



# Meeting Agenda

## Ad Hoc Committee on Housing Affordability

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

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**Monday, June 5, 2017**

**5:30 PM**

**Council Chambers**

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**1. CALL TO ORDER**

**2. ROLL CALL**

**3. APPROVAL OF AGENDA**

**4. APPROVAL OF MINUTES**

- 4.A**    [17-0633](#)    Approval of May 17, 2017 Ad Hoc Committee on Housing Affordability Meeting Minutes

**Attachments:**    [Minutes](#)

**5. COMMITTEE BUSINESS**

- 5.A**    [17-0611](#)    Consideration of the Relationship Between Public Safety Needs, Approaches, and Housing Affordability and Homelessness Issues from a Thurston County and City Of Olympia Perspective

**Attachments:**    [Public Safety Future Needs](#)

[Link to Thurston-Mason BHO's Triage Facility](#)

[Link to Thurston-Mason BHO's Mobile Outreach and Intensive Case Management Team](#)

- 5.B**    [17-0614](#)    Consideration of Draft Report on Options for Housing Affordability and Homelessness Response

**Attachments:**    [Draft Administrative & Financial Plan](#)

[Policy Questions](#)

[Meeting Summaries](#)

**6. REPORTS AND UPDATES**

**7. ADJOURNMENT**

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City Hall  
601 4th Avenue E.  
Olympia, WA 98501  
360-753-8244

**Ad Hoc Committee on Housing Affordability**  
**Approval of May 17, 2017 Ad Hoc Committee on**  
**Housing Affordability Meeting Minutes**

**Agenda Date:** 6/5/2017  
**Agenda Item Number:** 4.A  
**File Number:** 17-0633

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**Type:** minutes   **Version:** 1   **Status:** In Committee

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**Title**

Approval of May 17, 2017 Ad Hoc Committee on Housing Affordability Meeting Minutes



# Meeting Minutes - Draft

## Ad Hoc Committee on Housing Affordability

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

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**Wednesday, May 17, 2017**

**5:30 PM**

**Room 207**

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**1. CALL TO ORDER**

Chair Hankins called the meeting to order at 5:31 p.m.

**2. ROLL CALL**

**Present:** 3 - Chair Julie Hankins, Committee member Jim Cooper and Committee member Jeannine Roe

**OTHERS PRESENT**

City of Olympia:

Steve Hall, City Manager

Community Planning and Development:

Keith Stahley, Director

Leonard Bauer, Deputy Director

Anna Schlecht, Housing Program Manager

Amy Buckler, Senior Planner

Krosbie Carter, Housing Program Intern

Faith Trimble, Chair Community Investment Partnership Member Representing the United Way of Thurston County

**3. APPROVAL OF AGENDA**

**The agenda was approved.**

**4. APPROVAL OF MINUTES**

- 4.A**     [17-0540](#)     Approval of May 1, 2017 Ad Hoc Committee on Housing Affordability Meeting Minutes

**The minutes were approved.**

**5. COMMITTEE BUSINESS**

- 5.A**     [17-0470](#)     Consider Options for Educating the Public around Housing Affordability and Homelessness Issues

Ms. Buckler presented information to assist the Committee in considering measures to inform, consult, educate and involve the community in discussions about the

impacts and needs related to homelessness and housing affordability. Public participation efforts have been discussed for:

- Potential funding options
- Potential ordinances around vulnerable renter protection
- Downtown Homeless Response Plan as recommended in the Downtown Strategy
- Housing strategy (citywide)

Options of public participation for potential funding are:

- Funding option on the ballot in November
  - Elway survey
  - Fact sheet
  - Not recommending a public meeting
- Funding option on the ballot in April
  - Same public process limitations apply, but
  - More flexibility for meaningful engagement associated with related efforts
- Funding options further explored as part of public process for a Downtown homeless response plan or citywide housing strategy
  - Better public process
  - Decision 1-2+ years out

Options of public participation for vulnerable renter protection are:

- Take action in the short term
  - Public process steps - early notice to affected parties (i.e. landlords), public meeting to educate and gather point, City Council briefing, ordinance on First and Second reading
- Consider as part of Housing Strategy development
  - Consider along with other Fair Housing recommendations
  - Action further out

Councilmember Cooper agrees with considering renter protections as part of Housing Strategy development. This will allow for more data to be gathered, ensuring the topic is addressed effectively.

The last two efforts (Downtown Homeless Response Plan and Housing Strategy), are related in that they are both concerned in housing for the most vulnerable. However, there are some distinctions that make these separate actions.

- Downtown Homeless Response Plan:
  - More than just about housing - there are aspects related to street dependency that also need to be addressed (i.e. substance abuse)
- Housing Strategy:
  - More than just about housing for the most vulnerable - try to create a mix of options for various incomes within our community

Ms. Buckler recommends keeping these efforts as separately staged actions, with the Downtown Homeless Response Plan coming first, followed by the Housing Strategy.

The Downtown Homeless Response Plan will inform the Housing Strategy. Housing the most vulnerable should be a first priority.

- The Committee concluded that scope work should start now and the work shall be implemented in 2018

**The discussion was completed.**

**5.B**      [17-0479](#)      Community Investment Partnership and Housing Action Team  
Regional Affordable Housing Funding Process

Ms. Trimble identified the current state of housing in Thurston County, with data provided by the Thurston County Department of Public Health:

- About 35,000 households are housing burdened (spending more than 30% of their income on housing expenses which include; rent, mortgage, utilities and transportation)
- About 9,500 renter households are on the edge of homelessness - they are at or below median family income and cost burdened (this figure excludes about 5,600 home owners in the same income range)
- About 3,000 people cycle in and out of homelessness every year
- About 500-700 people are homeless at any point in time, depending upon how you define it

Ms. Trimble discussed housing gaps in Thurston County, as identified by the Community Investment Partnership (CIP). The housing gaps for at-risk households are:

- Short-term rental assistance
  - Unit gaps - 4,050 vouchers and units
  - Resource gaps - \$24.3 million annually or \$1.4 billion for new construction

The housing gaps in regards to homeless individuals are:

- Rapid rehousing
  - Unit gaps - 421 households
  - Resource gaps - \$1 million annually
- Permanent supportive housing
  - Unit gaps - 200 beds
  - Resource gaps - \$2.4 million annually or \$48 million for new construction
- Transitional housing
  - Unit gaps - 175 beds
  - Resource gaps - \$1 million annually or \$42 million for new construction
- Emergency shelters
  - Unit gaps - 200 beds
  - Resource gaps - \$1.6 million annually

The total resource gaps are:

- Total funding needed - \$6 million to \$1 billion+ (variation dependent on new construction or using current housing stock)
- Available federal and state funding - \$3 million
- Funding gap - \$3 million to \$1 billion+

Ms. Trimble spoke to the importance of the various regions in Thurston County using the same data, so that there will be a baseline understanding when deciding on implementation actions in regards to housing affordability and homelessness.

**The discussion was completed.**

## **6. REPORTS AND UPDATES**

Mr. Stahley:

- Announced that there will be a study session with Council next Tuesday, May 23, 2017
- Reviewed Ad Hoc Committee on Housing Affordability topics of discussion with the Committee; to present to Council during the study session
- Reviewed policy questions that will need to be resolved before the conclusion of this Ad Hoc Committee
- Informed the Committee that the 5-year plan is still in process; it will become the framework for decision making for the CIP going forward and will help guide funding decisions

Mr. Bauer:

- Reminder - Land Use and Environment Committee (LUEC) meeting combined with a Missing Middle open house will be held on May 18, 2017 at Olympia High School and May 30, 2017 at Capital High School

## **7. ADJOURNMENT**

The meeting adjourned at 7:18 p.m.



## **Ad Hoc Committee on Housing Affordability**

### **Consideration of the Relationship Between Public Safety Needs, Approaches, and Housing Affordability and Homelessness Issues from a Thurston County and City Of Olympia Perspective**

**Agenda Date:** 6/5/2017  
**Agenda Item Number:** 5.A  
**File Number:** 17-0611

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**Type:** discussion **Version:** 1 **Status:** In Committee

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#### **Title**

Consideration of the Relationship Between Public Safety Needs, Approaches, and Housing Affordability and Homelessness Issues from a Thurston County and City Of Olympia Perspective

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Receive the information. Provide feedback and guidance.

#### **Report**

##### **Issue:**

Whether to receive a report and consider the relationship between public safety needs and approaches and housing affordability and homelessness issues from a Thurston County and City of Olympia Perspective.

##### **Staff Contact:**

Keith Stahley, Director Community Planning and Development Department 360.753.8227

##### **Presenter(s):**

Keith Stahley, Director Community Planning and Development Department

Ronnie Roberts, Chief Police Department

Mark Freedman, MA, LCSW Thurston-Mason BHO, Administrator

##### **Background and Analysis:**

Police Chief Ronnie Roberts has developed the attached proposal to increase public safety support for downtown and neighborhoods. Chief Robert's proposal includes expanding the downtown walking patrol, adding a social service professional and expanding code enforcement. Chief Roberts will provide an overview of this proposal.

