



Meeting Agenda

City Council

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8244

Tuesday, August 21, 2018

5:30 PM

Council Chambers

Study Session

1. ROLL CALL

2. BUSINESS ITEM

- 2.A** [18-0655](#) City-Owned Emergency Housing Facility Operating Plans and Response to Public Health Emergency Briefing

Attachments: [City Owned Sites Proposal](#)
[Estimated Costs](#)

3. ADJOURNMENT

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City Council

City-Owned Emergency Housing Facility Operating Plans and Response to Public Health Emergency Briefing

Agenda Date: 8/21/2018
Agenda Item Number: 2.A
File Number: 18-0655

Type: study session **Version:** 2 **Status:** Study Session

Title

City-Owned Emergency Housing Facility Operating Plans and Response to Public Health Emergency Briefing

Recommended Action

Committee Recommendation:

The Finance Committee referred the topic of proposed city-owned emergency housing facilities to a study session so that Council could further review the plans for responding to this public health emergency.

City Manager Recommendation:

Receive a briefing and provide feedback and direction on the proposed City-owned emergency housing facility plans and the preliminary response to the public health emergency.

Report

Issue:

Whether to receive a briefing on and discuss the proposed city-owned emergency housing facilities and response to public health emergency.

Staff Contact:

Amy Buckler, Downtown Programs Manager, 360.570.5847

Presenter(s):

Colin DeForrest, Homeless Response Coordinator, 360.709.2688

Amy Buckler

Keith Stahley, Director Community Planning and Development Department

TJ Larocque, Providence Community Care Center

Meg Martin, Interfaith Works

Phil Owens, Sidewalk

Background and Analysis:

Homelessness is an issue of urgent public concern facing Olympia and the region. The latest Point-in-Time homeless census counted 835 people countywide, including at least 320 unsheltered

individuals. In addition to this annual count, City staff conduct predawn doorway counts, routinely finding approximately 130 people sleeping unsheltered within Olympia's downtown.

The City of Olympia is in the process of identifying and implementing solutions to address this increasingly challenging issue of homelessness and its related public health impacts.

On May 15, the City Council passed Resolution M-1942, directing immediate actions to address homelessness. The resolution directs staff to present options for legal camping and a day center(s), as well as work to support the Community Care Center.

In response, at the June 24 City Council meeting, staff presented a concept proposal for two City-owned emergency housing sites (**see attached slideshow**). On July 31, the Finance Committee discussed preliminary cost estimates and potential funding sources (**see cost sheets**). The Finance Committee directed staff to:

- Return for further discussion of the operation plan at the Aug. 21 Council Study Session.
- Hear from local providers doing this work if they think the proposal is feasible.
- Move forward with planning for the Nursery site.
- Reimagine the Martin Way site. Assess how this fits with the long-term, coordinated plan.
- Consider options for day center(s) and associated costs (can be smaller, dispersed sites.)
- Include providers' and homeless individuals' input on the project design.
- Work with the Coordinated Entry System to identify site residents.
- Think strategically about how to get the most out of the dollars.

Staff has subsequently been meeting with local service providers to address Council's direction and refine the proposal so that the emergency housing facilities are better integrated with local service provision and bolster the region's homeless service system overall. Staff, along with some local service providers, will present an oral report on the refined proposal at the meeting.

Estimated Costs

On July 31, staff reviewed a planning-level cost estimate for the two proposed City-owned sites. Costs will be refined along with the proposal. Note the following about the attached cost estimates:

- Operating costs:
 - Staffing is the lion's share of cost
 - Other setup costs are for basic services (e.g., hot water, toilets, meal service)
 - Estimated staffing plan represents an appropriate level of oversight to ensure success
 - Current proposal rotates staff between two sites
 - Total estimated \$900K for operating costs equates to \$31/night for each resident to have shelter, case management and a meal ($\$900/80 = \$11,250/365 = \$31$)
- Capital costs:
 - This is a planning level estimate - there is still much we don't know
 - Improvements are needed to provide basic hygiene services (e.g., hot water, toilets, power) which are important for wellness of individuals and the entire community
 - Capital projects are not cheap - the City pays prevailing wages and bids are coming in

- high due to high labor demand
- Costs do not include tiny structures - staff believes the City can get the material and labor donated
- On July 24, Council authorized purchase of 2828 Martin Way, pending a feasibility contingency period. This is a long-term investment toward permanent supportive housing using the Home Fund. Other uses such as an emergency housing facility or temporary shelter would be interim uses until a permanent facility is developed on the site.

