

Resources for the Present and the Future

Core to the Authority's approach to rapidly reducing the number of people currently forced to live outside is the significant expansion of temporary housing options. **While the current number of temporary shelter/housing units across King County is 3,552 units, the estimated of need by the end of 2027 is 22,534 temporary shelter/housing units.** The key actions from the previous section are framed around the approved 2023 budget and assume no budget increases for programming or administration; however, the KCRHA recognizes that affordable, permanent housing options are needed to truly address homelessness and housing unaffordability in King County.

When we look **outside of the scope of KCRHA**, the Regional Affordable Housing Committee that is tasked with overseeing the implementation of the (RAHTF) Final Report and Recommendations from 2018²⁴ adopted Shared Revenue Principles in November 2020, stating that "Government and other funders should aim to deploy existing and new revenue tools sufficient to meet the need to build or preserve 44,000 units affordable at or below 50% AMI."

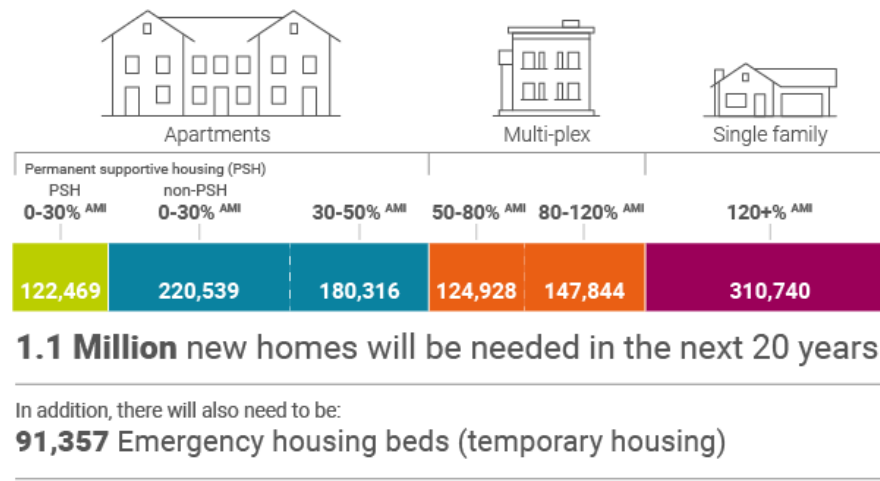
The Shared Revenue Principles document includes a cost model that estimates it will cost \$20 billion to construct, preserve, operate and service 44,000 homes affordable at 0-50% Area Median Income between 2019 and 2023.²⁵ This is aligned with the 2020 McKinsey report finding that solving homelessness by increasing housing stock will cost an additional \$450 million to \$1.1 billion per year for the next ten years, beyond what is being spent.²⁶

²⁴ RAH_Report_Print_File_Updated_10,-d-,28,-d-,19.ashx (kingcounty.gov)

²⁵ AHC_Shared_Revenue_Principles_.ashx (kingcounty.gov)

²⁶ Homelessness in Seattle and surrounds: Why does King County face a crisis? | McKinsey

Future housing needs broken down by area median income (AMI) groups



Further, to support planning for housing needs, the Washington State Department of Commerce projects that 1.1 million new homes will be needed in the next 20 years. In addition, there will also need to be **91,357 emergency housing beds statewide.**

Recognizing that KCRHA is tasked to solely address the crisis response of homelessness and that we operate with limited public resources, we focus in the initial years of this plan to work within our current budget to make the system as efficient and effective as possible.

