



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

Motion 15398

Proposed No. 2019-0014.1

Sponsors Kohl-Welles

1 A MOTION accepting the Veterans, Seniors and Human
2 Services Levy Housing Oversight Coordination Report in
3 compliance with Attachment A to Ordinance 18768, page
4 187.

5 WHEREAS, the Veterans, Seniors and Human Services Levy Implementation
6 Plan, Attachment A to Ordinance 18768, requires the department of community and
7 human services to prepare a Housing Oversight Coordination Report to be transmitted by
8 December 21, 2018, and

9 WHEREAS, the council has reviewed the report submitted by the executive;

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

11 The Veterans, Seniors and Human Services Levy Housing Oversight

**Veterans, Seniors and Human Services Levy
Housing Oversight Coordination Report
December 11, 2018**

Introduction

This report responds to the requirement for a Housing Oversight Coordination Report¹ as described in the Veterans, Seniors and Human Services Levy (VSHSL) Transition and Implementation Plans (Ordinances 18638 and 18768, respectively). This report analyzes and identifies how the county can increase coordination of VSHSL oversight of housing stability investments with all other entities overseeing the county's investments in housing, including examining the potential to consolidate all entities that oversee housing investments. The report makes recommendations for steps to increase oversight coordination on housing investments based on the analysis.

The VSHSL Implementation Plan defines housing stability as "a household's ability to gain and maintain safe, habitable housing in a community of one's choice for less than approximately forty percent of household income." Housing stability investments can include master leasing, shallow rent subsidies, aging in place programs like housing repair and disability accommodation, homeless navigation services, building and operating affordable housing, and legal aid services that help to prevent foreclosure or eviction.

Housing stability investments are included in several King County revenue sources managed by the Department of Community and Human Services (DCHS), including the VSHSL, the Mental Illness and Drug Dependency (MIDD) sales tax, and the Best Start for Kids (BSK) Levy. Each of these fund sources has its own implementation plan and its own advisory board or committee.

The Joint Recommendations Committee (JRC) also advises King County on the housing stability investments it makes on behalf of the King County Consortium. The JRC is an inter-jurisdictional body that provides funding recommendations and advice on guidelines and procedures for King County and its consortia city partners on housing and community development issues. The JRC guides DCHS housing stability investments from sources like the Community Development Block Grant (CDBG) Program, Regional Affordable Housing Program (RAHP), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG) and the Affordable Housing for All Document Recording Fee.

¹ VSHSL Transition Plan, pages 20-21 and VSHSL Implementation Plan, pages 186-188

This report researches, analyzes and provides recommendations for how DCHS can improve coordination between these advisory entities and the DCHS Housing and Community Development (HCD) staff that administer King County's housing stability investments.

Process

The VSHSL Transition Plan and Implementation Plan outline the requirements for this report:

The Housing Oversight Coordination Report must analyze how the County can increase coordination of VSHSL oversight by any VSHSL board or boards that oversee VSHSL housing stability investments with all other county and regional boards, committees and other entities that oversee the County's investments in housing such as homelessness prevention, homelessness and affordable housing. The analysis will include an examination of the potential to consolidate all county and regional boards, committees, and other entities that oversee housing investments, including investments in homelessness prevention, homelessness and affordable housing, in order to achieve increased oversight coordination. The report will include a plan that proposes the steps DCHS will take to increase oversight coordination and recommendations for any ordinances to consolidate or otherwise increase oversight coordination, pursuant to the analysis and conclusion in this report. ²

As preparation for this report, HCD staff interviewed advisory board and advisory committee members and staff to understand existing processes, identify potential problems and opportunities for improvement, and receive feedback on potential recommendations. HCD staff also analyzed enacting legislation, ballot language, and state and federal requirements for these distinct entities to understand the restrictions and opportunities for consolidation.

Background on Advisory Boards and Committees that Impact Housing Decisions

The boards and committees that provide an advisory role for King County's housing stability investments are organized in this report by funding source. This section offers a brief explanation of each advisory entity's creation, structure and scope of work related to housing stability investments.

