



CHRONIC HOMELESSNESS: A CROSSROAD





We are at a crossroad. A global pandemic has taken thousands of lives, an economic recession has left thousands more without work, and city centers have been shuttered and abandoned. As a state, we should not accept going “back to normal” or “the new normal” but must actively work toward creating a better future. A linchpin of our recovery will be addressing chronic homelessness.

While chronic homelessness is by no means new to our state, or to the business community, it has grown dramatically. Over the last four years, chronic homelessness has risen at an annual rate of 27% statewide and an astonishing 42% in Seattle–King County—the second fastest growth rate in the nation. Spending on housing and services has increased, but greater investment has not yielded a reduction in the number of people trapped in the cycle of chronic homelessness. People who are chronically homeless experience massive disparities in health outcomes, and ultimately human lives are being lost.

This crisis is impacting our communities at all levels, and in every corner of our state. Whether you are in Seattle, Vancouver, Spokane, or other major cities in our state, employers do not feel safe asking employees to return to work, and some are weighing whether to return to downtown offices at all. Families feel unsafe in their downtowns, in local parks, and in their own neighborhoods. Most importantly, people experiencing homelessness themselves feel unsafe and are not receiving the services and supports that will empower them on their journey out of homelessness.

Analysis shows that we are at a critical point. Our action or inaction today will have far reaching consequences. Success in other jurisdictions indicates that we need to fundamentally change how we address chronic homelessness—taking a more centralized, data-driven, and individualized approach that addresses people’s needs in real time with both housing and key services. Additionally, we must break down the currently siloed homelessness ecosystem and develop an integrated system that focuses on meeting the needs of the individual with timely and appropriate services. To do this, we must marshal the same unity and intensity that we have used to fight COVID-19. The business community has come together believing we must create a better future.¹ We know it is achievable, but only if we all work together.

Challenge Seattle recognizes that chronic homelessness is a large and complex issue. We fully understand that individuals with lived experience and those who work on homelessness every day know the issues well. The data and insights shared in this report will be familiar to some, but not everyone. Our intent is to bring focus to the urgency of **chronic homelessness** in the state and the region, and to do our part to unite with the community to answer the call for action. We thank Boston Consulting Group (BCG) for gathering data and information as a basis from which we can learn and listen. Their full research compendium can be found [here](#). Thank you to the Lived Experience Coalition of King County for providing their thoughts, critiques, and personal experiences to help us learn and understand what we must do better.²

1. Challenge Seattle, Washington Roundtable, Seattle Metropolitan Chamber of Commerce, the Bellevue Chamber and Downtown Seattle Association.

2. The Lived Experience Coalition is a democratic group of homeless and formerly homeless people.

A PUBLIC MANDATE

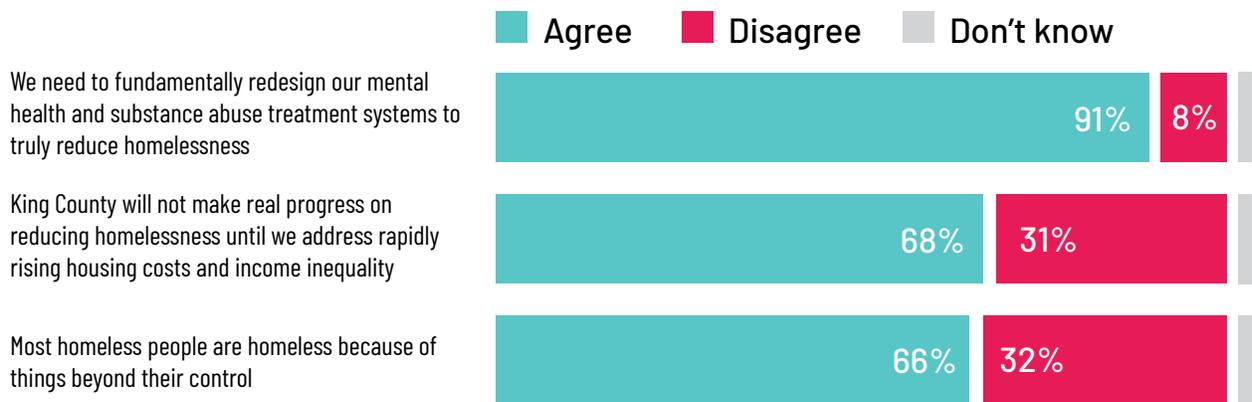
In November 2020, the business community set out to understand public opinion on what post-pandemic recovery should look like. A survey of King County residents was conducted to understand the public’s view of the top three issues of concern for the recovery and future of our region.

The results were clear.

Homelessness (42%) was top of mind.³ Further, the public overwhelmingly agreed that, in order to truly reduce homelessness, mental health and substance abuse treatment systems need to be fundamentally redesigned (91% agreed). Two-thirds believed that we must address housing costs and income inequality as root causes of homelessness, and most believed that those who are homeless are not there by choice.

Figure 1: Public Opinion of Homelessness in King County

King County voters overwhelmingly agree that our mental health and substance abuse treatment systems need to be fundamentally redesigned to truly reduce homelessness and two-thirds of voters agree we must address housing affordability and income inequality to reduce homelessness. Most voters believe that the homeless are not responsible for their situation.



