

Projected Impact of Authorizing HB 1590 in Snohomish County

December 13, 2021

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Systemic Challenges: Affordable Housing, Behavioral Health, Homelessness

- The challenges of a lack of affordable housing, lack of behavioral health services, and an increase in homelessness have grown throughout Snohomish County and around the nation.
- These challenges have been exacerbated by the COVID-19 pandemic.
- These challenges are interconnected and require a coordinated response.

Key Indicators

- One out of every three Snohomish County residents is a renter and nearly half are cost burdened.
- Two out of every three Snohomish County residents is a homeowner and 29% are cost burdened.
- There are long wait lists for behavioral health services.
- There is a current shortfall in behavioral health professionals which is expected to grow to more than 2,600 across the state by 2030.
- Social isolation, substance abuse, self-harm, suicides, and domestic violence are all on the rise and have been exacerbated by the COVID-19 pandemic with long-term individual, family, and community implications.



Key Indicators

- These challenges intersect in increasingly visible literal homelessness with the number of individuals experiencing homelessness steadily increasing in recent years.
- The 2020 PIT Count identified a total of **1,132 individuals** experiencing homelessness (unsheltered, sheltered, and in transitional housing).

January 22, 2020: 1,132 total people



Existing Efforts to Increase Affordable Housing

- Based on prior year production rates using existing federal, state, and local funds, Snohomish County is projected to be able to create 222 units of affordable housing in the next five years.
- These investments are guided by collaborative planning and Interlocal Agreements between Snohomish County and cities and the TAC/PAB process with advice from the Housing Consortium of Everett and Snohomish County, the Alliance for Housing Affordability, the Everett Housing Authority, the Housing Authority of Snohomish County, and other collaborative partners.
- Snohomish County and cities established the Housing Affordability Regional Taskforce (HART) to develop a plan to accelerate our collective ability to address affordable housing needs for all county residents.



Existing Efforts to Increasing Behavioral Health Facilities and Services

- In the last five years, Snohomish County has directly invested \$89M in providing behavioral health services to residents countywide through a 1/10 of 1% Sales Tax fund.
- The Chemical Dependency and Mental Health Advisory Board informs these investments.
- The County Council has appropriated an additional investment of \$2.5M in behavioral health efforts using American Rescue Plan Act (ARPA) funds in collaboration with cities and tribes.

Existing Efforts to Decrease Homelessness

- In the last 3.75 years, Snohomish County has directly subcontracted \$33M to address literal homelessness with federal Continuum of Care and Emergency Solutions Grant funds.
- An additional \$4M has been subcontracted in state Consolidated Homelessness Grant funds.
- Another \$55M in one-time federal emergency rental assistance funds have been spent in preventing homelessness.
- The Snohomish County Partnership to End Homelessness, a nationally recognized collaborative planning body, informs these investments.
- The County currently funds 646 year-round and 88 seasonal shelter beds in Snohomish County, including hotels/motels.
- The delta between the number of year-round shelter beds and number of people experiencing literal homelessness (as of 2020 PIT) was 486.



Existing Efforts to Decrease Homelessness

- By 2023, using existing resources, we anticipate at least 160 new bridge housing beds coming online. Strategies include:
 - **Pallet Housing:** The City of Everett will expand its current 20-unit pallet housing project by an additional 40 units.
 - **Hotels as Shelter/Bridge Housing:** Snohomish County is in the process of purchasing at least one hotel/motel to provide roughly 120 units of housing and 24/7 services with the goal of stabilizing literally homeless individuals, many of whom are chronically homeless.
 - **Other Strategies:** The County and cities are meeting regarding other possible strategies which include master leasing of hotel/motel rooms, expanding Micro Emergency Shelter Housing (MESH), citing pallet housing in other locations, and other options.

