

**CITY COUNCIL STUDY SESSION****HB 1590 Work Plan Outreach and Engagement Update**

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**DIRECTION NEEDED FROM COUNCIL****INFORMATION  
ONLY**

No action is required, staff will provide an informational update regarding the initial stakeholder outreach and engagement related to the HB 1590 work plan. Staff will return to Council in April to provide a final stakeholder outreach analysis and recommend HB 1590 program objectives and goal recommendations.

**RECOMMENDATION**

N/A

**BACKGROUND & ANALYSIS**

The Bellevue City Council enacted Resolution No. 9826 on October 12, 2020, which allows the City to collect monies under Revised Code of Washington (RCW) 82.14.530. The Legislature adopted House Bill 1590 during the last legislative session to amend RCW 82.14.530, which allows for an increase of up to 0.1 percent sales and use tax to be imposed for housing and related services.

At least 60 percent of the funds must be allocated and/or spent for the following:

- Constructing affordable housing, which includes new units of affordable housing within an existing structure;
- Constructing facilities providing housing-related services;
- Constructing mental and behavioral health-related facilities;
- Funding the operations and maintenance costs of new units of affordable housing;
- Funding the operation and maintenance costs of new facilities where housing-related programs are provided; or
- Funding the operation and maintenance costs of newly constructed evaluation and treatment centers.

In addition, RCW 82.14.530 mandates the above funding related to the construction of the affordable housing and facilities providing housing related services which must serve only the following individuals whose income is at or below 60 percent of the area median income (AMI) of the county where the tax is imposed:

- Persons with behavioral health disabilities;

- Veterans;
- Senior citizens;
- Homeless, or at risk of being homeless, families with children;
- Unaccompanied homeless youth or young adults;
- Persons with disabilities; or
- Domestic violence survivors.

The remainder of the monies collected (no more than 40 percent) must be used for the operation, delivery, or evaluation of: (1) mental and behavioral health treatment programs and services or (2) housing-related services. The AMI requirements and population requirements do not apply to the 40 percent spending parameters.

### **Previous Direction**

On December 14, 2020, staff presented to Council on the approach and scope of the HB 1590 work plan, which includes the following elements: adoption of an interest statement, regional collaboration and stakeholder engagement, and proposed expenditure and funding process. Council gave direction to staff to initiate the HB 1590 work plan; as part of this work, staff anticipates returning to Council every four to six weeks to provide an update on the work plan elements and seek direction, and to continue to advance the creation of the process for distributing 1590 funds in the future; as well as set initial priorities for 2021 and the near term.

On February 1, 2021, staff presented the first element of the HB 1590 work plan to Council – an interest statement that weaves together existing policies and identified strategies and needs from adopted documents related to affordable housing and human services. The interest statement serves as a document with principles that help guide future identified projects, programs, and services that could be funded using HB 1590 funds. Council agreed with the comprehensive approach and approved the interest statement as part of the HB 1590 work plan. Council reiterated the importance of frequent touchpoints and identifying early opportunities to use HB 1590 funding as staff continue to build a long-term implementation plan.

### **Outreach and Engagement**

As part of the next step in the HB 1590 work plan, staff conducted an initial round of outreach with stakeholders to understand our community needs related to affordable housing, mental and behavioral health services, and housing-related services. This feedback will help inform a final analysis around program objectives and goal recommendations that fall under the parameters of HB 1590 funding. Staff elicited feedback from stakeholders around the following areas:

- Community needs, and how funding can serve those needs
- Priority gaps in funding
- Barriers and/or challenges in using funding to meet these needs
- Best practices or lessons learned

This initial round of stakeholder outreach included discussions with human services agencies, community partners, advisory groups, and affordable housing developers, operators, and providers. The following table lists out the stakeholder participants:

Stakeholders	Description
Eastside Homeless Advisory Council	Group of Eastside human service providers that work collectively to further homeless housing and service activities in East King County. Several sectors of the community are engaged in the group – city and county, faith-based communities, human service organizations, and community advocates.
Bellevue Network on Aging	Group dedicated to healthy aging in the community by promoting awareness of needs and resources that support older adults through life's transitions.
Human Service Agencies (including culturally specific groups/agencies)	Interviews with agencies serving Bellevue's diverse populations, such as those experiencing homelessness, individuals with disabilities – physical, mental, and/or behavioral, older adults and those with disabilities, domestic violence survivors, veterans, youth and young adults, etc.
High Utilizer Group	Service providers who respond to behavioral health crises and aim to reduce high utilization of emergency rooms and first responder emergency services for non-emergent needs, by increasing use of community resources and outpatient services.
Probation Staff	City of Bellevue Probation Division whose mission is to monitor adult misdemeanor offenders and hold them accountable to complete court-ordered sanctions. This division determines the unique needs and refers individuals to appropriate programs and services.
Emergency Financial Assistance Providers	Agencies that provide emergency financial assistance to individuals and households in the community that need financial support in order to achieve housing stability and remain housed.
Affordable Housing Developers, Providers, and Operators	Interviews with affordable housing developers, operators, and providers.

