



**Snohomish County
Human Services**

3000 Rockefeller, M/S 305
EVERETT, WA 98201
OFFICE (425) 388-7200
FAX (425) 259-1444

MEMORANDUM

Date: October 18, 2022

To: Councilmember Megan Dunn, Chair
Councilmember Jared Mead, Vice-Chair

Councilmember Nate Nehring
Councilmember Sam Low
Councilmember Strom Peterson

From: Lacey Harper, Executive Director

Re: Questions and Answers Related to Ordinance 22-330 and 22-338

The Executive Office and the Human Services Department have received questions related to the operation of two motels that the Snohomish County Council approved for purchase at the General Legislative Session held on August 18, 2022, in Motion Number 22-330 and Motion Number 22-338. Those motions authorized the purchase of a motel located at 1602 SE Everett Mall Way, Everett, WA, 98208 for \$10,823,000.00 and a second motel at 22127 Highway 99, Edmonds, WA, 98026 for \$9,075,000.00, respectively, with funds from the federal American Rescue Plan Act (ARPA) Coronavirus Local Fiscal Recovery (CLFR) funds.

Outlined below are questions received and answers related to operation of the motels to provide emergency bridge housing primarily to individuals experiencing homelessness.

Q1: *What is the planned use of the motels?*

A1: There are a wide range of needs for transitional, permanent supportive, recovery, and emergency bridge housing for people experiencing homelessness throughout Snohomish County, these two properties are being purchased to address a pressing public priority: housing adults who are experiencing chronic homelessness through a Housing First service delivery model. Housing First has been demonstrated to promote public safety as well as safety for the individuals we are planning to serve while reducing costs to the public due to frequent utilization of emergency services.

Q2: *Why has this specific population been targeted for service?*

A2: "The State of Homelessness: 2022 Addition" issued by the National Alliance to End Homelessness reports that in 2020, the most recent year available, 57 percent of people experiencing homelessness in 2020 were in five states: New York, Florida, Texas, and Washington. Our state had 22,923 homeless individuals overall. Of these,

1,132 were in Snohomish County. Of the six Continua of Care in Washington, only Vancouver/Clark County has fewer.

Washington had the sixth highest homelessness rate in the nation at 30.1 per 10,000. Within our state, the Snohomish County Continuum of Care has the lowest at 13.77 per 10,000.

Our annual Point in Time data demonstrates that the composition of people experiencing homelessness in Snohomish County has been changing, mirroring national trends. Significant progress has been made serving some subpopulations of individuals experiencing homelessness including families with children on the national and local levels. However, as our annual Point in Time Count also demonstrates, Snohomish County also parallels the national trend that progress has not been made addressing homelessness among chronically homeless adults who may face significant behavioral and/or physical health challenges that result in frequent and costly use of emergency services.

It is widely recognized that addressing the needs of this subpopulation through the Housing First model can have a dramatic impact on the rate of homelessness and utilization of emergency services, resulting in significant savings in public dollars.

Q3: *What is the Housing First model?*

A3: Housing First is an approach that prioritizes providing permanent housing to people experiencing homelessness, thus ending their homelessness and serving as a platform from which they can pursue personal goals and improve their quality of life.

Under this model, in addition to providing housing, a wide array of customized services is offered to the individuals served to help them become stably housed and recover from any health, behavioral health, or other conditions that may negatively impact their lives. Research does not support the establishment of time limits for residents to engage in specific services given that each resident needs a customized blend of services and supports on their individual path toward housing stability and well-being. Lessons from other bridge Housing First efforts, as opposed to immediate placement into an appropriate permanent housing option, make clear that the establishment of a personal development plan between the resident and helping professionals is crucial to helping the resident progress toward their goals of being permanent housed and healthy.

Q4: *Is Housing First evidence-based?*

A4: Yes. There is a large body of evidence that Housing First is an effective solution to chronic homelessness and that it saves the taxpayers a substantial amount of money that otherwise would have been expended by the repeated use of emergency services by the chronically homeless individuals for whom this program has been designed.

