

January 21, 2020

MEMORANDUM

To: Select Committee on Homelessness Strategies and Investments
From: Jeff Simms and Traci Ratzliff, Analysts
Subject: Summary of Final Action on Regional Homelessness Authority

On Wednesday, January 22, 2020 the Select Committee on Homelessness Strategies and Investments (Select Committee) will receive an update from Executive staff on the newly created King County Regional Homelessness Authority (KCRHA), including updates on co-locating Human Services Department (HSD) staff with King County staff during the transition period and progress on identifying the Chief Executive Officer (CEO). This memo summarizes the interlocal agreement approved by the council for the KCRHA's creation and the features of KCRHA.

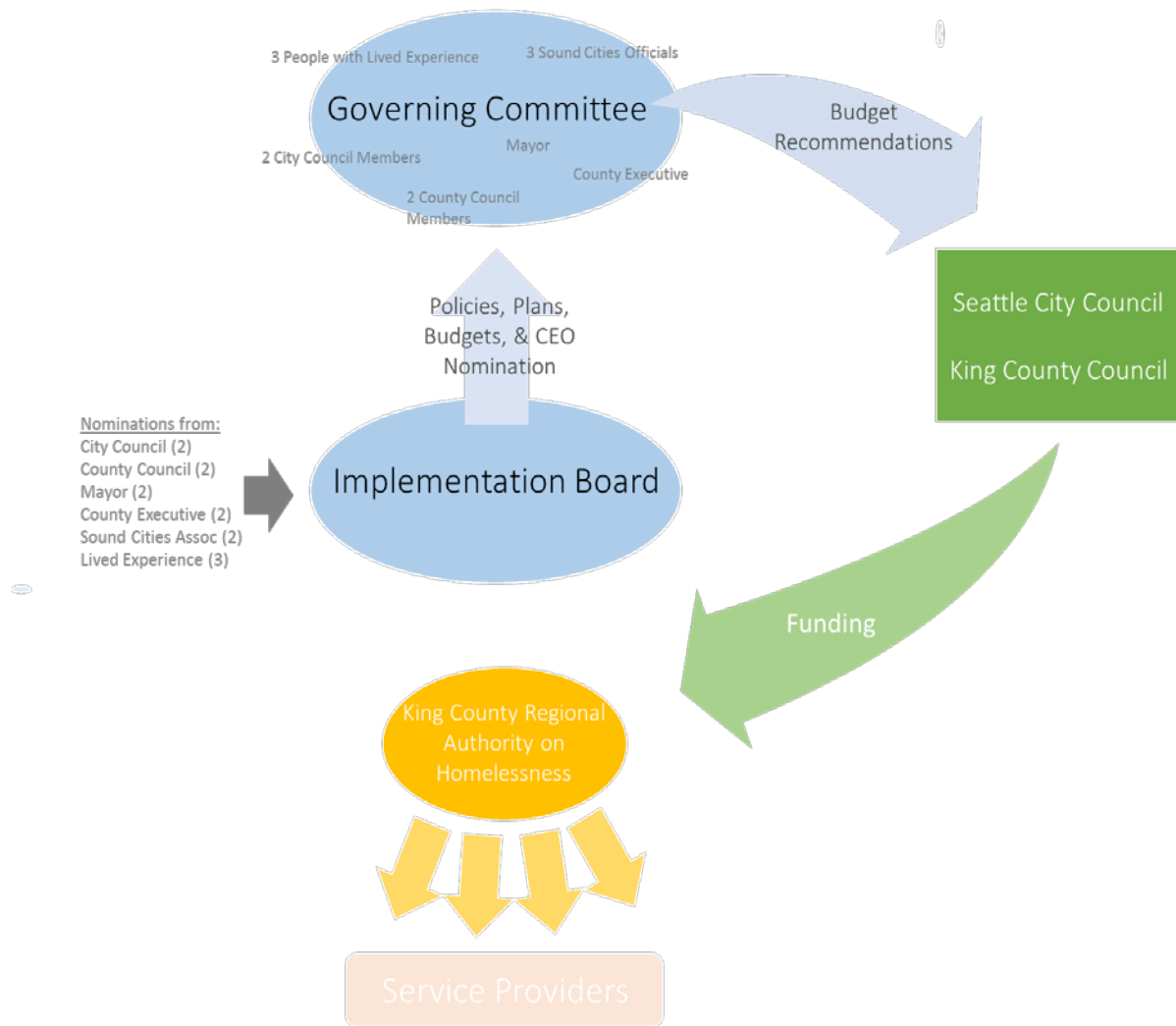
Type of Authority

On December 16, 2019, the Council passed [Council Bill \(CB\) 119724](#), authorizing the City to enter into an interlocal agreement (ILA) with King County to create KCRHA. The King County Council passed similar legislation on December 12, 2019 ([CB 2019-0478](#)) The ILA created a separate governmental administrative agency pursuant to [RCW 39.34.030\(3\)](#), not a public development authority (PDA), as had been initially proposed. A separate governmental administrative agency is largely the same as a PDA except it lacks the authority in state law to issue bonds. Although neither types of entities possess taxing authority, the ILA also specifically bars KCRHA from imposing taxes.

Overall Governance Structure

The ILA authorizes the creation of a separate governmental administrative agency with a two-part governance structure (see Figure 1). First, a Governing Committee composed of the Mayor, County Executive, two Seattle Councilmembers, two King County Councilmembers, three people with lived experience of homelessness or accountable to such groups (lived experience), and three members of the Sound Cities Association (SCA). The second part of the governance structure is an Implementation Board of subject matter experts selected for a range of skill-based criteria and representational attributes, including people with lived experience. The Mayor, County Executive, Seattle and King County Councils, and Sound Cities Association each will nominate two members for the Implementation Board, with the Governing Committee confirming nominations. Three seats on the Implementation Board will represent or be accountable to people with lived experience. All of the members with lived experience on both the Governing Committee and Implementation Board will be nominated by the Advisory Committee of KCRHA (or until the constitution of the Advisory Committee, All Home's Continuum of Care Board) and will be confirmed by the Governing Committee.

