

# KCRHA 2023 Draft Budget Preview

May 11, 2022

*KCRHA Implementation Board*



**KCRHA**  
King County Regional Homelessness Authority

## Agenda

1. Organizational updates
2. Data
3. Planning
4. Current System Analysis
5. 2022 Approved Budget
6. 2023 Priority Incremental Changes
7. 2023 Additional Incremental Changes to Consider
8. 2023 Budget Proposal
9. Discussion



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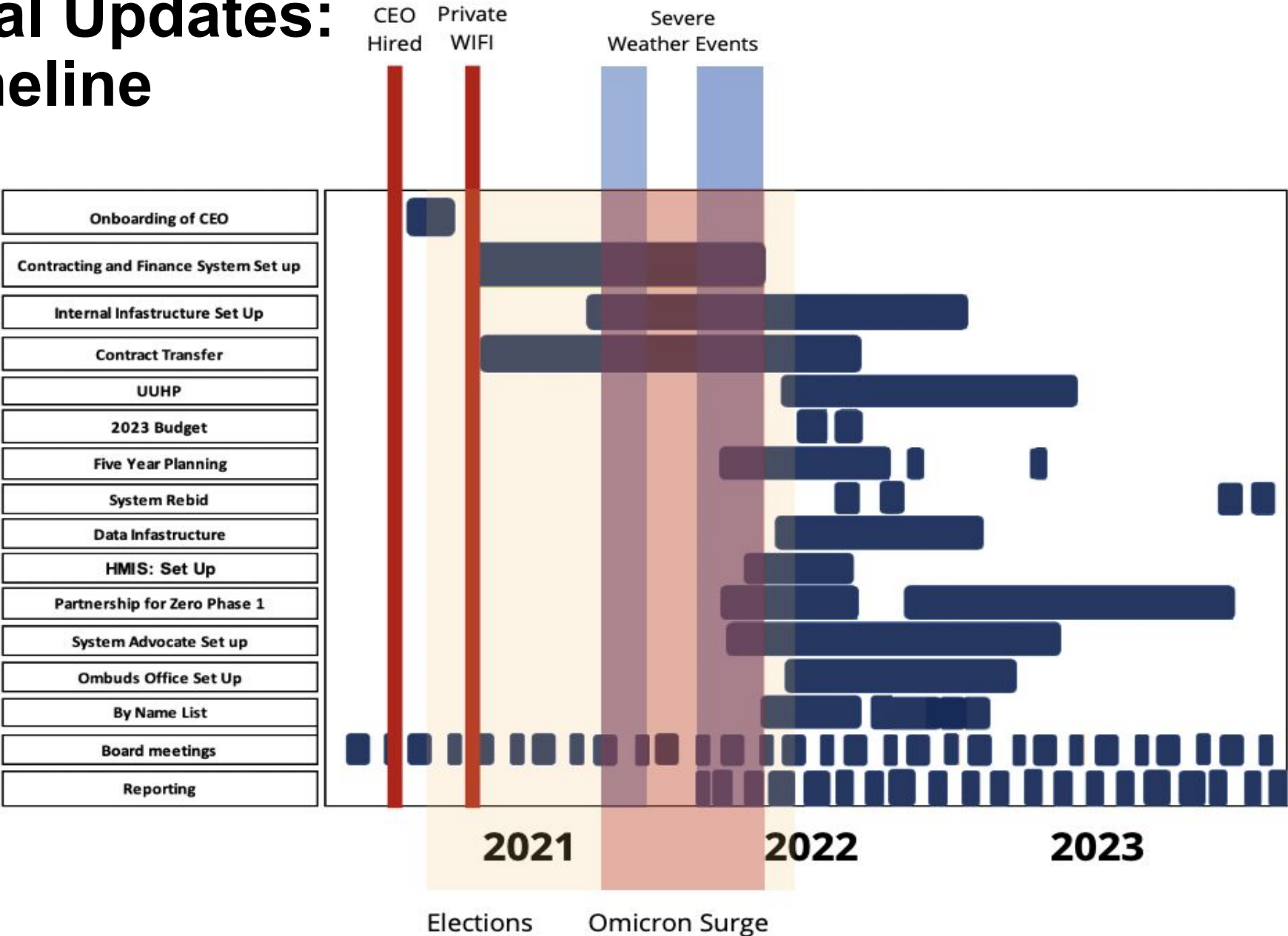
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# KCRHA 2023 Budget Preview: Organizational Updates

## Organizational Updates: Stand-up Timeline

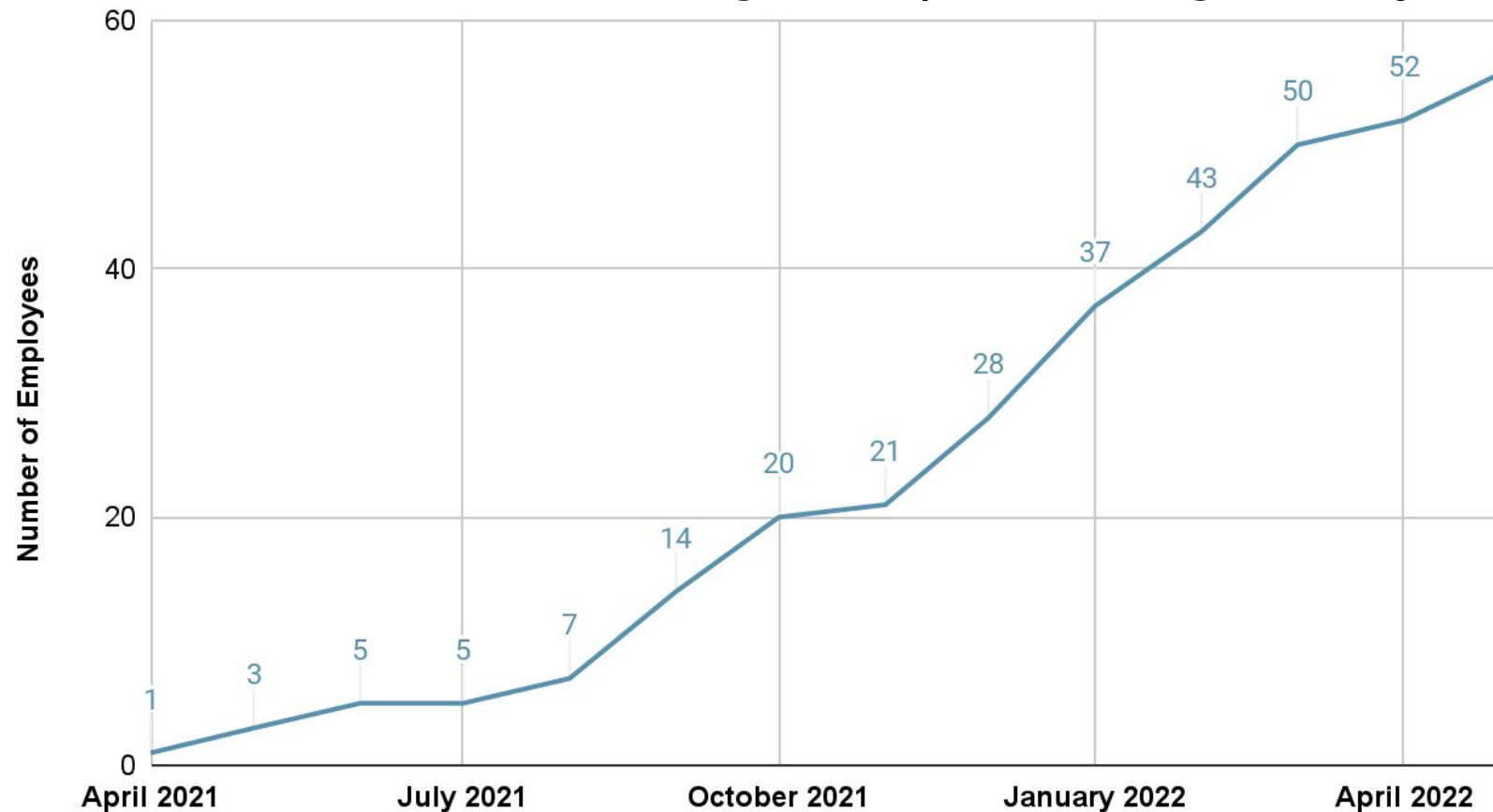


# KCRHA 2023 Budget Preview: Organizational Updates

## Organizational Updates: Hiring Trajectory - April 2021 to Present

56 Employees Hired in 13 Months

*Number of Positions Remaining: 42 (including 30 System Advocates)*



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# KCRHA 2023 Budget Preview: Data

