## STAFF REPORT

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| **Agenda Item:** | 6 | **Name:** | Mary Bourguignon |
| **Proposed No**.: | 2016-0156.2 | **Date:** | April 27, 2016 |

**SUBJECT**

Proposed Ordinance 2016-0156 would approve an implementation plan for the Best Starts for Kids Youth and Family Homelessness Prevention initiative and require an annual report on outcomes from the initiative. This is the committee’s second briefing.

**SUMMARY**

The Best Starts for Kids (BSK) levy approved by King County voters in November 2015 includes $19 million for a Youth and Family Homelessness Prevention (YFHP) Initiative that is intended to "prevent and divert children and youth and their families from becoming homeless." The legislation that placed the BSK levy on the ballot required that the Executive transmit an implementation plan for this initiative by March 1, 2016.[[1]](#footnote-1) Proposed Ordinance 2016-0156 would approve the proposed implementation plan for the YFHP Initiative and require an annual report on outcomes from the initiative.

According to the implementation plan, the YFHP Initiative would be modelled on the Washington State Domestic Violence Housing First (DVHF) Program, a homeless prevention program that was funded by the Bill & Melinda Gates Foundation and coordinated by the Washington Coalition Against Domestic Violence. It would employ a combination of case management and flexible, client-centered funding to meet the needs of youth and families who are at imminent risk of homelessness.

Implementation of the YFHP Initiative is proposed to begin with an appropriation of $3.16 million,[[2]](#footnote-2) out of which the County would allocate approximately $2.9 million to provider agencies through a competitive Request for Proposals process.

The Regional Policy Committee voted to approve the implementation plan, as amended, at its meeting on April 13, 2016. The amendment approved by that committee clarifies that, consistent with the DVHF Program model, the YFHP Initiative will aim to meet a goal of 50 percent of the funds allocated to provider agencies to be used for case management and agency administration; and the other 50 percent for flexible funds for clients.

**BACKGROUND**

The Best Starts for Kids (BSK) levy that was approved by King County voters in November 2015 includes $19 million for a Youth and Family Homelessness Prevention (YFHP) Initiative that is intended to "prevent and divert children and youth and their families from becoming homeless."[[3]](#footnote-3) Proposed Ordinance 2016-0156 would approve the required implementation plan for the YFHP Initiative and also establish a requirement for an annual report on initiative outcomes.

The implementation plan was developed, as required, in collaboration with the Children and Youth Advisory Board,[[4]](#footnote-4) as well as with a Planning Committee of community members, stakeholders, and provider agencies.

This staff report provides a summary of the proposed implementation plan, focusing on the policy recommendations incorporated in the implementation plan. The committee was briefed on the proposed implementation plan on March 15, 2016.

The Regional Policy Committee was briefed on the proposed implementation plan on March 9, 2016, and April 13, 2016, and voted to approve Proposed Ordinance 2016-0156, as amended, on April 13, 2016. The amendment approved by the Regional Policy Committee clarifies that, consistent with the Domestic Violence Housing First program model, the HYFP Initiative will aim to meet a goal of 50 percent of the funds that are allocated to provider agencies will be used for case management and agency administration; and the other 50 percent for flexible funds for clients.

The implementation plan proposes:

* **Prevention focus.** Consistent with the BSK Levy ordinance, the YFHP Initiative proposes to focus on preventing youth and families who are imminently at risk of homelessness. It would not serve people who have already become homeless – those people would be served by the homeless services system.
* **Domestic Violence Housing First model.** The YFHP Initiative is proposed to be modeled on a program that has been identified as a statewide best practice, the Washington State Domestic Violence Housing First (DVHF) Program.[[5]](#footnote-5) The DVHF Program provided a combination of:
	+ Mobile case managers (called “advocates” by domestic violence organizations) who helped clients address the reasons they were at risk for homelessness and develop a plan to stabilize; and
	+ Flexible funding to meet client needs (for child care, rental assistance, etc.).

Evaluation of the DVHF program found that nearly 90 percent of participants had been able to obtain or maintain permanent housing as of the program’s conclusion.[[6]](#footnote-6)

As noted above, the amendment approved by the Regional Policy Committee clarified that the YFHP Initiative would, in recognition of the success of the DVHF model, set a goal that 50 percent of the funds disbursed to provider agencies would be used for case managers and agency administration, and the remaining 50 percent would be used for flexible funding for clients.

* **Outcomes measurement.** To determine whether the YFHP Initiative is succeeding at preventing people from becoming homeless, the implementation plan proposes three measures of success: (1) no future need for homeless services, as measured by absence from the Homeless Management Information System; (2) an overall reduction in the number of youth and families becoming newly homeless; and (3) other measures of success and stability to be determined as an overall evaluation plan for the BSK levy is developed, such as ability to finish school.
* **Disproportionality.** Local and national data show that LGBTQ youth and people of color are disproportionately at risk of becoming homeless. As a result, the implementation plan proposes to address the needs of these groups. The implementation plan also proposes to reach out to small, non-traditional agencies that provide services to specific ethnic and cultural communities.
* **Proposed disbursement of funds.** The implementation plan proposes that $3.16 million be appropriated for the initiative during 2016 ($2.89 million to be competitively awarded to community-based provider agencies and $275,000 for training, agency support, one County FTE to manage the program, and County administration).[[7]](#footnote-7)

**ANALYSIS**

**Fund allocation timeline.** Councilmembers have asked how much money would be distributed each year for YFHP. The implementation plan proposes that $3.167 million be allocated for the remainder of 2016, and notes that this rate of spending would exhaust the $19 million prior to the end of the BSK Levy.