Other Recent Actions to Address Homelessness

The immediate actions directed by City Council's resolution are the first actions in a homeless response plan that will include short, medium and long-term actions. City Council and staff will further flesh out the public process and scope for this planning effort in the coming months.

On June 5, the Council amended the City's Emergency Housing Ordinance to provide more flexibility for faith-based, non-profit and other government entities to host temporary encampments, subject to a permit. The Council held a public hearing on the changes on July 24; the Planning Commission will also hold a public hearing on the amended ordinance this fall. Staff has been meeting with several faith organizations about this option, although as of yet no application for an emergency housing facility has been received.

On July 17, the City Council declared a state of public health emergency relating to human health and environmental conditions caused by increasing homelessness. The City is committed to working with other jurisdictions and agencies in Thurston County to address this regional challenge. The ordinance declaring the emergency references statutory authority that allows the City more flexibility to act quickly in response to homelessness. The emergency will be in effect through June 19, 2021, at which point the City Council will review the conditions that gave rise to this public health emergency to determine if keeping it in place is warranted.

Neighborhood/Community Interests:

The community has a strong interest in addressing homelessness in our city and region.

Options:

Briefing and discussion only.

Financial Impact:

See planning level cost estimates attached

Attachments:

Proposed City-Owned Sites (slideshow)
Estimated Costs



Proposal for City-owned Emergency Housing Facilities



City Council

July 24, 2018

Colin DeForrest,
Homeless Response
Coordinator



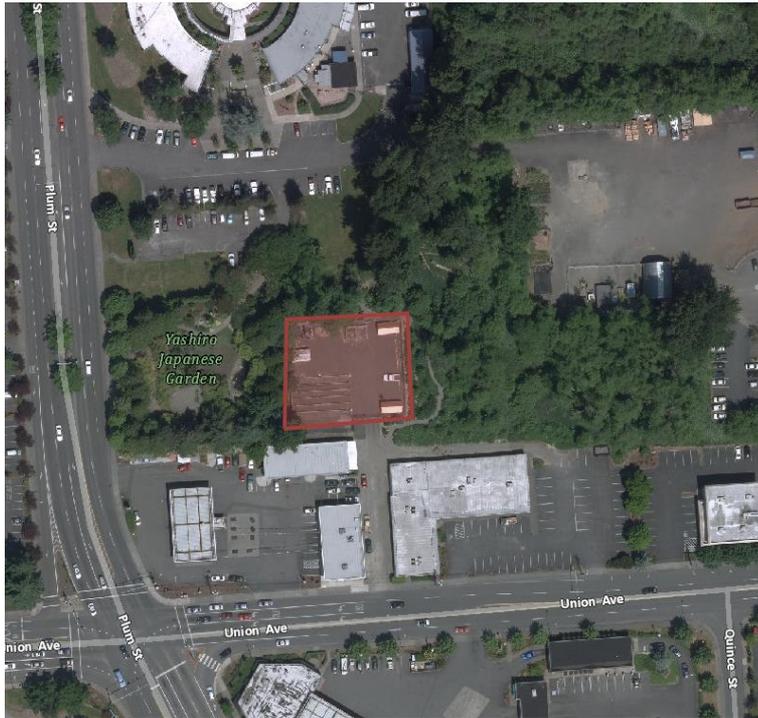
Goals for the City-Owned Sites

- 80 units of interim housing for our most vulnerable individuals in Olympia
- 10+ Safe Car Camping spots for individuals/families living in their vehicles
- 24/7 day centers for individuals at the sites
- A new housing option for individuals in our current shelter system
- A model to be replicated by others
- A safe and inviting community for all



Identified Sites

Site 1:
Nursery Village



Site 2:
Martin Way Village



Site 1: Nursery Village





Nursery Village Site

- **Site size:** Approximately $\frac{1}{4}$ acre
- **Location:** Near Plum and Union. Behind the Yashiro Japanese Garden

