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Title: AN ORDINANCE amending the department of community and human services division structure; and amending Ordinance 11955, Section 6, as amended, and K.C.C. 2.16.130, Ordinance 12808, Section 3, as amended, and K.C.C. 24.28.020 and Ordinance 18591, Section 6, and K.C.C. 24.28.050.

Sponsors: Dave Upthegrove, Jeanne Kohl-Welles

Indexes: Community and Human Services

Code sections: 2.16.130 -, 24.28.020 - , 24.28.050 - *

Attachments: 1. Ordinance 18872.pdf, 2. 2018-0484 legislative review form, 3. 2018-0484 2019-2020 Budget Transmittal Letter.doc, 4. 2018-0484_SR_DCHS Reorg_final, 5. 2018-0484_SR_DCHS Reorg_final_3_5_19, 6. 2018-0484_ATT2 AMD 1_DCHS_Reorg, 7. 2018-0484_ATT3 DCHS Reorg_Current State Re-Org Chart 10-8-18 - Copy, 8. 2018-0484_ATT4 DCHS Reorg_Future State Re-Org Chart 10-8-18 - Copy, 9. 2018-0484_RevisedSR_DCHS Reorg_final_3_5_19

Date	Ver.	Action By	Action	Result
3/13/2019	2	Metropolitan King County Council	Passed	Pass
3/5/2019	1	Health, Housing and Human Services Committee	Recommended Do Pass Substitute	Pass
2/19/2019	1	Health, Housing and Human Services Committee	Deferred	
1/14/2019	1	Metropolitan King County Council	Reintroduced	
1/14/2019	1	Metropolitan King County Council	Re-referred	
10/30/2018	1	Budget and Fiscal Management Committee	Deferred	
10/1/2018	1	Metropolitan King County Council	Introduced and Referred	

Clerk 09/25/2018

AN ORDINANCE amending the department of community and human services division structure; and amending Ordinance 11955, Section 6, as amended, and K.C.C. 2.16.130, Ordinance 12808, Section 3, as amended, and K.C.C. 24.28.020 and Ordinance 18591, Section 6, and K.C.C. 24.28.050.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 11955, Section 6, as amended, and K.C.C. 2.16.130 are each hereby amended

to read as follows:

A. The department of community and human services is responsible to manage and be fiscally accountable for the ~~((community))~~ children and youth services division, the behavioral health and recovery division, ~~and the developmental disabilities and early childhood supports division, the adult services division and the housing, homelessness and community development division.~~

B. The duties of the ~~((community))~~ children and youth services division shall include the following:

1. Working in partnership with communities and other funders to develop, support and provide human services ~~((which))~~ that emphasize prevention, early intervention, and community education, and ~~((which))~~ that strengthen ~~((individuals))~~ children, youth and young adults, families and communities in King County;

2. Managing programs ~~((which increase family self-sufficiency))~~ that promote healthy childhood development, enhance youth resiliency, reduce ~~((community violence and))~~ justice system involvement, strengthen families and communities and ensure all children and youth have the opportunity to achieve their full potentials. The division shall also ~~((manage programs which address housing and community development needs, and help implement improvements identified in subarea and neighborhood plans for low and moderate income communities and population. Such programs are to include, but not be limited to, providing employment and training for youth and adults and providing assistance to indigent veterans and their families as authorized by chapters 41.02 and 73.08 RCW. This division shall administer the county's federal housing and community development funds and other housing and community development programs;~~

3. ~~Developing housing and community development policies and programs to implement the growth management policies throughout King County to provide affordable housing to low and moderate income residents; and~~

4. ~~Duties regarding the women's advisory board specified in K.C.C. 2.30.040))~~ provide staff to support the King County children and youth advisory board.

C. The duties of the behavioral health and recovery division shall, subject to available resources and to

its exercise of discretionary prioritization, include the following:

1. Managing and operating a comprehensive continuum of behavioral health services including prevention, mental health, substance use disorder and co-occurring disorder treatment services for children, youth and adults who meet eligibility criteria;
2. Managing and operating a twenty-four-hour crisis response system, including civil commitment as a last resort;
3. Selecting appropriate agencies for the provision of ~~((mental))~~ behavioral health services and developing, implementing and monitoring the provision and outcomes of contracted services;
4. Being responsible for resource management of a comprehensive ~~((mental))~~ behavioral health system including provision of staff support to appropriate advisory boards, and serving as liaison to federal, state, and other governments and relevant organizations in carrying out planning and allocation processes;
5. Facilitating the continuing availability of appropriate treatment services for eligible individuals with a diagnosis of a mental illness, substance use or co-occurring disorder ~~((disorder))~~; and
6. Developing and maintaining a continuum of appropriate treatment services for eligible individuals.