Source: EMC Research

The public is crying out for action and believes we cannot fully recover from the pandemic without addressing homelessness and its underlying causes.

With this public mandate, Challenge Seattle partnered with BCG to research and provide data on the state and specifically the region’s homelessness ecosystem, how it is serving individuals experiencing chronic homelessness, and how other cities or regions have been able to successfully address chronic homelessness.⁴ In summary, BCG’s research shows a population living at the intersection of society’s most pressing issues: racial inequity, poverty, substance abuse, mental health disorders, healthcare affordability, and a legal system not equipped to deal with chronic homelessness.

3. Results from EMC November 2020 Polling of King County Voters

4. The U.S. Department of Housing and Urban Development (HUD) defines an individual as experiencing chronic homelessness if they have a qualifying disability and have been homeless for 1 year or longer or have a qualifying disability and have experienced at least 4 episodes of homelessness totaling 12 months out of the last 3 years.

WHO AND WHERE ARE INDIVIDUALS EXPERIENCING CHRONIC HOMELESSNESS?

Throughout Washington State, we see individuals experiencing chronic homelessness. We see the camps along freeways and in local and regional parks. We see homeless individuals at bus stops, along sidewalks, and sleeping in the doorways of restaurants, grocery stores, pharmacies, and other businesses. We see people suffering from mental health or substance abuse disorders. We see RVs parked in industrial areas. Our reaction generally is concern - concern for public safety, as well as public health and wellbeing.

Too often, we make assumptions about the pathways into homelessness and tend to see those experiencing chronic homelessness as a monolithic population. In fact, individuals experiencing chronic homelessness represent varying walks of life, education levels, races, and experiences, each with their own unique set of circumstances. They are our brothers, sisters, sons, daughters, mothers, fathers, and friends, who too often are trapped in a cycle of homelessness.

The U.S. Department of Housing and Urban Development (HUD) defines an individual as experiencing chronic homelessness if they have a qualifying disability and have been homeless for one year or longer or have a qualifying disability and have experienced at least four episodes of homelessness totaling 12 months out of the last three years. Individuals experiencing chronic homelessness differ from those who are experiencing singular or isolated instances of homelessness; they are those who are hardest to reach, stabilize, and house. By definition, they experience vulnerabilities including physical disabilities, serious psychiatric and emotional conditions, and behavioral health disorders - oftentimes overlapping and co-occurring.

Figure 2: Chronic Homelessness is Growing Throughout Washington State

Continuum of Care	2020 Point in Time Count		
	Chronic homeless pop. (CHP)	Total CHP per 100k	Annual 5y CHP Growth Rate
Seattle/King County	3,355	149	42%
Tacoma/Lakewood/Pierce County	646	71	14%
Everett/Snohomish County	532	65	20%
Spokane City & County	485	93	27%
Vancouver/Clark County	197	40	33%
Washington - Balance of State	1,541	59	16%
Total	6,756	89	27%

Source: 2020 Point in Time Count

Chronic homelessness is not just a Seattle or King County “problem.” Over the past five years, many Washington State counties saw an increase in their chronically homeless population. Spokane County’s chronically homeless population increased by 27%, Clark County’s by 33% and Snohomish County’s by 20%.⁵

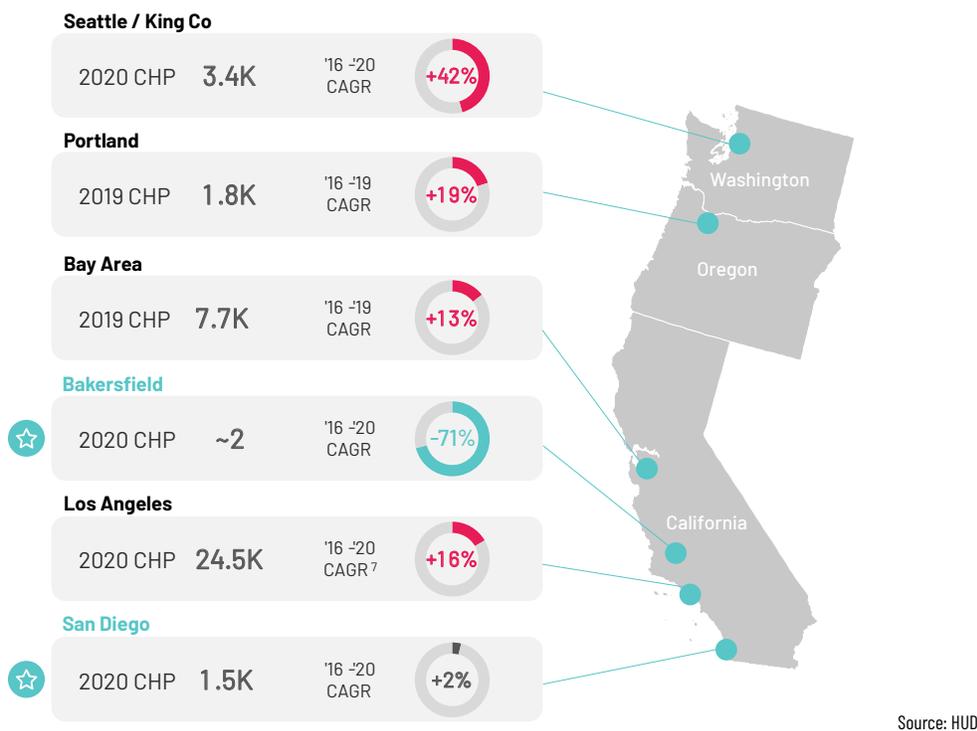
Chronic homelessness is not just a Washington State “problem.” Throughout the West Coast over the past five years, the Portland-Multnomah County’s chronically homeless population grew annually by 19%, the Bay Area by 13%, and Los Angeles County by 16%.^{6,7}

