Department of Commerce

Veteran Housing Study

An Analysis of Homelessness, Permanent Supportive Housing and the Feasibility of a Proposed Pilot Facility Pursuant to Chapter 35, Laws of 2016, Section 1010(1)

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Report to the Legislature
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Definitions

Continuum of Care

A Continuum of Care (CoC) is a regional or local planning body that coordinates housing and services funding for homeless families and individuals. There are four parts of a CoC:

1. Outreach, intake, and assessment to identify service and housing needs and provide a link to the appropriate level of both.
2. Emergency shelter to provide an immediate and safe alternative to sleeping on the streets, especially for homeless families with children.
3. Transitional housing with supportive services to allow for the development of skills that will be needed once permanently housed.
4. Permanent and permanent supportive housing to provide individuals and families with an affordable place to live with services if needed.[1]

The largest cities and counties in a state receive funding directly from HUD. The remaining small- and medium-sized counties are known as "Balance of State" (BoS). The Washington State Department of Commerce is the collaborative applicant to aid in the distribution of HUD funds to these counties.

Functional Zero

"Functional zero is reached when the number of veterans experiencing homelessness within a community is less than the average number of veterans being connected with permanent housing each month. In achieving this measure, a community has demonstrated the system and capacity to quickly and efficiently connect people with housing and ensure that veteran homelessness within the community will be rare, brief, and non-recurring."[2]

Homelessness

The current definition of homelessness under the amended McKinney-Vento Homeless Assistance Act includes the following categories:

1. An individual or family who ***lacks a fixed, regular, and adequate nighttime residence,*** meaning:
    - An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping

[1] National Alliance to End Homelessness, What is a Continuum of Care?, (2010), *https://endhomelessness.org/resource/what-is-a-continuum-of-care/*

[2] HUD EXCHANGE, "SNAPS in Focus: Ending Veteran Homelessness and What it Means for Zero: 2016 Communities," (2016), https://www.hudexchange.info/news/snaps-in-focus-ending-veteran-homelessness-and-what-it-means-for-zero-2016-communities/

accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; ***or***

- An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); ***or***
- An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

2. Any individual or family who:
    - Is ***fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking,*** or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; ***and***
    - Has no other residence; ***and***
    - Lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing.[3]

Housing First

Housing First is an approach to quickly connect individuals and households experiencing homelessness to permanent housing without preconditions and barriers to entry, including sobriety, treatment or service participation requirements. Supportive services are offered to maximize housing stability and prevent returns to homelessness.[4]

Permanent Supportive Housing

Permanent supportive housing is an evidence-based housing intervention that combines non-time-limited affordable housing assistance with wrap-around supportive services for people experiencing homelessness.[5]

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[3] U.S. Department of Housing and Urban Development, "Guidance on housing individuals and families experiencing homelessness through the Public Housing and Housing Choice Voucher Programs," (2013), https://www.hud.gov/sites/documents/PIH2013-15.PDF

[4] HUD EXCHANGE, *Housing First in Permanent Supportive Housing,* https://www.hudexchange.info/resources/documents/Housing-First-Permanent-Supportive-Housing-Brief.pdf

[5] United States Interagency Council on Homelessness, "Supportive Housing," (2018), https://www.usich.gov/solutions/housing/supportive-housing

Point-in-Time Count

The Point-in-Time Count refers to an unduplicated one-night count of both sheltered and unsheltered homeless populations.[6]

Rapid Re-housing

Rapid re-housing is an intervention, informed by a Housing First approach that rapidly connects households and individuals experiencing homelessness to permanent housing through a tailored package of assistance that may include the use of time-limited financial assistance and targeted supportive services, reducing the amount of time they experience homelessness.[7]

Veteran

The Social Security Administration defines the term "veteran" as a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable.[8]

However, mirroring a recent report by King County, the Department of Commerce defines a veteran as "any person who self-identifies as having previously served in any branch or component of the U.S. Military, regardless of duration of service or characterization of service." This broad definition was chosen because it aligns with the public's conception of a veteran and allows the county to address veteran needs regardless of their specific legal status with the U.S. military.[9]

The U.S. military has developed an intricate system of rules that determine eligibility for veteran benefits. These rules are based on factors such as:

- How long a person served.
- Their type of discharge (e.g., honorable versus dishonorable).
- Whether he or she served in Active Duty, National Guard, or Reserve arms of the military.
- The era one served in.

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[6] U.S. Department of Housing and Urban Development, *The 2016 Annual Homeless Assessment Report (AHAR) to Congress: Part 2: Estimates of Homelessness in the United States*, (2017), https://www.hudexchange.info/resources/documents/2016-AHAR-Part-2.pdf

[7] HUD EXCHANGE, *Rapid Re-Housing,* https://www.hudexchange.info/resources/documents/Rapid-Re-Housing-Brief.pdf

[8] Federal Register, *38 U.S. Code, Service Pension, Part I, Chapter 1, § 101 – Definitions,* https://www.ssa.gov/OP_Home/comp2/D-USC-38.html

[9] King County Department of Community and Human Services, *Veterans & Human Services Levy 2016 Annual Report*, (2017), https://www.kingcounty.gov/~/media/depts/community-human-services/VHS-Levy/Reports/VHSL_2016_Annual_Report.ashx?la=en

The elaborate nature of eligibility rules can result in someone who self-identifies as a veteran but is not eligible for some — or even any — benefits. As a case in point: "A member of the Washington National Guard with 20 years of service and multiple state call-ups to fight fires or help rescue Washingtonians from flooding rivers is not a 'veteran' for federal VA purposes because the person was never federally activated."[10]

This is why veterans should not be viewed as a population that can tap into resources not available to homeless civilians. Indeed, the complexities of VA benefits can impact how states and communities structure homeless services for veterans.

The complexities of veteran status can also result in imprecise data. This can reduce the ability of policymakers to accurately estimate the size of the veteran homeless population, as well as which funding sources are better suited to meet their needs.

[10] Ibid

Executive Summary

Overview

Chapter 35, Laws of 2016, Section 1010(1) directed the Washington State Department of Commerce (Commerce) to study three topics related to veteran homelessness:

1. Available housing opportunities for veterans experiencing homelessness.
2. The conversion of units to provide permanent supportive housing for geriatric veterans with psychiatric disorders.
3. The feasibility of converting Building 10 at the State Veterans Home at Retsil into housing for veterans, in collaboration with the Washington State Department of Veterans Affairs (DVA).

Below is a summary of the report's three primary findings and recommendations. All of the findings represent the perspectives of Commerce and DVA.

FINDING 1: Washington's Efforts Are Insufficient to End Veteran Homelessness

Washington's homeless veteran Point-in-Time count increased 41 percent from 2016 to 2017, after increasing significantly from 2015 to 2016. It should be noted that data may reflect increased efforts to improve the thoroughness of the count overall, and specifically in identifying subpopulations, including veterans. We discuss this further in Section 1. While some communities and states have all but eliminated veteran homelessness, data in Washington indicates that current efforts will not end veteran homelessness here.

Section 1 contains a thorough discussion of efforts in Washington, as well as in communities and states that have been more successful in reaching functional zero veteran homelessness.

Key factors in the success of other states and communities toward ending veteran homelessness include:

- Full implementation of the U.S. Interagency Council on Homelessness' (USICH) 10 strategies (see Appendix A).
- Coordinated service delivery among the broad range of public and private entities involved in veteran homelessness.
- A standardized assessment process and data sharing across all partner organizations. The most important data is a master "by-name" list of veterans experiencing homelessness.
- Participation in USICH's Mayors Challenge to End Veteran Homelessness.

Finding 1 Recommendations

Commerce and DVA recommend that Gov. Jay Inslee consider entering Washington into USICH's *Mayors Challenge to End Veteran Homelessness*, which could consist of designating a state-level coordinating group charged with creating a strategic plan to achieve functional zero homelessness for veterans by 2022.

Key to USICH's *Mayors Challenge to End Veteran Homelessness* is leadership, collaboration, and coordination across programs and levels of government. Below are suggestions gleaned from this report's research related to state-level governance of efforts to end veteran homelessness:

- Break down barriers to client data sharing: Develop a process for expanding to a regional level federally required client-entry system (CES) currently maintained at the state's seven Continuum of Care (CoC) units. This would reduce potential placement barriers of homeless veterans across current boundaries.
- Tie together state-level databases: Connect data on services, existing housing units, and building inventory within an integrated state-level system that is shared with local, nonprofit, and federal partners. This would allow a much more precise gaps analysis by regional and state-level policymakers about what is – and what is not – working to help homeless veterans.
- Develop a regional approach to serving veterans: The strategic plan should address what kinds of state or regional support could help the CoCs as veteran homeless populations shift over time.
- Meet the medical needs of a wave of elderly veterans: Align with existing efforts targeted at broader homeless populations but champion the specific needs of veterans. That includes increasing state capacity to serve female veterans, whose population is expected to grow by 14 percent in the next two decades. Washington should also explore opportunities for breaking down silos among medical, geriatric, and behavioral services in order to provide more cost-effective medical and geriatric-psychiatric care.
- Establish a strategic funding plan: Policy goals should be developed in sync with efforts to better leverage dollars from state and local government with those from the federal government and private sources. The coordinating group would implement statewide and regional fundraising initiatives, as well as provide technical assistance to local efforts.
- Emphasize a broad range of policy tools: Expand the policy discussion beyond its traditional focus on veteran social services and funding mechanisms for individual housing projects. Also consider how to draw upon architectural innovations and land-use regulation changes that could result in more housing opportunities.
- Provide adequate staff support to the coordinating group: A key reason why each of the above-listed bullet items has not already been achieved has been a lack of adequate state-level staffing. The plan should include a proposal for providing the

staff capacity needed to develop, implement, and evaluate a coordinated state-level strategy.

FINDING 2: More Data Needed on Permanent Supportive Housing for Veterans

Washington state faces a shortage of permanent supportive housing for veterans. Additionally, the state does not have data systems that can precisely measure gaps between need and availability, including for state-level policymaking. Federal, state, and local governments have a variety of databases that track homeless veterans. However, Washington does not have a comprehensive, real-time source of data on veterans in need of permanent supportive housing.

Currently, no data systems track the availability and suitability of existing properties for conversion to permanent supportive housing. However, implementation of Chapter 217, Laws of 2018 should help identify surplus state-owned-owned property that is suitable for conversion.

Finding 2 Recommendations:

- Use a client-entry system to monitor all veterans with support requirements. The client-entry system recommended in Finding 1 could be designed to track veterans with multiple needs, which would allow providers to more efficiently pair veterans with a facility appropriate to their needs. State-level policymakers would also have better data to plan for future facility needs.
- Use inventories of surplus state-owned property to identify properties suitable for conversion to permanent supportive housing for veterans. These inventories will be developed by Commerce, pursuant to Chapter 217, Laws of 2018 Section 1.

FINDING 3: Building 10 Is Suitable for Conversion to a Geriatric-Psychiatric Unit

Commerce and DVA convened a 13-person stakeholder group to evaluate the feasibility of converting Building 10 at the State Veterans Home at Port Orchard (Retsil) into housing for veterans. The stakeholder group concluded, by consensus, that a geriatric-psychiatric treatment unit is the most cost-effective use for Building 10.

Finding 3 Recommendations

- Maintain the stakeholder workgroup from the Retsil Building 10 feasibility study to coordinate next steps by the federal, state and local agencies involved in the project. This workgroup should operate under the auspices of above-mentioned coordinating group.
- Commit the state to implementing USICH's 10 strategies. The experience of other states and communities suggests great potential for moving the needle on veteran

homelessness if political will, leadership, collaboration, and coordination among federal, state, and local programs are dedicated to the effort.

Introduction

Parameters and Structure of the Study

The authorizing proviso for this report addresses three overlapping, but partially distinct research topics. The relevant passages from the proviso are quoted. This report is organized around those three topics, with the addition of contextual information, followed by a concluding section and appendices:

- Section 1: A Comparative Analysis of Veteran Homelessness: This section assesses the factors driving veteran homelessness in Washington state. It then compares Washington's governance of veteran homelessness to that of other states and communities.
- Section 2: Housing Opportunities for Veterans Experiencing Homelessness: Studies *"available housing opportunities for veterans experiencing homelessness,"* including a comparison with other state Continuums of Care, and an analysis of the gaps in available data that make studying housing opportunities for veterans challenging.
- Section 3: Converting Units to Permanent Supportive Housing for Geriatric Veterans with Psychiatric Disorders: Analysis of available properties for *"the conversion of units to provide permanent supportive housing for geriatric veterans with psychiatric disorders."* This section explores potential housing opportunities for veterans across a continuum of care.
- Section 4: Summary of Retsil Building 10 Feasibility Study: Assesses *"the feasibility of converting Building 10 at the State Veterans Home at Retsil into housing for veterans,"* in collaboration with the Washington State Department of Veterans Affairs (DVA). This section assesses the feasibility of a proposed pilot project that could include best practices relevant to both geriatric-psychiatric housing as well as veterans housing in general.
- Section 5: Conclusions, Recommendations and Next Steps: Concludes the report and contains a full discussion of the findings and recommendations summarized in the executive summary.
- Appendix A: Contains a description of USICH's 10 strategies.
- Appendix B: Contains a list of federal homeless veteran programs.
- Appendix C: Contains a list of homeless veteran programs in Washington state.
- Appendix D: Contains an overview of available policy levers for addressing veteran homelessness.
- Appendix E: Contains the Retsil Building 10 feasibility study produced by SAGE Architectural Alliance looking at the conversion of Building 10 at Retsil into housing for veterans.

Project Governance

With the exception of the Retsil Building 10 feasibility study, this report was produced in-house. Recommendations represent the perspective of Commerce and DVA. The Retsil Building 10 feasibility study was produced by SAGE Architectural Alliance (SAGE), which specializes in the development of geriatric-psychiatric facilities (see Appendix D for the full study). The Retsil Building 10 feasibility study evaluates the feasibility of converting Building 10 at the Washington Veterans Home at Retsil near Port Orchard in Kitsap County into housing for veterans.

To help guide this assessment, Commerce and DVA convened a stakeholder team that included 13 representatives from the following stakeholders:

- The Governor's Office.
- The Washington State Department of Social and Health Services (DSHS).
- VA Puget Sound Medical Center.
- VA Puget Sound Homeless Program.
- Kitsap County Housing and Homeless Program.
- The Veterans Home at Port Orchard.
- Community-level groups such as housing authorities and community action councils.

The Retsil Building 10 feasibility study's findings and recommendations represent the consensus of the stakeholder team.

Research Approach

Section 1: A Comparative Analysis of Veteran Homelessness

The project team chose to avoid duplicating recent research by local, state, and federal entities. Thus, this section does not offer detailed analysis about local homelessness initiatives found in Seattle's "Poppe report,"[11] *Seattle/King County: Homeless System Performance Assessment and Recommendations with Particular Emphasis on Single Adults*,[12] the *Revised VHSL assessment*

[11] Poppe, Barbara, *Recommendations for the City of Seattle's Homeless Investment Policy: The Path Forward – Act Now, Act Strategically, and Act Decisively*, (2016), https://www.seattle.gov/Documents/Departments/pathwayshome/BPA.pdf

[12] Schatz, Megan Kurteff, el al, *Seattle/King County: Homeless System Performance Assessment and Recommendations with Particular Emphasis on Single Adults*, (2016), https://www.seattle.gov/Documents/Departments/pathwayshome/FS.pdf

report[13] for King County, or Snohomish County's *Homeless Prevention & Response Strategic Plan*.[14]

Similarly, Section 1 does not repeat the in-depth discussion of state-level homelessness strategies and programs found in Commerce's annual homelessness report.[15] And while the analysis was designed to align with and update some of the data presented in the *State of Washington Housing Needs Assessment*,[16] the focus is different.

As a case in point, Section 1 grounds Washington's experience within a national context. Data are drawn from federal sources, such as *The 2017 Annual Homeless Assessment Report (AHAR) to Congress*,[17] but more analysis is provided.

The primary analytical framework is taken from the U.S. Interagency Council on Homelessness (USICH). In collaboration with the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Veterans Affairs (VA), USICH developed 10 strategies for ending veteran homelessness.

These 10 strategies cover a broad range of topics, from improving data collection to investigating alternatives to transitional housing. However, the foundation of the USICH approach is an emphasis on governance. Better coordination, both at the local level as well as between state and local governments, is foundational to ending veteran homelessness.

This report takes that theory of change and makes two friendly amendments.[18] First, policies directed toward addressing veteran homelessness will ultimately not be effective if larger socio-economic dynamics are not taken into account. For instance, lower-end wage levels in the Seattle area are arguably not keeping pace with escalating housing costs.

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[13] King County Department of Community and Human Services, *REVISED VHSL assessment report*, (2017), https://www.kingcounty.gov/~/media/depts/community-human-services/VHS-Levy/Reports/0009_REPORT--Revised_VHSL_Assessment_Report_-_January_19_2017.ashx?la=en

[14] Snohomish County Continuum of Care Program, *Homeless Prevention & Response Strategic Plan*, (2017), https://snohomishcountywa.gov/1080/Homeless-PreventionResponse-System-Strat

[15] Washington State Department of Commerce, *Homelessness in Washington State: 2016 Annual Report on the Homeless Grant Programs*, (2016), http://www.commerce.wa.gov/wp-content/uploads/2015/08/Commerce-Homelessness-in-Washington-2016.pdf

[16] Mullin & Lonergan Associates for the Washington State Affordable Housing Advisory Board, *State of Washington Housing Needs Assessment*, (2015), *http://www.commerce.wa.gov/wp-content/uploads/2016/10/AHAB-Housing-Needs-Assessment.pdf*

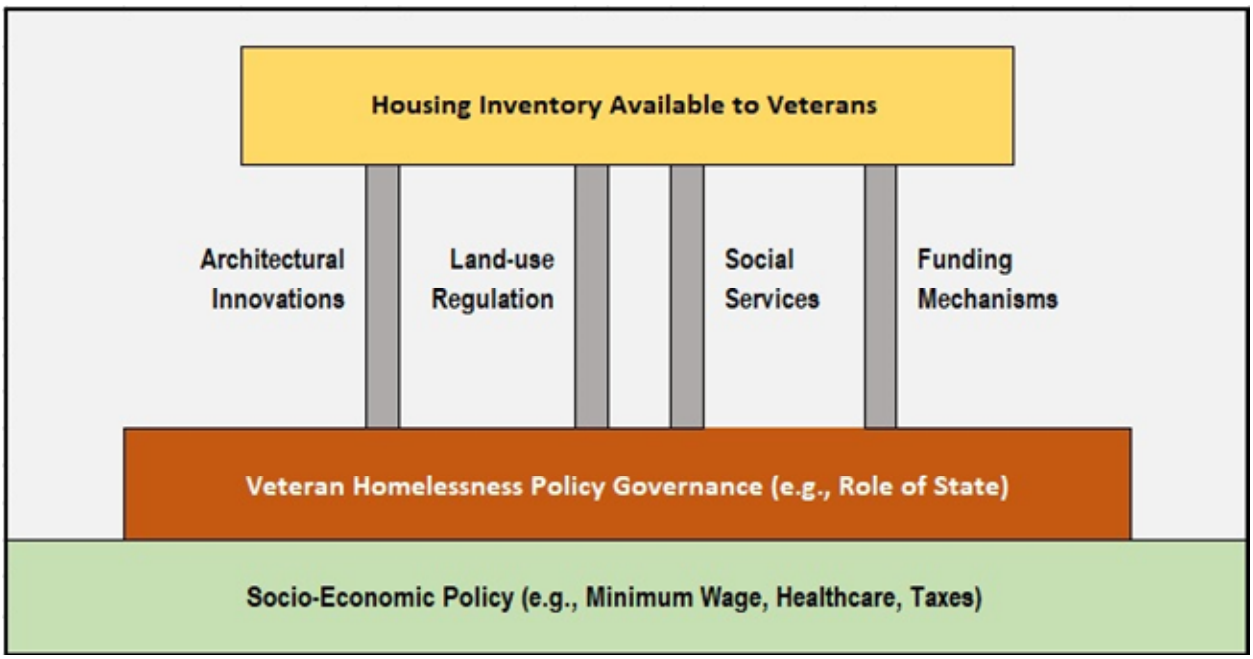
[17] U.S. Department of Housing and Urban Development, *Part 1: Point-in-Time Estimates of Homelessness: The 2017 Annual Homeless Assessment Report (AHAR) to Congress*, (2017), https://www.hudexchange.info/resources/documents/2017-AHAR-Part-1.pdf

[18] Burt, Martha and Brooke Spellman, Changing Homelessness and Service Systems: Essential Approaches to Ending Homelessness, (2007), *https://aspe.hhs.gov/system/files/pdf/174201/report.pdf*

The second friendly amendment is that securing a large enough inventory of housing for veterans can involve a broad range of policy levers. For the purposes of this report, they are organized into the following categories: architectural innovations, land-use regulations, social services, and financial mechanisms.

This report's findings were primarily informed by synthesizing existing studies and primary data sources. However, a variety of experts in veteran homelessness were interviewed with the goal of showing how USICH's 10 strategies are being implemented across the state and what impact they may be having.

Figure 1: Theory of Change for Ending Veteran Homelessness



When this report refers to the number of veterans experiencing homelessness, unless otherwise noted, the data comes from a national Point-in-Time (PIT) Count conducted according to HUD standards nationwide during the last 10 days in January of each year. The estimate refers to an unduplicated one-night count of both sheltered and unsheltered homeless populations.[19]

[19] U.S. Department of Housing and Urban Development, *The 2016 Annual Homeless Assessment Report (AHAR) to Congress: Part 2: Estimates of Homelessness in the United States*, (2017), https://www.hudexchange.info/resources/documents/2016-AHAR-Part-2.pdf

Homelessness experts caution against taking PIT Count data too literally. For example, Pierce County offers the following caveat:

> *"Like all surveys, the PIT Count has limitations. Results from the count are influenced by the weather, by availability of overflow shelter beds, by the number of volunteers, and by the level of engagement of the people we are interviewing. Comparisons from year to year should be done with those limitations in mind."*[20]

Washington's numbers may have gone up in 2017 partly because of efforts to improve the thoroughness of the count, particularly in King County.[21] In addition, data for unsheltered homeless may be less accurate than for those in a sheltered situation because of variability in how homeless persons are categorized.

Section 2: Housing Opportunities for Veterans Experiencing Homelessness

Section 2 looks at Continuum of Care data from the local, state and national level to provide an analysis of housing opportunities for veterans experiencing homelessness in Washington state. This section also examines the gaps in data that limit the ability to study housing opportunities for veterans experiencing homelessness.

Section 3: Converting Units to Permanent Supportive Housing for Geriatric Veterans with Psychiatric Disorders

Existing data about available units that could be converted to provide permanent supportive housing for geriatric veterans with psychiatric disorders is presented. However, the available data are inadequate for evaluating the suitability of units for conversion to permanent supportive housing. As a result, the research team focused on assessing data gaps and recommending a potential path forward to fill them.

Section 4: Summary of Retsil Building 10 Feasibility Study

Section 4 is primarily a summary of The Retsil Building 10 feasibility study (the full Retsil Building 10 feasibility study is in Appendix E). The consulting firm adopted a cost-benefit methodology under the guidance of Commerce, DVA, and a previously mentioned stakeholder group.

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[20] Pierce County, *2017 Point-in-Time Count Results January 27, 2017*, (2017), https://www.co.pierce.wa.us/DocumentCenter/View/58186

[21] Applied Survey Research for All Home, *Count Us In: Seattle/King County Point-in-Time Count of Persons Experiencing Homelessness 2017*, (2017), http://allhomekc.org/wp-content/uploads/2016/11/2017-Count-Us-In-PIT-Comprehensive-Report.pdf

Section 5: Conclusions, Recommendations and Next Steps

Section 5 combines conclusions, recommendations and next steps from the previous four sections.

Section 1: A Comparative Analysis of Veteran Homelessness

Veteran Homelessness: An Overview of the Data

Introduction

In recent years the United States has made much greater progress in reducing homelessness among veterans than with the overall population. The number of veterans experiencing homelessness on a given night dropped nationally by 45 percent between 2009 and 2017. This is almost four times the reduction in overall homelessness during the same time period.

Washington has had a decidedly different experience. Although homelessness among the overall population fell only slightly less than the nation as a whole (7.3 percent versus 12.1 percent), the number of homeless vets rose by 6.6 percent between 2009 and 2017.

Although veteran homelessness increased in 14 states between 2016 and 2017, Washington had the largest percentage of any state – 41 percent – and was behind only California in the increased number of homeless veterans (609 versus 1,860).[22]

Unfortunately, Washington state's experience does not fit the statement presented by the U.S. Department of Veterans Affairs (VA), which claims that the "goal of ending homelessness among veterans is within reach —and in fact is already happening community by community."[23]

Even though homelessness among veterans increased slightly in 2017, 36 states saw reductions from 2016.[24] In addition, three states and 57 communities have stated that they have "ended veteran homelessness" as of late November 2017, according to the VA. These include Connecticut, Delaware, and Virginia, as well as Multnomah County, Oregon; Riverside, California; and Houston, Texas.[25]

In Washington state, veteran homelessness has remained stubbornly high, despite an ambitious Results Washington policy goal backed by a host of statewide policy initiatives. The goal was to cut veteran homelessness by 50 percent between 2012 and 2016. If successful, it would have resulted in a PIT Count of 737.[26]

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[22] See footnote 12

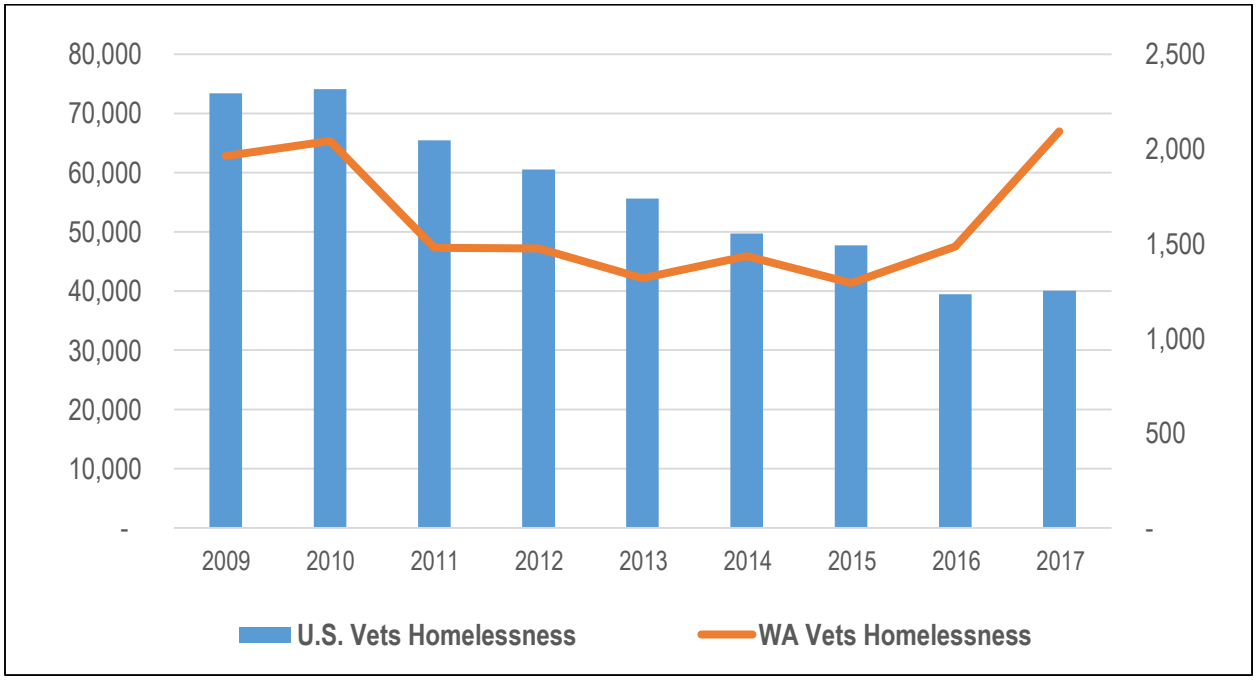
[23] U.S. Department of Veterans Affairs, "Point-in-Time (PIT) Count," (2017), https://www.va.gov/HOMELESS/pit_count.asp

[24] U.S. Department of Housing and Urban Development, *The 2017 Annual Homeless Assessment Report (AHAR) to Congress: Part 1, Point-in Time Estimates of Homelessness*, (2017), https://www.hudexchange.info/resources/documents/2017-AHAR-Part-1.pdf

[25] United States Interagency Council on Homelessness. "Mayors Challenge to End Veteran Homelessness.", (2017), https://www.usich.gov/solutions/collaborative-leadership/mayors-challenge

[26] Results Washington, "3.1.d: Decrease the number of homeless veterans from 1,484 to 1,187 (20%) by 2020." (2017), https://data.results.wa.gov/reports/G31d_veteran-homeless

Figure 2: U.S. and Washington State Homeless Veteran PIT Counts, 2009-2017



Source: U.S. Department of Housing and Urban Development

Instead, the 2016 PIT Count hit 1,484 and in 2017 rose to 2,093. Recognizing that progress may be more difficult than anticipated, the current Results Washington goal is to reduce by 20 percent the number of homeless vets by the year 2020. The base year is 2016, so the PIT Count goal is 1,187.[27]

This section of the report studies housing opportunities for veterans experiencing homelessness with an eye toward the overarching policy question: What additional steps could be taken to achieve the Results Washington target, with the ultimate goal of functional zero?

Washington's Changing Veteran Population

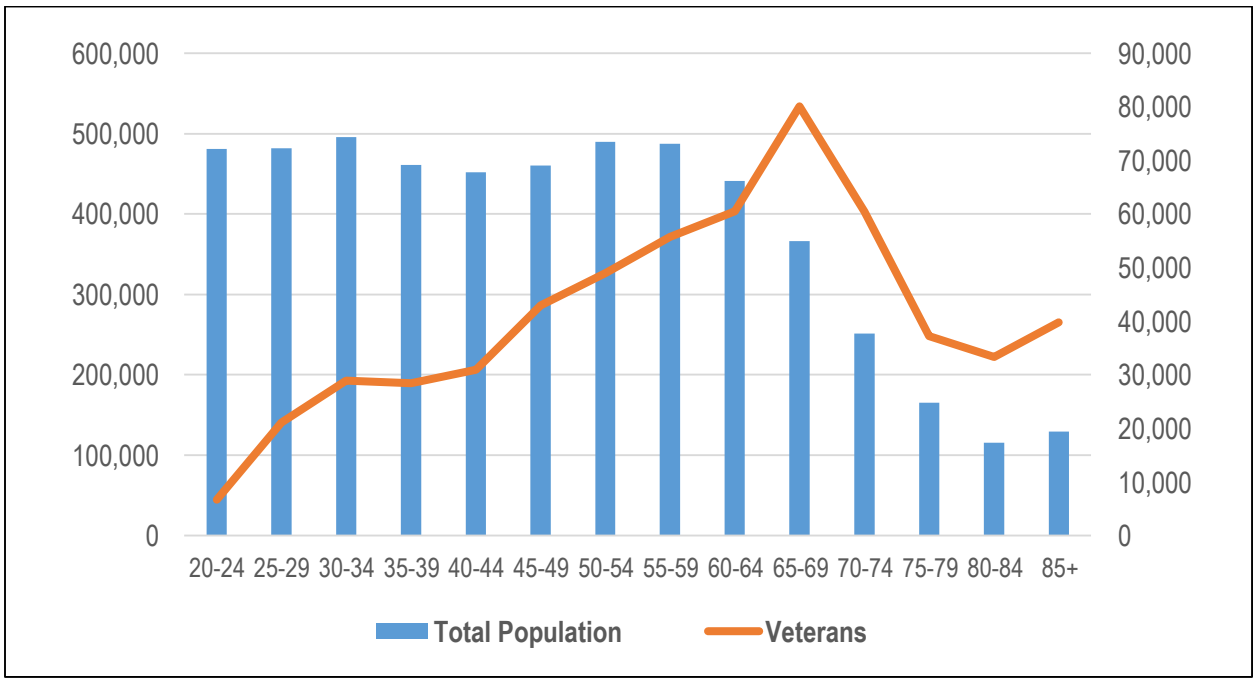
Washington has the seventh-largest number of active-duty military personnel in the nation.[28] Washington retains 6.3 percent of military personnel after they leave service, which is slightly higher than the national average of 5.3 percent.[29]

[27] Ibid.
[28] *Governing*, "Military Active-Duty Personnel, Civilians by State," (2017), http://www.governing.com/gov-data/military-civilian-active-duty-employee-workforce-numbers-by-state.html
[29] U.S. Department of Veterans Affairs, "Table 6L: VETPOP2016 Veterans By State, Age Group, Gender, 2015-2045," (2017), https://www.va.gov/vetdata/veteran_population.asp

In 2017 Washington had 560,200 veterans, which was the 12th-largest population in the U.S. California, the national leader, had roughly three times as many vets. Oregon had 303,689.[30] The size of Washington's veteran population is influenced by the number of major military installations. This includes Joint Base Lewis-McChord (JBLM), which is the fourth-largest base in the U.S. and has a population of 209,000.[31]

Seventy-two percent of Washington's veterans are aged 50 or older. That tracks closely with national veteran demographics.[32] The U.S. veteran population is significantly older than non-veterans, with a median age of 64 compared to 44 respectively.[33] The median age for non-veteran Washingtonians is even lower: 37 in 2015.[34]

Figure 3: Washington General Population and Veterans by Age, 2015



Source: U.S. Department of Veterans Affairs and the Washington State Office of Financial Management

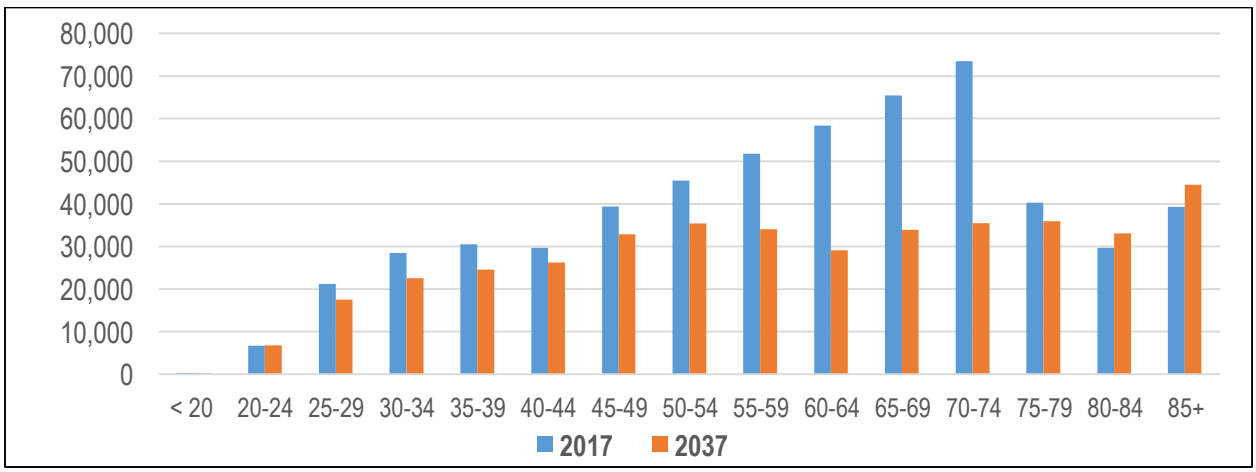
[30] Ibid.
[31] Joint Base Lewis-McChord, "What are the largest military bases in the US?," (2017), http://www.jointbaselewismcchord.com/about-us/frequently-asked-questions/what-are-the-largest-military-bases-in-the-us/
[32] U.S. Department of Veterans Affairs, "Table 6L: VETPOP2016 Veterans By State, Age Group, Gender, 2015-2045," (2017), https://www.va.gov/vetdata/veteran_population.asp
[33] U.S. Department of Veterans Affairs, *Profile of Veterans: 2015: Data from the American Community Survey,* (2017), https://www.va.gov/vetdata/docs/SpecialReports/Profile_of_Veterans_2015.pdf
[34] Washington State Office of Financial Management, "Washington State Data Book Population by Age and Sex: 2014 and 2015," (2015), https://www.ofm.wa.gov/washington-data-research/statewide-data/washington-state-data-book

Results Washington has described the state's veteran population as breaking down into three basic age cohorts.[35] Each of these cohorts has somewhat different challenges with homelessness and assistance:

- Current conflict (younger than age 20 to age 49): Members of this cohort, which represents almost 28 percent of Washington's veteran population,[36] are experiencing traumatic brain injuries (TBI) at escalating rates. In addition, 50 percent have been diagnosed with behavioral health and readjustment issues.
- In-between wartimes (ages 50 to 64): This cohort, which represents almost 28 percent of Washington's veteran population,[37] did not engage in wartime service so they are not eligible for a VA pension or aid.
- Vietnam era (ages 65 to 84): This cohort represents more than 37 percent of Washington's veterans.[38] They are more likely to suffer from significant health issues, are often on fixed incomes (which can make them vulnerable to homelessness in communities with escalating housing costs), and often suffer from post-traumatic stress (PTS). National studies show that 205,000 veterans served during Vietnam era with PTS rates over 20 percent, according to Results Washington.[39]

The large Vietnam-era cohort is part of a population wave with high numbers of veterans that is expected to largely subside within the next two decades. This can be seen in Figure 4.

Figure 4: Projected Washington Veteran Population by Age, 2017-2037



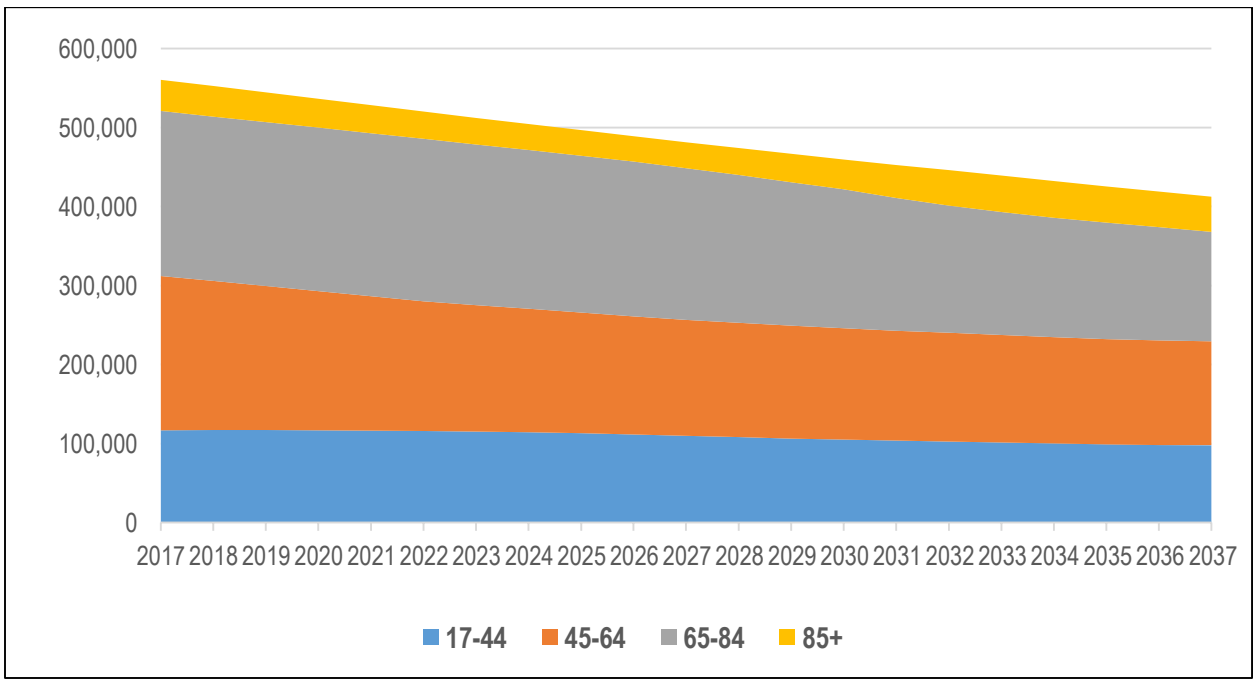
Source: U.S. Department of Veterans Affairs

[35] Results Washington, "3.1.d: Decrease the number of homeless veterans from 1,484 to 1,187 (20%) by 2020," (2017), https://data.results.wa.gov/reports/G31d_veteran-homeless
[36] U.S. Department of Veterans Affairs, "Table 6L: VETPOP2016 Veterans By State, Age Group, Gender, 2015-2045" (2017), https://www.va.gov/vetdata/veteran_population.asp
[37] Ibid.
[38] Ibid.
[39] Results Washington, "3.1.d: Decrease the number of homeless veterans from 1,484 to 1,187 (20%) by 2020," (2017), https://data.results.wa.gov/reports/G31d_veteran-homeless

The complexity of Washington's veteran population is that it is projected to drop by more than 27 percent in the next 20 years, yet during that time our state will see a shorter-term spike in the number of elderly veterans. Even by 2037 the wave will not have fully subsided. All age groups will have shrunk except for those 85 and over. That population is projected to increase 12 percent from today — to nearly 45,000 veterans.[40] In 2017 this cohort represented 7 percent of all Washington vets.

Figure 5 offers another way to make sense of demographic shifts. The number of veterans 85 and over will shrink in the next decade by almost 17 percent before increasing by 12 percent within 20 years. By the same token, the number of veterans age 65 to 84 is expected to fall by a relatively modest 8 percent by 2027 before dropping by almost 34 percent by 2037.

Figure 5: Washington State Veteran Population by Age Group, 2017-2037



Source: U.S. Department of Veterans Affairs

These projections are troubling because, as we will discuss later, Washington is already struggling to provide adequate housing and related services to veterans with special needs.

At the national and state levels, veterans tend to be better off economically than non-veterans. For example, a VA study found that in 2014 veterans had a lower poverty rate than

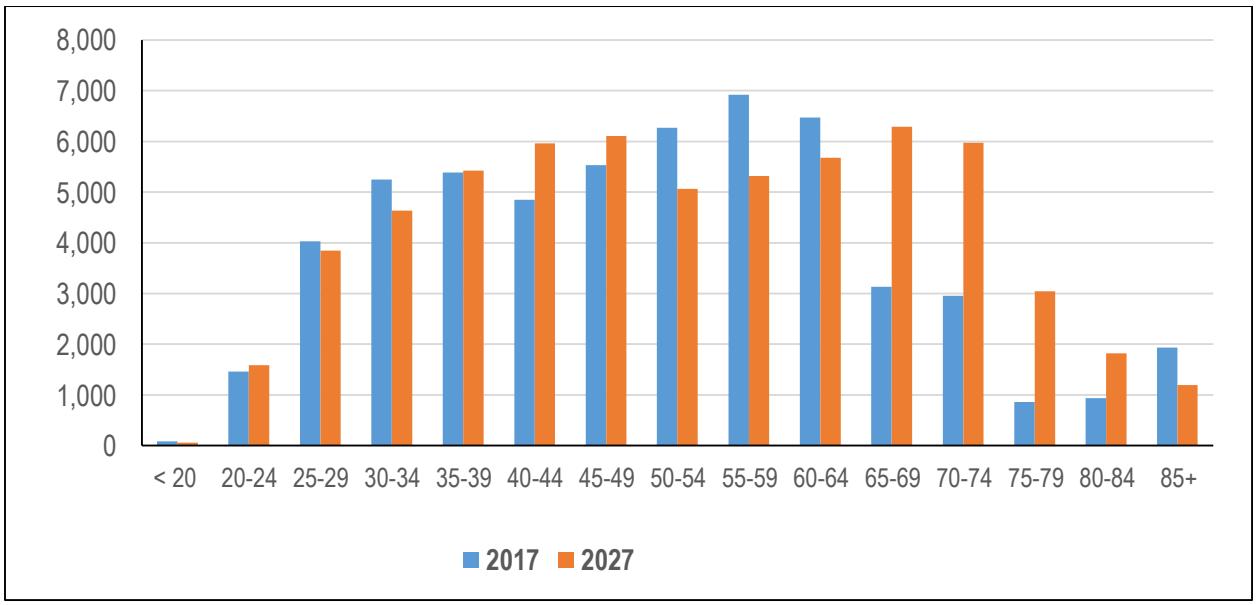
[40] U.S. Department of Veterans Affairs, "Table 6L: VETPOP2016 Veterans By State, Age Group, Gender, 2015-2045," (2017), https://www.va.gov/vetdata/veteran_population.asp

non-veterans regardless of race, gender, ethnicity, or region of residence. Women vets had higher median household incomes than non-vets; men did as well, except for ages 55 to 64.[41]

Washington veterans experienced lower unemployment in 2016 (4.4 percent) than non-veterans (5.4 percent) and earned a higher personal median income, $44,597 compared to $31,716 in 2016.[42]

Men comprised roughly 90 percent of Washington's veterans in 2017, but the number of women vets is projected to increase by 14 percent over the next two decades. These figures are similar to national totals. Although the female veteran population is younger than for males, the number of women 50 or over will increase by almost 28 percent by 2037.[43]

Figure 6: Washington Female Veterans by Age Group, 2016 Versus 2027



Source: U.S. Department of Veterans Affairs

These trends are important in assessing the future housing needs of female veterans because roughly 80 percent of them report trauma from sexual assault, physical assault, domestic violence, and combat exposure – all of which contributes to an increased risk of homelessness.[44]

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[41] National Center for Veterans Analysis and Statistics, *Profile of Veterans in Poverty: 2014,* (2016), https://www.va.gov/vetdata/docs/SpecialReports/Profile_of_Veterans_In_Poverty_2014.pdf

[42] U.S. Census; "American Fact Finder," (2017), https://factfinder.census.gov/

[43] U.S. Department of Veterans Affairs, "Table 6L: VETPOP2016 Veterans By State, Age Group, Gender, 2015-2045," (2017), https://www.va.gov/vetdata/veteran_population.asp

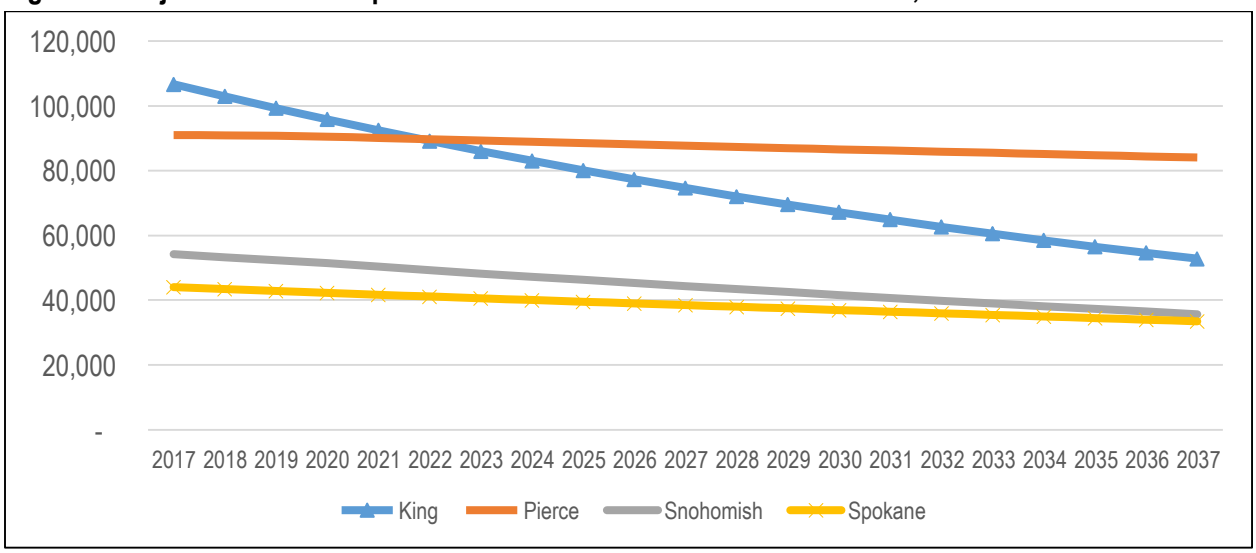
[44] Washington, Donna L. et al, *Risk Factors for Homelessness among Female Veterans*, Journal of Health Care for the Poor and Underserved, Issue 21: pp. 81-91, (2010), https://www.americanbar.org/content/dam/aba/events/specialized_court_judges/women_vet_homeless_risk.authcheckdam.pdf

The ethnic and racial composition of Washington's veterans is somewhat less diverse than at the national level. In 2017, those who identified as white (not Hispanic or Latino) comprised almost 83 percent of the state's veteran population, which is 6 percent lower than the country as a whole. Blacks or African-Americans comprised less than 6 percent of the state's vets – half the U.S. proportion. However, within 20 years, Washington's ethnic-racial composition is projected to become much closer to national proportions.[45]

Veterans represented 7.7 percent of the state's population in 2017.[46] [47] Vets tend to live in urban parts of the state near military bases. In 2017, roughly 50 percent of the state's veterans lived in just four counties — King, Pierce, Snohomish, and Spokane. This concentration is expected to hold steady as the total number of vets in Washington is projected to decline by 27 percent by 2037. Add two more urban counties to the mix – Kitsap and Clark – and you have 65 percent of the state veteran population.[48]

King County has historically contained the largest proportion of veterans in the state – 19 percent in 2017. However, Pierce was not far behind at 16 percent. Pierce is expected to have the largest proportion of veterans in the state by 2023. This is because King County's veteran population is projected to fall by 52 percent within 20 years, whereas Pierce will decrease by less than 8 percent (Figure 7).

Figure 7: Projected Veteran Population in Four Counties with Most Veterans, 2017-2037

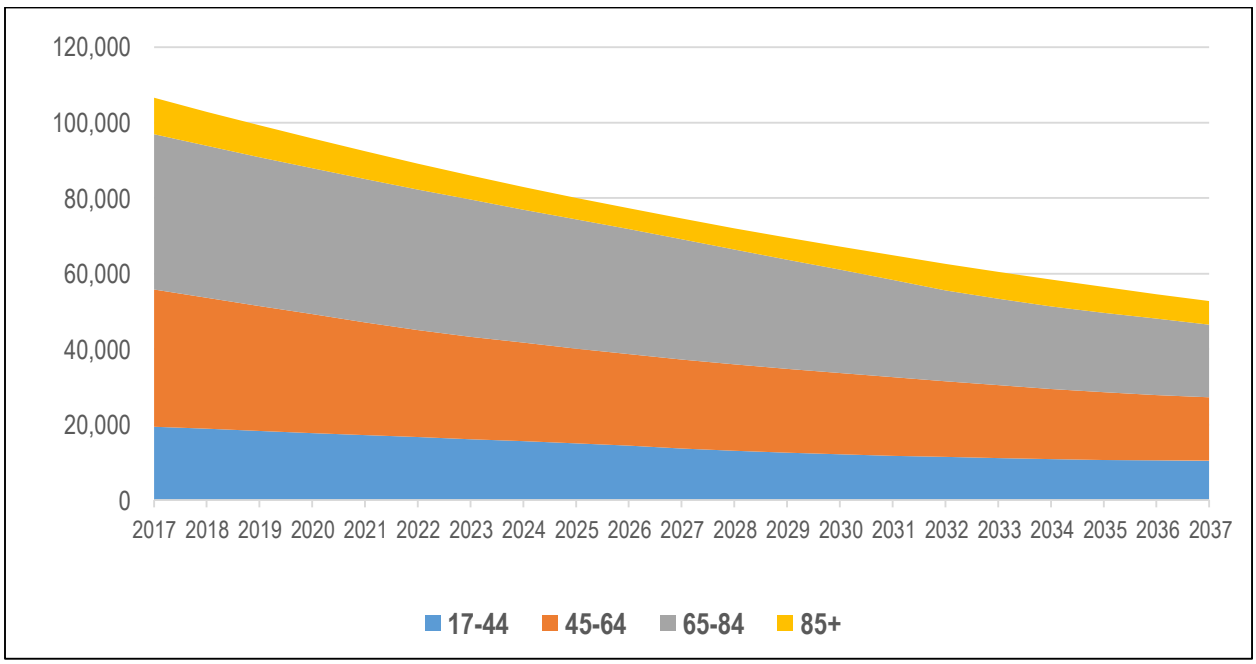


Source: U.S. Department of Veterans Affairs

[45] U.S. Department of Veterans Affairs, "Table 8L: VETPOP2016 Veterans By State, Age Group, Gender, 2015-2045," (2017), https://www.va.gov/vetdata/veteran_population.asp
[46] Ibid.
[47] Washington State Office of Financial Management, "Population Change and Rank for cities and Towns, April 1, 2010 to April 1, 2017," (2017), https://www.ofm.wa.gov/washington-data-research/population-demographics/population-estimates/april-1-official-population-estimates
[48] See footnote 41

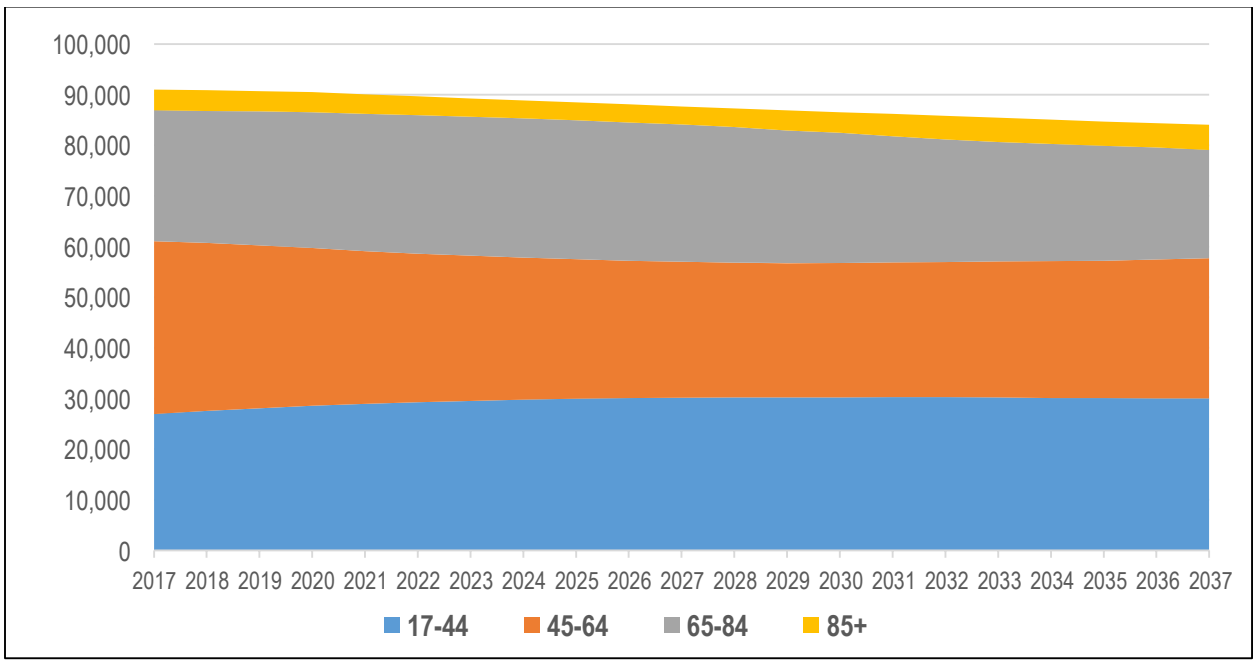
Demographics are driving King County's dramatic decline in its veteran population relative to Pierce. In 2017, almost 47 percent of King's veteran population is age 65 and over – in contrast to only 32 percent of Pierce's vets.

