

**Homeless Housing and Services Fund (HHSF)
Informational Update: 2021-2022**

December 2023



King County

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I. Motion 12566

A MOTION approving updated policies and procedures for allocating funds available to King County by chapter 43.185C RCW and authorizing the department of community and human services, in coordination with the committee to end homelessness in King County, to proceed with the implementation of the policies and procedures.

body

WHEREAS, homelessness is recognized as a critical issue in King County and other places in the nation, and

WHEREAS, the regional one-night count of homeless persons estimates that approximately seven thousand nine hundred King County residents experience homelessness on any given night, and

WHEREAS, approximately twenty-four thousand King County residents will experience at least one episode of homelessness during the coming year, and

WHEREAS, King County finds it unacceptable that such a high number of our citizens cannot find safe, decent, affordable and permanent housing, and

WHEREAS, the Committee to End Homelessness in King County (CEHKC), a regional committee comprised of representatives of King County, the city of Seattle and other cities, foundations, the faith community, the business community, nonprofit organizations and homeless individuals, has completed A Roof Over Every Bed in King County: Our Community's Ten-Year Plan to End Homelessness, which seeks to end homelessness by working together to improve the use of existing housing and service resources, as well as generating necessary additional resources, and

WHEREAS, the Washington state legislature called for the creation of ten year plans to end homelessness in communities across the state through passage of Chapter 484, Laws of 2005 (E2SHB 2163), also known as the Homeless Housing and Assistance Act, and authorized the collection of document recording fee surcharge revenue in support of such plans, and

WHEREAS, the Washington state legislature supplemented local revenues in support of ten year plans to end homelessness through the passage of E2SHB 1359, the Affordable Housing for All Act, on April 20, 2007, and

WHEREAS, E2SHB 2163 and E2SHB 1359 have created a funding source available to eligible Washington cities and counties that is expected to generate approximately seven million dollars per year for homeless housing, prevention and supportive services in King County, and

WHEREAS, the moneys collected under the authority of E2SHB 2163 and E2SHB 1359 are collectively named the King County homeless housing and services fund), and

WHEREAS, on September 1, 2005, the metropolitan King County council unanimously approved Ordinance 15284 adopting the ten-year plan to end homelessness in King County as submitted by the CEHKC and designated the CEHKC as the local homeless and housing task force pursuant to chapter 43.185C RCW, and

WHEREAS, Motion 12279 called for the department of community and human services and the CEHKC to submit a report to in spring 2007 on the results of the first two funding rounds of E2SHB 2163 revenues and to propose updates to the policies and procedures for future funding rounds, and

WHEREAS, the department of community and human services consulted many stakeholders in the process of updating the HHSF policies, including suburban cities and the city of Seattle, the consumer advisory committee of CEHKC, and the interagency council of CEHKC, and

WHEREAS, the proposed policies and procedures were formally adopted by the governing board of the CEHKC on April 25, 2007, to cover the homeless housing and services fund, including E2SHB 2163

and E2SHB 1359 revenues, as well as any other revenue directed toward implementation of plans to end homelessness;

NOW, THEREFORE, BE IT MOVED by the Council of King County:

The metropolitan King County council approves the updated policies and procedures to guide future allocations and awards of the King County homeless housing and services fund beginning with the 2007 funding round. As authorized by chapter 43.185C RCW, the council authorizes the Committee to End Homelessness in King County, in coordination with the department of community and human services, to proceed with the implementation of those policies and procedures, and to provide informational updates to the council every two years. The update and twelve copies shall be filed with the clerk of the council, for distribution to all councilmembers and the lead staff of the growth management and natural resources committee.

II. Executive Summary

The Homeless Housing Services Fund (HHSF) provides operations, rental assistance, and supportive service (ORS) funding to organizations that provide non-time-limited housing for people with high-needs. Without these supports, these King County households would struggle to maintain stable housing.^{1, 2} As directed by Motion 12566, this report provides an informational update on the HHSF for the 2021-2022 biennium.³

Over the last several decades, the King County region has experienced an increasing need for affordable housing, specifically housing dedicated to people moving out of homelessness. The urgency for affordable housing has never been greater, as the number of people experiencing homelessness in King County rose by more than 67 percent between 2007 and 2020, and by almost 10 percent between 2020 and 2022.⁴ According to a 2021 report, chronic homelessness rose by 42 percent in Seattle-King County in only four years.⁵ Per the King County Countywide Planning Policies, 42,896 net new permanent supportive housing units are needed in King County between 2019 and 2044.⁶

Since the inception of the HHSF in 2005, King County has awarded a total of \$181 million in combined funding for the operations and services of permanent housing projects, including \$105 million from the HHSF. By integrating or leveraging funding from multiple funding sources, the HHSF has supported over 3,700 homes for people moving out of homelessness.

In recent years, regional affordable housing funders have strengthened coordination and aligned priorities on new capital projects. This includes a shared focus on chronic homelessness to reduce the use of costly acute care services and secure housing stability for these individuals with disabilities who have experienced long-term homelessness.⁷

During the 2021-2022 reporting period, King County awarded \$27 million in ORS funding, including \$10 million in HHSF funding. In 2021 and 2022, 63 active projects housed a total of 4,243 formerly homeless persons.⁸ HHSF-funded projects generally house individuals and families at rates proportional to their representation in the homeless population overall. Over the 2021-2022 reporting period, HHSF served a high proportion of Black/African American households, reflecting successful efforts to address racial and

¹ Non-time limited housing, or Permanent Housing, is defined as housing that is available to households with incomes less than 30 percent, 50 percent, 60 percent, or 80 percent of area median income (AMI). Housing projects may receive tax credits or other incentives in exchange for agreeing to set aside a certain number of units in the development for households with total incomes less than a particular percentage of AMI. Households must meet income requirements to be eligible for the units. Affordable housing may or may not have a rental subsidy.

² Households are considered high needs if they have a high need for intensive therapeutic support and access to Behavioral Health supports to obtain and remain in housing. High needs households are also considered most vulnerable and prioritized based on the Coordinated Entry for All triage tool.

³ Motion 12566. [\[LINK\]](#)

⁴ U.S. Department of Housing and Urban Development (HUD) Point-In-Time Count Data. [\[LINK\]](#)

⁵ Challenge Seattle, Chronic Homelessness: A Crossroad. 2021 [\[LINK\]](#)

⁶ King County Council adopted CPP amendments establishing this need on August 15, 2023 [\[Ordinance 19660\]](#). These amendments now must be ratified by King County cities.

⁷ Center for Evidence-Based Solutions to Homelessness. "Chronic Homelessness." [\[LINK\]](#).

⁸ Active projects have consolidated into portfolios over time such that the overall number of projects has decreased while the number of units and/or households served have increased over time.

ethnic disproportionality within the homeless population. Seventy-seven percent of HHSF clients reported having a disabling condition. This reflects community-driven funding priorities to increase housing access for single adults and people experiencing chronic homelessness, including projects for people with disabilities.