Unfortunately, King County does stand out uniquely in Washington State, the West Coast, and the nation when it comes to growth in the number of individuals experiencing chronic homelessness, which has risen 42% annually over the past five years. Each individual who has fallen into chronic homelessness has a human story that this number doesn’t tell, but the numbers tell us that we are falling behind.⁸

Even more distressing is that this growth occurred as funding for homeless services increased statewide, and an average of 21% each year in King County.⁹ On a national scale, King County has the **2nd fastest** growing chronically homeless population in the country behind only Oakland, California. And King County has the **4th largest** chronically homeless population in the nation following New York City, Los Angeles County, and the Bay Area.¹⁰ These rankings and growth, along with the massive health disparities of people experiencing

chronic homelessness, are why we chose to focus on addressing chronic homelessness in our region and state. We must do this while continuing to address the underlying causes of youth and family homelessness, as well as isolated occurrences of individuals experiencing homelessness. Addressing chronic homelessness will not solve all instances of homelessness, but it will provide much needed aid to the individuals most vulnerable and in need of help.

Figure 3: Major West Coast Cities Have Seen Growth in Their Chronically Homeless Populations



5. Source: 2020 Point in Time Count, HUD, US Census, Seattle Times.

6. Source: HUD

7. LA County redefined how it counted chronically homeless population in 2020, creating a spike that may overstate the CAGR.

8. Compounded Annual Growth Rate since 2016. BCG analysis of data from: 2020 Point in Time Count, HUD data.

9. Source: 2020 Point in Time County, HUD, City of Seattle, City of Bellevue, City of Kent, City of Renton, King County, Vulcan Systems Analysis & Accountability Report.

10. Sources: 2020 Point In Time Count, HUD

There are an estimated 3,355 individuals experiencing chronic homelessness living in King County.¹¹ We recognize that COVID has exacerbated the underlying causes and manifestations of chronic homelessness, and that this number has likely increased.

We have taken a closer look at the most common underlying health conditions of the chronically homeless population. Far too many individuals experiencing chronic homelessness in King County experience psychiatric conditions and substance abuse disorders:

- **73% of King County's chronically homeless population have a serious psychiatric/emotional condition, compared to 4% of the total county population.**¹²
- **64% of King County's chronically homeless population have a substance use disorder, compared to 5% of the county population.**¹³

These serious behavioral health conditions make it difficult to stabilize and house individuals experiencing chronic homelessness. King County lacks a sufficient supply of housing that is affordable for middle-income and low-income earners.¹⁴ In the last decade, home prices and rent costs in our region have risen dramatically, creating more rent-burdened households and increasing the chance that lower-income households are pushed into homelessness and that individuals experiencing chronic homelessness aren't able to find stable, affordable housing.¹⁴ At its root, we do not have the number of housing units we need today for individuals experiencing chronic homelessness, let alone the number of units with the services needed to help stabilize them and keep them housed.

We have also reviewed the contacts of the homeless population with the criminal legal system both in King County and nationally. Nationally, law enforcement involvement with the homeless population is 10x the rate of the general population.¹⁵ In King County, individuals experiencing homelessness are booked into the County jail at 45x the rate of the general population.¹⁶ The legal system was never meant to address chronic homelessness, and it simply has not developed the capabilities to do so. In fact, it is an entry point for far too many into homelessness. Statistically, when an individual is released from incarceration, they are 13x more likely to experience homelessness.¹⁴ The cycle between jail and homelessness must be broken, because the legal system has become another siloed part of the homelessness ecosystem.

People of color are disproportionately represented among individuals experiencing chronic homelessness. King County's chronically homeless population is 12% Black, compared to 7% of the general population.¹⁷ King County's chronically homeless population is 32% American Indian and Alaskan Native, compared to less than 1% of the general population.¹⁶ These striking disparities are further examples of how racial inequities have disproportionately impacted people of color.

11. Source: 2020 Point in Time Count. Note: Due to COVID there was no 2021 count of those who are homeless living unsheltered, only a one-night shelter count. According to King County's Department of Community and Human Services, HMIS, or the "Homeless Management Information System" - a local information technology system used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness - prior to the COVID pandemic there were an estimated 4,500 chronically homeless individuals living in King County

12. Including e.g., Depression, Schizophrenia

13. Note: All data was self-reported during the 2020 Point in Time Count; the chronic homeless population has worse health conditions across all reported factors, which also includes

chronic health problems (such as diabetes), physical disabilities, intellectual disability/memory impairment, traumatic brain injuries and AIDS/HIV.

