

Funding Affordable Housing-Related Cleanups



Figure 1. The Billy Frank Jr. Place, a former cleanup site, offers affordable housing. *Photo: Housing Authority of Thurston County.*

Grant program funds cleanups to provide affordable housing

The Washington Department of Ecology (Ecology) will start accepting applications for our Affordable Housing Cleanup Grant Program in 2022, with successful applicants receiving funding in the second half of 2023. The program provides funding to offset cleanup costs and reduce financial risks for developers who build affordable housing.

Who can apply?

Any person or organization planning to clean up a contaminated site for redevelopment into affordable housing.

Project criteria

- Meets affordable housing definition¹ and includes a minimum of 20 percent affordable housing in the proposed redevelopment
- Retains affordable housing for 30 years through property restrictions that will be tracked
- Proposes to fully cleanup a contaminated site within an incorporated city, town, or urban growth area that is owned or planned to be owned by the applicant

Types of grants

- **Planning:** Provides seed money to prospective purchasers or property owners to help answer

early questions about the potential contamination risk of a property proposed to be developed into affordable housing. Funded activities could include environmental assessments or outreach to the community.

- **Cleanup:** Provides funding for cleanup after the site is under a formal cleanup agreement with Ecology.

Why it matters

Connecting contaminated site cleanup and redeveloping those sites into affordable housing invests in a greater good beyond the economic and environmental benefits. By addressing contamination and providing affordable housing, a community's character is preserved, and its residents are less likely to be displaced by expensive redevelopment.

Reducing cleanup costs creates affordable housing opportunities

The cost of cleaning up contaminated properties is usually part of the redevelopment price, which makes developing raw land less expensive and risky. The higher cost and risk associated with redeveloping a contaminated site also makes it less likely affordable housing will be part of the new construction. This program reduces cleanup costs, easing the way for building affordable housing.

Redeveloping cleanup sites reduces urban sprawl

As Washington’s cities continue to grow rapidly, new housing and businesses are often built on previously undeveloped land. Ecology is tracking nearly 6,000 sites with suspected or known contamination, many of which are in the middle of urban areas. Cleaning up these sites offers opportunities to create safe, affordable housing.

Grant program history

In 2015, developers in the northwest region approached Ecology with affordable housing projects. Around the same time, we used U.S. Environmental Protection Agency (EPA) State Response Program grant funding for site characterization and cleanup planning at 318 State St. NE in Olympia. The cleanup led to affordable housing (Figure 1) through a partnership between the City of Olympia and the Low Income Housing Institute.

In 2017, the Governor directed Ecology to explore policy options to incentivize environmental cleanups that could provide land for affordable housing.

The 2018 Washington State Legislature supported linking cleanups with affordable housing. As a result, Ecology, in consultation with the Department of Commerce, started a pilot program to provide funding to clean up sites that would be developed as affordable housing. The success of these early projects paved the way for the Affordable Housing Cleanup Grant Program. The EPA’s grant funded Ecology staff time to develop the program.

Learn more about the pilot projects and grant opportunities on our [Affordable Housing-related Cleanup web page](#).ⁱⁱ



Figure 2. Ecology is investing in affordable housing projects across Washington.



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ⁱ “Affordable housing” means residential housing for rental occupancy which, as long as the same is occupied by low-income households, requires payment of monthly housing costs, including utilities other than telephone, of no more than thirty percent of the family’s income.

ⁱⁱ <https://ecology.wa.gov/Spills-Cleanup/Contamination-cleanup/Brownfields/Affordable-housing>