For all permanent or non-time-limited housing projects that received HHSF funding in 2021 and 2022, King County, at 92 percent, exceeded the systemwide performance target of 90 percent retaining or exiting into permanent housing. Two percent of family and single adult households returned to homelessness within six months of exiting a housing program to a subsequent permanent housing destination, while 11 percent of youth and young adults did so. While the projects demonstrate success, programs funded during this time have reported operational challenges, including staff hiring and retention, rising operations and services costs, households presenting increased service needs, and ongoing impacts of the COVID-19 pandemic. The Department of Community and Human Services' Housing, Homelessness, and Community Development Division (HHCDD) continues to work with service providers and programs to mitigate negative impacts to services and to improve performance through technical assistance and regular project reviews.

Regional homelessness governance and the Continuum of Care in King County have evolved since the inception of the HHSF. During the reporting period, this included the ramp-up of the new King County Regional Homelessness Authority (KCRHA) as the successor to All Home, the region's prior homelessness response coordinating body. HHCDD continues to play a significant role in the distribution of homelessness funding for permanent housing and management of related contracts.

Overall, the operating and services costs of renewal projects reapplying for funding have risen over the years and HHSF funding has not kept pace with increased needs over time. Even with initiatives such as King County's Health Through Housing, or the new state investments through Apple Health and Homes, current resources are not sufficient to meet the scale of housing and services that are needed.^{9, 10} Based on current and anticipated commitments, King County will not be able to continue to fund new projects. Additional funding is required to preserve existing investments and meet services and operating needs for new, affordable homes. All partners will need to work together to bring resources to scale and sustain vital supportive services for King County residents who are exiting homelessness in our region.

III. Background

Department Overview: King County's Department of Community and Human Services (DCHS) provides equitable opportunities for people to be healthy, happy, and connected to community. DCHS's Housing, Homelessness and Community Development Division (HHCDD) provides capital funding through its Housing Finance Program (HFP) and operating and services funding through its Homeless Housing Program (HHP). These investments support the acquisition, preservation, new construction, and service provision of Permanent Supportive Housing (PSH) and Other Permanent Housing (OPH) projects, also

⁹ King County's Health through Housing initiative, which began in 2020, will create 1,600 units of permanent supportive housing for people experiencing chronic homelessness by funding capital acquisition and rehabilitation as well as operations and resident supports. [\[LINK\]](#)

¹⁰ Apple Health and Homes (AHAH) is a new Commerce program intended to coordinate resources for PSH [\[LINK\]](#)

identified as permanent housing with supports.^{11, 12} By increasing the supply of affordable, healthy, and safe housing and investing in support services for residents, DCHS supports housing stability for people moving out of homelessness in King County.

Context: Over the last decade, the King County region has experienced an increasing need for affordable housing, specifically housing dedicated to people moving out of homelessness. While the local economy and housing market have seen unprecedented gains since the Great Recession of 2008, the housing market continues to be out of reach for many.^{13, 14} The urgency for affordable housing has never been greater, as the number of people experiencing homelessness in King County rose by more than 67 percent between 2007 and 2020, and by almost 10 percent in the last biennium alone.¹⁵ For people who are unstably housed or homeless, the situation is dire, with the urgent need for housing often compounded by physical and/or behavioral health conditions. A 2021 report found that between 2016 and 2020, chronic homelessness rose 42 percent in Seattle-King County, the second highest increase in the nation during that period.¹⁶ Although the level of resources for housing and services has increased over time, it has not reached the scale necessary to meet the needs of the most vulnerable homeless households. According to the recent Countywide Planning Policies, 42,896 net new permanent supportive housing units are needed in King County between 2019 and 2044.¹⁷

Given the necessity to focus scarce housing resources on populations with the greatest need, the priority for the specific funding summarized in this report has shifted over time toward people who are chronically homeless and the programs that support them with robust services to obtain and maintain housing stability.

The Homeless Housing Services Fund (HHSF) provides operations, rental assistance, and supportive service (ORS) funding to organizations that operate projects for non-time-limited housing to high-needs

¹¹ Permanent supportive housing (PSH) is non-time limited affordable housing for a household that is homeless on entry, and has a condition or disability, such as mental illness, substance use disorder, chronic health issues, or other conditions that create multiple and serious ongoing barriers to housing stability. Households need a long-term high level of services in order to meet the obligations of tenancy and maintain their housing. Tenant holds a rental agreement or lease and may continue tenancy as long as rent is paid and the tenant complies with the rental agreement or lease. There is ongoing communication and coordination between supportive service providers, property owners or managers, and/or housing subsidy programs. Permanent Supportive Housing may be facility-based or with scattered-site.

¹² Other permanent housing (OPH), alternatively called permanent housing with supports, is non-time limited affordable housing for households experiencing homelessness with a high to medium level of service needs. The tenant holds a rental agreement, with individualized services offered in order for the homeless household to maintain housing stability.

¹³ Federal Reserve History. [[LINK](#)]

¹⁴ Out of Reach Report, NLIHC. [[LINK](#)]

¹⁵ U.S. Department of Housing and Urban Development (HUD) Point-In-Time Count Data. [[LINK](#)]

¹⁶ Challenge Seattle, Chronic Homelessness: A Crossroad 2021. [[LINK](#)]

¹⁷ King County Council adopted CPP amendments establishing this need on August 15, 2023 [[Ordinance 19660](#)].

homeless households that, without these supports, would struggle to maintain stable housing.^{18, 19} This report provides an informational update on the HHSF for the 2021-2022 biennium.

History of the Homeless Housing Services Fund: Since the inception of the HHSF in 2005, King County has awarded a total of \$181 million in combined funding to support services and operations for permanent housing projects, with \$105 million of that in HHSF funds. With the shared leverage, the funding has collectively supported over 3,700 units of housing for people moving out of homelessness.

Revenue Source and Initial Plan

King County created the HHSF following the passage of Engrossed Second Substitute House Bill 2163 (E2SHB 2163) in 2005, which authorized a dedicated revenue source in support of state and local plans to end homelessness.²⁰ In response to E2SHB 2163, the King County Council approved King County’s plan, “A Roof Over Every Bed in King County: Our Community’s Ten-Year Plan to End Homelessness” (Ten Year Plan) via Ordinance 15284 to guide HHSF funding awards and priorities.²¹ The dedicated revenue source has been expanded over the years through subsequent legislation.^{22, 23, 24}

Regional Homelessness Governance and the HUD Continuum of Care

Regional homelessness governance and the HUD Continuum of Care have evolved significantly since the inception of the HHSF, and most recently in the creation of the new King County Regional Homelessness Authority (KCRHA) during this reporting period.

Initially, Ordinance 15284 established the Committee to End Homelessness (CEH) as the local task force to implement the Ten Year Plan and directed CEH to work with King County to recommend policies, procedures, and priorities for the allocation of HHSF funds. In 2007, CEH established the Funders Group, comprised of the seven largest funders of public and private grants in King County, to coordinate funding priorities, deliverables, and timelines.²⁵ The Funders Group’s priorities guided HHSF awards between 2007 and 2015.

