

## HOMELESSNESS RESPONSE

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### Budget Summary (\$ in 000s)

	2020 Adopted	2021 Proposed	% Change
<b>Appropriations by BSL</b>			
<b>Operating</b>			
Human Services (HSD)	\$97,570	\$135,213	38.6%
a. Permanent Supportive Housing	\$17,235	\$17,813	3.4%
b. Shelters, Hygiene, and Day Services	\$31,539	\$41,225	30.7%
c. Sanctioned Encampments, Other Non-Congregate Shelter	\$6,942	\$20,841	200.2%
d. Transitional Housing	\$2,904	\$3,474	19.6%
e. Outreach	\$10,934	\$9,373	-14.3%
f. Rapid Re-Housing	\$8,195	\$18,351	123.9%
g. Diversion and Prevention	\$6,769	\$13,949	106.1%
h. Healthcare for the Homeless	\$3,874	\$4,160	7.4%
i. Navigation Team/Unsheltered Outreach and Response Team	\$2,559	\$1,278	-50.1%
j. Staffing and Administration	\$6,618	\$4,749	-28.2%
Police Department (SPD)	\$2,351	-	(100.0%)
Public Utilities (SPU)	\$1,852	\$9,644	420.7%
Finance & Administrative Services (FAS)	\$2,133	\$819	(61.6%)
Parks & Recreation (SPR)	\$1,754	\$1,754	-
Housing (OH)	\$1,952	\$2,584	32.4%
Education & Early Learning (DEEL)	\$957	\$971	1.5%
Construction & Inspections (SDCI)	\$459	\$471	2.6%
Public Library (SPL)	\$255	\$255	-
Neighborhoods (DON)	\$55	\$55	-
Transportation (SDOT)	\$20	\$20	-
<b>Total Appropriations<sup>1</sup></b>	<b>\$109,358<sup>2</sup></b>	<b>\$151,786</b>	<b>38.8%</b>

<sup>1</sup> Numbers may not add up due to rounding.

<sup>2</sup> Funding held in reserve in Finance General to develop and operate an enhanced shelter at the King County Correctional Facility is not reflected in the amounts for the 2020 Adopted Budget.

### **I. Background**

This paper describes proposed changes in the City’s homelessness response investments in the 2021 Proposed Budget compared to the 2020 Adopted Budget. The 2021 Proposed Budget increases homeless services by \$42.5 million compared to the 2020 Adopted Budget. The majority of this increase reflects spending to respond to the COVID-19 pandemic using one-time federal resources.

Human Services Department

The 2021 Proposed Budget provides \$135.2 million in the Human Services Department (HSD) for homelessness programs, an increase of \$37.6 million compared to the 2020 Adopted Budget.

*Table 1: Homelessness Program Expansions in HSD in the 2021 Proposed Budget (\$ in 000s)*

Investment	One-Time Proposed Amount	On-Going Proposed Amount
Lease Hotel Rooms*	\$15,800	-
Short-term Rapid Rehousing Increase*	\$8,965	-
Maintain rental assistance programs*	\$8,000	-
Maintain COVID Modifications and Deintensification in HSD shelters, day centers, etc.*	\$5,876	-
New Enhanced Shelter*	-	\$2,750
Continuing One-Time Funded Programs	-	\$1,512
Short-term Diversion Increase*	\$687	-
Baseline Adjustments, Contract Inflation, Position Reductions and Other Technical Changes	(\$5,881)	
<b>Total</b>	<b>\$37,643</b>	

\* Denotes a program implemented to respond to the COVID-19 pandemic.

The 2021 Proposed Budget includes the following investments to either provide new homelessness services to respond to the pandemic or continue programs that were initiated using one-time funds, including modifications to increase social distancing in existing programs:

- Leasing Hotel Rooms**– Provides \$15.8 million in one-time federal COVID resources to lease hotels for use as enhanced shelters. The program is anticipated to operate for ten months providing approximately 300 rooms, but the funds will be awarded competitively to a homelessness services agency, which could result in a different number of units or length of operation.
- Rapid Re-Housing Expansion**– Allocates nearly \$9 million of one-time federal Emergency Solutions Grant (ESG) funds to provide rapid re-housing services to as many as 230 households. This expansion of rapid re-housing would help move people in the enhanced shelter and hotel rooms described above into housing.
- Rental Assistance** – Adds \$8 million General Fund (GF) in one-time reserves for rental assistance programs, funded by the Council and Mayor’s joint JumpStart COVID-19 Relief plan.
- Maintain Deintensification and Program Modifications** – Allocates \$5.9 million in one-time funds from the Community Development Block Grant (CDBG) and joint COVID-19 relief funds to support the modifications and programmatic changes made by homelessness service providers in 2020 to support social distancing and shelter deintensification so that 1) clients can return to these programs and 2) the deintensification shelters opened in community centers and other facilities can be returned to their intended uses.