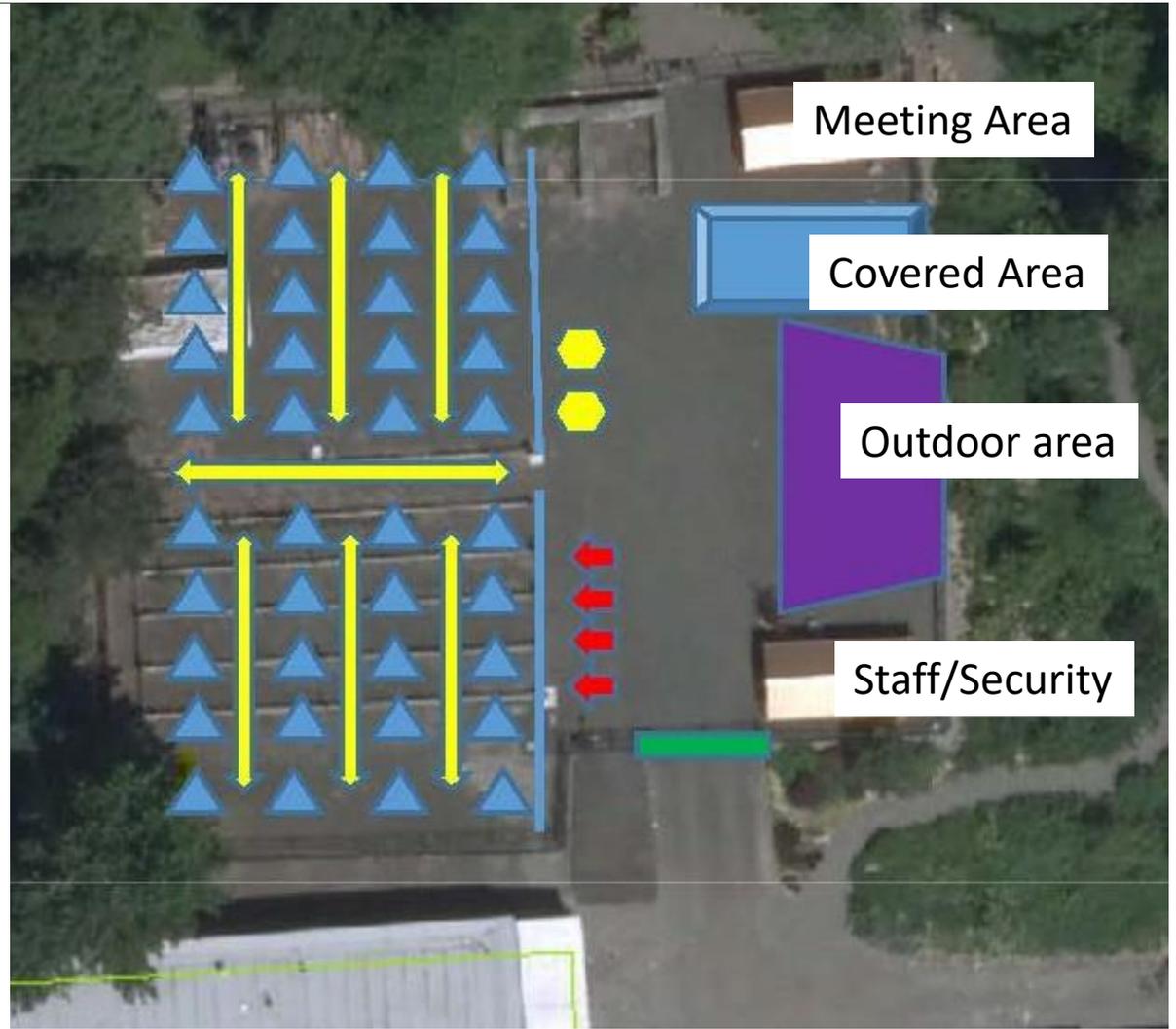
Ownership: City of Olympia

- **Current State:**

- graded, crushed gravel
 - Securely fenced, with multiple entrances
 - Two 200 sf shed/buildings
-
- Private secluded setting for residents
 - Close to services

Nursery Village – Concept

- Tents or Small Structures ▲
- Bathrooms ←
- Sinks ⬡
- Secure Entrance █
- Walkways ↔



