

**JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS**

CONSENT AGENDA REQUEST

TO: Jefferson County Board of Commissioners

FROM: Carolyn Gallaway, Clerk of the Board

DATE: August 18, 2025

SUBJECT: **AGREEMENT** re: 2025 Affordable Housing/Homelessness Grant Funding; Olympic Housing Trust – Dundee Hill; in the amount of \$110,000

STATEMENT OF ISSUE:

On November 8, 2024 the Housing Fund Board met and reviewed the RFPs received. On November 18, 2024, the Board of County Commissioners approved the Housing Fund Board's 2024 funding recommendations for Affordable Housing Fund 148, Homeless Housing Fund 149, 1590 and 5386 Funds. One of the recommendations was to fund Olympic Housing Trust – Dundee Hill; in the amount of \$110,000.

The project outlined in the RFP contemplates the use of these funds for the purchase of real estate to develop the property for affordable housing. The Housing Fund Board referred the contract to legal for analysis and review of the enforceability of long-term use of the property as affordable housing consistent with the statutes. Upon review, the other sources of funding for this project require the execution of a 40-year covenant that satisfies the HFB's concern and legal recommends the contract language be consistent with all awards in the 2025 cycle.

ANALYSIS:

The attached Grant Agreement will provide \$100,000 in funds approved by the Board of County Commissioners on November 18, 2024.

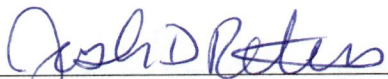
FISCAL IMPACT:

\$110,000 from Fund 148.

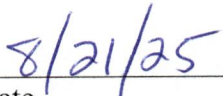
RECOMMENDATION:

Approve the attached Grant Agreement.

REVIEWED BY:



Josh D. Peters, County Administrator



Date

CONTRACT REVIEW FORM
(INSTRUCTIONS ARE ON THE NEXT PAGE)

Clear Form

CONTRACT WITH: Olympic Housing Trust

Contract No: OHTDundee2025

Contract For: Dundee Hill

Term: 1/1/25-12/31/25

COUNTY DEPARTMENT: County Administrator
Contact Person: Carolyn Gallaway
Contact Phone: 360-385-9122
Contact email: carolyn@co.jefferson.wa.us

AMOUNT: \$110,000

PROCESS:

☐	Exempt from Bid Process
☐	Cooperative Purchase
☐	Competitive Sealed Bid
☐	Small Works Roster
☐	Vendor List Bid
☒	RFP or RFQ
☐	Other: _____

Revenue: _____

Expenditure: _____

Matching Funds Required: _____

Sources(s) of Matching Funds: _____

Fund # 148

Munis Org/Obj: _____

APPROVAL STEPS:

STEP 1: DEPARTMENT CERTIFIES COMPLIANCE WITH JCC 3.55.080 AND CHAPTER 42.23 RCW.

CERTIFIED: ☒ N/A: ☐

Carolyn Gallaway
Signature

8/21/25
Date

STEP 2: DEPARTMENT CERTIFIES THE PERSON PROPOSED FOR CONTRACTING WITH THE COUNTY (CONTRACTOR) HAS NOT BEEN DEBARRED BY ANY FEDERAL, STATE, OR LOCAL AGENCY.

CERTIFIED: ☒ N/A: ☐

Carolyn Gallaway
Signature

8/21/25
Date

STEP 3: RISK MANAGEMENT REVIEW (will be added electronically through Laserfiche):

Electronically approved by Risk Management on 8/21/2025.

STEP 4: PROSECUTING ATTORNEY REVIEW (will be added electronically through Laserfiche):

Electronically approved as to form by PAO on 8/21/2025.
Final contract after legal review. PAO drafted contract.

STEP 5: DEPARTMENT MAKES REVISIONS & RESUBMITS TO RISK MANAGEMENT AND PROSECUTING ATTORNEY(IF REQUIRED).

STEP 6: CONTRACTOR SIGNS

STEP 7: SUBMIT TO BOCC FOR APPROVAL

Grant Agreement by and Between Jefferson County
and
Olympic Housing Trust – Dundee Hill
For Affordable Housing/Homelessness Services Grant Funding

WHEREAS, RCW [36.22.250](#) authorizes the use of SSB 5386 a recording fee surcharge to provide funding for affordable housing services, homeless housing and assistance, and local homeless housing and assistance; and

WHEREAS, RCW [82.14.530](#) authorizes the use of SHB 1590 sales tax revenues to support affordable housing; and

WHEREAS, RCW [82.14.540](#) authorizes the use of SHB 1406 sales tax revenues to support affordable housing; and

WHEREAS, on September 3, 2024 the Board of County Commissioners approved funding levels and authorized the release of a Request for Proposals for the funds collected pursuant to the above cited RCW's; and

WHEREAS, on November 18, 2024 the Board of County Commissioners approved the Housing Fund Board's recommendation for 2025 funding;

NOW, THEREFORE, Jefferson County, a political subdivision of the State of Washington ("County"), and Olympic Housing Trust, a non-profit corporation in Washington State ("Recipient"), in consideration of the mutual benefits, terms, and conditions hereinafter specified, do hereby agree as follows:

