



# King County

1200 King County  
Courthouse  
516 Third Avenue  
Seattle, WA 98104

## Meeting Agenda

### Panel 1 - Combating our Housing Crisis (Discussion Related to Proposed 2019-2020 Biennial Budget)

*Councilmembers: Jeanne Kohl-Welles, Chair, Claudia Balducci,  
Rod Dembowski, Larry Gossett, Kathy Lambert, Dave Upthegrove  
Staff: Mary Bourguignon (205-477-0873), Panel Lead, Sahar Fathi (206-263-0960),  
Miranda Leskinen (206-477-0950), Alison Mendiola (206-477-3644), Jeff Muhm (206-477-0951)  
Panel Assistant: Angelica Calderon (206-477-0874)*

9:30 AM

Tuesday, October 16, 2018

Room 1001

#### SPECIAL MEETING

Pursuant to K.C.C. 1.24.035 A. and F., this meeting is also noticed as a meeting of the Metropolitan King County Council, whose agenda is limited to the committee business. In this meeting only the rules and procedures applicable to committees apply and not those applicable to full council meetings.

1. **Call to Order**
2. **Roll Call**
3. **Public Comment**

To show a PDF of the written materials for an agenda item, click on the agenda item below.

#### Briefing

4. **[Briefing No. 2018-B0173](#)** pp. 3-18

Combating our Housing Crisis: Policy Discussion on the Proposed 2019-2020 Budget.

*Mary Bourguignon, Council Staff  
Adrienne Quinn, Director, Department of Community and Human Services  
Leo Flor, Director-Designee, Department of Community and Human Services  
Mark Ellerbrook, Regional Housing and Community Development Manager, Department of Community and Human Services  
Kelly Rider, Special Projects Manager, Department of Community and Human Services*

#### Adjournment



*Sign language and communication material in alternate formats can be arranged given sufficient notice (296-1000).  
TDD Number 206-1024.  
ASSISTIVE LISTENING DEVICES AVAILABLE IN THE COUNCIL CHAMBERS.*



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**Metropolitan King County Council  
Budget Panel Discussion 2019-2020**

## COMBATING OUR HOUSING CRISIS

King County is facing a housing crisis. More than 100,000 low-income households pay more than half their income for housing, and more than 12,000 people around the county are currently experiencing homelessness.

To address the crisis, King County will spend nearly \$250 million over the next two years (in federal, state, and local funds) on homelessness and affordable housing programs, including prevention initiatives, emergency shelters, supportive services, rapid rehousing, and the development and preservation of affordable housing.

How can these funds be used most effectively to help people avoid homelessness and find safe, affordable housing? How can these funds most effectively leverage other resources to help people in need?

This is the first of three budget panel discussions during which County Councilmembers will examine proposed spending on housing and homelessness as part of their review of the 2019-2020 County budget. Today's discussion will begin with answers from Executive staff (which can be found on the following pages) to a series of questions about how the Executive's proposed budget addresses housing and homelessness. Topics include:

### **HOMELESSNESS**

- The Best Starts for Kids Youth and Family Homelessness Prevention Initiative, which aims to help people avoid becoming homeless
- Diversion efforts to quickly move people out of the homeless services system
- The regional One Table effort to address the underlying causes of homelessness
- The proposed restructure of All Home, the region's coordinating body for homelessness efforts

### **AFFORDABLE HOUSING**

- Progress on the Transit-Oriented Development bonds backed by the lodging tax to provide affordable housing in neighborhoods near frequent transit
- Plans for 24/7 shelter with services at County-owned Harborview Hall and in modular structures on County-owned land
- Rapid Rehousing efforts to move people quickly out of homelessness, and Coordinated Entry for All to accelerate the path to housing
- The Regional Affordable Housing Task Force, a collaborative effort with leaders from around the region to identify housing solutions

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## “Combating our Housing Crisis” Budget Panel Responses to Question Set 1 | October 11, 2018

### 1. What are the regional needs for affordable housing and how have sub-regional variations in affordability and access to land affected this need?

