Homeless Services Department

FY 2027 Input Session

Provider Conference

Agenda

1. **Welcome** (05 min.)

2. **Budget Context** (15 min.)

3. **Group & Individual Input Activity** (50 min.)

4. **Next Steps** (10 min.)

Homeless Services
Department

Context Setting

- **Department Budget Policy Goals**
  - **Factors that informed goals**
- **Revenue outlook**
- **Budget timelines**

Homeless Services
Department

Department Budget Policy Goals (FY 26)

1. **Keep People Housed**

2. **Sustain Shelter Units**

3. **Prioritize Housing Placements**

4. **Add shelter units under the Community Sheltering Strategy**

Continued focus on Priority Populations and Reducing Disparities

Homeless Services
Department

FY 2026 Budget Journey

- HSD cut $34M During the FY 2026 Budget Process

- Currently in a process to problem-solve for an additional $28M Gap in state funding

- Anticipate more reductions in FY 2027 because...

Homeless Services Department

HSD Funding Context

Early Stages (COVID-19 and SHS Launch)

- Ramping up services due to COVID-19 and the start of SHS.
- Initial 3 years of SHS saw underspending and unanticipated revenue, leading to large year-over-year carryover
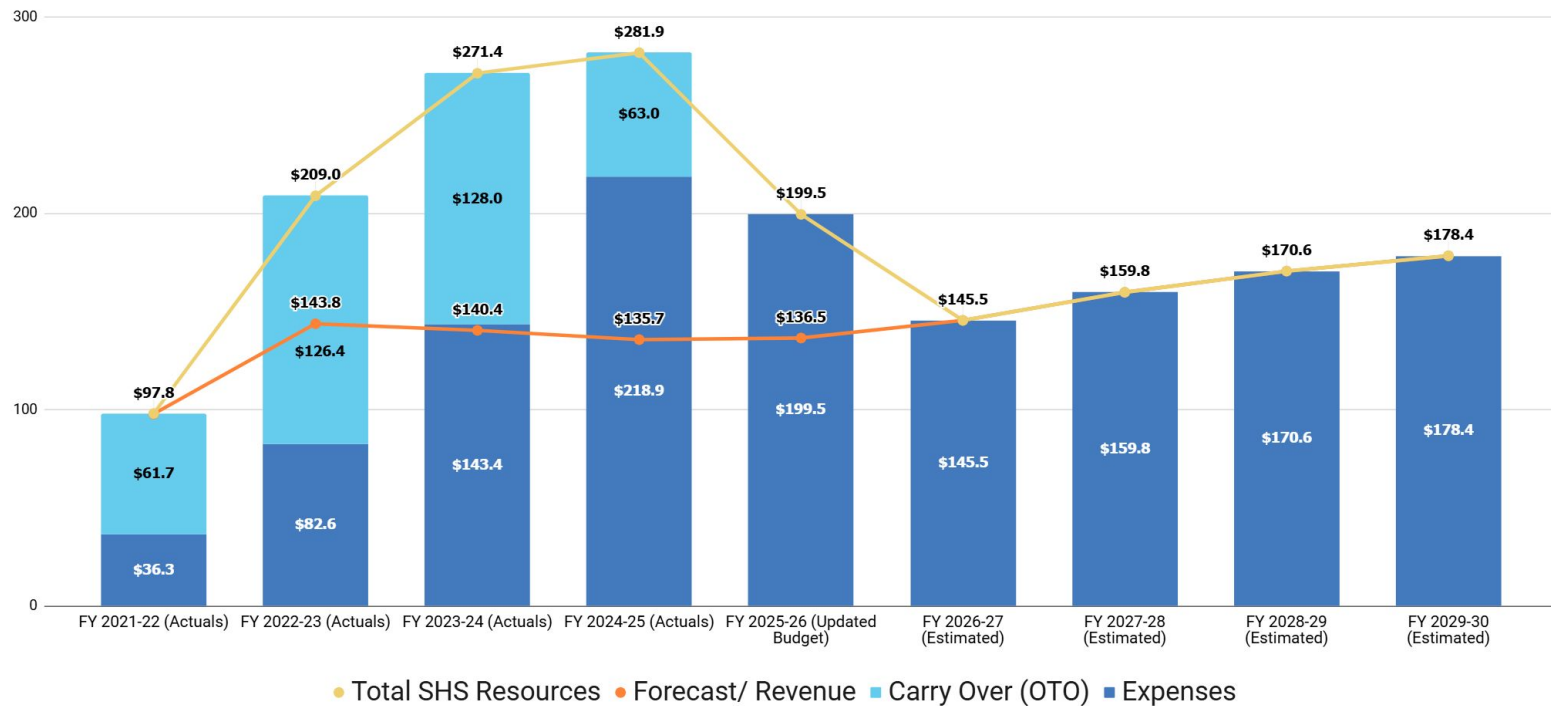
Strategic Focus & Service Expansion