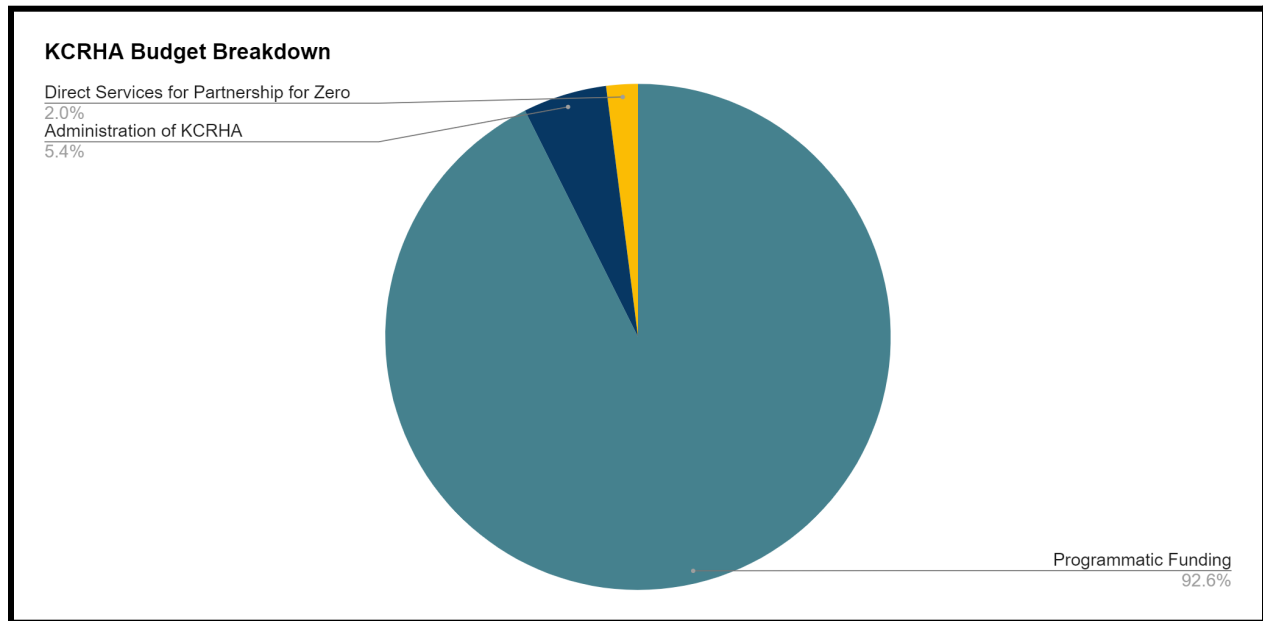
One of the key ways KCRHA will transform the system is ***through increasing our system's ability to leverage financial resources from the federal and state level for existing programs.***

If and when new funding becomes available, we have identified some initial areas where new investments could make a significant impact towards reducing homelessness.

Understanding the Current KCRHA Budget

There are three buckets within the KCRHA budget:

1. Administration of KCRHA
2. Programmatic Funding
3. Direct Services for Partnership for Zero



Operations and Administration

Currently, KCRHA operates at about a 5.4% administrative budget. Industry minimum standard is 10%; HUD allows up to 10% administrative budget for Continuum of Care grants²⁷ which is split between providers and the KCRHA; and up to 7.5% for Emergency Shelter Grants (ESG).²⁸

Programmatic Funding

One of the core responsibilities of the KCRHA is to administer funding to local service providers within King County; this comes from the "Programmatic Funding" bucket described above. In addition to issuing funding for services to local organizations, this funding can also be used to expand spaces (beds and units) through property acquisition or master leasing of spaces (such as hotel rooms).

²⁷ HUD Exchange. (n.d.) *Cost Limits and Sharing Requirements*. Retrieved April 9, 2023, from <https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/coc-eligible-activities/project-administration/cost-limits-and-sharing-requirements/>

²⁸ HUD Exchange. (n.d.). *Administrative Activities*. Retrieved April 9, 2023, from <https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/esg-eligible-activities/administrative-activities/>

Programmatic funding comes from local, state, and federal sources. Those funds are broken down as follows:

KCRHA 2023 Program Base Budget	
Local	\$80,378,722
State	\$51,021,695 <i>Note: this includes Dept. of Commerce Right of Way (ROW) funding for acquisition, operations, and services, and the State Consolidated Homeless Grant funding and State Shelter Program Grant funding</i>
Federal	\$45,921,685
Total	\$177,322,102

Locally, KCRHA receives funding for local service providers from the City of Seattle and King County. The following is a breakdown of the local funding that will be distributed to local service providers through KCRHA in 2023 and 2024.

