

Department of Housing Services



# December Meeting

## Homeless Solutions Advisory Council

December 19, 2024

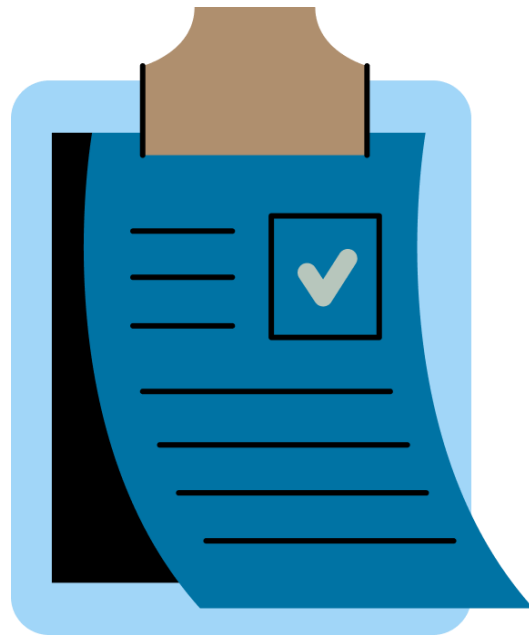


# Agenda

- Subcommittee Updates
- Consent Agenda
  - Longitudinal Systems Analysis (LSA)
  - New member recommendations
- SHS Budget Discussion
- Updates on potential SHS measure
- Staff Updates



# Subcommittee Updates



## Performance Evaluation

# Recommendation of New Members

- The Solutions Council must recommend new members to the Board of County Commissioners for appointment
- Received 21 applications, invited 11 to be interviewed
- Interviewed 9 people – thank you to Kim, Drew, Hannah, and Zoi!
- Recommending 4 people
  - Adam Peterson
  - Rachael Duke
  - Kim Haughn
  - Danielle Dawson

# Consent Agenda



# SHS Budget Discussion

Jes Larson, Assistant Director of Homeless Services



# Discussion Questions

- In what programs might we have overbuilt our program capacity?
- How could our commitments better serve priority populations?
  - Population A and B, with 75% of funds dedicated to Population A.
- How could our commitments better ensure equitable access and reach diverse communities while addressing racial disparities in historic housing outcomes?
- What commitments would we reduce to better balance our homeless services system in alignment with our shared guiding principles?
- Which programs can be scalable year over year as resources and needs change?

# Solutions Council Role (Bylaws, Article 2, Section 2)

- Provide **budgetary guidance and advise** on investments in homeless services programming to meet the identified needs of the system and prioritized outcomes
- **Advise on investment coordination** and leveraging across funding sources including CoC, ESG, Metro SHS and other local, state, and federal funding sources for homelessness.



# DRAFT Guiding Principles



- Maintain focus on housing for priority Populations A and B
- Apply equity lens to avoid increasing racial disparities
- Strive to maintain a balanced system so people can move from shelter to housing
- Keep commitments to capital investments with stable operational funding
- Balance quality and quantity; use approaches that are person-centered *and* sustainable long term
- Continue to seek funding from other public systems to address community needs
- Manage impacts to providers and participants with intentional ramp-down periods

# As you recall:

## Direction from Board of Commissioners (October 15th, 2024)

- Delaying launch of new programs
- Delaying hiring non-essential staff positions
- Communicate funding constraints to partners
- Plan the ramp down of temporary programming
- Plan future budget on a more conservative estimate, based on updated forecast

# Revenue Update: Worst Case Scenario

## FY 2024-25 – FY 2029-30 Forecast

Ended FY 2023-24 roughly 6% below forecast. Slower growth also expected in near term due to lower expectations for local economy.

	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
<b>Forecasted Tax Revenue</b>	\$323.1	\$328.8	\$349.7	\$383.2	\$408.7	\$427.0
<b>Tax Collection Costs</b>	\$11.1	\$11.4	\$11.8	\$12.1	\$12.5	\$12.8
<b>Net Collections</b>	\$312.0	\$317.4	\$337.9	\$371.1	\$396.2	\$414.2
<b>Metro Admin</b>	\$15.6	\$15.9	\$16.9	\$18.6	\$19.8	\$20.7
<b>Partners</b>	\$296.4	\$301.5	\$321.0	\$352.5	\$376.4	\$393.5
<b>Clackamas</b>	\$63.1	\$64.2	\$68.4	\$75.1	\$80.2	\$83.8
<b>Multnomah</b>	\$134.3	\$136.6	\$145.4	\$159.7	\$170.5	\$178.3
<b>Washington</b>	\$98.7	\$100.4	\$106.9	\$117.4	\$125.3	\$131.0
<b>Nov 2023 Forecast</b>	\$374.5	\$378.7	\$404.0	\$420.2	\$437.0	--
<b>Forecast Difference</b>	-\$51.4	-\$49.9	-\$54.3	-\$37.0	-\$28.3	--

Staff have been planning for a \$5-15 million reduction, this represents a \$16+ million reduction in **this fiscal year's** resources.

