

**JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS**

CONSENT AGENDA REQUEST

TO: Board of County Commissioners

FROM: Mark McCauley, County Administrator

DATE: March 20, 2023

SUBJECT: Request for Board of County Commissioners approval of an American Rescue Plan Act (ARPA) Grant Agreement with Habitat for Humanity

STATEMENT OF ISSUE: On Monday, February 27, 2023 the Board of County Commissioners reviewed 48 ARPA grant proposals received from a variety of sources. These 48 proposals were submitted as a result of a BOCC "Last Call" for proposals as it sought to distribute \$834,718 in remaining ARPA funds (\$1.692 million in 2023 ARPA funds have yet to be received). The Board selected 17 projects for funding.

Each Commissioner scored each of the 48 projects individually. Their scores were consolidated in a spreadsheet and the projects were ranked using these consolidated scores. The Board discussed each project for the benefit of the public. The Commissioners then made funding allocations until all but \$718 of the funds were allocated and directed the County Administrator to prepare the appropriate grant agreements.

ANALYSIS: Habitat for Humanity submitted a request for \$100,000 to help fund master planning for the Mason Street affordable housing project. The Board allocated \$80,000.

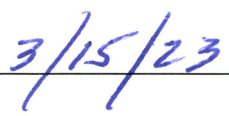
A grant agreement funding this project is attached.

FISCAL IMPACT: This request costs \$80,000 which will be paid using ARPA funds in Fund 123, Grants Management.

RECOMMENDATION: That the Board of County Commissioners approve the attached grant agreement.

REVIEWED BY:


Mark McCauley, County Administrator


Date

**GRANTEE AGREEMENT WITH HABITAT FOR HUMANITY OF EAST
JEFFERSON COUNTY**

This Grantee Agreement ("Agreement") is by and between Jefferson County, a Washington political subdivision ("County") and Habitat for Humanity of East Jefferson County, ("Grantee").

WHEREAS, on March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA) into law; and

WHEREAS, the ARPA allows that funds appropriated for revenue sharing counties can be used for any governmental purpose; and

WHEREAS, on July 31, 2017, the Jefferson County Board of Commissioners adopted Resolution No. 35-17, finding "that an emergency exists with respect to the availability of housing that is affordable to low-income households and with respect to the availability of housing that is affordable to very low-income households in Jefferson County;" and

WHEREAS, the Grantee is a non-profit 501(c)(3) that specializes in providing affordable home ownership opportunities for persons with low incomes; and

WHEREAS, the Grantee, in partnership with the Jefferson Community Foundation, are proposing to build 100-130 affordable housing units in Port Hadlock; and

WHEREAS, these housing units would provide multiple benefits to the county, including increased enrollment in the Chimacum School District, additional equivalent residential units connected to and paying for sewer service from the planned Hadlock Sewage Treatment Plant, and substantially increasing the supply of housing; and

WHEREAS, Grantee has requested funding to help fund the master plan for the project;

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, and the terms and conditions set forth below, the parties agree as follows:

1. Grant Amount and Grantee's Use of Grant Funds. The Grant amount is \$80,000. The Grant is to be used for the purposes described at Exhibit A. These grants funds may be made available contingent upon receipt of the second tranche of ARPA revenue sharing funds.

2. Reporting Requirements. Grantee will submit a report to the County on an annual basis by January 31 of each year until all grant funds are expended. The report will include information regarding the usage of the \$80,000 grant amount.

3. Effective Date and Term. This Agreement shall commence on the date when last executed by the parties and remain in effect until the funds are exhausted.

4. Termination. The County may terminate this Agreement, for convenience or otherwise and for no consideration or damages, upon prior notice to the Grantee.

5. Independent Grantee. Each party under this Agreement shall be for all purposes an independent Grantee. Nothing contained herein will be deemed to create an association, a partnership, a joint venture, or a relationship of principal and agent, or employer and employee between the parties. The Grantee shall not be, or be deemed to be, or act or purport to act, as an employee, agent, or representative of the County for any purpose.