Figure 1: Governance Structure of King County Regional Homelessness Authority



Governing Committee Duties and Powers

The Governing Committee will perform a variety of actions that require passage by either a simple majority or by a two-thirds majority. Both thresholds are based on the number of members present, assuming the quorum of nine members is met. For example, a two-thirds majority could be as few as six members if only the minimum of nine members are present.

The actions requiring a majority vote are:

- Remove Implementation Board members for cause;
- Recommend amendments to the ILA;
- Adopt and amend bylaws;

- Confirm Implementation Board members;
- Approve the staffing plan and organizational chart provided by the Implementation Board;
- Approve performance metrics; and
- Change the name of the authority

The actions requiring a two-thirds majority are:

- Approving or amending goals, policies and plans;
- Approving or amending annual budgets that are recommended by the Implementation Board; and
- Confirming the CEO

Lastly, an absolute minimum of nine votes are required to remove the CEO.

Multiple members of the City Council expressed concern over the threshold required to amend goals, policies, plans, and budgets. At the request of Council President González, the Mayor and County Executive provided letters committing to the establishment of bylaws that would require no fewer than eight votes for such actions. In addition, they committed to bylaws that will require five-year plans, sub-regional plans, and budgets and any spending by the authority to align with the guiding principles for KCRHA, as listed in Article IV, Section 3 of the ILA.

Implementation Board

The Implementation Board is intended as a group of experts with substantial relationships with all relevant stakeholders who can prepare plans, policies, performance reports, and budgets for the authority. The ILA requires a nominating committee to coordinate the appointments from the various parties to meet a variety of requirements for the Implementation Board overall.