14. Sources: Challenge Seattle Report on Middle-Income Housing Affordability

15. Sources: ACS Demographic and Housing Estimates, 2019 ACS 1 Year Estimate, data.census.gov.

16. Sources: 2017 Seattle Police Department data analyzed by Seattle Times, King County Health and Human Services Familiar Faces Initiative, "Nowhere to go" report by the Prison Policy Initiative, Washington State Employment Security Department.

17. Sources: Count Us In 2020 Report; regionalhomelessnessystem.org.

But the most concerning number that highlights the deep vulnerabilities of the chronically homeless population is the mortality rate for unexpected, sudden, violent, or suspicious deaths, which is 15x greater than the general county population.

The King County Medical Examiner's Office (KCMEO) is responsible for investigating deaths that are unexpected, sudden, violent, or suspicious in nature. From 2016-2020, the number of deaths KCMEO investigated among the homeless population grew an estimated 19%.¹⁸ During the same time frame, KCMEO saw an estimated 8% increase of drug overdose deaths among those considered "unstably housed."¹⁷

Not just numbers, these statistics represent individual human lives that are being lost and can be saved. Every day is critical. This crisis is crying out for urgent action.

WHY WE ARE FAILING WHILE SOME OTHERS ARE SUCCEEDING

“As a society, we have enough resources to end homelessness. The COVID crisis has shown us that we can do that. But, we lack the **community will** to do it.”

– Lived Experience Coalition Member

With a 27% statewide annual growth rate in the number of individuals experiencing chronic homelessness, and a 42% annual growth rate in King County, it is clear that we are failing to successfully address chronic homelessness despite the best efforts of many and increasing financial investment. Regional spending has increased year over year, the public sector has prioritized addressing homelessness, and many public, private and non-profit entities have devoted considerable time and generous financial resources. The number of individuals experiencing non-chronic homelessness has begun to plateau because of these efforts.¹⁹ At the same time, many important building blocks are now in place to provide a strong foundation to address the urgency of chronic homelessness, such as the progress made to stand up a Regional Homeless Authority (RHA), King County's new *Health Through Housing* initiative, and partnerships to raise funding for more PSH units.²⁰ Looking at numbers around the country, the West Coast, and Washington State, it is also clear that we are not alone in our lack of progress to end the cycle of homelessness for the chronically homeless population. But some jurisdictions *have* made successful strides.

When experiencing chronic homelessness, an individual is likely to have multiple interaction points with a siloed homelessness ecosystem. These points are opportunities to help someone exit chronic homelessness, to "offramp," when an individual is met with the right kind of housing, stabilization **and timely and appropriate services**. Too often housing is seen as the only solution to chronic homelessness, and while it is foundational, housing alone cannot achieve successful, permanent exits. While each individual's journey to and through chronic homelessness is unique, data analysis does show key insights into these offramps and opportunities.

18. Source: King County Medical Examiner's Office

19. Source: 2020 Point in Time Count, HUD

20. Permanent Supportive housing, or "PSH", provides tenants with voluntary services aimed at retention and achieving life goals. PSH tenants are expected to stay indefinitely - they sign leases and contribute up to 30% of their income.

Figure 4: Offramps and Exit Opportunities From Chronic Homelessness



Annually, people experiencing chronic homelessness in King County account for an estimated:

- 3,500 ER visits
- 5,000 jail bookings
- 2,000 overdoses
- 4,000 mental health crisis calls

Each of these instances where an individual experiencing chronic homelessness interacts with the siloed homelessness ecosystem is an opportunity to access timely and appropriate services, but only a portion do. Part of this is a capacity issue. Of the approximately 4,000 annual mental health crisis calls attributable to the chronically homeless population, the system only has the capacity to serve 2,000 people through behavioral health crisis diversion. Of the 3,500 annual ER visits from the chronically homeless population, the system has the capacity to serve 2,500 people through hospital reentry programs. And of the estimated 5,000 jail bookings of the chronically homeless population, only an estimated 1,400 people can be served through diversion that may or may not meet the needs of an individual who is chronically homeless. This means that each year, the homelessness ecosystem is failing in thousands of opportunities to help connect individuals experiencing chronic homelessness with services they need to exit homelessness. In order to ensure that we are achieving successful offramps for individuals experiencing chronic homelessness, and ultimately slowing the growth of our chronically homeless population, we need better coordination between siloed service providers, as well as the legal, healthcare, and housing systems.

Most West Coast cities and counties have seen growth in their chronically homeless populations over the five years. However, two West Coast jurisdictions have made significant progress in slowing the growth of their chronically homeless populations. They are Bakersfield and San Diego, California.²¹ There are lessons to be learned from their experiences that can help us.

First, both Bakersfield (city of 377,917) and San Diego County (county of 3,342,800) are part of Community Solutions' *Built for Zero* initiative. *Built for Zero* treats each person experiencing chronic homelessness with the time and attention needed to build relationships and trust by maintaining a list of individuals in the community who are experiencing chronic homelessness. Using this "by-name" list allows for the creation of individualized care based on the specific needs of the individual. This approach allows for real-time data to support triage services, evaluation, and advocacy for each person.

