## STAFF REPORT

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| **Agenda Item:** | 10 & 11 | **Name:** | Sahar FathiWendy Soo HooApril Sanders |
| **Proposed No**.: |  2019-0378 2019-0379 | **Date:** | October 15, 2019 |

**SUBJECT**

Proposed Ordinance 2019-0378 would establish the King County regional homelessness authority and approve the Charter of the Authority.

Proposed Ordinance 2019-0379 would authorize the Executive to execute an interlocal agreement with the City of Seattle and additional parties eligible under the terms of the agreement for the joint establishment of the King County Regional Homelessness Authority.

**SUMMARY**

On September 4, 2019, the Executive transmitted Proposed Ordinances 2019-0378 and 2019-0379 which would adopt the Executive’s Proposed Charter and Proposed Interlocal Agreement (ILA) on the Regional Homeless System Redesign. This briefing is the second briefing in the Health, Housing and Human Services Committee covering the transmitted documents for the Executive’s proposed regional homeless system redesign to establish a new public development authority to align King County and City of Seattle services for individuals experiencing homelessness.

The analysis below summarizes the key features of the Proposed ILA and the Proposed Charter as transmitted by the Executive. It highlights some key policy issues that staff will consider as analysis continues for these two pieces of legislation.

This staff report includes additional information on policy issues raised previously, including detailed information on County funding sources (Attachment 6) and a geographic breakout of existing programs (Attachments 7).

**BACKGROUND**

In 2017, King County Executive Dow Constantine, Seattle Mayor Jenny Durkan, and Auburn Mayor Nancy Backus announced the formation of One Table, which they stated would assess the region’s current response to homelessness, including root causes such as escalating home prices, inequality and the need to expand mental health and addiction services. It would also work to scale up community-based and government programs that are successful.

One Table members developed specific recommendations regarding five root causes of the crisis, including: the lack of affordable housing region-wide; inadequate access to behavioral health treatment; negative impacts on youth involved in the child-welfare system; prior criminal justice involvement impacting the ability to gain housing and employment, and education and employment gaps making housing unattainable and unaffordable.[[1]](#footnote-1)

In May of 2018, Executive Constantine and Mayor Durkan signed a Memorandum of Understanding (MOU) between the City of Seattle and King County to increase collaboration of homelessness services and set a path for governance reforms to better coordinate homeless investments region-wide.[[2]](#footnote-2)

In May 2018, the King County Auditor’s Office released a report entitled: “Homeless Crisis Demands Unified, Accountable, Dynamic Regional Response.”[[3]](#footnote-3) The Auditor’s office determined that “Separate funding and contracting processes burden homeless housing providers, and funder autonomy slows programmatic changes that would respond to community needs.” Further, they noted that “Despite its role as a coordinating body, All Home lacks the authority to unify local funders into an efficient and nimble crisis response system.” The Auditor’s Office recommended that, “DCHS work with All Home and local funders on a formal, binding process to align funding decisions, and that DCHS use CEA data to identify improvements to the homeless system, reduce unsuccessful housing referrals, and address racial disparities in the system. […And also] that DCHS work with All Home and local funders to ensure that RRH move-in rates and the number of RRH enrollees evicted or moving out of King County are tracked.”[[4]](#footnote-4)

Shortly after this report was released, King County and the City of Seattle signed an agreement to increase coordination of homeless services, planning and reporting. The agreement also established the Homeless Services and Housing Governance Partnership between King County, Seattle, All Home and regional partners to improve outcomes and accountability for the future.[[5]](#footnote-5)

According to the press release**,**[[6]](#footnote-6)Mayor Durkan and Executive Constantine agreed to the following immediate action steps:

* Coordinate in advance on all Requests for Proposals (RFPs) related to homelessness from the signing of this MOU to 2020.
* Use joint contract language and joint monitoring of programs on all RFPs for the same time period.
* Develop system improvements to the regional Homeless Management Information System (HMIS) to align data, performance and evaluation efforts across the city and county, and engage regional partners and regional tech businesses on best practices for improving current data sharing and analytical tools. This effort builds on ongoing work to improve public-facing dashboards and reporting tools to allow the public and decision-makers to better track progress and outcomes for programs serving homeless populations.

The press release[[7]](#footnote-7) also stated that the MOU established the Homeless Services and Housing Governance Partnership consisting of City and County staff, All Home, and regional partners. The overarching goals of the partnership were to strengthen coordination, accountability, equity and improve outcomes for people who are experiencing homelessness. The new governance partnership was to take on the following tasks:

* Review current homeless service systems and housing investments to identify existing service gaps and duplicative efforts between the County and the City.
* Set principles and outcomes that a new system governing homeless services and housing investments should address.
* Engage stakeholders to discuss desired revisions to the existing governing system to better serve persons who are homeless.
* Work with cities, providers and other regional partners to ensure coordinated investments provide a comprehensive network of services countywide.
* Study models governing public health, homeless services and housing investments in other U.S. cities to explore elements of alternate governance models that could be implemented here to achieve the desired outcomes.
* Establish shared budget priorities and joint planning efforts to meet the needs of King County and Seattle’s homeless populations.
* By Dec.1, 2018, forward governance recommendations to the King County Executive and Mayor of Seattle regarding potential system revisions to increase the effectiveness, reach and efficiency of the countywide homelessness system.