6. Indemnification. The Grantee 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 Grantee 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 Grantee and the County, its officers, officials, employees, agents and volunteers (and their marital communities) the Grantee's liability, including the duty and cost to defend, shall be only for the Grantee's negligence. It is further specifically understood that the indemnification provided constitutes the Grantee'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.

7. Insurance. Prior to commencing work, the Grantee shall obtain at its own cost and expense the following insurance coverage specified below and shall keep such coverage in force during the terms of the Agreement.

Commercial Automobile Liability Insurance providing bodily injury and property damage liability coverage for all owned and non-owned vehicles assigned to or used in the performance of the work for a combined single limit of not less than \$500,000 each occurrence with the County named as an additional insured in connection with the Consultant's performance of his Agreement. This insurance shall indicate on the certificate of insurance the following coverage: (a) Owned automobiles; (b) Hired automobiles; and, (3) Non-owned automobiles.

Commercial General Liability. Insurance in an amount not less than a single limit of \$1,000,000 per occurrence and an aggregate of not less than two (2) times the occurrence amount (\$2,000,000.00 minimum) for bodily injury, including death and property damage, unless a greater amount is specified in the contract specifications.

The commercial general liability insurance coverage shall contain no limitations on the scope of the protection provided and include the following minimum coverage:

- a. Broad Form Property Damage, with no employee exclusion;
- b. Personal Injury Liability, including extended bodily injury;
- c. Broad Form Contractual/Commercial Liability – including coverage for products and completed operations;
- d. Premises – Operations Liability (M&C);
- e. Blanket Contractual Liability.

The County shall be named as an "additional named insured" under all insurance policies required by this Agreement, except Professional Liability Insurance when not allowed by the insurer, and shall include a provision prohibiting cancellation of said policy except upon thirty (30) days prior written notice to the County.

Such insurance coverage shall be evidenced by one of the following methods: (a) Certificate of Insurance; or, (b) Self-insurance through an irrevocable Letter of Credit from a qualified financial institution.

The Grantee shall furnish the County with properly executed certificates of insurance that, at a minimum, shall include: (a) The limits of overage; (b) The project name to which it applies; (c) The certificate holder as Jefferson County, Washington and its elected officials, officers, and employees with the address of Jefferson County Risk Management, P.O. Box 1220, Port Townsend, WA 98368, and, (d) A statement that the insurance policy shall not be canceled or allowed to expire except on thirty (30) days prior written notice to the County. If the proof of insurance or certificate indicating the County is an "additional insured" to a policy obtained by the Consultant refers to an endorsement (by number or name) but does not provide the full text of that endorsement, then it shall be the obligation of the Consultant to obtain the full text of that endorsement and forward that full text to the County. Certificates of coverage as required by this section shall be delivered to the County within fifteen (15) days of execution of this Agreement.

Failure of the Grantee to take out or maintain any required insurance shall not relieve the Grantee 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.

The Grantee'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, with the exception of Professional Liability Insurance, so affected shall protect all the parties and shall be primary coverage for all losses covered by the above described insurance.

Insurance companies issuing the Grantee'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 the Grantee's insurance policies shall be assumed by and be at the sole risk of the Grantee.

Any deductibles or self-insured retention 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 the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

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 the Grantee until the Grantee 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 the Grantee shall provide to comply with this Agreement.

The County may, upon the Grantee's failure to comply with all provisions of this Agreement relating to insurance, withhold payment or compensation that would otherwise be due to the Grantee.

The Grantee shall provide a copy of all insurance policies specified in this Agreement.

Written notice of cancellation or change in the Grantee'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.

The Grantee's liability insurance provisions shall be primary and noncontributory with respect to any 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.

The Grantee'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.

The Grantee shall include all Sub-Grantees as insured under its insurance policies or shall furnish separate certificates and endorsements for each Sub-Grantee. All insurance coverage for Sub-Grantees 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.

The Grantee 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 shall be promptly replaced. All the insurance policies required by this Agreement shall provide that thirty (30) days prior to cancellation, suspension, reduction or material change in the policy, notice of same shall be given to the County Risk Manager by registered mail, return receipt requested.

