

This is KPTZ FM 91.9 in Port Townsend, Washington. I'm Rachel Perkins, bringing you news and commentary from the Jefferson County *Beacon* for Wednesday, February 18, 2026.

A major affordable housing project in East Jefferson County has received two critical funding boosts. Jefferson County, in partnership with Habitat for Humanity of East Jefferson County, was initially awarded a \$999,576 grant from the Washington State Department of Commerce's Connecting Housing to Infrastructure Program, also known as CHIP. But just weeks later, Habitat for Humanity received an additional \$1.5 million federal appropriation, bringing the total infrastructure funding for the project to nearly \$2.5 million.

The funds will directly support the Mason Street Neighborhood in Port Hadlock-Irondale, a planned development of 138 new, permanently affordable homes. The project is designed for local working families earning between 80% and 150% of the Area Median Income. Professions that fall within this income typically include teachers, healthcare workers, and tradespeople. The federal appropriation, announced by Senator Maria Cantwell as part of the February 2026 appropriations package, represents the most significant single investment in the organization's history.

According to county officials, these grants address the single most expensive barrier to rural development: infrastructure. The funds will be used for utility connections and infrastructure improvements made possible by the new Port Hadlock Wastewater Treatment System. The federal appropriation specifically targets critical infrastructure systems that must be in place before construction can begin. At the same time, the state CHIP grant offsets the high upfront costs of water, sewer, and stormwater infrastructure – expenses that frequently stall affordable developments.

The Jefferson County awards are part of larger funding efforts at both the state and federal levels. The CHIP grant is part of a \$54.5 million round of investment announced by the Washington State Commerce Department on January 20, 2026, supporting 70 projects across 22 counties that will enable 4,517 new affordable housing units statewide.

Governor Bob Ferguson has made housing a central priority, emphasizing that Washington needs more than 1 million new homes by 2044 to keep pace with population growth. The CHIP program, established in 2021, directly addresses infrastructure costs that often derail affordable housing projects. Interim Commerce Director Sarah Clifthorne said, ““These awards represent a smart, coordinated investment in housing and infrastructure. By connecting infrastructure funding directly to housing development, we’re reducing upfront costs, accelerating construction timelines, and enabling jurisdictions to support more affordable housing.” The federal appropriation signals strong support for community-centered solutions to the affordable housing shortage at the national level as well.

The Mason Street Neighborhood, the most ambitious project in Habitat for Humanity of East Jefferson County's history, is planned to break ground within the next 24 months. Renderings show a walkable, clustered community with preserved woodlands, shared open spaces, and pathways connecting to nearby schools and the public library. Crucially, every home in the development will remain permanently affordable, ensuring long-term community stability rather than temporary relief.

County Commissioner Heidi Eisenhour said, “This investment is a game-changer for workforce housing in Jefferson County. Any steps we take towards gathering the resources for these important projects are true wins for members of our community who will find housing at Mason Street. These awards represent a huge step

forward for Jefferson County and Habitat, and we're grateful for this support.” Households interested in purchasing a home in the Mason Street Neighborhood can apply now through Habitat for Humanity of East Jefferson County's website or by calling 360-379-2827.

Reporting on this story by Rachel Nutting.

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