

# Library Capital Improvement Program

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Washington State  
Department of  
**Commerce**

# Library Capital Improvement Program (LCIP)

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State legislative program to assist libraries operated by governmental units for capital projects to acquire, construct, or rehabilitate their facilities.



Silverdale Library

# LCIP:

Statewide competitive grant process awarding \$10 million in each State biennial budget.

- Up to \$2 million per project
- Requires 50% match – 1:1 ratio
- Priority for facilities:
  - Listed on local, state, or federal registers of historic places
  - Distressed areas
  - Rural counties

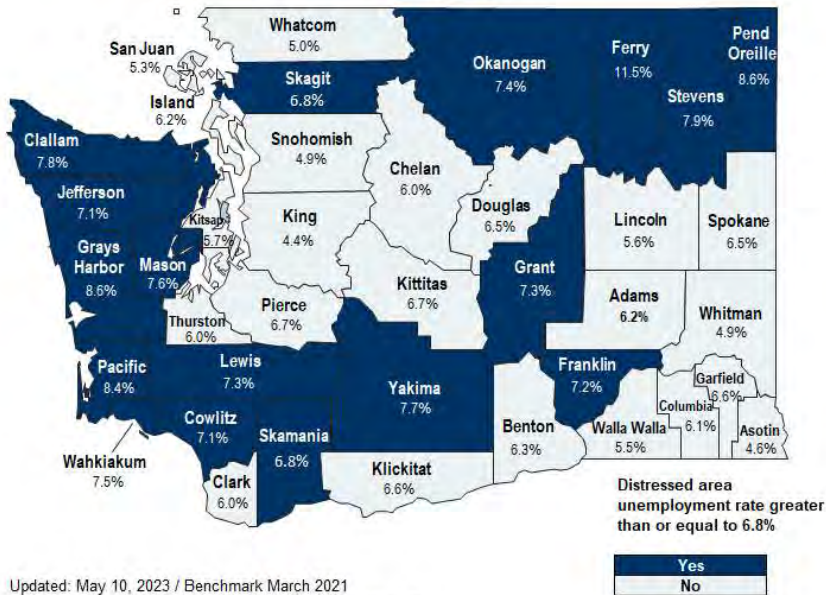


Asotin County Library

# Distressed

# Rural

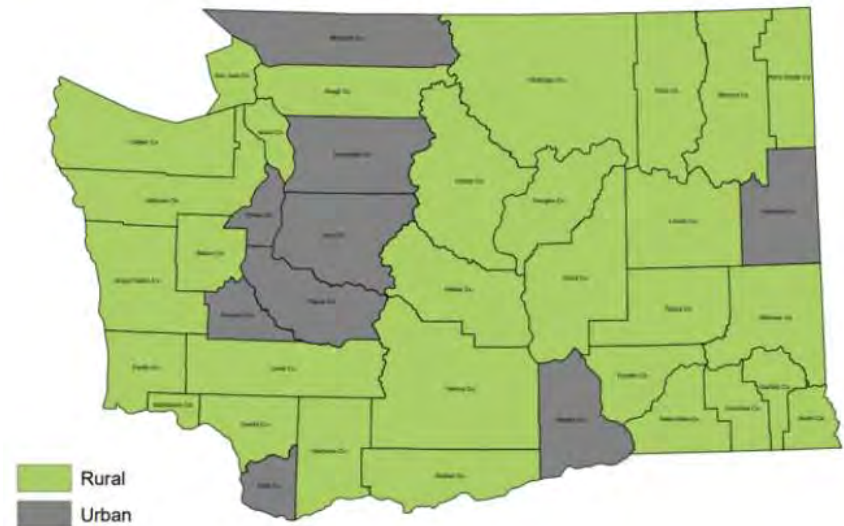
**2022 Distressed Areas<sup>1</sup>**  
 Three-year average unemployment rate (Jan 2020-December 2022)  
 Not seasonally adjusted



Updated: May 10, 2023 / Benchmark March 2021  
<sup>1</sup>Prepared in cooperation with the Bureau of Labor Statistics.  
 Rates are used to determine distressed areas



**Rural and Urban Counties**



Based on Washington State Office of Financial Management. Reviewed in 2021

<https://esd.wa.gov/labormarketinfo/distressed-areas>

<https://doh.wa.gov/sites/default/files/2022-09/609003.pdf?uid=652d917b7a865>



# Who is Eligible

Libraries operated by governmental units such as:

- Counties, Cities, and Towns
- Rural county library districts
- Inter-county rural library districts
- Rural partial-county library districts
- Island library districts

Defined in [RCW 27.12.010](#).