¹⁸ Non-time limited housing, or Permanent Housing, is defined as housing that is available to households with incomes less than 30 percent, 50 percent, 60 percent, or 80 percent of area median income (AMI). Housing projects may receive tax credits or other incentives in exchange for agreeing to set aside a certain number of units in the development for households with total incomes less than a particular percentage of AMI. Households must meet income requirements to be eligible for the units. Affordable housing may or may not have a rental subsidy.

¹⁹ Households are considered high needs if they have a high need for intensive therapeutic support and access to Behavioral Health supports in order to obtain and remain in housing. High needs households are also considered most vulnerable and prioritized based on the Coordinated Entry for All triage tool.

²⁰ E2SHB 2163. [\[LINK\]](#)

²¹ Ordinance 15284. [\[LINK\]](#)

²² WLIHA Overview of Washington State Document Recording Fees. [\[LINK\]](#)

²³ Office of the Washington State Auditor. [\[LINK\]](#)

²⁴ The state made additional changes to document recording fees after the period covered by this report, including through Substitute Senate Bill 5386 in 2023. [\[LINK\]](#)

²⁵ Members of the Funders Group included department directors and executive directors from King County, City of Seattle, King County Housing Authority, Seattle Housing Authority, the Bill and Melinda Gates Foundation, Building Changes, United Way of King County, as well as representatives of suburban cities.

In 2009, the federal government passed the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act.²⁶ The HEARTH Act required communities to establish a Continuum of Care (CoC) coordinating body to allocate competitive grant program funding from the United States Department of Housing and Urban Development (HUD).²⁷ CEH adopted these responsibilities and incorporated HEARTH requirements into the coordinated funding process established by the Funders Group. The CEH System Performance Workgroup created the King County community’s system performance targets to meet the requirements established in the HEARTH Act.

In 2015, CEH became All Home, and the Funders Group became the All Home Funding Alignment Committee.²⁸ The work of the All Home Funding Alignment Committee continued to guide HHSF funding priorities throughout the period covered in this report.

In late 2019, the King County Council adopted Ordinance 19039 and the Seattle City Council adopted Ordinance 126021 to authorize the execution of an interlocal agreement to establish the new KCRHA, effectively dissolving All Home.^{29, 30, 31} KCRHA is now the designated entity accountable for what were formerly All Home’s responsibilities, including overall regional homelessness governance, the role of the region’s local CoC lead, and Coordinated Entry (CE), formerly Coordinated Entry for All (CEA) operator. CE is the process through which people who are homeless are referred to and matched for housing.

Funding Partners and Process: From 2006 to 2019, King County released an annual Combined Notice of Fund Availability (NOFA) to incorporate non-time-limited funding from the City of Seattle Office of Housing, Seattle Housing Authority, King County Housing Authority, King County DCHS, and United Way of King County. That Combined NOFA supported aligned priorities and strategies for funds related to homeless housing, as informed by the Funder Alignment Committee.

Through the process of the Combined NOFA, agencies could apply for funding across funders through a single application process for ORS. The Combined NOFA laid the groundwork to understand upcoming projects and was a link for capital projects to receive pre-commitments of operating and service funds. Although the NOFA was phased out, funders continue this coordinated approach to ensure that capital projects are financially feasible and open with the needed services in place.

Cost increases and the evolution of the funding approach continue to impact how projects are funded. To better align and ensure funding for subsequent projects, in 2016, King County began making pre-commitments of services and operating funding for new capital projects. At the same time, nonprofit projects applying for renewal funding have seen substantial cost increases for operating and services.³² Given these trends, the County limited the annual funding processes during the two reporting years to

²⁶ HEARTH Act of 2009. [\[LINK\]](#)

²⁷ HUD’s competitive grant programs for 2021 and 2022. [\[LINK\]](#)

²⁸ CEH changed its name in 2015 as part of a shift in strategy to address a growing homeless population in King County between 2005 and 2015. The growth in homelessness is largely attributed to the great recession in 2008, increasing poverty, and rising housing prices due to increased demand. More information about the Ten Year Plan can be found in the All Home Strategic Plan. [\[LINK\]](#)

²⁹ Ordinance 19039. [\[LINK\]](#)

³⁰ City of Seattle Ordinance 126021. [\[LINK\]](#)

³¹ King County Regional Homelessness Authority (2020). “Seattle and King County Create New Unified Regional Homelessness Authority.” [\[LINK\]](#)

³² Inflation hits nonprofits’ services, ability to fundraise. The Seattle Times, April 8, 2022. [\[LINK\]](#)

renewal of existing projects and new capital projects awarded during the capital RFP. Since HHSF funding has not grown to meet the increased needs of the community, King County has not opened the application process since 2016. One impact of this limitation is that there have been virtually no opportunities for new projects to apply for funding. This disproportionately impacts newer or smaller organizations that may be aligned with ORS priorities for permanent housing but do not have an opportunity to apply.

In the most recent figures associated with HHSF, 2022 saw a roughly 45 percent decrease in document recording fee revenue from the previous year, with the fund's future forecast continuing to show net decreases.³³ If this trend continues, it will further exacerbate the scarcity of funding through HHSF.

In 2021 and 2022, King County coordinated \$27 million in ORS awards amongst the following funding sources:

- HHSF: \$10 million.
- MIDD Behavioral Health Sales Tax Fund (MIDD): \$4 million.³⁴
- Veterans, Seniors, and Human Services Levy (VSHSL): \$7 million.
- Sales tax credit authorized by State House Bill (SHB) 1406: \$6 million.³⁵

By combining HHSF, MIDD, VSHSL, and SHB 1406 funds into one application process, King County leveraged HHSF funds with the other County funds to support operating and services for existing and limited new housing projects for homeless households. Over the reporting period, applicants requested a total of approximately \$68 million to support projects, while only 40 percent of this total could be fulfilled by ORS.

Principles and Priorities: Programs funded by HHSF provide housing and services to homeless or formerly homeless populations in alignment with plans like the All Home Strategic Plan (2015-2019).³⁶ Priority populations in the All Home Strategic Plan include chronically homeless and non-chronically homeless families, individual adults, youth and young adults, and veteran households. HHSF-funded projects prioritize serving families and individuals that have complex and challenging barriers to housing stability including previous episodes of homelessness, behavioral health needs, outstanding debts, legal issues, or criminal histories.

The current, established principles and priorities originate from the All Home Funder Alignment Committee, comprised of funders and other community members.³⁷ In 2018, the All Home Funder Alignment Committee approved funding principles which were reaffirmed in subsequent years. Principles and priorities were further shaped with input from a community workgroup in 2020, with an

³³ KC Office of Economic and Financial Analysis (OEFA) August 2023 Forecast on Document Recording Fees [\[LINK\]](#)

³⁴ MIDD is referred to in King County Code and related legislation as the mental illness and drug dependency fund, tax, or levy.

³⁵ SHB 1406 the local state-shared tax for affordable and supportive housing approved by the Washington State Legislature.

