructions.

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 30000846

Project Title: 2016 Local and Community Projects

Description**Starting Fiscal Year:** 2017**Project Class:** Grant**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: 2018**Project Class:** Grant - Pass Through**Agency Priority:** 0**Project Summary**

The department request \$130,661,000 in funding for the 2018 Local and Community Projects list. This list includes construction, renovation, and land acquisition projects requested by Legislature throughout the state. Prior to receiving funds, recipients must demonstrate that a project site is under control for a minimum of ten years either through ownership or long-term lease. Funds would only be available on a reimbursement basis.

Project Description

Funding is adjusted for five projects from the 2018 list of grants to local governments and organizations for community-based projects statewide.

Starting Fiscal Year: 2018**Project Class:** Grant - Pass Through**Agency Priority:** 0**Project Summary**

The department requests \$15,500,000, as stated in Senate Bill 5981, in general obligation bonds to address 25 percent of the statewide supply shortage of early learning facilities. To achieve the statutory requirement in RCW 43.215.456 to make the Early Childhood Education and Assistance Program (ECEAP) available to all eligible children in Washington State by the 2020 21 school year, the State of Washington must address a statewide supply shortage of early learning facilities, especially in underserved geographic areas. The Caseload Forecast Council estimates 19,068 slots will be needed by the 2020 21 school year to serve all eligible students who are likely to enroll. This is an additional 7,377 enrollment slots by 2020, which will require approximately 400 new classrooms. There are also shortages of high quality non ECEAP facilities throughout Washington State, limiting DEL's ability to effectively implement the Early Start Act and Early Achievers, Washington's quality rating and improvement system. In a partnership between DEL, the Department of Commerce (Commerce), the Office of Superintendent of Public Instruction (OSPI), the Washington State Housing Finance Commission (WSHFC), local government, private funding institutions like community development financial institutions (CDFIs), and private donors, the \$15,500,000 investment would be used with a small amount of existing resources in the Child Care Facility Fund (CCFF) program, tax exempt bonds purchased by lenders from the WSHFC, local match, private investment, and in kind donations, to help address this supply shortage by making strategic investments in new preschool and other early learning facilities across the state.

Project Description

Funding is provided for the Refugee Women's Alliance for an early learning facility. Funding is reduced for the Department of Commerce for grants for the construction, renovation, purchase, and improvement of classrooms for early learning facilities.

Capital Project Request

2019-21 Biennium

*

Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 40000006

Project Title: Early Learning Facility Grants

Description**Starting Fiscal Year:** 2018**Project Class:** Grant**Agency Priority:** 0**Project Summary**

The department requests \$15,338,000 in funding to issue grants to construct and purchase equipment directly associated with dental facilities. The funding is to address unmet patient need and increase efficiency in dental access. Funding provided must be for projects that are maintained for at least for a 10-year period.

Project Description

Funding is adjusted to include two additional projects to build dental clinic capacity to improve dental access in rural and underserved locations in the state. In total for the 2017-19 biennium, funding is provided for 23 projects to increase access to dental care and dental residency.

Starting Fiscal Year: 2018**Project Class:** Program**Agency Priority:** 0**Project Summary**

The department requests \$19,000,000 to fund Public Works Board emergency loan and preconstruction loan programs. \$5,000,000 would be for the emergency loan program and \$14,000,000 would be provided for the preconstruction loan program.

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.

Starting Fiscal Year: 2018**Project Class:** Program**Agency Priority:** 0**Project Summary**

The department requests \$65,600,000 in funding to issue grants to community hospitals or other community entities to expand and establish new capacity for behavioral health services in communities. The 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

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: 2018**Project Class:** Program**Agency Priority:** 0**Project Summary**

Funding is increased by \$5 million and funding from the enacted budget is switched from tax exempt bonds to taxable bonds for the Community Economic Revitalization Board (CERB) administered broadband infrastructure program that provides grants and loans for projects that meet specified criteria.

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 91000943

Project Title: CERB Administered Broadband Infrastructure

Description

Project Description

Funding is increased by \$5 million and funding from the enacted budget is switched from tax exempt bonds to taxable bonds for the Community Economic Revitalization Board (CERB) administered broadband infrastructure program that provides grants and loans for projects that meet specified criteria.

Starting Fiscal Year: 2018

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided to Commerce for a community-based public-private partnership stormwater pilot project.

Project Description

Funding is provided to Commerce for a community-based public-private partnership stormwater pilot project.

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: 2016

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided for the following purposes in the following amounts: (1) \$7.552 million, for the Department of Commerce, in collaboration with the DSHS and the Health Care Authority to award grants for development of facilities that provide for the diversion or transition of patients from the state hospitals.

Project Description

Funding is provided for the following purposes in the following amounts: (1) \$7.552 million, for the Department of Commerce, in collaboration with the DSHS and the Health Care Authority to award grants for development of facilities that provide for the diversion or transition of patients from the state hospitals. Funds may be used for construction and equipment costs directly associated with establishment of beds in prescribed categories of facilities, but not for operating costs. Criteria and requirements must be established for issuance of grants. In awarding funds, the Department must prioritize an equitable distribution for facilities in both urban and rural areas with greatest demonstrated need. (2) \$847,000 for the Clallam County Respite Center. (3) \$5 million for competitive grants for construction and equipment costs associated with establishing community behavioral health beds. This supplements the \$5.5 million provided in the biennial budget for competitive grants, all of which has been awarded. Funding of \$2 million is reduced from the appropriation in the enacted 15-17 budget for Navos Behavioral Health Center, which received a duplicate appropriation under the Building for Communities Fund. The \$2 million is shifted to two alternate uses: (1) \$1 million is added to the Parkside Conversion project, for a total of \$4 million. (2) \$1 million is added to the competitive pool (already accounted for in (3) above.

Starting Fiscal Year: 2016

Project Class: Program

Agency Priority: 0

Project Summary

Funding is provided for Local and Community Projects

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 92000369

Project Title: Local & Community Projects 2016

Description**Project Description**

Local and Community Projects 2016 (92000369)7 The appropriation in this section is subject to the following conditions and limitations: (1) Except as directed otherwise prior to the effective date of this section, the department may not expend the appropriation in this section unless and until the non state share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature. This requirement does not apply to projects where a share of the appropriation is released for design costs only. (2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations whose sole purpose is to purchase real property that does not include a construction or renovation component. (3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW. (4) Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances. (5) Projects funded in this section must be held by the recipient for a minimum of ten years and used for the same purpose or purposes intended by the legislature as required in RCW 43.63A.125(6). (6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages. (7) \$2,209,000 of the appropriation in this section is provided solely for the Fairchild air force base protection and community empowerment project, including the purchase of twenty acres of land for development of affordable housing and the county's purchase of p. 28 2EHB 1115.SL mobile home parks in order to reduce the use of the accident potential zone for residential purposes. If the county subsequently rezones, develops, and leases the mobile home park property for commercial or industrial uses contrary to the allowed uses in the accident potential zone, the county must repay to the state the amount spent on the purchase of mobile home parks in its entirety within ten years. (8) \$850,000 of the appropriation in this section is provided8solely for the White River restoration project. Design solutions for flooding reductions in the lower White River must include a floodplain habitat design that both reduces flood risks and restores salmon habitat by reconnecting the river with its floodplain and a sustainable riparian corridor. Project designs and plans must also identify lands for acquisition needed for floodplain reconnection where pending or existing development eliminates the potential for riparian and aquatic habitat restoration. The city shall work cooperatively with the Muckleshoot Indian Tribe and the Puyallup Tribe of Indians, and develop a plan collaboratively to achieve both flood reduction and habitat restoration. (9) Up to \$150,000 of the appropriation in this section for the veterans helping veterans: Emergency transition shelter project may be spent on preconstruction or pre-acquisition activities, including, but not limited to, building inspections, design of necessary renovations, cost estimation, and other activities necessary to identify and select a facility appropriate for the program. The remainder of the appropriation must be used for eventual acquisition and renovations of a facility. (10) \$2,500,000 of the appropriation in this section is provided solely for the mercy housing and health care center at Sand Point. During the 2015-2017 fiscal biennium, the center may not house any community health care training organization that has been investigated by and has paid settlement fees to the attorney general's office for alleged medicaid fraud. (11) The Lake Chelan land use plan must be developed without adverse impacts on agricultural operations.

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

Fund is provided for the following items: (1) \$209,000 of the appropriation is provided solely for a grant to Chelan county for its emergency operations center. (2) \$500,000 of the appropriation is provided solely for a grant to the city of Twisp for its city hall/emergency response. (3) \$1,100,000 of the appropriation is provided solely for a grant to the city of Pateros for its water reservoir project.

Starting Fiscal Year: 2018

Project Class: Program

Agency Priority: 0

Project Summary4

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

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 92000611

Project Title: Behavioral Rehabilitation Services Capacity Grants

Description

Project Description

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

Location

City: Statewide	County: Statewide	Legislative District: 098
City: Statewide	County: Statewide	Legislative District: 098
City: Statewide	County: Statewide	Legislative District: 098
City: Statewide	County: Statewide	Legislative District: 098
City: Statewide	County: Statewide	Legislative District: 098
City: Statewide	County: Statewide	Legislative District: 098
City: Statewide	County: Statewide	Legislative District: 098
City: Statewide	County: Statewide	Legislative District: 098
City: Statewide	County: Statewide	Legislative District: 098
City: Statewide	County: Statewide	Legislative District: 098
City: Statewide	County: Statewide	Legislative District: 098

Project Type

- Grants
- Grants
- Grants
- Grants
- Grants
- Grants
- Grants
- Grants
- Grants
- Grants
- Grants
- Loans
- Loans
- New Facilities/Additions (Major Projects)
- New Facilities/Additions (Major Projects)

Capital Project Request

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Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 30000846

Project Title: 2016 Local and Community Projects

Description

Grant Recipient Organization: Various
RCW that establishes grant: 43.63A.125
Application process used
Member added projects.

Growth Management impacts
None

Grant Recipient Organization: Various
RCW that establishes grant: N/A
Application process used
None

Growth Management impacts
None

Grant Recipient Organization: Various
RCW that establishes grant: N/A
Application process used
None

Growth Management impacts
None

Grant Recipient Organization: Various
RCW that establishes grant: N/A
Application process used
None

Growth Management impacts
None

Growth Management impacts
None

New Facility: No

Growth Management impacts
None

New Facility: No

Growth Management impacts
TBD

New Facility: No

Capital Project Request

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 91000943

Project Title: CERB Administered Broadband Infrastructure

Description

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

Unknown

New Facility: No

Growth Management impacts

None

New Facility: No

Growth Management impacts

TBD

New Facility: No

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	11,363,000	4,286,000	4,077,000	3,000,000	
057-1	State Bldg Constr-State	129,799,000		39,799,000	90,000,000	
057-1	State Bldg Constr-State	16,534,000		6,534,000	10,000,000	
057-1	State Bldg Constr-State	90,876,000		10,876,000	80,000,000	
057-1	State Bldg Constr-State	250,000		150,000	100,000	
057-1	State Bldg Constr-State	40,569,000		5,569,000	35,000,000	
057-1	State Bldg Constr-State					
057-1	State Bldg Constr-State	42,890,000	9,900,000	27,990,000	5,000,000	
057-1	State Bldg Constr-State	130,169,000	61,445,000	43,724,000	25,000,000	
057-1	State Bldg Constr-State	1,809,000	3,000	1,756,000	50,000	
057-1	State Bldg Constr-State	2,000,000			2,000,000	
22C-1	Early Lrng Fac Rev-State	10,996,000		1,996,000	9,000,000	

Capital Project Request

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 40000006

Project Title: Early Learning Facility Grants

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
22D-1	Early Lrng Fac Devel-State	4,504,000		1,504,000	3,000,000	
355-1	St. Bld Const Acct-State	10,000,000			10,000,000	
355-1	St. Bld Const Acct-State	19,000,000		1,000,000	18,000,000	
355-B	St. Bld Const Acct-Debt Limit					
Total		510,759,000	75,634,000	144,975,000	290,150,000	0

		Future Fiscal Periods			
		2021-23	2023-25	2025-27	2027-29
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				
22C-1	Early Lrng Fac Rev-State				
22D-1	Early Lrng Fac Devel-State				
355-1	St. Bld Const Acct-State				
355-1	St. Bld Const Acct-State				
355-B	St. Bld Const Acct-Debt Limit				
Total		0	0	0	0

Operating Impacts

No Operating Impact

Capital Project Request

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 30000872

Project Title: 2017-19 Housing Trust Fund Program

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 1

Project Summary

The Department of Commerce (department) requests a new appropriation from the State Taxable Building Construction Account (Fund 355) of \$150 million to reduce the backlog of affordable housing projects seeking capital funding through the Housing Trust Fund (HTF) Program. The HTF Program addresses the ongoing need to develop and preserve affordable housing for low-income and special needs populations. The Department is also requesting \$10 million for preservation of the existing affordable housing stock in the HTF portfolio that is in need of critical building repairs. The total request is for \$160 million.

Project Description

Additional funding totaling \$4 million is provided for four affordable housing projects through the Housing Trust Fund (HTF). Additionally, \$3.3 of funding is shifted from bonds to the HTF Account and \$1.5 M of the enacted appropriation is specified for a modular project.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Various

RCW that establishes grant: 43.185 and 43.185A

Application process used

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 preserve existing privately owned housing stock. It also requires that preference is given to projects that leverage other funds, demonstrate 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. Affordable Housing Portfolio Preservation Program As a long-term plan, in order to implement this Preservation Program and ensure its sustainability in the future, the Department is currently considering a policy proposal to amend the HTF's legislation to allow some of the HTF loan repayments to be used to fund the Preservation Program (Washington Housing Trust Account, Fund 532).

Growth Management impacts

N/A

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
057-1	State Bldg Constr-State	44,131,000		2,626,000	41,505,000	
355-1	St. Bld Const Acct-State	58,000,000		1,487,000	56,513,000	
532-1	Wa Housing Trst Ac-State	8,658,000			8,658,000	
Total		110,789,000	0	4,113,000	106,676,000	0

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Project Number: 30000872

Project Title: 2017-19 Housing Trust Fund Program

Funding

	Future Fiscal Periods			
	<u>2021-23</u>	<u>2023-25</u>	<u>2025-27</u>	<u>2027-29</u>
057-1 State Bldg Constr-State				
355-1 St. Bld Const Acct-State				
532-1 Wa Housing Trst Ac-State				
Total	0	0	0	0

Operating Impacts

No Operating Impact

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 3000833

Project Title: Housing Trust Fund Appropriation

Description

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 2

Project Summary

The Department of Commerce requests \$150 million to reduce the backlog of affordable housing projects seeking capital funding through the Housing Trust Fund (HTF). 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

Project description: What is the proposed project? A capital budget appropriation of \$150 million to the HTF for the following funding priorities: - Rehabilitation of existing housing stock to preserve affordable units · New construction of additional affordable housing stock Funds will be allocated to projects statewide serving a broad spectrum of low-income households, including homeless families and individuals, seniors, and individuals with special needs. At least 30 percent of funds appropriated will be targeted to rural areas. HTF contracts are executed after all project financing is secured and expenditures usually begin approximately 12 months after HTF awards are made. What opportunity or problem is driving this request? Persistent unemployment, declining rental vacancy rates, and rising utility costs continue to make access to affordable housing extremely difficult for low-income households, putting many at risk of homelessness. While there are signs of economic recovery, the state's economy is still lagging and living wage jobs remain extremely scarce. The construction industry has been among those hardest hit by the economic downturn. Capital investments in affordable housing will help protect vulnerable households, create jobs, attract businesses, and generate local revenues. A significantly smaller appropriation, only \$56 million, was included in the 2013-2015 Capital Budget for the HTF. This represents a 52 percent decrease in available funding from the previous biennium. In addition, the Legislature allocated funds to specific projects serving certain target populations, leaving other vulnerable populations unserved and many locally identified priorities unmet. As a result of constrained funds, 164 applications for low-income housing projects were turned away from the HTF in 2013 as ineligible. Of the 58 projects eligible for 2013-2015 funds, Commerce anticipates being able to fund 33. Based on the existing pipeline identified as remaining in 2014, the estimated unmet need for one year alone will exceed \$130 million. How does the project support the agency and statewide results? These projects support the Governor's Results Washington Goal 4: Healthy and Safe Communities, by helping the most vulnerable people become independent and self-sufficient. Affordable housing also promotes Goal 2: Prosperous Economy by generating quality jobs and creating vibrant communities. What are the specific benefits of this project? The Governor's top priority is to create and sustain a thriving economic climate that spurs job growth. HTF projects directly support job growth by generating construction activity through the development of affordable housing. Since HTF contracts are not executed until all financing is secured, construction activity typically begins 12 months after an HTF award is made and continues for up to a year. With \$150 million in requested funding awarded over two years, the HTF will support an estimated 3,280 construction-related jobs over the period from FY16 through FY18. This estimate is based on data from a 2009 National Association of Home Builders report. The costs of a typical HTF project break down as follows: acquisition (15 percent), project management, which includes architects, engineers, developers, and other consultants (14 percent); costs associated with financing, permitting, impact fees, and reserve requirements (9 percent), and construction (62 percent). These assumptions and calculations used to arrive at the job creation estimate, as well as other economic outcomes, are included in the attached HTF Multi-Family Jobs Calculator. Per OFM's forecasting model, jobs created are estimated to be an average of 875 construction jobs per year. In addition to creating living wage jobs directly through the construction of affordable housing, the availability of affordable housing helps to attract businesses to project areas, resulting in additional job creation. Based on historical data, an investment of \$150 million through the HTF will leverage about \$675 million in other public and private investments, demonstrating the state's leadership in spurring economic development and job growth. Capital investments in affordable housing development reduce the affordable housing gap and generate revenue for local communities. Approximately 100 projects funded will create or preserve 4,100 units of affordable housing for low-income households and people with special needs. Once homes are occupied they will continue to provide benefits to the community through ongoing local economic activity, neighborhood stabilization, and reduced demand for health care and other costly emergency services. Projects will be built to the Evergreen Sustainable Development Standard, which incorporates resource efficiency into the design, construction, and operations, reducing energy use and other environmental impacts, and lowering costs to low-income tenants. How will clients be affected and services change if this project is funded? A broad spectrum of low-income households will have

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Date Run: 9/13/2018 1:57PM

Project Number: 30000833

Project Title: Housing Trust Fund Appropriation

Description

increased access to affordable housing and homelessness will be reduced. The availability of stable housing will improve job stability, increase educational attainment, and reduce health problems. Effective leveraging and coordination with other programs and partners will increase the availability of supportive services to tenants with special needs. Resource efficient development practices will reduce tenant utility costs, enabling low-income households to better afford other essential households needs, such as child care, transportation and medical expenses. How will other state programs or units of government be affected if this project is funded? In the 2012 and 2013-2015 HTF budget provisos, funds were made available only to a specific set of projects serving certain target populations. As a result, some populations and geographic areas, including the cities of Seattle and Spokane, were unable to access HTF resources, leaving local priorities unmet and available resources unleveraged. A larger and more flexible appropriation of HTF capital will allow local jurisdictions to better address identified priorities and achieve a greater return on local investments through the coordinated investment of local, state, and federal funds. Agencies such as the Department of Social and Health Services and the Department of Veterans Affairs will also benefit because their clients will have improved access to housing and services, providing greater stability to those clients and reducing strain on their limited resources. What is the impact on the state operating budget? The HTF appropriation will increase state tax revenues by an estimated \$6.5 million, making more funds available for the state operating budget. In addition, this investment will generate an estimated \$20.6 million in revenues to local governments through construction activities and another \$16 million in taxes and fees annually once housing units are occupied. The assumptions and calculations used to arrive at these estimates are included in the attached HTF Multi-Family Jobs Calculator. There is no operating impact to Commerce. Why is this the best option or alternative? The HTF is an established program with a reputation for making effective investments that prioritize serving the highest needs. The HTF coordinates with other funders to maximize available resources and to address local, state, and federal priorities. There is an identified pipeline of projects ready for development and systems are in place to allocate the funds effectively. Without additional funds, the backlog of unmet need will continue to grow and low-income households will continue to be at risk. What is the agency's proposed funding strategy for the project? The department proposes that funding for this package come from Fund 355, State Taxable Building Construction Account. Although the current request falls far short of existing demand, the agency objective is to sustain funding at \$150 million per biennium until the goal of providing affordable housing for all in Washington State is achieved.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Loans

Grant Recipient Organization: Various

RCW that establishes grant: 43.185

Application process used

These funds are distributed using a competitive funding process. The governing legislation requires that 30 percent of the resources go to rural communities and that priority be given to preserve existing privately owned housing stock. It also requires that preference is given to projects that leverage other funds, demonstrate ability by the applying organization to remain stable, and serve the greatest need and lowest incomes. Funding decisions are carefully coordinated with other funding sources such as the Washington Housing Finance Commission (HFC) and local and federal government agencies. Award recommendations are made by Commerce staff and are reviewed by representative from other funding agencies and local governments. Final award decisions are reviewed and approved by the Commerce Director.

Growth Management impacts

None

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
355-1	St. Bld Const Acct-State1	80,000,000	26,809,000	29,058,000	24,133,000	

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Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 30000833

Project Title: Housing Trust Fund Appropriation

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
355-B	St. Bld Const Acct-Debt Limit			1,372,000	1,628,000	
532-1	Wa Housing Trst Ac-State	3,000,000				
	Total	83,000,000	26,809,000	30,430,000	25,761,000	0

		Future Fiscal Periods			
		2021-23	2023-25	2025-27	2027-29
355-1	St. Bld Const Acct-State				
355-B	St. Bld Const Acct-Debt Limit				
532-1	Wa Housing Trst Ac-State				
	Total	0	0	0	0

Operating Impacts

No Operating Impact

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Date Run: 9/13/2018 1:57PM

Project Number: 30000834

Project Title: 2015-17 Community Economic Revitalization Board Program

Description

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 3

Project Summary

The Community Economic Revitalization Board (CERB) provides low cost infrastructure financing to local governments, special purpose districts, and tribes for economic development projects resulting in business expansion and job creation. These grant and loan funds are primarily used by rural communities experiencing high rates of unemployment. By increasing CERB's capital appropriation with an additional \$14 million, the state will leverage more than \$714 million in private investment (\$51 private investment per \$1 CERB 5 year average) and create and retain a minimum of 1,853 permanent jobs (1 job for every \$7,553 CERB — 5 year average) based on actual figures provided by CERB clients.

Project Description

Project description What is the proposed project? CERB is a vital business recruitment and retention program for our state, often serving to prevent businesses from moving out of state or attracting new businesses to Washington. CERB's economic development mandate requires all projects approved by the board to demonstrate significant job creation and/or significant private investment outcomes. Areas of high unemployment receive reduced loan interest rates from CERB in order to incentivize job creation where it is most needed. As demonstrated in the attached Chart 1, CERB has been funded at the \$20 million dollar level in previous biennia. More recently, the board's biennial appropriation has been reduced by budget cuts. By restoring CERB's funding to a total of \$14 million for the biennium, CERB will be able to provide the critical gap funding to make local economic development projects a reality. CERB primarily provides gap funding that leverages other non-state public funds and private investments. With the economic recovery now in full swing CERB resources will be even more needed to support public and private investments. CERB's statute requires that "the board shall approve at least seventy-five percent of the first twenty million dollars of funds available and at least fifty percent of any additional funds for financial assistance for projects in rural counties" (RCW 43.160.076). There is an exception that remaining funds available during the last 6 months of the biennium may be allocated to urban projects. However, business development opportunities don't wait. Having additional funds available when an opportunity arises, will ensure that valuable economic development prospects are not lost for our state. What opportunity or problem is driving this request? CERB funds will be used to construct public infrastructure 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% 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, urban communities have increased opportunity to utilize CERB for economic development projects. How does the project support the agency and statewide results? This funding supports the Governor's Results Washington Goal 2: Prosperous Economy and related outcome 2.1.a: Increase the number of jobs in the state by 150,000 by 2015 by providing gap funding to make local economic development projects a reality that will create an additional 1,853 jobs. This proposal is essential to the successful implementation of Commerce's key goals: Reliable and Sustainable Infrastructure and Growing Economies and their associated outcomes: Build and Maintain Local Capacity and Healthy Economic Climate. 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 allocated 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. What are the specific benefits of this project? The Governor's top priority is to create and sustain a thriving economic climate that spurs job growth. The job creation/retention investments directly supports job growth by assisting local governments in being in the optimal position to take advantage of economic development opportunities as they arise. With \$14 million in requested funding, the job creation/retention investments will create an estimated 1,853 permanent jobs, and leverage about \$714 million in other public and private investments— demonstrating the state's leadership in spurring economic development and job growth. The investments from the CERB account are an economic powerhouse —OFM's prior years' conservative estimate of 9.9 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

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Project Number: 30000834

Project Title: 2015-17 Community Economic Revitalization Board Program

Description

other funding partners. Historically, CERB money has been matched at a 32:1 ratio. - construction jobs (9.9 jobs per \$1M investment = 138 jobs) · permanent median wage jobs (\$1M investment = 202 permanent jobs – based on historical number of \$4,941 cost per job) · \$448 private sector capital investment (historical return on CERB investment 32:1 return) These investments will generate significant amounts of sales and business/occupation taxes to support the state's general fund. Per OFM's forecasting model, jobs created are estimated to be an average of 80 jobs. We believe this model understates jobs created because CERB's investment is but a small portion of a larger investment. In order for a client to access CERB funds, they must demonstrate that CERB's investment will result in permanent job creation at a pay scale meeting or exceeding the county (in which the project is based) median wage. CERB job figures cited in its biennial reports are actual jobs created and reported by the private sector clients who've benefited from the CERB investment. Job figures cited earlier in this document are aggregate actuals as reported by the clients. How will clients be affected and services change if this project is funded? Local communities will benefit from the economic growth from the investments that generate jobs. How will other state programs or units of government be affected if this project is funded? There is no direct impact to other state units of governments. The local government recipients will enhance their ability respond to opportunities as they arise. What is the impact on the state operating budget? It is estimated, based on an average of actual figures provided by CERB clients in 2012, that job creation/retention investments will increase tax revenues by \$1,885,940, making more funds available for the state operating budget. There is no operating impact to Commerce. Why is this the best option or alternative? This proposal takes advantage of an existing successful program (CERB) with a proven track record of creating direct, permanent jobs and leveraging significant private business investment. What is the agency's proposed funding strategy for the project? The revenue needed to fund a portion (50%) of this request comes from Fund 887-Public Facility Construction Loan Revolving Account, which is funded through loan repayments. In addition, an additional \$7,000,000 is being requested from Fund 355-State Taxable Building Construction Account.