Mark Freedman will be present and prepared to discuss the Thurston-Mason Behavioral Health Organization recently opened Triage Center and the newly activated Mobile Outreach and Intensive Case Management Teams.

**Neighborhood/Community Interests (if known):**

Public safety, housing affordability and homelessness are all issues that affect and are of interest to neighborhoods.

**Options:**

Receive reports and provide feedback and direction.

**Financial Impact:**

None at this time.

**Attachments:**

Public Safety Proposal

Link to Thurston-Mason BHO's Triage Facility

Link to Thurston-Mason BHO's Mobile Outreach and Intensive Case Management Team



# Building OPD for the Future



# Downtown

**\$1,758,000**

## Additions

- Day & Evening Downtown Walking Patrol
  - 4 Additional Officers
  - 1 Additional Sergeant
- Mental Health Response
- Community Court

## Impact

- 7 day/week, year-long Walking Patrol
- Improve Safety in Downtown Shopping Area
- Increase Security in Parks
- Community Engagement
- Right Services to Right People



# Downtown

## Walking Patrol

- 2 Officers Downtown
- 7 days & evenings a week
- Interacting with business owners and downtown users
- Providing services tailored to the needs downtown
- Increasing the feeling of “safety” for everyone downtown

## Community Court

- 1 Case Manager
- Alternatives to Jail
- Individualized programs to improve lives
- Coordination of mental health, medical, educational, and other services
- Reduce recidivism

## Mental Health Response

- 1 Program Manager
- Contract with local social services for staffing
- The mentally ill receive appropriate care in an appropriate setting - not the Jail
- Reduction of unpredictable and/or criminal behavior that makes people feel unsafe

# Neighborhoods

**\$495,000**

## Additions

- Community Liaison Program
  - 2 Officers, 1 Sergeant
- Additional Code Enforcement
  - 1 Code Enforcement Officer

## Impact

- Stronger Connection to Families Living in our Town
- Neighborhood Focused Policing Strategies
- Collaborative approach to Safe Neighborhoods



# Neighborhoods

## Community Liaison Officers

- 2 Officers assigned to the Westside and to the Eastside
- Develop relationship between OPD and neighborhoods
- Go-to person for citizens
- Tailor services to the needs of the neighborhoods
- Coordinate with other City programs

## Code Enforcement

- 1 additional CE Officer
- Better response to property complaints and health concerns in the neighborhoods
- Work with police to address concurrent crime problems
- Help neighborhoods problem-solve quality of life issues



# Shaping the Future

**\$301,500**

## Additions

- Contemporary Standards
  - 1 Policy Manager
- Enhanced Training Program
  - 2 Program Staff
  - Advanced Training
  - Regional Training Coordination
- Recruiting for Diversity

## Impact

- Fulfilling 21<sup>st</sup> Century Policing Principles
- De-escalation & Crisis Intervention Training
- Hiring the Best Candidates for a Complex Job

# Shaping the Future

## Recruitment

- Enhance recruitment efforts to increase minority and women applicants
- Increase the number of highly qualified applicants to OPD
- Replace retiring staff quickly: Expect 25% of staff to retire by 2021

## Training

- Provide contemporary training to all OPD staff on complex issues
- Maintain de-escalation & Crisis Intervention training
- Increase use of scenario-based training
- Coordinate training with regional partners to increase effectiveness

## Policy

- 1 Policy manager to ensure policies are current
- Ensure OPD implementing best-practices
- Provide direction to OPD staff that reflects community values
- Increase accountability with clear guidelines for behavior



# Thurston Mason Crisis Triage



**3285 Ferguson St SW**  
**Tumwater, WA 98512**  
**(360) 943-1907**





## About Thurston Mason Crisis Triage

At Telecare Thurston Mason Crisis Triage, we provide intensive psychiatric evaluation and treatment services in a safe, welcoming environment for adults experiencing a mental health emergency.

We believe recovery starts from within, and that our job is to do whatever it takes to provide the support needed to our clients on their recovery journey. Our 10-bed secure facility includes a full staff of nurses, chemical dependency professionals, peer recovery coaches, and psychiatric prescribers.

This program is designed to provide a clinically-appropriate alternative to incarceration for individuals experiencing an acute psychiatric crisis, and who have been involved with law enforcement.

## Just the Basics

**Beds:** 10

**Population Served:** Adults, ages 18 and older, who have been diagnosed with a serious mental illness.

**Funded by:** Thurston Mason Behavioral Health Organization.

## Recovery Model

Our services are designed using Telecare’s Recovery-Centered Clinical System (RCCS). This system incorporates evidence-based practices and innovative design components, and emphasizes choice-making skills, harm-reduction techniques and strives to awaken the hopes and dreams of the individual. The RCCS emphasizes “no-force first” practices. Staff work with individuals within their cultural dynamic in building independence and self-responsibility to foster their recovery and successfully transition them back to lower levels of care.

# Services and Supports

A variety of therapies and activities are offered in our program. Services at Thurston Mason Crisis Triage include, but are not limited to:

- Comprehensive evaluation and risk assessment, covering mental health and substance use
- Client-centered, strengths-based and trauma informed crisis intervention and stabilization
- Psychiatric assessment and treatment
- Peer support and community group meetings
- Social and recreational activities
- Counseling on both a group and individual basis
- Medication administration and management

## Office Hours

24 hours a day, 7 days a week

## Referral Process

Designated Mental Health Professionals (DMHP) will evaluate individuals referred by local law enforcement and the Thurston County jail. If individuals are found to need emergency involuntary detention, they will be admitted to the inpatient unit.

## Who Is Served

Adults, aged 18+, in Thurston and Mason Counties, who have been diagnosed with a serious mental illness and are currently experiencing a significant crisis in their lives.

## Exclusion Criteria

- Any individual who has a co-occurring medical condition that requires more than an outpatient level of care will be excluded from the program.
- Sexually violent offenders being detained pursuant to RCW 71.09 or high risk sex offenders classified by the local law enforcement agencies are excluded from admission.
- Any individual with any pending (not dismissed or otherwise disposed) felony charge shall be excluded from admission. Individuals released on a Temporary Release (TR) may be considered for admission on a case-by-case basis after consultation with the DMHP.

## About Telecare

Telecare is a family- and employee-owned company that has been treating individuals with serious mental illness since 1965. We specialize in innovative, outcomes-driven services for high-risk individuals with complex needs. Our programs are recovery-focused and clinically effective and are designed in partnership with local, county, state and other behavioral health organizations.

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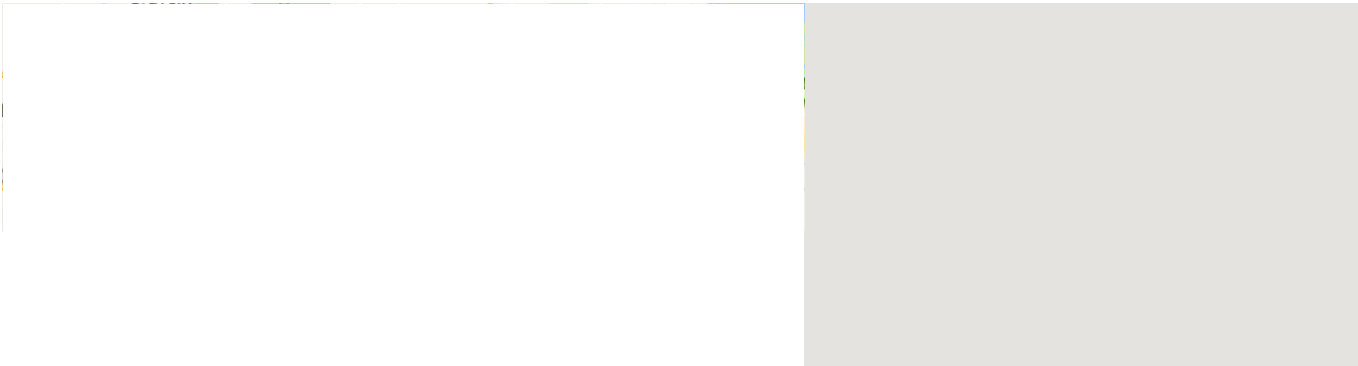


