



FY 2019 Budget Planning

EXECUTIVE COMMITTEE

DECEMBER 18, 2017

AHFE Strategies to Reduce Homelessness



Expand **shelter** capacity by **650 beds to more than 1300 year-round beds:**

- Women – 270 beds plus 50 DV beds
- Couples – 240 beds (120 couples)
- People with severe disabilities – 30 specialty beds (400+served)

Increase **placements** into housing by **1,350 people to more than 4350/yr.:**

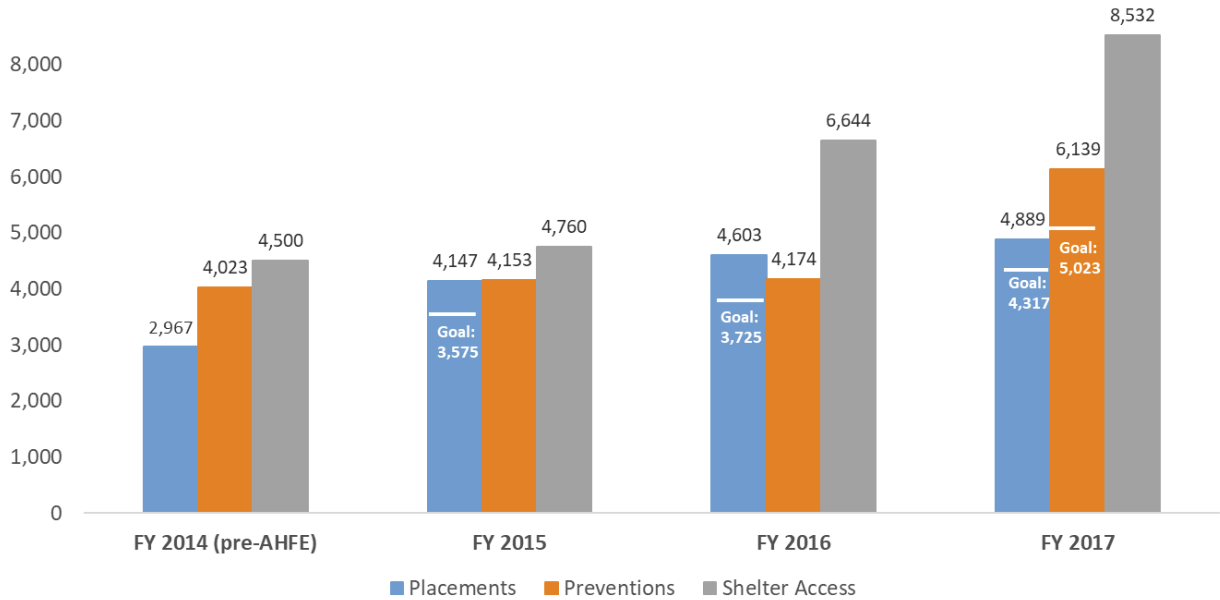
- People of color, particularly African American adults – 520 people
- Women – 1000 people
- People with severe disabilities – 237 people

Increase **prevention/diversion** by **1,000 people to more than 5000/yr.:**

- People of color, especially African American adults and families – 200
- Women – 500 people
- People with severe disabilities - 370

System Level Outcomes

Exceeding Goals in Housing Placement, Eviction Prevention, & Shelter



A Home for Everyone FY 16/17 Goals

Initiative Goals

Activity	Pre-AHFE Baseline	FY 2015-16 Actuals	FY 2016-17 Goals	FY 2016-17 Actuals	% Increase from FY2015-16	% Exceeds Goal
Placements	2,967 (FY 13-14)	4,603	4,317 (+1350)	4,889	6.2%	13.2%
Preventions	4,023 (FY 13-14)	4,147	5,023 (+1000)	6,139	47.1%	22.2%
Shelter beds	658 (FY 14-15)	1,203 (+545)	1,308 (+650)	1,309 (+651)	8.8%	MET
Served in Shelter	4,760 (FY 14-15)	6,644	N/A	8,532	28.4%	N/A

FY 2018 – Joint Office Budget Priorities

Priority 1: Stay the Course (Maintain Current Capacity)

