

Permanent Housing Liaison Meeting Budget Deep Dive

Date of Meeting: March 19, 2024

Attendees:

CON	HSH	MOHCD	OCOH
<ul style="list-style-type: none"> • Radhika Mehlotra • Ivy Huwald 	<ul style="list-style-type: none"> • Gigi Whitley • Marion Sanders • Christine Rolan • Reyna McKinnon 	<ul style="list-style-type: none"> • Brian Cheu • Helen Hale 	<ul style="list-style-type: none"> • Shanell Williams • Jennifer Friedenbach • Julia D’Antonio • Scott Walton

1. Welcome and Introductions

2. Fiscal Update on Permanent Housing

- **Unspent OCOH Balance – Mid-Year Budget Update**

The mid-year budget update showed \$152M in the projected year-end total balance (including acquisition and reserves) in the Permanent Housing service area.

- How has the March revenue update affected this balance amount?
 - i. There is a revenue shortfall across all categories that is projected to continue to dip more with each year going forward.
- What portion of this balance is entirely uncommitted and available for new or expanded programs? Please delineate one-time vs. ongoing.

- **Maintain Current Programming**

- How much funding is needed in FY24-25 and FY25-26 to **maintain** current programming? Please delineate one-time vs. ongoing.
 - i. TAY RRH budget is growing but a slow decrease begins once the department hits the three-year investment.
 - ii. Family Housing included OCOH spending recommendations and has about a \$8M FY24 year-end surplus that drops going forward.
- Based on the March revenue update, will there be enough funding to cover the cost of maintaining current programming, including any inflationary costs?
 - i. One time investment subsidies are projected to decline.
- If not, are there any other sources available to cover the cost of maintaining current programming? If so, what are those sources (underspend from prior year years/fund balance, reserves, acquisition, or any other unearmarked/uncommitted funds)? Please indicate whether these sources are available one-time or on an ongoing basis.
 - i. Adult Housing has a \$12M shortfall in FY25-26. This structural gap could be closed if new savings could be generated by not moving forward with programs that haven’t started such as: RRH expansion, a temporary

subsidy that allows for one-time funding without ongoing costs; Women flex pool subsidies, Adult & Senior flex pool subsidies (includes TGNCL), and Shallow subsidies.

- ii. HSH will share overview with Committee but have not made recommendations or proposed changes as this issue is intended to be a larger conversation in the community.

- **Planned Programming – Delayed**

- What **delayed** programs are expected to start in FY24-25 and FY25-26? What are their funding commitments (amount and nature)?
- Based on the March revenue update, should the Committee consider choices to delay further or not move forward at all, to generate savings to maintain current programming?
- See notes about Adult Housing shortfall.

- **Planned Programming – New**

- Is there any **new programming** that is expected to start in FY24-25 and FY25-26? If so, are there any **new costs** associated with that programming?
 - i. HSH is planning to use \$20M of one-time funding to add the 80-100 Family slots for FY24-25 (not the full \$25M because some funding is needed for administrative costs)
 - a. Member Friedenbach clarified that \$40K per family was intended to include support services. HSH explained that there are other indirect and provider costs that will have to be added on per family.
 - ii. Small site acquisition is not included in TAY Housing because there was not enough to commit for ongoing operating costs. There is money to support the acquisition but not enough for ongoing operations.
 - iii. HSH can put together a slide of what programs have not started yet, if helpful for the Committee to refer to at the next OCOH meeting. Member Walton and agreed that understanding the magnitude of different choices and what they'd mean for the strategic plan would be valuable.
- Based on the March revenue update, will there be enough funding to cover the cost of new programming?
- If not, where are the decisions points to delay new programming or make policy decisions to not move forward at all, to generate savings to maintain current programming?
 - i. HSH noted that they are working on pulling out TAY served within family units for Committee members to reference but this will take some time to pull from each OCOH program's demographic data. Family housing could be helpful to see breakdown of demographics for children served within family units.

- **State/Federal Funding**

- Are there possible OCOH funds that will get supplanted by State/federal funding over the two budget years and generate savings in the fund