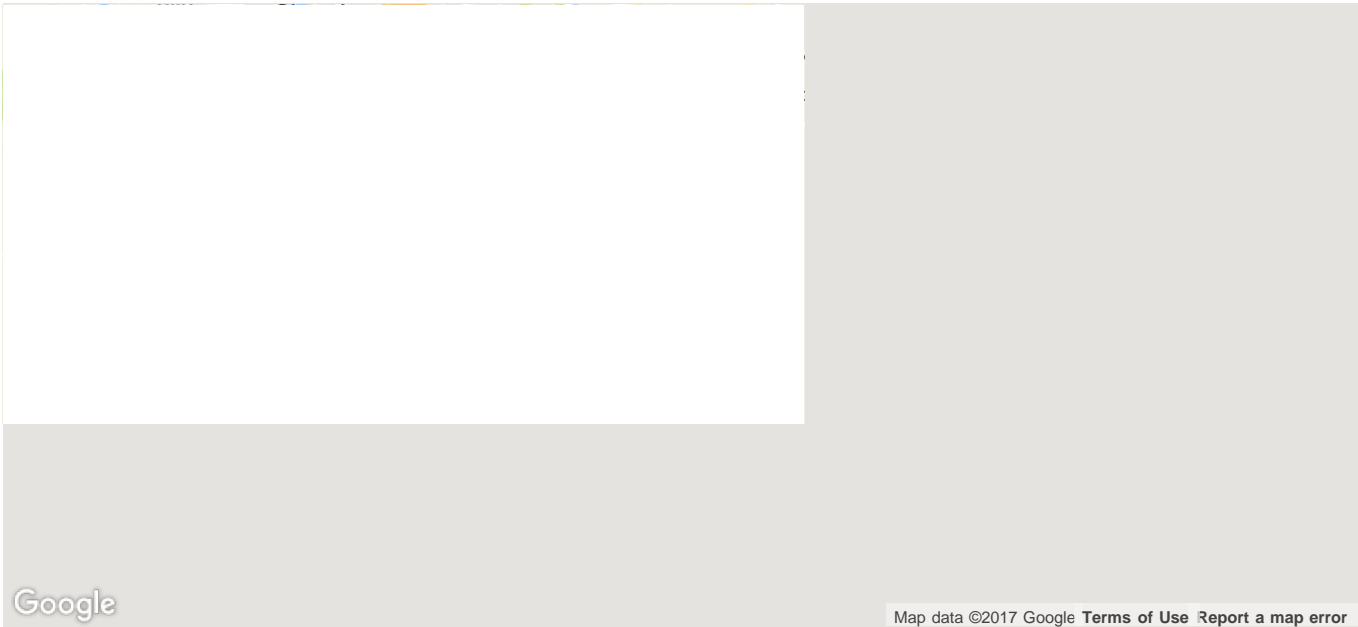
# Thurston Mason Mobile Outreach and Intensive Case Management Teams



## Telecare Mason County Mobile Outreach (MOT) and Intensive Case Management (ICM) Teams

601 W. Franklin Street, Suite A.  
Shelton, WA 98584  
360-462-3016 Main  
360-462-3017 Fax





**Telecare Thurston County Mobile Outreach (MOT) and Intensive Case Management (ICM) Teams**

**908-910 5th Ave. E**  
**Olympia, WA 98501**  
**Contact info TBD**

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## About Thurston Mason Crisis Triage

Telecare’s Thurston Mason Mobile Outreach (MOT) and Intensive Case Management (ICM) Teams were developed to provide specialized, recovery-focused services to people with mental health and/or substance use issues. The intent of these programs is to help individuals during times of mental health or substance use related crisis, so they can regain stability, stay safe in the community, and prevent incarceration or unnecessary hospitalization.

### Intensive Case Management Essentials

- Up to 90 days of case management for those who meet admission criteria
- May include assistance with Medicaid enrollment, connection with primary care provider, and housing
- Assistance from Peer Recovery Coaches who can help facilitate connections to community supports

### Mobile Outreach Essentials

- Support in the community for those experiencing a crisis related to mental illness and/or substance use

- Coordinate services with first responders (police, EMS) on initial screening and triage
- On-site assessment, stabilization, and safety planning
- Provides services in lieu of incarceration

# Recovery Model

Our services are designed using Telecare’s Recovery-Centered Clinical System (RCCS). This system incorporates evidence-based practices and innovative design components, and emphasizes choice-making skills, harm-reduction techniques and strives to awaken the hopes and dreams of the individual. The RCCS emphasizes “no-force first” practices. Staff work with individuals within their cultural dynamic in building independence and self-responsibility to foster their recovery and successfully transition them back to lower levels of care.

# Services and Supports

- Behavioral health needs screening
- Outreach and engagement
- Intensive case management
- Crisis intervention
- Support and educational services for
- participants and family members
- Linkage to community resources, such as medical and mental health care, substance use services, housing and vocational resources, National Alliance on Mental Health (NAMI), food banks, clubhouses, legal aid, etc.

# Referral Process

## Mobile Outreach

- Referrals are made by local law enforcement agencies only

## Intensive Case Management

- Clients are referred through many sources: hospitals, E&T providers, mobile outreach teams, and others
- who are in contact with individuals in need of behavioral health services and coordination

# Who Is Served

- Adults ages 18 and older
- Diagnosed with a severe mental illness, or
- Experiencing an emotional and/or behavioral disturbance, including substance use/abuse, in Thurston or Mason County

# About Telecare

Telecare is a family- and employee-owned company that has been treating individuals with serious mental illness

since 1965. We specialize in innovative, outcomes-driven services for high-risk individuals with complex needs. Our programs are recovery-focused and clinically effective and are designed in partnership with local, county, state and other behavioral health organizations.

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## **Ad Hoc Committee on Housing Affordability**

### **Consideration of Draft Report on Options for Housing Affordability and Homelessness Response**

**Agenda Date:** 6/5/2017  
**Agenda Item Number:** 5.B  
**File Number:** 17-0614

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**Type:** discussion   **Version:** 1   **Status:** In Committee

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#### **Title**

Consideration of Draft Report on Options for Housing Affordability and Homelessness Response

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee

##### **City Manager Recommendation:**

Provide feedback and direction. No action requested.

#### **Report**

##### **Issue:**

Whether to consider the draft Administrative and Financial Plan and provide feedback and direction to staff on policy considerations included in the draft plan.

##### **Staff Contact:**

Keith Stahley, Director Community Planning and Development Director

##### **Presenter(s):**

Keith Stahley, Director Community Planning and Development Director

#### **Background and Analysis:**

Should the Council decide to move forward with the Home Fund proposal, an Administrative and Financial Plan must be adopted by the City Council prior to any funds being collected. The draft plan attached is modeled after the City of Vancouver's recently adopted Affordable Housing Fund Administrative and Financial Plan.

There are a number of key policy questions that must be addressed in the plan. These include:

- What is the relationship between the homelessness and affordable housing funding and the public safety funding?
- Do you want to declare a housing emergency as provided for by RCW 84.52?
- What is the best timing of a referendum?



- Do you prefer property tax or sales tax?
- Who is your target population or populations?
- How would you plan to use these funds?
- How do you want to manage this program?
- Would you want to include a Citizens advisory committee?

A summary of these issues is attached as Policy Questions for the Committee and well as a summary of the information discussed at the Committee's meetings through May 1, 2017.

**Neighborhood/Community Interests:**

Homelessness and affordable housing are issues of community-wide concern.

**Options:**

Receive report and provide feedback and direction to staff on the proposed draft Administrative and Financial Plan.

**Financial Impact:**

None at this time.

**Attachments:**

Draft Administrative and Financial Plan  
Policy Questions  
Meeting Summaries

# Olympia Affordable Housing Fund

## Administrative and Financial Plan

June 2017

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### INTRODUCTION

The growing urgency and impact of homelessness and the effect of cost burdened households is evident throughout Thurston County. Last winter's Warming Center saw nearly 200 people per day pass through its doors (Interfaith Works Warming Center 2016-17 Season Report). According to the United Way of Thurston County's ALICE Report over 35% of Thurston County residents and 41% of Olympia's residents struggle to afford basic necessities. These necessities include: housing, food, child care, health care and transportation.

HUD's Comprehensive Housing Market Analysis (HMA) for the Olympia-Tumwater HMA reports that as of September 2016, the average apartment rent in the HMA increased 10 percent from September 2015, to \$1,022, with average rents of \$900, \$1,175, and \$1,264 for one-, two-, and three-bedroom apartments, respectively. These rents exceed levels attainable for low income households (\$668 or less for a one person household). Rents are likely to continue to increase during the forecast period as new construction lags behind market demand.

The Office of the Superintendent of Public Instruction reports that countywide 1,526 students were identified as homeless in the 2014-2015 schoolyear; up from 889 in 2009-2010, a 71% increase. School age homelessness continues to impact our region with over 444 students being identified as homeless in the Olympia School District and 754 in the North Thurston School District. Of the 1,526 students identified as homeless in 2014-2015, 85 were identified as unsheltered.

Thurston County's 2017 Point In Time Count identified 579 people as being homeless in Thurston County on January 26, 2017. This number is comparable with the 586 reported in 2016 and the five year average of 576. Current measures and approaches have not resulted in a decrease in the number of people experiencing homelessness in our community.