# Projects

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- Acquisition
- Construction
- Renovation

Approved application becomes a controlling document that outlines eligible activities and how the grant can be spent.

Grant can only be spent by applying organization.

Grant funds can pay up to 50% of eligible costs of total project.

There is a 3% administrative fee (max 50k) for each awarded grant.

# Eligible Project Costs

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Capital Budget funds may generally be used to pay for the following construction-related expenses:

- Design, architectural, and engineering work
- Building permits/fees
- Archaeological/historical review
- Construction labor and materials
- Demolition/site preparation
- Capitalized equipment
- Information technology infrastructure (cables and wiring)
- Construction management (from external sources only)
- Real property when purchased specifically for the project, and associated costs

# Ineligible Costs

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State grants are intended to fund bricks and mortar. The following costs are **not** eligible for reimbursement and cannot be used to match state funds:

- Legal fees
- Internal administrative activities or operating costs
- Project or grant management (from any sources)
- Fundraising activities
- Feasibility studies
- Computers or office equipment
- Rolling stock (such as vehicles)
- Lease payments for rental of equipment or facilities
- Mortgages or loan payments
- Property leases (including long-term)
- The moving of equipment, furniture, etc., between facilities
- Any maintenance or operating costs.



# Application Rating Criteria

Historic Property	10
Rural	10
Distressed	10
Need/Purpose	25
New Service	10
Project Readiness	25
Organizational Capacity	5
Application Webinar Attendance	5
Total:	100

# Cycle

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## Apply spring (even year) –

- Application open Jan 5 – Friday April 5, 2024 5pm PST
- Webinars offered during application window
- Apply on ZoomGrants

## Funds available July 1, odd year

- Commerce pre-contract conditions must be met before contracting

## Competitive rounds – 45 projects funded so far

- 2019/21 – 12 projects (direct appropriation)
- 2021/23 – 21 projects
- 2023/25 – 12 projects

# Program Committee

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WA State Librarian

Department of Archeology and Historic Preservation

Department of Commerce

District Library

Municipal Library

# Requirements

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Prevailing Wage  
Insurance  
Funding  
Site Control  
LEED  
Consultation



Spokane Valley, Spokane County Library

# Prevailing Wage

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State funded construction projects are required to pay state prevailing wages (including landscaping) as of the enacted date of the state capital budget when the project is appropriated.

Department of Labor and Industries (LNI)

360-902-5335

[PW1@Lni.wa.gov](mailto:PW1@Lni.wa.gov)

[LNI.wa.gov](http://LNI.wa.gov)

[Prevailing Wage Policies](https://lni.wa.gov/licensing-permits/public-works-projects/prevailing-wage-policies) - <https://lni.wa.gov/licensing-permits/public-works-projects/prevailing-wage-policies>

# Insurance

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Provide proof of insurance coverage in an amount to cover the grant award which shall be maintained in full force and effect during the term of the contract.

- Self-Insurance Program
- Insurance requirements:
  - Commercial General Liability Insurance Policy
  - Property Insurance
  - Professional Liability, Errors and Omissions Insurance
  - Fidelity Insurance



# Full funding

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Grantee must demonstrate the financial capability to complete the project or a distinct phase of the project that is usable to the public.

## All funds necessary to complete the project:

- Cash on hand or previously expended
- A letter of credit or other binding loan commitment
- Official award letters or documented pledge commitments
- Legal commitment of funds from a governmental entity
- Value of land acquired for the project supported by an appraisal performed by a certified professional appraiser
- In-kind contributions when properly documented

## Reimbursement style grant

# Match Requirement

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This program require a 1:1 match (reimburse up to 50% of project costs)

- Cash on hand
- Documented pledge commitment
- Private loans or donations
- Federal funding
- State funding from a different source (not LCIP)
- Value of land acquired for the project.
  - \*The value of land used as match must be supported by a current appraisal performed by a certified professional appraiser or a county assessment. Must be directly related to current project.
- In-kind contributions when properly documented.

