

## Appendix A: Permanent Housing Models

Housing is the solution to homelessness, and the Authority is charged with advocating for and incorporating permanent housing needs, with a priority on permanent supportive housing, into system modeling and planning per the Interlocal Agreement. This aligns with numerous prior reports on the county's homelessness crisis, including the 2018 National Innovation Service report which identified that “[c]ommunities across King County must significantly and strategically increase the rate of affordable housing acquisition and development for people experiencing homelessness.”

However, to date there has not been sufficient data on what housing responses might be most effective for households that ultimately do *not* need permanent supportive housing for their long-term solution to homelessness. KCRHA, members of the Washington State Lived Experience Coalition, and the Cloudburst Group, using the methodology relied upon by the state Department of Commerce, worked together to analyze the permanent supportive housing gap, and to identify what these other permanent solutions might look like.

While the scope of the Authority does not extend to development or implementation of permanent housing, we will continue to advocate for these solutions. It is critical that the community take seriously the charge to rapidly develop and deploy these permanent housing solutions, lest the region be saddled with an ever-expanding “temporary” shelter response system that by virtue of the lack of pathways to permanency, becomes a permanent fixture in its own right.<sup>1</sup>

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<sup>1</sup> This unfortunate outcome, and its associated costs, is well documented in New York City. Requirements for a right to shelter but inadequate permanent housing capacity has led to a shelter system that costs roughly three billion dollars annually to run, with no clear path to establishing the necessary permanent options that might allow for funds to be better spent in upstream prevention or simply other areas of government.

## Permanent Supportive Housing

Permanent Supportive Housing (PSH) combines a housing subsidy with voluntary support services that promote health and independent living. PSH is funded, in part, through HUD for individuals with a disabling condition and/or experiencing chronic homelessness. At present there are approximately 6,000 PSH units currently operating in King County. PSH is considered an effective intervention for people experiencing homelessness, with evidence showing that it can lower overall public costs for healthcare and incarceration<sup>2</sup>. King County has historically been a leader in the development and deployment of innovative permanent supportive housing programs, with a strong network of talented provider partners. Despite this success, King County must continue to expand the number of PSH units available. Additionally, it will be critical to ensure that providers are able to offer robust on-site services for people who have significant needs. Over the course of plan development, providers voiced significant concern about their ability to provide quality services at the current local and federal contract rates.

KCRHA program monitoring activities support these provider concerns about the ability to offer high-quality services, and KCRHA staff have worked with providers to rescope the associated service budgets attached to PSH. This higher cost is reflected in the estimated cost of ongoing operations below.

Finally, it is important to note that utilization of PSH should not be understood to be a resource *solely* for people experiencing homelessness. While these households represent the vast majority currently accessing this resource, it is intended to be a broader community resource. Provider partners indicated that needs currently displayed in PSH buildings ranged from quite minimal, suggesting that individuals are capable of independent living, to so severe that it was clear that the person needed a much higher level of support. For PSH to be appropriately available to the entire community, it will be critical that the community work to make other permanent options available to people, so that this important resource can be made available to all who need it.

**Profile:** A 41-year-old African American father of three became homeless due to the mental and emotional impact of losing his children. He has been experiencing unsheltered homelessness intermittently for 21 years. Recently, he was able to access emergency shelter services with Union Gospel Mission. He is searching for supportive housing services but cannot afford the rising cost of rent along with other financial obligations such as child support. He is unable to find employment due to mental, behavioral, and physical barriers. Experiencing homelessness for just over two decades has accelerated the deterioration of his physical health. He receives physical, therapeutic, and psychiatric services that have confirmed his access needs. He receives food stamps but is still waiting to receive social security benefits.

Using the methodology relied upon by the state Department of Commerce, modeling revealed the gap in Permanent Supportive Housing and estimated cost to fill that gap detailed in the table below.

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<sup>2</sup> National Alliance to End Homelessness. (2021). *Permanent Supportive Housing*. Retrieved December 12, 2022, from <https://endhomelessness.org/ending-homelessness/solutions/permanent-supportive-housing/>

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<b>Estimated Cost to Implement</b>						
<b>Units Needed:</b>	<b>8,550</b>	<b>Current Stock*:</b>		<b>781</b>	<b>Gap:</b>	<b>7,769</b>
<b>PSH</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Total</b>
<b>Units**</b>	1,575	1,875	1,460	1,460	1,399	7,769
<b>Households Served</b>	1,575	3,450	4,910	6,370	7,769	7,769
<b>One-Time</b>	\$216,379,310	\$234,396,552	\$234,396,552	\$34,396,552	\$34,396,552	\$753,965,517
<b>Ongoing</b>	\$49,666,327	\$156,448,930	\$354,559,751	\$668,460,080	\$997,833,581	\$2,226,968,669
<b>Total</b>	\$266,045,637	\$390,845,481	\$588,956,303	\$702,856,632	\$1,032,230,133	\$2,980,934,186

