



King County

Dow Constantine

King County Executive

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May 1, 2023

The Honorable Dave Upthegrove
Chair, King County Council
Room 1200
C O U R T H O U S E

RE: Notification of Substantive Change to Funding Allocations in the VSHSL Implementation Plan

Dear Councilmember Upthegrove:

This letter notifies the King County Council of substantive changes to the funding allocation estimates provided in the Veterans, Seniors, and Human Services Levy (VSHSL) Implementation Plan, as adopted by Ordinance 18768.¹

Process for Substantive Changes to VSHSL Implementation Plan Allocation Estimates as Required by Ordinance 18768

King County voters approved the renewal and expansion of the VSHSL in 2017, and the Council adopted the VSHSL Implementation Plan via Ordinance 18768.² The VSHSL Implementation Plan includes a description and allocation tables for each strategy and program to be funded with VSHSL proceeds. The Implementation Plan provides for investment flexibility through a process including review by the VSHSL Advisory Board and notification to the Council.

Annual Reallocation with Review and Endorsement by the VSHSL Advisory Board

The adopted VSHSL Implementation Plan provides for a reallocation process for unspent or uncommitted funds remaining in the VSHSL fund after the close of each fiscal year. The process includes VSHSL Advisory Board review and endorsement of planned reallocations and requires that funds will continue to be used consistent with the VSHSL expenditure requirements in Ordinance 18555.³

¹ Ordinance 18768. [[LINK](#)]

² Ordinance 18768. [[LINK](#)]

³ VSHSL Implementation Plan, pages 153-154 [[LINK](#)] Ordinance 18555. [[LINK](#)]

Pursuant to the VSHSL Implementation Plan, Department of Community and Human Services (DCHS) staff recommended to the VSHSL Advisory Board that funds be allocated for rental assistance and eviction prevention programming to help King County residents remain stably housed. On April 20, 2023, the VSHSL Advisory Board endorsed the proposal to reallocate unspent and uncommitted VSHSL funds as described in this letter.⁴

Notification Requirements

The VSHSL Implementation Plan also requires Council notification when substantive changes from the adopted estimated allocation tables are deemed appropriate. The VSHSL Implementation Plan describes this process as follows:

...if, without Council direction or concurrence, the Executive makes a determination to make a substantive change to the funding allocations estimated in this Implementation Plan, the Executive shall transmit a notification letter to Council detailing the scope of and rationale for the change. The Executive shall transmit the letter in the form of a paper original and an electronic copy with the clerk of the Council, who shall retain the original and provide an electronic copy to all councilmembers, the Council chief of staff and the lead staff for the Health, Housing and Human Services Committee, or its successor. Unless the council passes a motion rejecting the contemplated change within thirty days of the Executive's transmittal, the Executive may proceed with the change as set forth in the notification letter.⁵

This letter satisfies the required notification of the Council. The following passages detail the scope and rationale for the proposed funding changes.

Overview of Substantive Change to VSHSL Implementation Plan Allocation Estimates

At the close of the 2022 fiscal year, the levy had funds remaining due to strategy underspend. Consistent with the endorsement of the VSHSL Advisory Board described above, I intend to allocate \$754,000 of this funding to supplement existing contracts with United Way of King County (United Way) and Housing Justice Project for VSHSL Implementation Plan Strategy Housing Stability (HS) 2.B: Shallow Rent Subsidy to support rental assistance and eviction prevention.

This reallocation will specifically increase funding for the King County Eviction Prevention and Rent Assistance Program (EPRAP). The supplemental funds will be used to provide financial rental assistance to members of vulnerable populations in King County who owe back rent at their current residence and have a household income equal to or less than 80 percent of the area median income.⁶

⁴ Ordinance 18792 established the Veterans, Seniors and Human Services Levy Advisory Board. [\[LINK\]](#) See also VSHSL Advisory Board website. [\[LINK\]](#)

⁵ Veterans, Seniors and Human Services Levy Implementation Plan, page 49. [\[LINK\]](#)

⁶ United Way of King County “Rental Assistance Eligibility” [\[LINK\]](#)

EPRAP, King County’s major COVID-era rental assistance program, is administered by DCHS in partnership with United Way and Housing Justice Project. EPRAP is transitioning to a state-funded program that will be known as Keeping King County Housed (KKCH).⁷ Community partners have called for a speedy transition that also provides for input into design of the new KKCH program. DCHS’ planned initiation of KKCH in July also depends on completion of contract negotiations with the Washington State Department of Commerce, which are anticipated to occur in June. As a result, short-term bridge funding, including unspent VSHSL revenue, is needed to provide continuous access to rental assistance funding during the sunset of EPRAP and the startup phase of KKCH.

Reallocating these funds to provide bridge funding between the two rental assistance and eviction prevention programs helps address housing loss due to nonpayment of rent, now that eviction moratoriums that previously kept people housed have expired.^{8,9} It also responds to feedback DCHS has received from VSHSL Advisory Board members about the need to strengthen current eviction prevention assistance programming in King County.¹⁰ Limited funding levels have led United Way to stop processing new applications for rental assistance from its waitlist since early March 2023.¹¹ These reallocated VSHSL funds will enable United Way and Housing Justice Project to deploy rent subsidies to those on the existing rental assistance waitlist who still qualify for the program as the County sunsets EPRAP this spring and launches the new KKCH.

Unless the Council passes a motion rejecting this proposed change within 30 days of the date of this letter, DCHS intends to amend existing EPRAP contracts with United Way and Housing Justice Project. Based on the Implementation Plan requirements, DCHS intends to begin implementing these allocations beginning June 1, 2023.¹²

VSHSL Link to Equity and Social Justice Strategic Plan

The VSHSL seeks to support organizations that recognize and address the disparities and disproportionality that exist in King County’s communities, in alignment with the King County Equity and Social Justice (ESJ) Strategic Plan.

⁷ HB 1277: Providing for an additional revenue source for eviction prevention and housing stability services [[LINK](#)]

⁸ Seattle Times, “Seattle eviction ban has lifted, and landlords are taking action. Here’s what you need to know.” March 8, 2022 [[LINK](#)]

⁹ See also RCW 59.18.630 indicating the Washington state moratorium ended on June 30, 2021. [[LINK](#)]

¹⁰ VSHSL Advisory Board Minutes [[LINK](#)]

¹¹ United Way of King County “Get Help with Rent” website [[LINK](#)]

¹² Veterans, Seniors and Human Services Levy Implementation Plan, page 49. [[LINK](#)]

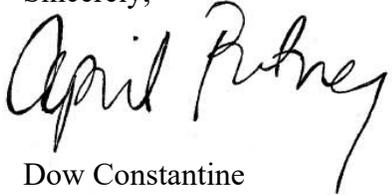
The Honorable Dave Upthegrove

May 1, 2023

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If your staff have any questions about this work, please contact Leo Flor, Director, Department of Community and Human Services, at 206-477-4384.

Sincerely,

 for

Dow Constantine
King County Executive

cc: King County Councilmembers

ATTN: Stephanie Cirkovich, Chief of Staff

Melani Pedroza, Clerk of the Council

Shannon Braddock, Chief of Staff, Office of the Executive

Karan Gill, Deputy Chief of Staff, Office of the Executive

Mina Hashemi, Council Relations Director, Office of the Executive

Leo Flor, Director, Department of Community and Human Services