BUDGET DEEP-DIVE INTO HOMELESS SERVICES

SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE
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ISSUE BRIEF

INTRODUCTION

This brief describes the homeless services system in Utah, and discusses revenues, expenditures, and other budget-related issues. For the purposes of the brief, the term "homeless services" refers to all services related to housing assistance, housing placement and case management, and emergency shelter services offered through the Department of Workforce Services (DWS), Housing and Community Development Division (HCD). Options for legislative action are provided in the next section, followed by the full discussion and analysis.

LEGISLATIVE ACTION

Based on the analysis provided in this brief, the Legislative Fiscal Analyst (LFA) recommends the Legislature consider the following actions. The Department of Workforce Services has expressed no issues with these recommendations and will implement them if this committee desires.

1. The LFA recommends that
    a. Workforce Services, in addition to current performance measures, reports on the following HUD outcome measures as performance measures for the Housing and Community Development line item:
        i. Average number of nights homeless for persons in emergency shelter and transitional housing
        ii. Total returns to homelessness in two years
    b. Workforce Services publishes online all HUD outcome measures for Utah from the federal fiscal year ending on September 30th before December 1st of the same year.

2. The LFA recommends that the Legislature open a bill file to waive fees at the state and local level for birth certificates and state-issued ID cards for homeless individuals, provided the individual has verified homeless status through documentation from a shelter or service provider.

3. The LFA recommends that the Subcommittee recommend to the State Homeless Coordinating Committee to re-allocate resources to provide Diversion services to individuals who currently are ineligible to receive these services due to TANF funding restrictions.

4. To enhance the agency's ability to track homeless services spending, the LFA recommends that the State Homeless Coordinating Committee prepare a report to the Office of the Legislative Fiscal Analyst by June 1st, 2018 on how it plans to address the following funding challenges:
    a. Difficulties in tracking budget and expenditure trends by program type (Rapid Re-Housing Assistance, Permanent Housing Services, etc.).
    b. Increased coordination of the SHCC and COC Collaborative Applicant monitoring and technical assistance processes

5. The LFA recommends that Workforce Services report to the Office of the Legislative Fiscal Analyst by June 1st, 2018, an update on the status of the following new homeless services:
    a. The coordinated services ID card
    b. The Rio Grande safe space
    c. The new HMIS dashboard
    d. Dignity of Work

LFA anticipates that these recommendations will inform the department and the Legislature's ability to evaluate resource utilization, improve efficiency and cost-effectiveness, and identify the most critical needs for system improvement.

Overview and Scope

Homeless Services Spending. In FY17, DWS spent $10.1 million on the homeless services system. Forty-one percent of this, or $4.1 million, comes from state dollars, while the other fifty-nine percent is federal dollars.

Homeless Services Definition. For the purposes of this brief, "homeless services" include the following housing-focused programs, which will be discussed in more detail later in the paper.

- Rapid Re-Housing
- Permanent Supportive Housing
- Street Outreach
- Diversion
- Transitional Housing
- HMIS data system
- Emergency Shelter (including construction of new resource centers)

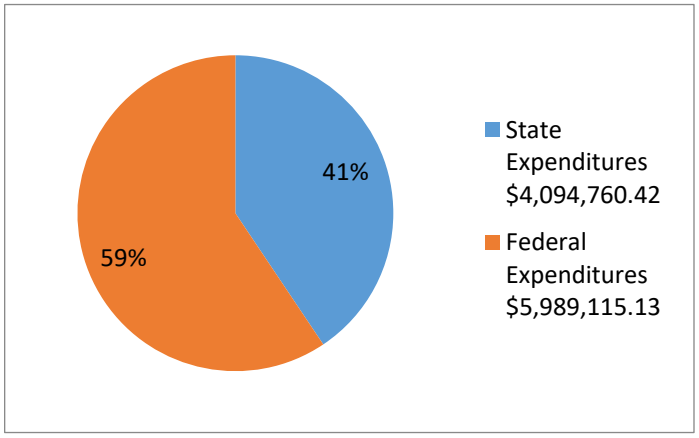

Figure 1. FY17 Homeless Spending, State v. Federal
Source: Department of Workforce Services

State Homeless Coordinating Committee (SHCC). A state committee composed of stakeholders from various organizations involved in the delivery of services to the homeless population. According to DWS, "the vision for SHCC is to establish a housing-focused homeless service system so that homelessness is rare, brief and non-recurring. SHCC was established to facilitate a better understanding of the concept of homelessness in the community and to assist in the allocation of homeless funds received from the state and federal governments." The SHCC reviews grant requests and approves contracts through the Unified Funding Process.

Unified Funding. Unified Funding consists of money for homelessness services from four main sources: Temporary Assistance for Needy Families Block Grant (TANF), Emergency Solutions Grants Program (ESG), the Pamela Atkinson Homeless Trust Fund (PAHTF), and Critical Needs Housing (CNH). Each funding sources has different eligibility requirements for prospective projects. The Unified Funding Application is the competitive review process through which public, private, and nonprofit providers of homeless services are selected to receive grants for various homeless services.

Scope of Analysis. This brief provides an analysis of the budget of the Workforce Services homeless service system, focusing on housing-related services and assistance. Services to homeless individuals are offered through multiple state agencies and across multiple jurisdictions; funding for homeless services comes from federal, state, and local dollars, as well as private contributions**. For the purpose of this brief, homeless services specifically refers to housing-related services offered through the Department of Workforce Services under the authority of the State Homeless Coordinating Committee.** It is worth noting that the Department of Health (DOH) and the Department of Human Services (DHS), as well as other state and local government entities, fund services directed towards the homeless population as well; however, their contributions go beyond the scope of this brief.

DWS offers services apart from those covered in this brief that are frequently accessed by the homeless population; some examples include employment assistance (Workforce Development Division), food stamps (Nutrition Assistance), and affordable housing (Olene Walker Housing Loan Fund). These and other programs target a wider range of individuals, so it is difficult to measure exactly how much DWS funding ultimately goes towards serving the homeless population. This brief focuses on housing-related services and does not attempt to quantify total state or agency expenditures on the homeless population.

Operation Rio Grande is a multi-jurisdictional, interagency initiative which targets the homeless population. Many activities related to this operation go beyond the scope of what has traditionally been offered to the homeless population. This budget brief focuses on standing DWS programs for which expenditure data is available, which does not include the recent changes to the homeless services system. Some aspects of Operation Rio Grande that directly involve DWS are discussed later in the brief.

DISCUSSION AND ANALYSIS

This section addresses the following questions:

1. Who receives homeless services? (p.4)
2. Why does the state offer homeless services and what are they intended to accomplish? (p.5)
3. How is the homeless services system organized? (p.6)
4. How do we pay for homeless services? (p.7)
5. What services are we buying for homeless individuals? (p.11)
6. What outcome measures are reported on homeless services? (p.18)
7. What are some upcoming changes to the homeless services system? (p. 18)

1. Who receives homeless services?

Definition of Homeless. The current federal definition of homeless is described through the following four categories:

(1) Individuals and families who lack a fixed, regular, and adequate nighttime residence, including a subset for an individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or a place not meant for human habitation immediately before entering that institution.

(2) Individuals and families who will imminently lose their primary nighttime residence.

(3) Unaccompanied youth and families with children and youth who are defined as homeless under other federal statutes who do not otherwise qualify as homeless under this definition.

(4) Individuals and families who are fleeing, or are attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member. (U.S. Department of Housing and Urban Development, "HEARTH: Defining Homeless" 2)

Chronically homeless is a subset of the homeless population, defined as "an unaccompanied homeless adult individual (persons 18 years of age or older) with a disability who has either been continuously homeless for a year or more OR has had at least four separate occasions of homelessness in the past three years, where the combined occasions total a length of time of at least 12 months (U.S. Department of Housing and Urban Development, "HEARTH: Defining Chronically Homeless", 2).

Utah Homeless Subpopulations. Within Utah, there are a total of 3,080 homeless individuals according to the January 2017 Point in Time count. This is an increase of 273 individuals, or 9.7%, since the PIT count of January 2016. Of these 3,000 individuals, 278 (9%) are unsheltered while the remainder are sheltered in either an emergency shelter, transitional housing or permanent supportive housing, or are receiving rapid re-housing assistance. These 3,000 individuals are made up of 330 households (37.9% of population); 1,888 individuals (61.3%), and 25 unaccompanied children (0.8%). These statistics come from Department of Workforce Services, Housing and Community Development "Comprehensive Report on Homelessness: State of Utah 2017." (The complete report can be viewed here.)

As seen in Figure 2, the largest subset of homeless individuals is those experiencing domestic violence. The second and third largest subset are individuals with a mental illness or individuals who suffer from substance abuse disorders.

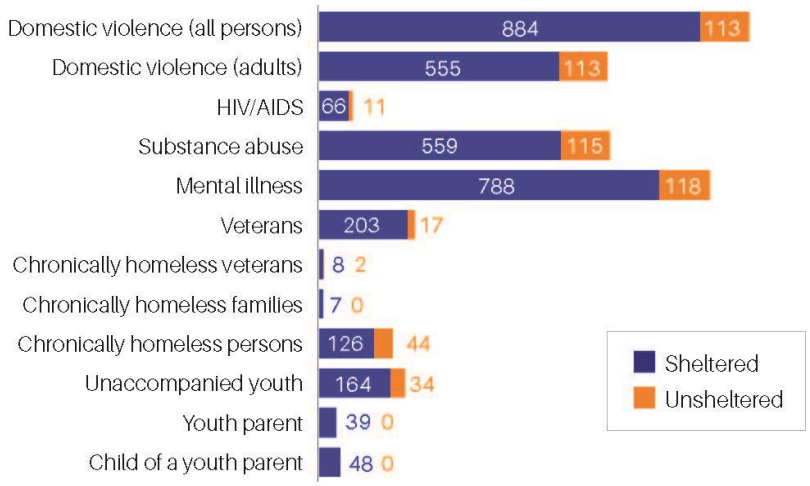

Figure 2. Homeless Subpopulations: 2017 PIT Count

Source: DWS 2017 Comprehensive Report on Homelessness

2. Why does the state offer homeless services and what are they intended to accomplish?

Utah Code. The Legislature authorizes homeless services delivery and directs its operation through statute, as documented in the Utah Code.

- 35A-8-202: Assigned "assist in funding affordable housing and addressing problems of homelessness" as one of the main responsibilities of the Housing and Community Development Division (HDC) within the Department of Workforce Services.
- 35A-8-601: Created the Homeless Coordinating Committee, also known as the State Homeless Coordinating Committee (SHCC) and designated the makeup of that committee.
- 35A-602: Directed that the purpose of the SHCC is to "ensure that services provided to the homeless by state agencies, local government, and private organizations are provided in a cost-effective manner." This section instructs the committee to emphasize "emergency housing and self-sufficiency, including placement in meaningful employment," and prioritize funding for homeless individuals who are in families with children, have a disability or mental illness, or suffer from other serious challenges. The committee also has the authority to fund substance abuse treatment programs. The committee will award contracts funded by the Pamela Atkinson Homeless Account, while stipulating that "no more than 80% of the funds in the Pamela Atkinson Homeless Account may be allocated to organizations that provide services only in Salt Lake, Davis, Weber, and Utah counties."
- 35A-8-603: Created the Pamela Atkinson Homeless Account and gives the SHCC authority to grant awards from this account.
- 35A-8-604: Gives the SHCC authority to award funds from the Homeless to Housing Reform Restricted Account, after providing written information to the Executive Appropriations Committee. This section also outlines the criteria that the SHCC will use to appropriate funds from the Homeless to Housing Reform Restricted Account, paying particular attention to the housing needs of at-risk populations. The statute also directs the timeline for the selection and construction of new resource centers, tied to the closure of the Salt Lake Community Shelter by June 30th, 2019.
- 35A-8-605: Created the Homeless to Housing Reform Restricted Account.