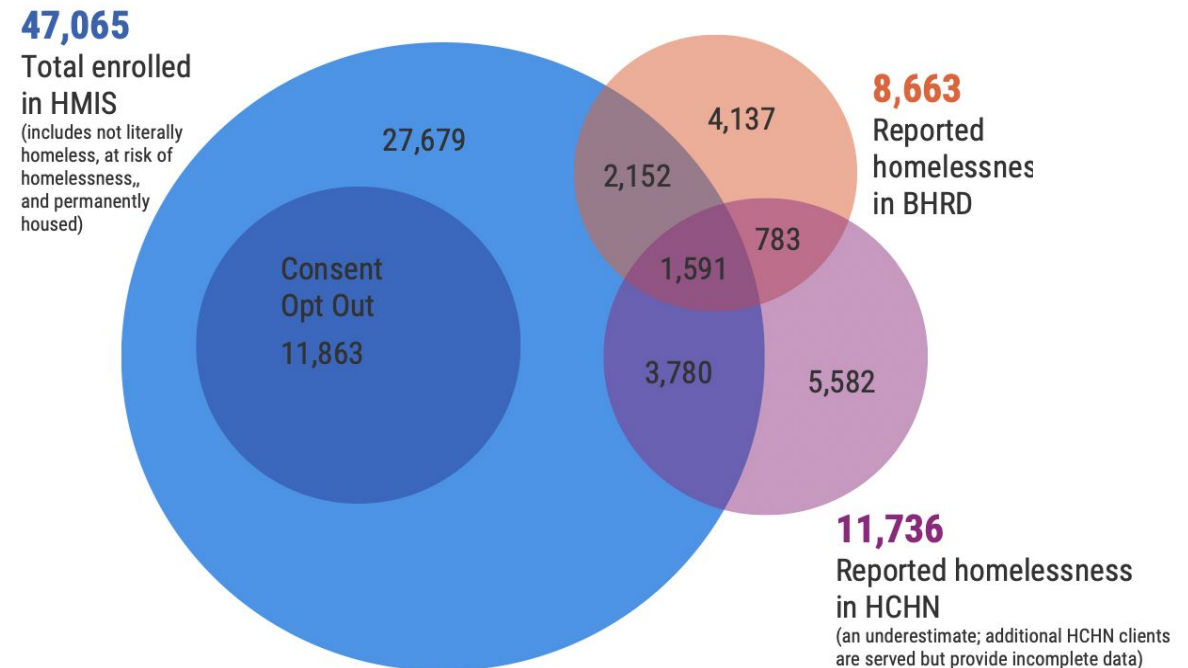
**40,800**

Experienced homelessness in  
King County in 2020

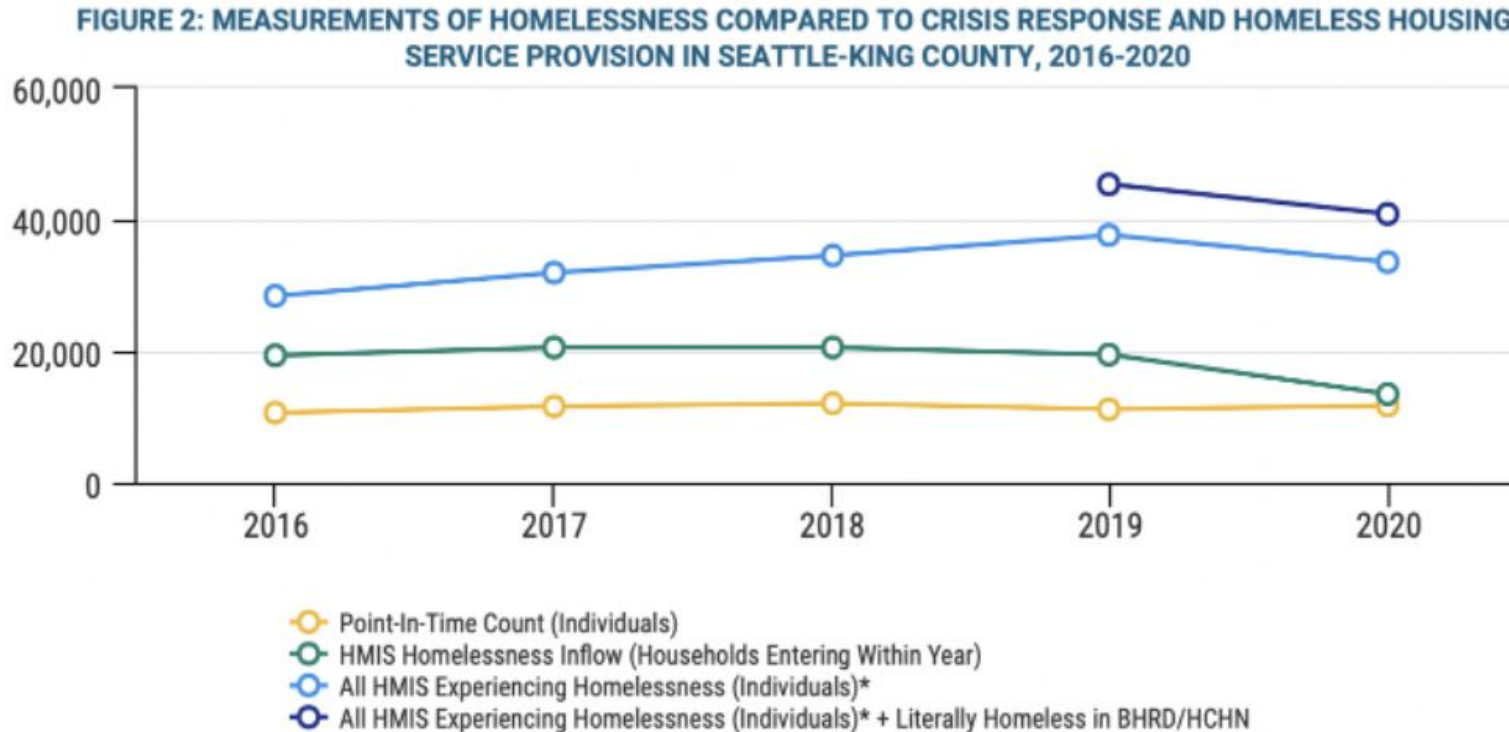
**45,300**

Experienced homelessness in  
King County in 2019

- Integrated administrative data from BHRD, HCHN, and HMIS reveals that some people experiencing homelessness are accessing several different systems while others are only touched by a portion of the system.
- Using integrated data across systems, the DCHS data team identified that a large cohort of people experiencing homelessness are missed by the Point in Time Count.



## Data: Point In Time Count

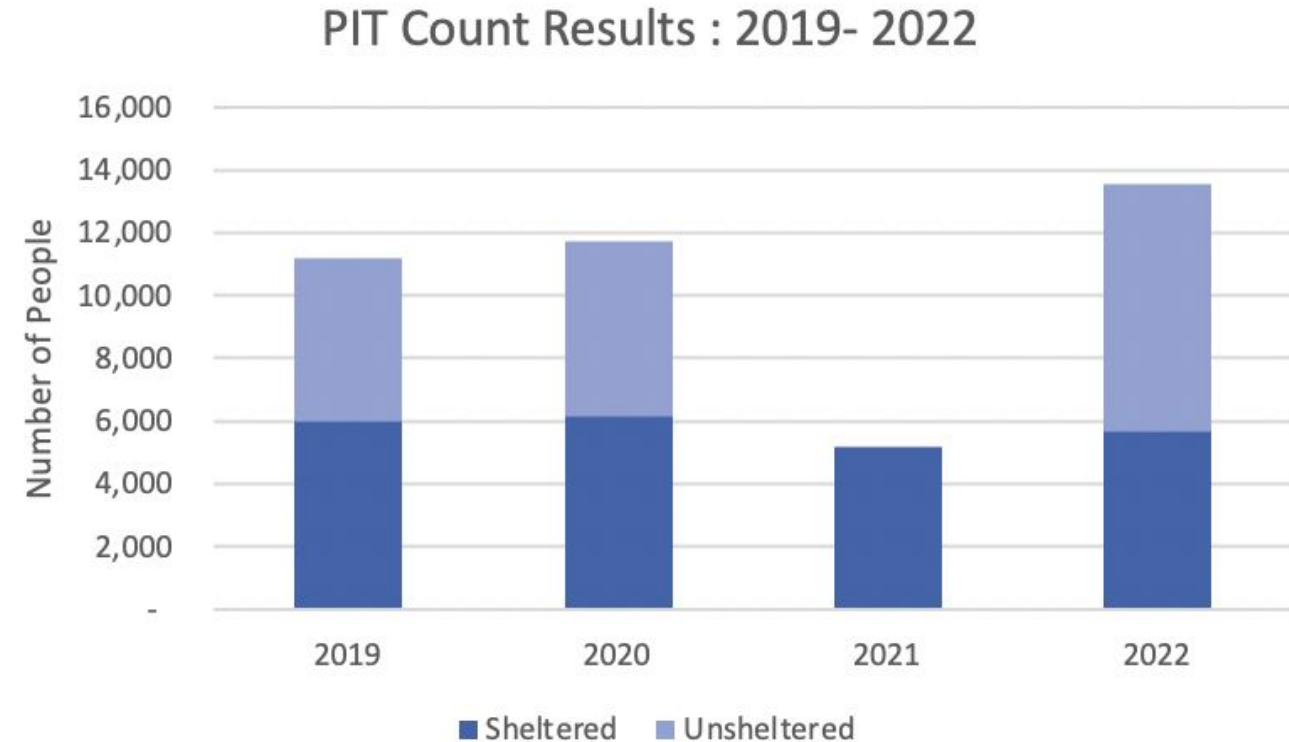


\*Includes literally homeless individuals as well as those who do not meet the literally homeless definition, but enrolled in emergency shelter, coordinated entry, safe haven, and street outreach. Sources: Seattle-King County Point-in-Time Count, Seattle-King County Homeless Management Information System, King County behavioral health system data, Health Care for the Homeless Network data



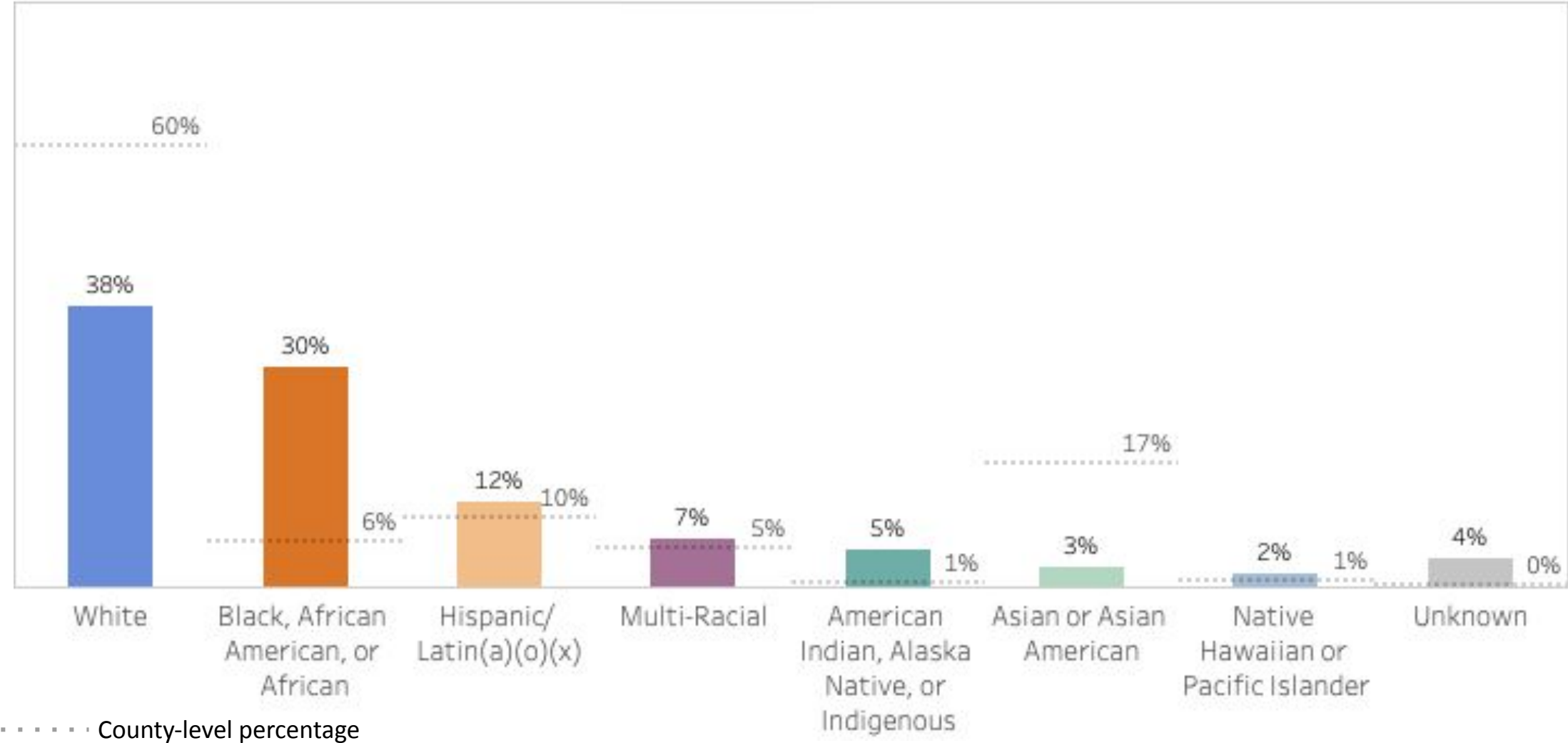
## 2022 Point In Time (PIT) Count Results

Point in Time Count Data			
Year	Sheltered	Unsheltered	Total
2019	5,971	5,228	11,199
2020	6,173	5,578	11,751
2021	5,183		
2022	5,683	7,865	13,368

