

**Amendment 2 To Council Bill (CB) 119812<sup>1</sup>**

**Select Budget Committee**

**Sponsor: Councilmembers Morales & Lewis**

Amendatory language shown in ~~track changes~~ track changes

Amend Section 4, page 11, lines 8-26 as follows:

Section 4. The appropriations in Section 2 of this ordinance, amending the 2020 Adopted Budget, shall be subject to the following provisos:

\* \* \*

~~3~~C. Of the funding appropriated to the Human Services Department's Addressing Homelessness (BO-HS-H3000) Budget Summary Level in the 2020 Adopted Budget, \$32.64 million of the funds shall be used to address housing insecurity by funding housing programs and services that support low-income households and people experiencing homelessness and may be used for no other purpose. Furthermore, none of the money so appropriated may be spent by the department on congregate shelter. Up to five percent of these funds may be used for expenditures incurred by the department to administer the investments. The Council intends that the City will partner with CBOs that have a history of trust and success in reaching low-income communities and people experiencing homelessness, including experience reaching those who are traditionally marginalized or typically face barriers to enrolling in assistance programs, such as, but not limited to, language barriers, and other historically marginalized communities, to distribute the funds as follows:

~~A~~1. \$19.5 million for existing homelessness prevention programs and rental assistance programs that serve individuals and families such as the United Way of King County's Home Base program and other programs to provide rental assistance; and

~~B~~2. \$10.8 million for shelter de-intensification activities and housing or shelter options for unsheltered homeless individuals and families in non-congregate settings, including costs for new tiny homes, acquiring or leasing hotels or motels or other buildings, or extending leases on such facilities. At least \$3.6 million of this funding shall be used to establish four or five new or expanded tiny home villages; and

~~C~~3. \$2.35 million to support the ongoing service and operation costs of shelter providers. Eligible service and operating costs can include, but are not limited to: personal protective equipment, overtime or premium pay for staff, food service, or cleaning supplies.

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<sup>1</sup> This amendment assumes passage of Amendment 1 to CB 119812.

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**Effect:** This amendment would allocate at least \$3.6 million of the \$10.8 million of authorized spending for shelter de-intensifications efforts to establish new tiny home villages. This could accommodate between four and five new villages depending on a variety of factors, such as the opening date that impacts the cost to provide services at the villages in 2020, site conditions, and size of village (see more details in the table below that presents different funding scenarios).

Any new villages established in 2020 will have on-going operational costs that will require identifying funding to support such operations in 2021 and beyond. The operational costs for five villages in 2021 are estimated at \$4.5 million, and \$3.6 million for four villages.

	<b>Number Villages</b>	<b>Set-up Cost</b>	<b>Opening Date</b>	<b>Operations</b>	<b>Total</b>
<b>Scenario 1</b>	5	\$3,000,000	Dec. 1, 2020 (perhaps Nov. 15)	\$375,000	\$3.375 million
<b>Scenario 2</b>	4	\$2,400,000	Oct. 1, 2020	\$900,000	\$3.3 million
<b>Scenario 3</b>	5	\$3,000,000	Nov. 1, 2020	\$750,000	\$3.75 million

- Scenario 1 assumes it takes three to four months to negotiate a contract with a service provider and commence operations.
- Scenario 2 assumes it takes two months to negotiate the agreements and commence operations.
- Scenario 3 splits the difference between scenario 1 and scenario 2.