## Affordable Housing Cleanup Grant Program

2023–25 update

# Reducing cleanup costs to create affordable housing opportunities

Ecology developed the <u>Affordable Housing Cleanup</u> <u>Grant Program</u><sup>1</sup> to encourage developers to clean up sites and use them for affordable housing. Affordable housing is rental housing for which rent (including utilities) is no more than thirty percent of the renting family's income. The grants offset cleanup costs, reducing the financial risks associated with contamination cleanup.

Helping communities remain in place Connecting cleanup to affordable housing development goes far beyond economic and environmental benefits. Providing affordable housing after removing the threat of contamination helps preserve a community's character, because residents are less likely to be displaced by expensive redevelopment.

The cost of cleaning up contaminated properties is usually part of the redevelopment price. The higher cost and risk associated with redeveloping contaminated sites usually make it less likely that affordable housing will be part of the new construction. Reducing cleanup costs eases the way for building affordable housing.

#### Reducing urban sprawl

Washington's cities continue to grow rapidly, and new housing and businesses are often built on undeveloped land. Urban areas offer many opportunities for redevelopment—even if those sites have suspected or known contamination. Cleaning up these sites can create safe, affordable housing for communities where it's needed most.

<sup>1</sup> http://www.ecology.wa.gov/Affordable-Housing

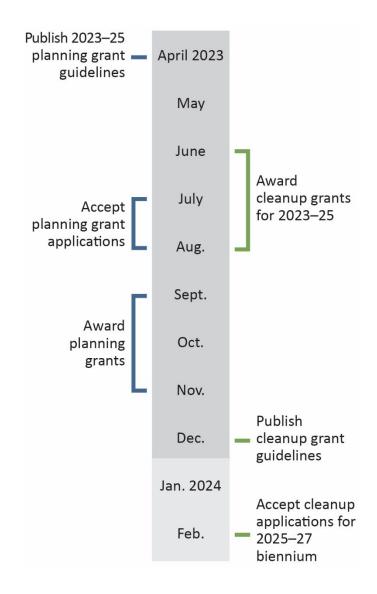
## Who can apply?

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

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## Ecology's estimated timeline for the affordable housing grant cycle



## Types of affordable housing grants

### **Planning grants**

Ecology is developing <u>Affordable Housing Planning</u> <u>Grants<sup>2</sup></u>, which will provide funding to assess site contamination and project viability and engage the community in the proposed project. This grant can fund activities like environmental assessments and outreach to the community. We expect to be accepting applications in July 2023, and that successful applicants will receive funding in the fall of 2023, pending Legislature approval.

#### Proposed project eligibility criteria

Projects must meet the eligibility criteria to apply. We will publish final criteria in guidance in April 2023.

#### **Applicants must:**

- Have an ownership interest in property.
- Intend to develop the site as affordable housing.
- Have access to the site to complete the project.
- Have developed a project scope of work.

#### **Projects must:**

- Be on a site listed as a cleanup site or likely to be contaminated.
- Be on a site zoned for residential use.
- Be in an incorporated or unincorporated urban growth area.
- Be close to food, transit, and other services.
- Not be activities required by legal order or decree
- Not conflict with the Puget Sound Partnership Action Agenda.
- Never have received an Integrated Planning Grant through Ecology's Remedial Action Grant program.

## **Cleanup Grants**

#### Ecology is providing Affordable Housing Cleanup

<u>Grants<sup>3</sup></u> to fund cleanup after the site is under a formal cleanup agreement with Ecology. We solicited the first competitive affordable housing cleanup grant applications in the winter of 2022 to generate our 2023–25 biennial budget request.

#### Projects included in the budget request

The Opportunity Center at Othello Square

Applicant: Capitol Hill Housing Foundation Funding requested: \$1,604,000 CSID: 4040

The Opportunity Center at Othello Square will be a transit-oriented, mixed-use, affordable housing development in Seattle. The project will provide 230 residential units along with community space.

#### 35<sup>th</sup> Street Landfill

Applicant: Mercy Housing NWFunding requested: \$3,985,000CSID: 341

The project would remediate contamination on a brownfields property in Tacoma to allow for the development of 80–100 affordable housing units.

#### **Pioneer Belmont 2**

Applicant: **Pioneer Human Services** Funding requested: **\$5,000,000** CSID: **14787** 

The project would clean up known contaminants to allow for the development of a new 120-unit affordable housing apartment building in Seattle's Capitol Hill neighborhood.

#### Next biennium

We will accept applications for the 2025–27 biennium Affordable Housing Cleanup Grants in the winter of 2024.

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<sup>2</sup> https://ecology.wa.gov/affordable-housing-planning-grants

<sup>3</sup> https://ecology.wa.gov/affordable-housing-cleanup-grants