# Update on this fiscal year

- Partners of motel voucher shelter units and eviction prevention notified of ramp down beginning this fiscal year
- Quarter 1 spending in line with initial budget (15%)
- System balance conversations with staff leads and **YOU** to prepare for a right-sized system, planned shift over multiple fiscal years
- Carryover balance nearly fully committed

***The revenue forecast requires further action to prevent overspending.***

# Staff recommendations – Program Impacts

Accelerate program ramp downs to results in cost savings this year

- Refer motel voucher households into other shelters/housing programs
- Reduce monthly eviction prevention availability

Begin planning for further Fiscal Year 2025-26 reductions

- Rapid rehousing reductions, in alignment with Solutions Council conversations
- Housing careers reductions or elimination
- Data quality program reductions

# Staff recommendation: Transition Fund

<b>SHS Carryover Funds for One-time Investments (August 2024)</b>	<b>\$96,721,471</b>
Eviction prevention rent assistance (committed)	\$12,420,000
Capacity building for providers (committed)	\$3,500,000
Shelter capital construction (committed)	\$13,675,993
Access center capital construction (committed)	\$15,000,000
Transitional housing capital investments (committed)	\$37,500,000
<b>Remaining Carryover Funds:</b>	
<ul style="list-style-type: none"> <li>• Permanent pod site acquisition &amp; Beaverton Access Center (assigned)</li> <li>• Transition Fund (unassigned, proposed new use)</li> </ul>	\$14,625,478

<b>Required and Recommended SHS Reserves (August 30, 2024)</b>	<b>\$32,814,333</b>
Contingency reserves (directed by County)	\$5,750,000
Stabilization reserves (directed by regional Financial Review Team)	\$17,250,000
Regional Implementation Fund (directed by Tri-County Planning Body, unassigned)	\$9,814,333
<ul style="list-style-type: none"> <li>• <b>Staff recommend repurposing this into the proposed Transition Fund</b></li> </ul>	

# Staff recommendations – other

- Create a “transition fund” with some uncommitted carryover (last slide)
- Support a slower transition to an essential system of care, reducing impact on those we serve and our provider partners
  - Maintain carryover investments for Beaverton access center and new pod shelter site

Make request to Tri-County Planning Body to use of Regional Investment Fund carryover (\$9.8 million) for the proposed Transition Fund

Plan Fiscal Year 2025-26 budget on the Metro forecast number, not the conservative estimate given updated forecast

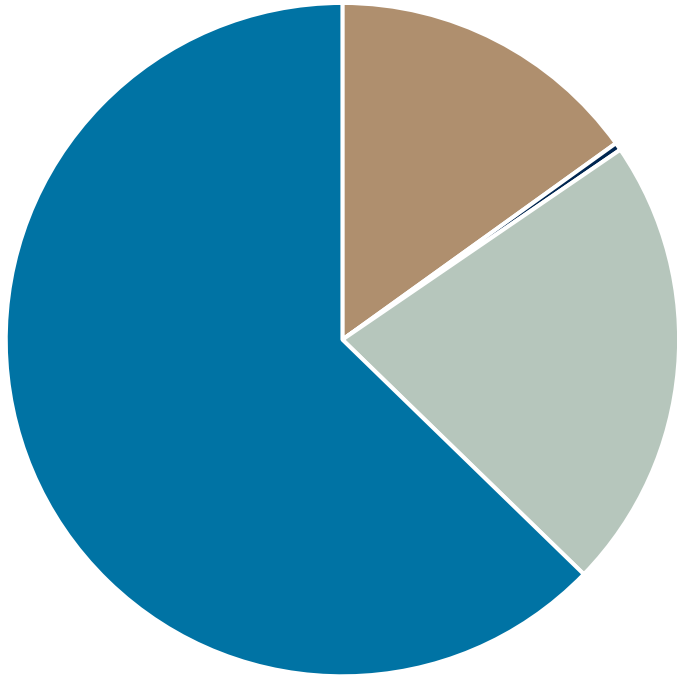
# Total System Cost (current and future plans)

