



**Mental Illness and Drug Dependency (MIDD)
Oversight Committee
July 24, 2008
11:45-12:15 networking lunch
12:15 p.m. – 2:15 p.m.
King County Chinook Building Room 123
Meeting Notes**

DRAFT

Members: Bill Block, Linda Brown, Kelli Carroll designee for Councilmember Bob Ferguson, Nancy Cole, Merrill Cousin, Elisa Elliott designee for Sheriff Rahr, Helen Halpert, Mike Heinisch, V. David Hocraffer, Darcy Jaffe, Norman Johnson, Pete Lewis, Barbara Linde, Jackie MacLean, Leesa Manion designee for Dan Satterberg, Barb Miner, Phil Noble, Kurt Ofsthus, Mario Paredes, Kristin Peterson designee for Washington State Hospital Association, Jim Robinson designee for Donald Madsen, Dorothy Teeter designee for David Fleming, Sheryl Whitney, Mark Wirschem designee for Bruce Knutson

Others: Bryan Baird, Margaret Casey, Georgia Cortez, Steve Daschel, Teri Kimball, Andrea LaFazia, Emily Leslie, Alex O'Reilly, Linda Peterson, Toni Rezab, Carolyn Robertson, Amnon Shoenfeld, Cindy West

1. Welcome and Introductions, *Barbara Linde*

Barbara Linde, Presiding Judge, King County District Court, called the meeting to order, welcomed the committee and introductions were made by each person in attendance.

2. Approval of the Meeting Notes from the June 19, 2008 Meeting, *Barbara Linde*

No changes were needed to meeting notes, and were approved by consensus by the committee.

3. MIDD Project Staff Report, *Andrea LaFazia*

Andrea presented and explained the following forms:

- The Designee Form; providing individual authority to represent a MIDD OC member.
- In-Writing Voting Form, used by a non-King County member to exercise their vote on an action item in the absence of a member.
- Role & Responsibilities of the OC excerpt from KC Ordinance 16077. This includes a timeframe for MIDD Quarterly Reports.
- Procedure for General Public Participation in Discussions at Committee Meetings
- 2008 Monthly Meeting Schedule through December 2008.
- MIDD Strategies which are still in the planning phase. Each member was asked to return the form at the end of the meeting indicating which strategy subcommittee they would like to work on.

4. Updates on the MIDD Implementation and Evaluation Plans, *Amnon Shoenfeld*

Amnon began with information on other counties adopting a 0.1% sales tax plan.

Whatcom County has authorized a sales tax and Snohomish County is considering a plan that is very similar to King County's MIDD Action Plan.

Amnon provided an update on where the Implementation and Evaluation Plans are in the process of being reviewed by Council. Kelli Carroll provided the dates for upcoming meetings. Dates will be distributed to members.

5. Presentation and Discussion on MIDD Strategy #16: Housing: *Amnon Shoenfeld & Linda Peterson*

Amnon presented a MIDD Housing Needs Assessment chart listing specific strategies that include housing needs associated with the following strategies: Increasing access to community mental health and substance abuse treatment; Outreach and engagement to individuals leaving hospitals, jails, or crisis facilities; Mental health crisis next day appointments and stabilization services; Reception centers for youth in crisis; Expand family treatment court services and support to parents; Adult crisis diversion center, respite beds, and mobile behavioral health; Increase services available for new or existing mental health court programs; Increase jail re-entry program capacity; Hospital re-entry respite beds; Increased capacity for Harborview's Psychiatric Emergency Services; and Expansion of Recovery Support Services. MHCADSD staff estimated that 3,459 total units are needed in connection with the identified strategies, for a total of approximately 1,600 unduplicated units (since it was estimated that over half of the individuals served in these programs would be served more than once in one program, or by more than one program). The purpose of the needs assessment was to link housing needs to a particular MIDD strategy now and in ongoing years.

Linda Peterson, Director of Community Services Division, DCHS gave a presentation on housing/capital investments. This included an overview of: housing costs, unit sizes, economic scales, investment returns, rental assistance, and environmental concerns. Talking points from this presentation are attached to the meeting notes.

Amnon also presented a housing development plan, but due to lack of time additional discussion has been postponed until the August 28th oversight committee meeting.

6. Discussion and Possible Action MIDD Quarterly Report: *Barbara Linde*

Judge Linde discussed the quarterly report for April, May and June. The role of the OC is to review and comment on quarterly reports. The OC received the draft by email prior to the meeting.

Revisions to the quarterly report include identifying who the evaluation team members are under the evaluation plan section and listing all OC members in the Oversight Plan section.

The quarterly report was approved by consensus with revisions as noted.

7. Public Comment

Steve Daschel, Executive Director of Southwest Youth and Family Services, presented the King County Alliance for Human Services position on MIDD funding and housing, including capital costs and rental subsidies. The Alliance's position statement is attached to the meeting notes.