*\*This is indicative of currently available units, not total stock, as PSH is designed to house people permanently after they move in. Current Stock is based on 3% vacancy of the 5,864 PSH units reported in the 2022 HIC + 605 new units onlined by Seattle during 2022.*

*\*\* Year 1 and Year 2 units include 1,550 units (split evenly over the two years) of PSH currently under construction or in pre-development from the City of Seattle and King County.*

## Long-Term Care

2022 Point-in-Time Count interviews revealed many individuals living with ongoing, serious health issues that require ongoing assistance with the activities of daily living (ADLs). Many of these individuals may need assisted living for the duration of their lives, though others may be able to complete a rehabilitation program to treat injuries (e.g., currently untreated conditions that impair mobility) or stabilize chronic health conditions (e.g., heart disease) and move to a less intensive setting after a period of time. Moreover, in recent years, there has also been a dramatic increase in the number of seniors experiencing homelessness who require temporary or ongoing ADL support.<sup>3</sup> This trend is the result of both the ongoing failure to house people experiencing chronic homelessness who have been left to age outside, and the continued failure of our housing market to provide meaningful options for seniors to successfully age in place.

This is also consistent with research conducted across the country. As early as 2013, Culhane et al.,<sup>4</sup> analyzed data from three decennial censuses and New York City administrative data on homelessness and noted that within the single adult population the bulk of the sheltered population is comprised of people born during the latter part of the baby boom era, whose high risk for homelessness has not abated as they've aged. Importantly, this work found that the aging of the single adult population did not necessarily reflect the aging of a specific group of individuals, but rather those who are experiencing homelessness at any given time appear to be drawn from a much larger group of consistently vulnerable adults.<sup>5</sup>

This aligns with qualitative accounts from both local and national providers who, over the course of the pandemic, reported an uptick in older adults and seniors entering unsheltered homelessness for the first time.

Locally, HMIS data corroborate these stories. Compared to 2020, outreach programs enrolled 132.9% more seniors (age 55+) who were accessing the system for the first time in 2021. Preliminary data indicate an even greater number of seniors experiencing homelessness for the first time in 2022 than in 2021. Comparing 2020 outreach enrollment data with the first 11 months of 2022, an increase of 134% above pre-pandemic enrollments has already been observed. This is likely to only grow larger as the year ends.

While serious health conditions can sometimes lead to homelessness, they are also a consequence of being without housing. Many individuals develop serious health concerns only *after* becoming homeless<sup>6</sup>. For adults, homelessness can lead to “premature aging,” or the presentation of geriatric medical conditions such as cognitive decline and significant mobility

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<sup>3</sup> Geber, S.D. (2020). The New Silver Tsunami. *Forbes*. Retrieved December 9, 2022, from

<https://www.forbes.com/sites/sarazeffgeber/2020/11/28/the-new-silver-tsunami/?sh=4aee8ce26d69>

<sup>4</sup> Culhane, D., Treglia, D., Byrne, T., Metraux, S., Kuhn, R., Doran, K., Johns, E., & Schretzman, M. (n.d.). *The Emerging Crisis of Aged Homelessness: Could Housing Solutions Be Funded by Avoidance of Excess Shelter, Hospital, and Nursing Home Costs?* Retrieved from <https://aisp.upenn.edu/wp-content/uploads/2019/01/Emerging-Crisis-of-Aged-Homelessness-1.pdf>

<sup>5</sup> Easterlin (1987, 2008) hypothesized that individuals born after the peak of the baby boom were significantly disadvantaged due to an excess supply of workers at the time of their labor market entry, permanently altering their life course relative to economic stability and housing.

<sup>6</sup> Centers for Disease Control and Prevention. (2017, March 2). *Homelessness as a Public Health Law Issue: Selected Resources*.

