



Finance Committee

Update on Housing and Homeless Response Expenditures

Agenda Date: 4/29/2020
Agenda Item Number: 6.B
File Number: 20-0344

Type: information **Version:** 1 **Status:** Filed

Title

Update on Housing and Homeless Response Expenditures

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Receive an update on the City's housing and homeless response program expenditures. Briefing only; No action requested.

Report

Issue:

Whether to receive a briefing on the Housing and Homeless Response Program's expenditures.

Staff Contact:

Keith Stahley, Interim Assistant City Manager, Executive Office, 360.753.8227

Presenter(s):

Keith Stahley, Interim Assistant City Manager

Cary Retlin, Home Fund, Housing and Homeless Response Program Manager

Nanci Lien, Fiscal Services Director

Background and Analysis:

The City's Housing and Homeless Response Program is still forming, and, given the dynamic nature of the City's housing and homelessness crisis, it remains a work in progress. Staff will provide the Finance Committee with an overview of its funding sources and key expenditures.

While revenues that support the program are likely to be reduced over the coming months, it is very likely that there will be additional demands on the program and staff.

The 2020 program budget included \$2,432,135 in operating funds and an additional \$1,561,310 in capital funds. Revenues were drawn from a variety of sources including the Home Fund, 1406 Sales and Use Tax and Utility Tax. An interfund loan of \$990,000 comprises the balance of funding. Funds

associated with sales and use tax are likely to see substantial reductions of at least 20 percent. Additionally, the Evergreen Christian Church is not able to continue to fund the City's Homeless Response Coordinator position resulting in approximately a \$100,000 reduction in program revenues.

Key program expenditures include program staff, Rapid Response Team, secure storage, mitigation site operations, faith community partnerships, Community Youth Services 24/7 operations and Plum Street Village operations.

Thus far, the federal government has provided a total of \$237,000 in direct aid to the City of Olympia. The CARES Act included approximately \$5 billion in additional Community Development Block Grant program support. The initial allocation from HUD was part of a \$2 billion disbursement to entitlement communities across the country. While the remaining \$3 billion has yet to be distributed, it seems unlikely that the city will fully recover all reductions in program revenue from federal sources. Including the CDBG-CV allocation, there is approximately \$1,117,000 in CDBG funds available for program and community support.

Neighborhood/Community Interests:

Housing and homelessness response are issues of interest to the entire community.

Options:

Receive report and provide feedback and direction to staff.

Financial Impact:

To be determined.

Attachments:

Spreadsheet of major program revenues and expenses.