In order to address the regional gap in affordable housing, there is an estimated need for 244,000 additional homes affordable to households earning below 80% of the Area Median Income (AMI) by 2040. The 2019-2020 proposed budget for the Department of Community and Human Services (DCHS) continues to expand the County’s investments in permanent affordable housing countywide in order to address this gap. DCHS also continues to maintain our commitment to distributing affordable housing investments across all of the sub-regions in King County in ways that address the unique local needs of different communities. As shown in Exhibit 1, housing capital investments from 2013-2017 have been spread across the County.

**Exhibit 1: King County Housing Capital Investments (2013-2017)**

Region	Total Awards	Units Produced	King County \$ per unit**
E. King	\$27,294,977	732	\$37,288
N. King (Shoreline, Lake Forest Park only)	\$3,977,394	72	\$55,242
S. King	\$30,773,878	733	\$41,983
Seattle	\$11,934,379	778	\$15,340
<b>Grand Total</b>	<b>\$74,980,628</b>	<b>2458</b>	<b>\$30,505</b>

\*Does not include dollars invested in operating, rental, and services for housing serving formerly homeless households.  
\*\*Represents average amount of King County dollars invested per unit, not a total per unit cost.  
King County dollars are leveraged with funds from federal, state, and other local funders.

At a sub-regional level:

- **Seattle and East King County** continue to be more expensive housing markets with stronger access to high-paying jobs and increasing demand for housing in walkable, urban neighborhoods. Recent Apartment Insights data shows average rents in Seattle and Eastside communities are around \$2,000 per month, with variability among individual neighborhoods.

King County investments in affordable housing in these sub-regions have been able to increase access to these communities for low-income households, ensuring they are able to live close to transit, high-performing schools, and growing tech businesses.

- While market-rate housing in **South King County** has generally been lower cost, households there struggle disproportionately with cost burden (meaning they pay more than 30% of their income for rent) and lower quality, aging housing. For example, 25% of renters in South King County are severely cost-burdened (paying more than 50% of income for rent) while only 17% of renters in urban, Eastside communities are severely cost-burdened, and this number is closer to 20% in Seattle and more rural East King County communities.

South King County investments in new construction and acquisition/rehabilitation have been able to lower or stabilize household costs to allow residents to afford other basic necessities and improve neighborhood quality.

Further, while the annual point in time count continues to find more unsheltered homeless individuals in Seattle, homelessness continues to be a crisis for the entire region, which drives the County's investments in homeless housing to also be countywide. While the County has traditionally had more opportunity to expand permanent supportive housing in Seattle, we continue to look for opportunities to expand this best practice to other sub-regions of the county.

When jurisdictions or other public agencies make land available specifically for affordable housing, DCHS has been able to partner with those agencies to achieve a common vision. For example, King County has been able to invest in two sites in North King County where the City of Shoreline and Ronald United Methodist Church both made land available. We are continuing to look for similar partnerships through our work with the Home and Hope initiative with Enterprise Community Partners.

**2. What does the 2019-2020 budget reflect for investments in housing and homelessness in terms of prevention and/or services, how has this changed since the last biennium, and how will these resources be directed? How will new and increased resources (such as the short term lodging tax revenue) be directed?**

**Expenditures.** The 2019-2020 budget reflects a strong belief that gaining and retaining housing is the best approach to addressing homelessness. In large part due to the state increase in document recording fees, the proposed budget is able to increase investments in emergency shelter, rapid rehousing, permanent supportive housing, homelessness prevention, and the Housing and Essential Needs programs<sup>1</sup>.

Specific to prevention, the 2019-2020 biennial budget provides \$14.5 million in funding for homeless prevention services, which is a nearly \$2 million increase over the 2017-2018 biennium. Specifically, funding continues to support the successful Best Starts for Kids (BSK) Youth and Family Homelessness Prevention Initiative, the Housing Stability Program, and the Housing Justice Program.

The table below outlines the proposed homeless housing services budget for the 2019-2020 biennium as compared to the last biennium.

**Exhibit 2: King County 2019-2020 Proposed and 2017-2018 Adopted Homeless Housing Expenditures**

<b>HOMELESS HOUSING PROGRAMS</b>	<b>2017-2018</b>	<b>2019-2020</b>
Emergency Shelters	11,785,117	14,438,845
Transitional Housing	3,201,860	2,670,742
Rapid Rehousing	8,145,435	14,204,594
Permanent Supportive Housing/Permanent Housing	49,367,401	58,417,432
Homelessness Prevention	12,691,042	14,465,368
Housing and Essential Needs (HEN)	23,705,331	21,986,704
<b>Total, Homeless Housing</b>	<b>108,896,186</b>	<b>126,183,685</b>

<sup>1</sup> See Appendix A: Definition of Key Terms to learn more about each of these housing programs.