Because federal government funds make up 59% of total DWS spending on homeless services, federal regulations significantly affect the distribution of SHCC funds.

TANF Funding. The TANF program is authorized under Title IV-A of the Social Security act (see Laws and Regulations, Office of Family Assistance). Because TANF is a block grant, it allows Utah the flexibility to spend TANF funds according to four overarching goals: (1) provide assistance to needy families with children so that they can live in their own homes or the homes of relatives; (2) end dependence of needy parents on government benefits through work, job preparation, and marriage; (3) reduce out-of-wedlock pregnancies; and (4) promote the formation and maintenance of two-parent families.

Emergency Solutions Grant Funding. The Department of Housing and Urban Development (HUD) primarily funds homeless services through the Emergency Solutions Grant (ESG). The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act), which amended the 1987 McKinney-Vento Homeless Assistance Act, provides oversight for this program. The HEARTH act updated the definition of homeless and chronically homeless, established the Continuum of Care (CoC) organizational structure, and set eligibility requirements for programs and organizations applying for federal ESG funding. The purpose of the ESG is to "assist people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness." (HEARTH Act, Summary) One important ESG requirement is that state ESG recipients must coordinate with local CoC's in allocation of funding to service providers. DWS's compliance with this regulation has a significant impact on the organization structure of homeless service delivery within the state of Utah.

3. How is the homeless services system organized?

Funding Coordination. There are four main actors that operation in the homeless services space:

(1) *Private donors*. According to DWS estimates, private donors make up roughly 40% of a service provider's budget.
(2) *Local government.* Local leaders operate separately from the state government in funding priorities, Continuum of Care organizations can be closely tied to the local government. Some local government funds that go towards homeless services may be pass-through from the state and federal government.
(3) *State Government*. DWS has opted to coordinate state government spending through the SHCC, which brings stakeholders from multiple agencies together to discuss a strategic approach to funding homeless services. Some state government funds that go towards homeless services may be pass-through from the federal government.
(4) *Federal Government*. The federal government generally offers funding for homeless services through the Emergency Solutions Grant (ESG), managed through the Department of Housing and Urban Development (HUD). Federal government funds may go directly to service providers, or they may go to state and local governments who sub grant these funds to the service providers.

Coordination between these four entities can be challenging and requires a great deal of communication and data.

State Homeless Coordinating Committee. State homeless services are funded and coordinated through the State Homeless Coordinating Committee. According to DWS, the purpose of the committee is to "allow for collaboration and coordination in funding decisions across state and local agencies…Coordination of resources and services primarily takes place in this forum." To accomplish this goal, membership of this committee is designated by statute to include:

- Lieutenant Governor
- State Planning Coordinator

- State Superintendent of Public Instruction
- Chair of the Board of Trustees of the Utah Housing Corporation
- Executive Director of the Department of Workforce Services
- Executive director of the Department of Corrections
- Executive director of the Department of Health
- Executive director of the Department of Human Services
- Mayor of Salt Lake City
- Mayor of Salt Lake County

This structure brings together stakeholders from multiple state agencies involved with the homeless population. It also allows for state and local governments to collaborate effectively on allocation of resources and ensure that no duplication of funding takes place. To better coordinate funding at a local level, there are 13 different Local Homeless Coordinating Committees (LHCCs) who communicate with local government authorities and with the SHCC.

Continuums of Care. HUD regulations for recipients of ESG funds are centered around a Continuum of Care (CoC) model. In this model, funding for homeless services is provided primarily at a regional level. The three CoC's in the state of Utah are:

- Salt Lake (Salt Lake County)
- Mountainland (Utah, Summit, and Wasatch Counties)
- Balance of State (all other counties in the state)

Each CoC selects an entity as the "Collaborative Applicant" for ESG funding. The Collaborative Applicant (CA)administers the competitive selection process by helping service providers apply for ESG funding through the Notice of Funding Availability (NOFA) process. The CA sends HUD a compilation of all the service provider requests from its CoC and provides recommendations as to which programs should be prioritized for funding. At the end of the NOFA process, the federal government awards ESG money to the service providers or government entities directly; the CA is not responsible for distributing the grant money.

The CA for Salt Lake CoC is the Salt Lake County government; the CA for Mountainland CoC is Utah Community Action; the CA for the Balance of State CoC is DWS. DWS's role as CA is entirely separate from the state's direct interaction with HUD as a recipient of federal funds; DWS receives an additional ESG grant to cover the costs of coordinating grant applications for the Balance of State CoC.

One complication challenge that occurs comes from the monitoring and technical assistance requirements of ESG funding. HUD requires that pass-through agencies (the state, for example) monitor ESG programs, and also requires that the CoC Collaborative Applicant (Salt Lake County, for example) monitor the funded program as well. Regarding this challenge, DWS stated that "Efforts are being made in DWS, HCD to streamline the required monitoring and technical assistance processes."

(Recommendation 4.b) To enhance the agency's ability to track homeless services spending, the LFA recommends that the State Homeless Coordinating Committee prepare a report to the Office of the Legislative Fiscal Analyst by June 1st, 2018 on how it plans to address the following funding challenges: Increased coordination of the SHCC and COC Collaborative Applicant monitoring and technical assistance processes.

4. How do we pay for homeless services?

Service providers receive funding from both public entities and private donors. DWS estimates that roughly 40% of a service provider's budget is made up of private donations. Federal, state, and local governments contribute to funding the balance. DWS states that that "while there is one-time and ongoing investment from the state for homelessness services, federal funding is the primary, on-going resource for homelessness service providers and initiatives." Service providers receive federal funds directly and as pass-through from state and local governments.

FY 17 Expenditures on Homeless Services	
State Funding	41%
Pamela Atkinson Homeless Trust Fund (PAHTF)	21%
Critical Needs Housing (CNH)	5%
Homeless to Housing Reform Restricted Account	9%
Other General Fund	4%
Federal Funding	59%
Emergency Solutions Grant (ESG)	15%
Temporary Assistance for Needy Families (TANF)	44%

Figure 3. FY17 Expenditures on Homeless Services by Source
Source: DWS

DWS spent a total of $10.1 million on the homeless services system in FY 2017, $4.1 million in state dollars and $6 million in federal dollars. Homeless services are funded from a variety of sources, given in Figure 3. Other than revenue collected through tax check-offs on individual income tax returns for the Pamela Atkinson Homeless Trust Fund, DWS does not collect any taxes or fees to support homelessness.

The purpose, restrictions, and FY17 expenditures of each funding source are described below. Unified Funding, the pool of funds distributed by the SHCC to grant applicants, is made up of funds from PAHTF, CNH, ESG, and TANF. The Homeless to Housing Reform Restricted Account does not belong to Unified Funding as it was primarily created to fund activities related to the construction of new resource centers to replace the downtown shelter. Much of the text for this section taken directly from DWS's responses to LFA questions; DWS's responses are given in full in Appendix C.

Pamela Atkinson Homeless Trust Fund. The PAHTF is the primary mechanism of the state to deliver core funding to nonprofit agencies serving the homeless population. Revenue sources for the PAHTF are legislative appropriations to the Pamela Atkinson Homeless Restricted Account and the SHCC, tax check-offs on individual income tax returns, and interest earnings. In FY17, tax check-offs accounted for $100,798 or 4.7% of total PAHTF expenditures; interest on the account made up $3,490 or 0.2% of total PAHTF expenditures. Thirty-five agencies statewide received funding from PAHTF during Fiscal Year 2017 to support homeless services.

A critical purpose of this fund is to leverage dollars to the greatest extent possible, and the PAHTF account is carefully leveraged to maximize the amount of federal dollars the state qualifies for. PAHTF is the source of the state match for the federal ESG Program, which provides an additional $1.3 million in federal funding to support homeless programs. In addition, PAHTF is carefully deployed to maximize the more than $10 million in HUD Continuum of Care funding for which nonprofit homeless service providers can qualify.

The Department of Workforce Services was appropriated $2,451,400 in spending authority for the PAHTF for FY 2017. Actual PAHTF expenditures in FY 2017 were $2,167,130, or 88% of total spending authority. The amount expended was less than the amount appropriated for FY 2017 because the spending authority for the Pamela Atkinson Homeless Restricted Account for FY 2017 exceeded the amount of available funds in the restricted account. At year end, unspent restricted funds lapse back to the restricted account.

Critical Needs Housing. Critical Needs Housing is a grant program funded by a general fund appropriation from the Legislature for special housing purposes within the State. Eligible activities include emergency home repair, grants to leverage housing monies, accessibility design for disabled individuals, technical assistance to help write housing grants for rural agencies, down payment assistance for special needs rental projects, and other projects that create housing for homeless households. All funds must be used to serve those whose income is at or below 125% of the Federal Poverty Guidelines.

The Department of Workforce Services was appropriated $552,900 in spending authority for Critical Needs Housing for FY 2017. Actual expenditures in FY 2017 were $552,900, or 100% of the original spending authority.

Homeless to Housing Reform Restricted Account. The passage of House Bill 436 in the 2016 General Session, (*Utah Code* 35A-8-604,-605) created the Homeless to Housing Reform Restricted Account under the direction of the State Homeless Coordinating Committee (SHCC). As a statutory requirement, prior to final approval of a grant or contract to entities approved by the SHCC, information on the awards must be presented to the Legislative Management Committee (LMC) and the Executive Appropriations Committee (EAC). Recommendations from both the LMC and EAC must be considered prior to finalizing awards (UCA 35-8-604(2)).

Three types of appropriations were authorized under HB 436: General Fund One Time ($2.5 million), General Fund Ongoing ($4.5 million), and Federal Funds (TANF up to $2.25 million). These funds were appropriated as the first installment in a three-year investment toward improving services and outcomes for homeless populations. This fund was also created with a primary focus on the construction of new shelters within Salt Lake County. Due to constraints on TANF funding, which cannot be used for construction, TANF funding is used to target housing needs of specific at-risk populations. General Fund appropriations support the design and construction of three new homeless resource centers in Salt Lake County and projects that will support the new model.

Of the $9.25 million appropriation to the Homeless to Housing Reform Account, only $2.69 million or 29% of the original allocation, has been spent. This is less concerning due in large part to the nature of construction project, which are often accompanied by significant spending time lags. Most of the original appropriation has been set aside for costs associated with site acquisition and construction, expenditures which were not realized during FY17.

Emergency Solutions Grant. The Emergency Solutions Grants (ESG) Program provides grants to states, metropolitan cities, urban counties, and territories for

1. the rehabilitation or conversion of buildings for use as emergency shelter for the homeless,
2. the payment of certain expenses related to operating emergency shelters,
3. essential services related to emergency shelters and street outreach for the homeless, and
4. homelessness prevention and rapid re-housing assistance.

States are required to sub-grant all of their grant funds according to the above guidelines. HUD permits the state to sub-grant ESG funds to both local governments and private non-profit organizations, which DWS does through the SHCC and Unified Funding Application process. The state is also permitted to use ESG funding for a Homeless Management Information System (HMIS) and administrative costs (capped at 7.5% of the total federal allocation).

