

Budget Deliberations – October 17, 2019

HOMELESSNESS RESPONSE

Staff: Jeff Simms, Brian Goodnight, and Traci Ratzliff, Analysts

Budget Summary (\$ in 1,000s)

	2019 Adopted	2020 Endorsed ¹	2020 Proposed	% Change 2020 Endorsed to 2020 Proposed
Appropriations by BSL				
<i>Human Services (HSD)</i>	\$80,629	\$81,948	\$89,863	9.7%
<i>a. Permanent Supportive Housing</i>	\$16,807	\$17,255	\$17,255	0.0%
<i>b. Basic Shelters</i>	\$3,689	\$2,997	\$2,997	0.0%
<i>c. Enhanced Shelters</i>	\$19,888	\$21,793	\$21,793	0.0%
<i>d. Sanctioned Encampments</i>	\$3,889	\$4,835	\$6,097	26.1%
<i>e. Day and Hygiene Services</i>	\$5,161	\$5,397	\$5,397	0.0%
<i>f. Transitional Housing</i>	\$2,885	\$2,876	\$2,876	0.0%
<i>g. Outreach</i>	\$5,273	\$6,174	\$6,299	2.0%
<i>h. Rapid Re-Housing</i>	\$7,859	\$8,104	\$8,104	0.0%
<i>i. Diversion</i>	\$2,033	\$2,086	\$2,086	0.0%
<i>j. Prevention</i>	\$3,326	\$3,316	\$3,316	0.0%
<i>k. Healthcare for the Homeless</i>	\$2,948	\$3,029	\$3,029	0.0%
<i>l. Other²</i>	\$6,871	\$4,086	\$10,614	159.8%
<i>Finance General</i>	\$0	\$0	\$2,400	--
<i>Police Department (SPD)</i>	\$2,266	\$2,351	\$2,351	0.0%
<i>Public Utilities (SPU)</i>	\$1,276	\$1,315	\$1,737	32.2%
<i>Finance & Administrative Services (FAS)</i>	\$1,689	\$1,768	\$2,133	20.6%
<i>Parks & Recreation (SPR)</i>	\$1,421	\$1,421	\$1,521 ³	7.0%
<i>Housing (OH)</i>	\$2,158	\$1,952	\$1,952	0.0%
<i>Education & Early Learning (DEEL)</i>	\$475	\$957	\$957	0.0%
<i>Construction & Inspections (SDCI)</i>	\$443	\$459	\$459	0.0%
<i>Public Library (SPL)</i>	\$110	\$110	\$255	131.8%
<i>Neighborhoods (DON)</i>	\$51	\$55	\$55	0.0%
<i>Transportation (SDOT)</i>	\$20	\$20	\$20	0.0%
Total Funding	\$90,538	\$92,356	\$103,703	12.3%

1. HSD sublines in 2020 Endorsed are estimated amounts. Intervention specific totals in HSD are not available.

2. Includes increased or new investments in the Navigation Team, Seattle Housing Authority Rental Assistance Pilot, and start-up costs for the Regional Authority on Homelessness.

3. Updated following the presentation to the Select Budget Committee on Oct. 2, 2019.

Background

This paper describes proposed changes in the City's investments for homelessness in the 2020 Proposed Budget compared to the 2020 Endorsed Budget. The 2020 Proposed Budget adds \$11.3 million in resources to address homelessness above the 2020 Endorsed Budget, a proposed

total of \$103.7 million. In addition to new and expanded programs, this includes new Federal McKinney-Vento Grant funds, contract inflation, and other technical adjustments.

Human Services Department

The proposed budget adds \$8.3 million to the Human Services Department (HSD) for new or expanded homelessness programs above the 2020 Endorsed Budget. Of that increase, \$6.5 million is one-time funding.