VSHSL Advisory Board

King County Ordinance 18792 restructured the former Regional Human Services Board and the former Veterans Citizen Oversight Board into a single VSHSL Advisory Board, with committees for each of the three priority populations of the new levy: veterans, seniors and vulnerable populations. The new board will be composed of 30 members, with 10 members for each

² VSHSL Transition Plan, pages 20-21 and VSHSL Implementation Plan, pages 186-188

committee. As of the writing of this report, the new board members have not yet been selected, but the board is expected to hold its first meeting in early 2019.

The VSHSL Advisory Board will oversee the distribution of levy proceeds dedicated to promoting housing stability, healthy living, financial stability, social engagement and service system access, consistent with Section 4 of Ordinance 18555. They are to report annually to the executive and council on the fiscal and performance management of the levy. The VSHSL Implementation Plan allocates approximately 40 percent of revenue to housing stability across the life of the levy.

The Veterans Committee of the VSHSL Advisory Board will fulfill the requirement of RCW 73.08.035, which requires counties in Washington to maintain a veteran's advisory board to oversee state-mandated veteran's assistance programs.

MIDD Advisory Committee

Ordinance 18452, passed in 2017, renamed the MIDD Oversight Committee to the MIDD Advisory Committee and amended its duties to include conducting reviews, providing comment and making recommendations on MIDD initiatives, services, programs and policy goals consistent with County code, ordinances and plans. Ordinance 18452 also outlines the composition of the board for each of its 37 positions.

Consistent with its Implementation Plan, approximately 10 percent of MIDD funds are spent on housing stability investments to support treatment for individuals with behavioral health needs.

Children and Youth Advisory Board

Ordinance 18217 created the Children and Youth Advisory Board in support of Best Starts for Kids (BSK), and directed the board to collaborate on development of the BSK-funded Youth and Family Homelessness Prevention Initiative as well as the BSK Implementation Plan. The board is composed of no more than forty members, at least three of whom must be under the age of twenty-five.

The Youth and Family Homelessness Prevention Initiative is the only housing stability investment funded through BSK.

Joint Recommendations Committee

The Joint Recommendations Committee was established as part of the interlocal agreements creating the King County Consortium, and was codified in King County Code 24.13. HCD administers the Community Development Block Grant (CDBG) Program, Regional Affordable Housing Program (RAHP), HOME Investment Partnerships Program (HOME), Emergency

Solutions Grant (ESG), and Affordable Housing for All Document Recording Fee funds on behalf of King County and most of the cities in King County.

Three King County representatives are appointed to the JRC by the County Executive, and eight representatives of consortia cities sit on the committee. The City of Seattle participates in the JRC for meetings regarding RAHP funds.

The JRC evaluates County staff-proposed funding recommendations for approximately \$5 million annually in capital funding for housing for very low to moderate-income households and about \$600,000 annually of federal funds for homeless and emergency assistance programs.

Current Housing Stability Investment Oversight Coordination Efforts

Given the multiple advisory bodies and sources of authority for these funds, DCHS uses the following process for oversight coordination.

1. Summarize direction from multiple county plans and policies (including relevant implementation plans and interlocal agreements) into composite funding parameters and priorities.
2. Seek input from the community on those priorities.
3. Incorporate feedback into solicitations for Community-Based Organizations (CBOs) to provide services via Requests for Proposals (RFPs), Notice of Funds Available (NOFAs) or Requests for Information (RFIs).
4. Review proposals or applications with experts, including persons who represent advisory bodies and the JRC as appropriate, depending on fund source requirements.
5. Align funds with other potential funders (Washington State Housing Finance Commission, State Department of Commerce, Seattle Office of Housing, and A Regional Coalition for Housing or ARCH).
6. Solicit feedback from advisory bodies on draft recommendations.
7. Incorporate feedback into the department director's final decisions for funding awards.
8. Report DCHS' decisions and activities to advisory entities.

Please see Figure 1 for a diagram of this process.