**Funding.** The Homeless and Housing programs' funding comes from the federal government, primarily the Department of Housing and Urban Development (HUD); the State of Washington through the Department of Commerce; document recording fees; county funding from the Veterans, Seniors and Human Services Levy (VSHSL) and the Mental Illness and Drug Dependency (MIDD) sales tax; lodging taxes; and grants from cities and philanthropy.

**New Investments.** In addition to a significant increase in document recording fees, the 2019-2020 proposed budget is able to expand housing opportunities for very low-income households due to new lodging taxes on short-term rentals, funding from the Council approved Convention Center sale, and additional state funding for modular construction.

The table in Appendix B summarizes these three funding sources that are new for the 2019-2020 biennial budget, and includes a description of the funding source, spending restrictions, and biennial amount. The new resources will be directed to the following projects:

- Department of Commerce Modular Capital Funding (Total: \$4.5 Million)
  - Elliott Shelter (\$750,000)
  - Micro Dwelling Modular Units (\$750,000)
  - City of Seattle Office of Housing State Innovation Project (\$3 million - restricted funding).
- Convention Center Affordable Housing (Total: \$5 million)
  - Micro Dwelling Modular Units (\$2.25 million)
  - Harborview Hall (\$2 million).
- Lodging Tax on Short-Term Rentals (Total: \$8 million)
  - Micro Dwelling Modular Units (\$1 million)
  - Modular Dorms (\$4 million)
  - Support Services for Existing Supportive Housing (\$1 million)
  - Rent and Service Support for Homeless Families (\$2 million)

In addition to the investments listed above, the VSHSL Implementation Plan includes significant new investments to prevent homelessness, including \$2.5 million for legal aid to prevent evictions, \$564,000 for housing-connected mediation services to avoid evictions, and \$1.5 million to enhance housing navigation services for veterans experiencing homelessness. These VSHSL Implementation Plan approaches constitute an additional \$4.5 million in new prevention investments.

### **3. How does the budget approach the coordination of supportive services with housing?**

The proposed budget adheres to national best practices by aligning funding for services with funding for housing to ensure that the County's investments both expand housing opportunities for people experiencing homelessness and support housing stability for those individuals after gaining housing.

**Affordable Housing.** DCHS aligns funds for permanent affordable housing with supportive services to ensure success for homeless households. This approach is implemented through a funding round known as the Combined NOFA (Notice of Funds Available) for Homeless Housing. Each year, DCHS coordinates with at least five other public funders to allocate funds through this NOFA. The intent of the Combined NOFA is to coordinate housing and services investments by providing streamlined application processes, reviews, and awards to expedite providers' ability to house homeless households with appropriate services. This process assures the coordination of services with housing.

In addition, in the past several years, DCHS has combined capital and service awards, ensuring that supportive housing projects receive complete funding for long term operations by allocating multi-year commitments of operating support up to five years. This process is being replicated to develop system connected housing as outlined in the Housing Stability Strategy in the Veterans, Seniors and Human Services Levy.

It is important to note that many of DCHS's housing investments require ongoing operating and service support. While the capital expense is a one-time cost, operating and service expenses are a continuing and rising cost. Increasingly, DCHS sees these ongoing expenses as the critical and limiting factor in our housing response. Service and operating costs are expected to increase from \$49 million in the 2017-2018 biennium to \$58 million in the 2019-2020 biennium.

**Rapid Rehousing.** The proposed budget also expands investment in Rapid Rehousing by \$6 million (to \$14 million from \$8 million). Rapid Rehousing is an intervention that combines rent assistance with case management services that help households move quickly to housing and receive the support they need to be successful. More information about Rapid Rehousing is included in the response to Question 10.

**Enhanced Shelters.** DCHS continues to move toward funding more 24/7 Enhanced Shelters. These shelter programs include a strong emphasis on moving people out of homelessness by connecting them to housing navigation and case management services.

