



STATE OF WASHINGTON
DEPARTMENT OF COMMERCE

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To Washington state legislators,

This report is submitted to satisfy the following proviso language in Section 1014 of the 2011-2013 supplemental capital budget (Chapter 2, Laws of 2012):

“\$1,500,000 ... is provided solely for a demonstration project that supports homeless individuals with low-cost living quarters and shared facilities such as kitchens, showers, and community meeting space. The project must meet all local zoning requirements and have the support of the local jurisdiction in which it is located. The department must require the project to report cost and outcome measures after the first five years of operation, and must report this information to the appropriate committees of the legislature.”

Quixote Village in Olympia, Washington, was selected to receive the proviso funding and began operations in December 2013. Quixote Communities, the organization that operates Quixote Village, reported cost and outcome measures in the attached report. Excerpts from the report are provided below.

Cost measures:

- Total development costs: \$3.05 million, including infrastructure, materials, labor, the community building, permits, fees, required road improvements, donated land and services
- Total cost per unit, including the value of donated land and services: \$101,567
- Cost per unit, not including the value of donated land and services: Nearly \$88,000
- Cost for each cottage, not including shared facilities or land: About \$19,000
- Annual operating costs: \$250,000, including administrative overhead, program management, social work and facilities management
- Annual operating cost per resident: \$8,333

The outcome measures below are based on residents' reports.

- 68 percent of residents: Improved physical health
- 45 percent: Improved mental health
- 100 percent: Successfully applied for government benefits
- 20 percent: Enrolled in educational programs
- 81 percent: Maintaining sobriety or making substantial progress toward complete abstinence
- 100 percent: Housing stability
- 90 percent: Moved into permanent housing

Commerce is dedicated to strengthening Washington communities, including through financing innovative affordable housing projects to help find new models to meet the housing needs of low-income households. We stand ready to assist the Legislature and our partner agencies with this task.

Signed,

Lisa Brown, director
Department of Commerce



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Quixote Village

From tent city to tiny home village:

Five-year report to the
Washington State Legislature
on costs and outcomes

December 10, 2018



What is Quixote Village?

Quixote Village is the brainchild of a group of about 30 homeless adults who founded Camp Quixote, a tent camp that moved from one local church parking lot to another every few months starting in February 2007. Camp residents had an idea: They each wanted a tiny house, and a shared community building that included a kitchen, showers, laundry facilities and social space.

Members of the churches who hosted Camp Quixote, along with others in the community, created Panza, a non-profit organization that supported the camp and raised the money to build Quixote Village.



As the foundation of the community building was being poured, Rep. Timm Ormsby (in grey shirt) stepped in to help.

In time, with the support of the city of Olympia, Thurston County, volunteers, and the residents themselves, Panza was able to advocate and raise money for what would eventually be Quixote Village. On Christmas eve, 2013, Camp residents left their tents behind and moved into 30 tiny houses at Quixote Village. They celebrated Christmas with a feast in the community building the next day.



First Quixote Christmas 2013

Panza offers recovery housing, a drug and alcohol-free living environment for people in all stages of recovery from either or both addiction and mental illness. Residents can stay as long as they need and receive staff support, as well as peer mentorship and benefits of living in a community.

*Because of the success of Quixote Village, Panza has changed its name to **Quixote Communities**, and is building two more villages for homeless veterans – one in Shelton and another in Orting.*

What did it cost to build Quixote Village?

- The total cost to build the Village was \$3.05 million. This includes all development costs, infrastructure, materials, labor, the community building, permits, fees, required road improvements, donated land and services etc.
- The cost for each cottage was about \$19,000.
- Thurston County leased us the land for \$1 a year for 41 years. (The value of the land is about \$333,000.)
- We had substantial donated services from our architect, our civil engineer, and others.
- If we divide the total cost of the Village, including the value of the donated land and services, by the number of cottages, the cost per unit would be \$101,567 per unit.



Residents getting ready to dig!

- However, what we **actually PAID** for the Village was just under **\$88,000 per unit**, because we didn't have to buy the land or pay full price for some high-value services such as architecture and engineering.

Where did the money come from?

- \$1.5 million from the state capital budget, administered by the Department of Commerce Housing Trust Fund
- \$699,000 federal Community Development Block Grant funding through Thurston County and the City of Olympia
- \$170,000 Thurston County share of state document recording fees
- \$215,000 in community donations, including the Nisqually and Chehalis Tribes, the Boeing Employees' Fund, and many individual donors



What is Quixote Village's operating cost per year?

Quixote Village is staffed by a full-time Program Manager and a full-time social worker. The Program Manager handles rental agreements, facilities management, public

relations, and oversees the Village budget. The social worker helps residents access a wide array of services, including mental and physical health care, addiction recovery treatment, education and employment.

The Village is not staffed at night or on at least one



Annual Trick-or-Treating 2018

weekend day. Village residents have staff phone numbers to call if there is an emergency.

Quixote Communities, the umbrella agency for Quixote Village and the two new villages nearing construction, also employs a part-time accountant and an executive director.

