



Memorandum

Date: 4/15/2025
Meeting of: City Council

File No. AM No. 25-058
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Planning and Community Development	Carol Helland	425-556-2107
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DEPARTMENT STAFF:

Planning and Community Development	Seraphie Allen	Deputy Director
Planning and Community Development	Brooke Buckingham	Human Services Manager

TITLE:

Acceptance of the Connecting Housing to Infrastructure Program (CHIP) Grant Funds and Approval to Contract with Plymouth Housing for Utility Improvements Costs

OVERVIEW STATEMENT:

The City recently applied for and was awarded a Connecting Housing to Infrastructure Program (CHIP) grant for a total of \$1,000,000. This grant will cover the King County Wastewater Sewer Treatment Capacity fees and utility improvement costs for the development of the Redmond Permanent Supportive Housing by Plymouth Housing.

☐ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
Community Strategic Plan; Housing Action Plan
- **Required:**
Council approval is required for grant acceptance
- **Council Request:**
N/A
- **Other Key Facts:**
The CHIP program provides grant funding for utility improvements for affordable housing. Applicants must be a city, county, or public utility district, applying in coordination with the developer of a multi-unit affordable housing project. Funding will support construction costs associated with the Redmond Permanent Supportive Housing project by covering King County's sewer connection fees (\$321,089) and reimbursing Plymouth Housing

for utility improvement costs (\$678,911).

OUTCOMES:

CHIP grant funds are leveraged with other funding sources and are critical in helping the City meet its affordable housing goals.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
N/A
- **Outreach Methods and Results:**
N/A
- **Feedback Summary:**
N/A

BUDGET IMPACT:

Total Cost:
\$1,000,000

Approved in current biennial budget: ☐ Yes ☐ No ☒ N/A

Budget Offer Number:
N/A

Budget Priority:
N/A

Other budget impacts or additional costs: ☒ Yes ☐ No ☐ N/A

If yes, explain:

There are minimal staff costs associated with administering this grant and submitting required reports to Commerce.

Funding source(s):
CHIP grant

Budget/Funding Constraints:
The City will need to comply with Department of Commerce contract requirements.

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
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4/01/2025	Committee of the Whole - Planning and Public Works	Receive Information
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Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:

Timely acceptance of the grant allows the City to proceed with contracts with Commerce and Plymouth Housing.

ANTICIPATED RESULT IF NOT APPROVED:

Not approving the grant will result in a lost opportunity to secure a new revenue stream from State sources for an affordable housing project. The cost of the lost opportunity would be borne by the developer.

ATTACHMENTS:

Attachment A: Draft Contract with Commerce

Attachment B: Draft Contract with Plymouth Housing