**Vouchers.** In 2018, DCHS partnered closely with the King County Housing Authority (KCHA), Seattle Housing Authority (SHA), and Office of Veterans Affairs to apply to HUD for various types of vouchers. We have successfully secured awards for many of the vouchers that were applied for, and the proposed budget reflects service funding to support these various types of vouchers so households experiencing homelessness have the support services needed to identify and transition to permanent housing.

**4. King County voters have invested in the Best Starts for Kids Youth & Family Homelessness Prevention Initiative (YFHPI) to help people avoid becoming homeless. What have been the results of this initiative to date, how much has been spent to date, and what is proposed for 2019-2020?**

YFHPI was the first program implemented as part of the BSK levy, beginning in the fall of 2016. The initiative is targeted to families with children and youth/young adults at imminent risk of homelessness. YFHPI case managers ask one simple question: "What is it you need to stay housed?"

With progressive case management and flexible funding, the intent is to provide services tailored to the unique needs of each client – whether that is repairing the family car so mom can get to work, providing clothes appropriate for a job search, or paying back rent or utilities.

In only its first year, the YFHPI prevented more than 4,000 people, including 220 unaccompanied youth and young adults, from becoming homeless. At a time when homelessness is at emergency levels, it is important to note the success of this initiative in keeping children, youth, and families safely and stably housed, and in proving that prevention is more cost effective than downstream solutions. On average, it is costing \$1,300 per family to keep them housed while shelter costs \$13,000 for a family and the family endures the trauma of homelessness. Because homelessness has a devastating and life-long impact on the health and brain development of children, preventing them from experiencing even a day of the fear and uncertainty of homelessness is the overarching goal.

The 2019-2020 budget increases investment in the successful Youth and Family Homelessness Prevention Initiative by \$2.6 million, to a biennial total of \$8.9 million. This increase is reflective of expanding the reach of this effective program by increasing funding for successful program partners. To date, the program has spent approximately \$7.6 million.



## 5. How does the proposed budget reflect the One Table recommendations?

Regional leaders created One Table to address the inflows into homelessness. To stop people from becoming homeless, it is critical to identify the reasons they become homeless in the first place. Based on data, interviews with people who experienced homelessness, and academic research, One Table identified that the following five factors make up the leading root causes of homelessness:

- Lack of affordable housing
- Inadequate access to behavioral health treatment
- Involvement in the child welfare system
- Involvement in the criminal justice system
- Wages not keeping pace with the cost of housing.

To address these root causes, the proposed budget includes expanded capital and service investments in multiple areas. The VSHSL is a critically important resource in this area as it focuses both capital and service investments on system connected housing, targeted to households exiting systems such as behavioral health, criminal justice, and foster care. Additional local, state, and federal resources are used to complement these investments.

Specifically, the budget reflects the One Table Recommendations in the following ways:

### Root Cause: lack of affordable housing

- Modular projects – Elliot Shelter, Modular Dwelling Units, and Modular Dorms – (\$16 million, capital and operating)
- Rental Assistance Support for Homeless Households in Dispersed Units – (\$2.2 million)
- Move On support for KCHA and SHA Voucher Application to move people from permanent supportive housing to the private rental market, resulting in the County scoring higher to receive more federal funds – (\$700,000)

### Root Cause: inadequate access to behavioral health treatment

- Peer Respite – (\$2 million investment from MIDD)
- Bringing services to where people are (house calls, opioid treatment in shelters and encampments ) – (\$2.5 million investment from MIDD)

### Root Cause: involvement in the child welfare system

- Keeping Families Together Enhanced Housing – (\$400,000)

### Root Cause: involvement in the criminal justice system

- Jail Reentry Linkages to Service – (\$1 million investment from MIDD)
- Law Enforcement Assisted Diversion (LEAD) expansion – (\$3.1 million investment from MIDD)

## 6. In May, the Executive and the Seattle Mayor signed a Memorandum of Understanding on All Home, committing to transmit governance recommendations by December 1. What can we expect from these recommendations and how does the budget prepare to implement a restructured All Home to coordinate homelessness funding and governance?

All Home is the Continuum of Care lead for King County, a requirement of federal grants, charged with providing regional leadership and coordination to address homelessness. It is a coalition of

governments, nonprofit agencies, faith communities, businesses, philanthropy, and people who have experienced homelessness working together to develop strategies and implement solutions for individuals and families experiencing homelessness.