Source	Amount
King County	\$13,854,721
City of Seattle	\$66,524,001
Total	\$80,877,356

As a sign of improving regional partnerships, in early 2023 five North King County jurisdictions including Bothell, Kenmore, Lake Forest Park, Shoreline, and Woodinville signed onto a formal agreement with KCRHA to pool funding and administration through the agency. The total funding is as follows:

2023 North King County Funding	
Source	Amount
City of Bothell	\$52,000.00
City of Kenmore	\$38,000.00
City of Lake Forest Park	\$16,344.00
City of Shoreline	\$100,817.00

City of Woodinville	\$58,500.00
Total	\$265,661.00

Local Funding Outside of KCRHA Purview

In addition to the funding sources outlined above, King County cities directly invest in a wide range of human services. This includes, but is not limited to, funding for programs that serve individuals experiencing homelessness and/or at risk of homelessness, such as shelter, outreach, and rental assistance. Funding is awarded on a biennial basis and is primarily allocated through the cities' general fund budgets.

Further, some cities have utilized one-time funding such as the American Rescue Plan Act (ARPA)²⁹ and funding tools enacted by the State Legislature such as HB1590³⁰ to address local human service needs. Outside of the existing interlocal agreements held with the North King County Cities, the City of Seattle, and King County, these local funds are not currently administered by KCRHA. Across King County, agencies rely on a variety of funding sources, including county, city, KCRHA, foundations, and private donations to keep their doors open.

Direct Services for Partnership for Zero

KCRHA developed Partnership for Zero, a public-private partnership aimed at rapidly resolving unsheltered homelessness in targeted geographic areas by focusing all available system resources on that target zone. The Authority's initial focus is on downtown Seattle. It is supported by the City of Seattle, King County, the Lived Experience Coalition, and the We Are In coalition of local businesses and philanthropies. We Are In provided funding for Partnership For Zero which is \$5,129,662 or 2% of the total KCRHA budget. This funding is primarily dedicated to the staffing costs associated with the in-house frontline staff workforce known as the System Advocates Team.

This specialized workforce, dubbed Systems Advocates (SAs), uses a peer navigation approach, in which SAs act as long-term coaches and allies as clients navigate multiple social service systems on the path from homeless to housed. SAs engage in culturally appropriate, long-term relationships with people experiencing homelessness, using learnings from their own lived experience, along with empathy and dignity, to provide structured support for clients, while prioritizing client choice and self-determination.

The shift to SAs as the throughline point of contact for those experiencing homelessness ensures that true relationships are the focus of outreach. These relationships build trust and allow for those who are unsheltered to be authentic about their needs and wants for sustainable

²⁹ <https://www.congress.gov/bill/117th-congress/house-bill/1319/text>

³⁰ <https://lawfilesexternal.wa.gov/biennium/2019-20/Pdf/Bills/Session%20Laws/House/1590.SL.pdf?q=20230405140812>

housing. SAs not only develop authentic relationships, but also provide navigation assistance for what can be a convoluted homelessness system. Their personal experiences of homelessness equip SAs to walk through the system with others and provide insight into effectively navigating into housing, healthcare, and benefits such as food assistance, TANF, SSI, etc. SAs also collect information for the by-name-list, record individuals' housing type preferences, and provide case planning.

The system advocates workforce will also be the pilot area for what it would look like for our system to enhance the ability to bill medicaid. Based on current research, we estimate that Medicaid will reimburse 85% of Partnership for Zero (PfZ) costs.³¹ Approximately \$879,950 of 2024 Medicaid claims for PfZ costs are expected to be unreimbursed. We will monitor 2023 spending and prioritize this need in our request to carry forward any unspent funds into 2024.

