

September 28, 2021

MEMORANDUM

To: Select Budget Committee
From: Jeff Simms, Analyst
Subject: Analysis of Homeless System Capacity and Reports

On September 30, 2021, the Human Services Department (HSD) and other departments will present the homelessness related aspects of the Mayor's 2022 Proposed Budget. To inform those deliberations, this memo provides background analysis on investments in emergency shelter and summarizes data provided by HSD on the City's response to unsheltered homelessness.

The analysis shows that City-funded permanent shelter capacity (i.e., not temporary or one-time funded beds) has decreased since the end of 2019 and will not return to pre-pandemic levels until the additional 117 tiny home village beds funded in the 2021 Adopted Budget and other expansions funded with the Seattle Rescue Plan become operational. In addition, the analysis suggests that success in moving residents of unsanctioned encampments into shelter is tied most significantly to the availability of suitable shelter spaces, not the threat of encampment removal.

City-Funded Shelter Capacity

Prior to the COVID pandemic, the City funded a total shelter capacity of 2,284 units (see Chart 1) and anticipated an additional 80 tiny home beds funded by the Council in the 2020 Adopted Budget would come online over the course of the year. As a result, the City Council estimated that 2,364 permanent shelter beds would be available in 2020.

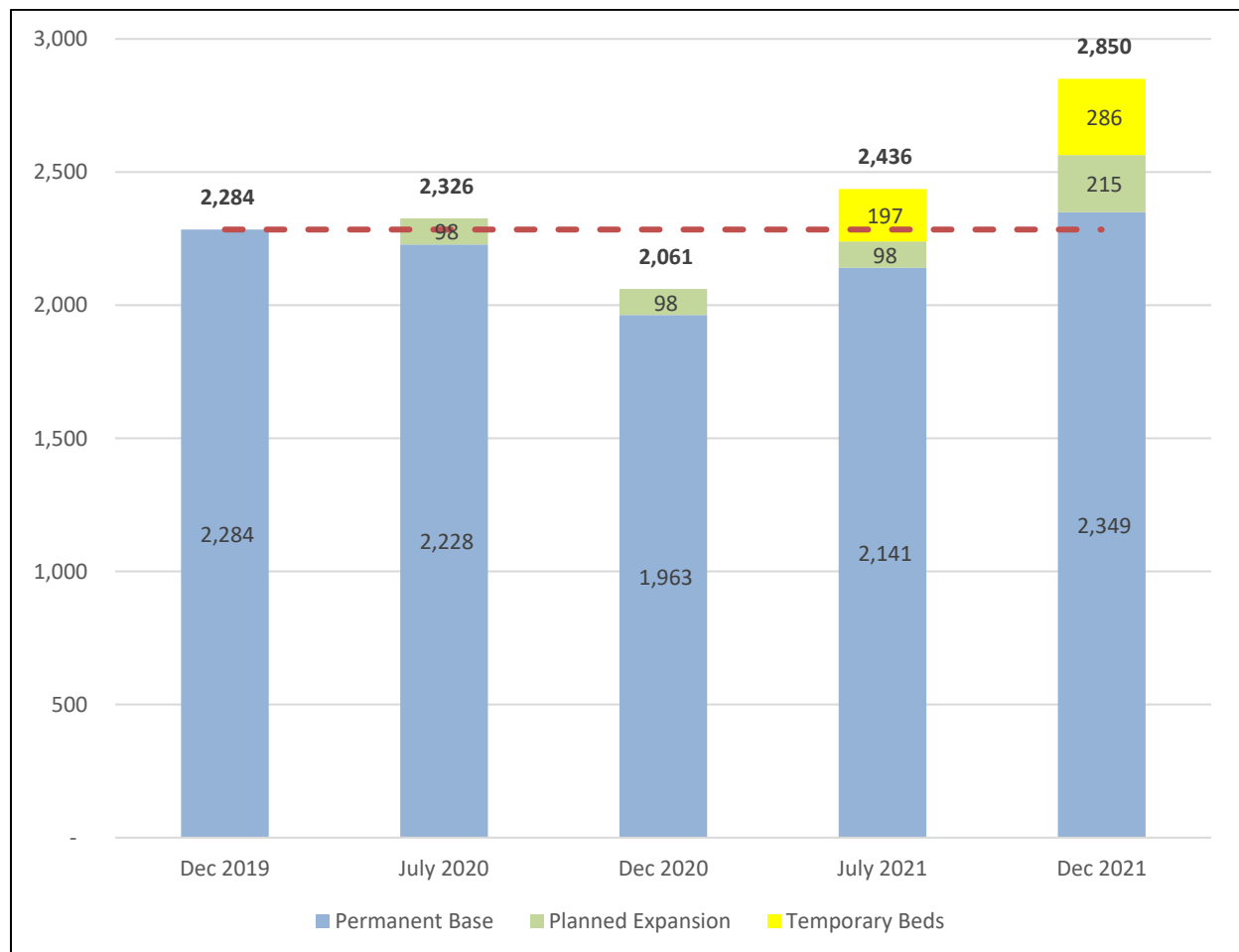
The pandemic required reductions in shelter capacity to increase social distancing in shelter programs. By the end of 2020, rather than capacity expanding by an estimated 80 units, it decreased by 223, a shift of 303 units.