In Bakersfield, officials created a multi-agency "command center" staffed by case managers and supported by service providers to create personalized exit plans. San Diego established a "task force" to do the same. Both jurisdictions used mobile technology tools to conduct location-based outreach in real time, meeting individuals where they are. These approaches led to the creation of individualized service plans for the people experiencing chronic homelessness, built trusted relationships between case managers and those they served, ensured timely and appropriate services for the chronically homeless population, and ultimately led to the successful use of off-ramp opportunities.

Additionally, San Diego committed to providing low-level repeat offenders who are chronically homeless with an appropriate diversion program from the legal system to provide immediate access to temporary housing, drug treatment where appropriate, and case management.

Bakersfield ultimately achieved its functional zero goal for individuals experiencing chronic homelessness in 2020. From 2016-2020, San Diego, a county of 1.1M more people than King County, had the lowest growth rate of chronically homeless individuals among large West Coast counties, going from 1,400 to 1,500 individuals, or 2% annual growth.

These case studies show us that curbing the growth of chronic homelessness is possible with a coordinated, data-driven, accountable structure that centers the care of individuals. Now is the time to dedicate ourselves to helping those in need and prioritizing the care of our chronically homeless neighbors by taking immediate, impactful actions like those working successfully in Bakersfield and San Diego.

ANSWERING THE CRISIS WITH URGENT ACTION

Neither the status quo nor inaction can create the promising future we all want. As a state, we need to take action on chronic homelessness with the same urgency and commitment we did to save lives, reopen our schools and businesses, and deliver mass vaccinations to beat the COVID-19 pandemic.

Long-term, permanent supportive housing (PSH) is key to success in reducing and ultimately ending chronic homelessness in the community. However, we can't wait the years it will take to build the requisite number of PSH units. We need emergency housing **and** the services to slow the annual growth of the chronically homeless population to ultimately make progress toward ending chronic homelessness. While we create emergency housing with services, we must simultaneously continue to invest in the creation of PSH units.

21. Analysis of Bakersfield and San Diego was completed by BCG at the "Continuum of Care" (COC) level. In both case studies, COC refers to the county- Kern County (Bakersfield), and San Diego County (City of San Diego).

Based on our review of the research findings, Challenge Seattle recommends:

1. EMERGENCY HOUSING FOR INDIVIDUALS EXPERIENCING CHRONIC HOMELESSNESS

“It starts with a **lack of resources like housing**, hard stop. There’s not enough.”

– Lived Experience Coalition Member

This crisis calls for urgent action. While we wait for PSH to come online, we also need immediate, temporary housing for individuals experiencing chronic homelessness. We should embrace new, innovative solutions to provide this kind of housing. California’s *Project Homekey* is one such solution. *Project Homekey* is providing funding to purchase hotels and motels throughout the state – underutilized due to COVID-19 – and convert them to temporary emergency housing. California is bringing an estimated 6,000 units online through this program.²²

King County has undertaken a similar effort with their *Health Through Housing* program. Through this program, King County will acquire single-room settings like hotels while demand is down due to COVID-19. The rooms will be put into service as emergency and affordable housing for individuals in King County experiencing, or at risk of experiencing, chronic homelessness. Supportive, wraparound services will be a key feature to ensure that individuals have access to the care they need to become stable and consistently housed. The current *Health Through Housing* program has a goal to house 1,600 individuals experiencing chronic homelessness in King County.²³

A November 2020 University of Washington and King County study on the impacts of using hotels as non-congregate emergency shelters found favorable outcomes, including increased feelings of stability for residents, reduced interpersonal conflicts leading to a decrease in 911 call volumes from hotel shelters, and higher exits to permanent housing.²⁴ Innovative housing solutions like *Health Through Housing*, along with continued investment in permanent supportive housing will be key to reducing the growth in our chronically homeless population and stably housing individuals experiencing chronic homelessness.

We believe a program at the state level similar to *Health Through Housing* and *Project Homekey* is warranted.

22. Source: California Department of Housing and Community Development

23. Source: King County Department of Community and Human Services

24. Source: UW and King County Department of Community and Human Services study “Impact of Hotels as Non-Congregate Emergency Shelters”

2. INDIVIDUALIZED, ON-DEMAND SERVICES

“ You can get people housed but the **shrapnel of life doesn't end when that person walks in the door**. They're in bed, alone, it's quiet, and it's just four walls and their demons.”

– Lived Experience Coalition Member

Because of the high prevalence of serious mental and behavioral health conditions, ensuring that individuals experiencing chronic homelessness have access to on-demand services that are timely, appropriate, and individualized is crucial to ensure that once they are housed, they stay housed. PSH provides voluntary services such as case managers, meal assistance, and behavioral health treatment, aimed at housing retention and achieving life goals. In addition, all temporary and emergency housing for individuals experiencing chronic homelessness should include wraparound services. But services cannot just be attached to housing. In order to prepare individuals experiencing chronic homelessness for housing, services must be provided before, during, and after an individual is able to access stable, long-term housing.

