

June 13, 2016

Ms. Kelli S. Carroll  
Strategic Advisor  
Mental Health, Chemical Abuse and Dependency Services Division  
King County Department of Community and Human Services  
401 5th Avenue, Suite 500  
Seattle, WA 98104

RE: MIDD II Service Improvement Plan

Ms. Carroll,

Thank you for the opportunity to comment on the forthcoming draft of the MIDD II Service Improvement Plan (SIP). We appreciate that the current MIDD II proposal would invest a significant amount of funding in permanent supportive housing and related uses. In particular, we are grateful the proposal identifies sufficient funding to create an ongoing allocation of capital funding, compared to the one-time allocation in MIDD I. That said, we are concerned that the proposed funding level does not sufficiently respond to the crisis level of homelessness our County is experiencing. At a time when the One Night Count of unsheltered homeless individuals has increased by 20% over one year, the proposed funding does not bring this proven best practice to scale. Unfortunately, it would create fewer permanently affordable homes over the life of MIDD II than were created over the life of MIDD I due to increased costs and reduced external leveraging resources.

We recognize MIDD II is being shaped to respond to a variety of needs our communities are facing. However, we recommend the following actions to better address homelessness among our county's population facing mental illness and substance abuse challenges:

**Unallocated Funds**

We strongly urge the County to prioritize permanent supportive housing capital dollars in the Service Improvement Plan's policy regarding additional allocations, underspending, and/or recapture of funds. A similar policy is currently in place for the Veterans & Human Services Levy and serves as a best practice for promoting enhanced housing outcomes over time should additional funding opportunities become available. This serves our community well as recipients do not require ongoing funding of capital dollars.

**Flexibility of Housing-Related Funds**

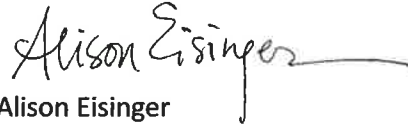
While we respect the County's need to create predictability and accountability within the Service Improvement Plan, we encourage you to create more flexibility within the housing-related funding allocations. Services and operating dollars in particular are incredibly challenging to identify and have reached a "cliff," where the current service dollars available have already been committed to current sites, leaving a shortage of funding available to commit to new permanent supportive housing sites. Given King County's position among a variety of other funders with varying priorities, flexibility will allow you to best leverage other funding sources to create the desired outcomes. In addition, this would align well with the unallocated funds policy recommended above, allowing the County to increase yearly funds for service dollars above \$2 million if recaptured or other funds are identified to allocate toward capital funds.

Thank you for your leadership throughout this important process. We look forward to continuing to work with you and other County leaders to advance a successful MIDD II proposal later this year and to identify the other funding sources necessary to bring our homelessness strategies to scale.

Best,



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Housing Development Consortium Seattle-King County



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Seattle/King County Coalition on Homelessness



Janet Pope  
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