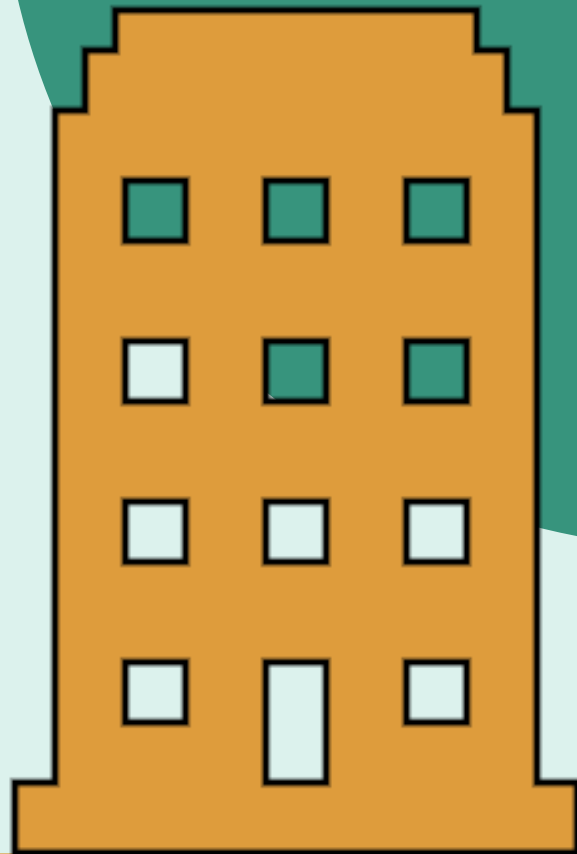


**FRANZ ANDERSON**

**PERMANENT SUPPORTIVE  
HOUSING**

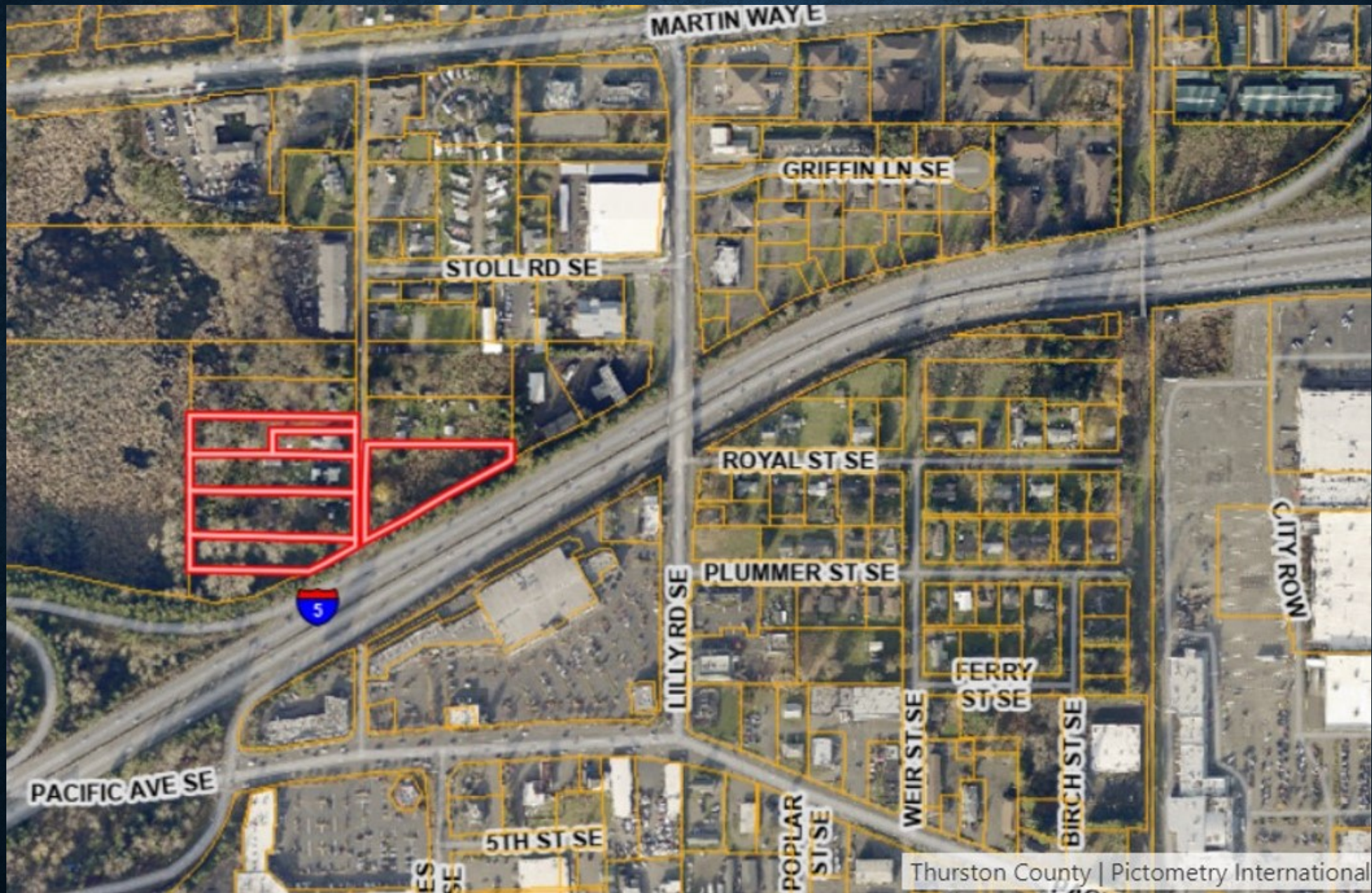




# BACKGROUND

- City of Olympia and Thurston County partnered to purchase 6.2 acres (parcel numbers 41701000100, 58900000300, 58900000301, 58900000400, and 58900000500, 58900000600) along Franz Anderson Road SE for \$1.65 million in March 2022. American Rescue Plan Act funds were used for the purchase. The east side of the site was recently cleared. The west side is still moderately wooded. Work to bring utilities to the site is currently occurring and is funded through the State's Rights of Way Initiative.









## PRIMARY GOALS

- Tiny home village (50 units) on east side of site to serve Rights of Way Initiative
- Permanent Supportive Housing (PSH) on west side of site to align with Permanent Supportive Housing Framework.



# WHAT IS PERMANENT SUPPORTIVE HOUSING?



Franz Anderson Permanent Supportive Housing

"Permanent supportive housing" is subsidized, leased housing with no limit on length of stay that prioritizes people who need comprehensive support services to retain tenancy and utilizes admissions practices designed to use lower barriers to entry than would be typical for other subsidized or unsubsidized rental housing, especially related to rental history, criminal history, and personal behaviors. Permanent supportive housing is paired with on-site or off-site voluntary services designed to support a person living with a complex and disabling behavioral health or physical health condition who was experiencing homelessness or was at imminent risk of homelessness prior to moving into housing to retain their housing and be a successful tenant in a housing arrangement, improve the resident's health status, and connect the resident of the housing with community-based health care, treatment, or employment services. *Source: RCW 36.70A.030*





# PSH PROJECT DETAILS

- Housing Type: New construction of 40-70 multi-family, permanent supportive housing rental units
- Population Served: Low-income single adults, primarily homeless at entry
- Developer: TBD, selected via a Request For Proposals process
- Estimated Cost: Approximately \$20-25 Million