³⁶ All Home Strategic Plan. [\[LINK\]](#)

³⁷ The Committee included representatives from King County Housing Authority, Seattle Housing Authority, All Home, DCHS, City of Seattle Office of Housing, City of Seattle Human Services Division, United Way of King County, Building Changes, A Regional Coalition for Housing, City of Redmond, City of Bellevue, City of Kent, and City of Shoreline.

increased emphasis on racial equity and a person-centered focus.³⁸ Principles and priorities for 2021 and 2022 included:

Principles

- Center those who are systematically marginalized, leading with race.
- Align funding to match the needs and strengths of people experiencing homelessness.
- Maintain a county-wide geographic distribution of funds.
- Promote opportunities for systems change, including but not limited to Housing First practices.
- Reduce screening criteria to ensure access and improve participants' experience.
- Build upon successful programs that are innovative and cost-effective.

Priorities

- Projects creating or retaining housing units for people who are homeless, prioritizing chronically homeless households, to access PSH.
- Projects that provide a moving-on strategy that assists people who have achieved stability in PSH or OPH with supports to move into housing with fewer supports.
- Projects with strong racial equity outcomes.

Similar themes are woven into the recently released King County Regional Homelessness Authority 5 Year Plan (2023-2028).³⁹

HHSF awards prioritized retaining or creating units of permanent supportive housing, permanent housing with supports, or other permanent housing. These types of programs require funding continuity to support ongoing, stable housing operations and services. HHCCDD awards HHSF funding in five-year cycles to address the need for continuity and staff provides technical assistance and support through contract management. Projects are monitored at least once per cycle, to ensure project efficacy and compliance with funding requirements. HHCCDD also regularly reviews system performance metrics, using the results during scoring of renewal applications. Finally, HHCCDD staff provide technical assistance to organization and project staff on an as-needed basis to improve outcomes.

The competitive application process outlines the expectation that all projects applying for HHSF funding leverage operating and services funding from other resources. These may include the U.S. Department of Housing and Urban Development (HUD) McKinney Continuum of Care, Veterans Administration Supportive Housing (HUD-VASH), Medicaid and Foundational Community Supports (FCS), Section 8 through local housing authorities, State of Washington Department of Commerce Operating, Maintenance and Services (OMS) funding, or City of Seattle Office of Housing (OH) funding, as well as other public or philanthropic efforts. This requirement ensures that all appropriate resources are leveraged, and HHSF funds support as many households in need as possible.

Prioritizing HHSF Funding for Chronically Homeless Households: Chronically homeless persons account for 30 percent of the homeless population in King County and use costly acute care services such as

³⁸ King County Regional Homelessness Authority Five Year Plan (2023-2028). [\[LINK\]](#)

³⁹ The 2020 workgroup comprised community members, including individuals with lived experience of homelessness.

shelters, emergency rooms, and sobering centers at a high level.^{40, 41} Housing is an intervention that significantly reduces the use of costly acute care services while keeping chronically homeless individuals from returning to homelessness.⁴² Of the homeless population in King County, single adults are the most at risk for chronic homelessness and represent the highest proportion of adults who are homeless. As such, chronically homeless single adults are a target population for ORS funding, including HHSF investments.

Homelessness has a stark racial-ethnic disproportionality, with certain populations particularly overrepresented. Compared to their share of the general King County population, Black/African Americans are four and a half times as likely to experience homelessness, and American Indian/Alaska Native households are seven times as likely to experience homelessness.⁴³ Homeless Management Information System (HMIS) data for King County show consistent disproportionate representation of American Indian/Alaska Native, Black/African American, and multiracial populations among chronically homeless households.⁴⁴ HHCDD is committed to examining the systems that created these disparities and supporting efforts to undo them.

Analyzing data from HHSF-funded programs and other programs serving people experiencing homelessness informs a common understanding of trends in who is being housed as well as the racial disparities among the homeless population. This information also guides homeless response strategies in alignment with the County's efforts to overcome long-standing racial and cultural inequities.⁴⁵

⁴⁰ Chronically Homeless as defined by HUD, and reflected in (24 CFR 578.3), is an unaccompanied homeless individual or adult in a family household with a disabling condition who has either been continuously homeless for a year or more OR an unaccompanied homeless individual who has had at least four episodes of homelessness in the past three years. [\[LINK\]](#)

⁴¹ 2022 HUD Annual Homeless Assessment Report (AHAR) by CoC, 2022. [\[LINK\]](#).

⁴² Center for Evidence-Based Solutions to Homelessness. "Chronic Homelessness." [\[LINK\]](#).

⁴³ Seattle-King County Homeless Management Information System (HMIS) as of July 2021.

⁴⁴ Seattle-King County Homeless Management Information System (HMIS) as of July 2021.

⁴⁵ King County Equity and Social Justice Strategic Plan, 2016-2022. [\[LINK\]](#)

Figure 1: Chronically Homeless Households Active in HMIS, 2022

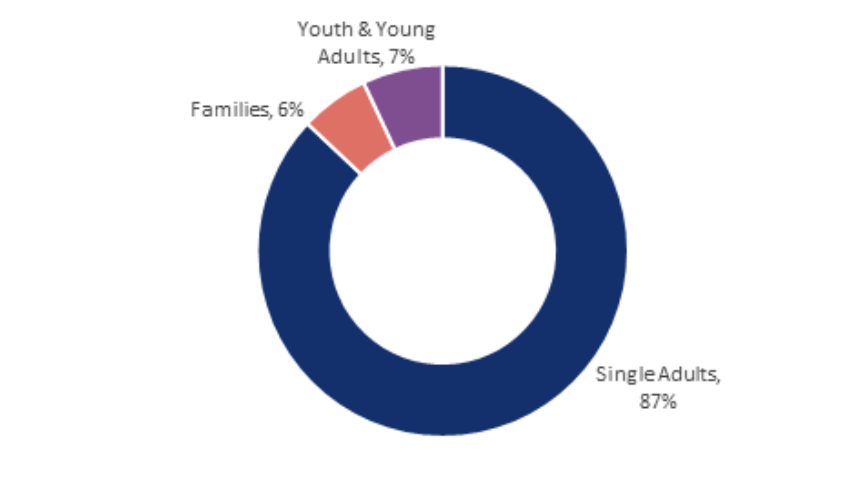


Figure 1 shows a breakdown of chronically homeless households receiving homeless services by household type. Family households represent eight percent of the overall total homeless households in our community, and six percent of households experiencing chronic homelessness. In contrast, single adults comprise 73 percent of total homeless households and account for 87 percent of chronically homeless households, making single adult households the population with highest rate of both homelessness and chronic homelessness.⁴⁶

Families, which tend to benefit significantly from diversion and rapid rehousing programs, are often able to stabilize in housing without the need for the intensive case management and support services that HHSF programs provide.⁴⁷ Investments in time-limited interventions, such as rapid rehousing programs, are often sufficient to stabilize families in housing. HHSF, a non-time-limited fund source, increases the system’s capacity to serve highly vulnerable households by prioritizing projects that create or maintain housing for people experiencing chronic homelessness who are less likely to achieve housing stability through time-limited interventions.

