



INNOVATION IN HOMELESSNESS THROUGH WORKING CAPITAL

A WAY TO ACCELERATE RESPONSE TO CHRONIC HOMELESSNESS



King County

Needs



53,000 people
in King County
who
experience
homelessness
each year

DESC

Provides



**357 Shelter and
Emergency
Housing Beds**



**2,195
Permanent
Supportive Housing
(PSH)
& Scattered Site
Apartments**



**6,569
Total Clients
supported in 2025**

*According to King County Regional Homelessness Authority 5 year plan

DESC is growing more quickly than we historically have because of a rapid escalation of people experiencing chronic homelessness and behavioral health crisis events associated with higher severity of mental illness.

A Funding Structure Problem

The reimbursement model requires that we “float” the cost of a program, then submit invoices for payment after services are delivered. In general, we expect reimbursement around 2 months after we provide services.

RECENT GROWTH

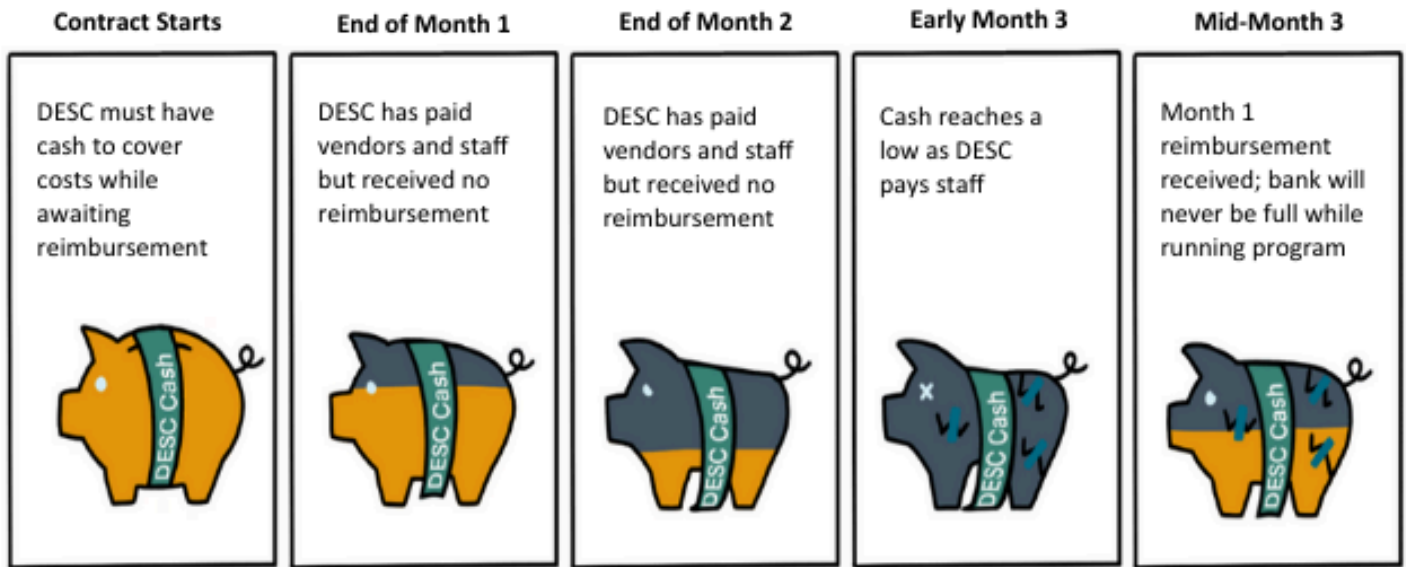
- Wage equity sector leader
- Fentanyl response scaling
- Overdose Response, Care, and Access Center development
- Scaled emergency crisis response teams
- 596 PSH apartments opened in 5 years
- 440 new apartments opening in 2025-2027

**DESC is using
\$15 million of its
own cash, to front
expenses while
waiting for
reimbursement.**

**We lose 689k
annually in
unrealized interest
because of these
delayed payments**

Even a “Fully Funded” program isn’t necessarily a financially viable program

The Shrinking Piggy Bank



We are at a point where we may not be able to grow and further innovate to meet the immense needs because the cost burden severely restricts our ability to invest in growth.

The Solution

Immediate Need \$10.4 Million

- donor support
- no- or low-interest long term loan

Long Term Sustainability

- \$22M Working Capital
- Funding Model Change
- Research to support Innovation

Coalition of Support

- Funders
- Influential Leaders
- Community Members

Foundations

- Fund working capital with restriction
- fund advocacy work to change funding models
- Provide no- or low-interest long term loans

Influential Leaders

- Review contracts you oversee to determine if there are ways to reduce the burden on non-profits to be able to provide their services

DESC Ambassadors

- Help us identify people we need to talk to to raise money and/or advocate for change
- Be a champion in your communities on why it’s ALL of our responsibility to care for our most vulnerable neighbors
- Help others understand why unrestricted giving is the most impactful way to make a difference in ending homelessness.

CONTACT: Daniel Malone, dmalone@desc.org.