Figure 8: Projected King County Veteran Population by Age Group, 2017-2037



Source: U.S. Department of Veterans Affairs

Figure 9: Projected Pierce County Veteran Population by Age Group, 2017-2037



Source: U.S. Department of Veterans Affairs

In 2017 Pierce County had roughly 27,000 veterans age 17 to 44 – 7,000 more than King County. Within 10 years Pierce will have twice the number of King County, and in 20 years will triple the number in King. This is primarily because King County's 17-to-44 cohort is projected to shrink by more than 29 percent.

In the next 20 years, only two Washington counties are projected to see increases in their veteran population: Thurston (almost 10 percent) and Island (over 8 percent). However, together they will represent only 12 percent of the statewide total.

Justice-involved veterans represent a small portion of the overall veteran population but are at high risk for homelessness after release from custody. In 2015, more than 2,400 veterans were in state prison or being supervised by the Department of Corrections.[49] A 2014 study found that, nationally, 30 percent of incarcerated veterans had a homeless history.[50] Another study found that veterans in prison were on average 12 years older than non-veterans, were more likely to be sentenced for violent offenses, and were more than twice as likely to have PTSD.[51]

More than 200 military service members are discharged in Washington every month. A 2016 study by DSHS found that a substantial number of veterans experience economic hardship or housing instability during their transition to civilian life. Almost half of veterans discharged in 2013-2014 received DSHS or Health Care Authority services such as basic food, child support, Medicaid, child welfare, or Temporary Assistance to Needy Families. In the 12 months following discharge, 10 percent of those receiving services were homeless.[52]

Veteran Homelessness in Washington

In 2017, the number of homeless who identified as a veteran increased 41 percent over 2016.[53] This is a strikingly high number, given that Washington's overall homeless population increased only 1.4 percent, according to PIT Count data collected by HUD.[54]

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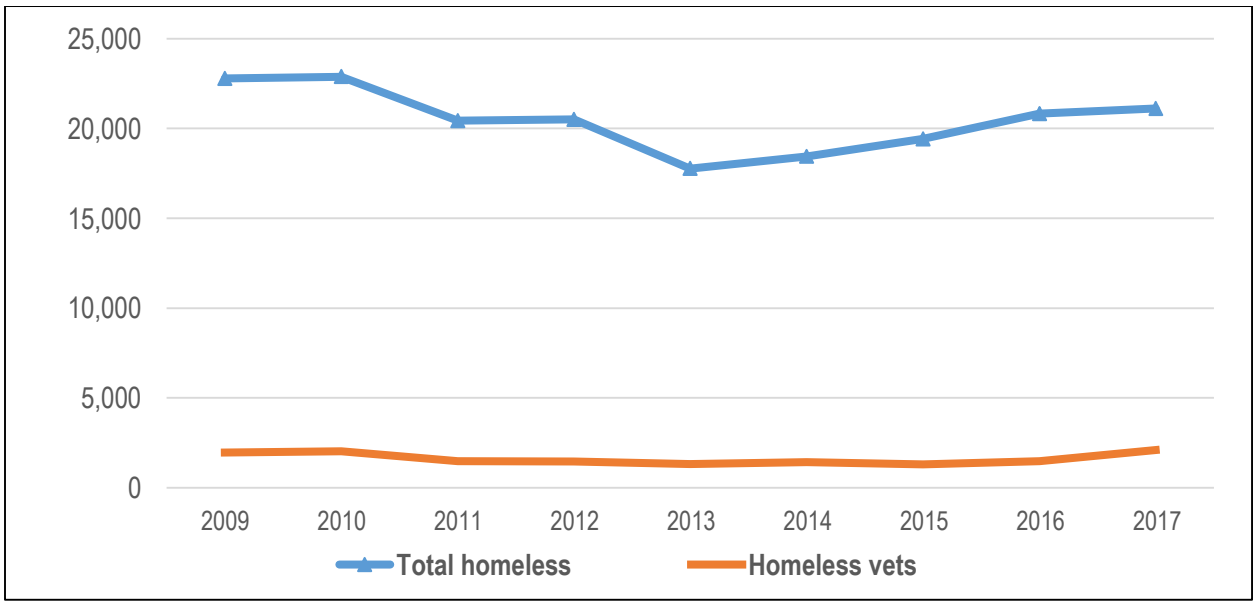
[49] Interview, Department of Corrections, February 3, 2017.
[50] Tsai, Jack, et al, *Homelessness in a National Sample of Incarcerated Veterans in State and Federal Prisons*, Administration and Policy in Mental Health and Mental Health Services Research. Volume 41, Issue 3, (2014), https://link.springer.com/article/10.1007/s10488-013-0483-7
[51] Bureau of Justice Statistics, *Veterans in Prison and Jail*, 2011-12," (2015), https://www.bjs.gov/content/pub/pdf/vpj1112_sum.pdf
[52] Washington State Department of Social and Health Services, *Veterans Receiving DSHS Services Following Discharge from Military Service*, Report 11.232: (2016), https://www.dshs.wa.gov/sesa/rda/research-reports/veterans-receiving-dshs-services-following-discharge-military-service
[53] U.S. Department of Housing and Urban Development, *The 2017 Annual Homeless Assessment Report (AHAR) to Congress: Part 1, Point-in Time Estimates of Homelessness*, (2017), https://www.hudexchange.info/resources/documents/2017-AHAR-Part-1.pdf
[54] U.S. Department of Housing and Urban Development, "2007-2017 PIT Counts by State," (2017), https://www.hudexchange.info/resource/3031/pit-and-hic-data-since-2007/

Figure 10 illustrates the general trajectory of the data but obscures an important point: In 2017, the number of homeless veterans increased by 609; this is more than twice the increase total number of homeless, which increased by 285.

Figure 10: Total and Veteran Homelessness in Washington, 2009-2017



Source: Washington State Department of Commerce

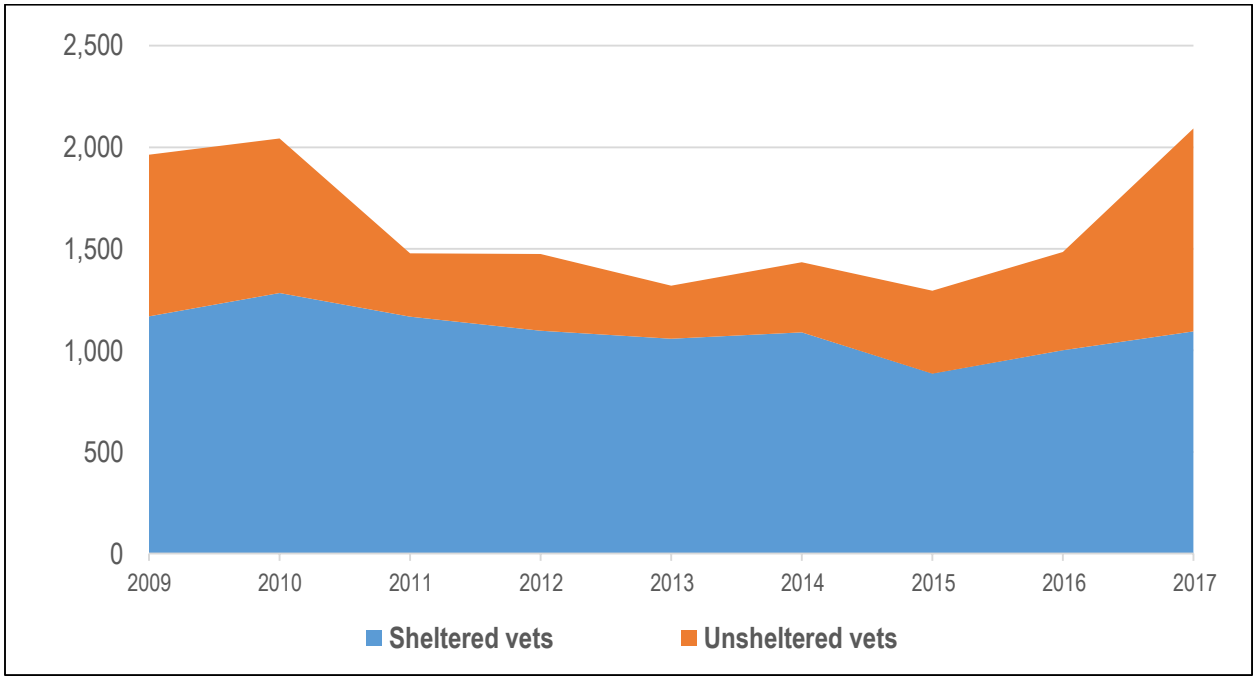
These proportions are remarkable given that the total number of veterans experiencing homelessness on one night in January 2017 was 2,093, which represented 10 percent of the 21,112 total. Hence, the proportion of homeless vets has grown since 2015, when they comprised only 6.7 percent of the homeless population.

Perhaps just as importantly, 48 percent of Washington's homeless veterans were unsheltered in 2017 — up from 20 percent in 2013.

The demographics of Washington's homeless veterans in 2017 were not significantly different than in the U.S. as a whole: men (92 versus 91 percent), white (63 versus 57 percent), Black/African-American (20 versus 33 percent), and Hispanic/Latino (8 versus 10 percent). These state totals varied by county. For example, Pierce had 2 percent more Hispanics/Latinos, and King had 5 percent more Blacks/African-Americans.

Veteran homelessness is concentrated in urban parts of the state to an even greater degree than the veteran population as a whole. Between 2013 and 2017, only four counties – King, Pierce, Snohomish, and Spokane – had roughly 70 percent of the state's homeless vets. In 2017 that number jumped to 79 percent. Now add two other counties with large veteran populations – Kitsap and Clark – and the percentage of homeless vets in 2017 increases to 85 percent of the state total.

Figure 11: Washington Sheltered and Unsheltered Veterans, 2009-2017



Source: U.S. Department of Housing and Urban Development

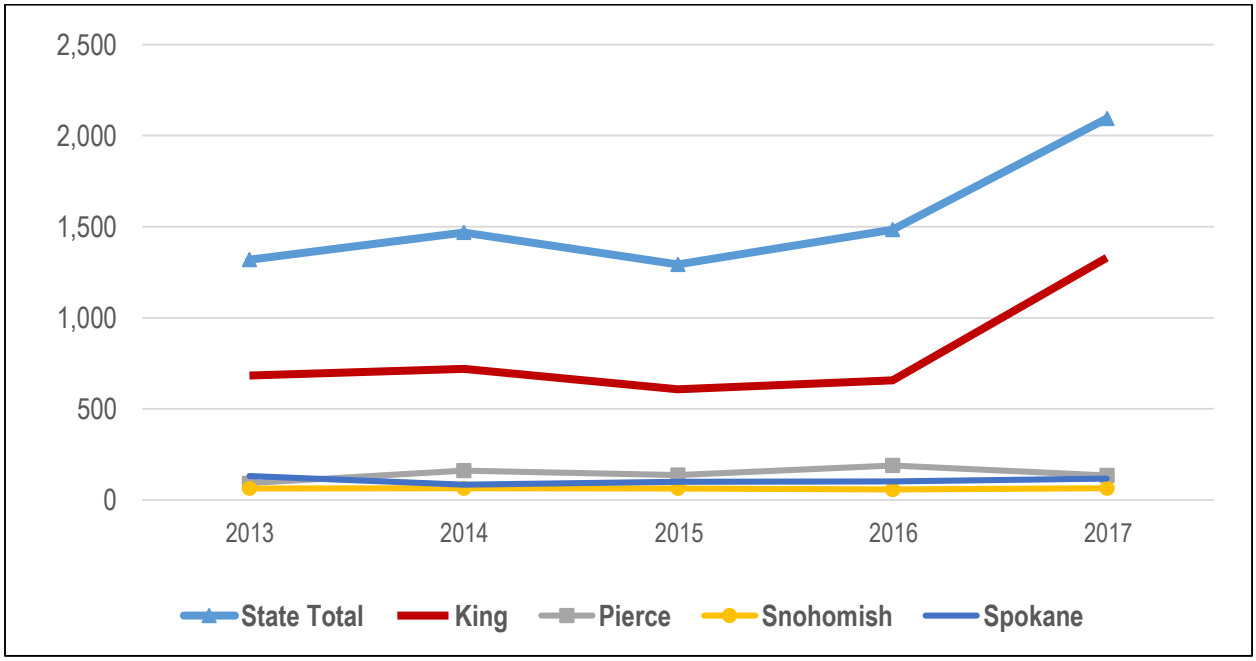
King County has a significantly greater number of homeless who identify as veterans in annual PIT counts as compared with other urban counties. In 2016 King had 44 percent of the state's homeless vets. That soared to more than 63 percent in 2017. In contrast, Pierce County had less than 13 percent of the state's homeless vets in 2016 and less than 7 percent in 2017.

Looking at the data another way, King had 1,329 homeless veterans in 2017 compared to Pierce, which had 136. If each Washington county had the same proportion of homeless to its total veteran population, King would have had 398 homeless and Pierce would have had 340. This is because Pierce County's veteran population is only 15 percent lower than King's.[55]

Figure 12 illustrates how King County is significantly driving the state's level of homelessness among veterans. However, even when subtracting King from statewide data, between 2013 and 2017 Washington would have still have sustained a 20 percent increase in total veteran homelessness and an 83 percent increase in vets living in "unsheltered" situations such as tent encampments. In contrast, between 2013 and 2017 the number of homeless veterans in a "sheltered" situation – emergency shelter, transitional, and safe haven housing – fell by 2.3 percent (see Figure 13).

[55] U.S. Department of Veterans Affairs, "Table 8L: VETPOP2016 Veterans By State, Age Group, Gender, 2015-2045," (2017), https://www.va.gov/vetdata/veteran_population.asp

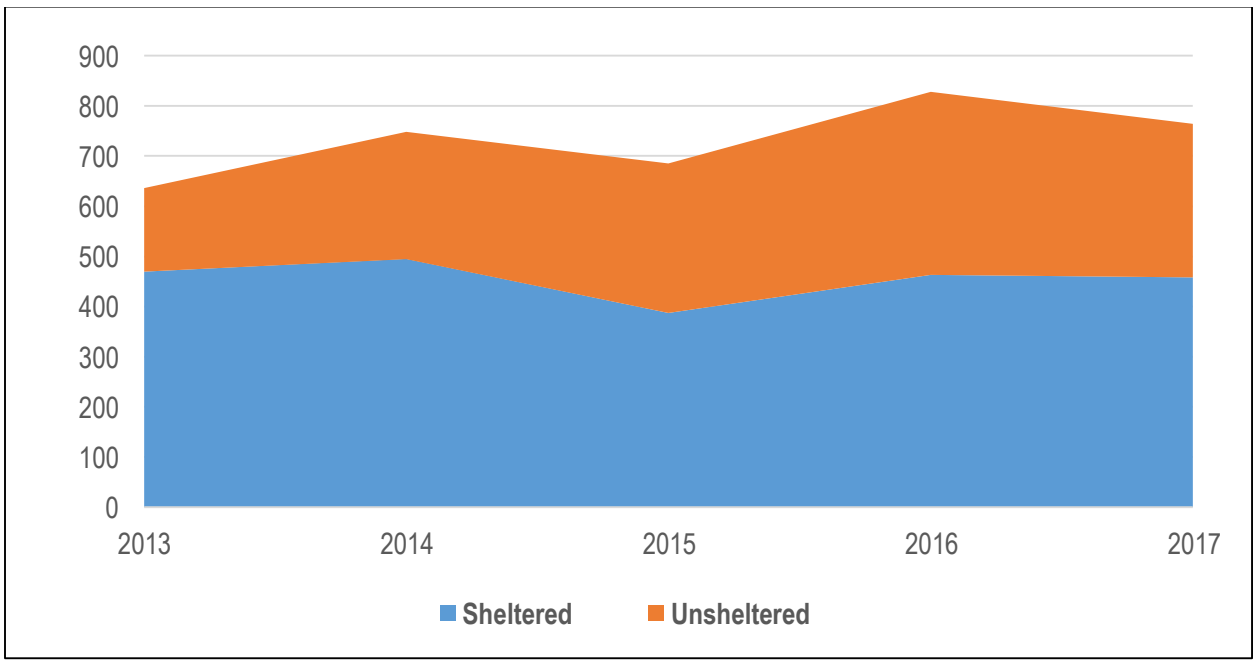
Figure 12: Veteran PIT Count in Four Counties with Most Veterans and State Total, 2013-2017



Source: Washington State Department of Commerce

This report's introduction discussed the limitations of PIT Count data. They are particularly relevant with unsheltered data. Nevertheless, PIT Count data offer a general sense of proportions.

Figure 13: Statewide Veteran Homelessness Excluding King County, 2013-2017



Source: Washington State Department of Commerce

In 2017, King County had almost 70 percent of the state's unsheltered veterans. Even so, King is not alone in seeing an increase in the number of unsheltered veterans over the last five years. Pierce County's PIT Count soared from nine in 2013 to 85 in 2017. Whatcom went from 13 to 35. Of the 10 counties with the largest number of unsheltered vets in 2017, only Mason saw a decline from 2013: from 10 to nine (see Table 1).

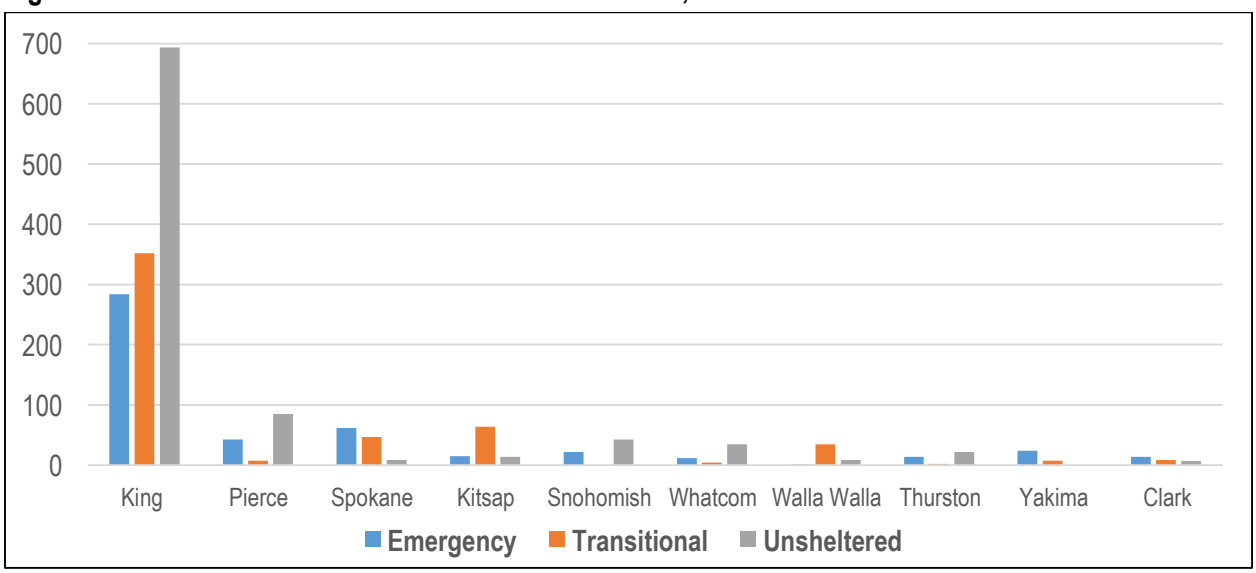
Table 1: 10 Counties with the Most Unsheltered Veterans, 2013-2017

County	2013	2014	2015	2016	2017	% Change 2013-17	% Change 2016-17
King	93	128	109	120	693	645%	478%
Pierce	9	33	78	90	85	844%	-6%
Snohomish	31	35	32	36	43	39%	19%
Whatcom	13	20	26	41	35	169%	-15%
Thurston	13	28	19	24	22	69%	-8%
Skagit	5	16	16	17	20	300%	18%
Kitsap	4	6	9	21	14	250%	-33%
Island	1	4	7	2	12	1,100%	500%
Spokane	7	3	10	13	9	29%	-31%
Mason	10	10	8	25	9	-10%	-64%
Statewide Total	260	381	407	485	999	284%	106%

Source: Washington State Department of Commerce

Figure 14 shows the state's top-10 counties ordered by their number of total homeless veterans. Sheltered is broken out into emergency and transitional housing.

Figure 14: 10 Counties with the Most Homeless Veterans, 2017



Source: Washington State Department of Commerce

Note that only three of 10 counties (King, Kitsap, and Walla Walla) had a greater number of homeless veterans in transitional housing rather than emergency housing.

The top-10 counties also varied in their proportion of unsheltered versus sheltered veterans. For example, Pierce and Spokane counted a similar total number of homeless vets in 2017, but unsheltered represented 63 percent of Pierce's total and only 8 percent of Spokane's. A similar pattern played out for Whatcom and Walla Walla: 69 percent unsheltered versus 20 percent, respectively. Although western counties tended to have higher proportions of unsheltered vets, only 15 percent of Kitsap County's homeless vets were unsheltered.

In the more rural parts of the state, Washington has seven Continuum of Care (CoC) units recognized by HUD. Six CoC correspond to the following urban areas: Seattle/King County, Tacoma/Pierce County, Spokane city and County, Everett Snohomish County, Yakima city and County, and Vancouver/Clark County. The seventh CoC covers the "balance of state."

Table 2 shows that rural Washington has also experienced meaningful increases in veteran homelessness. Between 2013 and 2017 the number of homeless vets rose substantially more than the homeless population as a whole (41 percent versus 14 percent). Unsheltered vets shot up 80 percent.

Table 2: PIT Count Homelessness Data for Balance of State CoC, 2013-2017

	2013	2014	2015	2016	2017	% Change 2013-17	% Change 2016-17
Total Homeless	4,108	4,703	4,951	5,294	4,671	14%	-13%
Veteran Homeless	271	347	323	422	383	41%	-10%
Veteran Sheltered	181	189	158	213	221	22%	4%
Veteran Unsheltered	90	158	165	209	162	80%	-29%

Source: U.S. Department of Housing and Urban Development

These numbers illustrate how escalating homelessness is not merely an urban phenomenon. However, a caveat should be noted. Twenty-two percent of the state's total homeless were in the balance of state CoC. That's somewhat higher than the proportion of homeless veterans (18 percent) and unsheltered vets (16 percent). This adds further evidence that homelessness among veterans is more of an urban phenomenon.

How Does Washington's PIT Count Compare with Other States'?

The 2017 national PIT Count brought bad news about Washington on a number of fronts. Not only did veteran homelessness increase more than any other state, but Washington's rate of

increase – 41 percent over 2016 – significantly overshadowed Kansas (28 percent), Texas (24 percent) and Montana (24 percent).

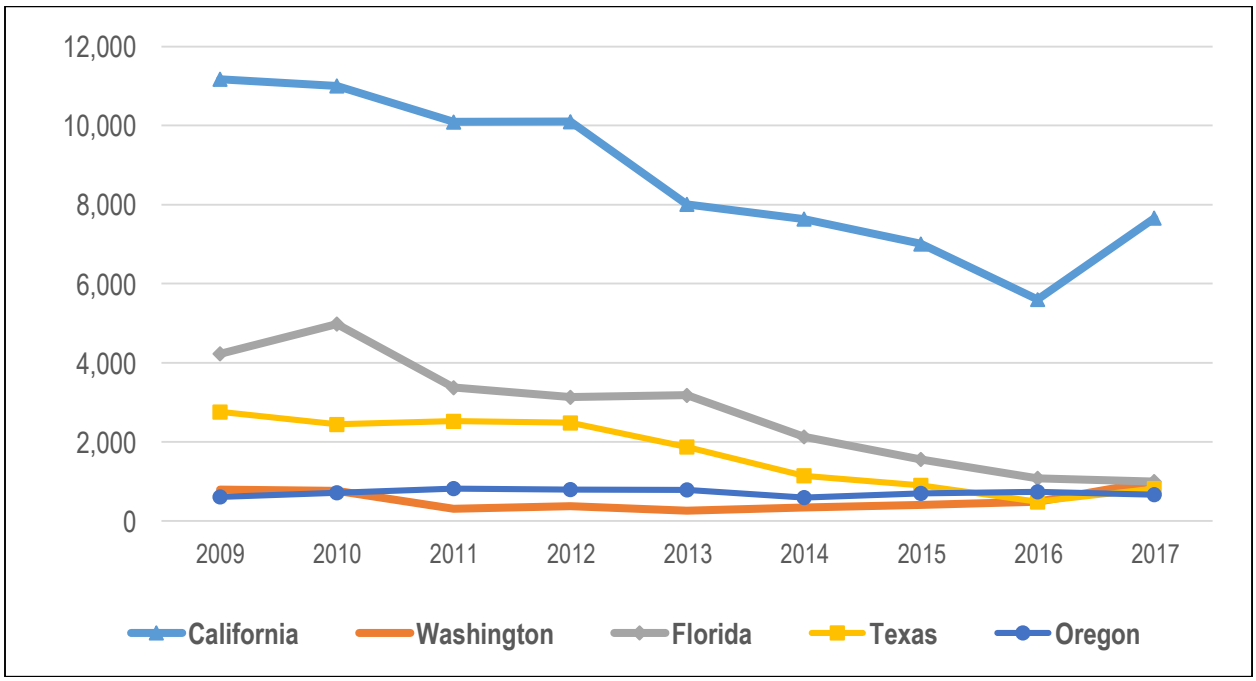
Washington had the fourth-largest number of homeless veterans in 2017 – 2,093 people. This is well above Washington's national ranking for the size of our veterans population (twelfth), number of active-duty military personnel (seventh), and total number of homeless (fifth).

In 2017, our state also had the second-highest number of homeless vets who were unsheltered (999 people). That was only behind California (7,657 people) and just ahead of Florida (996 people). Rounding out the top-five states were Texas (821 people) and Oregon (668 people). In addition, between 2009 and 2017 Washington's unsheltered homeless vets increased by almost 26 percent.

Figure 15 shows how Washington rose to No. 2 primarily because Florida and Texas saw substantial declines in unsheltered homeless veterans between 2009 and 2017 (-76.4 percent and -70.2 percent, respectively). Even California's number of unsheltered fell by 31.5 percent.

These three states together comprised almost 60 percent of the nation's 49-percent drop in unsheltered vets during this period. In contrast, Washington's unsheltered homeless vets increased by almost 26 percent.

Figure 15: Five States with the Most Unsheltered Veterans, 2009-2017



Source: U.S. Department of Housing and Urban Development

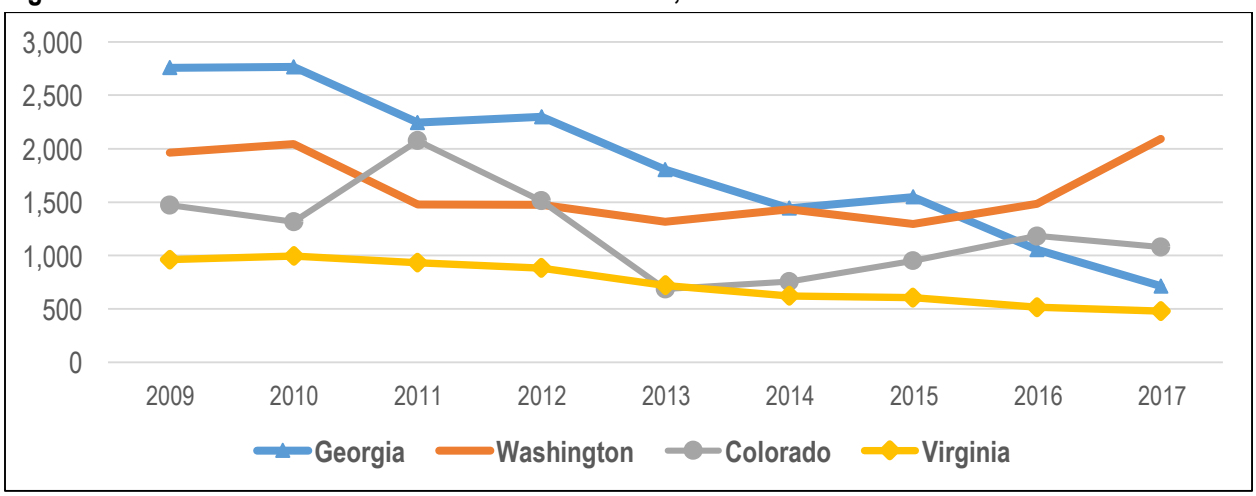
Washington ranked fifth in the percentage of its veteran population that was homeless in 2017. At 0.37 percent, Washington was behind California (0.68 percent), Hawaii (0.55 percent), Oregon (0.41 percent) and Nevada (0.38 percent). The national average was 0.20 percent.

Across the U.S., veteran homeless increased in 2017 for the first time in seven years. However, that increase was small – 1.5 percent – as 36 states saw declines in veteran homelessness. Between 2009 and 2017, the nation as a whole saw a 45 percent drop in veteran homelessness. That was almost four times greater than the decline in the overall homeless population, which was 12 percent.

Here again, Washington went in the opposite direction. Veteran homelessness increased by 6.6 percent between 2009 and 2017. In contrast, Washington's overall homeless population fell by 7.3 percent during that same time. Homeless veterans represented 9.9 percent of Washington's total homeless population in 2017. This was higher than the national average of 7.2 percent and ranked Washington 13th among states. States with a higher percentage than Washington included South Dakota (13.8 percent), South Carolina (12.3 percent), Arizona (10.8 percent), and North Carolina (10.4 percent).

In addition, between 2009 and 2017 Washington had the nation's largest increase in the absolute number of homeless veterans – 130 (see Figure 16).[56] That may sound like a small number, but during this time period states with a similar veteran population and number of active-duty military personnel saw their number of homeless veterans decline. For example, the number of homeless veterans fell by 2,048 people in Georgia (-74.2 percent), 393 people in Colorado (-26.7 percent) and 482 people in Virginia (-50.2 percent).

Figure 16: Veteran Homelessness in Four Similar States, 2009-2017



Source: U.S. Department of Housing and Urban Development

[56] U.S. Department of Housing and Urban Development, *The 2017 Annual Homeless Assessment Report (AHAR) to Congress: Part 1, Point-in-Time Estimates of Homelessness,* (2017), https://www.hudexchange.info/resources/documents/2017-AHAR-Part-1.pdf

Figure 16 illustrates how each state's trajectory was somewhat different. Whereas Georgia fell in steps from a high of 2,766 to a low 712, Colorado fluctuated from a high of 2,074 homeless vets to a low of 685 and then back up to 1,181 before falling again to 1,078 in 2017. Virginia's veteran homelessness fell in a relatively steady pattern from 995 to 482. Meanwhile, Washington hit a high of 2,043 before plateauing at roughly 1,400 and then shooting up to 2,093 in 2017.

These states do not make ideal comparisons because they have meaningful differences in such areas as total population, economic drivers, cost of housing and climate. As Table 3 shows, they are also only roughly comparable when it comes to total veteran population and active-duty personnel, which is a proxy for the military's presence in a given state.

For example, Michigan's veteran population comes closer than the above-mentioned states to matching Washington's. However, Michigan does not have military installations of comparable size. Neither do Illinois, Arizona or Tennessee. In contrast, Colorado has roughly 160,000 fewer veterans but a military presence that is in the same ballpark as Washington's. Virginia has approximately 165,000 more veterans and twice as many active-duty personnel as Washington.

Table 3: Veteran Homeless Rates for States with Largest Veteran Populations, 2017

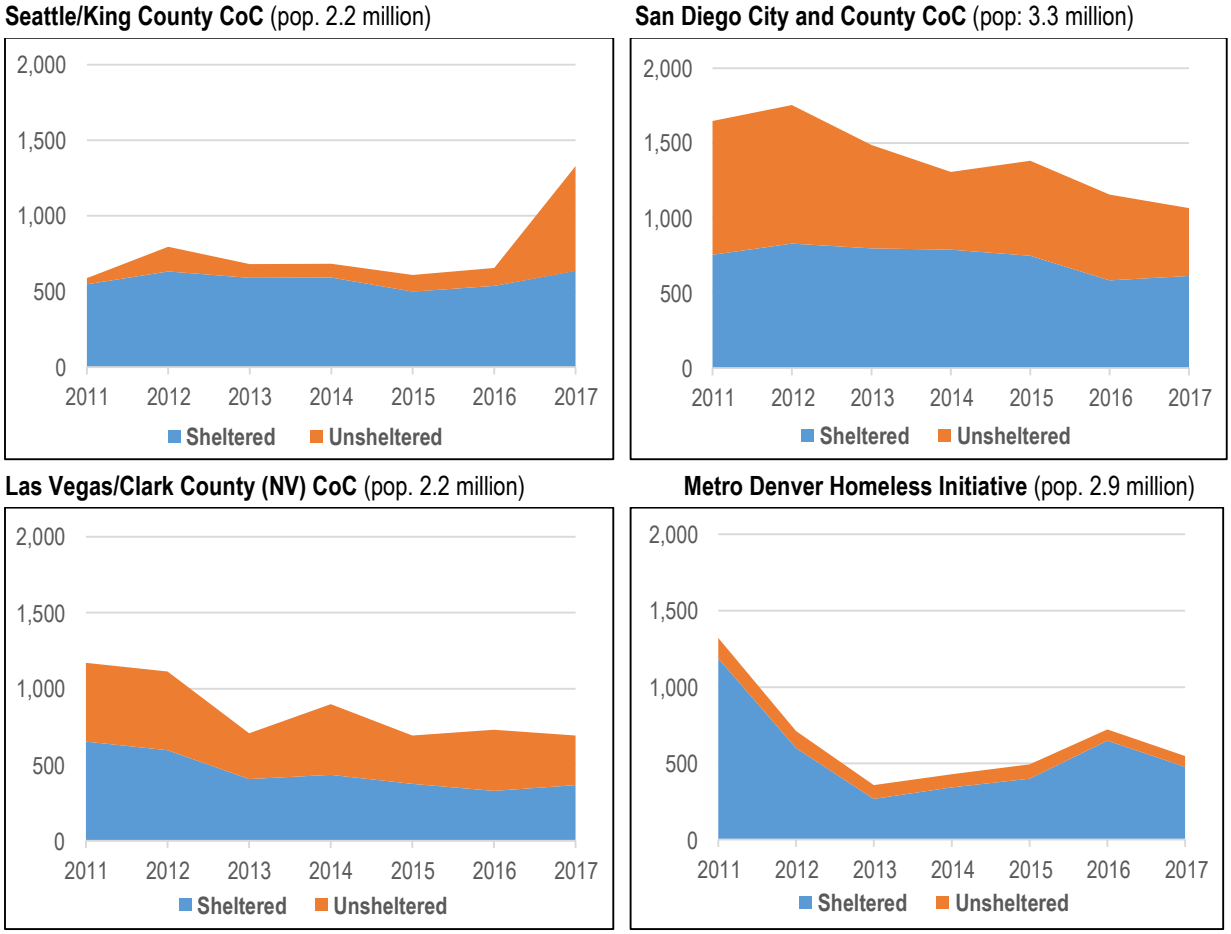
Vet Pop. Rank	State	Total Veteran Population	Active Duty Military Personnel	Homeless Vets PIT Count	Total Homeless PIT Count	Homeless Vets as % of Vet Population	Vets as % of Total Homeless Population
1	California	1,681,730	132,827	11,472	134,278	0.68%	8.5%
2	Texas	1,584,844	118,952	2,200	23,548	0.14%	9.3%
3	Florida	1,525,400	57,807	2,817	32,190	0.18%	8.8%
4	Pennsylvania	819,185	2,661	963	14,138	0.12%	6.8%
5	New York	776,522	21,496	1,244	89,503	0.16%	1.4%
6	Ohio	774,935	6,591	862	10,095	0.11%	8.5%
7	North Carolina	730,357	106,262	931	8,962	0.13%	9.3%
8	Virginia	725,028	91,134	478	6,067	0.07%	8.8%
9	Georgia	697,127	61,288	712	10,174	0.10%	6.8%
10	Illinois	628,254	19,182	864	10,798	0.14%	1.4%
11	Michigan	589,326	2,160	773	9,051	0.13%	8.5%
12	Washington	560,200	46,378	2,093	21,112	0.37%	9.9%
13	Arizona	507,706	17,916	970	8,947	0.19%	10.8%
14	Tennessee	470,390	2,189	757	8,309	0.16%	9.1%
15	Missouri	442,579	14,942	538	6,037	0.12%	8.9%
16	Colorado	403,327	35,114	1,078	10,940	0.27%	9.9%
25	Oregon	303,689	1,535	1,251	13,953	0.41%	9.0%
	United States	**19,998,799**	**1,052,782**	**40,056**	**553,742**	**0.20%**	**7.2%**

Sources: U.S. Department of Housing and Urban Development and U.S. Department of Veterans Affairs

Georgia comes closest to Washington, both in terms of veterans and military personnel. Thus, that state's dramatic drop in veteran homelessness is particularly noteworthy in light of Washington's substantial increase over the last two years.

Among the CoCs, in 2017 Seattle/King County had the second-largest number of homeless veterans (1,329), well behind Los Angeles city and county (4,476). Figure 17 shows how San Diego city and county had fewer than Seattle this year (1,067) but far more in previous years. From 2011 to 2017, veteran homelessness in San Diego fell 35 percent.

Figure 17: Sheltered and Unsheltered Veterans in Four Major City CoCs, 2011-2017



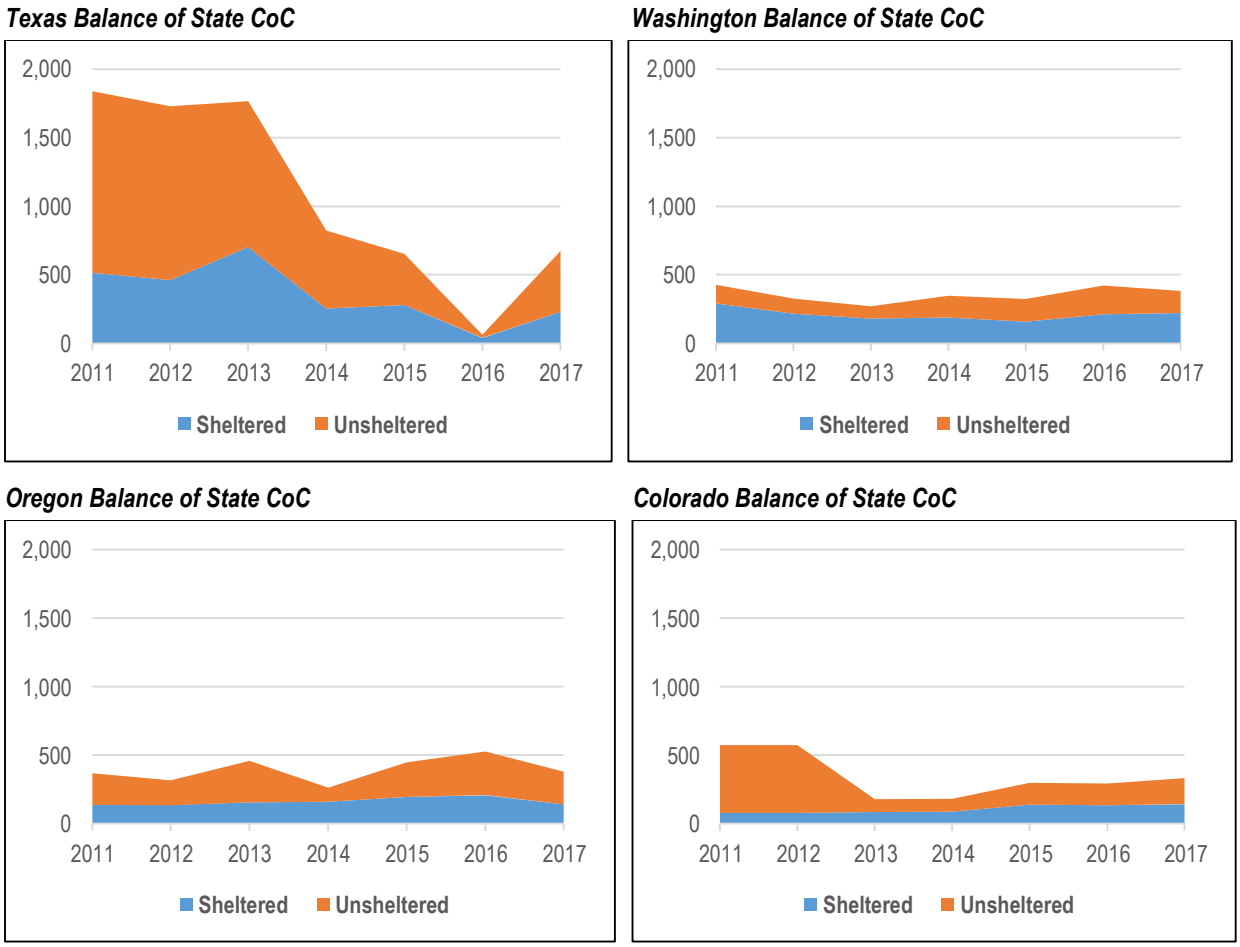
Sources: U.S. Department of Housing and Urban Development and U.S. Census Bureau (2016 population figures)

From 2013 to 2016, Seattle had roughly as many homeless veterans as Las Vegas/Clark County CoC. However, Las Vegas also had roughly four times as many unsheltered vets as Seattle.

In 2011, the Denver metropolitan area had 1,322 homeless veterans, which was more than twice as many as Seattle. However, Denver's seven-county CoC saw a 59 percent drop in veteran homelessness between 2011 and 2017 – and in the latter year had a tenth of the unsheltered vets as compared to Seattle.

Texas's Balance of State CoC had the highest number of homeless veterans in 2017 (674 people), but that represented a drop of 91 percent from 2011.[57] In 2017, Washington's Balance of State CoC had the second-highest number (383), followed by Oregon (379) and Colorado (332). However, in 2017 Washington's number of unsheltered veterans was lower than Oregon's (240 people) and Colorado's (162 people versus 191).

Figure 18: Sheltered and Unsheltered Veterans in Four Balance of State CoCs, 2011-2017



Sources: U.S. Department of Housing and Urban Development

[57] Texas Balance of State CoC figures for 2016 were much lower than reported in 2015 and 2017, which raises the question of whether the data was incomplete.

Closing the Gaps: Opportunities and Unknowns

What Explains Washington's Experience?

In announcing 2017 PIT Count results, HUD pointed to escalating housing costs as the key reason why homelessness had only increased in some parts of the nation: "In many high-cost areas of our country, especially along the West Coast, the severe shortage of affordable housing is manifesting itself on our streets," said HUD Secretary Ben Carson.[58]

Washington's nation-leading spike in veteran homelessness may not be surprising to those who have seen recent *Seattle Times* headlines such as, "Seattle rents now growing faster than any other U.S. city"[59] and "Seattle home price growth is nearly double any other U.S. city."[60]

Although rising housing costs appear to be the main driver of the increase in veteran homelessness, other factors can result in homelessness among veterans. The National Coalition for Homeless Veterans offers an overview:

> *"In addition to the complex set of factors influencing all homelessness – extreme shortage of affordable housing, livable income and access to health care – a large number of displaced and at-risk veterans live with lingering effects of post-traumatic stress disorder (PTSD) and substance abuse, which are compounded by a lack of family and social support networks. Additionally, military occupations and training are not always transferable to the civilian workforce, placing some veterans at a disadvantage when competing for employment."*[61]

These factors are similar to those itemized by veteran homelessness experts in Washington state. For example, Gov. Inslee's Results Washington performance measurement initiative states that veterans "are experiencing challenges similar to those of the overall homeless community. High rents are resulting in working veterans being unable to afford the cost of rent and/or mortgage. This is especially difficult for senior veterans on fixed incomes."[62]

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[58] U.S. Department of Housing and Urban Development, "Homelessness Declines in Most Communities of the U.S. with Increases Reported in High-Cost Areas," (2017), https://www.hud.gov/press/press_releases_media_advisories/2017/HUDNo_17-109

[59] Rosenberg, Mike, *Seattle rents now growing faster than in any other U.S. city*, *Seattle Times,* (2017), https://www.seattletimes.com/business/real-estate/seattle-rents-now-growing-faster-than-in-any-other-us-city/

[60] Rosenberg, Mike, *Seattle home price growth is nearly double any other U.S. city*, Seattle Times, (2017), https://www.seattletimes.com/business/real-estate/seattle-home-price-growth-is-nearly-double-any-other-u-s-city/

[61] National Coalition for Homeless Veterans, "FAQ About Homeless Veterans," (2017), http://nchv.org/index.php/news/media/background_and_statistics/

[62] Results Washington, "3.1.d: Decrease the number of homeless veterans from 1,484 to 1,187 (20%) by 2020." (2017), https://data.results.wa.gov/reports/G31d_veteran-homeless

In addition, the state-level DVA believes that a significant proportion of homeless veterans suffer from service-derived PTSD that requires some type of support. This is based on anecdotal information from community-based social service providers, as well as national research.[63]

Statewide research has mostly focused on the overall homelessness population. Most notably, Commerce analyzed trend data on six factors:

- Family stability and composition.
- Employment levels.
- Usage of opiates, alcohol and other drug dependence.
- Educational attainment and skills.
- Escalating rental costs.
- Lower vacancy rates.

Of these six factors, only rental costs and vacancy rates changed substantially from 2012 to 2015.[64] A Commerce white paper noted that "(p)roblems caused by rent increases are exacerbated by the associated issue of very low vacancy rates, which make it difficult for people to find a unit even when they have sufficient income or rental assistance to pay market rents."

Recent King County research on veteran homelessness included three additional factors:[65]

- While the overall population of veterans has been declining, the number who qualify as low income (below 200 percent of the poverty line) has grown 43 percent since 2010.
- Sixty percent of veterans in King County are over the age of 55. This has resulted in an uptick in service-related illnesses and disabilities. Veterans of more recent military conflicts are also experiencing higher rates of disability and mental illness – which, in turn, contributes to high suicide rates among this population.
- Unlike civilian populations, the number of veterans can quickly change in response to federal policies and world events.

Despite King County's wide-ranging research, a recent report concluded that the county "does not yet fully understand" the reasons why veteran homelessness has grown by an average of 66 new veterans seeking assistance per month.[66] In addition to reasons discussed above, another factor may be improved training of street outreach workers and increased standardization of homeless population intake procedures by partner agencies (i.e., intake in the coordinated entry system). The latter could be leading to more homeless being counted as veterans.

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[63] Tsai, Jack and Robert A. Rosenback, *Risk Factors for Homelessness among US Veterans*, Epidemiologic Reviews, Issue 37: 177-195, (2015), https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4521393/

[64] Washington State Department of Commerce, *Why is homelessness increasing?*, (2016), http://www.commerce.wa.gov/wp-content/uploads/2017/01/hau-why-homelessness-increase-2017.pdf

[65] See footnote 12

[66] Ibid, page 9

King County's assessment suggests how the scale of veteran homelessness may not be just a function of external factors, such as the cost of housing. Also relevant could be organizational mechanisms used at the state and local levels to support veterans with varying levels of eligibility to VA benefits.

USICH's 10 Strategies for Ending Veteran Homelessness

Recent local- and state-level efforts in Washington have been operating within a national policy direction developed during the Obama administration. USICH, in collaboration with HUD and VA, adopted *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness* in 2010, and amended it in 2015.[67] The plan sets forth goals and timeframes to sequentially end veteran homelessness, chronic homelessness, and homelessness among family, youth, and children by 2020.

USICH placed its initial emphasis on veteran homelessness, expanding or creating a number of tools for use by federal, state, and community leaders and service providers, including:

- Ten strategies: USICH emphasizes the importance of: 1) leadership commitment, 2) system orientation, 3) coordinated entry, 4) ambitious goals, 5) improving transitional and supportive housing, 6) engaging private landlords as partners, 7) coordinating outreach and engagement, 8) closely tracking individual veterans, 9) increasing employment, and 10) solving veterans' legal needs.[68]
- Criteria and benchmarks: USICH has created specific criteria and benchmarks to guide implementation of the strategies and measure progress.[69]
- Data-based decision-making: USICH recently published a report highlighting the importance of creating and using timely and accurate data to further reduce homelessness.[70]
- Mayor's challenge**:** This is a federal interagency initiative that calls on cities, counties and states to commit to ending and preventing veteran homelessness in their communities. Since 2014, 880 jurisdictions have taken on the challenge.[71]

[67] U.S. Interagency Council on Homelessness, *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness*, (2015), https://www.usich.gov/resources/uploads/asset_library/USICH_OpeningDoors_Amendment2015_FINAL.pdf
[68] U.S. Interagency Council on Homelessness, *10 Strategies to End Veteran Homelessness*, (2016), https://www.usich.gov/resources/uploads/asset_library/Ten_Strategies_to_End_Veteran_Homelessness.pdf
[69] U.S. Interagency Council on Homelessness, "Criteria and Benchmarks for Achieving the Goal of Ending Veteran Homelessness," (2017), https://www.usich.gov/tools-for-action/criteria-for-ending-veteran-homelessness
[70] Doherty, Matthew, U.S. Interagency Council on Homelessness, "Setting the Course for the Work Ahead: Findings and Implications from Recent Reports and Data," (2017), https://www.usich.gov/news/setting-the-course-for-the-work-ahead-findings-and-implications-from-recent-reports-and-data
[71] U.S. Interagency Council on Homelessness, "Mayors Challenge to End Veteran Homelessness," (2017), https://www.usich.gov/solutions/collaborative-leadership/mayors-challenge

USICH's 10 strategies are more fully described in Appendix A. These strategies are linked to the goal of bringing the number of homeless veterans to "functional zero." This does not mean that a jurisdiction's PIT Count reaches zero. Instead, it represents when fewer veterans are becoming homeless (called "inflow") than are being housed ("outflow"), and when no veteran is homeless for more than 90 days. Under this methodology, the VA strives for a "well-coordinated and efficient community system that assures homelessness is rare, brief, non-recurring, and where no veteran is forced to live on the street."[72]

Jurisdictions can be certified by USICH as having ended veteran homelessness. This is done through submittal of information to the agency that it has met specific criteria and benchmarks, particularly regarding its inflow versus outflow of veterans.[73]

The Trump administration has not changed the strategies, but is backing off from the goal of reaching zero in favor of cutting the number of homeless veterans to below 15,000. Former VA Secretary David Shulkin told the National Coalition for Homeless Veterans that:

> *"[Z]ero is not necessarily the right number. There is going to be a functional zero, essentially somewhere around 12,000 to 15,000 that despite being offered options for housing and getting them off the street, there are a number of reasons why people may not choose to do that. We do have to respect the wishes of people who are adults and able to make their own decisions."*[74]

Shulkin also noted that nearly a quarter of all homeless veterans live in California and roughly another quarter are in only six other states: Texas, Florida, New York, Colorado, Washington, and Oregon. Targeting those regions will be a priority, according to the *Military Times*.[75] It is unclear if any federal programs that provide support to homeless veterans will receive budget cuts. Proposals from the Trump administration and the House have called for the elimination of USICH, but a Senate proposal fully funded the agency.[76]

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[72] U.S. Department of Veteran Affairs, *Ending Homelessness Among Veterans Overview*, (2017), https://www.va.gov/HOMELESS/ssvf/docs/Ending_Veterans_Homelessness_Overview.pdf

[73] U.S. Interagency Council on Homelessness, *Assessing Whether Your Community has Achieved the goal of Ending Veteran Homelessness*, (2017), https://www.usich.gov/resources/uploads/asset_library/Questions_To_Assess_Veteran_Progress.pdf

[74] Shane, Leo III, *VA drops goal of zero homeless veterans*, Military Times, (2017), https://www.militarytimes.com/news/pentagon-congress/2017/06/02/va-drops-goal-of-zero-homeless-veterans/

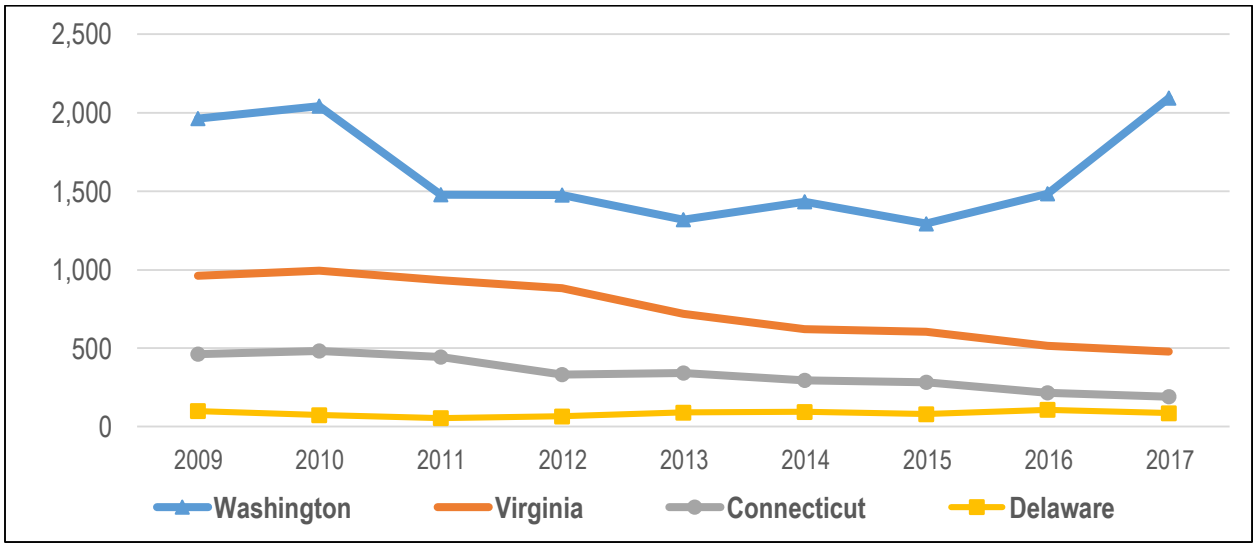
[75] Ibid.

[76] National Low Income Housing Coalition, "Senate Appropriations Committee Approves FY18 Housing Spending Bill," (2017), http://nlihc.org/article/senate-appropriations-committee-approves-fy18-housing-spending-bill

Three States That Ended Veteran Homelessness

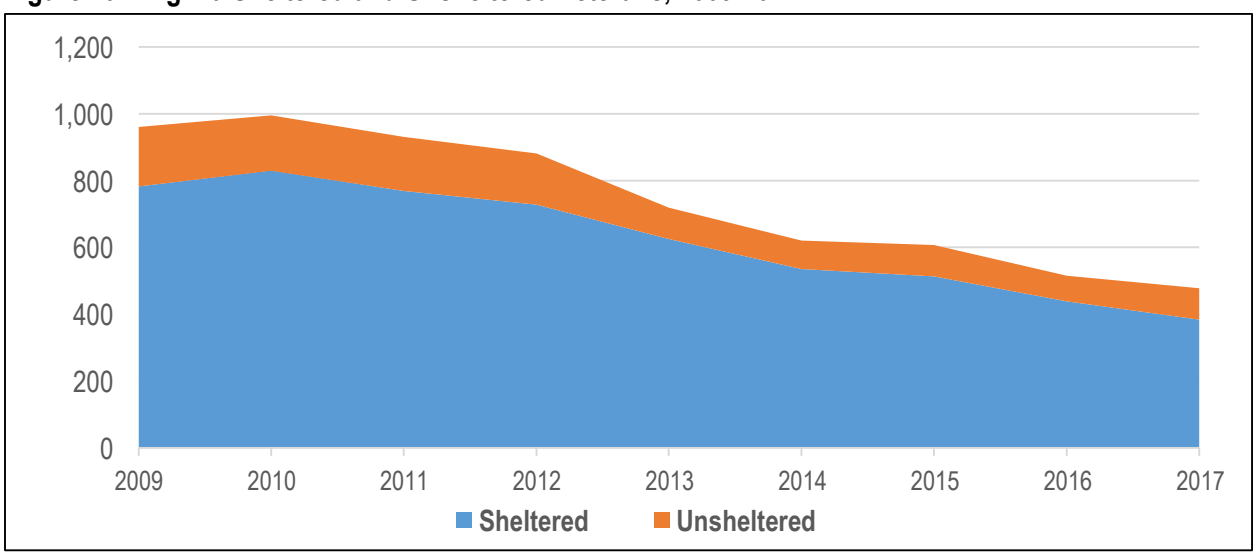
USICH has certified three states as having reached functional zero: Connecticut, Delaware, and Virginia. These states continue to have meaningful numbers of homeless veterans in their PIT counts, although they are mostly declining – and substantially lower than Washington's. Virginia and Connecticut have also substantially reduced their number of unsheltered veterans. In Virginia they fell by almost half between 2009 and 2017. Perhaps even more importantly, only 24 percent — 94 homeless veterans — were unsheltered in 2017.