Meeting Adjourned 1:52 p.m.

Next Meeting August 28, 2008 Chinook Building Rooms 117/119/120

Speaking Points from Linda Peterson
MIDD Oversight Committee
July 24, 2008

If we put Money into housing/capital, what can we get for our investment?

The “typical” cost of a unit is \$225,000 to \$250,000. Bear in mind that (1) we would have that unit for 50 years, and (2) we would only pay part of that cost – we would leverage investment from other funders.

There is a trade-off between amount of leverage and length of time to gather all necessary funds: the more money we want to leverage, the longer it’s going to take for the developer to complete their funding package. (The length of time from KC funding commitment to project completion varies from 18 months to 3 years or more)

- At \$50,000/unit: every \$1 million buys 20 units, but we have a longer wait in a queue for other funders’ money (and bear in mind that costs go up every year). At 50 years per unit, this is 1000 unit/years of housing.
- At \$100,000/unit: every \$1 million buys 10 units for 50 years, and there is a shorter wait in a funders’ queue. At 50 years per unit, this is 500 unit/years of housing.

(I recommend assuming an average of \$100,000/unit).

I have been speaking about averages and “typical” projects, but every project is unique. There will be wide variation from project to project – some will cost more, some less.

- “Location, location, location”: There is some general sub-regional variation in property costs; a great deal of more specific neighborhood variation in property costs
- Size of unit: You can get more studio units than two bedroom units on any particular piece of property
- Economy of scale: larger properties/larger number of units
- Nature of site: This is very important, especially for new construction (e.g. is it on a steep slope, is there a wetland, is there any environmental contamination, are there any infrastructure improvement needs?)

Examples to demonstrate variation in costs:

Plymouth Housing Group Simons Senior Apartments 92 studios at \$194,000/unit	Seattle downtown
Plymouth Housing Group 1 st and Cedar 81 studios at \$280,000/unit	Seattle downtown ¹
Archdiocesan Housing Authority Bakhita Gardens 90 studios and one bedrooms at \$113,000/unit	Seattle downtown ²
Valley Cities Landing 42 studios at \$256,000/unit	Auburn ³
Sound Mental Health/King County Housing Authority Holly Creek 18 units at \$110,000/unit	Des Moines ⁴

Miscellaneous

Average annual cost of a voucher/rental assistance: assume \$7,000 to \$8,000.

Therefore, every \$1 million would buy 125+ unit/years of housing (e.g. if 125 people get rental units for one year, or 25 people for 5 years – but this figure does not consider annual rental cost increases).

Reasons to use money on vouchers:

- Not enough dedicated units are available yet
- Flexible (in theory – if you can even find units to rent)

¹ Why so much costlier than Simons Senior Apts.? Inflation: Simons Senior was finished in Jan 08; the 1st and Cedar project will not start construction till late 2009/early 2010. Site issues and economy of scale may also play a role.

² Why so cheap? Archdiocesan Housing Authority already owns the property; this is the cost of rehab only.

³ Why so expensive? Site has infrastructure needs; project has no economy of scale

⁴ Such a deal! Why? This is acquisition + rehab of an existing apartment building that is not in a great location, and not in the best condition. At the same time, the rehab needs are not so severe that it is very costly (*yet?*).

Speaking Points from Steve Daschel
MIDD Oversight Committee
July 24, 2008

**King County Alliance for Human Services position on MIDD funding and housing,
including capital costs and rental subsidies** July 2008

- The Alliance recognizes the dire need for housing for our communities' most vulnerable and at risk members who struggle with mental illness, chemical dependency, homeless, and involvement with the criminal legal system.
- We do support making an annual allocation of a portion of under-allocated or under-spent MIDD funds for housing, after annual evaluations of MIDD implementation, considering the relative unmet need for housing and services, and other issues that emerge.
- However, in order to be successful, we have to ensure that there is a balance between providing housing units and providing critical services to these clients.
- The King County Alliance for Human Services does not support making a commitment to a specified ongoing allocation of MIDD funds to support capital housing costs and rental subsidies.
- The community supported a MIDD plan that was dedicated to services.
- Given how much uncertainty there is about the King County general fund budget and how cuts in CX funding will affect MIDD strategies, it is not practical to make an ongoing dollar commitment of MIDD funds for capital housing projects at this time.
- There are many people who are targeted by the MIDD plan (people with chronic mental illness and/or chemical dependency issues who are at risk of involvement with the emergency medical and criminal justice systems or homelessness) who do not currently need housing. We need to be careful to ensure that services are also available to those who are not (yet) homeless.
- There are a number of funding sources that are dedicated to capital housing projects that can not be used for providing services.
- We recommend that the Oversight Committee work to examine and ensure that housing programs funded by the MIDD eliminate as many barriers to housing as possible. Many of the people the MIDD is target are ineligible for housing programs due to issues such as criminal history, substance abuse, etc.