HUD also requires that states must match the funding provided under the ESG program with an equal amount from state sources, with the exception of the first $100,000 of the grant which is exempt from matching (24 CFR 576.201). Utah meets this requirement through funds allocated to the PAHTF. To avoid duplication of effort, the state also must consult with the Continuums of Care operating its jurisdiction in determining how to allocate ESG Program funds, which the state does through the SHCC.

The Department of Workforce Services was appropriated $1,239,200 in federal funds spending authority for the ESG Program for FY 2017. Actual ESG Program expenditures in FY 2017 were $1,191,837, or 96% of total spending authority.

Temporary Assistance for Needy Families. The TANF block grant provides federal grants for a wide range of benefits, services, and activities. It is best known for helping states pay for cash welfare for needy families with children, but it funds a wide array of additional activities. States may use TANF and TANF maintenance-of-effort funds in any manner "reasonably calculated" to achieve TANF's statutory purpose. This purpose is to increase state flexibility to achieve four goals: (1) provide assistance to needy families with children so that they can live in their own homes or the homes of relatives; (2) end dependence of needy parents on government benefits through work, job preparation, and marriage; (3) reduce out-of-wedlock pregnancies; and (4) promote the formation and maintenance of two-parent families.

TANF Expenditures in FY 2017:

- Homeless Children Supplemental Education Funding: $264,743
- Homeless to Housing Reform Restricted Account (emergency shelter, diversion, rapid re-housing, and permanent housing services): $1,784,565

- Rapid Re-housing: $2,446,893

DWS expects that TANF base grant spending in the current and subsequent years will essentially match available revenue sources. The Department was appropriated $102,131,100 in TANF spending authority for fiscal year 2018. Because TANF is a block grant which funds a wide variety of programs, it is inaccurate to compare TANF spending authority to homeless services expenditures.

5. What services are we buying for homeless individuals?

The following section reviews different types of housing-related services provided through the SHCC. This section contains a description of each program and it's FY17 expenses, funding source, purpose, and outcome measures. Much of the text for this section taken directly from DWS's responses to LFA questions; these responses are given in full in Appendix C.

Program/Expenditure Category	FY17 Expenditures	Percentage	Funding Source
Rapid Re-Housing Assistance	$3,150,388	31%	Mix: 96% Federal
Emergency Shelter Services	$2,499,166	25%	Mix: 65% Federal, 35% State
Permanent Housing Services	$1,362,788	14%	Mix: 95% State
Homeless to Housing Reform Restricted Account	$906,925	9%	General Fund, H.B. 436
Administrative Costs	$593,336	6%	Mix
Homeless Management Information System	$437,719	4%	Federal - ESG
Street Outreach	$277,283	3%	Federal - ESG
Homeless Children Supplemental Education Funding	$264,743	3%	Federal - TANF
Other	$251,920	2%	State - PAHTF
Diversion	$243,620	2%	Federal - TANF
Continuum of Care Planning	$75,192	1%	Federal - ESG
Transitional Housing	$20,784	0%	State - PAHTF

Figure 4. FY17 Expenditures by Program
Source: DWS

Among the services listed above, it is important to note that currently there is no SHCC program specifically designed to fund employment initiatives for homeless individuals. Current DWS policy is to offer job seeking services to everyone through *jobs.utah.gov* or at a local DWS employment center. DWS also has outreach staff that rotate through Emergency Shelters and Permanent Supportive Housing sites to direct customers to those resources. DWS also administers the Homeless Tax Credit to incentivize employers to recruit homeless individuals; to date, this tax credit has not been utilized. Apart from these generalized resources, there are currently no specific homeless employment initiatives that DWS administers. However, Operation Rio Grande includes a Dignity to Work component which will be discussed later in the analysis.

The SHCC faces several challenges to tracking expenditures for homeless services spending. Because much of the data collection is conducted at the contract level, it is difficult to look at general expenditure trends by program type. When a service provider is implementing several different programs with state dollars, it is challenging to measure which expenditures were for Rapid Re-housing Assistance versus Emergency Shelter Services. Despite this complexity, it is important for the SHCC and the Legislature to be aware of expenditure trends for specific program types to allow for a better understanding of the cost-effectiveness of specific programs. Due in part to these tracking challenges, expenditures for the services below are only given for FY17.

(Recommendation 4.a) To enhance the agency's ability to track homeless services spending, the LFA recommends that the State Homeless Coordinating Committee prepare a report to the Office of the Legislative Fiscal Analyst by June 1st, 2018 on how it plans to address the following funding challenges: Difficulties in tracking budget and expenditure trends by program type (Rapid Re-Housing Assistance, Permanent Housing Services, etc.)

Rapid Re-Housing Assistance. FY 2017 expenses: $3,150,388

Rapid Re-housing Assistance is paid for with funding from the following sources:

- Temporary Assistance for Needy Families Grant (84% of Rapid Re-housing)
- Emergency Solutions Grants (ESG) Program (12% of Rapid Re-housing)
- Pamela Atkinson Homeless Trust Fund (4% of Rapid Re-housing)

Rapid re-housing assistance services are for families facing eviction or who are already homeless. Rapid re-housing emphasizes housing searches, relocation services, and short- and medium-term rental assistance to move homeless persons and families as rapidly as possible into permanent housing.

This funding is critical to preventing homelessness and providing rapid rehousing services for families that need this temporary assistance. This assistance allows families to maintain their housing and stability for their children or help them to rapidly come out of homelessness. It pays for rent, deposits, applications, backpay to avoid eviction, and utilities. A competitive grant process is administered and local homeless service providers compete for funding to administer a rapid rehousing program. The intent is to provide housing resources statewide and ensure that in addition to housing assistance, the family is working with an employment counselor to find employment or increase their wages to achieve stability on their own.

This limited amount of funding goes to serve counties all over the state, specifically targeting families. By contract, housing case managers are required to coordinate with DWS Employment Specialists to ensure that families served with rapid rehousing have an employment plan in place.

This program is considered successful when households connect to stable housing and do not return to shelter. From FFY15 to FFY16, successful exits from rapid rehousing decreased by 8%.

Emergency Shelter Services. FY 2017 expenses: $2,499,166

Emergency Shelter Services is part of Unified Funding and paid for with funding from the following sources:

- Temporary Assistance for Needy Families Grant (52% of Emergency Shelter)
- Critical Needs Housing (18% of Emergency Shelter)
- Pamela Atkinson Homeless Trust Fund (17% of Emergency Shelter)
- Emergency Solutions Grants (ESG) Program (13% of Emergency Shelter)

Emergency Shelter Services is defined as a night of shelter for one person to have a safe and warm shelter bed and to help homeless individuals connect with community services. Operations and maintenance of emergency shelters, as well as basic case management, is covered through this expenditure category.

The program measures the total number of individuals who received emergency shelter services each year. For FFY16, 13,707 individuals spent the night in an emergency shelter, a 15% increase from FFY15. The state also monitors the rate at which formerly homeless individuals return to use homeless services. The average length of stay in an emergency shelter, which varies widely by Continuum of Care, decreased across all geographic areas from FFY15 to FFY16.

	FFY15	FFY16	Difference
Salt Lake County	66	60	-9%
Utah, Wasatch, and Summit Counties	13	12	-8%
Balance of State	39	34	-13%

Figure 5: Average Number of Nights Spent Homeless in an Emergency Shelter
Source: DWS Comprehensive Report on Homelessness, 2017

Permanent Housing Services. FY 2017 expenses: $1,362,788

Permanent Housing Services is part of Unified Funding and paid for with funding from the following sources:

- Pamela Atkinson Homeless Trust Fund (95% of Permanent Housing)
- Temporary Assistance for Needy Families Grant (4% of Permanent Housing)

Permanent housing is defined as community-based housing without a designated length of stay in which formerly homeless individuals and families live as independently as possible. Under Permanent housing, a program participant must be the tenant on a lease (or sublease) for an initial term of at least one year that is renewable and is terminable only for cause. Permanent housing services include case management services to assist homeless individuals find and maintain permanent housing.

This program measures success by the rate at which individuals transition out of permanent housing services to independent housing destinations without returning to receive homeless services. This

program also tracks the income changes of clients who participate in this program. DWS's most recent estimate reports that 66% of persons who exited homelessness to permanent housing destinations did not return within two years.

Homeless to Housing Reform Restricted Account. FY 2017 expenses: $906,925

The passage of House Bill 436 in the 2016 General Session, (*Utah Code* 35A-8-604,-605) created the Homeless to Housing Reform Restricted Account under the direction of the State Homeless Coordinating Committee (SHCC). $9.25 million were appropriated as the first installment in a three year investment toward improving services and outcomes for homeless populations with a primary focus on the construction of new shelters within Salt Lake County.

The expenditures reported here are for the non-federal funds expenditures from the Homeless to Housing Reform Restricted Account. The federal funds (TANF) portion is reported with the different services it funded.

Midvale City was awarded a grant for infrastructure improvements related to the Midvale Family Shelter area and for the cost of a peace officer to provide greater safety to homeless individuals. Midvale City also received a grant for the Midvale Family shelter to include a part time crime victim advocate, a Unified Police Department Resource Officer, improved pedestrian crossing to TRAX, playground fence, perimeter security fencing and playground and shade structures. FY 2017 expenses for Midvale City was $733,237.

Salt Lake County was awarded a contract to conduct a Facilities Programming Study for new homeless resource facilities conceptual design, further specified as facilities programming and master planning for multiple new homeless resource facilities in Salt Lake City and the broader Salt Lake County region. FY 2017 expenses for Salt Lake County was $98,500.

Salt Lake City was awarded a contract to support the Salt Lake emergency shelter site selection process and associated public engagement costs. FY 2017 expenses for Salt Lake City was $75,188.

Administrative Costs. FY 2017 expenses: $593,336

Direct and indirect costs that are necessary for the administration of homelessness programs, including salaries and benefits of management and staff performing administrative and coordination functions; preparation of program plans, budgets, schedules, and contracts; program monitoring; and other costs such as supplies, equipment, travel, marketing, overhead, etc., that are not directly used to provide services.

Homeless Management Information System (HMIS). FY 2017 expenses: $437,719

Homeless Management Information System is paid for 100% by the Emergency Solutions Grant.

The Homeless Management Information System (HMIS) is an information technology system used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness. As explained previously, HUD requires that each CoC must have an HMIS in place to receive federal ESG funding. After two previous nonprofit organizations failed to successfully administer the system, and in order to help service providers across the state qualify for federal funding, DWS became the administer of a state-wide HMIS system. Each CoC is responsible for utilizing the system so that information is complied with HUD's data collection, management, and reporting standards. Additionally, data is reported at the Continuum of Care level and not at the state, county, city, or service provider level. HMIS is required for federal funding related to homelessness and has been adopted as the management information system for state homelessness funding as well.

DWS is committed to building and supporting a data culture in addressing homelessness across the state. To further the commitment to data driven decision-making using HMIS data, DWS, HCD has partnered with the Cloudburst Group, a national HUD Technical Assistance firm to develop statewide data dashboards. The data dashboards are currently being tested and will be released early October 2017. Dashboards will be used to inform organization, program and system performance by providing real-time information on the effectiveness of homeless programs within the state.

Outcomes reported in HMIS include, but are not limited to: Reduction in the length of time people remain homeless, and returns to homelessness; successful placement in permanent housing; reduction in number of persons experiencing homeless for the first time; increase in housing placement; reduction in number of homeless persons; and increase in job and income growth for homeless individuals. See Appendix A for the most recent outcome measures collected through HMIS.