- A focus to prioritize spending on services and expansion in:
  - Shelter
  - Placement out of Shelter

Homeless Services
Department

HSD Funding Context

Current & Future Outlook

- The system has now fully ramped up and spending is happening as expected
- The SHS forecast for FY 2025 and FY 2026 was reduced by 14% both years.
- Potential adjustment to the SHS forecast and 3 year replenishment plan for reserves
- The carryover funds are gone by FY 2027, leaving only ongoing SHS funding.
- **Not enough funding to sustain the system**

Homeless Services
Department

HSD Funding Context

Chart: "HSD Funding Context"

Legend: ● Total SHS Resources ● Forecast/ Revenue ■ Carry Over (OTO) ■ Expenses

Fiscal Year	Total SHS Resources	Forecast/ Revenue	Carry Over (OTO)	Expenses
FY 2021-22 (Actuals)	$97.8		$61.7	$36.3
FY 2022-23 (Actuals)	$209.0	$143.8 / $126.4	$126.4	$82.6
FY 2023-24 (Actuals)	$271.4	$140.4	$128.0	$143.4
FY 2024-25 (Actuals)	$281.9	$135.7	$63.0	$218.9
FY 2025-26 (Updated Budget)	$199.5	$136.5		$199.5
FY 2026-27 (Estimated)	$145.5	$145.5		$145.5
FY 2027-28 (Estimated)	$159.8			$159.8
FY 2028-29 (Estimated)	$170.6			$170.6
FY 2029-30 (Estimated)	$178.4			$178.4

HSD Funding Context

- HSD anticipates reduction in funding:

  - Reduction of **$63M** in one-time-only SHS carryover
  - Reduction of **$20M** in one-time-only FY 2026 state backfill
  - **Only on-going SHS funding available in FY 2027**
  - Less State funding for the biennium
  - Impact of the local economy on both City and County general fund
  - Potential federal impacts directly or indirectly

- HRAP 2.0 and SHS Reform impact on FY 2027

- **Review and recommend core services and HSD's role to support a holistic system in a constrained resource environment (match to KPIs)**

Group Activity

- **Introductions**

- **Rounds of questions and report outs**

- **Individual responses collected**

Homeless Services Department

Round 1 Questions (10 minutes)

- **How do the policy goals align with your organization's MVV (Mission, Vision and Values)?**

- **Looking at the priorities, would you change the order? Is anything missing?**

Budget Policy Goals

- Keep people housed;
- Sustain shelter units
- Priotrize housing placement
- Add shelter units the Community-wide Shelter Strategy

Homeless Services Department

Round 1 Report Out (5 minutes)

- **Selected Group:**

  Please provide a summary of the group responses by highlighting 2-3 common themes

Homeless Services
Department

Round 2 Questions (10 minutes)

- **From the perspective of your community and/or those you serve,**

  - **What critical contextual factors or equity considerations do you think should be applied when making budget and resource decisions?**

  - **What additional priorities should be considered to support these policy goals?**

Budget Policy Goals
- Keep people housed;
- Sustain shelter units
- Priortize housing placement
- Add shelter units the Community-wide Shelter Strategy

Homeless Services Department

Round 2 Report Out (5 minutes)

- **Selected Group:**

  Please provide a summary of the group responses by highlighting 2-3 common themes

Homeless Services
Department

Round 3 Question (10 minutes)

What challenges or barriers might prevent your organization from achieving these goals?

Budget Policy Goals

- Keep people housed;
- Sustain shelter units
- Priotrize housing placement
- Add shelter units the Community-wide Shelter Strategy

Homeless Services Department

Round 3 Report Out (5 minutes)

- **Selected Group:**

  Please provide a summary of the group responses by highlighting 2-3 common themes

Activity Wrap Up

Give your written responses to the staff person at the door when you leave.

You may also complete the online survey or submit your written feedback at our Business Services or registration table.

Next Steps

- **Additional opportunities for input:**
  - **Survey**
  - **Public board sessions**
- **What will happen with the input you provided**

Homeless Services Department