



## PPEH Gaps & Needs Committee 2020-2022 VHSP Application Recommendation Report

### Executive Summary:

On Monday 1/27/2020 the Virginia Dept. of Housing and Community Development (DHCD) released its 2020-2022 Virginia Homeless Solutions Program (VHSP) grant with a submission date of 3/20/2020. VHSP funding in Alexandria currently supports Homeless Prevention, Emergency Shelter, and Rapid Rehousing (RRH) services, as well as the operation of HMIS and the execution of CoC Planning. A breakdown of Alexandria's \$980,779 in FY20 VHSP allocations is listed below:

- Homeless Prevention - \$257,000 (OCS)
- Emergency Shelter - \$110,000 (ACS, Winter Shelter, DV Program)
- Rapid Rehousing - \$533,779 (Carpenter's Shelter)
- HMIS - \$25,000 (OCS)
- CoC Planning - \$23,000 (OCS)
- Coordinated Entry - \$32,000 (OCS)

During competitive community funding application in the Alexandria Continuum of Care (CoC), the Gaps & Needs Committee is responsible for submitting recommendations to the Governing Board on which services and processes to address in CoC's Request for Proposal (RFP). The Committee's recommendations are based on system performance data reported to the Board via quarterly Recommendation Reports, but in this capacity include further context relative to the current funding opportunity.

According to VHSP guidelines, HMIS, coordinated entry, and planning opportunities are only available to the City of Alexandria's Office of Community Services (OCS) as the designated HMIS, coordinated entry, and CoC Lead Agency. Other services are available for application from external service providers in accordance with community need and CoC policy. There is no cap on the amount of funds communities or specific programs can apply for, though DHCD awards funding only up to the level of community need as documented in CoC performance data. As such, community need for 2020 VHSP Homeless Prevention, Emergency Shelter, and RRH services will each be addressed in this Report.

The Final 2020 VHSP Recommendations the Governing Board will be asked to approve through formal vote are listed below:

- VHSP Prevention – OCS apply for \$257,000 in 2020 VHSP Homeless Prevention
- Emergency Shelter – VOA-C apply for \$60,000 in 2020 VHSP Shelter for ACS; Carpenter's Shelter apply for \$40,000 in 2020 VHSP Shelter for Winter Shelter; DV Program apply for \$10,000 in 2020 VHSP Shelter
  - Emergency and winter shelter programs requesting additional funding must describe how the specific increase will effect a change in delivery of housing services and what program outcomes will improve as a result
  - DV shelter programs requesting additional funding may also target improvement of client safety measures
- Rapid Rehousing – Carpenter's Shelter apply for \$533,779 in VHSP-RRH, \$180,000 for families and \$353,779 for singles

- RRH programs requesting additional funds may only target family households and must describe how the specific increase will improve service delivery including how many additional households will be served

### **Problem Statement:**

Considered competitive community funding, prospective 2020 VHSP funding applicants must display capacity to meet CoC service and assessment standards and address a current community need in the City. The Lead Agency, OCS, manages compliance criteria in the RFP for services while the CoC Gaps and Needs Committee is responsible for defining the community need.

Gaps & Needs typically fulfills this task through Quarterly Recommendation Reports to the Governing Board on system performance data trends. However, given the time required to execute the subsequent RFP, the Committee must develop a report specific to the 2020 VHSP opportunity and available services.

### **Timeline:**

Given the 3/20/2020 due date of the application, the Committee is requesting that this report achieve CoC Governing Board approval via electronic voting mechanism by COB 2/6/2020. This will allow the subsequent RFP and community application to meet the deadlines listed below

- Feb. 2, 2020 – City of Alexandria’s 2020 VHSP RFP released to targeted providers
- Feb. 28, 2020 – RFP respondents submit 2020 VHSP program proposals and funding requests to the CoC Lead
- Mar. 4-6, 2020 – CoC Priorities committee convenes to review proposals and make final 2020 VHSP Funding Recommendation to the PPEH Governing Board
- Mar. 9 – March PPEH Governing Board Meeting vote to approve final 2020 VHSP Funding Recommendation

### **Potential Options:**

- *Adjust Funding Allocation:* moving dollars within Alexandria’s Community application from one service to another (ex: \$10,000 of \$110,000 in Emergency Shelter moved to Rapid Rehousing)
- *Adjust Service Provider:* maintaining the funding allotment of the specific service but assuming a new provider (ex: \$257,000 in Homeless Prevention to an organization other than OCS)
- *Maintain Configuration:* maintaining funding allotment and provider of the specific service (ex: \$533,779 in Rapid Rehousing to Carpenter’s Shelter)

### **Prevention - \$257,000**

As operator of the CoC’s coordinated entry hub and manager of other local, state, and federal short-term housing assistance resources, OCS is uniquely positioned to prioritize VHSP prevention funds to residents with the most need. Through FY20, coordinated entry screened 12 fewer singles and 7 more families for housing assistance than the same time period last year. Still, VHSP Homeless Prevention is on pace to be fully spent for the first time in several years, and on a more equitable ratio of single to family households as targeted by the CoC. Since July, OCS served 9 singles in VHSP homeless prevention, surpassing annual counts for the past 4 years. Including family households, VHSP prevention is on pace to serve 33% more households in FY20 than in the past 4 years.