- **New Enhanced Shelter** – Provides \$2.8 million in on-going GF support to operate a new enhanced shelter. Several potential facilities have been identified.
- **Diversion Expansion** – Expands diversion programs by providing \$687,000 for the program using one-time federal ESG funds. This would allow an estimated 230 households, especially households utilizing the leased hotel rooms and new enhanced shelter, to receive case management and flexible financial support to move into housing.
- **Continuation of One-Time Investments** – Provides \$1.5 million GF to continue investments in prior years that were only provided one-time funding, including mental health workers in the U District and Ballard and investments in basic shelter from the 2019 Adopted Budget. The Scofflaw Mitigation Pilot is not funded in the 2021 Proposed Budget. Some programs that received one-time funding are continued in other departments or divisions, such as the mobile pit stops pilot, Home for Good, and funding for legal services for youth experiencing homelessness.

### Seattle Public Utilities (SPU) Homelessness-Related Programs

The 2021 Proposed Budget for SPU includes approximately \$9.6 million of appropriations for programs that are related to homelessness. Three of the programs (Encampment Trash, Litter Abatement, and Sharps Collection) were started as pilots in 2017 and became permanent programs two years later. The Recreational Vehicle (RV) Remediation program started in 2018 in collaboration with other City departments to address issues stemming from illegally parked RVs throughout the city. The proposed budget maintains 2020 service levels for all four of these programs and they all receive small inflationary increases. The RV Remediation program shows the largest increase, \$82,000 relative to 2020, but \$57,000 of that increase is funding that was included in the Seattle Department of Transportation's (SDOT's) budget in 2020 and does not represent a true increase in the program's cost. In the 2021 Proposed Budget, these funds are included in SPU's budget and will be used to pay SDOT for its continued participation in the program.

As shown in Table 2 below, the increase in the 2021 Proposed Budget relative to the 2020 Adopted Budget is primarily attributable to SPU's new Public Hygiene program and the transfer of a clean-up contract from Finance and Administrative Services (FAS) to SPU.

The Public Hygiene program work began this spring in response to the COVID-19 public health emergency. The program provides hygiene stations (which include portable toilets and handwashing units) and shower trailers for unsheltered individuals. As of early October, SPU has 15 hygiene stations deployed throughout the city and has shower trailers located at three sites: King Street Station, Seattle Center, and Green Lake Community Center. The 2021 Proposed Budget would appropriate approximately \$6.3 million to continue a similar level of service in 2021, although SPU is transitioning from rentals to an ownership model for the handwashing stations and shower trailers.

The 2021 Proposed Budget also transfers control of a \$1.3 million contract from FAS to SPU. The contract provides for encampment trash collection in areas that present safety concerns for City

employees (e.g. steep slopes) and for biowaste removal by contracted laborers that have the necessary specialized equipment. The level of service is proposed to remain the same as 2020.

Table 2: SPU Programs Related to Homelessness (\$ in 000s)

Program	2020 Adopted	2021 Proposed	% Change
Encampment Clean-Up Contract	\$0	\$1,313	n/a
Encampment Trash (a.k.a. Purple Bags)	\$364	\$388	7%
Litter Abatement	\$533	\$565	6%
Public Hygiene	\$0	\$6,300	n/a
RV Remediation	\$508	\$590	16%
Sharps Collection	\$447	\$487	9%
<b>Total</b>	<b>\$1,852</b>	<b>\$9,644</b>	<b>421%</b>

## II. Issue Identification

### 1. Navigation Team and Unsheltered Outreach and Response Team

Through supplemental budget action over the summer ([CB 1198225](#)), the Council voted to discontinue funding for the Navigation Team and redirect unexpended funds to provide outreach and engagement services, including flexible financial assistance that could allow individuals experiencing unsheltered homelessness to move directly into housing.