Retrieved December 12, 2022, from

<https://www.cdc.gov/php/publications/topic/resources/resources-homelessness.html#:~:text=Homelessness%20is%20closely%20connected%20to>

impairment on par with their housed counterparts who are 20 years older.<sup>7</sup> Unfortunately, the level of care required to provide consistent ADL support far exceeds that of what is provided in traditional PSH services. As a result, many communities provide long-term care for people who are aged or disabled, often in nursing homes or assisted living settings. This housing type is designed to provide an assisted living situation for individuals in need of greater assistance than what is generally offered through PSH.<sup>8</sup>

The successful deployment of long-term care also represents a significant opportunity for cost savings across the region. In general, service support costs increase with age, and as aged homelessness continues to grow, so will associated service costs, as temporary housing providers scramble to keep up with health needs and more expensive hospital stays are required more frequently in the absence of stable supports deployed through an appropriate housing model.<sup>9</sup> For example, in New York City, absent any intervention, annual costs are projected to triple by 2030, rising to roughly \$461 million annually.<sup>10</sup> In order to meet the needs of an aging population in a cost-effective manner, it will be crucial to expand the availability of long-term care supports to meet the needs of the population currently experiencing homelessness that would otherwise be underserved and drive cost in other parts of the system.

**Profile:** A 61-year-old veteran has been experiencing homelessness for over 20 years. The man, who identifies as Hispanic and Native American, has service-related injuries that required spinal pins and surgeries. He also struggled with substance use in the past but is now sober. Despite receiving some medical services from the Veteran’s Administration, he is unable to bend over, stand for long periods, and has other significant mobility challenges that prevent him from completing other activities of daily living. He desires to live as independently as possible, while still receiving the care he needs for his injuries.

Using the methodology relied upon by the state Department of Commerce, modeling revealed the gap in Long-Term Care and estimated cost to fill that gap detailed in the table below.

Estimated Cost to Implement						
<b>Units Needed:</b>	<b>1,358</b>	<b>Current Stock:</b>			<b>Gap:</b>	<b>1,358</b>
<b>Long-Term Care</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Total</b>
<b>Units</b>	100	115	300	400	443	1,358
<b>Households Served</b>	100	215	515	915	1,358	1,358

<sup>7</sup> Culhane, D., Treglia, D., Byrne, T., Metraux, S., Kuhn, R., Doran, K., Johns, E., & Schretzman, M. (n.d.). *The Emerging Crisis of Aged Homelessness: Could Housing Solutions Be Funded by Avoidance of Excess Shelter, Hospital, and Nursing Home Costs?* Retrieved from <https://aisp.upenn.edu/wp-content/uploads/2019/01/Emerging-Crisis-of-Aged-Homelessness-1.pdf>

<sup>8</sup> For many people, long-term care is their permanent housing. For others, they may stay in a long-term care setting simply to complete a rehabilitation program for as a result of illness, injury, or behavioral health complications, and then move on to housing with fewer supports, inclusive of market rate housing.

<sup>9</sup> Culhane, D., Treglia, D., Byrne, T., Metraux, S., Kuhn, R., Doran, K., Johns, E., & Schretzman, M. (n.d.). *The Emerging Crisis of Aged Homelessness: Could Housing Solutions Be Funded by Avoidance of Excess Shelter, Hospital, and Nursing Home Costs?* Retrieved from <https://aisp.upenn.edu/wp-content/uploads/2019/01/Emerging-Crisis-of-Aged-Homelessness-1.pdf>

<sup>10</sup> Ibid.

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<b>One-Time</b>	\$32,758,621	\$37,672,414	\$98,275,862	\$131,034,483	\$145,120,690	\$444,862,069
<b>Ongoing</b>	\$14,736,442	\$33,267,518	\$83,671,677	\$156,092,357	\$243,248,188	\$531,016,183
<b>Total</b>	\$47,495,063	\$70,939,932	\$181,947,539	\$287,126,840	\$388,368,878	\$975,878,252

## Shallow Subsidy

Shallow subsidies provide long-term rental assistance to clients to promote housing stability. These are referred to as “shallow,” because they provide a lower share of rent compared to “deep” subsidies typically offered through vouchers, Rapid Rehousing, and PSH. Shallow subsidies provide a fixed amount of funding (e.g., \$300 per month) or a percentage of total rent (e.g., 35% of rent). Some programs provide only rent assistance, while others also offer stabilization case management.<sup>11</sup> KCRHA’s modeling research recommends a shallow subsidy based on 35% of monthly rent, which based on Zillow data for King County is \$865/month, or \$10,380/year/household. KCRHA has also added 10% overhead for the agency administering rental payments. The annual ongoing cost is based on the cost of rental subsidies to meet the gap of 9,080 households needing this assistance, including 5% inflation annually over 2023-2027. The underlying architecture of this permanent housing approach is that for many households, particularly families, a shallow subsidy to close the gap between their income and rent is a better use of funds than the crisis response supports outlined in the temporary housing portion of this strategy.

This approach has already proved quite successful for veterans. Currently, the Department of Veterans Affairs provides a program called Supportive Services for Veteran Families (SSVF), which has a long-standing shallow subsidy program<sup>12</sup>, though many communities also offer these programs through homeless services and to non-veteran populations.<sup>13</sup> Shallow subsidies can be designed to serve a variety of households, but may work best when the household can pay a relatively large share of the rent. In the current projections, shallow subsidy participation is estimated based on the number of individuals who are working or have other regular income (e.g., social security).