Figure 19: 2009-2017 PIT Counts for Functional Zero States and Washington



Source: U.S. Department of Housing and Urban Development

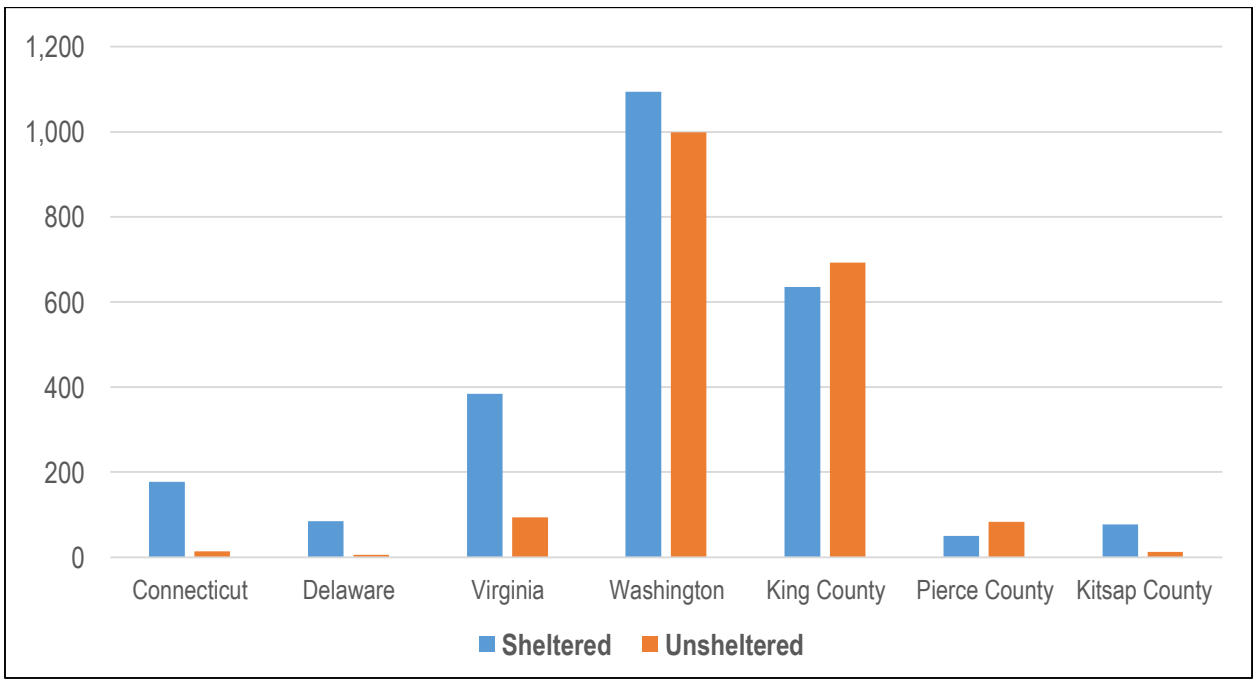
Figure 20: Virginia Sheltered and Unsheltered Veterans, 2009-2017



Source: U.S. Department of Housing and Urban Development

As a point of comparison, Washington had 999 unsheltered veterans, which was 48 percent of total homeless vets in the state. Virginia's PIT Count is impressive, given that the state has a larger total population (8.46 million vs. 7.42 million) and veteran population (725,028 vs. 560,200), as well as more active-duty personnel (91,134 vs. 46,378) than Washington. Connecticut and Delaware are less directly comparable to Washington as a whole because their populations are much smaller, and neither has a substantial number of veterans or a military presence. Connecticut's population is more comparable to King County (3.57 million vs. 2.15 million), and Delaware to Pierce County (960,054 vs. 859,400).[77, 78] Yet Connecticut's veteran homeless levels in 2017 were closer to those of Pierce, and Delaware's to Kitsap – counties roughly one fourth their total populations (see Figure 21).

Figure 21: Sheltered and Unsheltered Veterans in Four States and Three Washington Counties, 2017



Sources: U.S. Department of Housing and Urban Development and Washington State Department of Commerce

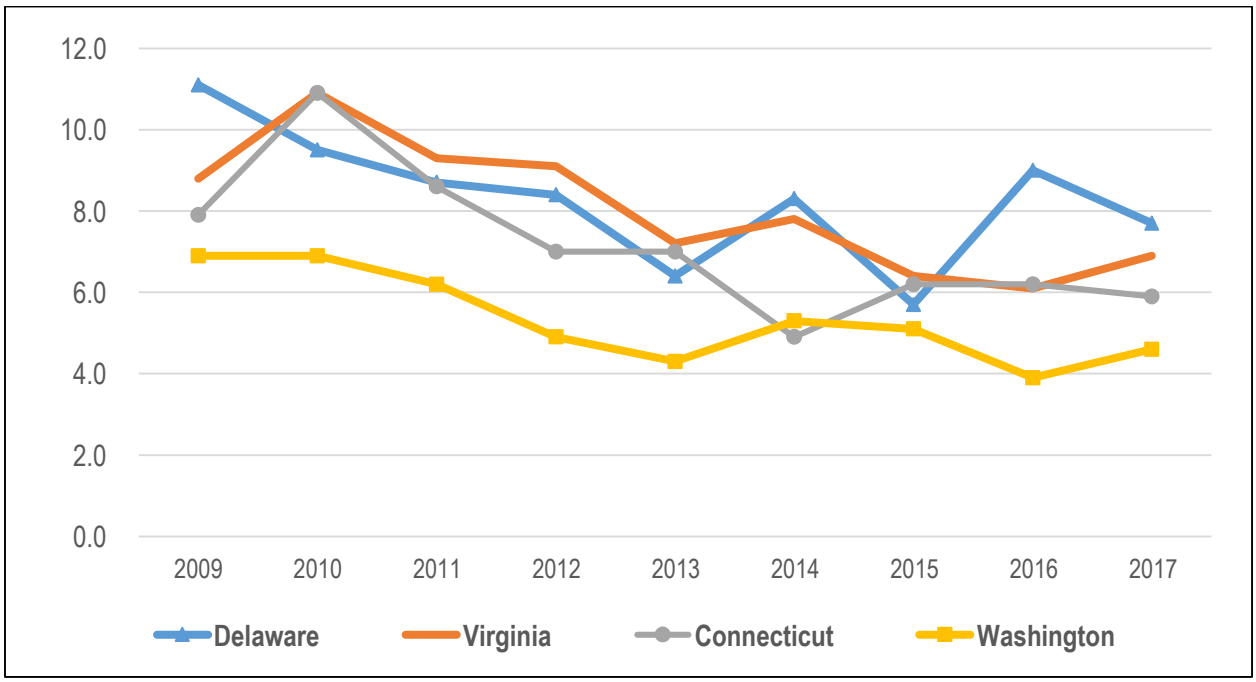
One factor in a state's level of homelessness is its rental housing vacancy rate. A lower vacancy rate can make it harder for veterans on low incomes – even with federal vouchers (called HUD-VASH vouchers) – because a landlord can charge more on the open market.

[77]World Population Review, "US States – Ranked by Population 2018," (2017), http://worldpopulationreview.com/states/

[78] Washington State Office of Financial Management, "Population Change and Rank for cities and Towns, April 1, 2010 to April 1, 2017," (2017), https://www.ofm.wa.gov/washington-data-research/population-demographics/population-estimates/april-1-official-population-estimates

Between 2009 and 2017, Washington usually had the lowest vacancy rate among the four states. In contrast, Virginia had one of the highest vacancy rates. In the second quarter of 2017 Virginia's vacancy rate was 2.3 percentage points higher than Washington's (see Figure 22). Note that the rates are a percent of total rental inventory as of the second quarter of each year.[79] Virginia's rental vacancy rate has averaged higher than the "natural rate"[80] of about 7 percent, whereas Washington's vacancy rate has consistently been too low, resulting in rents growing much faster than general inflation. From 2012 to 2016, Washington's average rents grew 19 percent, while Virginia's increased only 8 percent.[81] Rent hikes are associated with increases in homelessness, with the primary mechanism likely being the disruption and displacement of household budgets, more than the fact the rent is a larger amount.[82]

Figure 22: Rental Housing Vacancy Rates in Four States, 2009-2017



Source: U.S. Census Bureau

[79] U.S. Census Bureau, "Table 1. Rental Vacancy Rates by State: 2005-present," (2017), https://www.census.gov/housing/hvs/data/rates.html

[80] Belsky, Eric S., et al, *Projecting the Underlying Demand for New Housing Units: Inferences from the Past, Assumptions about the Future,* Joint Center for Housing Studies, Harvard University, (2007), http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/w07-7.pdf

[81] U.S. Census Bureau, "Median Contract Rent: 2016 American Community Survey," (2016), https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk

[82] Journal of Urban Affairs, *New Perspectives on Community-Level Determinants of Homelessness*, (2012), http://onlinelibrary.wiley.com/doi/10.1111/j.1467-9906.2012.00643.x/full

Virginia and Washington were similar in two other potential factors in a state's homelessness level: The cost of housing relative to wage levels. The fair market rent for a two-bedroom dwelling was $1,211 for Virginia and $1,229 for Washington, according to data analyzed by the National Low Income Housing Coalition (NLIHC).[83]

Table 4 shows how market-rate rental levels were much higher than what an extremely low-income person could afford. The benchmark for affordability is total housing costs no higher than 30 percent of gross income.

Table 4: Housing Affordability in Three States and Two Metropolitan Areas, 2017

State/Metro Area	2-Bedroom Monthly Rent	30% of Area Median Income	Monthly Rent at 30% of AMI	Renters % Total Households
Connecticut	$1,285	$28,155	$704	33%
Delaware	$1,124	$22,774	$569	29%
Virginia	$1,211	$24,472	$612	34%
Washington state	$1,229	$23,786	$595	37%
Seattle/Bellevue HMFA*	$1,544	$28,800	$720	40%
Washington D.C. HMFA	$1,746	$30,090	$827	34%

*Source: National Low Income Housing Coalition. See footnote 80. * HMFA is a Housing and Mortgage Finance Agency.*

The housing affordability of Connecticut and Delaware were within the same ballpark: $1,285 and $1,124, respectively, for two-bedroom housing. An extremely low-income person could afford $704 and $569 in each state, respectively.

Virginia was even more expensive than Washington when comparing the two states' largest metropolitan areas. In 2017, the fair market rent for a two-bedroom dwelling was $1,746 in the Washington-Arlington-Alexandria Housing and Mortgage Finance Agency (HMFA) and $1,544 for the Seattle-Bellevue HMFA. The monthly rent that an extremely low-income person could afford in each metropolitan area was $827 and $595, respectively.

An important caveat when considering NLIHC's analysis is that their data on fair market rents may not fully reflect the Seattle area's quickly escalating housing costs. Nevertheless, the data shows that Virginia has had similar housing affordability issues in recent years but has been more successful than Washington in reducing veteran homelessness.

In announcing their USICH certification, the governors of Connecticut, Delaware and Virginia emphasized the importance of improving coordination among a complex array of local, state, federal, and private partners.

[83] Aurand et al for National Low Income Housing Coalition, *Out of Reach 2017: The High Cost of Housing*, (2017), http://nlihc.org/sites/default/files/oor/OOR_2017.pdf

Virginia was the first state to "effectively end" veteran homelessness in late 2015.[84] A major focus was to develop a new system of rapid re-housing. A grant from the Freddie Mac Foundation helped the state develop and implement a system that includes intensive training and technical assistance to providers.[85] Gov. Terry McAuliffe summarized the effort:

> *"Communities throughout Virginia have made vast improvements in their homelessness response and housing assistance systems. By using evidenced-based tools for triaging the needs of identified veterans, making both rapid re-housing and permanent supportive housing resources available, as well as incorporating the principles of Housing First throughout the entire spectrum of housing assistance for a veteran, these systems have been streamlined to help a veteran experiencing homelessness to quickly secure permanent housing."*[86]

Delaware was certified as eliminating veteran homelessness in November 2016. The Delaware State Housing Authority led the initiative, which convened a workgroup that included providers, local officials, county governments, and other partner organizations. Among the policy changes was setting aside rental assistance vouchers for homeless veterans who were ineligible for federal assistance.[87]

In Connecticut, structural changes were made in state government. Connecticut created a Department of Housing to improve state-level coordination. The three-year initiative, which was called the *Reaching Home Campaign*, was led by a workgroup that included a wide range of federal, state, and local partners. Connecticut, like Virginia and Delaware, upgraded its data-collection systems, streamlined referral processes, and better coordinated outreach.

In announcing the state's certification by USICH in February 2016, Gov. Dannel Malloy stated:

> *"Even with these strengthened homeless prevention services, this designation does not mean a veteran in Connecticut will never again experience an episode of homelessness. Instead, it means that when a veteran enters an episode of homelessness, the state has the capacity and sustainable systems in place to quickly find and connect this veteran to the assistance needed for him or her to achieve stable, permanent housing. The state's network of partners are continually identifying veterans who are*

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[84] Ramsey, John, *McAuliffe: Va. Is first state to 'effectively end' veteran homelessness*, Richmond Times-Dispatch. (2015), http://www.richmond.com/news/virginia/mcauliffe-va-is-first-state-to-effectively-end-veteran-homelessness/article_bdbee22c-1aef-5c1b-a859-f4e5063a0f00.html

[85] U.S. Interagency Council on Homelessness. "How Virginia Uses Collaboration and Coordination to End Homelessness Statewide," (2017), https://www.usich.gov/news/how-virginia-uses-collaboration-and-coordination-to-end-homelessness-state-wide

[86] McAuliffe, Terry, "Virginia is the First State in the Nation to Functionally End Veteran Homelessness," (2015), https://governor.virginia.gov/newsroom/newsarticle?articleId=13421

[87] Markell, Jack, "Delaware Effectively Ends Veteran Homelessness," (2016), https://news.delaware.gov/2016/11/11/delaware-effectively-ends-veteran-homelessness/

experiencing homelessness, rapidly providing them with interim housing when necessary, and placing them into permanent housing with the appropriate support services within 90 days."[88]

Each of the three states began their efforts to end veteran homelessness by joining USICH's *Mayors Challenge to End Veteran Homelessness* campaign. As the name suggests, the primary focus of the campaign has been local. Below is a look at a few community-level initiatives that could shed light on potential housing opportunities for Washington's homeless veterans.

Three Communities That Ended Veteran Homelessness

USICH has certified 57 communities as achieving functional zero. The three communities that may have characteristics most relevant to Washington are:

- Houston, Texas
- Riverside, California
- Portland/Gresham/Multnomah County, Oregon

These communities are most relevant because they have high-growth economies with moderate climates and substantial veteran populations. However, these communities are not directly comparable in size. Houston is part of the Houston-The Woodlands-Sugar Land metropolitan area, which had a population of almost 6.8 million in 2016. This is almost twice the size of the Seattle-Tacoma-Bellevue (3.8 million). Riverside County tallied roughly half of the Riverside-San Bernardino-Ontario metropolitan area's population of 4.5 million. Multnomah County is by far the smallest of the group, with a population comprising less than a third of the Portland-Vancouver-Hillsboro area's 2.4 million.[89]

Until 2013, Houston and Riverside had higher levels of veteran homelessness than the Seattle-King County CoC. However, in recent years these two communities experienced dramatic reductions while Seattle's shot upward (see Figure 23). Between 2011 and 2017, Riverside's city and county CoC fell 65 percent – the same percentage as Houston area's CoC.[90]

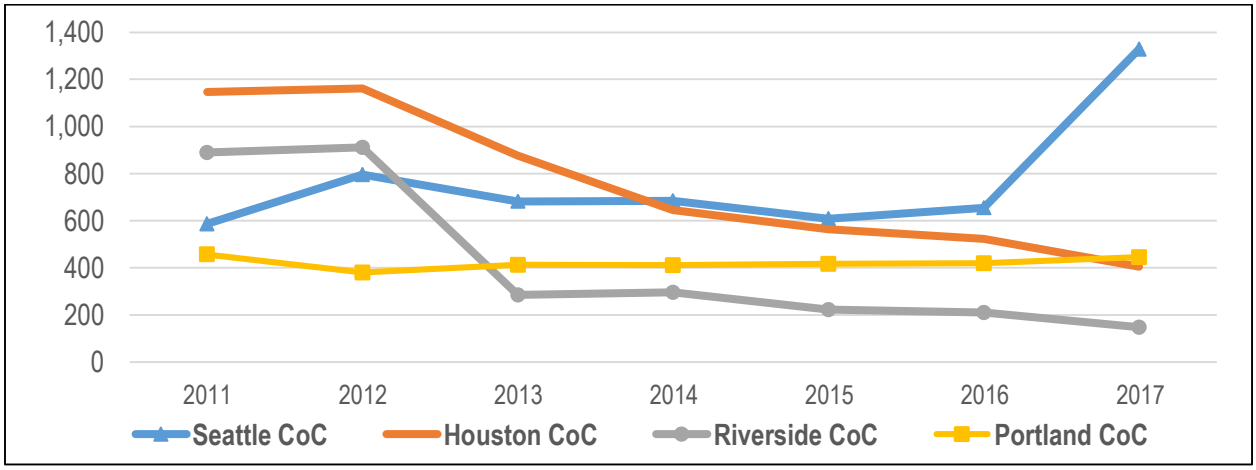
Figure 23 compares Point-in-Time counts for the Seattle, Houston, Riverside, and Portland CoCs.

[88] Malloy, Dannel P., "Gov. Malloy Announces Connecticut Receives Federal Certification of Effectively Eliminating Veteran Homelessness," (2016), http://portal.ct.gov/Office-of-the-Governor/Press-Room/Press-Releases/2016/02-2016/Gov-Malloy-Announces-Connecticut-Receives-Federal-Certification-of-Effectively-Eliminating-Veteran-H

[89] U.S. Census Bureau, "American Fact Finder," (2017), https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml

[90] This CoC includes Houston, Pasadena, Conroe/Harris, Fort Bend, and Montgomery counties.

Figure 23: PIT Counts for Three Functional Zero CoCs and Seattle CoC, 2011-2017

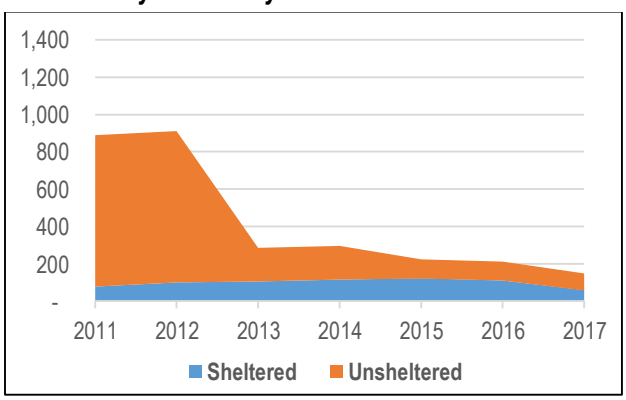


Source: U.S. Census Bureau

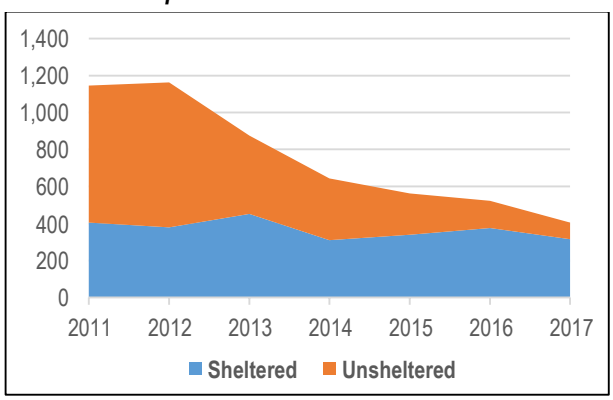
Figure 24 shows that both Riverside and Houston saw dramatic reductions in the number of unsheltered veterans. In contrast, Portland's has been relatively steady while Seattle's was fairly low until 2017.

Figure 24: Sheltered and Unsheltered Veterans in Four CoCs, 2011-2017

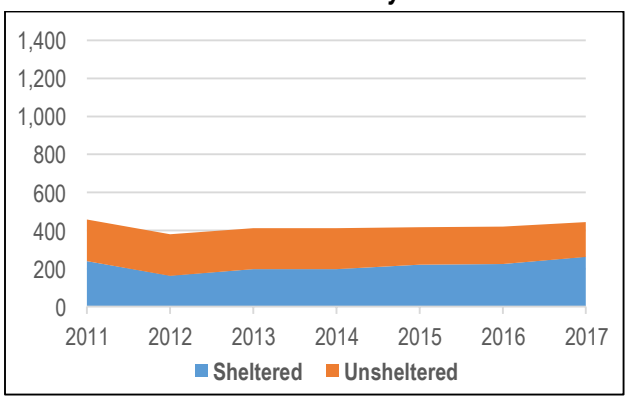
Riverside City and County CoC



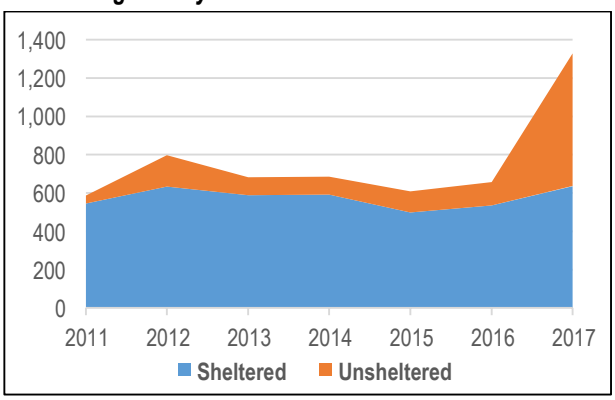
Houston Metropolitan Area CoC



Portland/Gresham-Multnomah County CoC



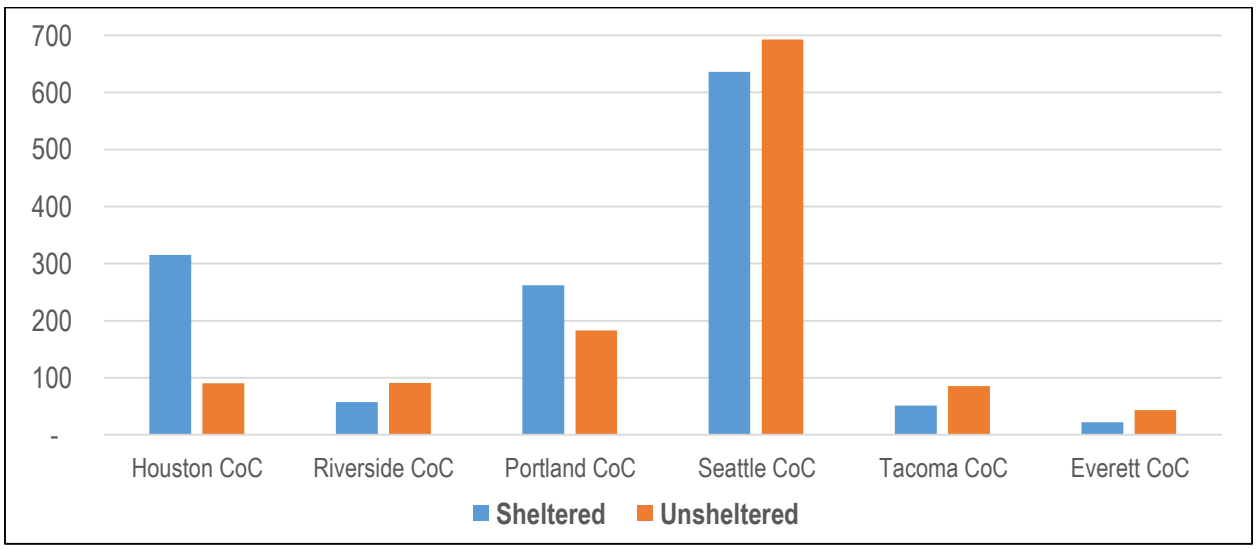
Seattle/King County CoC



Sources: U.S. Department of Housing and Urban Development

Figure 25 compares sheltered and unsheltered homeless vets in the three CoCs, with Seattle, Tacoma, and Everett CoCs included for comparison. Note that Riverside's figures are similar to Tacoma's even though it has almost three times the population.

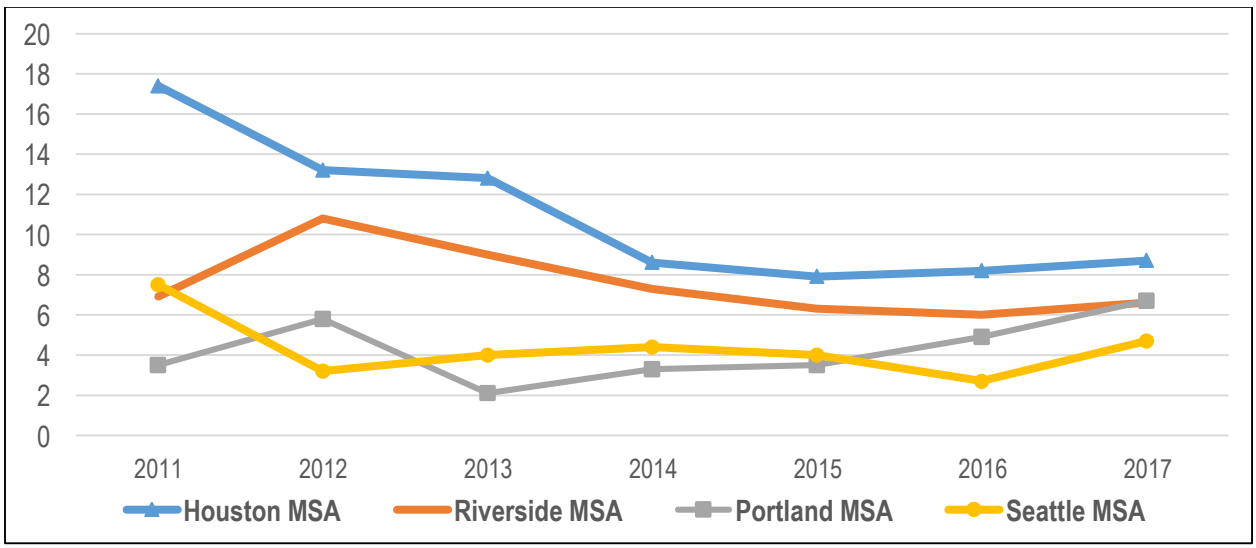
Figure 25: Sheltered and Unsheltered Homeless Veterans in Six CoCs, 2017



Sources: U.S. Department of Housing and Urban Development

One factor working against Seattle and in favor of Houston and Riverside has been that the latter two regions have had consistently higher vacancy rates. Even in 2017, when the vacancy rates converged somewhat, Seattle was lower than Houston by 4.0 percent and Riverside by 1.9 percent. In contrast, Portland had a lower vacancy rate than Seattle for three years (2013, 2014 and 2015).

Figure 26: Rental Housing Vacancy Rates in Four MSAs, 2011-2017



Source: U.S. Department of Housing and Urban Development

Houston and Riverside's greater success in reducing veteran homelessness could also have been aided by their lower housing costs. The monthly cost of two-bedroom housing in Houston was only 58 percent of the cost in the Seattle area in 2017.[91] This gap has likely widened. Seattle's housing prices grew 13.2 percent in between August 2016 and August 2017.[92]

Table 5: Housing Affordability in Four Metropolitan Areas, 2017

Metro Area	2-Bedroom Monthly Rent	30% of Area Median Income	Monthly Rent at 30% of AMI	Renters % Total Households
Houston HMFA*	$976	$21,450	$536	40%
Riverside MSA**	$1,197	$18,960	$474	38%
Portland MSA	$1,242	$22,410	$560	40%
Seattle/Bellevue HMFA	$1,544	$28,800	$720	40%

Source: National Low Income Housing Coalition (see footnote 91).

** HMFA is a Housing and Mortgage Finance Agency.*

*** MSA is a Metropolitan Statistical Area.*

The city of Houston was certified as having ended veteran homelessness in June 2015. Although the entire CoC of which Houston is part has not reached functional zero, the number of unsheltered veterans fell by 88 percent in 2011 and 2017. Local efforts were aided by HUD and USICH, which in 2012 began offering technical assistance to 10 major cities (including Seattle).

The CoC launched *The Way Home* initiative, which brought together more than 70 partner entities to cultivate coordination among providers that had previously operated in an isolated fashion. Mandy Chapman Semple, Houston's head of homeless initiatives, said their approach "identifies homeless veterans and uses a coordinated access system to prescribe appropriate interventions; allocates HUD-Veterans Affairs Supportive Housing (HUD-VASH) resources to provide rental assistance, case management, and health services for chronically homeless veterans; and uses funds from the U.S. Department of Veterans Affairs Supportive Services for Veteran Families program for rapid rehousing of other homeless veterans."[93]

Riverside was the nation's first large county to be certified as meeting functional zero in November 2016. This was less than four years after establishing the *Veteran Assistance Leadership of Riverside County* (VALOR) initiative. The goal was to find permanent housing for

[91] See footnote 84

[92] Nickelsburg, Monica, *Seattle remains nation's hottest housing market for a full year as home prices rise more than 2x national rate*, GeekWire, (2017), https://www.geekwire.com/2017/seattle-remains-nations-hottest-housing-market-full-year-home-prices-rise-2x-national-rate/

[93] U.S. Department of Housing and Urban Development, "Houston Ends Veteran Homelessness," *PD&R Edge,* (2015), https://www.huduser.gov/portal/pdredge/pdr-edge-inpractice-121415.html

all homeless veterans within the county.[94] As with the three states that had achieved functional zero, Riverside focused on creating a Housing First, rapid-response network that was built around real-time data shared by all partner entities. Serving veterans became a priority.

> *"'Virtually every agency or department or nonprofit within our community has identified that veterans are a priority for us,' said Lynn Brockmeier of the Riverside University Health System. 'So our public housing authority, for example, set aside a priority for veterans with their Section 8 vouchers. That really helped us shift the dynamic.'"*[95]

In 2016, Portland was certified as the first West Coast city to end veteran homelessness. This was accomplished by a regional coalition called *A Home For Everyone*. This group followed USICH strategies such as using data-driven assessment, prioritizing vulnerable populations, and emphasizing rapid rehousing. However, Portland's plan reflected local values, such as striving to end veteran homelessness without redirecting services from other populations.[96]

A *Home For Everyone* memo itemized the three major obstacles facing the group:

- Escalating housing costs have made it difficult for low-income veterans to find affordable rental without assistance.
- A low vacancy rate has made it difficult for veterans to find housing even when they have rental assistance. This has been particularly challenging for vets with specialized needs best met through permanent supportive housing.
- Inadequate support for veterans who are ineligible for VA healthcare and those seeking low-barrier "safety off the street" options.[97]

[94] Ashley, Marion, *Riverside County Achieves 'Functional Zero' Benchmark for Homelessness Among Veterans*, The Ashley Articles, Issue No. 35: p. 1, (2016), http://www.rivcodistrict5.org/wp-content/uploads/2017/06/AA-35-Final-Draft-1.pdf

[95] Roe, Mike, "How Riverside County reached 'functional zero' veteran homelessness," 98.3 KPCC, (2016), https://www.scpr.org/news/2016/11/14/66132/how-riverside-county-reached-functional-zero-veter/

[96] A Home For Everyone, "Home For Everyone Action Plan: Veterans Workgroup (Operation 424)," (2015), http://ahomeforeveryone.net/the-plan/

[97] Ibid.

Portland's plan took a variety of steps to respond to these obstacles. For example, the CoC:

- Focused on securing benefits and/or employment for veterans, and created a continuum of housing types and decreasing service intensity at housing sites.
- Combined HUD funding (such as HOME, Community Development Block Grants, and Continuum of Care), VA Capital Grants and Per Diem funds, local subsidies, and state funds. As an example, the area housing authority, Home Forward, provided funding for security deposits for veterans with a HUD-VASH voucher.
- Added more than 600 shelter beds over the last two years, which doubled publicly funded capacity.[98, 99]

The result: veteran homelessness fell by 3 percent between 2011 and 2017. Perhaps even more important, the proportion of unsheltered homeless veterans dropped by 20 percent between 2015 and 2017.

The perceived gap between Portland's declaration that it had ended veteran homelessness and the continued presence of vets on the streets has sparked debate. For instance, a commander at an American Legion post saw the news on television while sitting next to a homeless veteran. "That was an unfortunate way to put it," the commander told the *Willamette Week*. "It is more accurate to say that there is a sustainable strategy, a long-term plan for actually dealing with this."[100]

What Can We Learn from Washington's Local Jurisdictions?

Over the last three years a handful of Washington state jurisdictions have taken the *Mayors Challenge*. These have included Seattle/King County, Snohomish County, Bremerton/Kitsap County, Clallam County, Bellingham/Whatcom County Vancouver, and the cities of Spokane, Kenmore, and Renton.[101]

None has been certified as having ended veteran homelessness. Kitsap County was reportedly "on the verge" of achieving functional zero" at the end of 2016.[102] However, a county official

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[98] Multnomah County, "2017 Point in Time count: More neighbors counted as homeless since 2015, but more sleeping off the streets," (2017), https://multco.us/multnomah-county/news/2017-point-time-count-more-neighbors-counted-homeless-2015-more-sleeping

[99] U.S. Department of Housing and Urban Development, *HUD Region X Mayors Challenge Regional Best Practices,* (2015), https://www.hud.gov/sites/documents/ALASKA_MCRBP.PDF

[100] Schmid, Thacher, *Has Portland Really Gotten All Its Homeless Veterans Off the Streets*?, Willamette Week. (2017), http://www.wweek.com/news/2017/08/23/has-portland-really-gotten-all-its-homeless-veterans-off-the-streets/

[101] U.S. Department of Housing and Urban Development, *HUD Region X Mayors Challenge Regional Best Practices*, (2015), https://www.hud.gov/sites/documents/ALASKA_MCRBP.PDF

[102] King5 News, "Veteran homelessness nearly eliminated in Kitsap County," (Nov. 29, 2016), http://www.king5.com/article/news/local/veteran-homelessness-nearly-eliminated-in-kitsap-county/356267739

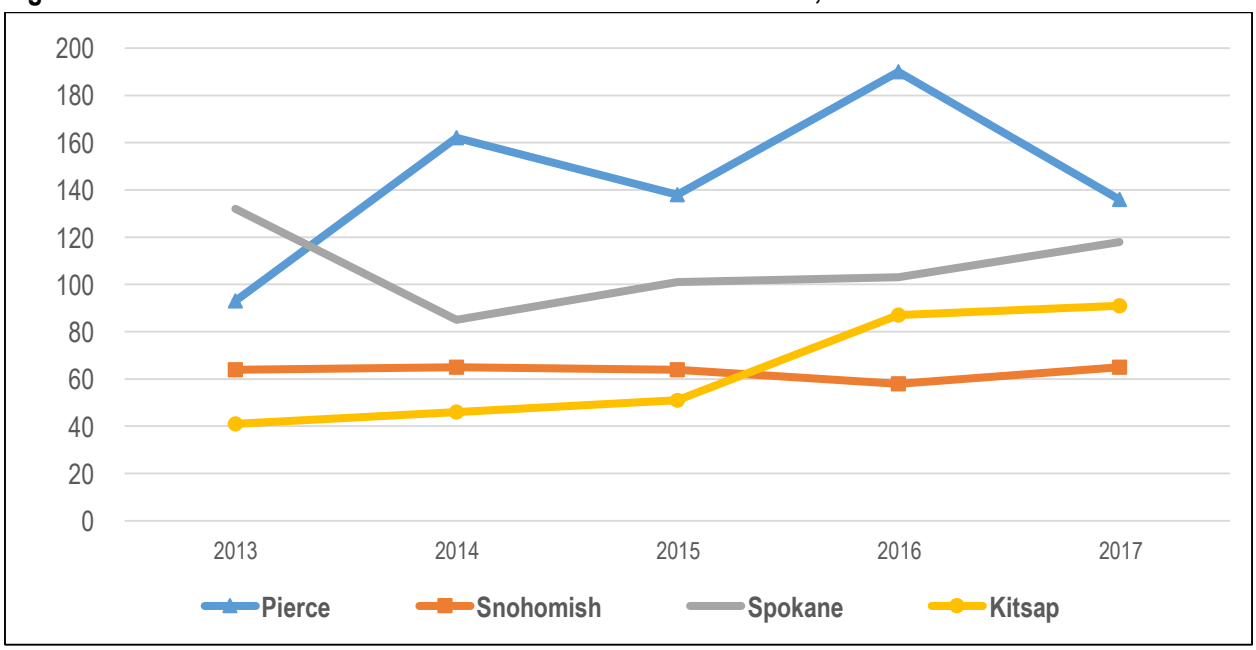
stated that the county was hesitant to apply for certification out of fear that it could reduce federal funding.[103]

Kitsap reported that the number of unsheltered veterans had dropped from 45 to five over the course of a year. This was a result of a county-wide initiative to implement USICH's 10 strategies.[104]

When looking only at the total number of veterans in the annual PIT Count, Kitsap does not appear to be doing better than most other urban Washington counties with relatively large veteran populations. In 2017 Kitsap had 91 homeless veterans. This was the fourth highest of any Washington county and behind only King, Pierce, and Spokane.

Figure 27 excludes King County to offer a more granular picture of how four, second-tier urban counties have fared. For example, Kitsap rose above Snohomish because its total number of homeless vets increased 122 percent between 2013 and 2017, whereas Snohomish held steady with roughly 64 homeless vets per year.

Figure 27: Veteran PIT Counts for Four Second-Tier Urban Counties, 2013-2017



Source: U.S. Department of Housing and Urban Development

The picture looks rather different when you compare the number of unsheltered veterans in Kitsap and Snohomish counties (see Figure 28). Although Snohomish had a third as many total homeless veterans in 2017, it had almost four times as many unsheltered vets as Kitsap.

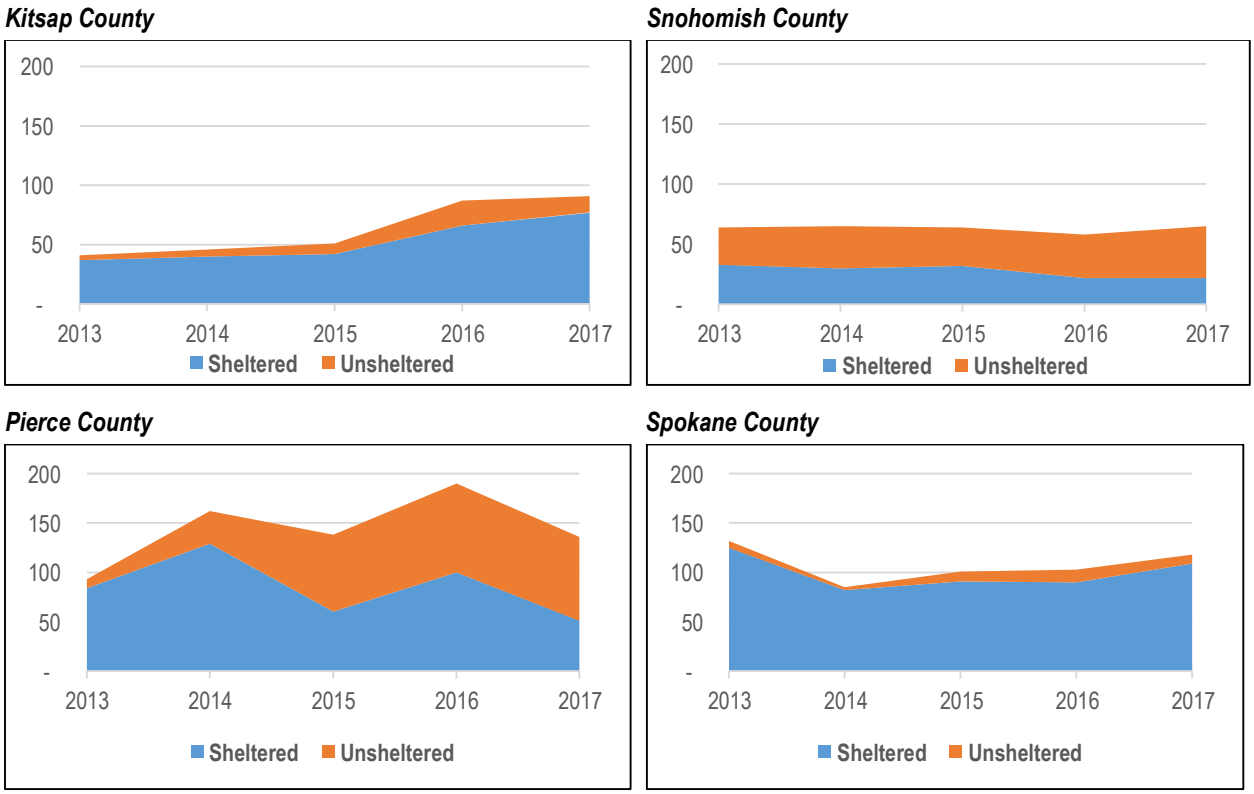
[103] Case study interview, Oct. 2017.
[104] Ibid.

The success of Kitsap's program, called *Homes for All Who Served*, has depended less on creating new services for veterans and more on better coordinating existing services. A staff member at the Housing Solutions Center said, "There are no more barriers. People who went for years feeling like they weren't getting service suddenly are getting services."[105]

Kitsap has come a long way from the kick-off meeting of this effort, when a county official was shocked to learn that all of the partner entities had never before sat in the same room.[106]

Much like Kitsap, Snohomish County has embraced USICH's approach through its *Investing in Futures* initiative. The 8-year-old effort included a coordinated-entry service structure. In addition, the county has shifted away from an emphasis on transitional housing in favor of permanent supportive housing.[107] Snohomish had 22 vets in emergency shelters but zero in transitional housing in 2017. Figure 29, shows that this was atypical for larger counties.

Figure 28: Sheltered and Unsheltered Veterans in Four Urban Counties, 2013-2017



Source: Washington State Department of Commerce

[105] King5 News, "Veteran homelessness nearly eliminated in Kitsap County," (Nov. 29, 2016), http://www.king5.com/article/news/local/veteran-homelessness-nearly-eliminated-in-kitsap-county/356267739
[106] Case study interview.
[107] Snohomish County Continuum of Care Program, *Homeless Prevention & Response Strategic Plan*, (2017), https://snohomishcountywa.gov/DocumentCenter/View/46516

Meanwhile, Snohomish has maintained a steady number of shelter beds between 2010 and 2017. A county strategic plan stated that this "is consistent with practices in progressive jurisdictions that are maximizing the allocation of resources to evidence-based practices aimed at ending homelessness, while continuing to dedicate resources as needed to manage it."[108]

Spokane County had a relatively similar mix of veterans in emergency shelter (62 people) and transitional housing (47 people) in 2017. However, it had an unusually small number of unsheltered vets (nine people) for a higher-population county. The City of Spokane joined the *Mayors Challenge* in early 2015.[109] This has reportedly resulted in greater coordination among local partners. Between 2015 and 2017, the number of unsheltered vets has been steady but the number sheltered has increased by 20 percent.

Of the four second-tier urban counties, Pierce had the highest veteran homelessness numbers between 2013 and 2017. This is largely the result of a 10-fold jump in unsheltered vets during this period. The dramatic increase occurred despite countywide efforts to implement USICH's 10 strategies. A memo by a local provider asked whether a major driver of this trend could be the release of 25,000 veterans and their families into Pierce County between 2014 and 2016.[110]

The above discussion hints at the diversity of situations in which Washington's counties may find themselves even when they are all attempting to implement the same federal strategies. Figure 29 provides an additional layer of analysis. This figure is a variation of Figure 13 with King County removed and Skagit County added.

Pierce, Snohomish, Whatcom, Thurston and Skagit – all Puget Sound counties – had a large proportion of unsheltered vets in 2017. Kitsap was the only county in that region with a high proportion of sheltered vets. Kitsap was also among only two other counties – Spokane and Walla Walla – with a high proportion of transitional housing. Note that two of the three with high transitional housing were counties east of the Cascades.

It is important to look at Figure 29 within the proper scale. The first four counties listed are among the most urbanized in the state. Yet if you add up the number of homeless veterans in these four counties plus the six others on this graph, they would total 633 homeless veterans for 2017. This was less than half King County's total count.

In addition, these 10 counties contained only a third as many unsheltered vets and half as many in transitional housing as King. Where they came closest was in the number of vets housed in emergency shelters, where they reached 75 percent of King's population.

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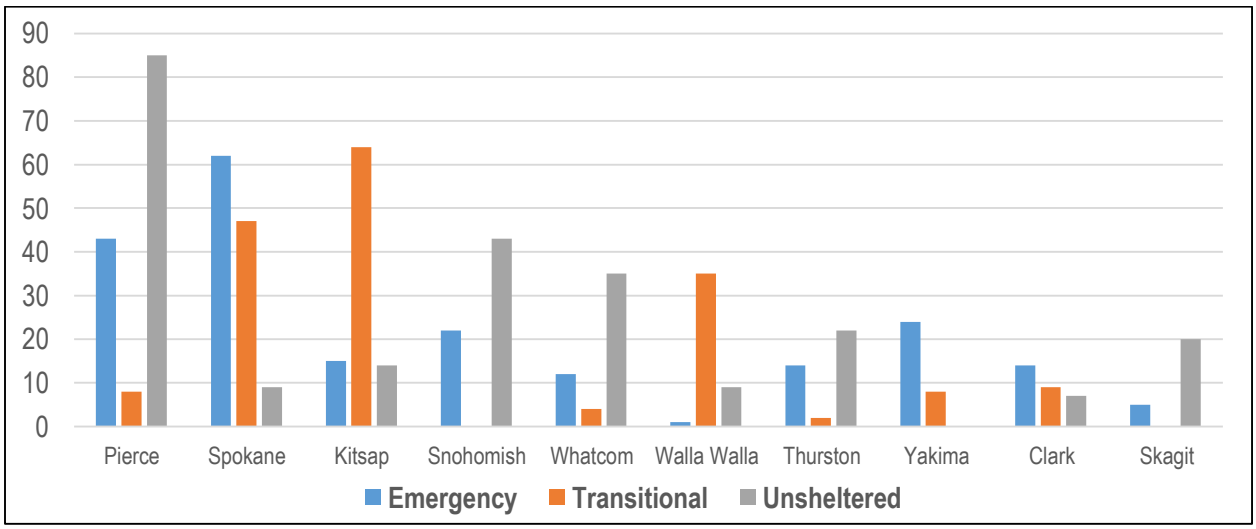
[108] Ibid.

[109] Morley, Sheila, "Mayor's challenge to end veteran homelessness," *Spokanecity.org,* (2015). https://my.spokanecity.org/news/stories/2015/02/09/mayors-challenge-to-end-veteran-homelessness/

[110] Metropolitan Development Council, *Ending Veteran Homelessness in Pierce County: Interim Report and Plan for Reaching Functional Zero by the end of 2015*, (2014), http://mdc-hope.org/wp-content/uploads/2015/03/Ending-Veterans-Homelessness-in-Pierce-County-A-Plan.pdf

Ninety-four percent of the state's total number of homeless veterans were in the above 10 counties plus King. Washington's 28 other counties had only 131 homeless vets in the 2017 PIT Count.

Figure 29: Emergency, Transitional and Unsheltered Veterans in 10 Counties, 2017



Source: Washington State Department of Commerce

Excluding King County, Pierce had by far the most unsheltered veterans in 2017. This does not appear to be primarily a product of high housing costs. The income needed to earn 30 percent of area median income in Pierce County was lower than any other west-side urban county and roughly $6,500 lower than in Snohomish County. Yet Snohomish has half as many homeless vets – unsheltered and total alike. Pierce's lower housing costs could contribute to its much lower veteran homeless level than King County's.

Table 6: Housing Cost and Vacancy Rates in 11 Counties, 2017

County	2-Bedroom Monthly Rent	30% of Area Median Income	Monthly Rent at 30% of AMI	Renters % Tot. Households	% Vacancy
King County	$1,544	$28,800	$720	43%	3.9
Snohomish County	$1,544	$28,800	$720	34%	4.2
Kitsap County	$1,039	$23,130	$578	33%	3.0
Thurston County	$1,071	$22,890	$572	35%	2.3
Clark County	$1,242	$22,410	$560	35%	2.6
Pierce County	$1,142	$22,350	$559	39%	3.0
Whatcom County	$968	$20,490	$512	37%	0.4
Skagit County	$958	$19,890	$497	33%	2.7
Spokane County	$869	$19,710	$493	37%	1.7
Walla Walla County	$766	$18,870	$472	36%	0.8
Yakima County	$814	$15,660	$392	38%	1.3
State Average	**$1,229**	**$23,786**	**$595**	**37%**	**3.5**

Source: National Low Income Housing Coalition and Runstad Center for Real Estate Studies

Table 7 helps answer some of the above questions. Pierce County's veteran homelessness may be twice as high as Snohomish's in part because its total veteran population is almost 70 percent larger. This is a product of hosting Joint Base Lewis McCord, the American Lake Veterans Administration Hospital, and the Health Center being located in Pierce County.

Kitsap has over 30 percent more total homeless veterans than Snohomish, despite Snohomish having a larger total population, more veterans, a higher average rent, and a similar vacancy rate. Kitsap's population has the largest proportion of veterans of any county – 14.1 percent, which was more than twice as high as Snohomish's. In addition, vets were over-represented in Kitsap's total homelessness by 3.5 percent whereas they were under-represented in Snohomish's by 0.8 percent. Further study might help identify contributing factors to localized variation in rates of veteran homelessness.

Consider Snohomish and Spokane counties. Snohomish has a larger total and veteran population and an average rent that is almost 56 percent higher. Yet, Spokane had almost twice as many homeless veterans. Further study could determine if the key factor relates to Spokane's lower vacancy rate of 2.9 compared to 4.3 percent.

Perhaps the most perplexing data point in Table 7 is that King County's veterans were over-represented among its homeless population by 6.5 percent. In other words, only 5 percent of the county's population were veterans, but 11.4 percent were homeless. In contrast, Pierce County's vets were slightly under-represented (by 0.3 percent) among its homeless population. Again, further study would help uncover local drivers of veteran homelessness.

Table 7: Population Data for 11 Counties with the Most Homeless Veterans, 2017

	Total Population	Veteran Population	Vet % Tot. Pop.	Homeless Vets	Total Homeless	Vets % Total Homeless
King County	2,153,700	106,627	5.0%	1,329	11,643	11.4%
Pierce County	859,400	91,002	10.6%	136	1,321	10.3%
Spokane County	499,800	44,065	8.8%	118	1,090	10.8%
Kitsap County	264,300	37,137	14.1%	91	517	17.6%
Snohomish County	789,400	54,202	6.9%	65	1,066	6.1%
Whatcom County	216,300	13,570	6.3%	51	713	7.2%
Walla Walla County	61,400	4,471	7.3%	45	168	26.8%
Thurston County	276,900	32,343	11.7%	38	534	7.1%
Yakima County	253,000	13,143	5.2%	32	572	5.6%
Clark County	471,000	35,986	7.6%	30	749	4.0%
Skagit County	124,100	10,861	8.8%	23	321	7.2%
Statewide	**7,310,300**	**560,200**	**7.7%**	**2,093**	**21,112**	**9.9%**

Sources: Office of Financial Management, U.S. Dept. of Housing and Urban Development, U.S. Dept. of Veteran Affairs, and Runstad Center for Real Estate Studies

King County's 2017 PIT Count found that 77 percent of people experiencing homelessness were from within the county, while 5 percent were from Pierce, and another 5 percent from Snohomish.[111] Five percent of King's homeless vets equals 67 people. If that number were added to the PIT counts of Pierce and Snohomish, the total number of homeless vets would increase by 49 percent and 56 percent, respectively. However, 77 percent of King's 1,329 vets would still be 1,023 people.

Another point of reference that adds depth as well as ambiguity to the discussion is an affordability of homeownership index. Research has found that declining home ownership affordability can drive up prices in the rental market, which can negatively affect renters with lower incomes.[112] Table 8 shows how King County's home affordability is among the lowest of the 11 counties with the most homeless veterans. However, between 2013 and 2017, Pierce County saw a much sharper drop in affordability – and is now only slightly lower than Snohomish County.

In 2017, Spokane and Kitsap counties both saw their affordability index fall below 100. The Runstad Center for Real Estate Studies states that when the index is above 100, housing is affordable for a first-time homeowner who paid 85 percent of the county's median home price, placed a 10 percent down payment, and who had 70 percent of median household income for that county.[113] In the third quarter of 2017, only three of the 11 counties with the most homeless veterans either met or come close to affordability (Spokane, Kitsap, and Walla Walla). This is down from five counties in 2013. Thurston and Yakima saw their affordability drop by 22 and 16 points, respectively, while King saw its affordability index fall only 13 points.

Table 8: Home Affordability Index for 11 Counties with the Most Homeless Veterans, 2013-2017

County	2013	2014	2015	2016	2017
King County	58.9	59.3	58.1	51.6	45.9
Pierce County	87.7	86.0	79.0	70.7	57.2
Spokane County	101.2	105.4	102.7	106.9	97.1
Kitsap County	94.6	103.6	104.3	108.7	97.3
Snohomish County	76.6	74.0	70.4	67.9	57.9
Whatcom County	70.7	73.0	72.4	69.8	63.6
Walla Walla County	94.2	107.5	116.1	108.9	106.3
Thurston County	94.9	91.7	84.6	81.3	72.5
Yakima County	95.6	97.4	94.4	85.8	80.0
Clark County	89.4	88.3	87.4	83.7	72.5
Skagit County	79.1	75.3	61.0	53.7	44.1
Statewide	**80.6**	**80.4**	**78.7**	**75.2**	**66.0**

Source: Runstad Center for Real Estate Studies See footnote 110.

[111] See footnote 19
[112] See footnote 15
[113] University of Washington Runstad Center for Real Estate Studies, "Market Summary + all tables," (2017), http://realestate.washington.edu/research/wcrer/reports/

The above numbers suggest that other counties – both east and west side – are catching up to King. Might that lead to a lower concentration of homeless veterans in King relative to the rest of the state? The answer to that question is unknown. However, at least in the near term, how Seattle and King County address veteran homelessness could go a long way toward determining the state's ability to achieve functional zero.

In recent years both jurisdictions have drawn upon USICH's 10 strategies in efforts to retool their services to veterans as well as other homeless populations.