The 2021 Proposed Budget includes funding to create a smaller team, that would be renamed the Unsheltered Outreach and Response Team, with substantial similarities to the Navigation Team that would coordinate outreach to encampments, as well as continue some of the functions of the Navigation Team. In addition to restoring a City team for responding to encampments and coordinating access to emergency shelter and tiny home village vacancies, the contract held by FAS in 2020 for clean-up services would be fully restored and transferred to SPU. Funding for the staff at the Department of Parks and Recreation (Parks) for removing litter was not altered during the summer budget rebalancing and is maintained in the 2021 Proposed Budget.

The actions taken by the Council over the summer to restrict the funding previously authorized for the Navigation Team’s work does permit some Navigation Team activities to continue.

- **Outreach:** Outreach activities, whether through contract or by City personnel, can continue, and additional funding was authorized, including funds to move individuals directly into housing.
- **Litter and Waste Removal:** The staff in Parks who remove litter remain available. These staff remove trash, which can include needles, but these staff are generally not trained to handle biohazard waste or work on steep slopes, nor do labor agreements allow for these activities. Biohazard removal and work in areas on steep slopes has previously been completed through contracted services with an outside party through FAS. The funds for that outside party were redirected toward outreach services by the Council’s summer budget actions. Field Coordinators from HSD and crew leaders from Parks have supervised litter removal teams to ensure that waste is removed but not possessions. The funding for

all Field Coordinator positions were directed towards outreach and engagement by the Council. Funding for the Parks supervisors was not impacted by Council action.

- **Public Safety:** SPD can continue to respond to 911 calls or other ad hoc requests for investigating or addressing public safety issues and criminal activity within encampments.

While the above activities can continue, for the remainder of 2020 there are no dedicated City staff to coordinate the City’s response to encampments, respond to complaints about encampments, assess conditions in encampments, manage the storage of items identified as belongings, or centrally manage vacancies that occur in emergency shelter programs. It is conceivable that encampment removals could continue as a police function without some of those functions, but the ability to manage the storage of possessions, ensure outreach staff are present, oversee the notification and outreach to encampment residents, and coordinate among multiple departments would likely need to be restored to continue removals.

*Table 3: Comparison of HSD Staffing on Navigation Team and Proposed Unsheltered Outreach and Response Team*

HSD Navigation Team Staff - Summer 2020	Unsheltered Outreach and Response Team
<ul style="list-style-type: none"> <li>• Navigation Team Lead</li> <li>• Encampment Response Manager</li> <li>• Field Coordinator</li> <li>• Field Coordinator</li> <li>• Operations Manager</li> <li>• System Navigator</li> <li>• System Navigator</li> <li>• System Navigator</li> <li>• Outreach Supervisor</li> <li>• Communications Manager</li> <li>• Data Analyst</li> <li>• Data Analyst</li> <li>• Data Analyst</li> <li>• Admin Specialist</li> </ul>	<ul style="list-style-type: none"> <li>• Team Manager</li> <li>• Outreach Coordinator</li> <li>• System Navigator</li> <li>• System Navigator</li> <li>• City Department Coordinator</li> <li>• Field Coordinator</li> <li>• Data Analyst</li> <li>• Communications Manager</li> </ul>

The Unsheltered Outreach and Response Team proposed in the 2021 Proposed Budget would restore funds to conduct the activities that are currently unsupported. The team is smaller (see Table 3), but the positions on the team appear to have largely the same roles as the Navigation Team, though one of the new positions would overtly coordinate emergency shelter and tiny home village access for all homelessness services providers, which was not done by the Navigation Team. The 2021 Proposed Budget also does not increase overall funding for homelessness outreach as would be accomplished by the Council’s actions over the summer.