**Profile:** A 38-year-old multiracial woman has been experiencing homelessness intermittently for the last 10 years. She has been able to maintain consistent employment during that time. After staying in congregate shelters, she was recently placed in a hotel, which has dramatically improved her life, giving her a space to store belongings and clothing and shower and eat in line with her work schedule. Despite working, she is unable to maintain the cost of a place to live on her earnings. Recently, she rented an apartment with a homeless service agency that provided a portion of the rent. She was easily able to afford this, but when the subsidy ran out, she could not pay the full amount, and she needed to vacate the unit and live in a shelter again.

Using the methodology relied upon by the state Department of Commerce, modeling revealed the gap in Shallow Subsidy Housing and estimated cost to fill that gap detailed in the table below.

### Estimated Cost to Implement

<sup>11</sup> U.S. Department of Housing and Urban Development. (2018). *Homeless System Response: Shallow Rental Subsidies*. Retrieved December 12, 2022, from:

<https://files.hudexchange.info/resources/documents/COVID-19-Homeless-System-Response-Shallow-Rental-Subsidies.pdf>

<sup>12</sup> VA Supportive Services for Veteran Families. (2021). *Shallow Subsidy Compliance Guide*. Retrieved December 12, 2022 from: [https://www.va.gov/HOMELESS/ssvf/docs/Shallow\\_Subsidy\\_Compliance\\_Guide.pdf](https://www.va.gov/HOMELESS/ssvf/docs/Shallow_Subsidy_Compliance_Guide.pdf)

<sup>13</sup> National Alliance to End Homelessness. (2020). *Housing*. Retrieved December 12, 2022, from <https://endhomelessness.org/homelessness-in-america/what-causes-homelessness/housing/>

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<b>Units Needed:</b>	<b>8,929</b>	<b>Current Stock:</b>			<b>Gap:</b>	<b>8,929</b>
<b>Shallow Subsidy</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Total</b>
<b>Units</b>	1,500	4,500	2,929	0	0	8,929
<b>Households Served</b>	1,500	6,000	8,929	8,929	8,929	8,929
<b>One-Time</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Ongoing</b>	\$17,127,000	\$71,933,400	\$112,401,333	\$118,021,399	\$123,922,469	\$443,405,601
<b>Total</b>	\$17,127,000	\$71,933,400	\$112,401,333	\$118,021,399	\$123,922,469	\$443,405,601

## RV Park

Across the United States, RV living and modular housing is becoming more popular. A recent Washington Post article<sup>14</sup> estimates that one million Americans are now living full-time in RVs, whether due to conventional housing affordability, concerns about environmental impacts, or the desire to move locations frequently. Similarly, manufactured homes can be lower-cost housing options. Mobile homes, tiny homes<sup>15</sup>, and RVs are rising in popularity across the nation as affordable housing options.

King County is like the rest of the nation in this respect: the population experiencing homelessness has a relatively large number of people living in vehicles, including RVs. However, many people who currently live in RVs do not consider themselves “homeless” in any traditional sense of the word. Rather, they point to the absence of sufficient spaces for them to park their vehicles and connect to the appropriate utilities. While King County, and the Puget Sound region broadly, does have some locations available for people who are either temporarily traveling in or permanently residing in an RV, all of the available spaces are privately owned and operated.<sup>16</sup> In some instances this means that the fees associated with staying at a certain RV campground may be prohibitive for households with inconsistent or fixed income. In many other instances campgrounds have implemented rules prohibiting RVs manufactured before a certain date.<sup>17</sup> Many lower-income individuals find this requirement to be a significant impediment to finding a place to stably park. As a result, these households are pushed out into the surrounding community, where absent the appropriate hookups to utilities or locations to dump waste, they become conflated inappropriately with broader understandings of urban and suburban disorder—often shorthanded simply as “homelessness” by housed residents, voters, and policymakers alike.

This designation is deeply out of alignment with the perception these households have of themselves. KCRHA staff identified this in previous research<sup>18</sup> and heard directly from front-line outreach workers and RV residents that some RV residents feel a strong attachment to their RV and identify it as their permanent home. This attachment is so strong that the residents are not interested in accepting traditional housing options, like Rapid Rehousing or another more traditional housing option, if it means surrendering the vehicle that has been their home. This finding was further supported during 2022 Point-in-Time Count interviews, where, again, many people who lived in RVs expressed a desire to remain in their RV permanently, provided it could be connected to all appropriate utilities.

