

# Industrial Site Readiness Grant

## - Program Guidelines -

Administered by the Washington State Department of Commerce

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### Section 1: PROGRAM OVERVIEW

The Industrial Site Readiness grant program is created to boost the state's portfolio of project-ready sites and accelerate private investment. Any public entity such as county, city, port district, or local tribe that have ideally, but not required, completed early site assessments and are ready to take the next steps toward site readiness may apply. The program will expire on June 30, 2023.

This one-time grant program provides funding to address specific site development needs faced by local governments including cities, counties, ports, and Washington tribes. Industrial sites may be awarded grants up to \$500,000. The number of awards depends on the number of qualified candidates and the level of funding requested. Minimum requested funding is \$200,000. Applicants are encouraged to demonstrate additional funding for the proposed property development needs.

The funding is provided for pre-development planning grants to develop large manufacturing sites. Funding may also be used to support the conversion of brownfields into clean, tax-generating properties.

Through this Industrial Site Readiness program, the goal is to boost economic growth by assisting with site due diligence, environmental assessments, geotechnical analysis or other site readiness services, which will strengthen the state's position to attract new investment.

Available assistance includes, but is not limited to, the following types of activities:

- **Engineering Studies** – Includes design and planning of on- and off-site infrastructure improvements.
- **Permitting** – Includes assistance in reviewing existing zoning, permitting or other regulatory issues as well as pre-permitting activities.
- **Site Due Diligence** – Includes SEPA-related activities. Studies related to specific site issues including traffic, archaeological, topographical, geotechnical, cultural or business attraction planning for underdeveloped rural areas are eligible.

*Grant awards may not be used towards capital expenditures. All awarded funds must be utilized prior to June 30, 2023. This is a reimbursement-based grant.*

**Eligible Applicants:** Any public entity such as county, city, port district, or local tribe that have ideally, but not required, completed early site assessments and are ready to take the next steps toward site readiness. Privately owned land is not eligible.

The following minimum requirements must be met to be considered eligible:

- The site must be located in Washington State.
- The site must be fully owned by a public entity, such as a city, a county, a port, a tribe or other public or non-profit entity.
- The applicant must own the proposed site.
- The applicant must be a local public or non-profit entity, government or tribe. ADO organizations are not eligible unless the Port or county is the owner of the site as well as the designated ADO for the county.
- The grant application must be submitted for one (1) site. One site per county encouraged.
- The proposed property must be designated for industrial use. Ideally permit a wide range of industrial uses.
- The property site must consist of at least 100 acres vacant, contiguous developable land. The property must be vacant and free from existing buildings (unless a brownfield).
- The property must have existing public road access. Some infrastructure must be available to the site or near the site.
- If awarded, funding will accelerate business attraction efforts.
- Property must be zoned industrial, or be in process of converting to industrial.

**Funding:** Commerce administers the grant program, application process and contracting. The Washington state legislature has set aside \$2,500,000 for improvement of sites that can broaden the state's manufacturing base. The Department of Commerce will award between \$200,000 to \$500,000 per grant recipient. Proposals in excess of this range will be considered non-responsive and will not be evaluated. Should additional funding become available, Commerce may consider awarding additional contracts for the grant program. Any contract awarded as a result of this procurement is contingent upon the availability of funding. The final award amount is at the discretion of the Department of Commerce and will be determined based on the quality of the application, the number of applications received, and funds availability. Commerce reserves the right to retain one award for Washington state tribal submissions. Commerce also reserves the right to grant a planning study award to one site in a highly rural area where evidence of strong business development efforts has not been present.

**Period of Performance:** The period of performance of any grant resulting from this application is tentatively scheduled to begin on or about November 11, 2022 and to end on June 30, 2023. Amendments extending the period of performance, if any, shall be at the sole discretion of the Commerce.

- Grant applications are accepted through October 14, 2022.
- Grants are estimated to be awarded by November 11, 2022.
- Contract performance period: Contract Execution through June 30, 2023.