The 2021 Adopted Budget included \$18 million of Emergency Solutions Grant COVID funds to pilot the use of hotels for shelter. Those funds led to the creation of 197 temporary shelter spaces at the King's Inn and Executive Hotel Pacific by April 2021. Combined with the reopening of some shelter beds and the expansion the Council had funded for 2020, total capacity reached 2,436 beds by July 2021, an increase of 152 beds compared to the end of 2019 (see Chart 1). However, permanent shelter capacity remained 45 units below the capacity at the end of 2019. During this period, the WHEEL-operated shelter at First Presbyterian Church was converted from basic to enhanced shelter beds, and the shelter in the City Hall lobby was moved to a location in the SODO neighborhood and converted to non-congregate enhanced shelter.

A contract with the Public Defender Association to operate JustCARE in the downtown core, particularly serving City Hall Park, added to the temporary shelter capacity in the fall of 2021. This brought temporary shelter capacity to a total of 286 beds, for a total of 2,850 beds for the last quarter of 2021. However, 197 temporary hotel shelter beds operated at the King’s Inn and Executive Hotel Pacific will begin to phase-out of operation early in 2022.

An additional 117 tiny home village beds that were funded in the 2021 Adopted Budget will become operational by the end of 2021. Other acquisitions, such as the new shelter operated by Africatown Land Trust in The Community Home at Keiro, will add permanent shelter capacity for the City, as well, bringing permanent shelter capacity to 2,564. Until these beds become operational, permanent shelter capacity will remain below the City’s shelter levels at the end of 2019 (horizontal red line in Chart 1).

Chart 1: Changes in City-Funded Shelter Capacity from 2019-2021



Navigation Team and HOPE Team

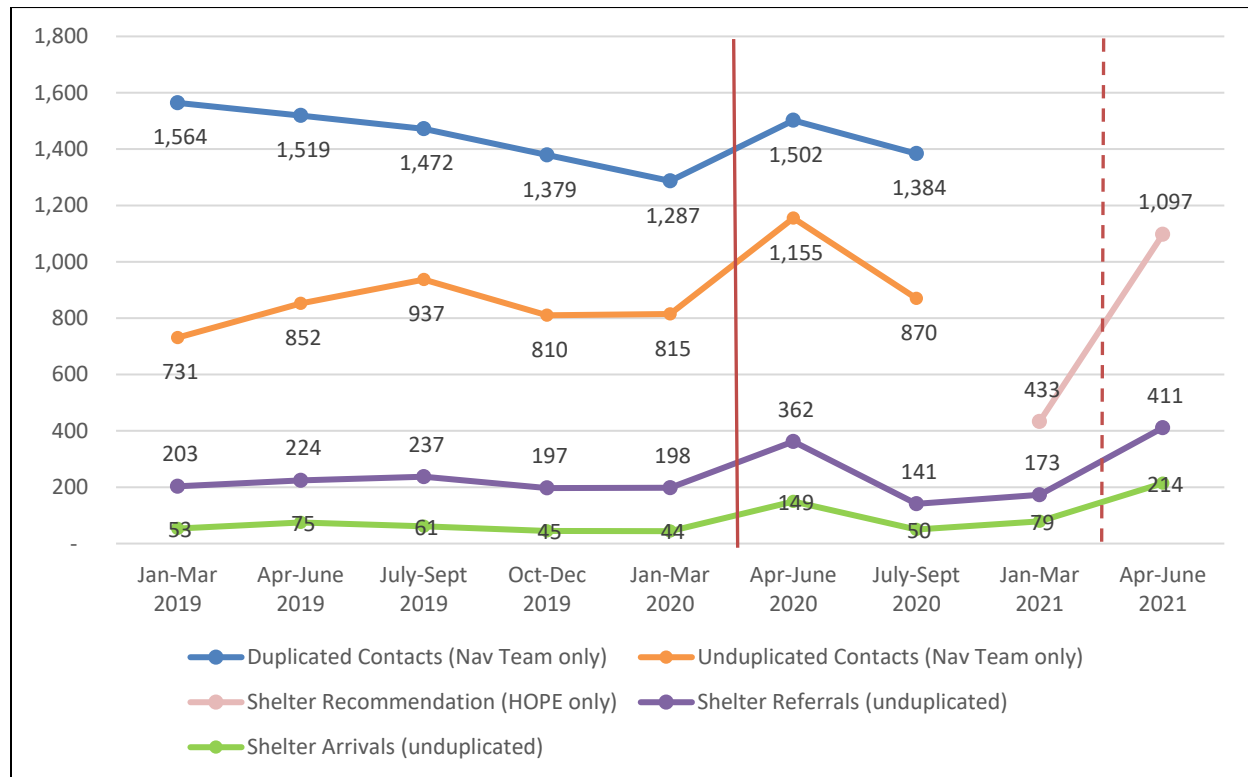
At the start of 2019, HSD began capturing and reporting quarterly data on the Navigation Team, which has since been replaced by the Homelessness Outreach and Provider Ecosystem (HOPE Team). The last Central Staff [memo](#) on these reports was prepared for the Select Committee on Homelessness Strategies and Investments meeting on February 26, 2020. Due to the defunding and then replacement of the Navigation Team, HSD did not provide data on these activities for several months. On August 16, 2021, HSD provided its [first full report](#) on the HOPE Team in response to Council Budget Action [HOM-020-A-001](#).