Site 2: Martin Way Village



Welch's Appliances

Holly

Cross Insurance Agency

works

Aztec Lanes

Veterans of Foreign Wars

VFW Post 318

Devoe St SE

Pattison St SE

Pattison St SE

Pattison St SE

Pattison St SE

Martin Way E



Site 2: Martin Way Site

- **Site size:** 1.1 acres
- **Location:** 2828 E Martin Way – between Pattison and Devoe
- **Ownership:** Privately owned
- **Current State:**
 - 3,800 sf building
 - Five single use restrooms and one shower
 - 50 stall parking lot
 - Large flat field area
- **Close to transportation/bus stop**

Martin Way Site – Concept

Small Structures



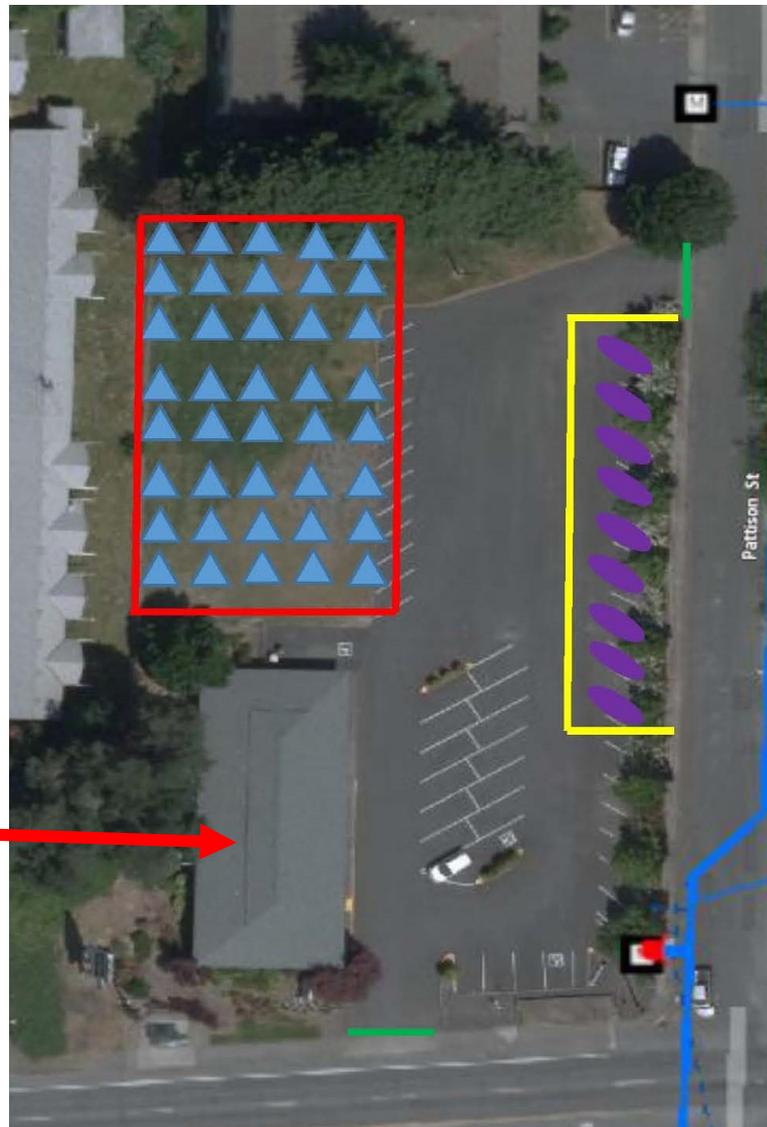
Secure Entrance



Vehicles



Urban Rest stop,
Respite Facility, other
essential service





Framework

- Emergency housing facilities specifically targeting the most visible and vulnerable in Olympia
- 24/7 access – best practice for emergency shelters
- 2 locations - 40 sites at each location
- Adults/couples (no children) / animals
- Combination of tents and tiny shelters
- Storage onsite for residents
- Portable toilets (one would be ADA)/plumbed sinks with hot water
- Garbage services
- Kitchen/food area/sink
- Private meeting area for case management and connection to tailored services
- Multiple outdoor areas for residents
- Site management, case management, self governance, security

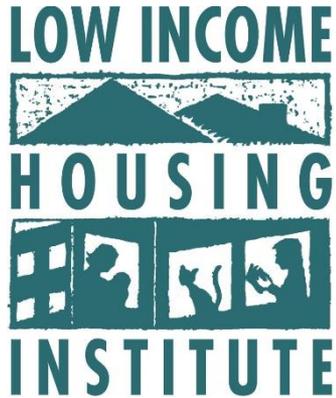


Framework

- Martin Way site will be similar to Nursery site with a few additions:
 - Safe car camping area (pilot)
 - Has a 3,800 sf building
 - With potential to be an urban rest stop, respite facility, or other essential service
 - Excellent site for future permanent supportive housing through Home Fund.
 - Able to use in the interim for multiple emergency sheltering interventions



Site Partner



“Founded in 1991, LIHI has grown to be one of the most productive affordable housing developers in the Northwest.