As part of the upcoming stakeholder outreach and engagement, staff will be reaching out to additional non-profit affordable housing developers, for-profit developers, faith-based organizations, and regional partners, such as King County, ARCH and South King Housing and Homelessness Partners (SKHHP). These meetings will focus on collaborative and coordinated opportunities that exist to serve affordable housing, mental and behavioral health services, and housing-related services needs in the community.

## High-Level Themes

### Mental and Behavioral Health Services

Key takeaways from engagement on mental and behavioral health services include:

- Mental and behavioral health services provide a holistic and wraparound approach to support the unique needs, barriers, and challenges for an individual and family to obtain and maintain housing and enhance their overall well-being and stability.

- Culturally specific and responsive services are critical to ensure the values and norms of diverse communities are present, represented, and considered during the delivery of direct service and support of these communities.
- There is a lack of housing options for individuals exiting behavioral health inpatient treatment. It is critical to provide beds for those in recovery of substance use or mental health treatment in order to support their long-term success in recovery and stability.
- Mental and behavioral health services on-site (at housing facilities and agencies supporting vulnerable populations) in order to adequately meet these needs, enhance housing stability, prevent future social and behavioral health crises that impact treatment and housing, and help individuals lead stable, healthier lives.

### Housing-related Services

Key takeaways from engagement on housing-related services include:

- Flexible financial assistance allows residents to retain housing and is a critical tool to prevent homelessness. Examples of flexible financial assistance that can help households' obtain and retain housing include, but are not limited to, payments for: critical documentation (i.e., identification cards, birth certificates, etc.), rental assistance, housing move-in costs (i.e., application fees, first/last month's rent, etc.), transportation assistance (i.e., bus tickets, ORCA cards, etc.), employment assistance, eviction prevention, and childcare.
- Flexible and culturally specific supportive services, such as mental and behavioral health, life skills and support groups, employment, legal, immigration, and case management services, allow residents to maintain housing stability and achieve self-sufficiency by meeting their unique needs and helping individuals thrive in their communities.

### Affordable Housing

Key takeaways from engagement with affordable housing developers, providers, and operators include:

- Affordable housing with supportive services (i.e., mental and behavioral health services, case management services, employment, life skills, etc.) is needed to help households achieve and maintain housing stability. Elements like case management and access to mental health services are critical to ensuring long-term housing success for residents.
- Mental and behavioral health services located onsite, both at affordable housing properties and agencies that serve vulnerable populations, are critical to help residents achieve a better quality of life, address their barriers and challenges to obtain and maintain housing, and achieve overall housing stability.
- A spectrum of housing types and models are needed in order to appropriately and successfully serve the specific populations as outlined in HB 1590. Access to a variety of housing choices, such as affordable housing between 0-30 percent AMI, permanent supportive housing, or housing with supportive services, allows community members to live in locations where their unique needs and challenges can be best served.

As staff continue to engage with key, diverse stakeholders through the HB 1590 work plan process, different themes, needs, and takeaways may arise from these discussions. This additional outreach will be incorporated into a final stakeholder analysis in an upcoming Council study session.

### **Next Steps**

Future stakeholder outreach and engagement analysis to Council will weave in themes from the next set of stakeholder discussions with non-profit and for-profit affordable housing developers, faith-based organizations, and regional partners. The engagement process with our regional partners will be to further our pursuit of collaborative and coordinated opportunities around affordable housing, mental and behavioral health services, and housing-related services. Themes from continued discussions with human services agencies, culturally specific groups, and those with lived experience will also be incorporated in a final analysis to Council. These themes, as well as other feedback received from our outreach, will be incorporated in a final analysis around program objectives and goal recommendations that fall under the parameters of HB 1590 funding. Early activities and projects will continue to be identified and incorporated into a final analysis to Council.

## **POLICY & FISCAL IMPACTS**

### **Policy Impact**

The City has multiple adopted policies, identified needs, and strategies that are related to the use of HB 1590 funds. At a previous study session, staff presented a document that brings together these policies, needs, and strategies that guide the projects, programs, and services that may be implemented by HB 1590 funds, along with the requirements under RCW 82.14.530. This consolidated document may be found in the Council Library.

### **Fiscal Impact**

Based on Bellevue's taxable sales in 2019, the 0.1 percent will likely generate \$8.9 million per year, and up to 10 percent (\$890,000) of the moneys collected could be used to supplant existing local funds. During the COVID recovery period, these amounts should be assumed to be lower than 2019. The taxes are collected in arrears, so initial monies would not be available until the end of the first quarter at the earliest.

## **OPTIONS**

N/A

## **ATTACHMENTS & AVAILABLE DOCUMENTS**

N/A

## **AVAILABLE IN COUNCIL LIBRARY**

HB 1590 Interest Statement

Consolidated Policies and Needs for the HB 1590 Interest Statement