Partnership for Zero is also supported by HUD through dedicated technical assistance from the specialized team responsible for responding to natural or manmade disasters that displace thousands of people. This team deployed onsite to King County in early September and has been focused on rapidly developing and iterating on processes that will help the region achieve key milestones, including reaching functional zero for chronic homelessness in target geographies.

Building on identified best practices, a Housing Command Center (HCC) is the backbone of Partnership for Zero, using the Incident Command System emergency management framework to streamline the actions needed to house people. The HCC identifies available housing units and eligible households, and matches households to units. The HCC meets daily and coordinates between multiple government agencies and non-profit organizations.

When functional zero is accomplished in each target geographic area, KCRHA will maintain the infrastructure necessary to rapidly assist individuals newly experiencing homelessness in those areas. The model is intended to be quickly and effectively scaled with additional resources to other communities across King County. This strategy builds infrastructure and adds capacity and coordination to the system to deliver comprehensive services and housing or shelter rooted in a Housing First model. This will revitalize communities and provide all residents an opportunity to thrive.

Once this approach has been stabilized and debugged, KCRHA views the HCC model as a key strategy for resolving unsheltered homelessness, to be resourced and scaled across the region.

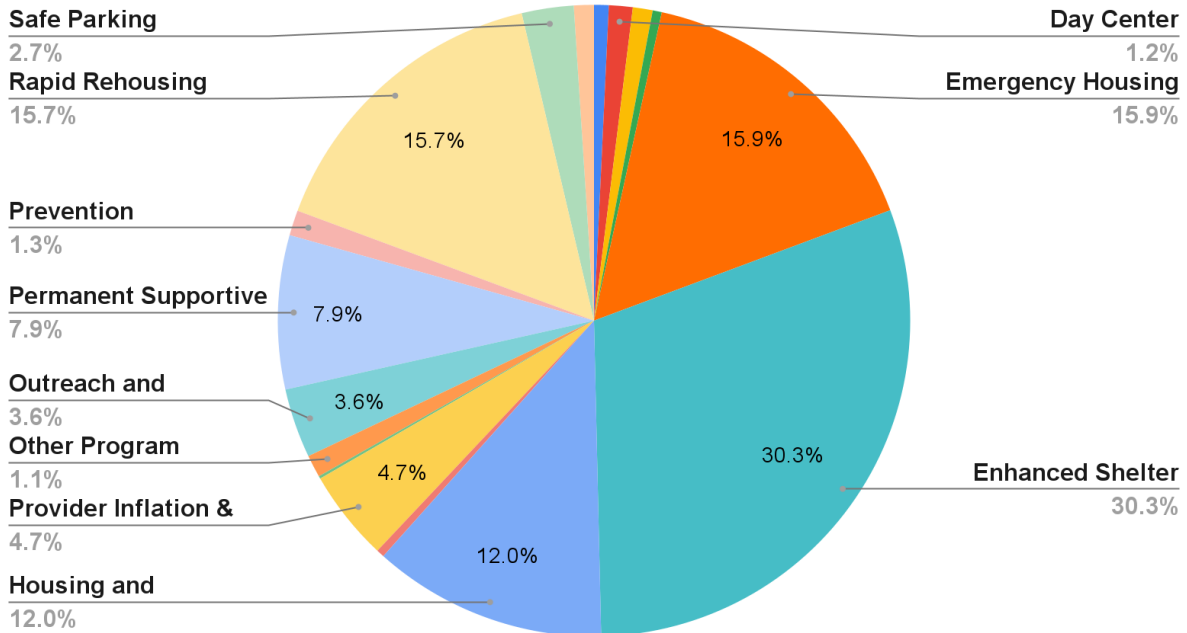
³¹<https://kcrha.org/wp-content/uploads/2023/04/KCRHA-2024-Budget-1.pdf>