Beginning in March 2019, the Executive and DCHS began a series of briefings in both the HHHS Committee and the Regional Policy Committee on the proposed regional approach to improving coordination in homeless systems across the county.

**ANALYSIS**

**Proposed Ordinance 2019-0379 – Interlocal Agreement** This section of the staff report will summarize key provisions of Attachment A to Proposed Ordinance 2019-0379, which would authorize the Executive to execute an Interlocal Agreement (ILA) with the City of Seattle (and potentially additional parties) to jointly establish a King County Regional Homelessness Authority. Proposed Ordinance 2019-0378, which would establish the Public Development Authority (PDA) and its Charter, is discussed later in the staff report.

**Purpose of the Agreement** Section 2(a) of the proposed ILA establishes the purpose of the agreement as to authorize the chartering of a PDA by King County to coordinate provision of services to individuals and families experiencing homelessness or at imminent risk of experiencing homelessness (these individuals and families are termed “customers” in the legislation). The ILA also provides terms and conditions under which the parties would provide funds, staff and oversight.

**Additional Parties** Section 2(b) states that additional parties, "including but not limited to cities, housing authorities, and other public entities located in King County, may from time to time become a Party to this Agreement to take advantage of the efficiencies of scale…" In order to join the agreement, additional parties would be required to "align provision of in-scope homelessness response services with the Authority's Five-Year Plan" and other organizational goals and policies.

**Principles** Section 2(c) of the proposed ILA calls for the PDA to act according to eight principles, which are summarized below:

1. Accountability to customers, contract agencies, funders and the public.
2. Being accountable in decision-making and strategic planning to its customers' experiences and to persons with lived experience.
3. Addressing racial/ethnic and other statistical disproportionalities among the population of people experiencing homelessness.
4. Establishing clear protocols for decision making that are easily understood by community members, customers, and other stakeholders and a process for input;
5. Making data-driven decisions and incorporating best practices and data in developing policies, programs and making funding decisions.
6. Supporting contracting processes and provider staff pay structures, where possible, that promote high quality services and reduce staff turnover.
7. Long-term alignment across systems to meet the needs of customers; adoption of an evidence-based, housing first orientation; and informing and supporting regional efforts to increase development of new 0 to 30 percent Area Median Income housing and preserve existing affordable housing, with a priority for permanent supportive housing.
8. Valuing geographic distinctions through effective sub-regional planning. Sub-regions would be defined by the Authority.

**Steering Committee, Governing Board and Advisory Committee** Sections 2(d), (e), and (f) of the ILA states that the parties agree that a Steering Committee, the initial Governing Board, and Advisory Committee will be formed as described in the Charter. The makeup and duties of these bodies will be discussed later in this staff report in the section describing Proposed Ordinance 2019-0378, which would establish the PDA and the Charter.

**Initial Work Plan and Five-Year Plan** Section 2(h) states that the PDA will develop for Governing Board approval, within six months after formation, an initial work plan that would describe its organizational structure, a plan for initial implementation of services, and a description of major goals and activities that the Authority will undertake until approval of its first Five-Year Plan. Note that the ILA does not call for the Steering Committee to confirm the initial work plan.

This section also calls for the PDA to work with customers and other stakeholders to develop a Five-Year Plan to be adopted by the Governing Board and confirmed by the Steering Committee. The initial Five-Year Plan would be completed within the first 18 months of operations and would include a "theory of change," sub-regional planning, and specific, measurable actions the PDA will take. (The ILA calls for the specific, measurable actions to be informed by the Regional Action Plan, which is currently being developed by the Corporation for Supportive Housing and is funded by philanthropic partners.) The Five-Year Plan would be updated periodically.

This section would also set forth that the PDA would need to evaluate community impact and engagement and support an Office of the Ombuds.

**Funding** Section 3 of the ILA states that it is the intent of Seattle and King County to provide in 2020 through 2023 the same annual funding to the PDA that each budgeted in 2019 for homeless services contracts; the amount of funding for 2024 and thereafter is not specified. The ILA would also provide for start-up funding for 2020. These amounts are shown in Table 1 below.