Olympia is home to many of the region's most vulnerable homeless citizens. The lives of these individuals are threatened by a lack of a targeted and adequately funded response. These individuals also have significant impacts on City and regional services as well as collateral impacts on downtown businesses and property. A response to this challenging problem is needed. While by no means a panacea, the Home Fund will provide a source of revenue to begin to address these problems.

Other communities in Washington have taken steps to address this issue by creating Home Funds of their own. The City of Bellingham approved a fund in 2012 and the City of Vancouver approved one in 2016. The Cities of Everett, Tacoma and Seattle

have also taken recent action to address homelessness in their communities. These efforts are summarized below.

Community	Levy	Date	Amount/ 7 years	Target
Seattle	Yes	2009, 2016	\$290,000,000 (\$41million per year)	Production, Preservation, Rental Assistance/ Homelessness Prevention
Everett	No	2014	NA	Community Streets Initiative 63 recommendations
Bellingham	Yes	2012	\$21,000,000 (\$3 million per year)	Production, Preservation, Rental Assistance/ Homelessness Prevention
Vancouver	Yes	2016	\$42,000,000 (\$6 million per year)	Production, Preservation, Rental Assistance/ Homelessness Prevention
Tacoma	No	2017	NA	Immediate Shelter

The actions of the Cities of Bellingham and Vancouver are most similar to the Olympia's Home Fund proposal and have served as an excellent source of information about this effort and approach to addressing homelessness.

Municipal Housing Levy Comparisons						
City	City Pop	County Pop	Homeless Count	Fund Amount	Cost Per Capita	Cost Per PIT
Bellingham	84,850	212,540	720	\$21,000,000	\$247	\$29,167
Vancouver	173,500	461,000	688	\$42,000,000	\$242	\$61,047
Olympia	51,600	272,690	586	\$16,000,000	\$310	\$27,304

Affordable housing, workforce housing, transitional housing, permanent supportive housing, emergency shelter, and day center are all part of the full spectrum of affordable housing and services needed in our region to respond to and prevent homelessness and its impacts. Resources are limited for these services and facilities while the need for these services is high, thus resources must be allocated in a well coordinated and strategic manner to have the maximum benefit. Funds from the Olympia Home Fund will be targeted at services and facilities designed to serve the most vulnerable in our community whose income is less than 50% of the area median income.

While moving people into supportive housing is the primary goal of this effort, well run emergency shelters and day centers can serve as a pipeline for associated

supportive housing facilities. Emergency shelters and day centers, when coupled with effective coordinated entry, can play a critical role in the overall success of the system and address the more immediate needs seen daily on the streets of downtown Olympia. Shelters and other facilities and services should be sited in a manner that allows for effective access and use by targeted populations while minimizing the impacts to the surrounding properties, businesses, residences and neighborhoods.

The City's Comprehensive Plan provides guidance and support for this initiative. Some of the most relevant goals include:

GS5: Special needs populations, such as people with developmental disabilities, the homeless, the frail elderly, and others who have difficulty securing housing, have adequate, safe, and affordable housing.

GS6: Our community is safe and welcoming and social services are accessible to all who need them.

GS7: There is enough emergency housing, transitional housing and permanent housing with support services and independent affordable housing.

- Encourage a strong network of emergency shelter resources for homeless and at-risk families with children, childless adults, unaccompanied youth, and victims of sexual and domestic violence.

GS8: The existing low-income housing stock is preserved.

GS9: New low-income housing is created to meet the demand.

Housing affordability and homelessness have been issues that have been a concern for the City of Olympia and community for many years; however, these issues have recently risen to the fore through the City's Downtown Strategy process and grassroots community efforts. The impact of homelessness on the lives of individuals, on government resources and on local businesses and property owners is significant. In 2015 the Thurston County Economic Development Council interviewed 105 small businesses owners in downtown and their number one concern was the impact of homelessness. Thurston County's Community Investment Partnership and Olympia's Community Development Block Grant program routinely receive more proposals than can be funded, and our homeless citizens continue to impact our emergency response system while suffering the effects of living unsheltered.

In March of 2017 the City formed the Ad Hoc Committee on Housing Affordability to examine these issues. In addition the City commissioned a community survey aimed at

gauging the community's interest and understanding of these issues. In June of 2017, following four of months of consideration by the City of Olympia's Ad Hoc Committee on Housing Affordability (AHCOHA), City Council reviewed several recommendations to address Olympia's lack of affordable housing options. Creating a locally controlled affordable housing fund was identified as the first high priority option to move forward in 2017.

Include results of the survey here when available.

After exploring potential revenue sources for an affordable housing fund, a property tax levy was identified as the most practical and timely option (or sales tax RCW 82.14). The State of Washington allows cities to enact a property tax levy for affordable housing if such a measure is approved by a majority of voters (RCW 84.52.105). Funds raised must serve very low-income households in Olympia, defined as earning up to 50% of the area median income ("AMI").

The proposed levy would raise approximately \$16.3 million over seven years (\$2.29 million per year) for affordable housing and services to very low-income residents. This Administrative and Financial Plan ("Plan") lays out objectives for the Olympia Affordable Housing Fund and describes how funds would be managed and spent if approved by voters.

## Timeline

In accordance with state regulations in RCW 84.52.105, a final version of the Plan must be adopted by Council prior to any levy funds being generated. The following is an estimated timeline based on a general election ballot measure:

- November 2017- Ballot measure put before voters
- December 2017- Deadline to adopt Administrative and Financial Plan
- January 2018- Property tax increase effective January 1st (if measure passes)
- 2019 - Affordable Housing Fund awards spent on community projects

Other options include:

2018 Election Dates:		
Ballot options	Resolution due to County	City deadline
13-Feb	15-Dec-17	8-Dec-17
24-Apr	23-Feb	20-Feb
Aug 7 (primary)	11-May	8-May
Nov 6 (general)	7-Aug	31-Jul

## Program Objectives

Four primary objectives will guide implementation of the Olympia Affordable Housing Fund. The City of Olympia will strive to:

- Create and preserve affordable homes for Olympia's most vulnerable residents at 50% AMI or lower, promoting housing opportunity and choice throughout the City.
- Contribute to efforts to end homelessness by providing housing, shelter and services for vulnerable individuals and families who are homeless or at risk of homelessness.
- Collaborate with nonprofit and for-profit developers and agencies to promote a variety of housing choices, including units in mixed-income developments.
- Leverage City investments with other funding sources to maximize the number of quality affordable housing units that are created or preserved each funding cycle.

## Levy Amount, Tax Rate, and Duration

The proposed levy could generate \$16.3 million (\$2.29 million per year) over seven years (RCW 84.52 allows levies to be in place for up to 10 years) for Olympia affordable housing projects and support services.

Based on current assessed values in Olympia, a levy of \$2.29 million annually translates to additional taxes of approximately \$0.36 per \$1,000, costing the average Olympia homeowner approximately seven dollars per month.

Seniors (61 and older) and people with disabilities who make less than \$40,000 are eligible for a property tax exemption and will not be affected by this levy.

The amount of funds collected would be capped at \$2.29 million annually. As the city's assessed value changes due to shifts in property values or the number of taxable properties in Olympia, the levy rate may also change to generate \$16.3 million over the seven-year period. For example, if there is an overall increase in property values, the rate charged to each property owner would adjust downward accordingly.

Taxes collected for the Olympia Affordable Housing Fund will be held in a dedicated account that is separate from the City's general fund. The money may be spent only on eligible uses and cannot be diverted to cover other City expenses.

## Eligible Fund Uses

The Olympia Affordable Housing Fund may be only used to serve households at 50% AMI or below. Collected funds will be deposited into a restricted account that can only be used for housing and services for this population. The 2017 income levels established by HUD are:

### HUD 2017 Annual Income Levels for Thurston County (50% AMI)

1-Person Household - \$26,750

2-Person Household - \$30,550

3-Person Household - \$34,350

4-Person Household - \$38,150

The City will provide funds to community partners (for-profit and non-profit developers, property owners and housing/service providers) for acquisition, construction, and preservation of rental housing, supportive housing and assistance to very low-income homeowners to make critical repairs. The money will also support shelter, housing and services for people who are homeless or at risk of becoming homeless.

The Olympia Affordable Housing Fund may be used for four activities serving households at 50% AMI or below:

- **Housing Production:**
  - Provide funds to developers (non-profit and for-profit) for construction of new affordable rental housing (state prevailing wages apply).
  - Provide funds to developers (non-profit and for-profit) for acquisition/purchase of land or property for affordable housing development.
  - Provide incentives to property owners to convert existing market-rate units to affordable units.
- **Housing Preservation:**
  - Provide funds to property owners to rehabilitate existing multifamily housing to correct health, safety and livability problems.
  - Provide funds to very low-income homeowners to make basic repairs and accessibility improvements.
  - Provide funds to publicly subsidized projects (e.g. 20-year affordable tax credit project) with expiring affordability periods to ensure continued affordability.
- **Homeless Prevention:**
  - Provide funds to non-profit service providers for rent vouchers and stability services.
  - Provide funds to non-profit service providers to build and operate shelters and housing and provide services to who are homeless or at risk of homelessness.
- **Implementation:**
  - Resources for staff to develop contracts, manage the program and conduct annual monitoring for compliance.