D. The duties of the developmental disabilities and early childhood supports division shall include the following:

1. Managing and operating a system of services for infant mental health, early childhood development screening and a system of services for persons with developmental disabilities in accordance with relevant state statutes and county policies and to provide staff support to the King County board for developmental disabilities; and

2. Negotiating, implementing and monitoring contracts with community agencies for the provision of developmental disabilities and early childhood support services.

E. The duties of the adult services division shall include the following:

1. Working in partnership with communities to develop, support and provide human services and

programs that emphasize health and safety, self-sufficiency and healthy aging. The programs are to include, but not be limited to, providing employment and training for adults to achieve self-sufficiency, providing supports to survivors of abuse and trauma, and providing health, socialization and wellness services to promote healthy aging in place;

2. Providing assistance to indigent veterans and their families as authorized by chapter 73.08 RCW;
and

3. Providing staff support for the women's advisory board as specified in K.C.C. 2.30.040 and for the veterans, seniors and human services levy advisory board and its committees consistent with state and county requirements.

F. The duties of the housing, homelessness and community development division shall include the following:

1. Managing programs that address housing, homelessness and community development needs, and helping implement improvements identified in subarea and neighborhood plans for low and moderate income communities;

2. Administering the county's federal housing, homelessness and community development funds and other housing, homelessness and community development programs; and

3. Developing housing, homelessness and community development policies and programs to implement the growth management policies throughout King County to provide affordable housing to low and moderate income residents.

SECTION 2. Ordinance 12808, Section 3, as amended, and K.C.C. 24.28.020 are each hereby amended to read as follows:

A. The project-based credit enhancement program will add to the stock of workforce housing aiding the poor and infirm of King County. The program is intended to create an incentive to develop new types of housing, increased affordability for residents, and realization of multiple growth management goals. Extension

of credit enhancements to housing developers to secure favorable financing terms for housing projects should result in tangible benefits to the direct beneficiaries, who are poor and infirm residents of the proposed housing, and other public benefits, as appropriate. Project-based credit enhancements may be utilized for one or more of the following:

1. Enabling the development of needed housing that would not otherwise have been built were the project-based credit enhancement unavailable;
2. Increasing the affordability of individual units that are targeted for lower income households within workforce housing projects; and
3. Providing a payment to King County in lieu of additional project affordability for the purpose of developing affordable housing at another location.

B. Eligible applicants may include public housing authorities, nonprofit organizations, for-profit organizations, local governments, public agencies and public development authorities.

C. Eligible beneficiaries must be the poor and infirm of King County. These persons are commonly recognized as households earning eighty percent or less of the county median income and persons or households with special needs.

D. Project-based credit enhancements are to be used to assist the development of mixed-income projects that add to the stock of workforce housing units in King County, including homeownership opportunities for eligible beneficiaries. Owned housing must remain affordable for subsequent buyers who are eligible beneficiaries or upon resale to an ineligible buyer the county shall recapture the subsidy provided by the credit enhancement. Rental projects must guarantee long term affordability to eligible beneficiaries. Eligible activities shall include new construction and acquisition and/or rehabilitation of existing housing when the final product will yield additional workforce housing units.

E. Projects assisted through the project-based credit enhancement program must be located in urban centers or within close proximity to transit hubs or corridors. Projects proposed to be sited elsewhere may be

considered when there are unique opportunities to aid eligible beneficiaries. These projects shall nevertheless demonstrate access to employment, transportation and human services, and adequate infrastructure to support housing development.

F. Applications for project-based credit enhancements should be accepted year round to accommodate timely approval of final financial arrangements for projects. Proposed projects must detail the financial benefit of the project-based credit enhancement over the life of the project and how that benefit will be realized by eligible beneficiaries residing in the project.

G. All projects shall undergo rigorous review for financial, legal and policy compliance by staff from appropriate county agencies, including the ~~((community services))~~ housing, homelessness and community development division, the finance and business operations division and the office of the prosecuting attorney. When determined necessary by staff, review by the county's economic development consultant and bond counsel, as well as opinions from a bond rating service, shall be required. Project-based credit enhancements shall be used to improve the credit worthiness of the housing developer, but shall never be used as a sole source of credit worthiness of an applicant. Developers and developer teams shall be competent, experienced and financially stable. Minimum standards for developers and projects shall be established by the executive.