Table 1: New or Expanded HSD Homelessness Programs in the 2020 Proposed Budget (\$ in 1,000s)

Investment	One-Time Proposed Amount	On-Going Proposed Amount
Chief Seattle Club Clinic	\$1,000	-
Navigation Team Expansion	-	\$326
On-Site Nurses	\$650	-
Nurse line	\$3	\$37
Jail Shelter*	\$2,000	\$400
SHA Rental Assistance Pilot	\$515	-
Safe Parking	\$125	-
Tiny Home Village Relocation	\$1,262	-
Regional Governance Start-Up	\$919	\$1,080
Total	\$6,474	\$1,843

* Denotes funds placed into Finance General while the proposal is finalized.

In addition to the changes outlined under issue identification, the proposed budget adds the following funding and staffing:

- **Chief Seattle Club Capital Investment** - \$1 million in one-time funding to support the construction of a health clinic in the ?al?al. The one-time funds are proceeds from the street vacation associated with the Convention Center.
- **Enhanced Shelter in King County Jail** - \$2.4 million to open and operate an enhanced shelter in the King County Correctional Facility. This investment will be discussed in the examination of criminal justice investments at the Select Budget Committee meeting on October 21.
- **On-Site Nurses and Nurse Call Line** - \$650,000 to provide after-hours nurse support at five shelters and permanent supportive housing (PSH) facilities and \$40,000 to open and operate a nurse call line available to staff and clients at homeless services agencies. These additions to the budget will be discussed in the examination of the criminal justice investments at the Select Budget Committee meeting on October 21.
- **Navigation Team Staff** – \$326,461 to maintain the 2019 expansion of the Navigation Team. In total, four new positions were added to the team, but one-time funds were used to create two of them. Two System Navigator positions were added using funding originally added in the 2019 Adopted Budget to expand outreach services and add an additional mental health professional to the Navigation Team. The System Navigators provide outreach services for the Navigation Team. Two Field Coordinator positions were also added using one-time funding. They manage the assessment of unsanctioned encampments for removal and coordinate the

resources for clean-ups. The Proposed Budget provides on-going support to retain them. Total investments for the Navigation Team in the Proposed Budget are described in Table 2, including this \$326,461 increase.

Table 2: Navigation Team Funding and Staff by Department (\$ in 1,000s)

Department	2019 Adopted		2020 Endorsed		2020 Proposed		% Change 2020 Endorsed to 2020 Proposed	
	Funding	FTE	Funding	FTE	Funding	FTE	Funding	FTE
HSD	\$2,455	13	\$2,455	13	\$3,322	17	35.3%	30.8%
SPD	\$2,266	13	\$2,351	13	\$2,351	13	0.0%	--
FAS	\$1,314	-	\$1,314	-	\$1,314	-	--	--
SPR	\$1,308	-	\$1,308	-	\$1,408	-	7.7%	--
Total	\$7,343	26	\$7,428	26	\$8,395	30	13.0%	15.4%

Seattle Public Utilities Clean City Programs

SPU manages a suite of programs under the moniker of Clean City that address issues such as litter, illegal dumping, graffiti, abandoned vehicles, and rodent abatement. In 2017, the City added three pilot programs related to homelessness: Encampment Trash, Litter Abatement, and Sharps Collection. In 2018, the Recreational Vehicle (RV) Remediation program was added as a fourth pilot program. Overall, the 2020 Proposed Budget includes approximately \$10.5 million of appropriations for the Clean City suite of programs. Table 3 shows the adopted, endorsed, and proposed appropriations for the four homelessness-related programs:

Table 3: Clean City Programs Related to Homelessness (\$ in 1,000s)

Program	2019 Adopted	2020 Endorsed	2020 Proposed	% Change 2020 Endorsed to 2020 Proposed
Encampment Trash	\$219	\$226	\$249	10.4%
Litter Abatement	\$428	\$440	\$533	21.0%
Sharps Collection	\$428	\$443	\$447	0.9%
RV Remediation Pilot	\$199	\$205	\$508	147.4%
Total	\$1,276	\$1,315	\$1,737	32.2%

Note: Values may not add to total shown due to rounding.

The Encampment Trash, Litter Abatement, and Sharps Collections programs all graduated out of the pilot stage in the 2019 Adopted Budget. In the 2020 Proposed Budget, the service levels for these programs are maintained. The increases between the endorsed and proposed budgets shown in Table 3 reflect increased disposal costs resulting from higher volumes of waste and a rising disposal rate.