Seattle Mayor Jenny Durkan has called for a Seattle-King county regional consolidation of homelessness services in order to reduce administrative overhead and better coordinate service delivery.[114] This follows an effort by her predecessor, Ed Murray, to put together a proposed countywide 0.1 sales tax increase in 2018 that replaces a Seattle-only property tax levy.[115] Murray also called for an overhaul of Seattle's homelessness programs that included developing a coordinated-entry system that transitions from "one focused on matching people to programs to one that adapts programs to match people."[116]

Meanwhile, King County is moving forward with programmatic improvements in the wake of voter renewal in November of a levy that provides $354 million over six years for services to veterans, seniors, and vulnerable populations.[117] This program places an emphasis on "increased systemization of services to simplify veterans' access to the services that can help them meet complex needs." That includes better coordinating providers and boosting the number of advocates who "help veterans and families bridge the gaps and connect to the services and benefits they have earned."[118]

In 2017, Murray stated:

> *"The U.S. Interagency Council on Homelessness has looked at how Seattle spends its money. For years, they have urged us to adopt an approach that is person-centered, uses data to invest in what works, and is aligned with our federal partners. But our City has been unable for decades to gather the political courage to make this shift."*[112]

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[114] Durkan, Jenny, "Solving Homelessness," Jenny Durkan for Seattle, (2017), https://jennyforseattle.com/issues/affordable-seattle/homelessness/

[115] Constantine, Dow, "King County, Seattle and other cities unite on regional plan to confront homelessness," (2017), http://www.kingcounty.gov/elected/executive/constantine/news/release/2017/April/3-regional-homelessness-strategy.aspx

[116] Curtin, Marci, et al, *Pathways Home: Seattle's Person-Centered Plan to Support People Experiencing Homelessness,* City of Seattle, p. 5, (2017), https://www.seattle.gov/Documents/Departments/pathwayshome/ActionPlan.pdf

[117] Ballotpedia.org, "Election results: Proposition 1," (2017), https://ballotpedia.org/King_County,_Washington,_Levy_Lid_Lift_for_Veterans,_Seniors_and_Vulnerable_Populations,_Proposition_1_(2017)

[118] See page 7 of footnote 12

Murray went on to argue that Seattle's system lacked sufficient coordination among providers to quickly respond to people experiencing homelessness, regardless of their "housing readiness" or eligibility for specific funding sources. That was partly the result of a:

> *"[P]atchwork of investments concentrated with specific providers without any precise strategic direction. While individual providers may be highly successful with their niche programs, the lack of systemic cohesion has resulted in a system that is not designed to work efficiently to exit people out of homelessness."*[119]

Note that Murray did not singularly blame organizational processes and inefficiencies for the level of homelessness in Seattle. He also pointed to a host of economic factors ranging from escalating housing costs to inadequate funding for mental health and substance abuse treatment. However, his basic argument was in line with USICH's approach, which is to focus on improving system coordination.

[119] See pages 9-10 of footnote 117

Conclusion

The states and local jurisdictions that have achieved functional zero have placed an emphasis on improving governance. This appears in better coordination across the variety of public and private entities typically involved with veterans, housing, and social services.

At the local level, embracing the federal goal of rapidly rehousing homeless veterans has led providers to work much more closely with each other. Key steps have been to create a coordinated-entry system that includes a standardized assessment process and data sharing across all partner organizations. Each of the three states that has been certified by USICH as having reached functional zero has made meaningful structural reforms, e.g., creating new agencies, clarifying roles and responsibilities, and adopting aggressive and highly visible goals.

Perhaps the most important finding of Section 1 is that statewide success in achieving functional zero requires strong leadership and coordination at the state and local levels. A parallel dynamic can be seen at the local level. Jurisdictions that articulated clear goals and lines of accountability have been more successful than those that did not.

This is not to say that King County's high veteran homelessness numbers are solely a function of governance. A local homelessness official told the *Seattle Times* that more housing units were also needed.[120] Nor would it be fair to argue that Washington is responding less effectively to homelessness merely because its PIT counts are up. The increased number of homeless identifying as veterans could at least be partly understood as a laudable improvement in the quality of our state's data-collection systems.

One could also argue that the single biggest factor affecting veteran homelessness in Washington is an overheated housing market. Nevertheless, other states and communities with relatively high housing costs – such as Virginia and Portland, Ore. – have shown that USICH-inspired program improvements can achieve functional zero.

[120] Beekman, Daniel, *Houston's solution to the homeless crisis: Housing – and lots of it*, Seattle Times, (2016), https://www.seattletimes.com/seattle-news/homeless/houstons-solution-to-the-homeless-crisis-housing-and-lots-of-it/

Section 2: Housing Opportunities for Veterans Experiencing Homelessness

Analysis of the Data on Veteran Housing Opportunities

Comparison with Other States

In 2017, Washington state ranked 12th in the number of dedicated beds to veterans through its various programs. Meanwhile, our state ranked 13th in the number of emergency shelter beds, ninth in the number of transitional housing beds, second in the number of rapid rehousing beds, and eighth in the number of permanent supportive housing beds.

Table 9 shows how Washington's bed count compares to seven other states. Note that these are not comprehensive figures because charitable organizations that do not receive state funding are not required to report the number of veterans they serve. In addition, the total number of beds dedicated to veterans may be smaller than the number of sheltered vets. Most notably, the existence of beds dedicated to veterans does not exclude them from accessing housing available to the broader homeless population. However, the data can offer a general sense of how Washington is doing compared to other states.

Table 9: Veteran Homelessness and Dedicated Vet Housing in Eight Selected States, 2017

State	Total Homeless Vets	Sheltered Vets	Unsheltered Vets	Total Dedicated Vet Beds	Emergency Shelter	Transitional Housing	Safe Haven
California	11,472	3,815	7,657	3,815	927	2,851	37
Washington	2,093	1,094	999	569	102	467	0
Oregon	1,251	583	668	333	40	293	0
Colorado	1,078	743	335	409	49	360	0
South Carolina	480	321	159	292	14	278	0
Virginia	478	384	94	163	59	94	10
Connecticut	191	177	14	190	22	168	0
Delaware	91	85	6	80	17	63	0

Sources: U.S. Dept. of Housing and Urban Development; U.S. Dept. of Veteran Affairs

Housing Opportunities for Veterans Experiencing Homelessness in Washington

Available data from the state's six Continuums of Care, and the Balance of State allow a limited comparison of the number of veterans experiencing homelessness across Washington, as well the number of emergency shelter and transitional housing beds dedicated to veterans (Table 10). Data on local approaches to sheltering and housing veterans is also available for comparison (Table 11).

The table below suggests that dedicated veteran beds in Washington's CoCs provide shelter for almost half of total sheltered vets. The Seattle/King CoC relies more on transitional housing.

Table 10: Veteran Homelessness and Dedicated Vet Housing in Washington State's CoCs, 2017

Jurisdiction	Total Homeless Vets	Sheltered Vets	Unsheltered Vets	Total Dedicated Vet Beds	Emergency Shelter	Transitional Housing	Safe Haven
Seattle, King Co.	1,329	636	693	340	57	283	0
Balance of State	383	221	162	141	29	112	0
Spokane City, Co.	118	109	9	46	0	46	0
Tacoma, Pierce Co.	136	51	85	25	10	15	0
Everett, Snohomish Co.	65	22	43	6	6	0	0
Yakima City, Co.	32	32	0	11	0	11	0
Vancouver, Clark Co.	30	23	7	0	0	0	0
State Total	**2,093**	**1,094**	**999**	**569**	**102**	**467**	**0**

Sources: U.S. Dept. of Housing and Urban Development; U.S. Dept. of Veteran Affairs

Table 11 shows the varying approaches used by individual CoCs when it comes to nonpermanent versus transitional and permanent housing. For example, in 2017 Seattle/King County had a similar proportion of nonpermanent to permanent housing to the balance of the state but far more than other urban CoCs.

Table 11: Permanent Veteran Housing Beds by Washington State's CoCs, 2017

Jurisdiction	Rapid Rehousing	Perm. Support. Housing	Other Perm. Housing	Nonperm. Housing	Nonperm. / Permanent Housing
Seattle/King County CoC	117	1,283	25	340	24%
Washington Balance of State CoC	336	234	49	141	23%
Spokane City & County CoC	117	444	-	46	8%
Tacoma/Lakewood/Pierce County CoC	152	295	-	25	6%
Everett/Snohomish County CoC	27	322	-	6	2%
Yakima City & County CoC	-	127	20	11	7%
Vancouver/Clark County CoC	-	219	-	0	0%
State Total	**749**	**2,924**	**94**	**569**	**15%**

Sources: U.S. Dept. of Housing and Urban Development

The data in the above three tables comes from HUD's annual Housing Inventory Count (HIC). This survey, which is taken in conjunction with the annual PIT Count, focuses on housing dedicated to serving homeless and formerly homeless individuals and families within each CoC across the nation.

Veterans Seeking Housing Assistance

HIC data does not break out veterans as a subpopulation prior to 2017. Another source of data that does – at least back to 2015 – is the Homeless Management Information System (HMIS). This statewide database, administered by Commerce, includes data about clients who access publicly funded housing and social services. However HIC data cannot be compared in an apples-to-apples way with HMIS data because the latter represents a total annual tally rather than a Point-in-Time count. In addition, HMIS counts those who identify as veterans, which may be a larger group of people than the number beds set aside for veterans.

HMIS began breaking out veterans as a subpopulation in 2015. The number of veterans receiving assistance from providers that report into HMIS shot up by 118 percent in 2016 (see Table 12 next page).

This statewide increase was partly driven by King County, which saw a 140 percent jump in veterans entering housing assistance programs in 2016. King represented 36 percent of the number of veteran households in Washington that were reported to have received housing assistance.

Table 12: Veteran Households Entering Housing Assistance Programs, 2015-2016

Veteran Categories	2015	2016
Veterans Entered	3,089	6,719
Veteran Households with adults and children	-	667
Veteran Households age 18-24 without children	24	82
Veteran Households 25+ without children	1,921	5,767

Source: Washington State Department of Commerce

This report's research team was unable to isolate why housing assistance increased dramatically, which is why a comprehensive gaps analysis that compares total statewide need versus housing opportunities could not be conducted.

Conclusion

The good news is that Washington is moving closer to being able to get data that would isolate why the number of veterans seeking housing assistance increased. HUD required all CoCs across the country to establish a coordinated entry system by January 2018. This system allows all providers in a given CoC to share data through HMIS about veterans who are either homelessness or in danger of becoming so. Information includes the needs, preferences, and the barriers that people face to regaining housing. This data is gathered as part of a standardized assessment process that identifies the most vulnerable people with the highest needs. Providers then prioritize households for referral to appropriate housing and supportive services resources listed in HMIS.

The bad news is that individual CoCs cannot "see" an adjoining CoC's data. For example, a case worker in King County could not look up whether Pierce County had any extra set-aside veteran beds with specific disability needs. This limits coordination across CoC lines.

In addition, CoC-level data about housing inventory, services, and client needs cannot yet be rolled up to a state level on a continuous basis. In March 2018, HUD released a data dictionary that standardized HMIS data across all CoCs. This should allow data to be more easily and accurately aggregated statewide. However, the data will still only be available on an annual basis rather than continuously.

Just as important, the state-level data collection is primarily designed to be used for contract performance management rather than for policy analysis. For example, the data show the number of people served and the cost per bed. But it does not say whether multiple people have cycled through a bed during the time reported, how much time it took to find a client housing, and if the client was counted in another capacity (e.g., as a veteran as well as a disabled person, so counted twice in the system). This is because Washington does not have a universally used "by-name" list that uses a single identifier that tracks the housing and services used by an individual veteran.

Commerce uses HMIS data to publish county score cards.[121] The report cards include above-listed information as well as vacancy rates and median length of stay in emergency or transitional housing. Not offered is trend analysis of future potential gaps.

Meanwhile, Washington's other major housing database, Web-Based Annual Reporting System or WBARS, does not communicate with HMIS. WBARS is administered by the Housing Finance Commission in partnership with Commerce. This is problematic because WBARS is a

[121] Washington State Department of Commerce, "County Report Card Winter 2017,"(2017), https://public.tableau.com/profile/comhau#!/vizhome/CountyReportCardWinter2017/2017ReportCard

compilation of affordable multi-family rental projects. If this data could be connected to HMIS, one could show gaps in the availability of housing. However, WBARS is limited:

- Only some publicly funded providers are required to report to WBARS, so the inventory of affordable housing does not include units from all philanthropic and religious groups, nor does it include an inventory of affordable units in the private market.
- For the majority of properties, WBARS lists only a unit's number of rooms rather than beds. WBARS does provide a mechanism for properties to report the total number of individuals served. However, the total unit capacity is not currently tracked in this system other than by using an assumed standard value of 1.5 beds per bedroom.
- Data does not capture the full complexity of all clients housed, as the purpose of this system is to ensure compliance with public funder contract requirements. WBARS currently only permits properties to record a primary attribute (e.g., veteran or disabled) for each head of household served. WBARS doesn't collect detailed information about other household members. The data may thus under-report the number of veterans served.
- WBARS does not contain personal identifiers and therefore cannot be cross-referenced with HMIS, which would combine client need, services used, and housing inventory available.

The fundamental problem is that Washington does not possess a database with a standardized methodology that captures all relevant attributes of clients, beds, services, and inventory through time at local, regional, and state levels.

As a stopgap measure, Washington has published an occasional report that partly relies on manual data-collection methods. The *Affordable Housing Needs Assessment*[122] has been published in 2004 and 2015. A new edition is currently in production. In addition, the Affordable Housing Advisory Board is developing an online platform that would allow the assessment to be updated in real time.[123]

The *Affordable Housing Needs Assessment* is an important step forward in making possible a data-driven approach to assessing any gaps – past, current, and anticipated – in housing opportunities for veterans experiencing homelessness or vulnerable to it. The challenge here is that policy analysis relies significantly on data drawn from WBARS, which does not capture all publicly funded units in the state.

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[122] Mullin & Lonergan Associates Inc. for the Washington State Affordable Housing Advisory Board, *State of Washington Housing Needs Assessment,* (January 2015), http://www.commerce.wa.gov/wp-content/uploads/2016/10/AHAB-Housing-Needs-Assessment.pdf

[123] Affordable Housing Advisory Board, *Board Minutes*, (Thursday, July 20, 2017), https://deptofcommerce.app.box.com/folder/24027536919

The situation with data on homeless veterans in general is similar to that of vets in need of permanent supportive housing, which is the focus of the next section.

Section 3: Converting Units to Permanent Supportive Housing for Geriatric Veterans with Psychiatric Disorders

Overview

Commerce was charged with including an inventory of housing units that could be converted to permanent supportive housing for geriatric veterans with psychiatric disorders in this report. This suggested the need to answer two questions:

- What are the housing gaps for veterans needing geriatric-psychiatric care?
- What is the inventory of buildings that could be converted to fill those gaps?

Geriatric is defined as 65 years and older. Levels of psychiatric care are defined by the individual provider and may vary. HUD and VA provide funding and suggest best practices, but individual CoCs – and the jurisdictions within them – operate with a significant level of autonomy.

Sixty-four percent of the state's veterans are over the age of 65.[124] Older vets experience major depressive disorder at a rate twice that found in the general population.[125] One-in-ten older veterans suffer from depression,[126] resulting in a 50 percent greater suicide rate than those who did not serve in the military.[127] In addition, recent research shows nearly 40 percent of veterans in treatment for depression have been diagnosed as also suffering from PTSD.[128] Older veterans are also at risk for late-onset stress symptomatology (LOSS) as they confront normal age-related changes.[129] Mental health problems are often tied to other geriatric medical conditions, such as diabetes or strokes.

These multiple morbidities necessitate the availability of a wider range of services for veterans living in permanent supportive housing. Building conversions tied to these populations must meet additional building and safety codes. This results in potentially more expensive architectural and construction costs. A DSHS survey of service providers found that almost one-third of them saw increased costs required to accommodate elder care as their top concern.[130]

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[124] Results Washington, "3.1.d: Decrease the number of homeless veterans from 1,484 to 1,187 (20%) by 2020," (2017), https://data.results.wa.gov/reports/G31d_veteran-homeless

[125] U.S. Department of Veterans Affairs, "One in Ten Older Vets is Depressed," (2017), https://www.va.gov/health/NewsFeatures/20110624a.asp

[126] Ibid.

[127] Wood, Matt, *Crunching the Numbers on the Rate of Suicide Among Veterans*, Science Life, (2012), https://sciencelife.uchospitals.edu/2012/04/27/crunching-the-numbers-on-the-rate-of-suicide-among-veterans/

[128] U.S. Department of Veterans Affairs, "One in Ten Older Vets is Depressed," (2017), https://www.va.gov/health/NewsFeatures/20110624a.asp

[129] U.S. Department of Veterans Affairs, "PTSD: National Center for PTSD," (2017), https://www.ptsd.va.gov/public/types/war/ptsd-older-vets.asp

[130] See footnote 156

The availability of personnel can also be problematic to permanent supportive housing providers.[131] For example, VA facilities have reported staffing shortages.[132]

The U.S. VA Geriatrics and Gerontology Advisory Committee has identified systemic barriers to providing integrated care for veterans with complex medical, mental health, and behavioral comorbidities:

- A fragmented inpatient care system that results in service silos for medical, geriatric studies, and behavioral health.
- Limited capacity to provide care and meet the medical needs of individuals located in medical institutions (e.g., medical and skilled nursing facilities).
- Gaps in staff competencies needed to address the integrated care needs of veterans with serious mental illness and dementia.
- Patients with complex medical and behavioral care needs (sometimes referred to as high-need, high-cost patients) often have multiple physical and behavioral health conditions and account for a disproportionate share of health care spending.[133]

The National Alliance on Mental Illness states that individuals experiencing a mental health crisis are more likely to encounter police than receive medical or psychiatric help. Arrested mentally challenged individuals, usually for non-violent crime, remain either in jail awaiting trial or serving sentences in prisons. In addition to being at greater risk of victimization, mental health inmates tend to stay incarcerated much longer and frequently leave institutions worse rather than better.[134]

State-level policymakers have recently addressed some of these issues. For example:

- The 2017 Washington state operating budget called for increasing the number of forensic beds at Western and Eastern State hospitals.
- Plans have been put in place to convert four 30-bed civil wards at Western State Hospital to a forensic wards by 2021.
- In 2017, the Legislature funded six new walk-in crisis centers to be created in the next two years to focus on acute care.

Western and Eastern discharged 488 veterans from 2014 to 2016, according to DSHS. Of those patients, 257 – or 53 percent – were over age 50. Eastern and Western provided a Point-in-Time Count as of Nov. 30, 2017 with the average patient duration of stay:

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[131] Health Resources & Services Administration, "Data Warehouse," (2017), https://datawarehouse.hrsa.gov/tools/analyzers/hpsafind.aspx

[132] Davidson, Joe, *Loss of VA health-care providers grows as demand for care increases. Will service suffer?*, The Washington Post, (2016), https://www.washingtonpost.com/news/powerpost/wp/2016/08/02/demand-for-va-health-care-increases-but-so-does-the-loss-of-health-care-providers/?utm_term=.b970cd2aec47

[133] Center for Health Care Strategies, Inc., "High-Need, High-Cost Populations," (2017), https://www.chcs.org/topics/high-need-high-cost-populations/

[134] National Alliance on Mental Illness, "Jailing People With Mental Illness," (2017), https://www.nami.org/Learn-More/Public-Policy/Jailing-People-with-Mental-Illness

- Civil patients, age 50-plus, resident in the combined state hospitals – The average number of days was 1,163, with 33 veterans.
- Forensic patients, age 50-plus, resident in the combined state hospitals – The average number of days was 4,326, with 14 resident veterans.

Table 13: Western and Eastern State Hospital Patients Ages 50-Plus on Nov. 30, 2017

Admission County of Commitment	Civil Patients	Known Vet Status	Forensic Patients	Known Vet Status
King	101	13	45	2
Pierce	49	5	19	4
Snohomish	41	4	8	1
Spokane	41	5	18	2
Kitsap	12	1	2	1
Whatcom	12	0	2	0
Douglas	11	0	1	1
Clark	10	1	6	0
Cowlitz	9	0	4	0
Thurston	9	0	4	1
Skagit	7	1	2	0
Benton	5	1	2	1
Yakima	5	1	2	0
Kittitas	4	0	1	0
Franklin	3	0	1	0
Stevens	2	0	0	0
Chelan	1	0	1	0
Clallam	1	0	4	1
Grays Harbor	1	1	1	0
Jefferson	1	0	0	0
Okanogan	1	0	0	0
Island	0	0	1	0
Lewis	0	0	3	0
Mason	0	0	1	0
Pacific	0	0	1	0
Walla Walla	0	0	3	0
Total	**326**	**33**	**132**	**14**

Source: Washington State Department of Social and Health Services

Washington ranks 46th in the nation in the number of psychiatric beds available for those suffering from mental illness. Our emergency rooms are overwhelmed by the number of people who need help. Opioid overdoses are now the leading cause of accidental death in the U.S., with 52,404 deaths in 2016. Both methamphetamine and opioid addiction are driving this epidemic of addiction, which does not discriminate when it comes to race, sex, geography or income level.[135] The veteran population is even more vulnerable. The Substance Abuse and Mental Health Services Administration reports that mental health and substance abuse caused more hospitalizations among veterans than any other cause.[136]

Additionally, with the lack of housing that provides mental health care, a segment of the medically stabilized population that is not in psychiatric crisis lingers in medical beds because they need more psychiatric treatment than can be provided by existing long-term or adult family care facilities.

Illustrative of the financial burden to the system, approximately $8 million in patient expenses were incurred by the Puget Sound VA hospital in Seattle from 2016 to 2017 by patients who were medically stable but could not be placed in supportive housing due to the specific care needed for behavioral health and dementia. Cathrine Kaminzky, chief of staff, Veterans Affairs of Puget Sound Health Care System (VAP), stated that 127 patients from the above population stayed more than 30 days in the VA Hospital. On a daily basis, this caused 10-15 acute beds to be unavailable for their intended use. The average length of stay for these patients was 82 days of in-patient care (see Appendix E).

In short, housing veterans who are not in a psychiatric crisis at medical facilities or at Western or Eastern state hospitals cost the state more money and makes placement access for acute patients more difficult. Improving out-placement of geriatric patients with psychiatric disorders is a necessary step toward freeing more beds in these institutions.

Exploring the Data on Permanent Supportive Housing

The U.S. Department of Health and Human Services recognizes supportive housing as an evidence-based approach that benefits people with behavioral health conditions. A prime example is the VA's Community Residential Care program, which provides care for veterans who have a medical or psychiatric condition but do not need the intense care that a hospital or nursing home would provide. Veterans live either in the home of a caregiver or in a certified assisted-living facility with others that require the same level of care. Often Washington will assist in subsidizing state-certified facilities.

[135] See footnote 139

[136] Substance Abuse and Mental Health Services Administration, "Veteran and Military Families," (2017), https://www.samhsa.gov/veterans-military-families

The Veteran Homeless Gap Analysis Tool for Supportive Services for Veteran Families (SSVF) provides a partial picture of the housing needs gap for Washington veterans. The picture is partial because the data does not include all forms of federal housing support for veterans. With that caveat, Table 14 shows that 81 percent of veterans needing assistance did not receive permanent housing placements in January 2016.

Table 14: Gap Between Veterans Needing Permanent Housing and Placements, January 2016

Continuum of Care	Vets Needing Assistance	Permanent Housing Placements	Gap in Vet Need
Seattle / King County CoC	1,385	212	1,173
Balance of State	1,068	156	912
Spokane City & County CoC	417	96	321
Tacoma / Pierce County CoC	630	136	494
Everett/Snohomish County CoC	150	28	122
Yakima City and County CoC	50	32	18
Vancouver/ Clark County CoC	145	64	81
Statewide Total	**3,845**	**724**	**3,121**

Source: U.S. Department of Veteran Affairs, Veteran Homelessness Gap Analysis of FY2016 Numbers

To measure subsidized rental housing, Washington uses a Web-Based Annual Reporting System, or WBARS, which is administered by the Washington State Housing Finance Commission in partnership with Commerce. This tool captures data from affordable housing property owners who report annually on their multi-family rental projects that have been funded by the commission (via the Low Income Housing Tax Credit program), Commerce (via the Housing Trust Fund, HOME, and National Housing Trust Fund programs), and several cities and counties (cities of Seattle, Bellingham, Tacoma, and Spokane; King, Snohomish, Clark, Pierce counties); and A Regional Coalition for Housing (ARCH).

WBARS does not include comprehensive statewide numbers because it includes only units monitored by a handful of public funders (as listed above) and does not include all of the rental housing units – private or subsidized – that are available to veterans in Washington.

Table 15 (see next page) shows the number of veteran households reported in subsidized housing in the years 2013 to 2016. In King County, the number of veteran households declined by 53 percent from 1,348 in 2013 to only 638 in 2016. This is during the same period when King's veteran PIT Count held fairly stable at around 1,000 people. The county almost single-handedly drove down the state's number of subsidized veteran households by 25 percent. The rest of the state saw a 58 percent increase during that same period. However, even in 2016, King County had almost 47 percent of the state's subsidized veteran households.

Table 15: Veteran Households Reported in Subsidized Rental Housing, 2013-2016

County	2013	2014	2015	2016
King	1,348	866	572	638
Pierce	69	299	118	278
Snohomish	158	145	15	118
Spokane	37	51	63	84
Walla Walla	0	139	255	67
Thurston	11	20	26	37
Clark	58	25	41	33
Whatcom	1	2	7	22
Cowlitz	0	0	28	21
Yakima	10	33	28	19
Clallam	50	57	60	13
Skagit	6	1	1	7
Klickitat	2	2	1	4
Skamania	0	1	2	4
Kitsap	33	36	1	3
Asotin	0	0	1	2
Douglas	0	0	2	2
Kittitas	0	1	5	2
Lewis	6	2	2	2
Chelan	2	3	2	1
Ferry	0	0	1	1
Grant	2	0	1	1
Island	1	0	0	1
Jefferson	0	2	5	1
Okanogan	8	3	6	1
Adams	1	0	0	0
Grays Harbor	0	0	4	0
Lincoln	0	0	1	0
Mason	0	0	1	0
San Juan	0	1	0	0
Stevens	2	0	0	0
Grand Total	**1,805**	**1,689**	**1,249**	**1,362**

Source: Web-based Annual Reporting System (WBARS) administered by the Housing Finance Commission in partnership with Commerce

Meanwhile, the VA tracks use of HUD Veteran Affairs Supportive Housing vouchers (HUD-VASH) issued. These vouchers combine rental assistance for homeless veterans with case management and clinical services provided by VA. The Puget Sound region currently has 1,849 vouchers being tracked, which represents 72 percent of those in the state.

A number of key informants had heard of veterans with vouchers in the Seattle area who either took a long time to find housing or could not find it at all.[137] This makes intuitive sense given that the Puget Sound region has recently experienced the state's highest increase in rents, the lowest vacancies, and the largest concentration of veterans experiencing homelessness.

Even so, data from the VA indicates that the Puget Sound region has assigned to veterans 100 percent of their HUD-VASH vouchers, 92 percent of these vets were housed as of December 2017. In addition, 66 percent of the vouchers were used within 90 days of being issued.[138]

Another source of data on veterans is the Veterans' Grants Per Diem program. This VA program funds permanent supportive housing. In Washington these funds are used in support of five models:

- Transitional housing.
- Hospital to housing.
- Service-intensive provides transitional housing and services to stabilize and move to permanent supportive housing.
- Low-demand housing for chronically homeless veterans.
- In conjunction with housing, clinical treatment and job training to increase income.

In 2017, the DVA reported the following statewide usage: bridge (42 beds); hospital to housing (15 beds); service-intensive (128 beds); low demand (25 beds); and service center (one bed).

What Attributes Are Needed in Permanent Supportive Housing?

Specific attributes must be present to support geriatric veterans with psychiatric needs. In addition to Americans with Disabilities Act requirements, geriatric persons with psychiatric disorders have structural requirements such as anti-ligature protections and barriers on all windows. Addressing the psyche of the patient, treatment providers suggest admitting ample natural light, providing access to controlled outdoor areas, and promoting staff efficiency by minimizing distances between frequently used spaces.

In addition to structural requirements and guidelines, a specific service level should be met. Physicians should have specialized training in geriatrics, 24-hour care, and patients should receive a balance of privacy and socialization.

The location of the facility is also important. It should be located near community services such as jobs, grocery stores, transit, and medical/behavioral health clinics.

[137] VA Puget Sound Health Care System, Interview VA Puget Sound Homeless Program Manager
[138] Ibid.

As the Retsil Building 10 feasibility study in Section 3 discusses, converting a building to permanent supportive housing can have a significant impact on the cost of operational and capital needs. Shifting Port Orchard's Building 10 to permanent supportive housing would have required significant expansion of security upgrades for the existing housing on campus. This increased the projected budget for that development scenario by approximately $14 million.

This example illustrates the importance of examining not only the attributes needed by the target population for permanent supportive housing, but also for existing populations located near the proposed project.

Which Units Could Be Converted to Permanent Supportive Housing?

One of the central directives of the authorizing proviso of this report is to study "the conversion of units to provide permanent supportive housing for geriatric veterans with psychiatric disorders." Although housing data is incomplete, it suggests that there may not be enough housing stock linked to supportive services in the geographic areas where those services are needed.

Unfortunately, this question cannot be completely answered at the state level. Multiple building inventory listings are maintained at the federal, state, and local levels, but they are not consistently defined, nor do they address the attributes that would be required for conversion to permanent supportive housing. What follows is a discussion of the major lists.

Commerce: List of Surplus Public Property

New legislation, Chapter 217, Laws of 2018, will require certain state agencies to submit to Commerce inventories of surplus state-owned property, as well as any surplus property disposed of under the new law. The law also requires most state agencies to notify state, local, federal, and tribal entities of any sale of surplus state-owned lands. It also allows state or local agencies to dispose of property to any local, private, or nongovernmental body for affordable housing development. This change should increase the ability to identify and develop veteran housing, potentially at reduced costs.

OFM: List of All Facilities Owned or Leased by the State

OFM is responsible for compiling and maintaining a list of all facilities owned or leased by state government.[139] This includes state agencies, departments, boards, commissions, and institutions with facilities. According to the 2016 facilities inventory report, 88.2 percent of the state's facilities inventory is owned and 11.8 percent is leased from the private sector. Each

[139] Office of Financial Management, "Facilities inventory," (2017), https://ofm.wa.gov/facilities/state-agency-facility-oversight/facilities-inventory

county in Washington has owned facilities, and all but Garfield, Lincoln, and Wahkiakum counties have leased facilities.

OFM flags buildings that are unoccupied or "surplus," and staff have expressed an interest in collaborating to ensure that all reporting agencies properly flag any unused or unoccupied buildings.[140] However, data collected on building attributes is too limited to assess whether a building would be appropriate to convert to permanent supportive housing. Data fields include only the location, square footage, purchase date, value, and a simple notation of current usage (such as residential or office).

As of November 2017, OFM reported only two state-owned buildings as surplus in Washington. Both buildings belong to the Department of Natural Resources. They are a small office and a storage facility located at 120 Summit Ave. in Northport.[141]

Commerce: List of Subsidized Housing Projects

Commerce tracks housing projects that are subsidized with state or federal dollars. In 2015 there were 2,626 sites and 134,393 units in Washington.[142] The list does not collect specific building attributes, so it is not possible to estimate how many could be converted for permanent supportive housing.

Department of Archaeology and Historic Preservation: List of Historic Buildings

The Department of Archaeology and Historic Preservation maintains an inventory of historic buildings.[143] However, the listing consists primarily of sites requiring repair from the foundation up, which probably is not cost-effective for conversion to permanent supportive housing.

HUD: List of Federal Properties

HUD maintains a list of federal properties available under Title V of the HUD McKinney Vento Homeless Assistance Act. This law enables eligible organizations to use un-utilized, under-utilized, excess, or surplus federal properties to help people experiencing homelessness.

Eligible applicants are states, local governments, and nonprofit organizations. Properties, including land and buildings, are made available strictly on an "as-is" basis. No funding is available under Title V. Leases are provided free of charge and range from one to 20 years,

[140] Ibid.
[141] Interview, Facilities Oversight Program Manager, State Facilities Oversight Program, Office of Financial Management.
[142] See footnote 15
[143] Washington State Department of Archaeology and Historic Preservation, "Historic Building Survey and Inventory," (2017), https://dahp.wa.gov/historic-preservation/historic-buildings/historic-building-survey-and-inventory

depending on availability. Successful applicants may use the Title V properties to provide shelter, services, storage, and other benefits to persons experiencing homelessness. Often these buildings become shelters.

A "Suitability Determination Listing" is published each Friday identifying available, un-utilized, under-utilized, excess, and surplus federal properties by state.[144] As of December 2017, Washington had three properties posted for the Title V program. All of the properties were rural, two were agricultural, and one was listed as a park toilet.

Local Jurisdictions: Lists of Vacant Buildings

Some local jurisdictions keep track of vacant buildings or abandoned properties. These properties typically have buildings with significant problems. However, searching this information could be useful if state policymakers seek to collect comprehensive data on abandoned buildings with potential conversion into housing or shelters.

An example of the conversion of a local building to housing was the recent announcement by the City of Seattle that they were making a $100 million investment in affordable housing for both long-term rental houses and affordable homeownership opportunities. One project included converting a transit-oriented development with 245 apartment and 85 units of permanent supportive housing run by Downtown Emergency Service Center in the Rainier Valley.[145]

None of the federal and state lists is comprehensive enough to provide a useful inventory of buildings as plausible candidates for conversion to permanent supportive housing. Perhaps just as importantly, as of November 2017, the inventory found in the listings discussed above suggests an inadequate supply of buildings available for conversion.

Building on Public Land and Making Use of Existing Housing Stock

One way to provide additional housing for veterans is to build on existing VA land. This was the premise for Section 3 of this report. The study identified specific attributes required for building and service provision. The proposed project could be used as a model to follow for other state-owned or leased buildings.

Another proposed usage of VA land is the Veterans Village in Orting, which will be located on the Washington Soldiers Home and Colony in Orting. Development of this 30-unit village, estimated to cost $3.8 million, will be partially funded by the Washington State Housing Trust

[144] U.S. Housing and Urban Development Exchange, "Title V Suitability Listing Map," (2017), https://www.hudexchange.info/programs/title-v/suitability-listing/

[145] Lloyd, Sarah Anne, *City announces $100 million in affordable housing funding*, Curbed Seattle, (2017), https://seattle.curbed.com/2017/12/18/16792186/seattle-affordable-housing-funding

Fund.[146] The campus is patterned along the lines of Quixote Village, a two-acre community of tiny houses. The proposal also includes a common building that provides permanent supportive housing for homeless veterans, including those with mental illness and physical disabilities.

However, the State Advisory Council on Homelessness (SACH) in a recent report, *Tiny Shelters*, recommended that the small footprint shelters should not be considered permanent housing, but rather should augment existing temporary, emergency solutions.[147]

Orting is the site of two other more conventional housing facilities. The Betsy Ross project is a converted building with an apartment-like feel that houses 12 formerly homeless female veterans with medical needs. DVA has a similar vision for a proposed Roosevelt Barracks renovation. Once fully converted, the building would house up to 90 formerly homeless male veterans. Much of the building is currently unused, with rooms that have not been occupied for 20 years. In the first phase of this development, DVA is seeking both federal and county money to renovate enough space for 40 veterans.[148]

DVA's vision for Roosevelt Barracks illustrates the need to pay attention to changing demographics of veterans, which in Pierce County is getting younger and more self-sufficient. Ray Switzer told *The News Tribune*, "The group now includes people who are maybe 38 years old. They've been deployed four or five times. They don't want to play bingo. In order to serve their needs, we have to do things a little bit differently." Switzer is the manager of the WestCare Foundation, which has spearheaded the renovation.[149]

Another more traditional apartment complex was recently built on the Vancouver campus of the VA Portland Health Care System. This organization, along with the Council for the Homeless in Vancouver, worked together on Freedom's Path, a 50-unit community for homeless and disabled veterans that follows best practices. HUD-VASH vouchers and other programs from HUD and the VA support the funding for these units.

Private homes are another alternative source of permanent supportive housing encouraged by the VA, such as through shared-housing arrangements.[150] Local homeless councils could identify persons who live in large homes with vacant rooms and are willing to enter into a shared-group living arrangement. Another way is for individuals who are moving into assisted living or nursing facilities to rent their property to the state, which could use it to provide

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[146] Hobbs, Andy, *Tiny house village in Olympia to serve as template for two more sites*, The News Tribune, (2017), http://www.thenewstribune.com/news/local/article132293739.html

[147] State Advisory Council on Homelessness, *Tiny Shelters,* (2017), http://www.commerce.wa.gov/wp-content/uploads/2017/12/hau-sach-tiny-shelters-report-12-14-2017.pdf

[148] Robinson, Sean, *Orting project aims to offer shelter and services for homeless female vets*, Tacoma News Tribune, (2017), http://www.thenewstribune.com/news/politics-government/article142300409.html

[149] Ibid.

[150] U.S. Department of Veterans Affairs, *Shared Housing*, (2017), https://www.va.gov/HOMELESS/ssvf/docs/SSVF_Shared_Housing_Brief_Final.pdf

affordable supportive housing. In addition, families and individuals could will their properties to the state for this use. Telehealth programs provided by the federal VA could provide case management and access to health care services without requiring the individual to travel to a hospital or clinic.

As mentioned above, Commerce provides capital funding for units and projects directed toward supportive housing for homeless veterans and other low-income and special needs populations. Properties often have waiting lists and may have set-aside requirements within their contracts for special populations. Set asides are typically required where units are built with funds that have been appropriated for a particular purpose, e.g., to create units for people with disabilities. Using coordinated-entry systems, the current system attempts to match the best possible use for targeted populations.

However, it was noted by stakeholders that these units may not be occupied by the most vulnerable population at time of turnover. Inclusion of service providers and other associated parties in determination of priorities for "set-asides" could possibly lead to best use of properties.

"Need – inventory = zero" can also be achieved by reducing the number of veterans needing permanent supportive housing. In 2011, HUD introduced the strategy of "moving up" with the goal of freeing housing slots with intensive services when possible. If a veteran has demonstrated the ability to live stably and maintain housing, they may voluntarily move beyond permanent supportive housing. Multiple toolkits have been developed to help CoCs and communities implement "moving up" or "moving on."[151]

[151] U.S. Department of Housing and Urban Development, "Implementing a Move-Up Strategy Webinar," (2017), https://www.hudexchange.info/trainings/courses/implementing-a-move-up-strategy-webinar1/

Conclusion

Washington provides a wide range of housing opportunities for veterans experiencing homelessness. However, the state's high PIT Count suggests the value of giving more attention to new approaches. This can be partly done by expanding the policy discussion beyond its traditional focus on funding mechanisms and social services. Also considering architectural innovations and land-use regulation could better leverage federal, state, and local funding devoted to homeless populations in general and veterans in particular.

One of the biggest roadblocks to better serving veterans vulnerable to homelessness is a lack of comprehensive data. The major databases used in Washington do not align closely enough – particularly at the state level – to allow policymakers to isolate gaps between need and availability. This is a problem across the entire continuum of care.

Policymakers do not have a good source of data on the available units that could be converted to permanent supportive housing. Two additional data sets would inform policymakers' decisions:

1) Building attributes needed to determine if conversion would be either feasible or cost-efficient.
2) Proximity to community services.

Washington has not come anywhere close to exhausting the opportunities to house homeless veterans. The next section zeros in on a specific example of an innovative way to save the state money while providing better care to veterans.

Section 4: Summary of Retsil Building 10 Feasibility Study

Summary of Consultant's Study

Background

The third part of the legislative proviso for this study called on Commerce to collaborate with DVA in evaluating the feasibility of converting Building 10 at the State Veterans Home at Port Orchard (Retsil) into housing for veterans. This is a summary of a report that SAGE produced that provides detailed information on the stakeholder group's process, feasibility analysis, and recommendations (see Appendix D).

To help guide this assessment, Commerce and DVA convened a stakeholder group that included 13 representatives from the Governor's Office, DSHS, VA Puget Sound Medical Center, VA Puget Sound Homeless Program, Kitsap County Housing and Homeless Program, Veterans Home at Port Orchard, and community-level organizations such as housing authorities and community action councils.

SAGE Architectural Alliance (SAGE) was retained to provide technical assistance in designing a geriatric-psychiatric facility. SAGE, in turn, drew upon Mark Thometz of Shelter Resources for a building assessment, and Jim Rochlin of Rochlin Construction Services for financial expertise.

Recommendations

SAGE identified five conversion options and developed an evaluation framework. After a round of data collection and analysis, the stakeholder group narrowed its focus to two options: permanent supportive housing, and a geriatric-psychiatric center.

A major factor that emerged in assessing permanent supportive housing was quality-of-life amenities for new residents as well as the campus's existing population. One drawback of the site was that it was isolated from basic community services.

In addition, fair housing rules allow residents of permanent supportive housing to live an independent lifestyle that could result in behaviors that are incompatible with the rest of the campus. Immediately adjacent to Building 10 is Building 9, a transitional housing program where residents participate in a substance-free program and restricted lifestyle to help in successful reintegration to the community.

The campus also includes a skilled nursing facility serving frail elders and disabled residents. Neither facility is locked and would require significant security modifications to protect their vulnerable residents if Building 10 offered permanent supportive housing. As stakeholder discussions evolved, it became apparent that permanent supportive housing was not compatible with the campus.

Final Recommendation for Building 10: Convert to Geriatric-Psychiatric Center

The stakeholder group instead decided that a 48-bed veteran's geriatric-psychiatric center with a behavioral health reintegration program would be the best use of the facility. Building 10 was proposed as the site to test if a community care center including both Level 1/Level 2 could provide better care to the veterans than one that does not.

Under this model, Building 10 would provide "step-down" treatment. Level 2 would offer more intense psychiatric monitoring with a 24-hour nursing station-and more extensive treatment available as needed. The goal would be to quickly transition patients to Level 1, where they would continue to receive psychiatric treatment, but there would be a shift in focus to learning life-skills such as cooking and self-care. These skills are viewed as critical to a veteran's successful placement in any permanent supportive housing setting.

SAGE's study also identified the detrimental impact of silos of medical, geriatric and behavioral health care in Washington. A facility that brings together these areas of expertise would relieve the backup in hospital acute care, would serve as a valuable behavioral health resource for the Port Orchard Veterans Home, and could potentially provide expertise to the broader region.

Equally important, the statewide medical system could see relief from shortages of community-based sites that handle veteran behavioral health patients. Geriatric expertise is scarce, and behavioral health expertise is mostly unavailable in community discharge settings.

As a result, veterans with concurrent medical and behavioral health issues seeking care at hospitals are medically treated but cannot be discharged for lack of discharge sites able to support them. These veterans are occupying acute hospital beds despite qualifying for medical discharge; this reduces access to those in need.

Stakeholder Group Recommendation to the Legislature

The stakeholder group proposed that DVA seek approximately $5.5 million from the Legislature to cover design, conversion, and operation of Building 10. Additional funding would be secured to provide capital maintenance and operations. Further study is needed to define the clinical model to be used and to establish a network of partners for referrals and discharges.

Next Steps

Next steps would include adding a community outpatient program to Building 10 that can support veterans discharged from this location as they relocate to permanent supportive housing. With multiple stakeholder organizations integrally involved, the business model for shared funding would also need further study.

Section 5: Conclusion, Recommendations and Next Steps

Conclusion

Washington has invested considerable resources at both the local and state levels in providing housing opportunities to veterans who have experienced – or are vulnerable to – homelessness. These investments have ranged across the continuum of care, from units set aside for veterans in need of transitional housing to geriatric-psychiatric care facilities.

Washington state's challenge is that all of these efforts have not been enough to effect change in a positive direction. Even if a meaningful portion of the 2017 PIT Count can be attributed to a more rigorous methodology, policymakers must still come to terms with difficult numbers:

- Washington had the nation's fourth-largest number of homeless veterans– 2,093 people. This is above Washington's national ranking for the size of our veterans population (12th), number of active-duty military personnel (seventh), and the number of total homeless (fifth).
- Washington also had 999 unsheltered veterans. That was behind only California and just ahead of Florida and Texas – all states with much larger veteran and civilian populations.
- Although veteran homelessness increased in 14 states between 2016 and 2017, Washington had the largest percentage of any state – 41 percent – and was behind only California in the increased number of homeless veterans (609 versus 1,860).

The sheer size of the 2017 PIT Count increase for veterans raises questions about whether the Results Washington metric on veteran homelessness is still realistic without much greater policy attention. The 2020 target requires a 57 percent cut in veteran homelessness from the 2017 PIT Count.

One could argue that much greater policy attention is already happening in King County. Last November the county's voters renewed a $352 million levy and has embarked on a major overhaul of its homelessness programs. Meanwhile, Seattle passed a $290 million levy in 2016 and put on the table the idea of a countywide sales tax increase that could lead to better integrated city and county services. Given that King County represented 63 percent of the state's homeless veterans in 2017, this policy attention offers the promise of at least some positive movement over the next few years.

The problem of veteran homelessness is large, complex and ever-changing. Even if King County is successful in significantly reducing its PIT counts, the issue will require significant attention, effort, and resources at the state level.

Four counties – King, Pierce, Snohomish, and Spokane – accounted for 79 percent of the state's total veteran homelessness in 2017. This is substantially higher than these counties' proportion of Washington's total veteran population, which was 50 percent. Is it possible to close that gap without rethinking the state's role in relation to local government?

Former Virginia Gov. Terry McAuliffe summed up why state government had a continuing interest in working with local communities to reach functional zero:

"Ending veteran homelessness is a key component of making Virginia the best state in the country for active duty military personnel, veterans and their families. I am proud of the progress we have made as a Commonwealth, but we cannot rest until every Virginia veteran has a safe and affordable place to live."[152]

[152] Coy, Brian, "Governor McAuliffe Announces Virginia's Significant Progress in Ending Veteran Homelessness," (2015), https://governor.virginia.gov/newsroom/newsarticle?articleId=7661

Recommendations and Next Steps

FINDING 1: Washington's Efforts Are Insufficient to End Veteran Homelessness

Washington's homeless veteran Point-in-Time count increased 41 percent from 2016 to 2017, after increasing significantly from 2015 to 2016. While some communities and states have all but eliminated veteran homelessness, data in Washington indicates that current efforts will not end veteran homelessness here. Section 1 contains a thorough discussion of efforts in Washington, as well as in communities and states that have been more successful in reaching functional zero veteran homelessness.

A key factor in the success of other states and communities appears to have been full implementation of the U.S. Interagency Council on Homelessness' (USICH) 10 strategies. Of particular interest to Washington may be the three states – Virginia, Connecticut, and Delaware – that USICH has certified as having "ended veteran homelessness."

As discussed in Section 1, that label can cause misunderstanding when citizens still see homeless vets on the street. However, the designation of reaching "functional zero" does show that a state has succeeded in setting up a system with the capacity to rapidly provide appropriate, affordable housing and services for those who need it.

The most important factor in the success of states that have achieved functional zero has been to coordinate service delivery among the broad range of public and private entities typically involved in veteran homelessness. A key component is a coordinated-entry system that includes a standardized assessment process and data sharing across all partner organizations. The most important data is a master "by-name" list of veterans experiencing homelessness.

Establishing that level of coordination may require a broad range of changes at the state and local levels. For example, Connecticut took the step of creating a state-level Department of Housing. Meanwhile, Virginia created a 100-Day Challenge to focus attention on improving local response systems.[153] The state also:

> *"[E]stablished policies encouraging landlord engagement, created a housing search portal, aligned priorities across state agencies that focused on veterans' needs, and . . . created a website to serve as a hub where the communities could share information and documents that streamlined and coordinated their efforts."*[154]

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[153] Coy, Brian, *Governor McAuliffe Announces Virginia's Significant Progress in Ending Veteran Homelessness*, (2015), https://governor.virginia.gov/newsroom/newsarticle?articleId=7661

[154] Kestner, Pamea and Robertson, Kathy for the U.S. Interagency Council on Homelessness, *How Virginia Uses Collaboration and Coordination to End Homelessness Statewide*, (2017), https://www.usich.gov/resources/uploads/asset_library/case-study-virginia.pdf

Each of the three states that have ended veteran homeless had previously joined USICH's *Mayors Challenge to End Veteran Homelessness* and established ambitious – and highly visible – timelines. This generated positive media coverage and provided political backing for change efforts. Both at the state and local levels, strong executive leadership has been a consistent theme among jurisdictions that achieved functional zero.

USICH's 10 strategies have generated considerable attention within Washington and have been implemented to varying degrees. However, our state has not yet matched the best practices of leading states and communities. For example, Gov. Inslee's first executive order in 2013 called for greater career support for veterans – an initiative viewed as highly successful by DVA.[155] State-level coordination has been less effective in a number of other areas. For example, as discussed in Section 2, Washington's data systems are not yet integrated and comprehensive enough to precisely measure gaps between housing needs and inventory.

Among Washington's local governments, one of the jurisdictions that appears to have had the greatest success in implementing USICH's 10 strategies appears to be Kitsap County. Substantial coordination between the county and the city of Bremerton has been a key factor in dramatically improving cross-agency coordination.

Finding 1 Recommendations

The single most important first step that Washington could take to effect change on veteran homelessness is to focus on state-level governance.

To that end, Commerce and DVA recommend that the Governor consider entering Washington into USICH's *Mayors Challenge to End Veteran Homelessness,* which could consist of designating a state-level coordinating group charged with achieving functional zero homelessness for veterans by 2022.

This workgroup could function as a subcommittee of the State Advisory Council on Homelessness. The executive order that created the council (EO 15-01)[156] could be a useful starting point for one that enters the *Mayors Challenge*.

A veterans homelessness workgroup should focus exclusively on this population and include representatives of all of the federal, state, local, and private entities that specialize in serving vets. Potential participants may partially overlap with those of the council, but the discussion would be significantly different due to a complex mix of federal services exclusively available to veterans.

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[155] Inslee, Jay, *Executive Order 13-01: Veterans Transition Support*, (2013), https://www.governor.wa.gov/sites/default/files/exe_order/eo_13-01.pdf

[156] Inslee, Jay, *Executive Order 15-01: Establishing a State Advisory Council on Homelessness*, (2015), https://www.governor.wa.gov/sites/default/files/exe_order/EO_15-01.pdf

The first order of business for the statewide veteran's homelessness workgroup should be to develop a strategic plan. What follows below are suggestions gleaned from this report's research:

- Break down barriers to client data sharing: Develop a process for expanding to a regional level federally required client-entry system (CES) currently maintained at the state's seven Continuum of Care (CoC) units. This would reduce potential placement barriers of homeless veterans across current boundaries.
- Tie Together State-Level Databases: Connect data on services, existing housing units, and building inventory within an integrated state-level system that is shared with local, nonprofit, and federal partners. This would allow a much more precise gaps analysis by regional and state-level policymakers about what is – and what is not – working to help homeless veterans. For example, the state would be able to more accurately assess the cost-effectiveness of potential investments in new housing inventory to meet evolving needs.
- Develop a regional approach to serving veterans: King's veteran population is projected to fall by 52 percent in the next 20 years while Pierce's will decline by only 8 percent, meaning that King and Pierce counties will soon trade places as having the state's largest number of veterans. The strategic plan should address what kinds of state or regional support could help the CoCs as veteran homeless populations shift over time. Among the governance questions that deserve attention: Washington should explore new institutional forms, such as the Metro Denver Homeless Initiative,[157] which covers a multi-county region.
- Meet the medical needs of a wave of elderly veterans: Align with existing efforts targeted at broader homeless populations but champion the specific needs of veterans. That includes increasing state capacity to serve female veterans, whose population is expected to grow by 14 percent in the next two decades. Washington should also explore opportunities for breaking down traditional bureaucratic and professional silos among medical, geriatric, and behavioral services to provide more cost-effective medical and geriatric-psychiatric care. Section three's recommendation could function as a pilot project.
- Establish a strategic funding plan: Policy goals should be developed in sync with efforts to better leverage dollars from state and local government with those from the federal government and private sources. Nonprofit organizations are essential partners in strategy development. The coordinating group would implement statewide and regional fundraising initiatives, as well as provide technical assistance to local efforts.
- Emphasize a broad range of policy tools: Expand the policy discussion beyond its traditional focus on veteran social services and funding mechanisms for individual housing projects. Also consider how to draw upon architectural innovations and land-use regulation changes that could result in more housing opportunities.

[157] Metro Denver Homeless Initiative, home page, http://www.mdhi.org/

- Provide adequate staff support to the coordinating group: A key reason why each of the above-listed bullet items has not already been achieved has been a lack of adequate state-level staffing. The plan should thus include a proposal for providing the staff capacity needed to develop, implement, and evaluate a coordinated state-level strategy.

FINDING 2: More Data Are Needed on Permanent Supportive Housing for Veterans

As discussed in Section 1, an unusually large wave of veterans – significantly concentrated in King County – is moving into their elderly years at the same time that the overall veteran population is declining by more than 27 percent within two decades. By 2037 veterans 85 and over will increase 12 percent from today to 45,000.

Piecemeal data suggests that Washington already has a shortage of permanent supportive housing for veterans. However, the state does not have data systems that can precisely measure gaps between need and availability, particularly in ways that can be used for state-level policymaking.

Federal, state and local governments have a variety of databases that track homeless veterans. Despite recent efforts to better coordinate data, such as through the development of a statewide HMIS, Washington does not have a comprehensive and real-time source of data on veterans in need of permanent supportive housing.

Currently, no data systems track the availability and suitability of existing properties for conversion to permanent supportive housing. However, implementation of Chapter 217, Laws of 2018[158] should help with the identification of surplus state-owned property suitable for conversion.

Finding 2 Recommendations

- Use a client-entry-system to monitor all veterans with support requirements. The client-entry system recommended in Finding 1 should be designed to track veterans with multiple needs, such as geriatric, psychiatric, and disabled. This would allow providers to more efficiently pair veterans with a facility appropriate to their potentially evolving needs. In addition, state-level policymakers would have more precise data to plan for an adequate number of specific-types of beds.
- Use inventories of surplus state-owned property to identify properties suitable for conversion to permanent supportive housing for veterans. Commerce will develop these inventories, pursuant to Chapter 217, Laws of 2018. Key attributes that would

[158] See footnote 2.

help identify suitable properties include number of floors, whether a structure is residential or commercial, and proximity to important infrastructure, services, and amenities. McKinney-Vento Act information may be helpful as well. Long-term, lists of surplus city and county properties containing these attributes would be helpful for identifying properties for conversion to veteran housing as well.

FINDING 3: Retsil Building 10 Is Suitable for Conversion to a Geriatric-Psychiatric Unit

Commerce and DVA convened a stakeholder group to evaluate the feasibility of converting Building 10 at the State Veterans Home at Port Orchard (Retsil) into housing for veterans. The 13-person group included representatives from:

- The Governor's Office.
- The Washington State Department of Social and Health Services (DSHS).
- VA Puget Sound Medical Center.
- VA Puget Sound Homeless Program.
- Kitsap County Housing and Homeless Program.
- The Veterans Home at Port Orchard.
- Community-level groups such as housing authorities and community action groups.
- SAGE Architectural Alliance provided technical support.

The stakeholder group concluded that a geriatric-psychiatric treatment unit is the most cost-effective use for Building 10. An integrated approach to providing medical, geriatric, and behavioral services was found to be more cost-effective than permanent supportive housing. However, providing expanded behavioral health and medical services would require an integrated approach between multiple state and federal agencies.