Street Outreach. FY 2017 expenses: $277,283

Street Outreach is part of Unified Funding and paid 100% by the Emergency Solutions Grant.

Street Outreach is an engagement, essential service unit or case management contact that is made outside an office or service setting which identifies individuals as homeless and links them with community services. Individuals are provided with life sustaining essentials and are referred to appropriate services like shelter and housing. The number of individuals who received street outreach services in FFY16 was 1906, a 13% increase from FFY15.

Homeless Children Supplemental Education Funding. FY 2017 expenses: $264,743

Homeless Children Supplemental Education Funding is paid for 100% through TANF money specifically appropriated by the Legislature in HB 2 (G.S. 16). DWS granted funds to organizations to provide high quality preschool, afterschool and summer programs for homeless children living in shelters.

Other. FY 2017 expenses: $251,920

These activities are funded 100% with the Pamela Atkinson Homeless Trust Fund.

Other activities consist mainly of supportive services necessary for homeless individuals which are not specifically covered through other programs. Some examples of expenditures in this category include transportation vouchers, cost of essential items, fees to obtain a birth certificate, fees to obtain a driver's license or state-issued ID card, and other fees and costs.

California, Hawaii, Illinois, and North Carolina have laws in place that waive the fee for a driver's license or state-issued ID card provided that the individual meets the federal definition of homeless. These ID cards fees are waived when an individual presents a certificate from a shelter verifying that the individual is homeless and has been residing at the shelter or some other form of state-funded transitional housing. More information on the policies of these states is provided in Appendix B. A similar law in Utah could reduce some costs in the form of fees for the Department of Workforce Services, as well as remove a barrier to homeless individuals seeking identification for employment or housing purposes.

(Recommendation 2) The LFA recommends that the Legislature open a bill file to waive fees at the state and local level for birth certificates and state-issued ID cards for homeless individuals, provided the individual has verified homeless status through documentation from a shelter or service provider.

Diversion. FY 2017 expenses: $243,620

Diversion is part of Unified Funding and paid 100% by the Temporary Assistance for Needy Families Grant.

Diversion is defined as the assistance of financial payment to meet immediate needs and divert homeless families with children seeking shelter to move toward housing stability. Diversion occurs through case management given immediately as the family enters the shelter with the intent to relocate the family superior housing alternatives before they resort to spending time in an emergency shelter. According to the National Alliance to End Homelessness, "Diversion programs can reduce the number of families becoming homeless, the demand for shelter beds, and the size of program wait lists. Diversion programs can also help communities achieve better outcomes and be more competitive when applying for federal funding." (National Alliance to End Homelessness) According to DWS, in FY17, 45% of families were successfully diverted from entering shelter through placement to a superior housing alternative.

Diversion's high success rate indicates that this expenditure category provides a high return on investment for SHCC funds. Currently, diversion services are only funded through TANF and therefore are only offered to families with children. During FY17, these services were not offered to homeless individuals.

(Recommendation 3) The LFA recommends that the Subcommittee recommend that the State Homeless Coordinating Committee re-allocate resources to provide Diversion services to individuals who currently are currently ineligible to receive these services due to TANF funding restrictions.

Continuum of Care Planning. FY 2017 expenses: $75,192

Continuum of Care Planning is paid for 100% by the Emergency Solutions Grant.

The Continuum of Care (CoC) planning process is the process used by communities and service providers to apply directly for funding from HUD's Continuum of Care program. While the CoC planning process traditionally operates separately from the state, Utah's Balance of State CoC requested that DWS take on the administrative role for their Continuum of Care. Throughout the CoC planning process, government agencies, service providers, advocates, and other stakeholders evaluate the needs of homeless people in the community, assess the performance of existing activities, and prioritize activities going forward. DWS has been granted the planning process role for the Balance of State Continuum of Care, and receives a specific grand from ESG for this role.

Transitional Housing. FY 2017 expenses: $20,794

Transitional Housing is part of Unified Funding and paid 100% by the Pamela Atkinson Homeless Trust Fund.

Transitional housing is designed to provide homeless individuals and families with the interim stability and support to successfully move to and maintain permanent housing. This program targets individuals who need more assistance than rapid re-housing offers and who do not qualify for permanent supportive housing. Transitional housing may be used to cover the costs of up to 24 months of housing with accompanying supportive services. Program participants must have a lease, sublease, or occupancy agreement in place when residing in transitional housing.

At the federal level, there has been a shift in focus to utilize rapid rehousing as an effective response model rather than transitional housing. Transitional housing has been deemed as an appropriate response to domestic violence and chronic homelessness. Therefore, Utah has adopted the prioritization of rapid rehousing applications and fund transitional housing projects only when appropriate. In FFY16, there was a 39% decrease in the number of individuals served with transitional housing services.

6. What outcome measures are reported to the state on homeless services?

To ensure compliance to HUD regulations, the state of Utah operates a Homeless Management Information System (HMIS) to collect data on the effectiveness of CoC programs. DWS has adopted the federal performance measure structure in order to promote system alignment. Thus, data from HMIS can be used as a gauge of system-level performance as well as provide DWS with data at the service-provider level to

evaluate state-funded programs and contracts. Each year, DWS publishes a Comprehensive Report on Homelessness that tracks performance with HUD outcome measures. Outcome measure reporting from the most recent report can be found in Appendix A.

Unified Funding grantees report performance data to DWS and HUD; however, there currently is no direct reporting to the Legislature on performance data for homeless services. Annual performance measures for the Housing and Community Development line item focus on measures of reducing home energy costs for low income families.

(Recommendation 1.a) The LFA recommends that Workforce Services, in addition to current performance measures, reports on the following HUD outcome measures as performance measures for the Housing and Community Development line item:

i. *Average number of nights homeless for persons in emergency shelter and transitional housing*
ii. *Total returns to homelessness in two years*

The most recent outcome measures in the Comprehensive Report on Homelessness are one year outdated due to the timeline of the federal fiscal year and HUD reporting requirements. Data reporting through the HMIS system closes at the end of the federal fiscal year on September 30th, and annual outcomes are reported to the federal government in the spring of the following year. Due to this lag in report time, the most recent HUD outcome measures are not available to the public or the Legislature prior to the General Session. Outcome measures provide important information about the effectiveness of individual programs, which informs budget discussions.

(Recommendation 1.b) The LFA recommends that Workforce Services publishes online all HUD outcome measures for Utah from the federal fiscal year ending on September 30th before December 1st of the same year.

7. What are some upcoming changes to the homeless services system?

Starting FY18, there are several changes to the homeless services offered through DWS that are separate and distinct from the programs discussed in this brief and were not captured in FY17 data. Several, though not all, of these changes have been brought about through Operation Rio Grande. The following programs have come online since the beginning of FY18 or will soon come online in the next few months:

> ***Coordinated Services ID Card.*** The Coordinated Services ID card serves as a check point that individuals are properly identified for de-duplication of information and assessment upon initial intake. From that point forward, it serves as an ease of check in for purposes of accessing services such as shelter and day services located at the Weigand Center on Rio Grande Street. In addition, individuals will be able to access the courtyard amenities offered in the safe space and adjoining Weigand courtyard on Rio Grande Street.

The onetime cost for building the system is estimated at $478,958. This covers the entire 20-month costs of the providing this service in the safe space. The benefit of the card is for de-duplication of identification, proper control of individuals accessing services and maintaining safety in the area.

Rio Grande Safe Space. The enclosed space is designed to provide basic amenities not currently offered or limited in its offering to individuals accessing homelessness day services outside of the nightly shelter. These include a connection to existing services at the Weigand Center and an additional shaded structure with tables and benches, bike storage, hand washing station and water fill up stations. It will have basic rules that ensure the safety of individuals within that space connecting to the services and there will be basic outreach and engagement with referrals to services that are helpful for individuals to resolve their homelessness.

The costs for the next six months of the space are anticipated to include $160,000 for DWS staff and $232,000 for extended hours at the Weigand Resource Center staffing. An evaluation at or before the six month mark will determine the future costs necessary to maintain the remaining 14 months.

New HMIS Dashboard. DWS is committed to building and supporting a data culture in addressing homelessness across the state. To further the commitment to data driven decision-making using HMIS data, DWS, HCD has partnered with the Cloudburst Group, a national HUD Technical Assistance firm to develop statewide data dashboards. The data dashboards are currently being tested and will be released early October, 2017. Dashboards will be used to inform organization, program and system performance by providing real-time information on the effectiveness of homeless programs within the state.

Dignity of Work. A team of stakeholders led by Steve Starks of the Utah Jazz is coordinating efforts of employers in aligning work and volunteer opportunities to help connect individuals to mainstream employment options. This may include training, temp work opportunities, leveraged partnerships with nonprofits. The goal is to have options across the spectrum for individuals to engage in work opportunities.

These programs have the potential for significant impact to the homeless population. Due to the current lack of detailed information about these programs,

(Recommendation 5) The LFA recommends that Workforce Services report to the Office of the Legislative Fiscal Analyst by June 1st, 2018, an update on the status of the following new homeless services:

a. The coordinated services ID card
b. The Rio Grande safe space
c. The new HMIS dashboard
d. Dignity of Work

Appendix A.

This appendix contains an excerpt of pages 32-37 of the Department of Workforce Services, Housing and Community Development "Comprehensive Report on Homelessness: State of Utah 2017. These excerpts contain FFY15 and FFY16 data on HUD outcome measures.

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Federal HUD System Performance Measures

For many years, HUD's review of the impact of its funds on reducing homelessness has been conducted on a program-by-program basis. A community-level understanding of performance had to be pieced together. However, with the passing of the HEARTH Act, a system-level evaluation of performance became law. HUD developed several system-level performance measures in order to help CoCs more accurately measure their impacts, successes and challenges in regard to homeless prevention and ending homelessness. These system-level performance measures will provide communities with data that will help inform strategic decisions in the development of the homeless system.

Performance Measure: Length of Time People Remain Homeless

	Total Persons		Average Number of Nights Homeless			Median Number of Nights Homeless		
	FY15	FY16	FY15	FY16	Difference	FY15	FY16	Difference
Salt Lake County CoC								
Persons in emergency shelter	7,609	8,745	66	60	-6	28	25	-3
Persons in emergency shelter and transitional housing	8,477	9,251	94	74	-20	37	28	-9
Mountainland CoC								
Persons in emergency shelter	1,397	1,365	13	12	-1	4	4	0
Persons in emergency shelter and transitional housing	1,468	1,413	30	28	-2	4	4	0
Balance of State CoC								
Persons in emergency shelter	2,891	3,597	39	34	-5	15	15	0
Persons in emergency shelter and transitional housing	2,960	3,653	44	37	-7	17	16	-1

Performance Measure: The Extent to Which Persons Who Exit Homelessness to Permanent Housing Destinations Return to Homelessness

This measures clients who exited street outreach, emergency shelter, transitional housing, or permanent housing to a permanent housing destination in the date range two years prior to the report date range. Of those clients, the measure reports on how many of them returned to homelessness as indicated in the HMIS for up to two years after their initial exit.

