The William D. Ruckelshaus Center is a neutral resource for collaborative problem solving in the State of Washington and the Pacific Northwest, dedicated to assisting public, private, tribal, non-profit, and other community leaders in their efforts to build consensus and resolve conflicts around difficult public policy issues. It is a joint effort of the University of Washington (hosted by the Daniel J. Evans School of Public Policy and Governance) and Washington State University (hosted and administered by WSU Extension).

For more information visit: https://ruckelshauscenter.wsu.edu/about/

The Division of Governmental Studies and Services (DGSS) is a social science research and outreach unit jointly sponsored by WSU Extension and the College of Arts and Sciences and has served Washington State University’s land grant mission for over 55 years. DGSS has developed a reputation for robust applied research and serves as an important link that leverages the University’s resources for public benefit, through applied social science research, technical assistance, and training for government and non-government organizations throughout the Pacific Northwest.

For more information visit: https://dgss.wsu.edu/

DISCLAIMER

The following report was prepared by the William D. Ruckelshaus Center (Center) in partnership with the Division of Governmental Studies and Services (DGSS). University leadership and the Center’s Advisory Board support the preparation of this and other reports produced under the Center’s auspices. This information does not represent the views of the universities, Advisory Board members, or the Center’s staff and faculty.
Governor Inslee, Senators, and Representatives:

The William D. Ruckelshaus Center (Center), in partnership with Washington State University’s Division of Governmental Studies and Services (DGSS), is pleased to submit the second report on activities specified in Section 6 of Engrossed Second Substitute House Bill 1277. The purpose set forth by the Legislature is to:

• Explore and identify trends affecting and policies guiding the housing and services provided to individuals and families who are, or at risk of, homelessness in Washington State; and
• Facilitate meetings and discussions to develop options and recommendations for a long-term strategy and implementation steps to improve services and outcomes for persons at risk of or experiencing homelessness and to develop pathways to permanent housing solutions.

During the early part of 2022, the Ruckelshaus Center reviewed relevant background documents, conducted consultations with facilitation design experts and experts in housing policy and implementation of housing assistance, and recruited and onboarded three additional team members to expand our capacity in project design, facilitation, and project management. That work informed our development of guiding questions for interviews and discussions with leaders across diverse sectors working to address homelessness and housing instability. These interviews and discussions were specifically designed to gain insight for the next phase of facilitated discussions and gather insights on opportunities and desired principles for sustained progress towards housing stability. As we finish up the 2022 year, we have worked to synthesize the information gathered through interviews and have begun the process of designing facilitated discussions.

In parallel to these efforts, DGSS took a deep dive into the literature surrounding root causes of homelessness and housing instability. This work has continued to be conducted by faculty and graduate students at Washington State University. DGSS and the Center have continued to coordinate and assess how the information gathered by both teams could continue to inform the efforts of each other.

As we enter 2023, we will continue to involve individuals with various roles and responsibilities in the areas of homelessness and housing insecurity and will convene facilitated discussions to identify options and recommendations necessary for a long-term strategy to improve services and outcomes for persons at risk or experiencing homelessness. A final report on such efforts and stakeholder conversations will be submitted by December 1, 2023.

We appreciate the opportunity to serve the State of Washington and will continue to keep representatives from the Governor’s Office and Legislative staff informed throughout this process. We welcome questions and input from the Governor and Legislature at any time.

Sincerely,

Phyllis Shulman  
Project Co-Lead, Interim Director, William D. Ruckelshaus Center, WSU/UW  
Phyllis.shulman@wsu.edu

Christina Sanders  
Project Co-Lead, Director, Division of Governmental Studies & Services, WSU Extension  
cmsanders@wsu.edu
Overview

In recent decades, Washington State has faced an increasingly complex and multi-faceted challenge as patterns of housing instability and homelessness have increased. Recognizing the need for a long-term approach to this challenge, in House Bill 1277, Section 6, the Washington State Legislature called for a multi-year effort of fact-finding and stakeholder discussions to explore the nature and scope of housing instability and homelessness in Washington with the ultimate purpose of identifying options and recommendations for a strategy to improve services and outcomes and develop paths to permanent housing solutions (see Appendix A for Section 6 in its entirety). The William D. Ruckelshaus Center (the Center) and Washington State University Extension’s Division of Governmental Studies and Services (DGSS) have partnered to carry out this project.