Priority 2: Increase Flexible Rent Assistance

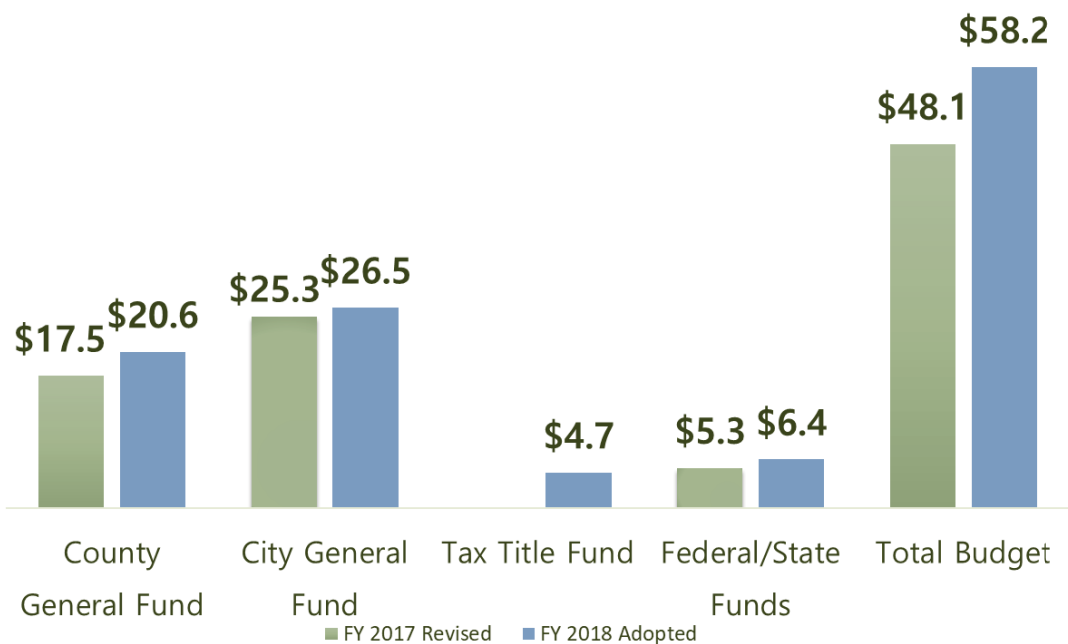
Priority 3: Increase Investment in Permanently Affordable Housing

Priority 4: Increase Rent Assistance & Employment Support

Priority 5: Increase Support Services for Formerly Chronically Homeless People in Affordable Housing

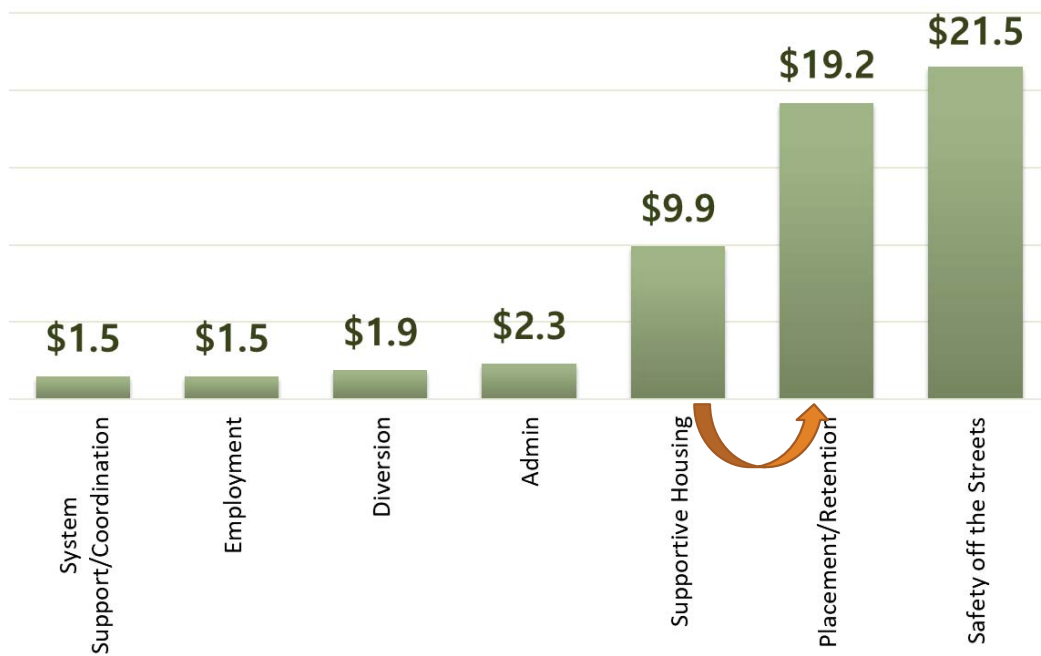
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Joint Office: Budget All Funds