	Persons who entered permanent housing 2 years prior	Returns to homelessness in less than 6 months		Returns to homelessness in 6-12 months		Returns to homelessness in 13-24 months		Total returns in 2 years	
Salt Lake County CoC									
Exit was from street outreach	59	5	8%	3	5%	30	51%	38	64%
Exit was from emergency shelter	755	96	13%	91	12%	241	32%	428	57%
Exit was from transitional housing	298	14	5%	15	5%	32	11%	61	20%
Exit was from safe haven	11	1	9%	0	0%	4	36%	5	45%
Exit was from permanent housing	1,027	117	11%	68	7%	189	18%	374	36%
Total returns to homelessness	**2,150**	**233**	**11%**	**177**	**8%**	**496**	**23%**	**906**	**42%**
Mountainland CoC									
Exit was from street outreach	0	0	-	0	-	0	0%	0	-
Exit was from emergency shelter	4	0	0%	0	0%	1	25%	1	25%
Exit was from transitional housing	33	1	3%	1	3%	1	3%	3	9%
Exit was from safe haven	0	0	-	0	-	0	-	0	-
Exit was from permanent housing	154	11	7%	7	5%	10	6%	28	18%
Total returns to homelessness	**191**	**12**	**6%**	**8**	**4%**	**12**	**6%**	**32**	**17%**
Balance of State CoC									
Exit was from street outreach	1	0	0%	0	0%	1	100%	1	100%
Exit was from emergency shelter	326	32	10%	10	3%	59	18%	101	31%
Exit was from transitional housing	164	1	1%	0	0%	11	7%	12	7%
Exit was from permanent housing	395	11	3%	6	2%	29	7%	46	12%
Total returns to homelessness	**886**	**44**	**5%**	**16**	**2%**	**100**	**11%**	**160**	**18%**

Safe Haven: A form of supportive housing that serves hard-to-reach homeless persons with severe mental illness and other debilitating behavioral conditions who are on the street and have been unable or unwilling to participate in housing or supportive services.

Performance Measure: Number of Homeless Persons

Change in PIT Counts This measures the change in PIT counts of sheltered and unsheltered homeless persons as reported on the PIT (not from HMIS).	2015 PIT Count	2016 PIT Count	Difference
Salt Lake County CoC			
Total PIT Count of sheltered and unsheltered persons	2,176	1,891	-285
Emergency shelter total	1,411	1,434	23
Safe haven total	22	0	-22
Transitional housing total	653	400	-253
Total sheltered count	2,086	1,834	-252
Unsheltered count	90	57	-33
Mountainland CoC			
Total PIT Count of sheltered and unsheltered persons	203	178	-25
Emergency shelter total	86	76	-10
Safe haven total	0	0	0
Transitional housing total	79	61	-18
Total sheltered count	165	137	-28
Unsheltered count	38	41	3
Balance of State CoC			
Total PIT Count of sheltered and unsheltered persons	646	738	92
Emergency shelter total	415	474	59
Safe haven total	0	0	0
Transitional housing total	133	126	-7
Total sheltered count	548	600	52
Unsheltered count	98	138	40

Performance Measure: Number of Homeless Persons (Continued)

Change in Annual Counts This measures the change in annual counts of sheltered homeless persons in HMIS.	FY15	FY16	Difference
Salt Lake County CoC			
Unduplicated total sheltered homeless persons	8,624	9,382	758
Emergency shelter total	7,714	8,858	1,144
Safe haven total	29	1	-28
Transitional housing total	1,261	650	-611
Mountainland CoC			
Unduplicated total sheltered homeless persons	1,537	1,455	-82
Emergency shelter total	2,466	1,410	-56
Safe haven total	0	0	0
Transitional housing total	131	115	-16
Balance of State CoC			
Unduplicated total sheltered homeless persons	3,207	3,783	576
Emergency shelter total	3,135	3,728	593
Safe haven total	0	0	0
Transitional housing total	82	65	-17

Performance Measure: Employment and Income Growth for Homeless Persons in CoC Program-funded Projects

Change in total income for adult system stayers	FY15	FY16	Difference
Salt Lake County CoC			
Number of adults (system stayers)	463	335	-128
Number of adults with increased total income	157	84	-73
Percentage of adults who increased total income	34%	25%	-9%
Mountainland CoC			
Number of adults (system stayers)	71	74	3
Number of adults with increased total income	10	14	4
Percentage of adults who increased total income	14%	19%	5%
Balance of State CoC			
Number of adults (system stayers)	66	77	11
Number of adults with increased total income	12	7	-5
Percentage of adults who increased total income	18%	9%	-9%

Change in total income for adult system leavers	FY15	FY16	Difference
Salt Lake County CoC			
Number of adults who exited (system leavers)	218	379	161
Number of adults who exited with increased total income	89	142	53
Percentage of adults who increased total income	41%	37%	-3%
Mountainland CoC			
Number of adults who exited (system leavers)	72	134	62
Number of adults who exited with increased total income	51	58	7
Percentage of adults who increased total income	71%	43%	-28%
Balance of State CoC			
Number of adults who exited (system leavers)	240	250	10
Number of adults who exited with increased total income	80	84	4
Percentage of adults who increased total income	33%	34%	0%

Performance Measure: Number of Persons Who Become Homeless for the First Time

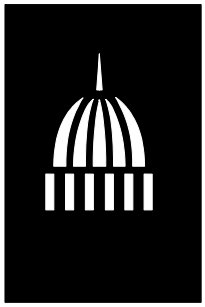
Change in the number of persons entering emergency shelter, safe haven, transitional housing and permanent housing projects with no prior enrollments in HMIS	FY15	FY16	Difference
Salt Lake County CoC			
Number of persons experiencing homelessness for the first time (entering emergency shelter, transitional housing or permanent housing without an entry in the previous 24 months)	5,042	5,899	8,57
Mountainland CoC			
Number of persons experiencing homelessness for the first time (entering emergency shelter, transitional housing or permanent housing without an entry in the previous 24 months)	1,357	1,246	-111
Balance of State CoC			
Number of persons experiencing homelessness for the first time (entering emergency shelter, transitional housing or permanent housing without an entry in the previous 24 months)	3,153	3,720	567

Performance Measure: Successful Placement from Street Outreach and Successful Placement in or Retention of Permanent Housing

Change in exit to or retention to permanent housing	FY15	FY16	Difference
Salt Lake County CoC			
Percent successful exits from street outreach to permanent housing	9%	10%	0%
Percent successful exits from emergency shelter, safe haven, transitional housing and permanent housing/rapid re-housing to permanent housing	38%	23%	-16%
Percent successful exits or retention in permanent housing	94%	94%	0%
Mountainland CoC			
Percent successful exits from street outreach to permanent housing	100%	0%	-100%
Percent successful exits from emergency shelter, safe haven, transitional housing and permanent housing/rapid re-housing to permanent housing	33%	43%	10%
Percent successful exits or retention in permanent housing	84%	81%	-4%
Balance of State CoC			
Percent successful exits from street outreach to permanent housing	50%	26%	-24%
Percent successful exits from emergency shelter, safe haven, transitional housing and permanent housing/rapid re-housing to permanent housing	47%	45%	-2%
Percent successful exits or retention in permanent housing	68%	85%	18%

Appendix B.

This memo from the National Conference of State Legislatures, Transportation Program, reviews different approaches various states have taken to provide state-issued IDs to their homeless populations.



NCSL MEMO

NATIONAL CONFERENCE *of* STATE LEGISLATURES

Connecticut, Florida, Hawaii and Maryland are the states on this list that DHS considers to be compliant with Real ID.

California – California's AB 1733

As of July 1, 2015, a homeless person or child born in the State of California can get a free certified birth certificate from their birth county and beginning on January 1, 2016, a homeless individual will be able to get a free California photo ID card from the Department of Motor Vehicles. California was able to provide these public records fee waivers by passing AB 1733. However, the homeless person or child (as defined by the federal McKinney-Vento Homeless Assistance Act) will now have to provide a completed affidavit form (completed by a "homeless service provider") attesting to their homeless status. Prior to the passage of AB 1733, the standard fee for obtaining a state-issued ID was $28 and certain agencies, with DMV approval, can issue a "Verification for Reduced Feed Identification Card" form which requires a homeless individuals to only pay $8 for an ID card. AB 1733 specifically amends the Vehicle Code so that the standard $28 fee and the $8 fee through the Verification form will be waived for homeless persons or youth.

Connecticut - §1-1h

State statute requires the commissioner of the DMV to establish a procedure and qualifications for the issuance of an identity card to a homeless applicant. The regulation specifies that "[w]hen the commissioner agrees to waive the fee for an identity card for a homeless applicant, the address of the homeless shelter or other facility for homeless persons shall be listed on the identity card as the homeless applicant's residence" (Conn. Agencies Regs. 1-1h-8).

Florida – Department of Highway Safety and Motor Vehicles

A homeless individual can provide a certification of address form, accompanied by a letter from a homeless shelter, transitional service provider, or a half-way house verifying that they receive mail for the customer.

Hawaii – HRS § 286-304

State statute allows a person who is homeless to provide "a signed sworn statement from a member of a victim services organization, an attorney, a member of the clergy, correctional institution staff, a medical or other health professional from whom the person has sought services, or a verification letter from a homeless service provider as documentary evidence of the person's address." State statute also required that the fees for the issuance of an identification card be waived for an individual who is homeless (HRS § 286-309).

Illinois – Illinois' Cyber Drive
A person qualifies for a no-fee identification card if he or she is considered "homeless" as defined by the federal McKinney-Vento Homeless Assistance Act. The state ID is issued free of charge with proper documentation to show legal name, date of birth, social security number, and signature. The individual must also bring a completed Homeless Status Certification.

Kentucky – KRS § 186.412
In an application for a personal identification card, a person who does not have a fixed, permanent address "may use as proof of residency a signed letter from a homeless shelter, health care facility, or social service agency currently providing the person treatment or services and attesting that the person is a resident of Kentucky."

Maryland – Motor Vehicle Administration
Maryland provides an exception to the residency requirements for someone to obtain an identification card if they are homeless. They can provide certification from a homeless service provider on letterhead of the provider in place of other documents. It appears this exception applies for REAL ID compliant identification.

New Hampshire - N.H. Rev. Stat. Ann. § 260:21
One form of proof residence that is acceptable is:

> A notarized statement mailed to the department by registered mail by the department of health and human services verifying the applicant's name, age, and residence and that the applicant is or has been in the custody of the department of health and human services under RSA 463 or under the custody or legal supervision of the department of health and human services pursuant to a proceeding under RSA 169-B, 169-C, or 169-D. This subparagraph shall only apply to applicants under 21 years of age and over 18 years of age or, in the case of a person found delinquent, over 17 years of age. The department shall also accept such a statement that does not verify residence if the applicant provides a notarized statement verifying residence from a homeless shelter or agency or organization receiving federal or state funding for homeless services on the letterhead of the shelter, agency, or organization.

However, this statute specifies that these identification cards are **not compliant** with Real ID.

North Carolina – North Carolina Department of Transportation
There is no fee charged for a North Carolina ID card for a resident of the State who is homeless. If a homeless person wishes to obtain a state-issued ID without paying a fee, the homeless individual must present a letter to the Division from the Director of a facility that provides care or shelter to homeless persons verifying that the person is homeless. Additionally, the person must provide: proof of age and identify, a valid social security number, and proof of citizenship and residency. More information regarding the requirements to obtain a no-fee ID card can be found at Table 5 here.

Appendix C.

This appendix contains the full DWS responses to the deep dive rubric developed by the President of the Senate and Speaker of the House.

What We Are Attempting to Accomplish

Questions

1. What authorizes delivery/provision of function (statute vs intent vs rule vs discretionary)?
2. What other activities are undertaken without explicit authority?
    a. What do they cost?
3. What alternative government and non-government resources exist that perform similar functions? Why is the state involved?

