



Department of Housing Services



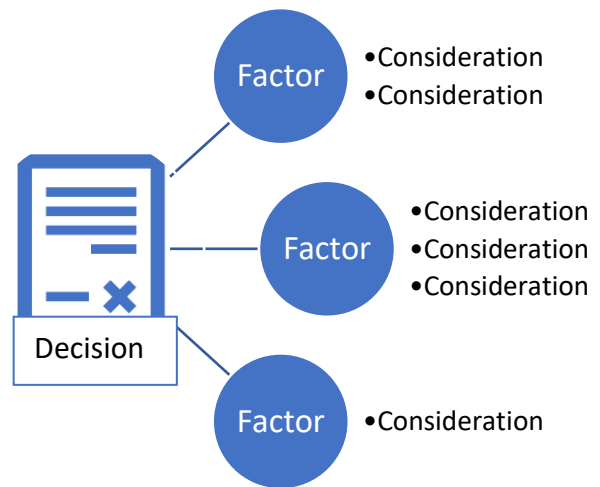
To: Homeless Solutions Advisory Council
 From: Nicole Stingh, Strategic Initiatives and Relations Manager
 Date: February 14, 2025
RE: Preparing to turn program category budgets into FY 25-26 Plans

Staff are grateful for the Council’s engagement on the programmatic reduction conversations. Your engagement helped staff weigh difficult decision and appropriate plan for a phased reduction over multiple fiscal years. The programmatic budget categories presented during the January meeting are now submitted through the county’s budget process without changes. We do not anticipate changes from that process but will report back if there are any surprises.

As the budget moves forward, staff are now shifting our focus into turning the program categories into implementation plans for next year. February’s meeting will include conversations on what factors and considerations should be core to that process. While determining contractual commitments is a staff effort, your feedback will help staff in navigating programmatic reductions.

Potential Factors and Considerations

When considering how staff will engage in decisions making, we see decisions being driven by key factors. Each factor needs considerations for how it is applied in decision making or the limitations that may exist. The bolded titles below are potential factors. We have included explanations in the main bullet. Sub-bullets are considerations staff know are necessary.



- Data driven performance metrics:**
 Outcomes oriented efforts require data. The Department produces “score cards” for providers indicating their performance against defined outcome metrics. This includes metrics for: Housing Case Management Services (minor reduction), Enhanced Rapid Rehousing (large reduction), shelter (reductions complete), street outreach (reduction), and housing liaisons (reduction). Each program uses specific metrics tailored to the program to measure efficacy.

- Data accuracy: Providers sometimes share that the report cards do not display accurate or up-to-date data, despite the efforts of data quality staff.
- Age of programs: SHS is still relatively new, and SHS program refinement is still occurring. Program outcomes are impacted by county policies that are improved over the life of a program.
- **Addressing racial disparities:** Government played a role in creating disparities in housing outcomes. As we make programmatic reductions, staff will consider access to services and outcomes for Washington County's diverse community.
 - Population needs: Addressing disparities requires understanding where there are gaps in services and disproportionate need. Program reductions should not increase these gaps.
 - Culturally specific providers: Access to culturally specific services leads to better program outcomes for communities of color.
 - Lack of needs data disaggregated by racial/ethnicity: Understanding where outcomes are not where they need to be, it can be challenging to understand the why without disaggregated data (proven true for serving Asian American households).
- **Geographical reach:** Resources should be available to community members across the county.
 - Economy of scale: While reach across the county is important, the cost of smaller operations can be more expensive. Given our constrained resources, cost efficiency must be considered.
- **Population needs and system balance:** Staff will strive to meet populations needs with appropriate intervention points that help someone move from homelessness into housing, considering the interventions and programs needed along the way.
 - Incomplete data sets: We know we don't have all the data needed to fully understand the needs and inflow into homelessness.
 - Growing inflow into homelessness: Economic forces are beyond our control and increasing homelessness. It's likely that, if federal programs are rescinded, more people will flow into homelessness in the coming years than previous years (especially given COVID-era rental assistance that prevented tens of thousands of evictions.)
 - Limitations of the A/B split: SHS funds are subject to regulations; over the life of the program, 75% of funds are designed to go to Population A and the remainder of funds to Population B.

Discussion Questions and Next Steps

Staff will pose the questions below for the Council discussion. Similar questions will be brought to the Homeless Services Executive Roundtable and to the first meeting our new Culturally Specific Organizations Cohort to inform staff work.

1. Are there factors you would recommend that are not listed? Any considerations?
2. These factors may lead to conflicting guidance. How should staff balance the considerations and factors in decision making?
3. Are there stakeholders outside of those referenced above that should be consulted?

Proposed Fiscal Year 2025-26 Budget

This has been pulled from the [January memo](#) for your reference.