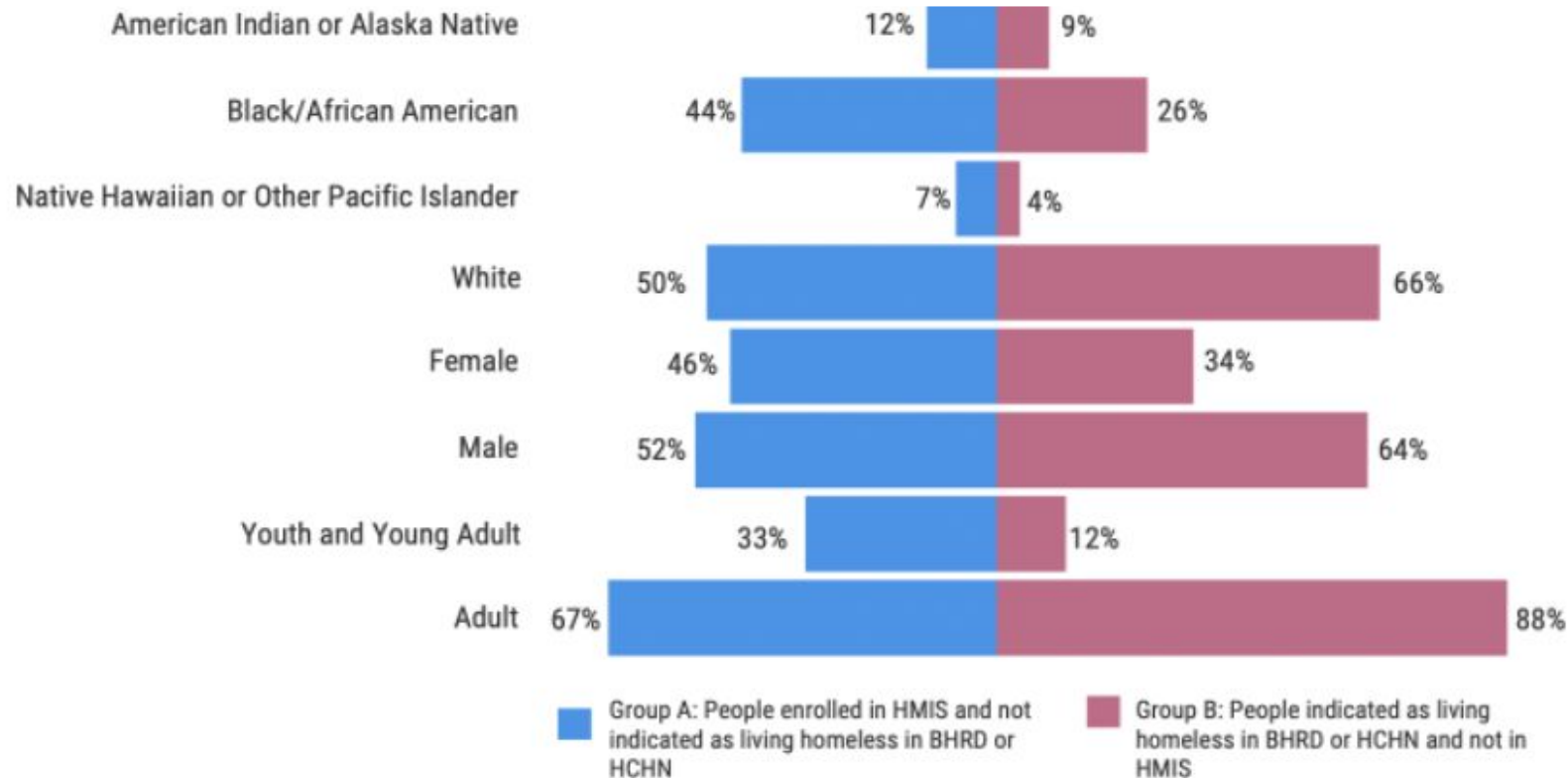


## Demographics

*population experiencing homelessness by race*



## Data: Demographic Characteristics Where HMIS Clients Differ from BHRD/HCHN Only Clients



Sources: Seattle-King County Point-in-Time Count, Seattle-King County Homeless Management Information System, King County behavioral health system data, Health Care for the Homeless Network data



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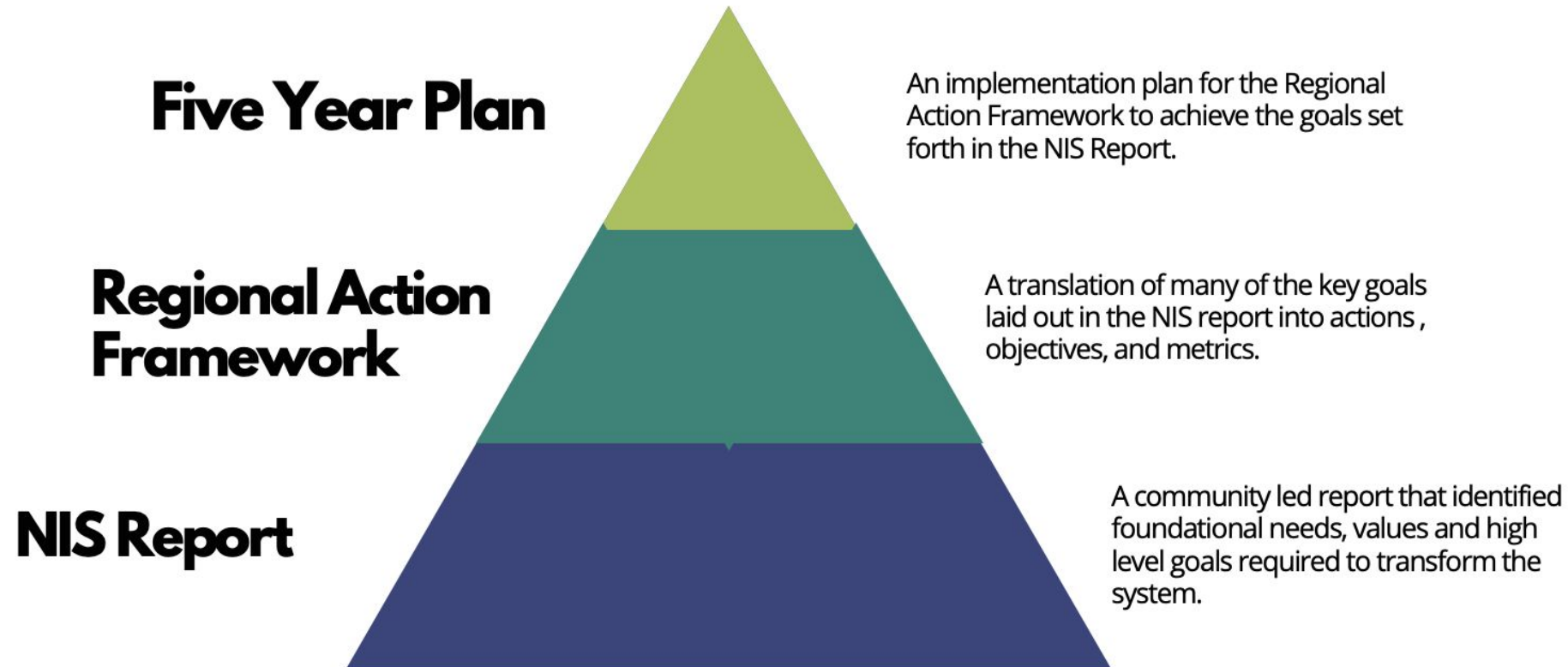
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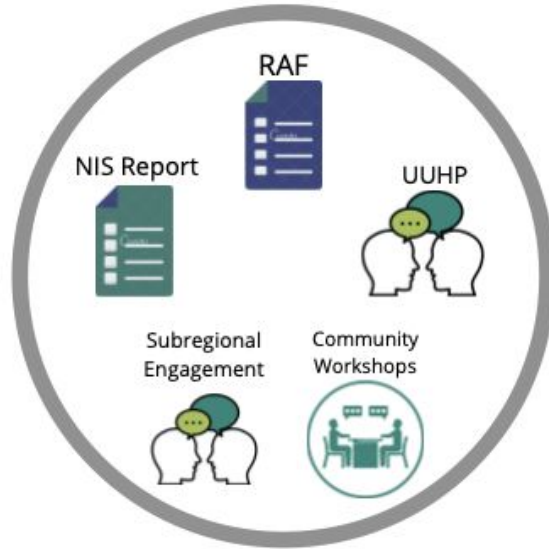


## 5-Year Plan/RAF/NIS Report Slides



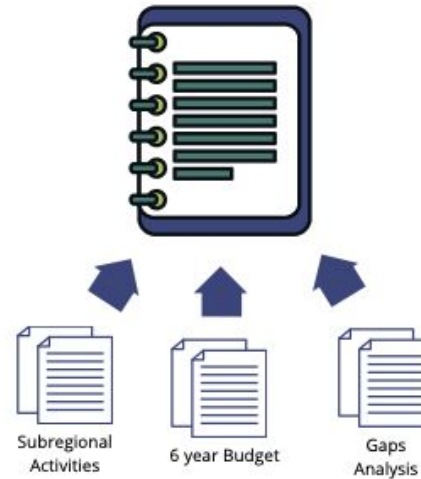
# KCRHA 2023 Budget Preview: Planning

## Community Data Sources



Goals  
→  
Priorities  
→

## Five Year Plan



Metrics  
→  
Guidelines  
→



## System Standup and Contracting

## Regional Action Framework: Basis of Regional Action

Three activities that provide the basis of regional alignment and action on homelessness:

- Implementation of KCRHA
- Development of the External Partners Group (We Are In)
- Framework for Regional Action on Homelessness

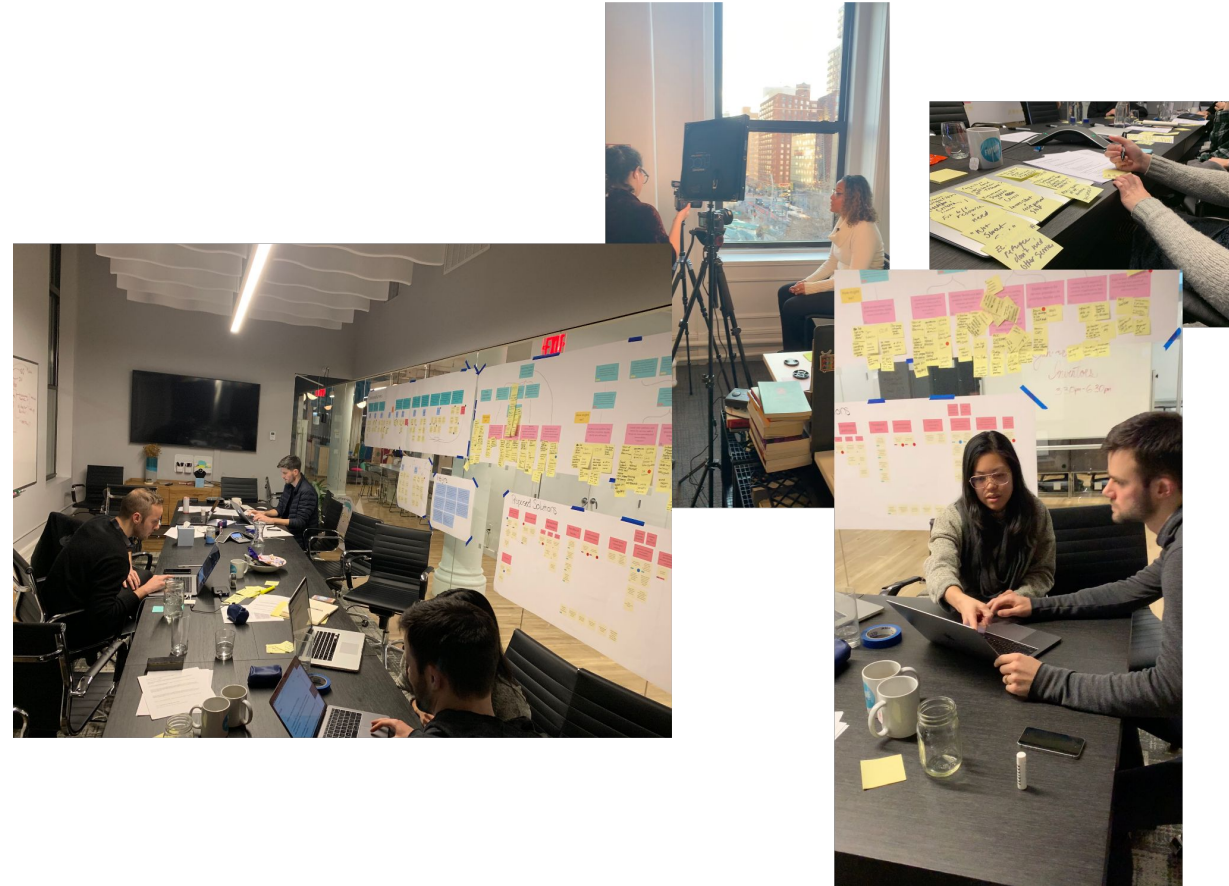




## National Innovation Service (NIS) Report

### Ten transformative actions

1. System-wide Theory of Change
2. Consolidate into joint entity
3. Center the customer
4. Prioritize economic stability
5. Digital Transformation
6. Redesign intake
7. Expand health services
8. Public/Private partnership
9. Increase rate of housing development
10. Institutional alignment