King County, the City of Seattle, All Home, philanthropy, and business have retained consultants to evaluate homeless system performance and governance models. This work is being led at a community level to ensure that households with lived experience, including those disproportionately impacted by homelessness, have a say in how the system responds to their needs. As a core requirement, the Continuum of Care (CoC) must meet a base level of services, including organizing the point in time count, operating the homeless management information system, directing coordinated entry, and making the annual application to HUD for CoC services.

The 2019-2020 proposed budget maintains funding for All Home as well as DCHS staff that work on CoC efforts to provide these core services. The budget also supports homeless planning services, currently performed by All Home.

The evaluation's recommendations are due to the Mayor and Executive in December 2018. Since any potential changes stemming from these recommendations are unknown at this time, the proposed budget does not presume any changes to the structure of All Home. After receiving the recommendations, work will need to be done to determine what the implementation strategy and implications will be. The Executive will engage the Council in any implementation plan or strategy.

## **7. How does the proposed budget implement diversion efforts?**

Diversion is a tested and proven low-cost strategy to help people who've recently become homeless move quickly into housing before they slide deeper into homelessness. Diversion programs seek to build on an individual's own strengths to address their homelessness. Often, diversion efforts succeed without any supplemental funds, as homeless households draw on their own resources such as family and friends, employment and/or experience to address their housing crisis. If needed, diversion investments are often small and may be as simple as transportation to help a household reconnect with their own support network.

Currently DCHS invests \$395,000<sup>2</sup> in diversion through the Path to Home program, located at the Coordinated Entry for All Regional Access Points (RAPs). Regional Access Points are located in five sites across King County and work with households to solve an episode of homelessness.

Path to Home services assist households in quickly finding and securing temporary or permanent solutions to homelessness outside of the homeless services system. Path to Home services assist households to identify immediate, alternative housing arrangements and, if necessary connect people with services and financial assistance to help them obtain or return to housing. Skilled Path to Home providers partner with households in finding creative solutions to their needs while utilizing shelter beds for those families or individuals who have no other options. In the past year, 74% of households enrolled in Path to Home were successfully diverted upon exit and only 6% returned to homelessness after exiting the program. The following set of charts – an excerpt from the Diversion Quarterly Dashboard – show metrics that are tracked for the County's diversion efforts.

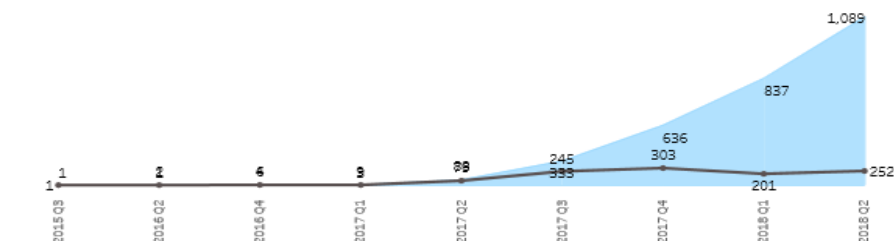
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<sup>2</sup> Funding by document recording fees, HUD Continuum of Care funding, and Community Development Block Grants.

### Exhibit 3: King County Diversion Quarterly Dashboard (Q3 2017- Q2 2018)

#### ENROLLMENT SUMMARY

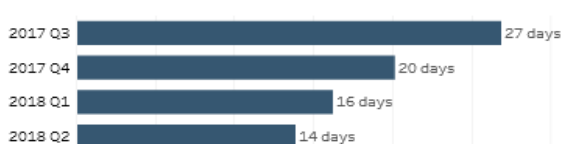
1,089 total households were enrolled between Q3 2017 and Q2 2018



#### LENGTH OF ENROLLMENT

The average length of enrollment in a RAP Diversion Program was

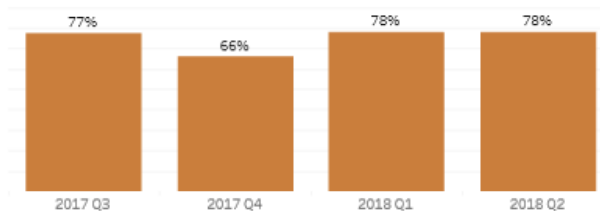
20 days



#### EXITS

74%

of households enrolled in a RAP Diversion Program were successfully diverted upon exiting

