

COMMUNITY FIRST VILLAGE

PIERCE COUNTY INITIATIVE



COMMUNITY FIRST MODEL

The Executive and a number of community leaders urge establishing a planned community of microhomes and RVs, patterned after the stunningly successful Community First Village (CFV) near Austin, Texas, to address the biggest challenge to homelessness: providing permanent supportive housing for the chronically homeless. No homeless housing strategy is complete without addressing the chronically homeless. Pierce County's Homeless Management Information System (HMIS) indicates that there are 1,659 chronically homeless in Pierce County, who overwhelmingly populate encampments, make up 25-30% of current shelter residents, and are the most challenging to permanently house successfully.

Learn more about the CFV Model at <https://youtu.be/Db8NHicyGTw>



The Austin model, opened in 2015, is a 51-acre master planned community that provides affordable housing consisting of attractive microhomes and RVs for men and women coming out of chronic homelessness. The units are leased to residents who pay affordable rent or agree to provide services toward the upkeep of the village. Its fundamental value is that homelessness is a human issue that requires a human response: units are arranged in small neighborhoods to foster restorative relationships, new residents choose from high quality, uniquely designed housing options, nearly a dozen onsite micro-enterprises provide an opportunity to earn a dignified wage, staff live onsite to deepen relationships with residents, and case management and medical/behavioral health clinics are co-located on site

CFV has proven to be so successful that the private sector and Travis County, Texas are investing in an expansion that would build a total of 1900 units to house nearly all of Austin's chronically homeless. The ability to attract substantial private sector funding (over 95% to date) is a significant attribute of this model.

OUTCOMES

CFV accepts the most chronically homeless as identified by the Travis County HMIS system. The average age of residents is 55 years, indicating they accept chronically homeless who have been unhoused for at least 10 years. The most important metric for this population is the rate of keeping them permanently housed. We were told during a recent tour that less than 8% leave because it is not a good fit. We were informed by CFV that a white paper evaluating the success of CFV will be completed before the end of the year.

LAND

Preliminary analysis indicates up to 20 units of 200-300 square feet of microhomes and RVs would fit on a single acre, or 350 units on a 20 acre parcel. Proponents have been searching for suitably zoned property and we believe 15 acres is the minimum parcel size to take advantage of economies of scale from the substantial infrastructure costs. Assuming \$15 per square foot, within the market range of properties permitting residential uses, 20 acres would run about \$13M.

DEVELOPMENT

Without having a property in hand, calculating the development costs with certainty is not possible, but a large developer indicated such costs could range from \$8M to \$12M for a 20 acre parcel. A 50/50 mix of 300 square foot stick builds and lightly used RVs based on recently reviewed RV sales sites, would run about \$120K and \$40K per unit, respectively, or a per unit average cost of \$80,000.

TOTAL PER UNIT COST

Accordingly, assuming 20 acres, the total estimated cost per unit (land, development, construction/purchase) works out to be between \$140,000-\$151,000, depending on infrastructure costs. If the Austin CFV is any guide, we could expect some units would be built with donated labor and some materials. For comparison purposes, one could look to the total development cost limits published by the Washington State Housing Finance Commission, which indicates a studio is \$283,138, and a one bedroom is \$330,291. Human Services indicates a recent round of affordable housing development applications range between \$300,000 to \$325,000 per unit.

OPERATING COSTS

CFV of Austin sponsors intensive, three-day seminars for communities wishing to establish their own CFV. It's during these seminars information is shared to assist communities in developing operating plans and budgets. The seminars are suspended due to COVID until 2022.

Identifying sources of funds for ongoing operating expenses is often the greatest challenge to assembling funding for a successful permanent supportive housing project. Attracting private funding appears to be one of the distinctive features of the CFV model. As indicated above, the Austin CFV has secured not only the operating funding for its first 500 units, but funding for a two-phased expansion of 1400 additional units.

Discussions with the Pierce County philanthropic community have only just begun. The Executive will update the Council following a funding call of regional foundations organized by the Greater Tacoma Community Foundation on November 8, 2021. Potential funders, including a representative of the Greater Tacoma Community Foundation, are joining a tour next month of CFV in Austin that includes the Executive, Michael Mirra, Pierce County Human Services staff, and others.



EXECUTIVE'S PROPOSAL

The Executive's proposed budget expenditure would provide funding for land acquisition, infrastructure development and pre-design, and assumes substantial private and other funding for the construction of microhomes and acquisition of RVs.



MILESTONES

Developing project milestone dates to gauge progress will be driven largely by the provider and the property it identifies, including the property's development requirements. Based on discussions, we believe the following dates are realistic:

-  **July 1, 2022:** Provider identified with sufficient funding committed to cover costs of uncovered development, construction, and operating costs
-  **December 31, 2022:** Provider has property under contract
-  **July 1, 2023:** Infrastructure development begins
-  **July 1, 2024:** Occupancy of Completed Units

