Funding Availability
As part of the Capital budget for the 2015-17 Biennium, the Washington State Legislature has appropriated to Department of Commerce (Commerce) $2.5 million for the purpose of designing and constructing ultra-high energy efficient affordable housing projects including single and multifamily units. The funds can be used solely for loans or grants to low-income housing developers.

Applicant Eligibility
- Applicant must be an eligible Housing Trust Fund (HTF) recipient, per RCW 43.185.060.
- Applicant must apply during the 2016 HTF Stage 1 application round. Commerce expects to announce the Stage 1 Notice of Funding Availability (NOFA) in January 2016.
- Applicant must apply during the 2016 HTF Stage 2 application round and meet all of the Project Funding Criteria identified in the NOFA. Commerce expects to announce the Stage 2 NOFA in July 2016. Only applicants receiving a regular HTF funding award will be eligible to compete for an Ultra-High Energy Efficient award. The Ultra-High Energy Efficient awards will be offered in addition to the regular HTF awards.
- Applicant must demonstrate energy-saving and renewable energy systems designed to reach Net-Zero Energy use after housing is fully occupied. The successful applicants will be required to provide a series of life-cycle cost analysis reports to Commerce (see more details below).

Funding Priorities
a) Whether the project is being awarded HTF funds in the 2016 application round.
b) Whether the proposed design has demonstrated that the project will achieve Net-Zero Energy use when fully occupied;
c) The life-cycle cost of the project; life-cycle costs will be compared among similar projects and priority given to projects projecting lower life-cycle costs;
d) Whether the project demonstrates a design, use of materials, and construction process that can be replicated by the Washington building industry;
e) The extent to which the project leverages non-state funds;
f) The extent to which the project is ready to proceed to construction;
g) Whether the project promotes sustainable use of resources and environmental quality;
h) Whether the project is being well-managed to fund maintenance and capital depreciation;
i) Whether the project demonstrates reduction of housing and utilities carbon footprint;
j) The extent to which the project is planning for anticipated and unexpected occupant behaviors in operations in order to encourage behaviors that optimize performance;
k) Other criteria that Commerce considers necessary to achieve the purpose of this program, such as, narrative discussion of key concepts including but not limited to: integrated design, local
economy benefits, resiliency planning, post-occupancy commissioning, and additional feedback loops to the affordable housing community.

Funding Limits
Commerce aims to fund a few projects across Washington State to demonstrate Net-Zero Energy performance. Given the total amount of funds available, applicants are encouraged to consider the following guidelines when building their budgets:

- $100,000-$250,000 per project may be awarded for homeownership projects. Part of a project (rather than the entire project) can demonstrate Net-Zero Energy, but it must be scaled down to a building or buildings.
- $500,000-$1,000,000 per project may be awarded for multifamily projects. Part of a project (rather than the entire project) can demonstrate Net-Zero Energy, but it must be scaled down to a building or buildings.
- The Ultra-High Energy Efficient funding will be awarded in addition to the HTF award. Each application will also be subject to the HTF funding limit policy identified in the Stage 2 NOFA. For example: a project can receive a $3 million award from the HTF and receive an additional $500,000 Ultra-High Energy Efficient award.

Application Requirements
- Applications must be submitted to Commerce by the date designated on the HTF Stage 1 and Stage 2 NOFAs. All necessary application materials will be available for download on the HTF website. The Ultra-High Energy Efficient Application, as well as the following attachments, will be required in order to be considered for funding:
  - Energy model comparing the base case (which will be provided by Commerce) to the project’s model;
  - Life-Cycle Cost Tool comparing the base case provided by Commerce to the project proposal;
  - Applicable narrative sections.

Estimated Timeline
Stage 1 Applications Solicited: January 2016
Stage 1 Applications Due: February 2016

Stage 2 Applications Solicited: July 2016
Stage 2 Applications Due: September 2016

Awards Announced: December 2016
### Housing Trust Fund Reporting Requirements (post-construction)

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| **At Construction Completion** | 1. **Narrative to Commerce:** Lessons learned during the design and construction phases. Examples of what would be expected are: (a) how the design, use of materials, and construction process could be replicated by the Washington building industry, including the affordable housing industry; (b) how project costs compare to the costs of traditional design and construction.  
2. **Public Webinar:** Lessons learned during the design and construction phases. Examples of what would be expected are: (a) how the design, use of materials, and construction process could be replicated by the Washington building industry, including the affordable housing industry; (b) how project costs compare to the costs of traditional design and construction.  
3. **Life-cycle Cost Analysis (as built):** Provide to Commerce an update to the initial Life Cycle Cost Tool with as-built costs and any design changes. |

| **Annually, for the first three years after housing is fully occupied** | 1. **Life-cycle Cost Analysis (update):** Verify Net-Zero Energy performance by providing to Commerce an update to the as-built Life Cycle Cost Tool with actual project utility data.  
2. **Narrative to Commerce:** Lessons learned through occupancy and operations. |

**Process Changes:**
Commerce reserves the right to revise this process as needed.