H. Projects shall conform with applicable county requirements for contracting services.

I. All contingent loan agreements resulting in a project-based credit enhancement for a project shall be structured to minimize the county's financial risk and shall ensure the county's right to review all project records and direct corrective measures deemed necessary to prevent financial instability, material or technical default. All agreements shall be reviewed and approved by appropriate county agencies, including the ~~((community services))~~ housing, homelessness and community development division, the finance and business operations division, the office of the prosecuting attorney and the office of risk management, and shall be reviewed by the county's economic development consultant and bond counsel, as appropriate.

J. Projects receiving project-based credit enhancements shall have the option to make a payment in lieu

of providing additional project affordability. The payment shall be allocated to the housing and community development fund for the sole purpose of funding development of affordable low-income housing.

K. Projects will vary in financial risk to the county. While financial risks are to be minimized, the county may extend project-based credit enhancements where risks exist, provided the county has adequate financial reserves to cover county credit enhancement obligations.

L. The executive is authorized to collect an application fee between 0.2 and 0.4 percent of the amount of project debt that is credit-enhanced under the project-based credit enhancement program. The application fee shall be payable at the time that a contingent loan agreement is approved. The proceeds of the application fee shall be deposited in the credit enhancement reserve account described in K.C.C. 24.28.030.A. In establishing the level of the fee, the executive shall give primary consideration to the costs incurred by the county for processing an application for a project-based credit enhancement.

M. The executive is authorized to impose an annual monitoring fee between 0.05 and 0.10 percent of the amount of project debt that is credit enhanced under the project-based credit enhancement program. The proceeds of the monitoring fee shall be deposited in the housing and community development fund and used for program administrative costs.

SECTION 3. Ordinance 18591, Section 6, and K.C.C. 24.28.050 are each hereby amended to read as follows:

A. The King County Housing Authority credit enhancement program is hereby created.

B. The King County Housing Authority shall be the only eligible user of the program.

C. All projects financed under the program shall satisfy the requirements of state housing authority law, chapter 35.82 RCW, which requires a minimum of fifty percent of the units in a project be made available to and affordable to eligible beneficiaries, which are households with income at or below eighty percent of the area median income.

D. Credit enhancement under the program will be utilized by the King County Housing Authority to

assist in the acquisition, new construction or rehabilitation, or any combination of acquisition, new construction and rehabilitation, of housing that adds to the stock of workforce housing units in King County. The purpose of the King County Housing Authority credit enhancement program is to provide long term affordability to eligible beneficiaries consistent with the requirements of state housing authority law.

E. All properties developed or acquired under the program must be located in areas with access to high capacity transit, schools, jobs or other social amenities that support upward economic mobility.

F. The King County Housing Authority may submit requests to commit credit enhancement under the program on a rolling basis until December 31, 2022, at which time no new credit enhancement commitments shall be made.

G. Credit enhancements under the program shall be provided and underwritten to the financial strength, legal and policy compliance of the King County Housing Authority and not based on an individual project viability review. Credit enhancements shall be used to provide the King County Housing Authority with ready access to municipal credit markets at the lowest available interest rates.

H. All financial instruments utilized by the King County Housing Authority with credit enhancements under the program shall comply with all state and federal law.

I. All contingent loan agreements resulting in credit enhancement under the program shall be structured to minimize the county's financial risk, and the county shall have recourse to the King County Housing Authority's general revenues as security for its contingent loan agreements.

J. The King County Housing Authority shall provide to the ~~((community services))~~ housing, homelessness and community development division its annual audited financial statements within ten days of receipt and participate in an annual credit review by the appropriate county agencies, including ~~((community services))~~ the housing, homelessness and community development division, the finance and business operations division and the office of the prosecuting attorney, with review by the county's economic development consultant and bond counsel, as appropriate.

K. The executive is authorized to collect an application fee up to 0.3 percent of the amount of credit enhancement committed under the program. The application fee shall be payable on the effective date of each commitment of county credit enhancement under the program. The proceeds of the application fee shall be deposited in the housing and community development fund and used for program administrative costs.

L. The executive is authorized to impose an annual monitoring fee of up to 0.1 percent of the amount committed under the program's credit enhancement. The proceeds of the monitoring fee shall be deposited in the housing and community development fund and used for program administrative costs.