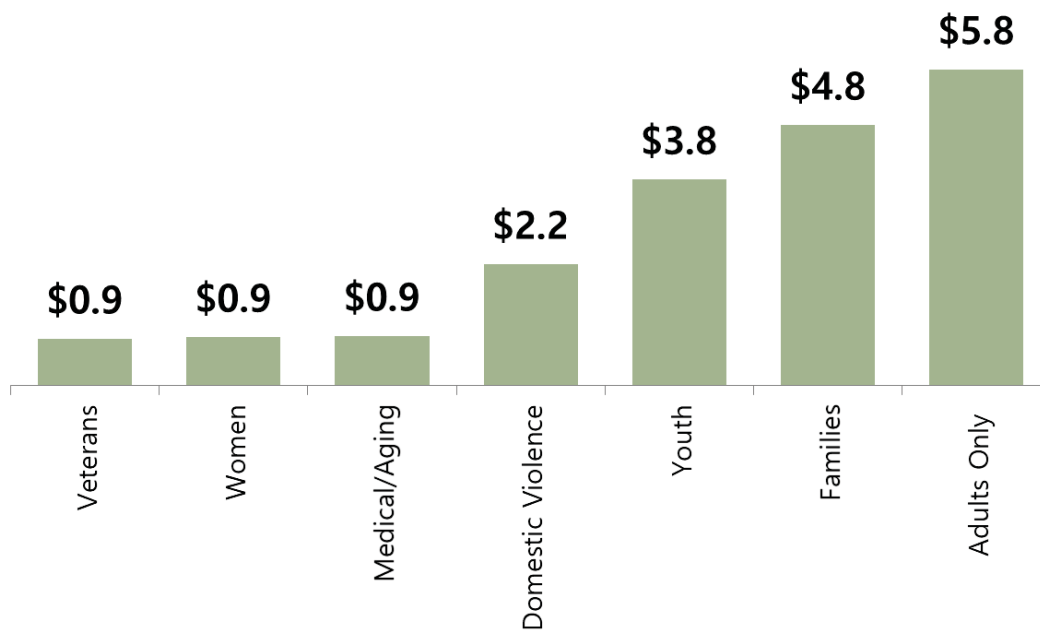
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Joint Office: Budget by Service All Funds