Studies have shown that the provision of Housing First that does not require substance use disorder treatment as a condition of housing to chronically homeless persons with active substance misuse leads to improved health outcomes in addition to reducing public service use, lower spending on some social services, and residential stability.

An extensive literature review of housing options for individuals with opioid use disorder conducted by the HHS Assistant Secretary for Planning and Evaluation Office of Disability, Aging and Long-Term Care Policy cites a study that find that Housing First clients are less likely to misuse substances compared to clients involved in programs that require substance use disorder treatment as a condition of receiving housing. Further, the review cites a study that shows Housing First clients are more likely than clients in other program to use Medication Assisted Treatment (MAT) for at least three years. The review also cites a study that Housing First reduces the use of emergency shelters, detoxification centers, jails, hospitalizations, and emergency department visits among individuals with substance use disorders.

The preponderance of evidence suggests that individual adults who are chronically homeless and participate in Housing First are more likely to remain stably housed and cost taxpayers less than individuals who do not participate. The evidence also suggests that, for adults who have a substance use disorder, participation in a Housing First program such as the one being implemented in Snohomish County, will allow them to successfully engage in treatment and maintain a treatment regimen for years.

Q5: Is this model in operation elsewhere and, if so, what have been the outcomes for the individuals served?

A5: Yes. This model for serving chronically homeless individuals is being operated in King County as well as in the City and County of Denver, Colorado and throughout the State of California.

Various evaluations of these programs found the following outcomes:

- *Increased feelings of stability associated with having access to a consistent and private room.*
- *Improved health and well-being as indicated by improved sleep, hygiene, mental health, and overall well-being through access to a clean and private room with bathroom facilities.*
- *Privacy and lessened anxiety led to reduced interpersonal conflict, as evidenced by a decrease in emergency 911 call volume from hotel shelters.*
- *More time to think about and take steps toward future goals such as securing permanent housing, a job, or additional education.*
- *Higher exits to permanent housing and indications of greater engagement with homeless housing services.*
- *Decreases in costs to the criminal justice system and emergency services.*

- *Increases in costs for permanent housing and community-based, preventive services.*
- *Better outcomes for people.*
- *A better use of taxpayer dollars with the costs borne by various public funders being substantially offset by reductions in costs associated with the negative outcomes avoided by participants.*
- *The use of hotels and motels rapidly increased the availability of housing.*
- *The model was universally preferred by service providers and made emergency shelter/housing more appealing to many people living outside.*
- *Provided residents with the ability to more easily access necessary health care.*
- *Time to stabilize and better outcomes for people including a higher percentage of residents exiting to permanent housing than other emergency shelter models.*
- *Created new, beneficial partnerships between government and non-profit organizations.*
- *A better use of taxpayer dollars with the costs borne by various public funders being substantially offset by reductions in costs associated with the negative outcomes avoided by participants.*
- *Demonstrated, “that with a substantial infusion of state and federal funding as well as coordination between government and nonprofit partners, true progress can be achieved toward addressing the homelessness crisis.”*

Q6: *What is the desired outcome for residents of the properties and the community?*

A6: Similar to the findings above, the desired outcome for Snohomish County’s program is for residents to obtain appropriate stable housing, enter treatment and experience recovery as needed, and have positive housing, health, and behavioral health outcomes. For the community, the desired outcomes are increased public safety and reduced usage of publicly funded emergency services.

A reduction in the use of emergency services has been documented in numerous studies and The Association of Washington Cities outlines the benefits of local government acquiring hotels to provide housing and services to address the needs of individuals experiencing homelessness as an innovative solution to a widespread challenge with numerous benefits including a reduction in 911 call volumes.

Q7: *How was the plan to utilize motels as bridge housing developed?*

A7: The plan was the product of numerous requests made by County residents, meetings with elected officials and law enforcement agencies, consultation with subject matter experts in the public and private sectors, review of literature from the United States Department of Health and Human Services (HHS), the United States Department of Housing and Urban Development (HUD), the United States Interagency Council on Homelessness (USICH), the National Alliance to End Homelessness (NAEH), the National Low-Income Housing Alliance (NLIHA), and the Washington State Department of Commerce (DOC), and the Association of Washington Cities among others.