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 3

Project Summary

Funding is provided for Rapid Housing Improvement Program for the items outlined in ESHB 2380, Section 1010.

Project Description

Funding is reappropriated for the Rapid Housing Improvement Program (30000863).

Proviso

The appropriation in this section is subject to the following conditions and limitations: (1) \$100,000 of the appropriation is provided solely for a study of available housing opportunities for veterans experiencing homelessness and the conversion of units to provide permanent supportive housing for geriatric veterans with psychiatric disorders. The study must also, in collaboration with the department of veterans affairs, evaluate the feasibility of converting building 10 at the state veterans home at Retsil into housing for veterans. (2) \$125,000 of the appropriation is provided solely for landlord mitigation for the cost of damages that may be caused to private market units renting to housing choice voucher holders. In order to be eligible for assistance, a landlord must obtain a judgment against a tenant from the county in which the property is located. Participation is restricted to units within jurisdictions that prohibit denying tenancy based solely on the applicant's source of income.

Reimbursement is allowed only for amounts related to property damage, unpaid rent, and other damages caused as a result of the voucher-holder tenant's occupancy. Damages must exceed normal wear and tear on the property and be in excess of \$500 but not more than \$5,000 per tenancy. A claim must be submitted within one year of obtaining a judgment against a tenant.

Location

City: Statewide

County: Statewide

Legislative District: 098

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grants

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Date Run: 9/13/2018 1:57PM

Project Number: 30000834

Project Title: 2015-17 Community Economic Revitalization Board Program

Description

Grant Recipient Organization: Various
 RCW that establishes grant: 43.160
 Application process used
 Projects are brought to the board for approval.

Growth Management impacts
 None

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

Growth Management impacts
 N/A

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
532-1	Wa Housing Trst Ac-State	225,000	86,000	51,000	88,000	
887-1	Pub Facil Const Ln-State	10,600,000			10,600,000	
	Total	10,825,000	86,000	51,000	10,688,000	0
Future Fiscal Periods						
		<u>2021-23</u>	<u>2023-25</u>	<u>2025-27</u>	<u>2027-29</u>	
532-1	Wa Housing Trst Ac-State					
887-1	Pub Facil Const Ln-State					
	Total	0	0	0	0	

Operating Impacts

No Operating Impact

No Operating Impact

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 30000726

Project Title: Clean Energy and Energy Freedom Program

Description

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 4

Project Summary

The Department of Commerce's 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

What is the proposed project? Commerce proposes two different types of projects for FY 15-17. One will be a continuation of the revolving loan fund grants. These grants will go to competitively selected nonprofit, or potentially for profit, lenders to make affordable loans to businesses and homeowners for projects including, but not limited to: residential, industrial, and commercial energy retrofits, residential and community scale solar installations, anaerobic digesters to treat dairy and organic waste, and combined heat and power projects using woody biomass as a fuel source. All projects will acquire assets with at least a thirteen year useful life and at least a one-to-one match. The other type of projects will be grants for matching federal or private energy research and demonstration funds and to advance renewable energy. The applicants may be public or private research institutions or utilities. Applicants can use these funds to match federal or other non-state funds with at least a one-to-one match. Commerce will establish an advisory committee to assist with program design and selection of recipients. What opportunity or problem is driving this request? Washington has an opportunity to support Washington's clean energy businesses in growing their market share and moving Washington's clean energy economy forward. How does the project support the agency and statewide results? In the agency strategic plan the Energy Office is tasked with growing and improving jobs in the clean energy sector. This funding will support approximately 600 new and retained jobs. This funding will also support the Governor's Results Washington Priorities Goal 3: Sustainable Energy and Clean Environment. What are the specific benefits of this project? The Governor's top priority is to create and sustain a thriving economic climate that spurs job growth. The Clean Energy Fund directly supports job growth by making affordable loans to businesses and homeowners for projects including, but not limited to: residential, industrial, and commercial energy retrofits, residential and community scale solar installations, anaerobic digesters to treat dairy and organic waste, and combined heat and power projects using woody biomass as a fuel and providing grants for matching federal or private energy research and demonstration funds and to advance renewable energy. With \$60 million in requested funding, the Clean Energy Fund will create an average of 351 jobs per year based on the OFM job impact analysis model in the clean energy industry and leverage more than \$60 million in other public and private investments demonstrating the state's leadership in spurring economic development and job growth. How will clients be affected and services change if this project is funded? Funds will be available for Washington businesses that will grow Washington's clean energy economy. How will other state programs or units of government be affected if this project is funded? They will not be affected. What is the impact on the state operating budget? There is no operating budget impact to Commerce. Why is this the best option or alternative? The Clean Energy Fund is gaining momentum and has interest from businesses that want to expand. If the fund is not continued those businesses will look elsewhere for support. What is the agency's proposed funding strategy for the project? Issue a Request for Proposals for financial institutions to respond and administer these funds.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 30000726

Project Title: Clean Energy and Energy Freedom Program

Description

Grant Recipient Organization: TBD

RCW that establishes grant: 43.325

Application process used

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

Growth Management impacts

TBD

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	23,409,000	2,477,000	11,535,000	9,388,000	9,000
355-1	St. Bld Const Acct-State	17,006,000	6,661,000	4,004,000	6,335,000	6,000
355-B	St. Bld Const Acct-Debt Limit					
	Total	40,415,000	9,138,000	15,539,000	15,723,000	15,000
Future Fiscal Periods						
		<u>2021-23</u>	<u>2023-25</u>	<u>2025-27</u>	<u>2027-29</u>	
057-1	State Bldg Constr-State					
355-1	St. Bld Const Acct-State					
355-B	St. Bld Const Acct-Debt Limit					
	Total	0	0	0	0	

Operating Impacts

No Operating Impact

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 30000835

Project Title: Energy Efficiency and Solar Grants

Description

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 5

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. Funding of these projects will support jobs in the construction industry across the state during the next two biennia.

Project Description

Project description: What is the proposed project? This package requests \$80 million for the 2015-17 to fund projects which improve the energy efficiency of existing public facilities and modernize street lighting. Examples of public facility improvements include insulation, new windows, controls, HVAC systems, and lighting. Street lights will be upgraded to light emitting diodes (LED). Projects will be selected on a competitive basis among similar applicant types. The projects will create jobs, reduce long-term energy costs, and reduce the carbon footprint of the state and local governments. What opportunity or problem is driving this request? The funds will reduce energy demand and energy bills in the public sector. Many of the public buildings in the state are old and in need of energy efficiency upgrades. Past projects have included buildings that were constructed in the 1930s and 1940s. How does the project support the agency and statewide results? This package supports Goal 3 of Results Washington: Sustainable Energy and a Clean Environment, specifically Outcome Measure 1.3; and Goal 5 of Results Washington; and Effective, Efficient, and Accountable Government, specifically Outcome Measures 2.2 and 2.2a. This request also supports Results Commerce key goals: Conscientious Stewardship and Reliable and Sustainable Infrastructure and associated outcomes: Decrease Carbon Footprint and Increased Investment in Washington State. What are the specific benefits of this project? The Governor's top priority is to create and sustain a thriving economic climate that spurs job growth. The Energy Efficiency and Solar Grants directly support job growth by funding projects that improve the energy efficiency of existing public facilities and modernize street lighting. While OFM's forecasting model has predicted an average of 580 jobs for this proposal, past Energy Efficiency Grant projects have generated an average of 8.1 jobs per \$1 million invested. Based on 8.1 jobs created per \$1 million, \$80 million in funding for Energy Efficiency and Solar Grants will create an estimated 650 jobs in the construction industry and leverage approximately \$200 million in other public and private investments, demonstrating the state's leadership in spurring economic development and job growth. This project will provide long-term benefits of reducing energy costs and promoting the use of Washington-manufactured solar products by providing funding to state agencies, public institutions of higher education and local governments to improve the energy efficiency of existing public facilities, modernize street lighting, and install solar systems to reduce energy demand and costs. How will clients be affected and services change if this project is funded? Clients will experience better work and educational environments and spend less money on energy and other utility costs. How will other state programs or units of government be affected if this project is funded? State agencies, public institutions of higher education, and local governments will all be able to complete energy efficiency projects more easily with grant funding from Commerce. What is the impact on the state operating budget? A state investment of \$80 million will increase state tax revenue by approximately \$5,576,800. $(\$80,000,000 \times 0.065) = \$5,200,000$ in state sales tax generated $(\$80,000,000 \times .00471) = \$376,800$ in state B&O tax generated. Energy Efficiency and Solar Grants will increase state tax revenues by an estimated \$5.6 million, making more funds available for the state operating budget. There is no operating impact to Commerce. Why is this the best option or alternative? Not funding this program will make it more difficult for state agencies to implement facets of existing energy efficiency laws and regulations, impeding our ability to significantly improve the energy performance of both public and private buildings and upgrade the energy efficiency of street lighting within the state. What is the agency's proposed funding strategy for the project? The Department proposes that funding for this package come from Fund 057, State Building Construction Fund.

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 5

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 30000878

Project Title: Public Works Assistance Account Construction Loans

Description

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

Funding is provided for 25 projects through Public Works Program construction loan program.

Proviso

Public Works Assistance Account Construction Loans (30000878) The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the following list of public works projects:

Table listing 25 projects with their respective costs, including items like '180th St SE SR 527 Brook Blvd (Everett)', '35th Ave SE Phase II SR 524 to 180th St SE (Everett)', and 'TOTAL' amounting to \$97,103,000.

Location

City: Statewide

County: Statewide

Legislative District: 098

City: Statewide

County: Statewide

Legislative District: 098

Project Type

- Grants
Grants
Loans

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 3000835

Project Title: Energy Efficiency and Solar Grants

Description

Grant Recipient Organization: State agencies, public higher education institutions, local governments.

RCW that establishes grant: N/A

Application process used

Projects will be selected on a competitive basis among similar applicant types.

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.155

Application process used

There is a series of actions that start the process of the development of a project list. · Identification of available resources based on the Public Works Assistance Account predictive model. · The model is based on 30+ years of loans and how they draw and repay. The model also tracks other obligations on the fund, (re-appropriations, operating, state matches for federal resources, and other activities identified by the Legislature). · Identification of loan terms for the cycle (interest rates, loan limits, etc.) · Approval of the above actions. The recommended list of projects is developed as an annual open competitive process. Elements to the funding cycle: · Application is developed with consultation from other infrastructure funders, both state and federally sourced (DOE, DOH, etc.), and stakeholder groups. · Significant outreach to inform applicants on the availability of resources. · Webinars and workshops are done to educate clients on the requirements and limitations. · Applications were due on August 18, 2016. · Financial underwriting on all applicants and projects was done. · Team of five (including non-Board staff) rated and ranked each project, meeting to arrive at a consensus scoring. · Numerically prioritized list with all information is presented to the Public Works Board for consideration. · Recommended numerically prioritized list is included in the Decision Package process. · Legislation is drafted to present to the Board's list of funding recommendations to the Legislature for consideration and funding. · Debriefing clients not recommended for funding consideration.

Growth Management impacts

TBD

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	24,500,000	7,520,000	14,980,000	2,000,000	
355-1	St. Bld Const Acct-State	97,103,000		7,103,000	90,000,000	
Total		121,603,000	7,520,000	22,083,000	92,000,000	0
Future Fiscal Periods						
		<u>2021-23</u>	<u>2023-25</u>	<u>2025-27</u>	<u>2027-29</u>	
057-1	State Bldg Constr-State					
355-1	St. Bld Const Acct-State					
Total		0	0	0	0	

Operating Impacts

No Operating Impact

No Operating Impact

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 3000836

Project Title: Ultra-Efficient Affordable Housing Demonstration

Description

based on data from a 2009 National Association of Home Builders report. The costs of a typical HTF project break down as follows: acquisition (15 percent); project management, which includes architects, engineers, developers, and other consultants (14 percent); costs associated with financing, permitting, impact fees, and reserve requirements (9 percent); and construction (62 percent). These assumptions and calculations used to arrive at the jobs estimate, as well as other economic outcomes, are included in the attached HTF Multi-Family Jobs Calculator. Per OFM's forecasting model, jobs created are estimated to be an average of 49 construction jobs per year. How will clients be affected and services change if this project is funded? Low-income households will have access to affordable housing that costs less to live in. Substantially reduced utility costs will provide additional disposable income for other basic necessities such as food, child care, transportation, and medical expenses. Nonprofit housing owners will also realize cost savings, which will enable them to invest more in ongoing operations and maintenance, as well as provide more services to clients with special needs. How will other state programs or units of government be affected if this project is funded? Applicants will be expected to demonstrate partnerships and leverage resources from other local, state, and federal programs, as well as local utilities. The development and promotion of effective models for ultra-efficient housing will benefit all public funders involved in affordable housing development. Reduced energy and water use will benefit utilities, local communities, and the state as a whole. Substantially lower utility costs for low-income households will reduce demand on other programs, such as energy assistance and the Supplemental Nutrition Assistance Program. What is the impact on the state operating budget? The Ultra-Efficient Affordable Housing Incentive will increase state tax revenue by an estimated \$432,000, making more funds available for the state operating budget. In addition, this investment will generate an estimated \$1 million in revenues to local governments through construction activities, and another \$790,000 in local taxes and fees annually once housing units are occupied. The assumptions and calculations used to arrive at this estimate, as well as other economic outcomes, are included in the attached HTF Multi-Family Jobs Calculator. There is no operating impact to Commerce. Why is this the best option or alternative? Lack of access to affordable housing and rising utility costs are continuing challenges statewide. The HTF is an established program with a reputation for making effective investments in affordable housing. Through the successful development and implementation of the Evergreen Sustainable Development Standard, the HTF has already taken steps to increase the efficiency and sustainability of affordable housing projects. It provides an ideal vehicle for testing the effectiveness of new and innovative models that will take these efforts to a higher level and promoting the adoption of effective practices more broadly. What is the agency's proposed funding strategy for the project? The department proposes funding for this package come from Fund 355, State Taxable Building Construction Account

Location

City: Statewide

County: Statewide

Legislative District: 098

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Loans

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 30000836

Project Title: Ultra-Efficient Affordable Housing Demonstration

Description

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

Funds will be awarded on a competitive basis as part of the annual HTF application rounds with a goal of demonstrating multiple approaches to ultra-efficient residential construction, including both single- and multi-family housing.

Growth Management impacts

None

Grant Recipient Organization: Various

RCW that establishes grant: 70.164

Application process used

Funds will be distributed as grants. \$28 million in Matchmaker funds will generate leveraged funds from utilities and other private partners. Grants are provided to 25 community based nonprofit agencies that have the technical expertise to make cost effective energy conservation improvements to qualifying low-income households statewide.

Growth Management impacts

None

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	18,516,000		6,499,000	12,001,000	16,000
355-1	St. Bld Const Acct-State	5,005,000		130,000	4,870,000	5,000
532-1	Wa Housing Trst Ac-State	2,500,000		1,013,000	1,487,000	
Total		26,021,000	0	7,642,000	18,358,000	21,000

		Future Fiscal Periods			
		2021-23	2023-25	2025-27	2027-29
057-1	State Bldg Constr-State				
355-1	St. Bld Const Acct-State				
532-1	Wa Housing Trst Ac-State				
Total		0	0	0	0

Operating Impacts

No Operating Impact

No Operating Impact

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 30000881

Project Title: Clean Energy Funds 3

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 7

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.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

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

TBD

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
057-1	State Bldg Constr-State	32,632,000		850,000	31,750,000	32,000
22M-1	Energy Efficncy Acct-State	5,504,000		1,334,000	4,166,000	4,000
355-1	St. Bld Const Acct-State	8,008,000		124,000	7,876,000	8,000
355-B	St. Bld Const Acct-Debt Limit					
EEA-1	Energy Efficiency-State					
	Total	46,144,000	0	2,308,000	43,792,000	44,000

Future Fiscal Periods

	2021-23	2023-25	2025-27	2027-29
057-1 State Bldg Constr-State				
22M-1 Energy Efficncy Acct-State				
355-1 St. Bld Const Acct-State				
355-B St. Bld Const Acct-Debt Limit				

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 3000882

Project Title: Energy Efficiency and Solar Grants

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 8

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. Funding of these projects will support jobs in the construction industry across the state during the next two biennia.

Project Description

Funding is provided to the Energy Efficiency and Solar Grant program for the 2017-19 biennium for 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.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: State agencies, public higher education institutions, local governments.

RCW that establishes grant: N/A

Application process used

projects will be selected on a competitive basis.

Growth Management impacts

None

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	5,505,000		132,000	5,368,000	5,000
22M-1	Energy Efficncy Acct-State	5,504,000		1,334,000	4,166,000	4,000
EEA-1	Energy Efficiency-State					
	Total	11,009,000	0	1,466,000	9,534,000	9,000
Future Fiscal Periods						
		<u>2021-23</u>	<u>2023-25</u>	<u>2025-27</u>	<u>2027-29</u>	
057-1	State Bldg Constr-State					
22M-1	Energy Efficncy Acct-State					
EEA-1	Energy Efficiency-State					
	Total	0	0	0	0	

OFM

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Capital Project Request

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 3000882

Project Title: Energy Efficiency and Solar Grants

Operating Impacts

No Operating Impact

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 3000883

Project Title: 2017-19 Building Communities Fund Grant

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

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

Funding is provided for the Building Communities Fund grants to 26 competitively-selected social service and multipurpose community center projects sponsored by nonprofit organizations statewide.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

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

None

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	30,900,000		10,900,000	20,000,000	
	Total	30,900,000	0	10,900,000	20,000,000	0
Future Fiscal Periods						
		<u>2021-23</u>	<u>2023-25</u>	<u>2025-27</u>	<u>2027-29</u>	
057-1	State Bldg Constr-State					
	Total	0	0	0	0	

Operating Impacts

No Operating Impact

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 30000877

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

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

The Building for the Arts Program provides state capital grants to non-profit 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

Funding is provided for the Building for the Arts grant program for 16 non-profit organizations for performing arts, art museums and cultural facilities projects.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: See project list

RCW that establishes grant: 43.63A.750

Application process used

Projects are reviewed and ranked by a citizens advisory board.

Growth Management impacts

N/A

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	12,000,000		2,000,000	10,000,000	
	Total	12,000,000	0	2,000,000	10,000,000	0
Future Fiscal Periods						
		<u>2021-23</u>	<u>2023-25</u>	<u>2025-27</u>	<u>2027-29</u>	
057-1	State Bldg Constr-State					
	Total	0	0	0	0	

Operating Impacts

No Operating Impact

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 30000875

Project Title: 2017-19 Youth Recreational Facilities Grant Program

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 12

Project Summary

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

Funding is provided for the Youth Recreational Facilities grant program for 12 non-profit organizations for recreational projects that feature an indoor youth recreational component and a supporting social service or educational component.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Various

RCW that establishes grant: 43.63A.135

Application process used

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

Growth Management impacts

N/A

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	6,907,000		1,907,000	5,000,000	
	Total	6,907,000	0	1,907,000	5,000,000	0
Future Fiscal Periods						
		<u>2021-23</u>	<u>2023-25</u>	<u>2025-27</u>	<u>2027-29</u>	
057-1	State Bldg Constr-State					
	Total	0	0	0	0	

Operating Impacts

No Operating Impact

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 30000873

Project Title: Economic Opportunity Grants

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 13

Project Summary

Establish spending authority of Community Development Block Grant Economic Opportunity Funds

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.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

TBD

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
689-1	Rural WA Loan Acct-State	6,750,000		750,000	6,000,000	
	Total	6,750,000	0	750,000	6,000,000	0
Future Fiscal Periods						
		<u>2021-23</u>	<u>2023-25</u>	<u>2025-27</u>	<u>2027-29</u>	
689-1	Rural WA Loan Acct-State					
	Total	0	0	0	0	

Operating Impacts

No Operating Impact

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 20064008

Project Title: Local and Community Projects

Description**Starting Fiscal Year:** 2005**Project Class:** Grant**Agency Priority:** 15**Project Summary**

The local/Community projects Program was established by Legislature in 2003 (ch.26, 1.2003 ex, sec 151). This project (20064008) includes approximately 08 construction, renovation, and land acquisition projects requested by Legislature throughout the state.

Project Description

The Local/Community Projects Program was established by Legislature in 2003 (ch.26,1.2003 ex, sec 151). This project (20064008) includes approximately 108 construction, renovation, and land acquisition projects requested by Legislature throughout the state.

Proviso

The reappropriation is subject to the provisions in section 131, chapter 488 Laws of 2005

Starting Fiscal Year: 2007**Project Class:** Grant**Agency Priority:** 15**Project Summary**

The Rural Washington Loan Fund (RWLF) is a statewide revolving loan fund that provides "gap" financing to businesses that will create new jobs or retain existing jobs, particularly for low-to-moderate income persons.

Project Description

The Rural Washington Loan Fund (RWLF) is a statewide revolving loan fund that provides "gap" financing to businesses that will create new jobs or retain existing jobs, particularly for low-to-moderate income persons.

Starting Fiscal Year: 2007**Project Class:** Grant**Agency Priority:** 15**Project Summary**

Reappropriation of capital projects using funds from 355 State Taxable Building Construction Account, 532 Washington Housing Trust Account and 057 State Building Construction Account

Project Description

Funding is provided to assist communities develop new housing and preserve existing housing for low-income households, homeless families with children, farm workers, and developmentally disabled individuals. Additionally, the supplemental budget includes up to \$10 million for low-income housing within areas declared disasters by the Governor after November 2007, \$2 million for on-farm housing for migrant and seasonal farmworkers, and \$500,000 for a three year teacher housing voucher program in Yakima and Burien.Reappropriation of capital projects using funds from 355 State Taxable Building Construction Account, 532 Washington Housing Trust Account and 057 State Building Construction Account.

Proviso

See attached list

Starting Fiscal Year: 2008**Project Class:** Grant**Agency Priority:** 15

Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 20084850

Project Title: Community Development Fund

Description**Project Summary**

The CDF assists community projects that link economic development, human services, and infrastructure together in a synergistic way.

Project Description

The CDF awards grants in distressed communities for capital projects that support initiatives that encourage small business start-ups and create jobs, offer access to human services so residents can benefit from these economic opportunities, and/or provide education and recreational opportunities separate from the public education system.

Starting Fiscal Year: 2010

Project Class: Grant

Agency Priority: 15

Project Summary

Housing Assistance, Weatherization, and Affordable Housing was established by the Legislature in 1987 to help fill the gap created by economic conditions, federal housing policies and declining resources at the federal, state and local level that have adversely affected the ability of low income persons to obtain safe, decent and affordable housing. The components of this program help communities finance the housing creation and preservation needs for low-income households and special needs populations, such as Homeless Families with Children, Farm Workers, and Developmentally Disabled.

Project Description

The Housing Assistance, Weatherization, and Affordable Housing, otherwise known as the Housing Trust Fund (HTF) received a biennial appropriation of \$100 million in 2009-2011. This amount will result in the creation of approximately 2,400 additional units of affordable housing. The HTF provides affordable housing to households who are under 80 percent area median income. Affordable, safe and decent housing has many benefits including increased stability for the household, effectiveness of other state services, and educational attainment for children in these households. The construction and rehabilitation of housing also creates construction jobs and can revitalize a community. This program increases the effectiveness of other state programs by stabilizing clients served by other state agencies such as the Department of Social and Health Services and the Department of Corrections. Without housing, services provided to these clients can be wasted because of the serious ongoing instability in the client's life. Affordable Housing Development (Activity 159) operating activity supports the HTF program. Essential program staff and contracting for project application review; resource allocation; project contract development and implementation; housing project compliance verification; housing project asset management; and technical assistance to housing developers and housing managers are funded through loan repayments from previously funded HTF projects. The HTF is funded through a mixture of taxable and non-taxable bonds.