The Grantee shall place insurance with insurers licensed to do 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.

The County reserves the right to request additional insurance on an individual basis for extra hazardous contracts and specific service agreements.

8. Worker's Compensation (Industrial Insurance).

If and only if the Consultant employs any person(s) in the status of employee or employees separate from or in addition to any equity owners, sole proprietor, partners, owners or shareholders of the Consultant, the Grantee 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.

Worker's compensation insurance covering all employees with limits meeting all applicable state and federal laws. This coverage shall include Employer's Liability with limits meeting all applicable state and federal laws.

This coverage shall extend to any Sub-Grantee that does not have their own worker's compensation and employer's liability insurance.

The Grantee 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 the case of such claim.

If the County incurs any costs to enforce the provisions of this subsection, all cost and fees shall be recoverable from the Grantee.

9. Compliance with Laws, Guidelines. The Grantee shall comply with all federal, state, and local laws and all requirements (including certifications and audits), to the extent applicable, when seeking Reimbursement.

10. Maintenance and Audit of Records. The Grantee shall maintain records, books, documents, and other materials relevant to its performance under this Agreement. These records shall be subject to inspection, review and audit by the County or its designee, the Washington State Auditor's Office. If it is determined during the course of the audit that the Grantee was reimbursed for unallowable costs under this Agreement or any, the Grantee agrees to promptly reimburse the County for such payments upon request.

11. Notices. Any notice desired or required to be given hereunder shall be in writing, and shall be deemed received five (5) days after deposit with the U.S. Postal Service, postage fully prepaid, certified mail, return receipt requested, and addressed to the party to which it is intended at its last known address, or to such other person or address as either party shall designate to the other from time to time in writing forwarded in like manner:

Grantee

Jamie Maciejewski
Executive Director
Habitat for Humanity of East Jefferson County
PO Box 658
Port Townsend, WA 98368

Jefferson County

Mark McCauley
County Administrator

Jefferson County Courthouse
1820 Jefferson Street
Port Townsend, WA 98368

12. Improper Influence. Each party warrants that it did not and will not employ, retain, or contract with any person or entity on a contingent compensation basis for the purpose of seeking, obtaining, maintaining, or extending this Agreement. Each party agrees, warrants, and represents that no gratuity whatsoever has been or will offered or conferred with a view towards obtaining, maintaining, or extending this Agreement.

13. Conflict of Interest. The elected and appointed officials and employees of the parties shall not have any personal interest, direct or indirect, which gives rise to a conflict of interest.

14. Time. Time is of the essence in this Agreement.

15. Survival. The provisions of this Agreement that by their sense and purpose should survive expiration or termination of this Agreement shall so survive. Those provisions include without limitation Indemnification and Maintenance and Audit of Records.

16. Amendment. No amendment or modification to this Agreement will be effective without the prior written consent of the authorized representatives of the parties.

17. Governing Law; Venue. This Agreement will be governed in all respects by the laws of Washington state, both as to interpretation and performance, without regard to conflicts of law or choice of law provisions. Any action arising out of or in connection with this Agreement may be instituted and maintained only in a court of competent jurisdiction in Jefferson County, Washington or as provided by RCW 36.01.050.

18. Non-Waiver. No failure on the part of the County to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise by the County of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedy available to the County at law or in equity.

19. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors.

20. Assignment. Neither party shall assign or transfer any of its interests in or obligations under this Agreement without the prior written consent of the other party.

21. Entire Agreement. This Agreement constitutes the entire agreement between the County and the Grantee for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the parties with respect to this Agreement.

22. No Third Party Beneficiaries. Nothing herein shall or be deemed to create or confer any right, action, or benefit in, to, or on the part of any person or entity that is not a party to this Agreement. This provision shall not limit any obligation which either party has to the Washington State Department of Commerce of these grant funds, including the obligation to provide access to

records and cooperate with audits as provided in this Agreement.