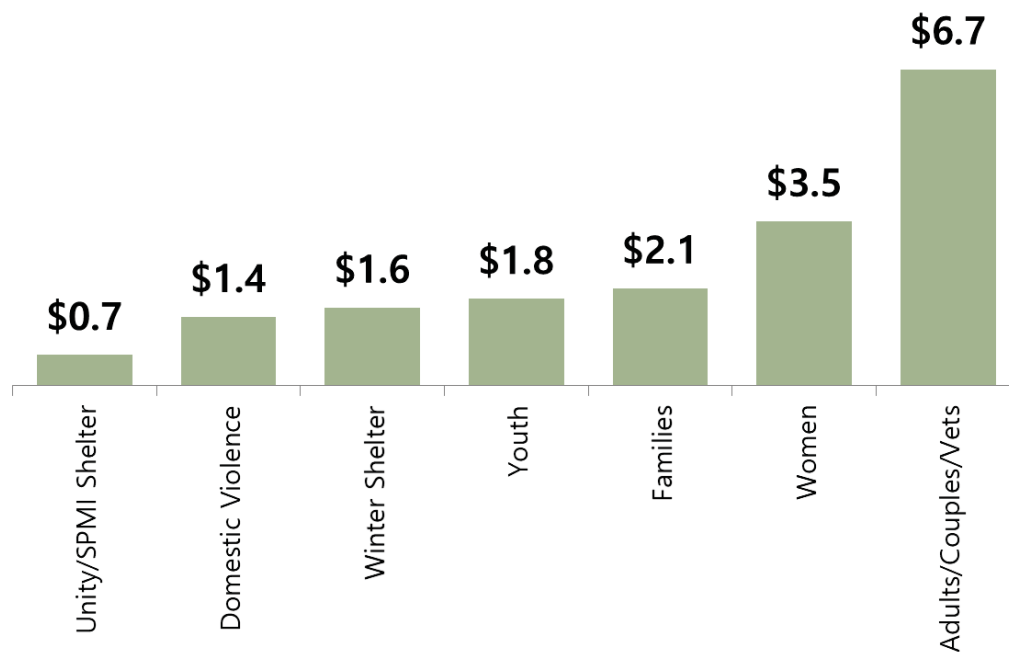
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Housing Placement & Retention Intervention & Population - \$19.2M



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Safety off the Streets Intervention & Population - \$21.5M



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FY 2019 – Budget Approach

FY 2018 JOHS Funding	City General Fund <i>(includes Fall BMP)</i>	County General Fund <i>(includes Tax Title)</i>	Total City/County General Fund
Ongoing	17,041,600	19,302,252	36,343,852
One-Time-Only (OTO)	<u>10,066,171</u>	<u>6,005,058</u>	<u>16,071,229</u>
Total	\$27,107,771	\$25,307,310	\$52,415,081
<i>OTO % of Total</i>	<i>37%</i>	<i>24%</i>	<i>31%</i>

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City Budget Guidance

- Increasing housing options and reducing homelessness;
- Maintaining the City's critical infrastructure;
- Enhancing livability;
- Increasing public safety and police accountability; and
- Continuing to pursue innovation and strengthening our resiliency posture.

County Budget Guidance

- Investing in stable housing and homeless Services;
- Focus healthcare funding where it makes the greatest impact: most vulnerable, highest poverty communities;
- Investing in families and children;
- Safer communities; and
- Spending where it matters.

Budget Headwinds

- Escalating Costs Per Placement/Retention
- Provider Sustainability
- Severe/Winter Shelter
- Federal Funding

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Home Forward Funding

EXECUTIVE COMMITTEE

DECEMBER 18, 2017

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Funding Picture: Tensions



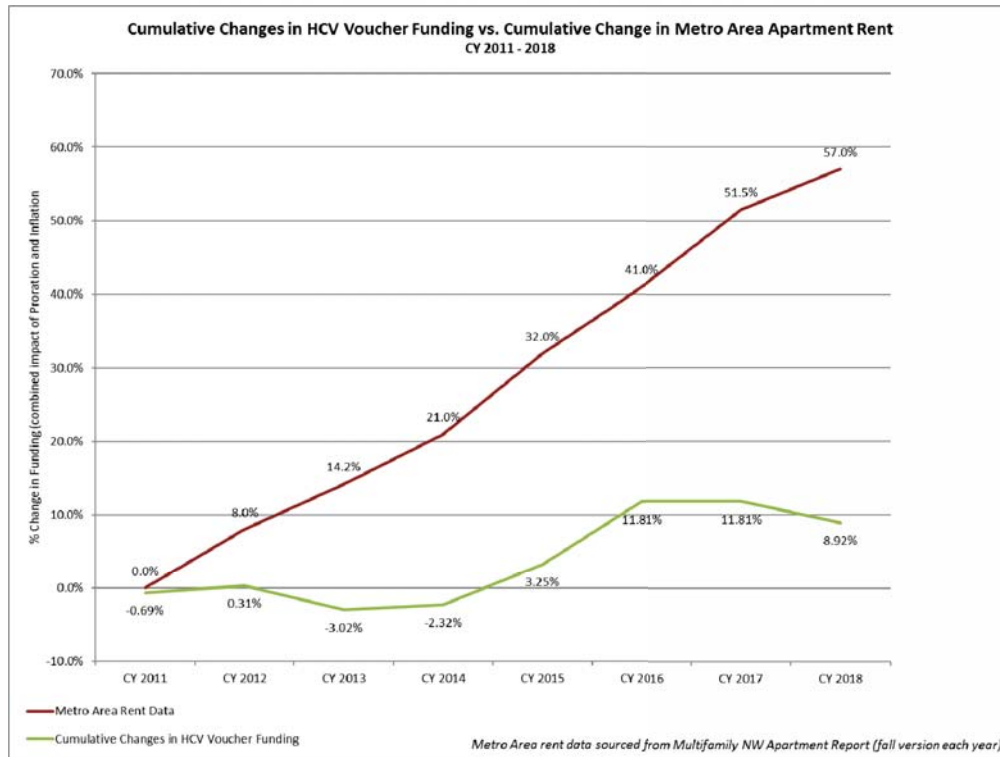
- Uncertainty at federal level
- Flat funding insufficient to meet current obligations: Housing Choice Voucher costs rising faster than funding
- Balancing:
 - Currently assisted households
 - HCV waitlist
 - Commitments to support expanded affordable housing options (GO Bond, other)
 - Non-traditional assistance (Short Term Rent Assistance Programs)