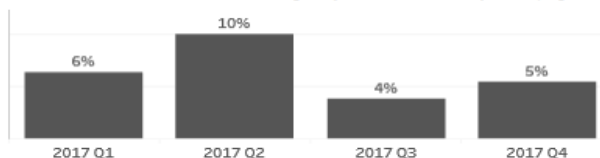


#### RETURNS

6% (n=33)

of households returned to shelter, transitional housing, or rapid re-housing within 6 months after being successfully diverted

NOTE: Returns are calculated for households who left a Diversion program between Q1 2017 and Q4 2017 so that at least 6 months have gone by since the date that they left the program.



Data was pulled from HMIS on 8/1/2018.  
Any changes made to the data after 8/1/2018 will not be reflected until the next quarterly update.

This effort aligns with other recently announced diversion efforts, including those supported by Pearl Jam. Pearl Jam and their partners will work to expand diversion programs throughout King County by training several hundred service providers in how to lead their homeless interventions with diversion.

8. The Council has asked the Executive to issue \$100 million in additional bonds backed by future lodging tax revenues to be invested in workforce housing, and to receive, by February 28, an expenditure plan for the allocation of funds not already programmed in the 2016 TOD Bond Allocation Plan. How does the 2019-2020 budget respond to these requests? What are the next steps and what are the Executive's plans to use the lodging tax revenue for affordable housing?

The proposed budget recognizes the critical role affordable housing plays in creating and maintaining diverse, economically vibrant communities. While the proposed budget does not include a plan nor expenditure authority for the \$100 million in additional bonds, work is underway to deliver the implementation plan for this and any remaining housing funds to Council in early 2019. This planning

work includes completing financial modeling and working with affordable housing stakeholders on investment priorities.

Recognizing the growing need for affordable housing, the implementation plan will propose a rapid deployment of funds to increase the impact of the revenue. Per the state authorizing legislation, bond proceeds will be spent to provide workforce housing within one half-mile of transit and will fund both acquisition/preservation and new construction projects.

As context, under the existing \$87 million TOD Bond Plan:

- \$50 million has been awarded and/or contracted to-date, preserving or creating 1,041 unit of housing.
- Of the remaining \$37 million:
  - \$17 million is currently out in open RFP processes (\$10 million for Northgate, \$3 million for the Othello Station and \$4 million of the remaining Countywide pool).
  - The \$10 million set aside for the Bel-Red Corridor is expected to be offered through joint RFP processes with the City of Bellevue and Sound Transit in 2019.
  - The remaining \$10 million set aside for the South King County station sites will be made available when the development opportunities in the Council designated areas are ready to move forward.

**9. What is the status of the Council’s 2017-2018 designations for enhanced shelter at Harborview Hall and modular shelter development?**

Recognizing the need to provide shelter and connection to housing for people experiencing homelessness, DCHS, together with the Facilities Management Division (FMD) are jointly working to deliver both the Harborview Hall and modular shelters as quickly as possible. This includes working to ensure that residents will have access to critical services, hygiene, and transportation. Specifics on these two projects are outlined below.

- **Harborview Hall.** Capital improvements are proceeding for the Harborview Hall shelter. This work includes permitting and addressing deferred maintenance at the building. Selection of the service operator is also in process and should be in place in the next few weeks. The facility is planned to open first as an overnight facility while FMD continues to evaluate and address issues related to operating Harborview Hall as 24/7 shelter. The selected operator will be the same in either operating scenario (overnight or 24/7). Pending permit approval, the facility is scheduled to begin operation before the end of the year.
- **Elliott Modular Shelter.** The modular units for the Elliott shelter have been ordered. Catholic Community Services will serve as the program operator. The project team is working on the permit application to the City of Seattle. Planning for community outreach is also in process. This shelter is expected to open in Spring 2019.