Finding 3 Recommendations

- Maintain the stakeholder workgroup from the Retsil Building 10 feasibility study to coordinate next steps by the federal, state, and local agencies involved in the project. This workgroup should operate under the auspices of above-mentioned coordinating group.
- Commit the state to implementing USICH's 10 strategies. The experience of other states and communities suggests great potential for effecting change on veteran homelessness if political will, leadership, collaboration, and coordination among federal, state, and local programs is dedicated to the effort.

Finding 3 Next Steps

In the 2018 supplemental capital budget,[159] the Legislature included a $750,000 appropriation for DVA from the State Building Construction Account for Building 10 for pre-planning conversion to a geriatric-psychiatric unit for veterans. This is a promising next step in addressing the important need for veteran homelessness in Washington state.

[159] Washington State Legislature, *ESSB 6095 Concerning the capital budget*, Section 2023, (2018), http://lawfilesext.leg.wa.gov/biennium/2017-18/Pdf/Bills/Senate%20Passed%20Legislature/6095-S.PL.pdf

Appendix A: USICH's 10 Key Strategies

USICH adopted *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness* in 2010, and amended it in 2015. The plan sets forth goals and timeframes to sequentially end veteran homelessness, chronic homelessness, and homelessness among family, youth, and children by 2020. USICH placed its initial emphasis on veteran homelessness, expanding or creating a number of tools for federal, state, and community leaders and service providers.

USICH's *10 Strategies to End Veteran Homelessness* attempt to address a broad range of factors. What follows is a brief paraphrasing of each strategy:[160]

1. Obtain support from state and local leaders to better coordinate efforts. A key tactic has been the creation in June 2014 of a *Mayors Challenge to End Homelessness*, which a few states have also joined.
2. Shift to a "Housing First" approach that removes as many barriers as possible to housing and services regardless of a veteran's sobriety, financial history, or past involvement in the criminal justice system.
3. Implement a coordinated-entry system that includes a standardized assessment process and data sharing across all partner organizations.
4. Set and meet ambitious short- and long-term goals by efficiently deploying federal resources.
5. Improve the effectiveness of transitional housing and consider other models. This includes reallocating resources to supportive housing.
6. Engage and support private landlords as partners through recruitment campaigns and risk mitigation.
7. Identify and be accountable through data-sharing agreements, assessment processes, and communication among partners. This includes the creation of a master list of veterans experiencing homelessness.
8. Conduct persistent, coordinated, and creative outreach efforts to engage homeless veterans and link them to housing and services.
9. Increase connections to employment through greater collaboration among partners.
10. Coordinate with legal services organizations to better help veterans with legal needs.

[160] See footnote 68

Appendix B: Federal Veteran Homelessness Programs

A broad range of federal programs is relevant to preventing or ending veteran homelessness. Some of these programs offer direct services to veterans; others provide funding to state and local governments, as well as direct service providers. These programs include:

- **Center for Female Veterans:** A VA program that advocates for cultural transformation to raise awareness about the service and sacrifice of female veterans.[161]
- **Community Development Block Grant Program (CDBG):** This program was established to provide communities with resources to address a wide range of development needs, such as affordable housing to vulnerable populations. Annual grants are offered on a formula basis. Commerce administers CDBG General Purpose Grants and CDBG Specialty Grants, which are pass through programs for Washington.[162] [163]
- **Farm Labor Housing Loans and Grants:** The Section 514/516 Farm Labor Housing program provides loans and grants for the development of on-farm and off-farm housing. The U.S. Department of Agriculture's Rural Development Housing and Community Facilities Programs office operates the program. Loans and grants are provided to buy, build, improve, or repair housing for farm laborers.[164]
- **Grant and Per Diem Program (GPD):** VA's largest transitional housing program provides construction grants (requiring 35 percent local match) and per diem operational funding for supportive housing and services for homeless veterans for up to 24 months.[165]
- **Homeless Veterans Reintegration Program (HVRP):** A Department of Labor program to help homeless veterans reintegrate into the labor force through job training and placement, and referral to supportive services such as clothing, housing, medical and substance abuse treatment, and transportation.[166]
- **Housing Choice Voucher Program – Section 8:** This program assists very-low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or

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[161] U.S. Department of Veterans Affairs, "Inside the Center for Female veterans," (2017), https://www.va.gov/womenvet/cwv/index.asp

[162] U.S. Department of Housing and Urban Development, "Community Development Block Grant Program," (2018), https://www.hud.gov/program_offices/comm_planning/communitydevelopment/programs

[163] Washington State Department of Commerce, "Community Development Block Grants," (2017), http://www.commerce.wa.gov/serving-communities/current-opportunities/community-development-block-grants/

[164] U.S. Department of Agriculture, "Farm Labor Housing Direct Loans & Grants," (2018), https://www.rd.usda.gov/programs-services/farm-labor-housing-direct-loans-grants

[165] U.S. Department of Veterans Affairs, "Grant and Per Diem Program," (2018), https://www.va.gov/homeless/gpd.asp#one

[166] U.S. Department of Labor, "Homeless Veterans' Reintegration Program," (2018), https://www.dol.gov/vets/programs/hvrp/homeless_veterans_fs.htm

individual, participants are able to find their own housing, including single-family homes, townhouses and apartments. Participants may choose any housing that meets the requirements of the program. They are not limited to units located in subsidized housing projects. Housing choice vouchers are administered locally by public housing agencies (PHAs). These agencies receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program.[167]

- **HUD – Continuum of Care Program:** The Continuum of Care (CoC) promotes community-wide cooperation toward ending homelessness. The CoC provides funding to nonprofit providers and local governments to rapidly rehouse homeless persons and their families. One goal is to minimize the impact of homelessness while optimizing self-sufficiency among individuals and families experiencing homelessness.[168]
- **HUD – Low-Income Housing Tax Credits (LIHTC):** This program helps create lower-than-market rents by offering tax incentives to property owners.[169]
- **HUD – Project-Based Rental Assistance (PBRA):** Section 8 PBRA enables frail seniors and people with disabilities to continue to live in their home and communities, which delays placement into nursing homes or other institutional settings.[170]
- **HUD – Tenant-Based Vouchers (TBRA):** PHAs administer these vouchers, which are targeted at very-low-income families. They receive subsidized rent that exceeds 30 percent of the adjusted family income and a PHA-determined payment standard for gross rent for the unit, whichever is lower.[171]
- **HUD – Veteran Affairs Supportive Housing Vouchers:** A joint program between HUD and VA, where HUD provides housing choice vouchers and VA provides outreach and case management. These are commonly called HUD-VASH vouchers.[172]
- **Projects for Assistance in Transition from Homelessness (PATH):** A U.S. Department of Health and Human Services grant program that provides assistance to homeless or those at risk of being homeless who have serious mental illnesses. The program provides case management, supportive service in residential settings, job training, educational services as well as housing services.[173]

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[167] U.S. Department of Housing and Urban Development, "Housing Choice Vouchers Fact Sheet,"(2018), https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/about/fact_sheet
[168] U.S. Department of Housing and Urban Development, "Continuum of Care Program," (2018), https://www.hudexchange.info/programs/coc/
[169] U.S. Department of Housing and Urban Development, "The LIHTC Program," (2018), https://www.huduser.gov/portal/pdredge/pdr_edge_frm_asst_sec_022312.html
[170] U.S. Department of Housing and Urban Development, "Renewal of Section 8 Project-Based Rental Assistance," (2018), https://www.hud.gov/hudprograms/rs8pbra
[171] U.S. Department of Housing and Urban Development, "Tenant Based Vouchers," (2018), https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/tenant
[172] U.S. Department of Housing and Urban Development, "HUD-VASH Vouchers," (2018), https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/tenant
[173] U.S. Department of Health and Human Services, "Projects for Assistance in Transition from Homelessness," (2018), https://www.benefits.gov/benefits/benefit-details/728

- **Program of Assertive Community Treatment (PACT):** This is an intensive outpatient treatment program designed to help adults overcome barriers to their recovery from severe and persistent behavioral health disorders.[174]
- **Rural Rental and Cooperative Housing Loans (Section 515):** This program provides competitive financing for affordable multi-family rental housing for low-income, elderly, or disabled individuals and families in eligible rural areas.[175]
- **Rural Rental Assistance Program (Section 521):** Rural Rental Assistance Section 521 is available in some properties financed by the Section 515 Rural Rental or Section 514/516 Farm Labor Housing programs of the U.S. Department of Agriculture's Rural Development Housing and Community Facilities Programs Office. This program provides payments to owners of USDA-financed Rural Rental Housing or Farm Labor Housing projects on behalf of low-income tenants unable to pay their full rent.[176]
- **Supportive Housing for Persons with Disabilities (Section 811):** The Section 811 program allows persons with disabilities to live as independently as possible in the community by subsidizing rental housing opportunities that provide access to appropriate supportive services.[177]
- **Supportive Services for Veteran Families (SSVF):** A VA program that awards grants to private nonprofit organizations to provide supportive services (such as case management and help accessing support programs) to very-low-income veteran families living in or transitioning to permanent housing.[178]
- **SSI/SSDI Outreach, Access, and Recovery (SOAR):** A federal interagency partnership to help veterans who are homeless or at risk of becoming homeless access Social Security disability benefits.[179]
- **Veterans Justice Outreach Program (VJO):** A VA program that works with state and local veteran courts to help link justice-involved veterans with VA services.[180] The Substance Abuse and Mental Health Administration has developed a model to help communities reduce veteran criminal justice involvement as well as veteran homelessness.[181]

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[174] Allness, *The Program of Assertive Community Treatment (PACT): The Model and Its Replication*, New Directions for Mental Health Services, (1997), pages 17-26, https://www.ncbi.nlm.nih.gov/pubmed/9262066

[175] U.S. Department of Housing and Urban Development, *Rural Rental Housing Loans (Section 515)*, (2002), https://www.hud.gov/sites/documents/19565_515_RURALRENTAL.PDF

[176] U.S. Department of Agriculture, *Multi-Family Housing Rental Assistance*, (2018), https://www.rd.usda.gov/programs-services/multi-family-housing-rental-assistance

[177] U.S. Department of Housing and Urban Development, *Section 811 Supportive Housing for Persons with Disabilities*, https://www.hud.gov/program_offices/housing/mfh/progdesc/disab811

[178] U.S. Department of Veterans Affairs, *Supportive Services*, (2015), https://www.va.gov/homeless/ssvf/?page=/official_guide/supportive_services

[179] SSI/SSDI Outreach, Access, and Recovery, *Veterans*, (2018), https://soarworks.prainc.com/topics/veterans

[180] U.S. Department of Veterans Affairs, *Veterans Health Administration Fact Sheet*, (2016), https://www.va.gov/HOMELESS/docs/VTC-Inventory-FactSheet-0216.pdf

[181] U.S. Interagency Council on Homelessness, *Breaking the Cycle of Veteran Incarceration and Homelessness*, (2015), https://www.usich.gov/resources/uploads/asset_library/Justice_Involved_Veterans.pdf

- **Veterans Opportunity to Work (VOW):** An interagency program designed to facilitate transitions into the civilian workforce by providing education and training to veterans, and incentives to employers for hiring veterans.[182]

[182] U.S. Department of Veterans Affairs, "Veterans Opportunity to Work," (2015) https://www.benefits.va.gov/VOW/index.asp

Appendix C: Washington State Programs

Many of the elements needed to reduce veteran homelessness are present in Washington, though they have not coalesced sufficiently to catalyze the progress seen elsewhere. In addition to the federal programs listed above, some initiatives unique to Washington include:

- **Affordable Housing Program (AHP):** Administered by the Federal Housing Finance Agency, under the Federal Home Loan Bank Act (Bank Act) and AHP regulation, at least 20 percent of the units in a rental project must be occupied by very-low-income households (households with incomes at or below 50 percent of area median income (AMI).[183]
- **Consolidated Homeless Grant (CHG):** Commerce administers the CHG, which combines state homeless funding into a single grant opportunity for counties, or designated lead entities within counties, to combat homelessness. These grants, which are primarily derived from document recording fees, fund local homeless planning, coordinated entry, PIT counts, emergency shelters, and rent assistance for both transitional and permanent supportive housing.[184]
- **Local homeless service funding**: Counties receive 67 percent of homeless recording fees, which are then used to fund homeless housing beds, including emergency shelter, transitional housing, and permanent supportive housing in their communities. Use of these funds is guided by statutorily required local homeless housing strategic plans.
- **Local Veterans Programs**: Many local jurisdictions have established veteran assistance programs that contribute to reducing homelessness. Examples include King County Veterans Programs, Kitsap County's Homes for All Served initiative, Whatcom County's Hope House Multi-Service Center, Okanogan County's Tiny Housing feasibility study, and Spokane's Home for Heroes program. In addition, many faith-based and nonprofit organizations are working to reduce veteran homelessness across the state.
- **HOME:** This HUD-funded program is used to create affordable housing units. The Washington State Housing Trust Fund, HOME, and the National Housing Trust Fund programs are jointly administered by Commerce. Commerce awards funds on a competitive basis to low-income housing projects through the Housing Trust Fund application rounds.
- **Homeless Housing Strategic Plan:** In January 2017, Commerce issued a new strategic plan to combat homelessness. This plan, which is required under the Homeless Housing and Assistance Act (RCW 43.185C), will raise performance and accountability expectations for local governments and other housing providers that receive CHG funding. The plan envisions a homeless crisis-response system that is data based, quickly moves people into housing, and provides needed support

[183] Federal Housing Finance Agency, "Affordable Housing & Community Development," (2018), https://www.fhfa.gov/PolicyProgramsResearch/Programs/AffordableHousing

[184] Washington State Department of Commerce, "Consolidated Homeless Grant," (2017), http://www.commerce.wa.gov/serving-communities/homelessness/consolidated-homeless-grant/

services using evidence-based best practices. The plan was developed in consultation with the State Advisory Council on Homelessness, the Interagency Council on Homelessness, the Washington Low Income Housing Alliance, and the Washington Community Action Partnership.[185]

- **Homeless Veterans Reintegration Project (HVRP):** DVA administers the federal HVRP program in the Puget Sound Region to help veterans re-integrate into the labor force.[186]
- **Housing and Essential Needs Program (HEN):** A referral program, HEN provides access to essential needs items and potential housing assistance for low-income adults who are unable to work for at least 90 days due to a physical or mental incapacity and are ineligible for aged, blind or disabled (ABD) cash assistance. Administered by DSHS, assistance may include limited rent and utilities, personal health and hygiene items, cleaning supplies, and transportation.[187]
- **Housing Trust Fund (HTF):** This program, which is administered by Commerce, funds affordable housing projects that serve a diverse array of low-income and special needs populations. Projects can serve people with incomes up to 80 percent of area median income (AMI), though the majority of projects serve households with special needs or incomes below 30 percent of AMI. Since 1986, the HTF has invested $1 billion in state funds, primarily derived from the issuance of bonds, in affordable housing projects. This has resulted in the development of 47,000 units that house 78,000 of the state's most vulnerable residents at any point in time. The HTF leverages significant investment from other public and private sources, roughly six dollars for every HTF dollar spent.[188] HTF-funded projects provided housing for almost 1,200 veteran households in 2015. [189]
- **National Housing Trust Fund:** This new program funded by U.S. Department of Housing and Urban Development creates affordable housing units for extremely low-income households. The Washington State Housing Trust Fund, HOME, and the National Housing Trust Fund programs are jointly administered by Commerce. Commerce awards funds on a competitive basis to low-income housing projects through the Housing Trust Fund application rounds.

[185] Washington State Department of Commerce, "State of Washington Homeless Housing Strategic Plan," (2017), http://www.commerce.wa.gov/wp-content/uploads/2017/01/V3-hau-hlp-final-homeless-strategic-plan-2017.pdf
[186] Washington State Department of Veterans Affairs, "Homeless Veterans Reintegration Project," (2016), http://www.dva.wa.gov/benefits/homeless-veterans-reintegration-project
[187] Washington State Department of Social and Health Services, 2017. "Housing and Essential Needs.". https://www.dshs.wa.gov/esa/community-services-offices/housing-and-essential-needs
[188] Washington State Department of Commerce, *Washington State Housing Trust Fund: Celebrating 30 years of building a Washington where everyone has a home*,"(2016), http://www.commerce.wa.gov/wp-content/uploads/2015/08/hfu-htf-30th-report.pdf
[189] Query from Web-Based Annual Reporting System (WBARS), February 3, 2017

- **Results Washington:** As noted earlier, Gov. Inslee's performance management program is specifically tracking veteran homelessness measures, actions, and results under Goal 4, Result 3.1.d.[190]
- **Regional Veterans Housing Summits:** Between 2010 and 2015, DVA hosted 12 summits across the state to identify and address regional challenges around veteran housing and homelessness.[191]
- **Veterans Conservations Corps:** DVA, in conjunction with the Washington Department of Ecology Conservation Corps (WCC), coordinate volunteer and paid internships helping to restore Washington's natural resources.[192]
- **Veterans Innovations Program:** This program provides assistance to veterans and their families of those who face financial hardships due to deployment in Iraq and Afghanistan wars. As of June 2017, DVA has helped prevent 120 evictions or foreclosures. The program also helps with transition to employment, education, and life needs.[193]
- **Veterans Transitional Housing Program**: DVA administers a transitional housing program for veterans at the Washington Veterans Home near Port Orchard. The program, housed in Building 9 and funded with federal GPD funds, provides homeless veterans with stable housing, vocational rehabilitation, and access to support services to facilitate successful returns into the community.[194]
- **Veterans Treatment Courts:** Seven counties operate veteran treatment courts to pair defendants with other veterans as mentors to ensure that participants engage in treatment and counseling and receive proper benefits. Counties include Clark, King, Kitsap, Pierce, Spokane, Stevens, and Thurston.[195]
- **Veterans Incarcerated Reintegration Services:** A joint project with King, Thurston, and Clark counties to address the needs of veterans incarcerated in County Correctional Facilities, offering alternatives to jail and referral to housing, employment services, and treatment. Many of the veterans have come to the jail due to untreated drug and alcohol issues, poverty, homelessness, or post-traumatic stress disorder.[196]

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[190] Washington State Department of Veterans Affairs, "Homeless Veterans" (2015), https://data.results.wa.gov/Goal-4-Healthy-and-Safe-Communities/G4-3-1-d-Homelessness-Veteran-RR-04-2015/dy7f-g25e?firstRun=true

[191] Veterans Association of Real Estate Professionals, "Veterans Housing Summit Website," (2018), http://veteranshousingsummit.com/

[192] Washington State Department of Veterans Affairs, "Internships," (2018), http://www.dva.wa.gov/benefits/internships

[193] Washington State Department of Veterans Affairs, "Veterans Innovations Program," (2018), http://www.dva.wa.gov/benefits/veterans-innovations-program

[194] Washington State Department of Veterans Affairs, "Building 9 for Veterans Transitional Housing Program," (2019), http://www.dva.wa.gov/veteran-homes/building-9-veterans-transitional-housing-program

[195] Washington Courts, "Veteran Treatment Courts," (2017), http://www.courts.wa.gov/court_dir/?fa=court_dir.psc&tab=7

[196] Washington State Dept. of Veterans Affairs, "Incarcerated Veterans & Vet Court," (2016)http://www.dva.wa.gov/benefits/incarcerated-veterans-vet-court

- **Washington Consolidated Homeless Grants:** This program combines state homeless resources into a grant opportunity for county governments and not-for-profits under the administration of Commerce.[197]
- **Washington State Foreclosure Fairness Program:** This Commerce program provides homeowner foreclosure assistance by offering free housing counseling, civil legal aid, and foreclosure mediation. The program, created by the 2011 Foreclosure Fairness Act, helps homeowners and lenders explore possible alternatives to foreclosure and reach a resolution whenever possible.[198]
- **Washington State Foreclosure Mediation Program:** A state-funded program through Commerce provides financial assistance to landlords to mitigate qualifying damages caused by tenants who use HUD's Housing Choice Voucher Program.[203] [199]
- **Washington State Housing Finance Commission:** Among the programs administered by the commission are the Low-Income Housing Tax Credit (LIHTC), which is a resource for creating affordable housing. An average of over 1,460 projects and 110,000 units were placed in service annually nationally from 1995 to 2015, according to HUD's National Low Income Housing Tax credit (LIHTC) database.[200]

[197] See footnote 209
[198] Washington State Department of Commerce, "Washington State Foreclosure Fairness Program," (2017), http://www.commerce.wa.gov/building-infrastructure/housing/foreclosure-fairness/
[199] Ibid.
[200] U.S. Department of Housing and Urban Development, "Low-Income Housing Tax Credits Database," (2017), https://www.huduser.gov/portal/datasets/lihtc.html

Appendix D: An Overview of Policy Levers

Housing opportunities for veterans experiencing homelessness can be viewed as balancing inventory with need. This balancing act has complexities, such as whether veterans with various types of medical or psychiatric conditions have access to housing connected to the right kinds of specialized services. Nevertheless, the federal government's goal of ending veteran homelessness can be summarized in the equation: *need – inventory = zero*.

The previous section focused primarily on governance reforms because those arguably represent the foundation on which all policy levers rest. Section 3 will offer an overview of a range of housing needed by veterans that spans the range of geographical need. These approaches are sorted into four broad categories: architectural innovation, land-use regulation, social services, and funding mechanisms.

Some of the housing opportunities discussed below have been long used, but others are not widely implemented. Some are specific to veterans, whereas others would reduce homelessness in general. The goal of the discussion below is to cultivate a "systems approach" to veteran homeless policy that integrates a menu of options that address both sides of the "need – inventory" equation. An inventory of federal and state programs that are exclusively or significantly focused on veteran homelessness can be found in appendices B and C.

Policy Levers: Which Ones Are Most and Least Used?

Traditional Housing

The most generally used models for housing homeless veterans include:

- Permanent-supportive housing: non-time-limited affordable housing with supportive services for homeless veterans. [201]
- Adult family homes: a residential home licensed to provide housing and care for up to six non-related residents. [202]
- General assisted living: licensed to provide housing and care to seven or more people in a home or facility located in a residential neighborhood.[203]
  Transitional housing – housing and services provided for up to two years, typically in a dedicated building.[204]
- Special projects: housing that has been "rehabilitated" or "refurbished" for use by a defined population, such as homeless veterans.

[201] U.S. Interagency Council on Homelessness, "Supportive Housing," (2017), https://www.usich.gov/solutions/housing/supportive-housing
[202] Washington State Department of Social and Health Services, *Choosing Care in an Adult Family Home or Assisted Living Facility*, (2016), https://www.dshs.wa.gov/sites/default/files/SESA/publications/documents/22-707.pdf
[203] Ibid.
[204] Washington State Department of Commerce, *Counts of Homelessness: Different Counts and What They Mean*, (2017), http://www.commerce.wa.gov/wp-content/uploads/2015/11/hau-hlp-counts-of-homelessness-2017.pdf

- Grant and Per Diem Program: a funding stream for affordable rental housing for veterans. These funds can be used to cover the costs of construction or acquisition of transitional or permanent supportive housing for homeless veterans or a related service center.[205]
- Mobile or manufactured homes: prefabricated homes built to federal Manufactured Home Construction and Safety Standards.[206]

Architectural Innovation: Bringing Emerging Ideas into the Mainstream

Alternative and up-and-coming housing options include:

- Conversion of dying malls: In the next five years, up to 25 percent of American malls may close.[207] This opens up redevelopment opportunities, such as converting malls into micro-apartments[208] or full-service communities for seniors.[209] For example, Seattle's Northgate Mall, which opened in 1950, has been described as ripe for redevelopment that aligns with an increasingly mixed-use, walkable neighborhood sprouting up around it.[210, 211]
- Prefabricated apartments: Built off-site and stacked like Legos®, prefabs cost less and can be put up faster than conventional construction. Google is buying 300 units for its Mountain View, Calif., campus.[212] The nonprofit American Family Housing is building apartments out of shipping containers.[213] In Seattle, the Compass Housing Alliance is installing 13 units of steel-frame modular housing.[214] Meanwhile, the Department of Corrections' Stafford Creek Corrections Center, in partnership with

[205] National Housing Conference and Center for Housing Policy, "Housing and Services Needs of Our Changing Veteran Population," (2015), https://www.nhc.org/2015-veterans-v3r8h
[206] U.S. Department of Housing and Urban Development, "Manufactured Housing and Standards," (2017), https://www.hud.gov/program_offices/housing/rmra/mhs/faqs
[207] Khouri, Andrew, *Dying shopping malls can make room for new condos and apartments, helping ease the housing crisis*, Los Angeles Times, (2017), http://www.latimes.com/business/la-fi-retail-housing-20170929-story.html
[208] Garfield, Leanna, *America's oldest shopping mall has been turned into beautiful micro-apartments – take a look inside*, Business Insider, (2016), http://www.businessinsider.com/americas-first-shopping-mall-is-now-micro-apartments-2016-10
[209] Ewen, Lara, *Not dead, just changing': What the future holds for the American mall*, Retail Dive, (2017), https://www.retaildive.com/news/not-dead-just-changing-what-the-future-holds-for-the-american-mall/441342/
[210] Jacobs, Harrison, *Seattle is building a city around a mall to try to prevent the retail apocalypse*, Business Insider, (2017), http://www.businessinsider.com/america-first-shopping-mall-northgate-reinvention-retail-apocalypse-photos-2017-12
[211] Bond, Charles, *10 Ways Northgate Mall Could Become 'Downtown Northgate*, The Urbanist, (2014), https://www.theurbanist.org/2014/11/03/10-ways-northgate-mall-could-become-downtown-northgate/
[212] Baron, Ethan, *Google's Moffett Field modular apartment plan hailed as possible housing fix*, The Mercury News, (2017), https://www.mercurynews.com/2017/06/14/googles-moffett-field-modular-apartment-plan-hailed-as-possible-housing-crisis-fix/
[213] Larson, Selena, *Stackable pods could help house the homeless*, CNNtech, (2016), http://money.cnn.com/2016/12/05/technology/micropad-housing-san-francisco/index.html
[214] Keeley, Sean, *Paul Allen donates $1 million to fund homeless housing community*, Seattle Curbed, (2016), https://seattle.curbed.com/2016/6/29/12060458/paul-allen-homeless-housing-community-compass-alliance

Pallett LLC, is designing and building emergency shelters that can be assembled in 20 minutes to help in disaster relief, migrant, or homeless situations. The houses are designed to be durable, used year-round, and fit entire families.[215]

- Wood frame construction for taller buildings: In recent years, wood has been used to construct four-story buildings. However, developers are experimenting with wood-framed buildings that are five stories or taller by using advanced technologies that reduce costs and carbon emissions compared to steel and concrete construction.[216]
- Individual-lease apartments: This approach allows two or more people to live in the same apartment but pay separate rents. Individual-lease apartments have typically been used for student housing but could be used more broadly in high-cost urban areas.[217]

Land-Use Regulation: Sparking the Development of Low-Income Housing

- Accessory dwelling units (ADUs): Relatively few residences have added a small, self-contained residential unit to the lot of an existing single-family home because they are either prohibited by local ordinances or there are too many regulatory hurdles. The Association of Washington Cities (AWC) and the Municipal Research and Services Center (MRSC) have developed policy suggestions for encouraging ADU construction.[218]
- Mandatory inclusionary zoning: Redmond and Federal Way are examples of Washington cities that have implemented regulations requiring developers to construct a minimum number of affordable housing units or an "in lieu of" payment. These can cover an entire jurisdiction or, in the case of Issaquah, only its urban core.[219]
- Reduction of parking requirements: Car-friendly parking requirements increase carbon emissions, encourage sprawl, reduce walkability, and exclude low-income people, according to Donald Shoup, a planning professor at the University of California at Los Angeles. He proposes limits on parking requirements in transit-rich neighborhoods to address such issues.[220]

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[215] Kelly, Tim, "Inmates Partner with Community to Build a Better Future," Washington State Department of Corrections, (2017), http://www.doc.wa.gov/news/2017/03072017.htm

[216] Sullivan, C.C., "Building wood towers: How high is up for timber structures?," *Building Design + Construction.* (2015), https://www.bdcnetwork.com/building-wood-towers-how-high-timber-structures

[217] ForRent University, "Apartments near Seattle University, Per-Bed Pricing," (2018), https://www.forrentuniversity.com/Seattle-University/individual-lease-apartments

[218] Association of Washington Cities and the Municipal Research and Services Center, *Homelessness & housing toolkit for cities,* (2017), http://mrsc.org/getmedia/4785af3e-35c7-42ef-8e8e-a44c8d0786c4/Homelessness-And-Housing-Toolkit-For-Cities.pdf.aspx?ext=.pdf

[219] Ibid.

[220] Shoup, Donald, "Putting a Cap on Parking Requirements," *Planning* magazine, (2015), https://www.planning.org/planning/2015/may/puttingacap.htm

- "Programmatic" Environmental Impact Statements (EISs): These types of EISs can streamline the permitting process, thereby reducing development costs by avoiding repetitive analysis of multiple projects in a given area.[221]

Social Services: Preventing or Minimizing the Duration of Homelessness

- Federal housing-related services for veterans: The federal resources offered to eligible veterans include rent subsidies through HUD-VA Supportive Vouchers (VASH); assistance in accessing Social Security disability benefits through the SSI/SSDI Outreach, Access, and Recovery (SOAR) program; and a veteran reintegration program that includes housing assistance (see Appendix B).
- Tenant/homeowner protection: Vancouver has passed a number of tenant protections, such as a 45-day notice of rent increase by more than 10 percent.[222] The legislature banned discrimination based on the source of income through Chapter 66, Laws of 2018. A Foreclosure Fairness Program administered by Commerce helps homeowners and lenders explore alternatives to foreclosure (see Appendix C). Washington has a "slumlord accountability" law that guarantees relocation assistance for renters whose properties are shut down by local governments due to landlord negligence.[223]
- Veterans treatment courts: Seven counties – Clark, King, Kitsap, Pierce, Spokane, Stevens, and Thurston – operate veteran treatment courts to pair defendants with veteran mentors to ensure that participants engage in treatment and receive proper benefits.[224] In addition, DVA has partnered with King, Thurston, and Clark county veteran treatment courts to offer assistance such as transitional housing upon release from jail (see Appendix C).[225]
- Landlord mitigation: A state-funded program through Commerce provides financial assistance to private market landlords to mitigate qualifying damages caused by tenants who use HUD's Housing Choice Voucher Program (see Appendix C). This program was expanded in the 2018 legislative session (Chapter 66, Laws of 2018).[226]

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[221] Boots, Michael, *Effective Use of Programmatic NEPA Reviews*, Council on Environmental Quality, (2014), http://www.nmfs.noaa.gov/sfa/laws_policies/operational_guidelines/effective-use-programmatic-nepa-reviews-2014.pdf

[222] See footnote 139

[223] Tenants Union of Washington State, "Relocation Assistance," (2017), http://tenantsunion.org/en/rights/relocation-assistance

[224] Washington Courts, "Drug Courts & Other Therapeutic Courts," (2017), http://www.courts.wa.gov/court_dir/?fa=court_dir.psc&tab=7

[225] Washington State Department of Veterans Affairs, "Incarcerated Veterans & Vet Court," (2017), http://www.dva.wa.gov/benefits/incarcerated-veterans-vet-court

[226] Washington State Legislature, *Chapter 66, Laws of 2018*, http://lawfilesext.leg.wa.gov/biennium/2017-18/Pdf/Bills/Session%20Laws/House/2578-S2.SL.pdf

Funding Mechanisms: Mixing and Matching the Right Sources

- Local taxes for affordable housing: With a vote of the people, counties and cities can implement a 0.1 percent sales-and-use tax to build new affordable housing units and mental health facilities. In addition, counties and cities can impose a regular property tax levy up to 50 cents per $1,000 of assessed value of property for affordable housing. Bellingham approved such a levy in 2012 and has used the dollars to build new rental housing as well as rent subsidies and emergency winter shelter.[227] Meanwhile, Seattle passed several levies over the years to fund affordable housing for low-income Seattle residents. Their 2016 levy is estimated to bring in approximately $290 million spanning over seven years.[228]
- State-level operation funding: Commerce administers the Consolidated Homeless Grant, which combines state homeless funding into a single grant opportunity for counties, or designated lead entities within counties, to combat homelessness. Counties also receive 67 percent of statewide homeless recording fees, and use it to fund homeless housing beds, including emergency shelter, transitional housing, and permanent supportive housing in their communities. Use of these funds is guided by statutorily required local homeless housing strategic plans (see Appendix C).
- State-level capital funding: Commerce offers a number of programs, such as HOME, the Washington State Housing Trust Fund, the National Housing Trust Fund, and the Community Development Block Grant programs that provide loans and grants to local governments, housing authorities, and nonprofit organizations to develop and preserve low-income housing. The Washington State Housing Finance Commission also administers several housing finance programs that create and preserve low-income housing, including the federal Low-Income Housing Tax Credit Program, which draws hundreds of millions of private investment dollars to Washington to help develop low-income housing (see Appendix C).
- Federal funding and technical assistance: The VA administers a handful of relevant programs, including Supportive Services for Veteran Families (SSVF), which awards grants to nonprofit organizations to provide case management support. The Grant and Per Diem Program provides construction grants and operational funding for supportive housing and services on a transitional basis. In addition, the Veterans Justice Outreach Program works with state and local veteran courts to help link justice-involved veterans with VA services (see Appendix B).

[227] See footnote 139

[228] City of Seattle, *2016 Seattle Housing Levy*, (2016), https://www.seattle.gov/Documents/Departments/Housing/Footer%20Pages/2016HousingLevy_FactSheet.pdf

Figure 30 illustrates how Washington's veteran homelessness policy has tended to focus on social services and funding mechanisms. Architectural innovations have received the least attention, followed by land-use regulations. This may reflect the primary stakeholders who have historically been involved in the veteran homelessness policy-development process, governmental entities that disburse funding and social service providers.

In recent years, the policy dialogue has expanded as the state's affordable housing crisis has deepened. As a case in point, a *Seattle Times* article explored San Francisco's multi-faceted approach to homelessness policy, which places an emphasis on architectural innovations such as stacking Lego®-style units on empty public spaces.[229] Meanwhile, a high-profile report co-published this year by the AWC and MRSC, *Homelessness & Housing Toolkit for Cities,* presents a broad range of ideas that fit in each of the four policy levers.[230]

Figure 30: Homelessness Policy Levers Used in Washington State

Architectural Innovations	Land-use Regulation	Social Services	Funding Mechanisms
Conversion of dying malls	Accessory dwelling units (ADUs)	Federal housing-related services for veterans	Optional local taxes for affordable housing
Prefabricated apartments	Mandatory inclusionary zoning	Tenant / homeowner protection	State-level operating funding
Wood frame construction for taller buildings	Reduction of parking requirements	Veterans treatment courts	State-level capital funding
Individual-lease apartments	"Programmatic" Environmental Impact Statements (EISs)	Landlord mitigation	Federal funding and technical assistance

Widely utilized **Partially utilized** **Pilots Project(s)** **Unused**

[229] Fagan, Kevin, *Solutions to homelessness in San Francisco within reach*, Seattle Times, (2016), https://www.seattletimes.com/nation-world/solutions-to-homelessness-in-san-francisco-within-reach/
[230] See footnote 139

SAGE ARCHITECTURAL ALLIANCE

FEASIBILITY OF CONVERTING BUILDING 10 AT THE WASHINGTON VETERANS HOME AT RETSIL INTO

HOUSING FOR VETERANS

A Report Produced for the

Washington State Department of Commerce

Project Number 17-24210-003

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EXECUTIVE SUMMARY

As part of an effort to ensure safe and secure housing for all Washington citizens the Washington State Legislature directed the Washington State Department of Commerce (Commerce) coordinated with the Washington State Department of Veterans Affairs (DVA) to evaluate the feasibility of converting the facility known as Building 10 into housing for veterans. Building 10 is owned by DVA and located at the Washington Veterans Home at Retsil in Kitsap County. SAGE Architectural Alliance was retained by Commerce to identify conversion options and develop an evaluation framework to determine how to best utilize Building 10.

SAGE worked with a team of stakeholders that included Commerce, DVA, the Washington State Department of Health and Social Services (DSHS), the Governor's office, VA Puget Sound Medical Center, and representatives from the Veterans Home at Retsil. The team collected and analyzed data to develop options for converting Building 10. After deliberation, the focus narrowed to two choices:

- Option 1 -- Permanent supportive housing
- Option 2 -- Geriatric-psychiatric center.

Stakeholders identified a strong need for Option 1's permanent supportive housing to address veteran homelessness. The residents of permanent supportive housing expect to follow fair housing rules that may include behavioral issues within that independent lifestyle. Immediately adjacent to Building 10 is Building 9, a transitional housing program where residents participate in a substance-free program and restricted lifestyle to assist in successful reintegration to the community. The campus also includes a skilled nursing facility serving frail elders and disabled residents. Neither facility is locked and would require significant security modifications to protect their vulnerable residents for Option 1 to be feasible. As stakeholder discussions evolved, it became apparent that permanent supportive housing is not compatible with the skilled nursing and transitional housing services located at this site.

Stakeholders found that there is also a strong unmet need for Option 2's geriatric-psychiatric center. If Option 2 was implemented, the conversion of Building 10 would have a significant beneficial impact on veteran homelessness and homeless prevention. The state-wide medical system could see relief from shortages of community-based sites that handle veteran behavioral health patients. Geriatric expertise is scarce and behavioral health expertise is mostly unavailable in community discharge settings. Thus, veterans with concurrent medical and behavioral health issues seeking care at hospitals are medically treated but cannot be discharged for lack of discharge sites able to support them. These veterans are holding acute hospital beds despite qualifying for medical discharge; this reduces access to those in need.

The study also identified the detrimental impact of silos of medical, geriatric, and behavioral health care in Washington State. A facility that brings together these areas of expertise would relieve the backup in hospital acute care, would serve as a valuable behavioral health resource for the Retsil Veterans Home, and could potentially provide expertise to the broader region. Option 2 would be compatible with the existing campus uses and would provide a valuable behavioral health resource for the existing skilled nursing facility and transitional housing. Stakeholders came to a consensus that the best use for Building 10 is to convert it into a secured 48-bed veterans geriatric-psychiatric center with a behavioral health reintegration program.

Ultimately, it is recommended that Building 10 be converted n to a geriatric-psychiatric center. Next steps should include seeking funding from the legislature of approximately $5.5 million to cover design, conversion, and negotiate contracts for operation of Building 10. Upon completion of the project, additional funding will be required to provide capital maintenance and operations. The geriatric-psychiatric center program is recommended to serve as a transitional program because the need is far greater than the 48 available beds. We recommend further study into defining the clinical model to be used and to establish a network of partners for referrals and discharges. Additionally, next steps should include adding a community out-patient program to Building 10 that can support veterans discharged from this location as they relocate to permanent supportive housing. With multiple stakeholder organizations integrally involved, the business model for shared funding will also need further study.

REPORT DEFINITIONS

The following report uses a number of acronyms for organizations and programs:

Commerce	Washington State Department of Commerce
DVA	Washington State Department of Veterans Affairs
DSHS	Washington State Department of Social and Health Services
VAP	Veterans Affairs of Puget Sound Health Care System
PSH	Permanent supported housing
GGAC	Geriatrics and Gerontology Advisory Committee
SAMHSA	Substance Abuse and Mental Health Services Administration

INTRODUCTION

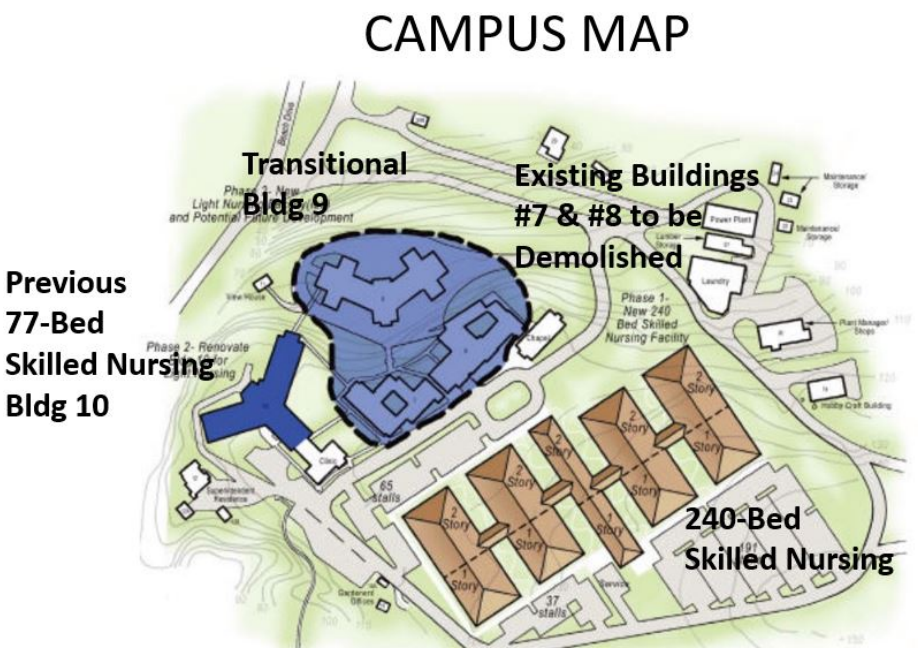
The 2016 Legislature directed the Washington State Department of Commerce to evaluate the feasibility of converting Building 10 at the State Veterans Home at Retsil into housing for veterans. Commerce and the State Department of Veterans Affairs began a collaborative process to identify conversion options, and develop and apply an evaluation framework to provide a solid data foundation for decision-makers to determine how to best utilize Building 10 to provide housing for veterans.

SAGE Architectural Alliance was retained by Commerce to help accomplish those goals by developing and applying an evaluation and rating framework of factors, including building design and condition. Major goals were to retain layout to minimize capital costs, identify potential funding, and determine the population to be served.

Building 10 is one of 13 buildings on the 31-acre Veterans Home campus. It is a previous skilled nursing facility originally constructed in 1978. Building 10 is a two-story building with a partial basement and is of type IIB construction. Building 10 was last remodeled in 1998. At that time the roof was replaced and the heating system and some interior finishes and fixtures were updated. The building has been heated since nursing home operations ended several years ago.

A campus aerial is shown below along with the Campus Master Plan from 2000 and several photos of Building 10 taken May 2017. Additional information about Building 10 is in Exhibit A.

The most recent master plan for the campus was done in 2000 and is shown below. The plan is not current, as the buildings with the brown roofs have been replaced by the 240-bed skilled nursing facility shown in the aerial.



BUILDING 10 – 2ND FLOOR COMMONS WITH VIEW TO SOUND

M

BUILDING 10 – CORRIDOR LOOKING TOWARD NURSE STATION

BUILDING 10 – TYPICAL RESIDENT ROOM


BUILDING 10 – TYPICAL BATHROOM SHARED BY ADJACENT UNITS

PROCESS

SAGE Architectural Alliance worked with a team of stakeholders to identify conversion options and develop an evaluation framework to determine how to best utilize Building 10. The feasibility study leadership team included representatives from Commerce, DVA, DSHS, the Governor's office, VA Puget Sound Medical Center, and the Veterans Home at Retsil. What follows are the 13 team members:

- Alfie Alvarado-Ramos, Director, DVA
- Mary Forbes, Assistant Director, DVA
- Erwin Vidallon, Chief Financial Officer, DVA
- Ron Bergstrom, Superintendent, Washington Veterans Home
- Jim Baumgart, Policy Advisor, Governor's Office
- Diane Klontz, Assistant Director, Commerce
- Karl Herzog, Research Services Project Manager, Commerce
- Noreen Hoban, Research Services Management Analyst, Commerce
- Tonik Joseph, Deputy Assistant Secretary, DSHS
- David Luxton, Workforce Development, DSHS
- Meghan Deal, VA Puget Sound
- Kathryn Gerard, VA Puget Sound
- Valerie Thiel, SAGE Architectural Alliance

A kickoff site visit was held on April 18, 2017, when the SAGE team began work by visiting Retsil to tour and discuss Building 9 and 10. Results of the tour are located in the building assessment, conducted by Rochlin Construction Services, which can be found later in this report. SAGE gathered information from Retsil staff and DVA, including Building 10 original construction plans, and existing Retsil programs. SAGE worked closely with Commerce Project Assistant Karl Herzog to gather all available information on which veteran populations in Washington state need assistance. The process then proceeded with a series of stakeholder workshops and technical meetings.

WORKSHOP 1 – KICK-OFF

Workshop 1 bought together stakeholders from Commerce, DVA, and a legislative liaison. Data on population needs was presented and stakeholders were asked to help secure additional data. The workshop goal was to identify all potential uses of Building 10 that should be considered. Five options were identified and the pros and cons of each were discussed:

- Option 1: Permanent supportive housing
- Option 2: Geriatric-psychiatric care
- Option 3: Community Behavioral Health
- Option 4: Expansion of the Building 9 Transitional Program
- Option 5: Traumatic Brain Injury Rehab

Option 1: Conversion to Permanent Supportive Housing

Providing permanent supportive housing is a high priority of the Governor and Legislature. This study was issued as a housing study instead of a medical or hospital facility study due to the importance of the permanent supportive housing needs.

Option 2: Conversion to a Geriatric-psychiatric Care Facility

Retsil Veterans Home Stakeholders advocated for converting Building 10 to a geriatric-psychiatric care facility to admit behavioral health veterans that they have been unable to serve. There are many synergies with the existing campus programs.

Option 3: Conversion to a Community Behavioral Health Facility

DSHS is looking for a step-down unit from Western State Hospital that would free space for the forensic population.

Option 4: Expansion of Building 9 Transitional Housing

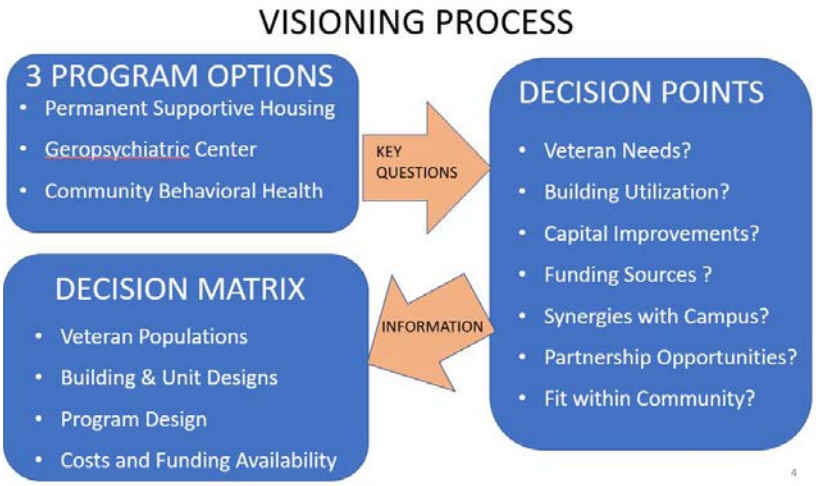
Stakeholders agreed that there would not be funding available for expanding the Building 9 Transitional Housing program because allocations are targeting permanent housing over transitional at this time. The stakeholders agreed that this option was not viable.

Option 5: Traumatic Brain Injury (TBI) Recovery

Stakeholders decided that a focus on TBI services was a lower priority, but TBI residents could be a sub-population under a primary behavioral health use.

WORKSHOP 2 – VISIONING

Subsequent to Workshop 1, SAGE prepared building utilization plans for permanent supportive housing with all 1) studios and 2) one-bedroom units to establish the capacity of Building 10. In addition, SAGE prepared initial proposed design plans for utilizing Building 10 as a geriatric -psychiatric veterans center.



The stakeholders who attended Workshop 2 included representatives from Commerce, DVA, DSHS, and the Kitsap County Housing Authority.

Option 1: Permanent Supportive Housing Discussion

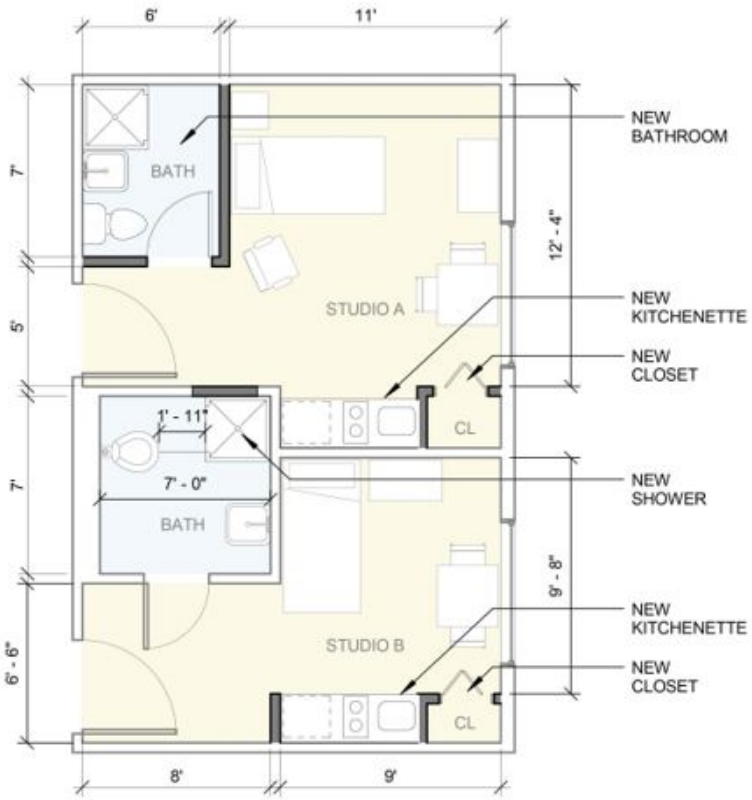
A permanent supportive housing capacity analysis demonstrated that the two-story Building 10 could be converted to 76 studio-units or 39 one-bedroom units. There could also be a combination of studio and one-bedroom units. However, established usage patterns drove the stakeholder consensus that the permanent supportive housing should be entirely one-bedroom units. A consensus was also reached that each unit should have private bathrooms with showers. You can view the floor plans in the following pages.

PERMANENT SUPPORTIVE HOUSING – A COMPARISON

	Studios	***One Bedrooms***
Maximum count	76 units	39 units
Typical unit	225 sq. ft.	460 sq. ft.
New baths	46	12
New showers	76	39

PERMANENT SUPPORTIVE HOUSING – STUDIOS

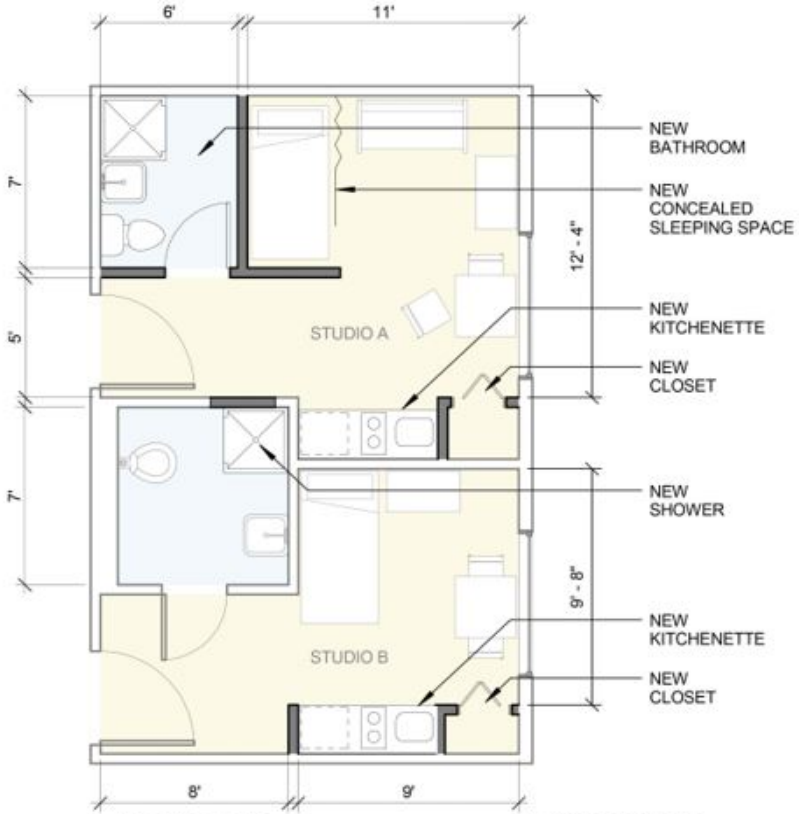
- 76 studio units
- 158 SF and 234 SF
- Reuse existing demising walls
- Reuse bathrooms
- Add 46 new baths
- Add 30 showers
- Demo service rooms to create 15 new units
- Potential Wing Addition



PROPOSED
PERMANANT HOUSING

STUDIO UNITS
A: 234 SF
B: 158 SF

BUILDING 10



PROPOSED
PERMANENT HOUSING

STUDIO UNITS
A: 234 SF
B: 158 SF

BUILDING 10

There was a long discussion about the compatibility of permanent supportive housing with the existing campus population. Fair housing rules provide residents freedom to invite guests and act freely in their apartments, with limited ability for management to control the security of their behavior. The group agreed to the following:

1) The behavior of transitional housing residents in building 10 is strictly monitored while permanent supportive housing by its nature is independent.
2) Housing residents would be allowed to bring both liquor and cannabis onto the currently substance-free campus. The proximity of Building 10 to Building 9 containing a program focused on recovery from substance abuse engenders increased risk to the success of those residents;
3) Retsil campus staff expressed concern about the safety of the vulnerable geriatric campus population in the extended-care buildings. The introduction of unmonitored permanent supportive housing residents would require that the entire campus security be reconfigured. The required addition of security staffing to those areas could significantly increase operational costs and limit the freedoms of those residents
4) The campus, although in a beautiful location, is remote limiting access to community services, employment opportunities, shopping, and entertainment which are sought by housing residents; and
5) To attract permanent supportive housing residents the building would need to be converted into one-bedroom apartments and not studios, significantly reducing the number who could be served.

Option 2: Geriatric-Psychiatric Care Center

Ron Bergstrom, DVA Superintendent of the 240-bed Retsil Veterans Home, presented information about the population that could be served and potential synergies with the existing campus programs. He provided data included in the Option 2 section of this report. Stakeholders suggested licensing the Geriatric-psychiatric Center as a psychiatric hospital, which gives latitude for levels of severity. Next phases should confirm the appropriate licenses for each floor of the facility.

Option 3: Community Behavioral Health Facility

DSHS representative Tonik Joseph noted that the population of need they have identified for Building 10 is the same as the DVA Retsil Veteran Home stakeholder's identified population. Indeed, a Geriatric-psychiatric Center model precisely matches DSHS goals. DSHS and DVA set up a special meeting to discuss a hybrid of options two and three.

DISCUSSION OF HYBRID MODEL OPTION 2-3

Stakeholders attending this meeting included Commerce, DVA and DSHS. Discussion led to the refinement of the proposed Building 10 geriatric-psychiatric center design.

Since Building 10 has two floors, it was suggested that each floor have somewhat different programs to better respond to veteran needs. The first floor works well in housing veterans with lower-acuity needs in a program preparing for reintegration with the broader community. The second floor would be a higher-acuity floor with a program for veteran recovery.

From a regulatory standpoint, both floors are proposed to be licensed under a geriatric-psychiatric/ behavioral health hospital but that should be confirmed in next steps.

Since 1978 when Building 10 was constructed, expectations for resident privacy have increased. For example, stakeholders recommended that private bathrooms be added to resident rooms on both floors. The first floor will have showers in their bathrooms (requiring remodeling) and the second floor will use the existing group showers.

Food service was discussed: The first floor will have a community kitchen and the second floor will have a warming kitchen. A dumbwaiter will be installed in the existing shaft to serve both floors.