23. Severability. In the event that one or more provisions of this Agreement shall be determined to be invalid by any court of competent jurisdiction or agency having jurisdiction thereof, the remainder of this Agreement shall remain in full force and effect and the invalid provisions shall be deemed deleted.

24. Counterparts. This Agreement may be executed in counterparts, any of which shall be deemed an original but all of which together shall constitute one and the same instrument.

25. Authorization. Each party warrants to the other party, that the person executing this Agreement on its behalf has the full power and authority to do so.

26. Public Records Act. Notwithstanding any provisions of this Agreement to the contrary, to the extent any record, including any electronic, audio, paper or other media, is required to be kept or indexed as a public record in accordance with the Washington Public Records Act, Chapter 42.56 RCW (as may be amended), the Grantee agrees to maintain all records constituting public records and to produce or assist the County in producing such records, within the time frames and parameters set forth in state law. The Grantee also agrees that upon receipt of any written public record request, Grantee shall, within two business days, notify the County by providing a copy of the request per the notice provisions of this Agreement.

(SIGNATURES APPEAR ON THE NEXT PAGE)

IN WITNESS WHEREOF, this Agreement is executed and shall become effective as of the last date signed below.

JEFFERSON COUNTY BOARD OF COMMISSIONERS

By:

Greg Brotherton, Chair DATE

HABITAT FOR HUMANITY OF EAST JEFFERSON COUNTY

By:

Jamie Maciejewski DATE
Executive Director

SEAL:

ATTEST:

Carolyn Gallaway DATE
Clerk of the Board

Approved as to form only:

 March 16, 2023

Philip C. Hunsucker DATE
Chief Civil Deputy Prosecuting Attorney

EXHIBIT A – SEE THE NEXT PAGE



We build strength, stability, self-reliance and shelter.

February 10, 2023

Jefferson County Board of County Commissioners
Jefferson County Courthouse
1820 Jefferson Street
Port Townsend WA 98368

Re: "Last Call" for Remaining ARPA Funds

Dear Commissioners,

Habitat for Humanity of East Jefferson County (Habitat) is requesting an additional \$100,000 from the remaining ARPA funds for the master planning of the mixed-income, permanently-affordable Mason Street project (Mason St project). As shown on the attached budget, the original \$500,000 in ARPA funding awarded by the County was directed toward the purchase of the former airstrip, parcel 901023007, located at 231 Mason Street in Port Hadlock, and the combination of additional funds received and pledged contributions is \$5,118,715. However, a funding gap of \$165,800 remains for the master-planning and infrastructure work that needs to be accomplished by the end of FY25 (June 30, 2025) in order to meet the timeline for construction in tandem with the sewer installation.

In January, Habitat issued an RFP for the master planning. The target date for selection of a master-plan firm is May 1, 2023. We anticipate the cost to be similar to the work being done for Evans Vista in Port Townsend, and will have more information once the RFP responses are received. The deadline for RFP responses is March 1.

Several expense categories in the attached budget are estimates that may be adjusted during the planning process. We believe these estimates to be low, however, if the reverse is true, the surplus will be directed to the vertical construction phases of the project.

Since acquiring the property, with thanks to the invaluable contributions of individual donors, the County, and Jefferson Community Foundation, Habitat has made significant progress in clearing the property of debris and detritus (literally tons), respectfully and cooperatively relocating the former human inhabitants, and building trust and rapport with the surrounding neighbors.

It is Habitat's understanding that the success of Phase 1 of the County Sewer Project is dependent on the Mason St project keeping pace. In addition, we are keenly aware of the desperate need in our County for "workforce" housing that is accessible across the range of low- to moderate-income community members. The Mason St project can be a game changer for the Tri-Area, and we would like to deliver it as quickly as possible.

As the Commissioners are aware, the Mason St project will add critical mass needed to fill the sewer pipeline, supply housing for existing and new community families that will add students to the local schools, and fill the many empty work positions in our local business and governments. Receiving this additional ARPA funding will help ensure that our planned timelines won't slip and that together we can achieve the ambitious goals of both Habitat and the County.