These units may be able to serve a variety of populations at relatively low cost, and the level of case management would vary depending on the unique needs of each household.

**Profile:** A 59-year-old white father of two and former cement mason has been homeless

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<sup>14</sup> Long, H. (2018, November 12). 1 million Americans live in RVs. Meet the “modern nomads.” *Washington Post*. Retrieved from: <https://www.washingtonpost.com/business/2018/11/12/million-americans-live-rvs-meet-modern-nomads/>

<sup>15</sup> Referring here to true accessory dwelling units or other small permanent homes and not the local adoption of “tiny home” to refer to a micro-modular shelter unit.

<sup>16</sup> There are no RV park programs captured in KCRHA Regional Services nor is there knowledge from the KCRHA Vehicle Residency Workgroup of any RV parks that are public or cooperatively owned.

<sup>17</sup> The most common example of this is the frequently enforced “10-year rule,” which states that RVs 10 years in age or older are too weathered and worn and are prohibited from staying at the campsite.

<sup>18</sup> Pruss, G. (2019). *A Home Without a Home: Vehicle Residency and Settled Bias*. Retrieved from: <https://digital.lib.washington.edu/researchworks/handle/1773/44706>

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for 20 years. He became homeless when his father married and evicted him from the basement apartment he was renting. Then, his former partner unexpectedly took their children and moved to California. He began camping on private property and staying in people’s yards. He was a former tiny house resident until he obtained his first RV. Since then, he’s had several RVs towed without warning by authorities. Recently, the city did a sweep and gave him a three-day notice to vacate the premises. He had been staying there for over a year. He was forced to tow his RV and was displaced to a location that he describes as “horrible” with “big mountains of garbage and gutter water.” He cleans the waste water and trash himself. He receives meals and has places to shower. He is sustaining injuries from a hit-and-run that impacted him recently. He states that he chooses to live this way and knows he could receive housing if he wanted it.

Using the methodology relied upon by the state Department of Commerce, modeling revealed the gap in RV Parks and estimated cost to fill that gap detailed in the table below.

<b>Estimated Cost to Implement</b>						
<b>Units Needed:</b>	<b>550</b>	<b>Current Stock:</b>			<b>Gap:</b>	<b>550</b>
<b>RV Parks</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Total</b>
<b>Units</b>	50	75	100	150	175	550
<b>Households Served</b>	50	125	225	375	550	550
<b>One-Time</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Ongoing</b>	\$920,220	\$2,415,579	\$4,565,443	\$7,989,526	\$12,303,870	\$28,194,638
<b>Total</b>	\$920,220	\$2,415,579	\$4,565,443	\$7,989,526	\$12,303,870	\$28,194,638

## Shared Housing

Shared housing is where more than one person or households share a single housing unit as roommates or housemates. These are commonly called roommate housing situations. Pew Research Center estimates that nearly 79 million people live in shared housing.<sup>19</sup> As the United States housing market has continued to drift further and further out of reach of the average single adult, shared housing situations have grown to routinely include adults and families looking to decrease living expenses and share household chores.

Shared housing has been a successful intervention for individuals experiencing homelessness as well.<sup>20</sup> By sharing expenses and placing more than one household in a single unit, individuals and families may be able to afford a larger unit, or find a unit located in a more desirable area. Shared housing for people experiencing homelessness has been successful for a variety of populations, ranging from those able to pay most or all of rent through their own income to those needing PSH. The level of case management and services in shared housing may vary depending on the unique needs of the residents. While successful programs invest upfront in arranging voluntary and compatible roommate matches and living agreements, many programs opt to have an ongoing shared housing manager who can help resolve disputes, move-outs, and any other issues as they arise to help maintain stability for all participants.

**Profile:** A 51-year-old Japanese man lost his housing shortly before COVID due to divorce. Since then, he has been living in his car through a safe parking program. He is able to work but does not earn enough income to pay for an apartment. His preference would be to share housing with another person, where he could stretch his budget further than what is currently possible if he were to be responsible for a unit by himself, but roommate searches while experiencing homelessness have not been successful to date.

Using the methodology relied upon by the state Department of Commerce, modeling revealed the gap in Shared Housing and estimated cost to fill that gap detailed in the table below.