Community Need and Need for Additional Resources

- There is widespread consensus across Snohomish County residents, elected officials, and subject matter experts that there is a tremendous need for more affordable housing, behavioral health facilities and services, and housing and services for people experiencing homelessness.
- Both HART and North Sound Behavioral Health Administrative Services Organization findings support this consensus.
- A recent SurveyUSA poll found that increasing resources to address homelessness and increasing affordable housing were the top two solutions supported by Washington State residents with addressing homelessness as the #1 priority.
- Based on an extensive review of research, the HART concluded that, **“Without significant new federal, state, regional, and/or local funding contributions, we can expect limited progress in building more low-income housing.”**
- ***Authorizing 1590 is the most expeditious way to address these challenges.***



How Can HB 1590 Funds be Spent?

- In the 2019-2020 legislative session, the Legislature passed HB 1590 which allows for the imposition of a local sales and use tax of up to 0.1% for affordable housing and behavioral health facilities creation, operations and maintenance, and associated services. HB 1070 clarified intent.
- The majority of Snohomish County state senators and representatives voted in support of HB 1590.
- These funds may be used for:
 - Constructing and acquiring affordable housing for low-income households with additional needs,
 - Constructing and acquiring emergency housing,
 - Constructing and acquiring behavioral health facilities,
 - Operating and maintaining these facilities,
 - Providing services to individuals utilizing these facilities,
 - Evaluating the services provided.

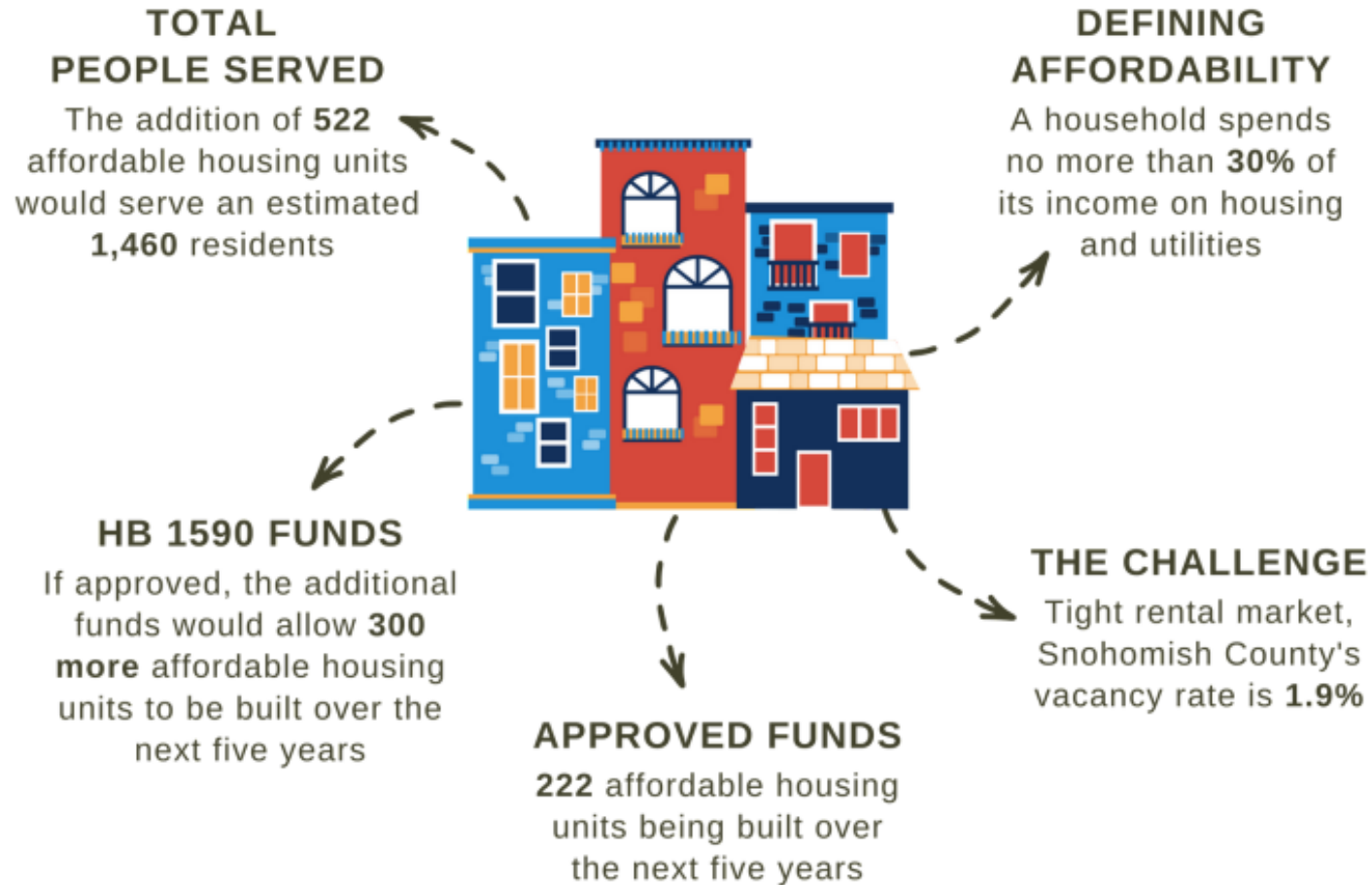
Anticipated HB 1590 Revenues and Expenses