State: *Utah Code* Title 35A-8-601 created the Homeless Coordinating Committee, also known as the State Homeless Coordinating Committee (SHCC) within the Department of Workforce Services (DWS), Housing and Community Development (HCD). The purpose of SHCC is to "ensure that services provided to the homeless by state agencies, local governments, and private organizations are provided in a cost-effective manner" (*Utah Code* 35A-8-602). The vision for SHCC is to establish a housing-focused homeless service system so that homelessness is rare, brief and non-recurring. SHCC was established to facilitate a better understanding of the concept of homelessness in the community and to assist in the allocation of homeless funds received from the state and federal governments.

The SHCC makes recommendations and approves contracts funded through the Pamela Atkinson Homeless Trust Fund (PAHTF) account. In addition to General Fund allocation, the PAHTF funding is supplemented with donations from the individual income tax donations. Additionally, the SHCC approves contracts recommended through the DWS, HCD Unified Funding process.

DWS, HCD Unified Funding includes a portion of PAHTF, state Critical Needs Housing (CNH), federal Emergency Solutions Grants (ESG) Program, and federal Temporary Assistance for Needy Families (TANF) funding identified to address homelessness and the new Homeless to Housing Reform Restricted Account. These funds are disbursed statewide through a competitive process to private, public, and nonprofit providers of homeless services, local housing authorities, and associations of governments that support efforts to create affordable housing, shelter and support services for homeless individuals and families, and victims of domestic violence. In addition, the DWS, HCD is responsible for compiling data and reporting on homeless and poverty trends in Utah, as required by the federal government.

The Housing and Homeless Reform Initiative, HB 441, designates the SHCC members to award ongoing or one-time grants or contracts funded from the Homeless to Housing Reform Restricted Account. This funding is designed to target the distinct housing needs of specific at-risk populations. It required Salt Lake County to make recommendations for new resource center sites by March 30, 2017, and requires the closure of the Salt Lake Community Shelter on or before June 30, 2019. The ongoing and one-time funding allocated in the bill supports the design and construction of three new homeless resource centers and projects that will support the new model in Salt Lake County.

Federal: In the State of Utah, the DWS, HCD is the recipient agency for the US Department Housing and Urban Development (HUD) homelessness funding allocated for statewide distribution. HUD requires states

to have Continuum of Care (CoC) programs in order to receive and recommend allocation for federal funding in a defined geographic area. The CoC program is designed to:

- Promote community wide commitment to the goal of ending homelessness;
- Provide funding for efforts by nonprofit providers, and State and local governments to quickly rehouse homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness;
- Promote access to and affect utilization of mainstream programs by homeless individuals and families; and
- Optimize self-sufficiency among individuals and families experiencing homelessness (https://www.hudexchange.info/programs/coc/).

There are three CoCs in the State of Utah:

- Salt Lake (Salt Lake County)
- Mountainland (Utah, Summit and Wasatch Counties)
- Balance of State (all other counties in the State)

Additionally, Local Homeless Coordinating Committees (LHCCs) are organized throughout the state under the CoC to coordinate the resources, services and funding provided to homeless individuals within local communities.

The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act) provides oversight for the ESG program. Congress allocates funding to ESG on an annual basis through a federal formula allocation. 24 CFR 91.110 requires state ESG administrators to consult and strategize with the CoC in regards to allocation of funding. DWS, HCD meets this requirement through coordination with the CoCs and the SHCC.

HUD allocates a percentage of the ESG funding sources in a yearly appropriation to the states, metropolitan cities, and urban counties through federal funding formula. For example, Salt Lake City administers the ESG funding as determined by the HUD appropriation formula. Additionally, HUD releases a Notice(s) of Funding Availability (NOFA) for Discretionary Programs which contains requirements for all of HUD's competitive grant programs on an annual basis. The NOFA competitive process is administered in each CoC by an entity determined as the "Collaborative Applicant".

DWS, HCD is designated to be the Collaborative Applicant for the Balance of State, and administers the competitive NOFA process for federal review and award of funding. Recommendations for federal ESG funding are provided to HUD through the CoC competitive process in two tiers. This is a discretionary activity. Total funding amounts in tier one and two in the CoC are also determined by HUD through formula allocation. Programs recommended for funding in tier one are approved, programs recommended for tier two enter a national competition for funding and may or may not be approved.The NOFA process, monitoring and technical assistance processes are guided by provisions in the CoC Program interim rule at 24 CFR 578.7(a)(8) that require that CoCs establish a Centralized or Coordinated Assessment System.

As described, State and local governments are the pass-through entities for funding administered by HUD. Additionally, HUD funds homelessness providers through a competitive rank and review process led by the CoCs on an annual basis. While there is one-time and ongoing investment from the state for homelessness services, federal funding is the primary, on-going resource for homelessness service providers and

initiatives. One-time investment of state funding includes monetary resources for Shelter the Homeless to build three new homeless resource centers by June 30, 2019. Ongoing state funding such as the PAHTF will continue to be allocated through a competitive process administered by DWS, HCD.

There are some local government entities that allocate funding for homeless services. We coordinate heavily on the type of investments each makes to ensure there is no duplication of services. Often times, they participate on our application scoring committees and provide valuable insight into how we can partner our resources to programs. Most homeless services program require about 40% private donations so there is always an effort to coordinate with private donors as well. There is not an overlap of services as the private funding is usually used to fill the gaps where government funding falls short which is almost every program of homeless services.

DWS, HCD is also the administrator of the Homeless Management Information System (HMIS). It is a requirement by HUD to have an HMIS in place for each Continuum of Care. It is not required for DWS, HCD to administer HMIS and this is a discretionary activity. DWS, HCD took on this role after two previous non profit placements failed to successfully administer the system. Additionally, the SHCC invests funds from its allocation to provide the match to the federal grant to support this activity. This allows the homeless service providers to qualify for up to $10 Million in federal grants through the aforementioned NOFA process.

How We Are Organized

Questions

4. What organizations are associated with this function?
    a. In particular, how does DWS interact with Dept. of Human Services, Dept. of Health, Dept. of Corrections, and other state agencies, as it relates to coordinating services for the homeless?
    b. What is the relationship between the city, county, and state (federal as well?) in coordinating and funding services for the homeless?
    c. With all the different types of organizations involved, is the current coordinating structure/system sufficient?

State: *Utah Code* Title 35A-8-601 created the SHCC within the Department of Workforce Services, Housing and Community Development Division. The committee allows for collaboration and coordination in funding decisions across state and local agencies. The Lieutenant Governor chairs and facilitates the committee. Code requires members from the following organizations or their designee:

- Lieutenant Governor
- State Planning Coordinator
- State Superintendent of Public Instruction
- Chair of the Board of Trustees of the Utah Housing Corporation
- Executive Director of the Department of Workforce Services
- Executive director of the Department of Corrections
- Executive director of the Department of Health
- Executive director of the Department of Human Services
- Mayor of Salt Lake City
- Mayor of Salt Lake County

State, county and city leaders have representation on the SHCC. Coordination of resources and services primarily takes place in this forum. A recent example is coordination on the development of three new homeless resource centers. State, county and city funding and has been identified to support this initiative. For example, in May, 2017 the SHCC approved a provision for state, county and city contracts to have all families moved out of the Downtown Community Shelter by July 15, 2017.

Most recently, DWS, HCD has been coordinating services and resources with Department of Human Services, Department of Public Safety, Department of Corrections, Department of Technology, Department of Health, and Department of Administrative Services in implementation of Operation Rio Grande.

SHCC provides structure in coordinating and approving state resources and DWS, HCD provides oversight for state resources, and a large percentage of the federal resources dedicated to homelessness. There are opportunities to enhance the coordination of state funding and federal HUD awards. HUD funding passes through multiple entities; state, cities, counties, as well as directly from HUD to organizations through the CoC ranking and recommendation process. Due to the complexity of HUD funding and system requirements, coordination challenges and duplication in monitoring and technical assistance are prone to exist. For example, a program may receive ESG funding through the state Unified Funding allocation as well as an allocation from HUD through a CoC recommendation. HUD requires pass-through entities to monitor ESG programs and requires the CoC Collaborative Applicant to monitor the funded program. Efforts are being made in DWS, HCD to streamline the required monitoring and technical assistance processes.

5. What are the missions of the organizations associated with that function?
   DWS, HCD serves communities statewide to build local capacity, fund services and infrastructure and leverage resources for critical community programs.

The SHCC and DWS, HCD ensure that services provided to the homeless are utilized in a cost-effective manner and works to facilitate a better understanding of homelessness. Programs are devoted to emergency housing, self- sufficiency, placement in employment or occupational training activities, special services to meet unique needs of the homeless with mental illness and those who are part of families with children. Contracts are awarded to providers based on need, diversity of geographic location, coordination with or enhancement of existing services, and the use of volunteers.

6. What outcomes are achieved by the organization associated with this function?
   a. What is the status of employment initiatives to help the homeless? Do they exist, is there significant uptake, are they successful?

DWS, HCD utilizes HUD performance measures to track outcomes associated with Unified Funding. Outcomes are reported on a LHCC level utilizing a Homeless Management Information System (HMIS). HMIS is an information technology system used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness. Each CoC is responsible for utilizing a system that complies with HUD's data collection, management, and reporting standards. HMIS is required for federal funding related to homelessness and has been adopted as the management information system for state homelessness funding as well. Outcomes reported in HMIS include: Reduction in the length of time people remain homeless, and returns to homelessness; successful placement in permanent housing; reduction in number of persons experiencing homeless for the first time;

increase in housing placement; reduction in number of homeless persons; and increase in job and income growth for homeless individuals.

DWS offers job seeking services to all citizens, accessible online through jobs.utah.gov or at a local DWS employment center. Job seeking services are available to everyone and there are no specific homeless employment initiatives that we administer. The Workforce Development Division has outreach staff that rotate onsite at Emergency Shelters and Permanent Supporting Housing sites to direct customers to access DWS through our website or local employment center.

DWS administers the Homeless Tax Credit, however, this has not been utilized by employers.

Operation Rio Grande includes a Dignity to Work component. The goal of this initiative includes public and private partnerships being developed to increase employment opportunities and training. Initiatives are set forth to create new work opportunities and provide direct workforce development through job coaching, soft skills and hard skills training.

7. Collected/reported to document/demonstrate progress toward the outcomes?

A critical aspect of the McKinney-Vento Homeless Assistance Act, is a focus on viewing the local homeless response as a coordinated system of homeless assistance options as opposed to homeless assistance programs and funding sources that operate independently in a community. To facilitate this perspective the Act now requires communities to measure their performance as a coordinated system, in addition to analyzing performance by specific projects or project types.

The Act has established a set of selection criteria for HUD to use in awarding CoC funding in section 427 that require CoCs to report to HUD their system-level performance. The intent of these selection criteria are to encourage CoCs, in coordination with ESG Program recipients and all other homeless assistance stakeholders in the community, to regularly measure their progress in meeting the needs of people experiencing homelessness in their community and to report this progress to HUD." (https://www.hudexchange.info/programs/coc/system-performance-measures/)

HMIS participation is required for all programs receiving state or federal funding in order to gather outcome data. The data elements reported in HMIS are specific to the services being provided. During the grant competition, award and contract negotiation process, the grantee commits to specific outcomes related to the services intended to be provided.

The HUD Consolidated Plan is designed to help states and local jurisdictions to assess their affordable housing and community development needs and market conditions, and to make data-driven, place-based investment decisions. The consolidated planning process serves as the framework for a community-wide dialogue to identify housing and community development priorities and inform local programming and policy decisions. The Consolidated Plan is carried out through Annual Action Plans, which provide a concise summary of the actions, activities, and the specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified by the Consolidated Plan. Grantees report on accomplishments and progress toward Consolidated Plan goals in the Consolidated Annual Performance and Evaluation Report (CAPER) (https://www.hudexchange.info/resources/documents/System-Performance-Measures-Introductory-Guide.pdf).

