



City of Seattle

Mayor Katie B. Wilson

July 31, 2026

Seattle City Council
600 4th Ave, Floor 2
Seattle, WA, 98104

Dear Councilmember Rinck and Members of the Seattle City Council,

Please find attached a response to CR 32202, adopted by the Seattle City Council on June 2, 2026. The Mayor recommends a restructure of the King County Regional Homelessness Authority (KCRHA), as previously announced by the Mayor and King County Executive on July 1, 2026.

This response outlines the Mayor and Executive's plan to stabilize, right-size and restructure KCRHA, including a plan to return City of Seattle-funded contracts to City oversight in 2027.

Key components:

- Beginning in January 2027, HSD's Homelessness Division will resume administration of 117 emergency homelessness response contracts totaling \$112.8 million with 40 providers.
- HSD's staffing capacity will increase by 23.0 emergency positions to provide the administrative infrastructure to support the return of KCRHA's city-funded service provider contracts to HSD in 2027.
- HSD and the County's Division of Community and Human Services (DCHS) will host regular meetings (monthly through Q1 2027, bi-monthly through Q1 2028) with service providers to provide timely updates and receive regular feedback throughout the contract transition.
- The City of Seattle and King County will host a set of Regional Reset Conversations between fall 2026 and March 2027 with key stakeholders to hear feedback and recommendations about the future of regionalism, KCRHA's role, procurement opportunities, system performance and alignment.

The Mayor's office and the Human Service Department will present at the HSLED Committee on August 7th to share the response and answer questions from Councilmembers. We look forward to continued collaboration and partnership with the City Council.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark', with a long, sweeping horizontal line extending to the right.

Mark Ellerbrook
Director of Human Services and Good Governance



July 31, 2026

Response to Resolution 32202

The City of Seattle, in coordination and agreement with King County, has announced a plan to stabilize, right size, and reset the King County Regional Homelessness Authority (KCRHA). This document responds to Resolution 32202 and outlines the key components of that plan, with a particular focus on a Contracts Transition Plan to return City-funded contracts to City oversight in 2027.

A. Guiding principles for shared adoption, outlining Seattle's shared values and key considerations in the path forward, such as minimal disruption to services and maintenance of a regional approach to addressing homelessness.

Mayor Katie B. Wilson and County Executive Girmay Zahilay developed this plan grounded in the following shared values:

- providing high-quality shelter, services and housing to our region's most vulnerable community members;
- providing a clear pathway for individuals to exit from homelessness to shelter and services and to long-term housing; and
- understanding homelessness as a regional issue that requires coordination and collaboration with government partners across King County.

Key considerations for the Mayor and County Executive in adopting this plan included:

- protecting federal funding for the region;
- minimizing disruption to services for clients and providers; and
- maintaining a regional approach to homelessness.

These values and considerations form the foundation of the Mayor and County Executive's joint plan to stabilize, right-size and reset KCRHA.

To stabilize the agency, the Seattle Human Services Department (HSD) and the King County Department of Community and Human Services (DCHS) jointly contracted with Turning Point Strategic Advisors, a financial services firm. Turning Point Strategic Advisors is working alongside KCRHA to respond to the most pressing issues identified in the Clark Nuber forensic evaluation, including lack of internal controls, unreconcilable and

unrecoverable cash balances, administrative overspend and insufficient segregation of duties pertaining to expenditures.

To right-size KCRHA, Seattle and King County will return funding and management of locally funded homeless services contracts back to the City and County respectively, protecting KCRHA's capacity for its core functions as a regional agency, including serving as the region's Continuum of Care lead entity (see section E).

Finally, to reset, the City and the County will conduct joint stakeholder engagement over the next 18 months (as outlined below) that will inform future operations of KCRHA as well as a regional approach to homelessness shared by the City and County.

B. Exploration of convening a cross jurisdictional table focused on development of an effective service delivery system.

C. A commitment to collaborative and meaningful engagement with key stakeholders, including homeless service providers and regional partners, around system planning and improving outcomes.

D. Options for how the City should strategically utilize this opportunity to evaluate and adapt City investments in homeless services, which have not undergone significant changes since 2017, ensure greater system to system connections to address upstream issues that lead to homelessness, and ensure alignment with other City approaches to homelessness.

The following section responds to B, C and D jointly.

The Mayor and Executive seek to use this opportunity to develop a coordinated system between the City and County contracts that makes the homeless service delivery system responsive, effective and avoids fragmentation. At the City level, Mayor Wilson is committed to ensuring this transition reinforces an overall vision for an integrated service and housing portfolio that provides opportunities for individuals experiencing homelessness to access shelter and services, with pathways into long-term stable housing.

To achieve this, the City and County will partner to develop ongoing opportunities for stakeholder and provider input to not only inform the 2027 contract transition but long-

term regionalism. This engagement will be done in partnership with KCRHA and will focus on the stakeholders noted below.