Estimated Cost to Implement						
Units Needed:	770	Current Stock:		0	Gap:	770
Shared Housing	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Units	85	135	153	185	212	770
Households Served	85	220	373	558	770	770
One-Time	\$12,038,793	\$12,038,793	\$12,038,793	\$12,038,793	\$12,038,793	\$60,193,966

<sup>19</sup> Fry, R. (2018, January 31). *More adults now share their living space, driven in part by parents living with their adult children*. Retrieved December 12, 2022, from:

<https://www.pewresearch.org/fact-tank/2018/01/31/more-adults-now-share-their-living-space-driven-in-part-by-parents-living-with-their-adult-children/#:~:text=More%20adults%20now%20share%20their%20living%20space%2C%20driven>

<sup>20</sup> U.S. Department of Housing and Urban Development. (2018). *Homeless System Response: Shared Housing*. Retrieved December 9, 2022, from:

<https://files.hudexchange.info/resources/documents/COVID-19-Homeless-System-Response-Shared-Housing.pdf>

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<b>Ongoing</b>	\$664,035	\$2,058,472	\$3,828,960	\$6,225,904	\$9,250,399	\$22,027,770
<b>Total</b>	\$12,702,828	\$14,097,265	\$15,867,753	\$18,264,697	\$21,289,192	\$82,221,735

## Supported Employment with Housing

Over the course of the 2022 Point-in-Time Count interviews, many respondents expressed a strong desire to work or reported that they were currently working but significantly underemployed for the cost of housing in King County. Some were limited by disabilities and mental health conditions, while others had experienced discrimination from employers due to their homelessness, lacked knowledge of how to write resumes or job applications, or lacked the ability to adhere to a consistent work schedule due to shelter curfews or the need to move unsheltered locations frequently, in addition to other barriers. These individuals are ideal clients for supported employment programming. Supported employment has been a successful model of assisting people with disabilities or mental health challenges to find stable jobs. In these programs, vocational counselors and other case managers work with clients to obtain jobs that pay competitive wages in integrated settings (i.e., with others who may not have disabling conditions). The programs often include training components and preparation for job searches and interviews. Programs often include one to two years of intensive support, and the majority of participants across supported employment programs implemented to fidelity have obtained and maintained employment.<sup>21,22</sup>

Additionally, some specialized supported employment programs have been tailored specifically for people who are experiencing homelessness<sup>23, 24</sup>. These programs are similar to those for people with disabilities, providing in-depth job placement assistance and support. However, people experiencing homelessness often have additional barriers to employment as a direct result of not having housing. For many years the structure of the shelter and homeless housing system itself interfered with people's ability to secure stable ongoing work. In fact, many clients had to decline work offers when the hours of the position would keep them out past shelter curfews or would conflict with other restrictive rules.<sup>25</sup> However, even as the approach to shelter in the region began to shift, employment supports have often been limited to simple job search or resume support. This is in stark contrast to the sophistication that our workforce development sector has reached in recent years, in particular programs that often serve the unhoused such as Uplift Northwest or Farestart, which offer comprehensive skills development, classes and certificates, assistance gaining necessary personal equipment,<sup>26</sup> and temporary job placement in supported environments. While some clients may be able to complete a program and maintain market rate housing independently, others may need some form of ongoing subsidy or support.

At the time of this writing, both Uplift and Farestart have also historically spent considerable resources assisting people with housing or shelter, acknowledging that housing is a key foundation for success in all areas of life. Conversely, KCRHA-funded programs often include some component of job search or resume support but stop short of the fullness of a supported

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<sup>21</sup> Substance Abuse and Mental Health Services Administration. (2009). *Supported Employment: Building Your Program*. Retrieved from [https://store.samhsa.gov/sites/default/files/d7/priv/buildingyourprogram-se\\_0.pdf](https://store.samhsa.gov/sites/default/files/d7/priv/buildingyourprogram-se_0.pdf)

<sup>22</sup> Frederick D.E., & VanderWeele T.J. (2014). Supported employment: Meta-analysis and review of randomized controlled trials of individual placement and support. *PLoS One*, 14(2). doi: 10.1371/journal.pone.0212208

<sup>23</sup> Dunlap, N., Rynell, A., Young, M., Warland, C., & Brown, E. (2012). *Employment Program Models for People Experiencing Homelessness: Different approaches to program structure*. Retrieved from <https://nationalinitiatives.issuelab.org/resources/16921/16921.pdf>

<sup>24</sup> Drake, R.E., Bond, G., Becker, D., Swanson, S., & Langfitt-Reese, S. (2015). *SSI/SSDI Outreach, Access and Recovery*. Retrieved from <https://soarworks.samhsa.gov/sites/default/files/article/upload-files/2022-01/IPS%20Supported%20Employment.pdf>

<sup>25</sup> VAWnet. (n.d.). *Shelter Rules and Structure*. Retrieved December 9, 2022, from <https://vawnet.org/sc/shelter-rules-and-structure#:~:text=When%20in%20crisis%20mode%2C%20many%20victims%20may%20do>

<sup>26</sup> Uplift Northwest, for example, will assist clients with obtaining a cellphone or even eyeglasses as they move through their employment journey.