1. Grant Commitment. A grant of funds is hereby made to Recipient for use of the Project described in Section 2. The approved maximum amount of the grant shall be \$110,000, all coming from Fund 148. Payment of grant funds shall be made upon the submission of appropriate invoices pursuant to Section 3.
2. Project Description, Schedule and Budget.
 - a. The scope of work for the Project is described in Exhibit A, attached.
 - b. The Project begins on January 1, 2025 and shall be completed by December 31, 2025.
 - c. The budget for the Project is described in Exhibit B, attached.
3. Payment. Expenses incurred on the Project, as described in Section 2, by the Project's consultants, contractors, suppliers, or Recipient's staff shall be submitted to the County Administrator's Office by Recipient using a detailed invoice that includes all of the following:

- a. Each detailed invoice shall show individual items followed by the total amount incurred and the amount eligible for reimbursement under this grant. Recipient may submit such invoices to the County once per month during the course of the Project for work completed. All invoices shall be submitted no later than 30 days after project completion; and,
 - b. The county shall review and approve invoice payments. Payments will be limited to the monies that are available under the grant as described in Section 1. Such invoices, once approved, will be paid using the County's normal bill paying process and cycle.
4. Compliance with Laws. Recipient shall, in completing its project under this Grant Agreement, faithfully observe and comply with all federal, state, and local laws, ordinances, and regulation, applicable to the work to be completed under this Grant Agreement.

5. Indemnity

The Recipient shall defend, indemnify and hold the County, its officers, officials, employees, agents and volunteers (and their marital communities) harmless from any claims, injuries, damages, losses or suits, including attorney's fees, arising out of or resulting from the acts, errors or omissions of the Recipient in performance of this Agreement, except for injuries and damages caused by the sole negligence of the County. Should a court of competent jurisdiction determine this Agreement is subject to RCW 4.24.115 if liability for damages occurs arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Recipient and the County, its officers, officials, employees, agents and volunteers (and their marital communities) the Recipient's liability, including the duty and cost to defend, shall be only for the Recipient's negligence. It is further specifically understood that the indemnification provided constitutes the Recipient's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. This section shall survive the expiration or termination of this Agreement.

6. Required Insurance Coverages.

a. Commercial General Liability.

- 1) Recipient shall maintain commercial general liability coverage on a form acceptable to Jefferson County Risk Management for bodily injury, personal injury, and property damage, in an amount not less than two million dollars per occurrence (\$2,000,000) and an aggregate of not less than four million dollars (\$4,000,000), for bodily injury, including death, and property damage.

- 2) The commercial general liability insurance coverage shall contain no limitations on the scope of the protection provided and include the following minimum coverage:
 - i. Broad form property damage, with no employee exclusion;
 - ii. Person injury liability, including extended bodily injury;
 - iii.. Broad form contractual/commercial liability, including completed operations and product liability coverage;
 - iv. Premises - operations liability (M&C);
 - v. Independent contractors and subcontractors; and,
 - vi. Blanket contractual liability.
- 3) Recipient's commercial general liability policy shall include employer's liability coverage.
- 4) The County and its elected officials, officers and employees shall be named as an additional insured party under this insurance policy.
- b. Automobile Liability. Recipient shall maintain business automobile Liability insurance on a form acceptable to Jefferson County Risk Management with a limit of not less than a combined single limit of \$1,000,000 each occurrence. Coverage shall include owned, hired, and non-owned automobiles.
- c. Workers' Compensation (Industrial Insurance). Recipient shall maintain workers' compensation insurance at its own expense, as required by Title 51 RCW, for the term of this Agreement and shall provide evidence of coverage to Jefferson County Risk Management, upon request. If the County incurs any cost to enforce the provisions of this subsection, all costs and fees shall be recoverable from Recipient.
 - 1) Recipient shall provide Workers' Compensation and Employer's Liability on a state approved policy form providing benefits as required by law with employer's liability limits no less than \$1,000,000 per accident or disease.
 - 2) This coverage shall extend to any contractor or subcontractor that does not have their own workers' compensation and employer's liability insurance.
7. Recipient expressly waives by mutual negotiation all immunity and limitations on liability, with respect to the County, under any industrial insurance act, disability benefit act, or other employee benefit act of any jurisdiction, which would otherwise be applicable in case of such claim.

8. General Insurance Requirements.

- a. Insurance coverage shall be evidenced by one of the following methods:
 - 1) Certificate of insurance; or,
 - 2) Self-insurance through an irrevocable Letter of Credit from a qualified financial institution.
- b. Any deductibles or self-insured shall be declared to and approved by the County prior to the approval of this Agreement by the County. At the option of the County, the insurer shall reduce or eliminate deductibles or self-insured retention, or Recipient shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- c. Failure of Recipient to take out or maintain any required insurance shall not relieve Recipient from any liability under this agreement, nor shall the insurance requirements be construed to conflict with or otherwise limit the obligations concerning indemnification of the County.
- d. Recipient's insurers shall have no right of recovery or subrogation against the County (including its employees and other agents and agencies), it being the intention of the parties that the insurance policies so affected shall protect all the parties and shall be primary coverage for all losses covered by the above described insurance.
- e. Insurance companies issuing Recipient's insurance policy or policies shall have no recourse against the County (including its employees and other agents and agencies) for payment of any premiums or for assessments under any form of insurance policy.
- f. All deductibles in Recipient's insurance policies shall be assumed by and be at the sole risk of Recipient.
- g. Any judgments for which the County may be liable, in excess of insured amounts required by this agreement, or any portion thereof, may be withheld from payment due, or to become due, to Recipient until Recipient shall furnish additional security covering such judgment as may be determined by the County.
- h. Any coverage for third party liability claims provided to the County by a "Risk Pool" created pursuant to Ch. 48.62 RCW shall be non-contributory with respect to any insurance policy Recipient shall provide to comply with this Agreement.