In alignment with HUD outcome reporting, DWS Unified Funding measures outcomes associated with the following services:

- Rapid Re-Housing
- Emergency Shelter
- Permanent Supportive Housing
- Street Outreach
- Diversion
- Transitional Housing

8. How are appropriations structured to accomplish this function?

State and complex federal appropriations are structured to accomplish the outcomes for homelessness funding as described in the above questions and throughout this report. As the recipient agency for state and federal homelessness funding, DWS has the responsibility of reporting outcomes and expenditures through federal reporting systems and utilizes the same reporting structure for programs receiving state funding.

9. In what units of measure are outputs reported, how and why have those outputs changed over time? (see question 7)

There are many different outputs reported in the HUD System Performance Measures. Performance is analyzed by specific projects or project types. Measurements have remained the same since 2009, when the HEARTH Act was amended.

10. Are performance measures meaningful and how is management assuring such?

The DWS, HCD has adopted the federal performance performance measure structure in order promote system alignment. The current structure requires communities to measure their performance as a coordinated system, in addition to analyzing performance by specific projects or project types. Performance measures for homelessness program funding are designed to help identify outputs as well as quality of services provided. DWS, HCD assures programs are utilizing the HMIS system.

DWS, HCD is committed to building and supporting a data culture in addressing homelessness across the state. To further the commitment to data driven decision-making using HMIS data, DWS, HCD has partnered with the Cloudburst Group, a national HUD Technical Assistance firm to develop statewide data dashboards. The data dashboards will be tested during the last week of September, 2017 and will be released early October, 2017. Dashboards will be used to inform organization, program and system performance.

11. What kind of external variables impact the organization/function and what is the current status of those variables?

State: Amendments or reductions to state funding have impact across the DWS, HCD and the homelessness program services funded through state appropriations. For example, PAHTF fluctuates slightly from year to year. State allocation for HB 441 increased one-time funding for creation of new resource centers and other associated projects.

Federal: Federal funding received by the state as the pass-through entity for HUD is impacted by congressional decisions. Funding has remained fairly steady for the past few years, however, there have been proposed budget cuts by new administration that may impact homelessness funding in the future.

Other: Almost all variables that affect individuals and households entering the homeless system exist outside of the scope of the homeless system and its associated investments. Things like affordable housing availability, income loss, divorce, domestic violence, substance abuse and mental health are all contributing factors to homelessness. Investments into homeless services are designed to help connect individuals back with a stable living environment and connection to other systems to continue to resolve these factors.

12. Are there standards (industry, national, other states, etc.) for output or output per unit of input? How do they compare to this?

Output standards are aligned with HUD federal reporting requirements.

13. To whom is performance data reported?

Unified Funding grantees report performance data to DWS, HCD and HUD. Any program receiving funding through HUD must comply with the federal reporting requirements.

14. What decisions are based on reporting data?

DWS, HCD aligns with the HUD performance management process that fosters data-driven discussions of progress towards key outcome goals. Operational and policy adjustments are made annually in order to support the state and federal goals and targets. Decisions have been made in state funding and policy to support HUDs priority goals to address homelessness among veterans, families and chronically homeless individuals. There is a continuous focus on outcome data to drive management actions.

15. How might you recommend the authorization, mission, or performance measurement change?

Recommend increased coordination with the other HUD pass-through entities and CoCs in monitoring and data collection practices. This coordination is beginning to take place, and efforts will continue.

What We're Buying

Questions

16. What is the largest category of expenditure for an organization and how big is it?
17. How does this expenditure support the above justification/authorization?
18. What is that category of expenditure buying (how many/cost per unit)?
19. How does the above relate to units of output?

20. How has the expenditure changed over five years relative to the units of output?
21. Are there any outliers/anomalies in current or budgeted spending in this category?
22. Does the amount of expenditure for a category change significantly in accounting period 12 or 13? Why?
23. How might you recommend this expenditure category change based on the above?

REPEAT 16-23 FOR EACH EXPENDITURE CATEGORY FROM LARGEST TO SMALLEST

Rapid Re-housing Assistance

FY 2017 expenses: $3,150,388

Rapid Re-housing Assistance is paid for with funding from the following sources:

- Temporary Assistance for Needy Families Grant (84% of Rapid Re-housing)
- Emergency Solutions Grants (ESG) Program (12% of Rapid Re-housing)
- Pamela Atkinson Homeless Trust Fund (4% of Rapid Re-housing)

Rapid re-housing assistance services are for families facing eviction or who are already homeless. Rapid re-housing emphasizes housing search and relocation services and short- and medium-term rental assistance to move homeless persons and families (with or without a disability) as rapidly as possible into permanent housing.

This funding is critical to preventing homelessness and providing rapid rehousing services for families that need this temporary assistance. This assistance allows families to maintain their housing and stability for their children or help them to rapidly come out of homelessness. It pays for rent, deposits, applications, backpay to avoid eviction, and utilities. A competitive grant process is administered and local homeless service providers compete for funding to administer a rapid rehousing program. The intent is to provide the housing resource statewide and to ensure that in addition to housing assistance, the family is working with an employment counselor to find employment or increase their wages to achieve stability on their own.

This limited amount of funding goes to serve counties all over the state including Salt Lake, Tooele, Iron, Beaver, Washington, Summit, Utah, Wasatch, Box Elder, Davis, Morgan, Weber, Uintah, Daggett, Duchesne, Rich, Cache, Carbon, Emery, Grand, San Juan, Sevier, Piute, Wayne, Millard, and Sanpete. The case management portion of the rapid rehousing contracts requires contractors to connect their case managers with rapid re-housing Employment Specialists with DWS to ensure that families served with rapid rehousing have an employment plan in place.

Outcomes - Households connect to stable housing and do not return to shelter.
Successful exits from rapid rehousing decreased by 8% from FFY15 to FFY16.

CHAPTER 1 EMERGENCY SHELTER SERVICES

FY 2017 expenses: $2,499,166

Emergency Shelter Services is part of Unified Funding and paid for with funding from the following sources:

- Temporary Assistance for Needy Families Grant (52% of Emergency Shelter)
- Critical Needs Housing (18% of Emergency Shelter)

- Pamela Atkinson Homeless Trust Fund (17% of Emergency Shelter)
- Emergency Solutions Grants (ESG) Program (13% of Emergency Shelter)

Emergency Shelter Services is defined as a night of shelter for one person to have a safe and warm shelter bed and for one individuals to be linked with community services.

Individual Outcomes - Individuals are prevented from sleeping in a place not meant for human habitation. The number of individuals who received emergency shelter services increased by 1,810 from FFY15 to FFY16.

System Outcomes - Average length of stay in shelter, Positive Housing Exits. Average length of stay decreased by 12 days from FFY15 to FFY16.

CHAPTER 2 PERMANENT HOUSING SERVICES

FY 2017 expenses: $1,362,788

Permanent Housing Services is part of Unified Funding and paid for with funding from the following sources:

- Pamela Atkinson Homeless Trust Fund (95% of Permanent Housing)
- Temporary Assistance for Needy Families Grant (4% of Permanent Housing)

Permanent housing is defined as community-based housing without a designated length of stay in which formerly homeless individuals and families live as independently as possible. Under Permanent housing, a program participant must be the tenant on a lease (or sublease) for an initial term of at least one year that is renewable and is terminable only for cause. Permanent housing services include case management services to homeless individuals to find and maintain permanent housing.

Outcomes - Individuals remain in stable housing, improve income.
66% of persons who exited homelessness to permanent housing destinations did not return in two years.

CHAPTER 3 HOMELESS TO HOUSING REFORM RESTRICTED ACCOUNT

FY 2017 expenses: $906,925

The passage of House Bill 436 in the 2016 General Session, (*Utah Code* 35A-8-604,-605) created the Homeless to Housing Reform Restricted Account under the direction of the State Homeless Coordinating Committee (SHCC) and the Housing and Community Development Division (HCD) within the Department of Workforce Services. As a statutory requirement, prior to final approval of a grant or contract to entities approved by the SHCC with the concurrence of HCD, information on the awards must be presented to the Legislative Management Committee (LMC) and the Executive Appropriations Committee (EAC). In addition, recommendations from both the LMC and EAC must be considered prior to finalizing awards (UCA 35-8-604(2)).

Three types of appropriations were authorized under HB 436: General Fund One Time ($2.5 million), General Fund Ongoing ($4.5 million), and Federal Funds (TANF up to $2.25 million). These funds were appropriated as the first installment in a three year investment toward improving services and outcomes for homeless populations with a primary focus on the construction of new shelters within Salt Lake County.

The expenditures reported here are for the non-federal funds expenditures from the Homeless to Housing Reform Restricted Account as the federal funds (TANF) portion is reported with the different services that it funded.

- Midvale City was awarded a grants for infrastructure improvements related to the Midvale Family Shelter area and for the cost of a peace officer to provide greater safety to homeless individuals, both consistent with intent language in House Bill 436. Midvale City additional received a grant to enhance the Midvale Family shelter to include a part time crime victim advocate, a Unified Police Department Resource Officer, improved pedestrian crossing to TRAX, playground fence, perimeter security fencing and playground and shade structures.
    - FY 2017 expenses for Midvale City: $733,237
- Salt Lake County was awarded a contract to conduct a Facilities Programming Study for new homeless resource facilities conceptual design, further specified as facilities programming and master planning for multiple new homeless resource facilities in Salt Lake City and the broader Salt Lake County region.
    - FY 2017 expenses for Salt Lake County: $98,500
- Salt Lake City was awarded a contract to support the Salt Lake emergency shelter site selection process and associated public engagement costs.
    - FY 2017 expenses for Salt Lake City: $75,188

CHAPTER 4 ADMINISTRATIVE COSTS

FY 2017 expenses: $593,336

Direct and indirect costs that are necessary for the administration of the Homelessness programs, including salaries and benefits of management and staff performing administrative and coordination functions; preparation of program plans, budgets, schedules, and contracts; program monitoring; and other costs such as supplies, equipment, travel, marketing (*Utah Code* 35A-8-602(3)(b)(i)), overhead, etc., that are not directly used to provide services.

CHAPTER 5 HOMELESS MANAGEMENT INFORMATION SYSTEM

FY 2017 expenses: $437,719

The Homeless Management Information System (HMIS) is an information technology system used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness. DWS administrators HMIS . It is a requirement by HUD to have an HMIS in place for each Continuum of Care (CoC). Each CoC is responsible for utilizing the system so that information is complied with HUD's data collection, management, and reporting standards. HMIS is required for federal funding related to homelessness and has been adopted as the management information system for state homelessness funding as well. Outcomes reported in HMIS include: Reduction in the length of time people remain homeless, and returns to homelessness; successful placement in

permanent housing; reduction in number of persons experiencing homeless for the first time; increase in housing placement; reduction in number of homeless persons; and increase in job and income growth for homeless individuals.

CHAPTER 6 STREET OUTREACH

FY 2017 expenses: $277,283

Street Outreach is part of Unified Funding and paid 100% by the Emergency Solutions Grant.

Street Outreach is an engagement, essential service unit or case management that is made outside an office or service setting that identifies individuals as homeless and links them with community services.