What We Currently Fund

Per our 2023 final approved budget, KCRHA administers funding across 17 different program types. The breakdown is as follows:

Program	Amount	Percent Share
Access	\$1,756,510.00	0.75%
Day Centers	\$2,850,559.00	1.21%
Diversion	\$2,378,771.00	1.01%
EHV Services	\$1,091,500.00	0.47%
Emergency Housing	\$37,243,992.00	15.87%
Enhanced Shelter	\$71,150,363.00	30.32%
Housing and Essential Needs (HEN)	\$28,083,148.00	11.97%
Hygiene Centers	\$947,987.00	0.40%
Provider Inflation & Wage Increases	\$10,916,937.00	4.65%
Navigation	\$319,400.00	0.14%
Other Program	\$2,683,207.00	1.14%
Outreach and Engagement	\$8,333,933.00	3.55%
Permanent Supportive Housing	\$18,465,038.00	7.87%
Prevention	\$3,029,336.00	1.29%
Rapid Rehousing	\$36,765,601.00	15.67%
Safe Parking	\$6,224,371.00	2.65%
Transitional Housing	\$2,401,935.00	1.02%
Program Total	\$234,642,588.00	100.00%

Program Expenditure



Reprocurement

As a government administrator, contracts and funding are the mechanism through which KCRHA can adjust and improve our homelessness crisis response system. Information about funding opportunities is regularly posted on our website.

Our overall goal in procuring services through contracts for the homelessness response system is to build a proactive, equitable, and community and data-driven homelessness response system, so such that wherever you are in King County, you are able to access robust services that are culturally relevant, responsive, and healing-based within the community you call *home*.

Our procurement policy can be found [here](#)³². Funding opportunities are posted on the KCRHA website.

³²

<https://kcrha.org/wp-content/uploads/2022/11/KCRHA-Procurement-of-Goods-and-Services-Policy-FINAL-11-10-21-Revision.pdf>

Transforming How We Fund Programs

One of the key ways KCRHA will transform the system is ***through increasing our system's ability to leverage financial resources from the federal and state level for existing programs.***

There are a number of existing federal and state programs that many people experiencing homelessness are eligible for. These include benefits that can provide food, health care, and cash assistance.

Federal resources include the Supplemental Nutrition Assistance Program (SNAP), which provides in-kind benefits for individuals and families for food; Temporary Assistance for Needy Families (TANF), which provides direct cash assistance and some non-cash assistance like transportation and child care; Supplemental Security Income (SSI), which provides monthly payments to adults and children with a disability or blindness who have income and resources below a specific financial limit, as well as to people age 65 and older without disabilities who meet the financial qualifications; and Medicaid.

To begin boosting our region's access to federal support, KCRHA has identified a significant opportunity to leverage ***existing*** federal funding for homelessness services.

Through a contract with CSH (formerly known as the Corporation for Supportive Housing), KCRHA is working to increase King County's utilization of **Medicaid funding** for supportive housing services through the Foundational Community Supports (FCS) program.³³

Under FCS, Medicaid funding can support outreach and engagement, housing navigation, and housing stability services for people experiencing homelessness. FCS is significantly underutilized in King County compared to other regions within Washington State. CSH has a clear track record of successfully providing technical assistance nationally to support communities in increasing their capacity to scale FCS programs and address racial disparities in their priority populations. These goals are achieved through capacity-building grants, direct technical assistance, and the development of outcome measures and data tracking systems to measure housing stability and health improvements through an equity framework.

Specifically, KCRHA is working with CSH on a three-phase approach to maximizing Medicaid for tenancy support services in King County:

PHASE I: KCRHA became an FCS provider so that its Partnership for Zero System Advocates can directly enroll hundreds of people into the program. KCRHA will track access to these resources disaggregated by race in an effort to undo systemic racism as the costs of these services shift back to the health care system.