- i. The County may, upon Recipient's failure to comply with all provisions of this Agreement relating to insurance, withhold payment or compensation that would otherwise be due to Recipient.
- j. Recipient shall provide a copy of all insurance policies specified in this Agreement.
- k. Written notice of cancellation or change in Recipient's insurance required by this Agreement shall reference the project name and agreement number and shall be mailed to the County at the following address: Jefferson County Risk Management, P.O. Box 1220, Port Townsend, WA 98368.
- l. Recipient's liability insurance provisions shall be primary and noncontributory with respect to any insurance or self-insurance or self-insurance programs covering the County, its elected and appointed officers, officials, employees and agents.
- m. Any failure to comply with reporting provisions of the insurance policies shall not affect coverage provided to the County, its officers, officials, employees or agents.
- n. Recipient's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- o. Recipient shall include all subcontractors as insured under its insurance policies or shall furnish separate certificates and endorsements for each subcontractor. All insurance coverage for subcontractors shall be subject to all the requirements stated in this Agreement. The insurance limits mandated for any insurance coverage required by this Agreement are not intended to be an indication of exposure nor are they limitations on indemnification.
- p. Recipient shall maintain all required insurance policies in force from the time services commence until services are completed. Certificates, insurance policies, and endorsements expiring before completion of services will be promptly replaced.
- q. Recipient shall place insurance with insurers listed to business in the State of Washington and having A.M. Best Company ratings of no less than A-, with the exception that excess and umbrella coverage used to meet the requirements for limits of liability or gaps in coverage need not be placed with insurers or re-insurers licensed in the State of Washington.
- r. Certificates of insurance as required by this Agreement shall be delivered to the County within fifteen (15) days of execution of the Agreement. To the extent a certificate lists or refers to any endorsements solely by name, description or number it shall be the responsibility of Recipient to obtain and provide to Jefferson County Risk Management a full and complete copy of the texts of such endorsements.

- s. The County shall be named as an "additional insured" on all insurance policies required by this Agreement.
 - t. Recipient shall furnish the County with properly executed certificates of insurance that, at a minimum, shall include:
 - 1) The limits of coverage;
 - 2) The project name and agreement number to which it applies;
 - 3) The certificate holder as Jefferson County, Washington and its elected officials, officers, employees and agents with the address of Jefferson County Risk Management, P.O. Box 1220, Port Townsend, WA 98368; and,
 - 4) A statement that the insurance policy shall not be cancelled or allowed to expire except on thirty (30) days prior written notice to the County.
9. Independent Contractor. Recipient and the County agree that Recipient is an independent contractor with respect to the project to be completed pursuant to this Grant Agreement. Nothing in this Grant Agreement shall be considered to create the relationship of employer and employee between the parties hereto. Neither Recipient nor any employee of Recipient, nor any subcontractor of Recipient shall be entitled to any benefits accorded to County employees by virtue of their services on the project to be completed under this Grant Agreement. The County shall not be responsible for withholding or otherwise deducting federal income tax or social security or for contributing to the State industrial insurance program, or otherwise assuming the duties of an employer with respect to Recipient, or any employee, representative of agent of Recipient, or any contractor of Recipient.
10. Subcontracting Requirements.
- a. Recipient Owns Contract Performance. Recipient is responsible for meeting all terms and conditions of this Agreement including standards of service, quality of materials and workmanship, costs and schedules. Failure of a subcontractor to perform is no defense to a breach of this Agreement. Recipient assumes responsibility for all liability for the actions and quality of services performed by any subcontractor.
 - b. Subcontractor Disputes. Any dispute arising between Recipient and any subcontractors or between subcontractors must be resolved with involvement of any kind on the part of the County and without detrimental impact on the delivery of contracted goods and services.

11. Legal and Regulatory Compliance. While performing under this Agreement, Recipient, subcontractors, and their employees are required to comply with all applicable local, state and federal laws, codes, ordinances and regulations, including but not limited to:

- a. Applicable regulations of the Washington State Department of Labor and Industries, including WA-DOSH Safety Regulation; and
- b. State and Federal Anti-Discrimination Laws.

12. Termination.

a. Termination by the County.

- 1) Should Recipient default in providing services under this Agreement or materially breach any of its provisions, the County may terminate this Agreement upon ten (10) days written notice to Recipient.
- 2) Recipient shall have the right and opportunity to cure any such material breach within the ten (10) day period.
- 3) The County may terminate this Agreement upon immediate notice to Recipient. Recipient will be reimbursed for services expended up to the date of termination.
- 4) This Agreement may be terminated or amended, in whole or in part, by the County upon thirty (30) days written notice in the event expected or actual revenue in Funds 148 and/or 149 is reduced or limited in any way.

b. Termination by Recipient.

- 1) Should the County, its staff, employees, agents and/or representatives default in the performance of this Agreement or materially breach any of its provisions, Recipient, at its option, may terminate this Agreement by giving ten (10) days written notice to the County representative.
- 2) The County shall have the right and opportunity to cure any such material breach within the ten (10) day period.

c. Termination Without Cause. This Agreement may be terminated without cause at any time by either party subject to a sixty (60) day advance written notice of such termination to the other party.