Subsequent to the special DVA and DSHS partnership meeting, Commerce contacted the VA Puget Sound Health Care System (VAP). Kathryn Sherrill, Chief Social Work Service at the VAP expressed great interest in the proposal of converting Retsil Building 10 to a geriatric-psychiatric /behavioral health hospital. The VAP had already been discussing how to better accommodate their geriatric /behavior health population of veterans. The VAP joined the team of stakeholders at the technical work session that followed.

TECHNICAL WORK SESSION

The stakeholders attending the technical work session included Commerce, DVA, DSHS, and VAP.

Karl Herzog presented a comprehensive program chart that diagramed the types of disabilities served, source of referrals, and discharges. Treatment programs, education and research programs, and partners were also identified in the chart (see information graphic in Option 2 section).

The population age was discussed at length and a consensus was reached that the Building 10 program should target the geriatric population over 50 years old. Additionally, the group determined that only Level 1 and Level 2 DSHS acuity patients – non-violent offenders – should be housed at Building 10. The campus would require extensive security upgrades to include all forensic patients.

VAP has a population of 35 of 127 patients that have been medically stabilized, but have stayed in their hospital beds more than 30 days because they have behavioral health issues and appropriate discharge locations cannot be found for these patients. Kathryn Sherrill set up a subsequent meeting between DSHS, DVA and stakeholders within VAP.

VA PUGET SOUND HEALTH CARE STAKEHOLDERS MEETING

Attending this meeting were more than 12 VA Puget Sound Health Care (VAP) senior staff, including the Chief of Staff, CFO, and Chief Mental Health Services Physician. Initial stakeholders attending included Commerce, WA DVA, DSHS and Governor's office staff. Erwin Vidallon, DVA CFO, presented the proposed concepts for the veterans geriatric-psychiatric care at Building 10. Catherine Kaminetzky, VAP Chief of Staff, said VAP is very interested in collaboration because they also have difficulty with lack of discharge facilities due to behavioral health and dementia issues. The lack of available discharge sites is backing up acute care beds and impacting access to the hospital emergency rooms and available beds.

Sources of funding and clinic models were discussed (see the Decision Matrix Discussion for further information). At this meeting Alfie Alvarado-Ramos, DVA Director. and Kathryn Sherrill, Chief Social Work Service at the VAP, noted that the U.S. VA Geriatrics and Gerontology Advisory Committee (GGAC) would be visiting the VAP and Retsil the following week. This was an opportunity to seek GGAC support of the proposed Building 10 model for geriatric behavioral health care.

GERIATRICS AND GERONTOLOGY ADVISORY COMMITTEE

Attending organizations included Commerce, DVA, and VAP. DVA presented the proposed model to GGAC. The committee cautioned that many with behavioral health issues cannot be cured with treatment and will need a long-term destination. They also noted that Option 2 will need to consider staffing, especially since there is a shortage of geriatric care specialists. These additional factors were added to the Decision Matrix in the Option 2 section.

Subsequent to the meeting, the GGAC committee member, Richard Allman of the U.S. Department of Veterans Affairs, forwarded the GGAC Task Force 2015 Report of Recommendations titled, *Inpatient Care for Veterans with Complex Cognitive, Mental Health and Medical Needs Task Force.* The report reviews available data about veterans with complex interacting medical, neurocognitive, and behavioral conditions and makes recommendations to improve their care. See Exhibit I for an executive summary of recommendations.

WORKSHOP 3 – FINAL WORKSHOP

The final meeting, Workshop 3, was held on June 2, 2017. Attending stakeholders included Commerce, DVA, DSHS, VAP, and Jim Baumgart, Governor's policy advisor.

Karl Herzog of Commerce summarized that the study will recommend Option 2, the Geriatric-Psychiatric conversion, as the best fit for Building 10. The meeting reviewed the Decision Matrix Discussion for Option 1 but was primarily focused on Option 2.

For Option 2, Tonik Joseph of DSHS suggested using the Collocated Structure Model developed by Substance Abuse and Mental Health Services Administration (SAMHSA) as the business model for the partnerships. SAMHSA agreed that using their model is acceptable. The model distributes costs across multiple agencies. The business model should be explored in next steps.

The estimated construction capital costs from the building assessment by Jim Rochlin of the SAGE team were presented. Stakeholders discussed treatment durations and the likely number of veterans that could be served annually by Building 10. These topics need further study as part of the next steps. The draft Decision Matrix was reviewed row by row. DSHS and the VAP agreed to work with their staff, digging deeper on clinical issues and operational costs. It was agreed that operating costs would be separated into clinical and real estate costs.

Additional partnership opportunities were identified, including the Department of Corrections, Kitsap Housing Authority, Army Medical Center, and the University of Washington for research studies and student training.

Review of the Option 1 Decision Matrix suggested the “Campus Synergy Factor” be reworded to “Compatibility with Campus.” Ron Bergstrom, superintendent of VA Retsil Campus, noted that under this option, the other existing programs, the transitional housing and 240-bed Veterans Home skilled nursing would have to be locked down for their protection, since the 39-room permanent supportive housing would be independent due to Fair Housing Act rules.

OPTION 1: PERMANENT SUPPORTIVE HOUSING

DECISION MATRIX DISCUSSION

Population in need
According to the 2017 Washington Point-In-Time count, a total of 2,093 Washington veterans may be experiencing homelessness on any given night.
Over 1,000 military service members are discharged in Washington each month. In 2013-14, almost half received DSHS or Health Care Authority services. Of those receiving services, 10 percent were homeless in the 12 months following discharge.
Women are one of the fastest growing veteran populations. Many are reporting trauma from sexual assault, physical assault, domestic violence and combat exposure, all contributing to increased homeless risk.
In 2015, over 2,400 veterans were in state prison or being supervised by the Department of Corrections. There is a high risk for homelessness upon release
In Washington state, from October 2016 through end of September 2017, there was a gap of approximately 3,100 housing units to serve homeless veterans.
Population in Need in Kitsap Community
Kitsap County's Housing Solutions Center (one-stop shop) serves approximately 95 veterans each quarter. The center reduced the number of veterans remaining homeless for more than a year from 33 percent to 9 percent in 2016.
Building Utilization
Minor renovations for 25 units designed as skilled nursing bedrooms. More substantial renovation is required for conversion of treatment and service spaces to 14 one-bedroom units.
See Proposed Floor Plans in narrative above.
20-25 parking spaces needed, 20 proposed.
Further upgrade of the building envelope may be required; energy compliance needs further review.
Proposed Number Served
39 one-bedroom units
Size of units: 460 sq. ft.
Estimated Capital Cost
Estimated construction cost: $2,385,000 (a next step is to confirm extent of energy, mechanical and electrical code upgrades required by this substantial alteration).
Estimated construction cost per sq. ft.: $123
Full estimated capital costs: $5 million (including professional fees, financing, and development costs)

Available Capital Funds
LIHTC's covers 65-70 percent capital costs.
State Housing Trust Fund (HTF) covers 15-20 percent on average
Direct legislative appropriations through the Housing Trust Fund
Additional potential funding: 2-7 percent from HOME, 2060 funds, Federal Home Loan Bank, Private Foundations, Developer Equity
Estimated Operational Expenses
$6,000/unit or $234,000 for 39 units per year meeting VASH rental requirements
$5,100/ unit for 39 units per year supportive services
Total $11,100/ unit for 39 units per year operational expenses = $432,900 / year
System Benefits
Prevent homelessness with just-in-time services.
Provide affordable housing for homeless
Location next to Skilled Nursing will expand housing options for veterans in Kitsap area
Available Operational Funding
VASH vouchers
Section 8 Tenant Based
Section 8 Project Based (HAP)
Section 8 Project Based VASH (PHAP)
Community-Based Nonprofits
Medicaid with rent subtracted
Compatibility with Existing Campus Programs
Major issues with ensuring the safe behavior of the independent residents, and their guest, to keep existing campus population safe.
Major Issues with access to a campus with a vulnerable population. For instance, potential conflict in having independent residents, who are not restricted from the use of substances in their apartments, located on a substance-free campus and adjacent to the Building 9 Transitional Housing Program -- a Substance-Free Program.
Implementation of Option 1 would require securing existing 240-bed Veterans Home and Building 9.
Fair Housing can have house rules of conduct. The lease agreement could be legally worded to set the rules and expectations.
Could have resident manager and concierge with monitoring for guests in addition to 24/7 staffing.
Partnership Opportunities
Private developers and ownership participation
Nonprofit service providers

Department of Social and Housing Services (DSHS)
Campus Location and Environment
Many units would have views of Puget Sound. Inherently therapeutic or rehabilitative environment.
Outstanding Issues for the Next Stage of Program Development
Who will operate the facility?
Estimate cost increase in operations for security staff in Building 9 and the Skilled Nursing Buildings.
What are the funding sources for operations and security in Building 10?
Estimate additional expenses to retrofit security measures to all of existing buildings to secure entire campus.
Meet with building officials regarding interpretations of required upgrades.
Collaboration with Local Service Providers

BUILDING UTILIZATION FINDINGS AND NUMBER SERVED

At the project kickoff, SAGE Architectural Alliance and a building assessment expert, Rochlin Construction Services, walked Building 10 with the Retsil staff responsible for facility maintenance.

Building 10 was constructed in 1978 and has two-stories and a partial day-lit basement with type IIB construction of steel and concrete. The building was last remodeled in 1998, at which time the roof was replaced, and the heating system and some interior finishes and fixtures were updated. The building receives steam heat from the campus steam plant and has been kept heated throughout the period of discontinued use. The window system includes metal windows that remain functional but have insulation values below the insulation value of current systems. Retsil staff noted that it has become more difficult to maintain the elevator due to its age and availability of parts, so elevator replacement is included in capital costs budgets for both options.

Building 10 has a large multipurpose room on both floors, located at the center of three wings. The multipurpose rooms have an excellent view of Puget Sound. A central nurse station is positioned at the hub of the three wings. One of the three wings has a basement level, where there are offices, storage, mechanical, and electrical rooms. The site slopes toward the north and the view to Puget Sound such that the partial basement level has windows on the north side.

Building 10 was last permitted as an *Institutional I-2 Skilled Nursing Facility.* Permanent supportive housing is an R-2 residential occupancy. When the use of the building is changed, it is generally considered a substantial alteration and the building must be brought up to a higher level of code compliance. If a building is unoccupied for more than 24 months, a substantial alternation is also triggered. This type of renovation falls under the 2015 International Building Codes and Regulations for existing structures, which states:

“No change shall be made in the use or occupancy of any building that would place the building in a different division of the same group of occupancies or in a different group of occupancies, unless such building is made to comply with the requirements of this code for such division or group of

occupancies. Subject to the approval of the building official, the use or occupancy of existing buildings shall be permitted to be changed and the building is allowed to be occupied for purposes in other groups without conforming to all the requirements of this code for those groups, provided the new or proposed use is less hazardous, based on life and fire risk, than the existing use."

Converting from an Institutional I-2 occupancy to a Residential R-2 occupancy is a less hazardous population of users with greater expected mobility. It is at the discretion of the building code official if the facility will need to be brought into compliance with current mechanical and electrical building codes for the proposed occupancy. Without explicit review by electricians and mechanical contractors, it is not possible to determine the building mechanical and electrical code deficiencies.

The 2015 Washington State Energy Code (WSEC), Section C505 Change of Occupancy or Use states the following:

> *Spaces undergoing a change in occupancy shall be brought up to full compliance with this code in the following cases:*
>
> *Any space that is converted to a Group R dwelling unit or portion thereof, from another use or occupancy.*
>
> *Lighting can exceed the current code by 10 percent in certain cases.*

WSEC has changed substantially since 1977, so the costs could be substantial to bring the structure to full compliance. For example, the windows will likely need to be replaced as well as furred insulated walls added to the inside envelope of the building inside the present building envelope. Roof insulation may have been added in 1998 when the roof was replaced.

The building assessment costs for Options 1 and 2 do not include bringing Building 10 up to 2015 WSEC standards due to the need for further review of this issue. However, the next steps need to include discussions with the building officials and determination of renovation required.

Number Served

The layout of Building 10 was studied for conversion into studio units or into one-bedroom units. Using existing demising walls, it is feasible to convert the building into 76 studio units, maximizing the number of veterans served by the permanent supportive housing option. The layout of studio apartments was shown in the Process section of this report. However, discussions with local permanent supportive housing case managers and the Kitsap County Housing Authority noted that one-bedroom units have been a standard of the program. Veterans vouchers would cover either studios or one-bedroom units, but as long as one-bedroom units are available and in a similar cost range, it would be hard to fill studio units. There was general agreement among stakeholders that the permanent supportive housing units should be all one-bedroom units.

The layout of one-bedroom units is shown in the following floor plans. Thirty-nine units can be achieved by adding three units at the lower level and by converting the human resource area, group showers and miscellaneous service rooms to apartments. The costs include a market-rate hospitality treatment of the entry lobby. The first floor existing multipurpose room has been converted to apartments, but the second floor unit has been preserved as the multipurpose room for the 39 units, since the best view of Puget Sound is from the second floor. The typical one-bedroom unit requires the modest renovation of combining two skilled nursing rooms (see drawings in the following pages). The typical skilled nursing bathrooms were upgraded in 1998, so they are accessible and large enough to add a small private

shower to each bathroom. The conversion also requires adding a kitchen to each one bedroom as shown in the unit plan following.

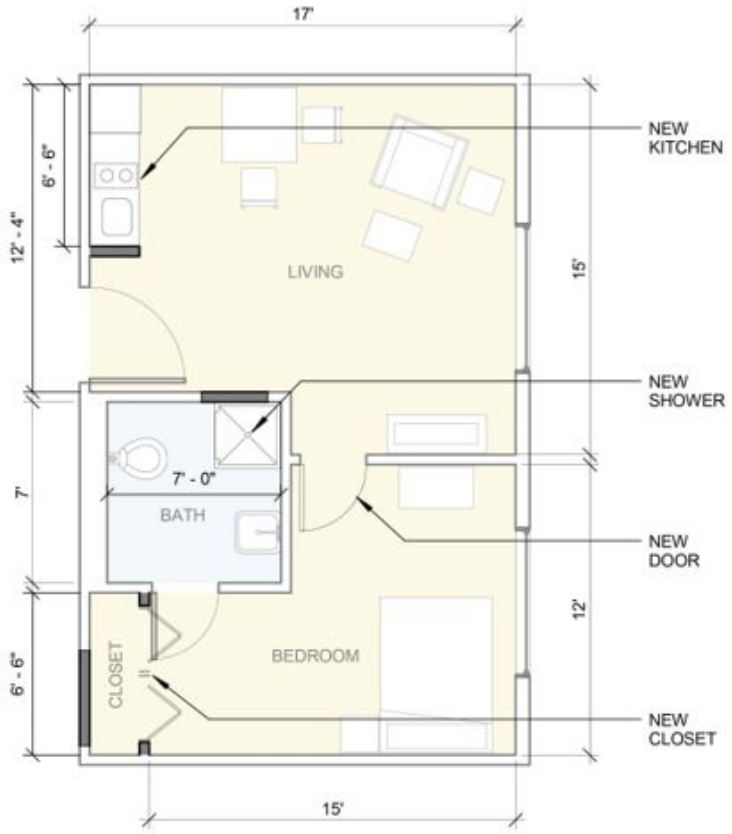
The conversion would also require addition of parking to total 20-25 parking spaces. This can be accomplished by adding a retaining wall and extending parking on the south side of the west wing. Parking can also be expanded at the care taker's house on the opposite side of the west road as shown in the following diagram.

PERMANENT SUPPORTIVE HOUSING – 1 BEDROOMS

- 39 1- bedroom units
- 460 SF
- Reuse existing demising walls
- Reuse bathrooms
- Add showers
- Demo service rooms to create 12 new units
- Potential Wing Addition

Caretaker's house / area to be converted to parking

11



BUILDING 10

Typical 1-Bedroom Unit

- Existing walls are shown hollow and new walls are shaded.

- Existing adjacent Skilled Nursing rooms share an ADA accessible bath. So least-cost approach is to convert to 1-BR using the existing Bath for 26 of apartments.
- Appears to be space in the existing bath to add a small shower.

ESTIMATED CAPITAL EXPENSES

Construction Cost Estimate

The building assessment is based on the scope of work identified in Exhibit B (architectural drawing). The scope items include the following:

General Conditions and Add-Ons

- 6-month construction period
- 3 percent inflation to 2020 start of construction
- Insurance
- Business & Occupation taxes
- General Contractor bond
- Builder's insurance
- 4 percent overhead
- 4 percent profit
- 15 percent contingency

Site

- Retaining wall and 20 parking spaces
- Modest landscaping to enhance entry

Building Approximate Breakdown

- $300 K -- General conditions*
- $73 K -- Demolition
- $17 K -- Site work
- $85 K -- Concrete and steel wall work
- $44 K -- Cabinets and casework
- $22K -- Thermal*
- $60 K -- Doors and windows*
- $227 K -- Luxury vinyl flooring, wall board, painting
- $144 K -- New elevator and trash chute
- $57 K -- Unit appliances
- $34 K -- Bath accessories, blinds, signage, misc. furnishings
- $505 K -- Mechanical and plumbing*
- $293 K -- Electrical*

TOTAL ESTIMATED CONSTRUCTION COSTS: **$2,385,864**

This is $123 per square foot

- Costs could be significantly higher if building authorities require bringing building into compliance with 2015 International Building Codes for Washington State Energy Code or mechanical or electrical codes. The requirements of the 2015 IBC Existing Building Code should be discussed with the building official having jurisdiction.

See Exhibit C for the construction costs spreadsheet.

Total Development Cost Estimate

SAGE Architectural Alliance teamed with Mark Thometz of Shelter Resources to provide development financial expertise for the Building 10 Study. Shelter Resources is a long-time private affordable housing developer. The Development Cost Estimate Spreadsheet prepared by Shelter Resources is included in Exhibit D and is summarized below:

Construction

- $2,386 K -- Basic construction cost
- $91 K -- Additional escalation
- $215 K -- Sales tax, 9 percent
- $260 K -- Additional construction contingency, 10 percent
- $374 K -- Furnishings

Professional Fees

- $20 K -- Preconstruction costs
- $281 K -- Building permit and impact fees
- $245 K -- A&E, rental
- $74 K -- Owner engineering-geo tech-survey, etc.
- $75 K -- Legal
- $23 K -- Accounting
- $52 K -- Professional contingencies
- $475 K -- Development fee

Financing/Development Costs

- $32 K -- Condo association legal
- $34 K -- Construction risk insurance
- $60 K -- Other development loan fees
- $106 K -- Construction loan fee
- $12 K -- Inspections
- $60 K -- Construction loan interest
- $23 K -- Closing fee
- $24 K -- Miscellaneous construction administration
- $45 K -- Contingency reserve

TOTAL ESTIMATED CAPITAL COSTS**: $4,984,377**

ESTIMATED OPERATIONAL EXPENSES

A projected estimate of operating costs has been prepared by Shelter Resources and is included in Exhibit E.

The operating costs have been estimated at $11,100 per year per unit. The costs include both real estate costs and supportive services costs. See Exhibit E for the itemized breakdown.

With 39 units the total operating expenses are estimated at $432,900 per year.

COMPATIBILITY WITH EXISTING CAMPUS

The two primary existing veteran's populations on the existing Retsil Campus are the residents of the 240-bed skilled nursing Veterans Home and the residents of the 60-bed Building 9 Transitional Veterans Housing program. The skilled nursing Veterans Home sits a short distance up the hill from Building 10, with an attractive dining hall between. Building 9 is directly east of Building 10. The Veterans Home and Building 9 currently have open doors and unrestricted access to the campus, the gardens and the dining hall. The behavior of the Building 9 residents is monitored and they have a night curfew. The current campus is a substance-free campus.

Permanent supportive housing is not compatible with the existing campus because by its nature, it will be independent. The campus cannot provide the required security 24/7 to ensure no disruption to the vulnerable populations because that would violate the freedoms of the permanent supportive housing population.

Options for permanent supportive housing having a live-in manager and concierge with monitoring of guests were explored, but these measures are insufficient to mitigate the risks of the permanent supportive housing residents to the existing population. Most permanent supporting housing models are barrier free, so sobriety is not a restriction to residents as a condition to housing. Building 9 case managers noted that residents are in recovery and that, in their experience, many of the permanent supportive housing residents would be drinking and using substances in their apartments. Inclusion of a permanent supportive housing population would place the balance of the campus population at risk.

Building 9 case managers noted that they are challenged with finding permanent supportive housing for their transitional residents. However, Retsil staff were in agreement that permanent supportive housing is not compatible with the existing campus and that if Building 10 were utilized for permanent supportive housing, the Veterans Home and Building 9 would both need to be converted to fully secure facilities. The character of the campus would be changed detrimentally.

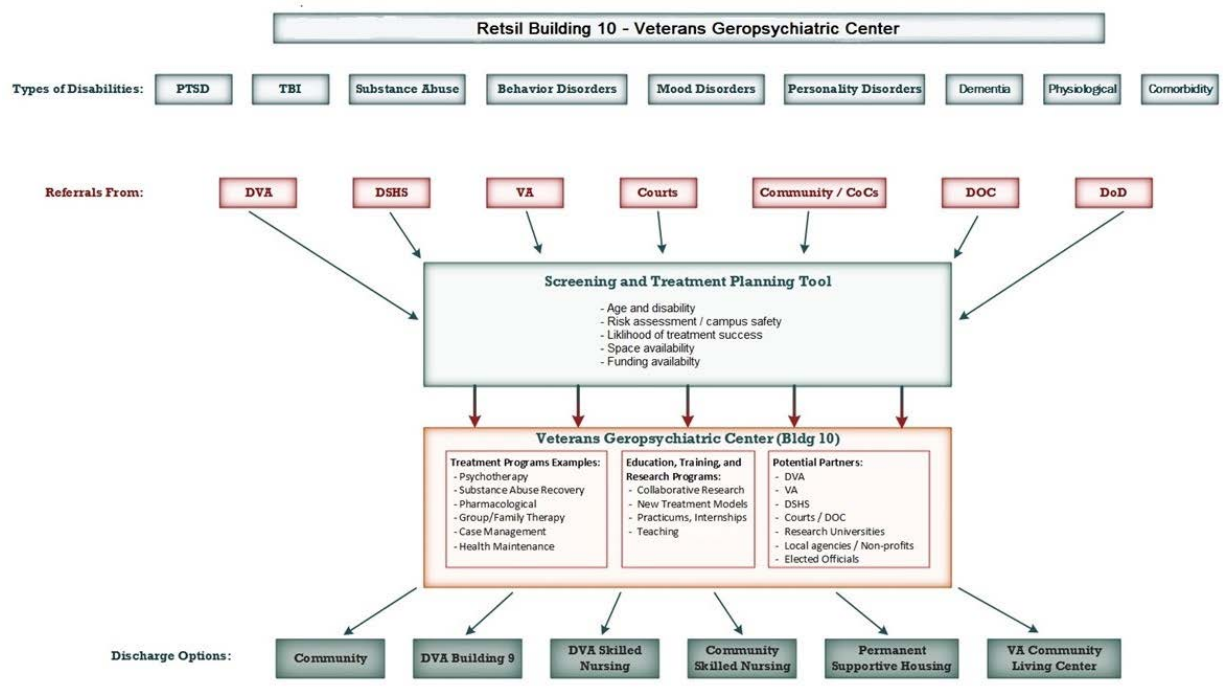
OPTION 2: GERIATRIC-PSYCHIATRIC CENTER

Ideas for using Building 10 to house a new Geriatric-Psychiatric Center evolved from review of veterans population needs, consideration of the existing Retsil campus, consideration of the existing building configuration, and listening to feasibility study stakeholders discuss the needs of their specific veteran populations. The institutional stakeholders found the opportunities and synergies with the existing campus compelling.

The DVA Retsil campus superintendent advocated for Building 10 having a behavioral health program that addresses needs the Retsil skilled nursing facility had been unable to address. He supported Building 10 being used to provide a behavioral health program that utilizes multiple synergies with the Retsil Campus. DSHS advocated for a community-based behavioral health site that could accept Western and Eastern State patients not needing hospital care. VAP had been looking for discharge sites that could accept their medically-stabilized patients who had co-existent behavioral health issues.

Option 2 does not have an established building or operations model to reference. Instead, the program is conceptualized as a pilot model since the needs addressed are widespread across many veteran's institutions and likely across similar civilian populations and institutions as well.

The following chart summarizes Option 2. At the top of the chart are listed potential disabilities that could be served and the potential partners that would provide referrals.



The feasibility study identified the courts and Department of Corrections (DOC), the Port Orchard and Kitsap general community, and the Department of Defense (Madigan Hospital) as potential partners and sources of referrals. Connecting with these potential partners is recommended for next steps.

Potential discharge sites are listed at the bottom of the chart. For example, the DVA Retsil Building 9 or DVA Retsil Skilled Nursing could receive discharges depending on the frailty of the veteran. The VA Community Living Center at American Lake is part of the VAP system of facilities and could potentially receive discharges. Connecting with the potential discharge opportunities in the Port Orchard and Kitsap general community, Kitsap Skilled Nursing and permanent supportive housing is recommended for next steps. The stakeholders agreed it is important to build and strengthen the discharge network if Building 10 is to effectively meet the needs. Without a strong discharge network, veterans served by Building 10 won't move through the program as intended and the numbers served will be diminished. It has become apparent that part of the challenge of the Building 10 program will be to provide behavioral health expertise to the discharge sites, such as the skilled nursing and permanent supportive housing partners.

Option 2 stakeholders agreed that as veteran patients enter the program, their screening and treatment plan should include the planned site for discharge. The decision matrix discussion below lists many factors to be considered at admissions. The consensus of feasibly stakeholders is that Building 10 should address geriatric needs for veterans over 50 years old. Stakeholders identified this population as large and growing with the demographics of the country. By 2030, 24 percent of the population will be over 65.

Next steps should include how a new program will be evaluated and weighed. Stakeholders recognize that not all patients will recover. Some will need permanent housing similar to that proposed for Building 10. However, the larger the number of long-term residents who are served, the fewer the number of veterans with transitional needs who can be served. Next steps will need to explore and recommend the balance.

Summarized data is found in the decision matrix below. Background on facility utilization and specific cost estimates are provided after the decision matrix discussion.

DECISION MATRIX DISCUSSION

Population in Need
Veterans who have been in combat have a high incidence of psychiatric issues and PTSD.
259,000 veterans in Washington are over 65. Veterans may bury issues for years but, upon retirement, they may surface. Older veterans are at risk for Late-Onset Stress Symptomatology (LOSS).
Veterans at the DSHS programs in Western and Eastern State that qualify for community behavioral housing but currently have no such options.
Severe Traumatic brain injury residents could be served.
205,000 veterans in Washington served in the Vietnam era and more than 20 percent may still have full or partial PTSD, according to Results Washington.
Veterans who are jailed for minor or non-violent offensives.
VAP and DSHS agree that targeted population is 50 years and older.
Need data by VAP on age, clinical diagnosis, gender, and costs.
DSHS provided data from Western State Hospital. In one year, 88 patients indicated they had veteran status or military affiliations. The primary principal diagnosis for 60 percent of veteran patients was schizophrenic disorders; 4.8 percent were over 51 years of age. The cost for in-patient psychiatric care at Western State is roughly $750 per bed/day (see DSHS Provided Data in Exhibit K).
Population in Need Turned Away at State Veterans Homes
In past 13 months, Retsil Veterans Home has turned away 94 veterans due to behavioral health issues they couldn't handle. These could have helped and transitioned to the Retsil Veterans Home.
At danger to self
At danger to others due to psychiatric diagnosis
At danger to others due to person's character instead of psychiatric diagnosis
Unable to care for self, due to psychiatric diagnosis
Needs safe physical environment, nursing observation under direction of psychiatrist
Population Needs at State Veterans Homes
Residents of the state Veterans Homes would benefit from short-term geriatric-psychiatric stays to help get them back in balance again. It is currently difficult to discharge residents from the state Veterans Homes with acute psychiatric episodes because of the lack of specialized beds in the community.
Building 10 could serve as a rehab and transition for residents moving on to the state Veterans Homes.
Building Utilization
Upgrade security elements for the behavioral health population including anti-ligature features such as locked windows and providing hard ceilings. Enhance food service design. Food could be transported from the commercial kitchen in adjacent building. Add bathrooms so all studios have private baths.
Parking Required
20-30 based on staffing needs.

Proposed Number Served
25 beds on the first floor with behavioral health reintegration program
23 beds on the second floor with higher-acuity behavior health recovery program.
The proposed programs are envisioned as transitional programs. Number served is dependent on durations of treatment.

Length of treatment of First-Floor Reintegration Program		
Need VAP to provide clinical expectations for length of stay.		
DSHS mean average days in the following institutions:		
Western State Hospital	Psychiatric Treatment and Recovery Center	Center for Forensic Services
358.1 mean average days in WSH	646.6	173.5
See Table 7.1, Western State Hospital statistics, DSHS-provided data in Exhibit K		

Treatment by Floor	
Floor 2: Recovery Program (Level 2)	Clinical, behavioral support
Floor 1 : Reintegration Program (Level 1)	Life skills, medical support, employment preparation, etc.
Determination based on DSHS Level 1-5 treatment scale.	

Estimated Capital Costs
Estimated construction cost: $2.6 million
Cost per sq. ft.: $134
Full Estimated Capital Costs: $5.5 million (including professional fees, sales tax, and administrative fees)

Required Capital Costs for New Construction
Joseph Beetle, COO, Veterans Affairs of Puget Sound Health Care System creating estimate of constructing a new facility on the Beacon Hill, Seattle VAP Campus

Potential Capital Funds
Direct Legislative Appropriation
Appropriations for Community Behavioral Health Pool
Potential Reallocation of VAP Joint Investment Funds
Potential Grants
Federal Direct Appropriation

Estimated Operational Funding
Clinical Operation Model is being developed by DVA
Real Estate Operating Costs -- Unknown

Potential Operational Funding
Medicaid
Medicare

Federal VA benefits.
DSHS Behavioral Health Funding
Private Insurance
Tri-Care by the Department of Defense
Synergies with Existing Campus Programs
There would be synergies with both the Veterans Home and Building 9 Transitional Program
Veterans Home could refer residents for short-stays to be stabilized.
Reintegration Program could Discharge to Veterans Home or Building 9
Supports other Retsil Programs with behavioral health expertise
Operational Cost Savings
Building 10 is already being heated by campus steam plant (empty since 2010).
Building 10 is already being maintained by campus facilities (empty since 2010).
Existing food service from Veterans Home Commercial Kitchen can be utilized.
Campus laundry facilities are available to be utilized
System Benefits
Reduce recidivism of homelessness and incarceration
Increase stability of housing placements
Provide appropriate level of care in appropriate setting
Better access to the hospital system for those needing a higher level of care. Thus improved quality healthcare.
Prevent homelessness with just-in-time services.
Costs Associated with use of Inappropriate Acute Care Beds
127 patients from 2016 to May of 2017 stayed more than 30 days at the VA hospital. This caused on a daily basis 10-1 acute beds to be unavailable for their intended use.
Qualitative Impact with Use of Inappropriate Acute Care Beds
VAP to provide descriptions of the clinical impacts from multiple departments and perspectives.
Partnership Opportunities
Department of Corrections
Department of Defense -- Madigan
Local community housing authorities and local support networks
Private-sector behavioral health operator
UW as research partner
UW and other higher education institutions with on-site student training -- nurses, geriatric specialties, social work
Potential private development consultant and/ or design-build team

Campus Location and Environment
Tranquil, beautiful environment with views of the Puget Sound would benefit behavioral health population.
Outstanding issues for the Next Stage of Program Development
Who will operate the facility?
What are the funding sources for capital improvements?
What are the funding sources for operations?
Meet with building officials regarding interpretations of required upgrades.
Population that can be diverted from Department of corrections
Address the legal and custody issues.
Develop partnership with Kitsap Housing Authority.
Pursue the suggested co-located Structure Model for distributing costs across multiple agencies.
Define the Clinical Model as relates to patients and staffing
Decide if portion of beds are long-term and other admittance prioritizing likelihood of discharge
Refine data on Veterans Homelessness due to from Behavioral Health
Collaboration with Local Service Providers.
Identified population exceeds proposed facility capacity. Can the model be replicated elsewhere?
Establish the strong community discharge network and explore means of supporting the network with out-patient services and tele-med expert geriatric-psych teams.

BUILDING UTILIZATION AND NUMBER SERVED

Stakeholders identified a variety of building modifications that pertain to program reconfiguration and making the building safe for the behavioral health needs of the population who may seek self injury. These modifications are summarized in the table below.

The entire building should be secured and key pad access devices added to all exterior doors and elevator stops. All windows should be secured and mechanical ventilation is added. Both the first and second floors have a balcony extending from the central multipurpose room which is proposed to be screened with a primarily glazed screen to preserve the view but prevent residents from jumping. Anti-ligature design should be implemented on both floors, with the suspended acoustic tile ceiling that is prevalent throughout the building converted to a hard lid suspended sheet rock ceiling. The existing building has handrails on both sides of the corridors, which should be removed and replaced with a handrail design that prevents looping a rope between the rail and wall.

Regulatory Modifications Required to Building

- Locking Windows, Unit Ventilation System
- Badge "key" system on doors and elevator
- Secure Communications
- Securing of Coast Guard inlet surveillance camera
- Food Servery Area & Dumbwaiter
- Replace lay-in ceiling tiles in the rooms with solid suspended ceiling, No exposed pipes
- Solid handrails in the corridors
- Security room requirements
- Patient recreation and physical activity areas
- Private visiting area
- Seclusion rooms
- Exam Rooms
- Enclosure of nursing station to provide separation of activities, privacy
- Extended south parking lot.
- New Pharmacy & Med Records
- Relocation of HR & Education

The existing Building 10 must have previously operated by bringing food from the upper campus commercial kitchen to the main elevator for delivery to the multipurpose rooms. The existing building has a dumbwaiter shaft, but no dumbwaiter equipment was installed. The proposed design includes costs for both replacing the aging elevator and installing dumbwaiter equipment in the existing shaft located at the east side of the multipurpose room. The plan is to again transport food supplies from the commercial kitchen in the 240-bed skilled nursing facility but bring the supplies to the lower level, where they can be loaded into the dumbwaiter for transport separate from the elevator. The proposed building floor plan designs are shown on following pages.

First-Floor Reintegration Center

The first floor is envisioned as having a welcoming atmosphere suggestive of the community environment to which the residents are being prepared for discharge. The main entry will have a reception desk and lobby for visiting with guests. The first-floor multipurpose room will double as a dining room for meals. To aid with learning social skills and to provide mutual support among residents, the first floor will have a community kitchen converted from existing service area and resident room. The first floor will have 25 small studio units and each studio will include a private bathroom with shower. This will require the addition of 14 new bathrooms, while private showers will be added to 13 existing accessible unit bathrooms. A resident group laundry room will be located across from reception. The first floor will have two seclusion rooms, three treatment rooms, and two offices for supporting geriatric- behavioral health residents.

Second-Floor Recovery Center

The second floor is envisioned as primarily responding to resident clinical needs. The floor will include 23 studio units with private half baths. Group showers will be located in two of the three wings. The nurse station will be enclosed with safety glazing to meet HEPA privacy standards. Instead of a group kitchen, the second floor will have a staff-access-only, prep kitchen. This floor will have soiled and clean linen rooms, three seclusion rooms, two treatment rooms, a doctors work area, and two offices in addition to the large enclosed nurse station.

Site

The building should have approximately 30 parking stalls for staff but the proposed design currently shows provision for 20 spaces. The next steps should more accurately assess parking needs and available location.

The proposed design includes providing a secure exterior fenced pathway to the existing outdoor gazebo and seating area that features a view of Puget Sound. The fenced pathway will consist of six-foot-high plexiglass walls in front of eight-foot-high planted fencing that creates a green wall effect. Next steps should include investigating anti-ligurature precautions for the existing gazebo.

Proposed Out-Patient Community Support

Feasibility study meetings have touched on the example of the PACE program, Program for All-Inclusive Care for the Elderly, as a model for out-patient care. The budget does not include incorporating out-patient support, but next steps should explore options. For the proposed geriatric-psychiatric center to maximize its effectiveness, successful discharge is of great importance. Out-patient partnerships with community facilities as well as following and supporting discharges into community settings is likely to be highly beneficial.

TYPICAL PRIVATE ROOMS
W/ BATH & SHOWER

PROPOSED BUILDING 10
REINTEGRATION CENTER
1ST FLOOR

25 STUDIOS

COMMUNITY KITCHEN
COMMUNITY DINING
(3) TREATMENT ROOMS
(2) SECLUSION ROOMS
(2) OFFICES & RECEPTION

SECURED BUILDING
ANTI-LIGATURE DESIGN

VIEW OF PUGET SOUND

Department of Commerce
Innovation is in our nature.

VA HEALTH CARE Defining EXCELLENCE in the 21st Century

WASHINGTON STATE DEPARTMENT OF VETERANS AFFAIRS
"Serving Those Who Served"

Washington State Department of Social & Health Services
Transforming lives

SAGE ARCHITECTURAL ALLIANCE

PROPOSED BUILDING 10 RECOVERY CENTER 2ND FLOOR

TYPICAL PRIVATE ROOM W/ BATHROOM

23 STUDIOS

PREP KITCHEN
DINING & COMMUNITY ROOM
(2) GROUP SHOWERS
(2) TREATMENT ROOMS
(3) SECLUSION ROOMS
(1) QUIET ROOM
(3) OFFICES

ENCLOSED NURSE STATION
ANTI-LIGATURE DESIGN
SECURED FLOOR

PUGET SOUND VIEW

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VETERANS AFFAIRS

SAGE ARCHITECTURAL ALLIANCE

Number Served

The proposed design accommodates 25 veterans in the first-floor reintegration center and 23 veterans in the second floor recovery center. The number served per year is dependent on the length of treatment and the ability to establish a network of supported discharge opportunities. This is an important issue to pursue in the next steps of the project.

ESTIMATED CAPITAL EXPENSES

CONSTRUCTION COST ESTIMATE

The building assessment was done by Jim Rochlin of Rochlin Construction Services and is based on the scope of work identified in Exhibit F (architectural drawing). The itemized construction cost estimate is found in Exhibit G. Scope items include the following:

General Conditions and Add-Ons

- 7-month construction period
- 3 percent inflation to 2020 start of construction
- Insurance
- Business & Occupation taxes
- General Contractor's bond
- Builder's insurance
- 4 percent overhead
- 4 percent profit
- 15 percent contingency

Site

- Retaining wall and 20 parking spaces
- Modest landscaping to enhance entry

Building Approximate Breakdown

- $367 K -- General conditions*
- $76 K -- Demolition
- $53 K – Site-work
- $58 K -- Concrete and steel wall work
- $35 K -- Cabinets and casework
- $16 K -- Thermal
- $80 K -- Floors and windows
- $422K -- Luxury vinyl flooring, epoxy floor in severy, kitchen, wall board, painting
- $180 K -- New elevator, dumbwaiter, trash chute, anti-ligature handrails and shower rods
- $56 K -- Kitchen appliances
- $13 K -- Community room tables and chairs, mirrors
- $404 K -- Mechanical and plumbing*
- $291 K -- Electrical*

TOTAL ESTIMATED CONSTRUCTION COSTS: **$2,614,812**

This is $134 per sq. ft.

* Costs could increase depending on existing systems compliance with 2015 mechanical, Electrical and Energy codes. The requirements of the 2015 IBC Existing Building Code should be discussed with the Building Official having jurisdiction to confirm whether more upgrades are required. Mechanical and electrical contractors should also be hired to evaluate the existing systems and determine specific upgrades officials will require.

See Exhibit G for the Construction Costs spreadsheet.

TOTAL DEVELOPMENT COST ESTIMATE

SAGE Architectural Alliance teamed with Mark Thometz of Shelter Resources to provide development financial expertise for the Building 10 study. Shelter Resources is a long-time private affordable housing developer. The Development Cost Estimate Spreadsheet prepared by Shelter Resources, is included in Exhibit H and is summarized below:

Construction

- $2,615 K -- Basic construction cost
- $250 K -- Sales tax, 9 percent
- $170 K -- Additional construction contingency, 6.5 percent
- $12 K -- Acquisition

Professional Fees

- $83 K -- Preconstruction costs
- $121 K -- Extra services
- $431 K -- A&E
- $110 K -- Other services
- $75 K -- Professional contingencies

Equipment

- $383 K -- Equipment
- $34 K -- Sales tax

Agency Project Administration

- $267 K -- Agency administration
- $484 K -- Additional costs

TOTAL ESTIMATED CAPITAL COSTS**: $5,528,179**

Recommendations

The Building 10 workgroup recommends that Washington state implement Option 2, which is to convert Retsil's Building 10 to a geriatric-psychiatric center. Stakeholders should seek funding of approximately $5.5 million from the legislature for design, conversion, and operation of this facility. A facility of this type could be instrumental in contributing to ending veteran homelessness. Adopting this option could save the state significant money while piloting a cutting-edge service model for veterans with behavioral health issues.

The recommendation is a natural outgrowth of Governor Inslee's plan to transform the state's mental health system. The Governor has stated, "My budget will strengthen our state psychiatric hospitals and redesign the community-based behavioral health care system. By transforming the state hospitals, by diverting people from jails to appropriate community care, by improving services for people with substance use disorder and by integrating behavioral health with medical care, we will enhance the health outcomes and cut the overall costs of caring for the people of Washington state."

The recommendation also aligns with that of the U.S. VA Geriatrics and Gerontology Advisory Committee Task Force, which recommends a multi-faceted approach including implementing interdisciplinary behavioral consultation with rapid response capacity that could provide support to other residential care settings by use of tele-consultation and e-consultation. (Appendix Exhibit I).

Option 2 would save the state money in three ways.

1. It would reduce the medical costs of high-acuity hospital beds by appropriate discharge of behavior health veterans to the less acute Building 10 setting.
2. Renovating Building 10 to serve geriatric-psychiatric needs is much less expensive than a new facility.
3. Some veterans entering the court and corrections systems may be more appropriately relocated to Building 10 for reintegration into permanent supportive housing.

Meanwhile, Option 2 would provide veterans needing behavioral health care with an appropriately healthy environment and resources that are not being met in the acute care environment of hospitals.

By embracing an innovative, interdisciplinary model of care, Option 2 will break down the silos of medical, behavioral health, and geriatric care. The center has the potential to serve as a geriatric-psychiatric-medical educational-training center, which could help reduce the shortage of geriatric-behavioral health expertise. By following the USICH best practices, the center would become part of a holistic approach by providing consistent planning for the veteran through all federal and state systems.

Option 2 is compatible with the existing Retsil campus and the existing campus will benefit from ready access to geriatric-psychiatric resources. Many veterans in the Veterans Home and Building 9 programs will be better served with the support of the specialized behavioral health expertise available at Building 10.

If Building 10 is converted to include out-patient geriatric-psychiatric services, veterans who have transitioned from treatment within Building 10 into permanent supportive housing could continue to be supported on an out-patient basis.

If this recommendation were to be pursued, next steps would include the following:

- **Business Actions Required:** Stakeholder agencies should make formal commitment agreements to confirm their participation in the project; the business model for the partnerships and shared operation of the project should be set up – and their costs established.

- **Clinical Actions Required:** Clinical experts from stakeholder agencies should prepare an outline of behavioral health conditions to be addressed in the facility programs. The clinical staff expertise and personnel should be outlined. Key facility leadership personnel should be identified so these facility leaders could be involved in the facility design.

- **Design and Permitting Actions:** If addressed over a two-year funding cycle, with design funding authorized in FY 2018, allocated first year FY 2019 followed by the balance of construction in the second year, then in FY 2020 a budget of approximately $840,000 should be allocated for project architectural – engineering design and permitting fees. In addition, a budget of approximately $751,000 should be allocated for agency project management in FY 2018. A design team should be selected who can take the project from schematic design to permitting and bidding for construction. Ideally, the design team would be able to work with the coordinating body composed of both federal and state agencies, local providers, Retsil staff, and key clinicians who will be operating the completed geriatric psychiatric facility.

If funded by the 2018 Legislature, Option 2 would take roughly two years to reach full operations. What follows is a high-level project timeline:

- Fall 2017 – First round of interagency agreements and further program development
- Fall 2017 – Development of supplemental state budget request for predesign/design
- Winter 2018 – Legislature considers construction and start-up budget requests
- 2018-19 -- Renovate building
- 2019 -- Begin start-up operations
- 2020 -- Begin full operations

This schedule is aggressive because the needs for this facility are great. The program of behavioral health recovery and reintegration is critical part of the goal of ending homeless for veterans. It is also critical to ensuring medical acute care hospitals are available to veterans needing this level of care and not filled with veterans who are poorly served in that stressful environment. Converting Building 10 is a cost-effective step toward better serving Washington state's veterans.

Exhibit A

The Location of the Washington Veterans Home

Building #10 is located on the campus of the Washington Veterans Home. The Home is located in Retsil (Port Orchard), WA, (population 12,959), one of several desirable communities on the Kitsap Peninsula:

- 25 miles west across beautiful Puget Sound, from Seattle, WA, (population 663,000);
- 27miles north of Tacoma, (population 205,000); and
- 84 miles south of Port Angeles (population 20,000) which is located 23 miles south of Victoria, B.C., across the Strait of Juan de Fuca that connects Puget Sound to the Pacific Ocean.

Retsil (Port Orchard) is conveniently accessible to:

- Seattle, via the Washington State Ferry from Southworth to Seattle (West Seattle);
- Tacoma via Highway 16 and the Tacoma Narrows Bridge;
- Port Angeles via Highways 3 and 104; and
- Victoria BC via the Black Ball Ferry that runs from Port Angeles to Victoria, BC.

Other communities located on the Kitsap Peninsula or the adjacent Olympic Peninsula include:

- Bremerton (population 39,056), home of the Puget Sound Naval Shipyard and the Bremerton Annex of Naval Base Kitsap, located across the inlet from the Home;
- Gig Harbor (population 7,798), one of several communities noted as being "the gateway to the Olympic Peninsula, location of the Olympic Mountains and Olympic National Park;
- Poulsbo (population 9,509), with Scandinavian Theme downtown, and a tourist destination
- Silverdale (population 19,204), a major retail center, and home of the Naval Base Kitsap, the third largest navy base in the United States.
- Port Angeles, (pop. 20,000), on north end of the Olympic Peninsula, gateway to the Hurricane Ridge, attraction of the Olympic National Park; and departure point for the ferry to Victoria, BC

Building #10 Information

Age, size, and type of construction:

- Building was finished in 1978, II-B steel frame construction, built-up roof with gravel ballast
- Square footage - Basement Level: 5,603 sq. ft.
  1st Floor Level: 16,346 sq. ft.
  2nd Floor Level: 16,246 sq. ft.
  Total 38,195 sq. ft.
- Last major remodel was in 2008 with: building reroofed with single ply Sarnafil over rigid foam insulation; and updated heating system, drapes, paint, and door hardware
- Clinic building (now human resources) added in 1981 is of typical construction, and has 2,381 sq. ft.

Patient rooms and beds: Total of 78 beds configured as:

- Single Patient Rooms 26: 318 sq. ft., odd shaped rooms, approximately 12' x 17'6"
  - 24 have Toilet/Sink room shared with adjacent Double Room
  - 2 have private Toilet/Sink room
- Double Rooms 26: 364 sq. ft., odd shaped rooms, approximately 15' x 17'6"
  - 24 have Toilet/Sink room shared with adjacent Single Room
  - 2 have private Toilet/Sink room

Activity Public Areas

- 1st Floor Activity Room 1327 sf
- 1st Floor TV Lounge 246 sf

- 2nd Floor Activity Room 1327 sf
- 2nd Floor Activity Room 246 sf

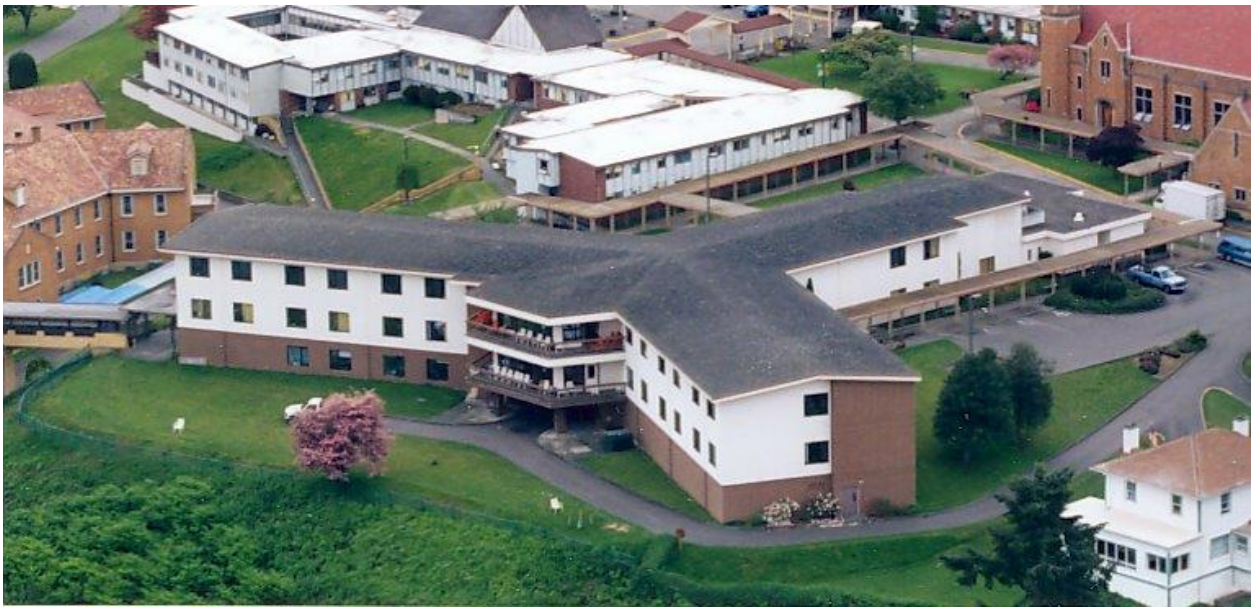
Restrooms, Bathing Areas:

- 4 resident shower rooms, 2 shower stalls, 1 toilet and sink room. (two on 1st floor, two on 2nd floor)
- 4 bathing/tub rooms (two on first floor and two on second floor)
- 2 nurse toilet rooms (one on first floor and one on second floor)
- 2 staff toilet rooms (one on first floor and one on second floor
- 2 public women's toilet rooms (one on first floor and one on second floor)
- 2 public men's toilet rooms (one on first floor and one on second floor)
- 1 staff toilet in basement hallway
- 1 staff toilet in storage area

Other Rooms:

- Basement: Rooms, the use of which has changed over the years include: two offices and a larger administration room. The remaining storage rooms have been used as offices and training room. Other rooms are mechanical, custodial, and storage
- First and Second Floors: Each floor as one of each of the following rooms:
    - Nurse Station, Nursing Office, Med Room, Treatment Room, Clean Utility Room, Dirty Utility Room, Linen Room, Equipment Storage Room, Storage room, Janitor Closet, Staff Lounge, Patio/Deck off Recreation Room
    - First floor has an area that was originally OT/PT area that is now used for storage
    - Adjacent building, prior clinic building, is now used for Human Resources and Training

Washington Veterans Home, Retsil, WA - Building #10 in Foreground



The Site of the Washington Veterans Home Building #10 Identified as Element C

The Washington Veterans Home is comprised of thirteen buildings, including Building #10, situated to optimize operational efficiency and functionality, exterior appearance, connection with nature, view enjoyment, building access, and overall use of the site.