Specifically, the Olympia Affordable Housing Fund proposes to use funds as follows:

- **Increase Housing Supply (72%):** Through a competitive grant process, the levy provides funds to developers and nonprofits to rehabilitate, preserve, and build new affordable housing, supportive housing and shelter space for Olympia's most vulnerable homeless and at risk of homelessness citizens.
- **Operations & Support Services (15%):** Provides funds to operate the newly constructed units and facilities and to provide case management and other support for vulnerable adults and children.
- **Rent Assistance (5%):** Provides funds for rent vouchers and self-sufficiency services, primarily via rapid rehousing and shelter diversion programs.
- **Implementation (8%):** Resources for staff to develop contracts, manage the program, and conduct monitoring for compliance.

## Program Goals

The City estimates creating approximately 36 new affordable or supportive housing units annually. Many more will be served through rental assistance and rental rehabilitation. However, this number does not include additional units or households that may be created or served by leveraging Olympia Affordable Housing Fund investments with other funding sources.

The chart below describes the proposed allocation of funds among eligible uses and estimated number of units and households assisted. If the pool of projects in a given award cycle does not support this funding breakdown, allocations may be shifted between uses as appropriate.

	Annual Funding 2018-2024	Funding breakdown by use	Amount per unit or household	Annual units or households assisted	Total funding (7 years)	Total units or households assisted (7 years)
Levy Revenue	\$2,290,000				\$16,030,000	250
USES						
Increase Housing Supply	\$1,648,800	72%	\$45,800	36	\$11,541,600	250
Operations and Support Services	\$343,500	15%	\$9,542	36	\$2,404,500	
Rent Assistance	\$114,500	5%	\$670	171	\$801,500	1,200
Implementation	\$183,200	8%	XX	XX	\$1,282,400	
TOTAL	\$2,290,000	100%			\$16,030,000	1,450
The Olympia Home Fund anticipates a leverage rate of approximately two additional dollars for each dollar raised by the Home Fund.						



## Alt 1 Includes Shelter Funding:

	Annual Funding 2018-2024	Funding breakdown by use	Amount per unit or household	Annual units or households assisted	Total funding (7 years)	Total units/ households assisted (7 years)
Levy Revenue	\$2,290,000				\$16,030,000	
USES						
Housing Supply Production	\$1,030,500	45%	\$50,000	21	\$7,213,500	144
Housing Supply Preservation	\$458,000	20%	\$25,000	18	\$3,206,000	128
Shelter	\$160,300	7%			\$1,122,100	40 beds
Operations and Support Services	\$343,500	15%	\$9,542	36	\$2,404,500	
Rent Assistance	\$114,500	5%	\$670	171	\$801,500	1200
Implementation	\$183,200	8%	XX	XX	\$1,282,400	
TOTAL	\$2,290,000	100%			\$16,030,000	1512
The Olympia Home Fund anticipates a leverage rate of approximately two additional dollars for each dollar raised by the Home Fund.						

## Leveraging Additional Dollars/Units

The number of units and households listed above will be directly impacted by the ability to leverage dollars from other sources. The funding awarded for housing production will leverage additional units that are both market rate and subsidized. Specifically, while the levy would generate \$2.29 million in direct revenue annually, it will *leverage* \$4.5 million annually. *(For example, in 2014 the City of Olympia provided approximately \$500,000 of its Community Development Block Grant funds for the Family Support Center's Pear Blossom Place project. The Family Support Center used these funds and the City's donation of the property to leverage an additional \$1.4 million dollars in other funds to create 50 units of affordable housing and shelter space.)*

## Household Eligibility

In accordance with RCW 84.52.105, the Olympia Affordable Housing Fund will be limited to serving very low-income households, defined as earning 50% of the area median income (AMI). Very low-income limits are provided annually by the U.S

Department of Housing and Urban Development. See chart below for current income limits and rents.

#### 2017 Thurston County Very Low-Income (50% AMI) Income Limits and Rents

1-Person Household		2-Person Household		4-Person Household	
Annual Income	Max. Affordable Rent	Annual Income	Max. Affordable Rent	Annual Income	Max. Affordable Rent
\$26,750.00	\$668.75	\$30,550.00	\$763.75	\$38,150.00	\$953.75

### Funding Priorities

Several higher-need populations exist among Olympia's very low-income households. To best meet the needs of these residents, the Olympia Affordable Housing Fund will prioritize projects and programs serving the most vulnerable members of our community:

- Senior households (must include one or more individuals age 62 or over);
- People who are experiencing homelessness particularly those living in or near downtown
- Families with children; and
- People with special needs, including but not limited to:
  - Individuals with disabilities;
  - Individuals with mental/behavioral or substance abuse issues;
  - Victims of domestic violence; and
  - Veterans.

### Geographic Focus

The program is not targeted to specific neighborhoods. Funds will be available to housing projects located within the city limits of Olympia and to programs serving Olympia Residents. **Would we want to include projects in other jurisdictions?**

### Award Process

Awards will be allocated through an annual application process in combination with the Community Development Block Grant (CDBG) awards. The program year begins (September 1st) and runs through (August 31st) of the following year. Applications may be provided on a rolling basis if the need arises.

### Eligible Costs

Funds will be disbursed to awardees on reimbursement basis for eligible costs, which include but are not limited to:

- Appraisals
- Architectural fees
- Closing costs
- Construction, including sales tax
- Development fees and permits
- Engineering fees
- Environment assessments and fees
- Inspections and surveys
- Insurance
- Interest
- Financing fees
- Replacement reserves
- Professional services
- Purchase/acquisition
- Rental assistance
- Case Management costs for services
- Ongoing operations and maintenance
- Rent buy-down

## Eligible Fund Recipients

Through the City selection process, priority will be given to applicants with a demonstrated ability to develop, own, and/or manage affordable housing. Applicants that do not have previous experience in these areas will be expected to propose an appropriate relationship with an entity that does have this experience.

Eligible fund recipients are:

1. **Nonprofit agencies:** Eligible nonprofits must have a charitable purpose. The City's preference is to provide funding to nonprofit borrowers that have established housing as a primary mission. Private nonprofit agencies will be required to submit articles of incorporation and an IRS letter as proof of nonprofit status.
2. **Any corporation, limited liability company, general partnership, joint venture, or limited partnership** created and controlled by a nonprofit or public corporation in order to obtain tax credits or for another housing-related objective approved by the City.
3. **Housing Authority of Thurston County**
4. **Private for-profit firms/property owners:** Eligible for-profits must have experience developing, owning, and managing multifamily rental housing. Private for-profit firms can include partnerships between one or more firms, such as a building contractor and a property manager. Private for-profit firms may also partner with nonprofit or public agencies as needed to provide sufficient capacity to develop, own and operate housing on long-term basis.
5. **Homeowners:** Low-income homeowners where projects are managed and overseen through a housing and/or rehabilitation program operated by the City of Olympia, Habitat for Humanity, or other programs as approved by the program manager.

## Financing Methods

### Housing production and preservation

Financing through the Olympia Affordable Housing Fund for acquisition and capital projects will be made available as half grant/ half loan, secured by the property unless otherwise allowed. Loan conditions are meant to promote and encourage long-

term use of properties for low-income housing. The City may deviate from the loan terms and conditions depending on the cash flow of the project.

- **Loan terms-** The loan terms for capital projects may be in the form of either:
  - 50% grant and 50% loan at 1% simple interest repaid over 10 years; or
  - Differed payment loan
- **Affordability requirement-** The property will be secured by a deed of trust that states the units will be available to households at 50% AMI for 20 years.
- **Covenant-** A covenant will be recorded against the property that requires continued use of the property for very low-income housing for the period of affordability and for any period for which the loan is extended.

### **Homelessness Prevention**

Funding for services and rental assistance will be in the form of a grant. Funding for capital projects for people who are homeless will be negotiated based on project needs.

### **Use of funds owing to the City**

Sale of a project during the loan term requires City consent. Loan payments to the City will be deposited into the Olympia Affordable Housing Fund. Payments will be reallocated by the City to very low-income housing projects according to priorities established in the current Administrative and Financial Plan.

### **Affordability Period**

There will be a required affordability period of up to 20 years for units built or preserved with levy funds. The affordability period will be secured with a covenant. If a property is sold during the affordability period, the award must be paid back proportionally.

### **Monitoring**

Projects will require initial and ongoing monitoring to ensure that all Olympia Affordable Housing Funds are being used to assist households at or below 50% AMI.

### **Plan Amendments**

The Olympia Affordable Housing Fund Administrative and Financing Plan will be monitored and updated as needed. All changes will be approved with consultation of the Olympia City Council.