Starting Fiscal Year: 2010

Project Class: Grant

Agency Priority: 15

Project Summary

The Local/Community Projects Program was established by Legislature in 2003 (ch.26, 1.2003 ex, sec 151). Laws of 2010, Chapter 36, Section 1015 provided Appropriation J24 solely for a list of sixteen projects for construction, renovation, and land acquisition projects throughout the state requested by the Legislature.

Project Description

A reappropriation is requested for local community and nonprofit organization projects funded in the 2010 Supplemental Capital Budget. 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. These standards, among other things, are to ensure that there is no gift of funds, that the primary benefit is to the public and not an individual or a small privileged group, and that there are safeguards to ensure the intended public benefit is accomplished. At a minimum, these standards include: (1) only governments or 501(c)(3) nonprofit organizations are eligible; (2) the recipient must have all the funds necessary to complete the project or a phase of the project; (3) the recipient must demonstrate that the

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Project Number: 3000082

Project Title: 2010 Local and Community Projects

Description

project site is under control for a minimum of ten years; (4) the recipient may be required to comply with Washington's high performance building standards; (5) funds are available on a reimbursement basis only; (6) projects are generally required to pay state prevailing wages; and (7) the recipient must enter into a contract with the Department and must agree to repay the grant if the facility is not used for the intended purpose for an appropriate amount of time.

Proviso

The appropriation in this section is subject to the following conditions and limitations: (1) The projects must comply with RCW 43.63A.125 and other requirements for community projects administered by the department (2) The appropriation is provided solely for the attached list of projects

Starting Fiscal Year: 2012**Project Class:** Grant**Agency Priority:** 15**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 increased for the Community Economic Revitalization Board (CERB) for projects 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:** 15**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

Funding is reappropriated for projects through the Public Works Assistance Account (PWAA). The Public Works Board is directed by RCW 43.155 to administer the PWAA and to provide financial and technical assistance to local governments. The PWAA 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.

Starting Fiscal Year: 2012**Project Class:** Grant**Agency Priority:** 15**Project Summary**

The Local/Community Projects Program was established by Legislature in 2003 (ch.26, 1.2003 ex, sec 151). Laws of 2010, Chapter 36, Section 1015 provided Appropriation KO8 solely for a list of sixteen projects for construction, renovation, and land acquisition projects throughout the state requested by the Legislature.

Project Description

A reappropriation is requested for local community and nonprofit organization projects funded in the bill ESHB 2020 2011-13 Capital Budget. The appropriation is subject to RCW 43.63A.125(2)(c) and other standard requirements for community projects

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Project Number: 30000166

Project Title: Local and Community Projects

Description

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. These standards, among other things, are to ensure that there is no gift of funds, that the primary benefit is to the public and not an individual or a small privileged group, and that there are safeguards to ensure the intended public benefit is accomplished. At a minimum, these standards include: (1) only governments or 501(c)(3) nonprofit organizations are eligible; (2) the recipient must have all the funds necessary to complete the project or a phase of the project; (3) the recipient must demonstrate that the project site is under control for a minimum of ten years; (4) the recipient may be required to comply with Washington's high performance building standards; (5) funds are available on a reimbursement basis only; (6) projects are generally required to pay state prevailing wages; and (7) the recipient must enter into a contract with the Department and must agree to repay the grant if the facility is not used for the intended purpose for an appropriate amount of time.

Proviso

The appropriation in this section is subject to the following conditions and limitations: (1) The projects must comply with RCW 43.63A.125 and other requirements for community projects administered by the department. (2) The appropriation is provided solely for the attached list of projects

Starting Fiscal Year: 2012

Project Class: Grant

Agency Priority: 15

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

Funding is reappropriated for the Public Works Assistance Account 2013 Loan list.

Starting Fiscal Year: 2014

Project Class: Grant

Agency Priority: 15

Project Summary

Most facilities owned and occupied by state agencies, state higher education institutions, and local governments were constructed prior to state energy codes or practices that encouraged energy conservation. Over the last 20 years, energy efficiency technologies have changed radically and many facilities can no longer find replacement equipment. In addition, many of Washington's public and investor owned utilities are considering raising their rates. Consequently, state agencies, state higher education institutions, and local governments face ever-increasing energy costs at a time when the competition for operating funds grows more competitive. This proposal is particularly timely because in addition to the short-term energy cost savings that grantees would experience, the jobs created would help the construction industry recover from consistent long-term unemployment that began during the mortgage meltdown.

Project Description

What is the proposed project? We propose a competitive grant program modeled after Commerce's Jobs Act Grants (2010) and Energy Efficiency Grants (2012) to help state agencies, state higher education institutions, and local governments pay part of the costs of energy cost-savings projects. Commerce's grant will constitute 25 percent or less of the total project cost (leverage ratio of 3:1). The program would set aside a specific percentage of the local government funds for small cities and towns (populations of 5,000 or less) and rural counties and the special purpose districts within those counties (populations of less than 25,000). It is much harder for our less populated cities, towns, and counties to raise the leverage funds and to borrow funds for energy efficiency projects. What opportunity or problem is driving this request? Washington's construction industry was extremely hard hit during the recession and is just now beginning to grow again. Commerce's program continues to put people back to work not only in the construction sector, but across all sectors in all parts of Washington. Newly hired

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Project Number: 30000193

Project Title: 2013-2015 Energy Efficiency Grants

Description

construction workers will turn around and spend more – on car repair, eating out, health care, home improvement, and other services. Commerce's past Jobs Act program funded eight construction jobs for every \$1 million dollars spent on construction projects. In addition to funding jobs, Commerce's program helps state agencies, higher education institutions, and local governments reduce both their energy costs (i.e., utility bills) and labor costs associated with maintaining their facilities. Cost savings through reduced energy bills and labor costs have been used to hire additional teachers, repair other facilities, and lessen the burden of reduced operating budgets. Reducing energy usage at these facilities also helps state agencies, higher educational facilities and local governments meet their greenhouse gas emissions reductions required under RCW 70.235.070. How does the project support the agency and statewide results? The proposed program will influence three of the Commerce's four strategic goals (community capacity, rural focus, and sector focus) and the objectives under each of these goals. For example, under sector focus, the first objective involves growing clean energy jobs. Energy efficiency is and always will be the main producer of clean energy jobs. Under rural focus, the objective is to improve the economic performance of rural areas. When energy efficiency projects are done in rural areas everyone benefits – more sales tax revenue is generated for local governments, businesses have more business from both locals as well as workers brought into the area to do specialized jobs, and local projects hire local companies, giving more jobs to rural workers. Commerce's program makes key contributions all over the state of Washington. By providing funds to improve the energy efficiency of the targeted facilities, Commerce is funding construction jobs throughout the state. As mentioned above, when construction jobs are funded, a multiplier of other economic improvements occurs. This program will significantly improve the economic vitality of businesses (both large and small) and individuals. Also of great importance, the program helps reduce the state's overall level of greenhouse gas emissions. What are the specific benefits of this project? There are three specific benefits of this program: · Based on total projects costs, grants through this program are expected to fund approximately 1,300 jobs · State agencies, higher education institutions and local governments will be able to stretch their operating budgets further because of lower energy costs · Greenhouse gas emissions will be reduced How will clients be affected and services change if this project is funded? Our program's direct clients are state agencies, higher education institutions, and local governments. Our secondary clients are all of the businesses that will be engaged in either providing services or goods needed to implement the energy efficiency project. The program's direct clients will operate more energy efficient facilities, lessen their overall energy and operational costs, and provide a more comfortable environment for students, teachers, and other workers. The savings realized will be used to hire additional teachers, repair other facilities, and assist applicants in meeting the demands of reduced operating budgets. Applicants selected to participate in our program will buy goods and services needed to implement the energy efficiency project. For example, our funds will purchase a wide variety of equipment - everything from lighting fixtures to boilers and low-flow toilets. Additionally, our funds will be used to hire architects and engineers to design and manage the project as well as electricians, plumbers, and HVAC technicians to install the equipment. How will other state programs or units of government be affected if this project is funded? The program specifically targets state agencies, higher education institutions and local governments. By reducing their energy costs and the amount of labor associated with maintaining these facilities more operating funds will be available for other expenditures. What is the impact on the state operating budget? There is no impact on the state's operating budget. The program's funds come from the capital budget. Why is this the best option or alternative? This is the best option because it will fund approximately 1,300 jobs and provides funding directly to our clients to improve their facilities through energy efficiency which is often times a part of a larger upgrading of their facilities. This proposal is based on an existing successful grant program. The 2012 Legislature appropriated \$18 million for local agencies and \$20 million for higher education. After discussions with the Department of Enterprise Services, we decided to ask for an additional \$20 million for local agencies, \$20 million for higher education, and \$20 million for state agencies in the 2013-15 capital budget. What is the agency's proposed funding strategy for the project? These funds would come from the state's capital budget

Starting Fiscal Year: 2013

Project Class: Grant

Agency Priority: 15

Project Summary

Funding is provided for grants to 12 specified Port and Export Related Infrastructure projects. If a specified project does not require its full authorized amount, Commerce may allocate up to 25 percent of the amount to other specified projects or to competitively-awarded grant projects. If a specified project has not met contract execution requirements by April 30, 2013, Commerce may allocate the authorized amount to competitively-awarded, ready to proceed projects.

Project Description

What is the proposed project? Funding is provided for grants to 12 specified Port and Export Related Infrastructure projects. If a specified project does not require its full authorized amount, Commerce may allocate up to 25 percent of the amount to other

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Project Number: 92000102

Project Title: Port and Export Related Infrastructure

Description

specified projects or to competitively-awarded grant projects. If a specified project has not met contract execution requirements by April 30, 2013, Commerce may allocate the authorized amount to competitively-awarded, ready to proceed projects. What opportunity or problem is driving this request? This project is a direct appropriation of the 2012 Legislature. How does the project support the agency and statewide results? This project provides infrastructure that allows the local community to increase their ability to retain, expand, and recruit businesses. What are the specific benefits of this project? The communities will be able to retain or increase jobs and receive private investments How will clients be affected and services change if this project is funded? Local governments should expect to see an increase in economic activity in the area. How will other state programs or units of government be affected if this project is funded? n/a What is the impact on the state operating budget? No impact Why is this the best option or alternative? n/a What is the agency's proposed funding strategy for the project? Execute contracts for the direct appropriation

Starting Fiscal Year: 2014**Project Class:** Grant**Agency Priority:** 15**Project Summary**

This is a list of projects in the category "Projects for Jobs & Economic Development" in LEAP capital document No. 2013-1A, developed April 10, 2013. The department shall administer projects on the LEAP list.

Project Description

This is a list of projects in the category "Projects for Jobs & Economic Development" in LEAP capital document No. 2013-1A, developed April 10, 2013. The department shall administer projects on the LEAP list.

Starting Fiscal Year: 2014**Project Class:** Grant**Agency Priority:** 15**Project Summary**

This is a list of projects in the category "Projects that Strengthen Youth & Families" in LEAP capital document No. 2013-1A, developed April 10, 2013. The department shall administer projects on the LEAP list.

Project Description

This is a list of projects in the category "Projects that Strengthen Youth & Families" in LEAP capital document No. 2013-1A, developed April 10, 2013. The department shall administer projects on the LEAP list.

Starting Fiscal Year: 2016**Project Class:** Grant**Agency Priority:** 15**Project Summary**

This is a list of projects in the category "Projects that Strengthen Communities & Quality of Life" in LEAP capital document No. 2013-1A, developed April 10, 2013. The department shall administer projects on the LEAP list.

Project Description

This is a list of projects in the category "Projects that Strengthen Communities & Quality of Life" in LEAP capital document No. 2013-1A, developed April 10, 2013. The department shall administer projects on the LEAP list.

Starting Fiscal Year: 2013**Project Class:** Grant**Agency Priority:** 15**Project Summary**

Funds are provided for grants or loans that will provide housing units for qualifying people who are homeless. This program was

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Project Number: 91000413

Project Title: Housing for the Homeless

Description

established by the Legislature in 2012 2nd Special Session Chapter 2 Section 1011 Appropriation K34.

Project Description

Commerce will evaluate projects on the LEAP Capital Document No. 2012-7A and allocate funding based on the requirements of RCW 43.185.050 and 43.185.070. After reviewing completed applications, it may be determined that a project is not eligible or is not ready to proceed. Commerce may then allocate funding to a project in another category on the LEAP list or to any type of alternate project. Commerce may also determine the actual amount of funding to be allocated to each project, provided that the total allocation does not exceed the appropriation provided in this section.

Starting Fiscal Year: 2014**Project Class:** Grant**Agency Priority:** 15**Project Summary**

Reimbursements for expenditures previously incurred by Grantee during its ownership of, and associated with, Sand Point Building 9 (also being known as Building 9, Parcel 4 of Lot A, former Sand Point Naval Station Puget Sound), including, but not be limited to, infrastructure costs, major repairs, operation and maintenance costs, staff time and preparation for redevelopment of the building.

Project Description

Funding is reappropriated for the Sand Point Building 9 (also being known as Building 9, Parcel 4 of Lot A, former Sand Point Naval Station Puget Sound), including, but not be limited to, infrastructure costs, major repairs, operation and maintenance costs, staff time and preparation for redevelopment of the building.

Starting Fiscal Year: 2014**Project Class:** Grant - Pass Through**Agency Priority:** 15**Project Summary**

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

Project Description

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

Starting Fiscal Year: 2014**Project Class:** Grant - Pass Through**Agency Priority:** 15**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 - Pass Through**Agency Priority:** 15**Project Summary**

Funds are provided for grants or loans that will provide housing units for qualifying people who have developmental disabilities. This program was established by the Legislature in 2012 2nd Special Session Chapter 2 Section 1009.

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Project Number: 20064008

Project Title: Local and Community Projects

Description

Project Type

Grants

Grants

Grants

Grants

Grants

Grants

Grants

Grants

Grants

Grants

Grants

Grants

Grants

Grants

Grants

Grants

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Grants

Loans

Loans

Loans

Loans

Loans

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Project Number: 20064008

Project Title: Local and Community Projects

Description**Grant Recipient Organization:** See attached project list**RCW that establishes grant:** 43.63A.125**Application process used**

Member added projects.

Growth Management impacts

N/A

Grant Recipient Organization: Various**RCW that establishes grant:** 43.168**Application process used**

Application brought to us by potential borrower. Must meet criteria and be approved by Loan Fund Committee.

Growth Management impacts

N/A

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

The majority of the Housing Trust Fund (HTF) money is distributed using a competitive funding process. The Energy Matchmakers and Farm Worker On-Farm Infrastructure programs distribute their funds separately from the four competitive application rounds. The remainder of funds is broken into set-asides for developmental disability, farmworker, homeless families, self-help housing, victims of domestic violence, and a general pool. The general pool can be used for any special need population as long as they are not serving individuals or families with incomes above 80% of the area's median income. The governing legislation requires that 30% of the resources go to rural communities and that priority is given to preserve existing privately owned housing stock. It also requires that preference is given to projects that leverage other funds, demonstrated ability by the organization to remain stable and projects that serve the greatest need and lowest incomes. Funding decisions are carefully coordinated with other funding sources such as the Washington State Housing Finance Commission (HFC) and local and federal governments. Award recommendations are made by Commerce staff and are reviewed by representative from other funding agencies and local governments. Final award decisions are reviewed and approved by the Commerce Director.

Growth Management impacts

N/A

Grant Recipient Organization: See project list**RCW that establishes grant:** 43.63A.125**Application process used**

Member added project

Growth Management impacts

N/A

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

The majority of the Housing Trust Fund (HTF) money is distributed using a competitive funding process. The Energy Matchmakers and seasonal Farm Worker programs distribute their funds separately from the four competitive application rounds. The governing legislation requires that 30% of the resources go to rural communities and that priority is given to preserve existing privately owned housing stock. It also requires that preference is given to projects that leverage other funds,

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Project Number: 30000013

Project Title: Housing Assistance, Weatherization, and Affordable Housing

Description

demonstrated ability by the organization to remain stable and projects that serve the greatest need and lowest incomes. Funding decisions are carefully coordinated with other funding sources such as the Washington State Housing Finance Commission (HFC) and local and federal governments. Award recommendations are made by Commerce staff and are reviewed by representative from other funding agencies and local governments. Final award decisions are reviewed and approved by the Commerce Director.

Growth Management impacts

N/A

Grant Recipient Organization: see sub-project list

RCW that establishes grant: 43.63A.125

Application process used

Member added project

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.160

Application process used

CERB accepts applications six times per year. Staff provides the Board with a written analysis. Applicant and associated business representatives present at Board meeting and are questioned by Board members. Board makes decision at meeting. Time frame: 45 days

Growth Management impacts

N/A

Grant Recipient Organization: Local Governments

RCW that establishes grant: 43.155

Application process used

PWB staff rate and rank applications for PWAA funding before the applications are presented to the Public Works Board (PWB). The PWB meets monthly to review for approval emergency loans, planning loans, and pre-construction loans. The construction loans, which make up 85% of the available financing, are due in May and reviewed by the PWB in August. The PWB then creates a recommended loan list for approval by the Legislature.

Growth Management impacts

Local jurisdiction must have an approved Growth Management Plan

Grant Recipient Organization: see sub-project list

RCW that establishes grant: 43.63A.125

Application process used

Member added project

Growth Management impacts

N/A

Grant Recipient Organization: Local Governments

RCW that establishes grant: 43.155

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Project Number: 30000184

Project Title: Public Works Assistance Account Program 2013 Loan List

Description

Application process used:

PWB staff rate and rank applications for PWAA funding before the applications are presented to the Public Works Board (PWB). The construction loans application's due in May and reviewed by the PWB in August. The PWB then creates a recommended loan list for approval by the Legislature.

Growth Management impacts

Local jurisdiction must have an approved Growth Management Plan

Grant Recipient Organization: Various**RCW that establishes grant:** 70.235.070**Application process used**

Applications are selected through a competitive process.

Growth Management impacts

None

Grant Recipient Organization: Various**RCW that establishes grant:** 43.185.050 and 43.185.070**Application process used**

These funds are distributed using a competitive funding process. The governing legislation requires that 30% of the resources go to rural communities and that priority is given to preserve existing privately owned housing stock. It also requires that preference is given to projects that leverage other funds that demonstrated ability by the applying organization to remain stable, and that serve the greatest need and lowest incomes. Funding decisions are carefully coordinated with other funding sources such as the Washington Housing Finance Commission (HFC) and local and federal government agencies. Award recommendations are made by Commerce staff and are reviewed by representative from other funding agencies and local governments. Final award decisions are reviewed and approved by the Commerce Director.

Growth Management impacts

None

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

N/A

Growth Management impacts

None

Grant Recipient Organization: Various**RCW that establishes grant:** 43.185**Application process used**

TBD

Growth Management impacts

N/A

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

These funds are distributed using a competitive funding process. The governing legislation requires that 30% of the resources

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Project Number: 91000457

Project Title: Housing for Farmworkers

Description

go to rural communities and that priority is given to preserve existing privately owned housing stock. It also requires that preference is given to projects that leverage other funds that demonstrated ability by the applying organization to remain stable, and that serve the greatest need and lowest incomes. Funding decisions are carefully coordinated with other funding sources such as the Washington Housing Finance Commission (HFC) and local and federal government agencies. Award recommendations are made by Commerce staff and are reviewed by representative from other funding agencies and local governments. Final award decisions are reviewed and approved by the Commerce Director.

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: 43.185

Application process used

These funds are distributed using a competitive funding process. The governing legislation requires that 30% of the resources go to rural communities and that priority is given to preserve existing privately owned housing stock. It also requires that preference is given to projects that leverage other funds that demonstrated ability by the applying organization to remain stable, and that serve the greatest need and lowest incomes. Funding decisions are carefully coordinated with other funding sources such as the Washington Housing Finance Commission (HFC) and local and federal government agencies. Award recommendations are made by Commerce staff and are reviewed by representative from other funding agencies and local governments. Final award decisions are reviewed and approved by the Commerce Director.

Growth Management impacts

N/A

Grant Recipient Organization: TBD

RCW that establishes grant: 43.325

Application process used

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

Growth Management impacts

TBD

Grant Recipient Organization: Ports, Cities, Washington State Department of Transportation

RCW that establishes grant: 2012 Capital Supplemental Bud

Application process used

Direct Appropriation

Growth Management impacts

To be determined

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

projects were legislative selected.

Growth Management impacts

N/A

Grant Recipient Organization: Various

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Project Number: 92000227

Project Title: Projects that Strengthen Youth & Families

Description

RCW that establishes grant: N/A

Application process used

Legislature developed the project list.

Growth Management impacts

N/A

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

Legislature develops the project list.

Growth Management impacts

N/A

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
057-1	State Bldg Constr-State	45,928,000	45,458,000		235,000	235,000
057-1	State Bldg Constr-State	56,698,000	56,698,000			
057-1	State Bldg Constr-State	20,915,000	20,915,000			
057-1	State Bldg Constr-State	34,500,000	34,500,000			
057-1	State Bldg Constr-State	13,406,000	11,431,000		1,975,000	
057-1	State Bldg Constr-State	16,808,000	16,578,000	225,000	5,000	
057-1	State Bldg Constr-State	24,375,000	23,697,000	678,000		
057-1	State Bldg Constr-State	18,491,000	17,859,000	332,000	300,000	
057-1	State Bldg Constr-State	32,128,000	27,899,000	2,229,000	2,000,000	
057-1	State Bldg Constr-State	33,150,000	26,922,000	5,528,000	700,000	
057-1	State Bldg Constr-State	30,009,000	28,853,000	156,000	1,000,000	
057-1	State Bldg Constr-State	3,999,000	3,999,000			
057-1	State Bldg Constr-State	21,001,000	18,313,000	1,642,000	1,045,000	1,000
058-1	Public Works Assist-State	144,789,000	141,852,000	2,937,000		
058-1	Public Works Assist-State	37,104,000	22,593,000	3,511,000	11,000,000	
15P-1	Energy Recovery-State	50,000	50,000			
19G-1	ELS Account-State	516,000	427,000	29,000	60,000	
355-1	St. Bld Const Acct-State	14,948,000	14,944,000			4,000
355-1	St. Bld Const Acct-State	27,050,000	23,153,000	719,000	3,178,000	
355-1	St. Bld Const Acct-State	9,019,000	8,639,000	204,000	176,000	
355-1	St. Bld Const Acct-State	10,000,000	300,000	9,692,000	8,000	
355-1	St. Bld Const Acct-State	9,367,000	8,794,000	501,000	72,000	
355-1	St. Bld Const Acct-State	28,944,000	28,536,000	1,000	407,000	
355-1	St. Bld Const Acct-State	5,000,000			5,000,000	
355-1	St. Bld Const Acct-State	85,499,000	85,499,000			
355-1	St. Bld Const Acct-State	129,910,000	129,433,000	415,000	62,000	

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Date Run: 9/13/2018 1:57PM

Project Number: 20074009

Project Title: Housing Assistance, Weatherization, and Affordable Housing

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
355-B	St. Bld Const Acct-Debt Limit					
355-B	St. Bld Const Acct-Debt Limit					
355-B	St. Bld Const Acct-Debt Limit					
355-B	St. Bld Const Acct-Debt Limit					
355-B	St. Bld Const Acct-Debt Limit					
355-B	St. Bld Const Acct-Debt Limit					
355-B	St. Bld Const Acct-Debt Limit					
355-B	St. Bld Const Acct-Debt Limit					
532-1	Wa Housing Trst Ac-State	10,000,000	9,974,000	21,000	5,000	
532-1	Wa Housing Trst Ac-State	13,214,000	13,214,000			
689-1	Rural WA Loan Acct-State	1,953,000	1,113,000	393,000	447,000	
887-1	Pub Facil Const Ln-State	13,020,000	5,000,000		8,020,000	
887-1	Pub Facil Const Ln-State	7,082,000	2,582,000	1,100,000	3,400,000	
	Total	898,873,000	829,225,000	30,313,000	39,095,000	240,000

Capital Project Request

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 1:57PM

Project Number: 20064008

Project Title: Local and Community Projects

Operating Impacts

No Operating Impact

No Operating Impact

No Operating Impact

No Operating Impact

No Operating Impact

No Operating Impact

No Operating Impact

No Operating Impact

No Operating Impact

No Operating Impact

No Operating Impact

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No Operating Impact

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Capital Project Request
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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/10/2018 4:50PM

Project Number: 4000053

Project Title: Planning for Housing Supply

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 1

Project Summary

The Department of Commerce (department) requests funding for planning grants that facilitate market rate and affordable housing development in local communities. This effort would develop a competitive grant program to fund local government projects that encourage increasing housing supply. The significance of this can be summarized in a simple statement: By working together as one agency in a way that has not been done before, and by bringing the agency's housing, growth management and infrastructure services together to make a positive impact in communities, we are removing barriers to strengthening communities.

Project Description

The department would create a competitive grant program to provide local governments the capacity to develop and implement strategies that increase housing supply for all economic segments of the community. The competitive grant program would allow communities to encourage a variety of housing options. This program neither replaces nor expands the Buildable Lands program (RCW 36.70A.215). Eligible projects may include:

1. **Planned Actions.** These ordinances incorporate environmental review and development regulations to provide a site that is ready to develop without additional environmental review being necessary.
2. **Infill Development Ordinances.** These are mostly zoning regulations that expand the areas where housing such as duplexes, accessory dwelling units, and tiny homes can be included.
3. **Multi-family Housing Tax Exemption.** This allows the establishment of a small area in which developers may receive tax exemptions for 8 or 12 years, depending on the level of affordability of the constructed housing units.
4. **Housing Affordability Programs.** These programs typically offer a density bonus or a higher building height limit to developers in exchange for reserving a certain percentage of the additional units for workforce housing and/or traditionally defined affordable housing. These programs increase total supply above what would be allowed by standard height limits and density maximums.
5. **Manufactured Home Parks.** Zoning code and map amendments would designate land for these developments.
6. **Farmworker Housing.** Local policies to support the development of farmworker housing.