13. No Harassment or Discrimination. Recipient and any contractors/subcontractors will not discriminate against any person in the performance of work under this agreement or in the selection and retention of employees or procurement of materials or supplies on the basis of age, sex, marital status, sexual orientation, religion, creed, color, national origin, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability or the use of a trained guide dog or service animal by a person with a disability, unless based on a bonafide occupational qualification.
14. Contract Expiration. This contract will run until the project is complete and until the County has made all payments required under this Grant Agreement, except that the project must be completed no later than the date listed in Paragraph 2.b. above, unless extended by mutual agreement.
15. Failure to Appropriate. Recipient acknowledges that the County may only appropriate monies in the current year and in a manner consistent with Paragraph 1 above. The County agrees to appropriate monies to fund this grant unless emergency circumstances prevent the County from doing so. Any monies to be paid by the County to Recipient for this grant are subject to appropriation by the County Commission.
16. Integrated Agreement. This Grant Agreement represents the entire and integrated agreement between the County and Recipient and supersedes all prior negotiations, representation, or agreements written or oral.
17. Modification of this Agreement. This Agreement may be amended or supplemented only by a writing that is signed by duly authorized representatives of all parties.
18. No Assignment. Recipient shall not sell, assign, or transfer any rights obtained by this Agreement without the express written consent of the County.
19. Severability. Provided it does not result in a material change in the terms of this Agreement, if any provision of this Agreement or the application of this Agreement to any person or circumstance shall be invalid, illegal, or unenforceable to any extent, the remainder of this Agreement and the application of this Agreement shall not be affected and shall be enforceable to the fullest extent permitted by law.
20. No Third-party Beneficiaries. The parties do not intend, and nothing in this Agreement shall be construed to mean, that any provision in this Agreement is for the benefit of any person or entity who is not a Party.

21. Controlling Law. It is understood and agreed that this Agreement is entered into in the State of Washington. This Agreement shall be governed by and construed in accordance with the laws of the United State, the State of Washington and the County of Jefferson, as if applied to transactions entered into and to be performed wholly within Jefferson County, Washington between Jefferson County residents. No party shall argue or assert that any state law other than Washington law applies to the governance or construction of this Agreement.
22. Reports: An annual report form will be due no later than January 31, 2026. The report form will be distributed before the end of the year. Non-compliance may result in no funds awarded in the future.

(SIGNATURES APPEAR ON THE FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties have caused this Grant Agreement to be executed this _____ day of _____ 2025.

Jefferson County
Board of Commissioners

Olympic Housing Trust

Signature Date

Printed Name / Title

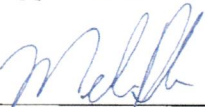
By: _____
Heidi Eisenhower, Chair Date

SEAL:

ATTEST:

Carolyn Gallaway, CMC Date
Clerk of the Board

Approved as to form only:

 for 08/21/2025

Philip C. Hunsucker Date
Chief Civil Deputy Prosecuting Attorney

EXHIBIT A - SCOPE OF WORK

Recipient has been awarded \$110,000 (the “Award”), after recommendation by the Housing Fund Board. Recipient shall use the Award consistently with its response to the request for proposal submitted to the Housing Fund Board during the 2025 cycle.

A true and correct copy of the Recipient’s response to the request for proposal is attached as Exhibit C.

EXHIBIT B – BUDGET

Recipient only shall use the Award for the purposes identified in its request for proposal submitted to the Housing Fund Board during the 2025 cycle.

Recipient shall invoice the County consistent with Section 3 of this agreement.

Applicant: Olympic Housing Trust

Contact: Kathy Morgan

Address: P.O. Box 1537, Port Townsend, WA 98368

Phone: 360-531-2555

Email: kathy@olympichousingtrust.org

Funding for

Affordable and supportive Housing &
Homeless Housing and Assistance Funds

APPLICATION

Proposals must be RECEIVED: 10/18/24 at 4pm

Jefferson County
through the County & City of Port Townsend
Housing Fund Board

Application

Affordable and supportive Housing & Homeless Housing and Assistance Funds

For use from January 1, 2025 to December 31, 2025

GENERAL INFORMATION –It is understood that if awarded funding for this period, there is no guarantee of future funding beyond this award.

We estimate the available funding for this period to be approximately \$165,000 for 5386 Homeless Housing and Assistance (operating) funds; \$840,000 for 1590 Affordable and Supportive Housing development funds; and first year operating funds; and \$560,000 for 1590 Affordable and Supportive Housing operating funds. Note that 1590 operating funds may be used for all housing-related services.

Name of Project or Program Dundee Hill Community Homes
or Program:

Requested total amount for this application: \$125,000

Area of the County to be served: Jefferson

Name of Applicant/Agency: Olympic Housing Trust

Federal Tax ID #: 61-1497176

Contact Person: Kathy Morgan

Title: Executer Director

Address: PO Box 1537

City: Port Townsend

State: WA Zip: 98368

Phone Number: 360-531-2555

Fax Number:

E-mail: kathy@olympichousingtrust.org

CERTIFICATION by Authorized Agency Representative (Board President, CEO, or another person authorized to bind the agency in a contract).

Name of Authorized Agency Representative (print): Kathy Morgan

Title: Executive Director

- Applicant certifies that these funds will be used as described in this application unless a change has been mutually agreed upon between Contractor and Jefferson County Board of County Commissioners. Substantive amendment requests will also require the approval of the Housing Fund Board ("HFB").
- Applicant certifies that the information in this application is true and correct.
- Applicant certifies that it has no outstanding obligations to the County with respect to housing funds.



Signature of Authorized Agency Representative

10/16/2024

Date

SPECIFIC INFORMATION

Please separately tab each section of the application submission as to Project or Program Description, Capacity, Alignment, Approach, Impact of Funds, Budget.