Report Methodology: HHCDD staff worked with DCHS evaluators to prepare this report, focusing on updates and information from calendar years 2021 and 2022.

Data used in this report are generated by HMIS. Although funded projects are required to enter client data into HMIS, client participation in HMIS is voluntary and clients can limit the identifying data, including demographic data included in this report. This report uses data for people who accessed homelessness response services during 2021 and 2022. Due to typical long-term lengths of stay in permanent housing projects, data included in the report for permanent housing may have been collected prior to 2021.

⁴⁶ 2022 HUD Annual Homeless Assessment Report (AHAR) by CoC, 2022. [\[LINK\]](#).

⁴⁷ National Alliance to End Homelessness. Addressing Chronic Homelessness: What the Research Tells Us. [\[LINK\]](#)

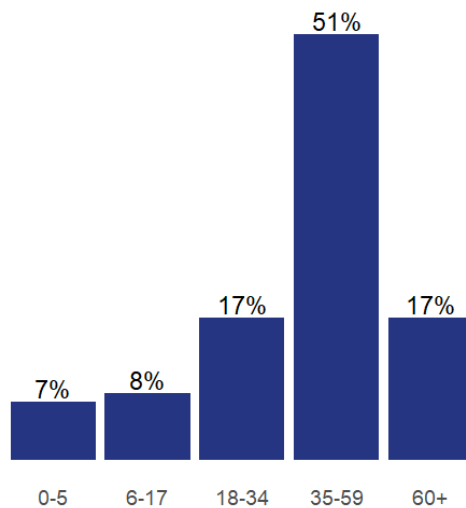
IV. Report Requirements

The following section includes demographics of HHSF housing participants by age, race, ability, and veteran status. The data is shown in charts with accompanying observations, followed by an overview of what the homeless system requires in terms of performance. Overall, the demographic data reflects who is housed and receiving services.

In 2021 and 2022, 63 active projects were funded by or leveraged HHSF, housing a total of 4,243 formerly homeless persons. Six projects served clients across all parts of King County.⁴⁸ In addition to these countywide projects, 35 projects were physically located in Seattle, 12 projects were in South King County, and 10 projects were in North/East King County.⁴⁹

Age: Figure 2 shows the distribution of clients served in HHSF program by age. The largest category comprises participants between ages 35 and 59. Persons over 60 years of age account for 17 percent of total persons served, an increase of four percent for this population over the previous report biennium. Although the percentage of persons over age 60 is currently equal to the percentage of 18- to 34-year-olds, HHCCD anticipates there will continue to be an upward trend in older adults who are homeless.⁵⁰

Figure 2: Ages of HHSF Housing Participants, 2021-2022



The overall change in age demographics over previous reports reflects a shift and follows national trends on aging homeless populations. As this trend continues, the homeless population will need ongoing support to age in place in stable housing.⁵¹

⁴⁸ This number includes all projects that were active with leveraged resources awarded through ORS in 2021-2022.

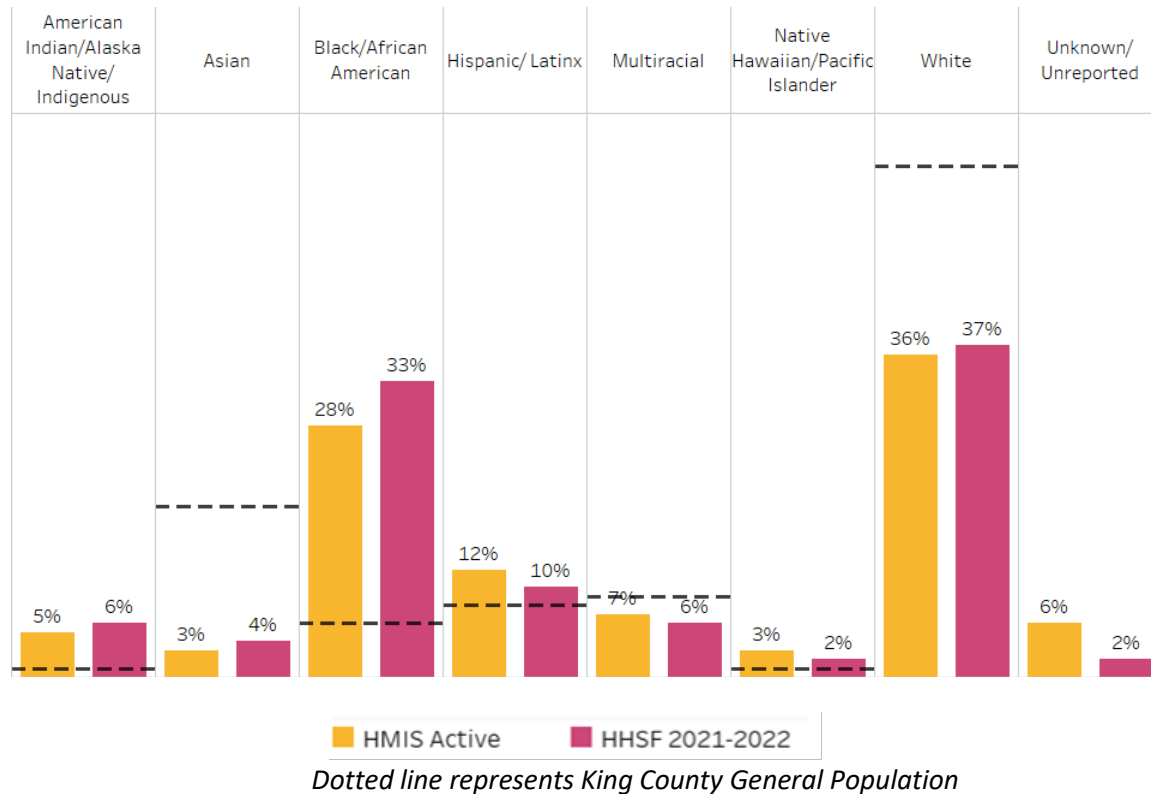
⁴⁹ The number of projects in each region can fluctuate over time due to factors such as portfolio consolidations or attrition.

⁵⁰ Culhane, Byrne, Kuhn, et al. "The Emerging Crisis of Aged Homelessness" 2023. [\[LINK\]](#)

⁵¹ The Age Structure of Contemporary Homelessness Report. [\[LINK\]](#)

Race: HHSF housing programs serve a diverse population in need of housing and housing support services. Figure 3 shows the racial demographics of HHSF project participants in comparison to all HMIS active individuals.⁵² The dotted line represents the demographics of King County as a whole, as collected in the 2015-2019 American Community Survey.⁵³ The racial demographics shown in Figure 3 for this reporting period are similar to the racial demographics of people served by HHSF investments over the long term.⁵⁴

Figure 3: Race/Ethnicity of HHSF Households 2021-2022, and Households Actively Experiencing Homelessness in King County



HHSF-funded projects generally housed individuals and families at rates proportional to the homeless population overall and served an especially high proportion of Black/African American households in 2021-2022 compared to the general King County population. This points to DCHS’s efforts to fund projects that are addressing the racial and ethnic disproportionality among the homeless population. HHCDD continues to work with community partners to improve equity outcomes in homeless housing programs. A key goal is to support services for people that are culturally relevant and trauma-informed to mitigate the impact of homelessness on Black, Indigenous, and People of Color (BIPOC) communities.