HUD Funding

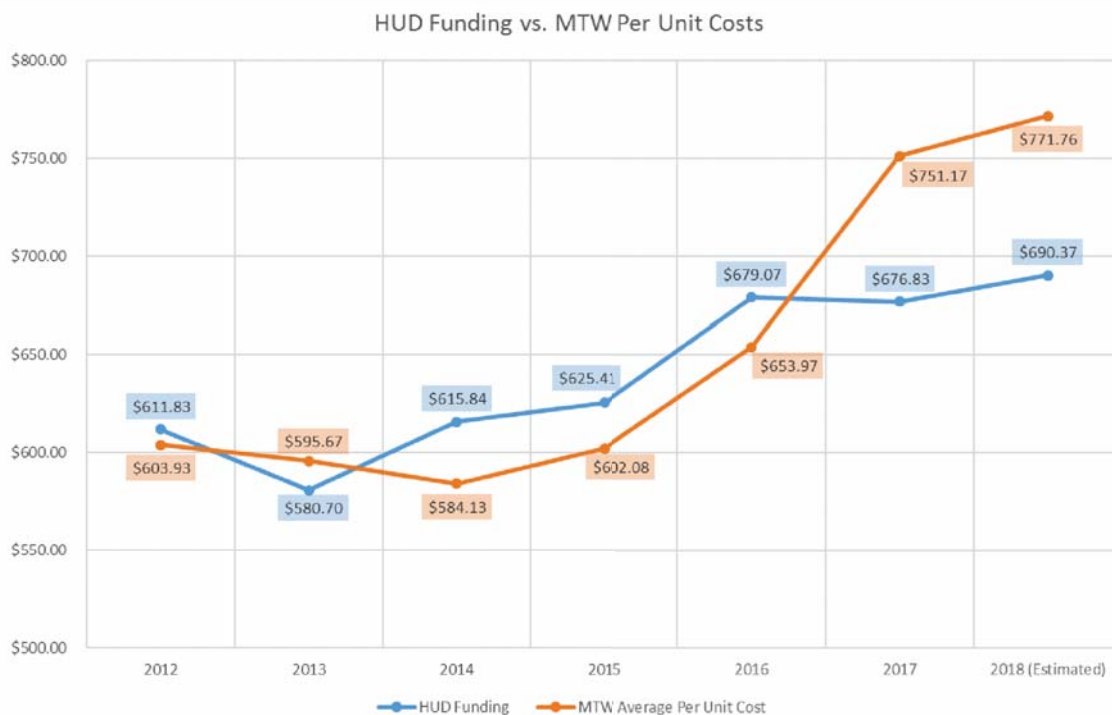


- Housing Choice Vouchers and Public Housing funding levels are largely determined by formulas with final funding modified by inflation and proration rates
 - $\text{Formula Funding} * \text{Inflation Rate} * \text{Proration} = \text{Expected Funding}$
- Ultimately funding levels are driven by Congressional appropriations – proration rates modify inflated formula funding levels to match appropriations at the national level
- Federal funding currently under a continuing resolution set to expire on December 22.