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.

It is becoming difficult for families to find market rate and affordable housing. One of the goals of the Growth Management Act (GMA) is to increase the housing supply. Local governments often lack the capacity to develop the planning tools to increase the housing supply. The competitive grants are targeted to address housing challenges in unserved/underserved communities.

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 competitive grant program will develop pre-construction ordinances and programs such as, but not limited to, planned actions, infill development, multi-family housing tax exemptions, housing affordability programs, manufactured home parks, and farmworker housing.

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

The request addresses the lack of housing supply, both for market rate and affordable housing by setting up a statewide

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Project Title: Planning for Housing Supply

Description

competitive grant program to enable communities to increase the supply for these types of housing. The result of not taking action would be a continuation of not providing enough market rate and affordable housing options.

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.

Policy changes to the GMA were also considered, but without the capacity to implement the changes at the local level, policy changes would not achieve significant on the ground results.

There is sufficient authority in the GMA and sufficient interest at the local level in implementation, provided the capacity to develop the needed changes at the local level is forthcoming. The decision for a competitive grant program was reached after comparing it with a formula-based grant program. A competitive grant program would allow the best approaches to receive more funding and increase their impact. It would also allow the department to use results from the monitoring and assessment program in selecting the grants.

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

The most impacted communities would be rural and urban communities seeking to improve planning for infill, affordable and market rate housing. The competitive nature of the grants leaves the exact details to the applicants, depending on the particular housing needs of the applicant community.

For rural communities, issues of housing production and preservation are the most critical. Particular communities need better tools to plan for farmworker housing. Some rural communities are struggling with replacement of housing stock lost to natural disasters, or the need to move significant parts of their housing stock away from natural hazards. Communities in Washington's metropolitan areas struggle with workforce housing and are looking for better ways to accommodate the need for new housing with a greater range of housing types.

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 majority of the funding will be state funding. The competitive grant program will require local match and can be used as match for federal funding. Planning projects also leverage the private investment in new housing construction that planning projects enable.

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 aligns with Commerce's 19-21 strategic priorities, specifically, addressing communities' most urgent needs by:

Improving Housing Affordability

The primary outcome from this investment will be to increase the availability and supply of all housing. Grants will be available to address unmet housing needs in both urban and rural areas, allowing the agency to ensure a more equitable distribution of effort.

Increasing Community Resiliency

The program will increase the resilience of communities by allowing communities to plan for housing away from vulnerable areas for communities with a large portion of housing in areas vulnerable to natural disasters, such as floods or wildfires.

Increasing Living Wage Jobs

This program supports living wage jobs by preventing a lack of housing from creating a drag on the Washington economy. The

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Project Title: Planning for Housing Supply

Description

central Puget Sound has experienced rapid job growth, and the imbalance between the rate of job creation and the rate of housing production is one of the underlying causes of the affordable housing crisis facing the region. This is a long-term threat to the competitiveness of the region. Increasing the supply of all types of housing, but especially workforce housing, is critical to maintaining the region's competitiveness.

Breakthrough and Outcome Teams

The department established a set of cross-divisional teams to identify an agency-wide strategy toward addressing housing affordability. One of the key outcomes the group identified was working with local governments to implement changes to allow for a greater variety of housing types and to increase the number of communities that implement tools to support greater production of all housing types. Outreach efforts can encourage local governments to take these actions, but when accompanied by grants that provide the capacity to implement the tools the outreach efforts encourage, the result will be much easier to achieve. Outreach can identify partners and create a willingness, but without the ability to follow through, the results of the outreach will be of limited usefulness.

Does this project include IT-related costs, including hardware, software, cloud-based services, contracts or IT staff?

N/A

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.

N/A

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

Yes – Lack of affordable and market rate housing close to employment is a major factor in long work commutes. The majority of work commutes, despite recent transit improvements, take place in single occupancy vehicles contributing more carbon pollution. Some rural communities have a significant portion of their housing stock in areas that are increasingly vulnerable to extreme weather exacerbated by a changing climate. Planning in advance for a more resilient housing stock can significantly reduce the vulnerability of these communities to increasing severity and frequency of catastrophic weather events, such as floods and wildfires.

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

This proposal is derived from the department's strategic planning process and corresponds with the department's Commerce Playbook and One Commerce approach. It would also fund 0.5 FTE at a Commerce Specialist 3 level.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Various

RCW that establishes grant: 43.330.080

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Project Number: 4000053

Project Title: Planning for Housing Supply

Description

Application process used

A competitive grant process will be used.

Growth Management impacts

TBD

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
057-1	State Bldg Constr-State	15,640,000				3,128,000
	Total	15,640,000	0	0	0	3,128,000

Acct Code	Account Title	Future Fiscal Periods			
		2021-23	2023-25	2025-27	2027-29
057-1	State Bldg Constr-State	3,128,000	3,128,000	3,128,000	3,128,000
	Total	3,128,000	3,128,000	3,128,000	3,128,000

Operating Impacts

Total one time start up and ongoing operating costs

Acct Code	Account Title	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
FTE	Full Time Employee	0.5	0.5	0.5	0.5	0.5
057-1	State Bldg Constr-State	69,000	69,000	69,000	69,000	69,000
	Total	69,000	69,000	69,000	69,000	69,000

Narrative

This proposal is derived from the department's strategic planning process and corresponds with the department's Commerce Playbook and One Commerce approach. It would also fund 0.5 FTE at a Commerce Specialist 3 level.

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 5:22PM

Project Number: 40000036

Project Title: Housing Trust Fund

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 2

Project Summary

The Department of Commerce (department) requests a new appropriation from the State Taxable Building Construction Fund (Fund 355) of \$200 million to reduce the backlog of affordable housing projects seeking capital funding through the Housing Trust Fund (HTF) Program. The HTF Program 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.

Project Description

The department requests a new appropriation of \$200 million to the HTF Program for four funding priorities:

- Rehabilitation of privately owned housing stock to create new affordable housing units,
- New construction of new affordable housing stock,
- Ultra High Energy Efficiency (\$10 million special set-aside from total above, which would be allocated to approximately 10-15 projects), and
- Affordable Housing Preservation (\$20 million special set-aside from total above, which would be allocated an estimated 10-20 HTF projects).

Funds will be allocated to projects throughout the state on a competitive basis (per RCW 43.185 and RCW 43.185A), serving a broad spectrum of low-income to extremely low-income households, including homeless families and individuals, seniors, and individuals with special needs. At least 30 percent of the funds appropriated will be targeted to rural area projects, unless the department does not receive enough suitable rural applications.

These investments are highly effective at leveraging other public and private investments and protecting the health and safety of vulnerable individuals. Over the past five years, the HTF has leveraged an average \$5 for every state dollar invested. Construction activity and resulting projects also generate substantial social and economic benefits for local communities.

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.

Washington state is currently experiencing an affordable housing crisis. Stagnant wages, steady population increase, declining rental vacancy rates, high rates in the rental market, increasing costs to purchase a home, and rising utility costs continue to make access to affordable housing more difficult for low-income households and special needs populations. This puts many people at risk of homelessness. Capital investments in affordable housing will help protect vulnerable households and house people affected by homelessness. Housing construction projects are also proven to create jobs, attract new businesses, and generate local revenues.

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.

HTF Program funds 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 of an award.

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

In 2018, the point-in-time count forecasts 28,015 people in Washington will be experiencing homelessness. Capital investments in affordable housing development reduce our state's affordable housing gap, reduce homelessness, create living wage jobs, and generate revenues to local communities. The construction and rehabilitation of affordable housing projects benefits the construction industry, and the availability of affordable housing helps to attract businesses to project areas, resulting in yet

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Description

additional job creation. Access to stable housing has been shown to improve overall job stability, increase educational attainment, and reduce health problems in our communities.

This appropriation will also allow the Housing Trust Fund to meet statewide needs for preservation of its existing housing stock. Solicitation for applications for \$10 million in funding resulted in more than \$14 million worth of requests in 39 applications. More than 1,500 units would be impacted were if the program received enough funding to meet demand for this round of applications. However, the program is not able to provide funding to all applicants. It is also important to note that proviso criteria restricted eligibility to only a small share of HTF projects. The department recommends that it be allowed to select its own criteria for funding preservation, while meeting the HTF statute and intent.

This appropriation also requests \$10 million for Ultra High Energy Efficiency. Reducing the carbon footprint is a major priority for the governor and state. Providing affordable housing with low or no energy cost not only meets the governor's goals, but also provides low-income tenants with sustainable and cost-effective housing. HTF received a \$2.5 million appropriation in the 2016 budget, which has been allocated to four projects, creating an estimated 156 units of net-zero affordable housing. A new appropriation will incentivize the affordable housing developers to continue to develop energy efficient housing for low-income Washingtonians.

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 Housing Trust Fund is an established mechanism for providing affordable housing for Washingtonians. In its more than 32 years of existence, the HTF has played a role in creation of more than 48,000 units of affordable housing statewide.

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 4,000 units of affordable housing statewide for low-income households and people with special needs or experiencing homelessness. 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 provide benefits to the community through ongoing local economic activity, neighborhood stabilization, and reduced demand for health care and other costly emergency services.

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?

Historically, the HTF Program has funded approximately 20-25 percent of the project costs on average. The rest of the funding comes from local, federal, and private investments.

Proposed leverage for preservation activities is estimated to be at nearly a 4.5:1 ratio. Recent applicants proposed \$62 million in leveraged funding (non HTF).

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 Goal 4: Healthy and Safe Communities, by helping the most vulnerable people become independent and self-sufficient. Affordable housing also promotes Goal 2: Prosperous Economy, by generating quality jobs and creating vibrant communities. This package will have a large impact (e.g., creating approximately 4,000 new units of affordable housing) on Results. It also reflects the department performance measure OM7-2A (Funded Affordable Housing Units Built) of adding an average of more than 500 affordable housing units to current stock each quarter beginning in 2020.

This decision package also directly affects our agency strategic goal of reducing homelessness and increasing self-sufficiency.

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Does this project include IT-related costs, including hardware, software, cloud-based services, contracts or IT staff?

N/A

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.

N/A

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

The \$10 million Ultra High Energy Efficiency/Net-zero set-aside specifically prioritizes investment in building design and materials targeting reduction in energy consumption.

In addition, all awards for new construction/renovation projects must meet the Evergreen Sustainable Development Standard.

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

N/A

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

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

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 the department does not receive enough suitable rural applications) and that priority be given to preserve existing privately owned housing stock. It also requires that preference be given to projects that leverage other funds, demonstrate ability by the applying organization to remain stable, and serve the greatest need and lowest-income populations. Funding decisions carefully coordinated with other funding sources such as the Washington Housing Finance Commission (HFC) and local (city and county) and federal government agencies. The agency director reviews and approves final award decisions.

Growth Management impacts

None

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Project Number: 40000036

Project Title: Housing Trust Fund

Funding

Acct Code Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
		Prior Biennium	Current Biennium	Reappropriations	New Appropriations
355-1 St. Bld Const Acct-State	1,000,000,000				200,000,000
Total	1,000,000,000	0	0	0	200,000,000

Future Fiscal Periods

	2021-23	2023-25	2025-27	2027-29
355-1 St. Bld Const Acct-State	200,000,000	200,000,000	200,000,000	200,000,000
Total	200,000,000	200,000,000	200,000,000	200,000,000

Operating Impacts

No Operating Impact

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Capital Project Request**

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/10/2018 5:12PM

Project Number: 40000038

Project Title: Public Works Board

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 3

Project Summary

RCW 43.155 directs The Public Works Board 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 and grants to local governments to upgrade bridges, roads, sanitary sewer systems, domestic water systems, storm sewer systems, and solid waste/recycling systems. The Department of Commerce (department) and the Board request funds to launch future public works projects.

Project Description

The Public Works Board and the department requests authority to use \$217 million projected revenues in the Public Works Assistance Account (PWAA) to fund construction, pre-construction, and emergency activities for critical infrastructure projects. The funding window would be between FY20 and FY24. There is \$258 million of resources anticipated in the PWAA for the 2019-2021 biennium. The board will award funds to projects using a competitive process based on the funding considerations and criteria as outlined in RCW 43.155.070.

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.

Local governments are struggling to provide basic infrastructure services to the citizens of Washington state. The cost of maintaining aging systems is sustained as long as possible until either the system fails or regulatory mandates require replacement or improvement. Rate affordability issues, taxation limitations, and multiple competing demands for funding resources limit local jurisdictions' ability to absorb the cost of addressing these critical needs. Population growth, regulation, and reduced resources have put a burden on local governments to meet the demands of providing and maintaining basic services.

In addition to these basic prioritization challenges, public resources available to fund these projects are declining. Federal grant and loan programs have been reduced. For example, the federal drinking water program will have \$20 million available in the fall 2018, a reduction of 50 percent from previous funding levels. Resources are needed to bridge the gap between what can be funded using federal government programs and what needs repair or replacement, but for which there is no funding other than the private market. The private market is a costly alternative out of reach for smaller communities and will require millions in added interest payments.

The Association of Washington Cities published a video describing the condition of Washington's infrastructure: <https://www.youtube.com/watch?v=D9E2tCyb7Ug> *This video visually captures the problem that funding Public Works Board construction, pre-construction, and emergency activities will solve.*

The Board's pre-construction loan resources enable local governments to do the preliminary activities necessary to prepare for a complex construction project. A pre-construction loan investment will enable local jurisdictions to meet readiness-to-proceed requirements so they are more competitive for limited state and federal construction resources. Most state and federal financing programs strongly reward readiness in the selection process.

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.

Of the \$217 million available in the Public Works Assistance Account from loan repayments and 2 percent of the Real Estate Excise Tax (REET), 20 percent (\$43 million) can be used for pre-construction and emergency, and the remainder \$173.6 million

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Project Title: Public Works Board

Description

will be dedicated to construction projects. These funds will plan for and build Washington's future infrastructure and help local governments deliver essential services.

The legislature authorized the Board to fund construction projects throughout the FY17-19 biennium via an appropriation without prior legislative approval. This has enabled the Board and department to set a structure that allows them to partner with other infrastructure funding programs to maximize ever-shrinking federal resources and to make viable projects whole. To achieve this, four funding windows per biennium have been established that align with the Federal State Revolving Funds (both Clean Water and Drinking Water). This subtle change allows projects to be packaged to meet the needs of both the state and the local government securing the loans.

Based on historical average loan requests of \$6 million (maximum amount is \$10 million), \$173 million would fund approximately 29 construction projects throughout the biennium. Construction projects will be complete within five years with loan repayments funding the next generation of local infrastructure projects.

The second component is that pre-construction resources will enable local governments to do the planning, predesign, and design of a project to be "ready to proceed". This will ensure that high-value, fully vetted projects that can be maintained are receiving investment. The new structure would allow for 12 funding windows a biennium to meet local government needs when they are ready, instead of when an annual cycle opens up. This flexibility takes away the pressure to meet a deadline.

Based on the historical average loan requests of \$600,000 (maximum amount is \$1 million), \$38 million would fund approximately 63 pre-construction projects throughout the biennium. Pre-construction projects will be complete in two years.

The third component is emergency resources. These resources are available year round, which enables local governments to apply in the heat of an emergency and to receive expedited resources when they are needed most. Available resources for emergency loans are part of the overall 20 percent maximum from a biennial appropriation for pre-construction and emergency. The maximum amount per project is \$2 million.

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

Funding available for all communities with infrastructure needs is limited, and that is true especially for those with limited capacity to take on large infrastructure projects or private market loans. The two primary funding programs are the Drinking Water State Revolving Fund (DWSRF) and the Clean Water State Revolving Fund (CWSRF). Using an accelerated funding cycle, these programs have been unable to fund all of the projects seeking financing. On average, the demand on the federal resources has been 2:1. That means that half of the projects receive no funding and must wait for the next annual funding cycle. During that time, costs may increase significantly over that year, and funding may be lost due to matching dollars. In the most recent funding cycle, the DWSRF and CWSRF combined only funded 38 percent of project requests.

The Board's open competitive construction loan program conducts a competitive process that ensures all projects are vetted with the financial capability and system management, and will meet public need. The new funding structure authorized by the legislature enabled the Board to meet local governments where they need it, and not be restricted by either annual or biennial funding windows. This appropriation will allow the Board to exercise that authority, and support infrastructure developments statewide.

This self-sustaining program reduces the number of specific requests made of the legislature to provide grants for financing projects at the local level, and it augments other state and federal financing programs. The process is highly competitive and allows the state 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. Legislative action has kept the program current with updates to the authorizing statute during each of the last three biennia. Programs administered by the Board are highly regarded by its users, as evidenced by the letters of support and disappointment over the substantial lack of funding received:

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Project Number: 40000038

Project Title: Public Works Board

Description

“The Public Works Assistance Account has been a remarkable success, innovative and effective at getting work funded . . . which helped us keep utility rates low and affordable for an increasingly diverse population . . . our staff has appreciated the relative simplicity of your process.” – Alderwood Water and Wastewater District

“The Public Works Assistance Account provides a straight-forward and easy process for local jurisdictions to obtain low-interest loans to finance public infrastructure construction. . . This program is especially helpful to smaller jurisdictions without the capacity to enter into the commercial bond market. “ – Jerry Cummins, Walla Walla City Council Member

“PWAA, we’re desperate for you to be funded. Debt is piling up with burdensome regulation slowing down projects and creating bigger backlogs. . . .” – City of Long Beach

“The membership also voted unanimously to support restoring the Public Works Trust Fund. Continued diversion of resources from this Fund breaks a promise that labor, business, utilities, waste haulers, realtors, and transportation advocates cannot support. This program is a model for a national infrastructure bank. It remains a critical source for local agencies to borrow funds for large capital projects that otherwise would remain unattainable.” – Washington State Good Roads & Transportation Association

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.

Finding resources in the current environment is challenging at best. Over the last two biennia, the resources dedicated to the PWAA have been redirected to other state priorities during the great recession; this includes both loan repayments and tax revenue. For the 2019-21 biennium, there will be approximately \$258 million deposited in the PWAA from loan repayments and the current 2 percent of the REET revenue. These funds would cover multiple activities, such as leveraging federal resources by providing state match for the two SRF programs. The balance of \$217 million is currently not committed to other activities, and the Board is requesting an appropriation from those dedicated resources to fund critical infrastructure.

In 2017, the legislature passed ESHB 1677 and tasked the Public Works Board with creating a system improvement team in collaboration with the departments of Commerce, Ecology, and Health.

This team is known as Sync and coordinates with state and local agencies, clients, stakeholders, legislators, and industry experts to develop a more efficient and effective process of financing infrastructure. As part of that effort, Sync is convening a group of industry experts to explore alternate financing mechanisms for funding infrastructure. Research will support these efforts and identify best practices other states have adopted, as well as how they finance infrastructure at the state level. This research is part of Sync’s phase II, and will be presented to the legislature in 2020.

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

More than 2,000 government organizations are eligible for Board 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) are eligible for Board funding. 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 health is jeopardized.

This appropriation will allow the Board to help local governments that are trying to address critical needs. Each project funded impacts a unique group of citizens.

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?

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/10/2018 5:12PM

Project Number: 40000038

Project Title: Public Works Board

Description

It is unusual for a project to be fully funded by one source, and frequently multiple sources are necessary to complete a project. Specifics are unknown at this time, as individual projects will have a unique situation regarding other funds.

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 the Department of Commerce's 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 2022, 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, 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.

Does this project include IT-related costs, including hardware, software, cloud-based services, contracts or IT staff?

N/A

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.

For sanitary and storm sewer projects that are within the Puget Sound Action (PSA) area, traditionally projects are submitted to the Puget Sound Partnership (PSP) in advance of the legislature funding those projects. For future projects funded out of the PWAA, Board staff would submit a list of prioritized projects for each funding window (four per biennium) to the PSP for review prior to the funding decisions.

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

The steady decrease of 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 systems need to be brought up to current standards to align with the governor's carbon reduction strategy, replaced in order to improve the quality of our seas, and be able to provide strategic traffic linkages for the transport of goods.

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 provide the building blocks necessary for a sustainable community. The clean water created by modern sewer technology can be used as the water necessary to provide sufficient fire flow. The use of methane to power the sewer plants makes them self-sustaining and keeps costs within reach of the rate payers, 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. The Board is dedicated to the long-term sustainability of Washington's communities. The construction loan program provides a strategic tool that supports these goals.

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

None

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Project Number: 40000038

Project Title: Public Works Board

Description

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Infrastructure (Major Projects)

Grant Recipient Organization: Recipients will be determined through a competitive process.

RCW that establishes grant: 43.155

Application process used

A series of actions start the process of developing a project list.

- Identification of available resources based on the Public Works Assistance Account predictive model.

The model is based on more than 30 years of loans and how they draw and repay. The model also tracks other obligations on the fund, (re-appropriations, operating, state matches for federal resources, and other activities the legislature identifies).

- Identification of loan terms for the cycle (interest rates, loan limits, etc.).
- Approval by the Board of the above actions.

Applicants may apply for funding during four funding windows each biennium.

These cycles align with the federal SRF programs to maximize available federal resources.

- Application is developed with consultation from other infrastructure funders, both state and federally sourced (DOE, DOH, etc.), and stakeholder groups.
- Significant outreach to inform applicants on the availability of resources.
- Webinars and workshops are done to educate clients on the requirements and limitations.
- Applications would be due in the spring and fall of each year.
- Team of five (including non-Board staff) rate and rank each project, meeting to arrive at a consensus scoring.
- Numerically prioritized list with all information is presented to the Public Works Board for consideration.
- Financial underwriting on all applicants and projects is completed.
- Upon Board approval of projects, the contracting process can start.
- Debrief clients not recommended for funding consideration.

Growth Management impacts

TBD

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
058-1	Public Works Assist-State	215,230,000				120,050,000
	Total	215,230,000	0	0	0	120,050,000
			Future Fiscal Periods			
			2021-23	2023-25	2025-27	2027-29
058-1	Public Works Assist-State	86,500,000	8,680,000			
	Total	86,500,000	8,680,000	0	0	0

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Project Number: 4000038

Project Title: Public Works Board

Operating Impacts

No Operating Impact

Narrative

Operating costs for Capital investments are covered in a separate operating appropriation. That operating appropriation covers 9 FTEs, and all costs associated with administering the Board. The cost of administering the \$217 million capital request is less than 1.5 percent.

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/10/2018 5:22PM

Project Number: 40000040

Project Title: Community Economic Revitalization Board

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 4

Project Summary

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). The Department of Commerce (department) and CERB request \$22 million in resources to construct public infrastructure to facilitate private business development and expansion in Washington's communities (\$8.6 million from the Public Facility Construction Loan Revolving Account (Fund 887) and \$13.4 million from the State Taxable Building Construction Account (Fund 355)).

Project Description

The department and CERB request \$22 million in resources to construct public infrastructure to facilitate private business development and expansion in Washington's communities (\$8.6 million from the Public Facility Construction Loan Revolving Account (Fund 887) and \$13.4 million 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.

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.

CERB is a vital business recruitment and retention program for the state, often serving to prevent businesses from moving out of state and to attract 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 \$8.6 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 resources are needed to support public and private investments. CERB's statute requires that "the board shall approve at least seventy five percent of the first twenty million dollars of funds available and at least fifty percent of any additional funds for financial assistance for projects in rural counties" (RCW 43.160.076).

There is an exception that remaining funds available during the last six months of the biennium may be allocated to urban projects. However, business development opportunities don't wait. Having additional funds available when an opportunity arises ensures that valuable economic development prospects for our state are not lost.

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.

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Project Number: 40000040

Project Title: Community Economic Revitalization Board

Description

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, urban communities have increased opportunity to use CERB for economic development projects.

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 \$22 million in loan funds will leverage more than \$484 million in private investment (\$22 private investment per \$1 CERB – 5 year average) and create and retain a minimum of 2,083 permanent jobs (1 job for every \$10,557 CERB – 5 year average).

The \$22 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.

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 not make an impact in addressing this demand. In the last two years, CERB has funded more planning grants than any other two-year window in program history. This created 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.

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 26 planning projects under contract with an additional 14 jurisdictions that have been approved for funding and are working on the conditions necessary to go to contract. These projects are selected for funding, in part, because of the likelihood that they will seek funding from CERB for the construction phase of these planning projects.

In addition to the projects for which CERB provides planning funding, communities are seeking CERB funding for construction projects without first obtaining these planning dollars. It is difficult to quantify these potential applicants as they do not submit applications for funding until they have projects, with specific private partners in mind, that are ready to proceed to construction.

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?

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. Specifics are unknown at this time, as individual projects will have a unique situation regarding other funds.

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Project Title: Community Economic Revitalization Board

Description

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 the Department of Commerce strategic priorities of addressing communities' most urgent needs by funding reliable infrastructure. 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 and pre-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.