## Regional Action Framework: Four Components of Action

**Highest Degree of  
Implementation  
Accountability**

**Implementation**

**Partnership**

**Facilitation**

**Lowest Degree of  
Implementation  
Accountability**

**Advocacy**



## Regional Action Framework: Four Components of Action

COMPONENTS	KCRHA'S ROLE
Coordination and Foundational Items	Facilitation and Partnership
Affordable and Supportive Housing	Advocacy
Crisis Response	Implementation
Mainstream System and Services	Advocacy and Partnership



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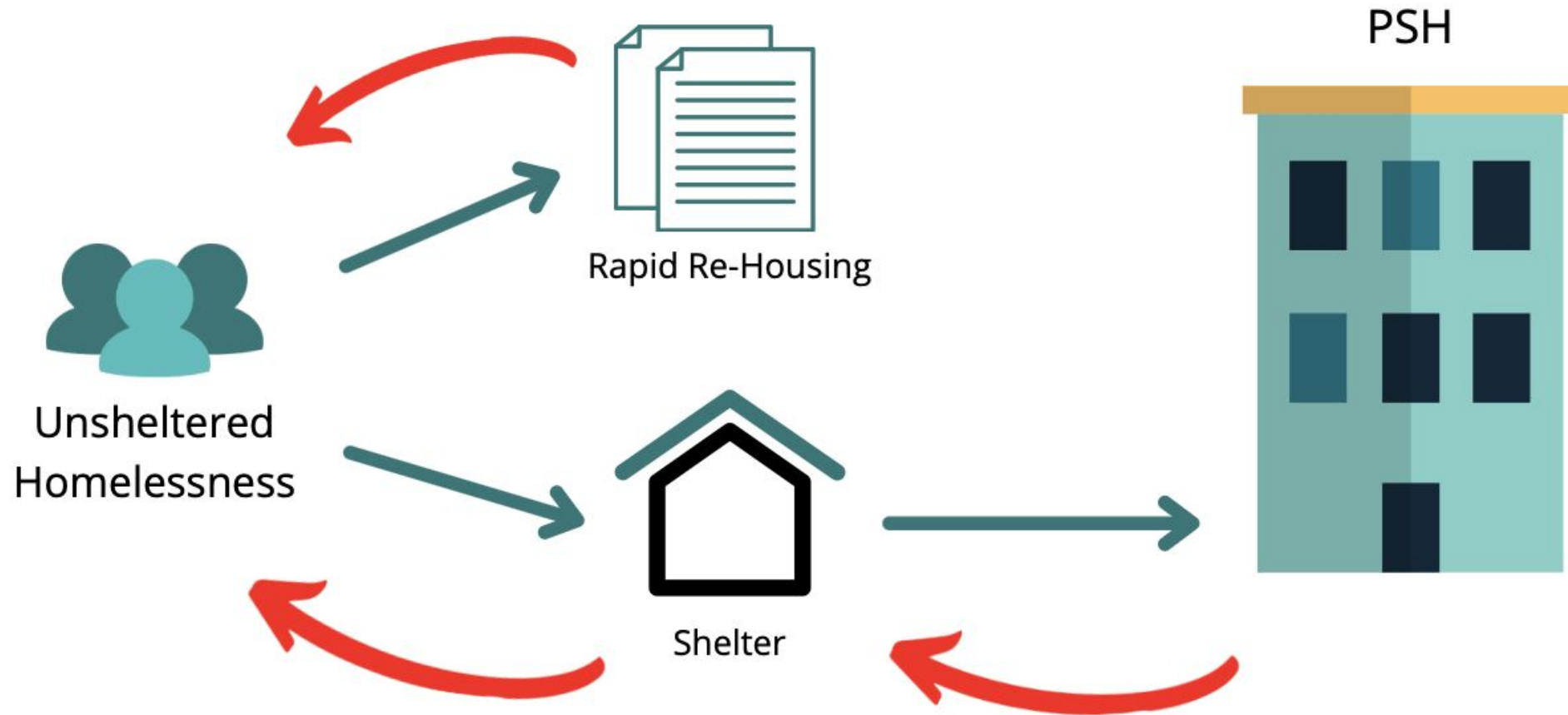
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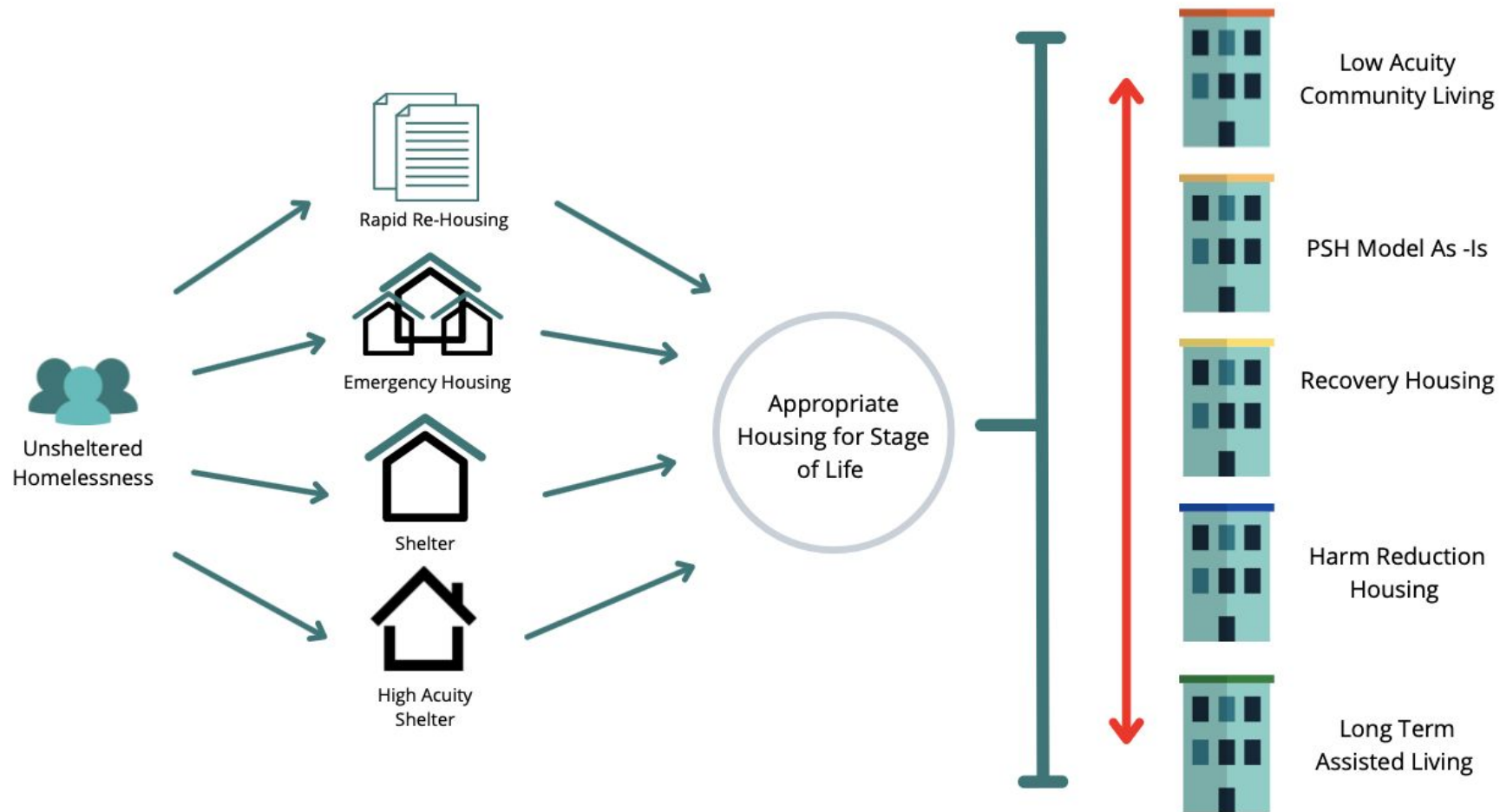
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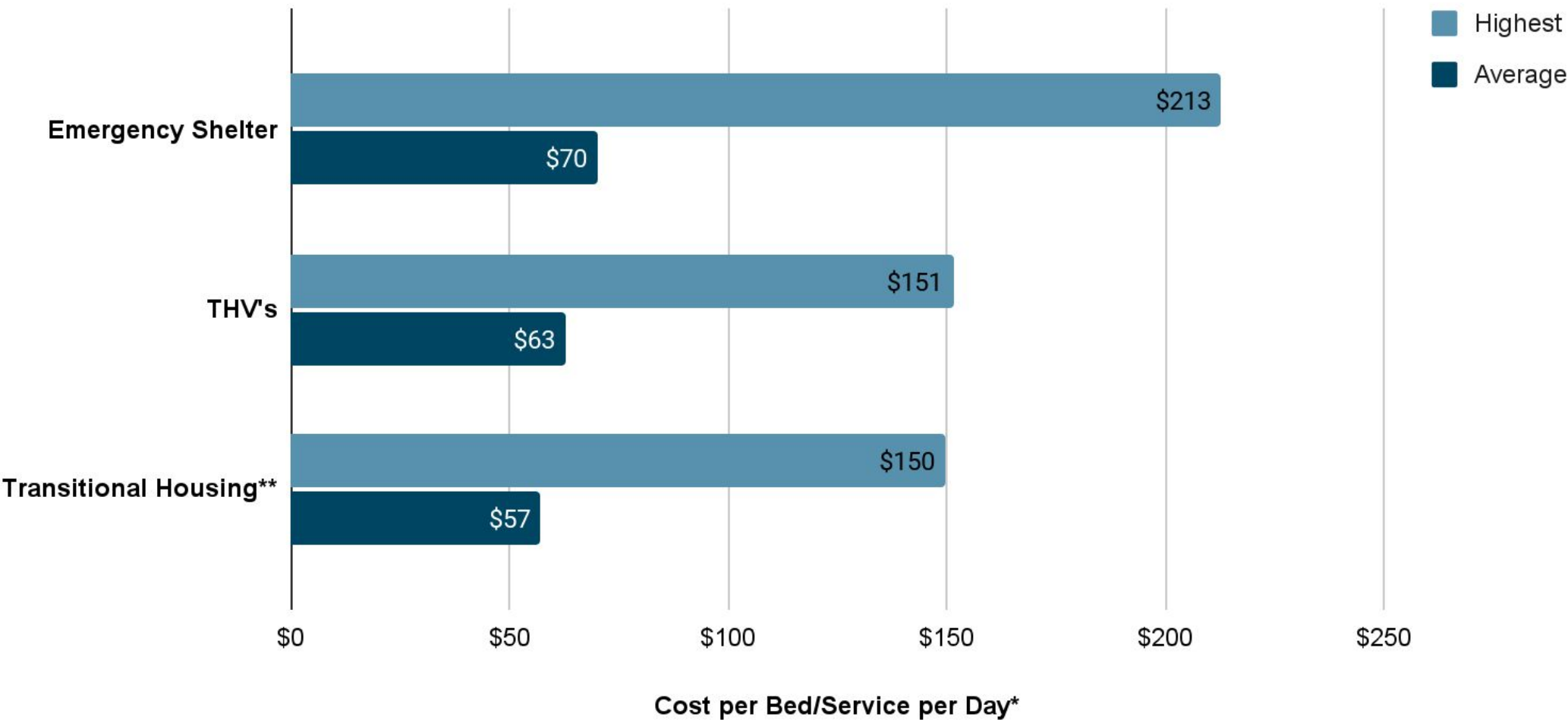
## Current System