PROJECT DESCRIPTION

- Name of Project or Program: Dundee Hill Community Homes
- Amount requested: **\$125,000**
- Provide a brief description of the Project or Program: **(LIMIT 200 WORDS)**

Olympic Housing Trust (OHT) is building Dundee Hill Community Homes. This is a locally designed, permanently affordable housing project in Port Townsend, WA. Available to residents of Jefferson and Clallam County, the project offers five green-built town homes for purchase. This innovative layout clusters the 2 two-bedroom and 3 three-bedroom homes while holding onto native plant buffers and the neighborhood's beautiful community garden.

The five homes will be sold to income-qualified households who have lived in the area for at least one year and are able to secure a home loan, among other qualifications. This project, along with all of Olympic Housing Trust's, utilizes the community land trust model where OHT will develop and sell the subsidized homes to eligible households, but still maintain ownership of the underlying land through a 99-year ground lease agreement. Homeowners will own their homes as long as they like and even pass the home onto their heirs, however if the homeowner chooses to sell their home, they will follow OHT's resale formula so that the next homeowner is able to purchase it at an affordable price. This moderation in the possible resale value is the key mechanism that community land trusts use to achieve permanent affordability.

- Specify the Project or Program goals and expected outcomes. Specify the measures of success by which the Project or Program will be assessed. **(LIMIT 300 WORDS)**

PROJECT GOALS

OHT's primary project goals are:

1. Offer attractive homeownership opportunities to five households to local households.
2. Build a stand-out affordable housing project with a focus on green building design and open space.
3. Emphasize principles of urban infill, public private partnerships, walkability, and friendly neighborhoods

Dundee Hill is an important project because it seeks to include local values in the development. With access to both green-built housing and on-site food production, Dundee Hill is creating a new way to think about these types of community investments. And as the only local membership-based housing developer organization, OHT is pleased to represent local voices and values.

Project Success Assessment:

1. **Home Sales:** OHT will monitor and track the home buying process for applicants and determine if eligible households are able to purchase the subsidized homes and what challenges present themselves at different AMI levels. Quantitative and qualitative measurements will be taken based upon the five homes being purchased.
 2. **Timeliness of Development:** OHT will continue to measure the pace of project development to understand better project efficiency and production for future projects. This includes the pre-development phase, fundraising, permitting, contracting, financing, marketing, home buyer applications, construction and conveyance. OHT is on track to begin construction in Q2 2025 and finish in Q3 2026. Quantitative measurement will be taken based upon the targeting start and end dates.
 3. **Community Engagement:** OHT will measure the interest and feedback of the project stakeholders, namely the adjacent community gardeners, the surrounding neighbors, and through running project surveys. Questions of project impact, design, walkability and notions of 'friendly neighborhoods' will be prompted. The aim is to gather information on what people think of the project ahead of construction and after the homes are built and sold. OHT will track results and share the results by the end of Q4 2026.
- **Specify the number of units of housing to be created or number of individuals who will be served by the Project or Program.**

Five new homes will be built at Dundee Hill: 2 two-bedroom homes and 3 three-bedroom homes. OHT estimates that Dundee Hill, with fully occupied bedrooms, can produce affordable, healthy housing for up to 15 local residents.

Threshold Requirements:

- Identify the specific eligible use(s) under 5386 and/or 1590 for which the Project or Program qualifies, as listed on pages two through four of the RFP. If you are submitting for both operating and development funds, please submit separate budgets for each.
- Provide a brief description of recent, relevant and successful experiences in delivering similar programs and/or projects.
- Briefly describe how the project aligns with the priorities and objectives of the Five-Year Homeless Housing Plan and the community outreach conducted for the project or program. **(LIMIT 400 WORDS)**

Olympic Housing Trust Proposal - Affordable and Supportive Housing 1590 Funds

Threshold Requirements:

This proposal qualifies under the 1590 fund for new construction, by building 5 new permanently affordable homes that are within reach by households within Jefferson County who may be at 50% - 60% AMI. Given the severe lack

of homebuying options and experience for the economically distressed, the applicant, the Olympic Housing Trust, will encourage and seek home buyer applications from local households who earn within the range of 50% - 60% AMI, or approximately \$45,000 - \$54,000 for a household of four. For OHT to afford this level of development for local households, OHT has sought funding from every avenue available to the organization and is closing in on the final amounts needed for the project. As of October 2024, OHT has raised \$1.3 million with funding applications into the Washington State Housing Finance Commission for construction financing and a final large grant to the Federal Home Loan Bank of Des Moines for the final private capital anticipated.

The Dundee Hill project aligns with local plans by offering a pathway for those who are economically distressed or housing insecure to find one more opportunity that may offer support. This is part of what the 5-Year Homelessness plan outlines with “bridging the gap to stable housing”, however OHT recognizes that its constituency for homebuyers are likely not those who are currently unsheltered. It is understood that even those earning above 80% AMI struggle to secure housing in Jefferson County, and especially so for those earning farther down the income line. OHT will market to and support the applications of local vulnerable populations, including to those earning 50 – 60% AMI who may be Seniors, Veterans, DV survivors, as well as the public that qualify.

OHT has successfully stewarded four homes in Clallam County for over ten years for vulnerable locals who could not purchase without this direct and ongoing stewardship support. OHT has demonstrated its ability to manage properties and grow responsibly especially in recent years with new partnerships forming with other community organizations, like Jefferson Land Trust.