**Table 1.**

**Proposed Start-up Funding and Annual Funding**

|  |  |  |
| --- | --- | --- |
|  | **Proposed Start-up Funding for 2020** | **2019 Budget for Homeless Services** |
| Seattle | $2,000,000 | $73,000,000 |
| King County | $1,300,000 | $55,000,000 |

Under the agreement, the County would also make facilities available to the PDA, the value of which would be included in the $55 million.

According to the proposed ILA, the PDA would submit annually a proposed budget request to each of the parties, consistent with the budget adopted by the Governing Board and confirmed by the Steering Committee. Each party would review the request and "strive to allocate funds… consistent with the budget request and overall Five-Year Plan."

DCHS has provided information on the breakdown of the $55 million in County funding that would support the PDA based on the 2019 budget. This is summarized in Table 2. Note that the ILA does not specify the funding sources that would be used and only specifies the amount the parties would attempt to allocate to the PDA.

**Table 2.**

**2019 Budget for King County Homelessness Services**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Fund Source** | **Contracts with Providers** | **Regional Coordination** | **Admin.** | ***Total*** |
| CDBG | $496,090 |  |  | *$496,090* |
| Continuum of Care | $16,817,793 | $3,802,999 | $293,418 | *$20,914,210* |
| Emergency Solutions Grant | $292,882 |  | $21,202 | *$314,084* |
| State Dept. of Commerce | $16,062,396 |  | $248,025 | *$16,310,421* |
| Document Recording Fees | $9,331,182 | $1,203,104 | $50,000 | *$10,584,286* |
| MIDD | $742,399 |  | $15,000 | *$757,399* |
| VSHSL | $4,643,498 | $58,000 | $21,000 | *$4,722,498* |
| Other Local | $133,000 | $619,373 |  | *$752,373* |
| **Total Expenditures** | **$48,519,240** | **$5,683,476** | **$648,645** | ***$54,851,361*** |

New detail on the funding is provided in Attachments 6 and 7 to this staff report.

**Information Required for Oversight** The ILA requires that the service contracts between each party and the PDA obligate the PDA to provide the following information at a minimum to each party:

1. An annual operating budget with the sources and uses of revenues with expenditures aggregated and disaggregated based on source;
2. Quarterly reporting on expenditures compared to budget, as well as access to the PDA's financial systems;
3. Standards and procedures for awarding contracts to providers, including means to measure outcomes;
4. Annual reports showing outcomes by provider and evaluations of contract performance;
5. An updated Five-Year Plan; and
6. An annual performance update on the Five-Year Plan.

**Initial Duration, Withdrawal, and Termination** The proposed initial duration for the ILA is year to year with an automatic renewal for an indefinite period. The ILA also would specify that no party may withdraw until the agreement has been in for at least five years from the initial effective date. However, after the five-year period, any party may withdraw by providing at least one-year notice.

The ILA allows the County Council to terminate the PDA with an affirmative finding of the Seattle City Council that dissolution is warranted. Any additional parties would also need to concur.

**Future Amendments to the ILA** The ILA states that it may be amended by the mutual consent of the parties upon approval by the legislative authorities of each party. It also would allow the Executive and Seattle Mayor to amend the agreement when adding an additional party so long as the amendment does not materially impact the rights of the then-current parties.

**Proposed Ordinance 2019-0378 – Charter** This section of the staff report will summarize key provisions of Attachment A to Proposed Ordinance 2019-0378, which would establish the King County regional homelessness authority, approve a charter, and add a new chapter to K.C.C. Title 2.

**Duration of Authority** Article III of the Proposed Charter states that the duration of the corporation shall be in perpetuity.

**Purpose and Scope of Authority** Article IV of the Proposed Charter states that the purpose of the Authority is to “provide a regional, independent legal entity under RCW 35.21.730-.755[[8]](#footnote-8) and the Enabling Ordinance for purposes of:

* Providing consolidated, aligned services for individuals and families who are experiencing homelessness or who are at imminent risk of experiencing homelessness.” This is limited to the boundaries of King County and is expected to be consistent with the principles in the ILA, as well as the expected (to be developed) Five Year Plan.
* Receiving revenue from the following sources with the intent of applying them as allowed under the ILA: (1) the County, (2) the City, (3) other public and private sources.
* Providing other services that are determined to be necessary to implement the ILA.

**Powers of Authority**[[9]](#footnote-9)The Proposed Charter describes a number of powers “necessary or convenient to effect the purposes for which the Authority is organized and to perform authorized Authority functions.” A selection of these powers are listed below as examples of the powers authorized to the Authority:

1. Contract for any Authority purpose.
2. Provide for, carryout and implement the provisions of the ILA.
3. Lend its funds, property, credit or services, borrow money, or act as a surety or guarantor for corporate purposes.
4. Secure financial assistance.
5. Recommend to the United States, a state, a political subdivision or agency such tax, financing and security measures as the Authority may deem appropriate to maximize the public interest in the County.