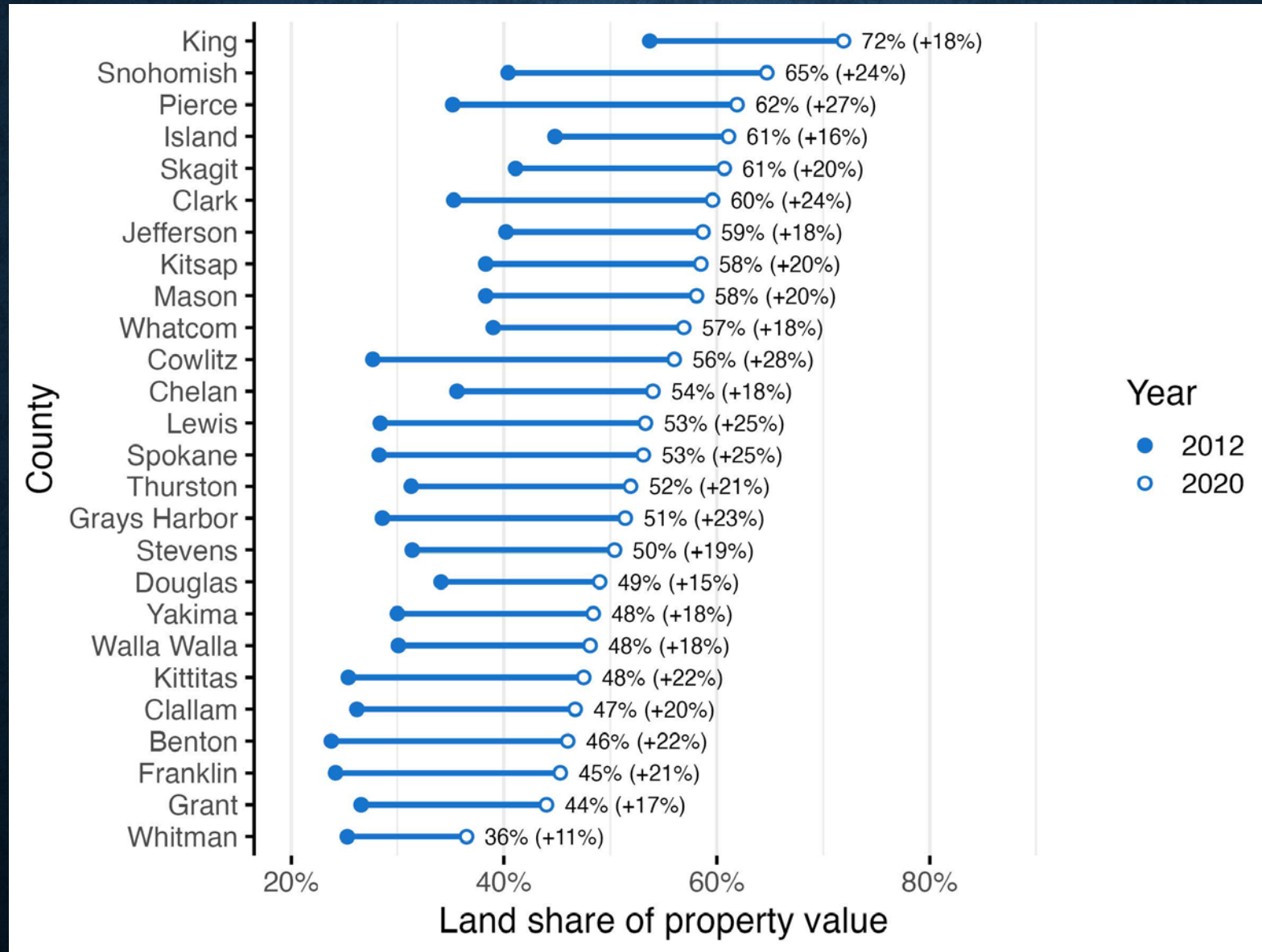


# WHY THIS PROJECT? WHY NOW?

- ◇ Project offers an opportunity to fill a needed gap in the housing market\*
- ◇ Property already owned by City, therefore reducing development costs
- ◇ Project will likely score high for competitive state funding due to population served and significant local leverage
- ◇ Project is close to bus line and services
- ◇ Project offers a continuum of housing for individuals exiting the adjacent tiny home village
- ◇ Project aligns with the Permanent Supportive Housing Framework



