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City Council

Approval of a Resolution Authorizing a Grant Agreement with the Low Income Housing Institute for Construction of Low-Income Housing and a Shelter, Phase 1 of Redevelopment of 2828 Martin Way East

Agenda Date: 11/10/2020
Agenda Item Number: 4.F
File Number: 20-0887

Type: resolution **Version:** 3 **Status:** Passed

Title

Approval of a Resolution Authorizing a Grant Agreement with the Low Income Housing Institute for Construction of Low-Income Housing and a Shelter, Phase 1 of Redevelopment of 2828 Martin Way East

Recommended Action

Committee Recommendation:

No referred to a committee.

City Manager Recommendation:

Move to approve a grant agreement between the City of Olympia and the Low Income Housing Institute for construction of low-income housing and a shelter, Phase 1 redevelopment of 2828 Martin Way East.

Report

Issue:

Whether to approve a Grant Agreement between the City of Olympia and the Low Income Housing Institute for construction of low-income housing and a shelter, Phase 1 of Redevelopment of 2828 Martin Way East.

Staff Contact:

Cary Retlin, Housing and Homeless Response Program Manager, 360-570-3956

Presenter(s):

None. Consent item.

Background and Analysis:

The Home Fund Advisory Board recommended a total award of \$1,100,000 for development of a low income supportive housing and shelter project on the City's 2828 Martin Way East property. This property was acquired with Home Fund proceeds for use as a low-income supportive housing and

housing-related services project in accord with RCW 82.14.530. The City of Olympia entered into a Real Estate Purchase and Sale Agreement with the Low Income Housing Institute (LIHI) in 2019, with the intention that the property be developed into a low-income supportive housing facility to serve population groups as stated in RCW 82.14.530. LIHI is acting as the developer of this project and is partnering with Interfaith Works to operate the shelter. LIHI will develop 64 supportive housing units.

The general purpose of this Grant Agreement between the Parties is to provide funding to LIHI for the development of the Housing Unit which will contain sixty-four (64) units of low-income housing of which thirty-five (35) units will serve chronically mentally ill homeless persons earning up to thirty percent (30%) AMI, and twenty-nine (29) units of which will serve persons earning up to fifty percent (50%) AMI and residential common space. The City shall provide LIHI grant funding of \$600,000 for development of the Housing Unit. Funding is provided pursuant to the statutory requirements of RCW 82.14.530.

Community Interests:

The region's homeless crisis is an issue that affects the entire community. This project is the City's first Home Fund project following approval of the Home Fund levy in February of 2018.

Options:

1. Approve the proposed Grant Agreement and authorize the City Manager to sign the agreement on behalf of the City of Olympia.
2. Do not approve the proposed agreement.
3. Do not take action on the proposed agreement and refer the matter to a council committee for further consideration.

Financial Impact:

The proposed Grant Agreement will provide \$600,000 to LIHI for development of a 64 residential unit supportive housing facility.

Attachments:

Resolution
Agreement