This funding supports the Governor's Results Washington Goal 2: Prosperous Economy and related outcome 2.1: 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 758 jobs. This proposal is essential to the successful implementation of Commerce's key goals: Reliable and Sustainable Infrastructure and Growing Economies and their associated outcomes: Build and Maintain Local Capacity and Healthy Economic Climate.

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 2010 and 2014, 1,252 permanent private-sector jobs were created. An additional 3,592 construction jobs were created from the public and private facilities construction associated with CERB funded projects.
(<http://www.commerce.wa.gov/wp-content/uploads/2016/06/Commerce-CERB-2014-final.pdf>)

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.

Does this project include IT-related costs, including hardware, software, cloud-based services, contracts or IT staff?

N/A

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.

N/A

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Project Title: Community Economic Revitalization Board

Description

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

The steady decrease of 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 systems need to be brought to current standards to align with the governor's carbon reduction strategy, replaced in order to improve the quality of our seas, and be able to provide strategic traffic linkages for the transport of goods.

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 provide the building blocks necessary for a sustainable community. The clean water created by modern sewer technology can be used as the water necessary to provide sufficient fire flow. The use of methane to power the sewer plants makes them self-sustaining and keeps costs within reach of the rate payers, 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. CERB is dedicated to the long-term sustainability of Washington's communities. CERB's construction loan program provides a strategic tool that supports these goals.

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

One of the governor's top priorities is to create and sustain a thriving economic climate that spurs job growth. The job creation/retention investments directly support job growth by helping local governments take advantage of economic development opportunities as they arise. With \$22 million in requested funding, the job creation/retention investments will create an estimated 2,083 permanent jobs (1 job per \$10,557 CERB investment – 5 year average), and leverage about \$484 million in other public and private investments – demonstrating the state's leadership in spurring economic development and job growth.

The investments from the CERB account are an economic powerhouse – OFM's prior years' conservative estimate of 9.9 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 32:1 ratio.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Infrastructure (Major Projects)

Grant Recipient Organization: Various

RCW that establishes grant: 43.155

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Project Number: 40000040

Project Title: Community Economic Revitalization Board

Description

Application process used

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. All created jobs must exceed the county median wage. CERB requires that these applicants demonstrate the need for CERB assistance in that no other timely source of funds at similar rates is available.

Prospective Development Construction

Loans (PD). PD loans are available only to rural 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. This program also requires the applicant demonstrate the need for CERB assistance in that no other timely source of funds at similar rates is available.

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, studies, and analyses that address environmental impacts, capital facilities, land use, permitting, feasibility, marketing, project engineering, design, site-planning, and project debt and revenue impacts. This program also requires applicants demonstrate the need for CERB assistant in that no other time source of funds at similar rates is available.

Growth Management impacts

TBD

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
355-1	St. Bld Const Acct-State	67,000,000				13,400,000
887-1	Pub Facil Const Ln-State	43,000,000				8,600,000
	Total	110,000,000	0	0	0	22,000,000
		Future Fiscal Periods				
		2021-23	2023-25	2025-27	2027-29	
355-1	St. Bld Const Acct-State	13,400,000	13,400,000	13,400,000	13,400,000	
887-1	Pub Facil Const Ln-State	8,600,000	8,600,000	8,600,000	8,600,000	
	Total	22,000,000	22,000,000	22,000,000	22,000,000	

Operating Impacts

No Operating Impact

Narrative

Operating costs for Capital investments are covered in a separate operating appropriation. That operating appropriation covers 2.3 FTEs, and all costs associated with administering the Board. The cost of administering the \$8 million capital request is less than 1 percent.

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Capital Project Request**

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 8:46AM

Project Number: 40000042

Project Title: Clean Energy Transition 4

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 5

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 CEF was established in the 13-15 biennium and renewed for the 15-17 and 17-19 biennia. Its intent is to provide a benefit to the public through the 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, state research institutions, homeowners (through the Grants to Non-Profit Lenders Program), and utilities in the state to develop new technologies, electrify the transportation system, make improvements to their buildings and modernize the electric grid.

This request would fund the following programs, push out the edges of technology, and close the divide with low/medium income families to incorporate these technologies into the properties and lifestyles.

Grid Modernization Grants (\$30.0 million)

This set-aside would fund the following:

- Engineering and infrastructure build out;
- Breakthrough/Innovation approaches;
- Electric utility grid improvements to integrate intermittent renewable generation; and
- Grid improvements to integrate vehicle electrification.

Strategic Research, Development & Demonstration (RD&D) (\$24.3 million)

This set aside funds the following:

- University clean energy technology RD&D;
- Private entity clean energy RD&D;
- RD&D Match; and
- Advanced research and materials science match program.

Nonprofit Lenders Grants (\$10.0 million)

This would continue a loan loss reserve for residential and commercial energy efficiency, renewable energy, and transportation electrification.

Transportation Electrification Grants (\$10.0 million)

This would support local government entities (municipalities, schools, ports, etc.) in developing the next generation electric vehicle infrastructure build.

Nutrient Energy Water Technology (\$10.0 million)

This set-aside would help engage water resource recovery facilities to accelerate pathways towards more sustainable infrastructure, including Net Zero Capable facilities. It aims to catalyze the adoption of innovative and best-practice approaches in data management, technology, financing to improve energy efficiency, recovery of nutrients, and the capture of biogas to reduce greenhouse emissions. In the process, efforts could create new markets. Funding would help demonstrate best-practice/cutting-edge approaches and tools toward sustainable wastewater infrastructure and yield road-tested examples for other facilities.

Clean Energy Transition Assistance (\$10.0 million)

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Description

This set-aside would help vulnerable communities and households equitably transition to a clean energy economy. This would prioritize areas with greater barriers and where pollution is concentrated. This set aside would also lower energy use, increase renewable energy use, and decrease transportation costs in low-income communities through expanded installation of clean energy technologies.

Maritime Blue (\$5.0 million)

This set-aside would build the center to house the Washington Maritime Blue Cluster Alliance. The alliance is the primary force to support and accelerate the clean energy transition in the maritime sector. As an example, The Port of Seattle proposes to renovate the Seattle Ship Supply building—co-locating like-minded businesses or startups with collaboration from academia, industry and policy-makers is critical to help facilitate the needed culture for innovation in maritime. The Center will leverage regional expertise in high-tech software and data companies to introduce disruptive technologies in the maritime field and support early-stage maritime companies and product development with a hub-and-spoke model of collaboration across the entire maritime sector in Washington.

State Energy Efficiency Program (\$700,000)

This set-aside would help support and guide leaders in state government in implementing Executive Order 18-01, as well as to reduce Washington State government's emissions of greenhouse gasses (GHGs) and its purchases of products containing toxic substances. The SEEP Program will convene, oversee and monitor the development of new operational teams, processes, and procedures designed to deliver the greatest possible reductions, in the shortest possible time, at the lowest possible cost.

Washington has an opportunity to support Washington's clean energy businesses in growing their market share and moving Washington's clean energy forward as the next export-rich industry. The state's current \$43 million investment in the CEF 3 is expected to leverage more than \$100 million in matching funds from industry partners. New grid technologies, developed and deployed in Washington, are now positioned to sell into rapidly growing global markets.

The CEF directly supports job growth by making grants to utilities and businesses for projects including, but not limited to: residential, industrial, and commercial energy retrofits, loan loss reserves enabling affordable loans to homeowners, residential and community scale solar installations, electrification of the transportation system, anaerobic digesters to treat dairy and organic waste, and combined heat and power projects using woody biomass as a fuel. Grants are also provided for matching federal or private energy research, development, and demonstration funds and to advance renewable energy.

With \$100 million in requested funding, the CEF will leverage more than \$240 million in other public and private investments demonstrating the state's leadership in spurring economic development, vehicle electrification, and job growth within the clean energy field.

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 way the public currently uses energy, the amount of energy used, and energy generation pollution is unsustainable over the long-term. Strategic investments and innovative approaches are needed to ensure a future where all citizens have equal access to reliable, clean energy for generations to come.

The CEF provides a benefit to the public through the 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 number of applications shows the desirability of the CEF. Each biennium, the CEF program leverages an average of \$2.47 for each grant dollar in private financing, public and private research monies, and electric utility funds.

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Project Title: Clean Energy Transition 4

Description

Without the state's investment, the number of clean technology patents in clean energy solutions will be reduced substantially across the state. The lack of state investment in clean energy innovations will reduce private financing, public research institutions, and electric utility investments currently leading to the rapid growth of the state's clean technology economy.

As Washington makes the transition to the clean energy economy, the Clean Energy Fund has the opportunity to make equitable investments across the state while ensuring low-income communities share in the benefits of clean energy. Clean energy investments ultimately place Washington at the forefront of the clean energy transition, reduces the true cost of energy, and increases energy self-sufficiency.

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 Clean Energy Funds Program runs competitive solicitations to get the greatest benefit for Washingtonians as possible. Historically, the contractor-provided match has exceeded 110 percent of the state funds with some contractors currently reporting a 7:1 match ratio with projections of 20:1 match by grant closeout. The current average of match for all Clean Energy Funds awarded is \$2.47 for each dollar invested. All awarded contracts must meet the minimum 1:1 match of state appropriations to non-state funds.

Since the department facilitates a competitive process, outcomes are approximate. Nonetheless, the following projects will push technology boundaries and help low/medium income families incorporate these technologies into the properties and lifestyles.

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

The department will implement the four-fold strategy noted above. The investment provided by non-state match continues to be greater than allocated state funds and consequently the state investment and clean technology businesses and non-profit lenders are clamoring for a larger state investment for this biennium. Program benefits are estimated at 30 percent greater than costs. The non-state funds leveraged dollars by the Clean Energy Fund makes the program a sound investment for Washington.

The department also proposes an expansion to the Strategic RD&D investments to catalyze new facilities and institutions that can become centers of excellence, which in turn attracts additional investment and endures as institutions over time. This includes advanced research capabilities, materials sciences and clean technology research development and commercialization.

Underfunding or not continuing the Clean Energy Fund Program may lead to stalled development of the state's clean energy sector. It would also lower employment rates within this sector, encourage employer flight to other states providing more substantial incentives, or key employees and researchers from the nascent clean technology sector to leave for better opportunities elsewhere. Without the state's investment, the number of clean technology patents in clean energy solutions will be reduced substantially across the state. The lack of state investment in clean energy innovations will reduce private financing, public research institutions, and electric utility investments currently leading to the rapid growth of the state's clean technology economy.

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.

While there are different ways to approach the projects proposed, without significant state participation Washington risks being behind the curve in the transition to the clean energy economy, decreasing clean technology business investment in Washington, and does not meet the governor's goal of Washington continuing its role as a leader in energy efficiency and carbon reduction.

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Project Number: 40000042

Project Title: Clean Energy Transition 4

Description

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

Washington residents, businesses and research institutions will benefit from the four-fold strategy noted above. The diversity of the Clean Energy Funds Program adds value by maximizing the spectrum of clean energy technology being implemented. This ranges from mature energy efficiency technology retrofits, to the demonstration of cutting-edge solutions in electric utility grid resiliency, and the cutting-edge research in game-changing technology at the state's private and public research institutions.

Additionally, this state investment is training tomorrow's smarter and agile generation of workers. This state investment supports Washington's clean energy businesses in growing their market share and moving Washington's clean energy economy forward as the next rich industry. It incrementally solves climate change concerns within the current economic constructs of the state's marketplace.

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?

As a result of Washington's investment of \$100 million, the Clean Energy Funds Program has the ability to attract over \$247 million in private financing, utility funding, federal and local funds that would not be available to clean energy technology businesses without this statewide investment.

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 supports the Governor's Results Washington Goal 3 by prioritizing Sustainable and Clean Energy (Goal 3) through energy efficient buildings (Goal 3.1.3), clean energy demonstration investments promoting the improvement of non-electrical energy efficiency of buildings and industrial processes to reduce greenhouse gas emissions (Goal 3.1.3), increasing the number of plug-in electric vehicles registered in Washington (Goals 3.1.1.c), and integrating intermittent renewable generation, which will decrease non-electric fossil fuel consumption associated with residential and commercial end users (Goal 3.1.3a).

It also supports the department's strategic priorities of funding reliable infrastructure, building a clean energy future, and increasing living wage jobs by investing in electrical grid modernization and new clean energy technology development within the state. The Clean Energy Funds Program creates an estimated 1,000 clean technology jobs.

Does this project include IT-related costs, including hardware, software, cloud-based services, contracts or IT staff?

N/A

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.

N/A

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

The Clean Energy Fund contributes to the statewide goals of reducing carbon pollution and improving energy efficiency by making direct strategic investments in clean energy technology. The Clean Energy Fund programs outlined in question 2 above cover the spectrum of activities that meet this goal. Those programs are: Grid Modernization, RD&D, Grants to Non-profit lenders, State Energy Efficiency, and Transportation Electrification.

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 Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 8:46AM

Project Number: 40000042

Project Title: Clean Energy Transition 4

Description

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

The governor's top priority is to create and sustain a thriving economic climate that spurs job growth. Clean Energy is a key component of that priority. The Clean Energy Funds Program directly encourages job growth across industries via financing, researching, engineering, constructing various clean energy innovations and energy efficiency products. With \$100 million in funding, the Clean Energy Funds Program will leverage at least \$100 million in other public and private investments demonstrating the state's leadership in spurring economic development and job growth. Clean Energy Funds will create an estimated 1,000 jobs in the state.

In addition, this project has an opportunity to support Washington's clean energy businesses in growing their market share and moving Washington's clean energy economy forward as the next export-rich industry.

This proposal requires the authorization and addition of 10.6 FTEs. This is based on using 3 percent of the appropriation for program administration costs.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Various

RCW that establishes grant: 43.325

Application process used

Funds will be distributed as grants. A competitive process within each fund program area will determine awardees. \$100 million in Clean Energy Funds will generate leveraged funds from other non-state entities and private partners of at least 1:1. CEF 1 and CEF 2 experience has a leverage ratio of nearly 5:1. When CEF 3 funds are placed in contract, they are expected to garner a 5:1 ratio.

Growth Management impacts

TBD

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
057-1	State Bldg Constr-State	50,000,000				10,000,000
355-1	St. Bld Const Acct-State	450,000,000				90,000,000
	Total	500,000,000	0	0	0	100,000,000

		Future Fiscal Periods			
		2021-23	2023-25	2025-27	2027-29
057-1	State Bldg Constr-State	10,000,000	10,000,000	10,000,000	10,000,000
355-1	St. Bld Const Acct-State	90,000,000	90,000,000	90,000,000	90,000,000
	Total	100,000,000	100,000,000	100,000,000	100,000,000

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Report Number: CBS002

Date Run: 9/13/2018 8:46AM

Project Number: 40000042

Project Title: Clean Energy Transition 4

Operating Impacts

Total one time start up and ongoing operating costs

Acct Code	Account Title	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
FTE	Full Time Employee	10.6	10.6	10.6	10.6	10.6
057-1	State Bldg Constr-State	150,000	150,000	150,000	150,000	150,000
355-1	St. Bld Const Acct-State	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000
	Total	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000

Narrative

This proposal requires the authorization and addition of 10.6 FTE.

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Capital Project Request
2019-21 Biennium
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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2018 8:41AM

Project Number: 40000047

Project Title: CERB Broadband

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 6

Project Summary

The Department of Commerce and the Community Economic Revitalization Board (CERB) are requesting \$20 million to provide low-cost financing to local governments and federally recognized Indian tribes to build high-speed, open-access broadband infrastructure. Rural communities do not have access to adequate broadband services or connection speeds. These funds will foster community and economic development in rural and underserved communities, serve the growing needs of local education systems, increase local connectivity and resiliency, drive job creation, promote innovation, and expand markets for local businesses.

Project Description

This Rural Broadband Construction Program was developed at the direction of House of Representative members. During the supplemental capital budget session, CERB staff collaborated with 22 legislative members to gain feedback about the Rural Broadband Construction Program.

After the legislature and governor approved the Rural Broadband Construction Program, staff conducted 22 stakeholder meetings and two CERB policy committee meetings. CERB approved the program policies and materials on May 17, 2018. Since the policies were approved, CERB staff has presented at five AWC (Association of Washington Cities) Small City Connector meetings, the AWC Conference, and the Washington Public Ports Association Spring Conference. CERB staff also held six Rural Broadband Workshops around the state. CERB staff engaged with approximately 400 individuals (representing many local jurisdictions and federally recognized Indian tribes) regarding the Rural Broadband Construction Program.

The Rural Broadband Construction Program would allow local governments and federally recognized Indian tribes to own their own broadband infrastructure. They can then lease the capacity to one or many internet service providers, who ultimately provide retail internet service to the end user. This program has changed the conversation with local governments, federally recognized Indian tribes and the internet service providers, and opened new opportunities for local innovation.

As the Rural Broadband Construction Program is a new program, many communities are at the planning stage of rural broadband. These communities are applying to the core CERB program and other funders to meet their planning needs, and this will lead to a strong pipeline of future rural broadband construction projects statewide.

As loan funds are repaid by funding recipients to CERB, those funds will return to the Public Facility Construction Loan Revolving Account (Fund 887) and can be used to finance other public infrastructure related to economic development.

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.

Essential services, such as the state's 911 emergency system, banking, and transferring prescriptions from a doctor's office to a pharmacy require high-speed broadband internet connections. Yet today, 200,000 Washingtonians lack access to the fiber optic lines that allow communities to participate in the global economy and maintain community services.

The picture is grim for many of the small farming towns of southeastern Washington, where cell phone service is spotty, and internet is available only through the over-capacity and slow satellite services.

As schoolwork becomes increasingly digital, a lack of broadband access makes it difficult for kids to complete homework assignments and research projects. Most of the state's students are required to do homework online; their books and materials are also digital. The state continues to invest in the equitability of education.

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2018 8:41AM

Project Number: 4000047

Project Title: CERB Broadband

Description

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.

Broadband infrastructure projects that are located in a rural community, or rural county, encourage, foster, develop, and improve broadband within the state in order to:

- Drive job creation, promote innovation, and expand markets for local businesses; or
- Serve the ongoing and growing needs of local education systems, health care systems, public safety systems, industries and businesses, governmental operations, and citizens; and
- Improve accessibility for underserved communities and populations.

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

When an internet service provider builds and owns the broadband infrastructure, they generally try to recapture their return on investment in 2-4 years. This model makes the price for the retail end user much higher.

When a local government or federally recognized Indian tribe builds and owns the broadband infrastructure, they generally try to recapture their return on investment in 15-20 years. This model makes the price for the retail end user much more affordable.

CERB's Rural Broadband Construction Program helps the local government or federally recognized Indian tribe finance the construction of the infrastructure with low-interest loans, and may make grants in unique circumstances. By allowing the local government or federally recognized Indian tribe to extend the recapture time for their return on investment, communities can expand their network infrastructure at a pace that suits their own unique needs.

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 core CERB program can fund broadband infrastructure strictly for economic development, by way of private job creation/retention, private investment, and increased tax revenue. This is a heavy lift for broadband infrastructure, as a community must prove the viability of a broadband project to create jobs and allow private business to expand. This places communities in a soft position to respond to a business need, rather than a communities' growing need for broadband infrastructure services.

The Rural Broadband Construction Program has a more holistic community development approach that includes economic development and business use, as well as local education systems, health care systems, public safety systems, governmental operations, and citizens. This places communities in a strong position to respond to their unique broadband needs, and expands opportunities for local innovation and community development.

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

Cities, towns, counties, federally recognized Indian tribes, municipal corporations, public port districts, quasi-municipal corporations and special purpose districts.

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?

CERB projects are required to have a matching component and will attract additional project investment. CERB mostly provides gap funding that leverages other local, state, and federal funds, as well as private investments.

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Date Run: 9/11/2018 8:41AM

Project Number: 40000047

Project Title: CERB Broadband

Description

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.

Strategic Priorities for FY19-21

Addressing communities' most urgent needs by:

- Funding reliable infrastructure

Make a Difference by:

- Bringing new approaches to how we support communities
- Engaging communities to better respond to their needs
- Helping communities assess and improve resilience

This funding also supports the governor's Results Washington Goal 2: Prosperous Economy, with rural broadband infrastructure representing a significant investment in the long-term economic well-being of a community. This proposal is essential to the successful implementation of Commerce's key goals: Reliable and Sustainable Infrastructure and Growing Economies and their associated outcomes: Build and Maintain Local Capacity and a Healthy Economic Climate.

Local governments' and federally recognized Indian tribes' ability to offer adequate broadband infrastructure 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 decision package directly supports the ability of local governments and federally recognized Indian tribes 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, and are more expensive on a per capita basis.

Does this project include IT-related costs, including hardware, software, cloud-based services, contracts or IT staff?

N/A

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.

N/A

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

N/A

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

This Rural Broadband Construction Program leverages an existing and successful program (CERB) with a proven track record of creating direct, permanent jobs and attracting significant private business investment.

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2018 8:41AM

Project Number: 40000047

Project Title: CERB Broadband

Description

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Infrastructure (Major Projects)

Grant Recipient Organization: various

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
355-1	St. Bld Const Acct-State	100,000,000				20,000,000
	Total	100,000,000	0	0	0	20,000,000

Future Fiscal Periods

	2021-23	2023-25	2025-27	2027-29
355-1 St. Bld Const Acct-State	20,000,000	20,000,000	20,000,000	20,000,000
Total	20,000,000	20,000,000	20,000,000	20,000,000

Operating Impacts

No Operating Impact

Narrative

Operating costs for Capital investments are covered in a separate operating appropriation. That operating appropriation covers 2.3 FTEs, and all costs associated with administering the Board. The cost of administering the \$20 million capital request is less than 1.5 percent.

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2018 1:27PM

Project Number: 40000048

Project Title: Weatherization

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 7

Project Summary

The Department of Commerce (department) is requesting \$28 million to continue the Weatherization Plus Health Matchmaker Program's statewide investment in clean energy, positive health outcomes and preservation of affordable housing. At this time, the department estimates that this investment will leverage approximately \$20 million in utility funding for a total investment of \$48 million. With \$48 million invested, the Matchmaker Program will improve the energy efficiency, health, and safety of approximately 5,700 low income households. These homes include hard-to-reach markets, including rental and multi-family households, and medically vulnerable households.

Project Description

It is estimated that over 300,000 households need weatherization services in the state of Washington. Emerging scientific evidence links residents' health outcomes, such as asthma, lead poisoning, and unintentional injuries to substandard housing. Many of our state's most vulnerable populations, 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 helps create healthy, efficient homes where families can grow and age in place, reducing negative health outcomes and improving living conditions.

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.

The Weatherization Plus Health Matchmaker Program matches funds from utilities, property owners, and other sources dollar-for-dollar to provide housing improvements in low-income households around the state of Washington. This program supports living wage construction jobs for our Washington workforce, reduces home utility bills for Washington state low-income residents and improves Washington's energy security. The Weatherization Plus Health Matchmaker Program extends the useful life of affordable housing stock by improving a home's energy efficiency, durability, health, and safety.

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.

Self-sufficiency and health: This investment reduces state health care spending by improving health outcomes for households with respiratory issues and the aging adult population. With a capital budget funding level of \$28 million, the department can expand Plus Health services to all Washington counties by testing new delivery models to provide services to harder-to-reach clients (renters and multi-family). It will also allow development of new partnerships with public health organizations, local Department of Health, and Regional Accountable Communities of Health to test integrated services.

In Washington, more than 800,000 individuals are living below the federal poverty level. They are disproportionately burdened by high housing costs, which includes significant energy cost burden. High energy burden is defined by a household spending more than 6 percent of their monthly expenses on utility costs. Many households spend more than 15 to 20 percent of their monthly income on utility costs. Excessive housing costs can push people into homelessness.

Affordable housing: There is an affordable housing crisis in Washington. This crisis will not be brought to an end as result of new construction as a sole strategy. Existing affordable housing must also be preserved and maintained. The Matchmaker program does just this by repairing and weatherizing homes - making them safer, healthier and more comfortable.

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2018 1:27PM

Project Number: 40000048

Project Title: Weatherization

Description

Infrastructure and clean energy: The Weatherization Plus Health Program reduces energy use in low-income households. This is one component of a multi-faceted conservation approach in our state that has offset the need to create new power generation. Household energy savings are \$270 per home per year, according to the U.S. Department of Energy. The health and societal benefits are far greater, making this program a sound investment for the state of Washington.

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.

With \$28 million for the FY20-21 biennium, the department estimates 3,325 homes will be weatherized, with at least 30 percent of them also receiving Plus Health services. These homes will include hard-to-reach markets, including rental and multi-family households, and medically vulnerable households.

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

The result of taking no action would be that the affordable housing stock in Washington continues to fall into inhabitable disrepair, low-income families remain unstably housed in homes that could be making them sicker, and Washington would be less energy secure.

The result of not taking action is that 3,325 households per year will go without receiving much-needed help. With an average savings of \$270 per year per household, this equates to \$897,750 in additional energy burden to these households that would otherwise be reduced with access to program funding.

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.

Alternatives explored include various funding levels for the Weatherization Plus Health Program. We believe that \$28 million for the FY20-21 allows the department to continue building the Plus Health portion of the program, which was authorized in 2015 via HB1720. Funding of \$28 million will be sufficient to continue to provide access to these services, while building the Plus Health component into a statewide program.