The plan incorporates current research as well as the best and most promising practices developed before and during the pandemic for offering non-congregate emergency housing to chronically unhoused adults. Finally, given that it is likely there will be a variety of fund sources utilized to operate and maintain the housing and provide services to residents over the next 20 years, the plan takes into consideration a thorough review of the requirements associated with all existing fund sources.

The following questions and answers relate to operation of the facilities.

Q8: What have the County and cities been doing to ensure the properties are good neighbors?

A8: Several steps have been taken and are planned to ensure the properties are good neighbors in the community. Prior to proceeding with Purchase and Sale Agreements for the motels, the County conferred with each city to ensure the property selected was acceptable to the city. County staff jointly conducted outreach to neighboring properties of each motel within at least a 500-foot radius to obtain input including any concerns. While concerns that can be mitigated or addressed were identified, in both instances, there was significant support for the purchase and proposed use.

Phase II input is currently underway and involves publication of the plan and the collection of input on criteria for the selection of property management and service delivery providers.

Phase III community engagement activities are currently underway and include engagement with related partners, including emergency services, law enforcement agencies, hospitals and behavioral health providers as well as additional neighbors.

Through this process, partners to a culminating Good Neighbor Agreement will be identified and an agreement developed and executed. Some key provisions of each agreement will include but not be limited to:

- *Basic rights of all parties.*
- *Responsibilities of all parties to the agreement.*
- *Responsibilities of the County.*
- *Responsibilities of the city.*
- *Responsibilities of the property manager.*
- *Responsibilities of the service delivery coordinator.*
- *Responsibilities of other partners as indicated such as Neighborhood Associations and Business/Business Associations.*
- *Communication protocol regarding any issues that may arise.*
- *A plan to ensure ongoing communication.*

Given that it is critical for the community and the residents that the program be well-received and operated, some responsibilities to be addressed will include property appearance and upkeep; safety of the residents and neighbors; and appropriate interactions among neighbors, staff, and residents.

Q9: *How will referrals be made to the properties?*

A9: Snohomish County will develop the referral processes, and we expect they will include referrals from first responders and helping professionals in the community.

Q10: *How will a property management firm(s) be selected for the properties?*

A10: The property management firm(s) will be selected through a competitive request for proposals process that takes into consideration a variety of criteria, including but not limited to, history of project management including Good Neighbor Agreements, financial management capability, budget, scope, and appropriateness of property management services proposed, staffing, readiness to proceed, and other factors identified by the county and cities.

Q11: *How will a service delivery coordinator and providers be selected for the properties?*

A11: The service delivery coordinator and providers for each property will also be selected through a competitive request for proposals process that takes into consideration criteria, including but not limited to, experience of effectively partnering in Good Neighbor Agreements, experience coordinating and delivering similar services to the targeted population, financial management capability, budget, scope and appropriateness of services offered on and off site, service delivery agreements in place, staffing, staff development and management, readiness to proceed, and other factors identified by the county and cities.

Q12: *How will service delivery at the properties be managed?*

A12: The service delivery coordinator selected will manage all services on site, some of which may be provided by that organization with others being provided by partner organizations. Core services staff will be on site 24 hours per day, 7 days per week. Additional services will be provided on a regular schedule on site and referrals will be made to other necessary services off site.

Q13: *Will there be a participation agreement/code of conduct for residents?*

A13: Yes, all residents will sign an agreement outlining behavioral expectations including the following behaviors that will not be allowed and represent conditions which may cause the individual to be terminated from the program:

- *Manufacture, purchase, or distribution of controlled substances on site.*

- *Provision of controlled substances, tobacco, or alcohol to minors.*
- *Use of any controlled substance on site.*
- *Smoking in room or non-designated area on site.*
- *Being intoxicated or impaired in common areas.*
- *Failure to prevent safety hazards on site.*
- *Encouraging others who are in recovery to use.*

Agreements also include an expectation that a resident participates in personal development activities as agreed upon by the resident and their assigned helping professional.