**10. What is the status of the County’s implementation of Rapid Rehousing and what are the plans within the 2019-2020 budget for Rapid Rehousing?**

Rapid Rehousing is an intervention designed to help individuals and families to quickly exit homelessness and return to permanent housing. Rapid Rehousing assistance is offered without preconditions (such as employment, income, absence of criminal record, or sobriety) and the resources

and services provided are tailored to the unique needs of the household. The three core components of rapid rehousing include:

- find housing fast for an individual or family experiencing homelessness
- help pay for the housing through a subsidy
- connect to jobs and other services that help retain housing

In the past year, 73% of households exited rapid rehousing to permanent housing, and in the past 6 months, 4.5% returned to homelessness, making rapid rehousing one of the most effective homeless housing programs.

The 2019-2020 proposed budget expands funding for Rapid Rehousing to \$14.2 million to expedite access to housing for more households facing homelessness. This compares to \$8.2M in the last biennium.

**11. What is the status of the County’s implementation of Coordinated Entry for All and what are the plans within the 2019-2020 budget to improve and accelerate pathways into housing?**

Generally, the purpose of Coordinated Entry for All (CEA) is to ensure that prioritized households experiencing homelessness have fair and equal access to housing. King County operates the CEA system for our region. While there are specific federal requirements, local Continuums of Care (CoC) have latitude on how the CEA system is designed and operated.

The 2019-2020 proposed budget continues the work to implement a Dynamic Prioritization approach for Coordinated Entry. This represents a new national framework rooted in best practices and community input, and uses an Equity and Social Justice lens. The decision to move to this framework was informed by multiple workgroup and listening sessions composed of a diverse group of stakeholders and partners and has been affirmed by the All Home Coordinating Board. Dynamic Prioritization promotes effective inflow management, a dynamic priority list, or ‘priority pool’, continually readjusting to identify highest need persons, and flexible use of CoC assets. In April 2018, CEA began to shift to Dynamic Prioritization.

CEA will be working closely with our partners at the City of Seattle and All Home to pilot Dynamic Prioritization for all populations to ensure results are aligned with racial benchmarks. Results will be analyzed via an agile process to ensure a rapid response to identified disparities. The expertise and input of the CEA Policy Advisory Committee has informed the CEA continuous improvement efforts and will continue to provide oversight and guidance throughout implementation.

In the 2019-2020 proposed budget, existing TLT staff are requested to be converted to Full Time Career Service employees to support the ongoing nature of this work, and appropriation is requested at a level that maintains the five CEA Regional Access Points without City of Seattle funding.

**12. If the Regional Affordable Housing Task Force extends beyond December, what are the funding requirements? How are the anticipated recommendations of the Regional Affordable Housing Task Force reflected in the budget?**

The Regional Affordable Housing (RAH) Task Force has worked diligently to deliver an action plan by the end of 2018. The Task Force process is not expected to continue into 2019. If meetings do need to continue, existing staff would be available to support the Task Force. Additional funding for the existing consultant (CAI) is not included in the budget proposal.

At this time, implementation of the Regional Affordable Housing Task Force recommendations are primarily anticipated to be supported with existing staff or with future new resources (currently

unidentified) supported by the recommended governance structure. The DCHS proposed budget does include an addition of \$50,000 per year for a South King County Housing collaboration. This reflects the County's share as determined by cities working to establish that governance structure. It is a similar amount to funds allocated for the East King County Housing collaboration (ARCH—A Regional Coalition for Housing).

**13. How does the budget provide incentives for cities to develop affordable housing and how will the upcoming update of the Consolidated Plan reflect the need for a regional approach to affordable housing?**

While the 2019-2020 budget does not directly propose new incentives for cities, opportunities exist for the promotion of affordable housing in partnership with cities. The Executive's proposal for new bonds to fund Transit Oriented Development housing will be sent to Council in February and is expected to include incentives for cities to support affordable housing.

The Consolidated Plan is required to be updated by the end of 2019. Early planning is underway and the need for affordable housing will be a central component. DCHS staff expects that the Plan will reflect the vision of the RAH recommendations.