## Conceptual Model



## Current Program Costs Vary Widely



\* Certain unverifiable outlying program costs removed; Average costs computed from total program cost/total beds/365

\*\* Transitional housing per unit, per day costs are computed based on data provided, which represents about half the beds in the portfolio

## Emergency Shelter

**KCRHA Funding:** \$54,904,491

**TOTAL Funding:** \$68,334,926\*

- Congregate and non-congregate
- Not all facilities open 24 hours
- Some programs first-come-first served, with no guarantee of a bed every day
- Limited capacity to bring belongings and pets or to stay with partners

Exits to Permanent Housing	1,431
Cost per Exit to PH (Total Funding)	\$60,048
Exit Rate to Permanent Housing	19%
Average Length of Stay	112

SOURCE: KCRHA Contract Administrative Data. Does not include data for programs that do not receive funding through KCRHA contracts.

\* Includes funding not contracted through KCRHA

## Tiny House Villages

**KCRHA Funding:** \$7,901,513

**TOTAL Funding:** \$8,111,647\*

- Most expensive cost per exit to permanent housing
- Longest average length of stay in the system
  - Average length of stay for those who exit to permanent housing = 561 days
- Shared bathrooms & cooking
- 96 SF Living Spaces

Exits to Permanent Housing	125
Cost per Exit to PH (Total Funding)	\$64,893
Exit Rate to Permanent Housing	45%
Average Length of Stay	339

SOURCE: KCRHA Contract Administrative Data. Does not include data for programs that do not receive funding through KCRHA contracts.

\* Includes funding not contracted through KCRHA



## Transitional Housing

- Lowest cost to KCRHA per exit to permanent housing in the system
- 2 year maximum stay
- Limited public funding available for this model

**KCRHA Funding:** \$3,261,457

**TOTAL Funding:** \$7,803,786\*

Exits to Permanent Housing	528
Cost per Exit to PH (Total Funding)	\$23,505
Exit Rate to Permanent Housing	66%
Average Length of Stay	326

SOURCE: KCRHA Contract Administrative Data. Does not include data for programs that do not receive funding through KCRHA contracts.

\* Includes funding not contracted through KCRHA

## Rapid Rehousing

- Highest exit rate to permanent housing in the system
- Market-dependent solution
  - Challenges with locating housing units within program payment standards at scale

**KCRHA Funding:** \$23,464,726

**TOTAL Funding:** \$25,433,251\*

Exits to Permanent Housing	1,211
Cost per Exit to PH (Total Funding)	\$44,464
Exit Rate to Permanent Housing	73%
Average Length of Stay	376

SOURCE: KCRHA Contract Administrative Data. Does not include data for programs that do not receive funding through KCRHA contracts.

\* Includes funding not contracted through KCRHA

# KCRHA 2023 Budget Preview: Current System Analysis

## Cost Comparison

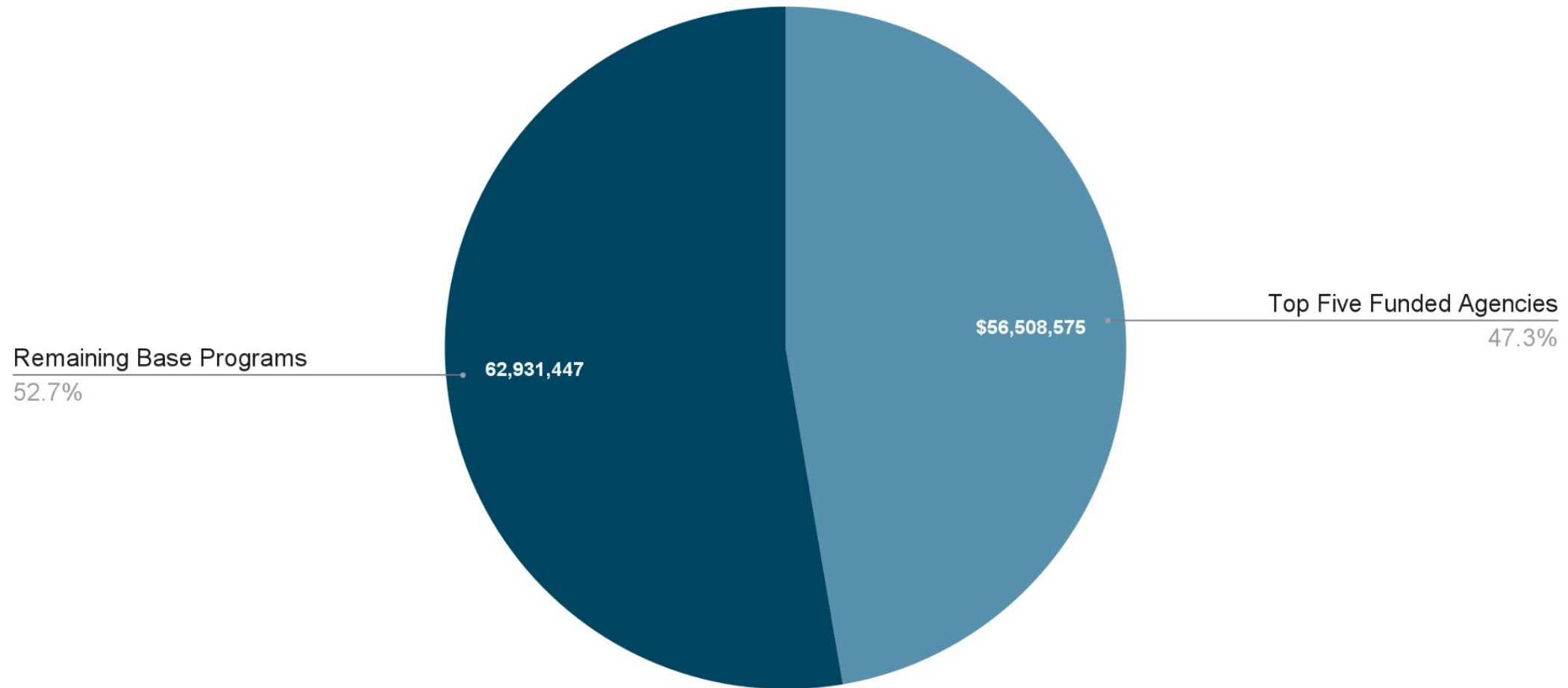
Program	KCRHA Funding	Total Funding (KCHRA + Other Sources)	Exits to PH in 2021	Exit Rate to PH	Cost per Exit*	Average Length of Stay in 2021
Emergency Shelter	\$54,904,491	\$68,334,926	1,138	18.00%	\$60,048	119
THV's	\$7,901,513	\$8,111,647	125	45.00%	\$64,893	356
Transitional Housing	\$3,261,457	\$7,803,786	332	65.00%	\$23,505	289
Rapid Rehousing	\$23,464,726	\$25,433,251	572	71.00%	\$44,464	264
<b>Systemwide</b>	<b>\$89,532,187</b>	<b>\$109,683,610</b>	<b>2,167</b>	<b>40.70%</b>	<b>\$50,615</b>	<b>257</b>

**SOURCE:** KCRHA Contract Administrative Data.

\* Based on total funding (KCRHA + Other Sources)

# KCRHA 2023 Budget Preview: Current System Analysis

## Five Agencies Receive 47% of All Program Funding

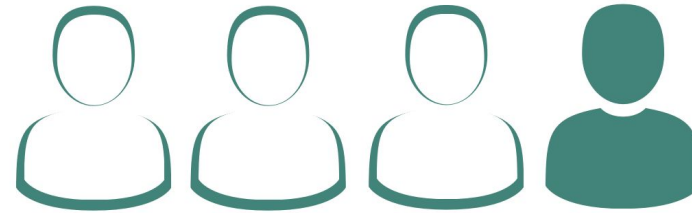


## Provider Wages Are Not Sustainable

Provider and workforce capacity to expand programs to scale is extremely limited.