3. COMMAND CENTER TO SUPPORT INDIVIDUALS EXPERIENCING CHRONIC HOMELESSNESS

“ Each time you connect with a new agency you have to tell your story again and it can be re-traumatizing. There are all these **broken silos** that don't connect with each other.”

– Lived Experience Coalition Member

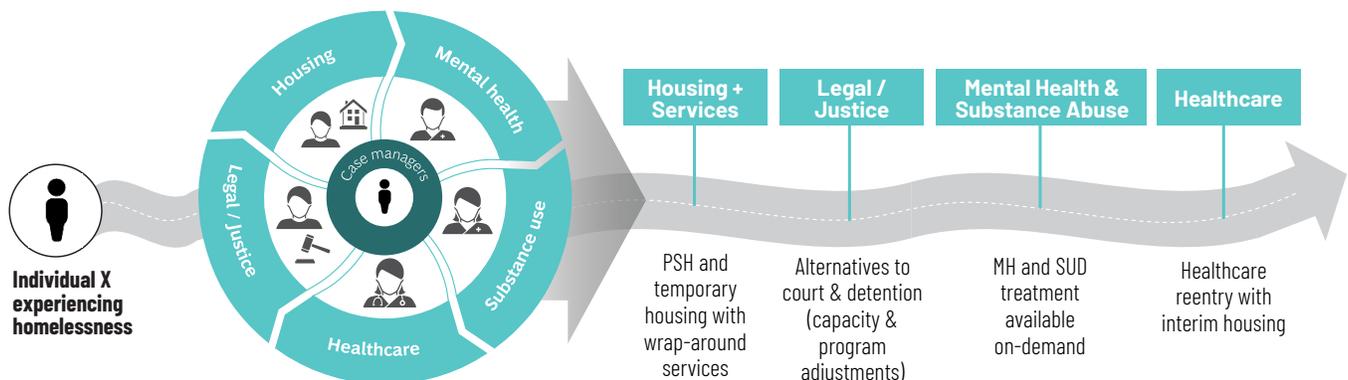
Challenge Seattle supports a regional approach. The King County Regional Homeless Authority should immediately establish a “Command-like” Center dedicated solely to serving individuals experiencing chronic homelessness. This is similar to what San Diego County did, implementing a “high-utilizer taskforce” for coordinated case conferencing, and what Bakersfield did by standing up a “multi-agency Command Center” where service providers collaborated to create exit plans and monitor an “at-risk” list to prevent more individuals from falling into **chronic** homelessness. The Command Center should have the necessary, dedicated staffing to establish individualized relationships and care plans for the county's chronically homeless population.

The disproportionality of people of color among individuals experiencing chronic homelessness requires a focus on equity and decision-making.

With the Authority up and running and the establishment of a Command Center dedicated to serving individuals experiencing chronic homelessness, we can expect enhanced cross-agency communications, improved outcomes with more efficient and effective exits from chronic homelessness, and a reduction in the re-traumatization of individuals as they navigate the chronic homelessness ecosystem. This model is also replicable at the state level.

Figure 5: Command Center Function

To end chronic homelessness, we must combine better data and coordination with sufficient capacity in each “off ramp”



4. UTILIZE REAL-TIME DATA

In order to best serve individuals experiencing chronic homelessness, we recommend the proven use of by-name lists that allow for the delivery of individualized services, thus replicating the success of Bakersfield and San Diego. Currently, up to 40% of the chronically homeless population in King County are not part of the Homeless Management Information System (HMIS), a technology system used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness. Around 20% of attempts to house individuals who are chronically homeless are unsuccessful because the system does not have information on how to contact them.²⁵ By creating and keeping an up-to-date list of people experiencing chronic homelessness, providers will be able to know each person by-name and allow the Command Center case managers to personalize care coordination to both achieve success and enable system accountability measures that leverage the data.

5. QUALIFIED, EXPERIENCED CASE MANAGERS

“ I worked with well-intentioned providers, but due to their backgrounds they couldn’t relate to my experience or my cultural context to **build trust.** ”

– Lived Experience Coalition Member

Each chronically homeless individual is unique, with their own set of experiences and barriers that have led them down this path. Building a trusting relationship is not easy. It takes an experienced case manager with skills to provide and identify the services that are appropriate and timely for that individual. Those with lived experience need to meet chronically homeless individuals where they are and be culturally competent. Thus, the Command Center needs to be staffed with qualified, experienced case managers. Those with lived experience can be very important to building trusting relationships. Those closest to the problem should be part of the solution. The City of Los Angeles is building a path to employment in homeless services for those

25. Source: CoLEAD’s JustCARE Program.

with lived experience because of their unique ability to understand and build trust with individuals currently experiencing chronic homelessness.²⁶ King County has a similar opportunity. The Regional Homelessness Authority is responsible for creating new contracts with service providers. This is an opportunity to ensure case managers are qualified and experienced to meet the unique needs of individuals who are chronically homeless.