A. APPROACH - Completeness of Proposal and Readiness (5 Points) (LIMIT 400 WORDS)

Approach

The Olympic Housing Trust, a local 501(c)(3) nonprofit housing provider, is requesting \$125,000 for new construction as associated with the development on Dundee Hill Community Homes, a new permanently affordable housing project in Port Townsend. This award from the 1590 funds will go directly into the capital campaign to build housing affordable, including for those earning between 50 – 60% AMI.

To date, OHT has achieved the following project milestones:

- Site control through charitable transfer where OHT is now the owner
- Secured the land use permits from the City of Port Townsend
- Fundraised \$1.3 million in secured and committed funds with nearly a quarter of the funds coming from local contributors and the majority from Dept of Commerce
- In pre-contracting arrangement with a well-known, local general contractor firm
- Applied to WSHFC for CLT construction loan financing –full approval contingent on being fully funded
- Achieved project awareness throughout East Jefferson County with many presentations, tabling events, site visits, and funding applications

Remaining pre-construction project goals:

- Finish capital campaign to raise \$425,000
- Receive final approval on WSHFC construction loan by Q4 2024
- Receive final building permits from City of Port Townsend (having already received land use permit and zoning approval)

OHT aims to scale the Dundee Hill model for other projects in Jefferson County and is hard at work demonstrating that this can be repeated at a neighborhood scale.

OHT has already secured the project land (through donation) and most of the public funds needed to start building in Q2 2025. As seen in the budget, OHT is very close to being fully funded, and getting these community dollars

strengthens OHT's ability to leverage the remaining funds needed. Please see budget for the other sources secured and sources applied to.

B. IMPACT OF FUNDS - Leverage of Other Funds and Number of Persons Assisted
(10 Points) (LIMIT 400 WORDS)

Impact

Dundee Hill's five homes are a permanent investment in Jefferson County's affordable housing stock. Together with the Dundee Hill Community Garden (supported by the Food Bank Growers Association) OHT is blending multiple community organizations and values into the project.

OHT estimates that the new homes can house 15 individuals based upon various household sizes. The specific households and their respective income levels are not yet finalized as the homeownership application process has not been released.

To date, OHT has secured funding from the following sources:

1. Housing Trust Fund (Commerce): \$545,000
2. CHIP (Commerce): \$70,182
3. City of Port Townsend (fee deferrals): \$63,732
4. Jefferson County (ARPA funding): \$80,000
5. WSU Energy Office (solar funding): \$108,294
6. Foundations: \$70,512
7. Local Contributions: \$372,345
8. Land Donation (City assessed value): \$70,523

The variety of sources and amount of individual local contributors shows clear buy-in for the project. Additionally, OHT has applications sent into the Federal Home Loan Bank of Des Moines for project capital and the Washington State Housing Finance Commission for the construction loan. The gap, minus the loan, is \$425,000.

OHT sees its work of developing permanently affordable housing as, ultimately, a backstop against the rise in housing inequities and homelessness within the Olympic Peninsula. However, Commerce's Homeless System Performance Measure is necessarily not the most suitable tool to use when comparing affordable homeownership opportunities. For instance, the homes that OHT is creating can be affordable to households earning as low as 50% AMI with access to WSHFC or USDA 502 direct mortgage loan financing, which those experiencing homelessness may or may not be able to apply for. Dundee Hill provides a very stable on-ramp towards housing security and equity building. The positive result of stable housing has been shown to be a key indicator of health and wellness and educational success.

Once all the funding is committed, OHT can affirmatively market the project to connect with those named in the RFP, including veterans, senior citizens, and survivors of domestic abuse, and within the regional BIPOC communities. This broader reach will result in more permanent outcomes for the County's funds and support diversifying OHT's homeowner base. Many households within our local community are underserved by today's market rate offerings, as well as existing affordable housing. OHT seeks to expand the homeownership access for those earning between 50% to 60%, as this range is perpetually underserved by homeownership programs.

C. PROJECT OR PROGRAM BUDGET – A Feasible Financial Plan (5 Points)

BUDGET FORMS

Funding period **begins January 1, 2025, and ends December 31, 2025.** Please use the attached budget templates. If you need additional space, you may insert rows. "Proposal" refers to the funds requested from these funds that will be applied to this specific Project or Program. Blank spaces are provided for additional categories. Justification for budget items must be specific, and that same specificity should be reflected in subsequent billings. **A maximum 10% Administration fee is allowed for projects if needed, however, Administration fees are not allowed for Capital Projects.**

PROJECT EXPENSES

Dundee Hill Community Homes

Financing Categories	Estimate	Basis of Estimate
Land Acquisition	\$ 70,523.00	2800 Hendricks St. Land secured in April 2024. Land donated, estimate based upon appraised value of land and closing costs
City Permitting Fees	\$ 77,026.00	Impact fees with City of Port Townsend
Financing Fees and Charges	\$ 41,815.00	Based on WASHFC 2% construction loan
Construction	\$ 2,348,542.00	Includes construction, infrastructure, specialties, contingency, sales tax, GC P&O etc
Developers Fee	\$ 125,000.00	For OHT's admin and management (4%)
Soft Costs	\$ 200,094.00	Project management, architect, engineering, fundraising, insurance, etc
Total	\$ 2,863,000.00	