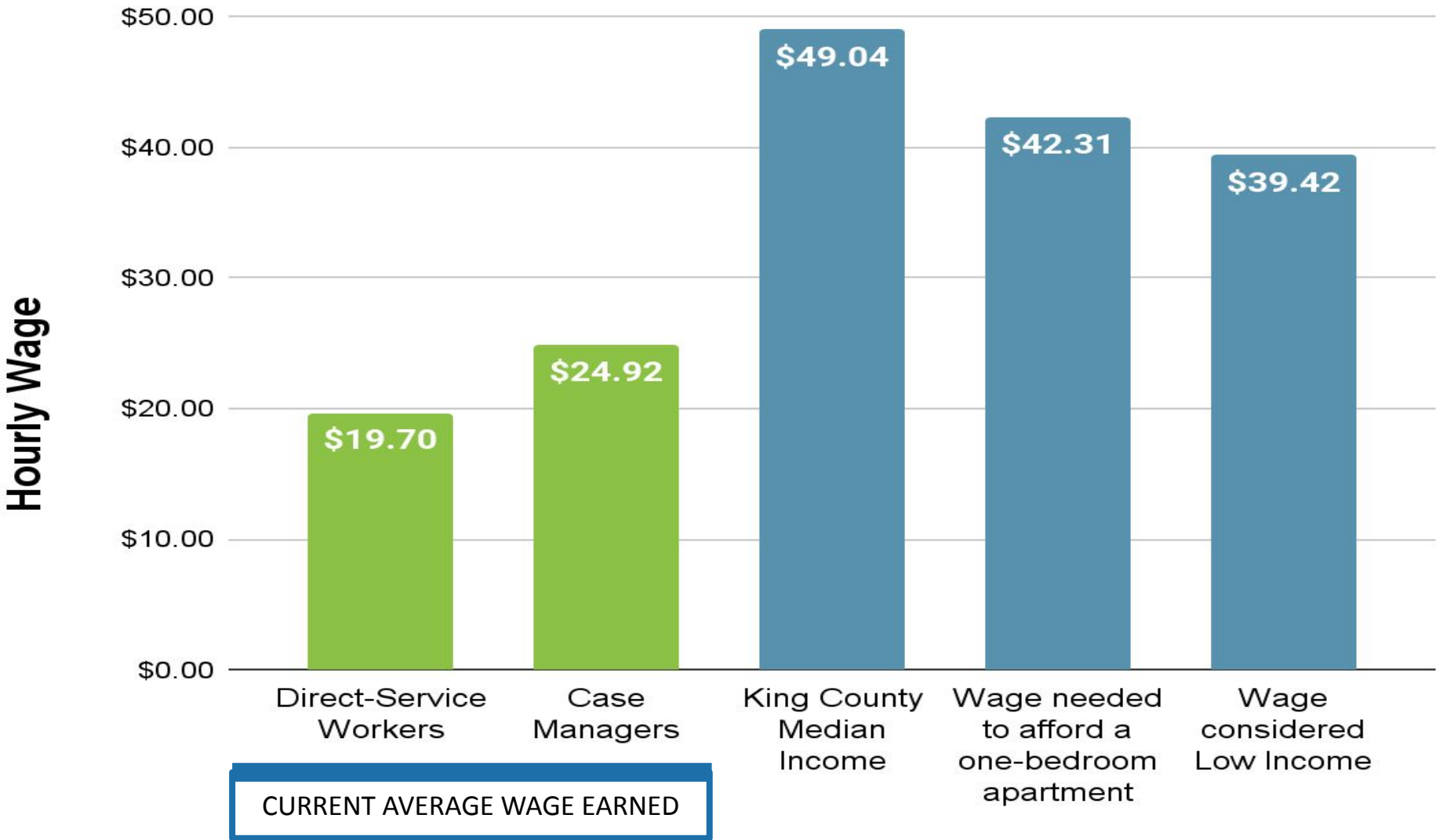
**8.5%**

Inflation since last  
year



Providers face significant vacancy rates. The five largest service providers alone have more than 300 vacant positions

## Provider Wages Are Not Sustainable



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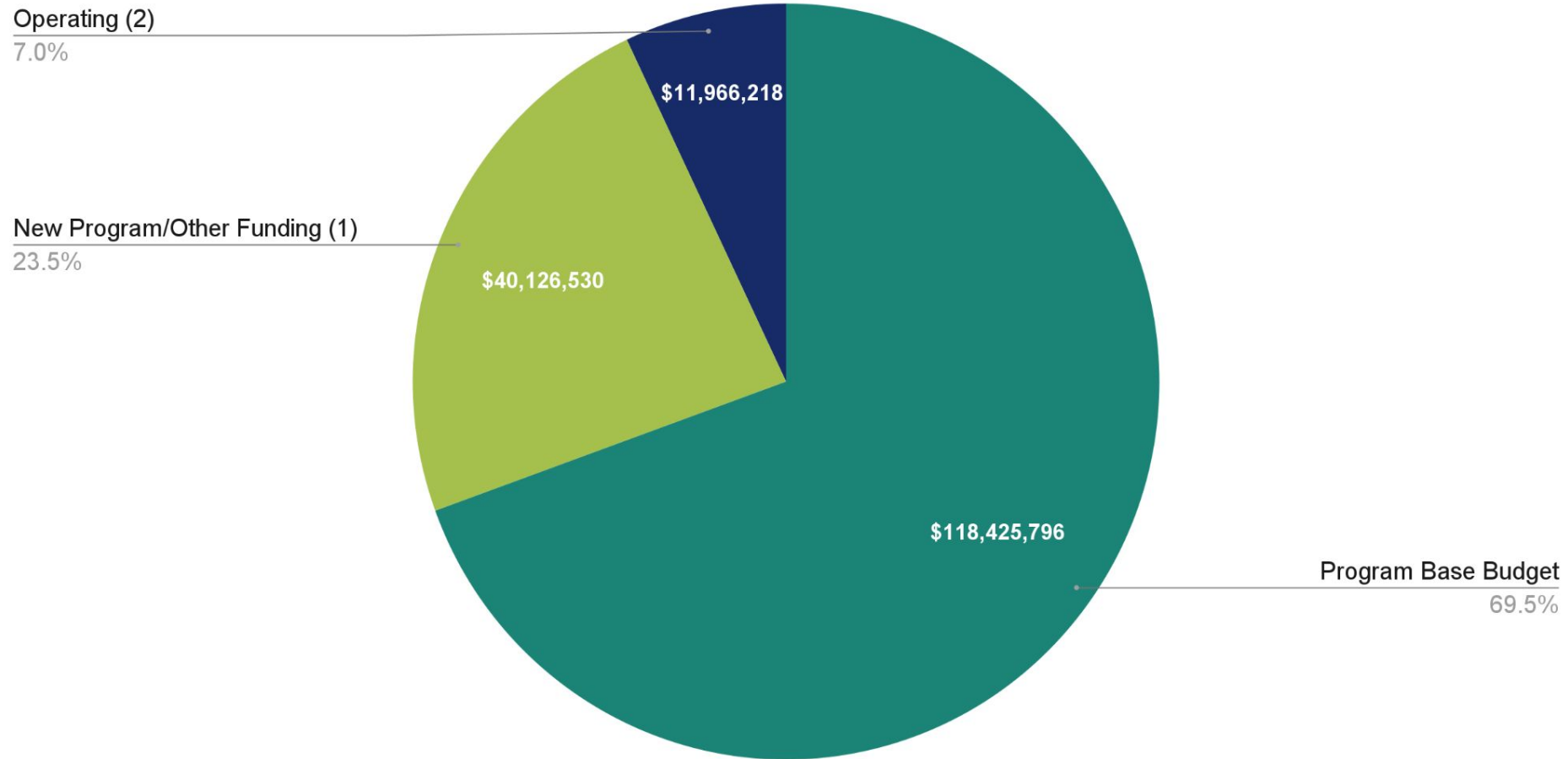
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## 2022 Approved Budget - \$170,826,541

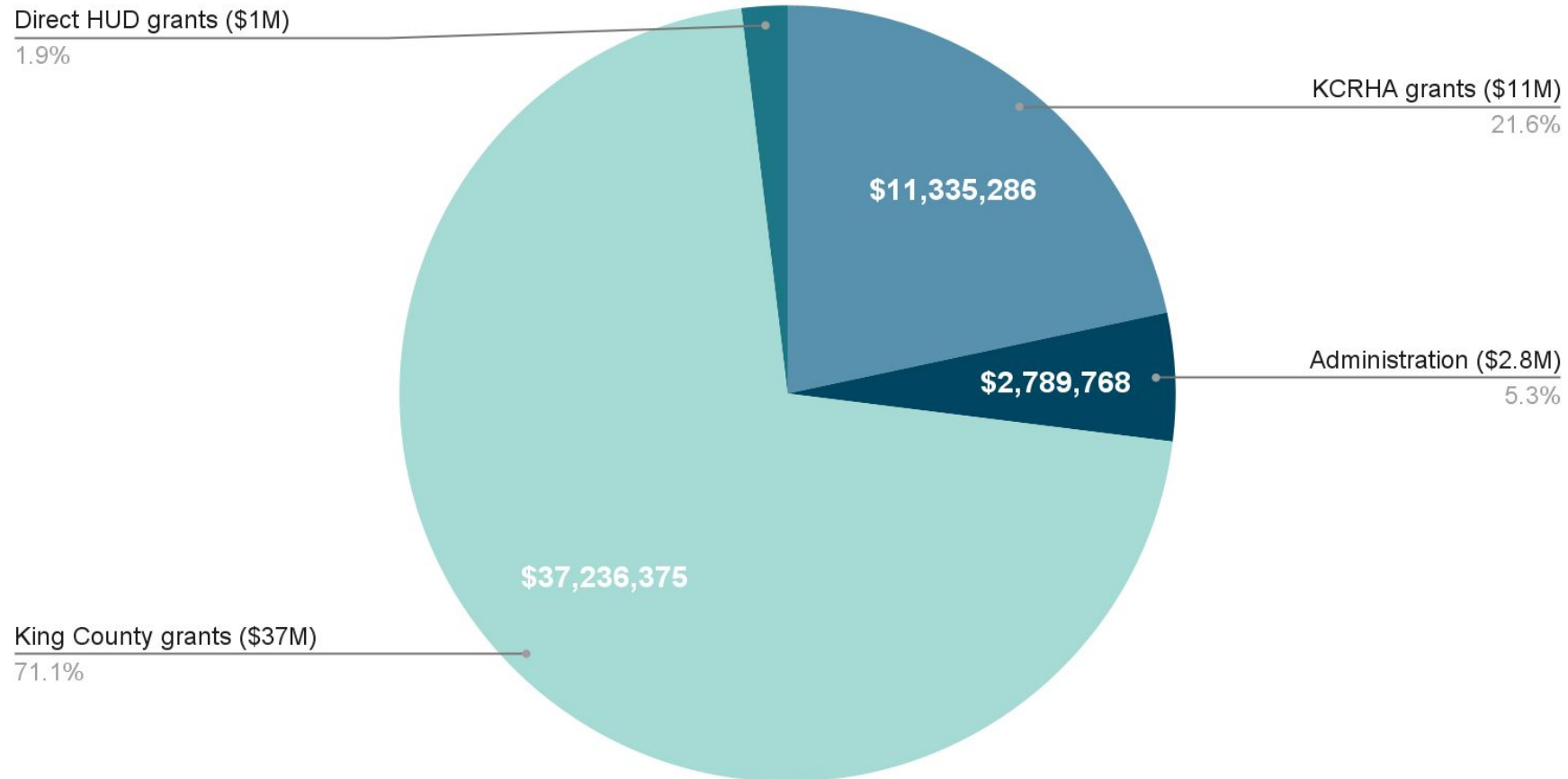


- (1) Amount includes one-time COVID funding, and City of Seattle Council budget adds. Some programs supported with this funding may be continued in 2023 (pending confirmation).
- (2) Amounts to \$11.70 per person experiencing homelessness per day





## FY22 HUD Continuum of Care - \$52,360,511



- (1) 58 HUD CoC grants currently awarded
- (2) King County currently supports PSH CoC grants, transitioning to KCRHA in FY22
- (3) 8 CoC grants are held directly by providers



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## Basis for 2023 Incremental Requests

Any additional funds will be requested in 2023 based on:

### Gaps in Current Services

- High Acuity Shelter
- Emergency Housing
- Safe Parking
- Severe Weather

### Ongoing Effects of COVID-19

- Daytime Community Spaces
- Provider Wages

### KCRHA Operations Funding

- Right-size the KCRHA staffing needed to fully support this work

- This presentation contains current options for discussion before the final budget is transmitted for the May 24 Meeting
- Community discussions are ongoing until the final budget proposal is released



## Incremental Changes for Consideration

Priority Incremental Changes - \$67.9M (Adding Places for People)	Additional Incremental Changes to Consider - \$18.2M (Adding Supports for the System)
\$5M Safe Parking	\$15.4 M Provider Wage Consideration
\$15M Daytime Community Spaces	\$1.5M Valuing Lived Experience
\$20M Emergency Housing	\$500K BIPOC Agency Participation
\$20M High Acuity Shelter	\$795K Technical Assistance for Small Providers
\$750K Severe Weather/Emergency Response	
\$7.2M Increased RHA Operating Funding	
<b>+ More than 530 Beds (400+) and Spaces (130)</b>	



## Safe Parking

**+ \$5M**

### What are We Buying?

- ★ 6-7 Sites
- ★ 20 vehicles per site
- ★ 130 of vehicles at any one time
- ★ 195 Vehicles Served Annually