Among other data, HSD continues to report on the number of referrals to shelter (i.e., when an unsheltered individual accepts a referral to a shelter bed) and the rate that households referred to a shelter spend the night at that shelter. HSD no longer collects data on the number of contacts made by homelessness outreach providers and the HOPE Team. That information has been replaced by “shelter recommendations”, which reflect requests from a contracted homelessness outreach agency to make a shelter bed available after the outreach agency determined there is an appropriate match between the individual experiencing homelessness and the type of shelter beds that were available.

From April to June 2020, the Navigation Team achieved its highest rate of shelter referrals and shelter arrivals since data collection began. This peak occurred following the creation of 98 new shelter beds and a cessation of encampment removals due to CDC guidance that encampment removals could increase the spread of COVID (see solid vertical red line in Chart 2). As the expanded shelter beds were filled, the rates that unsheltered individuals accepted offers of shelter and arrived at those shelter locations returned to previous levels, despite the continued halt in encampment removals. These results suggest that success in moving residents of unsanctioned encampments into shelter is tied most significantly to the availability of suitable shelter spaces, not the threat of encampment removal.

Similarly, the HOPE Team demonstrated a substantial increase in the number of shelter recommendations, shelter referrals, and shelter arrivals from April to June 2021 after a large expansion of shelter beds. The total number of shelter referrals and arrivals from April to June 2021 were 411 and 214, respectively. These are the highest numbers reported since data collection began and followed the opening of 197 temporary hotel shelter beds and the conversion of basic shelter locations to create 278 enhanced shelter beds (denoted in Chart 2 with a dotted vertical red line). As noted with the success of the Navigation Team in the spring of 2020, the scale of shelter expansion from February through April of 2021 far exceeded any other period during data collection and indicates a correlation between shelter expansion and the acceptance of shelter offers by people in unsanctioned encampments.

Chart 2: Trends in Outreach and Service Connections by the Navigation Team and HOPE Team



It is notable that both quarters of HOPE Team data indicate that there are more than 2.5 times as many requests for access to shelter than can be accommodated. The practice of the Navigation Team reporting its total number of contacts made during a quarter did not as clearly reflect the level of interest in available shelter beds.

It is not possible at this time to determine if the replacement of the Navigation Team with the HOPE Team had an impact on the rates that unsheltered individuals move into shelter or housing. The Navigation Team metric of contacts and the HOPE Team metric of shelter recommendations do not capture the same data. Although several metrics reflect improved outcomes with the HOPE Team compared to historical Navigation Team averages, it is not possible to factor out the confounding effect of shelter expansions, and, as noted above, both the Navigation Team and HOPE Team demonstrated significant improvements in effectiveness that correlate with expansions of shelter.

The Council authorized additional spending on emergency shelter and outreach on June 21, 2021, through [Ordinance 126371](#). These investments include \$7.5 million to support a King County request for proposals to operate a combined outreach and shelter program, similar to a model implemented by JustCARE, and \$900,000 to operate additional shelter options, including for individuals residing in recreational vehicles. These investments are not yet operational and are unlikely to provide further data for analysis for several months. In addition, The Council

appropriated \$9 million for non-congregate shelter in [Ordinance 126298](#), which was amended by [Ordinance 126375](#). An estimated \$5.5 million of these funds has been used to expand hotel sheltering as part of the JustCARE program, but those beds were not operational until the second half of 2021.

Next Steps

On Monday, September 27, the Council received the Mayor's 2022 Proposed Budget. Central Staff is currently reviewing that proposal and its contents. As part of the process to create a final budget for 2022, the Council will have the opportunity to deliberate over funding for initiatives related to emergency shelter and responding to unsanctioned encampments.

cc: Esther Handy, Central Staff Director
Aly Pennucci, Policy and Budget Manager