**Options:**

- A. Do not provide funds to create a City team to respond to encampments.
- B. Provide funds to maintain the increase in homelessness outreach services first provided by CB 119825.
- C. Impose a proviso on funding for the Unsheltered Outreach and Response Team to change the circumstances when encampment removals may occur, if ever, or require the Executive to revise [Multi-Departmental Administrative Rule 17-01](#) and [FAS Rule 17-01](#).
- D. No Action

**2. Resources for the King County Regional Homelessness Authority**

Consistent with the interlocal agreement authorized by [Ordinance 126021](#) in 2019, at some point in 2021, homelessness services contracts and funding will be moved from HSD to the King County Regional Homelessness Authority (KCRHA) along with funds from King County. The interlocal agreement establishing KCRHA does not dictate a specific amount of funding that the City must contribute but states the intent to provide the same funding budgeted at that time in HSD for homeless services contracts and related administrative expenses, not including contracts and costs related to Healthcare for the Homeless, Housing Opportunities for People with AIDS, capital costs related to permanent supportive housing and affordable housing, and the Navigation Team or its proposed replacement. \$73 million was the assumed amount of funding the City would contribute annually to the KCRHA when the interlocal agreement was authorized. In addition to the anticipated annual contributions beginning in 2021, the 2020 Adopted Budget included \$1,655,000 for initial start-up funding for the KCRHA,, though much of that funding remains unexpended due to delays in launching KCRHA.

The 2021 Proposed Budget includes several proposals that reduce administration in HSD's Homeless Strategies and Investments (HSI) division, which manages the homelessness contracts, or otherwise reduce the amount of administrative funding that would be available for KCRHA after the transfer:

- Eliminating six FTEs and the associated funding (excluding abrogation of one vacant position on the Navigation Team) for a savings of approximately \$639,000. The funds for these positions would likely have been transferred to KCRHA;
- Transferring two FTE pockets and the associated funding (\$203,000) from HSI to the proposed new Safe and Thriving Communities division; and
- Cutting funding previously provided to All Home, the current Continuum of Care, by \$422,000, with the expectation that the consolidation of services into KCRHA will create administrative efficiencies;
- Designating four existing HSI administrative positions and the associated \$595,000 to remain in HSD after the transfer of contracts and funding to KCRHA; and
- Providing no funds for either one-time or on-going start-up costs.

The retention of some administrative funds in HSD will be necessary to manage the City's contract with KCRHA and the small number of contracts that will not move to KCRHA, and the positions in HSI proposed for abrogation are all currently vacant. Nevertheless, it is unclear whether the aggregate impact of these changes will retain sufficient administrative resources for the KCRHA to operate.

**Options:**

- A. Provide additional funds for staffing and administration at KCRHA or reject some of the proposed administrative cuts in HSD.
- B. No Action

**III. Budget Actions/SLIs Proposed by Councilmembers as of October 8, 2020**

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Tiny Home Villages

1. **Tiny Home Village Expansion (Councilmember Lewis)** – This proposal would add \$10.9 million for the creation of 300 additional tiny home beds, which includes \$4.68 million for setup costs and \$6.42 million to HSD for one year of operations.
2. **University District Tiny Home Village (Councilmember Pedersen)** – This proposal would add \$1,650,000, which includes \$750,000 in startup costs and \$900,000 for one year of operations, to create a tiny home village for 35-40 units on land owned by Sound Transit in the University District.
3. **Self-Operated Tiny Home Villages (Councilmember Morales)** – This proposal would add \$535,000 to HSD's budget to open two self-managed tiny home villages with a total of 60 beds and support residents of Northlake Village in moving.
4. **Eight New Tiny House Villages and Encampment Support (Councilmember Sawant)** – This proposal would add \$11.2 million to establish eight new tiny home villages for operation by a homelessness services agency and an additional \$800,000 to support the operations of self-managed encampments that are not operated by a homeless services agency.

Hotel Purchase

5. **Acquire Hotel for Emergency Shelter (Councilmember Lewis)** – This proposal would add \$2.5 million for the purchase of a hotel to be used as an emergency shelter or allocate \$2.5 million of Emergency Solutions Grant funding for the purchase.
6. **Purchase Hotel (Councilmember Sawant)** – This proposal would add \$2.5 million to purchase a hotel that can provide approximately 100 units of non-congregate shelter during the pandemic and permanent supportive housing thereafter.