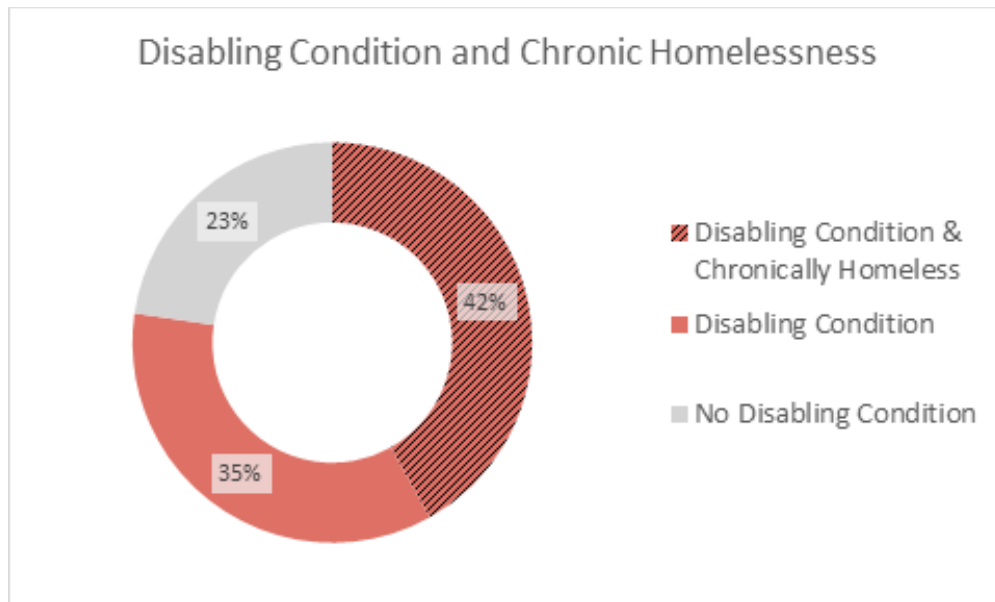
⁵² MIS Active Individuals includes all individuals receiving services at a point in time. This measurement is considered the community standard for identifying data regarding King County’s homeless population. More information about the HMIS Active methodology can be found on the KCRHA website. [\[LINK\]](#)

⁵³ American Community Survey 2015-2019. [\[LINK\]](#)

⁵⁴ Actively experiencing homelessness means active in HMIS as of 6/30/2023.

Persons with Disabilities: Analysis of HHSF-funded programs shows that 77 percent of HHSF clients reported having a disabling condition, while 23 percent of clients did not. These numbers reflect an overall increase of six percent over the previous report. Figure 4 shows the proportion of HHSF project participants that are disabled in relation to the proportion of project participants that are identified as chronically homeless.

Figure 4: Disability Status of HHSF Housing Participants, 2021-2022



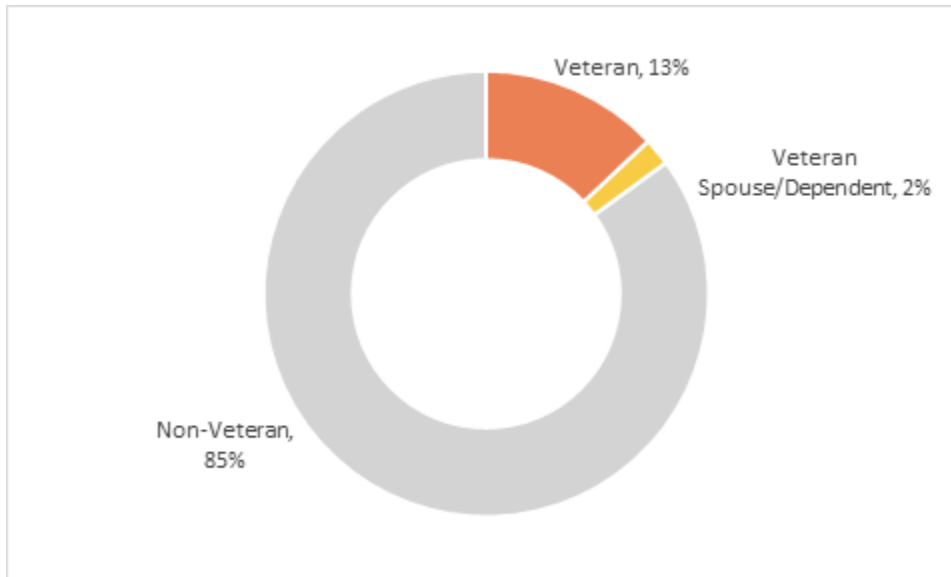
The increase of persons with disabilities served in HHSF-funded projects is consistent with community shifts in funding priorities towards projects for chronically homeless people, a specific subset of people with disabilities. Permanent housing with intensive supportive services is one of the few effective interventions recognized nationally for stably housing chronically homeless households⁵⁵ By leveraging MIDD and VSHSL funds, DCHS increases the impact of HHSF funding for this higher-needs population.

Veterans and Veteran Families: Figure 5 reflects the proportion of HHSF housing participants who are veterans, spouses, or dependents. Figure 5 shows that approximately 15 percent of persons served with HHSF funding are veterans or veteran families, which is the same overall percentage as the 2021 report. The proportion of housing participants holding steady is reflective of continued investments for veterans in our community. Working in tandem with the King County Veterans Program and the KCRHA Veterans' Operational Leadership Team (VOLT) efforts to end veteran homelessness, HHSF funds support programs that emphasize housing stability for veterans and their families.⁵⁶

⁵⁵ The National Academies Press, 'Permanent Supportive Housing: Evaluating the Evidence for Improving Health Outcomes Among People Experiencing Chronic Homelessness' 2018. [\[LINK\]](#)

⁵⁶ King County Veterans Program. [\[LINK\]](#)

Figure 5: Veteran Status of HHSF Housing Participants, 2021-2022



Increases in investments for veterans and their families through the VSHSL, HUD-VASH vouchers, and other veteran-specific supports have led to more veterans being stably housed in both HHSF funded projects and across the community.⁵⁷ The success of these investments is reflected in the reduced number of homeless veterans in this region. The 2020 Count Us In report shows that veteran homelessness decreased from 1,329 veterans homeless in 2017 (11.4 percent of the total number of people experiencing homelessness) to 813 total veterans homeless in 2020 (6.9 percent).⁵⁸

⁵⁷ HUD-Veterans Affairs Supportive Housing (HUD-VASH) program combines HUD’s Housing Choice Voucher rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs. More about this topic can be found at HUD.gov. [\[LINK\]](#)