**Limits on Authority Powers** Staff analysis on this component of the Proposed Charter is still ongoing.

**Organization of the Authority** Article VII of the Charter (Proposed Ordinance 2019-0378) for the Proposed Regional Homelessness Authority describes the organization of the Authority. The Executive has proposed a Steering Committee and Governing Board, both of which are described below.

**Steering Committee** The Charter lays out a Steering Committee with seven or eight members:

* The County Executive;
* The Seattle Mayor;
* One member of the County Council;
* One member of the Seattle City Council,
* One member who is an elected official from a city other than Seattle who is a party to the interlocal agreement (ILA) or, if no such city is a party, who is an officer of the Board of Directors of the Sound Cities Association (SCA),
* One member who is an elected official from a city other than Seattle that is a party to the ILA, provided that at least 20 cities have signed the ILA; and,
* Two members representing stakeholders who have experienced homelessness, which members shall be appointed by a continuum of care-created committee, group, or taskforce made up primarily of persons who have experienced homelessness.

The duties of the Steering Committee are to: (1) Confirm Governing Board members, (2) Remove Governing Board members for cause, (3) Confirm (without amendment) the Five-Year Plans presented by the Governing Board, (4) Receive an annual performance report from the Governing Board and (5) Confirm (without amendment) the annual budget presented by the Governing Board that is consistent with the Five Year Plan.

The terms of the Seattle Mayor and County Executive would be parallel to their terms in office. The County Council and Seattle City Council would determine the members that are to serve on this body and the term will last until the person is no longer in office or until the person is replaced. City elected officials from outside Seattle would be appointed by the jurisdiction or SCA (whichever applicable) until replaced or no longer eligible for appointment. Those members who represent individuals who have experienced homelessness would serve until replaced by their appointing authority.

Steering Committee members would elect co-chairs from among its members to serve two-year terms, and each Steering Committee member would be a voting member and have one vote.

**Governing Board** The Governing Board is proposed to have 11 members. The Charter outlines both (1) Characteristics and (2) Expertise and Skills that the entirety of the Board would be required to satisfy in terms of representation. There are to be no elected officials on this Board, and there are to be no employees of any of the parties to the ILA. In addition, there is to be no representative from a contract holder of the Authority or representative that directly benefits from the Authority.

**Table 3: Characteristics, Expertise and Skills of Governing Board**

|  |  |
| --- | --- |
| Characteristics | Expertise & Skills |
| The Charter states that members shall strive to reflect a diversity of geographies in King County and a majority of the members shall be “persons whose combination of identity, personal experience, or professional expertise enables them to credibly represent the perspectives of, and be accountable to, marginalized demographic populations that are statistically disproportionately represented among people experiencing homelessness in King County.” In addition, the Charter states that the Governing Board would be comprised of individuals with connections or experience with:* Local business community
* Neighborhood and community associations
* Faith/religious groups
* Philanthropic community
 | * Implementation of policies and practices that promote racial-ethnic equity within an organization of similar size or responsibility to the Authority
* Fiscal oversight of entities with budgets of similar size to the Authority
* Direction or oversight of business operations and/or strategy of a large public or private entity or organization
* Affordable housing finance and/or development
* Physical and/or behavioral healthcare
* Labor unions and workforce
* Federal continuum of care program governance and operations and the ability to represent the perspectives of continuum of care membership
* Provision of services for persons experiencing homelessness or related social services with an emphasis on serving populations that are disproportionately represented amongst those experiencing homelessness
* Academic research on topics related to homelessness and/or data-based performance evaluation
* Criminal justice
* Other characteristics determined to be necessary by the Governing Board to carry out the purposes of the Authority
 |

The Governing Board is proposed to manage all Authority affairs and will utilize an equity-based decision-making framework in order to advance equity and social justice in the Authority’s processes, policies, and outcomes.

An illustration of how the Governing Board members' initial terms are proposed to operate is listed below in Table 4. Note that the seats are not formally reserved to a specific jurisdiction under the proposed Charter. Once a three- or four-year term has expired, a subsequent member would serve for a four-year term.

**Table 4: Illustration of initial terms for the Governing Board**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Seat | Appointed by | 3 year term | 4 year term | 5 year term |
| 1 | Seattle Mayor  |  | ✓ |  |
| 2 | Seattle Mayor |  |  | ✓ |
| 3 | Seattle City Council  | ✓ |  |  |
| 4 | Seattle City Council |  | ✓ |  |
| 5 | County Executive | ✓ |  |  |
| 6 | County Executive |  | ✓ |  |
| 7 | County Council | ✓ |  |  |
| 8 | County Council |  |  | ✓ |
| 9 | Lived Experience[[10]](#footnote-10) | ✓ |  |  |
| 10 | Lived Experience |  | ✓ |  |
| 11 | Lived Experience |  |  | ✓ |
| TOTAL |  | 4 | 4 | 3 |

Five years after the establishment of the Authority, this will become a self-perpetuating board with regard to appointments.