### Hygiene Services

7. **Develop Hygiene Center (Councilmember Sawant)** – This proposal would add funds to plan and develop a hygiene center, including shower and laundry facilities, at the site of a former wellness center in the Josephinum building located in downtown Seattle.
8. **Encampment Trash Program Expansion (Councilmember Morales)** – This proposal would add \$195,000 to SPU to expand the Encampment Trash (a.k.a. Purple Bag) program to 13 additional sites. The program currently provides weekly services to 17 sites, and this proposal would request that expansion begin by adding unserved encampments in South Seattle.
9. **Street Sink Handwashing Stations (Councilmember Morales)** – This proposal would add \$58,000 to SPU to increase access to hygiene and handwashing services through the provision of 63 “street sink”-style handwashing stations. The proposal intends to achieve citywide coverage by specifying the deployment of nine sinks in each Council district.

### American Indian and Alaskan Native (AIAN) Homelessness

10. **Chief Seattle Club Day Center (Councilmember Lewis)** – This proposal would add \$723,000 to support day center services at an organization with demonstrated expertise in serving AIAN people experiencing homelessness, such as the Chief Seattle Club.
11. **Homelessness and Support Services at Chief Seattle Club (Councilmember Juarez)** – This proposal would add \$1.6 million to expand day center services, homelessness prevention, homelessness outreach, services for survivors of domestic violence and sexual assault, and services to support reentry for AIAN who are experiencing homelessness, such as the Chief Seattle Club.

### Homelessness Outreach

12. **Behavioral Health Outreach Workers in North Seattle (Councilmember Juarez)** – This proposal would add \$200,000 to hire two individuals to act as liaisons to small businesses and residents in the Lake City neighborhood and provide de-escalation and crisis intervention.
13. **Homelessness Outreach and Provider Ecosystem (HOPE) Team (Councilmember Morales)** – This proposal would redirect the proposed positions and funding for the the Unsheltered Outreach and Response Team to a new five-person team that would provide administrative oversight and support to homelessness outreach agencies and coordinate inter-departmental coordination for litter picks at unsanctioned encampments.
14. **Homelessness Outreach Coordinator (Councilmember Morales)** – This proposal would add \$98,000 for an agency representing Black, Indigenous, and People of Color (BIPOC) individuals with lived experience of homelessness to provide outreach and engagement to the unhoused in Columbia City and Rainier Beach and act as a liaison to local businesses.

- 15. NavApp Utilization (Councilmember Herbold)** – This proposal would add funds to equip contracted homelessness outreach providers with the tools and training to use the NavApp utilized by the City’s Navigation Team to improve the data collected by contracted providers, and allow contracted providers to directly refer clients to shelter and other services as they conduct outreach at the direction of the City. Funds could allow the purchase of hardware, software licenses, training, and data coaching and reimbursement for staff time spent on data entry.
- 16. Homelessness Outreach in West Seattle and South Park (Councilmember Herbold)** – This proposal would add \$100,000 to increase contracted services with homelessness outreach providers to reach individuals with behavioral health issues in West Seattle and South Park and provide information and education for businesses, business improvement associations, community organizations, and community members.
- 17. Business Improvement Association Homelessness Outreach (Councilmember Strauss)** – This proposal would increase funding to organizations that serve as the program managers for Business Improvement Areas (BIAs) to provide funding for homelessness outreach, clean-up, and security services.

Other Proposals

- 18. Rental Assistance for Families (Council President González)** – This proposal would increase funds for rental assistance for families with children in childcare or Seattle Public Schools.
- 19. 24-Hour Operations at Basic Shelters (Councilmember Sawant)** – This proposal would add \$655,000 to allow basic shelters that have transitioned to 24-hour services during the pandemic to continue doing so.
- 20. Social Service Provider Academy (Councilmember Herbold)** – This proposal would add \$100,000 to support a navigator position and provide other student support at the Social Service Provider Academy (SSPA) at Seattle Central College. SSPA is a career development program that offers higher education opportunities to housing and homelessness social services entry level staff who are interested in advancing professionally in their field.
- 21. Homelessness Prevention and Facility Acquisition (Councilmember Mosqueda)** – This proposal would add funds for the acquisition or long-term lease of properties for use as non-congregate shelters and affordable housing and increase funding for homelessness prevention and rental assistance programs.
- 22. KCRHA Staffing and Operations (Council President González)** – This proposal would examine decreasing appropriations to KCRHA in 2021 and maintaining contract management and ownership in HSD due to delays in standing up KCRHA administration.