Three main venues will serve as the primary forums for stakeholder engagement.

Breaking the Cycle Work Group

Executive Zahilay established this workgroup in March 2026 to align housing, behavioral health and justice systems to serve the needs of high-acuity populations, with a focus on homelessness.

Participating members include:

- Key county departments (e.g., DCHS and Public Health – Seattle & King County);
- City of Seattle Human Services Department;
- Mental health and homeless service providers;
- Representatives from the state and federal delegation;
- Members of the philanthropy community; and
- Advocates.

There is also a distinct workgroup exploring a dedicated county revenue source for emergency shelter and affordable housing in King County.

The Breaking the Cycle Workgroup and the revenue workgroup will submit reports to the Executive by November 30 and December 31, 2026. A subset of these workgroups could continue to be convened for facilitated conversations through the first quarter of 2027 to leverage shared learnings and findings.

Provider meetings with HSD and DCHS

The City and County will host regular meetings with providers to provide timely updates on the transition plan for City and County contracts. These meetings will offer the opportunity to answer provider questions and gather feedback on the 2026-2027 contract transition.

Participating members include 50+ service providers who currently hold contracts at KCRHA that will transition to HSD and DCHS.

HSD and DCHS hosted an initial meeting on July 1, with follow-up meetings scheduled for July 31 and September 9. Meetings will continue monthly through Q1 2027, followed by bimonthly meetings through Q1 2028. This timeline will allow providers to inform the contract transition, assess the Continuum of Care (CoC) Notice of Funding Opportunity (NOFO) outcome, and contribute to planning for a potential joint procurement corresponding with the timeline below.

- 2026/2027
 - Stabilize KCRHA contracts
 - Adjust to CoC NOFO results
- 2027 (if CoC NOFO results are favorable)
 - Planning and development of Request for Proposal (RFP), incorporating input from Regional Reset Conversations
 - Q3 Notice of Funding Availability (NOFA) release
- 2028
 - Late Q1 RFP release
 - Awards by August
 - Contract negotiations Q4
- 2029
 - Contracts begin

Regional Reset Conversations

The City and County will host listening sessions with key constituencies to hear feedback and recommendations about the future of homeless response regionalism, KCRHA's role, procurement opportunities, system performance and alignment.

Expected members to include:

- Seattle and King County Councilmembers
- KCRHA staff
- KCRHA Governing Board and CoC Board members
- Providers currently contracting with KCRHA to support youth, families, and single individuals
- Service providers for those affected by gender-based violence
- Veteran service providers
- Individuals with lived experience
- Philanthropy

- Business community
- Advocates (labor, human services, and other constituencies)
- Representatives from other jurisdictions in King County

These sessions will be held starting in fall 2026 through Q1 2027.

2026-2027 Contracts Transition Information

HSD and DCHS have established a workgroup to partner with KCRHA to ensure providers and their clients experience minimal disruption from this transition. HSD and DCHS are reviewing their respective contracting processes, requirements and metrics to align to the greatest extent possible now while identifying areas to explore for further alignment.

Key Consideration: In the short term, in order to streamline this transition and minimize disruption to providers and clients receiving services, HSD and DCHS intend to maintain contractual scopes of work from 2026 contracts into 2027.

HSD's general timeline for developing and executing 2027 contracts with service providers are as follows:

- July – HSD and DCHS identify contracts impacted by the transition.
- August –
 - HSD sends providers initial information on its contracting process, expected timelines and agency requirements.
 - HSD will work with providers with whom it does not currently have a contract to execute a General Terms and Conditions (GTC) agreement.
- September –
 - HSD sends providers award letters and templates to begin contract negotiations.

Beginning in January 2027, HSD's Homelessness Division will resume administration of 117 emergency homelessness response contracts totaling \$112.8 million with 40 providers.

Overview of Contracts to be Administered by HSD

Program Type	Number of Contracts	Total Funding
Day Centers	8	\$5,515,010
Diversions	10	\$2,403,326
Emergency Shelter*	55	\$80,095,806
Permanent Supportive Housing	17	\$8,657,607
Rapid ReHousing	15	\$8,053,524
Safe Lots	2	\$5,020,532
Transitional Housing	10	\$3,093,324
Total	117	\$112,839,129

**Includes severe weather contracts.*

KCRHA contracts with braided funds from both City- and County-funding will be addressed with additional consideration to streamline contracting to the greatest extent possible.

As outlined above, HSD and DCHS will meet with providers monthly to provide updates on the transition timeline and answer questions from providers about contracts. The City and County are also meeting regularly with labor unions representing workers at KCRHA and at homeless service providers to share updates on the contract transition plan and estimated impacts on the workforce.

