

Organization Name: DESC (Downtown Emergency Service Center)

Mission of Organization: DESC works to end the homelessness of vulnerable people, particularly those living with serious mental or addictive illnesses. Through partnerships and an integrated array of comprehensive services, treatment and housing, we give people the opportunity to reach their highest potential.

Locations (in Seattle/outside Seattle): DESC serves 2,000 clients daily in 20 programs all located within Seattle. Programs include emergency shelters (2), homeless day services (1), crisis respite (1), permanent supportive housing (11), outpatient mental health and chemical dependency services (3), crisis diversion (1), outreach & engagement (2).

Number of Employees: 525

Annual Budget: \$31,737,272

Compensation Levels for Employees: (fill in for different employee types that are paid minimum wage or your lowest salary rung – feel free to include more or less than three)

	Janitor - Perform a variety of cleaning and minor repair tasks in assigned facilities to keep the properties looking good and functioning well	Shelter/Residential Counselor –24/7 (3 shifts daily). Provide support to chronically homeless people with behavioral health disabilities. Work in emergency shelter or permanent supportive housing. Provision of basic services to clients and safe day-to-day operations	On-call Shelter/Residential Counselor - 24/7 (3 shifts daily). Provide relief assistance to regular staff for shifts that may be at or below minimum staffing levels due to scheduled PTO or call offs. Shifts often scheduled with less than 24 hour notice.	Case Manager (Information & Referral / Connections) –Work with clients one-on-one to create comprehensive plans to secure housing, benefits, access to care and/or employment that will end their homelessness.
Base Pay	\$11.42 - \$13.16 per hour DOQ	\$11.68 - \$13.44 per hour DOQ	\$11.68 per hour	\$25,474 – \$30,319 per yr DOQ (equivalent to \$13.20 - \$15.54 per hour)
Average Hours Worked	F/T (37.5 hrs per wk) and P/T (15 hrs per wk) positions	F/T (37.5 hrs per wk)	Varies, 7.5 – 37.5 hrs per wk. Not intended to be F/T	F/T (37.5 hrs per wk)
Benefits	Employer-paid Medical, Dental, Retirement, PTO (5 - 7 wks per yr)	Employer-paid Medical, Dental, Retirement, PTO (5-7 wks per yr)	SST	Employer-paid Medical, Dental, Retirement, PTO (5-7 wks per yr)
Other (housing,	Unionized	Unionized	Non-unionized position	Unionized

education benefit, etc.)				
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What would happen to your organization if minimum wage was raised to \$15 (please be specific)?

Raising the minimum wage will likely impact wages of 75% of DESC employees (400 of 525 total employees).

We currently have 170 employees earning wages under \$15 per hour. Raising this group to \$15 per hour will cost approximately \$1,100,000.

An additional 226 professional employees will be impacted by “wage compression”, as they are currently earning close to \$15/hr, and have higher qualifications than those in the lowest wage jobs. This group includes licensed clinical case managers, supervisors, managers and maintenance staff. We estimate increasing wages for this group will cost \$300,000 - \$600,000.

Therefore, total new expense to raise wages would be \$1.4 - \$1.7 million.

What would make your organization sustainable if the minimum wage was raised (please be specific)?

The obvious options to fund increased wages at DESC are:

Increase revenue (preferred):

Increasing revenue is the only way to maintain services and increase overall compensation to DESC employees. DESC funds its services through a variety of public contracts from all levels of government (over 100 separate funding contracts), as well as private fundraising (5% of total revenue). Given the diversity and complexity of funding, increasing revenue from a single or even multiple existing sources may not fully meet increased personnel expenses.

Decrease client services / Increase staff workload (not preferred):

We are limited in how we might decrease client services. In some programs, we could increase client to staff ratios. This would result in decreasing the volume, type and/or quality of services to clients, and would increase staff workload. We could also cut the hours or open days of our homeless-serving programs, allowing us to cut services without increasing staff workload by cutting staff positions (such as in 24-hr emergency shelter or Connections day service program).

It is more difficult to cut services in permanent supportive housing, where multiple capital and service contracts prohibit us from decreasing the number of housing units/clients. We could move over time to serve lower-need clients in the units where contracts don’t specify the high-needs client group DESC specializes in serving. This could allow us to increase the client-to-staff ratios. There are obvious drawbacks to this. It would not be a good mission-fit for our organization, and would result in the highest-needs people going unserved.

Rebalance compensation (not preferred):

We could cut employee benefits to offset the expense of increased wages. Our collective bargaining agreement poses significant limitations in how or when we could do this.

Are there other issues in your organizational field you would like to address?

State funding for mental health services is grossly inadequate, particularly for the highest-need/chronically homeless people. We are exploring innovative ways to increase funding for housing and services to this population by leveraging new flexibility under the Affordable Care Act/Medicaid expansion. We are currently in discussions with DSHS and HCA officials as well as Medicaid-funded Health Plans about how this might work. This is a complicated endeavor, and we welcome City support and collaboration on it.

We have serious concerns about the likelihood of increasing revenue from multiple sources to sustain existing services to clients. One option is for the City to directly backfill other sources, such as HUD, state or county contracts. Given the budget profile of the City and the needs across the human services sector, we anticipate this would require new city taxes or fees.

We support increasing wages for employees. Human service delivery depends on having quality staff able to engage and support high-needs clients. Attracting and retaining quality staff becomes more difficult when we cannot offer living wages. In addition to challenges finding affordable housing close to work, our staff struggle with increased transportation, food and childcare costs, as well as mounting student loan debt. Decreases in the quality of services can have negative impacts on the community, including disproportionately increasing expenses in other public services such as law enforcement, jails and hospitals.