“ There aren’t enough providers out there who have that training, commitment...there are things about being a good case manager that you cannot be taught except through **lived experience.**”

– Lived Experience Coalition Member

6. TRANSPARENCY, ACCOUNTABILITY, EVALUATION

If our goal is truly to get to zero, transparency, accountability and evaluation are both fundamental and absolutely necessary. Real-time data will allow for greater system-wide accountability by providing the ability to timely analyze success and failure and find opportunities for improvements. To begin, we must benchmark where we stand now in terms of the chronically homeless population, develop a plan to implement the recommendations, and pinpoint where to dedicate resources. We cannot make progress without consistent and timely evaluations in order to course correct as needed with clear accountability. Thus, regular, frequent reporting to the public is recommended. We also recommend a more comprehensive annual report to the community. It is up to all of us – the public sector, business, non-profits, and our communities– to hold ourselves accountable.

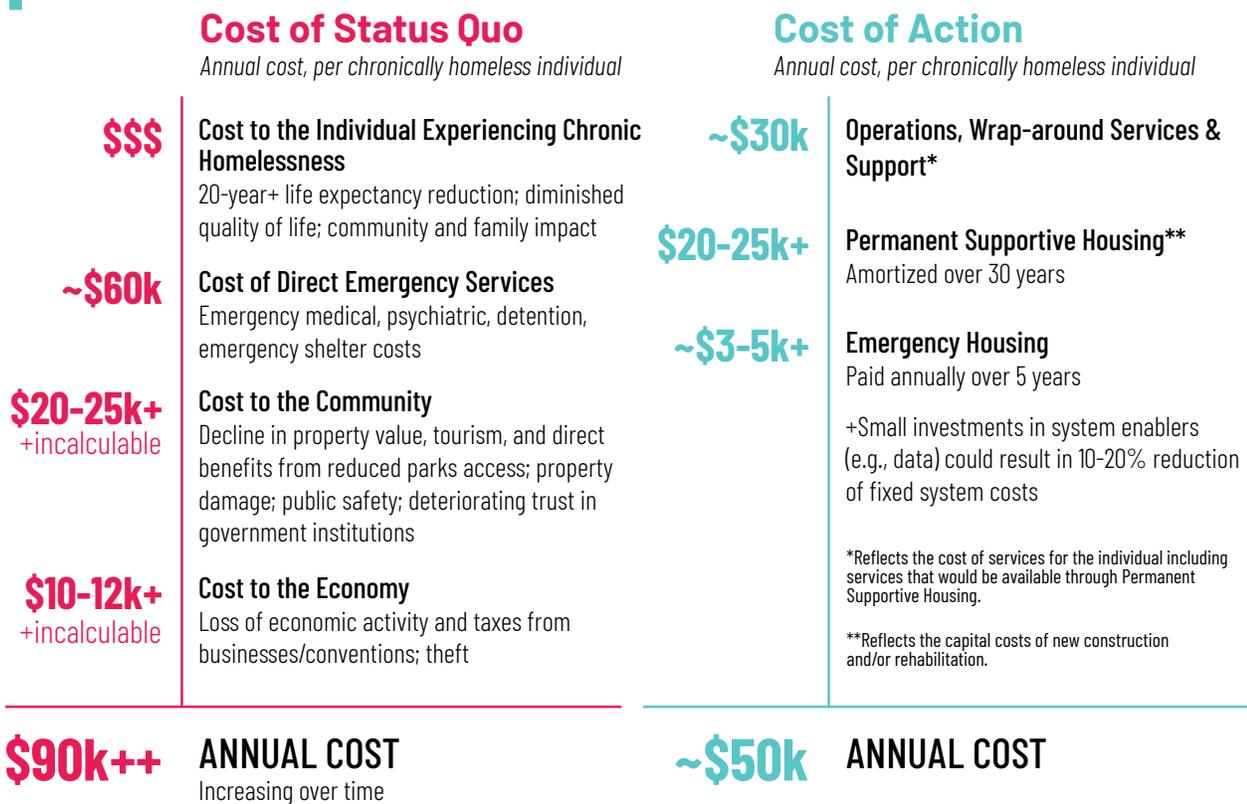
These six recommendations, along with a strong community commitment to succeed, can allow us to turn the corner and end the cycle of chronic homelessness. They are the component parts that are foundational to the success of others and can be replicated by state and local governments throughout Washington. We should begin implementation immediately. We believe that the King County Regional Housing Authority has the expertise and ability to successfully implement these recommendations, and we are willing to work with them in partnership. We recognize the complexities and challenges that are ahead, but we also know that if others can achieve success, so can we.

26. “Hired+Hopeful Los Angeles” is creating employer partnerships to create placements for individuals with lived experience within the homeless provider network of LA.

CAN WE AFFORD TO ANSWER THIS CRISIS?

In short, we can't afford not to. The cost of inaction is much greater than the cost to successfully address chronic homelessness. We are incurring costs daily for emergency services, public safety, and the negative impacts on the economy. There are human costs to residents and families, and most importantly, the toll on the individual lives of people experiencing chronic homelessness including an average 20-year lifespan reduction.