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 Matchmaker Program serves low-income households at or below 200 percent of federal poverty level, 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.

Weatherization Plus Health Matchmaker Program serves single-family, multi-family, and manufactured housing, both rental and owner occupied.

With \$28 million for the FY20-21 biennium, we estimate 3,325 homes will be weatherized with 30 percent of them also receiving Plus Health services. These homes include hard-to-reach markets, including rental and multi-family households, and medically vulnerable households.

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?

Weatherization Plus Health Matchmaker Program dollars are, by definition, leveraged dollars. Statutory intent authorizing the program was for the expeditious delivery of federal weatherization fund sources and to ensure low-income household access to

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Project Number: 40000048

Project Title: Weatherization

Description

utility conservation dollars.

Other sources of funding that support the effort include federal grants from the U.S. Department of Energy, U.S. Health and Human Services (through the Low Income Home Energy Assistance Program), Bonneville Power Administration and both investor-owned and publicly owned utility investment.

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 Weatherization Plus Health Matchmaker Program addresses a number of key strategic goals for the department. In particular, this program supports affordable housing, self-sufficiency, living wage jobs and clean energy. The Weatherization Plus Health Matchmaker Program conserves energy, creates stronger communities through safe and secure housing, develops more reliable and sustainable infrastructure by maintaining affordable housing and supports living wage construction jobs in the state.

Does this project include IT-related costs, including hardware, software, cloud-based services, contracts or IT staff?

N/A

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.

N/A

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

Energy conservation is a fundamental goal of this program. Weatherization work has a long history rooted in saving energy, reducing waste and making families more solvent as a result. Every home that is worked on contributes to this goal, whether through air sealing, adding insulation, installing more energy-efficient HVAC systems or simply educating homeowners on energy conservation.

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

This proposal requires the authorization and addition of 3.1 FTE.

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2018 1:27PM

Project Number: 40000048

Project Title: Weatherization

Description

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
057-1	State Bldg Constr-State	140,000,000				28,000,000
	Total	140,000,000	0	0	0	28,000,000

		Future Fiscal Periods			
		2021-23	2023-25	2025-27	2027-29
057-1	State Bldg Constr-State	28,000,000	28,000,000	28,000,000	28,000,000
	Total	28,000,000	28,000,000	28,000,000	28,000,000

Operating Impacts

Total one time start up and ongoing operating costs

Acct Code	Account Title	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
FTE	Full Time Employee	3.1	3.1	3.1	3.1	3.1
057-1	State Bldg Constr-State	420,000	420,000	420,000	420,000	420,000
	Total	420,000	420,000	420,000	420,000	420,000

Narrative

This proposal requires the authorization and addition of 3.1 FTE.

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2018 9:11AM

Project Number: 4000050

Project Title: K-12 Net Zero Energy Schools

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 8

Project Summary

To develop the next generation of energy-efficiency school specifications, the Department of Commerce (department) requests to administer a competitive grant fund for the development of net zero energy schools. This will provide guidance in the development of funding opportunities, state building codes and provide information to the Office of State Public Instruction (OSPI) and school administrators. This project would develop and implement model school designs that meet state carbon emission reduction goals.

Project Description

The department will administer a school construction enhancement fund. New school buildings funded through the Capital Budget will be eligible to compete for the funds. Participants will be asked to develop a preliminary net zero energy design and provide a life cycle cost assessment. Projects that propose the most cost effective solutions while meeting energy goals will be awarded the funds. The department anticipates an average of \$2.5 million enhancement per project.

As well as developing net zero design and construction projects, the project will create valuable data on the approach. Application and close-out documentation will require participants to report on design strategies and construction issues, as well as provide pre- and post-life cycle cost assessments. This will support the development of advanced specifications for energy efficient buildings and future capital funding request.

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.

As part of the state's climate action commitments, the department is charged with advancing building energy efficiency and developing pathways to reduce greenhouse gas emissions (reference RCW 19.27a.150). Creating projects that demonstrate the application of advanced energy efficient design and construction play a large role in advancing the efficiency throughout the building industry.

The state capital budget supports local school districts by providing matching funds for school construction. Each year this partnership results in nearly \$1 billion in construction. As these projects are developed, it is in the public interest to assure they are energy efficient and resilient community assets.

Net zero schools begin by reducing energy use through application of building assemblies, mechanical systems and lighting that minimize energy use. Any remaining energy consumption is then offset by the installation of renewable energy systems, most likely solar electric panels. On an annual basis, the electricity generated at the building exceeds the electricity purchased from the utility – net zero.

Pathways to net zero schools are well developed. A guidebook by the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE), the nation's leading building engineering society, provides detailed guidance on the development of net zero schools. Net zero schools lead other building types in the count of completed net zero building projects in the U.S.

A number of Washington schools have already demonstrated that they can achieve very low energy use, consistent with net zero energy designs. The best performing school is designed to achieve a EUI (kBtu/Square foot/year) of 17[1]. A small private school, the West Side School in Seattle, has an operational EUI of 14[2]. The Olympia Regional Learning Academy will achieve net-zero energy when solar photovoltaic (PV) is added to the project[3].

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2018 9:11AM

Project Number: 4000050

Project Title: K-12 Net Zero Energy Schools

Description

The department has previous experience administering net zero energy enhancement funding. Through a competitive fund, the Housing Trust Fund allocated \$1.9 million resulting in three net zero energy projects. A total of 160 housing units were developed with this fund. While the enhancement funding provided the majority of the incremental cost, each project provided some portion of the total.

1 <http://www.k12.wa.us/LegisGov/2016documents/2016-HighPerformanceSchoolBuildings.pdf>

2 <http://www.hpbmagazine.org/Westside-School-Seattle/>

3 <http://www.theolympian.com/news/local/article26098870.html>

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 proposal would help create additional funding for the design and construction of school buildings. The funds will be a combination of participant, OSPI and department grant funds.

The department estimates this funding will supplement four to five projects. The project schedule and phasing will be determined by the participants. The department anticipates the grant funds will be awarded in 2020 with project execution in 2021 or 2022.

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

This request creates net zero school demonstration projects:

- As part of the request, the department would collect valuable data on preferred design strategies, project cost and construction management. This can feed future standards development and budget requests.
- Construction professionals will gain valuable lessons in design, construction and commissioning of low energy schools. Participating labor will learn new skills.
- OSPI and school districts will gain experience managing low energy school procurement. These lessons will be shared with school districts throughout the state.

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.

No action is the alternative. The result of no action is a relatively static building industry and limited advancement toward the goals of low energy, low carbon emissions buildings.

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

The department anticipates the competitive funding request will supplement four to five projects.

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?

Public school projects typically use a number of funding sources. This includes local and state funds (OSPI - School Construction Assistance Program or K3). This project will include an incremental funding source to the existing funds.

Like the Housing Trust Fund noted above, the department anticipates participants will self fund some of the incremental cost of construction.

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Capital Project Request
2019-21 Biennium**

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2018 9:11AM

Project Number: 40000050

Project Title: K-12 Net Zero Energy Schools

Description

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 program would support Results WA Goal 3.1.3 by improving non-electrical energy efficiency of buildings and industrial processes by using energy efficiency building products, lighting and mechanical systems when building new schools. It will also support Results WA Goal 3.1.2 of reducing greenhouse gas emissions from electrical energy consumption by off-setting the remaining energy consumption of the schools by installing renewable energy systems.

This program connects to the department’s strategic priorities of building a clean energy future and funding reliable infrastructure. By championing net-zero activities, the department supports communities having energy resiliency by reducing the amount of energy schools need to draw from the school. With the renewable energy systems, the school will also serve as a place people can go in an emergency.

Does this project include IT-related costs, including hardware, software, cloud-based services, contracts or IT staff?

N/A

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.

N/A

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

Yes. Please see responses to the previous questions.

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

Approximately 1.1 FTE in the 19-21 biennium would be required to administer the program:
EMS Band 1 – 0.5 FTE each year
Commerce Specialist 3 – 0.5 FTE

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used

Competitive grant process.

Growth Management impacts

TBD

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2018 9:11AM

Project Number: 4000050

Project Title: K-12 Net Zero Energy Schools

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period		
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations	
355-1	St. Bld Const Acct-State	12,001,000				11,942,000	
	Total	12,001,000	0	0	0	11,942,000	
		Future Fiscal Periods					
		2021-23	2023-25	2025-27	2027-29		
355-1	St. Bld Const Acct-State	59,000					
	Total	59,000	0	0	0		

Operating Impacts

Total one time start up and ongoing operating costs

Acct Code	Account Title	FY 2020	FY 2021	FY 2022
FTE	Full Time Employee	1.2	1.0	0.5
355-1	St. Bld Const Acct-State	163,000	138,000	59,000
	Total	163,000	138,000	59,000

Narrative

Approximately 1.1 FTE in the 19-21 biennium would be required to administer the program: EMS Band 1 – 0.5 FTE each year
Commerce Specialist 3 – 0.5 FTE

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2018 9:47AM

Project Number: 4000052

Project Title: Rural Rehabilitation Loan Program

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 9

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. This program in the Department of Commerce (department) would provide deferred payment loans to rural property owners to pay for the cost of rehabilitation and repair of their homes. It stabilizes housing for people at risk of losing their homes, or who live in deteriorating, unhealthy homes. It is a cost-effective alternative to building new housing.

Project Description

A practical and cost-effective solution to retain affordable housing and stabilize rural communities is the continued funding of a statewide Low-Income Home Rehabilitation Revolving Loan Program. This program would fund deferred payment loans to 700 homeowners in the FY 20-21 biennium for major repairs needed for low-income homes to become "weatherization ready".

This program was established by the 2017 legislature in Engrossed Senate Bill 5647 and funding in FY18-19 with \$5 million in seed funding to launch the program.

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.

Substandard housing is having a negative impact on residents of rural communities in Washington. Many people, including seniors and disabled persons living in poverty, have equity in their homes but lack the financial resources to borrow against their homes to keep up with necessary maintenance.

The experience of local agencies delivering low-income weatherization services in rural areas is that 50 percent of eligible households live in homes considered substandard. Substandard housing is not just housing that's unattractive or outdated; it is housing that poses a risk to the health, safety or physical well-being of its occupants, neighbors and visitors. According to a report published by the University of California Berkeley Health Impact Group, substandard housing is associated with increased risk of disease, crime, social isolation and decreased mental health.

Maintaining and improving existing homes in rural areas for low-income people is a critical component in the mix of solutions to address Washington's affordable housing problem. Substandard housing is a serious problem that affects our most vulnerable populations, specifically children, elderly, the disabled and veterans.

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.

With \$20 million from the capital budget, the program would fund 700 deferred loans for rural low-income homeowners. While these funds will directly benefit clients this biennium, the investment of these dollars will also fund the program in the future when the loans are repaid at time of sale.

In 2017 the legislature passed ESB 5647 creating the Low-Income Rehabilitation Revolving Loan Program. Once capital funds were available in late January 2018, The department immediately started working with stakeholders to develop the administrative rules and guidelines for the new program. By the start of the FY 20-21 biennium, the department expects the network of contractors to be up to speed on the delivery of this critical program.

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Date Run: 9/11/2018 9:47AM

Project Number: 40000052

Project Title: Rural Rehabilitation Loan Program

Description

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

A major component of the Low-Income Home Rehabilitation Revolving Loan Program is to help rural families get their homes to a condition where low-income weatherization services can be performed so they can live in safe, efficient and healthy homes. Home rehabilitation, combined with energy efficiency upgrades, helps people stay in their homes, helps stabilize neighborhoods, improves local school attendance and improves the health and safety of their living environments. Improving living conditions for residents improves the communities in which they live. The cost of preserving existing homes and keeping people in safe, affordable homes is an effective, cost-saving alternative to building new homes or having people forced to move out of substandard housing.

The cost of developing new affordable homes is on the rise—given the current housing shortage, the state cannot afford to lose any of its existing affordable housing units.

Investing now in a sustainable statewide revolving loan program can be a critical component in the mix of solutions to address the state's affordable housing problem.

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.

People with low incomes often have little to no access to resources to maintain or upgrade their homes. This is especially so in rural communities, as defined by Housing and Urban Development (HUD) non-entitlement communities. The local governments in the non-entitlement areas have access to few resources to implement a home rehabilitation program for low-income homeowners.

Many people with low income who own their homes or have considerable equity in their homes cannot afford the escalating cost of home maintenance and utility bills. They have an asset in their home but insufficient cash or ability to borrow to make needed repairs. Some households at 200 percent poverty or less will not qualify for a conventional loan from most lenders, so they continue to defer maintenance of their home, which often results in accelerated depreciation and unsafe living conditions.

Local governments in non-entitlement areas can apply for Community Development Block Grants (CDBG) to deliver a home repair program through the department via a competitive process. Only counties and cities designated non-entitlement may apply for these funds and can only make one application per year. However, there is no set-aside for home rehabilitation so local governments often have to choose between submitting an application for an infrastructure upgrade like a storm-water drainage enhancement or supporting construction of a local food bank versus a home rehabilitation loan program. There have been only a handful of CDBG grants to support home rehabilitation, making funding sporadic and only available in communities that are willing to prioritize this work. These grants have enabled communities to test and prove approaches for home rehabilitation in rural areas. Dedicated state funding will enable the department to scale up this approach to meet the needs of Washington's rural communities statewide.

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

This program would help homeowners at or below 200 percent of the federal poverty level living in rural HUD non-entitlement areas. The designation is based on overall population size of the local government's geographical boundaries.

The program will prioritize services to seniors, people with disabilities, families with children five years old and younger, and military veterans. Any household whose income is at or below 200 percent of the federal poverty level would be eligible to participate.

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Report Number: CBS002

Date Run: 9/11/2018 9:47AM

Project Number: 4000052

Project Title: Rural Rehabilitation Loan Program

Description

With \$20 million, the department estimates 700 households will be served over the FY19-20 biennium. Loan repayment can be deferred until time of sale of the home, with a modest, simple interest to sustain administration of the program, and will be secured by the homeowner's equity in the home based on its assessed value. The revolving nature of this fund means it's a one-time commitment that will evolve into the future, reaching many more homes than the first recipients.

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 Low-Income Home Rehabilitation Revolving Loan Program has been designed to be a companion program with the Low-Income Weatherization Assistance Program funded by state Weatherization Plus Health Matchmaker Program dollars. It would also be a companion to the Department of Energy Weatherization Assistance Program (\$5 million/yr), Health and Human Services Low-Income Home Energy Assistance Program (\$11 million/yr) and Bonneville Power Administration Low-Income Energy Efficiency Program (\$2.3 million/yr). The Low-Income Rehabilitation Revolving Loan Program will help decrease the deferral rate of eligible weatherization clients in Washington, enabling these households to participate in the weatherization program in addition to preserving existing affordable housing stock that would otherwise continue to fall in to a state of disrepair.

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 Low-Income Home Rehabilitation Revolving Loan Program addresses a number of key strategic goals for the department. In particular, this program supports affordable housing, self-sufficiency, living wage jobs and clean energy. The Low-Income Home Rehabilitation Revolving Loan Program preserves affordable housing and makes them weatherization ready in order to conserve energy and reduce operating costs. It creates stronger communities through investing in safe and secure housing, develops more reliable and sustainable infrastructure by maintaining affordable housing and supports living wage construction jobs in the state.

Does this project include IT-related costs, including hardware, software, cloud-based services, contracts or IT staff?

N/A

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.

N/A

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

In addition to preserving affordable housing in rural communities, a primary goal of the program is to make homes weatherization ready. Energy conservation is a fundamental component of weatherization. Weatherization work has a long history rooted in saving energy, reducing waste and making families more solvent as a result. Every home that is worked on contributes to this goal, whether it is through air sealing, adding insulation, installing more energy-efficient HVAC systems or simply educating homeowners on energy conservation.

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Project Number: 4000052

Project Title: Rural Rehabilitation Loan Program

Description

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

As Washington takes on the challenge of providing affordable housing for all, it is important to recognize that the retention of our existing housing stock is critical to achieving this objective. Developing home rehabilitation and affordable housing retention programs are among the most cost-effective and fiscally reasonable actions state and local government can take to address the needs of low-income homeowners. Investing in this reasonable and cost-effective approach makes the most sense for people with low income, and for strengthening our communities.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Loans

Grant Recipient Organization: Various

RCW that establishes grant: N/A

Application process used
TBD

Growth Management impacts

None

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
355-1	St. Bld Const Acct-State	100,000,000				20,000,000
	Total	100,000,000	0	0	0	20,000,000
Future Fiscal Periods						
		2021-23	2023-25	2025-27	2027-29	
355-1	St. Bld Const Acct-State	20,000,000	20,000,000	20,000,000	20,000,000	
	Total	20,000,000	20,000,000	20,000,000	20,000,000	

Operating Impacts

Total one time start up and ongoing operating costs

Acct Code	Account Title	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
FTE	Full Time Employee	2.3	2.3	2.3	2.3	2.3
355-1	St. Bld Const Acct-State	300,000	300,000	300,000	300,000	300,000
	Total	300,000	300,000	300,000	300,000	300,000

Narrative

Approximately 2.3 FTE required to administer the program: Commerce Specialist 3 – 2.3 FTE.

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2018 9:58AM

Project Number: 40000049

Project Title: Energy Efficiency and Solar Grants Program

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 10

Project Summary

The Energy Efficiency and Solar Grant program provides grants to state agencies, public higher education institutions, and local governments. This \$40 million request will improve the energy efficiency of existing public facilities and street lighting and help install solar systems to reduce energy demand and costs and reduce Washington's carbon footprint. Funding these projects supports construction industry jobs across the state and helps the state lead by example in building a clean energy future.

Project Description

The Department of Commerce (department) requests \$40 million to provide grants to state agencies, public higher education institutions, K-12 school districts, and local governments. These grants seek to improve the energy performance of public buildings, upgrade the energy efficiency of street lights throughout the state, promote using Washington-made solar products, provide subject matter expertise through the Resource Conservation Manager program, and reduce Washington's carbon footprint.

This funding will assist K-12 schools remove lighting fixtures containing polychlorinated biphenyl (PCB). Funding of these projects supports jobs in the construction industry across the state during the next two biennia. These new funds allow the department to continue the ongoing Energy Efficiency and Solar grant program.

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.

Many facilities owned and occupied by state agencies, state higher education institutions, K-12 school districts, and local governments were constructed prior to state energy codes or practices that encouraged energy conservation. Over the last 20 years, energy efficiency technologies have improved and can offer facilities significant efficiency opportunities when replacing outdated or non-serviceable equipment. In addition, all state agencies must meet Governor's Executive Order 18-01.

In addition, Washington has a developing solar industry. The department's program promotes the use of Washington-made solar products.

State agencies, state higher education institutions, K-12 school districts, and local governments can face increasing energy costs at a time when the competition for operating funds grows stronger. Energy efficiency and solar investments in public buildings can help reduce energy costs and help reduce greenhouse gas emissions.

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 would allow public agencies to install energy efficiency measures in their facilities, making them more energy and water efficient, and in some cases, to install renewable energy (solar). Many local governments will also replace aging street lights with energy-efficient LED lights. Most energy efficiency and solar projects begin and finish during the biennium in which they received their grant award.

In the 2015-17 capital budget, \$25 million was appropriated for this program. What resulted was 115 total projects/contracts plus one interagency agreement to help implement the following projects:

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Date Run: 9/11/2018 9:58AM

Project Number: 40000049

Project Title: Energy Efficiency and Solar Grants Program

Description

- 11 minor works – paying the cost difference between “standard” improvements and more energy efficient;
- 73 energy efficiency improvement projects; and
- 31 solar installations.

Based on our experience in this program, \$40 million in grant funding would result in approximately 180 projects.

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 allow public agencies to make their facilities more energy and water efficient, upgrade street lights to LEDs and to install renewable energy (solar).

More efficient buildings reduce overall energy, utility and operational costs, and provide more comfortable and environmentally safe buildings for students, teachers, and other employees while reducing greenhouse gas emissions. The savings realized could be used to hire additional teachers, repair other facilities, or help applicants meet the demands of reduced operating budgets.

No action would delay eligible projects, increasing construction and related costs. Similarly, the Energy Efficiency and Solar Program contributes directly to the Governor’s Executive Order (EO) 18-01, which entails improving energy efficiency and reducing carbon pollution. Were the project not funded, this would limit some progress toward meeting the goal of EO 18-01.

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 following alternatives were explored:

- Not funding the program. By funding these projects during retrofits, the projects are able to improve their energy efficiency and potentially able to take advantage of economies of scale. Not funding this work creates lost opportunities to decrease the operating costs of a facility, which make up a substantial part of an operating budget.
- Funding the program at 50 percent. This alternative would fund approximately 90 projects in the funding window, decreasing from the current biennial contracting amount of 115. This would limit incentivizing state agencies, state higher education institutions, K-12 school districts, and local governments to address the efficiency of state owned buildings.

The program has traditionally funded 87 percent of the projects that apply for funding. It is expected that this trend of having more funds requested than available will continue.

The department seeks to expand the program to \$40 million to ensure that twice the energy efficiency and solar projects could occur when compared to previous biennia. This will help to increase implementation of the Governor’s Executive Order 18-01 and assist state agencies, local governments, and schools in implementing the recommendations from the State Energy Efficiency Program.

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

The department’s clients include state agencies, higher educational institutions, K-12 public schools, and local governments. This investment will improve facilities, lower operating costs, promote better working conditions, and create savings from lower utility bills. K-12 schools will have improved classrooms and more comfortable and environmentally safe buildings for students, teachers, and other workers.

An increase in funding from the 2017-19 budget would increase the impact of the program for these partners by allowing an additional 65 projects to be funded per biennium.

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Project Number: 40000049

Project Title: Energy Efficiency and Solar Grants Program

Description

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 department's goal for the energy efficiency and street lighting projects is to pay 25 percent or less of the total project cost (a leverage ratio of 3:1 non-state funds to state funds). For the solar projects, Commerce requires at least a 1:1 match except for small cities and towns (populations of 5,000 or less), which are required to have a 0.5:1 match. Matching funds come from public and investor-owned utility rebates/incentives, federal funds, energy performance contracting funds, private donations, student fees, private lenders, local funds, and the lease-purchase and LOCAL funds via the state treasurer. LOCAL is a state treasurer-run local program.

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 is consistent with the Governor's Results Washington Goal 3: Sustainable Energy and a Clean Environment and Goal 5: Efficient, Effective, and Accountable Government. It also allows state agencies to meet Executive Order 18-01.

The request supports the department's strategic priorities to fund reliable infrastructure and build a clean energy future. Energy efficiency efforts lower consumption of electricity and often install new, more reliable equipment.

Does this project include IT-related costs, including hardware, software, cloud-based services, contracts or IT staff?

N/A

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.

N/A

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

The Energy Efficiency and Solar Program contributes directly to the Governor's Executive Order 18-01, which entails improving energy efficiency and reducing carbon pollution. Enabling energy efficiency measures and activities as well as the installation of solar, can make buildings' operational costs more affordable, can improve the health of building occupants, and reduce levels of atmospheric greenhouse gases.

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

N/A

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Date Run: 9/11/2018 9:58AM

Project Number: 40000049

Project Title: Energy Efficiency and Solar Grants Program

Description

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: State agencies, public higher education institutions, local governments.

RCW that establishes grant: N/A

Application process used

Projects will be selected on a competitive basis.

Growth Management impacts

None

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
057-1	State Bldg Constr-State	200,000,000				40,000,000
	Total	200,000,000	0	0	0	40,000,000

Future Fiscal Periods

		2021-23	2023-25	2025-27	2027-29
057-1	State Bldg Constr-State	40,000,000	40,000,000	40,000,000	40,000,000
	Total	40,000,000	40,000,000	40,000,000	40,000,000

Operating Impacts

Total one time start up and ongoing operating costs

Acct Code	Account Title	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
FTE	Full Time Employee	3.0	3.0	3.0	3.0	3.0
057-1	State Bldg Constr-State	400,000	400,000	400,000	400,000	400,000
	Total	400,000	400,000	400,000	400,000	400,000

Narrative

This proposal requires the authorization of 3.0 FTEs. The formula for this is 3 percent of the total appropriation.

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 11:40AM

Project Number: 40000046

Project Title: Early Learning Facilities-School Districts

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 11

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 slots necessary to meet the legislative mandate for the Early Childhood Education Assistance Program (ECEAP) to become an entitlement program by the 2022 school year.

Project Description

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 slots that are 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 eligible organizations. School districts will be funded through a prioritized list provided to the governor and legislature by September 15, 2018.

In the 2018 Legislative Session, the program received \$15.5 million for its first capital appropriation for eligible organizations. Additional capital funds will be required in the 2019-2021 biennium to support the efforts of the legislature and meet the demand for quality early learning opportunities.

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.

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 19-21 Early Learning Facilities School District Project List, which is developed through a competitive process, the list will be available in early September. This request will provide capital funds for school districts. Allowable activities include major construction and renovation grants and grants for facility purchases of no more than eight hundred thousand dollars.

Project List:

Toppenish School District \$111,121
 Manson School District \$400,000
 Kettle Falls School District \$394,638
 North Thurston School District \$323,700
 Ellensburg School District 401 \$800,000
 Everett School District \$800,000
 Tukwila School District 406 \$196,200
 Richland School District \$800,000
 Lake Quinalt School District \$360,000
 Total Projects \$4,185,659

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 11:40AM

Project Number: 40000046

Project Title: Early Learning Facilities-School Districts

Description

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 would provide the additional capital resources needed to produce the required early learning slots and would position the state to meet the legislative mandate for ECEAP entitlement by 2022.