The first of three requested reports, delivered in December 2021, laid the foundation for this undertaking. It summarized the historical chronology of housing and homelessness in the United States; presented the social, economic, political, and ideological forces that have influenced housing intervention policy; provided an overview of recent trends in homelessness and housing assistance in Washington State; synthesized patterns and themes from initial stakeholder discussions; and laid out a framework for carrying out the remaining work. That report, Pathways to Housing Security: Phase 1 Report, is available here.¹

This second report describes our progress in 2022 toward the ultimate objective of informing a long-term strategy to improve housing security in Washington State. The report has been prepared in two parts:

The Status of Fact-Finding provides a brief update on the current status of homelessness in Washington State, findings from a systematic review of the empirical literature on root causes of homelessness across the U.S. more generally, with attention to how these causes may vary by state, and a summary of the current scope of publicly funded intervention strategies in Washington, by county, Continuum of Care, population density, and funding source.

The Status of Stakeholder Discussions provides an overview of the context and approach for the stakeholder discussions, followed by key themes emerging from interviews so far. These themes focus on what engagement, with whom, and around which areas of concerns and opportunities would be most useful in our subsequent facilitated discussions. Those discussion in 2023 will be designed to identify desired principles, options, and recommendations for a long-term strategy.

A summary of the overall project workplan is provided in Appendix B. The next phase of the project will culminate in a final report in December 2023.

NEW SECTION. Sec. 6. (1)(a) The legislature finds that affordable housing, housing instability, and homelessness are persistent and increasing problems throughout the state. Despite significant increases in financial resources by the federal, state, and local governments to address these problems, homelessness and the risk of becoming homeless has worsened in Washington since the legislature authorized the first homeless housing document recording surcharge in 2005. The number of unsheltered homeless encampments in greenbelts, under bridges, and on our streets is a visible reminder that the current system is not working.

(b) The legislature finds that the COVID-19 pandemic has exacerbated and shed new light on the state's homelessness problems and forced communities and providers to reexamine the types and delivery of housing and services to individuals and families who are homeless or at risk of homelessness. As a result of the changing conditions COVID-19 created, the federal government has provided an infusion of funding for housing and services for homelessness populations in its COVID-19 relief bills to pursue different strategies to improve outcomes. Moreover, there are various proposals to increase state funding to address housing insecurity and homelessness, including this act to impose an additional document recording fee to fund an eviction prevention rental assistance program and other services to persons at risk or experiencing homelessness.

(c) The legislature also finds that there are many causes of homelessness and housing instability, including: (i) A shortage of affordable housing; (ii) local land use planning and property management policies that discourage the development of private sector housing stock to serve low and extremely low-income households; (iii) unemployment and lack of education and job skills to acquire an adequate wage job; (iv) mental health, developmental, and physical disabilities; (v) chemical and alcohol dependency; and (vi) family instability and conflict. The legislature intends to provide for an examination of the economic, social, and health causes of current and expected patterns of housing instability and homelessness, and to secure a common understanding of the contribution each has to the current crisis. The legislature intends for this examination to result in a widely accepted strategy for identifying how best to address homelessness in ways that: (A) Address the root causes of the problem; (B) clearly assign responsibilities of state and local
government to address those causes; (C) support local control and provision of services at the local level to address specific community needs, recognizing each community must play a part in the solution; (D) respect property owner rights and encourage private sector involvement in solutions and service; and (E) develop pathways to permanent housing solutions and associated services to break the cycle of housing insecurity and homelessness.

(2)(a) The department of commerce must contract with the William D. Ruckelshaus center to conduct an examination of trends affecting, and policies guiding, the housing and services provided to individuals and families who are or at risk of homelessness in Washington. The center must also facilitate meetings and discussions to develop and implement a long-term strategy to improve services and outcomes for persons at risk or experiencing homelessness and develop pathways to permanent housing solutions.

(b) In fulfilling the requirements of this section, the center must work and consult with (i) willing participants representing tribal and local governments, local providers of housing and services for homeless populations, advocates and stakeholders representing the interests of homeless populations, mental health and substance abuse professionals, representatives of the business community and other organizations, and other representatives the center determines is a necessary participant to examine these issues; (ii) a group of legislators consisting of one member from each of the two largest caucuses in the senate and in the house of representatives appointed by the president of the senate and the speaker of the house of representatives, respectively; and (iii) three representatives of the executive branch appointed by the governor.

