

The Funders Group Meeting Summary

April 13, 2009

TFG Members present:		TFG members absent:
Emily Leslie Jackie MacLean Stephen Norman David Okimoto	Alan Painter Adrienne Quinn Arthur Sullivan David Wertheimer	Jason Johnson Tom Tierney
Funders Group Reps/Staffers Present:		
Debbie Thiele Cheryl Markham Katy Miller Lisa Cipollone	Bill Rumpf Sara Levin Kollin Min Mary Shaw	Bill Block Gretchen Bruce Judy Summerfield Amnon Shoenfeld

Recent Trends: Economic and Basic Service Needs

Mary Shaw (UWKC) presented information on recent trends that UWKC and other partners have been tracking to better understand the local impact of the economic downturn. She has been collecting various data sets that are considered fairly reliable, indicative and relatively easy to collect on a recurring basis. A major source of information is Community Information Line (2-1-1) who reports that calls for basic needs such as rent and utility assistance, along with referrals to foodbanks have increased steadily in the past year. This tracks closely with increases in layoffs and the unemployment rate as tracked by the Dept of Labor. She explained that they are watching for another uptick in calls when the first wave of unemployment benefits expires in June, when they estimate that about 300 households per week will be dropped from benefits.

TFG members thanked her for the information and suggested the include requests for shelter in the data she is tracking, and seek information on the non-employed rate, which is different from the unemployment rate.

Workplan Budgets

Each of the workplan leads prepared simple 2009 budget. Briefly:

- Production: anticipates service and operating costs of **\$1.5 million** to bring online the approximately 350 capital units scheduled to come online in 2009. To begin capital development of an additional 150-200 additional units will require **\$30-40 million** (150- 200 x \$200,000 per unit = \$30-40 million total capital funds). Potential Sources: Seattle Housing Levy, ARCH, King County Housing Finance Program, CTED HousingTrust Fund and 9% tax credit equity.
- Existing (Rental Subsidies): anticipates approximate annual cost **\$2,164,500** for 250 subsidies, and related service costs of **\$600,000**. Assumptions: 150 subsidies will have no service requirements, 50 subsidies will have medium service needs at \$4,000/unit or \$200,000 annually; and 50 subsidies will have high service needs at \$8,000/unit or \$400,000 annually.
- Coordinated Entry/High Utilizer: Budget projections for 2009 of **\$507K** - \$350K for staffing (client care coordinator, application developer, and integrated database manager.) and \$150K for consultation, training and development of healthcare exchange. Ongoing staffing and budget needs in 2010 and 2011 are \$239K for client care system coordinator and integrated database manager. These costs are fully funded through V&HS Levy, UWKC and Medicaid match.
- Coordinated Entry/Families: Budget projections for 2009 of **\$300K** covers staffing of the planning process as the Families plan under the Gates Initiative is developed. These costs are fully funded through Gates and UWKC. Costs in 2010/2011 will depend on models and strategies selected and could range anywhere from a modest \$200K for a modest coordinated entry model upwards of a million or more. The group discussed when these policy decisions will be made, and stated a goal of having something available for the upcoming NOFA.
- HMIS Implementation: Budget projections for 2009 of **\$950K** for staffing, technical support, direct agency support (licenses, training) and office/operating costs. These costs are mostly fully funded through McKinney, City of Seattle and 2163/V&HS Levy.

Next steps are for workplan leads to prepare budget projections for 2010 and 2011. Financial leads will be asked to expand the Funders Group Draft Financial Plan to 2010/2011 to include revenue projections for 2010 and 2011, along with known expenditure commitments in the line items called out within the draft financial plan (Emergency Shelter, Prevention, Infrastructure, Housing, Services)

Principles of Funding Decisions

The Funders Group briefly reviewed the list of principles brainstormed at the March Funders Group. They added a few more principles and agreed they needed to be reframed into a more consistent set of principles and agreed that Homeless Housing Funders Group is well suited to complete this task. Then, working from a reframed list, the Funders Group will winnow these down to a more manageable 8-10 first tier selection and bring those to the IAC to seek feedback on which principles might be prioritized. With this advisement, the TFG will select the most crucial 4-6, and use those to make funding decisions within the next NOFA and other funding opportunities that may come available. The initial list of principles and strategies is:

Secure additional revenue sources. Maximize use of funds, and braid and target funds towards best use.

- Clarify fund uses and fund restrictions to target dollars towards best use. Continue to work through the politics and realities of decision making across funding sources (CDBG, HHSF, THOR, etc.)
- Address the question of McKinney funding. Make a commitment to increase our score and follow thru. Related to that, explore replacing HHSF operating/rental assistance in current projects and move HHSF to services only projects.
- The housing authorities have said that they can implement a tiered reimbursement rate for section 8's, i.e., a higher reimbursement for studios with supportive services attached to them over the standard studio rate. How can we use that to further our goals?
- Identify if/how stimulus funds can be used to move existing or upcoming projects forward and incorporate information from the federal/state funding picture.
- Support/Request that Gates support back-end match so that stimulus funds could be used in years one, two or three and the Gates Foundation dollars would kick in to sustain project
- Plan for the new vouchers that the housing authorities hope to receive through their recent applications to HUD. These will bring rental subsidy dollars, but the clients will still need services.

Address issues of timing, renewals and inclusion in the Homeless Housing Production Report

- Explore holding back some revenue in 2009 and 2010 NOFAs to save for re-application short falls.
- Develop a pro-active renewal policy – assuring funding now and into the future so that capital funding decisions are made knowing there will be continuation of services for “x” number of years
- Develop a re-active renewal policy – identifying which types of current projects will be re-funded, at what levels, or by what standards (performance standards, service level needs, other...?)
- Resolve the policy question of how renewals should play out in the production report (if units are defunded should they be backed of the units brought online?)
- Account for other pipelines such as state HGAP, and other cliff's we might face.

Use data and evaluative information to guide funding decisions

- Catalogue our housing and services inventory. Set strategic targets for specific housing models and levels of service.
- Develop clear and consistent criteria for performance evaluation within and across projects.
- Research and understand which housing/service models have the best outcomes.
- Defund non-performing projects
- Research and understand if projects are actually housing the intended clientele (eg, the very hardest to serve) to ensure we are using funding effectively.
- Identify a realistic cost per client based on level of need/type of housing and use that as a model for making funding decisions. Explore capping funding/reimbursement levels based on client need.

Identify an appropriate balance of housing and services across the county and populations

- Agree whether to stabilize existing programs before expanding into new areas
- Agree when we should expand existing programs showing high efficacy
- Do we build new features in our system to fill gaps?
- Determine whether regional and population distribution goals should be embedded in all principles?
- Explore the politics of decision making. What decisions can be made and by whom?
- Set specific targets/goals for number and type of housing models needed as part of the continuum of housing models.