Category & Capacity	Investments	Reductions
<u>Access and Outreach</u> <ul style="list-style-type: none"> • 16 outreach workers • Tigard (perm) and Hillsboro (temp) Access Centers • 14-18 Liaisons 	\$6.21 million	<p>Reduce outreach workers by three positions and reduce flex funds to \$15,000 per worker</p> <p>Open one permanent access center (JC) and fund one temporary access center (PHC). Need to plan for additional access center capacity in FY 26/27.</p> <p>Reduce Housing Liaison Program, prioritizing shelters and system access points. Reduce flex funds to \$25,000 per worker (see note in Short Term Solutions).</p>
<u>Emergency Shelters</u> <ul style="list-style-type: none"> • 175 shelter units • Inclement weather shelter 	\$6.35 million	<p>Discontinue Temporary Motel Shelter program.</p> <p>Increased permanent shelter capacity with two new expanded shelter sites: Beaverton and Tigard.</p> <p>Standardize day rates across emergency shelters for a total cost savings.</p> <p>Reduce anticipated nights of inclement weather.</p>
<u>Alternative Shelters</u> <ul style="list-style-type: none"> • 60 pod units • 150 motel shelters for families and medically needy • Respite shelter care 	\$8.63 million	<p>Maintain reduced pod shelter capacity at 60 beds for FY 25/26.</p> <p>Standardize day rates across alternative shelter types for a total cost savings.</p> <p>No changes to Low Acuity Transition Services (respite shelter), but additional funding</p>

Category & Capacity	Investments	Reductions
<ul style="list-style-type: none"> Total: 210 shelter units 		needed for the program to continue beyond FY 25/26.
<u>Transitional Housing</u>	No investments; no reduction	No Transitional Housing online in FY 25/26, need to plan for up to 119 unit capacity in FY 26/27.
<u>Short-term Solutions</u> <ul style="list-style-type: none"> 200 Move-In Only households Eviction Prevention 	\$4.32 million	Continue some funding for eviction prevention to provide emergency housing resources in conjunction with move-in only funding, as a pooled, flexible, accessible fund for the whole system. This program would need to be developed to focus on household experiencing homelessness or at greatest risk of homelessness. About \$4 million in total annual funding.
<u>Permanent Housing</u> <ul style="list-style-type: none"> Approx 540 Rapid Rehousing (RRH) slots (includes 115 CoC slots) Approx 1,900 PSH slots (includes 209 CoC slots), blending Housing Case Management Services (HCSM) with Regional Long Term Rental Assistance (RLRA) 250 long term rent assistance vouchers without case management (Move On Program) Required CoC match funds 	\$74.13 million	<p>Budget reduce for Rapid Rehousing program capacity by approximately 90 slots in FY 25/26, with additional reductions likely in FY 26/27. This will require program ramp down through attrition and higher caseload rates as capacity transitions downward. The county is considering increasing tenant’s portion of their rent. This reduction will require a slowdown of the program <u>this</u> fiscal year.</p> <p>Budget increase for RLRA as more households are placed in permanent housing programs in FY 25/26, a total of 1,924 RLRA vouchers (PSH, HCSM, and Move On). There are expected to be 200-300 new placements through attrition.</p> <p>Slot capacity will decrease in HCSM to 1,640 (reduce worker capacity by 7-10 in HCMS/PSH), which will occur through attrition and the Move On/RLRA only Program. Site based PSH ensures we meet our SHS regional commitment of 1,667 PSH slots. This reduction will require a slowdown of the program <u>this</u> fiscal year.</p>

Category & Capacity	Investments	Reductions
		HCMS and RRH budgets reduce flex fund budgets to approximately \$12,500 per worker, with funds set aside to fully fund move in costs.
<u>System Support</u> <ul style="list-style-type: none"> • Community Connect • Risk Mitigation Program (insurance for landlords) • Data Quality Assurance Program • 3 city liaisons • Furniture services for clients 	\$4.32 million	<p>Fully fund Community Connect; no change.</p> <p>Data Quality Assurance Program adjusted to reduce total number of FTE. Organizations with less total program FTE offered an “agency rate” for data quality, rather than a full-time FTE.</p> <p>No change to the Risk Mitigation Program</p> <p>Housing Careers program reduced to coaching services only.</p> <p>Furniture services, reduced anticipated households from 600 to 400 given we will see less people move into new apartments.</p>
<u>County Operations and admin costs</u> <ul style="list-style-type: none"> • Staff to operate programs • Consultants • Operational needs • County overhead 	\$3.3 million	<p>Department of Housing Services program costs reduced by 5-6 FTE through attrition, and respective staffing costs.</p> <p>Budget for consultant services reduced by 30%</p> <p>Further refinement is occurring.</p>
<u>Cost of this system:</u>	\$107.26 million	The county would need to leverage the transition fund for this fiscal year (2024-25) and likely next fiscal year (pending state funding).