Input from Advisory Board and Committee Members

HCD staff spoke with members of the advisory boards described above to gain their input on investment oversight and recommendations for improvements.

Regional Human Services and Veterans Citizen Oversight Boards

Because the new VSHSL Advisory Board membership has not yet been established, staff interviewed members of the outgoing Regional Human Services and Veterans Citizen Oversight boards to gather information on their experiences and engagement with King County staff and the housing investment decision-making process.

Interviewed board members indicated satisfaction with accessibility of staff and transparency about DCHS' processes and decision-making. Board members for the levy were routinely invited to participate in RFP review teams for both housing capital and homelessness services, and every interviewed board member had participated on a panel at least once.

Board members identified the following challenges in engaging in HCD's work:

- Lack of clarity around the boards' authority and scope of work
- Difficulty in fully understanding the complexity of DCHS' funding and performance measurement decision-making processes.

The board members saw value in providing regular, ongoing education on DCHS's processes, particularly when new members join the body. One board member shared the opinion that participating on an RFP review panel was critical to gaining an understanding of the factors that must be considered when making funding decisions. Further, the board member recommended that all board members should participate in an RFP review as early as possible in their term.

Board members interviewed also identified an interest in engaging more around defining and reviewing performance measurement for contracts and programs.

MIDD Advisory Committee

The MIDD's primary mission is providing behavioral health treatment, services and supports and its Advisory Committee membership reflects those priorities. Although MIDD's investments in housing stability are relatively small, HCD staff attends the committee's monthly meetings to provide any updates on the programs it administers.

Interviewed MIDD advisory committee members were impressed with department staff's transparency, availability and level of expertise, and trusted staff to make the best decisions given all restrictions, requirements and competing interests. The challenges they identified were:

- Varying degrees of preparation among members before meetings and widely varying levels of understanding of DCHS processes
- An inherent difficulty in understanding the complexities of all regulations, competing interests and fund requirements.

MIDD Advisory Committee members are not currently invited to participate in the RFP review process for projects funded through MIDD. Although they were not unanimous, there was consensus that some committee members would be interested and would value the opportunity to participate on housing RFP review panels.

Children and Youth Advisory Board

Similar to MIDD, BSK's primary focus is providing programs and services to children and youth and not providing housing stability, and as such, its board members have fewer opportunities to engage with HCD staff. Although housing stability is far from the primary mission, the first initiative funded and implemented by BSK was the Youth and Family Homelessness Prevention Initiative, which very much speaks to promoting and preserving housing stability. Staff indicated that the Youth Action Plan Task Force, which informed the development of the Levy and was the precursor for the Children and Youth Advisory Board, was closely involved in the design of the initiative.

Among the frustrations voiced were the following:

- Confusion on how and when to effectively advocate for a subpopulation's lens
- Lack of time to participate, especially for members who volunteer for or manage small organizations
- Feeling that a board member's connections to their community was underutilized in data collection processes.

The Children and Youth Advisory Board is engaged in an ongoing discussion around how best to support affordable housing policies and investments.

Joint Recommendations Committee

Interviewed JRC members were satisfied with HCD staff's responsiveness, transparency, and quality of work. However, Committee members identified the following challenges:

- Lack of clarity around how JRC investments fit into an overall strategy, including little discussion about how subarea or subpopulation needs are being met
- Differences in the levels of expertise among members.

One interviewed member indicated an interest in more and earlier opportunities to develop RFPs to ensure geographic equity.

Analysis of Consolidating All Boards into a Single Housing Board

With the benefit of the critical thinking and reflections of the resident board and committee members garnered through interviews, and the research and study conducted on relevant legislation and materials, staff was able to draw several conclusions about the advisability of attempting to collapse some or all of the boards into a single entity.

