



**City
Budget
Office**

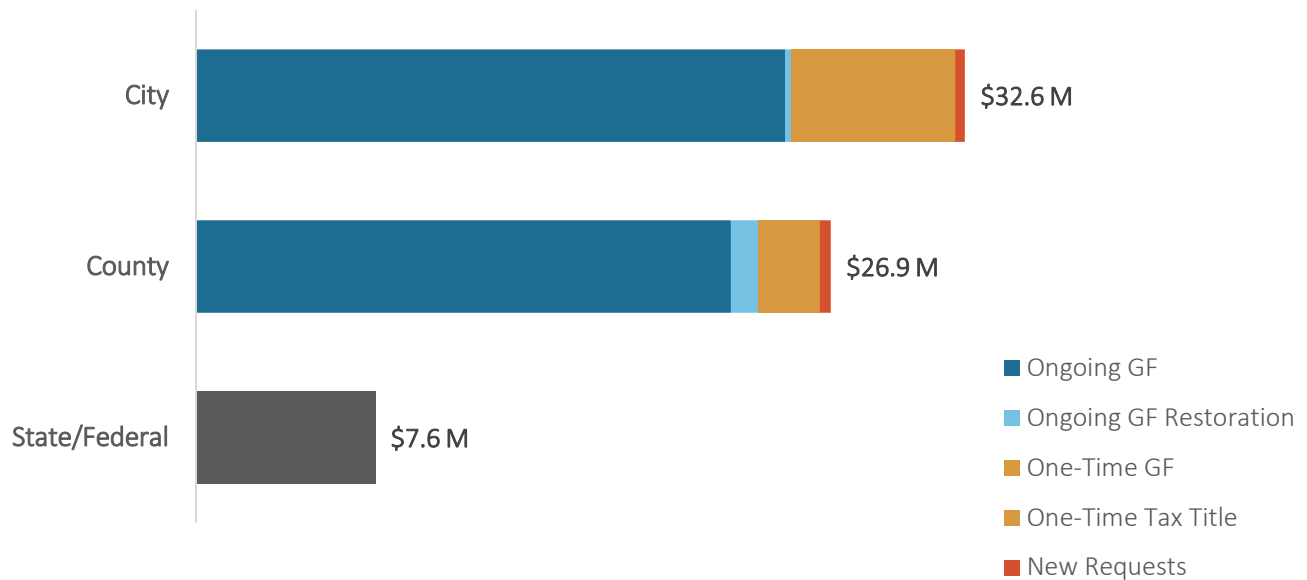
Joint Office of Homeless Services

Analysis by Jane Marie Ford

INTRODUCTION

In addition to a base ongoing budget of \$24.9 million, Council has directed the Joint Office of Homeless Services (JOHS or Joint Office) to request an additional \$6.9 million in one-time and \$669,500 in ongoing General Fund resources. This includes funding to continue one-time investments, backfill the 1% efficiency reduction required of all General Fund bureaus, fill a shelter operating gap, and add new positions.

Joint Office FY 2019-20 Requested Budget



This review focuses on three new Directions to Develop issued by Council after Requested Budget submission. Unlike with City bureaus, CBO does not have access to detailed JOHS current and historical budget and spending information that would typically help to inform recommendations. However, CBO has attempted to identify potential underspending that could be carried over for one-time priorities, recognizing the forecasted scale of available General Fund resources in FY 2019-20 compared to funding requests.

In general, CBO does not recommend utilizing one-time resources to fund ongoing services. CBO has supported the allocation of available one-time General Fund dollars for homeless services since FY 2016-17, given the original expectation of temporarily providing enhanced service

capacity over a three-year period. The City has also had significant one-time resources available during the economic expansion that are unlikely to continue at the same level, driving the need to identify a new ongoing sustainable baseline funding level for the Joint Office moving forward.

To support fiscal resiliency, CBO recommends that the City employ the following strategies in funding the JOHS: prioritize services within the base ongoing budget to maintain a balanced set of interventions that are proven to most effectively and equitably serve target populations; utilize one-time funding to support scalable services and to continue testing pilot projects; and weigh the tradeoffs of any new or pilot projects against the benefits and effectiveness of currently provided services and programs. CBO also continues to recommend securing funding commitments from other systems, jurisdictions, and partners with a vested interest in and impact on regional homeless services.

DIRECTIONS TO DEVELOP

Restoration of 1% General Fund Reduction to Meet Current Service Level

DP 7890, \$252,000, 0.00 FTE

Direction Language

The Joint Office submitted a requested budget with at 99% of its Current Appropriation Level (CAL) Target in alignment with City budget guidance to identify 1% efficiency reduction. The Joint Office was directed to request the remaining 1% in ongoing General Fund to continue current service levels funded in FY 2018-19.

