



City Council

Approval of a Resolution Approving in Substantially Final Form Documents Relating to the Development and Construction of a Project by The Family Support of South Sound for Extremely Low-Income Families

Agenda Date: 7/12/2022
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Type: resolution **Version:** 1 **Status:** Passed

Title

Approval of a Resolution Approving in Substantially Final Form Documents Relating to the Development and Construction of a Project by The Family Support of South Sound for Extremely Low-Income Families

Recommended Action

Committee Recommendation:

No referred to a committee

City Manager Recommendation:

Move to approve the Resolution approving in substantially final form documents relating to the Development and Construction of a Project by the Family Support of South Sound for Extremely Low-Income Families.

Report

Issue:

Whether to Approve in Substantially Final Form Documents Relating to the Development and Construction of a Project by The Family Support of South Sound for Extremely Low-Income Families.

Staff Contact:

Darian Lightfoot, Housing Programs Manager, 360.280.8951

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

The Family Support Center of South Sound (FSCSS) is in the process of obtaining both public and private financing for a project in the City of Olympia to create 62 new homes for extremely low-income families. The Olympia City Council has conditionally approved three grants from the Olympia Home Fund for the years 2020, 2021, and 2022, aggregating a total of \$2.5 million, toward the

development and construction of The Family Support Center's low-income housing project.

The City of Olympia has also applied for a grant through the Washington State Department of Commerce, and was awarded the full requested amount of \$2.5 million, which grant funds are to be awarded to FSCSS through a sub-grant from the City of Olympia so that FSCSS can pay for costs associated with the extension of new drinking water, wastewater or stormwater connections for the affordable housing units.

In 2018, the City of Olympia loaned FSCSS a CDBG loan in the sum of \$400,000 for its property in West Olympia, secured by a Promissory Note and Deed of Trust naming the City of Olympia as Beneficiary, and recording same with the Thurston County Auditor.

FSCSS, in conjunction with financing the development and construction of its low-income housing project, requests approval from the City of Olympia of assignment of its CDBG debt obligation by an Assignment, Assumption and Consent Agreement to FSCSS West Olympia LLLP, a Washington limited liability limited partnership, as part of its financing of the project, in addition to other related collateral CDBG documents development and financing of Family Support Center's low-income housing project also requires approval of a Priority and Subordination Agreement that sets out the priority of the interests of various lenders and entities lending or granting funds to Family Support Center for its project.

Neighborhood/Community Interests (if known):

Affordable housing development and homelessness are of high interest to the community. The 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 the Resolution Authorizing the Documents Relating to Project for Family Support Center of South Sound.
2. Approve documents with amendments.
3. Take other action.

Financial Impact:

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