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employment program. To maximize investment and coordinate on the best possible use of public and philanthropic dollars, the KCRHA team has identified the need to create a more stable blended program model where the homelessness response system assumes appropriate control over housing supports and creates more stable pathways to economic mobility through strong partnership or co-location with supported employment programming.

This aligns with, and extends, work done in 2018 by the National Innovation Service, which identified the need to “prioritize robust employment supports for people experiencing homelessness.”<sup>27</sup> As the region moves toward a clear path forward focused on first dramatically reducing and then ending homelessness, it will be essential that programming have a clear pipeline to permanent housing *and* economic mobility in order to support people on a path to self-sufficiency. Programming that cannot facilitate these connections often feels useless to people experiencing homelessness and erodes public trust by creating the impression that money is being spent solely on interventions that only deepen dependence on public resources, regardless of an individual’s capacity to pursue independent living.

**Profile:** A 43-year-old white transgender woman has been experiencing homelessness for about a year. She has sought services through numerous local LGBT+ organizations and is on waitlists for housing, but states that no resources are available. She is a veteran, but also has a criminal history from when she was young. She has tried to find employment but feels that the combination of having a criminal record, her gender identity, and her current homelessness leads to discrimination from potential employers. She has some college education and work experience through the military but needs support to update her skills and find employers who would provide a supportive work environment, in addition to maintaining stable housing.

Using the methodology relied upon by the state Department of Commerce, modeling revealed the gap in Supported Employment with Housing and estimated cost to fill that gap detailed in the table below.

Estimated Cost to Implement						
Units Needed:	6,004	Current Stock:			Gap:	6,004
Supported Employment w. Housing	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Units	800	1,000	1,500	1,500	1,204	6,004
Households Served	800	1,800	3,300	4,800	6,004	6,004
One-Time	\$0	\$0	\$0	\$0	\$0	\$0
Ongoing	\$82,259,680	\$194,338,493	\$374,101,599	\$571,355,169	\$750,403,595	\$1,972,458,536
<b>Total</b>	<b>\$82,259,680</b>	<b>\$194,338,493</b>	<b>\$374,101,599</b>	<b>\$571,355,169</b>	<b>\$750,403,595</b>	<b>\$1,972,458,536</b>

<sup>27</sup> National Innovation Service. (2018). *Prioritize economic stability to reduce inflow*. Retrieved December 12, 2022, from <https://hrs.kc.nis.us/actions/4/>

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## Voucher Bridge

Nationwide, many housing voucher programs have limits to how much they'll pay in relationship to either broader housing market dynamics in the region, the voucher recipient's income, or both. In their simplest form the value of a tenant-based voucher (such as Section 8 vouchers or the recently deployed Emergency Housing Vouchers) is determined in relationship to the fair market rent (FMR) calculation, a payment standard set by HUD and used by federal housing programs that estimates how much a housing unit should be rented for in a given jurisdiction. Other housing voucher programs, such as the Washington State Housing and Essential Needs (HEN) program, offer rental and utility assistance for a short period of time but have significant limitations on other sources of income from the individual receiving HEN. Additionally, for FMR-regulated housing voucher programs, there is often no recourse if a significant number of available units in the jurisdiction are frequently being rented at higher amounts.

For clients, this creates a gap between the actual cost of the unit and what voucher resources will pay. The current housing crisis further exacerbates this issue, with rising rents causing greater gaps between the actual cost of units and what voucher resources will pay.<sup>28</sup> "Voucher bridge" housing support models isolate the gaps between allowable expenses based on the income stream available to the client and the total cost of the unit (inclusive of any ongoing unmet utilities). Cost assumptions are based on an average of \$590 per household per month for up to 12 months. This is based on the difference between current FMR and data on the average rental unit price in the county, which is currently \$590 per month, at 12 months of utilization.

**Profile:** A 62-year-old Black man is currently living in his car. This is his third time experiencing homelessness, and he most recently lost his housing due to a divorce. He is a veteran and is in regular communication with outreach workers whom he finds very helpful. He was connected to a Housing Choice Voucher through the Veteran's Administration, but he was not able to find housing within the time limits of the issuance he was given. He is now on voucher waitlists with two different agencies, hoping he will be more successful in a second housing search now that COVID regulations have eased, making viewings and transportation easier.

Using the methodology relied upon by the state Department of Commerce, modeling revealed the gap in Voucher Bridge Housing and estimated cost to fill that gap detailed in the table below.