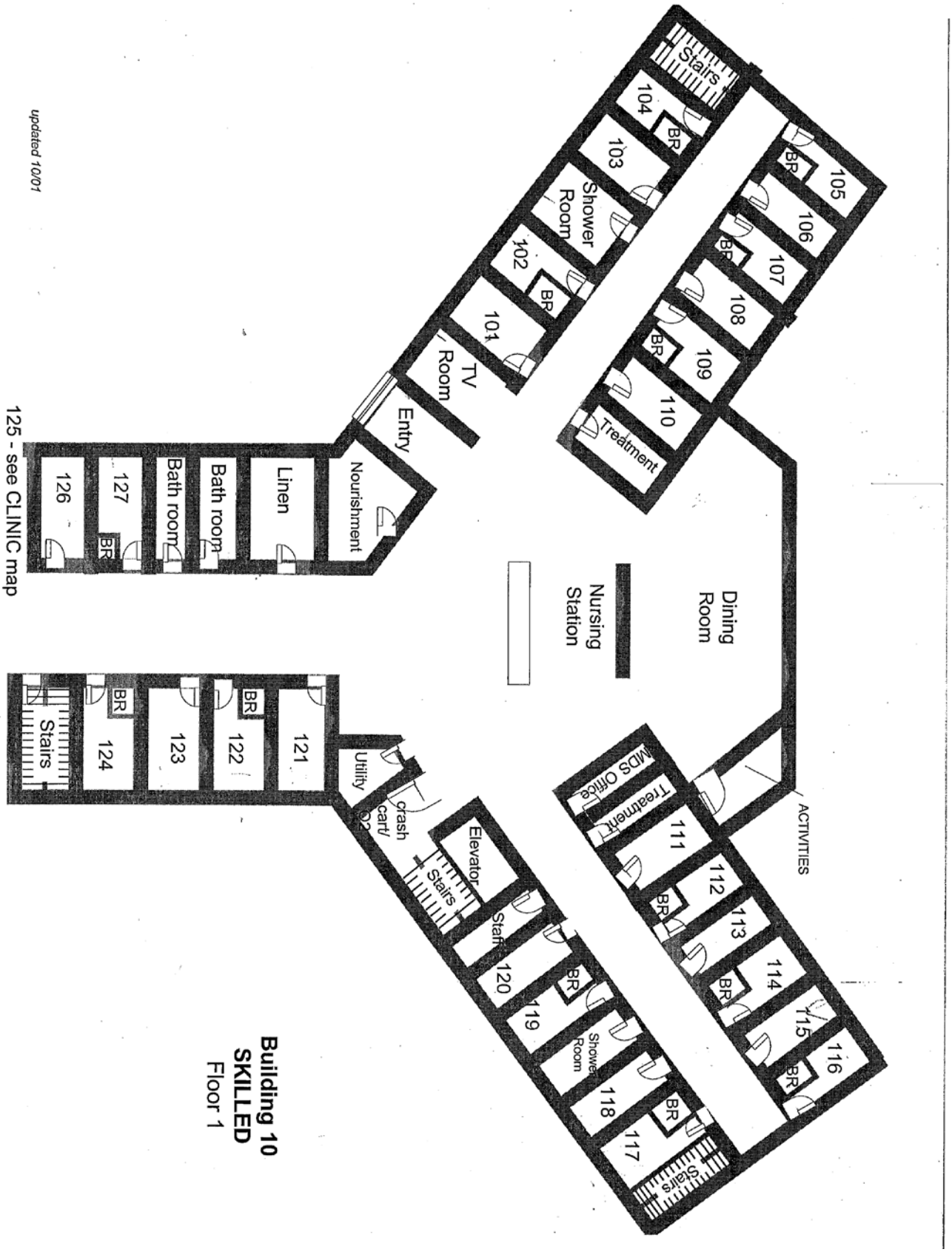
WASHINGTON STATE DEPARTMENT OF VETERANS AFFAIRS "Serving Those Who Served"

Washington Veterans Home, 1141 Beach Drive E, Port Orchard, WA 98366

Building A = Skilling Resident Home
Building B = Main Dining
Visible)
Building C = Building 10 (Vacant)
Building D = Building 7 (Unoccupiable)
Building E = Building 6 (Unoccupiable)
Building F = Chapel
Building G = Wood Shop
Building H = Plant
Building I = Laundry
Building J = Power House
Building K = Building 9
Building L = Grounds (Not Visible)
Building M = Mansion (Not Visible)

Building #10 (Vacant) Washington Veterans Home, Port Orchard, WA; First Floor Plan

Exhibit A



Building #10 (Vacant) Washington Veterans Home, Port Orchard, WA; Second Floor Plan

Exhibit A

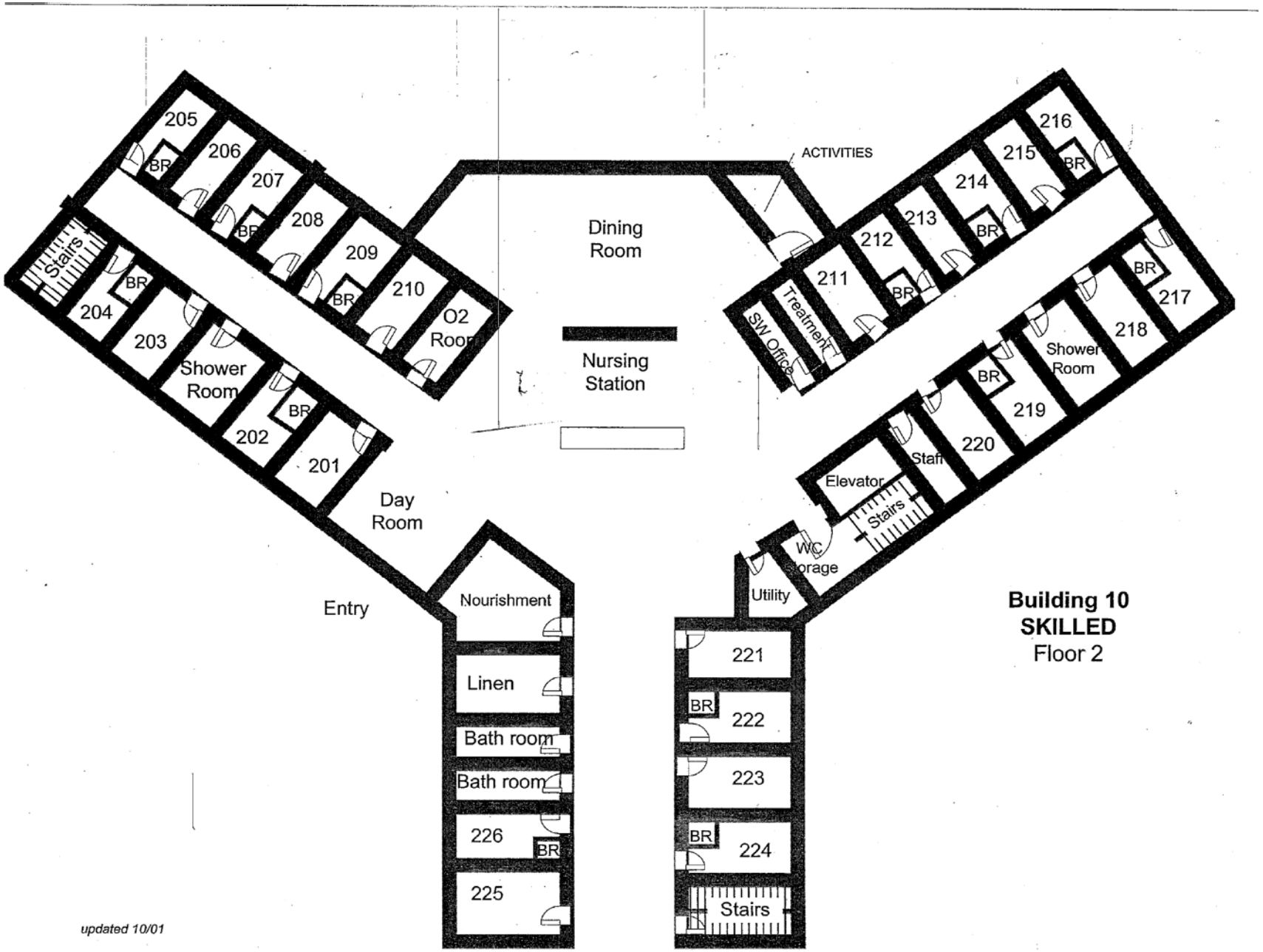
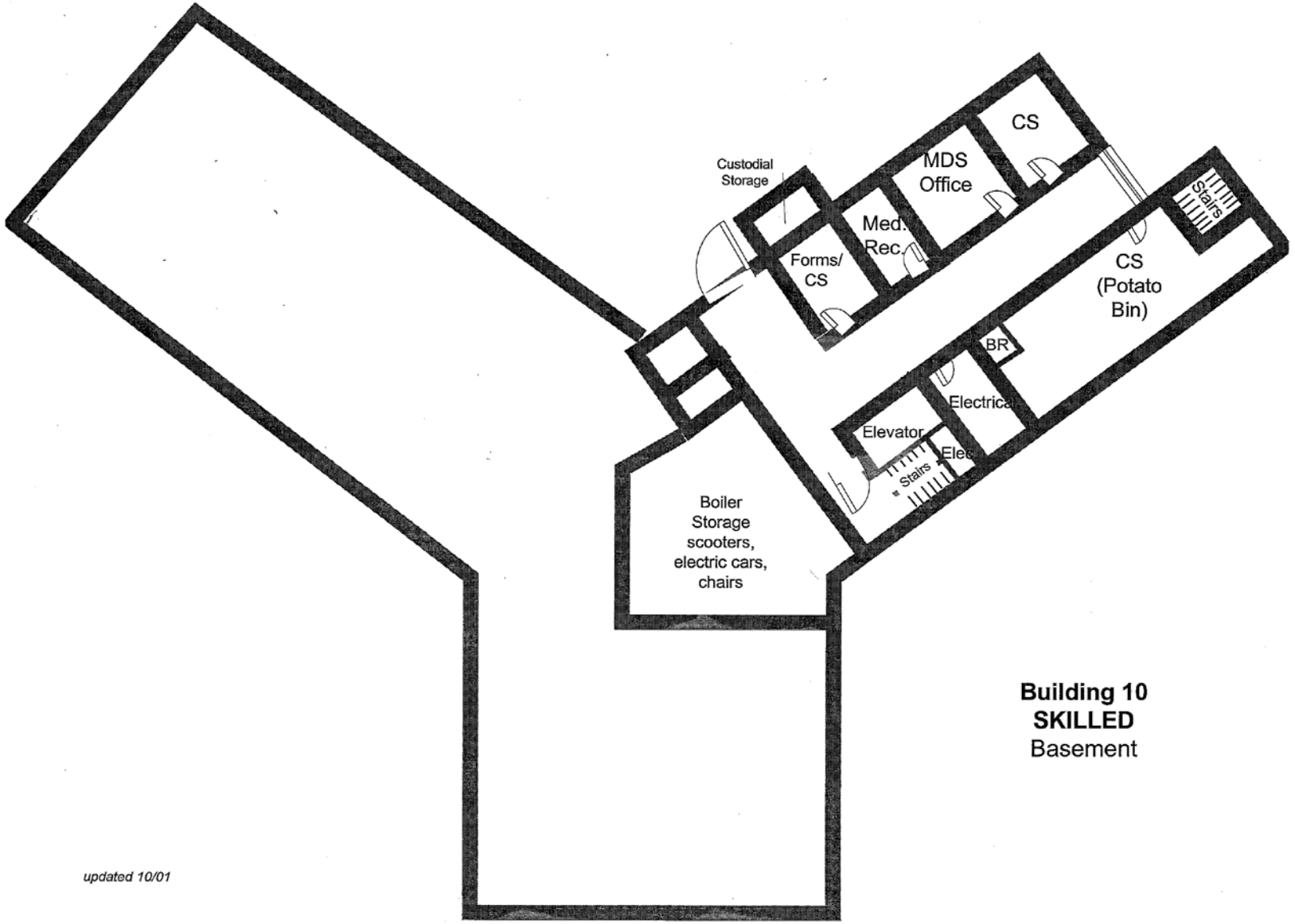

205
206
207
208
209
210
BR
Stairs
204
203
Shower Room
202
201
Day Room
Entry
Dining Room
ACTIVITIES
Nursing Station
O2 Room
Nourishment
Linen
Bath room
Bath room
226
225
216
215
214
213
212
211
217
218
219
220
221
222
223
224
Treatment
SW Office
Shower Room
Elevator
Stairs
Utility
Stairs
updated 10/01
Building 10
SKILLED
Floor 2

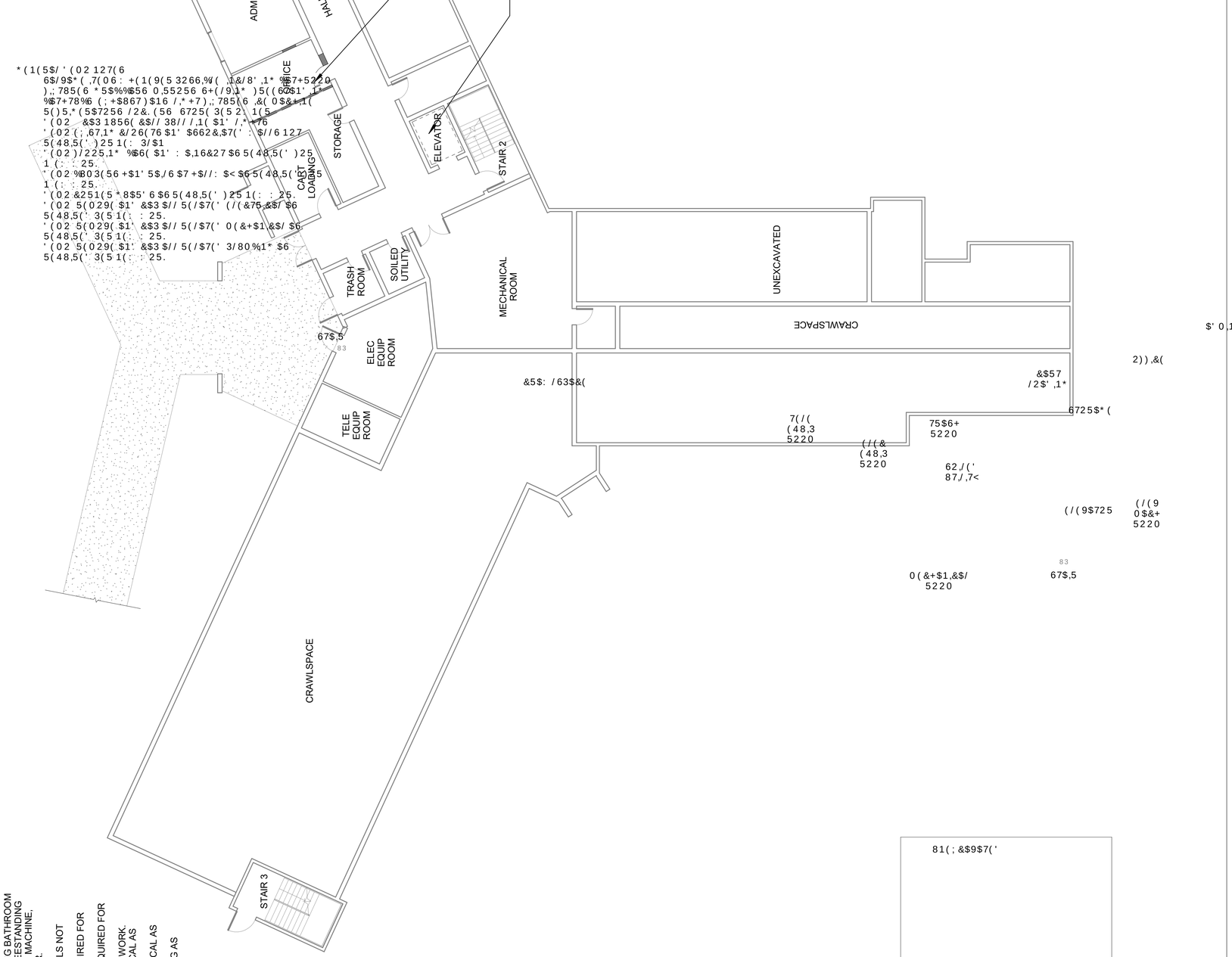
Exhibit A



Building 10
SKILLED
Basement

updated 10/01

EXHIBIT B



GENERAL DEMO NOTES:

1. SALVAGE ITEMS WHENEVER POSSIBLE, INCLUDING BATHROOM FIXTURES, GRAB BARS, MIRRORS, SHELVING, FREESTANDING BATHTUBS, EXHAUST FANS, LIGHT FIXTURES, ICE MACHINE, REFRIGERATORS, LOCKERS. STORE PER OWNER.
2. DEMO & CAP NURSE CALL PULL LINE AND LIGHTS
3. DEMO EXISTING CLOSETS AND ASSOCIATED WALLS NOT REQUIRED FOR NEW PLAN
4. DEMO FLOORING, BASE AND WAINSCOT AS REQUIRED FOR NEW WORK.
5. DEMO BUMPERS HANDRAILS AS REQUIRED FOR NEW WORK.
6. DEMO CORNER GUARDS AS REQUIRED FOR NEW WORK.
7. DEMO REMOVE AND CAP ALL CEILING MOUNTED ELECTRICAL AS REQUIRED PER NEW WORK.
8. DEMO REMOVE AND CAP ALL CEILING MOUNTED MECHANICAL AS REQUIRED PER NEW WORK.
9. DEMO REMOVE AND CAP ALL CEILING MOUNTED PLUMBING AS REQUIRED PER NEW WORK.

BUILDING NOTES:

EXHIBIT B

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FBVHUV

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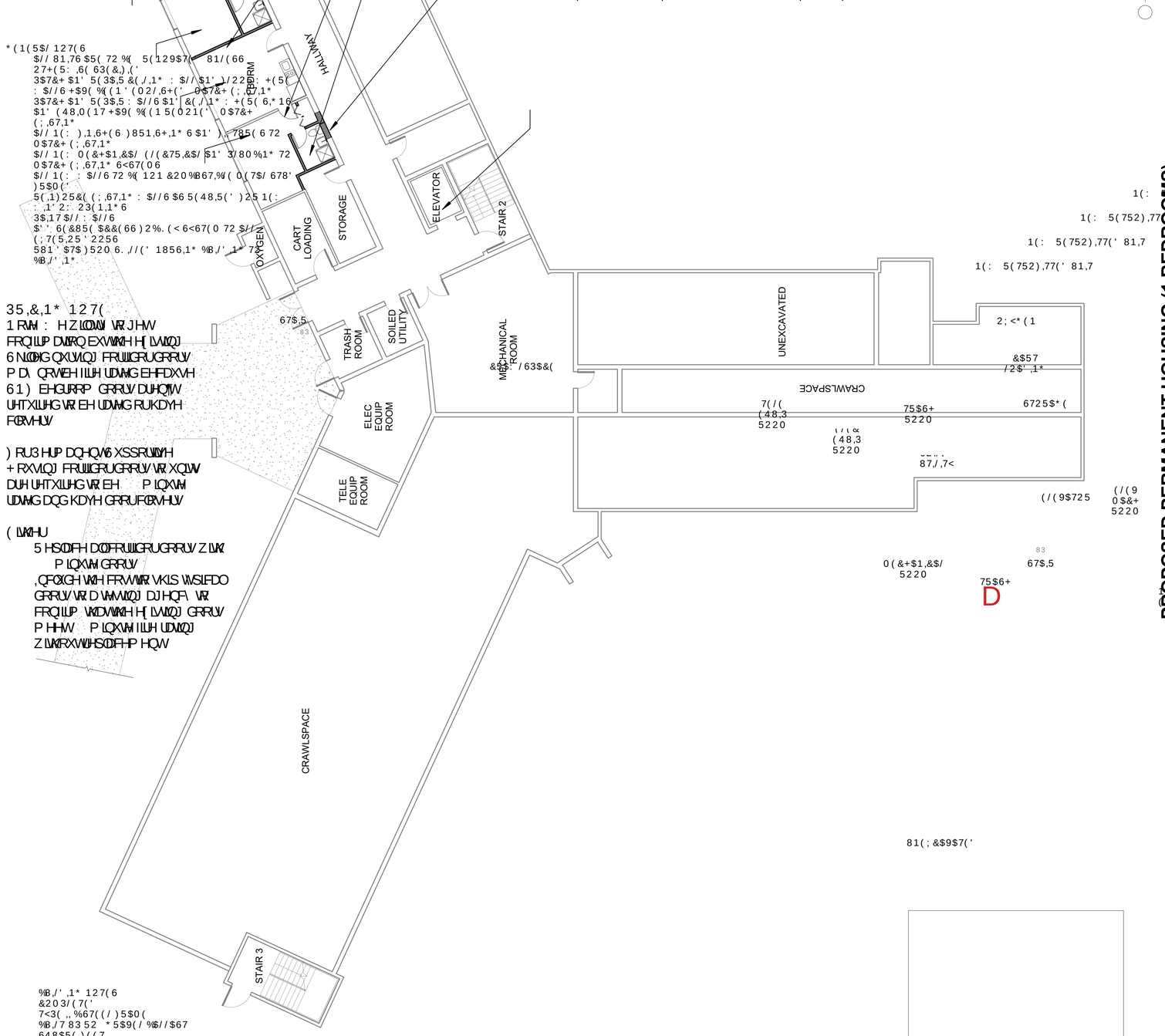

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PROPOSED PERMANENT HOUSING (1 BEDROOMS)
BUILDING 10

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BUILDING NOTES:

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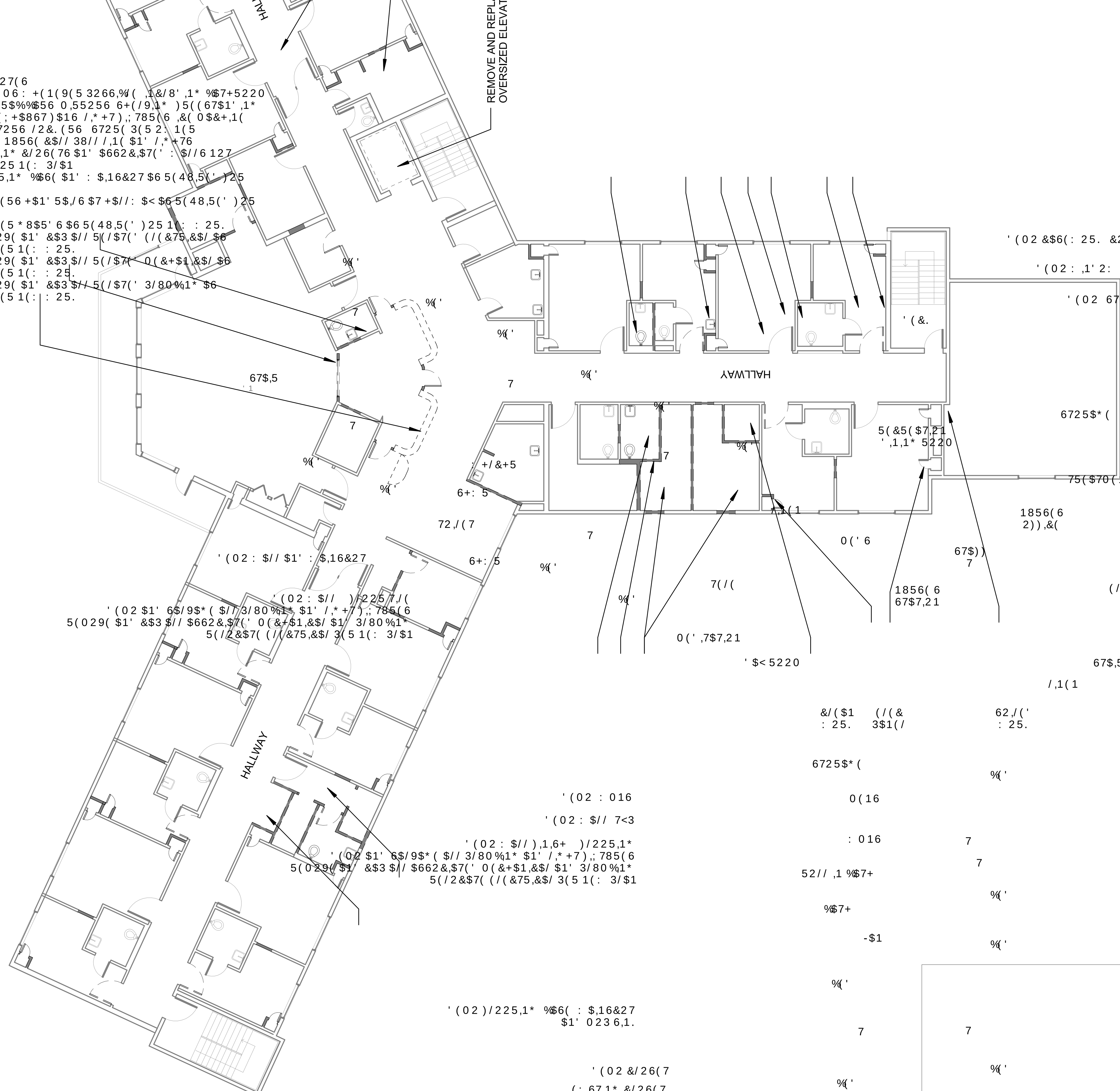
EXHIBIT B


REMOVE AND REPL
OVERSIZED ELEVAT
STAFF LOUNGE
STAFF
ELEVATOR
STAIR 2
TREATMENT
STORAGE
NURSES OFFICE
LINEN
SOILED WORK
2 BED
1 BED
T.
STAIR 1
HALLWAY
RECREATION &
DINING ROOM
DECK
NURSE'S STATION
MEDS.
CLEAN WORK
STORAGE
MENS
WMNS
ROLL-IN BATH
BATH
JAN.
ENTRY
DAY ROOM
SHWR
TOILET
STAIR 3
BUILDING NOTES:

EXHIBIT B

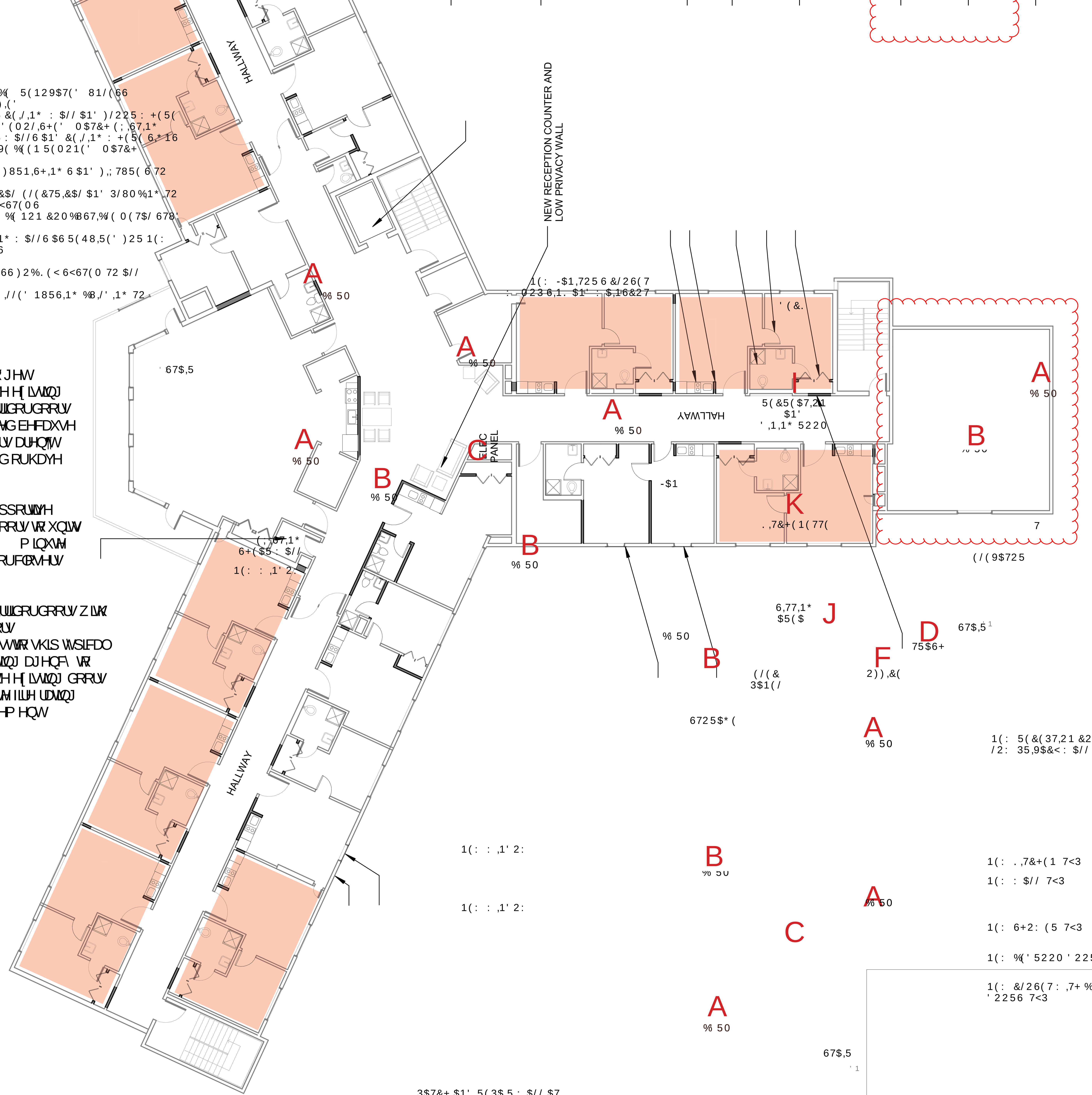
EXHIBIT B



BUILDING NOTES:

1

EXHIBIT B



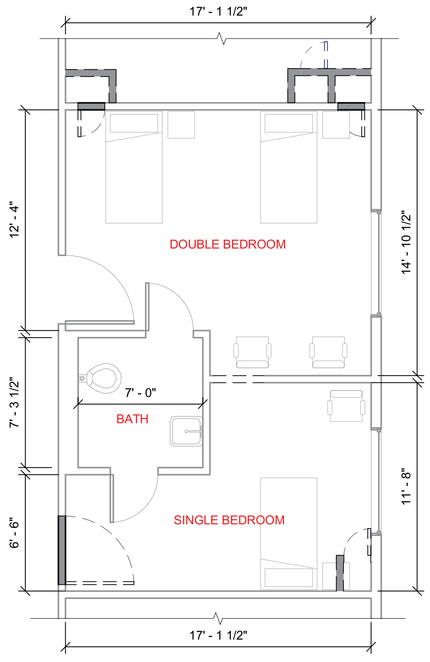
HALLWAY
NEW RECEPTION COUNTER AND LOW PRIVACY WALL
ELEC PANEL
HALLWAY
BUILDING NOTES:
A
B
C
D
F
I
J
K

1

EXISTING "1 BED":
1. DEMO DOOR TO HALL
2. DEMO CLOSETS (WHERE SHOWN)
3. DEMO CURTAIN CEILING TRACK
4. DEMO NURSE CALL PULL LINE
5. DEMO LINEAR WALL LIGHT

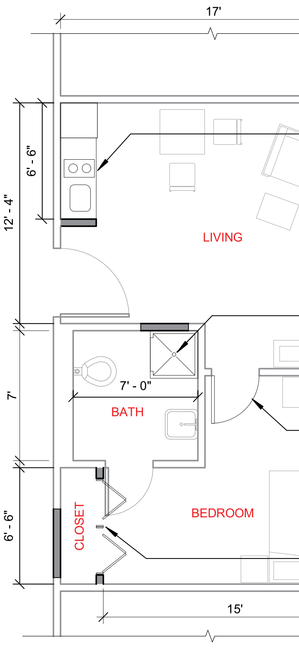
EXISTING "2 BED":
1. DEMO DOOR TO BATH
2. DEMO CLOSETS (WHERE SHOWN)
3. DEMO CURTAIN CEILING TRACK
4. DEMO NURSE CALL PULL LINE
5. DEMO LINEAR WALL LIGHT

EXISTING "TOILET":
1. DEMO FLOORING, BASE AND WAINSCOT AS NECESSARY FOR NEW SHOWER
2. DEMO AND CAP (1) LIGHT SWITCH FOR NEW SHOWER
3. REMOVE AND SALVAGE WALL SHELF & GRAB BAR



2 APARTMENT PLAN (1 BDRM) DEMO
1/4" = 1'-0"

"RENOVATED UNIT" :
1. ADD NEW CLOSET W/BIFOLD DOO
2. ADD NEW BEDROOM DOOR W/KEY HARDWARE
3. ADD DOOR CLOSER
4. ADD NEW KITCHEN (CASEWORK, CHARCOAL FILTERED RE-CIRC RA HOOD, 24" FRIDGE)
5. ADD NEW SHOWER



1 APARTMENT PLAN (1 BDRM
1/4" = 1'-0"

EXHIBIT B

EXHIBIT C

Rochlin Construction Services

Building #10- Permanent Supportive Housing

Port Orchard, WA

6/1/2017

Assessment of costs- Preliminary

Description	Take off Qty	Unit	Labor/cost Unit	Lab Price	Labor Amount	Mat/Cost Unit	Mat Amount	Sub/Cost Unit	Sub Amount	Equip/Cost Unit	Equip Amount	Other/Cost Unit	Other Amount	Cost Per Unit	Total Amount
General Conditions															313,559
Superintendent	6	months	14,280.00		85,680	-	-	-	-	-	-	-	-	14,280.00	85,680
Project Manager (50%)	3	months	15,960.00		47,880	-	-	-	-	-	-	-	-	15,960.00	47,880
Foreman	6	months	12,096.00		72,576	-	-	-	-	-	-	-	-	12,096.00	72,576
First Aid Equip	6.0	mnth	-	-	-	-	-	-	-	250.00	1,500	-	-	250.00	1,500
Temp Toilet (Rent)	6.0	mnth	-	-	-	-	-	-	-	440.00	2,640	-	-	440.00	2,640
Temp Fire Protection	6.0	mnth	-	-	-	-	-	-	-	120.00	720	-	-	120.00	720
Monthly Phone & Internet	6.0	mnth	-	-	-	-	-	-	-	180.00	1,080	-	-	180.00	1,080
Storage Containers	6.0	mnth	-	-	-	-	-	-	-	400.00	2,400	-	-	400.00	2,400
Temp Fence-Rent	6.0	mnth	-	-	-	-	-	-	-	100.00	600	-	-	100.00	600
Postage / Courier Service	6.0	mnth	-	-	-	135.00	810	-	-	-	-	-	-	135.00	810
Misc.Printing & Reproduction Cost	6.0	lsum	-	-	-	500.00	3,000	-	-	-	-	-	-	500.00	3,000
Office Supplies	6.0	mnth	-	-	-	165.00	990	-	-	-	-	-	-	165.00	990
Tools & Equipment	6.0	mnth	-	-	-	-	-	-	-	850	5,100	-	-	850.00	5,100
Current Cleanup/misc. labor	25	week	2,600.00		65,000	35.00	-	-	-	-	-	-	-	2,600.00	65,000
Drop/Pickup 30 yard Dumpster (4 per mnth)	24	boxes	-	-	-	-	-	-	-	120.00	2,880	-	-	120.00	2,880
County Dump Fee (6 ton per 40 yard drop box) (documented)	144	tons	-	-	-	110.00	15,840	-	-	-	-	-	-	110.00	15,840
Final Cleanup	19,450	sf	-	-	-	-	-	0.25	4,863	-	-	-	-	0.25	4,863
Demolition					53,760		-				-		-		72,858
Demo floors	7,720	sf	2.25		17,370		-	0	1,158	-	-	-	-	2.40	18,528
Demo window openings	6	ea	285.00		1,710		-	0	-	-	-	-	-	285.00	1,710
Demo walls/drywall	800	lf	25.00		20,000		-	3	2,400	-	-	-	-	28.00	22,400
General demo at units/site HVAC/Plumbing/Misc.	1	ls	12,480.00		12,480		-	15,000	15,000	-	-	-	-	27,480.00	27,480
Demo trash chute	1	ls	2,200.00		2,200		-	540	540	-	-	-	-	2,740.00	2,740
Site Work					-		-				-		-		16,925
Extend asphalt parking-regrade	735	sf	-	-	-	-	-	11.00	8,085	-	-	-	-	11.00	8,085
Striping at stalls	12	each	-	-	-	-	-	35.00	420	-	-	-	-	35.00	420
Landscaping	1	ls	-	-	-	-	-	3,800.00	3,800	-	-	-	-	3,800.00	3,800
Grade and export at new parking	110	cy	-	-	-	-	-	42	4,620	-	-	-	-	42.00	4,620
Concrete					-		-				-		-	-	8,220
Retaining wall at parking	12	cy	-	-	-	-	-	685.00	8,220	-	-	-	-	685.00	8,220
Metals					-		-				-		-		77,480
Frame new walls	7,650	sf	-	-	-	-	-	10	76,500	-	-	-	-	10.00	76,500
Frame trash chute at roof	1	ea	-	-	-	-	-	980	980	-	-	-	-	980.00	980
Wood & Plastics													-		44,240
Kitchen countertops	39	ea	-		-		-	185	7,215	-	-	-	-	185.00	7,215
Kitchen cabinets	39	ea	-		-	-	-	385	15,015	-	-	-	-	385.00	15,015
Base P-Lam Countertops	38	ea	-		-	-	-	185	7,030	-	-	-	-	185.00	7,030
Bath vanity cabinets	38	ea	-		-	-	-	310	11,780	-	-	-	-	310.00	11,780
Casework at common	1	ea	-		-	-	-	3200	3,200	-	-	-	-	3,200.00	3,200
Thermal & Moisture											-		-		22,440
Sound insulation	52	ea	-	-	-	-	-	245.00	12,740	-	-	-	-	245.00	12,740
Weather seal at new windows	6	ea	-	-	-	-	-	450.00	2,700	-	-	-	-	450	2,700
Patch roof at fan penetrations	20	ea	-	-	-	-	-	350.00	7,000	-	-	-	-	350	7,000
Door & Windows									-		-		-	-	59,610
Add windows at bedrooms	6	ea	-	-	-	-	-	635.00	3,810	-	-	-	-	635.00	3,810
Bedroom Door with hardware	38	ea	-	-	-	-	-	310.00	11,780	-	-	-	-	310.00	11,780
Bathroom door	38	ea	-	-	-	-	-	285.00	10,830	-	-	-	-	285.00	10,830
Replace all corridor doors with 20 min. doors/hardware	50	units	-	-	-	-	-	385.00	19,250	-	-	-	-	385.00	19,250
Closet doors	38	ea	-	-	-	-	-	230.00	8,740	-	-	-	-	230.00	8,740
Misc. common hardware	1	ea	-	-	-	-	-	5,200.00	5,200	-	-	-	-	5,200.00	5,200
Finishes															227,451
Gypsum Drywall- at baths, bedrooms	7,800	sf	-	-	-	-	-	5.50	42,900	-	-	-	-	5.50	42,900
Drywall repair throughout	1	ls	-	-	-	-	-	7,500.00	7,500	-	-	-	-	7,500.00	7,500
Gypsum Drywall at shafts- includes shaft liners	3	ea	-	-	-	-	-	2,500.00	7,500	-	-	-	-	2,500.00	7,500
Luxury Vinyl Flooring	10,300	sf	-	-	-	-	-	8.25	84,975	-	-	-	-	8.25	84,975
Floor Prep	10,300	sf	-		-	-	-	0.50	5,150	-	-	-	-	0.50	5,150
Interior Painting (Low VOC)	53,040	sf	-	-	-	-	-	1.35	71,604	-	-	-	-	1.35	71,604
Stone fireplace surround	1	ea	-	-	-	-	-	1,200.00	1,200	-	-	-	-	1,200.00	1,200
FRP wall coverings	320	sf	-	-	-	-	-	4.85	1,552	-	-	-	-	4.85	1,552
Wainscot	845	sf	-	-	-	-	-	6.00	5,070	-	-	-	-	6.00	5,070
Specialties					-						-		-		144,500
Trash Chute	2	floors	-		-	-	-	5,500.00	11,000	-	-	-	-	5,500.00	11,000
New Elevator machinery, controller, cab and demo	3	stops	-	-	-	-	-	44,500	133,500	-	-	-	-	44,500.00	133,500

EXHIBIT C

	Equipment							-		-		52,250		-			57,190
	Refrigerators	38	each	-		-	-	-		-	535.00	20,330	-	-	535.00		20,330
	Range	38	each	-		-	-	-		-	580.00	22,040	-	-	580.00		22,040
	Range Hood	38	each	-		-	-	-		-	260.00	9,880	-	-	260.00		9,880
	Delivery & Stock Appliances	76	ea	65.00	-	4,940	-	-		-	-	-	-	-	65.00		4,940
	Furnishings					-		-				-		-	-		34,290
	Mirrors	38	ea	-		-	-	-	210.00	7,980	-	-	-	-	210.00		7,980
	Electric fireplace	1	ea	-		-	-	-	1,850.00	1,850	-	-	-	-	1,850.00		1,850
	Room signage	38	ea	-		-	-	-	65.00	2,470	-	-	-	-	65.00		2,470
	Window blinds	68	ea	-		-	-	-	125.00	8,500	-	-	-	-	125.00		8,500
	Closet shelf and rod	38	ea	-		-	-	-	115.00	4,370	-	-	-	-	115.00		4,370
	Bath Accessories	38	ea	-		-	-	-	240.00	9,120	-	-	-	-	240.00		9,120
	Mechanical/Plumbing					-		-				-		-	-		504,700
	Fire Sprinkler revisions	1	ls	-	-	-	-	-	36,500	36,500	-	-	-	-	36,500.00		36,500
	Bathroom sinks-includes rough-in	39	each	-	-	-	-	-	1,950	76,050	-	-	-	-	1,950.00		76,050
	Toilets including rough-in	38	each	-	-	-	-	-	2,450	93,100	-	-	-	-	2,450.00		93,100
	Showers-including rough-in	38	each	-	-	-	-	-	3,950	150,100	-	-	-	-	6.85		150,100
	Mop sink-includes rough-in	2	each	-	-	-	-	-	3,500	7,000	-	-	-	-	6.85		7,000
	Modify plumbing at wall changes	38	each	-	-	-	-	-	1,500	57,000	-	-	-	-	6.85		57,000
	Exhaust fan at trash chute	1	each	-	-	-	-	-	3,850	3,850	-	-	-	-	3,850.00		3,850
	Revisions to existing heat system	1	ls	-	-	-	-	-	65,900	65,900	-	-	-	-	65,900.00		65,900
	Bath fans- Energy Star at bathrooms	16	each	-	-	-	-	-	950	15,200	-	-	-	-	950.00		15,200
	Electrical					-		-				-		-			292,910
	Demolition	320	mhrs	-	-	-	-	-	85	27,200	-	-	-	-			27,200
	Fire Alarm revisions	1	ea	-	-	-	-	-	45000	45,000	-	-	-	-			45,000
	Elevator power revisions	1	ea	-	-	-	-	-	4500	4,500	-	-	-	-			4,500
	Electrical modifications as required	1	ls	-	-	-	-	-	47500	47,500	-	-	-	-			47,500
	Replace unit fixtures	125	ea	-	-	-	-	-	265	33,125							33,125
	Modify new bathrooms	39	ea	-	-	-	-	-	865	33,735	-	-	-	-	865.00		33,735
	Unit and room modifications	38	ea	-	-	-	-	-	1875	71,250	-	-	-	-	1,875.00		71,250
	Data from Nursing	1	LS	-	-	-	-	-	5600	5,600	-	-	-	-	5,600.00		5,600
	Access tied to fire alarm and entry	1	ea	-	-	-	-	-	25000	25,000	-	-	-	-	25,000.00		25,000
TOTALS						**329,836**		**20,640**		**1,431,727**		**69,170**		**-**			**1,851,373**
	Construction Direct Cost					1,851,373											
	Inflation adjustment thru start of construction	3	%			55,541.18											
	CGL Insurance	0.85	%			15,737											
	B&O	0.57	%			10,553											
	GC Performance and Payment Bond	0.75	%			13,885											
	Builder's Risk Insurance	0.7	%			**12,960**											
	Overhead	4.00	%			74,055											
	Profit	4.00	%			74,055											
	Total					2,108,158											
	Contingency	15.00	%	100.00		277,706											
	Subtotal					2,385,864											
	WSST by Owner-Not shown in estimate		%	-		-											
	Total					**2,385,864**		**Cost per SF**	**$123**								

EXHIBIT D

PORT ORCHARD VETS — *DEVELOPMENT BUDGET - PERMANENT FINANCING*

Revised: 06-17-17

RESIDENTIAL ONLY

NUMBER OF UNITS	39	
Residential SF	31,833	
Commercial SF	0	
Structured Parking SF	0	
Total SF	31,833	31,833

	USES	%	$/SF	PER UNIT	RESIDENTIAL TOTAL	9% New Const	4% Acq/Rehab	Notes
	Acquisition Costs							
*	Land		$0.00	$0	$0			80 yr lease
*	RE Commission	3.00%	$0.00	$0	$0			As per understanding
	Land Carry Costs	3.75%	$0.00	$0	$0			N/A
	RE Excise Tax	0.00%	$0.00	$0	$0	$0		initial lease transfer
	Closing, Etc	0.00%	$0.00	$0	$0	$0		initial lease transfer
	Other	0.00%	$0.00	$0	$0	$0	$0	N/A
	Site Preparation - Demolition		$0.39	$321	$12,500	$12,500		Existing Ancillary Structures
	Subtotal		$0.39	$321	$12,500	$12,500	$0	
	Construction		$78	$63,510	$2,951,672			$93
	Base Construction Contract		$74.95	$61,176	$2,385,864	$2,385,864		Current estimate-w/WSPV
	Structured Parking		$0.00	$0	$0	$0		Current estimate-w/WSPV
	Escalation	3.50%	$2.86	$2,334	$91,021	$91,021		Assumes 2018 Const Start
	TI Improvements		$0.00	$0	$0	$0		For commercial space only
	Sales Tax	9.00%	$6.75	$5,506	$214,728	$214,728		Tacoma
	Constructon Contingency	10.00%	$8.17	$6,668	$260,059	$260,059		Bank underwriting
	Furnishings		$11.76	$9,597	$374,297	$374,297		Common areas only
	Subtotal		$104.48	$85,281	$3,325,969	$3,325,969	$0	
	Professional Fees		$78					
	Pre-Construction Costs		$0.63	$513	$20,000	$20,000		Cost Estimating - A&E VE Activities - Cosnt Design Coord
	Bldg Permit-Impact Fees		$8.83	$7,206	$281,017	$281,017		As per Kitsap Co & Port Orchard
	A&E, Rental		$7.72	$6,301	$245,744	$245,744		As per agreement w/A&E team
	Other		$0.00	$0	$0	$0		N/A
	Owner Engineering-Geo Tech-Survey-Etc		$2.35	$1,918	$74,795	$74,795		Incl geo tech, survey, bldg envelope etc
*	Environmental		$1.22	$996	$38,850			Incl various updates, ESA, etc
*	Appraisal-Updates-Build Out		$0.69	$564	$22,000			Includes various updates, etc
*	Market Study		$0.74	$603	$23,500			Includes various updates, etc
	Other		$0.00	$0	$0	$0		N/A
	Legal-General		$2.36	$1,923	$75,000	$75,000		As per past projects
	Accounting-General		$0.74	$603	$23,500	$23,500		As per past projects
*^	Other Legal		$0.46	$374	$14,600			LIHTC related legal
*^	Other Legal - LIHTC Investor Fees, Etc		$1.57	$1,282	$50,000			Equity Investor costs
	Professional Contingencies	6.00%	$1.64	$1,337	$52,140	$52,140		As per industry standards
	Development Fee	9.38%	$15.32	$12,508	$487,819	$475,319		Per WSHFC
	Construction Mngt Fee		$0.00	$0	$0	$0		Incl in dev fee
	Subtotal		$44.26	$36,127	$1,408,965	$1,247,515	$0	
	Financing/Development Costs							
	Condo Assoc Legal - Survey		$1.02	$833	$32,500	$32,500		For commercial space breakout
	Const Risk Insurance		$1.08	$881	$34,374	$34,374		As per past projects
*	RE Taxes-Land during Const	1.50%	$0.00	$0	$0			N/A
*^	Pre Dev Loan Interest	0.00%	$0.74	$608	$23,703			As per projections
	Other Development Loan Fees & Interest	6.00%	$1.90	$1,550	$60,450	$60,450		N/A
*	WA ST Loan Fee	2.00%	$0.88	$718	$28,000			As per WA St
*	Other Loan Fee	0.00%	$0.00	$0	$0			N/A
*	Developer General Liability Insurance	0.00%	$0.32	$259	$10,109			As per condo development legal entity
*	Permanent Loan Fee	0.00%	$0.00	$0	$0			N/A
	Construction Loan Fee	0.00%	$3.36	$2,739	$106,819	$106,819		As per project projections of loan amount
	Inspections - Lender Course Of Const		$0.39	$321	$12,500	$12,500		As per past projects
	Construction Loan Interest	3.75%	$1.88	$1,538	$60,000	$60,000		As per project projections of loan amount
^	Rent Up Interest - Rent up Carry Costs	0.00%	$2.04	$1,667	$65,000	$0		Not included in basis, as per project projections
*	Closing/Title/Rec/Escrow		$0.71	$583	$22,750	$22,750		As per past projects
	LIHTC Appl Fee	$26	$0.03	$26	$1,014			As per WSHFC
	LIHTC Reservation Fees	9.50%	$1.83	$1,495	$58,312			As per WSHFC
*^	Rent Up/Marketing Costs		$0.74	$603	$23,500			As per projections
	Misc - Construction Admin		$0.75	$615	$24,000	$24,000		Course of development costs, misc admin, etc
*^	LIHTC Non Profit Donation		$0.45	$363	$14,175			As per WSHFC
*^	Oper / Replacements Reserves	50.00%	$5.98	$4,882	$190,379			As per equity investor + up front replacement reserves
*^	Service Reserve	0.00%	$3.46	$2,821	$110,000			N/A
	Contingency - Add'l Interest Reserve	7.80%	$1.41	$1,154	$45,000	$45,000		As per industry due diligence
	Subtotal		$28.98	$23,656	$922,585	$398,393	$0	
	TOTAL COSTS		$178.1	$145,385	$5,670,019	$4,984,377	$0	$6,875,974
			59%	61%				
	LIHTC BASIS				$4,984,377	$4,984,377	$0	
	HI COST ADJ LIHTC BASIS	0%		#DIV/0!	$0			
	LIHTC EQUITY GAP BASIS			#DIV/0!	$5,202,162			*$467,857*
	AGGREGATE 50/50 BASIS				$5,246,467			
					$467,857			

EXHIBIT D

SOURCES	% LIHTC Basis						
LIHTC	69.31%		$100,770	$3,930,019			Assumes Equity @ $0.96
Bank - Bonds - Residential	0.00%		$0	$0			N/A
Bank - Non Residential	0.00%		$0	$0			N/A
WA ST	24.69%		$35,897	$1,400,000			Deferred 40 years
Kitsap County	0.88%		$1,282	$50,000			Deferred 40 years
FHLB	3.35%		$4,872	$190,000			Deferred 40 years
Home Depot Foundation	1.76%		$2,564	$100,000			N/A
Other	0.00%		$0	$0			
Other	0.00%		$0	$0			
Other	0.00%		$0	$0			
Other	0.00%		$0	$0			
Deferred Dev Fee and/or Developer Cash	0.00%		$0	($0)			0.000%
TOTAL FINANCING	100.00%		$145,385	$5,670,019			
Max TDC				$14,912,532			
				($9,242,513)			
				$0			

Net Development Fee Payment Schedule			LIHTC Equity Pay In		
Net Development Fee		$487,819	Gross LIHTC Equity		$3,930,019
Const Loan Closing	25.00%	$121,955	Const Loan Closing	20.00%	$786,004
Cert Of Occupancy	25.00%	$121,955	Cert Of Occupancy	55.00%	$2,161,510
Residential Perm Conversion	48.00%	$234,153	Residential Perm Conversion	20.00%	$786,004
Other	0.00%	$0	Other		
WSHFC 8609	2.00%	$9,756	WSHFC 8609	5.00%	$196,501
Total - Check	100.00%	$487,819		100.00%	$3,930,019
	($0)	$487,819			

Total Contingencies - TDC-Dev Fee/Contingency		
Constructon Contingency		$260,059
Professional Contingencies		$52,140
Contingency - Add'l Interest Reserve		$45,000
Total - Check	6.30%	$357,199

Total Reserves - TDC-Dev Fee/Reserves		
Oper / Replacements Reserves		$190,379
Service Reserve		$110,000
Total - Check	5.30%	$300,379

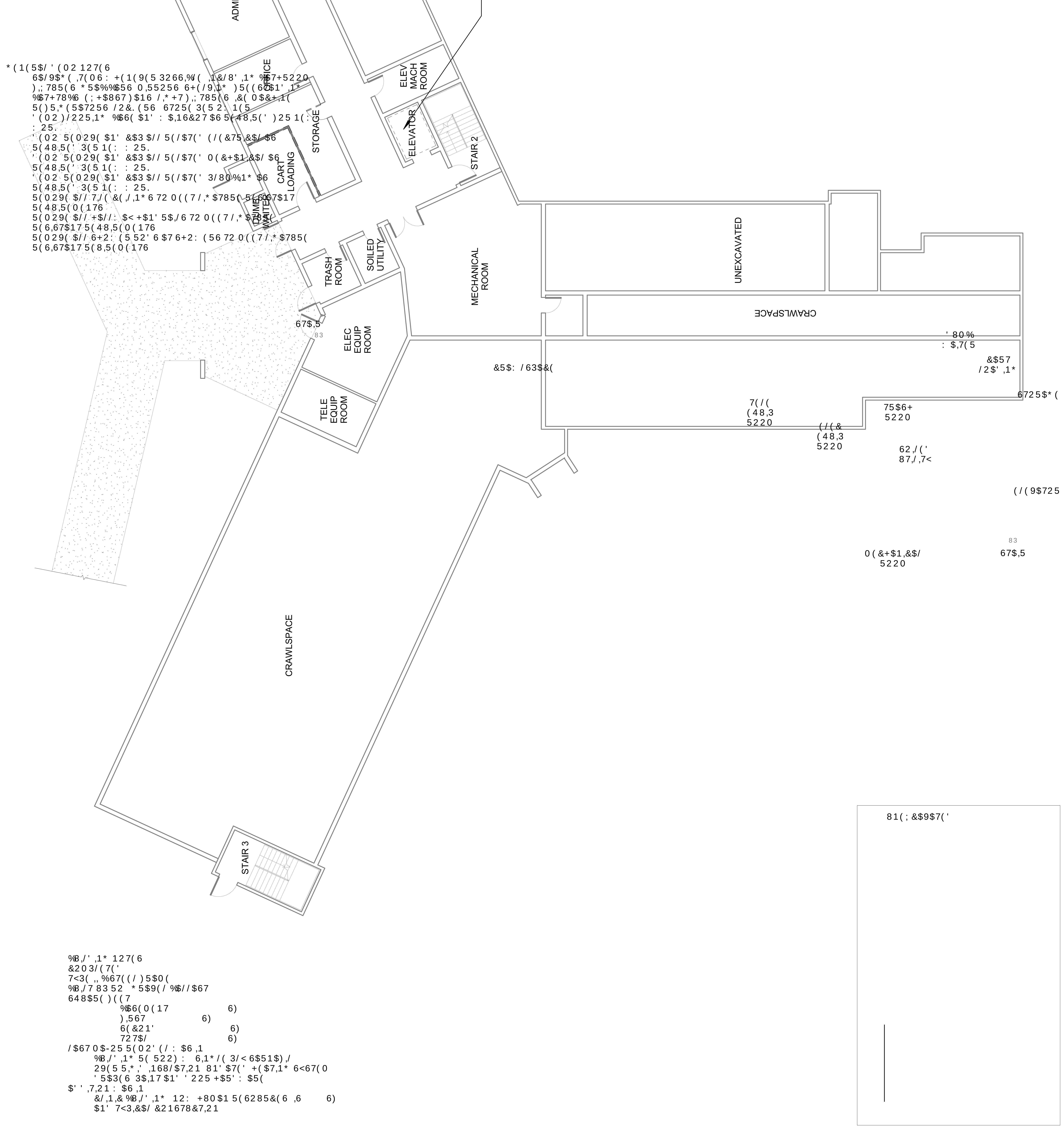
Option 1 Permanent Supported Housing - Operating Expenses

EXHIBIT E

3

Projected Operating Expenses					% EGI		Per Unit / Yr
Management					4.17%		$538
On Site Management					8.85%		$1,143
Office & Administration					1.44%		$186
Insurance					2.27%		$293
Utilities					12.45%		$1,608
Decorating & Turnover					4.37%		$564
Repairs & Maintenance					6.70%		$865
Recreation					0.57%		$73
Elevator					1.52%		$196
Landscaping					0.89%		$115
Advertising					0.35%		$45
Miscellaneous					3.72%		$480
Supportive Services					25.82%		$3,334
24 Hour Security					9.29%		$1,200
Other					0.00%		$0
Other					0.00%		$0
Other					0.00%		$0
Other					0.00%		$0
Other					0.00%		$0
Expenses - Commercial					0.00%		$0
Operating Reserves					0.00%		$0
Reserves					3.48%		$450
Sub Total		% mrkt	millage	tax basis	85.87%		$11,090
Real-Estate Taxes			0.00%		0.08%	0.8	$11
Total Operating Expenses							$11,101

EXHIBIT F



ADMIN
OFFICE
STORAGE
CART LOADING
DUMB WAITER
ELEV MACH ROOM
ELEVATOR
STAIR 2
TRASH ROOM
SOILED UTILITY
MECHANICAL ROOM
ELEC EQUIP ROOM
TELE EQUIP ROOM
UNEXCAVATED
CRAWLSPACE
CRAWLSPACE
STAIR 3