³³ Washington State Health Care Authority. (n.d.). *Initiative 3: Foundational Community Supports (FCS)*. Retrieved December 10, 2022, from <https://www.hca.wa.gov/about-hca/programs-and-initiatives/medicaid-transformation-project-mtp/initiative-3-foundational-community-supports-fcs>

PHASE II: CSH interviewed service providers across King County about the successes and challenges they are having in integrating their services into the Medicaid system. The interviews will inform system changes and provider capacity-building in Phase III.

PHASE III: KCRHA will partner with the We Are In coalition and CSH to launch a capacity-building initiative to help the nonprofit sector create the infrastructure needed to meet Medicaid requirements and address system-level challenges in maximizing FCS resources.

In addition to better leveraging FCS across the system, KCRHA is focused on how service providers can systematically and intentionally tap into resources from other federal programs. In partnership with human services organizations, analysis is underway to fully understand the level at which providers are enrolling homeless clients into federal programs (SNAP, TANF, SSI, etc). Pursuing these opportunities is critical given the scale of need and current funding levels. KCRHA sees this optimization of federal funds as a responsibility we have to the public and the people we serve to ensure we are making the most of our budget and leveraging all existing available funding to serve people experiencing homelessness.

There are also avenues to pursue federal grant opportunities that could further supplement the homelessness service system. Federal Department of Health and Human Services (HHS) funding streams include opportunities for long-term care supports for older adults, supports for youth and young adults aging out of foster care, substance use supports, and supports for individuals with higher levels of need, which may be available to KCRHA through existing federal programs.

KCRHA has also identified potential funding available through federal Department of Justice (DOJ) grants that support violence prevention and connections to support for people who are involved with the criminal-legal system. Funding for these services may be available by directly working with federal agencies to ensure that agencies serving people experiencing homelessness who are gang-involved or otherwise exposed to the criminal-legal system have pathways to successfully reintegrate into the community.

Community partners and KCRHA staff have also identified that a key strategy to better support veterans experiencing homelessness is to ensure they are accessing all resources associated with veterans status. Not accessing resources associated with veterans status extends beyond just veterans experiencing homelessness. As recently as April 2023, Veterans Affairs Secretary McDonough stated that out of roughly 5.3 million individuals eligible to file claims under the PACT Act, a law passed in 2022 that expands healthcare access for veterans exposed to toxic substances, only 450,000 had done so.³⁴ Secretary McDonough stated that a lack of trust in the Department of Veterans Affairs remains a key obstacle preventing veterans from filing benefit claims, including for benefits covered under the new PACT Act. Further, Secretary McDonough additionally stated that Black and women veterans remain apprehensive of the VA because of past policies and actions. With this trend seen nationally inclusive of housed veterans, staff have identified that the homelessness response system can do better by veterans and better

³⁴ [VA Secretary: Trust Remains Barrier to Vets Claiming Benefits | National Guard Association of the United States \(ngaus.org\)](https://nga.us/VA-Secretary-Trust-Remains-Barrier-to-Vets-Claiming-Benefits)

resource the system through intentionally ensuring veterans experiencing homelessness are accessing all benefits associated with veterans status.

Nationally best practices addressing veteran homelessness center on close coordination by federal, state and local partners³⁵. In King County, strategic direction to address veterans homelessness is led by the Veterans Operational Leadership Team (VOLT). This group includes representatives from KCRHA, King County Veterans Program (KCVP), U.S. Department of Veterans Affairs (VA), Washington State Department of Veterans Affairs (WDVA), and KCRHA as well as veteran service provider partners. VOLT is used as a convening space to make policy decisions, share resources, and collaborate on broader system planning. VOLT is the policy and operations arm of Veteran Case Conferencing. The purpose of Veteran Case Conferencing is to match Veterans and their families to available resources designed to serve them.

In seeking additional federal funds, KCRHA intends to create non-duplicative elements of care and not replicate existing programs or systems within the homelessness crisis response.