CBO Analysis

The City and the County issued General Fund reduction targets of 1% and 3%, respectively. In approaching this exercise, the JOHS and A Home for Everyone prioritized funding for programs that keep people in housing and shelter capacity, prioritizing culturally-specific organizations that serve specific communities of color; programs that effectively reduce racial disparities for specific communities of color overrepresented in the homeless populations; programs that leverage outside resources; and staffing levels in organizations. The programs discussed below were identified as the best options for ongoing reductions using that framework.

Safe Parking Pilot Program, \$100,000

Summary

Of those who were identified as unsheltered in the 2017 Point-in-Time Count, 216 adult-only households (13.6% of the total unsheltered adult population) and 41 families with children (53.2% of unsheltered families with children) were sleeping in a vehicle.¹ The Safe Parking pilot partners with faith institutions to host people sleeping in vehicles, RVs, or other sleeping pods in their parking lots as a form of safety off the streets. The JOHS funding goes toward professional

¹ Krishnan, Uma and Elliott, Deborah. 2017 Point-in-Time: Count of Homelessness in Portland/Gresham/Multnomah County, Oregon. October 2017. Available at https://pdxscholar.library.pdx.edu/cgi/viewcontent.cgi?article=1040&context=prc_pub.

nonprofit management and support services. The pilot launch has been slower than expected, and there are currently three participating sites. In FY 2019-20, the requested resources would support at least 20 vehicles per night.

The immediate benefits of the program are to provide a small number of households with a sanctioned space to sleep and access to hygiene and sanitation facilities. The program also engages community partners in addressing unmet housing need by providing options for individuals and households that are not ready for more traditional shelter settings. Like other alternative shelter programs, there is also a goal of connecting households to long-term services, and a portion of these households – a target of 35% of participants – hopefully transition to conventional shelter or permanent housing placements.

Council Considerations

Given that this is a pilot program and that there may be current year underspending, CBO recommends considering whether resources can be carried over on a one-time basis to support a continued pilot in FY 2019-20 if early results indicate that this is a promising alternative shelter option. Alternatively, if there is one-time underspending available from the pilot, it could be allocated toward other one-time priorities in FY 2019-20.

Coordinated Housing Assessment Team, \$152,000

Summary

This request maintains expanded staffing levels for the Coordinated Housing Assessment Team (CHAT), which serves highly vulnerable people who need more intensive staff engagement and support to transition out of homelessness. In addition to five existing FTE in partner organizations, two new FTE were funded in FY 2019-20 to provide support through culturally-specific organizations.

Council Considerations

This program has proven to be effective, and the two new FTE were created in alignment with equity goals of reducing disparities among populations experiencing homelessness. Additionally, this work is critical to the process of coordinating access to supportive housing opportunities that will be scaling up over the next few years. However, the JOHS identified this as a scalable reduction compared to other possible service cuts. To the extent that this team helps to increase successful transition and placement for the most vulnerable individuals and households, maintaining current resources for this program may be a cost-effective intervention to consider among other competing General Fund requests, in addition to the equity impact noted above.

JOHS Staff Capacity

DP 7891, \$167,500, 1.50 FTE (City contribution to County positions)

Direction Language

The Joint Office is directed to request 2.5 new FTE (1.5 total to be funded by the City) to help coordinated county-wide initiatives addressing homelessness and to build the public's understanding and engagement with the causes and solutions to homelessness: a

communications staff person, a data analyst, and a part-time alternative shelter specialist.

CBO Analysis

Background

The Joint Office's total funding has grown from \$44.9 million in the FY 2016-17 Adopted Budget, the first year of operation, to \$67.0 million requested for FY 2019-20, an increase of 49%. Over the same time frame, staff capacity has increased from 13 FTE to 28.5 FTE, a relative increase of 119%. This includes a total of five new FTE created within the Joint Office's FY 2019-20 base budget, four of which are being reallocated from existing City and County General Fund, and one funded through a newly awarded HUD Continuum of Care grant. These positions will expand the program team that manages the systems serving different populations and is expected to lead to improved outcomes by increasing the level of support for and oversight of providers.

The Joint Office is requesting new resources to fund 2.5 additional FTE as described below. Given limited resources, CBO notes that some of these functions overlap with existing City and County staff, and it may be possible to shift workload to the extent this is a high priority for both jurisdictions. Otherwise, the high-level tradeoffs are whether these new positions should be funded instead of other ongoing General Fund requests, supported through reductions in other Joint Office services, or reconsidered in a future budget cycle.