1

EXHIBIT F

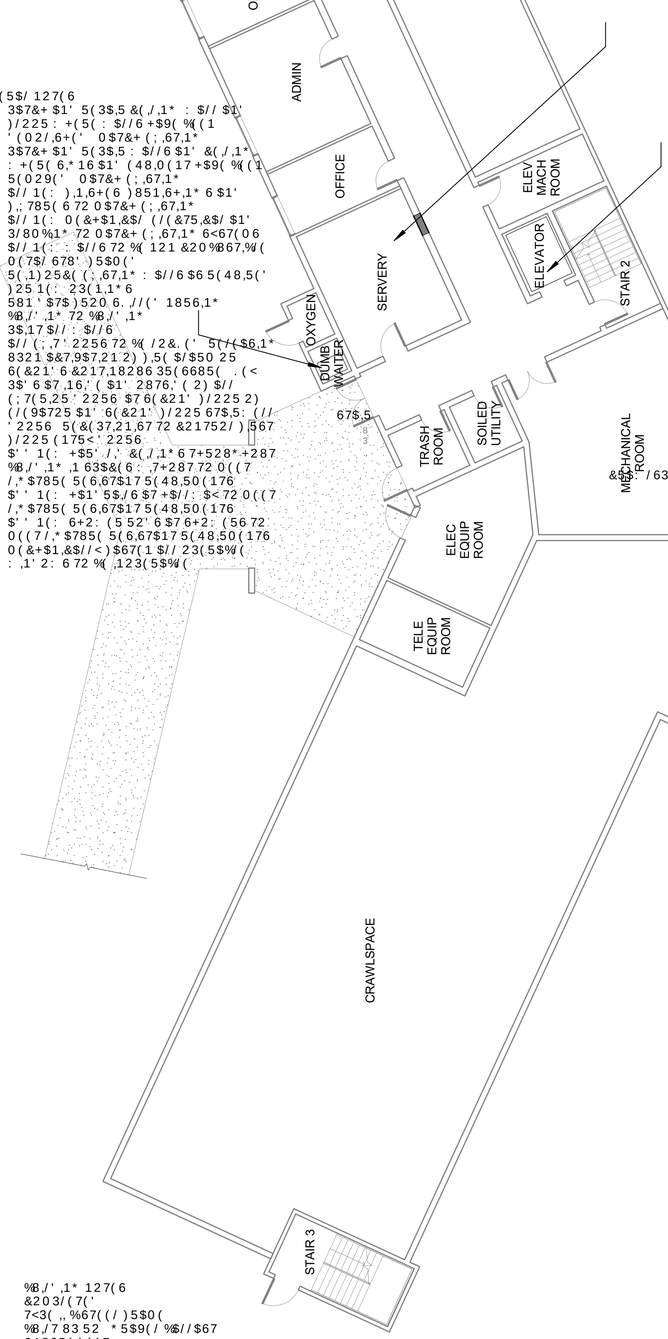


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EXHIBIT F

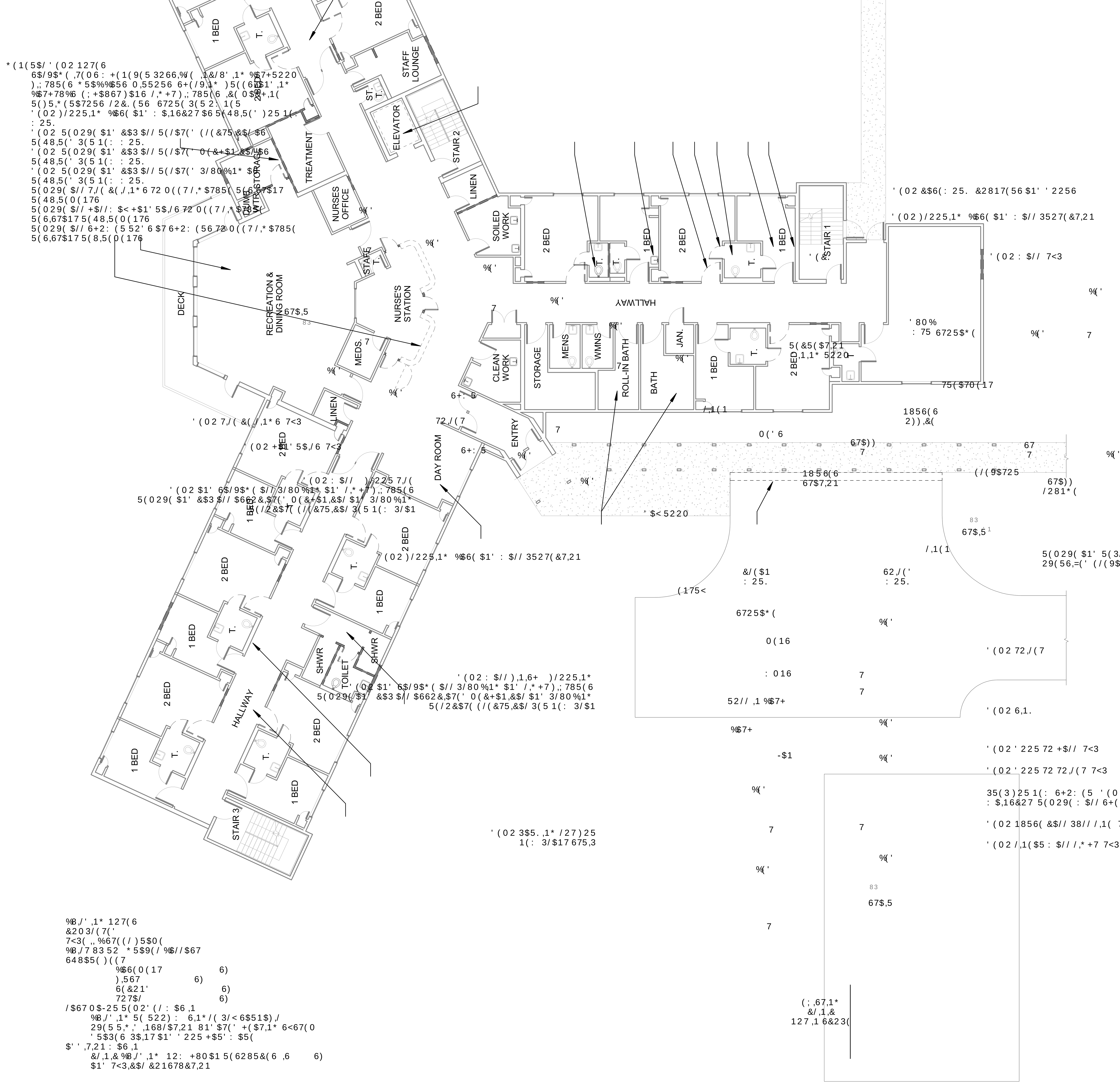

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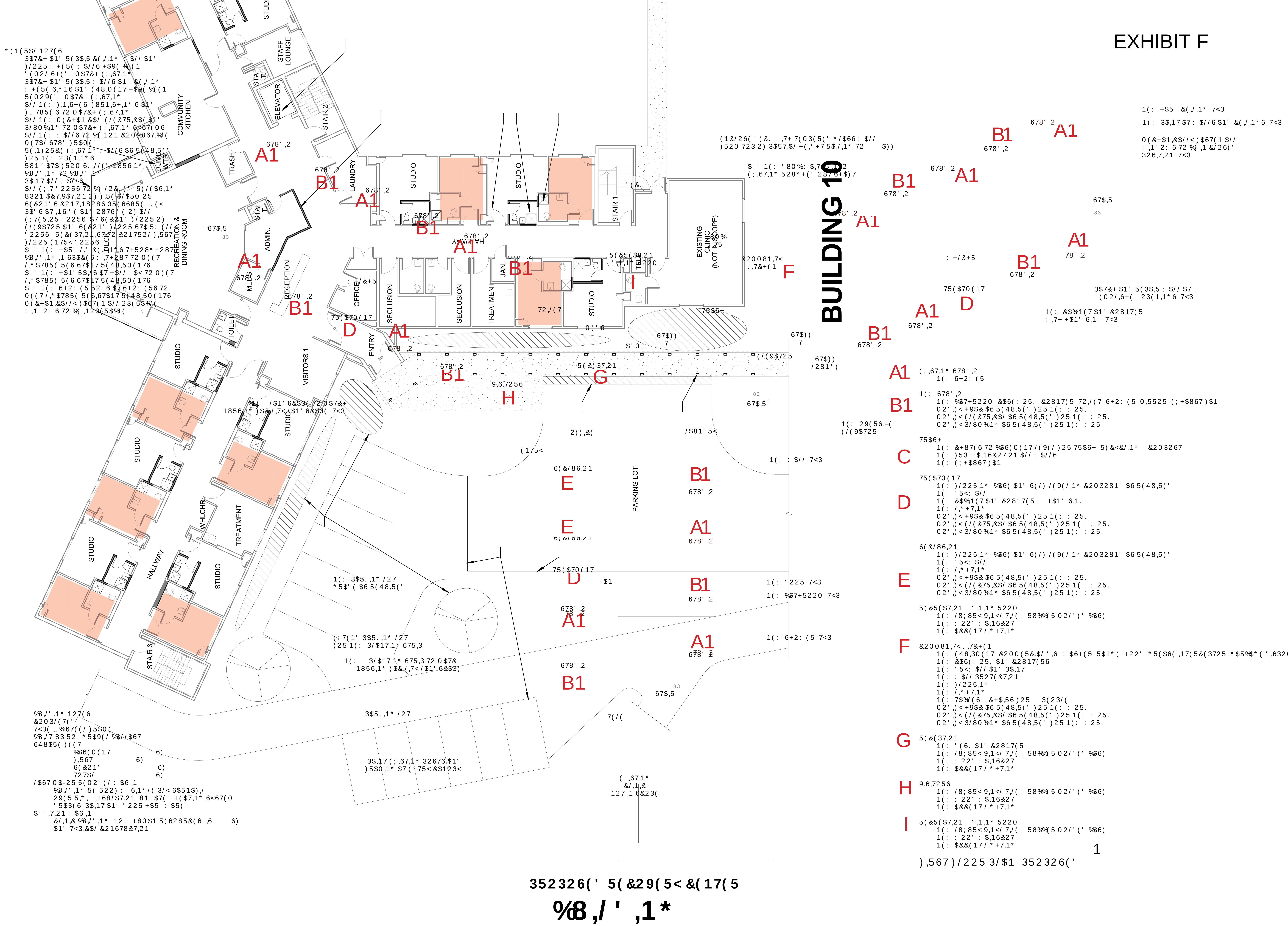
EXHIBIT F


BUILDING 10
STUDIO
STAFF LOUNGE
STAFF T.
ELEVATOR
STAIR 2
COMMUNITY KITCHEN
TRASH
DUMB WTR.
LAUNDRY
STAIR 1
EXISTING CLINIC (NOT IN SCOPE)
STAFF T.
ADMIN.
RECREATION & DINING ROOM
MEDS
RECEPTION
OFFICE
SECLUSION
TREATMENT
JAN.
HALLWAY
ENTRY
TOILET
VISITORS
WHLCHR.
STAIR 3
PARKING LOT
A1
B1
C
D
E
F
G
H
I

1

EXHIBIT F

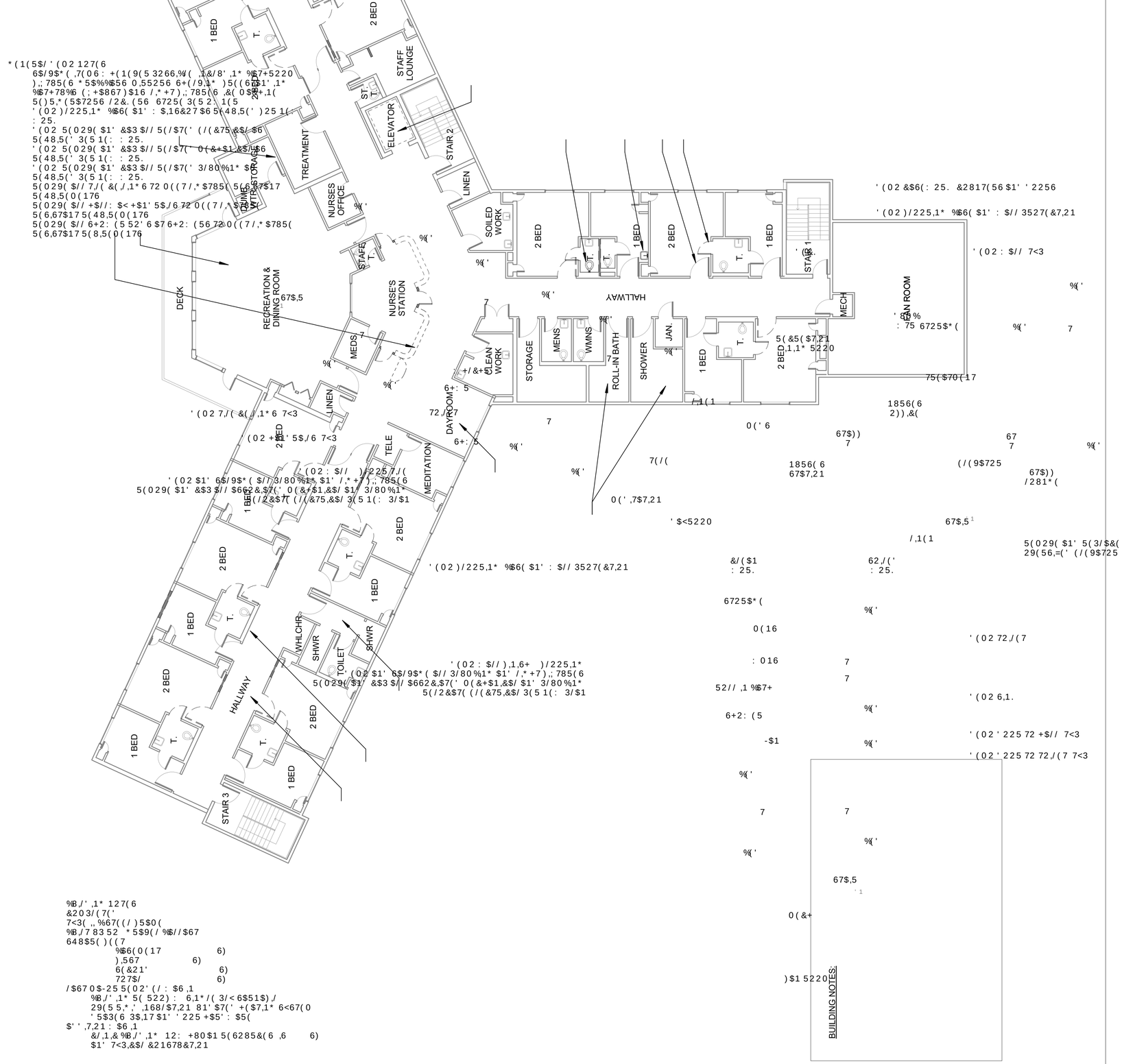


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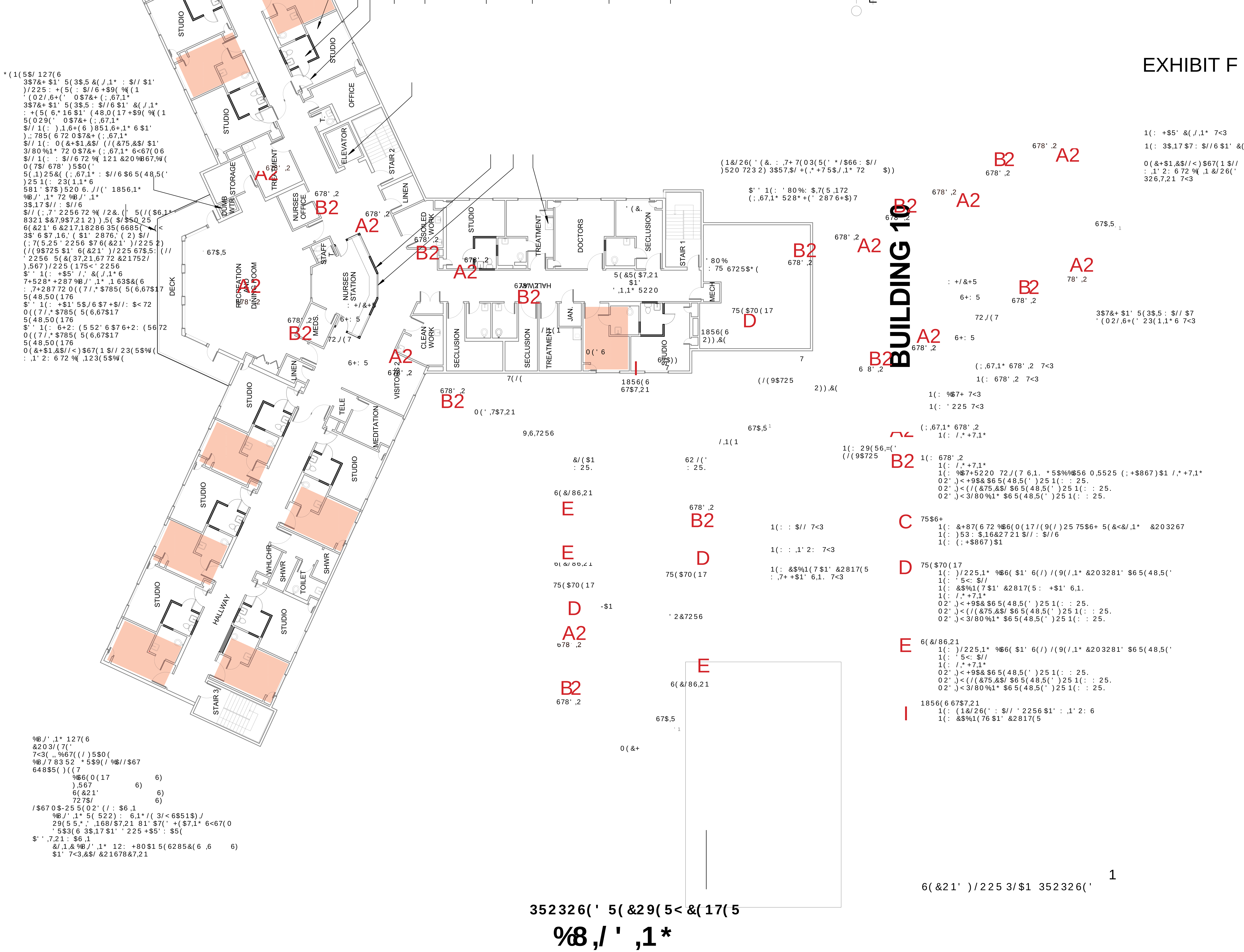
EXHIBIT F


BUILDING 10
STUDIO
OFFICE
ELEVATOR
STAIR 2
STORAGE
TREATMENT
NURSES OFFICE
LINEN
DUMB WTR
SOILED WORK
TREATMENT
DOCTORS
SECLUSION
STAIR 1
MECH
STAFF
RECREATION AND DINING ROOM
DECK
NURSES STATION
MEDS.
CLEAN WORK
SECLUSION
JAN.
VISITOR
TELE
MEDITATION
WHLCHR
SHWR
TOILET
HALLWAY
STAIR 3
A2
B2
C
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E
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EXHIBIT G

Rochlin Construction Services

Building #10- Proposed Recovery Center

Port Orchard, WA

6/1/17

Assessment of costs- Preliminary

Description	Take off Qty	Unit	Labor/cost Unit	LabPrice	Labor Amount	Mat/Cost Unit	Mat Amount	Sub/Cost Unit	Sub Amount	Equip/Cost Unit	Equip Amount	Other/Cost Unit	Other Amount	Cost Per Unit	Total Amount
General Conditions															367,175
Superintendent	7	months	14,280.00		99,960	-	-	-	-	-	-	-	-	14,280.00	99,960
Project Manager (50%)	4	months	15,960.00		55,860	-	-	-	-	-	-	-	-	15,960.00	55,860
Foreman	7	months	12,096.00		84,672	-	-	-	-	-	-	-	-	12,096.00	84,672
First Aid Equip	7.0	mnth	-	-	-	-	-	-	-	250.00	1,750	-	-	250.00	1,750
Temp Toilet (Rent)	7.0	mnth	-	-	-	-	-	-	-	440.00	3,080	-	-	440.00	3,080
Temp Fire Protection	7.0	mnth	-	-	-	-	-	-	-	120.00	840	-	-	120.00	840
Monthly Phone & Internet	7.0	mnth	-	-	-	-	-	-	-	180.00	1,260	-	-	180.00	1,260
Storage Containers	7.0	mnth	-	-	-	-	-	-	-	400.00	2,800	-	-	400.00	2,800
Temp Fence-Rent	7.0	mnth	-	-	-	-	-	-	-	100.00	700	-	-	100.00	700
Postage / Courier Service	7.0	mnth	-	-	-	135.00	945	-	-	-	-	-	-	135.00	945
Misc.Printing & Reproduction Cost	7.0	lsum	-	-	-	500.00	3,500	-	-	-	-	-	-	500.00	3,500
Office Supplies	7.0	mnth	-	-	-	165.00	1,155	-	-	-	-	-	-	165.00	1,155
Tools & Equipment	7.0	mnth	-	-	-	-	-	-	-	850	5,950	-	-	850.00	5,950
Current Cleanup/misc. labor	30	week	2,600.00		78,000	35.00	-	-	-	-	-	-	-	2,600.00	78,000
Drop/Pickup 30 yard Dumpster (4 per mnth)	28	boxes	-	-	-	-	-	-	-	120.00	3,360	-	-	120.00	3,360
County Dump Fee (6 ton per 40 yard drop box) (documented)	168	tons	-	-	-	110.00	18,480	-	-	-	-	-	-	110.00	18,480
Final Cleanup	19,450	sf	-	-	-	-	-	0.25	4,863	-	-	-	-	0.25	4,863
Demolition					57,771		-				-		-		76,702
Demo floors	6,105	sf	2.25		13,736		-	0	916	-	-	-	-	2.40	14,652
Demo ceilings L1 and L2	16,562	sf	1.15		19,046		-	0.07	1,159	-	-	-	-	1.22	20,206
Demo handrails	760	lf	1.50		1,140		-	-	-	-	-	-	-	1.50	1,140
Demo walls/drywall	224	lf	32.00		7,168		-	4	896	-	-	-	-	36.00	8,064
General demo at units/site HVAC/Plumbing/Misc.	1	ls	12,480.00		12,480		-	15,000	15,000	-	-	-	-	27,480.00	27,480
Demo trash chute and dumbwaiter shafts	1	ls	4,200.00		4,200		-	960	960	-	-	-	-	5,160.00	5,160
Site Work					-		-				-		-		52,925
Extend asphalt parking-regrade	735	sf	-	-	-	-	-	11.00	8,085	-	-	-	-	11.00	8,085
Striping at stalls	12	each	-	-	-	-	-	35.00	420	-	-	-	-	35.00	420
Landscaping	1	ls	-	-	-	-	-	3,800.00	3,800	-	-	-	-	3,800.00	3,800
Paint entry Canopies and posts- includes prep	2	ea	-	-	-	-	-	4,350	8,700	-	-	-	-	4,350.00	8,700
Tempered glass at Gazebo	420	sf	-	-	-	-	-	35	14,700	-	-	-	-	35.00	14,700
Plexi-glass enclosure /fence	450	sf	-	-	-	-	-	28	12,600	-	-	-	-	28.00	12,600
Grade and export at new parking	110	cy	-	-	-	-	-	42	4,620	-	-	-	-	42.00	4,620
Concrete					-		-				-		-	-	8,220
Retaining wall at parking	12	cy	-	-	-	-	-	685.00	8,220	-	-	-	-	685.00	8,220
Metals					-		-				-		-		50,900
Frame new walls	4,992	sf	-	-	-	-	-	10	49,920	-	-	-	-	10.00	49,920
Frame trash chute at roof	1	ea	-	-	-	-	-	980	980	-	-	-	-	980.00	980
Wood & Plastics													-		35,300
Ligature resistant handrails / lean rails	260	lf	-		-		-	18.50	4,810	-	-	-	-	18.50	4,810
Wood wainscot	1,480	SF	-		-	-	-	6.00	8,880	-	-	-	-	6.00	8,880
Base P-Lam Countertops	12	units	-		-	-	-	225	2,700	-	-	-	-	225.00	2,700
Bath vanity cabinets	17	units	-		-	-	-	310	5,270	-	-	-	-	310.00	5,270
Casework at common	62	lf	-		-	-	-	220	13,640	-	-	-	-	220.00	13,640
Thermal & Moisture											-		-		16,000
Sound insulation	1	ls	-	-	-	-	-	5,500.00	5,500	-	-	-	-	5,500.00	5,500
Patch roof at fan penetrations	30	ea	-	-	-	-	-	350.00	10,500	-	-	-	-	350	10,500
Door & Windows	0								-		-		-	-	79,954
Mechanically fasten all windows	68	ea	-	-	-	-	-	45.00	3,060	-	-	-	-	45.00	3,060
New relites at Nurse Station	2	ea	-	-	-	-	-	550.00	1,100	-	-	-	-	550.00	1,100
New bathroom doors	24	ea	-	-	-	-	-	235.00	5,640	-	-	-	-	235.00	5,640
Replace all corridor doors with 20 min. doors/hardware	74	units	-	-	-	-	-	385.00	28,490	-	-	-	-	385.00	28,490
Tempered glass at deck- L1 and L2	672	sf	-	-	-	-	-	62.00	41,664	-	-	-	-	62.00	41,664
Finishes															422,591
Gypsum Drywall- at baths, bedrooms	8,664	ea	-	-	-	-	-	5.50	47,652	-	-	-	-	5.50	47,652
Gypsum Drywall at D,E, Servery, Kitchen	4,844	sf	-	-	-	-	-	5.50	26,642	-	-	-	-	5.50	26,642
Gypsum Drywall ceilings over steel framing	16,400	sf	-	-	-	-	-	9.25	151,700	-	-	-	-	9.25	151,700
Drywall repair throughout	1	ls	-	-	-	-	-	6,850.00	6,850	-	-	-	-	6,850.00	6,850
Gypsum Drywall at shafts- includes shaft liners	3	ea	-	-	-	-	-	2,500.00	7,500	-	-	-	-	2,500.00	7,500
Luxury Vinyl Flooring	4,300	sf	-	-	-	-	-	8.25	35,475	-	-	-	-	8.25	35,475
Floor Prep	4,300	sf	-		-	-	-	0.50	2,150	-	-	-	-	0.50	2,150
Interior Painting (Low VOC)	78,000	sf	-	-	-	-	-	1.65	128,700	-	-	-	-	1.65	128,700
FRP wall coverings	1,520	sf	-	-	-	-	-	4.85	7,372	-	-	-	-	4.85	7,372
Epoxy floor at kitchen, servery and trash rooms	684	sf	-	-	-	-	-	12.50	8,550	-	-	-	-	12.50	8,550
Specialties					-						-		-		180,650
Ligature resistant Shower rods and hardware	25	ea	-	-	-	-	-	270.00	6,750	-	-	-	-	270.00	6,750
Trash Chute	2	floors	-		-	-	-	5,500.00	11,000	-	-	-	-	5,500.00	11,000
Electric Dumbwaiter	3	stops	-		-	-	-	9,800.00	29,400	-	-	-	-	9,800.00	29,400
New Elevator machinery, controller, cab and demo	3	stops	-	-	-	-	-	44,500	133,500	-	-	-	-	44,500.00	133,500

EXHIBIT G

	Equipment							-		-		54,200		-			55,850
	Commercial Range	1	each	-		-	-	-		-	9,800.00	9,800	-	-	9,800.00	9,800	
	Commercial Refrigerator	1	each	-		-	-	-		-	7,750.00	7,750	-	-	7,750.00	7,750	
	Commercial Freezer	1	each	-		-	-	-		-	6,800.00	6,800	-	-	6,800.00	6,800	
	Commercial Hood	1	ls	-		-	-	-		-	11,500.00	11,500	-	-	11,500.00	11,500	
	Commercial kitchen counters	1	ls	-		-	-	-		-	16,500.00	16,500	-	-	16,500.00	16,500	
	Commercial Disposal	1	each	-		-	-	-		-	1,850.00	1,850	-	-	1,850.00	1,850	
	Delivery & Stock Appliances	1	LS	1,650.00	-	1,650	-	-		-	-	-	-	-	1,650.00	1,650	
	Furnishings					-		-				-		-	-	12,790	
	Mirrors	24	each	-		-	-	-	210.00	5,040	-	-	-	-	210.00	5,040	
	Tables and chairs for Community Kitchen	5	groups	-		-	-	-	1,550.00	7,750	-	-	-	-	1,550.00	7,750	
	Mechanical/Plumbing					-		-				-		-	-	403,850	
	Fire Sprinkler revisions	1	ls	-	-	-	-	-	36,500	36,500	-	-	-	-	36,500.00	36,500	
	Grease trap at kitchen-includes rough-in	1	each	-	-	-	-	-	4,650	4,650	-	-	-	-	4,650.00	4,650	
	Kitchen sink at kitchen-includes rough-in	1	each	-	-	-	-	-	3,400	3,400	-	-	-	-	3,400.00	3,400	
	Floor sinks at kitchen	2	each	-	-	-	-	-	1,850	3,700	-	-	-	-	1,850.00	3,700	
	Bathroom sinks-includes rough-in	29	each	-	-	-	-	-	1,950	56,550	-	-	-	-	1,950.00	56,550	
	Toilets including rough-in	24	each	-	-	-	-	-	2,450	58,800	-	-	-	-	2,450.00	58,800	
	Showers-including rough-in	25	each	-	-	-	-	-	3,950	98,750	-	-	-	-	6.85	98,750	
	Modify plumbing at wall changes	32	each	-	-	-	-	-	1,500	48,000	-	-	-	-	6.85	48,000	
	Exhaust fan at trash chute	1	each	-	-	-	-	-	3,850	3,850	-	-	-	-	3,850.00	3,850	
	Revisions to existing heat system	1	ls	-	-	-	-	-	65,900	65,900	-	-	-	-	65,900.00	65,900	
	Bath fans- Energy Star at bathrooms	25	each	-	-	-	-	-	950	23,750	-	-	-	-	950.00	23,750	
	Electrical					-		-				-		-		291,125	
	Demolition	320	mhrs	-	-	-	-	-	85	27,200	-	-	-	-		27,200	
	Fire Alarm revisions	1	ea	-	-	-	-	-	45000	45,000	-	-	-	-		45,000	
	Elevator power revisions	1	ea	-	-	-	-	-	4500	4,500	-	-	-	-		4,500	
	Electrical modifications as required	1	ls	-	-	-	-	-	47500	47,500	-	-	-	-		47,500	
	Replace common fixtures	30	ea	-	-	-	-	-	365	10,950	-	-	-	-		10,950	
	Replace unit fixtures	125	ea	-	-	-	-	-	265	33,125						33,125	
	Modify new bathrooms	25	ea	-	-	-	-	-	865	21,625	-	-	-	-	865.00	21,625	
	Unit and room modifications	33	ea	-	-	-	-	-	1875	61,875	-	-	-	-	1,875.00	61,875	
	Rough-in / trim commercial kitchen	1	ea	-	-	-	-	-	5500	5,500	-	-	-	-	5,500.00	5,500	
	Power for dumbwaiter	1	ea	-	-	-	-	-	3250	3,250	-	-	-	-	3,250.00	3,250	
	Data from Nursing	1	LS	-	-	-	-	-	5600	5,600	-	-	-	-	5,600.00	5,600	
	Access tied to fire alarm and entry	1	ea	-	-	-	-	-	25000	25,000	-	-	-	-	25,000.00	25,000	
TOTALS						**377,913**		**24,080**		**1,553,099**		**73,940**		**-**		**2,029,031**	
	Construction Direct Cost					2,029,031											
	Inflation adjustment thru start of construction	3	%			60,870.93											
	CGL Insurance	0.85	%			17,247											
	B&O	0.57	%			11,565											
	GC Performance and Payment Bond	0.75	%			15,218											
	Builder's Risk Insurance	0.7	%			**14,203**											
	Overhead	4.00	%			81,161											
	Profit	4.00	%			81,161											
	Total					2,310,458											
	Contingency	15.00	%	100.00		304,355											
	Subtotal					2,614,812											
	WSST by Owner-Not shown in estimate		%	-		-											
	Total					**2,614,812**		**Cost per SF**	**$134**								

STATE OF WASHINGTON
AGENCY / INSTITUTION PROJECT COST SUMMARY

Agency	Department of Commerce
Project Name	Feasibility of Converting Bldg 10 at Retsil into Housing for Veterans
OFM Project Number	17-24210-003

Contact Information	
Name	Valerie Thiel, SAGE Architectural Alliance
Phone Number	206-694-3441
Email	val@SageArchAlliance.com

Statistics			
Gross Square Feet	31,883	MACC per Square Foot	$64
Usable Square Feet	21,302	Escalated MACC per Square Foot	$66
Space Efficiency	66.8%	A/E Fee Class	A
Construction Type	Hospitals	A/E Fee Percentage	13.89%
Remodel	Yes	Projected Life of Asset (Years)	30-40
Additional Project Details			
Alternative Public Works Project	Yes	Art Requirement Applies	no
Inflation Rate	2.80%	Higher Ed Institution	no
Sales Tax Rate %	9.00%	Location Used for Tax Rate	Kitsap Co
Contingency Rate	10%		
Base Month	June-18		
Project Administered By	Owner and Architect		

Schedule			
Predesign Start	June-17	Predesign End	June-17
Design Start	January-18	Design End	June-18
Construction Start	September-18	Construction End	September-19
Construction Duration	12 Months		

Green cells must be filled in by user

Project Cost Estimate

Total Project	**$5,528,179**	Total Project Escalated	**$5,621,788**
		Rounded Escalated Total	**$5,622,000**

STATE OF WASHINGTON

AGENCY / INSTITUTION PROJECT COST SUMMARY

Agency	Department of Commerce
Project Name	Feasibility of Converting Bldg 10 at Retsil into Housing for Veterans
OFM Project Number	17-24210-003

Cost Estimate Summary

Acquisition			
Acquisition Subtotal	**$12,500**	**Acquisition Subtotal Escalated**	**$12,500**

Consultant Services			
Predesign Services	$83,491		
A/E Basic Design Services	$431,551		
Extra Services	$120,707		
Other Services	$110,394		
Design Services Contingency	$74,614		
Consultant Services Subtotal	**$820,758**	**Consultant Services Subtotal Escalated**	**$824,646**

Construction			
GC/CM Risk Contingency	$0		
GC/CM or D/B Costs	$220,555		
Construction Contingencies	$509,758	Construction Contingencies Escalated	$520,464
Maximum Allowable Construction Cost (MACC)	$2,054,032	Maximum Allowable Construction Cost (MACC) Escalated	$2,095,238
Sales Tax	$250,591	Sales Tax Escalated	$255,681
Construction Subtotal	**$3,034,936**	**Construction Subtotal Escalated**	**$3,096,570**

Equipment			
Equipment	$383,297		
Sales Tax	$34,497		
Non-Taxable Items	$0		
Equipment Subtotal	**$417,794**	**Equipment Subtotal Escalated**	**$426,569**

Artwork			
Artwork Subtotal	**$0**	**Artwork Subtotal Escalated**	**$0**

Agency Project Administration			
Agency Project Administration Subtotal	$267,399		
DES Additional Services Subtotal	$0		
Other Project Admin Costs	$0		
Project Administration Subtotal	**$758,263**	**Project Administation Subtotal Escalated**	**$774,187**

Other Costs			
Other Costs Subtotal	**$483,928**	**Other Costs Subtotal Escalated**	**$487,316**

Project Cost Estimate

Total Project	**$5,528,179**	Total Project Escalated	**$5,621,788**
		Rounded Escalated Total	**$5,622,000**

EXHIBIT I

Inpatient Care for Veterans with Complex Cognitive, Mental Health and Medical Needs Task Force

Report of Recommendations

April 24, 2015

EXHIBIT I

Executive Summary

Statement of the Issue

Increasing numbers of aging Veterans with complex and interacting medical, mental health, neurocognitive, and/or behavioral concerns are receiving care in Veterans Health Administration (VHA) facilities and clinics. However, Veterans with concurrent serious mental illness (SMI), neurocognitive disorders, and/or complex medical comorbidities do not have consistent access to Veteran-centric, integrated, holistic inpatient care (medical/surgical, mental health, skilled nursing, rehabilitation) across VHA facilities that balances safety and quality of life concerns. Correspondingly, many Veterans with these conditions may experience increased levels of distress or discomfort or other adverse outcomes when the care environment does not appropriately address their needs and some may be at risk for being harmed or harming others when receiving care in VHA inpatient settings.

The ***Inpatient Care for Veterans with Complex Cognitive, Mental Health and Medical Needs Task Force*** ("Task Force") was convened to review available data about Veterans with complex interacting medical, neurocognitive and behavioral conditions and to make recommendations to improve their care. Throughout its deliberations, the Task Force focused on the clinical needs, preferences and safety of Veterans and families and repeatedly considered, "Is this the type of care we would want for our own parents?"

Summary of Recommendations

Task Force recommendations are guided by VHA principles as outlined in the VHA Strategic Plan: **patient centered, team based, data driven/evidence based,** and address **prevention/population health, providing value, and continuous improvement.**

Task Force recommendations are also guided by the recognition and understanding of systemic challenges in providing optimal integrated care for Veterans with complex medical, mental health, and behavioral comorbidities.

These challenges include:

- A fragmented inpatient care system that tends to focus on medical **versus** mental/behavioral health care and may offer care based on the setting vs. the needs of the Veteran;
- Limited capacity to provide care "in place" (e.g., meeting medical needs in mental health settings, or behavioral needs in medical/skilled nursing settings);
- Wide variability in translation of national policy into practice;
- Gaps in staff competencies (attitudes, knowledge, and skills) needed to address integrated care needs of Veterans with SMI and/or dementia;
- Inadequate coordination of interdisciplinary care, across services and settings.

This wide variability in practice across VHA provides an opportunity to innovate, identify and disseminate strong practice models to promote access to high quality care across the VHA healthcare system.

The Task Force made a total of 57 recommendations, organized into the eight domains detailed below, together reflecting the Task Force's aspiration that VHA provide compassionate, competent, coordinated, and integrated care for all Veterans, that also involves their family members, regardless of how stigmatizing their diagnoses or how "challenging" their behaviors may be. The recommendations are detailed in this report, and follow-up steps for each recommendation are summarized in Appendix A.

The recommendation domains and corresponding ***VHA principles*** are:

1. Promote Veteran-centered, individualized, recovery oriented care that involves Veterans' family members/ caregivers (***Patient Centered***)
2. Provide integrated medical/behavioral care "in place," or in desired setting, when possible (***Patient Centered; Team-based; Providing Value***)
    a. Implement interdisciplinary behavioral consultation models with rapid response capacity
    b. Enhance behavioral care capacity across care settings
    c. Enhance medical capacity in Inpatient Mental Health and Community Living Center (CLC) settings
3. Identify high risk Veterans for preventive interventions (***Patient Centered, Prevention/Population Health***)
4. Develop competency-based training models and resources (***Team Based, Evidence-Based, Continuously Improving***)
5. Develop an inter-service approach involving Geriatrics and Extended Care (GEC), Mental Health, and Office of Nursing Services program offices and others for data gathering and reporting, to further understand population needs and available strong practices (***Data-driven; Continuously Improving***)
6. Develop new or revise existing policies to support Task Force recommendations (***Continuously Improving***)
7. Develop technical consultation/assistance for implementation of Task Force recommendations (***Data-Driven/Evidence Based, Continuously Improving***)
8. Address care transitions and reduce avoidable hospitalization and other institutionalization (***Patient-Centered, Prevention/Population Health, Data Driver/Evidence Based***)

Based on available evidence as well as Task Force experience and expertise, several recommendations were identified as having the greatest potential for immediate impact:

- Establish facility-based interdisciplinary behavioral consultation teams, to include behavioral rapid response capability
- Promote adoption of tele-consultation services to address limited access to mental health and medical specialists, for smaller facilities without access to needed expertise
- Adopt evidence-based delirium prevention and management protocols

- Support adherence to Uniform Mental Health Services Handbook policy requirements for psychology staffing and psychopharmacology capacity in the CLC
- Develop implementation teams to help local sites identify and implement recommendations based on site-specific analysis of workload, safety, cost, and quality

While having potential for early impact, the interventions identified above are insufficient; there is no “quick fix” nor is there a “one size fits all” solution. Additionally, the evidence on interventions to address this issue is limited, and reliable implementation of recognized best practices is difficult. Fully addressing this challenge will require long-term, committed interdisciplinary leadership.

Plan for Further Action

1. Further action will occur following VHA Central Office concurrence and approval of this Task Force Report**,** including program office review and Under Secretary for Health acceptance of the report and approval to proceed with development of an action plan for implementation of approved recommendations. This action plan will require inclusion of implementation science and operational expertise to support dissemination and implementation of recommendations.

2. Task Force members will be available to support the development of an action plan to assure actions are consistent with intent of the recommendations.

EXHIBIT J

Prepared by Washington Veterans Home, Port Orchard, WA

Proposed Individuals and Conditions Served by Veterans Psychiatric Care Facility (Building 10)

The psychiatric care facility located in Building 10 serves individuals with an array of medical and psychiatric conditions that require specialized care. Some of these individuals were admitted directly to the facility and some were transferred from the Washington Veterans Home after experiencing needs requiring the services of the psychiatric facility. Conversely, some of the individuals who were previously hospitalized at the psychiatric facility were, following their recovery from and/or stabilization of their conditions that led to their admission, admitted to the Veterans Home for ongoing care.

Representative Composite Resident: Residents served by the facility share the common features of having, to varying degrees, medical status or behaviors of concern (disruptive) that may pose an immediate threat to either the resident's safety or the safety of other residents or staff. In both cases, these conditions necessitate the resident's treatment at the psychiatric facility either on a short term or extended basis depending on the nature of their condition and their response to interventions. With regard to disruptive behaviors of concern, these behaviors include action(s) that:

A. Are intimidating, threatening, or dangerous and may pose a threat to the health or safety of other residents, Home employees, or visitors to the Home
B. Would interfere with the delivery of safe medical care to other residents of the Home
C. Would impede the operations of the Home
D. Are associated with serious actions of a high degree that involve:
    1. Direct, indirect, or implied threats where it is reasonable to assume they would be carried out by the individuals given his/her history
    2. Physical abuse (e.g. bumping, shoving, slapping, striking, or inappropriate touching)
    3. Possession or brandishing of weapons
    4. Persistent and intense outbursts
    5. Interfering with the ability of other residents to access care
    6. Should it occur, would create fear in a reasonable person or would be perceived by a reasonable person to interfere with the delivery of care or performance of employee duties.

These elements of medical status and behaviors of concern are also present, to varying degrees, with the following residents who are representative of those served by the facility:

Representative Resident 1: This 71- year-old male veteran has a diagnosis of PTSD and anxiety, and is 70percentpercent service connected disabled due to PTSD stemming from his combat leadership role in Vietnam. He requires support and monitoring for recurrent and intrusive symptoms, including depression, anxiety, and history of substance abuse. His condition contributed to his estrangement, experiencing irritability, anger, and related physical disorders. The facility is able to treat this gentleman's psychotic breaks when they occur, eliminating the need for him to travel to a VA hospital for treatment which would add further stress. Physical symptoms he experiences are also treated on-site at the facility. His initial goal for discharge was to reside in California with his wife and daughter, but at this time he is unable to meet that goal.

Representative Resident 2: This 64-year-old male is an Army veteran. He suffers from PTSD and major depression which is treated with an antidepressant. Prior to admission he was seen by a psychologist on a weekly basis. He has shown psychotic features, which are triggered without warning. He also suffers from vascular dementia. His conditions have contributed to him experiencing withdrawal, weight loss, seclusion, and loss of a sense of self. His antidepressant is monitored for mood changes, adverse side effects, and behaviors. The medication is adjusted as needed.

Representative Resident 3: This 63- year- old male Army veteran served two years on Okinawa. He currently has major depression and anxiety. Upon admission he was being treated by a psychiatrist at the Seattle VA. He was eventually unable to maintain appointments due to his depression. He remains in his room and self-isolates. He is treated with medication and seen by the psychiatric ARNP when needed. Medications are reviewed and adjusted as indicated. Occasionally he will come out of his room if he feels up to it, but normally he secludes himself in his room in bed.

Representative Resident 4: This 70- year- old male Navy veteran served in Vietnam from 1969-71. He is 80 percent service connected disabled. He suffers from pseudobulbar affect with emotional lability. He is currently stable without medication but is at risk for exacerbation of his condition. He does take Clonazepam for REM behavior disorder. His advanced directives emphasize his desire for comfort and quality of life. Upon admission in November 2016 he requested his antidepressant be discontinued. The plan of care for this resident includes behavior monitoring. He periodically exhibits many manifestations of behavior including anxiety, depression, and manic episodes that require a higher level of professional treatment, include psychiatric interventions.

Representative Resident 5: This 72-year-old male Navy veteran had a fall with skull fracture in 2006 that resulted in a traumatic brain injury (TBI.) He underwent multiple craniotomies, and as a result of the surgeries and TBI he developed dementia. He has lived at the facility since 2012. Prior to his head injury he drank excessively secondary to PTSD. He is 100 percent service connected disabled because of the PTSD, although since his TBI the PTSD has been less of an issue for him. He is monitored for behavioral symptoms that are cyclical. He remains impulsive and periodically acts out against other residents and staff.

Representative Resident 6: This 95- year-old male World War II veteran served in the infantry. He suffers from vascular dementia. Although dementia is a progressive disease, his becomes exacerbated by other conditions such as urinary tract infections, respiratory infections, and dehydration. Due to delusions and hallucinations he remains on the antipsychotic medication, Risperdal. He is monitored for behavior triggers and medical symptoms. He came to the facility in December 2016 when the Assisted Living Facility he was at could no longer care for him related to his escalating behaviors.

The individuals hospitalized at the Building 10 psychiatric care facility suffer from one or more of the following non-dementia (other than diminished cognitive function) psychiatric illnesses:

MOOD (AFFECTIVE) DISORDERS: (F30-F39)

1. DEPRESSION: F32 & F33 – Major depressive disorder; single episodes or recurrent
2. MANIC EPISODES: F30 – With or without psychotic symptoms, mild/moderate/severe
3. BIPOLAR DISORDERS: F31 – With or without psychotic symptoms and by severity

4. DYSTHYMIA: F34.0-F34.9 – affective personality disorder, depressive neurosis, neurotic depression
5. OTHER: F39 – Unspecified mood disorder

DELIRIUM: (F05)

F05 – Delirium due to known physiological condition (this includes Sundowning)

DISORDERS DUE TO KNOWN PHYSIOLOGICAL CONDITIONS: (F06.3-F06.8)

F06.0 – Psychotic disorder with hallucinations

F06.3 – Mood disorder w/ depressive features

F06.4 – Anxiety disorder

F06.8 – Other specified mental disorders (this would include epileptic psychosis and organic dissociative disorder)

PERSONALITY AND BEHAVIOR DISORDERS DUE TO KNOWN PHYSIOLOGICAL CONDITIONS: (F07-F09)

F07–F09 – Personality, other, specified, unspecified

SCHIZOPHRENIA: (SCHIZOPHRENIA, SCHIZOTYPAL, DELUSIONAL, AND OTHER NON-MOOD PSYCHOTIC DISORDERS) (F20-F29)

F20 – Paranoid, disorganized

F20.8 – Other

F20.9 – Unspecified

F23 – Brief psychosis disorder (this includes paranoid reaction and paranoid psychosis)

F25 – Schizoaffective Disorder (this includes bipolar, depressive type, other and unspecified)

F29 – Unspecified psychosis NOT due to a substance or known physiological condition (this includes psychosis NOS)

ANXIETY, DISSOCIATIVE, STRESS RELATED, SOMOTAFORM & NON-PSYCHOTIC MENTAL DISORDERS: (F40-F48)

F40 – Phobic anxiety disorders (this includes agoraphobia, social, specific, other, unspecified)

F41 – Other anxiety disorders (this includes panic state, panic attack, generalized anxiety disorder, mixed, other and unspecified anxiety disorders)

F43 – Reaction to severe stress, and adjustment disorders (this includes all types of PTSD, culture shock, grief reaction, combat fatigue, acute crisis, combat and operational stress reaction, adjustment disorder)

F45 – Somatoform Disorders (this includes hypochondriac disorders, body dysmorphic disorder, pain from psychological factors, teeth grinding, hysteria, psychosomatic disorder)

F48 – Other nonpsychotic mental disorders (this includes depersonalization syndrome, pseudobulbar affect, neurosis NOS, Dhat syndrome, occupational neurosis)

Prepared by the Washington Veterans Home

Veterans Recovery and Reintegration Center

Proposed Treatments and Care Provided

Education, Training, and Research Programs

Care Programs and Treatments

Crisis Assessment (Psycho-Social)

Involuntary Admission Response

Clinical Assessment (Pre and Post Admission)

Care Planning (Patient Plans of Care)

Case Management

Psychotherapy

- Cognitive Behavioral Therapy
- Cognitive Processing Therapy
- Behavior Therapy
- Interpersonal Therapy
- Exposure Therapy
- Dialectical Behavior Therapy
- EMDR (Eye Movement Desensitization and Reprocessing)

Health Maintenance/Support for Chronic Medical Conditions

Treatment of Acute Conditions which occur

Counseling - Living In Balance (LIB) (Hazelden) (Substance Abuse Recovery) Approach

Dual Diagnosis Treatment (Psychiatric Condition and Substance Abuse)

Pharmacological Interventions/Medications

Supportive Therapies

- Group Therapy
- Family Therapy
- Recreational Therapy
- Psycho-Education Group
- Process Group

Discharge Planning and Support

EXHIBIT J

Education, Training, and Research Programs

Collaborative efforts with universities regarding research

Collaborative relationships with private research individuals and organizations

Clinical Training Support

- Registered Nurse Clinical Practicum
- Certified Nursing Assistant Clinical Practicum
- Dietician Clinical Rotation Experience
- Social Worker Internships

Community Outreach and Education

Collaborative relationship with Homeless Vet Transition Program

Collaborative relationship with Community Homeless Vet Support Groups

EXHIBIT K

Characteristics of Patients at WSH with Known Veteran Status or Military Affiliation with a 30-Day or More Length of Stay - June 2016 - May 2017

Source: Cache, REDA at WSH, provided by Andi Carrison and Salene Jones
Reviewed by Can Du, DSE
Date: June 2017

Note: Data Suppression

Cells with an asterisk (*) indicate data suppression. To protect patient privacy, data for cell sizes of 5 or fewer are not shown in this report, nor are data for dichotomous variables.

Table 1 - WSH Patients with Veteran Status or Military Affiliation by Type

Type	Frequency	Percent
Veteran	73	83.0%
Retired	9	10.2%
Dependent	*	*
Active	*	*
Total	**88**	**100.0%**

Notes:

1: Patients' Veteran Status or Military Affiliation is determined via interviews with the patient or their family members upon admission. This information does not reflect a formal verification process.

2: Of the 1,979 individuals who received in-patient psychiatric care at WSH between June 1, 2016 and May 31, 2017, the Veteran Status/Military Affiliation of 1,037 (52.4%) patients is unassessed.

3: 88 of the 89 individuals with known veteran status or military affiliation who received in-patient psychiatric care at WSH between June 1, 2016 and May 31, 2016 had a Length of Stay or Days Since Admission that was 30 days or greater.

Table 2 - Principal Diagnosis Group for WSH Patients with Veteran Status or Military Affiliation

Principle Diagnosis Group	Frequency	Percent
Schizophrenic Disorders	51	58.0%
Episodic Mood Disorders	8	9.1%
Substance Use Disorders	7	8.0%
Substance-Induced Conditions	6	6.8%
Other Psychoses	6	6.8%
Neurotic Disorders	*	*
Other Nonpsychotic Mental Disorders	*	*
Observation for Suspected Mental Condition	*	*
Personality Disorders	*	*
Total	**88**	**100.0%**

Table 3 - WSH Patients with Veteran Status or Military Affiliation by Center

Center	Frequency	Percent
CFS	43	48.9%
PTRC	45	51.1%
Total	**88**	**100.0%**

Notes:

CFS: Center for Forensic Services

PTRC: Psychiatric Treatment and Recovery Center

Table 4 - WSH Patients with Veteran Status or Military Affiliation by Legal Authority Upon Admission

Legal Authority	Frequency	Percent
90 Day Court Commitment	26	29.5%
Competency Restoration Felony	19	21.6%
180 Day Court Commitment	13	14.8%
Competency Evaluation Felony	9	10.2%
NGRI	9	10.2%
72 Hour Felony Conversion Evaluation	*	*
Competency Restoration Misdemeanor	*	*
Misdemeanor Dismissal - 72 Hr Eval	*	*
14 Day Court Commitment	*	*
Total	**88**	**100.0%**

Table 5.1 - Age Distribution of WSH Patients with Veteran Status or Military Affiliation as of **June 1, 2017**

Years	Frequency	Percent
18-24	*	*
25-34	9	10.2%
35-44	19	21.6%
45-54	9	10.2%
55-64	28	31.8%
65-74	17	19.3%
75-84	*	*
Total	88	100.0%

Table 5.2 - Age of WSH Patients with Veteran Status or Military Affiliation: Number of Patients 51+ Years Old as of **June 1, 2017**

Years	Frequency	Percent
18-50	31	35.2%
51+	57	64.8%
Total	**88**	**100.0%**

Table 6 - Sex of WSH Patients with Veteran Status or Military Affiliation

Sex	Frequency	Percent
Male	*	*
Female	5 or Fewer	*
Total	88	100.0%

Note:

Asterisks (*) indicate data suppression. Cell numbers are not reported here to protect patient privacy as there are 5 or fewer female patients with known veteran status or military affiliation.

Table 7.1 - Length of Stay in Days for Discharged WSH Patients with Veteran Status or Military Affiliation by Center

	WSH	PTRC	CFS
Number of Patients Discharged	41	16	25
Mean (Average Days)	358.1	646.6	173.5
Median Days	99.0	439.5	59.0

Table 7.2 - Days Since Admission to WSH - Patients In-Residence as of **May 31, 201**7 with Veteran Status or Military Affiliation by Center

	WSH	PTRC	CFS
Number of Patients since Admission	47.0	29.0	18.0
Mean (Average Days)	1,644.8	1,164.8	2,418.2
Median Days	724.0	1,003.0	193.0

Note:

WSH: Western State Hospital - hospital-wide patient population

CFS: Center for Forensic Services - forensic patient population

PTRC: Psychiatric Treatment and Recovery Center - civil patient population

Table 8 - Primary Discharge Barrier for In-Resident WSH Patients with Veteran Status or Military Affiliation as of **May 31, 2017**

Discharge Barrier Type	Frequency	Percent
Unavailable/Not Applicable	**36**	**76.6%**
Awaiting Bed/On Wait List	1	2.1%
Awaiting BHO/HCS Placement Options	1	2.1%
Awaiting LOC	1	2.1%
Awaiting Patient Provider Visit	1	2.1%
Financial Application in Process	1	2.1%
Legal History: E.G Outstanding Warrants, Arson, Sex-Offender	2	4.3%
Needs Guardian/Surrogate Decision-maker	1	2.1%
On-Going Patient Behavior: Medication Issues	1	2.1%
On-Going Patient Behavior: Patient Refusal to Participate in DC Plan	2	4.3%
Total	**47**	**100.0%**

Note: Only 11 (23.4%) of 47 patient records stated a Primary Barrier to Discharge for patients in-residence as of May 31 2017. The Discharge Planning System does not capture changes over time, and provides only the most recently identified Primary Barrier to Discharge. These change often as discharge planning progresses. Barriers to Discharge are multifaceted and interleaving.

Note: Of 88 patient admissions from May 31, 2016 to June 1, 2017 with known Veteran Status/Military Affiliation, 47 (53.4%) were in-residence as of May 31 2017.

Table 9 - Base Daily Cost for In-Patient Psychiatric Care at WSH by Fiscal Year

	FY2016	FY2017
Daily Rate	**$ 600.91**	**$ 715.00**
mean length of stay § 358.1 days	$ 215,185.87	$ 256,041.50
median length of stay § 99 days	$ 59,490.09	$ 70,785.00
cumulative length of stay † 91,988 days	$ 55,276,509.08	$ 65,771,420.00

Notes:

1. § mean and median length of stay for discharged WSH patients with Veteran Status or Military Affiliation

2. † sum of the length of stay and days since admission for WSH pa ents from June 1, 2017 to May 31, 2017 with Veteran Status or Military Affiliation

FY2016: July 2015 - June 2016

FY2017: July 2016 - June 2017

3. Base Daily Cost is a measure of the base rate per bed per day. This daily rate does not include additional services, and should be interpreted as the lowest possible cost per bed per day.