E. An update on potential approaches to the Continuum of Care (CoC) responsibilities that: assume dissolution of KCRHA would occur after 2026, so as not to create risk to Fiscal Year 2025 CoC contracts that are subject to renewal in 2026; take into account the Fiscal Year 2026 Notice of Funding Opportunity for CoC funding, which is expected to be published by the Department of Housing and Urban Development in the summer of 2026; and consider how CoC requirements such as conducting the Point-in-Time Count, managing Coordinated Entry and administering the Homeless Management Information System (HMIS) will be maintained.

King County Regional Homelessness Authority will continue to serve as the Continuum of Care (CoC) Lead Entity and will continue to hold CoC responsibilities, including administering CoC contracts that are granted directly to KCRHA, conducting the Point-in-Time Count, managing Coordinated Entry, and administering the Homeless Management Information System (HMIS). The City of Seattle and King County are in close coordination with KCRHA on this year's Continuum of Care funding application in order to protect federal funding for homeless services in our region.

F. HSD has sufficient capacity and staffing to directly administer homeless service contracts again, including strong accounting and financial systems, internal controls, and oversight.

HSD's staffing capacity will increase by 23.0 emergency positions to provide the administrative infrastructure to support the return of KCRHA's city-funded service provider contracts to HSD in 2027. Assuming all positions are filled, the ongoing cost would total \$3.9 million annually. However, as the Mayor continues to develop the proposed 2027-2028 Budget, these figures could be further refined. These positions are listed below:

Job Code	Title	FTE	Fully Loaded Annual Cost
99050	Grants and Contracts Specialist, Senior	9	1,379,817
96679	Planning and Development Specialist, Senior	1	192,528
99053	Grants and Contracts Supervisor	2	331,678
20078	Administrative Specialist III	1	149,451
09301	Executive 2	1	289,437
09380	Strategic Advisor I	1	191,973
89985	Public Records Coordinator	1	154,041
20077	Accounting Technician III	1	139,907
21556	Personnel Specialist, Sr	1	165,839
20002	Accountant, Sr.	4	671,464
20003	Principal Accountant	1	185,696
	Total	23	\$3,851,831

These positions will support activities including, but not limited to, provider contract development and execution; project management of homelessness initiatives such as procurements; ongoing contract and fiscal monitoring; personnel administration; community engagement; leadership; data tracking and reporting; and public disclosure compliance. HSD is developing the positions and preparing for hiring processes for these positions with the goal of onboarding personnel in September.

G. Options for how Seattle and King County will continue to maintain a regional approach to addressing homelessness, including coordination of cross-jurisdictional severe weather sheltering efforts, and considerations around administration and shared expectations regarding program and system outcomes.

Homelessness is a regional challenge that requires a regional response and the City and County remain committed to a regional approach to addressing homelessness in our community.

For severe weather sheltering efforts, the City's severe weather contracts will return to HSD along with all other City-funded contracts in 2027 to improve. KCRHA will continue to coordinate countywide severe weather efforts, which will include activating service capacity as weather thresholds are reached. HSD will include as a requirement in its severe weather contracts that providers must collaborate with KCRHA during activations. The Mayor recommends that KCRHA retain its Emergency Management staff (1 FTE) for this coordination role.

The City and County understand that it is important to explore a future joint procurement during the stakeholder engagement process. The City and County will use the Regional Reset Conversations to gather input from providers and clients about best practices for a joint procurement process.

In order to align on program and system outcomes, HSD and DCHS will continue utilizing the Seattle/King County Continuum of Care (CoC) key system performance measures: enrollments, average length of stay, utilization rates and exits to permanent housing and homelessness. These metrics have been in KCRHA's service contracts since 2022 and in prior HSD and DCHS contracts prior to that. HSD and DCHS commit to alignment on tracking system outcomes in 2027 contracts and ongoing.

H. Options for what organization or entity will take on KCRHA's existing Right of Way contracts for master leased apartments with services.

It is recommended for KCRHA to retain the existing Right of Way contracts, as this funding comes from the state.

I. Opportunities to continue and strengthen the work of the Ombuds Office, which is currently housed in KCRHA, to provide critical programmatic oversight.

The decision to return locally-funded contracts was made to right-size and refocus KCRHA on its core responsibilities related to the Continuum of Care and severe weather. We recognize that KCRHA provided additional key services to our community outside of these roles, such as through their Ombuds Office which as provided important community oversight during its tenure. The Mayor's and County Executive's offices will continue conversations with key stakeholders about options to continue this oversight. Options could include retaining the Ombuds Office at KCRHA or standing up these functions within the City and County.

J. An estimated timeframe budget for increased City costs related to dissolving or restructuring KCRHA and the fund source for those costs.

Recommendations for the City's funding for KCRHA's ongoing administrative needs will be provided in the Mayor's proposed 2027-2028 Budget. These recommendations will be developed by the City Budget Office and Office of City Finance in partnership with counterparts at King County.