Communications Staff Position

Summary

This position would add to the Joint Office's existing 1.0 FTE staff resources for communications, which are currently focused primarily on responding to inquiries from elected officials and media. The requested position would work closely with the City and County to develop and implement a strategic communication plan, including data visualization to share program outcomes, original program materials, and social media content. The intention is to create capacity for more proactive communication with the public.

Council Considerations

In addition to communications staff, there are also existing City, County, and JOHS employees who are working on data visualization to share program outcomes. It may be possible to leverage these resources to help create specific materials as desired by elected officials and leaders.

Data Analyst

Summary

This request would maintain funding for a limited duration position that was created at the Department of County Human Services (DCHS) to support additional workload generated by expanding the homeless services system. This position specifically deals with workload generated by the Homeless Management Information System (HMIS). There are a number of HMIS positions embedded at the City and County outside of the JOHS that play a role in data management and reporting. There are additional staff that work on broader data analysis, including specific

projects related to homeless services.

Council Considerations

Although there is certainly an increase in the workload and focus on homeless services data management and analysis, CBO suggests that a larger challenge is lack of coordinated direction on a) what analysis needs to be done and b) how it will be used to inform operations and decision-making. Under the current JOHS structure, there is not a single entity that ultimately prioritizes staff workload related to data collection, management, and analysis beyond what is required for state and federal reporting purposes. Both City and County staff dedicated to this work are a critical resource; regardless of whether new FTE are added, CBO recommends creating a more formal structure for collaborating on homeless services data collection, analysis, and reporting.

Alternative Shelter Specialist

Summary

The City has been supporting alternative shelter programs over the last few years, primarily facilitated by the Office of Management & Finance as part of efforts to provide additional safe sleeping and transitional shelter options in response to the State of Housing Emergency. The program was transferred to the Joint Office in the FY 2018-19 Adopted Budget to help ensure that these sites are aligned with the broader homeless services continuum. Much of the funding allocated to this work has been one-time, including support for pilot projects like the Kenton Women's Village. These programs are staff-time intensive due to the complications of managing sites without permanent infrastructure and that are often available only on a temporary basis, requiring frequent moves; this work also requires navigating relationships with property owners, neighbors, and other stakeholders.

These programs are facilitated by the zoning code waivers authorized under the State of Housing Emergency. Council has directed the Bureau of Planning & Sustainability to develop zoning code changes that would allow these programs to continue. The JOHS is requesting a permanent 0.50 FTE to manage the alternative shelter program, which has been supported by a now-expired limited term position funded in the Office of Community & Civic Life.

Council Considerations

There are several decision points related to the alternative shelter program. The first is whether to allocate \$300,000 in one-time resources to continue current service levels. The second is discussed above, which would restore \$100,000 for a safe parking pilot program. The level of staffing required for this program depends on the level of ongoing funding Council chooses to dedicate.

CBO recommends identifying whether there is any current year projected underspending from the resources allocated in FY 2018-19 that could be carried over to support a limited term position and/or continued pilot programs in FY 2019-20. The data from current pilot projects and pending 2019 Point-in-Time Count may help point to which interventions can more efficiently and effectively serve vulnerable populations than traditional services. In turn, this may inform long-term alternative shelter program development and the number of FTE required.

Operational Support for Enhanced Adult Emergency Shelter

DP 7892, \$250,000, 0.00 FTE

Direction Language

In FY 2019-20, the Joint Office will be closing several temporary shelters and opening two new permanent 24/7 adult shelters. One shelter will focus on providing services for women and couples, prioritizing women, people with disabilities, and veterans. The second shelter will be referral-based and focus on serving chronically homeless adults previously living in encampments. These shelters are expected to significantly improve service quality but will require an estimated \$500,000 in additional operating expenditures. This request is equally split between the City and County for a total of \$250,000 in ongoing resources from each entity.

CBO Analysis

Summary

The total shelter costs, including the requested \$500,000, is \$2.56 million to support 220 beds at two locations. Opening these shelters will increase the total permanent shelter bed count by 20 beds. The higher level of service is anticipated to improve outcomes for clients transitioning to permanent housing.

Council Considerations

Given that it is not possible to scale permanent shelter operations, CBO suggests that these increased operating costs should be prioritized within the ongoing base budget. Council should then consider the resulting tradeoff – service reductions elsewhere in the system – alongside overall priorities for the Joint Office and other General Fund asks.