## **Policy Questions for Committee Consideration**

**May 17, 2017**

**Do you support Home Fund?** Survey should help to shed light on how the community feels about these issues.

**What is the relationship between the homelessness and affordable housing funding and the Public Safety funding?** Chief Roberts has presented a compelling plan to add to the DT walking patrol, create a social service outreach function, and enhance neighborhood policing and code enforcement. How might this fit with the housing discussion? The survey should help to shed light on these issues.

**Do you want to declare a housing emergency?** Levy options without an emergency declaration.

**Timing of a referendum?** If the intention is to place a measure on the November 2017 ballot City must advise the County by August 1, 2017. The last regularly scheduled City Council meeting prior to August 1<sup>st</sup> is July 25<sup>th</sup>. The next available date for consideration of a ballot measure is April 2018. The county must be noticed by February 25, 2018. The City's last regular meeting prior to that date is February 21<sup>st</sup>.

**Do you prefer property tax or sales tax?** Property tax would generate approximately \$2.29 million (@ .36/\$1,000) and sales tax would generate approximately \$2.15 million (@.01%)

**Would you want to limit the maximum amount collected under the levy to \$2.29 million?** Vancouver limited the amount their levy could generate per year to \$6,000,000. Bellingham did not impose a limit.

**What length of time would you want to set the levy or tax for?** (RCW 84.52 allows a levy to be collected for up to 10 years. There is no time limit associated with the sales and use tax.)

**Who is your target population or populations?** Levy requires monies to be spent on those earning 50% or less of AMI. These funds may be used finance affordable housing for very low-income households.

### Very Low-Income (50% AMI) Limits and Rents

1-Person Household		2-Person Household		4-Person Household	
Annual Income	Max. Affordable Rent	Annual Income	Max. Affordable Rent	Annual Income	Max. Affordable Rent
\$25,800	\$645	\$29,450	\$736.25	\$36,800	\$920

The sales and use tax requires funds to be used aiding those making 60% or less of AMI. The sales and use tax requires the funds to be used for:

(2)(a) Notwithstanding subsection (4) of this section, a minimum of sixty percent of the moneys collected under this section must be used for the following purposes:

(i) Constructing affordable housing, which may include new units of affordable housing within an existing structure, and facilities providing housing-related services; or

(ii) Constructing mental and behavioral health-related facilities; or

(iii) Funding the operations and maintenance costs of new units of affordable housing and facilities where housing-related programs are provided, or newly constructed evaluation and treatment centers.

(b) The affordable housing and facilities providing housing-related programs in (a)(i) of this subsection may only be provided to persons within any of the following population groups whose income is at or below sixty percent of the median income of the county imposing the tax:

(i) Persons with mental illness;

(ii) Veterans;

(iii) Senior citizens;

(iv) Homeless, or at-risk of being homeless, families with children;

(v) Unaccompanied homeless youth or young adults;

(vi) Persons with disabilities; or

(vii) Domestic violence survivors.

(c) The remainder of the moneys collected under this section must be used for the operation, delivery, or evaluation of mental and behavioral health treatment programs and services or housing-related services.

### How would you plan to use these funds?

Vancouver: Community partners including for profit and not for profit developers, service providers for construction, acquisition, preservation of rental housing and assistance to very low-income homeowners to make repairs. Housing production, housing preservation and homelessness prevention and implementation.

	Annual funding 2017-2023	Funding breakdown by use	Amount per unit or household	Annual units or households assisted	Total funding (7 years)	Total units or households assisted (7 years)
Levy Revenues	\$6,000,000	-	-	-	\$42,000,000	-
<b>USES</b>						
Housing Production	\$2,400,000	40%	\$50,000	48 units	\$16,800,000	336 units
Housing Preservation	\$1,620,000	27%	\$25,000	65 units	\$10,500,000	454 units
Homelessness Prevention						
Rent Vouchers and Services	\$1,500,000	25%	\$7,000	214 households	\$10,500,000	1,500 households
Temporary Shelter	\$300,000	5%	TBD	TBD	\$2,100,000	# beds TBD
Implementation	\$180,000	3%	-	-	\$1,260,000	-
<b>TOTAL</b>	<b>\$6,000,000</b>	<b>100%</b>	<b>-</b>	<b>332 units/households</b>	<b>\$42,000,000</b>	<b>2,290 units/households plus # shelter beds TBD</b>

Bellingham:

1. Production and Preservation of Homes
2. Rental Assistance and Support Services
3. Low-income Homebuyer Assistance
4. Acquisition & Opportunity Loans

	2013	2014	2015	2016	2017	2018	2019	7 year total	
<b>Revenue</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>21,000,000</b>	
<b>Expenses:</b>									
Production & Preservation of Homes	1,507,094	2,225,000	2,071,090	2,007,910	1,548,464	1,533,000	1,517,000	12,409,558	59.1%
Rental Assistance & Support Services	367,856	443,000	693,000	693,000	1,159,666	1,159,667	1,159,667	5,675,856	27.0%
Low Income Homebuyer Assistance	111,997	141,264	141,336	141,409	118,889	141,557	141,632	938,084	4.5%
Acquisition & Opportunity Loans	875,000	0	0	0	0	0	0	875,000	4.2%
<b>Program Expenditures</b>	<b>2,861,947</b>	<b>2,809,264</b>	<b>2,905,426</b>	<b>2,842,319</b>	<b>2,827,019</b>	<b>2,834,224</b>	<b>2,818,299</b>	<b>19,898,499</b>	<b>94.8%</b>
<b>Total Administrative</b>	<b>130,739</b>	<b>142,788</b>	<b>149,836</b>	<b>157,319</b>	<b>165,268</b>	<b>173,584</b>	<b>181,968</b>	<b>1,101,502</b>	<b>5.2%</b>
<b>Total Expenditures</b>	<b>2,992,686</b>	<b>2,952,052</b>	<b>3,055,262</b>	<b>2,999,638</b>	<b>2,992,287</b>	<b>3,007,808</b>	<b>3,000,267</b>	<b>21,000,000</b>	<b>100%</b>

Home Fund Proposes:

*Figures and assumptions based on Olympia levy*

Proposes to levy \$.36 cents for every \$1,000 in real property

- Generate \$16M direct revenue over 7 years
- Leverage \$32M over 7 years

Total revenue \$48M over 7 years

- Creates 250 housing units

Proposed funding matrix (total over 7 years)

- 72% capital for housing units
- 15% operation & support services
- 8% administration
- 5% rent assistance

Operating and support services

- Additional operating and support services funding possibilities include document recording fee, tenant rent assistance and fundraising

**How do you want to manage this program?** Both Vancouver and Bellingham manage their programs and award contracts to developers and service providers. The Home Fund proposes that the City Contract with the HATC for these services.

**Would you want to include a Citizens advisory committee?** Bellingham did.

**Would you want to be able to make loans?** Vancouver did.



## Ad Hoc Committee on Housing Affordability

### Meeting Highlights

March 10<sup>th</sup>:

1. **Meeting with Thurston County to Review the Housing Pipeline and Discuss the Regional Response to Homelessness and Housing Affordability** -- we learned about County's proposed Housing Pipeline anticipates 172 new affordable housing units over the next five years with 50% of those being permanent supportive housing. We learned that LIHI has submitted a proposal for another mixed use project in Olympia consisting of 60 units targeting homeless families, homeless adults, veterans, disabled and workforce housing. This project is anticipated for 2018. The other significant project scheduled for Olympia is the Family Support Center's Pear Blossom Place II with 44 units of supportive housing targeting families with children, mentally ill, workforce families and victims of domestic violence. Panza also plans another project, however, they have not designated a location other than in Thurston County. They anticipate 30 units in 2020.
2. **Discussion of the Housing Tool Kit and Developing Options for Implementation** - The Committee reviewed the City of Seattle's [Pathway's Home](#). This document was developed by the City of Seattle to help guide decisions around homelessness and affordable housing. As we've seen with so many of the City's successful efforts over the years: good plans lead to good results. A good plan is a tool that we need to develop. Much of the work at the CIP is consistent with the major principles included in the [Pathway's Home](#) document. These include:
  - A. It is clear that the focus on the development of a comprehensive system, rather than exemplary individual programs, is critical to successfully reducing homelessness.
  - B. Now is the time to demonstrate our commitment to better serving those experiencing homelessness and provide meaningful access to the necessary services to ensure that homelessness is rare, brief and one-time.
  - C. Better align our efforts with local and national best practices.
  - D. Heavy focus on basic intervention services, such as shelters and hygiene centers focused on immediate crisis, rather than a cohesive and comprehensive continuum of strategies designed to end people's homelessness.
  - E. Expanding funding for program approaches that are most effective at exiting people from homelessness such as diversion, rapid re-housing and permanent supportive housing.
  - F. Prioritizing shelter and housing access for people living unsheltered and people who have the longest histories of homelessness.