Without additional 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 be limited.

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.

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 affect the amount 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.

This request will fund early learning facility projects statewide. Additional consideration will be given to the geographical disbursement of grants and projects that create ECEAP and Working Connections Child Care (WCCC) slots in areas of highest unmet need.

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?

Non-state match will be needed for each project funded. 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, or like-kind.

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 is needed. 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 awarded funds.

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 aligns with the department's FY19-21 strategic priorities, specifically addressing communities' most urgent needs by:

· Increasing living wage jobs –

Childcare is one of the biggest challenges parents face when trying to gain and retain employment. This challenge is compounded further for low-income families with limited available resources. This program creates additional early learning slots for low-income families, which provides not only high-quality care and education, but also creates an opportunity for that family to pursue a living wage job.

· Funding reliable infrastructure –

This program funds the renovation, construction, and purchase of early learning facilities. These facilities will create additional

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002
Date Run: 9/13/2018 11:40AM

Project Number: 40000046
Project Title: Early Learning Facilities-School Districts

Description

capital resources that meet state standards that support reliable infrastructure.

· *Building a clean energy future* –

These grants will be subject to requirements under RCW 39.35D, which requires all major facility projects of any entity other than a public agency receiving any funding in a state capital budget to be designed, constructed, and certified to at least the LEED silver standard. This requirement is to ensure that public buildings are built and renovated using high-performance methods that save money, improve performance, and make workers more productive.

Does this project include IT-related costs, including hardware, software, cloud-based services, contracts or IT staff?

N/A

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.

N/A

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

N/A

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

N/A

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Various

RCW that establishes grant: 43.31.565-583

Application process used

Competitive grant application process.

Growth Management impacts

N/A

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Project Number: 40000046

Project Title: Early Learning Facilities-School Districts

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
22D-1	Early Lrng Fac Devel-State	24,186,000				4,186,000
	Total	24,186,000	0	0	0	4,186,000
			Future Fiscal Periods			
		2021-23	2023-25	2025-27	2027-29	
22D-1	Early Lrng Fac Devel-State	5,000,000	5,000,000	5,000,000	5,000,000	
	Total	5,000,000	5,000,000	5,000,000	5,000,000	

Operating Impacts

No Operating Impact

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 11:31AM

Project Number: 40000044

Project Title: Early Learning Facilities

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 11

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 slots necessary to meet the legislative mandate for the Early Childhood Education Assistance Program (ECEAP) to become an entitlement program by the 2022 school year.

Project Description

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 slots that are 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 eligible organizations. School districts will be funded through a prioritized list provided to the governor and legislature by September 15, 2018.

In the 2018 Legislative Session, the program received \$15.5 million for its first capital appropriation for eligible organizations. Additional capital funds will be required in the 2019-2021 biennium to support the efforts of the legislature and meet the demand for quality early learning opportunities.

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 legislature's decision to make ECEAP an entitlement program created a new demand for early learning slots. The Department of Children, Youth, and Families (DCYF), formerly the Department of Early Learning, needed to better understand the capacity of the system and its ability to absorb the additional demand. In 2016, a statewide facility needs study was performed. The study projected that approximately 3,600 slots would be needed to meet the necessary capacity.

DCYF estimated that approximately 240 projects would be needed over the next three biennia to meet the mandate. At that time, it was also estimated that the following funding would be needed each biennium:

- 2017-2019 biennium: \$26.3 million
- 2019-2021 biennium: \$44.2 million
- 2021-2023 biennium: \$11.6 million

The new FY19-21 biennial request for early learning facilities is \$55 million (17-19 request under funded by \$10.2 million plus the 19-21 biennium amount of \$44.2 million). This amount includes the appropriation for both eligible organizations and school districts. This budget request is only for the eligible organizations' appropriation. (see note after the expenditures).

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 provide capital funds for eligible organizations. The Department of Commerce (department) will administer a competitive application round in FY20 and provide funding to community development financial institutions (CDFI) to administer a revolving loans fund.

Applicants may apply for the following activities:

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Project Title: Early Learning Facilities

Description

- Facility predesign grants or loans of no more than \$10,000 to allow eligible organizations to secure professional services or consult with organizations certified by the community development financial institutions fund to plan for and assess the feasibility of early learning facilities projects or receive other technical assistance to design and develop projects for construction funding.
- Grants or loans of no more than \$100,000 for minor renovations or repairs of existing early learning facilities; and
- Major construction and renovation grants or loans and grants or loans for facility purchases of no more than \$800,000 to create or expand early learning facilities.

The types of projects funded will be determined through a competitive application process in FY20.

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 would provide the additional capital resources needed to produce the required early learning slots and would position the state to meet the legislative mandate for ECEAP entitlement by 2022.

Without additional 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 be limited.

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.

If the legislature intends to increase early learning opportunities for disadvantaged children, there are no other alternatives available. The legislature's ECEAP mandate created a demand that requires additional slots. Early learning facilities are needed to create the required slots. Early learning providers, especially those that serve subsidized slots for programs such as ECEAP and Working Connections Child Care (WCCC), have very limited financial capacity. These organizations will require resources and support from the state and others to make these projects viable and a reality.

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 affect the amount 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.

This request will fund early learning facility projects statewide. Additional consideration will be given to the geographical disbursement of grants and projects that create ECEAP and WCCC slots in areas of highest unmet need.

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?

Non-state match will be needed for each project funded. 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, or like-kind.

There are two match requirements associated with this request. For funds provided to a CDFI, the CDFI will have to match funds with a minimum 1:1 non-state match. RCW 43.31.571 directs the department to provide special consideration for the financial need of the applicant. Due to the financial challenges many of the eligible organizations face, especially those that accept subsidized slots such as ECEAP, a reasonable match goal was needed to align with the financial capacity of the industry. In consultation with the Early Learning Facilities Board, the department has established a match goal for eligible organizations of 3:1 non-state match. For every \$1 of non-state match, the applicant may receive \$3 of state funds. Applications

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Project Title: Early Learning Facilities

Description

that provide a higher level of non-state match will receive additional points in the evaluation process and will have a greater likelihood of receiving funds.

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 aligns with the department’s FY19-21 strategic priorities, specifically addressing communities’ most urgent needs by:

· *Increasing living wage jobs* –

Childcare is one of the biggest challenges parents face when trying to gain and retain employment. This challenge is compounded further for low-income families with limited available resources. This program creates additional early learning slots for low-income families, which provides not only high-quality care and education, but also creates an opportunity for that family to pursue a living wage job.

· *Funding reliable infrastructure* –

This program funds the renovation, construction, and purchase of early learning facilities. These facilities will create additional capital resources that meet state standards that support reliable infrastructure.

· *Building a clean energy future* –

These grants will be subject to requirements under RCW 39.35D, which requires all major facility projects of any entity other than a public agency receiving any funding in a state capital budget to be designed, constructed, and certified to at least the LEED silver standard. This requirement is to ensure that public buildings are built and renovated using high-performance methods that save money, improve performance, and make workers more productive.

Does this project include IT-related costs, including hardware, software, cloud-based services, contracts or IT staff?

N/A

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.

N/A

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

N/A

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

N/A

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

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Project Number: 40000044

Project Title: Early Learning Facilities

Description

Grant Recipient Organization: Various

RCW that establishes grant: 43.31.565-583

Application process used

Competitive grant application process.

Growth Management impacts

N/A

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
22C-1	Early Lrng Fac Rev-State	250,814,000				50,814,000
	Total	250,814,000	0	0	0	50,814,000

Future Fiscal Periods

	2021-23	2023-25	2025-27	2027-29
22C-1 Early Lrng Fac Rev-State	50,000,000	50,000,000	50,000,000	50,000,000
Total	50,000,000	50,000,000	50,000,000	50,000,000

Operating Impacts

No Operating Impact

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 11:50AM

Project Number: 40000043

Project Title: Building Communities Fund Program

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 12

Project Summary

The Building Communities Fund Program is a competitive grant program that funds nonprofit organizations with capital grants for social service and multipurpose community centers. RCW 43.63A.125 requires the Department of Commerce (department) to submit a list of competitively selected projects to the governor and the legislature each biennium.

Project Description

The Building Communities Fund is a competitive grant program providing nonprofit organizations with capital funding for social service and multipurpose community centers. Eligible projects must involve the acquisition, construction, or rehabilitation of a nonresidential facility or 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 biennium and works with a citizen advisory board to review project proposals.

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 43.63A.125 requires the department to submit a project list to the governor and legislature every biennium.

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 FY19-21 Building Communities Fund Project List, which is developed through a competitive process. The list will be available in early September and will include a variety of capital projects for nonprofit organizations to provide social services and multipurpose community centers. Projects may involve the acquisition, construction, or rehabilitation of a nonresidential facility or facilities.

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

This request would fund projects from the list the department is required to provide the governor and the legislature. Not taking action would result in the department not meeting its statutory obligation, but more importantly, would result in low-income and distressed communities not being able to pursue projects that expand and improve social services and promote a strong community.

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 alternative available other than funding on portions of the project list. RCW 43.63A.125 requires the department to submit a project list to the governor and legislature every biennium.

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

Low-income and distressed communities will receive expanded and improved social services. Community residents will receive

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Project Number: 40000043

Project Title: Building Communities Fund Program

Description

services that expand employment opportunities and enhance educational or recreational opportunities as a result of these projects. Individual projects will serve different clientele with a variety of social services. Please refer to the attached FY19-21 Building Communities Fund Project List for specific project details.

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?

Other non-state match is required. The Building Communities Funds will generally pay up to 25 percent of the total project cost. For every one state dollar, the grantee will need to provide three non-state dollars. This amount may be increased under exceptional circumstances.

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 aligns with the department's FY19-21 strategic priorities, specifically, addressing communities' most urgent needs by:

· *Increasing living wage jobs* –

This program directly supports living wage jobs by sustaining construction jobs affiliated with the capital projects.

· *Funding reliable infrastructure* –

This program funds the acquisition, construction, or rehabilitation of a nonresidential facility or facilities. These facilities will create additional opportunities for nonprofit organizations to provide social services to clientele.

· *Building a clean energy future* –

These grants will be subject to requirements under RCW 39.35D, which requires all major facility projects of any entity other than a public agency receiving any funding in a state capital budget to be designed, constructed, and certified to at least the LEED silver standard. This requirement is to ensure that public buildings are built and renovated using high-performance methods that save money, improve performance, and make workers more productive.

Does this project include IT-related costs, including hardware, software, cloud-based services, contracts or IT staff?

N/A

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.

N/A

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

N/A

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

N/A

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Date Run: 9/13/2018 11:50AM

Project Number: 40000043

Project Title: Building Communities Fund Program

Description

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Various

RCW that establishes grant: RCW 43.63A.125

Application process used

Competitive grant application process, and projects are reviewed and ranked by a citizen's advisory board.

Growth Management impacts

None

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	157,408,000				37,408,000
	Total	157,408,000	0	0	0	37,408,000
Future Fiscal Periods						
		2021-23	2023-25	2025-27	2027-29	
057-1	State Bldg Constr-State	30,000,000	30,000,000	30,000,000	30,000,000	
	Total	30,000,000	30,000,000	30,000,000	30,000,000	

Operating Impacts

No Operating Impact

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2018 11:02AM

Project Number: 40000041

Project Title: Youth Recreational Facilities Grants

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 13

Project Summary

The Youth Recreational Facilities Program is a competitive grant program that funds capital recreational projects for non-profit 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 (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 for nonprofit organizations that feature a youth recreational component and a social service or educational component. By financing construction and renovation costs, the Youth Recreational Facilities Program frees up funds that otherwise would be spent on facility mortgage or lease payments, thereby increasing funds available for local organizations to commit to direct youth program services. State grants require 25 percent matching funds. The Youth Recreational Facilities Program Advisory Board assists the department by establishing program policy and reviewing and ranking project proposals.

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 43.63A.135 requires the department to submit a project list to the governor and legislature every biennium.

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 19-21 Youth Recreational Facilities Project List, which is developed through a competitive process (please see the list below). The list includes a variety of capital projects for nonprofit organizations that feature a youth recreational component and a social service or educational component. State grants may be used for acquisition, construction, or rehabilitation of facilities.

Rank	Organization Name	Amount
1	Boys and Girls Clubs of Benton and Franklin Counties	\$1,088,000
2	Yakima Valley Farm Workers Clinic	\$737,000
3	Tulalip Tribes of Washington	\$425,000
4	YMCA of Pierce and Kitsap Counties	\$1,200,000
5	YMCA of the Inland Northwest	\$10,000
6	Bainbridge Island Child Care Centers	\$90,000
7	YMCA of Greater Seattle	\$250,000
8	Plus Delta After School Studios dba The Club	\$80,000
9	YMCA of Greater Seattle	\$250,000
10	Boys and Girls Clubs of Snohomish County	\$400,000
11	Camp Korey	\$545,000
12	Woodland Community Swimming Pool Committee	\$805,000
13	Volunteers of America Western Washington	\$1,200,000
14	MLK Fame Arts Mentoring and Enrichment Center	\$11,000
Total		\$7,091,000

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Project Number: 40000041

Project Title: Youth Recreational Facilities Grants

Description

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

This request would fund projects from the list the department is required to provide the governor and the legislature. Not taking action would result in the department not meeting its statutory obligation, but most importantly, the state would miss an opportunity to support quality youth recreational activities that incorporate social service and educational components.

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 other than funding portions of the project list. RCW 43.63A.135 requires the department to submit a project list to the governor and legislature every biennium.

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

Youth will receive expanded and improved services. Individual projects will offer a variety of social services and educational components.

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?

Other non-state match is required. The Building For The Arts program will pay up to 25 percent of the total project cost. For every one state dollar, the grantee will need to provide four non-state dollars.

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 is in alignment with the department's 19-21 strategic priorities, specifically, addressing communities' most urgent needs by:

· *Increasing living wage jobs* –

This program directly supports living wage jobs by sustaining construction jobs affiliated with the capital projects.

· *Funding reliable infrastructure* –

This program funds the acquisition, construction, or rehabilitation of youth recreational facilities projects. These facilities feature a youth recreational component and a social service or educational component.

· *Building a clean energy future* –

These grants will be subject to requirements under RCW 39.35D, which requires all major facility projects of any entity other than a public agency receiving any funding in a state capital budget must be designed, constructed, and certified to at least the LEED silver standard. This requirement is to ensure that public buildings are built and renovated using high-performance methods that save money, improve performance, and make workers more productive.

Does this project include IT-related costs, including hardware, software, cloud-based services, contracts or IT staff?

N/A

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.

N/A

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Version: 01 19-21 Capital Budget Request

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Date Run: 9/11/2018 11:02AM

Project Number: 4000041

Project Title: Youth Recreational Facilities Grants

Description

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

N/A

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

N/A

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Various

RCW that establishes grant: 43.63A.135

Application process used

Competitive grant application process.

Growth Management impacts

N/A

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	35,455,000				7,091,000
	Total	35,455,000	0	0	0	7,091,000
Future Fiscal Periods						
		2021-23	2023-25	2025-27	2027-29	
057-1	State Bldg Constr-State	7,091,000	7,091,000	7,091,000	7,091,000	
	Total	7,091,000	7,091,000	7,091,000	7,091,000	

Operating Impacts

No Operating Impact

Capital Project Request

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 4:45PM

Project Number: 40000039

Project Title: Building for the Arts

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 14

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 (department) to submit a list of competitively selected projects to the governor and legislature each biennium.

Project Description

The Building for the Arts Program is a competitive grant program for non-profit organizations that supports capital facilities acquisition, rehabilitation, and construction. A community's cultural resources are a strong indicator of its overall health and vitality, and the state of Washington has a long history of providing funding to promote arts-related construction projects. By providing capital for arts-related construction projects, this program enhances the livability of our communities. 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.

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 43.63A.750 requires the department to submit a project list to the governor and legislature every biennium.

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 19-21 biennial Building For The Arts Project List, which is developed through a competitive process. The below list includes a variety of capital projects for nonprofit organizations for performing arts, art museums, and cultural facilities projects. State grants may be used for acquisition, construction, or rehabilitation of facilities.

Rank	Organization Name	Official Amount
1	Seattle Theatre Group	\$310,000
2	Music Center of the Northwest	\$300,000
3	Seattle Symphony Orchestra	\$912,000
4	Broadway Center for the Performing Arts	\$586,000
5	Bainbridge Artisan Resource Network	\$1,057,000
6	Nordic Heritage Museum Foundation	\$2,000,000
7	Imagine Children's Museum	\$2,000,000
8	Seattle Opera	\$526,000
9	KidsQuest Children's Museum	\$816,000
10	Central Stage Theatre of County Kitsap	\$964,000
11	Roxy Bremerton Foundation	\$51,000
12	Port Angeles Waterfront Center	\$1,112,000
13	Fort Worden Foundation	\$712,000
14	Sea Mar Community Health Centers	\$654,000
Total	\$12,000,000	

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

Capital Project Request

2019-21 Biennium

*

Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 4:45PM

Project Number: 40000039

Project Title: Building for the Arts

Description

This request would fund projects from the list the department is required to provide the governor and the legislature. Not taking action would result in the department not meeting its statutory obligation. Communities will miss an opportunity to increase arts and cultural facilities that enhance the livability of our communities.

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 alternative available other than funding a portion of the project list. RCW 43.63A.750 requires the department to submit a project list to the governor and legislature every biennium.

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

Communities will benefit from increased arts and cultural opportunities and revenue generated by these projects.

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?

Other non-state match is required. The Building For The Arts program will pay up to 20 percent of the total project cost. For every one state dollar, the grantee will need to provide four non-state dollars.

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 is in alignment with the department's 19-21 strategic priorities, specifically, addressing communities' most urgent needs by:

· *Increasing living wage jobs* –

This program directly supports living wage jobs by sustaining construction jobs affiliated with the capital projects.

· *Funding reliable infrastructure* –

This program funds the acquisition, construction, or rehabilitation of performing arts, art museums, and cultural facilities projects. These facilities are a strong indicator of a community's overall health and vitality, and enhance the livability of our communities.

· *Building a clean energy future* –

These grants will be subject to requirements under RCW 39.35D, which requires all major facility projects of any entity other than a public agency receiving any funding in a state capital budget must be designed, constructed, and certified to at least the LEED silver standard. This requirement is to ensure that public buildings are built and renovated using high-performance methods that save money, improve performance, and make workers more productive.

Does this project include IT-related costs, including hardware, software, cloud-based services, contracts or IT staff?

N/A

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.

N/A

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

Capital Project Request

2019-21 Biennium

*

Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/13/2018 4:45PM

Project Number: 40000039

Project Title: Building for the Arts

Description

please elaborate.

N/A

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

N/A

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Various

RCW that establishes grant: RCW 43.63A.750

Application process used

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

Growth Management impacts

None

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	60,000,000				12,000,000
	Total	60,000,000	0	0	0	12,000,000

		Future Fiscal Periods			
		2021-23	2023-25	2025-27	2027-29
057-1	State Bldg Constr-State	12,000,000	12,000,000	12,000,000	12,000,000
	Total	12,000,000	12,000,000	12,000,000	12,000,000

Operating Impacts

No Operating Impact

103 - Department of Commerce Capital Project Request

2019-21 Biennium

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Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2018 11:13AM

Project Number: 40000037

Project Title: Pacific Tower Capital Improvements

Description

Starting Fiscal Year: 2020

Project Class: Grant

Agency Priority: 15

Project Summary

The Pacific Hospital Preservation and Development Authority (PHPDA) has developed a 20-year capital maintenance plan beginning in calendar year 2018. 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 campus, as specified in the lease agreement with the PHPDA.

Project Description

The PHPDA recently 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 starting in 2018. 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 the two entities.

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. 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.

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 2018 through 2020. Each year's costs are for the following purposes (see attachment: *Pacific Tower Building 20 Year Maintenance Plan.xls*):

2018:

- Roof repairs and maintenance: BINE – level 1 NE Roof

2019:

- Exterior brick work: west elevation
- Exterior windows: IS01, 7S01, and Drop 1 (27 wood windows)
- Roof repairs and maintenance: BISE – level 1 primary care entrance roof, 2S – level 2 over south entrance, 2NE – level 3.5 kitchen/server, 8E and 8W metal roof – level 8.5, 9N – level 10 north side under cooling tower, and 13SE – Level 14

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

2019-21 Biennium

*

Version: 01 19-21 Capital Budget Request**Report Number:** CBS002**Date Run:** 9/11/2018 11:13AM**Project Number:** 40000037**Project Title:** Pacific Tower Capital Improvements**Description**

2020:

- Exterior brick work: South elevation
- Exterior windows: 2W11, 7W11 & 2W12, 7W12 & 8W10, 8W13, and Drop 2 (32 windows)
- Roof repairs and maintenance: 2NW – level 3.5 above college conference room, 9NE – level 10 south side, 9NW – level 10 south side, and 10N – level 11 north side

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

This budget request will directly address the problem identified by authorizing 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.

Not taking action would likely result in litigation between the state and the PHPDA, additional penalties and fines placed on the state, and potentially strain the relationships with the state's sub-tenants of the Pacific Tower.

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 has performed a recent 20-year capital improvement and maintenance plan, which has identified the estimated cost and timing of various capital maintenance needs beginning in calendar year 2018.

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.

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 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.

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 is in alignment with Commerce's 19-21 strategic priorities, specifically, addressing communities' most urgent needs by:

- *Funding reliable infrastructure* –

This project funds necessary capital improvements and maintenance that will improve the quality and longevity of the Pacific Tower. These improvements will support reliable infrastructure associated with the state's inventory of capital assets.

Does this project include IT-related costs, including hardware, software, cloud-based services, contracts or IT staff?

N/A

**103 - Department of Commerce
Capital Project Request
2019-21 Biennium**

*

Version: 01 19-21 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2018 11:13AM

Project Number: 40000037

Project Title: Pacific Tower Capital Improvements

Description

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.

N/A

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

N/A

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

N/A

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

Competitive grant application process.