⁵⁸ Count Us In: Seattle/King County Point-in-Time Count of Individuals Experiencing Homelessness, 2020. [\[LINK\]](#)

HHSF and HEARTH Performance Measures, 2021-2022: Beginning in 2014, King County’s CoC, in partnership with local funders, implemented systemwide target performance measures for homeless housing and programs in King County in accordance with the federal HEARTH Act.^{59, 60} Through 2020, the All Home System Performance Committee reviewed and adjusted systemwide target performance measures annually. The current KCRHA System Performance Committee has not adjusted those targets.⁶¹ Systemwide performance measures and target rates help improve services to homeless households by providing accurate information on the extent and nature of homelessness, including progress toward making homelessness rare, brief, and one time. The systemwide target performance measures key to HHSF-funded housing programs are the rates of *Exit to or Retention of Permanent Housing* and *Returns to Homelessness*. HHSF incorporates these measures in two ways:

1. Performance measures are embedded throughout funding-related processes and procedures. The 2022 ORS RFP application process dedicated 50 out of 110 total points possible to program performance measures and data quality.
2. All contracts incorporate applicable targets. Programs not meeting target performance are offered technical assistance to improve the system performance target. DCHS staff continue to provide technical assistance to providers to meet and exceed established systemwide target performance.

System Performance Target: Exit to or Retention of Permanent Housing

The current system target for Exit to or Retention of Permanent Housing is set at 90 percent for all populations served in permanent housing projects.⁶² For HHSF-funded projects, the program outcome should show that at least 90 percent of households served either retain permanent housing or exit to permanent housing.

For all permanent or non-time-limited housing projects that received HHSF funding in 2021 and 2022, King County exceeded the systemwide performance target: 92 percent of households served exited into or retained permanent housing.

System Performance Target: Returns to Homelessness

The current system target for Returns to Homelessness for projects identified as permanent housing is set at three percent for single adult and family projects and five percent for youth and young adult projects. This performance measure captures the rate at which households who exit a permanent housing program to a subsequent permanent housing destination (such as a market rate unit with a Section 8 voucher) then become homeless again within six months. The performance target sets the expectation that HHSF-funded projects identified as permanent or non-time-limited housing should not have more than three percent of family and single adult households served, or five percent for young adults, return to the homeless system within six months of exiting to a subsequent permanent destination.⁶³

⁵⁹ Current system performance metrics can be found on the DCHS website. [\[LINK\]](#)

⁶⁰ HEARTH Act of 2009. [\[LINK\]](#)

⁶¹ System Performance Committee Meetings. [\[LINK\]](#)

⁶² DCHS website: Other Division Contract Requirements. [\[LINK\]](#)

⁶³ DCHS website. [\[LINK\]](#)

Of all permanent or non-time-limited housing programs that received HHSF funding in 2021 and 2022, two percent of family and single adult households returned to homelessness within six months of exiting the housing program to a subsequent permanent housing destination, a proportion that falls within the target range. Eleven percent of households in young adult programs returned to homelessness within six months of exiting to a subsequent permanent housing destination.⁶⁴ HHCDD is working with young adult service providers to improve this performance through technical assistance and regular project review.

V. Conclusion and Next Actions

The King County region relies on HHSF as a critical funding source to braid with other resources for operations, rental assistance, and supportive services (ORS) for projects serving high-needs homeless households. This community depends on the flexibility of this resource to fill gaps and bring new housing and services online. However, operations and services costs have risen substantially over the years, and wages for staff continue to be well below the cost of living in King County.^{65, 66} Even with new initiatives such as King County's Health Through Housing, current resources are not sufficient to meet the scale of housing and services that is needed.⁶⁷

At the end of 2022, King County has pre-committed funds for 284 additional units during the 2021-2022 funding rounds that are anticipated to lease-up or open by the end of 2024. Beyond that, there are numerous projects at various stages of development. Each will seek out ORS precommitments to house hundreds of people, and the overall requests will continue to increase. Over the last two-year period alone, the overall sum DCHS awarded was only 40 percent of the total requested. These projects need predictable funding for operating and services. Based on current and anticipated commitments, King County will not be able to fund operations and services for additional projects. This highlights the need for more robust funding to preserve existing investments while also working to support the vital operations and services of new supportive housing projects.

Moving forward, local coordination on permanent housing will continue to evolve as King County works with more community stakeholders, including the King County Regional Homelessness Authority. All partners will need to work together to bring the appropriate resources to scale and provide supportive homes for people who are homeless in the region.

⁶⁴ The young adult population and inventory of units are small relative to the single adult and family populations and unit counts, making young adult programs more susceptible to fluctuations.

⁶⁵ King County Nonprofit Wage and Benefits Survey. [[LINK](#)]

⁶⁶ U.S. Bureau of Labor Statistics, Consumer Price Index. [[LINK](#)]

⁶⁷ King County's Health through Housing initiative, which began in 2020, will create 1,600 units of permanent supportive housing for people experiencing chronic homelessness by funding capital acquisition and rehabilitation as well as operations and resident supports. [[LINK](#)]

APPENDIX A. HHSF FUNDING CHART, 2018 – 2022

Agency/Project	Population Served	Multi - Year Award Amount	Fund Activity
Fall 2022 Awards*			
Catholic Community Services Patrick Place	Individual Adults	\$917,172	Services and Operating
Catholic Community Services Palo Studios	Individual Adults	\$736,288	Services and Operating
Compass Housing Alliance Shoreline	Families, Individual Adults, Veterans	\$1,090,171	Services and Operating
Downtown Emergency Service Center Portfolio Pilot	Individual Adults	\$2,437,142	Services and Operating
Downtown Emergency Service Center Woodland Supportive Housing	Individual Adults	\$1,000,000	Services and Operating
Evergreen Treatment Services REACH Housing First Program Adults	Individual Adults	\$2,123,885	Services and Rental Assistance
Muslim Housing Services	Individual Adults	\$2,547,421	Services and Rental Assistance
Plymouth Housing Group Williams Apartments	Individual Adults	\$1,237,688	Services and Operating
Solid Ground Sand Point Phase 2.2 and Santos Place Adults	Families, Individual Adults, Veterans	\$1,071,900	Services and Operating
Valley Cities Counseling & Consultation Families First	Families	\$787,083	Services and Rental Assistance
Valley Cities Counseling & Consultation Homeless Services Enhancement Program	Adults, Families	\$1,166,055	Services and Rental Assistance
Subtotal		\$15,114,805	
Fall 2021 Awards			
Compass Housing Alliance, Nyer Urness	Individual Adults	\$1,000,694	Services and Operating
Compass Housing Alliance, Cascade Women's Supportive Housing	Individual Adults	\$1,143,700	Services and Operating
DESC, Consolidated Portfolio (Aurora House & The Estelle)	Families, Individual Adults, Veterans	\$1,925,255	Services and Operating
DESC, Plum St. (Hobson/ Phase 2)	Individual Adults	\$1,750,000	Services and Operating

