



## City Council

### Approval of a Resolution Authorizing the 2022 Home Fund Grant Agreement with The Family Support Center of South Sound for \$1,100,000

**Agenda Date:** 7/12/2022  
**Agenda Item Number:** 4.N  
**File Number:**22-0657

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**Type:** resolution **Version:** 1 **Status:** Passed

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#### **Title**

Approval of a Resolution Authorizing the 2022 Home Fund Grant Agreement with The Family Support Center of South Sound for \$1,100,000

#### **Recommended Action**

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

Not referred to a committee

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

Move to approve a Resolution authorizing the 2022 Home Fund Grant Agreement with the Family Support Center of South Sound for \$1,100,000.

#### **Report**

##### **Issue:**

Whether to approve the resolution authorizing the 2022 Home Fund Grant Agreement with the Family Support Center of South Sound for \$1,100,000.

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

Darian Lightfoot, Housing Programs Manager, 360.280.8951

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

None - Consent Calendar Item

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

##### Home Fund Advisory Recommendation:

The Olympia Home Fund Advisory Board unanimously recommends awarding Family Support Center of South Sound an additional \$1.1 million for the creation of 62 new homes for homeless children and their families as well as survivors of domestic violence. Upon completion, this project will immediately be filled by households with children through the Coordinated Entry system, those in shelter, and other prioritized homeless families. In the first year, it is expected that this project will serve 209 children, parents, and survivors of domestic violence. This housing plans to be fully occupied by December 2023.

Background of the Home Fund:

The Olympia Home Fund was created in 2018 by a sales tax levy approved by Olympia voters. Proceeds from the Home Fund Account are used to construct affordable and supportive housing and housing-related purposes, including mental and behavioral health facilities, and for costs for operations, maintenance, delivery, and evaluation of mental health programs and services, or housing-related services, as allowed by RCW 82.14.530.

2022 Home Fund Capital Award Criteria:

The Home Fund Advisory created criteria for the 2022 award based on the 2018 sales tax levy approved by Olympia voters. The Criteria included:

- Construct new affordable housing units, shelter beds, or treatment beds in Thurston County Washington. Construction can include conversion of existing market rate units into affordable housing.
- Provide housing to households earning no more than 50 percent of area median income (AMI). Beyond the minimum 50 percent AMI requirement, applicants are strongly encouraged to include as many units as possible that are affordable to households with incomes below 50% AMI.
- Provide housing, treatment, or shelter for targeted vulnerable household types including:
  - Seniors
  - Single adults who are chronically homeless and have a disability
  - Families with children
  - Unaccompanied youth or young adults
  - Survivors of domestic violence
  - Veterans
- Reduce homelessness to Thurston County's most vulnerable homeless households through referrals from a Thurston County Coordinated Entry provider. Proposals should articulate what levels of service and operating subsidies would likely be necessary for the project to be successful, and any partnerships have been or will need to be established to successfully operate the homeless units.
- Demonstrate readiness to begin construction based on occupancy date and other measures.
- Provide integrated supportive services at the housing, shelter, or treatment facility after construction.
- Demonstrate efficiency in development costs to maximize the impact of City and other public and private fund sources. This priority will be evaluated through per-unit costs and a review of the project budget.

The attached contract outlines the requirements of Family Support Center to ensure the created housing remains affordable and accessible to the highest need members of our community. Due to a steep increase in supply costs and serve shortages, Family Support Center has \$1.1 million shortfall and the Home Fund Advisory Board has approved filling this gap to ensure this important housing project stays on the projected timeline.

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

Affordable housing development and homelessness are of high interest to the community. Family

Support Center of South Sound is a valued and trusted partner in Olympia and has great community support for this project.

**Options:**

1. Move to approve a Resolution authorizing the 2022 Home Fund Grant Agreement with the Family Support Center of South Sound for \$1,100,000.
2. Approve Resolution with amendments.
3. Take other action.

**Financial Impact:**

The Home Fund will allocate \$1.1 million for construction costs related to the project based on the terms set in the award letter.

The total construction cost for this project is \$29 million. Other funders that this project will rely on includes Thurston County, the Washington State Housing Trust Fund, and federal Low Income Housing Tax Credits authorized by the Washington State Housing Finance Commission.

**Attachments:**

Resolution  
Grant Agreement  
Award Letter