- Five-year projected **revenues** anticipated to be \$116,560,505 including interest.
 - These revenue projections assume that calendar year one revenues will begin being collected on April 1, 2022.
- Five-year projected **expenditures** are \$97,414,710.
- Expenditure plan is broken into five overall categories:
 - Affordable Housing - \$48,375,811
 - Behavioral Health Facilities - \$4,021,091
 - Bridge and Permanent Supportive Housing - \$31,088,538
 - Services - \$13,140,821
 - Evaluation - \$788,449

HB 1590 Proposed Affordable Housing Investments

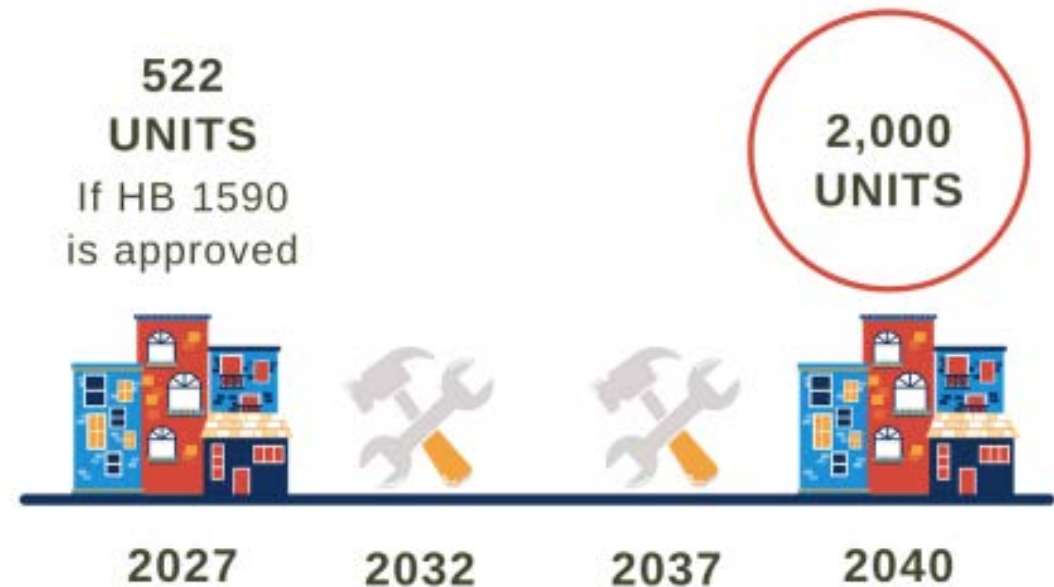
- Affordable housing is an evidence-based and proven solution that helps people furthest from opportunity gain the stability they need to advance in their lives, supports the well-being and healthy development of children, and contributes to the broader community.
- We propose investing **\$38,452,811 in the creation and \$9,923,000 in operations and maintenance of new affordable housing** for HB 1590-eligible individuals.
- This would expedite the sustainable creation of **at least 300 units of affordable housing** by the end of year five.