Growth Management impacts

None

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2019-21 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	6,331,000				1,020,000
	Total	6,331,000	0	0	0	1,020,000
Future Fiscal Periods						
		2021-23	2023-25	2025-27	2027-29	
057-1	State Bldg Constr-State	1,407,000	2,106,000	819,000	979,000	
	Total	1,407,000	2,106,000	819,000	979,000	

Operating Impacts

No Operating Impact



PACIFIC TOWER - 20 TOWER MAINTENANCE PLAN
Based on Life Expectancy of Equipment

Under the current lease structures - all of the expenses below would be the responsibility of the Tenants - Current Lease Expiration is 2043

Capital Repairs/Upgrades	Useful Life	2018 Year 1	2019 Year 2	2020 Year 3	2021 Year 4	2022 Year 5	2023 Year 6	2024 Year 7	2025 Year 8	2026 Year 9	2027 Year 10	2028 Year 11	2029 Year 12	NOTES	
HVAC										\$150,000				Includes software, TUX card upgrades and Jace additions. \$180,000 \$560,000 \$554,438	
Control System Upgrade - Tower (2016)	10 years														
Cooling Tower (1) (1999)	30 years														
Chillers (1999) (2)	30 years														
Total HVAC - Reflects Tower Share of 74.924%		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$112,386	\$0	\$0	\$0		
ELEVATORS														Six tower elevator cars (2 Cars/Yr.) One garage elevator car - Hydraulic	
Elevator Modernization - Tower	30 years					\$730,000	\$730,000	\$726,000							
Elevator Mod - West Garage	30 years														
Total Elevators - Reflects 100% Tower		\$0	\$0	\$0	\$0	\$730,000	\$730,000	\$726,000	\$0	\$0	\$0	\$0	\$0		
ELECTRICAL EQUIPMENT														Dependent on run time hours on generator - Could be done at year 20-25 Could be done at year 20-25 Could be done at year 20-25	
Generator Replacement/ATS/Panels	30 years														
Motor Control Center & Switchgear	30 years														
Distribution Transformers	30 years														
Total Electrical - Reflects Tower Share of 74.924%		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
FIRE PROTECTION														Completed in 2016	
Fire Alarm Panel Upgrade (2016)	20 years														
Total Fire Protection - Reflects Tower Share of 74.924%		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
EXTERIOR BRICK														Repair all brick showing active water Repair all brick showing active water Repair all brick showing active water Repair all brick showing active water	
<i>BASED ON RDH RECOMMENDATIONS (Refer to SS&L Permit Set Drawings A4.00 - A4.03)</i>															
West Elevation			\$132,120												
South Elevation				\$110,100											
East Elevation					\$126,615		\$148,635								
North Elevation															
ON-GOING MAINTENANCE & RENEWAL														Tuck pointing & reseat	
Brick Maintenance - 4,000SF/Yr.	Rotational						\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000		
Total Exterior Brick - Reflects 100% Tower		\$0	\$132,120	\$110,100	\$126,615	\$148,635	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000		
EXTERIOR WINDOWS														Southwest corner steel windows (Type P & Type N) West elevation steel windows (Type Q & Type V) West elevation steel windows (Type P, Type T & Type R) South elevation steel windows (Type P & Type N) South elevation steel windows (Type P & Type N) South elevation steel windows (Type P & Type N) South elevation steel windows (Type P & Type N) Southeast corner steel windows (Type P & Type N) East elevation steel windows (Type Q & Type R) North elevation steel windows (Type Q, Type O & Type R) South elevation steel windows (Type Q) North elevation steel windows (Type Q, Type O & Type R) South elevation steel windows (Type Q) South elevation steel stairwell windows (Type O and Type N) South elevation steel stairwell windows (Type O and Type N) North elevation steel windows (Type V & Type Q) South elevation steel windows (Type V & Type Q)	
<i>STEEL WINDOWS (Refer to SS&L Permit Set Drawings A4.00 - A4.03)</i>															
1S01 - 7S01	30 years		\$152,503												
2W11 - 7W11 & 2W12 - 7W12 & 8W10 - 8W13	30 years			\$202,698											
9S13 - 11S13 & 10W05 - 11W05 & 10W11 - 11W11 & 13W10 - 13W11	30 years				\$199,378										
1S04 - 7S04	30 years					\$152,503									
2S13 - 11S13	30 years						\$218,486								
2S19 - 11S19	30 years							\$218,486							
1S28 - 7S28	30 years								\$152,503						
1S31 - 7S31	30 years									\$152,503					
4E06 - 7E06 & 4E07 - 7E07 & 8E06 - 8E10 & 10E07 & 11E07 & 13E07	30 years										\$230,642				
8N01 - 8N05 & 9N09 & 10E10 & 10N12 & 10N09 & 11E10 & 12N14 & 8	30 years											\$164,539			
8S01 - 8S03	30 years											\$37,359			
8N29 - 8N33 & 9N24 & 10W05 & 10N21 & 10N24 & 11W05 & 12N20	30 years											\$164,539			
8S27 - 8S32	30 years											\$74,718			
1S05-7S05	30 years														
1S27 - 7S27	30 years														
13S15 & 13S17 & 14S15 & 14S17	30 years														
13N16 & 13N18 & 14N16 & 14N18	30 years														
WOOD WINDOWS RE-CONDITION & REPAINT (Refer to Peter Meijer Architect Report A8 - A12)															Northwest elevation Southwest elevation South elevation South elevation South elevation South elevation East elevation East elevation East elevation East elevation - 1950's Addition North elevation North elevation North elevation North elevation
Drop 1 - 27 Wood Windows Re-Condition & Repaint			\$101,250												
Drop 2 - 32 Wood Windows Re-Condition & Repaint				\$120,000											
Drop 3 - 18 Wood Windows Re-Condition & Repaint					\$67,500										
Drop 4 - 51 Wood Windows Re-Condition & Repaint						\$191,250									
Drop 5 - 30 Wood Windows Re-Condition & Repaint							\$112,500								
Drop 6 - 50 Wood Windows Re-Condition & Repaint								\$187,500							
Drop 7 - 29 Wood Windows Re-Condition & Repaint									\$108,750						
Drop 8 - 15 Wood Windows Re-Condition & Repaint										\$56,250					
Drop 9 - 12 Wood Windows Re-Condition & Repaint										\$45,000					
Drop 10 - 30 Wood Windows Re-Condition & Repaint											\$112,500				
Drop 11 - 30 Wood Windows Re-Condition & Repaint												\$112,500			
Drop 12 - 43 Wood Windows Re-Condition & Repaint													\$161,250		
Drop 13 - 40 Wood Windows Re-Condition & Repaint															
Drop 14 - 36 Wood Windows Re-Condition & Repaint															
WOOD WINDOWS REPAINT (Refer to Peter Meijer Architect Report A8 - A12)														\$49,500 Northwest elevation Northwest elevation South elevation South elevation South elevation South elevation	
<i>Re-Painting will need to be done every 10 years on the West & South and every 13 years on East & North</i>															
Drop 1 - 33 Wood Window Repaint	10 years														
Drop 2 - 68 Wood Window Repaint	10 years														
Drop 3 - 68 Wood Window Repaint	10 years														
Drop 4 - 87 Wood Window Repaint	10 years														
Drop 5 - 44 Wood Window Repaint	10 years														
Drop 6 - 91 Wood Window Repaint	10 years														
<i>Remaining drops 7-14 will need to be added each year of the new capital plan</i>															
Total Windows - Reflects 100% Tower		\$0	\$101,250	\$120,000	\$67,500	\$191,250	\$112,500	\$187,500	\$108,750	\$101,250	\$112,500	\$112,500	\$210,750		
EXTERIOR HARDSCAPES														Placeholder amount	
Concrete Tower Steps	30 years										\$200,000				
Total Hardscapes - Reflects 100% Tower		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000	\$0	\$0		



PACIFIC TOWER - 20 TOWER MAINTENANCE PLAN
Based on Life Expectancy of Equipment

Under the current lease structures - all of the expenses below would be the responsibility of the Tenants - Current Lease Expiration is 2043

Capital Repairs/Upgrades	Useful Life	2018 Year 1	2019 Year 2	2020 Year 3	2021 Year 4	2022 Year 5	2023 Year 6	2024 Year 7	2025 Year 8	2026 Year 9	2027 Year 10	2028 Year 11	2029 Year 12	NOTES
ROOFS														
<i>BASED ON RDH RECOMMENDATIONS (Refer to RDH Report Appendix A)</i>														
B1NE - Level 1 NE Roof (1992)	30 years	\$298,455												2-3 Years (2017 Report) - Current active leaks
B1SE - Level 1 Primary Care Entrance Roof (2,000 SF)	30 years		\$86,561											1 Year (2017 Report) - No current active leaks
Canopy B1NW - Canopy over Loading Dock (200 SF)	30 years				\$8,656									RDH recommends structural engineer evaluation
1E - Level 2 Above East Annex (2015)	30 years													Roof replacement completed in 2015
2S - Level 2 Over South Entrance (300 SF)	30 years		\$12,984											1 Year (2017 Report) - No current active leaks
2NE - Level 3.5 - Kitchen/Servery (1994)	30 years		\$45,032											5 Years (2017 Report) - Current active leaks, replace in 2019
2NW - Level 3.5 - Above College Conf. Rm. (1994)	30 years			\$45,032										5 Years (2017 Report) - No current active leaks
3E - Level 4 - East Roof Above Elev. #7 (Unknown) (500 SF)	30 years						\$21,640							5 Years (2017 Report) - No current active leaks
7NE - Level 8 NE Walking Decks (1999) (700 SF)	30 years										\$30,296			5 - 10 Years (2017 Report) - No current active leaks
7NW - Level 8 NW Walking Decks (1999) (700 SF)	30 years										\$30,296			5 - 10 Years (2017 Report) - No current active leaks
7SE - Level 8 East Ward of Original Construction (1999) (2,000 SF)	30 years					\$86,561								5 - 10 Years (2017 Report) - No current active leaks
7SW - Level 8 West Ward of Original Construction (1999) (1,800 SF)	30 years					\$77,905								5 - 10 Years (2017 Report) - No current active leaks
8E - Level 8.5 Above East Wing Pipe Attic (500 SF)	30 years								\$21,640					5 - 10 Years (2017 Report) - No current active leaks
8NE & 8NW - Level 9 NE/NW Walking Decks (1999) (2,200 SF)	30 years										\$95,217			5 - 10 Years (2017 Report) - No current active leaks
8SE - Level 9 Tops of Electrical Closets (200 SF)	30 years					\$8,656								5 - 10 Years (2017 Report) - No current active leaks
8SW - Level 9 Tops of Electrical Closets (200 SF)	30 years					\$8,656								5 - 10 Years (2017 Report) - No current active leaks
8W - Level 8.5 West Wing Pipe Attic (600 SF)	30 years									\$25,968				5 - 10 Years (2017 Report) - No current active leaks
8E & 8W Metal Roof - Level 8.5 (1,100 SF)	30 years		\$47,608											Replace sealant at perimeter flashing
9NE - Level 10 South Side 1994 Addition (1994) (600 SF)	30 years			\$25,968										Near Term (2017 Report) - No current active leaks
9NW - Level 10 South Side 1994 Addition (1994) (600 SF)	30 years			\$25,968										Near Term (2017 Report) - No current active leaks
9N - Level 10 North Side Under Cooling Tower (1994) (200 SF)	30 years		\$8,656											Near Term (2017 Report) - No current active leaks but underlayment appears to be holding water
9E - Level 10 East Roof (400 SF)	30 years							\$17,312						5 - 10 Years (2016) - No current active leaks
9W - Level 10 West Roof (700 SF)	30 years							\$30,296						5 - 10 Years (2016) - No current active leaks
10N - Level 11 North Side (1994) (3,200 SF)	30 years			\$138,497										Near Term (2017 Report) - No current active leaks - Full Tear Off (EPDM)
11E - Level 12 East Roof (1998) (3,400 SF)	30 years								\$147,153					5 - 10 Years (2017 Report) - No current active leaks
11W - Level 12 West Side of Original Construction (1998) (3,400 SF)	30 years									\$147,153				5 - 10 Years (2017 Report) - No current active leaks
12E - Level 13 East Roof (600 SF)	30 years						\$25,968							5 - 10 Years (2017 Report) - No current active leaks
12W - Level 13 West Side of Central Tower (600 SF)	30 years						\$25,968							5 - 10 Years (2017 Report) - No current active leaks
13NW, 13NE, 13SW - Level 14 (1999) (600 SF)	30 years							\$25,968						5 - 10 Years (2016 Report) - Only 13SE has an active leak
13SE - Level 14 (1999) (200 SF)	30 years		\$8,656											5 - 10 Years (2016 Report) - Current active leak
14S - Level 15 Roof Top of Central Tower (5,700 SF)	30 years											\$263,213		5 - 10 Years (2017 Report) - No current active leaks
Total Roofs - Reflects Tower Share of 74.924%		\$223,614	\$156,964	\$176,420	\$6,485	\$136,195	\$55,126	\$55,126	\$126,467	\$129,709	\$116,738	\$197,210	\$0	
Total Capital Costs		\$223,614	\$390,334	\$406,520	\$200,600	\$1,206,080	\$1,017,626	\$1,088,626	\$355,217	\$463,345	\$549,238	\$429,710	\$885,188	

Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurry		
Phone:	(360) 725-2710	Fax:	
Fund(s) Number:	057-1	Fund Name:	State Building Construction Acct
Project Number:	40000053	Project Title:	Planning for Housing Supply

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (private or non-profit companies or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? Yes No
6. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? Yes No
7. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No

If all of the answers are no, request tax-exempt funding. If the answer to any of the questions is yes, contact your OFM capital analyst for further review.

Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurry		
Phone:	(360) 725-2710	Fax:	
Fund(s) Number:	355-1	Fund Name:	State Taxable Building Construction Acct
Project Number:	40000036	Project Title:	Housing Trust Fund

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (private or non-profit companies or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? Yes No
6. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? Yes No
7. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No

If all of the answers are no, request tax-exempt funding. If the answer to any of the questions is yes, contact your OFM capital analyst for further review.

Expected Use of Bond/COP Proceeds

Agency No.	<u>103</u>	Agency Name	<u>Department of Commerce</u>
Contact Name:	<u>Martin McMurry</u>	Fax:	<u></u>
Phone:	<u>(360) 725-2710</u>	Fund Name:	<u>State Building Construction Acct./ State Taxable Building Construction Acct.</u>
Fund(s) Number:	<u>057 and 355</u>	Project Titles:	<u>Clean Energy Fund 4</u>
Project Number:	<u>40000042</u>		

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (private or non-profit companies or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? Yes No
6. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? Yes No
7. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No

If all of the answers are no, request tax-exempt funding. If the answer to any of the questions is yes, contact your OFM capital analyst for further review.

Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	360-586-5880
Fund(s) Number:	057	Fund Name:	State Building Construction Account
Project Number:	40000048	Project Title:	Weatherization Matchmaker Program

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Expected Use of Bond/COP Proceeds

Agency No. <u>103</u>	Agency Name <u>Department of Commerce</u>
Contact Name: <u>Martin McMurray</u>	
Phone: <u>(360) 725-2710</u>	Fax: _____
Fund(s) Number: <u>355</u>	Fund Name: <u>State Building Construction</u>
Project Number: <u>40000050</u>	Project Title: <u>K12 Net Zero Schools</u>

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (private or non-profit companies or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? Yes No
6. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? Yes No
7. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No

If all of the answers are no, request tax-exempt funding. If the answer to any of the questions is yes, contact your OFM capital analyst for further review.

Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurry		
Phone:	(360) 725-2710	Fax:	
Fund(s) Number:	355-1	Fund Name:	State Taxable Building Construction Acct
Project Number:	40000052	Project Title:	Rural Rehabilitation Loan Program

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (private or non-profit companies or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? Yes No
6. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? Yes No
7. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No

If all of the answers are no, request tax-exempt funding. If the answer to any of the questions is yes, contact your OFM capital analyst for further review.

Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	057	Fund Name:	State Building Construction Acct
Project Number:	40000049	Project Title:	Energy Efficiency and Solar Grants

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	<u>103</u>	Agency Name	<u>Department of Commerce</u>
Contact Name:	<u>Martin McMurray</u>		
Phone:	<u>360-725-2710</u>	Fax:	
Fund(s) Number:	<u>057-1</u>	Fund Name:	<u>State Building Construction Acct</u>
Project Number:	<u>40000043</u>	Project Title:	<u>Building Communities Fund Grants</u>

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	057-1	Fund Name:	State Building Construction Acct
Project Number:	40000041	Project Title:	Youth Recreational Facilities Grants

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	<u>103</u>	Agency Name	<u>Department of Commerce</u>
Contact Name:	<u>Martin McMurray</u>		
Phone:	<u>360-725-2710</u>	Fax:	
Fund(s) Number:	<u>057-1</u>	Fund Name:	<u>State Building Construction Acct</u>
Project Number:	<u>40000039</u>	Project Title:	<u>Building Communities Fund Grants</u>

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurry	Fax:	State Taxable Building Const. Account
Phone:	(360) 725-2710	Fund Name:	Pacific Tower Capital Improvements
Fund(s) Number:	355	Project Title:	
Project Number:	40000037		

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (private or non-profit companies or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? Yes No
6. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? Yes No
7. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No

If all of the answers are no, request tax-exempt funding. If the answer to any of the questions is yes, contact your OFM capital analyst for further review.

Expected Use of Bond/COP Proceeds

Agency No.	<u>103</u>	Agency Name	<u>Department of Commerce</u>
Contact Name:	<u>Martin McMurray</u>		
Phone:	<u>360-725-2710</u>	Fax:	<u></u>
Fund(s) Number:	<u>057-1</u>	Fund Name:	<u>State Building Construction Acct</u>
Project Number:	<u>20064008</u>	Project Title:	<u>Local and Community Projects</u>

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	355-1	Fund Name:	State Taxable Building Const. Acct.
Project Number:	20074009	Project Title:	Housing Assistance, Weatherization, and

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

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- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurry		
Phone:	(360) 725-2710	Fax:	
Fund(s) Number:	532-1	Fund Name:	Washington Housing Trust Acct Housing Assistance,
Project Number:	30000013	Project Title:	Weatherization, & Affordable Housing

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (private or non-profit companies or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? Yes No
6. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? Yes No
7. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No

If all of the answers are no, request tax-exempt funding. If the answer to any of the questions is yes, contact your OFM capital analyst for further review.

Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	057-1	Fund Name:	State Building Construction Acct
Project Number:	3000082	Project Title:	2010 Local and Community Projects

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	057-1	Fund Name:	State Building Construction Acct
Project Number:	3000166	Project Title:	Local and Community Projects

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Expected Use of Bond/COP Proceeds

Agency No.	<u>103</u>	Agency Name	<u>Department of Commerce</u>
Contact Name:	<u>Martin McMurray</u>		
Phone:	<u>360-725-2710</u>	Fax:	<u>State Building Construction</u>
Fund(s) Number:	<u>057/355</u>	Fund Name:	<u>Acct./State Building Taxable Construction Acct.</u>
Project Number:	<u>300000726</u>	Project Title:	<u>Clean Energy and Energy Freedom Program</u>

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.

- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.
Commerce is working with Pacific Northwest National Laboratory on a Scope of Work for performing use-case analysis on the utility projects listed above.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Expected Use of Bond/COP Proceeds

Agency No. <u>103</u>	Agency Name <u>Department of Commerce</u>
Contact Name: <u>Martin McMurray</u>	
Phone: <u>360-725-2710</u>	Fax: _____
Fund(s) Number: <u>355-1</u>	Fund Name: <u>State Taxable Building Const. Acct</u>
Project Number: <u>30000833</u>	Project Title: <u>Housing Trust Fund</u>

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	725-2710	Fax:	586-8440
Fund(s) Number:	355	Fund Name:	State Building Taxable Construction Account
Project Number:	30000834	Project Title:	Job Creation/Retention Investments

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	057	Fund Name:	State Building Construction Acct
Project Number:	30000835	Project Title:	Energy Efficiency and Solar Grants

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	355-1	Fund Name:	State Taxable Building Construction Account
Project Number:	30000836	Project Title:	Ultra-Efficient Affordable Housing Demonstration

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	<u>103</u>	Agency Name	<u>Department of Commerce</u>
Contact Name:	<u>Martin McMurry</u>	Fax:	
Phone:	<u>(360) 725-2710</u>	Fund Name:	<u>State Building Construction Account</u>
Fund(s) Number:	<u>057</u>	Project Title:	<u>Community Energy Efficiency Program</u>
Project Number:	<u>30000846</u>		

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (private or non-profit companies or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? Yes No
6. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? Yes No
7. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No

If all of the answers are no, request tax-exempt funding. If the answer to any of the questions is yes, contact your OFM capital analyst for further review.

Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurry		
Phone:	(360) 725-2710	Fax:	
Fund(s) Number:	532-1	Fund Name:	Washington Housing Trust Acct
Project Number:	30000863	Project Title:	Landlord Mitigation

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (private or non-profit companies or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? Yes No
6. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? Yes No
7. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No

If all of the answers are no, request tax-exempt funding. If the answer to any of the questions is yes, contact your OFM capital analyst for further review.

Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurry		
Phone:	(360) 725-2710	Fax:	
Fund(s) Number:	057-1	Fund Name:	State Building Construction Acct
Project Number:	30000872	Project Title:	2017-29 Housing Trust Fund Program

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (private or non-profit companies or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? Yes No
6. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? Yes No
7. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No

If all of the answers are no, request tax-exempt funding. If the answer to any of the questions is yes, contact your OFM capital analyst for further review.

Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurry		
Phone:	(360) 725-2710	Fax:	
Fund(s) Number:	355-1	Fund Name:	State Taxable Building Construction Acct
Project Number:	30000872	Project Title:	2017-19 Housing Trust Fund Program

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (private or non-profit companies or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? Yes No
6. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? Yes No
7. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No

If all of the answers are no, request tax-exempt funding. If the answer to any of the questions is yes, contact your OFM capital analyst for further review.

Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurry		
Phone:	(360) 725-2710	Fax:	
Fund(s) Number:	532-1	Fund Name:	Washington Housing Trust Acct
Project Number:	30000872	Project Title:	2017-2019 Housing Trust Fund Program

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (private or non-profit companies or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? Yes No
6. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? Yes No
7. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No

If all of the answers are no, request tax-exempt funding. If the answer to any of the questions is yes, contact your OFM capital analyst for further review.

Expected Use of Bond/COP Proceeds

Agency No.	<u>103</u>	Agency Name	<u>Department of Commerce</u>
Contact Name:	<u>Martin McMurray</u>		
Phone:	<u>360-725-2710</u>	Fax:	<u></u>
Fund(s) Number:	<u>057-1</u>	Fund Name:	<u>State Building Construction Acct</u>
Project Number:	<u>30000875</u>	Project Title:	<u>Youth Recreational Facilities Grants</u>

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	057-1	Fund Name:	State Building Construction Acct
Project Number:	30000877	Project Title:	Building Communities Fund Grants

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	360-586-5880
Fund(s) Number:	057	Fund Name:	State Building Construction Account
Project Number:	30000879	Project Title:	Weatherization Matchmaker Program

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	<u>103</u>	Agency Name	<u>Department of Commerce</u>
Contact Name:	<u>Martin McMurry</u>	Fax:	<u></u>
Phone:	<u>(360) 725-2710</u>	Fund Name:	<u>State Building Construction Acct./ State Taxable Building Construction Acct.</u>
Fund(s) Number:	<u>057 and 355</u>	Project Titles:	<u>Clean Energy Fund 3</u>
Project Number:	<u>30000881</u>		

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (private or non-profit companies or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? Yes No
6. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? Yes No
7. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No

If all of the answers are no, request tax-exempt funding. If the answer to any of the questions is yes, contact your OFM capital analyst for further review.

Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurry	Phone:	Fax:
	(360) 725-2710		
Fund(s) Number:	057 and 22M	Fund Name:	State Building Construction Acct./ State Taxable Building Construction Acct.
Project Number:	30000882	Project Titles:	Energy Efficiency and Solar Grants

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (private or non-profit companies or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? Yes No
6. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? Yes No
7. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No

If all of the answers are no, request tax-exempt funding. If the answer to any of the questions is yes, contact your OFM capital analyst for further review.

Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	057-1	Fund Name:	State Building Construction Acct
Project Number:	3000883	Project Title:	Building Communities Fund Grants

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	057-1	Fund Name:	State Building Construction Acct
Project Number:	4000005	Project Title:	Local and Community Projects

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	057-1	Fund Name:	State Building Construction Acct
Project Number:	4000007	Project Title:	Dental Clinic Capacity Grants

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	057-1	Fund Name:	State Building Construction Acct
Project Number:	40000018	Project Title:	Behavioral Health Community Capacity

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurry		
Phone:	(360) 725-2710	Fax:	
Fund(s) Number:	355-1	Fund Name:	State Taxable Building Construction Acct
Project Number:	91000413	Project Title:	Housing for the Homeless

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (private or non-profit companies or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? Yes No
6. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? Yes No
7. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No

If all of the answers are no, request tax-exempt funding. If the answer to any of the questions is yes, contact your OFM capital analyst for further review.

Expected Use of Bond/COP Proceeds

Agency No.	<u>103</u>	Agency Name	<u>Department of Commerce</u>
Contact Name:	<u>Martin McMurray</u>		
Phone:	<u>360-725-2710</u>	Fax:	
Fund(s) Number:	<u>355-1</u>	Fund Name:	<u>State Taxable Building Const. Acct</u>
Project Number:	<u>91000446</u>	Project Title:	<u>Affordable Housing Units</u>

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	355-1	Fund Name:	State Taxable Building Const. Acct
Project Number:	91000455	Project Title:	Housing for Homeless Veterans

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	<u>103</u>	Agency Name	<u>Department of Commerce</u>
Contact Name:	<u>Martin McMurray</u>		
Phone:	<u>360-725-2710</u>	Fax:	
Fund(s) Number:	<u>355-1</u>	Fund Name:	<u>State Taxable Building Const. Acct</u>
Project Number:	<u>91000457</u>	Project Title:	<u>Housing for Farmworkers</u>

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	355-1	Fund Name:	State Taxable Building Const. Acct
Project Number:	91000458	Project Title:	Housing People w/Development Disabilities

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	355	Fund Name:	State Taxable Bond Fund
Project Number:	91000582	Project Title:	Energy Efficiency Revolving Fund

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	057-1	Fund Name:	State Building Construction Acct
Project Number:	91001157	Project Title:	Local and Community Projects

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	725-2710	Fax:	586-8440
Fund(s) Number:	057	Fund Name:	State Building Construction Account
Project Number:	92000102	Project Title:	Port and Export Related Infrastructure

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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Expected Use of Bond/COP Proceeds

Agency No.	<u>103</u>	Agency Name	<u>Department of Commerce</u>
Contact Name:	<u>Martin McMurray</u>		
Phone:	<u>360-725-2710</u>	Fax:	
Fund(s) Number:	<u>057-1</u>	Fund Name:	<u>State Building Construction Acct</u>
Project Number:	<u>92000151 EA Code –S19</u>	Project Title:	<u>Projects for Jobs & Economic Development</u>

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	057-1	Fund Name:	State Building Construction Acct
Project Number:	92000227	Project Title:	Projects that Strengthen Youth & Families

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

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Expected Use of Bond/COP Proceeds

Agency No.	<u>103</u>	Agency Name	<u>Department of Commerce</u>
Contact Name:	<u>Martin McMurray</u>		
Phone:	<u>360-725-2710</u>	Fax:	
Fund(s) Number:	<u>057-1</u>	Fund Name:	<u>State Building Construction Acct</u>
Project Number:	<u>92000230</u>	Project Title:	<u>Projects that Strengthen Communities & Quality of Life</u>

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	057-1	Fund Name:	State Building Construction Acct
Project Number:	92000344	Project Title:	Community Behavioral Health Beds

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	057-1	Fund Name:	State Building Construction Acct
Project Number:	92000369	Project Title:	Local and Community Projects

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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Expected Use of Bond/COP Proceeds

Agency No.	103	Agency Name	Department of Commerce
Contact Name:	Martin McMurray		
Phone:	360-725-2710	Fax:	
Fund(s) Number:	057-1	Fund Name:	State Building Construction Acct
Project Number:	92000344		Behavioral Rehabilitation
			Services Capacity Grants

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

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