The RV Remediation Pilot program is the area with a significant increase in the 2020 Proposed budget. The Executive's proposal would double the number of sites serviced each month from an average of seven to an average of 14. The increased funding would support additional contractor costs and a temporary Planning and Development Specialist II (1.0 FTE). The proposed budget also adds funding to SPR (\$100,000) and FAS (\$200,000) to support the expansion.

Seattle Parks and Recreation

The 2020 Proposed Budget includes \$113,000 to support existing shower services for homeless individuals provided at four community centers (Delridge, Green Lake, Miller, and Rainier). SPR has indicated there are challenges providing shower services at these centers including safety concerns, damage to facilities, and additional maintenance demands that they argue existing resources do not cover. If services are proposed for expansion, SPR would need additional funding to address unsupported costs at existing community centers offering shower services. These costs include: staff training (handling blood borne pathogens, de-escalation techniques, mental health first aid), repair and major maintenance expenses related to intensive shower use, and towel service (not currently provided but recommended). The ongoing, annual cost for such activities is estimated to range from \$125,000 to \$225,000. This cost would be in addition to costs associated with expanding shower services to existing or new community centers.

Issue Identification

1. Seattle Housing Authority Rental Assistance Pilot

In 2018, the Mayor launched a pilot to provide short-term rental supports for individuals on the waiting list to receive long-term housing vouchers from the Seattle Housing Authority (SHA). The initial pilot assumed households eligible for the pilot would need this short-term rental assistance for no more than 12 months. However, in October 2018, SHA changed its policies for long-term vouchers to respond to increasing rents in the Seattle area, which resulted in much longer waiting periods for households in the pilot.

The 2020 Proposed Budget adds \$515,000 to the pilot to ensure none of the households in the pilot lose their short-term rental support in 2020 before they receive their SHA voucher. According to projections provided by HSD, approximately 40 of the 72 households still receiving assistance through the pilot will require assistance into 2021 and additional appropriations would be necessary to maintain their housing. By that time, those households will have been on the SHA waitlist for nearly four years and some could expect to remain on the waitlist for years more.

Options:

- A. Do not increase funding for the pilot, likely creating housing instability or homelessness for these households.
- B. Increase funding for the pilot. This could include identifying additional one-time funds that could carry forward into subsequent years to fulfill the commitment to keep households in the pilot housed until they receive a SHA voucher.
- C. No action.

2. Safe Parking Pilot

The 2019 Adopted Budget added \$250,000 to develop a pilot program to serve individuals living in cars or other vehicles, except recreational vehicles. After exploring the option of creating a single larger parking lot for this pilot, HSD determined that providing this service at several small parking lots at faith-based organizations around the City would be a more viable approach. The funds, to date, supported the expansion of the program at Our Redeemer Lutheran Church from two parking spaces to seven parking spaces and provided funds for case management for individuals utilizing those spaces. HSD hopes to identify more faith-based organizations as partners to add an additional 23 spaces this year, for a total of 30 parking spaces. The proposed expansion takes \$125,000 in unspent funds from 2019 and uses those to support expansion beyond 30 spaces in 2020.

Options:

- A. Do not increase the funding for the pilot, allowing a year to examine the results of expanding to new locations as currently supported in the 2020 Endorsed Budget.
- B. Reduce proposed funding for the pilot in 2020 due to the limited increase in safe parking spaces.
- C. No action.

3. Relocation of Tiny Home Villages

The Proposed Budget adds \$1.3 million to address the relocation of two tiny home villages whose permits are about to expire, Georgetown and Northlake. These one-time funds are proceeds from the sale of the Mercer Mega-block that are designated to support homeless services. The amount in the proposed budget assumes these two villages would operate until their current permit expires and then replace the village with an enhanced shelter or new location for a sanctioned encampment. This investment adds \$50,000 for each encampment to ramp down services, \$516,000 in start-up costs for new locations, and \$469,000 for increased operating costs (assuming higher costs per bed for new location). The estimate also adds \$177,000 to continue operating both encampments for three months on top of the \$177,000 included in the base budget.