**Advisory Committee** The proposed Charter directs the Governing Board to either appoint members to an Advisory Committee or establish a Continuum of Care Board to act as an Advisory Committee. The Committee is to be made up of members with experience preventing and ending homelessness. This experience should include:

* Persons currently experiencing homelessness;
* Populations disproportionately impacted by homelessness;
* Homelessness services providers;
* Business;
* Healthcare;
* Labor/Workforce;
* Homeless housing and services;
* Behavioral health services;
* Criminal justice system;
* Child welfare; and,
* Data evaluation.

The proposed Charter would allow for the Governing Board to create additional committees and appoint members, though the additional committees are not specified.

**Executive Director** The proposal designates the Governing Board to appoint an Executive Director, who would then be responsible for hiring other employees. The proposed Charter specifies that the Executive Director would also have the authority to:

* Be responsible for the effective management of the Authority;
* Sign documents and contracts on behalf of the Authority; and
* Perform other duties as assigned by the Governing Board.

**Office of the Ombuds** In the proposed Charter, the Governing Board would be required to create an Office of the Ombuds with the purpose of “promot[ing] customer, employee, and public confidence in the Authority’s ability to effectively, efficiently and equitably serve people experiencing homelessness”[[11]](#footnote-11).

The Ombuds Office is tasked with gathering feedback and tracking trends in feedback and complaints in order to improve the operations and policies of the Authority. The day to day work of the Ombuds would include receiving, investigating and responding to complaints from employees and contractors.

**Policy Issues**

This section of the staff report provides information on the following policy issues:

* Systemic considerations, including benefits of the authority, outreach, sub-regional planning and geographic equity;
* Governance structure, including U.S. Department of Housing and Urban Development Continuum of Care requirements and selection of the Steering Committee and Governing Board members;
* Budget and funding (with detailed information on the funding sources and geographic breakout of existing programs included in Attachments 7 and 8);
* Organization stand-up, including an anticipated timeline and information on dissolution of the Authority, establishment of an ombuds office and labor considerations; and
* The Regional Action Plan and Five-Year Plan.

**Systemic Considerations**

Benefits of the Authority

The Executive has described the following benefits of the proposed Authority:

1. One point of authority: A single point of authority for homelessness services will ensure that one agency leads homelessness work. With a central plan and unified vision, the new authority will be able to work with all partners to identify and implement effective solutions.
2. More sub-regional planning: The new proposed Authority will provide sub-regional planning to tailor solutions to local conditions, informed by evidence-based best practices.
3. Office of the Ombuds: The creation of the Office of the Ombuds will allow people living in homeless to have a place that they can go identify and address system concerns and that this office will work to improve operations and outcomes. In addition, they have tied this benefit to the ability of the new Authority to be able to reduce disparities and promote equity.
4. More data: The new Authority will be able to draw on increased regional data and increased data consistency to further our ability to portray a complete and useful common operational picture that informs long-term policy and short-term continuous improvement in the delivery of homelessness services.
5. More efficiency: The new Authority will reduce fragmentation and increase administrative efficiencies.
6. Public Clarity: By minimizing the fragmentation in the system, the public will have more understanding about the homelessness system.

Subregional Engagement and Planning

The proposed ILA currently discusses the proposed Authority’s intent around sub-regional planning. It states that the proposed Authority, “shall provide capacity to work with stakeholders from geographically diverse parts of the County.”[[12]](#footnote-12) However, there is currently no funding attached to this work. DCHS has stated that in order to accomplish this objective, they would need to prioritize capacity for this purpose and they feel that they can provide adequate staffing within existing resources as positions are created. Specific positions have not been identified.

Geographic Equity

The proposed ILA currently states that sub-regions are to be defined by the proposed Authority.[[13]](#footnote-13) DCHS has stated that it believes geographic diversity would be based on commitments within sub-regional plans. Funds used from levies or other restricted sources would also still have to meet all specified purposes, implementation plan requirements, and other restrictions - geographic or otherwise - associated with that source.

Ongoing outreach (August 1, 2019-September 26, 2019)

The Executive has provided the following information as to their ongoing outreach and has noted that the proposed Authority would be responsible for ongoing engagement.