PROJECT SOURCES

Categories	Estimate	Notes
Land Donation	\$ 70,523.00	Land secured in April 2024. 2800 - 2808 Hendricks St. Value based upon appraised value of land.
Individual Local Donations	\$ 372,345.00	Secured from local donors
Public (state)	\$ 769,888.00	Secured HTF and CHIP. Secured WSU Energy solar funding.
City of PT waivers	\$ 63,732.00	Secured permitting waivers
Jefferson County ARPA	\$ 80,000.00	Secured ARPA funding

Foundation Contributions	\$ 70,512.00	Secured funding from IAO Foundation, Washington Federal Bank Foundation First Fed Foundation
WSHFC Construction Loan	\$ 1,011,000.00	Will secure with WSHFC at rate of 2% in Q1 2025
Low income housing credits	\$ -	N/A Don't qualify based upon homeownership project
Historic tax credits	\$ -	N/A
New market tax credits	\$ -	N/A
Gap (if any)	\$ 425,000.00	Jeffco 1590 funds (applying for \$125,000), Federal Home Loan Bank of Des Moines (applied for \$300,000)
Total	\$ 2,863,000.00	

Please include any budget narrative that is descriptive or helpful, to explain any part of your proposed expenditures. For instance, if you are requesting furnishings or appliances specifically for housing included in your Project or Program, what are the items you are requesting? **(LIMIT 300 WORDS)**

The remaining gap for Dundee Hill is \$425,000. OHT's fundraising strategy has been to find the remaining amount from multiple sources, including County and State level funds, bank foundations, and individual contributors. OHT has sought the vast majority of the gap, \$300,000, from an application to Federal Home Loan Bank of Des Moines in April 2024 and will learn of the award status in December 2024. The remaining amount is being sought through this application with Jefferson County 1590 funds and, if needed, additional local contributors. The campaign intends to be wrapped up by the beginning of 2025 for construction groundbreaking in Spring 2025 and completion by Summer 2026. The remaining prospective funds will be secured through the construction loan with WSHFC once the project is funded. OHT has submitted its application to WSHFC, and it is awaiting approval with the agency, which is contingent upon being fully funded.

Please Note:

- OHT's 2024 operating budget is attached.
- A 10 year operating proforma is not specifically relevant for this construction funding.
- Proof of commercial general liability insurance can be provided by OHT upon request

ATTACHMENT A

Required Insurance Coverages

1. Commercial General Liability.

- Recipient shall maintain commercial general liability coverage on a form acceptable to Jefferson County Risk Management for bodily injury, personal injury, and property damage, in an amount not less than two million dollars per occurrence (\$2,000,000) and an aggregate of not less than four million dollars (\$4,000,000), for bodily injury, including death, and property damage.
- The commercial general liability insurance coverage shall contain no limitations on the scope of the protection provided and include the following minimum coverage:
 - Broad form property damage, with no employee exclusion;
 - Person injury liability, including extended bodily injury;
 - Broad form contractual/commercial liability, including completed operations and product liability coverage;
 - Premises – operations liability (M&C);
 - Independent contractors and subcontractors; and,
 - Blanket contractual liability.
- Recipient's commercial general liability policy shall include employer's liability coverage.
- The County and its elected officials, officers and employees shall be named as an additional insured party under this insurance policy.

2. Automobile Liability.

- Recipient shall maintain business automobile Liability insurance on a form acceptable to Jefferson County Risk Management with a limit of not less than a combined single limit of \$1,000,000 each occurrence. Coverage shall include owned, hired, and non-owned automobiles.

3. Workers' Compensation (Industrial Insurance). Recipient shall maintain workers' compensation insurance at its own expense, as required by Title 51 RCW, for the term of this Agreement and shall provide evidence of coverage to Jefferson County Risk Management, upon request. If the County incurs any cost to enforce the provisions of this subsection, all costs and fees shall be recoverable from Recipient.

- Recipient shall provide Workers' Compensation and Employer's Liability on a state approved policy form providing benefits as required by law with employer's liability limits no less than \$1,000,000 per accident or disease.

- This coverage shall extend to any contractor or subcontractor that does not have their own workers' compensation and employer's liability insurance.
- Recipient expressly waives by mutual negotiation all immunity and limitations on liability, with respect to the County, under any industrial insurance act, disability benefit act, or other employee benefit act of any jurisdiction, which would otherwise be applicable in case of such claim.

4. General Insurance Requirements.

- Insurance coverage shall be evidenced by one of the following methods:
 - Certificate of insurance; or,
 - Self-insurance through an irrevocable Letter of Credit from a qualified financial institution.
- Any deductibles or self-insured shall be declared to and approved by the County prior to the approval of this Agreement by the County. At the option of the County, the insurer shall reduce or eliminate deductibles or self-insured retention, or Recipient shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- Failure of Recipient to take out or maintain any required insurance shall not relieve Recipient from any liability under this agreement, nor shall the insurance requirements be construed to conflict with or otherwise limit the obligations concerning indemnification of the County.
- Recipient's insurers shall have no right of recovery or subrogation against the County (including its employees and other agents and agencies), it being the intention of the parties that the insurance policies so affected shall protect all the parties and shall be primary coverage for all losses covered by the above described insurance.
- Insurance companies issuing Recipient's insurance policy or policies shall have no recourse against the County (including its employees and other agents and agencies) for payment of any premiums or for assessments under any form of insurance policy.
- All deductibles in Recipient's insurance policies shall be assumed by and be at the sole risk of Recipient.
- Any judgments for which the County may be liable, in excess of insured amounts required by this agreement, or any portion thereof, may be withheld from payment due, or to become due, to Recipient until Recipient shall furnish additional security covering such judgment as may be determined by the County.
- Any coverage for third party liability claims provided to the County by a "Risk Pool" created pursuant to Ch. 48.62 RCW shall be non-contributory with respect to any insurance policy Recipient shall provide to comply with this Agreement.