While analysis of the overall regional system of housing stability investments confirms the potential to increase alignment and unity of effort, DCHS recommends against consolidation of housing advice into a single board without a prerequisite—or at least contemporaneous—unification of housing stability policy and governance itself. Without a unification of housing stability policy and governance, any consolidated housing board would remain limited to providing advice on a fundamentally fragmented system. For the three DCHS-administered levy sources, while there are strong intersections and collaborations in several areas of services across the implementation and funding plans for the three, the areas of intersection around housing and housing stability are few

The JRC is King County's most housing-focused advisory committee, and would be the most natural body to consolidate the County's oversight. However, changing the structure or scope of work for the JRC would involve re-negotiating the interlocal agreements with the 37 cities in the King County Consortium and amending Ordinances 18217, 18452, and 18792. This would require significant time, and the effort would require a delegation of advisory capacity for other fund sources to the JRC.

DCHS does not recommend the consolidation of the boards discussed in this report that advise King County on its housing stability investments.

Plan to Increase Oversight Coordination

Staff is committed to engaging with each board and advisory committee to educate and inform members, gather input, solicit their participation on review panels and ultimately administer the investments for housing and housing stability for each entity. The discussion of these processes and identification of areas for improvement contributed to this report's recommendations.

HCD proposes to implement a number of strategies to improve coordination, increase board members' knowledge and understanding of the variables involved in housing stability investment decision-making processes, and work to ensure each board's priorities are incorporated into DCHS' decision-making. Recommendations for improvements include the following:

- 1. Invite board and commission members to an annual training that explains HCD's processes and the requirements and restrictions for each funding source.**

This training will address the most common interest expressed by board members for learning the complex requirements and restrictions that inform HCD's decision-making processes. HCD staff will develop orientation materials and coordinate with board and commission staff to organize a training by July 1, 2019.

- 2. Provide an annual briefing to advisory entities on DCHS' housing stability activities and progress towards a shared vision, and solicit high-level feedback on how these investments reflect each board's priorities.**

An annual, high-level briefing would address the JRC's interest in seeing how its investments fit into the whole, as well as interest in learning how DCHS measures performance. This briefing will also foster ongoing communication between boards and staff for continual improvement. HCD will prepare a briefing and coordinate with board and commission staff to organize a briefing for each advisory entity by December 31, 2019.

- 3. Invite MIDD Advisory Committee members to join the housing stability RFP process for projects and programs funded through MIDD.**

Inviting MIDD Advisory Committee members to join RFP reviews will make HCD's process consistent across King County fund sources. With only a few housing stability RFPs funded through MIDD each year, this recommendation will require minimal additional staff time to implement. HCD will send an invitation to the MIDD Advisory Committee for the next RFP review funded through MIDD.