### What are we Getting?

- A safe and stable place for people living in their vehicles to stay while waiting for permanent options
- An efficient and effective way of connecting people living in vehicles to services
- Vehicle specific services

### What are the Outcomes?

- Better and quicker service outcomes for people living in vehicles
- Reduced community and neighborhood impact of vehicular homelessness

## Daytime Community Spaces

**+ \$15M**

### What are We Buying?

- ★ Up to 12 new sites
- ★ Enhancements to existing sites
- ★ Up to 740 person served at any one time
- ★ Up to 1,480 people served per year

### What are we Getting?

- Places for people experiencing unsheltered homelessness to be in the daytime
- A consistent place for people to connect to services
- Uses community centers as a model

### What are the Outcomes?

- Increased connection to services
- Expanded geographic service availability
- Reduced community and neighborhood impact of homelessness

## Emergency Housing

**+ \$20M**

### What are We Buying?

- ★ Could include single family homes, hotels, SRO's or other buildings
- ★ Up to 345 additional beds
- ★ Start-up Costs
- ★ Dedicated resident support staff

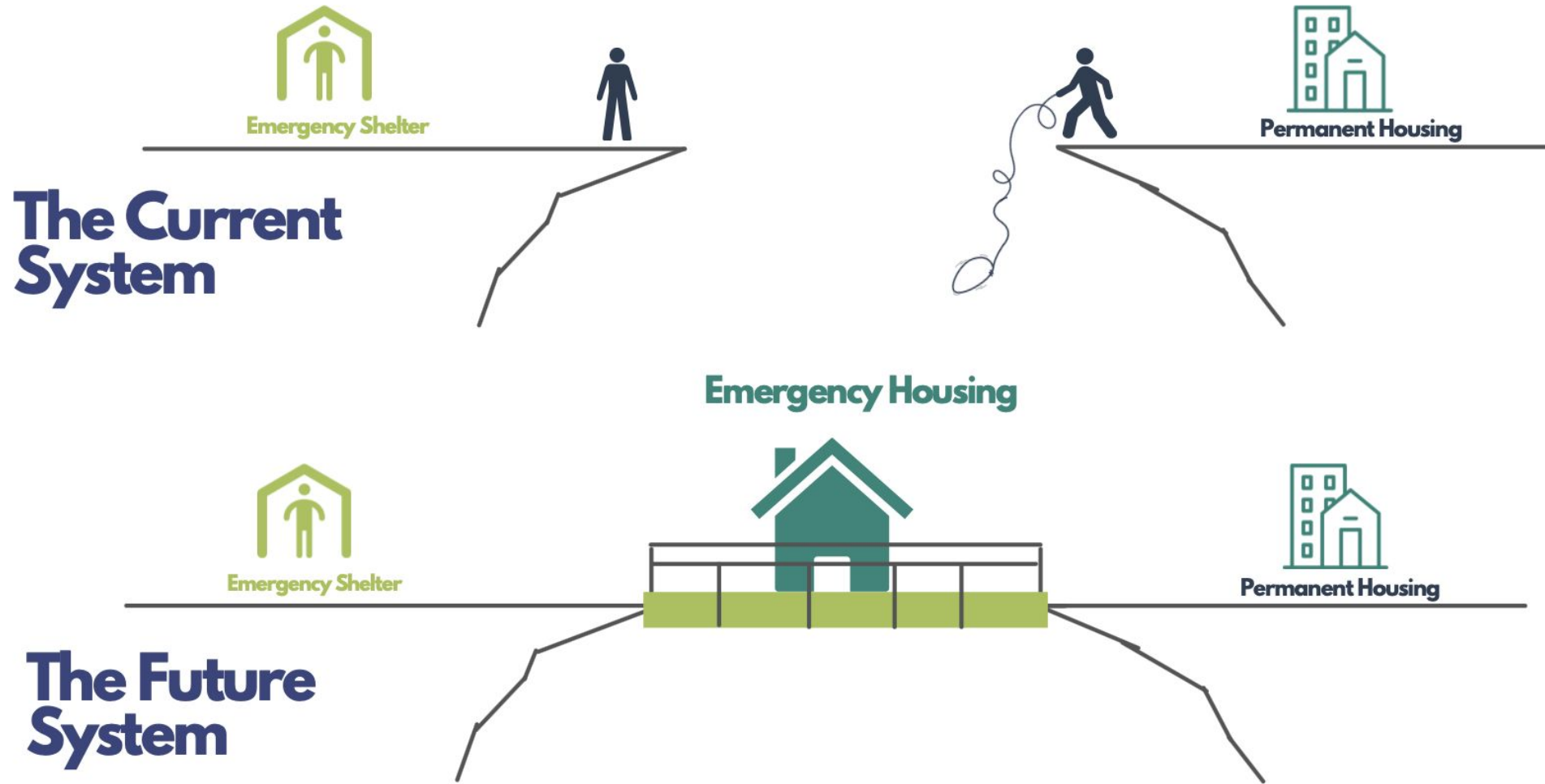
### What are we Getting?

- A dignified place for people to wait for permanent housing
- Stability and life skills
- A better option than the current harmful shelter models

### What are the Outcomes?

- Increased retention of permanent options
- Reduced community and neighborhood impact of homelessness

## Emergency Housing





## High Acuity Shelter

**+ \$20M**

### What are We Buying?

- ★ 55 high acuity shelter beds
- ★ Onsite medical and behavioral health staff

### What are we Getting?

- Specialized services to stabilize people in acute need

### What are the Outcomes?

- More successful placements for people with high needs who are experiencing homelessness
- Fewer incidents resulting from acute medical and behavioral health episodes

## Severe Weather/Emergency Response

**+ \$750K**

### What are We Buying?

- ★ Countywide funding for heat and fire/smoke emergency/pandemic-related emergencies, as well as shelter expansion, supply or other needs

### What are we Getting?

- Support for people to safely shelter in place during severe weather and other emergencies
- Expanded shelter availability during emergencies

### What are the Outcomes?

- Fewer deaths or injury of people experiencing homelessness during severe weather events and other emergencies

## Additional Operating Costs

**+ \$7.2M**

### What are We Buying?

- ★ Additional staff and overhead funding for program design and implementation

### What are we Getting?

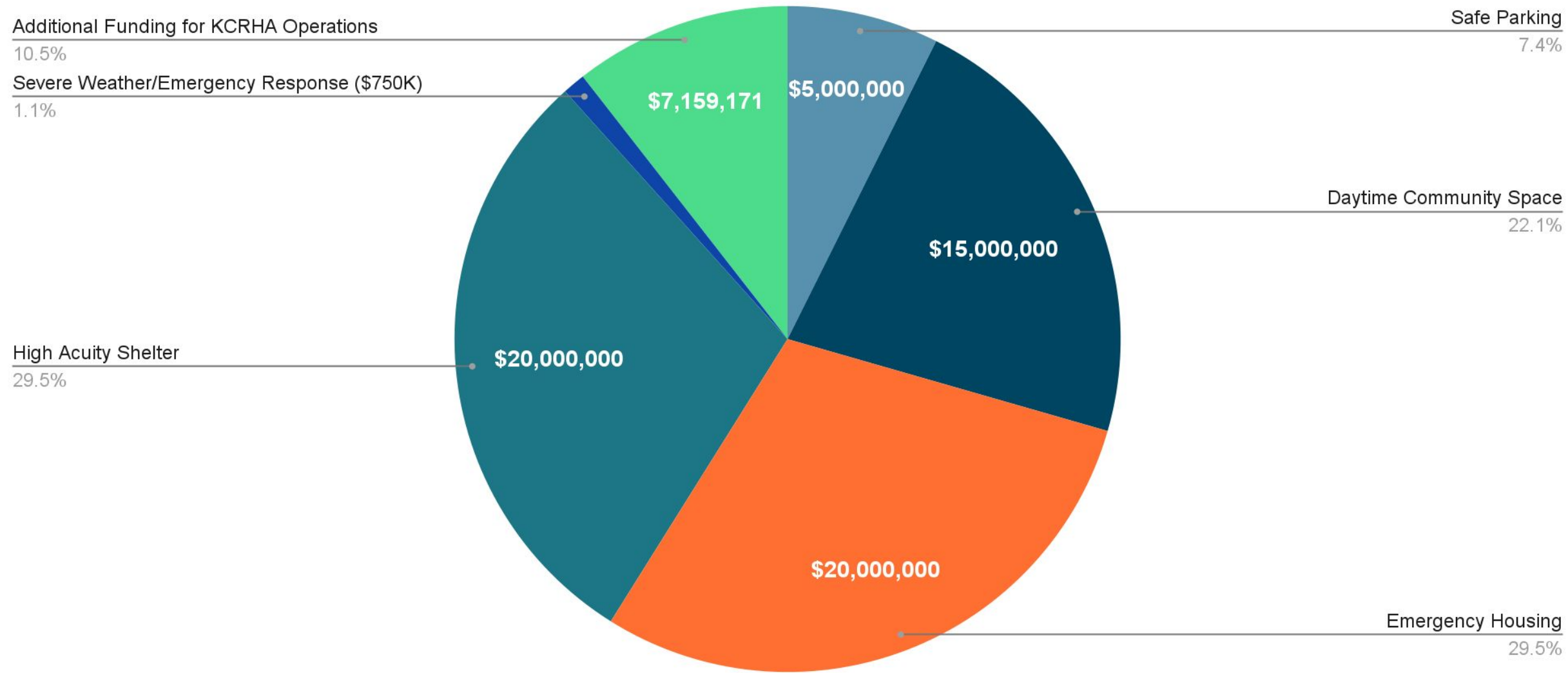
- Increased administrative support for providers
- Brings KCRHA Operating costs to 10% of total budget (Most provider budgets are 15%)

### What are the Outcomes?

- Faster contract execution
- Improved provider capacity and performance
- Better data and performance management

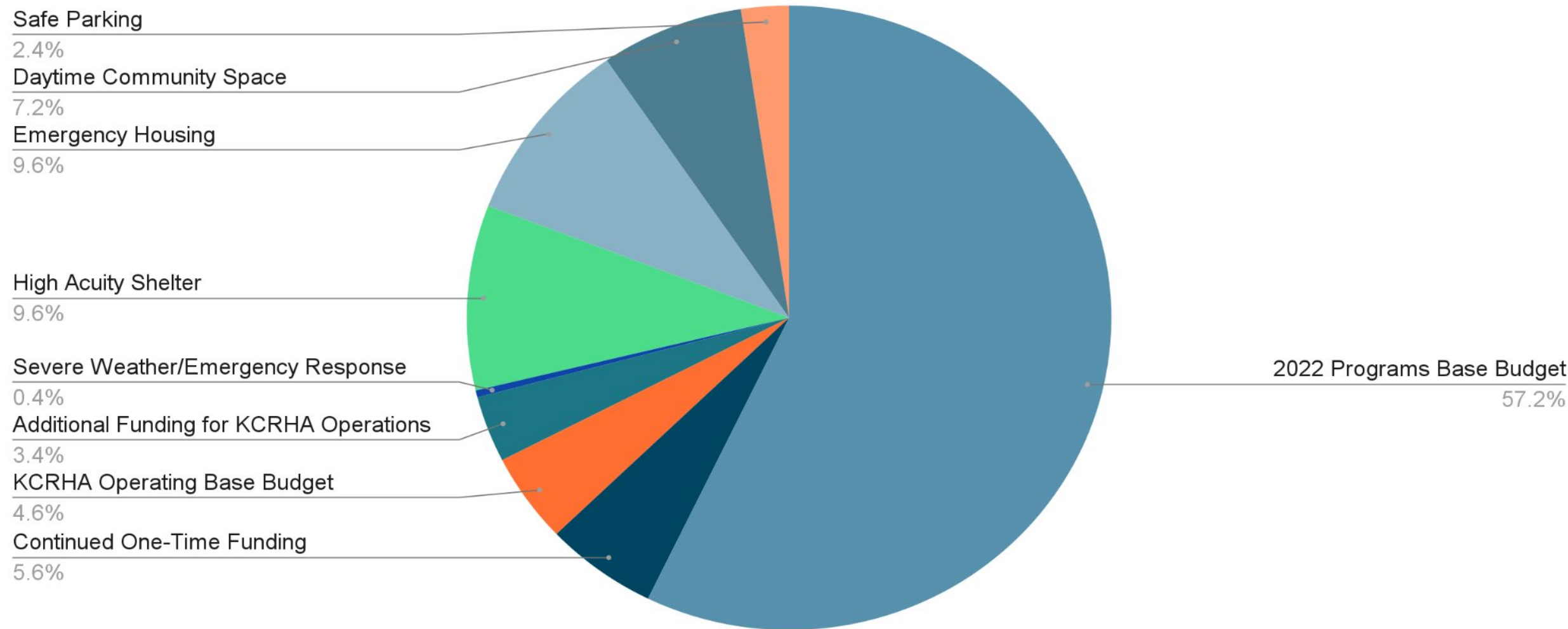
# KCRHA 2023 Budget Preview: Priority Incremental Changes