- G. Orienting all aspects of the homeless response system towards exits to permanent housing.
- H. Working together urgently and boldly to implement meaningful solutions.
- I. A systemic response to homelessness involves more than having quality individual programs available. Those programs must be accessible, coordinated, and achieving results.
- J. Form a person-centered crisis response system.
- K. Only by concentrating investments on programs with a relentless focus on permanent housing can our system obtain enough throughput to adequately begin to address our large unsheltered population.
- L. Living unsheltered with young children creates a serious health and safety risk with potentially lifelong negative consequences.
- M. Shelter must be perceived as a preferable option to living outdoors.
- N. By embracing a housing first, low barrier, service-oriented shelter model, the City is committed to making shelter accessible and moving away from survival only shelter models to comprehensive shelters that focused on ending a person's homelessness.

*Staff Note siting and development of ADUs will be addressed through the ongoing Missing Middle Process as will and exploration of other tools and strategies to encourage the production of affordable housing.*

**April 3, 2017**

# **1. Meet with Representatives from the County and the Homeless Housing Hub to better Understand the County's Five Year Plan**

The 5-year goal outcome is to achieve functional zero unsheltered homelessness overall. The strategies for reaching the desired outcome are:

Increase inventory of diversion, rapid rehousing, and Permanent Supportive Housing (PSH)

- objective 1: successfully identify and divert all applicable households
- objective 2: quickly rehouse all eligible households
- objective 3: develop sufficient PSH stock to serve the most vulnerable
- objective 4: solidify existing shelter capacity without undercutting resources for housing

Provide adequate support services for housing stability

- objective 1: ensure that voluntary supportive services and flexible retention funds are available to all people placed into permanent housing to prevent a reoccurrence of homelessness should the household face a crisis that threatens housing stability

- objective 2: increase job and income growth for people placed into permanent housing once housing stability is achieved

## 2. Homeless Service System and Affordable Housing Options Briefing

### Warming/Day Center Debrief:

- A. The committee received a report from Meg Martin with the Interfaith Works on the 2016/2017 Warming Center. Meg noted that the shelter served nearly 200 people per day when located at 408 Olympia Avenue.
- B. Ms. Martin noted that in their survey they found that 35% were originally from Thurston County. 65% of those from outside Thurston County report they have been in the County for seven years. While only 16% reported that they have been in the County for less than one year. The average person served at the Warming Center was a 40+ year old, white male experiencing mental illness, physical disability or chronic health condition or substance abuse challenges. Clearly part of Olympia's most vulnerable population.
- C. Funding for the 2016-2017 Warming Center - total \$131,000
  - Thurston County: \$40K
  - City Of Olympia: \$17K
  - City of Lacey: \$15.6K
  - City of Tumwater: \$7200
  - Interfaith Works: \$36K including \$5K from United Way emergency fund and \$11K from the Unitarian Church

Projected cost for 2017/18 season: \$210K/5 months = \$42K/month

This would include reasonable staffing accommodations (still under our preferred staffing ratio but higher than this past year), supply purchases and an estimated low rental cost similar to that of Alpine Experience (\$3k/month) but obviously we can't predict that without a clear location in mind. We asked for this full amount to the county and expect to not get funded at the full amount.

- D. Ms. Martin identified the following successes:
  - Served a high number of people
  - Broad range of people served
  - Served the most vulnerable
  - Coordinated with the Family Support Center
  - Formed partnerships with service providers
  - Had a positive impact on the streets of downtown

E. Ms. Martin identified the following challenges:

- Lack of adequate (and well located) outdoor space
- Inadequate restrooms for the size of the facility and the number of guests served
- Impact on neighbors
- Low staffing ratio of 48/1
- Lack of a pet area
- Magnet

F. The County's 2013 Gaps Analysis notes that, "In the short-term, a low-barrier shelter program needs to be developed that can also meet the need for a day center. This solution would also address the need for a public restroom that is accessible to people during the night. This resource will also fill an outreach and engagement gap in the system for those who are chronically homeless."

G. *Staff Note:*

- *Start work on a 2017-2018 shelter now*
- *Pursue regional support for a cold weather shelter through a regional task force*
- *Find a location that meets operational and community needs*

## **2013 Thurston County Gaps Analysis:**

### **Top 5 Gaps in Thurston County's Homeless System** (in no order of priority)

- Youth Shelter\*
- Youth Bridge Program
- Low Barrier Shelter Program for Adults\*
- Rapid Rehousing for Families
- Permanent Supportive Housing for Adults

*\*immediately needed to plug short-term gaps*

## County-wide System Delivery Gaps

In addition to analyzing the gaps in the system by population type, it is important to look at how the system works as a whole. This section describes some of the needs to improve the ability of the homeless system *to deliver seamlessly and effectively*.

There is a lack of a **coordinated entry** by which people that are homeless access information, housing and services.

There is a lack of **outreach and engagement services** for those who routinely fall through the cracks of the existing system, i.e. chronically homeless adults often with mental illness, addictions and with multiple barriers to stable housing.

**Capacity building** is needed as a few programs serving homeless people are relatively new and/or have taken on big projects and need to get their feet under them before they can reach their full potential or before more can be asked of them.

The Gaps Analysis identifies the following needs:

1. 50 rapid rehousing slots for various programs for families with children
2. 40 beds of year round, low-barrier shelter, harm reduction model for singles and couples
3. 40 Rapid Rehousing or Transitional Housing slots for singles and couples
4. 48-60 Rapid Rehousing or Transitional Housing for youth

## Existing Shelter Bed Capacity According to City Staff:

City staff reported that there are currently 210 shelter beds. There are 138 permanent beds that are approximately 90% full. There are an additional 72 winter shelter beds. These are 44% full on average. (see Pathways Home item M. above)

## Point and Time Census:

The 2016 Point in Time Count (PIT) found that there were 586 homeless in Thurston County of which 189 were unsheltered, 223 were in emergency shelter and 174 were in transitional housing. 2016's 586 was above last year's 476 and below the 976 identified in the 2010 PIT. Of the 301 individuals surveyed 90 or 29% were from outside Thurston County and 205 reported at least one significant disability.

The 2017 PIT was conducted on January 26, 2017. Results of the 2017 PIT are still being tabulated.

April 19, 2017

## Overview of Bellingham, Vancouver, Seattle and Everett's Affordable Housing and Homelessness Response efforts:

### Bellingham:

City staff presented an overview Bellingham's housing levy. In 2012 Bellingham voters approved a property tax levy of \$21 million over a 7-year period (2013-2019) to provide, produce, and/or preserve affordable housing. 2/3rds of the funding must benefit those households earning less than 50% of the Area Median Income (AMI). Through the first five years of the Bellingham Home fund they have preserved or produced a total of 568 units exceeding their goal of 417. Bellingham has also provided rental assistance to over 4,700 people far exceeding their goal of 2,250 people.

The Bellingham Fund provides for ongoing administration of the program and has established an annual monitoring fee.

Bellingham has a rental registration and inspection program that helps to ensure the quality of the rental housing stock is maintained overtime. This program can also be tied to issues such as source of income, notice of rent increases and notice of no cause evictions.

*Staff Note: Bellingham moved quickly on its housing levy with the process being initiated in January of 2012 and the vote in November of that same year. This effort was preceded by a yearlong community conversation in 2008 known as the County-wide Affordability Task Force (CHAT).*

### Vancouver:

The City of Vancouver is the most recent community to adopt a housing levy in the state of Washington. It is anticipated that their levy of .36/\$1,000 of assessed value will generate over \$42,000,000 over the next seven years. Projects will be aimed at those earning 50% of the area medium income or less. They plan to use 67% of the revenue for production or preservation of 790 affordable units, 25% for rental assistance, 5% for shelter and 3% for implementation.

The City of Vancouver adopted three ordinances early in their process:

- 45 day notice of rent increase beyond 10%
- 60 day notice of no cause eviction
- No discrimination based on source of income

Staff also learned that Vancouver uses its multifamily tax exemption program to strategically leverage low income housing production.

- 8-year exemption for projects with 20% of units affordable to households earning up to 100% of area median income (AMI).
- 10-year exemption for projects with 20% of units affordable to households earning up to 80% AMI.
- 12-year exemption for projects with 20% of units affordable to households earning up to 60% AMI.
- In addition to the above requirements, households in income-restricted units must pay no more than 30% of their income for rent and utilities.

The City of Vancouver in cooperation and partnership with the Vancouver Housing Authority and Share, a local not for profit serving the homeless community, operated a downtown warming center and are pursuing construction of a permanent day center in downtown Vancouver.