The annual operating budget for the Village is \$250,000. So, the annual cost per person for Village residents is \$8,333.

How is the annual operating budget funded?

All residents pay 30 percent of their income in rent. Twenty-five of the 30 cottages also have “project-based HUD vouchers” from our local Housing Authority, which make up the difference between what a resident pays and market value, which the Housing Authority currently calculates at \$570 per month.



In addition, we were awarded funds from Thurston County as well as Washington State’s Operating and Maintenance Trust Fund. We also receive foundation grants as well as support from local tribes. A portion of our budget is raised through local fundraising and individual donors.

Who lives at the Village?

Quixote Village is a recovery community for 30 previously homeless adults. Being a recovery community means that residents are expected to become and remain clean and sober. When people struggle or have relapses, our Resident Advocate works with them to help them get back on track and work on a recovery plan.

When there is an opening, the Program Manager works with Sidewalk, our local coordinated entry agency, to identify new applicants. The Village uses the “vulnerability index” tool to ensure it prioritizes those most in need. The only exception to this rule is that the Village administers a drug test before accepting new applicants and makes it clear that sobriety is a condition of



Residents and staff

Quixote Residents

Median age: 50

Age range: 25 to 80

Sex: 60% male 40% female

Average length of stay: 3.3 years

Median length of stay: 3.2 years

60% have a mental health diagnosis

50% have a physical disability

41% are recovering from a substance use disorder

Rent: all residents pay 30% of their income

continuing residence.

The Village population includes people with acute mental illnesses, histories of extreme trauma and intergenerational poverty, PTSD, and chronic physical illnesses and disabilities.

The median age of Village residents is 50; the age range is from 25 to 80.



How long do people stay at the Village?

Village residents may live here for as long as they like. The average length of stay is 1,209 days or 3.3 years and the median length of stay is 1,158 days or 3.2 years. For some people – especially those living with mental and/or physical health challenges – living in a supportive community with onsite staff and peer support is the best way for them to thrive. For those who prefer a place of their own and are able to live without on-site supportive services, the Housing Authority offers Section 8 vouchers to those who have been successful tenants in the Village for one year. While these vouchers are not always available without an additional wait time, they do allow people to move into a private sector

apartment and continue to pay 30 percent of their income in rent. Our Resident Advocate works with residents to find other forms of permanent housing. The overall goal for Quixote Communities is to provide stable housing.

What are the outcomes for people who live at the Village?

Because the Village accepts the most vulnerable homeless people, it is not common for a Village resident to become totally self-supporting through employment, though 20% work as they are able.

These are the metrics of success that we believe matter the most:

- Improved physical health, reported by 68% of residents
- Improved mental health, reported by 45% of residents
- Successful applications for needed benefits, such as food stamps and disability benefits, reported by 100% of residents
- Enrollment in educational programs, including academic coursework, life skills classes, or peer support activities, reported by 20% of residents
- Maintenance of sobriety and recovery reported by 81% of residents (not all residents have substance abuse disorders when they move in, resulting in 100% overall sobriety)
- Housing stability, measured by staying in Village six months or longer, reported by 100% of residents
- In the past two years, 90% of residents who moved out of the Village moved into permanent housing.



Quixote crew with resident Arin, who won a Phoenix Award from BHR for her recovery from substance abuse. Arin has now moved out into her own apartment and is working full-time.

We have also just begun to track the percentage of residents who report reconnection with family members, so we don't have data on this yet. However, we have seen, time and time again, how important this is, and how having stable housing and a path to recovery makes it possible. Living in the Village also makes it possible for non-custodial parents to have a place where their children can come visit and occasionally stay overnight.

What has been learned from Quixote Village?

1. Having people who are homeless participate in the design of their own housing is a path toward innovation and success.
2. The per-unit cost of permanent, well-built tiny house communities is far lower than conventional apartments (about half the cost of a low-income apartment).
3. Recovery Housing builds strong peer support for sobriety – and a sober resident population can be successful without 24/7 staffing, which makes this program model much less expensive than programs that do not include a recovery focus.
4. Peer support can also be a powerful tool for recovery from trauma, homelessness, and mental illness.
5. Because of the aging of our population, which results in an ever-higher incidence of disabilities, all units in tiny house villages should ideally be ADA accessible.
6. Built-to-code tiny house communities are a good solution to homelessness from a land-use perspective. Quixote Village occupies just over 2 acres, so it is not a high-density development.
7. We have learned that this program is successful – so much so that we will be building two more villages in Shelton and Orting to help those communities struggling with homelessness.



Brad and his brand-new wheelchair ramp

8. Residents are resilient survivors and prove to us every day how they can transform their lives when they have a roof over their heads and a reliable support system.

For more information please visit our website at www.quixotecommunities.org or contact Executive Director Jaycie Osterberg at (360) 791-8999 or Jaycie.osterberg@quixotevillage.com. Interested in visiting the village? We currently hold monthly tours. Contact Program Manager Amanda Eichelberger at (360) 338-0451 or amanda.eichelberger@quixotevillage.com to sign up.

*All individuals granted permission and consent for the use of the photos in this report. *