* Regional Policy Committeebriefings: August 21, September 11
* Board of HealthBriefing, September 19
* Bellevue City Councilpresentation, September 23
* Individual outreach with elected and/or administrative (city manager or administrator) leadership from: Auburn, Bellevue, Burien, Kenmore, Kirkland, Redmond, Renton, Tukwila, Shoreline.
* Briefings/workshops with sub-regional collaborations including:
	+ Eastside Homelessness Advisory Committee (EHAC), August 1
	+ South King County Homelessness Advisory Committee (HAC), August 21
	+ North Urban Human Services Alliance (NUHSA), August 21
* Sound Cities Association (SCA) Engagement
	+ SCA designated leadership (Mayor Nancy Backus, Mayor John Chelminiak, Councilmember Ed Prince) participated in an Executive Leadership Group in fall 2018.
	+ SCA Leads and SCA Director invited/participated in three joint King County Councilmember Advisory Team (CMAT)[[14]](#footnote-14)/Seattle Client Group[[15]](#footnote-15)/SCA meetings. One additional meeting is forthcoming.
	+ SCA Public Issues Committee (PIC) received briefings nearly monthly on ongoing conversations, including the September meeting.
	+ SCA Pre-PIC workshop in fall, 2018 to inform homelessness system redesign recommendations.
	+ SCA designated staff (Colleen Kelly, Merina Hansen, and Christa Valles/Deanna Dawson) have been invited to various regularly occurring meetings, including workgroups and steering committees.
	+ DCHS and SCA hosted a briefing/discussion for all SCA jurisdictions, July 30

**Governance Structure**

Continuum of Care

The U.S. Department of Housing and Urban Development defines a Continuum of Care (CoC) as:

A geographically based group of representatives that carries out the planning responsibilities of the Continuum of Care program, as set out in this regulation. These representatives come from organizations that provide services to the homeless, or represent the interests of the homeless or formerly homeless. A Continuum of Care then designates certain applicants as the entities responsible for carrying out the projects that the Continuum has identified through its planning responsibilities. A Continuum of Care also designates one particular applicant to be a collaborative applicant. The collaborative applicant is the only entity that can apply for a grant from HUD on behalf of the Continuum that the collaborative applicant represents.[[16]](#footnote-16)

According to the Executive, the current CoC governance Charter outlines All Home as the lead organization and designates the functions of the Collaborative Applicant, HMIS, and Coordinated Entry to King County. The Executive has stated that in order to change these designations and transfer all functions of the CoC (All Home and King County), the All Home CoC Board would revise the current charter to update the delegation of authority and designation of functions.  In addition, the Executive has stated that the All Home Board is in the process of making these decisions and anticipates a final revised charter to be adopted no later than November 6, 2019. Additionally, the Executive has stated that in voting on the revised CoC Charter, the CoC Board would need to vote for the newly formed CoC Board (the revised charter would lead to seating a new CoC Board) to take on the function of the Authority’s Advisory Committee.

Selection Process for Steering Committee

Article VII, Section 1 (a) of the proposed Charter outlines the Steering Committee Composition. The following members of the proposed Steering Committee do not have a process currently outlined in the Charter for selection:

* One member shall be an elected official from a city other than Seattle that is a party to the Interlocal Agreement or, if no such city is a Party, who is an officer of the Board of Directors of the SCA;
* One member shall be an elected official from a city other than Seattle that is a party to the Interlocal Agreement provided, that at least twenty cities other than Seattle have signed the Interlocal Agreement; and
* Two members representing stakeholders who have experienced homelessness, which members shall be appointed by a continuum of care-created committee, group, or task force made up primarily of persons who have experienced homelessness.[[17]](#footnote-17)

With regard to the SCA appointments, the Executive has stated that, if no SCA jurisdiction has signed on to the ILA at the time of the first Steering Committee meeting, the Executive anticipates that SCA would use its traditional process of soliciting applications, an application review committee process and ultimately SCA Board member selection. If only one SCA jurisdiction has become an ILA member at the time of the first SC meeting, then the elected leadership of that member jurisdiction would select the Steering Committee member. If multiple jurisdictions have joined at the time of the first Steering Committee, then the proposal would give those ILA member jurisdictions the opportunity to collaborate on a process for Screening Committee member selection or utilize the process identified above as SCA’s traditional process, with the opportunity limited to only jurisdictions who have signed the ILA.

Governing Board requirements

The Executive has stated that the list of Governing Board Expertise and Skills (Table 3) is achievable with eleven members. The Executive envisions that many of the skills and expertise are reasonably probable to exist within a single person.

**Budget & Funding**

Budget Process

According to Executive staff, the Regional Homelessness Authority would establish an annual budget to be approved by the Governing Board and confirmed by the Steering Committee. The Authority's budget request for County funding would be consistent with a Service Contract executed between King County and the Authority. Executive staff indicate that the Authority would propose a two-year budget to the County to align with the biennial budget process, and a supplemental budget request could be made for any changes needed in the second year of the biennium.

County Funding for Authority

As noted previously, the proposal would require the County to attempt to allocate $55 million in annual funding to the Authority based on the 2019 budget for homelessness programs. Attachment 7 provides more detail on the sources of County funding allocated to each homelessness program type. Attachment 8 provides a geographic breakout of County programs and funding. Council staff can provide further detail upon request by committee members.