- LIHI owns and/or manages over 2,000 housing units at 50 sites in six counties throughout the Puget Sound region.
- Including 8 managed camps and over 200 units of tiny shelters.
- LIHI is nationally recognized leader in the design and management of Tiny House Villages.



www.lihi.org

olympiawa.gov





Staffing at the Villages

- Site Manager (LIHI)- 1 FTE
 - Manages day-to-day operations
- Village Organizer (LIHI) – 1FTE
 - Helps to organize resident community – partners with onsite providers
- Case management – 5 FTE
- (partner agency)
- Overnight Security – 1 FTE
- **Staff will rotate between sites**





Estimated Costs

Operating Expense (annual)	
Operating (2) City-owned emergency housing sites	\$900K
Contingency & flexible funds for partnerships to address homelessness	\$504K
Capital (one-time)	
Martin Way Property Acquisition	\$1.35m
Site Improvements (both sites)	\$1.1m
Total for Capital	\$2.45m



Cost Comparison

- Tacoma – Stability Site
\$64.00 per night
- Olympia – Village Site
\$31.00 per night

$$(\$900\text{K} / 80) / 365 = \$31$$

\$31/day for housing, case management and a meal





Martin Way Acquisition

- Purchase price: \$1,350,000
- Earnest Money: \$50,000
- Closing: 30 days after the removal of a Feasibility Contingency
- Feasibility contingency period 60 days with ability to extend additional 30 days
 - Stakeholder/Neighbor Outreach
 - Building Assessment
 - Existing tenant lease termination negotiation



Potential Funding Sources - Operations

	Operating Expense (Annual)	Funding Sources
Estimated Expense	\$ 1,404,000	
Funding Sources:		
Home Fund 1 (short-term shelters)		\$ 161,000
Home Fund 2 (supportive services)		\$ 230,000
Municipal Utility Tax (.5%)		\$ 250,000
Non-Voted Utility Tax		\$ 495,000
CDBG (contracted social service provider)		\$ 45,000
Thurston County		\$ 223,000
TOTAL	\$ 1,404,000	\$ 1,404,000



Potential Funding - Capital

CAPITAL

Revenue

Interfund Loan	\$	2,450,000		
Total			\$	2,450,000

Expense

Nursery	\$	410,000		
Martin Way				
Property Acquisition	\$	1,350,000		
Site Improvements	\$	690,000		
Total			\$	2,450,000

* \$842,000 Annual Debt Service Payment (3-years)



Next Steps

- Review estimated costs and funding plan with the Council's Finance Committee on July 31
- Consult with service providers and houseless individuals
- Enter into contracts with providers for site management, case management and security
- Complete site improvements for the Nursery site
- Conduct feasibility review on the Martin Way site
- Neighborhood and community outreach



Community & Neighborhood Outreach

- One-on-one outreach to immediate neighbors
- Notice neighbors within 300 feet and the posting of the site
- Neighborhood meeting(s)





Recommendation

1. MOVE TO APPROVE RESOLUTION AUTHORIZING THE PURCHASE OF REAL ESTATE FOR THE CITY OF OLYMPIA OWNED BY DONALD G, AND JOAN C, HOVANCSEK

Approved on 7/24/18

1. MOVE TO DIRECT STAFF TO MOVE FORWARD WITH IMPLEMENTATION OF THE TWO CITY-OWNED EMERGENCY HOUSING SITES AS PROPOSED, PENDING REVIEW OF COSTS AND FUNDING PLAN BY COUNCIL'S FINANCE COMMITTEE

Moved to 7/31 Finance Committee and 8/21 Council Study Session



Council Direction from 7/24

- Review estimated costs with Finance Committee
- Involve local agencies and houseless individuals in the planning
- Use the Coordinated Entry System to ensure we are prioritizing the most vulnerable
- Explore all options for a day center