## APPENDIX A: DEFINITIONS OF KEY TERMS

1. **Emergency Shelter** is defined as temporary shelter from the elements and unsafe streets for homeless households. Shelter programs are either fixed capacity (facility-based) or flexible capacity (for example, hotel/motel vouchers). Emergency shelters typically address the basic health, food, clothing and personal hygiene needs of the households that they serve and provide information and referrals about supportive services and housing. Emergency Shelters are indoors, and range from mats on the floor in a common space to beds in individual units. Some shelters are overnight only, while others operate 24/7. Where shelters are 24/7 and have navigation and/or case management services (often called “enhanced shelter”) services emphasize housing attainment through housing-focused assessment and housing stability planning, which includes working with households to identify and refer to other resources in the community to support on-going household and housing stability.
2. **Permanent Supportive Housing:** Non-time limited affordable housing for a household that is homeless on entry, and has a condition or disability, such as mental illness, substance abuse, chronic health issues, or other conditions that create multiple and serious ongoing barriers to housing stability. Households need a long-term high level of services in order to meet the obligations of tenancy and maintain their housing. Tenant holds a rental agreement or lease and may continue tenancy as long as rent is paid and the tenant complies with the rental agreement or lease. Tenants have access to a flexible array of comprehensive services, mostly on site, such as medical and wellness, mental health, substance abuse, vocational/employment, and life skills. Services are available and encouraged but are not to be required as a condition of tenancy. There is ongoing communication and coordination between supportive service providers, property owners or managers, and/or housing subsidy programs. Permanent Supportive Housing may be facility-based or with scattered-site.
3. **Rapid Re-Housing (RRH)** is a low-barrier, time-limited intervention connecting households experiencing homelessness to permanent housing through a tailored package of assistance. RRH includes three core components: 1) Housing Identification. 2) Move-in and Rental Assistance, and 3) Housing-Focused Case Management Services and Supports. Housing-focused case management is provided, with an emphasis on immediate efforts to obtain housing, utilizing the minimum assistance needed to resolve each household’s immediate housing crisis. Once a household moves into permanent housing (tenant holds the lease), rental assistance may be provided, utilizing a progressive engagement approach to provide the appropriate level of assistance, starting with the least amount necessary to stabilize housing. Frequent re-assessment will be used to establish continued eligibility and amount of continued rental subsidy. The services are time-limited and the household does not have to leave the housing when services end. RRH staff work with each household to identify and access supports including family and friend networks, and refer households to other resources in the community (mainstream services, benefit services, food assistance programs, childcare resources, etc.) to support on-going household and housing stability.
4. **Transitional Housing** is a time-limited intervention intended to provide assistance to households who need more intensive or deeper levels of support services to attain permanent housing. Emphasis is still placed on rapid exit to permanent housing, but lengths of stay are flexible and tailored to the unique needs of each household. Services continue to emphasize housing attainment through a housing-focused assessment and housing stability planning, which includes working with each household to identify and refer households to other resources in the community to support

on-going household and housing stability. All services are person-centered and tailored to the individual needs of each household. Transitional housing comes in a variety of facility-types, from congregate-style living to scattered site apartments.

5. The **Housing and Essential Needs (HEN)** program provides access to essential needs items and potential rental assistance for low-income individuals who are unable to work for at least 90 days due to a physical and/or mental incapacity and are ineligible for Aged, Blind, or Disabled (ABD) cash assistance. While DSHS/CSD determines eligibility for the referral to the HEN program, actual eligibility for rental assistance and essential needs items is determined through Catholic community Services.



## Appendix B: New HCD Fund Sources, Uses, and Restrictions

Source of Funding	Revenue Source	Description	Populations / Spending Restrictions	2019-20 Biennial Funds
<b>State</b>	Commerce Modular Capital	Allocation from the state capital budget for modular construction	Population not restricted. Must be spent on modularly constructed facilities	\$4.5 million (\$3 million is pass through to Seattle)
<b>Local</b>	Transit-Oriented Development (TOD) Bond Funds	State Legislature authorized bonding against 50% of the Hotel/Motel Tax authorized for affordable housing. \$87.5 million is being expended according to a County Council approved Allocation Plan. Executive proposed a new Allocation Plan for an additional \$100 million in bonded funds by the end of the year.	Serves households earning greater than 30% AMI to less than or equal to 80% AMI. Original allocation plan states funds must be spend in High Capacity Transit location.	\$100 total bond authority (proposed)
<b>Local</b>	Convention Center Sale	Approved property sale requires funding contribution for affordable housing capital	80% AMI or below. Must be spent on capital project.	\$5 million one-time
<b>Local</b>	Short-Term Rental PFD	State authorized funding for affordable housing programs	80% AMI or below. Per state statute must be used for permanent or long term affordable housing. Shelter and service programs are not eligible.	

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