HB 1590 Affordable Housing Outcomes



Long-Term HB 1590 Affordable Housing Outcomes

- The proposed production rate of 300 additional affordable housing units over the next five years would represent a 33% increase in the number of affordable housing units constructed over the past five years in developments supported with County funding.
- Continued resources from HB 1590 would lead to a significant increase in affordable housing stock by 2040.



HB 1590 Proposed Behavioral Health Facilities Investments

- There is a strong evidence-base and widespread consensus that we have an inadequate number of behavioral health facilities to meet county residents' needs for behavioral health evaluation, treatment, and follow up close to home.
- We propose setting aside **\$4,021,091 over five years to be matched with an equal amount from the Chemical Dependency/Mental Health Sales Tax fund to contribute to the acquisition, rehabilitation, and construction of behavioral health facilities.**

HB 1590 Behavioral Health Facilities Outcomes

- There are many challenges with estimating the number of beds that will be produced in given timeframe based on the challenges with citing facilities; complexities of braiding of other federal, state, and private resources; and level of investment by various funders.
- If this investment were coupled with a comparable investment of 1/10 of 1% Chemical Dependency and Mental Health Sales Tax funds and funded approximately 50% of the total cost (a conservative estimate), the five-year investment would contribute to the creation of two 16-bed facilities for a total of 32 beds.



HB 1590 Proposed Bridge and Permanent Supportive Housing Investments

- Bridge and permanent supportive housing is a highly effective strategy that combines housing with intensive wrap-around services and is intended for people who need housing-related supportive services to maintain their housing.
- We propose investing **\$21,122,500 in the creation and \$9,966,038 in operation and maintenance of bridge and permanent supportive housing** for eligible individuals who are literally homeless and living with mental illness and/or disabilities.
- This would expedite the sustainable **creation of at least 100 units of bridge and permanent supportive housing** by the end of year two.



HB 1590 Bridge and Permanent Supportive Housing Outcomes

Utilizing the Emergency Bridge and Permanent Supportive Housing Proposed Plan to Reduce Homelessness

120 + 60 + 100 

OF HOUSING UNITS
UNDER DEVELOPMENT BY
SNOHOMISH COUNTY

OF PALLET HOUSING
IN PLACE AND UNDER
DEVELOPMENT IN THE
CITY OF EVERETT

OF EMERGENCY
BRIDGE & PERMANENT
SUPPORTIVE HOUSING
FUNDED BY HB 1590

TOTAL 280 = 42%
HOUSING UNITS REDUCTION IN
UNSHELTERED
RESIDENTS

INVESTMENT OUTCOME

HB 1590 Proposed Services and Evaluation Investments

- We propose investing **\$13,140,821** in the delivery of needed services to residents in bridge and permanent supportive housing.
- We also propose investing **\$788,449** in the **evaluation of the investments made.**



Projected Impact of Authorizing HB 1590

- By authorizing HB 1590, in the next five years we could have the resources to:
 - More than double the number of projected new affordable housing units from 222 to 522.
 - Support the creation of more behavioral health facilities and delivery of local services.
 - Bring 100 members of the county's unsheltered population off the streets and into safer spaces and provide them with behavioral health and other services - coupled with investments currently in process, this would represent 42% of all unsheltered residents.
 - Provide services to support individuals and the long-term impact of investments made.
 - Evaluate the efficacy of those investments to inform future investments.



Snohomish County proposes 0.1% sales tax for affordable housing

The tax could be approved without a public vote. It would allow for a dramatic increase in new housing for low-income people.

Housing Hope CEO Fred Safstrom said the impact would be hard to overstate.

“I’ve been directly working in this field for 15 years,” he said Wednesday in an interview with The Daily Herald. “And this is the most important thing that’s happened in those 15 years.”

Questions?