APPENDIX A. HHSF FUNDING CHART, 2018 – 2022

Agency/Project	Population Served	Multi - Year Award Amount	Fund Activity
Imagine Housing, Athene Housing Stability Program	Individual Adults	\$606,300	Services and Operating
Imagine Housing, IH Stability Program	Families, Individual Adults, Veterans	\$1,780,570	Services and Rental Assistance
Low Income Housing Institute (LIHI), Ernestine Anderson Place	Individual Adults	\$1,098,846	Services and Operating
Plymouth Housing, Eastgate Plymouth Crossing	Individual Adults	\$1,250,000	Services and Operating
Valley Cities Counseling & Consultation, Pathways First	Families, Individual Adults, Veterans	\$2,065,410	Services and Rental Assistance
Subtotal		\$12,620,775	
Fall 2020 Awards			
Asian Counseling and Referral, HOPES Program	Individual Adults, Families	\$983,050	Services
Catholic Community Services, Cedar Park/Sunset Court	Individual Adults	\$588,000	Services
Catholic Community Services, Shoreline Modular	Individual Adults	\$1,425,000	Services and Operating
Congregations for the Homeless, Permanent Housing Program	Individual Adults	\$2,718,733	Services and Rental Assistance
Downtown Emergency Service Center, Kerner-Scott Clean and Sober Housing	Individual Adults	\$438,523	Services
Evergreen Treatment, REACH Respite Case Management Program	Veterans, Individual Adults	\$814,055	Services and Rental Assistance
Harborview Medical Center, Harborview Housing First	Individual Adults	\$388,853	Services
Imagine Housing, Esterra Park	Families	\$600,000	Services
Plymouth Housing Group, Begin at Home Housing Options Program	Individual Adults	\$912,714	Services
Plymouth Housing Group, Kristin Benson Place	Individual Adults	\$725,000	Rental Assistance
Plymouth Housing Group, Madison-Boylston	Individual Adults	\$500,000	Services and Operating

APPENDIX A. HHSF FUNDING CHART, 2018 – 2022

Agency/Project	Population Served	Multi - Year Award Amount	Fund Activity
Sound Mental Health, Gossett Place	Individual Adults, Couples, Young Adults	\$757,689	Services
Transitional Resources, Avalon Place Project	Individual Adults	\$186,832	Services
Valley Cities Counseling and Consultation, Phoenix Rising	Young Adults	\$901,566	Services
Valley Cities Counseling and Consultation, Valley Cities Landing	Individual Adults	\$540,936	Services
YMCA of Greater Seattle, Home at Last	Young Adults	\$1,672,189	Services and Rental Assistance
YouthCare (LIHI), University Commons @ The Marion West	Young Adults	\$600,000	Services
Subtotal		\$14,753,140	
Fall 2019 Awards			
Catholic Community Services, Noel House at Bakhita Gardens	Individual Adults	\$273,520	Services
Catholic Community Services, Rose of Lima at Bakhita Gardens	Individual Adults	\$1,078,544	Services
Chief Seattle Club, ?al?al Pioneer Square	Individual Adults	\$550,000	Services
Compass Housing Alliance, Renton Lutheran Regional Veterans Project	Families, Individual Adults	\$1,147,550	Services and Operating
Downtown Emergency Service Center, Canaday	Individual Adults	\$844,766	Services
Downtown Emergency Service Center, Hobson Place	Individual Adults	\$411,000	Services
Multi Services Center, Wood Federal Way Veterans Housing	Veterans, Families, Individual Adults	\$827,406	Services
Muslim Housing Services, Homeless Housing and Services	Families	\$597,303	Services and Rental Assistance
Plymouth Housing Group, Almquist House	Individual Adults	\$811,000	Services
Plymouth Housing Group, Humphrey House	Individual Adults	\$1,488,289	Services

APPENDIX A. HHSF FUNDING CHART, 2018 – 2022

Agency/Project	Population Served	Multi - Year Award Amount	Fund Activity
Plymouth Housing Group, Scargo Lewiston	Individual Adults	\$1,068,383	Services
Somali Youth and Family Club, Family Housing Services	Young Adults	\$267,750	Services and Rental Assistance
Sound Mental Health, Capitol House Apodments (formerly Kasota)	Individual Adults	\$558,180	Services
Sound Mental Health, August Wilson Place	Individual Adults, Families	\$289,837	Services
South Mental Health, McDermott Place	Individual Adults	\$354,747	Services
Sound Mental Health, Pacific Court	Individual Adults	\$555,760	Services
The Sophia Way, Sophia's Home	Individual Adults	\$772,215	Services and Rental Assistance
Valley Cities Counseling and Consultation, Families First	Families	\$277,920	Services
YouthCare, Open Doors	Young Adults	\$144,600	Services
Subtotal		\$12,318,770	
Fall 2018 Awards			
Catholic Housing Services, Frederic Ozanam House	Individual Adults	\$536,525	Services and Operating
Catholic Housing Services, Thea Bowman (Kent PSH)	Individual Adults	\$750,000	Services and Operating
Catholic Housing Services, Parke Studios	Individual Adults	\$717,211	Services and Rental Assistance
Catholic Housing Services, Santa Teresita Family Housing	Families	\$340,148	Services
Catholic Housing Services, The Wintonia	Individual Adults	\$2,000,000	Services
Community House Mental Health, The Patricia K	Individual Adults	\$687,500	Services
Compass Housing Alliance, Shoreline Veteran's Program	Individual Adults, Veterans	\$947,975	Services and Operating

APPENDIX A. HHSF FUNDING CHART, 2018 – 2022

Agency/Project	Population Served	Multi - Year Award Amount	Fund Activity
Congregations for the Homeless, Permanent Supportive Housing	Individual Adults	\$2,250,000	Services and Rental Assistance
Downtown Emergency Service Center, Rainier House (& Clement Portfolio)	Individual Adults	\$1,396,307	Services
Downtown Emergency Service Center, Scattered Site Leasing Program	Individual Adults	\$1,100,000	Rental Assistance
Evergreen Treatment Services, REACH Rental Assistance Expansion	Individual Adults	\$2,700,000	Rental Assistance
Friends of Youth, Supportive Housing Program	Young Adults	\$211,515	Services
Imagine Housing, Velocity Housing Stability Program	Families	\$202,167	Services
Mercy Housing Northwest, Mount Baker Family Housing	Families	\$675,000	Services
Muslim Housing Services, MHS Support	Families	\$844,200	Services and Rental Assistance
Valley Cities Counseling and Consultation, Coming Up	Individual Adults	\$752,525	Services
Subtotal		\$16,111,073	
Total			

This funding chart refers to HHSF funds awarded in the combined application for Operating Support, Rental Assistance and Supportive Services (ORS) linked to new & existing housing.

**2022 Awards were not reflected in the data pull for this report. 2022 Awards entered contract in 2023 and will be reported on the 2023-2024 Biennium report.*

NOTE: Underspent funds from a given award year may be recaptured and allocated in the next award year, if applicable.