# VALUE OF LAND IN PROJECT DEVELOPMENT



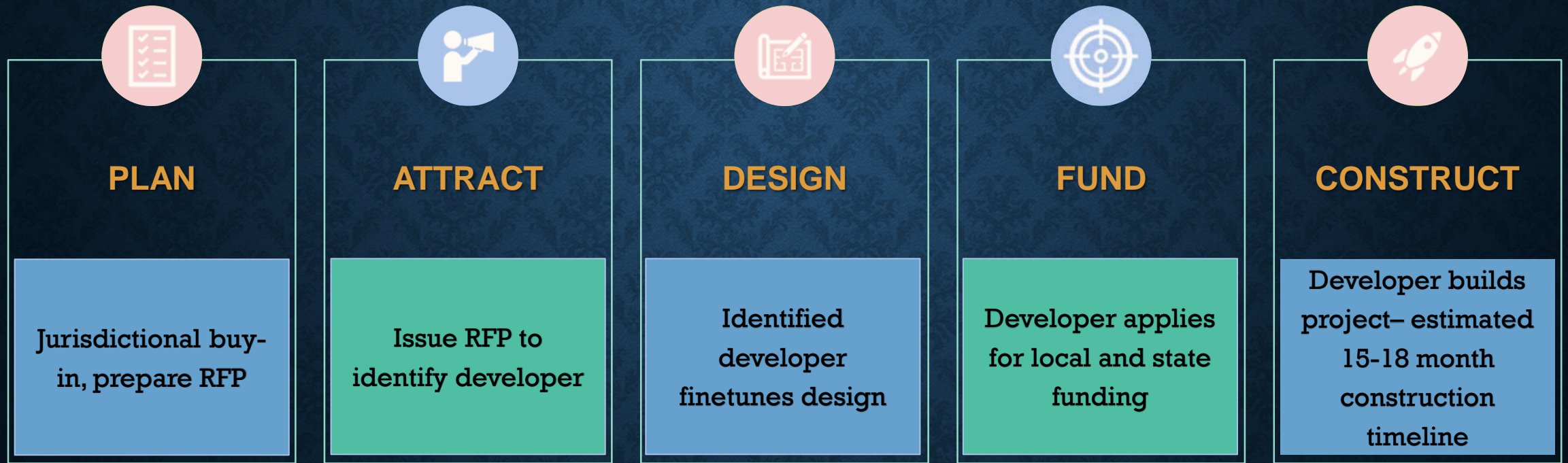


# OPERATIONAL FUNDING SOURCES

The selected developer will be responsible for identifying operational sources needed to sustain the development. Potential operating sources include rental income, Rights of Way Initiative, and Apple Health and Homes program, among others.



# PROJECT PLAN





# TIMELINE





# THINGS TO CONSIDER

- State funding (Housing Trust Fund and/or Low-Income Housing Tax Credits) is necessary to make large PSH projects feasible
- Other local projects are anticipated to seek 2023 State funding. We should avoid competition among local projects as much as possible.
- Regional Housing Council adopted a Permanent Supportive Housing Strategic Framework in September 2021. The Framework calls for the funding of 150-200 new PSH units by 2024.
- The Framework identified \$8-\$20 million in regional American Rescue Plan Act (ARPA) funds to carry out the goals



# ARPA FUNDING OPTIONS

Option	Benefits	Drawbacks
<b>Option 1:</b> Obligate max. available ARPA funding to Franz Anderson PSH by May 2023	<ul style="list-style-type: none"> <li>° Best option for attracting 2023 State funding awards</li> <li>° Decreased competition with other local housing projects for 2023 State funding awards</li> <li>° Align project for occupancy by spring 2026</li> <li>° Illustrates regional commitment to Permanent Supportive Housing Framework</li> <li>° Meet Treasury requirements to obligate funding by 12/31/24 and expend funding by 12/31/26</li> </ul>	<ul style="list-style-type: none"> <li>° ARPA funding is not available for other projects, housing or non-housing related</li> </ul>
<b>Option 2:</b> Obligate a lesser amount of ARPA toward Franz Anderson PSH by May 2023	<ul style="list-style-type: none"> <li>° Still provides local leverage to help attract 2023 State funding awards necessary for development</li> <li>° ARPA funds available for non housing uses</li> </ul>	<ul style="list-style-type: none"> <li>° Less likely to receive 2023 State funding</li> <li>° Decreases chances of multiple housing projects receiving 2023 State funding</li> <li>° More likely to push back development timeline to allow for additional funding sources to be secured</li> <li>° Jurisdictions may have difficulty in obligating and expending all ARPA by Treasury deadlines</li> </ul>
<b>Option 3:</b> Obligate no ARPA toward Franz Anderson PSH	<ul style="list-style-type: none"> <li>° ARPA funds available for non housing uses</li> </ul>	<ul style="list-style-type: none"> <li>° Project will require other local leverage to attract 2023 State funding awards necessary for development</li> <li>° Highly unlikely that Franz Anderson PSH units will be available in 2026.</li> <li>° Does not illustrate regional commitment to Permanent Supportive Housing Framework</li> </ul>