Thank you for your consideration,

In partnership,

A handwritten signature in blue ink that reads "Maria Drury".

Maria Drury
Director of Engagement

Budget for Mason Street Project – FY22 through FY25
Property Acquisition, Master Planning, and Infrastructure Build-Out

Expenses through FY25

Purpose	Cost	Notes
Feasibility, Land Acquisition, Clean-up	\$1,284,595	Actual as of 1/31/23
Project Management	\$250,000	
Design	\$150,000	
Engineering	\$100,000	
Infrastructure Installation	\$3,500,000	Projected to begin in FY25
Total Expenses	\$5,284,595	

Revenue through FY25

Source	Amount	Notes
<i>Received to-date</i>		
Direct Individual Donors (8)	\$336,509	Received to date
ARPA Funding via Jefferson County	\$500,000	Land Acquisition
Jefferson Community Foundation	\$275,000	Includes Donor-Advised Funds (2)
<i>Pledged but not received</i>		
Individual Donor Pledges (7)	\$1,880,000	Documented + Verbal
Total Revenue	\$2,991,509	
Funding Gap	\$2,293,086	Fundraising efforts ongoing

jeffbocc

From: Maria Drury <maria@habitatejc.org>
Sent: Thursday, February 16, 2023 5:26 PM
To: jeffbocc
Cc: Mark McCauley
Subject: Supplemental Letter to ARPA proposal
Attachments: ARPA Funding Request - Supplemental Letter 02.16.23.pdf

ALERT: BE CAUTIOUS This email originated outside the organization. Do not open attachments or click on links if you are not expecting them.

Dear Julie and Mark,

Please accept this supplemental letter to our ARPA proposal. It corrects some arithmetical typos in two places, outlined in the letter. The proposal remains otherwise unchanged.

Thank you,

Maria Drury

Maria Drury | she/her/hers
Director of Engagement
Habitat for Humanity of East Jefferson County
P.O. Box 658 • Port Townsend, WA 98368
office: (360) 379-2827 • cell: (360) 316-1344
maria@habitatejc.org • habitatejc.org



Our vision is a world where everyone has a decent place to live



We build **strength, stability, self-reliance** and **shelter**.

February 16, 2023

Jefferson County Board of County Commissioners
Jefferson County Courthouse
1820 Jefferson Street
Port Townsend WA 98368

Re: "Last Call" for Remaining ARPA Funds – Supplemental Letter to correct funding gap amount in text

Dear Commissioners,

This letter is submitted as supplemental to Habitat's request for \$100,000 of the remaining ARPA funds, in order to correct two arithmetic typos in the REVISED letter:

- The total funds received and pledged through FY25 = \$3,920,685
- Funding gap between estimate of expenses and total funds pledged/received through FY25 = \$1,363,910

The corrected budget is attached; however, the original request remains unchanged.

Thank you for your consideration,

In partnership,

Maria Drury
Director of Engagement

Budget for Mason Street Project
Property Acquisition, Master Planning, and Infrastructure Build-Out

Expenses through FY25

Purpose	Cost	Notes
Feasibility, Land Acquisition, Clean-up	\$1,284,595	Actual as of 1/31/23
Project Management	\$250,000	
Design	\$150,000	
Engineering	\$100,000	
Infrastructure Installation	\$3,500,000	Projected to begin in FY25
Total Projected Expenses	\$5,284,595	

Revenue raised/pledged through FY25

Source	Amount	Notes
<i>Received to-date</i>		
Direct Individual Donors (6)	\$852,509	Received to-date
ARPA Funding via Jefferson County	\$500,000	Land Acquisition
Jefferson Community Foundation	\$284,000	Includes Donor-Advised Funds (3)
<i>Pledged but not received</i>		
Individual Donor Pledges (7)	\$2,284,176	Documented + Verbal
		Pledges receivable through FY25
Total Contributed Revenue	\$3,920,685	

Funding Gap \$1,363,910 Fundraising efforts ongoing