VHSP prevention has gone underspent in the past due to narrowing client income requirements that has limited eligibility in a high-cost area. Clients that do qualify thus have greater financial need, and in 2019 averaged 270 days in VHSP-prevention compared to just 70 days the year before. Together, FY20 VHSP-Prevention data illustrates that tighter funding regulations and the typical inflow into homeless services is being met with more strategic and effective application of homeless prevention funds.

In FY21, the Homeless Services Assessment Center (HSAC) is scheduled to repeat the change that increased access for single adults, this time for families experiencing housing instability. As a result of allowing walk-in appointments for singles assessments in 2017, HSAC screened over 30% more singles. Anticipating a similar same spike in FY21 when family walk-in assessments begin, the Committee is confident homeless prevention services will be in higher demand and at least maintain this spending level.

Despite recent history of underutilization, VHSP homeless prevention has proven effective in FY20. OCS has also demonstrated capacity to leverage its other short-term assistance resources including TAPP, CSBG, Energy Share, etc., for clients who are ineligible for VHSP prevention specifically. As increased access in FY21 will further amplify the prevention need, demanding a provider that can employ a bevy of resources at coordinated entry, **the Committee recommends the CoC maintain current configuration of VHSP Homeless Prevention.**

#### Emergency Shelter – \$110,000 (\$60,000 ACS; \$40,000; \$10,000 DV Shelter)

Overall shelter utilization in FY20, both year-round and seasonal, is only slightly down. Winter Shelter experienced the largest decrease, serving 8 fewer families and 21 fewer singles compared to this point last year. The decline of singles in winter shelter can be attributed to improved accessibility of year-round shelter, where coincidentally, exactly 21 additional single adults were served. Year-round family shelter did not experience the same tradeoff and served 4 fewer families, leaving the City's FY20 shelter service count with 12 fewer families and the same number of single adults as FY19. An upcoming change at HSAC in FY21 will improve accessibility of year-round family shelter as it did for singles previously, which the CoC expects to then be reflected in numbers served.

In the data, the City's two-year round shelters, seasonal winter shelter, and shelter for domestic violence (DV) survivors, display the bed capacity to meet residents' emergency housing needs. In 2019 City shelters served 577 households compared to 633 in 2018. The national shift towards housing first policies has limited state and federal investment in shelter services already so without an obvious gap, the Committee cannot support any request to increase capacity.

Acknowledging the current need remains however, **the Committee recommends only current year-round, seasonal, and DV shelter providers in the City be eligible to apply for VHSP emergency shelter services** and suggests they apply only for their current award. Programs requesting funding beyond the FY20 amount should demonstrate how additional VHSP-Shelter funding will support a change in the shelters' housing-focused services, or for the DV shelter, support client safety improvements.

#### Rapid Rehousing - \$533,779 (\$180,000 for Family-RRH; \$353,779 for Singles-RRH)

FY20 marked the start of Carpenter's Shelter as Alexandria's sole RRH service provider. In the City's FY18 VHSP competition, RRH funds were reallocated according to the ratio of singles and families served in shelter, and applicants were required to operate according to coordinated entry and housing prioritization policies for the first time. A provider's exit from the City in FY19 forced another reallocation of family specific RRH funds, both VHSP and federal, leading to the current RRH configuration. As such, the CoC can only produce relevant data on the current RRH provider, since 7/1/2020, during which systems have proven effective.

In that time, VHSP-RRH reached new highs with the CoC serving and housing more clients than in several years. To date in FY20, Carpenter's Shelter served 114 singles and housed 27 through VHSP-RRH, compared to 72 served and 12 housed in the same time period last year. The program has also served 27 families and housed 10 this fiscal year compared to 19 served and 11 housed at this point in FY19. Anecdotally, VHSP RRH is outpacing its annual budget due

to the increasing housing barriers of RRH prioritized clients and will likely request additional funds from the state to bolster FY20 family RRH.

While the sample size is limited, Carpenter's Shelter has exceeded expectations in their execution of VHSP-RRH and worked within the CoC coordinated entry system to equally serve residents of all City shelters. As the operator of an emergency shelter and the City's only federal RRH program, Carpenter's collaboration helped the CoC standardize City RRH services much faster. Specifically, the provider's presence as co-chair of the Housing Crisis Response Committee ensured changes to RRH Prioritization were well documented, uniform, and responsive to clients' needs.

Considering the program's recent success, the Committee recommends the CoC not make funding adjustments that decrease VHSP-RRH. The proportion of singles to families served in RRH is equitable also with 19% of RRH funds going to families who represent about 15% of the shelter population, so the Committee recommends that delineation remain as well. Typically, this service is open for proposal from new organizations, but **the Committee recommends the CoC Maintain Configuration of VHSP-RRH** to monitor if its FY20 progress is sustainable and transferable to other programs.

Further, there may be a developing need for more family RRH funds in the future. Considering the loss of some federal dollars in FY21, the change to family assessments, and the rate of current family VHSP-RRH spending, it may benefit the CoC to invest now. If the RRH provider intends to request more funding the committee recommends that it be allotted to family households, and that the specific dollar increase be translated into additional clients served in their response to the RFP.

## **Final Recommendation**

Throughout FY20, the CoC's System Performance Metrics have fared well. The Continuum's two focal points, permanent housing exits and duration of homelessness, maintained typical averages and no metric has prompted further CoC review. VHSP programs specifically have outperformed averages, but more importantly, adjustments to CoC housing policies have been transparent, strategic, and made in direct response to current system needs.

In summary, the Gaps & Needs Committee recommends the CoC take encouragement from recent progress and stay the course in the upcoming 2020 VHSP Application, with a goal to help those trends continue.