# Site Control

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Provide written evidence of site control, for a minimum of 10 years, through outright ownership of the subject property, or deed or a long-term lease.

The commitment period begins from the later of: the date of the final payment, or the date when the facility improved or acquired with grant funds or a distinct phase of the project is made usable to the public.

## Securitization

- Projects performed by nonprofits and public development corporations for construction, acquisition and renovation of \$250,000 or more in state funds must list Department of Commerce on the deed of trust or leasehold deed of trust, promissory note, provide title insurance and as appropriate provide a covenant. The deed of trust, leasehold deed of trust, or covenant must be recorded before reimbursement can begin.

# Leadership in Energy and Environmental Design (LEED)

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Certification program run by the U.S. Green Building Council.

The 2005 Washington State Legislature instituted requirement for grant recipients to comply with “high performance” or “green” building standards (RCW 39.35D).

Capital construction projects receiving state dollars must document that they have entered the LEED certification process and build to the LEED silver standard where “practicable”.

Start early!

Work with architect and plan for LEED in design phase.

# LEED exemptions:

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- Acquisition only or not a building
- New construction less than 5000 gross sq ft of occupied or conditioned space
- Renovation with costs less than 50 percent of building assessed value
- Renovation of less than 5000 gross sq ft of occupied or conditioned space
- Facilities such as transmitter buildings, pumping stations, hospitals, research facilities, etc.
- Not practicable for a non-cost related reason

# Consultation

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## Archaeological and Cultural Resource Review

- Department of Archaeology and Historic Preservation (DAHP)
- Tribes – possibly affected tribes must be afforded the opportunity to review and comment on potential effects of proposed projects on cultural resources

**Section 106** review under the National Historic Preservation Act of 1966 – federal funding

**Executive Order 21-02** (EO 21-02) – state only funding



# DAHP Consultation

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After grant is awarded initiate consultation with DAHP by completing and submitting an EZ/Project Review form (EZ form) and Commerce 'delegation letter' to DAHP at [2102@dahp.wa.gov](mailto:2102@dahp.wa.gov).

Projects that plan to alter structures 45 years of age or older must include at least two high quality photographs of each structure.

DAHP will review your submission and can issue a broad range of responses:

- Letter stating "No Effect Upon Cultural/Historic Properties"
- Signed approval of the EZ form
- Request additional information
- Cultural resource survey
- Unanticipated discovery plan
- Hire a professional archaeologist or preservation consultant
- Avoidance strategies or methods to minimize harm

If additional information becomes available and/or the scope of work changes, additional consultation may be necessary.

<https://dahp.wa.gov/2102>

# DAHP Consultation

Rehabilitation acknowledges the need to alter or add to a historic property to meet continuing or changing uses while retaining the property's historic character

- Repair or replace in-kind
- Retain historic character
- Compatible, reversible interventions



# Tribal Consultation

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After grant is awarded, initiate consultation with tribes by sending correspondence from your organization executives to the Tribal Chair for each affected tribe describing the location, area of potential effect, and scope of the project.

## Minimum of 30 days to respond to consultation

Tribes may require more information, or responses which must be provided and tribes must concur with the findings before EO 21-02 can be complete.

- No response
- Accordance with consultation
- Cultural resource survey
- Unanticipated discovery plan
- Hire a professional archaeologist or preservation consultant
- Depending on the effects of the proposed project to identified archeological or cultural resources, you may be required to consult with the tribes on avoidance strategies or methods to minimize harm

If information becomes available and/or the scope of work changes, additional consultation may be necessary.

# Conclusion

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Application Guidelines will be available on the Library Capital Improvement Program website at:

[Library Capital Improvement Program](https://www.commerce.wa.gov/building-infrastructure/library-capital-improvement-program/)

<https://www.commerce.wa.gov/building-infrastructure/library-capital-improvement-program/>

Please also check the website periodically for updated information.

Questions can be sent to Mara Isaacson at:

[mara.isaacson@commerce.wa.gov](mailto:mara.isaacson@commerce.wa.gov)

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