King County is unique in that the local contribution to the effort to end homelessness is quite significant, while other jurisdictions often have *only* their federal resources to deploy. Through the leveraging of critical social support programs that people experiencing homelessness are already eligible for, and creatively exploring new grant opportunities, we can pivot local funding to focus on creating more beds and units that will bring more people inside.

35

https://www.usich.gov/resources/uploads/asset_library/Ten-Strategies-to-End-Veteran-Homelessness-v3.pdf

What KCRHA Would Do With New Funding

Priority Strategies if New Funding Becomes Available	
Key Actions	Examples of Impact
Expand non-congregate shelter and emergency housing beds/units.	<p>\$20,000,000+ 55-500 beds, depending on service model</p> <p>If funding increases are permitted, further expanding non-congregate and emergency housing options would be a priority.</p> <p>One time capital & on-going costs (contingent on model)</p>
Expand medical recuperation and high-acuity programs.	<p>\$20,000,000 55 high-acuity beds</p> <p>Aligned with priority in draft Five-Year Plan and with the 2023 budget proposal, which requested \$20 million for a high-acuity shelter with 55 high-acuity beds.</p> <p>One time capital & on-going costs (contingent on model)</p>
Implement pilot cash transfer programs for families with children and/or YYA populations.	<p>\$750,000 50 households receive monthly stipends of \$1,250</p> <p>Would expand the number of youth or families served by the pilot, if funding permitted.</p> <p>Ongoing</p>
Scale diversion resources, with the goal of diverting 6% or roughly 1,400 households in flowing into homelessness annually.	<p>\$2,500,000 Additional 700+ households served</p> <p>An increase of this magnitude would provide sufficient funding to scale diversion services.</p>

	Ongoing
Pivot severe weather response to a seasonal weather response, rather than only in severe and life-threatening circumstances.	\$1,000,000+ Seasonal deployment across King County Increasingly volatile weather conditions are exacerbating the need for more regular deployment of weather sheltering options. Ongoing
Increase flexible funding to support staff wages and staff health and wellness, including sign-on bonuses, compensation for vicarious trauma, and compensation for exposure to hazards and communicable diseases.	\$15,000,000 Based on the 2023 budget proposal , this figure represents a permanent 13% addition to provider base budgets to increase wages systemwide. The anticipated benefit of this is to provide the system with sufficient capacity to staff expanding services. Ongoing
System capacity building	\$2,000,000+ These investments would support the training or agency capacity needed to ensure person-centered care, healing-based practices, wrap-around supports in emergency services, and administrative capacity to leverage additional funding streams, such as Medicaid. Depending on the amount of additional funding provided, more resources could be targeted to this area.

Supplemental Descriptions of Key Actions

Direct Cash Transfers: The state has been considering cash transfer programs. During the 2022 legislative session, the Washington State Legislature passed Engrossed Substitute Senate Bill (ESSB) 5092, requesting a feasibility study on a universal basic income pilot program. This study, conducted by the Department of Social and Human Services, found that “as little as \$333 per month can make a difference in the brain development of infants, and pilots providing \$1,000 – \$1,500 per month have led to gains in economic stability, health and well-being, and planning for the future.”³⁶

³⁶ Washington State Department of Social and Health Services. (2022, June 1). Washington State Basic Income Feasibility Study. Retrieved December 27, 2022, from

Severe Weather: As climate change accelerates, severe weather events—extreme heat, cold, and unhealthy air—occur with increasing frequency. From November 2022 through February 2023, we activated severe weather protocols seven times, for a total of 56 nights. For comparison, from late December 2021, when KCRHA took over severe weather response, to February 2022, we activated for a total of 17 nights. In the 2022 summer season, KCRHA piloted cooling canopies for six days and was able to serve 680 people in dangerous heat conditions. Given these increasing conditions, the current set up of “severe weather” activation is inefficient and creates unnecessary inconsistency for our unhoused neighbors who are seeking refuge during dangerous conditions. With additional funding, KCRHA would move towards a seasonal model (i.e., a winter weather shelter that operates from September to February) and away from activating based on set weather criteria