Market Rent & Voucher Funding



Voucher Costs & Voucher Funding



Funding Picture: Our Response



- Reducing number of individuals and families served in HCV program through attrition (not pulling from waitlist)
- Constraining costs in Project Based Voucher program
- Limiting payment standard increases to those required by program rules
- Considering future of our investments in non-traditional assistance (STRA, etc.)
- Other



Budget Priorities

EXECUTIVE COMMITTEE

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Approach to Budget Priorities

To have a lasting impact on the homelessness crisis, a three-pronged, balanced approach is needed.



AHFE Guiding Values:

1. Prioritize vulnerable populations
2. Promote racial and ethnic justice
3. Use data driven assessment and accountability
4. Engage and involve the community
5. Strengthen system capacity and increase leverage opportunities



Strategic Priorities Survey

AHFE SURVEY RESULTS

AHFE Strategic Priorities Survey

Widely distributed to all Coordinating Board and work group lists

Reviewed three primary questions

1. Where to invest any additional funding
2. How to reallocate existing funding
3. What to protect if funding is reduced

Included:

- Summary of current investments
- Attachment of racial equity lens to each question, with prompt to use it
- Assessment of how helpful racial equity lens was in this context

Received 79 total responses:

1. Coordinating Board (17)
2. Housing Work Group (16)
3. Safety Off the Streets (10)
4. Health Work Group (10)
5. Workforce and Economic Opportunity (5)
6. Community Advisory Forum (3)
7. Other (17 – mix of multiple work groups, community members, front-line staff)

AHFE Community Strategic Priorities

Where to invest any **additional funding** in priority order – by top rank:

1. Permanent supportive housing (9)
2. Housing placement & retention (9)
3. Shelter/Mental Health & Addiction/Eviction Prevention & Diversion (6)

Where to invest any **additional funding** in priority order – by top three rankings:

1. Housing Placement & Retention – Including Flexible Rent Assistance (26)
2. Shelter (17)
3. Permanent Supportive Housing (16)
4. Mental Health and Addiction Services (14)

Population priorities:

1. Families w/ children
2. People with disabilities & elderly
3. People of Color
4. Domestic Violence
5. Youth/LGBTQ

AHFE Community Strategic Priorities

How to **reallocate** within existing budget – top five:

1. More funding to Communities of Color (10)
2. More funding toward families (6)
3. Keep the current allocation (5)
4. More funding to employment services (4)
5. More funding toward elderly with disabilities (3)

What to **protect** from reductions – top five:

1. Permanent housing placement/Shelter (14)
2. Supportive housing (8)
3. DV services (4)
4. Family shelter/Youth shelter/Services for POC/Employment services

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City FY 2019 5% Target: **\$880,000**

If distributed proportionally across investment categories:

- Employment and Diversion \$70,000
(approx. 25 people receiving support services)
- Supportive Housing \$216,000
(approx. 15-20 Chronic Homeless placements)
- Housing Placement/Retention \$285,000
(approx. 35 adult placements)
- Emergency Shelter \$310,000
(approx. 30 beds of year-round beds)

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County FY 2019 2% Target: **\$405,000**

If distributed proportionately across population systems:

- Adults \$130,000
(approx. 13 beds of year-round shelter or 17 housing placements)
- Domestic Violence \$55,000
(approx. 45hh monthly rent payments)
- Family System \$100,000
(approx. 50 families diverted from shelter)
- Youth System \$105,000
(approx. 12 youth permanent housing placements)
- Employment \$15,000
(approx. 5 people receiving support services)

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Continuing Conversations

- Increase Placement Capacity
- Chronic Homeless Plan
- Supportive Housing
- Family Shelter Stabilization
- State Funding

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Joint Office: Budget Process