(c)(i) The center must conduct fact-finding and stakeholder discussions with participants identified in (b) of this subsection. These discussions must identify stakeholder concerns, barriers, opportunities, and desired principles for a long-term strategy to improve the outcomes and services for persons at risk or experiencing homelessness and develop pathways to permanent housing solutions.

(ii) The center must conduct fact-finding and stakeholder discussions with participants identified in (b) of this subsection to identify root causes of housing instability and homelessness within Washington state. This fact-finding should address root causes demographically within subpopulations of persons at risk or experiencing homelessness such as veterans and persons suffering from
mental health or substance abuse issues. The fact-finding should also address root causes that may differ geographically or regionally. The fact-finding must identify existing statutory and regulatory issues that impede efforts to address root causes of housing instability and homelessness within Washington State.

(iii) The center must issue two reports of its fact-finding efforts and stakeholder discussions to the governor and the appropriate committees of the house of representatives and the senate. One report on the subjects covered in (c)(i) of this subsection is due December 1, 2021, and one on the subjects covered in (c)(ii) of this subsection is due December 1, 2022.

(d) The center must facilitate discussions between the stakeholders identified in this subsection (2) for the purposes of identifying options and recommendations to develop and implement a long-term strategy to improve the outcomes and service for persons at risk or experiencing homelessness and develop pathways to permanent housing solutions, including the manner and amount in which the state funds homelessness housing and services and performance measures that must be achieved to receive state funding. A report on this effort is due to the governor and the appropriate committees of the house of representatives and the senate by December 1, 2023.

Sec. 7. RCW 36.22.178 and 2019 c 136 s 1 are each amended to read as follows:

The surcharge provided for in this section shall be named the affordable housing for all surcharge.

(1) Except as provided in subsection (3) of this section, a surcharge of thirteen dollars per instrument shall be charged by the county auditor for each document recorded, which will be in addition to any other charge authorized by law. The county may retain up to five percent of these funds collected solely for the collection, administration, and local distribution of these funds. Of the remaining funds, forty percent of the revenue generated through this surcharge will be transmitted monthly to the state treasurer who will deposit: (a) The portion of the funds attributable to ten dollars of the surcharge into the affordable housing for all account created in RCW 43.185C.190. The department of commerce must use these funds to provide housing and shelter for extremely low-income households, including but not limited to housing for victims of human trafficking and their families and grants for building operation and maintenance.
Appendix B: Updated Project Workplan

A broad overview of the project and the goals of each reporting year are presented below. Given the scope, schedule, and complexity of this undertaking, the scope and timing of these components will continue to evolve in response to the outcomes of the work as it is conducted. The final report on legislative tasks is due to the Office of the Governor and appropriate committees of the Legislature on December 1, 2023.

Year 1: July – December 2021
Project Establishment, Fact Finding, and Initial Stakeholder Discussions
1. Multi-disciplinary team development
2. Brief history of homelessness and chronology of events
3. Landscape of the root causes of homelessness
4. Identification of sectors and stakeholders
5. Initial semi-structured interviews
6. Delivery of Report 1 on December 1, 2021

Year 2: January – December 2022
Literature Review, Descriptive Analyses, and Ongoing Stakeholder Discussions
1. Review of social science literature on root causes
2. Descriptive analysis of current scope of homelessness intervention strategies
3. Descriptive overview of policy landscape
4. Groundwork for accessing data for potential future analysis
5. Individual and small-group interviews with key stakeholders
6. Initial design of facilitated stakeholder discussions
7. Delivery of Report 2 on December 1, 2022

Year 3: January – December 2023
Data analysis, Facilitated Discussions
1. Additional relevant literature review
2. Data analysis
3. Iterative facilitated stakeholder discussions about concerns, barriers, opportunities, and desired principles to elicit ideas for options and recommendations
4. Refine and seek convergence on options and recommendations for a long-term strategy
5. Delivery of Report 3 on December 1, 2023

Year 4: January – June 2024
Presentation and Dissemination of Findings
The project team will be available through June 2024 for follow-up conversations and/or presentations as appropriate.