Outcome: Individuals are provided with life sustaining essentials and referred to appropriate services like shelter and housing. The number of individuals who received street outreach services increased from 1680 in FFY15 to 1906 in FFY16.

CHAPTER 7 HOMELESS CHILDREN SUPPLEMENTAL EDUCATION FUNDING

FY 2017 expenses: $264,743

HB 2 in the 2016 General Session authorized TANF funding for the purpose of Homeless Children Supplemental Education. DWS granted funds to organizations to provide high quality preschool, afterschool and summer programs for homeless children living in shelters.

CHAPTER 8 OTHER

FY 2017 expenses: $251,920

Other activities consist mainly of grants for other supportive services, case management, and operation and maintenance.

These activities are funded 100% with the Pamela Atkinson Homeless Trust Fund.

The supportive services program component allows recipients and subrecipients to provide services to homeless individuals and families not residing in housing operated by the recipient. Supportive service recipients and subrecipients may use the funds to conduct outreach to sheltered and unsheltered homeless persons and families, link clients with housing or other necessary services, and provide ongoing support. Supportive service projects may be offered in a structure or structures at one central site, or in multiple buildings at scattered sites where services are delivered.

Case management is an essential part of working with homeless individuals to help find and maintain housing, employment, and other services. Operation and maintenance grants go to help resource centers.

CHAPTER 9 DIVERSION

FY 2017 expenses: $243,620

Diversion is part of Unified Funding and paid 100% by the Temporary Assistance for Needy Families Grant.

Diversion is defined as the assistance of financial payment to meet immediate needs and divert homeless families with children seeking shelter to move toward housing stability.

Outcome: Percentage of households successfully diverted from entering shelter through placement to a superior housing alternative.
In FY17, 45% of families were successfully diverted from entering shelter through placement to a superior housing alternative.

CHAPTER 10 CONTINUUM OF CARE PLANNING

FY 2017 expenses: $75,192

The Continuum of Care (CoC) planning process is the process used by communities to apply for funding from HUD's Continuum of Care program. Through the CoC planning process, government agencies, service providers, advocates, and other stakeholders evaluate the needs of homeless people in the community, assess the performance of existing activities, and prioritize activities going forward. DWS has been granted the planning process role for the Balance of State Continuum of Care.

CHAPTER 11 TRANSITIONAL HOUSING

FY 2017 expenses: $20,794

Transitional Housing is part of Unified Funding and paid 100% by the Pamela Atkinson Homeless Trust Fund.

Transitional housing is designed to provide homeless individuals and families with the interim stability and support to successfully move to and maintain permanent housing. Transitional housing may be used to cover the costs of up to 24 months of housing with accompanying supportive services. Program participants must have a lease (or sublease) or occupancy agreement in place when residing in transitional housing.

There has been a shift in focus on a federal level to utilizing rapid rehousing as an effective response model rather than transitional housing. Transitional housing has been deemed as an appropriate response to domestic violence and chronic homelessness. Therefore, Utah has adopted the prioritization of rapid rehousing applications and fund transitional housing projects only when appropriate.

Outcome: Families and individuals who need more assistance than rapid re-housing offers and who do not qualify for permanent supportive housing receive transitional housing supports.
In FFY16, there was a 39% decrease in the number of individuals served with transitional housing services.

How We Are Paying For It

How does funding breakdown for the homeless between federal resources, state resources, county resources, and city resources? Or, who is paying what percentage of the total cost?

In cities and counties with more/more expensive homeless services (i.e. Salt Lake), will other cities or counties be paying to help for the extra services that will be required? Does the state give additional funding? Could you break down state spending on homelessness by county?

How do philanthropic contributions compare to government spending on homelessness in Utah?

DWS does not have access to the homelessness funding allocations for city and county budgets.

24. What is the largest fund or account from which resources are drawn to support the above expenditures and how big is it?
    a. In particular, break down resources from different Homeless-related Restricted Funds (and their past and current balances) vs the General Fund.

    b. How is TANF money employed on this issue (both through normal TANF expenditures allocated towards homelessness and TANF draw-down measures by DWS and the legislature for homelessness)?

25. What are the revenue sources for that fund or account and what are their relative shares?
26. Is the source one-time or ongoing and do ongoing sources match or exceed ongoing expenditures?
27. How has the source changed over time relative to expenditures and units of output?
28. Are there any outliers/anomalies in current or budgeted periods for this source?
29. Does source have unencumbered balances that relate directly to this function/organization? How have those balances changed over time?
30. What is a reasonable balance and Why?
31. Is the availability of sources (grants or previous "building blocks"), rather than mission or objective, driving expenditures?
32. Are other sources available to support the same expenditure?
33. How might you recommend this revenue category change based on the above?

Homelessness services administered by the Department of Workforce Services are funded primarily from the following sources:

- Temporary Assistance for Needy Families Block Grant
- Emergency Solutions Grants Program
- Pamela Atkinson Homeless Trust Fund
- Critical Needs Housing

Each of these funding sources is discussed below. Other than the monies collected through tax check-offs on individual income tax returns for the Pamela Atkinson Homeless Trust Fund, DWS does not collect any taxes or fees to support homelessness.

Temporary Assistance for Needy Families

The Temporary Assistance for Needy Families (TANF) block grant provides federal grants to the 50 states, the District of Columbia, American Indian tribes, and territories for a wide range of benefits, services, and activities. It is best known for helping states pay for cash welfare for needy families with children, but it funds a wide array of additional activities. States may use TANF and TANF maintenance-of-effort funds in any manner “reasonably calculated” to achieve TANF’s statutory purpose. This purpose is to increase state flexibility to achieve four goals: (1) provide assistance to needy families with children so that they can live in their own homes or the homes of relatives; (2) end dependence of needy parents on government benefits through work, job preparation, and marriage; (3) reduce out-of-wedlock pregnancies; and (4) promote the formation and maintenance of two-parent families. The TANF program is authorized under Title IV-A of the Social Security Act, as amended by the Personal Responsibility and Work Opportunity

Reconciliation Act of 1996 (PRWORA) (Pub. L. No. 104-193), and subsequent amendments thereto, and ARRA, and is codified at 42 USC §§601-619. The governing regulations for States are those in 45 CFR §§260-265.

TANF Expenditures in FY 2017:

- Homeless Children Supplemental Education Funding: $264,743
- Homeless to Housing Reform Restricted Account (emergency shelter, diversion, rapid re-housing, and permanent housing services): $1,784,565
- Rapid Re-housing: $2,446,893

The Department of Workforce Services expects that TANF base grant (i.e., non-reserve fund) spending in the current and subsequent years will essentially match available revenue sources. TANF base grant spending for fiscal year 2018 is budgeted at $70,051,000 compared to available federal and state funding for the same time period of $69,840,743. In addition to the base grant expenditures, the Department anticipates spending approximately $30,874,000 in TANF reserve funds during fiscal year 2018 for total projected TANF expenditures of $100,925,000 for the year. The Department was appropriated $102,131,100 in TANF spending authority for fiscal year 2018.

Emergency Solutions Grants Program

The Emergency Solutions Grants (ESG) Program provides grants to states, metropolitan cities, urban counties, and territories for (1) the rehabilitation or conversion of buildings for use as emergency shelter for the homeless, (2) the payment of certain expenses related to operating emergency shelters, (3) essential services related to emergency shelters and street outreach for the homeless, and (4) homelessness prevention and rapid re-housing assistance. States must subgrant all of their grant funds (except for funds for administrative costs and, under certain conditions, Homeless Management Information Systems (HMIS) costs) to (1) units of general purpose local government in the State (including metropolitan cities and urban counties that receive direct ESG Program grants from HUD); and (2) private non-profit organizations (provided that, for emergency shelter activities, the State obtains approval from the local government for the geographic area in which those activities are to be carried out). Each recipient must consult with the Continuum(s) of Care operating within the jurisdiction in determining how to allocate ESG Program funds. States must match the funding provided by HUD under its ESG Program with an equal amount from sources other than those provided under the ESG Program, with the exception of the first $100,000 of the grant which is exempt from matching (24 CFR §576.201). The ESG Program is authorized under Title IV, Subtitle B of the McKinney-Vento Homeless Assistance Act, as amended (42 USC §§11371-11378). Implementing regulations are at 24 CFR §576.

The federal award to the State of Utah for the ESG Program for federal fiscal year 2016 was $1,239,222. The Department of Workforce Services was appropriated $1,239,200 in federal funds spending authority for the ESG Program for FY 2017. Actual ESG Program expenditures in FY 2017 were $1,191,837. The Department expects that ESG Program spending in the current and subsequent years will match available revenue sources.

Pamela Atkinson Homeless Trust Fund

The Pamela Atkinson Homeless Trust Fund (PAHTF) is authorized by *Utah Code* §§35A-8-602, -603 and 59-10-1306 and is the primary mechanism of the State of Utah to deliver core funding to assist nonprofit agencies serving the homeless population. Revenue sources for the PAHTF are Legislative appropriations to the Pamela Atkinson Homeless Restricted Account and general fund appropriations to the Homeless

Coordinating Committee, tax check-offs on individual income tax returns, and interest earnings. Thirty-five agencies statewide received funding from PAHTF during fiscal year 2017 to support homeless services. A critical component of fund utilization is to leverage dollars to the greatest extent possible. Nearly all homeless service providers within the state use funds from PAHTF or use funds that are leveraged with PAHTF dollars. PAHTF is the source of the state match for the federal Emergency Solutions Grants (ESG) Program, which provides an additional $1.3 million in federal funding to support homeless programs. In addition, PAHTF is carefully deployed to maximize the more than $10 million in U.S. Department of Housing and Urban Development Continuum of Care funding for which nonprofit homeless service providers can qualify. In addition to maximizing leveraging opportunities, Utah has made a concerted effort to house the chronically homeless population in Permanent Supportive Housing. Those who are chronically homeless have been homeless longer than a year or have had four episodes within three years that cumulatively total longer than a year of homelessness and have a disabling condition. Research locally and nationally has found that placing these individuals in Permanent Supportive Housing is a more cost effective solution while achieving greater qualitative outcomes for those served.

The Department of Workforce Services was appropriated $2,451,400 in spending authority for the PAHTF for FY 2017. Actual PAHTF expenditures in FY 2017 were $2,167,130. The amount expended was less than the amount appropriated for FY 2017 because the spending authority for the Pamela Atkinson Homeless Restricted Account for FY 2017 exceeded the amount of available funds in the restricted account. At year end, unspent restricted funds lapse back to the restricted account.

Critical Needs Housing

Critical Needs Housing is a grant program funded by a general fund appropriation from the Legislature for special housing purposes within the State. Eligible activities include emergency home repair, grants to leverage housing monies, accessibility design for disabled individuals, technical assistance to help write housing grants for rural agencies, down payment assistance for special needs rental projects, and other projects that create housing for homeless households. All funds must be used to serve those whose income is at or below 125% of the Federal Poverty Guidelines.

The Department of Workforce Services was appropriated $552,900 in spending authority for Critical Needs Housing for FY 2017. Actual expenditures in FY 2017 were $552,900.

Do We Balance?

Questions

34. What are total expenditures and total sources? Do they equal one another?
35. Have all appropriated or authorized resources been expended at year-end?
36. How have nonlapsing appropriation balances (if any) changed over time?
37. Are fees or taxes supporting a function and are those fees or taxes reasonable?
38. Are there significant risk associated with this organization/function, if so, are there proper controls in place?

REPEAT 5-38 FOR EACH ORGANIZATION WITHIN A FUNCTION

See response in the paragraphs above.