Milestones	Dates
Applications accepted until 5PM	October 14
Applicants notified of award by	November 11
Grants begin	Upon contract execution

*Commerce reserves the right to revise the above schedule.*

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Section 2: APPLICATION PROCESS

The following sections contain information, criteria, and an overview of the program application needed to apply for the Industrial Site Readiness grant program. Only complete applications submitted within the acceptance timeframe will be considered for funding. The grant application is available online: [Industrial Site Readiness -Grant Application- \(smartsheet.com\)](#)

***What do I need to include with my application?***

1. Grant Application: [Industrial Site Readiness -Grant Application- \(smartsheet.com\)](#)
2. Property map or property flyer – no more than 10 pages
3. Letter(s) of Support – local ADO letter of support is required; if the local ADO is the applicant, a local jurisdiction letter of support is required.

Additional information attached will not be considered part of the application.

***What is the application review process?***

The Industrial Site Readiness review committee will convene to assess proposals that meet minimum criteria to be considered for funding. The review committee will make recommendations to Commerce Leadership based on the evaluation criteria established.

Applicants will be notified via email from Commerce program staff regarding proposal status prior to November 11, 2022. This date is subject to change with notice.

### Section 3: TERMS, CONDITIONS AND INVOICING

**Grant Funds:** Applicants are encouraged to demonstrate additional funding for the proposed property development needs or recent investments. *While not required, preference will be given to projects that leverage match funding outside of the requested grant.*

**Allowable Costs:** All expenditures submitted for reimbursement under this grant must be necessary and reasonable for the approved grant project. Construction costs are not eligible. The following expenditures are allowable, as funds from State grants, matching or otherwise, may be used for:

- Technical Assistance
  - Entitlement/engineering/survey studies to secure development permits
  - Consulting fees to assess site readiness
  
- Environmental Analysis and Engineering Studies
  - Design and planning of on- and off-site infrastructure improvements.
  - Environmental studies to support planning and/or acquisition of site development permits
  - Soils analysis
  - Engineering services – site evaluation
  - Environmental permitting
  - Assessment of emissions for meeting air quality standards
  - Archaeology, traffic, topography, geotechnical and cultural resources work

**Invoicing:** Funds for this grant must be claimed on a reimbursement basis. No payments in advance of or in anticipation of goods or services provided under this grant shall be requested or paid. All costs must be reported for the period incurred. Reimbursement requests must be submitted quarterly. *All costs must be submitted for reimbursement with the following deadlines:*

For expenses incurred	Invoices no later than
From award notification – December 31	January 15
January 1 – March 30	April 15
April 1 – June 30	July 15

**Risk Assessment:** Commerce will perform an organizational survey and risk assessment on all grant recipients, this will occur prior to contract execution.

**Expenditure Accounting:** The grant recipient shall maintain all financial records according to generally accepted accounting procedures (GAAP) and have internal financial control systems in place to ensure that expenditures against the grant are reasonable and appropriate and that accounting records sufficiently and properly reflect all costs expended in performance of the grant.

**Monitoring:** The purpose of monitoring is to ensure contractual compliance on the part of grant recipients and to ensure that financial records support program expenditures. Commerce staff may schedule on-site visits.

**Reporting Requirements:** All grant recipients will be required to submit progress reports with each reimbursement request. Additionally quarterly status reports will be required to be submitted to Commerce on the 15<sup>th</sup> of the month, following the end of the quarter, as referenced below. The reports are to highlight progress and performance and to ensure that all awarded funds will spent by June 30, 2023. The final report and reimbursement request will be due July 9, 2023. Commerce will provide the reporting templates.

Progress Reports: Due with each reimbursement request.

Quarterly Reports Due: January 15<sup>th</sup>, April 15<sup>th</sup>\*

*\*An analysis of funds remaining and project completion will be made on the April 15<sup>th</sup> quarterly report. If the awardee has been unable to adequately utilize funds, or it is determined it's unlikely all funding will be spent by June 30, 2023, Commerce reserves the right to amend or terminate the contract and award remaining funds to the next highest ranking grant applicant willing and able to spend the funds by June 30<sup>th</sup>, 2023.*

Annual Reports due: July 9, 2022, July 2023, July 2024, July 2025, July 2026, July 2027

Annual Reports will be provided by Commerce and will request the following information (as applicable to each awardee): future private or public investments in property, additional grants awarded, investor visits, job creation, average and median employee salaries. Additional categories may be included.

**Reporting Retention:** Financial management systems shall reflect accurate, current, and complete disclosure of financial results of the project. Grant recipients are to maintain books and records, supported by source documentation, that sufficiently and properly reflect the source of funds and all costs expended for program purposes. These records and financial statements are subject to inspection, review, reproduction, and/or audit by Commerce or its designees for at least six years after the dispersal of funds, the termination or expiration of the grant, or the resolution of litigation or audits related to the program, whichever is latest.