Q14: How will the participant agreement/code of conduct be developed?

A14: The service delivery coordinator will develop the participant agreement/code of conduct in collaboration.

Q15: Do current Snohomish County shelter and emergency housing subcontractors have participant agreements/codes of conduct?

A15: Yes. All entities with which the County contracts for sheltering/emergency housing have agreements in place.

Q16: Do other governmental entities and quasi-governmental entities in Western Washington have participation agreements/codes of conduct for residents?

A16: Yes. Such codes have been developed through a collaboration between the service delivery coordinator and governmental entity or by the governmental/quasi-governmental entity in instances where that entity is serving as the service delivery coordinator as described above.

The following question and answer relate to the impact approval of Ordinance 22-033 and/or any proposed amendment would have on the operation of the properties and delivery of services as outlined above.

Q17: Would there be challenges with implementing Ordinance 22-033 and/or any proposed amendment mandating treatment for some residents of the properties?

A17: In light of the above and given the significant challenges such a mandate would create; the Executive Office does not support implementation of Ordinance 22-033 and/or any proposed amendment.

First, it would preclude the use of a number of federal and state fund sources to operate, maintain, and provide services in the properties as outlined in “Federal and State Restrictions on Mandatory Services Associated with Housing Grants” attached to this memorandum. Some preclude mandating services completely while in other

instances, the mandating of services would result in the loss of competitive funding that benefits both Snohomish County and the cities and towns within the County.

Second, the amendment, as written, conflates the definition of substance use disorder, a medical condition, with behavior, namely, the current illegal use of a controlled substance. Further, it does not indicate when such behavior serves as grounds for termination from the program or housing.

Additionally, there are instances in which Washington State law does not align with the federal Controlled Substances Act of 1970 under which marijuana is classified as a Schedule I controlled substance, creating additional potential legal challenges.

Third, implementation of this amendment would be extremely challenging and costly. Testing could take a number of hours or even days with no options for housing the individual in the interim. Should the results show that the individual tested positive for a controlled substance, the service delivery coordinator would have to return the individual to the street, in many cases, leaving law enforcement no alternative for addressing any public safety concerns and leaving helping professionals with no way to help the individual advance toward treatment and recovery.

In conclusion, the availability of one-time American Rescue Plan Act/Coronavirus Relief funds presents a unique opportunity to apply research and learnings from jurisdictions using motels and hotels to rapidly expand the availability of housing to address the needs of chronically homeless individuals through a Housing First model. As a result, Snohomish County will realize the benefits of increased public safety, decreased use of costly emergency services, and the opportunity for an improved quality of life for the individuals served to the benefit of the whole community.

Federal and State Restrictions on Mandatory Services Associated with Housing Grants

10-17-22

Fund Source	Annual Funding	Description of Restrictions
<i>Federal</i>		
HUD HOME ARP	\$7,295,083	For Acquisition/Rehab prohibited from including mandatory services in lease agreement
HUD Continuum of Care (CoC)	\$12,637,528	Federal law and HUD regulations require Coordinated Entry (CE) for placement. HUD policy (CPD Notice) requires low barrier CE for placement Housing first projects funded are required by HUD contract to operate as housing first and may not mandate services HUD policy is to operate projects as housing first HUD annual Notice of Funding Opportunity policy priority is for housing first applications and includes points for housing first Written CoC standards are required and include low barrier and housing first
HUD Emergency Solutions Grant	\$268,546	Federal law and HUD regulations requires Coordinated Entry (CE) for placement. HUD policy (CPD Notice) requires low barrier CE for placement
<i>State</i>		
Commerce Systems Demonstration Grant	\$358,000	State guidelines/policy is low barrier/housing first. State requires Coordinated Entry (CE) that follows HUD policy per CoC above
Commerce Emergency Solutions Grant	\$242,160	Federal pass through funds administered by the State. Federal law and HUD regulations require Coordinated Entry (CE) for placement. HUD policy (CPD Notice) requires low barrier CE for placement
TOTAL	\$20,801,317	