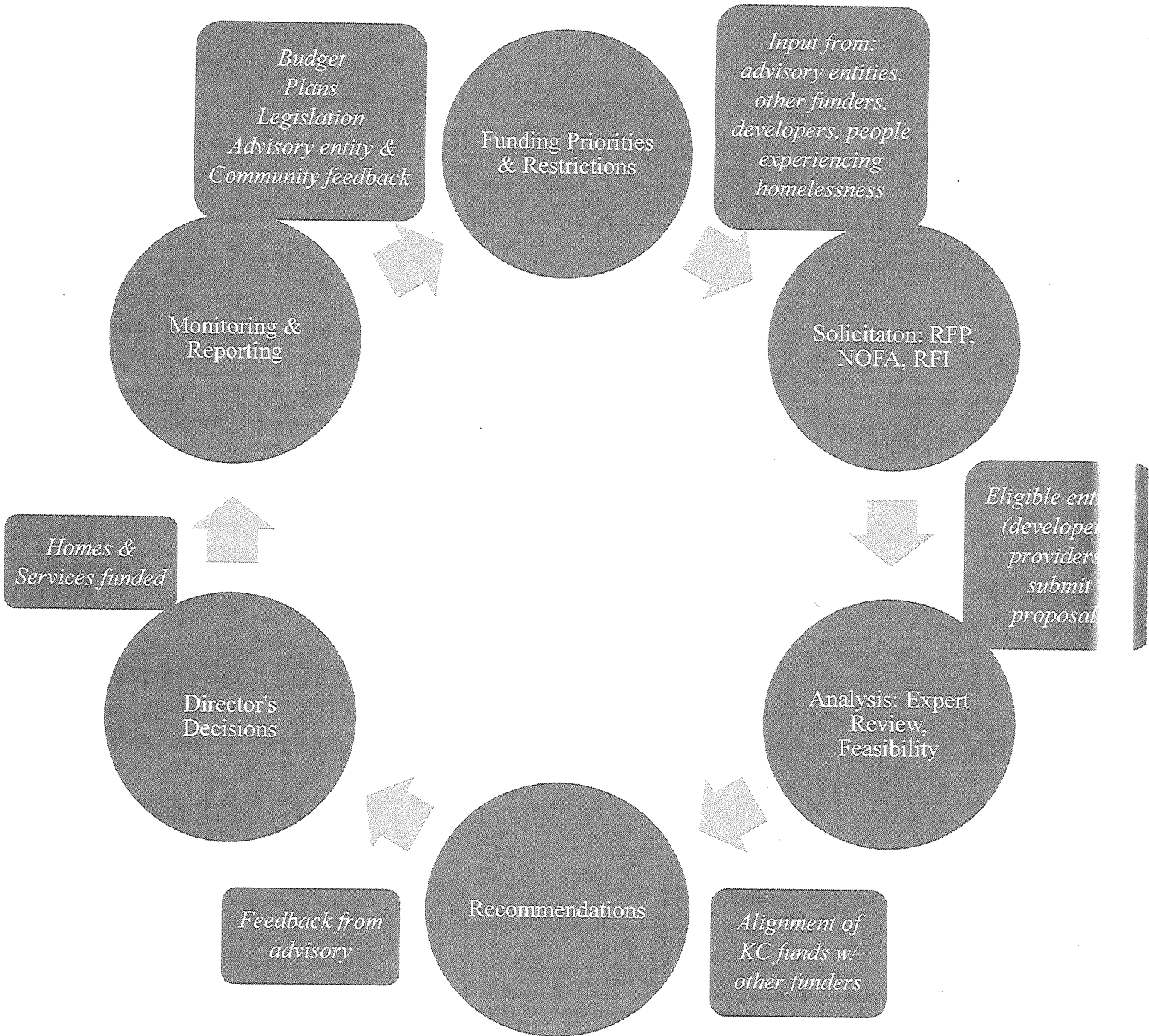
- 4. Provide information and support for meetings between chairs and co-chairs of the advisory entities analyzed in this report to discuss housing stability investments, should they choose to convene.**

Keeping open and ongoing communication between boards would create more opportunities to coordinate across funding sources. HCD will coordinate with advisory entity chairs and their coordinating staff to provide any information requested and support any joint meetings.

Next Steps

HCD staff plans to implement the recommendations within existing staff capacity. Additional staff capacity and coordination with the Executive's Office, Council, boards and advisory committee staff may be required to pursue recommendations beyond the scope of this report. Successful implementation of this report's recommendations may warrant adjustment to align with the forthcoming recommendations of the Regional Affordable Housing Task Force as well as other housing stability policy or organizational changes that may emerge as King County continues to confront the intertwined crises of homelessness and affordable housing.

Figure 1: Funding Cycle Coordination Process



12 Coordination Report, which is Attachment A to this motion, is hereby accepted in
13 accordance with Attachment A to Ordinance 18768, page 187.

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Motion 15398 was introduced on 1/14/2019 and passed by the Metropolitan King
County Council on 5/15/2019, by the following vote:

Yes: 8 - Mr. Gossett, Ms. Lambert, Mr. Dunn, Mr. McDermott, Mr.
Dembowski, Mr. Upthegrove, Ms. Kohl-Welles and Ms. Balducci
Excused: 1 - Mr. von Reichbauer



KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Rod Dembowski, Chair

ATTEST:

Melani Pedroza, Clerk of the Council

Attachments: A. Veterans, Seniors and Human Services Levy Housing Oversight Coordination Report -
December 11, 2018