**Organizational Standup**

Potential Timeline

Executive staff provided the following potential timeline, assuming passage of the ILA and Charter by the end of 2019:

* January 1, 2020: King County Regional Homelessness Authority would exist as a legal entity and King County DCHS and City of Seattle Human Services Department homelessness program staff would begin colocation;
* First Quarter 2020: Steering Committee and Governing Board stand-up
* Second Quarter 2020: Hire Executive Director
* Anticipated Third Quarter 2020: Employees loaned to the Authority after hiring of the Executive Director
* Potentially During Fourth Quarter 2020: Homelessness services contracts transferred to the Authority

Office of the Ombuds

The Executive has stated that the Office of the Ombuds would be responsible for promoting customer, employee and public confidence in the Authority’s ability to effectively, efficiently and equitably serve people experiencing homelessness. The Office will have a priority role in creating processes to ensure customers receive effective, equitable services. The Executive has stated that, with regard to providing a role for the public, the proposal directs the Office to accomplish some specific efforts regarding Customers and employees as well as broader responsibilities to collect, investigate, and respond to complaints and concerns. The Authority leadership would be responsible for determine how to accomplish this direction with staffing and funding constraints.

Dissolution

The Executive has stated that the current proposal for dissolving the proposed Authority requires: 1) initiation, 2) affirmative finding and concurrence, and 3) dissolution. The Executive has provided the following additional clarity as to the dissolution process for the proposed Authority:

1. Because the Authority is proposed as a creature of the County government, the proposal authorizes the County Council to initiate dissolution, either of its own accord or pursuant to either (a) or (b) below, by adopting a motion initiating dissolution proceedings.
	1. The Governing Board may adopt a resolution requesting dissolution, after making an affirmative finding that it is necessary or appropriate.
	2. Any jurisdiction participating in the ILA may make a formal request to the County Council to initiate dissolution—the proposal contemplates this could be through a formal resolution/motion or similar vehicle.
2. Pursuant to initiation, Seattle and King County would need to make affirmative findings that dissolution is warranted (again through the above-mentioned motion/resolution or a separate similar action) in order to proceed further. This process requires a public hearing and the opportunity for the Authority to comment on their views/position regarding dissolution.

All participating jurisdictions (“any additional parties” to the ILA) would also need to concur with those findings in order to proceed.

1. Upon affirmative finding and concurrence by all parties, Seattle and King County would be required to make written notice to the Authority to begin dissolution. Dissolution requires the Governing Board of the Authority to adopt a dissolution statement through resolution providing the information necessary to effectively terminate or pass on the responsibilities of the Authority.

An individual from each party would be appointed to oversee and review the Governing Board’s dissolution process. Additional legal authority is provided to ensure dissolution is fulfilled.

Labor

While many employees of DCHS are unionized, none that are within All Home and the Housing, Homelessness and Community Development Division are represented by a union. One position that would be affected is currently filled in a special duty capacity, for whom the position is not represented but the base position in another department is represented. At the time of this response, some DCHS employees in the Project/Program Manager I and II classification are petitioning for representation by PROTEC17. Some of those positions are within the set of positions potentially affected by the proposed Authority. DCHS has stated that they will provide updates to this status as they develop.

**Regional Action Plan**[[18]](#footnote-18) **and Implementation Plan**

Regional Action Plan (RAP)

According to Executive staff, the Regional Action Plan is a plan for the community on addressing homelessness, not limited to guiding the actions of the Authority. DCHS has stated that the proposed RAP is not anticipated to be transmitted for approval by any elected body. Consistent with this, there is no provision in the proposed ILA or Charter that would describe the role of the Steering Committee or a party to the ILA in approving the Regional Action Plan. The Executive has stated that they are working to brief the Councilmembers soon regarding the latest work on the Regional Action Plan and that the consultant estimates finishing around mid-November.

The Executive has also stated that they are working with the RAP funders (Vulcan, Gates Foundation, Raikes Foundation, and Ballmer Foundation) and Corporation for Supportive Housing (CSH) to schedule briefings with King County, Seattle, and SCA members so they can provide feedback which would be integrated similarly to the feedback that they have been getting from other community stakeholders.

After the RAP is completed, the Executive intends to propose budgets that reflect the Regional Action Plan’s guidance and sub-regional planning from the Authority.

Five-Year Plan

Currently the Executive has proposed that the Authority would be responsible for developing the Five-Year Plan within 18 months of creation. The proposed Charter states that the Five-Year Plan will align with the RAP, “if any.”[[19]](#footnote-19) The proposed ILA states that the proposed Authority’s Five-Year Plan shall be adopted by the Governing Board, confirmed by the Steering Committee and periodically updated. The Proposed Charter outlines that the Steering Committee would confirm the Authority’s Five-Year Plan, without amendment.