Options:

- A. Do not provide funds to move either encampment, saving \$1.3 million.
- B. Do not increase the operational funds above 2019, saving \$469,000.
- C. Move only one of the two encampments.
- D. Redirect the \$177,000 that duplicates funds provided in the base budget to support other Council priorities, leaving \$1,084,000 for the relocation of these villages.

4. Costs to Create Regional Authority on Homelessness

The Proposed Budget adds \$2 million in 2020 to start up a regional authority on homelessness. This consists of \$919,000 in true one-time costs, such as the setup of technology systems, moving costs, and an executive search firm. The remaining \$1,080,000 is for on-going new costs, primarily nearly \$900,000 to hire three executive series staff, a chief of staff, and a director of human resources for the new entity.

The conceptual organizational chart for the regional authority envisions around 50 staff. This would result in a ratio of one executive series staff member (i.e., executive director or deputy director) for every 16 FTEs. It would be 1:12 if the Chief of Staff is also included as executive staff. That ratio for city departments is an average of 1:48. For example, HSD has one executive position for every 55 FTEs and the Office of Housing has one for every 22 FTEs.

Options:

- A. Change the number of executive staff funded in 2020 and beyond.
- B. Negotiate with King County to share the costs of executive staff for the new authority.
- C. No action.

Budget Actions Proposed by Councilmembers as of October 10, 2019

Emergency Services

- 1. \$900,000 to Start-Up and Operate a New Tiny Home Village (Councilmember Mosqueda) –**
This action would add \$350,000 in one-time costs to establish a new Tiny Home Village with approximately 40 tiny homes for 65-75 individuals and adds \$550,000 in ongoing operational funds. The tiny homes would be donated by the Low-Income Housing Institute.
- 2. Report on Sites for a Pallet Shelter or Tiny Home Village and Associated Costs Statement of Legislative Intent (SLI) (Councilmember Mosqueda) –** This action would request a site search to place a 40-pallet shelter or 25-50 tiny homes in Seattle and develop a cost estimate for on-going operations.
- 3. \$10,800,000 to Establish and Operate 20 New Tiny Home Villages (Councilmember Sawant) –**
This action would redirect the \$1.3 million in the 2020 Proposed Budget for relocating two tiny home villages and adds \$10.8 million, for a total of \$12 million, to open 20 new tiny home villages. In addition, a proviso would be added to ensure no funds are used to relocate or shut down existing tiny home villages.
- 4. \$1,200,000 to Fund an Enhanced Shelter for Homeless Youth (Councilmember Sawant) –** This action would add \$1.2 million to relocate the shelter formerly operated by Peace for the Streets by Kids from the Streets to a new location and provides funds for three years of operations.

5. **\$58,148 to Provide Menstrual Product in Shelter Programs (Councilmember Juarez)** – This action would add \$58,138 to provide free menstruation products to women staying in a city shelter or tiny house village.
6. **\$100,000 to Support Legal Services for Youth and Children Who Experience or Are At Risk of Experiencing Homelessness (Councilmember Gonzalez)** – This action would add \$100,000 on-going funds to provide legal services and representation for youth experiencing or at risk of experiencing homelessness in a range of cases, including child welfare proceedings, juvenile court, youth and family immigration matters, and youth and young adult homelessness civil legal services. Currently, Legal Counsel for Youth and Children provides this service but relies on non-City funds for these operations that will no longer be available.

Over-Represented Populations

7. **\$1,230,632 to Expand Homelessness Services to American Indian and Alaska Native Individuals Experiencing Homelessness (Councilmember Juarez)** – This action would add \$1.2 million for rapid re-housing, diversion, day center, and homelessness prevention services to individuals experiencing homelessness who are American Indian or Alaska Native. Funds would be used to contract with a non-profit organization that specializes in serving this community.
8. **\$374,517 to Expand Rapid Re-Housing Services to American Indian and Alaska Native Individuals Experiencing Homelessness (Councilmember Gonzalez)** – This action would add \$374,518 for rapid re-housing services to individuals experiencing homelessness who are American Indian or Alaska Native. Funds would be used to contract with a non-profit organization that specializes in serving this community, such as Chief Seattle Club.