The implementation plan notes that this proposed rate of spending is based on a recommendation from the Children and Youth Advisory Board, which proposed early spending in light of the level of need in the community.

**Number of agencies to be funded.** Executive staff have indicated an expectation that the proposed 2016 allocation could be used to provide funding for approximately 25 agencies (approximately $100,000 per agency, with some funds held back in case there is additional need).

The plan further recommends that the funding amount be increased during years two and three and that provider agencies receive contracts for three years, allowing them the certainty to invest in staff and training.

**Funding proposal for 2016.** For 2016, the appropriation ordinance (PO 2016-0157) includes a fiscal note that proposes funding in three main categories:

* **Training and program management:** $202,899 for training, capacity-building, agency technology, and a new County FTE to manage the program;
* **King County administration:** $75,275 for King County central rates; and
* **Direct service:** $2,888,493 to be allocated to approximately 25 provider agencies (approximately $100,000 per agency) through a competitive process.

**Distribution of funds within provider agencies.** As proposed in the implementation plan, agencies would use their funds for case managers, flexible funds for clients, and administrative costs.

As noted above, the amendment approved by the Regional Policy Committee would set a 50/50 goal for overall allocation within agencies: 50 percent of funds to be used for case managers and administrative costs; and 50 percent for flexible funding for clients.

**Number of people to be served.** Executive staff anticipate that up to 750 clients could be served each year, with 75% able to avoid homelessness. For 2016, that amount would be prorated, based on when contracts take effect.

By way of comparison, the Domestic Violence Housing First program served 900 households over the course of five years with a total of $2.95 million.

**Choice of model.** Councilmembers have asked whether the Council could choose a different model – rather than the Domestic Violence Housing First program model – for the YFHP Initiative. The BSK levy ordinance provides flexibility in the choice of model. It states that the initiative should prevent youth and family homelessness, but does not specifically require the use of DVHF or any other approach as a model.

The amendment that was approved by the Regional Policy Committee, however, did specifically identify DVHF as a model and set fund allocation parameters based on that model. That amendment did indicate some level of intent by policymakers to limit the choice of model to the DVHF model.

**Outreach to diverse communities.** Executive staff has proposed that the competitive allocation process would award funds to approximately 25 agencies, and propose allowing additional flexibility for smaller or non-traditional providers. They have proposed funding training to assist providers with capacity-building, technology, and other skills as needed.

**Outcomes measurement.** The implementation plan proposes three measures of success: (1) clients do not show up in the Homeless Management Information System (HMIS) in the future as homeless: (2) overall numbers of newly homeless youth and families decrease; and (3) other, to-be-determined measures show individual client success (finishing school, no involvement with criminal justice system, etc.).

**Public accountability.** The implementation plan notes that King County will administer, monitor, and evaluate the YFHP Initiative, including both financial and programmatic audits of provider agencies. The implementation plan also notes that data will be collected as part of the overall BSK Levy evaluation effort and will be evaluated as part of that overall effort.

**Outside evaluation.** Councilmembers have asked whether the YFHP Initiative could be guaranteed outside evaluation. The BSK levy ordinance[[8]](#footnote-8) allocated a specific portion of levy funds to evaluation and data collection. This amount, which is designed for all levy programs, cannot be increased because it was specifically identified in the voter-approved levy ordinance. However, Council’s legal counsel notes that the Council could choose to set aside funds from within the $19 million allocated for the YFHP initiative to use for evaluation of that program only. That would be a policy choice for the Council, balancing the benefits of increased evaluation against funding for program needs.

**Impact on future year decisions.** Councilmembers have asked how binding the implementation plan would be on spending allocations in future years. The BSK levy ordinance did not specify how detailed the required implementation plans must be, nor whether funds must be spent in strict compliance with those plans. Council’s legal counsel notes that the Council could ensure its goals are met by adding more specificity to the implementation plan; revising it as needed in future years; and/or conditioning YFHP Initiative appropriations with provisos or expenditure restrictions.

**AMENDMENTS**

The HHHS Committee Chair has been developing a striking amendment to the proposed ordinance as amended by the Regional Policy Committee based on comments and concerns expressed by Councilmembers, as well as updates provided by Executive staff. This amendment will be distributed at the committee meeting.

**ATTACHMENTS**

1. Proposed Ordinance 2016-0156.2 (and its attachment)

**INVITED**

1. Adrienne Quinn, Director, Department of Community and Human Services
1. Ordinance 18088 [↑](#footnote-ref-1)
2. Proposed Ordinance 2016-0157 [↑](#footnote-ref-2)
3. Ordinance 18088 [↑](#footnote-ref-3)
4. Ordinance 18217, enacted in December 2015, created the King County Children and Youth Advisory Board for the purposes of 1) serving as the advisory body recommended by the youth action plan; and 2) serving as the oversight and advisory board for the Best Starts for Kids levy. Members of the Children and Youth Advisory Board were appointed in January 2016. [↑](#footnote-ref-4)
5. http://wscadv.org/projects/domestic-violence-housing-first/ [↑](#footnote-ref-5)
6. Evaluations of first and second phases of the DVHF project, see http://wscadv.org/projects/domestic-violence-housing-first/ [↑](#footnote-ref-6)
7. Proposed Ordinance 2016-0157 would make the appropriation [↑](#footnote-ref-7)
8. Ordinance 18088 [↑](#footnote-ref-8)