**Termination:** In the event COMMERCE determines the Contractor has failed to comply with the conditions of this contract in a timely manner, COMMERCE has the right to suspend or terminate this contract. Before suspending or terminating the contract, COMMERCE shall notify the Contractor in writing of the need to take corrective action. If corrective action is not taken within 30 calendar days, the contract may be terminated or suspended.

In the event of termination or suspension, the Contractor shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, e.g., cost of the competitive bidding, mailing, advertising and staff time.

COMMERCE reserves the right to suspend all or part of the contract, withhold further payments, or prohibit the Contractor from incurring additional obligations of funds during investigation of the

alleged compliance breach and pending corrective action by the Contractor or a decision by COMMERCE to terminate the contract. A termination shall be deemed a “Termination for Convenience” if it is determined that the Contractor: (1) was not in default; or (2) failure to perform was outside of his or her control, fault or negligence.

The rights and remedies of COMMERCE provided in this contract are not exclusive and are, in addition to any other rights and remedies, provided by law.

*Termination for Convenience* – Except as otherwise provided in this Contract, COMMERCE may, by ten (10) business days written notice, beginning on the second day after the mailing, terminate this Contract, in whole or in part. If this Contract is so terminated, COMMERCE shall be liable only for payment required under the terms of this Contract for services rendered or goods delivered prior to the effective date of termination.

**Savings:** In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to normal completion, COMMERCE may suspend or terminate the Contract under the "Termination for Convenience" clause, without the ten calendar day notice requirement. In lieu of termination, the Contract may be amended to reflect the new funding limitations and conditions.

#### Section 4: APPLICATION INSTRUCTIONS

**Application Submittals:** Applicants are required to submit the application using the online portal and must be received by 5:00 p.m. Pacific Time on 10/14/2022.

Commerce will send a receipt of confirmation once an application is received within 24 hours, however the agency does not assume responsibility any e-mail delivery issues. Late applications will not be accepted and will be automatically disqualified from further consideration.

Failure to respond to any portion of the procurement document may result in rejection of the application as non-responsive. All applications and any accompanying documentation become the property of Commerce and will not be returned. Submission of an application does not guarantee that applicants will receive funds.

**Evaluation and Selection:** The following evaluation criteria will be used to assess the likelihood of requested funding to advance a property towards new business attraction and public benefits, such as manufacturing jobs and revenue generation for underserved communities. *Applications will be reviewed and ranked by the Regional Site Readiness Program Review Committee, on the following:*

Evaluation Breakdown	Scoring
1. <b>Proposed project scope and site readiness.</b> The program is targeting sites over 100 acres marketed to large industrial projects.	15 points
2. <b>Market attractiveness of the proposed property.</b> Project interest is an advantage.	20 points

<p>3. <b>Regional impact.</b> The projected benefit of the funded activities on the community, alignment of targeted industries with state and regional priorities, consistency with local economic development, and impact on underserved or rural communities.</p>	<p>20 points</p>
<p>4. <b>Community commitment and availability of matching funds.</b> Local or other public sources including, but not limited to, tax increment financing or adoption of property tax exemptions at local level. Past investments into site improvements or other active grant applications related to site improvement.</p>	<p>10 points</p>
<p>5. <b>Property accessibility and infrastructure readiness.</b> Proximity to major highways, rail, and/or other connectivity such as water, wastewater, electrical, and natural gas.</p>	<p>15 points</p>
<p>6. <b>Proposed use of funds.</b> Enhancement of the site's attractiveness. Proposed activities are reasonable within the grant timeline.</p>	<p>10 points</p>
<p>7. <b>Community support</b> for business attraction and new industrial development. Letter(s) of support are required, including the local ADO.</p>	<p>10 points</p>

**Equitable distribution of funds:** Applicants with rankings over 65 points will be prioritized and put forth to Commerce Leadership to ensure equitable and geographic distribution of funding. Commerce Leadership will ensure not only the equitable and geographic distribution of funds, but also ensures each of the categories within Legislation of BIPOC, low income, rural/underserved are awarded. The same scoring system will be assessed for quality of answers to the written questionnaire portion of the application.

**Unsuccessful Applicant Notification:** Unsuccessful Applicants will be notified by e-mail.