Unsheltered Response

9. **\$273,000 to Add Two Positions to Respond to Homeless Encampments in North Seattle (Councilmember Juarez)** – This action would add \$273,000 and 2.0 FTEs to the Navigation team for a System Navigator and a Field Coordinator to assess and conduct outreach to residents of encampments in North Seattle.
10. **Cut \$8,387,000 from the Navigation Team to Support Other Homeless Services (Councilmember Sawant)** – This action would cut all expenditures related to the Navigation Team in 2020 and redirect those funds for other homeless services. Cuts would be made to the relevant budget programs in HSD, SPD, FAS, and SPR.
11. **Impose a Proviso on Funds for the Navigation Team (Councilmember Herbold)** – This action would impose a proviso on funding for the Navigation Team. Funds in HSD to support the Navigation Team would continue to be contingent on reporting certain performance metrics and responding to recommendations from the Office of the City Auditor. To address unsatisfactory responses from the current proviso, Council action would be necessary to release the funding quarterly.

12. Provide Funds to Start-Up a Mobile Needle Exchange Program (Councilmember Pacheco) – This action would add one-time and on-going funds (amounts to be determined) to launch a mobile needle exchange program.

13. \$206,472 to Extend a Pilot Providing Mental Health Outreach Workers in the University District and Ballard (Councilmember Pacheco) – This action would add \$206,472 GF to extend an existing pilot that supports two mental health professionals who conduct outreach in the University District and Ballard. The proposed funding is sufficient to continue these activities for 24 months.

14. Encampment Trash Program Expansion (Councilmember Herbold) – This action would add funding (amount to be determined) to SPU to expand the Encampment Trash program through a partnership with a nonprofit provider. Partnering with a nonprofit provider that can identify feasible sites, explain how the program works, distribute the purple bags used by the program, and monitor participating sites should allow for a more efficient expansion than would be possible with only City staffing resources.

Vehicular Residents

15. \$381,968 to Start-up and Operate an Overnight-Only Safe Parking Lot (Councilmember Pacheco) – This action would add \$33,410 for one-time costs and \$348,458 for on-going costs to support a safe parking lot for 20 to 30 vehicles at the University Heights Center. This funding includes the cost of a case manager and three part-time parking organizers for the overnight only safe parking lot. This action may require changes to the existing service agreement for the facility.

16. \$200,000 to Fund a Scofflaw Mitigation Team (Councilmember O'Brien) – This action adds \$200,000 for part-time outreach staff and flexible financial assistance to mitigate parking offenses for people experiencing homelessness who reside in vehicles.

Hygiene Facilities

17. \$2,010,000 to Develop and Staff Mobile Bathroom Facilities (Councilmember Herbold) – This action adds \$1.3 million for one-time start-up costs and \$726,000 for on-going operational funds to create staffed mobile restrooms. The locations would be equipped to dispose of needles and pet waste, as well.

18. \$1,500,000 to Develop and Staff Mobile Bathroom Facilities (Councilmember Sawant) – This action adds \$770,000 for one-time start-up costs and \$730,000 for on-going operational funds to create staffed mobile restrooms. The locations would be equipped to dispose of needles and pet waste, as well.

19. \$244,000 for Expansion of Shower Services for Homeless Individuals. (Councilmember Bagshaw and Councilmember Herbold) – This action would add \$244,000 to: (1) expand hours for shower services at Miller Community Center and provide new shower services at Meadowbrook Community Center for homeless individuals; (2) implement a pilot program for

providing towel service at centers providing shower services for homeless individuals; and (3) make needed repairs and perform major maintenance work related to the increased use of showers at the five community centers providing shower services. SPR is requested to schedule hours for these services as early in the morning, as possible and explore the use of disposable, compostable towels as a potential cost efficient, environmentally friendly option for the towel pilot.

20. Funding to expand cleaning of restrooms in City parks (Councilmember Herbold) – This action would add funding (amount to be determined) and FTEs to expand cleaning of restrooms in City parks.