## Total Priority Incremental Changes \$67.9M



# KCRHA 2023 Budget Preview: Priority Incremental Changes

## Base Budget + Priority Incremental Changes - \$208.8M Places for People



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## Provider Wage Consideration

**+ \$15.4M**

### What are We Buying?

- ★ Permanent 13% addition to provider base budgets to increase wages system-wide

### What are we Getting?

- Ability to attract and retain workers to staff expanding services
- Close the gap between current wages (\$19.70\*) and wage needed to afford housing (\$42.31)

### What are the Outcomes?

- Stability in provider workforce
- Ability to address ongoing impact of COVID-19

\* Average wage for Direct Service Workers. The average wage for Case Managers is \$24.92. Source: RHA Administrative Data

## Valuing Lived Experience

**+ \$1.5M**

### What are We Buying?

- ★ A low-barrier grant fund for organizations centering lived experience to participate in meaningful ways

### What are we Getting?

- Expanded participation of people with lived experience in KCRHA's work

### What are the Outcomes?

- Better centering the voices of lived experience



## BIPOC Agency Participation

**+ \$500K**

### What are We Buying?

- ★ Low-barrier funding to reimburse small, BIPOC agencies to participate in sub-regional planning activities

### What are we Getting?

- Increased participation from BIPOC organizations currently missing from planning work

### What are the Outcomes?

- Sub-regional plans that are reflective of work and needs of BIPOC organizations

## Technical Assistance for Small Providers

**+ \$795K**

### What are We Buying?

- ★ Small Technical Assistance grants to enable up to 53 small providers to administer public funding

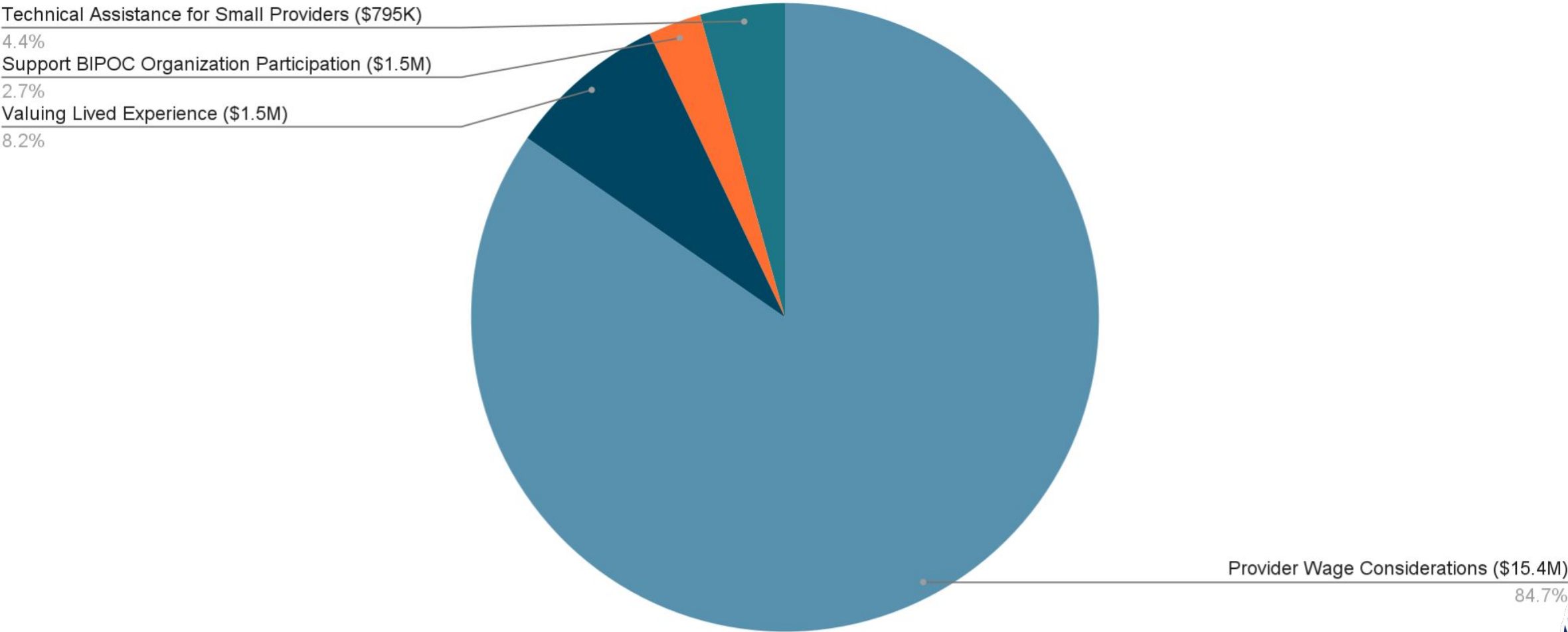
### What are we Getting?

- A more diverse population of providers to provide expanding services

### What are the Outcomes?

- Expanded and more diverse services to meet the needs of people experiencing homelessness

## Total Additional Incremental Changes \$18.2M



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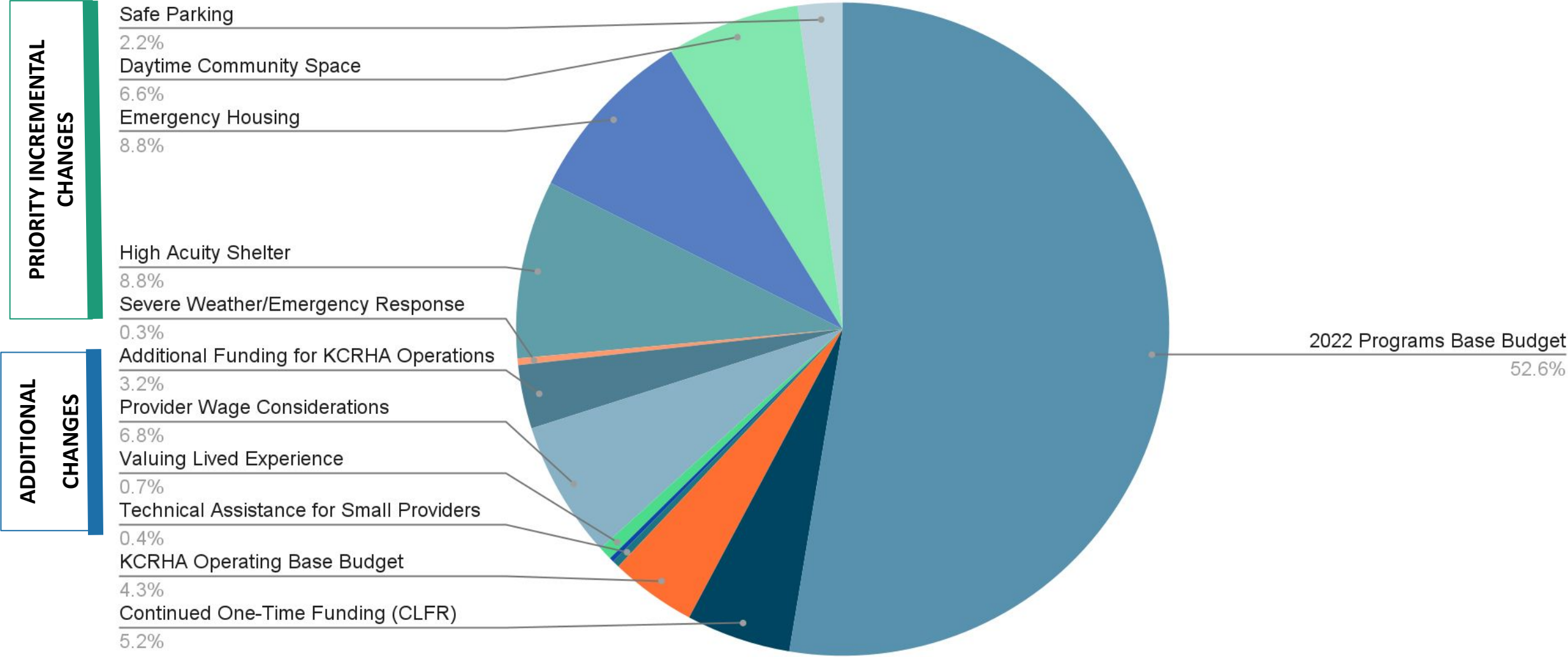
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# KCRHA 2023 Budget Preview: Draft Proposed Budget

## Draft Proposed Budget - \$227.0M

### Base+Priority Incremental Changes + Additional Incremental Changes



# KCRHA 2023 Budget Preview: Draft Proposed Budget

## Base and All Potential Incremental Changes

KCRHA Base Funding	# of Projects	Amount
2022 Base Budget	217	\$119,440,022
Continued One-Time Funding (CLFR)	2	\$11,740,750
KCRHA Operating Base Budget		\$9,683,409
<b>Subtotal Base Funding</b>	<b>219</b>	<b>\$140,864,181</b>
<b>Priority Incremental Changes</b>		
Safe Parking	5	\$5,000,000
Daytime Community Space	14	\$15,000,000
Emergency Housing	7	\$20,000,000
High Acuity Shelter	2	\$20,000,000
Severe Weather/Emergency Response		\$750,000
Additional Funding for KCRHA Operations		\$7,159,171
<b>Subtotal Priority Incremental Changes</b>	<b>28</b>	<b>\$67,909,171</b>
<b>Additional Incremental Changes to Consider</b>		
Provider Wage Considerations		\$15,435,424
Valuing Lived Experience		\$1,500,000
Support BIPOC Organization Participation		\$500,000
Technical Assistance for Small Providers		\$795,000
<b>Subtotal Additional Incremental Changes</b>		<b>\$18,230,424</b>
<b>TOTAL KCRHA Base and All Changes</b>	<b>247</b>	<b>\$227,003,776</b>

## As of 5/5:

- The IB will meet on 5/24 to vote on the budget.
- The GC will meet in 5/27 to vote on the budget.

## Engagement:

- Weekly meetings with IB Exec/Budget Committee began 4/26
- LEC engagement began on 4/28
- Provider engagement began on 4/27



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# DISCUSSION