*The City of Vancouver adopted the following ordinances early in their process to help provide some minimal levels of protections for vulnerable renters:*

- *45 day notice of rent increase beyond 10%*
- *60 day notice of no cause eviction*
- *No discrimination based on source of income (Olympia adopted this language in 2016)*

*Should Council direct staff to move forward with these ordinances staff recommends that outreach be done to land lords, property owners and rental management agencies to inform them of these proposed changes and receive their feedback.*

*Staff recommends that we examine how we can fine tune our multiple family tax exemption program to pursue housing affordability goals while continuing to encourage downtown housing development consistent with the Comprehensive Plan.*

#### **Seattle:**

The City of Seattle passed a housing levy in 2009 and in 2016 and is planning on pursuing a sales tax levy to support homeless housing and services in conjunction with the County.

#### **Everett:**

The City of Everett engaged a broad based stakeholder process known as the Community Street Initiative in 2014. The Community Streets Initiative Task Force developed dozens of recommendations focused on changing the “street level social issues” in their urban core.

We believe a strong systems approach is needed to effectively address street level social issues in Everett. Efforts must be coordinated. Agencies must evaluate actions by identifying and addressing cross-system impacts and coordinating between criminal justice, human services, housing and service provider systems/communities. (12) 1 Moreover, we believe this system analysis and engagement must occur not just within Everett, but on a countywide basis. (72), 74(R). Everett should not be the single locus of activity to address what are in fact countywide challenges.

Some of the strategic highlights from the report include:

#### Category 1: Improving Public Safety and Reducing Crime

- Strategy 1.1: Expanded use of effective traditional policing practices
- Strategy 1.2: Expand efforts to divert non-violent homeless individuals and others suffering from mental illness and substance abuse problems to more effective, less expensive alternatives to detention.
- Strategy 1.3: Take steps to ensure individuals leaving the County Jail are less likely to become homeless.
- Strategy 1.4: Provide skills and outreach services to businesses and residents in the commercial core areas to help reduce crime, more quickly identify emerging problems and ensure prompt response when problems arise.

#### Category 2: Providing More and Enhanced Services to Street Populations

- Strategy 2.1: Increase capacity of, and access to, drop-in day centers in the City. Supporting tactics/actions endorsed by the Task Force include: Expand the hours of existing drop in centers. (20) Explore the need/feasibility of establishing additional centers. (20) 10 Where possible, expand services and amenities available at day centers (e.g., showers, laundry). (20) • Careful consideration must be given to minimizing impacts on commercial core areas and neighborhoods. One specific tactic of this nature: Request accommodation by the Health Department to allow Compass Health clients to smoke in a less visible location than the sidewalk and lawn on Broadway, one of the City's gateway arterials. Help other facility operators as appropriate secure similar accommodations. (54)(R)
- Strategy 2.2: Expand availability of basic service facilities available for homeless individuals in commercial core areas of the City.
- Strategy 2.3: Expand countywide capacity to effectively serve the specialized treatment needs of homeless populations.
- Strategy 2.4: Expand outreach services to both homeless youth and adults.



- Strategy 2.5: Take steps to keep people from becoming homeless in the first place.
- Strategy 2.6: Ensure the City's multiple faith-based feeding programs operate with best practices and engage them in helping to reduce potential negative impacts on neighboring businesses/residents.

#### Category 3: Providing More Housing and Shelter

Strategy 3.1: Build more shelter bed capacity to serve a range of populations in need. (50)

Strategy 3.2: Increase supply of permanent supported subsidized housing. (52)(R)

#### Category 4: Improving Public Understanding

Strategy 4.1: Enhance public understanding of the complexity of street level social issues and work to build a more inclusive and welcoming community

#### Category 5: Improving Inter-Agency Coordination & Communication

#### Category 6: Advocacy

Strategy 6.1: The City, County, service providers, and business community should join forces to advocate for additional state, federal and private funding resources to help address the City's street level social issues.

Strategy 6.2: Broaden the discussion to include all Cities and other key agencies in Snohomish County.

*Staff Note: The Mayor of the City of Everett convened a broad based task force to examine street life issues effecting downtown Everett. This group met from July of 2014 until November of 2014 and developed 63 recommendations for consideration by the City. Two of the more interesting actions included in Everett's plan are the Embedded Social Worker and the Chronic Utilizer Alternative Response Team. Both efforts would appear to be approaches worth exploring in Olympia.*

### **Review the Downtown Strategy Recommendations Regarding Homelessness and Affordable Housing**

The Downtown Strategy recommends the following actions for housing (H):

- H1. Develop a Comprehensive Housing Strategy to establish a mixed income residential community in downtown
- H2. Dedicate additional resources for an ongoing housing program to implement the Housing Strategy described in H1.

The Downtown Strategy recommends the following elements for a Housing Strategy:

- Consider downtown housing in a citywide and regional context
- Establish affordability goals · Identify implementation measures and funding
- Create means to monitor progress and adapt to changing needs

The Downtown Strategy recommends the following actions for homelessness (HS):

- HS1. Convene a broad range of community stakeholders to form an action plan leading to a more coordinated response to homelessness/street dependency and the impacts of downtown
- HS2. Initiate a discussion with regional policymakers about future social service siting, funding and support needs throughout the region

*Staff Note: The Downtown Strategy encourages council and the city to take a leadership role in convening a broad based community conversation about housing, homelessness and its effects on downtown.*

### **Overview of the Coordinated Entry System and the Vulnerability Index**

The vulnerability index is a triage tool for identifying and prioritizing the street homeless population for housing according to the fragility of their health based on if they have/are/have had:

- More than three hospitalizations or emergency room visits in a year
- More than three emergency room visits in the previous three months
- Over 60 years of age · Cirrhosis of the liver
- End-stage renal disease · History of frostbite, immersion foot or hypothermia
- HIV+/AIDS · Tri-morbidity (co-occurring psychiatric, substance abuse and chronic medical condition)

The current state requirements for coordinated entry are:

- In each county in the state where there is a consolidated homeless grant; each county must develop a small set of processes and policies
- At a minimum, a community must identify a coordinated entry lead agency or governed body · Each community must identify coordinated entry access points and partners, and advertise them widely
- Use a standardized assessment tool at each of the coordinated entry access sites that matches households with the most appropriate service interventions and also prioritizes families and households with the highest needs, although you can access different populations on different metrics
- There must be a procedure to describe how referrals will be made
- There must be a policy that ensures the assessment is uniform · There must be a protocol for rejecting referrals

Steps in the coordinated entry process are:

- Eligibility screening · Homeless Management Information System (HMIS) data collection

- Diversion
- Vulnerability assessment
- Program matching and master list placement

*Staff Note: City Staff has continued its efforts to better understand the coordinated entry process and what models are most effective. Jeff Spring recommended that staff contact Kitsap County. Leonard Bauer and Keith Stahley had a telephone conference with Monica Bernhard the Director of Housing and Community Support for Kitsap Community Resources. Monica described their coordinated entry system. Most significantly they are the sole provider of coordinated entry for the entirety of Kitsap County (same population as Thurston County and similar homeless population), they provide coordinated entry at five different locations throughout the county, they receive \$295,000 in funding from Kitsap County (\$100,000 in Thurston County) and the County does not include this funding in their competitive process.*

**May 1, 2017**

**Consider options for educating the general public about the housing affordability and homelessness issues.**

Need for a broad public process that engages all stakeholders:

- Service providers
- People experiencing homelessness
- Registered Neighborhood Associations and the Coalition of Neighborhood Associations
- Business and commercial building owners

Three Primary Impacts of Homelessness:

- Individuals/families with children
- Public resources
- Surrounding neighbors (residential and businesses) and environment

Vulnerable Renter Protections -- Identify a timeline for public process to ensure we reach all stakeholders, including:

- Renters
- Landlords (Washington Landlord Association and other organizations)
- Other public stakeholders concerned about regulating Business

Include vulnerable renter protections as part of a more comprehensive homeless planning process.

Public Participation Efforts Related to Housing Actions by Other Washington Cities:

- Bellingham - levy first, task force second approximately 10 months from inception. Preceded by the County-wide Housing Affordability Task Force in 2008
- Everett - task force first, many actions but not a levy approximately five months
- Vancouver - task force first, public process, then levy approximately 18 months from inception

Ad Hoc Committee on Housing Affordability Recommendations for Public Participation:

- Design a comprehensive public process
- Initiate Council level discussion soon on options for vulnerable renter protections

*Staff Note: Continuing Staff Work Related to Public Participation:*

- *Present options for public participation re: funding option;*
- *Present options for public participation re: vulnerable renter protection; and*
- *Present options for whether or not City Council should direct staff to further flesh out a broader public participation plan around housing affordability and homelessness*

*If Council intends to proceed with a November ballot measure a decision must be made by July 25, 2017 and transmitted to the County no later than August 1, 2017. This leaves little time to convene and conduct a thorough stakeholder and public participation process. The public safety and housing survey will need to serve as a proxy for this process. Staff recommends that a public information piece be prepared similar to what was prepared for the MPD. All other public outreach would need to be conducted by private parties. Later dates will allow for more robust public outreach and stakeholder involvement.*