The Executive has stated that because King County is not responsible for the creation of the RAP, the proposal contemplates that there could be no RAP or that there may be no replacement RAP after the timeframe covered by the initial RAP has elapsed.

The Executive has also stated that the proposed Authority would execute sub-regional planning as part of the Five-Year Plan. The Executive has defined sub-regional planning as analyzing and articulating local needs, priorities and solutions to address homelessness across the different areas of the County, inclusive of Seattle and north, east, south, and rural King County. In addition, the Executive feels that the role of the Ombuds office and the integration of people representing those with lived experience on the Governing Board and Steering Committee will ensure community-level feedback is integrated into decision-making.

**ATTACHMENTS**

1. Proposed Ordinance 2019-0378 with Attachment A Charter
2. Transmittal Letter 2019-0378
3. Proposed Ordinance 2019-0379 with Attachment A ILA
4. Transmittal Letter 2019-0379
5. Fiscal Note
6. Proposed Funding from King County by 2019 Funding Source and Program
7. Homelessness Programs by Geographic Area
1. <https://kingcounty.gov/elected/executive/constantine/news/release/2018/June/20-one-table-homelessness.aspx> [↑](#footnote-ref-1)
2. <https://kingcounty.gov/elected/executive/constantine/news/release/2018/June/20-one-table-homelessness.aspx> [↑](#footnote-ref-2)
3. Report can be found here: <https://www.kingcounty.gov/depts/auditor/auditor-reports/all-landing-pgs/2018/homeless-2018.aspx> [↑](#footnote-ref-3)
4. <https://www.kingcounty.gov/depts/auditor/auditor-reports/all-landing-pgs/2018/homeless-2018.aspx> [↑](#footnote-ref-4)
5. <https://www.kingcounty.gov/elected/executive/constantine/news/release/2018/May/03-MOU-homelessness.aspx> [↑](#footnote-ref-5)
6. <https://www.kingcounty.gov/elected/executive/constantine/news/release/2018/May/03-MOU-homelessness.aspx> [↑](#footnote-ref-6)
7. <https://www.kingcounty.gov/elected/executive/constantine/news/release/2018/May/03-MOU-homelessness.aspx> [↑](#footnote-ref-7)
8. RCW 35.21.730 - .755 lay out the state regulations on public corporations. These include: Powers of cities, towns and counties – Administration (RCW 35.21.730); Declaration of public purpose – Power and authority to enter into agreements, receive and expend funds –Security – Special funds – Agreements to implement federal new markets tax credit program (RCW 35.21.735); Exercise of powers, authorities, or rights – territorial jurisdiction (RCW 35.21.740); Provision for, control over – Powers (RCW 35.21.745); Real property transferred by city, town or county – Restrictions, notice, public meeting (RCW 35.21.747); Insolvency or dissolution (RCW 35.21.750); and Exemption or immunity from taxation – In lieu excise tax (RCW 35.21.755). [↑](#footnote-ref-8)
9. These are subject to any limitation by Washington State law. [↑](#footnote-ref-9)
10. Specifically, for all three of these seats, this refers to two members of the Steering Committee representing people with Lived Experience of Homelessness after soliciting and reviewing applications submitted or sponsored by persons with lived experience or organizations primarily composed of persons with lived experience of homelessness. [↑](#footnote-ref-10)
11. Section 6 of the proposed Charter of King County Regional Homelessness Authority, which is Attachment A to 2019-0378. [↑](#footnote-ref-11)
12. Proposed ILA, page 5 [↑](#footnote-ref-12)
13. Proposed ILA, page 5 [↑](#footnote-ref-13)
14. King County Councilmember Advisory Committee membership: Councilmembers Kohl-Welles, Dembowksi, Upthegrove and McDermott [↑](#footnote-ref-14)
15. Seattle Client Group membership: Councilmembers Mosqueda, Bagshaw and O’Brien [↑](#footnote-ref-15)
16. <https://files.hudexchange.info/resources/documents/CoCProgramInterimRule_FormattedVersion.pdf> [↑](#footnote-ref-16)
17. Proposed Charter, pages 8-9 [↑](#footnote-ref-17)
18. As a note, in the July 30, 2019 special HHHS Committee briefing, Director Leo Flor noted: “We do not at this point anticipate transmitting the Regional Action Plan.” He further described that this could be more accurately be described as a type of “framework or method of analysis […] for our use in constantly assessing and then reassessing where we stand with respect to our goals around homelessness.” See Meeting Video, HHHS at 1:47:44. (<http://king.granicus.com/MediaPlayer.php?view_id=4&clip_id=7665>) [↑](#footnote-ref-18)
19. Proposed Charter, page 2 [↑](#footnote-ref-19)