<b>Access and Outreach</b>	\$5.1 million
<b>Emergency Shelters</b>	\$5.25 million for <u>future</u> operations
<b>Alternative Shelters</b>	\$10.71 million
<b>Transitional Housing</b>	\$2.49 million for <u>future</u> operations
<b>Short-term Solutions</b>	\$5.22 million
<b>Permanent Housing</b>	\$76.68 million
<b>System Support</b>	\$5.71 million
<b>County Admin</b>	\$5.56 million

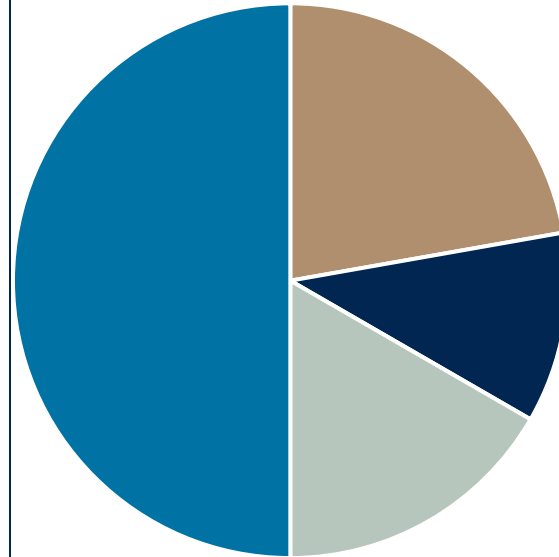


# Proportionality in the Homeless Services System

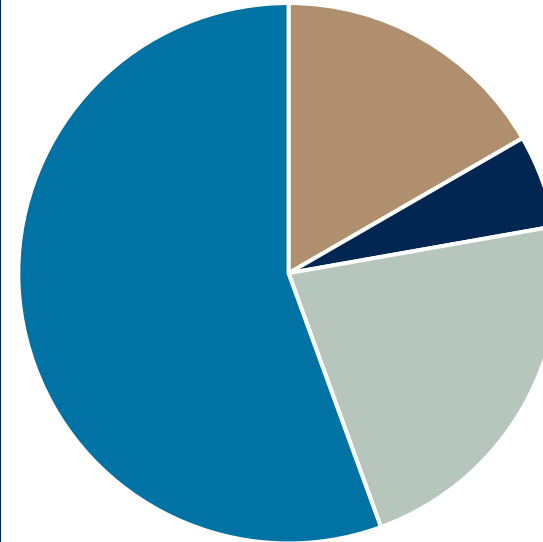
CURRENT



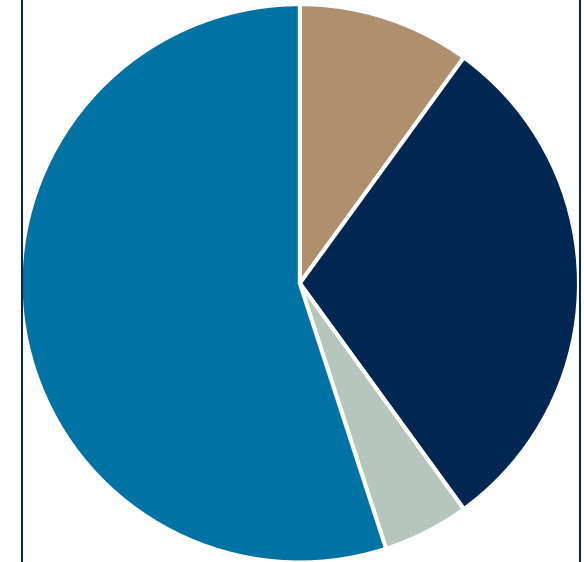
GROUP ONE



GROUP TWO



GROUP THREE



- Shelter
- Transitional Housing
- Rapid Rehousing
- Permanent Supportive Housing

# Discussion Questions

- In what programs might we have overbuilt our program capacity?
- How could our commitments better serve priority populations?
  - Population A and B, with 75% of funds dedicated to Population A.
- How could our commitments better ensure equitable access and reach diverse communities while addressing racial disparities in historic housing outcomes?
- What commitments would we reduce to better balance our homeless services system in alignment with our shared guiding principles?
- Which programs can be scalable year over year as resources and needs change?

# Budget discussions timeline

- Solutions Council feedback and perspectives will inform staff development FY 25-26 Budget iteratively over three months:
  - November: values-based discussion
  - Now: high-level budget information for initial guidance and feedback on reductions
  - January: budget details drafted for final feedback
- Engaging provider network during standing meeting in December

# Staff Updates

- No Housing Advisory Committee meeting in December
- Update on hiring the Program Implementation and Business Operations Manager positions

**See you in 2025!**



*Members of the Solutions Council and staff at the Annual Luncheon earlier this week.*

Department of Housing Services



# Thank you





Department of Housing Services