

TO: General Government Committee
FROM: Brad Medrud, Planning Manager
DATE: May 10, 2023
SUBJECT: Regional Housing Council Franz Anderson Project – Letter of Commitment

1) Recommended Action:

Schedule the letter of commitment for the May 16, 2023 City Council consent calendar with a recommendation of approval.

2) Background:

After the City Council adopted Resolution No. R2018-016 in the summer of 2018, the City has undertaken a number of actions to address homelessness, increase affordable housing, and continue to work with other jurisdictions and agencies to explore regional solutions to these issues. In September 2021, the City Council adopted the Tumwater Housing Action Plan, which informs the City's Comprehensive Plan policies and development regulations and guides implementation strategies to help the City meet its housing needs.

The City has determined it to be an equitable choice to support the Franz Anderson permanently supportive housing project in the City of Olympia, which would result in affordable long-term housing and serve as a public benefit.

City of Olympia, with assistance from the City and the other members of the Regional Housing Council, has been working on a permanently supportive housing project on Franz Anderson Road SE in Olympia near the Interstate 5 Pacific Avenue interchange.

The Olympia City Council will be briefed on project on May 9, 2023. The City of Olympia staff has started work on a draft Purchase and Sale Agreement and hope it will be executed by beginning of June 2023. The City of Olympia staff will then draft an interlocal agreement between the Cities of Olympia, Lacey, Tumwater, and Thurston County for the ARPA and other funds with the expectation that the draft interlocal agreement ready after the interlocal agreement is executed.

Jacinda Steltjes, the City of Olympia's Affordable Housing Program Manager, will be available at the meeting to answer questions and describe the letter of commitment that the City of Olympia would like for the process.

3) Policy Support:

Strategic Priority to Build a Community Recognized for Quality, Compassion and Humanity with a goal of "Work with government, non-profit, and private partners to develop and implement a performance-based plan for affordable housing and to address homelessness"

Housing Element Goal H-3: To provide adequate, affordable housing for residents of all income groups, including sufficient housing affordable to low and moderate-income groups.

4) Alternatives:

☐ None.

5) Fiscal Notes:

The \$275,000 to support this project was allocated from ARPA funds by Council in 2021 as part of an assignment of \$550,000 for participation in a regional housing solution. Those ARPA funds have since been converted to General Fund monies to make contracting easier.

6) Attachment:

None.