Figure 6: The True Cost of Inaction



Sources: Third Door Coalition, Destination: Home Silicon Valley, United Way Orange County, Rethink Homelessness, University of Pennsylvania, Nationalhomeless.org, Trust for Public Land, Puget Sound Business Journal, Seattle Police Department, Cross Cut, Seattle Times, Insurance Journal, Seattle PI, KOMO, Madrona Group

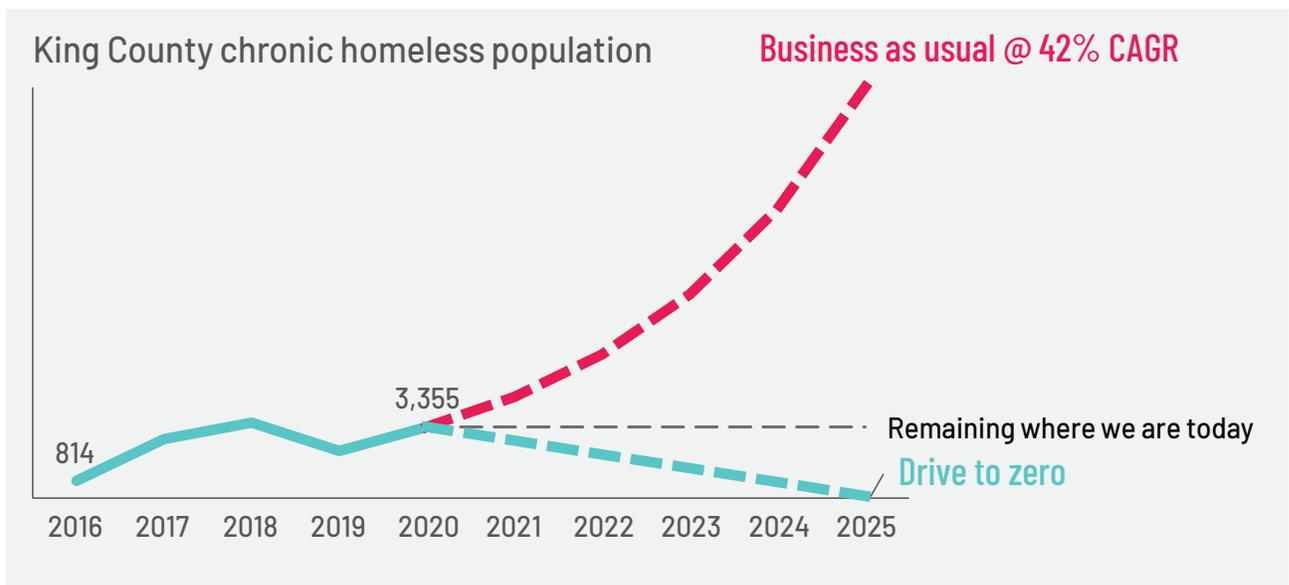
Our spending growth is faster than successful exits from homelessness. Despite the 21% average annual increase in funding for homeless services over the past five years the King County chronic homeless population has grown by 42% annually.²⁷ A portion of the existing resources within the homelessness ecosystem must be dedicated to serving the chronically homeless population. A command center dedicated to serving individuals experiencing chronic homelessness can help connect the silos of our homelessness response system and lead to cost effectiveness. This means focusing on the most vulnerable and those most in need of systematic interventions. We need to deploy urgent new strategies like those from Bakersfield and San Diego and prioritize dedicating financial resources to those strategies.

27. Note: Regional funding has grown \$130 million to \$231 million. Source: BCG Analysis using the 2020 Point in Time Count, HUD, City of Seattle, City of Bellevue, City of Kent, City of Renton, King County, Vulcan Systems Analysis & Accountability, BCG Analysis

We also need financial support to address chronic homelessness from the \$1.9 trillion American Rescue Plan Act (ARPA). This federal funding provides an opportunity to make significant, impactful investments to reduce chronic homelessness. We need investment of those monies from cities, counties, and the State. Using ARPA funding for one-time investments in emergency housing and long-term PSH is the best use of this one-time allocation of federal dollars. By allowing ARPA money to be used for emergency housing dedicated to individuals experiencing chronic homelessness, the State would free up King County *Health Through Housing* funding meant for operations and capital needs to instead invest in services for individuals experiencing chronic homelessness. By dedicating the federal ARPA money to one-time housing costs, our local dollars can be used to expand services for behavioral disorders, substance abuse treatment, and other much needed services, while preventing a financial bow wave of operational costs in the future. This may be the single biggest opportunity to make progress on housing and homelessness - especially for individuals experiencing chronic homelessness - for generations to come.

TIME FOR ACTION

Figure 7: Time for Action



This is the crossroad where we find ourselves. It is a turning point with far reaching consequences for the health, safety, and economic security of the region and of our state. We need to execute on a vision of successful, permanent exits from chronic homelessness leading to permanent housing, employment where appropriate, long-term independence, and dignity. The crisis is calling for urgent action now to bring hope to our communities. Individuals and families need to feel and be safe in neighborhoods, downtowns, and parks. Businesses need to open, and employees need to feel safe returning to work. We need to literally save the lives of our neighbors who are experiencing chronic homelessness. As we have done in the COVID-19 pandemic, we must join together - the private sector, non-profits, service providers, and our communities. We can and must create a better future for all of us. It is time for action.