A majority of the Implementation Board members must be positioned to represent marginalized populations statistically disproportionately represented among people experiencing homelessness and strive to reflect the racial and ethnic makeup of King County overall. The Implementation Board must have connections to or experience with the local business community, neighborhood and community associations, faith and religious groups, and the philanthropic community. There is a goal to reflect geographies across King County, as well. Lastly, the following list of skills and areas of expertise must be reflected:

- Implementing policies to promote racial-ethnic equity
- Fiscal oversight
- Oversight of business operations for a large entity
- Affordable housing finance and development

- Physical or behavioral health care
- Labor unions and workforce
- Federal Continuum of Care programs
- Academic research or performance evaluation on homelessness
- Criminal justice
- Child welfare
- Youth services

The ILA prohibits elected officials; current contract holders or their representatives; and City, County, and KCRHA employees from serving as members of the Implementation Board.

KCRHA Planning

The ILA calls for an interim work plan to be developed until the Implementation Board can create a five-year plan for KCRHA. Sub-regional plans that articulate local needs, priorities, and solutions must form the basis for the five-year plan. As noted above, multiple Councilmembers expressed concern about whether the sub-regional planning and the funds expended by the agency would be in alignment with the guiding principles of KCRHA. The Mayor and County Executive committed in their letter to Council President González to develop Governing Committee bylaws that will require only approving sub-regional and five-year plans that align with the guiding principles articulated in Article IV, Section 3 of the ILA.

Programs Managed by KCRHA

The ILA commits the City and King County to transfer funding for nearly all of their homeless services to KCRHA. As such, the funding and management of basic shelters, enhanced shelters, tiny home villages, rapid re-housing, permanent supportive housing (PSH) operations, diversion, homelessness prevention, transitional housing, and day and hygiene services, will all move to KCRHA. Capital funding to build affordable housing and PSH and the Navigation Team are the only homelessness investments that would not be moved. Programs that can help a family or individual prevent homelessness but that are not specifically homelessness investments (e.g., food banks) remain in HSD or the respective County department, as well.

Staffing Transition

HSD and the Mayor's office have indicated that HSD staff from the Homeless Strategies and Investments Division will be co-located with county staff in a county-owned building beginning in early 2020. Late in 2020, HSD staff will be loaned to KCRHA to provide initial staffing for KCRHA. Either a supplemental budget in 2020 or the Mayor's 2021 Proposed Budget is expected to identify the staff positions that will be eliminated, created, or transferred to KCRHA. Simultaneously, KCRHA will separately hire its own staff to fulfill the staffing plan that the CEO will propose to the Implementation Board in 2020. The plans for the transition of any

HSD staff, including the positions affected, the impact on employee benefits and pensions, packages to incentivize movement to KCRHA, and re-employment supports, must be approved by the Council prior to their implementation, per CB 119724.

Upcoming Steps in Implementation

The following list identifies anticipated next steps and deadlines for implementing the ILA and bringing into existence KCRHA. Some of these items will be presented to the Select Committee in 2020.

- **Jan 2020:** Parties nominate Governing Committee members (“expeditiously” per Article VIII, Section 1.a.iv) and notify other parties
- **Jan/Feb 2020:** Nominating committee convenes to develop list for Implementation Board members
- **Jan/Feb 2020:** Regional Action Plan unveiled (late January/early February)
- **By March 18, 2020:** 1st Governing Committee Meeting (within 90 days after effective date)
- **Spring 2020:** HSD staff co-located with county staff
- **TBD:** Search firm for CEO hired
- **TBD:** Governing Committee adopts bylaws
- **TBD:** Governing Committee confirms Implementation Board members
- **TBD:** 1st Implementation Board Meeting (60 days after final member confirmed)
- **TBD:** Staff Transition plan submitted to Council for approval
- **TBD:** KCRHA proposed staffing plan, including plan for support services, submitted to Implementation Board (60 days after hire of CEO)
- **Early 2021:** KCRHA Initial Work Plan approved by Governing Committee (6 months after 1st Implementation Board meeting)
- **Late 2021:** First five-year plan adopted by Governing Committee

cc: Kirstan Arestad, Executive Director
Aly Pennucci, Supervising Analyst