Discussion



ANNUAL OPERATING - BOTH SITES				
PLANNING LEVEL COST ESTIMATE				
Staff	hours	# staff	hourly rate	Per Month
Site Manager - day shift, 7 days/week - works both sites	8	1	\$26.00	\$ 6,448
Village Organizer - day shift/staggered, 7 days a week - one organizer per site	8	2	\$21.00	\$ 10,416
Navigation Services/Case Management - day shift/staggered, 7 days a week - works both sites	8	5	22.00	\$ 27,280
Security - swing shift/graveyard shift - works both sites	8	2	\$21.50	\$ 10,664
Staffing Subtotal				\$ 54,808
Nursery Set-up	number			
Port-a Potties	4 2 x week		One is ADA	\$ 910
Water				\$ 35
Sewer				\$ 22
LOTT				\$ 38
Power				\$ 1,500
Garbage service (10 yard drop box)	1 2x month			\$ 1,000
WiFi				\$ 120
Office Supplies				\$ 150
Maintenance Supplies				\$ 200
Daily Meal				\$ 4,000
Miscellaneous costs				\$ 2,000
Nursery Set Up Subtotal				\$ 9,975
Martin Way Set-up	number			
Port-a Potties	4 2 x week		One is ADA	\$ 910
Water				\$ 35
Sewer				\$ 22
LOTT				\$ 38
Power				\$ 1,500
Garbage service (10 yard drop box)	1 2x month			\$ 1,000
WiFi				\$ 120
Office Supplies				\$ 150
Maintenance Supplies				\$ 200
Daily Meal				\$ 4,000
Miscellaneous costs				\$ 2,000
Subtotal				\$ 9,975
TOTAL MONTHLY OPERATING COSTS				\$ 74,758
ANNUAL OPERATING - BOTH SITES				\$ 897,096

Nursery Site				
ONE-TIME CONSTRUCTION AND SET UP COSTS				
PLANNING LEVEL COST ESTIMATE				
Construction	Quantity	Cost		Total
Power Installation/lighting/power distribution to units	Lump Sum (LS)	\$75,000	\$	75,000
Sewer Connection and Plumbing to Wash Station	LS	\$20,000	\$	20,000
Water plumbed to wash station, new wash station, hot water tank	LS		\$	30,000
Permit & hook-up fees	LS		\$	10,000
Slab for dumpster with guide rails	LS		\$	12,000
Property Restoration	LS		\$	20,000
CPTED Upgrades including security cameras, fencing and signage	LS	\$30,000	\$	30,000
SUBTOTAL:			\$	197,000
Tax @ 8.9%			\$	17,533
Contingency @ 40%			\$	85,813
Project Management (Engineering Design, Inspection, Contract Administration)			\$	100,000
TOTAL CONSTRUCTION:			\$	400,346
Nursery Set-up				
4- person tents/community tents	40	\$ 100	\$	4,000
Carbon monoxide/smoke detectors	40	\$ 20	\$	800
Fire extinguisher	40	\$ 25	\$	1,000
Food storage containers	40	\$ 25	\$	1,000
First aid kits	3	\$ 30	\$	90
Subtotal			\$	6,890
TOTAL CONSTRUCTION + SET UP COSTS			\$	407,236
Tiny houses (materials, set-up, labor, taxes)	40	\$ 4,000	\$	160,000

Martin Way Site				
ONE-TIME CONSTRUCTION AND SET UP COSTS				
PLANNING LEVEL ESTIMATE				
Property Acquisition				\$ 1,350,000
Construction	number	cost		
Site Prep & Improvements (CPTED, power delivery, building rehab, permits and fees, relocate existing tenant)				\$ 687,000
Set-up	number	cost		
Carbon monoxide/smoke detectors	40	22.75		\$ 910
Fire extinguisher	40	25.00		\$ 1,000
Food storage containers	40	25.00		\$ 1,000
First aid kits	3	30.00		\$ 90
TOTAL				\$ 2,040,000
Tiny houses (materials, set-up, labor, taxes)	40	\$ 4,000		\$ 160,000

Martin Way	\$ 2,040,000
(Acquisition, Prep, Improvements)	
Nursery Site Improvements	\$ 410,000
Total for Capital Costs	\$ 2,450,000
Interfund Loan Amount	\$ 2,450,000