- The County may, upon Recipient's failure to comply with all provisions of this Agreement relating to insurance, withhold payment or compensation that would otherwise be due to Recipient.
- Recipient shall provide a copy of all insurance policies specified in this Agreement.
- Written notice of cancellation or change in Recipient's insurance required by this Agreement shall reference the project name and agreement number and shall be mailed to the County at the following address: Jefferson County Risk Management, P.O. Box 1220, Port Townsend, WA 98368.
- Recipient's liability insurance provisions shall be primary and noncontributory with respect to any insurance or self-insurance or self-insurance programs covering the County, its elected and appointed officers, officials, employees and agents.
- Any failure to comply with reporting provisions of the insurance policies shall not affect coverage provided to the County, its officers, officials, employees or agents.
- Recipient's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- Recipient shall include all subcontractors as insured under its insurance policies or shall furnish separate certificates and endorsements for each subcontractor. All insurance coverage for subcontractors shall be subject to all the requirements stated in this Agreement. The insurance limits mandated for any insurance coverage required by this Agreement are not intended to be an indication of exposure nor are they limitations on indemnification.
- Recipient shall maintain all required insurance policies in force from the time services commence until services are completed. Certificates, insurance policies, and endorsements expiring before completion of services will be promptly replaced.
- Recipient shall place insurance with insurers listed to business in the State of Washington and having A.M. Best Company ratings of no less than A-, with the exception that excess and umbrella coverage used to meet the requirements for limits of liability or gaps in coverage need not be placed with insurers or re-insurers licensed in the State of Washington.
- Certificates of insurance as required by this Agreement shall be delivered to the County within fifteen (15) days of execution of the Agreement. To the extent a certificate lists or refers to any endorsements solely by name, description or number it shall be the responsibility of Recipient to obtain and provide to Jefferson County Risk Management a full and complete copy of the texts of such endorsements.
- The County shall be named as an "additional insured" on all insurance policies required by this Agreement.

- Recipient shall furnish the County with properly executed certificates of insurance that, at a minimum, shall include:
 - The limits of coverage;
 - The project name and agreement number to which it applies;
 - The certificate holder as Jefferson County, Washington and its elected officials, officers, employees and agents with the address of Jefferson County Risk Management, P.O. Box 1220, Port Townsend, WA 98368; and
 - A statement that the insurance policy shall not be cancelled or allowed to expire except on thirty (30) days prior written notice to the County.

Olympic Housing Trust 2024 Operating Budget			
01/01/24 - 12/31/24		FY 2024	Notes
		Budget	
Revenue			
Earned Income			
	Resale Fee	\$0.00	No resale expected
	Lease Fee	\$2,160.00	\$45 fee per owner / month
	Pre-Application Fee	\$500.00	\$10 at 50 pre-apps
	Final Application Fee	\$1,400.00	\$40 at 35 apps
	General Membership Income	\$3,125.00	\$25 at 125 members
	Business Membership Income	\$2,250.00	\$150 at 15 businesses
	Project Development	\$69,162.00	Paid from project budgets
Contributions			
	Individual	\$20,000.00	Local contributors
	Corporate	\$3,000.00	Google employee match, local employers
	Foundation	\$40,000.00	Community and bank foundations: Nordcliffe
	Public Funding	\$0.00	Does not count HUD Grant for RCAC services
	Gifts In-Kind	\$0.00	Professional services: Accounting, marketing, legal, consultants
	Interest Income	\$0.00	
Total Revenue		\$141,597.00	
		FY 2024	Notes
		Budget	
Expenses			
Staff / Contractors			
Combined Staff 80.50%	Executive Director	\$58,327.50	Assuming 4.5 months at 50% FTE, 6.5 months at 100% FTE 40:40:20, CC / DH / Ops
	Outreach and Development Manager	\$30,000.00	Kellen Lynch FTE 37.5:37.5:25, DH / CC / Ops. Sum based upon 2023 total.
	CLT consulting	\$3,500.00	Julie Brunner / CLT Support
	Staff Training & Development	\$1,000.00	Board retreat
	Payroll Taxes	\$12,832.05	22% of ED
Real Estate Stewardship			
Combined Stewardship 1.60%	Property Tax	\$1,400.00	PA properties
	Property Management	\$350.00	PA properties
	Property Maintenance	\$350.00	PA properties
	Utilities	\$0.00	PA properties
Office / Administration			
Combined Admin / Overhead 17.90%	Accounting	\$13,500.00	Clarity Enterprises bookkeeping, Quickbooks Online, CPA support, audit
	Insurance	\$7,000.00	IPFS Corp
	Supplies	\$250.00	Event supplies
	Printing	\$350.00	Educational materials
	Postage	\$200.00	Donor relations
	Travel & Meetings	\$300.00	Stewardship travel
	Marketing & Advertising	\$1,000.00	Events, membership, print, web, radio ads
	Office Rent	\$0.00	Remote work
Overhead			
	Bank & Brokerage Fees	\$200.00	Stripe fees
	Fees, Permits and Licenses	\$200.00	State fees
	Dues & Subscriptions	\$500.00	Includes Squarespace website, Microsoft suite
Total Expenses		\$131,260	