Estimated Cost to Implement						
<b>Units Needed:</b>	438	<b>Current Stock:</b>		0	<b>Gap:</b>	438
<b>Voucher Bridge</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Total</b>
<b>Units</b>	50	75	100	213	0	438
<b>Households Served</b>	50	125	225	438	438	438

<sup>28</sup> One outcome of the failure of the housing market to generate the appropriate housing stock at all levels is that high earners are often pushed into the rental market due to an inability to locate purchasable property in their price range. This distorts the renters' landscape by artificially inflating the maximum amount that can be charged for any given rental property in a jurisdiction and pushing monthly costs (significantly) above FMR. In response to this dynamic, the recent disbursement of emergency housing vouchers came with the authorization to pay up to 120% of FMR to guarantee that placements would be possible.

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<b>One-Time</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Ongoing</b>	\$354,000	\$929,250	\$1,756,283	\$3,589,841	\$3,769,334	\$10,398,707
<b>Total</b>	\$354,000	\$929,250	\$1,756,283	\$3,589,841	\$3,769,334	\$10,398,707

## Homelessness-Targeted Affordable Housing

King County, like many other communities, is experiencing a shortage of affordable housing. Recent analysis by the Washington Department of Commerce shows that by 2045, King County will have a shortage of approximately 150,000 housing units affordable to households earning 80% or less than area median income, not including PSH units.<sup>29</sup> Many households experiencing homelessness simply need an affordable and permanent place to live, separate from the specialized housing models described above. It is important to note that the issue of lack of affordable housing causing homelessness is not limited to the 0-30% area median income bracket but extends to households with earned income in the 30-80% area median income range as well. However, many of the units necessary to sustainably house people experiencing homelessness need to be targeted toward those who are extremely low income, using the 0-30% area median income designation.

It goes without saying the shortage of affordable housing is a core driver of our nation's homelessness crisis. We see the impact of this shortage in the lives of frontline staff and people experiencing homelessness. In workshops and interviews, customers emphasized again and again that their primary goal is to secure stable housing. However, because of the shortage of housing, customers spend months and years on waitlists. They described how much that waiting period can exacerbate their social and economic instability, toxic stress, and physical and behavioral health conditions. The increased instability that people experience while waiting for housing directly undermines their ability to achieve long-term stabilization and leads to an increased utilization of services. Frontline staff also expressed the shortage of affordable housing makes it hard for them to do their jobs well, strains their relationships with customers, and increases staff burnout. Many staff stated they were 'betraying' customers, given their inability to deliver on their customers' desired housing.

- National Innovation Service, Action 9

**Profile:** A 50-year-old white mother of two is currently living in her own apartment. She has previously experienced homelessness for four years and struggles with alcoholism. Prior to her current experience, she was a reporting data analyst with a mortgage business corporation. She had been planning to resign but was unexpectedly fired from her job. Her job search was disrupted by the COVID-19 pandemic, which made it difficult to find work. She burned through her savings and wasn't able to find any housing support. She has experienced unsheltered homelessness, living in tents and in vehicles. Individuals from churches and other organizations helped her with acquiring identification documents to secure housing. She was able to get on food stamps and received meals and groceries from local food banks, she was able to get her dentures repaired, and she connected with a local recovery support group. She expresses feeling supported by people and service providers in the community, though mentioned

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<sup>29</sup> Washington State Department of Commerce. (n.d.). *Updating GMA Housing Elements*. Retrieved December 9, 2022, from <https://www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/planning-for-housing/updated-gma-housing-elements/>

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antagonistic experiences with police officers. She recently had intestinal surgery, but she returned to work too soon, and she also contracted COVID. She is now on unpaid medical leave and does not currently earn an income. She needs a way to maintain her housing while she receives supportive services so she can return to work.

Using the methodology relied upon by the state Department of Commerce, modeling revealed the gap in Affordable Housing for 0-30% AMI and estimated cost to fill that gap detailed in the table below.

<b>Estimated Cost to Implement</b>						
<b>Units Needed:</b>	<b>21,336</b>	<b>Current Stock:</b>		<b>1,587</b>	<b>Gap:</b>	<b>19,749</b>
<b>Affordable Housing</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Total</b>
<b>Units</b>	679	1,340	3,429	5,829	8,472	19,749
<b>Households Served</b>	679	2,019	5,448	11,277	19,749	19,749
<b>One-Time</b>	\$301,698,276	\$603,396,553	\$1,646,658,553	\$137,586,207	\$275,172,414	\$2,964,512,003
<b>Ongoing</b>	\$10,914,000	\$38,769,311	\$106,406,237	\$225,814,451	\$373,668,394	\$755,572,393
<b>Total</b>	\$312,612,276	\$642,165,864	\$1,753,064,790	\$363,400,658	\$648,840,807	\$3,720,084,396